



# COUNTY OF TULARE

## BOARD OF RETIREMENT

**Leanne Malison**  
Retirement Administrator

136 N AKERS STREET  
VISALIA, CALIFORNIA 93291

TELEPHONE (559) 713-2900  
FAX (559) 730-2631  
[www.tcera.org](http://www.tcera.org)

**AGENDA OF THE BOARD OF RETIREMENT**  
**REGULAR RETIREMENT BOARD MEETING**  
**Wednesday, June 9, 2021 at 8:30 a.m.**  
TCERA Board Room, 136 N. Akers Street, Visalia, CA 93291

### **NOTICE OF TEMPORARY PROCEDURES FOR BOARD OF RETIREMENT MEETINGS**

On March 17, 2020, California Governor Gavin Newsom issued Executive Order N-29-20, relating to the convening of public meetings in light of the COVID-19 pandemic. The Tulare County Employees' Retirement Association (TCERA) hereby provides notice that it will continue to convene its regularly scheduled public meetings of the Board of Retirement in the Board Room at 136 N. Akers Street, Visalia, as provided in the publicly posted agenda notice, and until further notice.

Persons who wish to address the Board of Retirement during public comment or regarding an item that is on the agenda may address the Board of Retirement in person at the meeting. Members of the public may also submit public comment via email to [BORPublicComment@tcera.org](mailto:BORPublicComment@tcera.org) before the meeting. The comments received via email before the meeting will be read to the Board of Retirement in open session during the meeting as long as the comments meet the requirements for Public Comments as posted in the agenda. Persons wishing to listen to the meeting and/or participate in public comment remotely may call the TCERA Office during regular business hours (Monday through Friday, 8:00 a.m. to 5:00 p.m.) within 48 hours of the meeting at 559-713-2900 for login information. 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).)

***As a courtesy to those in attendance, all individuals are requested to place cell phones and other electronic devices in the non-audible alert mode.***

#### **I. CALL TO ORDER**

#### **II. ROLL CALL**

#### **III. PLEDGE OF ALLEGIANCE**

#### **IV. PUBLIC COMMENT**

At this time, members of the public may comment on any item not appearing on the agenda. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the item comes up for Board consideration. Any person addressing the Board will be limited to a maximum of five (5) minutes so that all interested parties have an opportunity to speak. Please state your name for the record.

## **V. X-AGENDA ITEMS**

## **VI. CONSENT CALENDAR**

1. Approve Minutes of the following meetings:
  - a. Retirement Board Minutes of May 26, 2021.
2. Approve payments to:
  - a. BlackRock – invoice for investment management services in the amount of \$33,367.56 for the quarter ended March 31, 2021.
  - b. Waddell & Reed – invoice for investment management services in the amount of \$107,328.11 for the quarter ended March 31, 2021
  - c. BNY Mellon – invoice for master trust custodial services in the amount of \$82,280.33 for the quarter ended March 31, 2021.
3. Pension Board Reports and Actions
  - a. Ratify Retirement Administrator actions regarding Retirement Application approvals and Option Selections for the month of May 2021.
  - b. Approve Reports regarding Retirement Applications, Option Selections and Deceased Pensioners and 30-Year Members for the month of May 2021.
  - c. Approve reinstatement of deferred status and contributions for member in unclaimed status – Angela M. Trauth.

## **VII. ADMINISTRATIVE COMMITTEE REPORT**

1. Update by Dave Kehler regarding the Administrative Committee meeting of May 26, 2021.  
Discussion and possible action regarding the following items:
  - a. TCERA and TCERA Property, Inc. Financial Statements – April 30, 2021.
  - b. Fiscal Year 2021-2022 TCERA and TCERA Property, Inc. Administrative Budget – Final.
  - c. County Counsel Invoices – Payment Authorization Procedures.

## **VIII. INVESTMENTS**

1. Presentation from Boston Partners regarding TCERA's allocation to large cap value equity investments. Discussion and possible action.
2. Presentation from SGA regarding TCERA's allocation to international growth equity investments. Discussion and possible action.
3. Discussion and possible action regarding TCERA's strategic investment allocation and investment managers, including performance, contracts, and fees.

## **IX. NEW BUSINESS**

1. Demonstration of TCERA's updated website.

## **X. EDUCATION ITEMS**

1. Discussion and possible action regarding Summary Education Reports as filed:
  - a. Jim Young – Invesco Market Pulse with Kristina Hooper, May 20, 2021, 30 minutes.
  - b. Leanne Malison – SACRS Virtual Spring Conference, May 12 – 14, 2021, 13 hours.
  - c. Leanne Malison – Hanson Bridgett (Board Counsel) – Public Sector Plan Fiduciaries 2021 Update, May 25, 2021, 1 hour.
  - d. Leanne Malison – BlackRock Future Forum – China: The Evolving Investment Landscape, June 2, 2021, 1 hour.
2. Discussion and possible action regarding available educational events.

## **XI. COMMUNICATIONS**

1. Treasurer's Quarterly Investment Report, Quarter Ending March 31, 2021.

## **XII. UPCOMING MEETINGS**

1. Investment Committee Meeting, June 9, 2021, 10:30 a.m.
2. Board of Retirement Meeting, June 23, 2021, 8:30 a.m.
3. Administrative Committee Meeting, June 23, 2021, 10:30 a.m.

## **XIII. TRUSTEE/STAFF COMMENTS**

Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time.

## **XIV. ADJOURNMENT**

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Secretary of the Board of Retirement at (559) 713-2900. Notification 48 hours prior to the meeting will help enable staff to make reasonable arrangements to ensure meaningful access. Documents related to the items on this Agenda submitted after distribution of the Agenda packet are available for public inspection at TCERA, 136 N. Akers Street, Visalia, CA. during normal business hours.*



# COUNTY OF TULARE

## BOARD OF RETIREMENT

**Leanne Malison**  
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### MINUTES OF THE BOARD OF RETIREMENT REGULAR RETIREMENT BOARD MEETING Wednesday, May 26, 2021 at 8:30 a.m. TCERA Board Room, 136 N. Akers Street, Visalia, CA 93291

#### I. CALL TO ORDER

The meeting was called to order at 8:30 a.m. by Wayne Ross, Chair.

#### II. ROLL CALL

Voting Trustees Present:	Cass Cook, Laura Hernandez, Wayne Ross, Gary Reed, Jim Young, Dave Kehler, Pete Vander Poel, Nathan Polk (departed 10:30 a.m.)
Alternate Trustees Present:	Paul Sampietro
Alternate Trustees Participating	
Remotely:	George Finney
Alternate Trustees Absent:	David Vasquez
Staff Members Present:	Leanne Malison, Retirement Administrator Mary Warner, Assistant Retirement Administrator
Board Counsel Participating	
Remotely:	Jennifer Shiffert and Aaron Zaheen, Deputy County Counsel
Consultants Present:	Scott Whalen and Mike Kamell, Verus

#### III. PLEDGE OF ALLEGIANCE

#### IV. PUBLIC COMMENT

At this time, members of the public may comment on any item not appearing on the agenda. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the item comes up for Board consideration. Any person addressing the Board will be limited to a maximum of five (5) minutes so that all interested parties have an opportunity to speak. Please state your name for the record.

None

#### V. X-AGENDA ITEMS

None

#### VI. DISABILITIES

1. Closed session to be held regarding disability matters listed on this agenda.

Closed session was held from 8:33 to 8:38 a.m. regarding the disability matters listed on this agenda.

2. In the matter of the disability application of Sean Woods, consider and take action regarding the application for a disability retirement.

Motion to grant a Service Connected Disability Retirement. Based on the medical evidence submitted, the applicant has met the burden of proof on the question of permanent disability and the question of job causation.

Motion: Hernandez  
Second: Cook  
Motion passed unanimously.

3. In the matter of the disability application of Myrna Ramos, consider and take action regarding the Hearing Officer's Proposed Decision

Motion to accept and adopt the Hearing Officer's Proposed decision to deny the Service Connected Disability Retirement.

Motion: Vander Poel  
Second: Young  
Motion passed unanimously.

4. Accept as filed the Disability Status Report Overview.

## **VII. LEGAL REPORT**

1. Accept as filed the County Counsel Case Status Report

## **VIII. CONSENT CALENDAR**

1. Approve Minutes of the following meetings:

- a. Retirement Board Minutes of April 28, 2021.
- b. Retirement Board Minutes of April 29, 2021.

2. Approve payments to:

- a. Franklin Templeton – invoice for investment management services in the amount of \$89,707.25 for the quarter ended March 31, 2021.
- b. State Street Global Advisors – invoice for investment management services (Russell Small Cap Completeness) in the amount of \$5,734.84 for the quarter ended March 31, 2021.
- c. State Street Global Advisors – invoice for investment management services (S&P 500 Flagship) in the amount of \$10,249.14 for the quarter ended March 31, 2021.
- d. State Street Global Advisors – invoice for investment management services (MSCI ACWI) in the amount of \$20,007.96 for the quarter ended March 31, 2021.
- e. William Blair – invoice for investment management services in the amount of \$81,249.99 for the quarter ended March 31, 2021.
- f. Boston Partners – invoice for investment management services in the amount of \$82,063.87 for the quarter ended March 31, 2021.
- g. LMCG – invoice for investment management services in the amount of \$76,513.05 for the quarter ended March 31, 2021.
- h. Verus – invoice for investment consulting services in the amount of \$20,169.23 for the month ended April 30, 2021.
- i. Brown Armstrong – invoice TCERA Property, Inc. tax preparation in the amount of \$342.50.

3. Pension Board Reports

- a. Ratify Retirement Administrator actions regarding Retirement Application approvals and Option Selections for the month of April 2021.

- b. Approve Reports regarding Retirement Applications, Option Selections and Deceased Pensioners and 30-Year Members for the month of April 2021.

Motion to approve the Consent Calendar as presented.

Motion: Vander Poel

Second: Young

Motion passed unanimously.

## **IX. ADMINISTRATIVE COMMITTEE REPORT**

1. TCERA and TCERA Property, Inc. Financial Statements – February 28, 2021 and March 31, 2021. Discussion and possible action.

Mr. Kehler reported that the Committee reviewed the financial statements.

Motion to approve the February 28, 2021 and March 31, 2021 TCERA and TCERA Property, Inc. Financial Statements as presented.

Motion: Kehler

Second: Young

Motion passed unanimously.

2. Fiscal Year 2021-2022 TCERA and TCERA Property, Inc. Draft Administrative Budget. Discussion and possible action.

Mr. Kehler reported that this is the first draft of the budget. The final numbers will be presented next month.

3. TCERA's Actuarial Services. Discussion and possible action.

Mr. Kehler reported that the contract with Cheiron for actuarial services expires on June 30, 2021. The Committee directed staff to obtain one-year and three-year extension proposals from Cheiron as well as a proposal for actuarial audit services for consideration.

## **X. INVESTMENT COMMITTEE REPORT**

1. Update by Gary Reed regarding the Investment Committee meeting of April 14, 2021. Discussion and possible action regarding the following items:

- a. Asset Allocation Status

Mr. Reed informed the Board that the report was reviewed and that Ms. Malison indicated that the requested rebalancing activity would be completed by April 30<sup>th</sup>. Ms. Malison confirmed that the rebalancing is complete.

- b. 2021 Investment Committee Goals and Objectives Timeline and 2021 Education Calendar

Mr. Reed reported that the Committee reviewed the updated reports.

- c. Index Fund Review

Mr. Kamell reviewed the information that Verus compiled regarding index funds available for TCERA investment. The Committee reviewed the options and discussed the fee differences,

the inclusion of securities lending, and the cost associated with a transition to a new manager. The Committee recommends moving to the State Street (SSgA) index funds that allow securities lending.

Motion to accept the fee reduction associated with SSgA index funds that include securities lending, instruct SSgA to transition TCERA's investments to such funds, and authorize Staff to execute an amendment to the Participation Agreement to that effect.

Motion: Reed

Second: Vander Poel

Motion passed unanimously.

The Board directed Staff to place an item on a future Investment Committee agenda to discuss how often fees should be formally reviewed by the Investment Consultant. The Committee also requested education regarding securities lending at a future Board meeting.

d. Active Manager Expense Review

Mr. Kamell reviewed the recommendation associated with Verus' analysis of TCERA's active manager fees, including fee reductions already negotiated with some TCERA managers. Franklin Templeton and PGIM are in the high range in comparison to their peers and warrant discussion with the managers.

Motion to direct Verus to review fee structures with Franklin Templeton and PGIM.

Motion: Reed

Second: Hernandez

Motion passed unanimously.

e. Active/Passive Investment Allocation Review

Mr. Reed reported that the Committee reviewed the analysis prepared by Verus and recommend moving to a 50% Active/50% Passive domestic equity target portfolio. No changes to managers are recommended at this time.

Motion to authorize Staff to work with Verus to transition the domestic equity portfolio to 50% active/50% passive investments.

Motion: Kehler

Second: Reed

Motion passed unanimously.

f. Investment Managers

1) Verus Flash Report – All Managers – No action.

2) Managers of Interest

a) Franklin Templeton – Manager Review – No action.

b) Sixth Street – Dyal Capital Partners – No action.

g. Standard Questions for Investment Consulting RFP Finalist Presentations

Mr. Reed reported that the guidance regarding preparing questions was given to Staff and the standard questions were asked of each firm during their recent presentations.

## **XI. INVESTMENTS**

1. Presentation from Verus regarding TCERA's March 31, 2021 Investment Performance Report. Discussion and possible action.

Mr. Whalen and Mr. Kamell reviewed the performance report including a review of current market conditions and TCERA's investment performance as of March 31, 2021.

2. Presentation from Verus regarding TCERA's Asset/Liability Study. Discussion and possible action.

Mr. Whalen reviewed the Asset/Liability Study presentation materials. Extensive discussion followed regarding the Board's risk tolerance and both the Board's and the County of Tulare's appetite for additional risk in the portfolio. The relative financial health of the plan sponsor and the funding status of the plan allow for consideration of a moderate increase in risk in TCERA's investment portfolio. The Board directed Verus to prepare some options with somewhat higher risk than the current portfolio for further consideration. The information will be reviewed at a future meeting.

3. Presentation from Verus regarding TCERA's Strategic Asset Allocation Review. Discussion and possible action.

Discussion regarding this item was included in the Asset/Liability Study review.

4. Discussion and possible action regarding Amendment to the Participation Agreement with State Street Global Advisors Trust Company.

Ms. Malison informed the Board that this item was placed on the agenda pursuant to the recommendation by the Investment Committee previously discussed.

Motion to approve the Amendment to the Participation Agreement with State Street Global Advisors Trust Company as presented.

Motion: Kehler

Second: Vander Poel

Motion passed unanimously, absent Polk

5. Discussion and possible action regarding TCERA's strategic investment allocation and investment managers, including performance, contracts, and fees.

No discussion or action.

## **XII. NEW BUSINESS**

1. Discussion and possible action regarding addition of new TCERA staff position – Retirement Specialist I.

Ms. Malison reported that because of unanticipated staffing issues, Staff is requesting the addition of a Retirement Specialist I position. Request for this position had been planned for fiscal year 2022/2023 but recent events have made it necessary to move up the timing of the personnel change.

Motion to approve the addition of one new Retirement Specialist I position.

Motion: Hernandez

Second: Cook

Motion passed unanimously, absent Polk



2. Discussion and possible action regarding Resolution Ordering Board of Retirement Trustee Election – Second Member Position (General Member Representative), Seventh Member (Safety Member Representative), and Seventh Member Alternate (Alternate Safety Member Representative).

Ms. Malison reported that 2021 elections are required for these seats. According to Board policy, the election day will be December 7, 2021 upon approval by the Board. She also reminded the Board that a special election for the second member position vacancy is currently in progress and will take place in July. That seat will be up for re-election for the term beginning January 1, 2022 and is included in this resolution.

Motion to approve the Resolution Ordering Board of Retirement Trustee Election as presented.

Motion: Kehler

Second: Young

Motion passed unanimously, absent Polk

3. Discussion and possible action regarding Cheiron Agreement for Actuarial Services.

Ms. Malison reported that Cheiron submitted one-year and three-year proposals for the extension of the agreement for actuarial services as requested by the Administrative Committee.

Motion to accept the three-year proposal from Cheiron and authorize Staff to execute an amendment to the existing agreement pursuant to this action.

Motion: Reed,

Second: Hernandez

Motion passed unanimously, absent Polk

4. Discussion and possible action regarding an actuarial audit.

Ms. Malison reported that Roeder Financial submitted a proposal for an actuarial audit as requested by the Administrative Committee. Due to the three-year extension of the actuarial agreement with Cheiron, the Board considers it prudent to have the actuarial process reviewed by an independent actuary.

Motion to accept the proposal from Roeder Financial for an actuarial audit and authorize Staff to enter into an agreement for services pursuant to this action.

Motion: Reed

Second: Kehler

Motion passed unanimously, absent Polk

5. Update regarding COVID pandemic status – impact on TCERA office and board meetings.

Ms. Malison informed the Board that she expects lessening and/or elimination of some COVID restrictions as of June 15<sup>th</sup> pursuant to Governor Newsom's expected announcement on that date. She reminded the Board, however, that CalOSHA requirements apply to TCERA employees and restrictions imposed by that entity may not be adjusted immediately. TCERA will follow the guidance provided by Tulare County Human Resources & Development regarding any required restrictions. She also indicated that the June 15<sup>th</sup> announcement is not expected to completely remove the emergency order that temporarily lifted some of the Brown Act's requirements for Board meetings. She reminded the Board that when that order is lifted, the original Brown Act requirements will be restored.

### **XIII. EDUCATION ITEMS**

1. Discussion and possible action regarding Summary Education Reports as filed:
  - a. Jim Young – PIMCO Economic Outlook, April 7, 2021, 1 hour.
  - b. Jim Young – BlackRock Future Forum, April 20, 2021, 1.5 hours.
  - c. Leanne Malison – PIMCO Webinar, Dealing with an Inflation Head Fake, April 7, 2021, 1.25 hours.
  - d. Leanne Malison – BlackRock Future Forum: Sustainability: The Path to Net Zero, April 20, 2021, 1.5 hours.
  - e. Leanne Malison – Verus Second Quarter Conference Call/Webinar, April 27, 2021, 1 hour.
  - f. Mary Warner – BlackRock Future Forum Virtual Event, April 20, 2021, 1.5 hours.
  - g. Mary Warner – Verus Second Quarter Investment Landscape Webinar, April 27, 2021, 1 hour.

Motion to approve Summary Education Reports as filed.

Motion: Kehler

Second: Cook

Motion passed unanimously, absent Polk

2. Discussion and possible action regarding available educational events.

No discussion or action.

### **XIV. COMMUNICATIONS**

1. SACRS Legislative Update – May 6, 2021.

### **XV. UPCOMING MEETINGS**

1. Board of Retirement Meeting June 9, 2021, 8:30 a.m.
2. Investment Committee Meeting June 9, 2021, 10:30 a.m.
3. Board of Retirement Meeting June 23, 2021, 8:30 a.m.
4. Administrative Committee Meeting June 23, 2021, 10:30 a.m.

### **XVI. TRUSTEE/STAFF COMMENTS**

Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time.

Ms. Hernandez requested consideration of continued remote access to Board meetings for members of the public after the Brown Act requirements are restored. Ms. Malison indicated that she will be requesting guidance from the Board at that time regarding access and live-streaming of TCERA's Board and Committee meetings for the public.

Mr. Ross authorized 3.5 hours of continuing education for today's investment matters.

### **XVII. ADJOURNMENT**

The meeting was adjourned at 12:30 p.m.

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Wayne Ross, Chair



40 East 52nd Street  
New York, NY 10022  
Tel (212) 810-5300  
www.blackrock.com

Frank Martin  
Tulare County Employees' Retirement Association  
136 North Akers Street  
Visalia, CA 93291-5121  
United States

Invoice Date 30 Apr 2021  
Tax Point 30 Apr 2021  
Invoice Number 20210331-608-A  
Client VAT Number  
Client Invoice Code 8145

#### TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

Fee for the period 01 Jan 2021 to 31 Mar 2021

Total Base Fee	USD	32,266.56
Total Performance Fee	USD	1,101.00
<b>Total Amount Due</b>	<b>USD</b>	<b>33,367.56</b>

**Please wire payment to our bank account:**

JP Morgan Chase Bank  
ABA Number: 021000021  
Bank Account Number: 323-045448  
Credit: BlackRock Financial Management, Inc.  
Please quote your invoice number (eg. YYYYMMDD-XXXX-X) if your invoice is not  
settled by Direct Debit

**Or mail payment to:**

BlackRock Financial Management, Inc.  
P.O. Box 978884  
Dallas, TX 75397-8884  
United States

Should you have any questions, please contact us at 1-800-777-8389 Option 3 or [AMRSCClientServices@BlackRock.com](mailto:AMRSCClientServices@BlackRock.com)

CHECKED:

CS 5/6/21  
Initial Date

VERIFIED:

CS 5/20/21  
Initial Date

APPROVED:

\_\_\_\_\_  
Initial Date

PAID:

\_\_\_\_\_  
Wired Date



Invoice No. :	307271
Invoice Date :	04/26/2021
Terms :	Due Upon Recpt
Customer No. :	1256

**Bill To:**

Tulare County E.R.A.  
Ms. Leanne Malison  
136 N. Akers Street  
Visalia, CA 93291

**Remit To:**

Bank: UMB Kansas City ABA: 101000695  
Beneficiary's Name: Ivy Investment Mgmt Co  
Beneficiary's Account Number: 9871404617  
Beneficiary's Address: 6300 Lamar Avenue,  
Attn: Corporate Treasury Dept  
Shawnee Mission, KS 66201-9217

339 - Tulare County Employees Retirement Association

Line #	Description	Amount
1	Investment Management Fees for the First Quarter of 2021	107,328.11

Total	107,328.11
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**CHECKED:**

JS  
Initial

4/28/21  
Date

**VERIFIED:**

CS  
Initial

5/24/21  
Date

**APPROVED:**

\_\_\_\_\_  
Initial

\_\_\_\_\_  
Date

**PAID:**

\_\_\_\_\_  
Wired

\_\_\_\_\_  
Date

If you have questions regarding this invoice, or if we might be of assistance, please contact Caroline Mullen-Brown at 913-236-1961



BNY MELLON

240 Greenwich Street  
New York, NY 10286

TULARE COUNTY EMPLOYEES RETIREMENT ASSOC  
136 N. AKERS ST  
VISALIA, CA 93291  
UNITED STATES

Invoice Number: 111-2021-0016651

Date: May 18, 2021

Billing Period: January 1, 2021 to March 31, 2021

Invoice Group: TULF000000A

""

Page 1 of 8

Invoice Summary  
Total Fees Summary

Any questions regarding this bill should be directed to your  
Relationship Mgr./Client Admin: Christie Daniels

Opening Balance as of 01-Mar-21:	81,063.70	USD
Payments/Adjustments:	(81,063.70)	
Current Invoice:	<u>82,280.33</u>	
Ending Balance as of 6-May-21:	82,280.33	USD

Current Billing Period:

Fees

Asset Administration	15,634.33
Ancillary Services	9,812.50
Structural Administration	12,312.50
Transactions	44,521.00
Total USD	<u>82,280.33</u>

Current Period Subtotal:	<u>82,280.33</u>	USD
Current Period VAT*	<u>0.00</u>	USD
Current Period Total:	<u>82,280.33</u>	USD
Current Period Total in Remittance Currency:	<u>82,280.33</u>	USD

within contract  
ols

APPROVED FOR PAYMENT

Copies To:

**TULARE COUNTY EMPLOYEES'  
APPLICATIONS AND DEATHS  
May 31, 2021  
RETIREMENT APPLICATIONS**

Name Department Status - Tier	Option Type Govt. Code	Date of Retirement Age at Retirement	Length of Service Continuance From
CANO OLGA Sher-Dt-Transport Safety - Tier II	Unmodified Option §31760.1	04/15/2021 50	21.1194 years CANO GABINO
COLLUM JOHNNIE L Human Resources & Development General - Tier I	Service	05/01/2021 79	23.0306 years COLLUM BARBARA
GARAY MARIFELI HHS-HS-Hyde IHSS General - Tier II	Unmodified Option Service §31760.1	04/01/2021 59	16.6923 years N/A
GRIM RAYMOND Ag Commissioner/Sealer General - Tier III	Option 2 Service §31762	04/25/2021 65	5.1228 years N/A
HOLGUIN BARBARA Sher-CS-Juvenile Safety - Tier III	Non-Duty-Death Survivor 31781.1	01/28/2021 55	20.3462 years HOLGUIN FRANK
LENCIONI DIANE L 9525 General - Tier I	Unmodified Option §31760.1	03/16/2021 70	6.5639 years LENCIONI RONALD
MUDGE DENNIS HHS-Admin-Accounting General - Tier III	Unmodified Option §31760.1	03/26/2021 78	19.0674 years MUDGE SUSAN
NELSON PAMELA HHS-HS-KT/AAA General - Tier III	Unmodified Option Service §31760.1	04/01/2021 61	20.5522 years N/A
WHEATON JEANNE HHS-HLTH-Dinuba WIC General - Tier III	Unmodified Option Service §31760.1	04/29/2021 64	20.4125 years N/A

**TULARE COUNTY EMPLOYEES'  
APPLICATIONS AND DEATHS  
May 31, 2021  
DECEASED ACTIVE EMPLOYEES**

Name Department Status - Tier	Type	Date of Death Age at Death	Length of Service Paid Continuance Death Benefit
HOLGUIN FRANK Sher-CS-Juvenile Safety - Tier III	Non-Duty - Death	01/27/2021 56	20.3462 years Yes HOLGUIN BARBARA

**TULARE COUNTY EMPLOYEES'  
APPLICATIONS AND DEATHS  
May 31, 2021  
DECEASED PENSIONERS**

Name Department Status - Tier	Option Type Govt. Code	Date of Retirement Date of Death Age at Death	Length of Service Paid Continuance to Age at Retirement
CANO GABINO Sher-Dt-Transport Safety - Tier II	Unmodified Option Service §31760.1	05/11/2011 04/14/2021 60	21.1194 years CANO OLGA 50
DOUCETTE-SOD COLLEEN  Unknown General - Tier II	Unmodified Option Service §31760.1	09/20/1997 02/21/2021 89	5.4389 years  66
KEYS LINDA HHS-HS-MCal Proc Center General - Tier III	Unmodified Option Service §31760.1	06/29/2013 03/24/2021 70	7.8846 years  63
LENCIONI RONALD 9525 General - Tier I	Unmodified Option Service §31760.1	01/07/1995 03/15/2021 78	6.5639 years LENCIONI DIANE L 52
MUDGE SUSAN HHS-Admin-Accounting General - Tier III	Unmodified Option Service §31760.1	08/29/2009 03/25/2021 72	19.0674 years MUDGE DENNIS 61
STONER DONNA JO Sher-Op-Sheriff`s Office Safety - Tier I	Unmodified Option Service §31760.1	12/19/2003 03/31/2021 76	26.8139 years  59
WOMACK DONIA 9550 General - Tier I	Unmodified Option Service §31760.1	11/03/1991 09/26/2020 94	17.0222 years  65



Report: 30-Year Board Report As of May 2021  
 Created on: 6/1/2021

First Name	Last Name	Effective Date	Department	New 30-Year Member?
Craig	Anderson	2/14/2021	RMA-MG#2-Design,Const,Develop	No
Karen	Baldwin	7/5/2020	HHS-Admin Fiscal A/R	No
Nora	Barrera	11/27/2005	Assessor-Clerk/Recorder	No
Mike	Betzinger	10/15/2017	Solid Waste Visalia	No
Bruce	Bigham	10/11/2020	Ag Commissioner/Sealer	No
Steffany	Bischel	3/4/2018	HHS-HS-MCal Proc Center	No
Anthony	Boland	12/10/2017	RMA-TR-Operations	No
Michael	Boudreaux	5/28/2017	Sher-Op-Sheriff's Office	No
Sandra	Burnitzki	1/19/2020	HHS-Admin Human Resources	No
LUCIA	CANABA-GONZALEZ	8/2/2020	Court Reporters	No
Linda	Cantu	3/29/2020	Assessor-Clerk/Recorder	No
David	Case	8/6/2018	Ag Commissioner/Sealer	No
Lori	Catuto	6/24/2018	HHS-Admin-Project Management	No
Rachel	Cazares	10/11/2020	HHS-HS-Dinuba District Off	No
Nancy	Chavira	3/28/2021	County Counsel	No
William	Clark	2/14/2021	Information Technology	No
Connie	Cordeiro	3/8/2015	HHS-HS-CWS Creekside	No
KATHY	CORREIA	7/17/2011	Court Reporters	No
Rosie	DeLeon	9/27/2020	HHS-HS-PDO	No
Gracie	Delgadillo-Johnson	12/8/2019	TCSO-Youth Services	No
MARTINA	DELGADO	11/10/2019	Ab 1058 Commissioner	No
Robert	Dempsie	7/22/2018	DA-Visalia Courthouse	No
Lisa	Dougherty	5/17/2015	CAO-GS-Printing Services	No
SUSAN	EMBREY	9/3/2017	Collections Division	No
Cheryl	Fallert	8/16/2020	DA-Visalia Courthouse	No
Sherry	Franco	6/6/2010	Child Support Services Dept	No
Samantha	Franks	9/29/2019	RMA-LP-Geographic Info Systems	No
Rebecca	Garcia	11/8/2020	HHS-HS-Dinuba District Off	No
Helen	Gonzalez	2/4/2018	HHS-HLTH-Fville WIC	No
John	Gonzalez	11/27/2016	Sher-Op-Captains	No
Eric	Grant	4/16/2017	DA-Visalia Courthouse	No
Maria	Gutierrez	12/22/2019	HHS-Admin Mental Health Svs	No
Robert	Haines	10/12/2008	Ag Commissioner/Sealer	No
Lance	Heiden	11/11/2018	Sher-Dt-Main Jail	No
Kimberly	Hernandez	9/27/2020	Child Support Services Dept	No
CINDY	HOLWAY	10/25/2020	Court Reporters	No
Robert	Hurtado	10/25/2020	HHS-Admin Health Services	No
Ursula	Ihl	9/29/2019	DA-Visalia Courthouse	No
Keith	Jahnke	4/28/2019	HHS-HLTH-Environmental Health	No
Jay	Jones	1/19/2020	Information Technology	No

Cleopatra	Juarez	12/9/2007	Child Support Services Dept	No
Phillip	Kelly	3/1/2020	Prob-Center Street	No
Melodee	Krenk	5/10/2020	Prob-Electronic Monitor Ctr	No
Gary	Kupfer	10/4/2015	HHS-HS-CWS Processing Center	No
Cheri	Lehner	12/25/2016	Sher-Op-Sheriff's Office	No
Rebecca	Lopez	3/8/2015	HHS-HS-Visalia District Off	No
Sandra	Maldonado	2/2/2020	HHS-HLTH-Visalia Hlth Ctr	No
Joel	Martens	5/14/2017	HHS-HLTH-Environmental Health	No
PATRICIA	MARTENS	10/27/2019	Visalia Division	No
Raul	Martin	7/24/2016	Solid Waste Visalia	No
Bertha	Martinez	11/18/2012	CAO-GS-Property Management	No
AMBER	MATTHEWS	2/18/2018	Pre Trial Facility	No
John	Mauro	4/17/2016	HHS-Admin Human Services	No
Patricia	McCurry	10/11/2020	HHS-Admin Human Resources	No
Patricia	Mendoza	10/19/2014	HHS-HS-CWS Creekside	No
LESIA	MERVIN	5/3/2015	Court Reporters	No
SUSAN	MILLER	1/31/2021	Family Court Services	No
Donna	Moralez	1/31/2021	HHS-HLTH-Tulare Public CCS	No
Socorro	Munoz	4/26/2020	HHS-HLTH-Visalia Hlth Ctr	No
Sylvia	Munoz	9/15/2019	HHS-HS-Dinuba District Off	No
Martina	Navarro	10/11/2020	HHS-MH-SCIU	No
LOUISE	NELSON	11/12/2017	Family Court Services	No
Steven	Noland	4/1/2018	RMA-TR-Fleet Central Shop	No
Jane	Nystrem	2/16/2020	TCSO-Inmate Programs Unit	No
Scott	O'Neill	6/11/2017	Sher-Op-Porterville	No
Andrew	Pacheco	7/28/2013	RMA-Project Processing	No
Rodney	Parker	4/16/2017	Sher-Op-Pixley	No
Maria	Pasillas	1/31/2021	HHS-MH-Visalia AOD Inter_Prev	No
Ginger	Peck	12/10/2017	Purchasing	No
Eric	Petersen	3/14/2021	Information Technology	No
Andy	Phetsada	7/8/2018	HHS-MH-Visalia Adult Clinic	No
Julie	Poochigian	6/22/2008	Assessor-Clerk/Recorder	No
Vickie	Rabago	1/15/2012	DA-Visalia Courthouse	No
Katherine	Reim	10/13/2019	Prob-Admin-Visalia	No
Sabrina	Robinson	5/15/2016	Information Technology	No
Angela	Rose	11/22/2020	County Counsel	No
Sharon	Rowton	11/18/2012	RMA-TR-Fleet Central Shop	No
John	Rozum	3/31/2019	County Counsel	No
James	Russell	9/1/2019	CAPITAL PROJ-Facilities	No
Judith	Sanchez-Duran	3/1/2020	HHS-HLTH-Hillman Lab	No
Ermerejildo	Saucedo	12/6/2020	Tulare County Fire Dept	No
Gregory	Scroggins	6/24/2018	Prob-Electronic Monitor Ctr	No
Nelda	Sell	8/19/2007	RMA-TR-Visalia Rd Yd 2	No
Bernice	Soto	8/2/2020	HHS-HS-IMAGING UNIT	No
Angelina	Stanfill	5/28/2017	HHS-HS-Dinuba District Off	No
Patricia	Stanley	9/2/2018	Public Defender	No
Karen	Trevino	5/26/2019	HHS-HS-Hyde Adopt/Special	No

Jesusita	Vasquez	1/31/2021	HHS-HLTH-Environmental Health	No
Stella	Velasquez	2/9/2014	Sher-Op-Communications	No
Alma	Villarreal	1/20/2019	HHS-HS-CWS S Mooney Blvd	No
Karen	Whited	2/24/2013	HHS-HS-CWS S Mooney Blvd	No
LeAnne	Williams	1/17/2021	Prob-Admin-Visalia	No
David	Winters	4/28/2019	Sher-Dt-Bob Wiley Det. Fac.	No
Johnny	Wong	6/10/2018	RMA-TR-Operations	No
DAVID	WOOTEN	10/14/2018	Judicial Officers	No

May 26, 2021

RECEIVED

JUN 01 2021

Tulare County Employees Retirement Association  
Attention: Leanne Malison  
136 N. Akers Street  
Visalia, CA 93291

TULARE COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION

Dear Ms. Malison,

I received a letter from Empower Retirement informing me of a Mandatory Retirement Plan Distribution for Former Employees of Tulare County. When I called their office to ask if there was reciprocity between them and the CALPERS system, they recommended that I call your office. I spoke to a very kind and competent woman, Darcy, who informed me that Empower Retirement and your office are two separate entities and that apparently I had become "lost" to your office so my retirement funds with your system were put into "unclaimed" status in 2015.

I apologize for any inconvenience this caused your office. I was confused, thinking Empower Retirement was the only retirement plan I had with Tulare County. When I moved, I updated my information with Empower, but not with TCERA.

The purpose of this letter is to petition the board to move the funds out of "unclaimed" status and transfer them back to an active account.

I moved to Vermont in June, 2008 with my spouse, . I live at:  
. My home telephone number is: . My cell phone is:  
. I am happy to give your office my Social Security number or other personal identifying information if/when needed.

Thank you for considering my request. Please let me know if there is any other information you may need to process this request.

Sincerely,



Angela M. Trauth

9972



## COUNTY OF TULARE BOARD OF RETIREMENT

**Leanne Malison**  
Retirement Administrator

136 N AKERS STREET  
VISALIA, CALIFORNIA 93291

TELEPHONE (559) 713-2900  
FAX (559) 730-2631  
[www.tcera.org](http://www.tcera.org)

### **TCERA, Board of Retirement Administrative Committee**

#### **Agenda Item # IV.2.a.**

**Agenda Date:** May 26, 2021

**Subject:** TCERA and TCERA Property, Inc. Financial Statements – April 30, 2021

#### **Requests:**

That the Administrative Committee:

1. Review the TCERA and TCERA Property, Inc. Financial Statements for April 30, 2021.
2. Forward the Financial Reports to the Board of Retirement with a recommendation for approval.

#### **Summary:**

The April 30, 2021 TCERA and TCERA Property, Inc. Financial Statements have been prepared by TCERA accounting staff for the Committee's review.

**Prepared by:** Mary Warner

**TCERA and TCERA Property, Inc.**  
**Combined Balance Sheet Comparison**  
**As of April 30, 2021**

	Apr 30, 21	Mar 31, 21	\$ Change	% Change	Apr 30, 20	\$ Change	% Change
<b>ASSETS</b>							
<b>Current Assets</b>							
<b>Checking/Savings</b>							
1110 · Cash in County Treasury	23,225,223.21	29,706,141.97	-6,480,918.76	-21.82%	38,232,502.52	-15,007,279.31	-39.25%
1120 · Cash in Custodial Account	42,347,084.75	37,444,576.56	4,902,508.19	13.09%	58,584,941.76	-16,237,857.01	-27.72%
(Note 1) 1130 · Short Term Investments	24,729,649.68	22,903,271.51	1,826,378.17	7.97%	4,656,012.82	20,073,636.86	431.13%
1140 · Securities Lending Collateral	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
1150 · Impaired Assets	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
<b>Total Checking/Savings</b>	<b>90,301,957.64</b>	<b>90,053,990.04</b>	<b>247,967.60</b>	<b>0.28%</b>	<b>101,473,457.10</b>	<b>-11,171,499.46</b>	<b>-11.01%</b>
<b>Other Current Assets</b>							
1310 · Fixed Income - Market	556,268,954.95	550,372,090.10	5,896,864.85	1.07%	459,009,862.42	97,259,092.53	21.19%
1340 · Equities - Market	925,834,853.18	883,828,772.04	42,006,081.14	4.75%	661,532,313.14	264,302,540.04	39.95%
1375 · Real Estate - REITS	182,581,945.61	180,503,855.21	2,078,090.40	1.15%	179,717,397.66	2,864,547.95	1.59%
(Note 2) 1385 · Hedge Funds	0.00	93,982.33	-93,982.33	-100.00%	2,356,629.58	-2,356,629.58	-100.00%
1386 · Private Equity	92,423,183.62	90,639,810.14	1,783,373.48	1.97%	78,269,265.01	14,153,918.61	18.08%
1388 · Private Credit	92,697,236.00	90,369,395.00	2,327,841.00	2.58%	80,544,714.00	12,152,522.00	15.09%
(Note 3) 1390 · Futures Overlay	0.00	0.00	0.00	0.00%	5,291,780.99	-5,291,780.99	-100.00%
<b>Total Other Current Assets</b>	<b>1,849,806,173.36</b>	<b>1,795,807,904.82</b>	<b>53,998,268.54</b>	<b>3.01%</b>	<b>1,466,721,962.80</b>	<b>383,084,210.56</b>	<b>26.12%</b>
<b>Total Current Assets</b>	<b>1,940,108,131.00</b>	<b>1,885,861,894.86</b>	<b>54,246,236.14</b>	<b>2.88%</b>	<b>1,568,195,419.90</b>	<b>371,912,711.10</b>	<b>23.72%</b>
<b>Fixed Assets</b>							
1501 · Building and Improvements	1,178,366.03	1,178,366.03	0.00	0.00%	1,178,366.03	0.00	0.00%
1505 · Office Equipment & Computer Sys	207,404.81	207,404.81	0.00	0.00%	158,020.14	49,384.67	31.25%
1506 · Project in Process CPAS	2,755,095.55	2,755,095.55	0.00	0.00%	2,755,095.55	0.00	0.00%
1511 · Accumulated Depreciation	-2,786,542.42	-2,786,542.42	0.00	0.00%	-2,449,954.90	-336,587.52	-13.74%
1512 · Land	370,345.69	370,345.69	0.00	0.00%	370,345.69	0.00	0.00%
<b>Total Fixed Assets</b>	<b>1,724,669.66</b>	<b>1,724,669.66</b>	<b>0.00</b>	<b>0.00%</b>	<b>2,011,872.51</b>	<b>-287,202.85</b>	<b>-14.28%</b>
<b>Other Assets</b>							
(Note 4) 1710 · Open Trades Sales	21,189,636.71	20,810,101.29	379,535.42	1.82%	14,612,253.76	6,577,382.95	45.01%
1730 · Investment Income Receivable	824,499.25	849,179.28	-24,680.03	-2.91%	735,220.33	89,278.92	12.14%
1735 · Real Estate Income Receivable	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
1750 · Members Contribution Receivable	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
1770 · Employer Contribution Receivable	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
1780 · Advances Rec- Holding Corp	500,230.00	509,230.00	-9,000.00	-1.77%	608,230.00	-108,000.00	-17.76%
1785 · Pension Deaths Receivables	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
1790 · Other Receivables	7,593.08	7,884.09	-291.01	-3.69%	13,293.48	-5,700.40	-42.88%
<b>Total Other Assets</b>	<b>22,521,959.04</b>	<b>22,176,394.66</b>	<b>345,564.38</b>	<b>1.56%</b>	<b>15,968,997.57</b>	<b>6,552,961.47</b>	<b>41.04%</b>
<b>TOTAL ASSETS</b>	<b>1,964,354,759.70</b>	<b>1,909,762,959.18</b>	<b>54,591,800.52</b>	<b>2.86%</b>	<b>1,586,176,289.98</b>	<b>378,178,469.72</b>	<b>23.84%</b>

**TCERA and TCERA Property, Inc.**  
**Combined Balance Sheet Comparison**  
**As of April 30, 2021**

	Apr 30, 21	Mar 31, 21	\$ Change	% Change	Apr 30, 20	\$ Change	% Change	
LIABILITIES & EQUITY								
Liabilities								
Current Liabilities								
	2010 · Sec Lending Collateral Paya	0.00	0.00	0.00	0.00%	0.00	0.00%	
(Note 5)	2020 · Open Trades - Purchases	43,765,772.00	41,860,728.35	1,905,043.65	4.55%	20,764,159.56	23,001,612.44	110.78%
	2030 · Accounts Payable - Inv	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
	2040 · Refunds Payable	3,706,735.89	3,706,735.89	0.00	0.00%	3,338,817.23	367,918.66	11.02%
(Note 6)	2050 · Other Payables	-389.82	-389.82	0.00	0.00%	0.00	-389.82	-100.00%
	2100 · Payroll Liabilities	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
	Total Other Current Liabilities	47,472,118.07	45,567,074.42	1,905,043.65	4.18%	24,102,976.79	23,369,141.28	96.96%
	Total Current Liabilities	47,472,118.07	45,567,074.42	1,905,043.65	4.18%	24,102,976.79	23,369,141.28	96.96%
Long Term Liabilities								
	2060 · Accrual-Benefits at Termination	103,551.79	103,551.79	0.00	0.00%	90,299.72	13,252.07	14.68%
	2070 · Advances Payable - TCERA	500,230.00	509,230.00	-9,000.00	-1.77%	608,230.00	-108,000.00	-17.76%
	Total Long Term Liabilities	603,781.79	612,781.79	-9,000.00	-1.47%	698,529.72	-94,747.93	-13.56%
	Total Liabilities	48,075,899.86	46,179,856.21	1,896,043.65	4.11%	24,801,506.51	23,274,393.35	93.84%
Equity								
	3110 · Member Deposit Reserve	321,657,010.20	325,590,745.43	-3,933,735.23	-1.21%	302,171,647.20	19,485,363.00	6.45%
(Note 7)	3120 · Other Reserves - Unapportioned	3,066,864.75	3,066,888.39	-23.64	0.00%	-2,205,044.41	5,271,909.16	239.08%
	3210 · Employer Advance Reserves	882,372,131.15	893,044,093.57	-10,671,962.42	-1.20%	836,174,006.43	46,198,124.72	5.53%
	3310 · Retiree Reserves	461,598,469.98	446,992,748.69	14,605,721.29	3.27%	463,150,836.73	-1,552,366.75	-0.34%
	3320 · Supp. Retiree Benefit Reserve	107,567,108.49	107,567,108.49	0.00	0.00%	108,178,878.76	-611,770.27	-0.57%
	3410 · Contingency Reserve	55,437,104.30	55,437,104.30	0.00	0.00%	52,224,246.85	3,212,857.45	6.15%
	3510 · Market Stabilization	-7,569,506.00	-7,569,506.00	0.00	0.00%	-40,771,275.00	33,201,769.00	81.43%
	3810 · Income Summary Account	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
	3900 · Retained Earnings	-204,309,472.39	-204,309,472.39	0.00	0.00%	-72,751,912.06	-131,557,560.33	-180.83%
	Net Income	296,459,149.36	243,763,392.49	52,695,756.87	21.62%	-84,796,601.03	381,255,750.39	449.61%
	Total Equity	1,916,278,859.84	1,863,583,102.97	52,695,756.87	2.83%	1,561,374,783.47	354,904,076.37	22.73%
	TOTAL LIABILITIES & EQUITY	1,964,354,759.70	1,909,762,959.18	54,591,800.52	2.86%	1,586,176,289.98	378,178,469.72	23.84%

**Notes:**

- Note 1** Timing of managers short term positions
- Note 2** Final Redemption - Aetos
- Note 3** Future Overlay - close account
- Note 4** Increase in Open Trade Sales over last year
- Note 5** Increase in Open Trade Purchases over last year
- Note 6** US Bank Due Diligence credit accrual
- Note 7** Interim interest payments/adjustments and equity adjustments prior to period close

**TCERA and TCERA Property, Inc.**  
**Combined Comparative Profit and Loss**  
**April 30, 2021**

	Apr 21	Mar 21	\$ Change	% Change	Jul '20 - Apr 21	Jul '19 - Apr 20	\$ Change	% Change
<b>Ordinary Income/Expense</b>								
<b>Income</b>								
4110 · Interest Income	257,874.09	362,407.33	-104,533.24	-28.84%	3,084,531.03	4,376,161.72	-1,291,630.69	-29.52%
(Note 1) 4120 · Dividend Income	216,227.58	457,574.13	-241,346.55	-52.75%	3,323,882.35	3,582,968.68	-259,086.33	-7.23%
(Note 2) 4130 · Real Estate Income	2,818,761.92	0.00	2,818,761.92	100.0%	5,715,335.57	4,064,255.15	1,651,080.42	40.62%
(Note 3) 4140 · Other Investment Income	59,804.07	306,481.50	-246,677.43	-80.49%	7,708,052.77	3,996,131.49	3,711,921.28	92.89%
4200 · Lease Payments from TCERA	15,640.00	15,640.00	0.00	0.0%	156,400.00	156,400.00	0.00	0.0%
4310 · Commission Rebates	56.47	188.20	-131.73	-70.0%	2,671.16	4,359.56	-1,688.40	-38.73%
4410 · Securities Lending Income	6,369.44	10,729.93	-4,360.49	-40.64%	54,907.95	101,052.61	-46,144.66	-45.66%
(Note 4) 4510 · Realized Gains/Losses	11,766,825.75	43,430,718.20	-31,663,892.45	-72.91%	113,255,757.38	3,450,735.52	109,805,021.86	3,182.08%
4530 · Gn/Ls Disposal of Fixed Asset	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4610 · Employee Contributions	1,776,891.34	1,773,357.06	3,534.28	0.2%	18,304,636.53	18,073,824.05	230,812.48	1.28%
4620 · Employer Contributions	222,752.30	223,015.14	-262.84	-0.12%	38,070,918.49	36,158,629.09	1,912,289.40	5.29%
<b>Total Income</b>	<b>17,141,202.96</b>	<b>46,580,111.49</b>	<b>-29,438,908.53</b>	<b>-63.2%</b>	<b>189,677,093.23</b>	<b>73,964,517.87</b>	<b>115,712,575.36</b>	<b>156.44%</b>
<b>Expense</b>								
5110 · Benefit Payments	7,966,437.58	7,730,818.30	235,619.28	3.05%	76,662,944.66	72,534,280.02	4,128,664.64	5.69%
5120 · Refunds	323,077.16	311,776.43	11,300.73	3.63%	2,485,099.49	2,900,620.66	-415,521.17	-14.33%
(Note 5) 5130 · Death Retiree ROC	0.00	0.00	0.00	0.0%	88,595.45	203,147.49	-114,552.04	-56.39%
5140 · SDA Payments	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
(Note 6) 5210 · Investment Management Fees	369,503.30	197,395.84	172,107.46	87.19%	3,600,300.29	4,638,755.85	-1,038,455.56	-22.39%
(Note 6) 5250 · Inv. Consultant/Custodial Fees	20,000.00	121,819.66	-101,819.66	-83.58%	340,613.50	342,503.79	-1,890.29	-0.55%
5270 · Securities Lending Expense	1,110.22	876.46	233.76	26.67%	8,010.36	7,748.35	262.01	3.38%
5275 · Real Estate Investment Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
(Note 6) 5276 · Real Estate Mgr Fees	430,590.27	0.00	430,590.27	100.0%	1,273,323.58	1,181,411.33	91,912.25	7.78%
5280 · Other Investment Expense	159.77	232.59	-72.82	-31.31%	182,913.92	249,410.62	-66,496.70	-26.66%
5410 · Actuarial Study Fees	0.00	0.00	0.00	0.0%	113,866.50	86,055.58	27,810.92	32.32%
5450 · Compensated Benefit Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5500 · Administrative Expense	185,820.83	213,810.07	-27,989.24	-13.09%	1,731,942.25	1,925,632.64	-193,690.39	-10.06%
5750 · TCERA Property Admin Expense	2,586.99	2,890.32	-303.33	-10.5%	30,681.39	23,803.86	6,877.53	28.89%
5910 · Depreciation of Fixed Assets	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
<b>Total Expense</b>	<b>9,299,286.12</b>	<b>8,579,619.67</b>	<b>719,666.45</b>	<b>8.39%</b>	<b>86,518,291.39</b>	<b>84,093,370.19</b>	<b>2,424,921.20</b>	<b>2.88%</b>
<b>Net Ordinary Income</b>	<b>7,841,916.84</b>	<b>38,000,491.82</b>	<b>-30,158,574.98</b>	<b>-79.36%</b>	<b>103,158,801.84</b>	<b>-10,128,852.32</b>	<b>113,287,654.16</b>	<b>1,118.47%</b>



**TCERA and TCERA Property, Inc.**  
**Combined Comparative Profit and Loss**  
**April 30, 2021**

	<u>Apr 21</u>	<u>Mar 21</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Jul '20 - Apr 21</u>	<u>Jul '19 - Apr 20</u>	<u>\$ Change</u>	<u>% Change</u>
Other Income/Expense								
Other Income								
4520 - Unrealized Gains/Losses	44,853,840.03	-12,916,888.04	57,770,728.07	447.25%	193,300,347.52	-74,667,748.71	267,968,096.23	358.88%
4525 - Unrealized Gns/Ls Building/Land	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5000 - Other Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Other Income	44,853,840.03	-12,916,888.04	57,770,728.07	447.25%	193,300,347.52	-74,667,748.71	267,968,096.23	358.88%
Other Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Net Other Income	44,853,840.03	-12,916,888.04	57,770,728.07	447.25%	193,300,347.52	-74,667,748.71	267,968,096.23	358.88%
Net Income	<u>52,695,756.87</u>	<u>25,083,603.78</u>	<u>27,612,153.09</u>	<u>110.08%</u>	<u>296,459,149.36</u>	<u>-84,796,601.03</u>	<u>381,255,750.39</u>	<u>449.61%</u>

**Notes:**

- Note 1 Dividend Income in Total Equity decreased over last mo.  
Note 2 Real Estate Income reported quarterly and one mo. in arrears  
Note 3 Other Investment Income decrease over last mo. in Private Credit; increase over last year in Private Equity  
Note 4 Decrease in Realized Gains over last mo. in Total Equity; increase over last year in Total Equity  
Note 5 Decrease in retiree deaths with remaining contributions over last year  
Note 6 Timing of payments

\* See Budget report for detail of Administrative expenses (5500 and 5750)

**TCERA and TCERA Property, Inc.**  
**BUDGET VS ACTUAL**  
**April 2021**  
Accounting Period 10  
83.33% of the Current Fiscal Year Budget

	Apr 21	Jul '19 - Apr 20	Jul '20 - Apr 21	Annual Budget	Remaining Budget	% Annual Budget
<b>5500 - Administrative Expense</b>						
5505 - (6001) Allocated Salaries	66,768.81	635,215.32	641,373.42	932,580.00	291,206.58	68.77%
5510 - (6002) Overtime	0.00	0.00	0.00	1,000.00	1,000.00	0.00%
5515 - (6003) Other Pay	1,427.16	9,399.62	9,474.29	27,584.00	18,089.71	34.37%
5520 - (6004) Benefits	11,633.48	98,441.80	109,735.12	146,469.00	36,733.88	74.92%
5525 - (6005) Extra-Help	0.00	0.00	0.00	500.00	500.00	0.00%
5530 - (6006) Sick Leave Buy Back	0.00	11,633.70	0.00	0.00	0.00	0.00%
5535 - (6011) Retirement- Co. Port.	8,153.46	75,675.00	80,763.59	112,084.00	31,320.41	72.06%
5540 - (6012) Social Security	5,239.22	47,269.09	47,748.27	69,313.00	21,564.73	68.89%
5545 - (1024) POB Cost	0.00	53,276.29	7,071.24	79,475.00	72,403.76	8.90%
(Note 1) 5550 - (6008) Board Fees-Per Diem Pmts	5,813.10	18,000.00	19,096.07	20,000.00	903.93	95.48%
5551 - Communications						
5552 - (7005) Communications	520.88	5,114.13	5,006.38	8,000.00	2,993.62	62.58%
5640 - (7005) Co. Telecommunication	581.43	7,420.14	7,093.55	13,709.00	6,615.45	51.74%
Total 5551 - Communications	1,102.31	12,534.27	12,099.93	21,709.00	9,609.07	55.74%
5553 - Data Processing						
5650 - (7044) ICT Qtrly - Data Process	5,245.01	48,255.12	47,265.12	66,000.00	18,734.88	71.61%
5697 - (7044) Computer Exp Hdwr/Stfwr	3,147.36	25,712.23	7,888.58	16,818.00	8,929.42	46.91%
5698 - (7044) WSI/Q2 Digital	350.00	1,900.00	3,500.00	24,900.00	21,400.00	14.06%
Total 5553 - Data Processing	8,742.37	75,867.35	58,653.70	107,718.00	49,064.30	54.45%
5555 - (7009) Household Expense	1,380.17	10,476.77	11,145.72	17,380.00	6,234.28	64.13%
(Note 2) 5560 - (7010) Insurance	0.00	53,402.00	54,402.00	56,365.00	1,963.00	96.52%
5565 - (7011) Unemployment Insurance	0.00	0.00	0.00	6,000.00	6,000.00	0.00%
5570 - (7021) Maintenance-Equipment	228.48	1,469.51	1,306.61	3,000.00	1,693.39	43.55%
(Note 3) 5575 - (7027) Memberships	0.00	6,280.00	6,430.00	6,800.00	370.00	94.56%
5580 - (7030) Due Diligence Expense	0.00	4,012.25	0.00	15,000.00	15,000.00	0.00%
(Note 4) 5585 - (7036) Office Expense	5,158.85	26,588.51	18,933.69	33,118.00	14,184.31	57.17%
5586 - (7040) Courier	223.99	849.44	1,004.66	1,300.00	295.34	77.28%
5590 - Prof & Specialized Exp						
5591 - (7043) Prof & Special Gen Exp	0.00	0.00	0.00	500.00	500.00	0.00%
(Note 5) 5592 - (7043) Prof & Spec - Audit	0.00	41,800.00	44,570.00	47,600.00	3,030.00	93.63%
5593 - (7043) Prof Sr -Outside Counsel	211.50	41,902.50	14,934.75	75,000.00	60,065.25	19.91%
Total 5590 - Prof & Specialized Exp	211.50	83,702.50	59,504.75	123,100.00	63,595.25	48.34%
5594 - County Counsel Charges						
5661 - (7046) Co Counsel - General Exp	642.60	21,627.60	9,872.70	35,000.00	25,127.30	28.21%
5662 - (7046) Co Counsel - Disability	8,001.40	43,523.60	50,523.60	93,000.00	42,476.40	54.33%
Total 5594 - County Counsel Charges	8,644.00	65,151.20	60,396.30	128,000.00	67,603.70	47.18%
5595 - (7049) Prof Exp-Disabilities	2,701.50	84,325.56	43,958.86	164,000.00	120,041.14	26.80%
5600 - (7059) Publications	4,200.76	16,088.90	16,768.61	21,000.00	4,231.39	79.85%
5675 - (7059) Co. Print Services	1,611.19	6,262.73	5,735.49	14,500.00	8,764.51	39.56%
Total 5600 - (7059) Publications	5,811.95	22,351.63	22,504.10	35,500.00	12,995.90	63.39%

**TCERA and TCERA Property, Inc.**  
**BUDGET VS ACTUAL**  
**April 2021**  
Accounting Period 10  
83.33% of the Current Fiscal Year Budget

	Apr 21	Jul '19 - Apr 20	Jul '20 - Apr 21	Annual Budget	Remaining Budget	% Annual Budget
5605 - (7062) Rent & Lease -Building	15,640.00	156,400.00	156,400.00	187,680.00	31,280.00	83.33%
5610 - (7066) Spec Dept Exp - RIS	25,877.56	243,067.12	201,164.99	307,821.00	106,656.01	65.35%
5615 - (7073) Training	920.00	9,792.79	3,710.00	15,500.00	11,790.00	23.94%
5620 - (7074) Transportation & Travel	410.76	14,465.80	1,701.25	32,000.00	30,298.75	5.32%
5625 - (7081) Utilities	764.58	12,309.40	13,195.12	20,400.00	7,204.88	64.68%
5627 - (7116) Postage - Co. Mail	8,327.82	28,855.78	29,224.29	44,656.00	15,431.71	65.44%
(Note 2) 5630 - (7128) Co. Workers Comp Insurance	0.00	53,013.00	59,381.00	60,000.00	619.00	98.97%
5695 - Co. Admin. Services						
5696 - (7719) HR/Risk Services	0.00	10,230.19	0.00	11,291.00	11,291.00	0.00%
5699 - (7719) Auditors Services	639.76	1,576.75	1,563.28	7,500.00	5,936.72	20.84%
Total 5695 - Co. Admin. Services	639.76	11,806.94	1,563.28	18,791.00	17,227.72	8.32%
5720 - (7421) Interest Expense	0.00	0.00	0.00	1.00	1.00	0.00%
5450 - Compensated Benefit Expense	0.00	0.00	0.00	21,580.00	21,580.00	0.00%
5911 - Depreciation - TCERA	0.00	0.00	0.00	19,000.00	19,000.00	0.00%
5913 - Amortization - CPAS	0.00	0.00	0.00	320,000.00	320,000.00	0.00%
Total TCERA Administrative Expense	185,820.83	1,925,632.64	1,731,942.25	3,155,404.00	1,423,461.75	54.89%
5750 - TCERA Property Administrative Expense						
5755 - Fees and Taxes	0.00	154.15	25.00	200.00	175.00	12.50%
(Note 6) 5760 - Insurance	0.00	6,384.00	7,452.00	6,750.00	-702.00	110.40%
5765 - Professional & Spec Services	0.00	702.65	427.20	2,000.00	1,572.80	21.36%
5780 - Courtyards Property Assn Dues	0.00	5,056.97	5,123.01	7,200.00	2,076.99	71.15%
5785 - Landscape Service	425.00	3,500.00	3,717.25	7,800.00	4,082.75	47.66%
5790 - Security Monitoring	213.96	1,843.98	2,108.06	7,750.00	5,641.94	27.20%
5795 - Maintenance & Improve - Bldg	1,612.57	2,139.08	8,163.34	14,500.00	6,336.66	56.30%
5797 - Utilities	335.46	4,023.03	3,665.53	6,100.00	2,434.47	60.09%
5912 - Depreciation - TCERA Property	0.00	0.00	0.00	32,600.00	32,600.00	0.00%
Total TCERA Property, Inc. Administrative Expense	2,586.99	23,803.86	30,681.39	84,900.00	54,218.61	36.14%
Total TCERA & TCERA Property Administrative Expense	188,407.82	1,949,436.50	1,762,623.64	3,240,304.00	1,477,680.36	54.40%

**Notes:**

- Note 1 Quarterly Per Diem paid Q1:21  
Note 2 Annual insurance premiums paid  
Note 3 Annual CALAPRS, SACRS, NCPERS, & GFOA membership paid  
Note 4 Reclassify failed reclaim ACH fraud \$2,597.60  
Note 5 Annual audit expense paid in the first half of fiscal year  
Note 6 Annual property insurance higher than anticipated

Accrued Actuarial Liability	1,875,797,000
June 30, 2020	
.21% of AAL	3,939,173.70
83.33%	3,282,644.75
Expenses to date	(1,762,623.64)
(Over)/Under	1,520,021.11



COUNTY OF TULARE  
**BOARD OF RETIREMENT**

**Leanne Malison**  
Retirement Administrator

136 N AKERS STREET  
VISALIA, CALIFORNIA 93291

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**TCERA, Board of Retirement  
Administrative Committee**

**Agenda Item # IV.2.c.**

**Agenda Date:** May 26, 2021

**Subject:** Fiscal Year 2021-2022 TCERA and TCERA Property, Inc. Administrative Budget Final

**Requests:**

That the Administrative Committee:

1. Review the FY2021-2022 TCERA and TCERA Property, Inc. Administrative Budget.
2. Forward the proposed budget to the Retirement Board for review and approval.

**Summary:**

The 2021-2022 TCERA and TCERA Property, Inc. Administrative Budget has been prepared by TCERA accounting staff based on prior year activity, information from the County for services provided by County Departments, and anticipated special projects and other changes for the next fiscal year.

The draft budget compares the proposed budget with the prior year budget. Notes are included to describe staff's reasoning for the amounts proposed for each line item. The total administrative budget represents approximately 0.187% (before excluded computer expenses) or .162% (after excluded computer expenses) of TCERA's Accrued Actuarial Liability as of June 30, 2020, well within the 0.21% limit imposed by '37 Act Law.

**Prepared by:** Mary Warner

**Tulare County Employees' Retirement Association**  
**Budget - Final**  
July 2021 through June 2022

5/18/2021

Accrued Actuarial Liability (AAL) as of June 30, 2020

1,875,797,000

TCERA Total Proposed Budget including TCERA Property, Inc.      \$    3,503,031.00

*Projected Percentage of Liability (based on proposed budget)*

0.187%

.21% of AAL      3,939,173.70

Under/(Over) Allowable Expenditures      436,142.70

Excluded computer expenses per Gov't Code Section 31580.2      458,579.00

Under/(Over) Allowable Expenditures      \$    894,721.70

*Projected Percentage of Liability (based on proposed budget less excluded computer expenses)*

0.162%

**Tulare County Employees' Retirement Association**  
**Budget - Final**  
 July 2021 through June 2022

5/18/2021

815 Fund - Administrative Budget	Budget Jul 20 - Jun 21	Budget Jul 21 - Jun 22	Difference	%	Notes:
<b>5500 - Administrative Expense</b>					
5505 - (6001) Allocated Salaries	932,580.00	1,025,313.00	92,733.00	9.94%	See Labor Forecast -
5510 - (6002) Overtime	1,000.00	1,000.00	-	0.00%	
5515 - (6003) Other Pay	27,564.00	28,672.00	1,108.00	4.02%	30 yr. Member & Deferred comp match
5520 - (6004) Benefits	146,469.00	159,376.00	12,907.00	8.81%	
5525 - (6005) Extra-Help	500.00	500.00	-	0.00%	Contingency for special projects
5530 - (6006) Sick Leave Buy Back	0.00	0.00	-	0.00%	
5535 - (6011) Retirement- Co. Port.	112,084.00	136,235.00	24,151.00	21.55%	T3 = 13.56% T4 = 12.86%
5540 - (6012) Social Security /Medicare	69,313.00	76,404.00	7,091.00	10.23%	6.2% Social Security & 1.45% Medicare
5545 - (6014) POB Cost	79,475.00	87,249.00	7,774.00	9.78%	
<b>Sub total Salary &amp; Benefits</b>	<b>1,368,985.00</b>	<b>1,514,749.00</b>	<b>145,764.00</b>	<b>10.65%</b>	
5550 - (6008) Board Fees - Per Diem Pmts	20,000.00	20,000.00	-	0.00%	
5552 - (7005) Communications	8,000.00	8,700.00	700.00	8.75%	Monthly service fee currently for 2 cell phones w/data plans; 1 Mobile Hotspot; 12 iPad's w/unlimited service \$7,968 yr plus contingency
5640 - (7005) Co. Telecommunication	13,709.00	12,039.00	(1,670.00)	-12.15%	County Est. Calnet, VOIP, Optiman Circult, Internet, ASE Fiber, SIP trunk, SIP Int'l charges \$9,300; Annual charge for VOIP equipment lease \$1,118 & ISI Telemgmt cost \$580 & Acct II \$441; Includes Co.Telephone Repair \$600
<b>Total 5552 - (7005) Communications</b>	<b>21,709.00</b>	<b>20,739.00</b>	<b>(970.00)</b>	<b>-4.47%</b>	
5553 - (7044) Data Processing					
5650 - (7044) ICT Qtrly - Data Process.	66,000.00	104,821.00	38,821.00	58.82%	Projected costs from ICT; Data Processing \$101,050 - note true up at yr end; ADP PR/HR \$2,771 based on 14 FTE's; Special Projects \$1,000
5697 - (7044) Computer Exp. Hdwn/Softwr	16,818.00	32,138.00	15,320.00	91.09%	5 Laptops & docking stations \$13,600; 5 monitors \$2,125; 2 printers \$700 (JIC); 4 iPads \$3,958; 6 Cisco Phones \$4,760; QuickBooks \$2,280; DocuSign \$3,205; Special Projects \$1,500
5698 - (7044) Website	24,900.00	3,500.00	(21,400.00)	-85.94%	Change Requests \$3,500 plus contingency
<b>Total 5553 - (7044) Data Processing</b>	<b>107,718.00</b>	<b>140,459.00</b>	<b>32,741.00</b>	<b>30.40%</b>	(excluded computer expenses \$140,459)
5555 - (7009) Household Expense/Janitorial	17,280.00	17,280.00	-	0.00%	Monthly Janitorial fee \$1,325 (\$15,900 yr) plus supplies \$170 (\$2,040 yr)
5657 - (7009) Co. Facilities Support	100.00	100.00	-	0.00%	
<b>Total 5555 - (7009) Household Expenses</b>	<b>17,380.00</b>	<b>17,380.00</b>	<b>-</b>	<b>0.00%</b>	
5560 - (7010) Insurance	56,365.00	59,400.00	3,035.00	5.38%	Estimated costs Fiduciary Liability \$54,000; ACIP Crime \$1,200; Cyber \$4,200 Increase in all policy's
5565 - (7011) Unemployment Insurance	6,000.00	6,000.00	-	0.00%	Estimated HR & D charges; budget based on charges in prior years
5570 - (7021) Maintenance - Equipment	3,000.00	3,000.00	-	0.00%	Cal. Bus. Machines - \$30 mo, Ray Morgan (Canon) - \$125 mo, Annual maint. Uninterrupted Power Supply \$0 -under warranty til 2/6/2023
5575 - (7027) Memberships	6,300.00	7,100.00	800.00	12.70%	SACRS \$4,000; GFOA \$420; NCPERS \$510; CALAPRS \$1,500; CAPIO \$300; Cost plus 5%
5580 - (7030) Due Diligence Expense	15,000.00	15,000.00	-	0.00%	Estimated costs for planned visits with contingency
5585 - (7036) Office Expense	33,118.00	50,080.00	16,962.00	51.22%	\$2,395 per month for normal expenses (subscriptions, shred, office supplies, Lexis Nexis, annual fees, etc); EE Appreciation \$140; 3 Elections \$13,000; Ergo workstations \$450; & Workstation Furniture \$5,400; File Table Furniture \$1,050; Furniture mover \$800; Service Call \$500
5586 - (7040) Co. Courier	1,300.00	1,460.00	160.00	12.31%	Projected costs from GS; Flat rate contract
5590 - (7043) Prof & Specialized Exp					
5591 - (7043) Prof & Special Gen Exp	500.00	500.00	-	0.00%	Misc professional services (notary, etc.)
5592 - (7043) Prof & Spec - Audit Exp	47,600.00	47,600.00	-	0.00%	Annual Fiscal Audit \$44,570; Additional \$3,000 for special projects, if needed
5593 - (7043) Prof & Spec - Outside Counsel	75,000.00	75,000.00	-	0.00%	Legal Services from non-County personnel
<b>Total 5590 - (7043) Prof &amp; Specialized Exp</b>	<b>123,100.00</b>	<b>123,100.00</b>	<b>-</b>	<b>0.00%</b>	

**Tulare County Employees' Retirement Association**  
**Budget - Final**  
 July 2021 through June 2022

5/18/2021

815 Fund - Administrative Budget	Budget Jul 20 - Jun 21	Budget Jul 21 - Jun 22	Difference	%	Notes:
5594 - (7046) Co Counsel Charges					
5661 - (7046) Co Counsel Gen Exp	35,000.00	40,000.00	5,000.00	14.29%	County General Legal Counsel
5662 - (7046) Co Counsel Disb Exp	93,000.00	93,000.00	-	0.00%	County Disability cases and hearings
Total 5594 - (7046) Co Counsel Charges	128,000.00	133,000.00	5,000.00	3.91%	
5595 - (7049) Prof Exp - Disabilities	164,000.00	164,000.00	-	0.00%	Examworks; MSLA; Complex; Moore Court Reporters; Hearing Officers; IME appts
5600 - (7059) Publications					
5675 - (7059) Co. Print Services	14,500.00	14,500.00	-	0.00%	Projected costs from GS based on YTD billed
5600 - (7059) Publications - Other	21,000.00	22,000.00	1,000.00	4.76%	Quarterly Newsletters 4 @ \$4,400 printing cost increase for postage & PAFR \$4,400
Total 5600 - (7059) Publications	35,500.00	36,500.00	1,000.00	2.82%	
5605 - (7062) Rent & Lease - Building	187,680.00	187,680.00	-	0.00%	\$15,640 per mo. Rent @ \$1.70 per sq. ft. Increase 17/18 (total square footage incl. addition 9,199)
5610 - (7066) Spec Dept Exp	358,821.00	318,120.00	(40,701.00)	-11.34%	Gimmal Cloud \$14,413; IBM-Cognos \$18,475; Oracle Support \$2,940; CPAS Maint. \$31,500; CPAS Support \$70,500; Mo. hosting \$95,292; Excess hrs \$15,000; Special Projects \$20,000; Security testing \$50,000 (excluded computer expenses \$318,120)
5615 - (7073) Training	15,500.00	15,500.00	-	0.00%	Board Members and Staff - CALAPRS, Relias
5620 - (7074) Transportation & Travel - Other	32,000.00	32,000.00	-	0.00%	SACRS, CALAPRS General Assembly, CALAPRS Attorney RT, CALAPRS Benefits & Accountants RT's, meeting miles, office mileage
5625 - (7081) Utilities	20,400.00	20,400.00	-	0.00%	
5627 - (7116) Postage - Co. Mail	44,656.00	46,900.00	2,244.00	5.03%	Projected costs from GS and current year expenditures
5630 - (7128) Workers Comp Ins. - Co. Contr.	60,000.00	53,500.00	(6,500.00)	-10.83%	Estimate from Co. - Workers Comp rates 10.83% decrease; est. based on 14 FTE's
5695 - (7719) Co. Admin. Services					
5665 - (7719) Co. HR & Development	11,291.00	11,860.00	569.00	5.04%	Estimate \$11,860 yr (Total FTE's/our current FTE's*HRD budget) plus contingency; billed on FTE's @ 7/1/21
5699 - (7719) Co. Auditors Services	7,500.00	7,500.00	-	0.00%	Estimate based on 11/12 agreement
Total 5695 - (7719) Co. Admin. Services	18,791.00	19,360.00	569.00	3.03%	
5720 - (7421) Interest Expense	1.00	1.00	-	0.00%	
5450 - Compensated Benefit Expense	21,580.00	26,353.00	4,773.00	22.12%	Based on projected vacation, sick leave, and CTO for 14 FTE's
5910 - Deprec/Amort of Fixed Assets	339,000.00	345,000.00	6,000.00	1.77%	Amortization of CPAS \$325,000 (10yr life) & estimated depreciation fixed assets \$20,000
Total Administrative Budget	\$ 3,206,404.00	\$ 3,376,781.00	\$ 170,377.00	5.31%	
Administrative Budget	3,206,404.00	3,376,781.00			
Plus: TCERA Property Budget	84,900.00	126,250.00			
Total Proposed Budget for FY 21/22	\$ 3,291,304.00	\$ 3,503,031.00			
Total Administrative Budget	3,206,404.00	3,376,781.00			
Less: Depreciation	(339,000.00)	(345,000.00)			
Compensated Benefit Expense	(21,580.00)	(26,353.00)			
815 Fund - TOTAL FUNDING REQUIRED FOR FY 21/22	\$ 2,845,824.00	\$ 3,005,428.00			
Total Property Budget	84,900.00	126,250.00			
Less: Depreciation	(32,800.00)	(69,300.00)			
Add: Building Addition Capitalized	0.00	0.00			
422 Fund - TOTAL FUNDING REQUIRED FOR FY 21/22	\$ 52,300.00	\$ 56,950.00			

**Tulare County Employees' Retirement Association**  
**Labor Forecast**  
**Fiscal Year 2021/2022**

5/12/2021

**Overall Salary**

20/21 Budgeted Amount	1,368,985
21/22 Forecasted Amount	1,514,749
Difference	145,764
Increase	10.65%

**Facts:**

1. Increase in County ER Contribution Rates for Tier 3 from 12.53% to 13.66%.
2. Increase in County ER Contribution Rates for Tier 4 from 11.41% to 12.88%.
3. Sick Leave Buy Back suspended.
4. SEIU Employees maximum Deferred Compensation maximum will remain at \$1,500.
5. Unrepresented Employees maximum Deferred Compensation maximum will remain at \$1,750.
6. Car Allowance is \$431/mo until 2022
7. Seven staff members will receive salary (step) increases.
8. Extra Help may be required for special projects.

**Assumptions made:**

1. Social Security rates remain unchanged and the maximum taxable limit is \$142,800
2. Medicare rates remain unchanged.
3. SEIU Employees will receive a Cost of Living (COLA) increase of 3%. (No MOU adopted for FY 21/22)
4. Unrepresented Employees will receive a Cost of Living (COLA) increase of 3%. (No MOU adopted for FY 21/22)
5. Secretary II/III position will be filled at a Step 5.
6. New position: Retirement Specialist I will be filled at a Step 1.
7. Promotions possible for 3 Retirement Specialist I's to become Retirement Specialist II's.
8. All staff will fully participate in the Deferred Comp match program.



**Tulare County Employees' Retirement Association**  
**Labor Forecast**  
**Fiscal Year 2021/2022**

5/12/2021

Account #	Description	Retirement Administrator	Asst. Retirement Administrator	Administrative Services Officer II	Retirement Specialist III	Retirement Specialist II	Retirement Specialist II	Retirement Specialist II	Retirement Specialist II	Retirement Specialist I	Secretary II	Accountant II	Accountant I	Account Clerk II	Office Assistant III	Office Assistant II	Total
5505 (6001)	Reg. Salary	176,816.13	126,071.46	86,463.29	67,844.88	81,627.42	60,712.52	61,627.42	61,627.42	46,796.23	48,956.63	62,140.71	52,037.87	39,149.35	37,374.81	36,066.67	1,025,313
5510 (6002)	Overtime	-	-	-	-	-	-	-	-	-	1,000.00	-	-	-	-	-	1,000
5515 (6003)	Other Pay	6,922.00	1,750.00	1,750.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,750.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	28,672
5520 (6004)	Benefits	25,225.42	12,373.42	10,391.76	8,389.05	8,389.05	12,795.45	12,795.45	8,389.05	8,490.89	8,490.89	1,160.84	12,910.75	8,389.05	8,389.05	12,795.45	159,376
5530 (6006)	S/L Buy Back	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5535 (6011)	Retire- Co	24,153.08	17,221.36	11,810.89	9,267.61	8,418.31	7,819.77	7,937.61	7,937.61	6,027.35	6,434.41	8,003.72	6,702.48	5,042.44	4,813.88	4,645.39	136,235
5540 (6012)	S.S. & Medicare	11,417.43	9,644.47	6,814.44	5,190.13	4,714.50	4,644.51	4,714.50	4,714.50	3,579.91	3,821.68	4,753.76	3,980.80	2,994.93	2,859.17	2,759.10	76,404
5545 (6014)	POB	15,471.41	11,031.25	7,565.54	5,609.75	5,095.66	5,020.01	5,095.66	5,392.40	3,869.35	4,047.98	5,437.31	4,302.75	3,237.06	3,090.34	2,982.17	87,249
<b>Total</b>		<b>260,005</b>	<b>178,092</b>	<b>124,596</b>	<b>97,801</b>	<b>89,745</b>	<b>92,492</b>	<b>93,671</b>	<b>89,561</b>	<b>70,264</b>	<b>74,502</b>	<b>82,996</b>	<b>81,435</b>	<b>60,313</b>	<b>58,027</b>	<b>60,749</b>	<b>1,514,249</b>
																Plus Extra Help	500
																	<b>1,514,749</b>

**TCERA Property, Inc.**  
**Budget - Final**  
 July 2021 through June 2022

5/18/2021

422 Fund - Administrative Budget	Budget Jul 20 - Jun 21	Budget Jul 21 - Jun 22	Difference	%	Notes:
5750 - TCERA Property Admin. Expense					
5755 - Fees and Taxes	200.00	200.00	0.00	0.00%	Annual costs \$200
5760 - Insurance Expense	6,750.00	9,000.00	2,250.00	33.33%	Estimated TCERA Property Insurance
5765 - Professional & Spec Services	2,000.00	2,000.00	0.00	0.00%	Brown Armstrong & County Counsel
5780 - Courtyards Property Assoc Dues	7,200.00	7,600.00	400.00	5.56%	Quarterly rate increased in 2020; final #'s are not avail. till Oct.
5785 - Landscape Service	7,800.00	7,800.00	0.00	0.00%	Annual landscaping \$5.5k basic & 2.3K for tree trimming, etc.
5790 - Security Monitoring	7,750.00	7,750.00	0.00	0.00%	Annual Monitoring \$460; Annual Testing \$250; City of Visalia- Fire Dept. alarm permit \$15; Repairs \$650; Security Service 3% increase \$3,200
5795 - Maintenance & Improve - Bldg	14,500.00	244,365.00	229,865.00	1585.28%	6 new A/C Units \$47,300 est+5%; LED lighting project \$8,200; Solar Panel Project \$172,000; Normal Bldg. Maint. & Repairs
Less: Capitalized Addition to Building	0.00	(229,865.00)	(229,865.00)	0.00%	(6 Air Conditioning Units \$49,665; LED Fixtures \$8,200; Solar Panel Project \$172,000)
5795 comparative expenditures	14,500.00	14,500.00	0.00	0.00%	
5797 - Utilities	6,100.00	7,000.00	900.00	14.75%	Increase in water charges
Total 5750 - TCERA Property Administrative Expense	\$2,300.00	\$5,850.00	\$3,550.00	5.78%	
5912 - Depreciation of Fixed Asset - TCERA Property	32,600.00	70,400.00	37,800.00	115.95%	Depreciation of Bldg.
Total TCERA Property Administrative Budget	\$4,900.00	\$126,250.00	\$121,350.00	48.70%	

www.tcera.org/Property/Repayment/SRI



COUNTY OF TULARE  
**BOARD OF RETIREMENT**

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**Leanne Malison**  
Retirement Administrator

136 N AKERS STREET  
VISALIA, CALIFORNIA 93291

TELEPHONE (559) 713-2900  
FAX (559) 730-2631  
[www.tcera.org](http://www.tcera.org)

**TCERA, Board of Retirement  
Administrative Committee**

**Agenda Item # IV.2.b.**

**Agenda Date:** May 26, 2021

**Subject:** County Counsel Invoices for the month ending April 30, 2021

**Requests:**

That the Administrative Committee:

1. Review and approve the attached County Counsel invoices in the amount of \$11,937.10.

**Summary:**

The Board of Retirement has delegated approval authority to the Administrative Committee for County Counsel invoices. The attached invoice has been reviewed by staff and are recommended for approval.

**Prepared by:** Mary Warner

**TULARE COUNTY COUNSEL**

*Meeting the legal and risk management challenges facing the County  
of Tulare in partnership with you*

Invoice No. RET0421

**INVOICE**

<b>Customer</b>		<b>Misc</b>	
Name	Board of Retirement	Date	5/10/21
Address	136 North Akers Street	Exp Cat.	
City	Visalia		
State	CA		
ZIP	93291		
Phone	(559) 713-2900		

Statement Number	Matter ID	Description	TOTAL
	RETBD-General	04/01/21-04/30/21 Legal Services	\$ 2,178.00
	RETBD-General2	04/01/21-04/30/21 Legal Services	\$ 319.00
	RETDIS-General	04/01/21-04/30/21 Legal Services	\$ 9,440.10
Other Expenses:			
Mail payment to: County Counsel Attn: Billing Clerk 2900 W. Burrel Ave. Visalia, CA 93291			

Payment	Other	Journal Voucher	Tax Rate(s)	SubTotal	\$ 11,937.10			
				Shipping	\$ -			
				0.00%	\$ -			
Comments	Call or e-mail if questions			<b>TOTAL</b>	<b>\$ 11,937.10</b>			
Name	Angela Rose		Office Use Only					
Phone	559-836-4956							
E-mail	ARose@co.tulare.ca.us							
Deposit to:	001-080-2150-5415							

APPROVED FOR PAYMENT

## Large Cap Value

## Tulare County Employees' Retirement Association







**David Cohen, CFA**  
Portfolio Manager  
dcohen@boston-partners.com  
+1 (617) 832-8253






**Carolyn M. Margiotti, CFA**  
Portfolio Research  
cmargiotti@boston-partners.com  
+1 (415) 464-2882



## Your Boston Partners Team

	<p><b>Mark E. Donovan, CFA</b> Senior Portfolio Manager mdonovan@boston-partners.com +1 (617) 832-8246</p>	<p>Mr. Donovan is a senior portfolio manager for the Boston Partners Large Cap Value strategy, a role he has held since the firm's inception in 1995. Previously, he had served eleven years as Co-Chief Executive Officer, where he was responsible for strategic and tactical operating decisions affecting the firm. Mr. Donovan was one of the founding partners of Boston Partners Asset Management. He joined the firm from The Boston Company where he was Senior Vice President and equity portfolio manager. He also spent five years as a consulting associate with Kaplan, Smith &amp; Associates, and two years as a securities analyst for Value Line Inc. For ten years, Mr. Donovan was a trustee at St. Sebastian's School, where he served on the Investment and Long Range Planning Committees. He holds a B.S. degree in management from Rensselaer Polytechnic Institute and the Chartered Financial Analyst® designation. He has forty years of investment experience.</p>
	<p><b>David Cohen, CFA</b> Portfolio Manager dcohen@boston-partners.com +1 (617) 832-8253</p>	<p>Mr. Cohen is a portfolio manager for the Boston Partners Large Cap Value strategy. His experience at the firm included managing a portion of the Boston Partners Long/Short Research strategy focusing on security selection within the energy sector as well as the engineering &amp; construction, and metals &amp; mining industries. Prior to his current role, Mr. Cohen served as an equity analyst covering these same industries. He has deep experience analyzing and understanding capital intensive commodity-oriented businesses. He joined the firm from Loomis Sayles where he had over 8 years of experience as a portfolio manager for their Research Fund, as well as running a global energy hedge fund. As an equity analyst he covered the energy, materials, and industrials sectors. Prior to joining Loomis Sayles, Mr. Cohen was in consultant relations at MFS Investment Management. He received a B.A. degree from the University of Michigan and his M.S. in Finance from Brandeis University. He holds the Chartered Financial Analyst® designation. He has seventeen years of experience.</p>
	<p><b>Stephanie McGirr</b> Portfolio Manager smcgirr@boston-partners.com +1 (617) 832-8245</p>	<p>Ms. McGirr is a portfolio manager for the Boston Partners Large Cap Value strategy. Her experience at the firm included managing a portion of the Boston Partners Long/Short Research strategy focusing on security selection within the health care services sector as well as insurance, restaurant, retail, and apparel industries. Prior to her current role, Ms. McGirr served as an equity analyst covering these same industries. Over the course of her tenure at Boston Partners, Stephanie also covered the consumer staples and business services industries. She started with Boston Partners in 2002 as a research and quantitative associate in the firm's research group. She joined the firm from Arthur Andersen where she was an operations associate. Ms. McGirr holds a bachelor's degree in English from Colgate University. She has nineteen years of experience.</p>
	<p><b>David J. Pyle, CFA</b> Portfolio Manager dpyle@boston-partners.com +1 (415) 464-2892</p>	<p>Mr. Pyle is a portfolio manager for the Boston Partners Large Cap Value strategy. Prior to assuming this role, he was a research analyst covering the utility, insurance, leisure &amp; lodging, packaging, publishing, and computer equipment &amp; services sectors. Mr. Pyle joined the firm from State Street Research where he was a research analyst and associate portfolio manager in their equity value group. Prior to that, he spent five years with Price Waterhouse. Mr. Pyle holds a B.S. degree in business administration from California State University, Chico, and an M.B.A. degree from the Kenan-Flagler School of Business at the University of North Carolina. Mr. Pyle holds the Chartered Financial Analyst® designation. He has twenty-six years of investment experience.</p>

## Your Boston Partners Team

	<b>Joshua White, CFA</b> Portfolio Manager jwhite@boston-partners.com +1 (617) 832-8219	Mr. White is a portfolio manager for the Boston Partners Large Cap Value strategy. His experience at the firm included managing a portion of the Boston Partners Long/Short Research strategy while covering multiple economic sectors including basic industries, consumer durables, and capital goods. Mr. White was also a portfolio manager on Boston Partners Global Equity and International Equity strategies and before that, he was a global generalist providing fundamental research on global equities. Mr. White holds a B.A. degree in mathematics from Middlebury College. He holds the Chartered Financial Analyst® designation and has fifteen years of industry experience.
	<b>Carolyn M. Margiotti, CFA</b> Portfolio Research cmargiotti@boston-partners.com +1 (415) 464-2882	Ms. Margiotti is a senior portfolio analyst for Boston Partners and has extensive experience with all of the firm's strategies. Ms. Margiotti also serves as a member of the relationship management team managing a number of the firm's key relationships. Prior to joining the firm in 2005, Ms. Margiotti was the manager of investments for PG&E Corporation where she managed over \$12 billion in pension, 401(k) and taxable trust assets. Her primary responsibilities included strategic asset allocation, investment strategy recommendations and investment manager selection and oversight. Ms. Margiotti is a former member of the Financial Women of San Francisco, served as Scholarship Committee team leader for many years. She has been an adjunct professor at the University of San Francisco and an instructor for the CFA review program. Ms. Margiotti holds a B.S. degree in industrial management and finance from Purdue University and an M.B.A. degree from the McLaren School of Business at the University of San Francisco. She holds the Chartered Financial Analyst® designation, FINRA licenses 7 and 63, and has twenty-seven years of industry experience.
	<b>Kristin Butner</b> Client Service Associate kbutner@boston-partners.com +1 (213) 687-1676	Ms. Butner is a Client Service Associate at Boston Partners. She works with many of our key domestic and internationally focused clients. Prior to joining the firm in 2017, she was a Client Service Manager with Institutional Shareholder Services. She holds a B.A. degree in liberal arts from the University of Oklahoma. Ms. Butner has six years of industry experience.

# Boston Partners At a Glance

As of March 31, 2021

## Firm Profile

- Founded in 1995; offices in Boston, New York, Los Angeles, Greenbrae and London
- A focus on security selection driven by fundamental research, and guided by quantitative analysis
- One investment philosophy and process across all strategies
- Boston Partners strategies have outperformed their benchmarks 81% of the time by an average of 1.0% on a rolling 3-year basis\*

## \$88.2 Billion Assets Under Management – Summary

Asset Class	Assets (\$ Millions)
Domestic Equity	\$77,625
Global & International	\$9,021
Long/Short	\$1,583

## \$88.2 Billion Assets Under Management – Detail

Investment Strategies	Assets (\$ Millions)
Large Cap Value, Concentrated Large Cap Value	\$29,776
Premium Equity (U.S. All-Cap Value)	\$12,463
Mid Cap Value	\$27,091
Small/Mid Cap Value	\$2,393
Small Cap Value	\$2,564
Small Cap Value II	\$957
U.S. Long/Short	\$1,128
Global, International, Concentrated International	\$8,997
Global Long/Short, International Long/Short	\$231
Emerging Markets Dynamic Equity, Emerging Markets	\$234
WPG Small Cap Value, Micro Cap Value	\$2,395

\* Boston Partners' portfolios are Large Cap Value, Premium Equity, Mid Cap Value, Small Cap Value, Global Equity and International Equity. Data as of March 1, 2014 through March 31, 2021. Past performance is not an indication of future results. Returns reflect composite results gross of fees and individual portfolio results may vary. A GIPS® compliant report is contained herein.

Organizational information can be found in the appendix.



# Equity Investment Team

*Long tenured investment team employing the same process across all strategies*

## Portfolio Management and Portfolio Research

**Joseph Feeney, Jr., CFA**  
CEO, CIO, Long/Short Research  
36 years experience

**David Cohen, CFA**  
Large Cap Value  
17 years experience

**Mark Donovan, CFA**  
Large Cap Value  
40 years experience

**Stephanie McGirr**  
Large Cap Value  
19 years experience

**David Pyle, CFA**  
Large Cap Value  
26 years experience

**Joshua White, CFA**  
Large Cap Value  
15 years experience

**Duilio Ramallo, CFA**  
Premium Equity  
26 years experience

**David Dabora, CFA**  
Small/SMID Value  
34 years experience

**George Gumpert, CFA**  
Small/SMID Value  
22 years experience

**Steven Pollack, CFA**  
Mid Cap Value  
37 years experience

**Christopher Hart, CFA**  
Global, International,  
Global Long/Short  
30 years experience

**Joshua Jones, CFA**  
Global, International,  
Global Long/Short  
17 years experience

**Paul Korngiebel, CFA**  
Emerging Markets,  
Emerging Markets Dynamic  
21 years experience

**Robert Jones, CFA**  
Long/Short Equity  
33 years experience

**Patrick Regan, CFA**  
Long/Short Equity  
26 years experience

**Harry Rosenbluth, CFA**  
Senior Advisor  
40 years experience

**John Forelli, CFA**  
Director of Portfolio Research  
37 years experience

**Carolyn Margiotti, CFA**  
Portfolio Research  
27 years experience

**Michael McCune, CFA**  
Portfolio Research  
27 years experience

**Brandon Smith, CFA, CAIA**  
Portfolio Research  
15 years experience

**Michael Mullaney**  
Director of Global  
Markets Research  
40 years experience

**Christopher Eagan**  
Global Markets Analyst  
36 years experience

## Fundamental and Quantitative Research

**Todd Knightly**  
Director of Fundamental Research  
32 years experience

**Jack Anton**  
Long/Short Equity Generalist  
4 years experience

**Brian Boyden, CFA**  
Emerging Markets Industry Analyst  
23 years experience

**Scott Burgess, CFA**  
Technology, Electronics  
22 years experience

**Lawrence Chan, CFA**  
Internet Services, Payment Services,  
Recreational Products  
22 years experience

**Charles Clapp**  
Non-U.S. Industry Analyst  
6 years experience

**Tim Collard**  
Aerospace & Defense, Transportation,  
Housing & Autos  
16 years experience

**Aaron DeCoste**  
Energy, Engineering & Construction,  
Metals & Mining  
16 years experience

**Paul Donovan, CFA**  
Paper & Packaging, Cable & Telecom,  
Gaming & Lodging, Chemicals  
10 years experience

**Kevin Duggan, CFA**  
Banks, Money Center  
26 years experience

**Colin Egan**  
Non-U.S. Industry Analyst  
6 years experience

**Trevor Frankel, CFA**  
Emerging Markets Industry Analyst  
11 years experience

**Volkan Gulen, CFA**  
Consumer Products, Business  
Services, Tobacco, Agriculture,  
Media & Advertising  
15 years experience

**Jacklyn Y. Hall**  
Retail, Restaurants, Property  
& Casualty Insurance, REITs  
13 years experience

**Andrew Hatem, CFA**  
Healthcare  
26 years experience

**David Hinton, CFA**  
Small Cap Generalist  
19 years experience

**Tim Horan**  
Industrials & Manufacturing,  
Home & Office Furnishings, Utilities  
24 years experience

**David Kim**  
Emerging Markets Industry Analyst  
6 years experience

**Jennifer Mace**  
Equity Generalist  
3 years experience

**Edward Odre, CFA**  
Financial Services,  
Life Insurance  
12 years experience

**Soyoun Song**  
Non-U.S. Industry Analyst  
16 years experience

**Eric Connerly, CFA**  
Director of Quantitative  
Research  
28 years experience

**Carissa Wong, CFA**  
Director of Portfolio Risk  
Quantitative Strategies  
20 years experience

**Jason Bartlett, CFA**  
Quantitative Strategies  
19 years experience

**Pete Cady, CFA**  
Quantitative Strategies  
6 years experience

**Leo Fochtman**  
Quantitative Strategies  
35 years experience

**Martin MacDonnell, CFA**  
Quantitative Strategies  
30 years experience

**Rubina Moin**  
Quantitative Strategies  
21 years experience

**Maggy Pietropaolo, CFA**  
Quantitative Strategies  
31 years experience

**Joseph Urick**  
Quantitative Strategies  
32 years experience

## Trading

**Mark Kuzminskas**  
Chief Operating Officer  
31 years experience

**Matthew Ender**  
Equity Trader  
12 years experience

**Christopher Bowker**  
Director of Equity Trading  
22 years experience

**Ian Sylvestsky**  
Equity Trader  
12 years experience

**Thomas Walsh**  
Senior Equity Trader  
27 years experience

**Christopher Spaziani, CFA**  
Equity Trading Assistant  
8 years experience

## Sustainability and Engagement Research

**Soyoun Song**  
Portfolio Manager  
16 years experience

**William Butterly, Esq.**  
Director of Sustainability  
and Engagement  
37 years experience

**Marissa Rego, Esq.**  
Sustainability and Engagement  
Research Analyst  
7 years experience

**Haley Shaw**  
Sustainability and Engagement  
Research Analyst  
6 years experience

# Investment Performance

*As of March 31, 2021*

## Statement of Changes

<b>Beginning Assets (1/15/99)</b>	<b>\$64.1 M</b>
<b>Net Cash Flows</b>	<b>(\$95.8) M</b>
<b>Investment Returns</b>	<b>\$123.6 M</b>
<b>Current Assets (3/31/21)</b>	<b>\$91.9 M</b>

## Returns Since Inception (2/1/99)

	<b>Annualized Return</b>	<b>Cumulative Return</b>
<b>Tulare County Employees' Retirement - Gross of Fees</b>	<b>9.46%</b>	<b>641.09%</b>
<b>Tulare County Employees' Retirement - Net of Fees</b>	<b>8.99%</b>	<b>574.02%</b>
Russell 1000® Value Index	7.28%	374.30%
S&P 500 Index	7.27%	373.52%
Relative Performance - Net of Fees	1.71%	199.72%

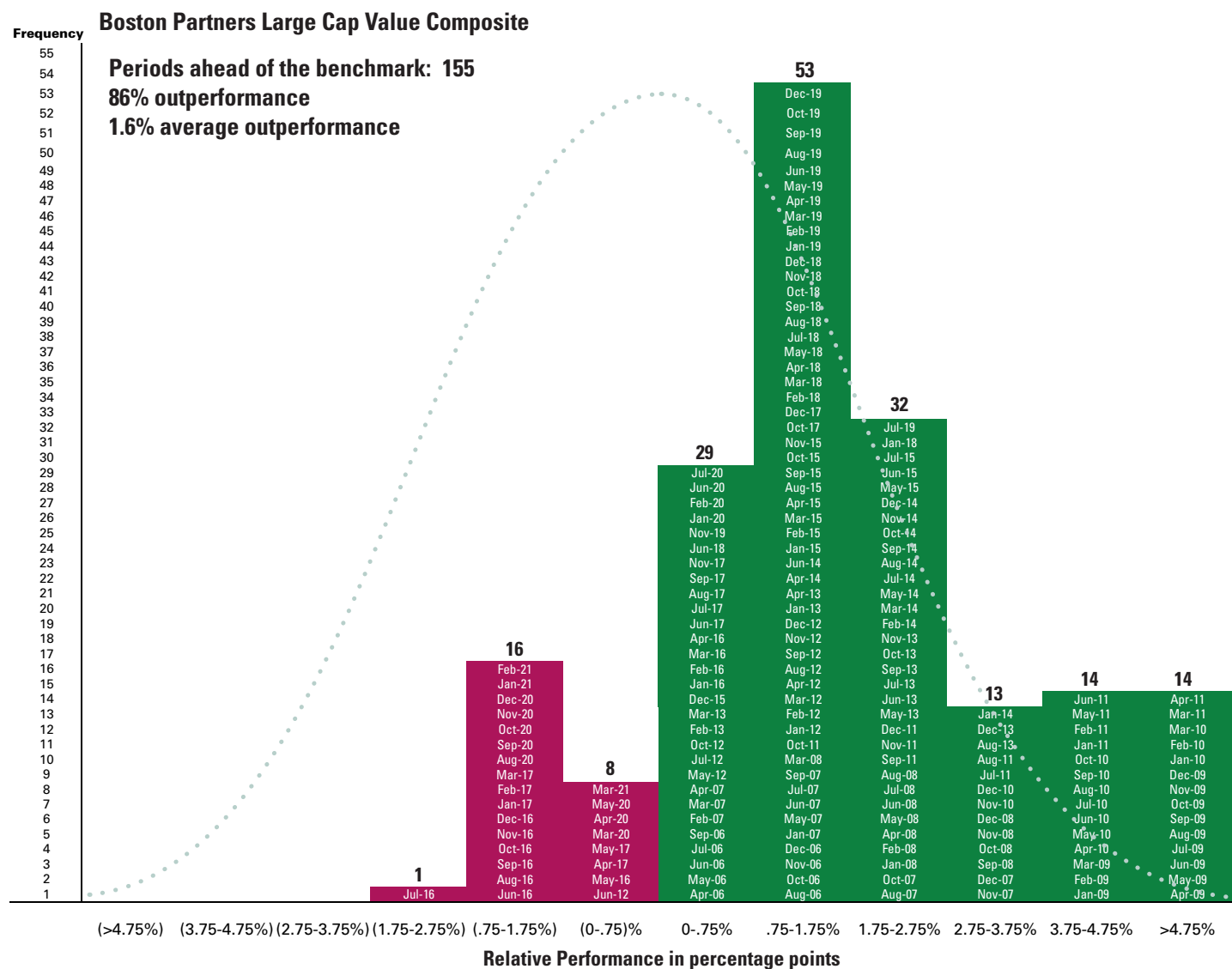
## Performance since the account was funded: February 1, 1999 to March 31, 2021

- Since inception of the portfolio, the U.S. Equity Market as represented by the S&P 500 Index has appreciated 373.5% on a cumulative basis.
- Over the period, the Large Cap Value Equity market as represented by the Russell 1000® Value Index has appreciated 374.3% on a cumulative basis, an incremental return of 0.8% over the S&P 500 Index.
- Over the period, the Tulare County Employees' Retirement portfolio has appreciated 574.0% on a cumulative basis, net of fees, an incremental 200 percentage points over the portfolio benchmark.

Past performance is not an indication of future results. Performance for periods over one year are annualized. Please refer to the appendix for other important disclosures.

# Seeking to Tilt the Probabilities in Your Favor — The Results

## *Distribution of rolling three-year excess returns*

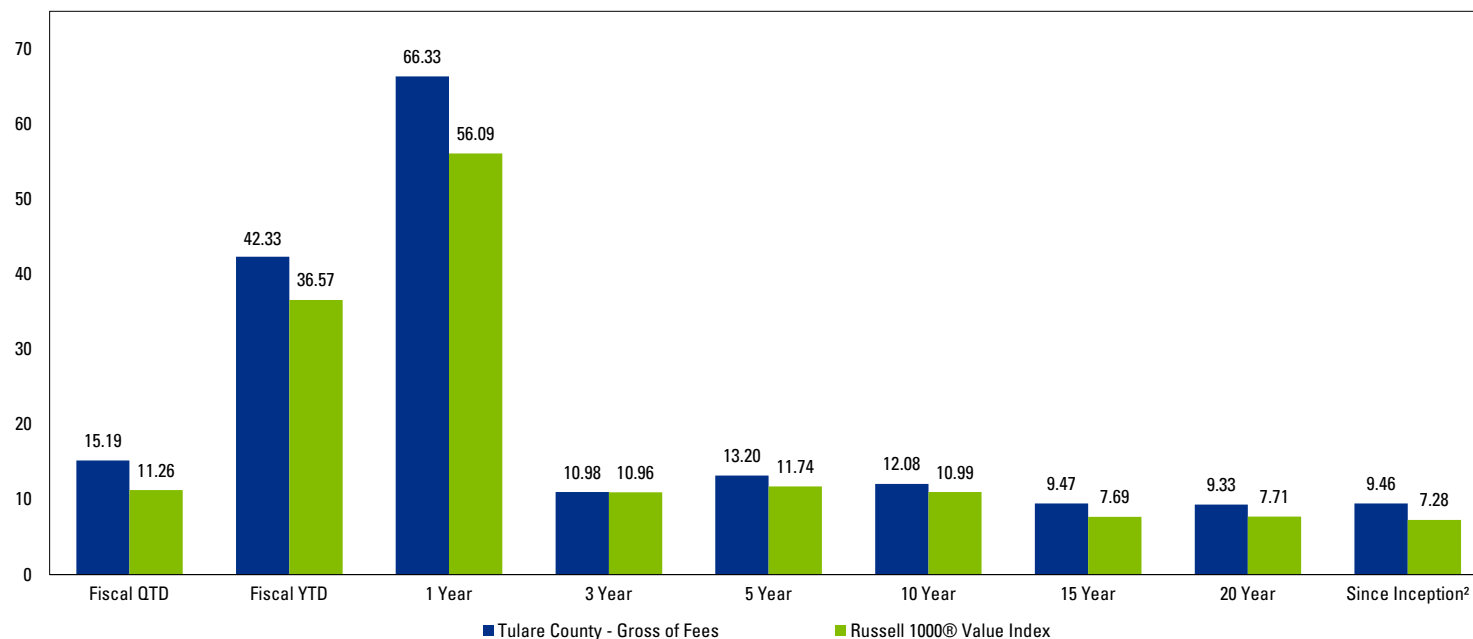


The chart reflects a fifteen-year time period, 180 months. Data as of March 31, 2021.

Relative performance of the Boston Partners Large Cap Value is versus the Russell 1000® Value Index. Returns reflect composite results gross of fees and individual portfolio results may vary. A GIPS® compliant report is contained herein. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

# Investment Performance

As of March 31, 2021



## Annualized Performance (%) - Gross of Fees

	Fiscal¹ QTD	Fiscal¹ YTD	1 Year	3 Year	5 Year	10 Year	15 Year	20 Year	Since Inception²
<b>Tulare County Employees' Retirement - Gross of Fees</b>	<b>15.19</b>	<b>42.33</b>	<b>66.33</b>	<b>10.98</b>	<b>13.20</b>	<b>12.08</b>	<b>9.47</b>	<b>9.33</b>	<b>9.46</b>
<b>Tulare County Employees' Retirement - Net of Fees</b>	<b>15.07</b>	<b>41.88</b>	<b>65.62</b>	<b>10.50</b>	<b>12.71</b>	<b>11.60</b>	<b>8.99</b>	<b>8.87</b>	<b>8.99</b>
Russell 1000® Value Index	11.26	36.57	56.09	10.96	11.74	10.99	7.69	7.71	7.28
Relative Performance - Net of Fees	3.81	5.31	9.53	-0.46	0.97	0.61	1.30	1.16	1.71

¹ Fiscal Year ends June 30. Fiscal QTD is Q1 2021; Fiscal YTD is July 1, 2020 - March 31, 2021.

² Inception date is February 1, 1999.

Past performance is not an indication of future results. Performance for periods over one year are annualized. Please refer to the appendix for other important disclosures.

# Three Circle Stock Selection Process

*In our experience, portfolios with all three characteristics tend to outperform over time*

**We buy stocks where we find the intersection of the three circles**

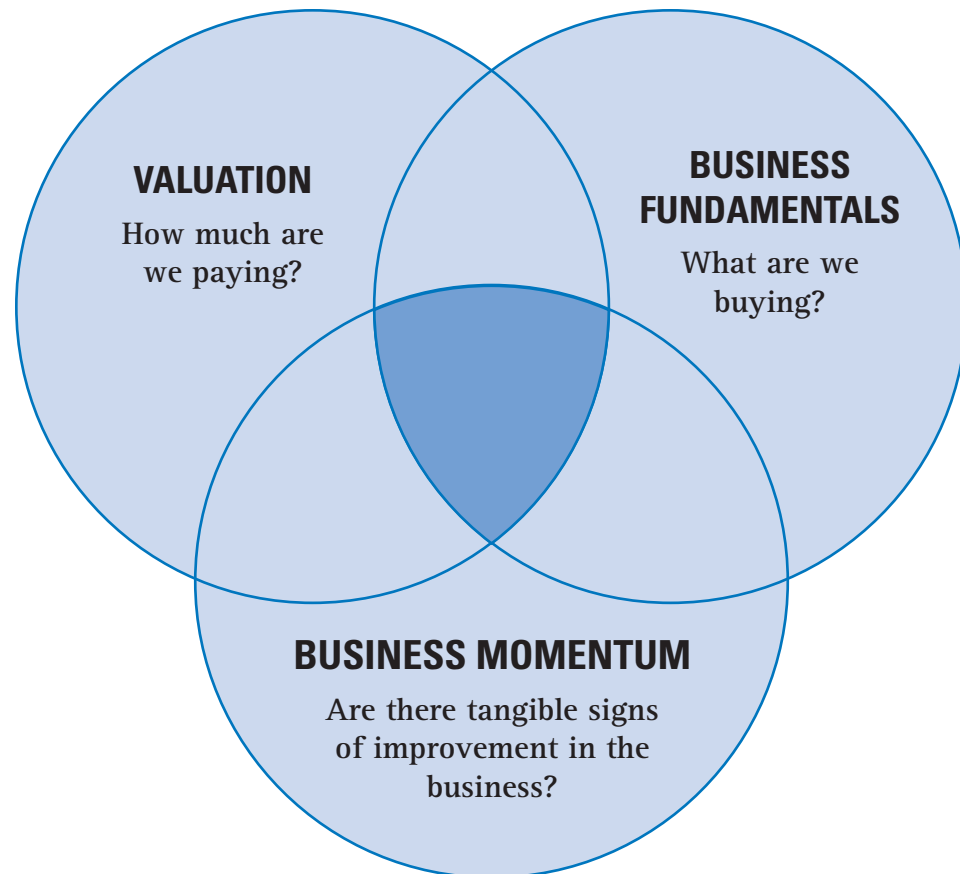


**We sell stocks due to:**

- Appreciation to target price
- Weakening business fundamentals
- A deterioration in business momentum

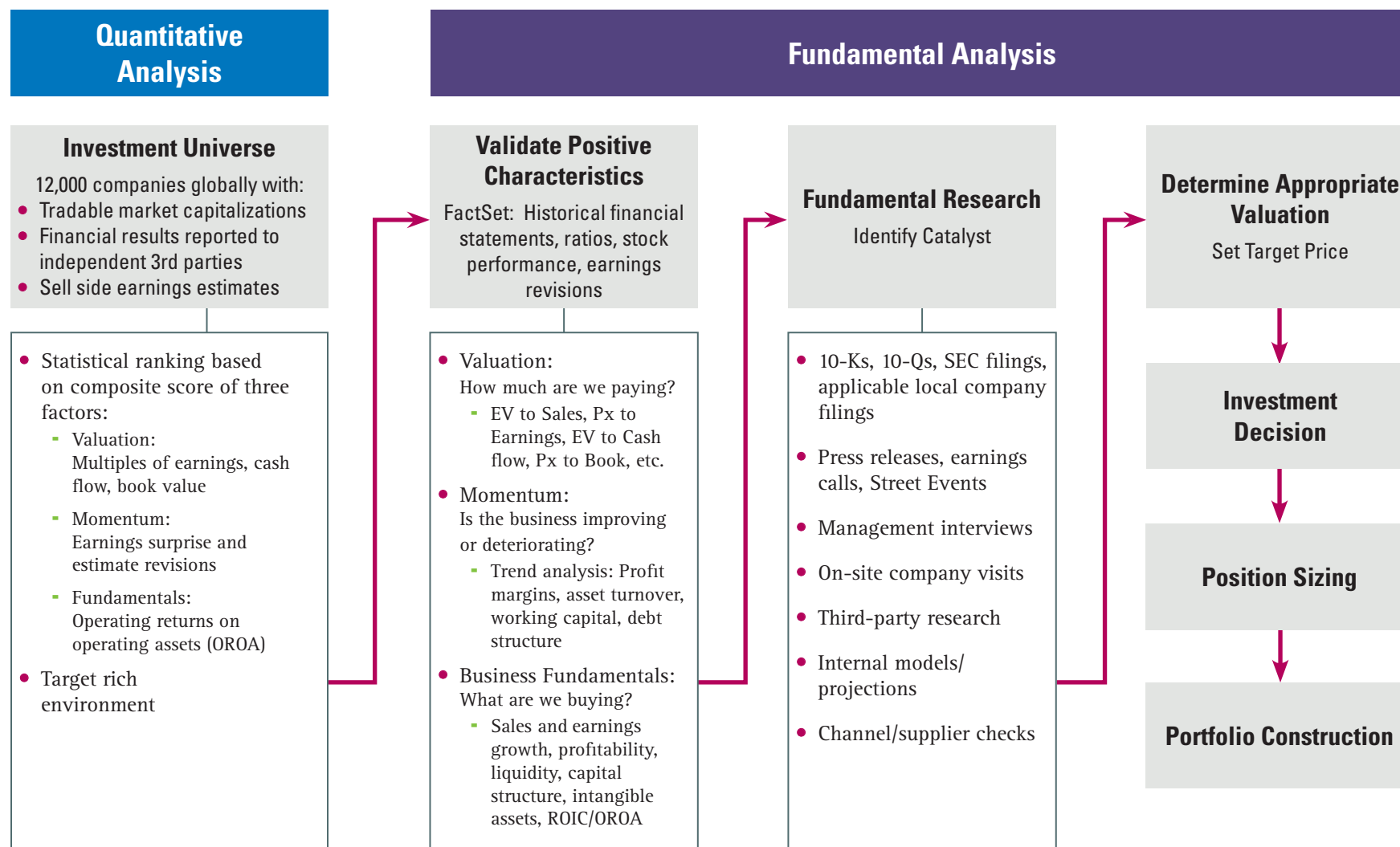
**Risk management begins with:**

- A value driven approach
- A well-defined sell discipline
- Portfolio diversification



# Research Process and Security Selection

*A systematic and repeatable method of originating, researching and selecting*



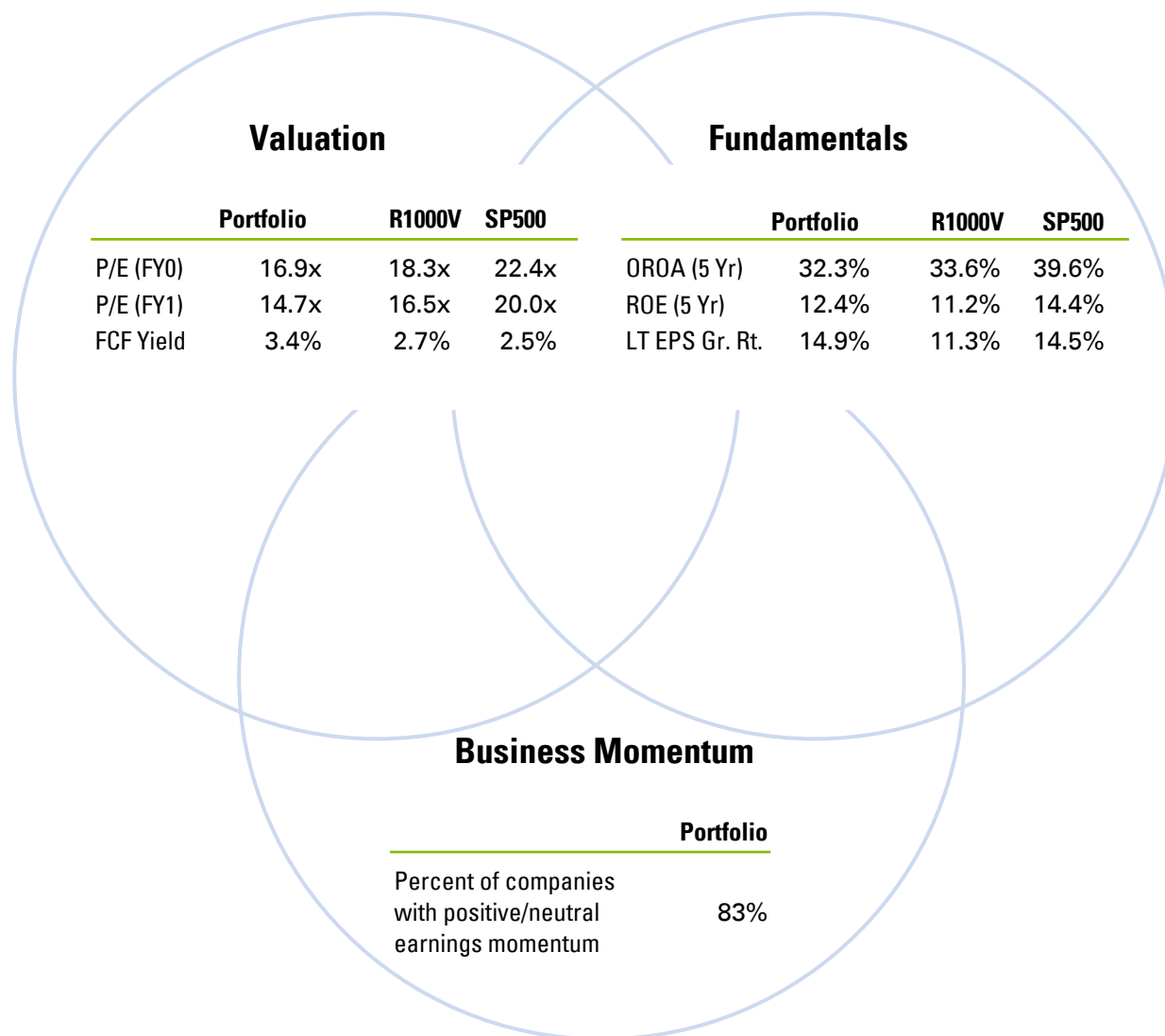
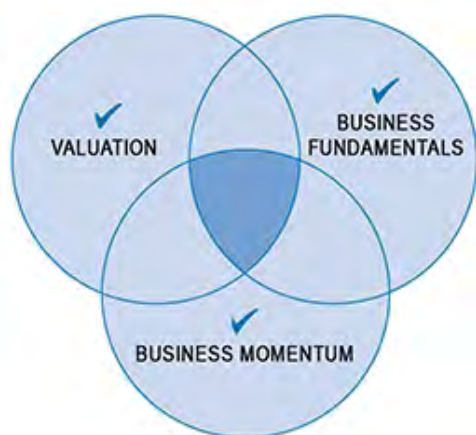
EV to Sales: Enterprise Value to Sales; Px to Earnings: Price to Earnings; Px to Book: Price to Book; ROIC: Return on Invested Capital; OROA: Operating Return on Assets.

# Portfolio Characteristics - Large Cap Value

*A proof statement that the stock selection process results in a 'three-circle' portfolio*

## "Three Circles"

An attractive valuation, strong business fundamentals, and positive business momentum. In our experience, portfolios with all three characteristics tend to outperform over time.



Data are for Tulare County Employees' Retirement as of March 31, 2021. FY0: current year; FY1: projected 12 months; FCF Yield: median excluding financials of underlying securities; LT EPS Growth: projected 3-5 year estimate. Earnings growth is not a measure of future performance. Past performance is not an indication of future results. Please refer to the back for other important disclosures.

# Portfolio Positioning

*Our assessment of where the opportunities exist*

## Largest Holdings (%)

JPMorgan Chase & Co	3.4
Johnson & Johnson	3.2
Bank of America Corp	3.0
Berkshire Hathaway Inc Cl B	2.8
Cisco Systems Inc	2.8
Cigna Corp	2.1
AutoZone Inc	2.0
ConocoPhillips	2.0
Deere & Company	2.0
Truist Financial Corp	1.9
<b>Total</b>	<b>25.2</b>

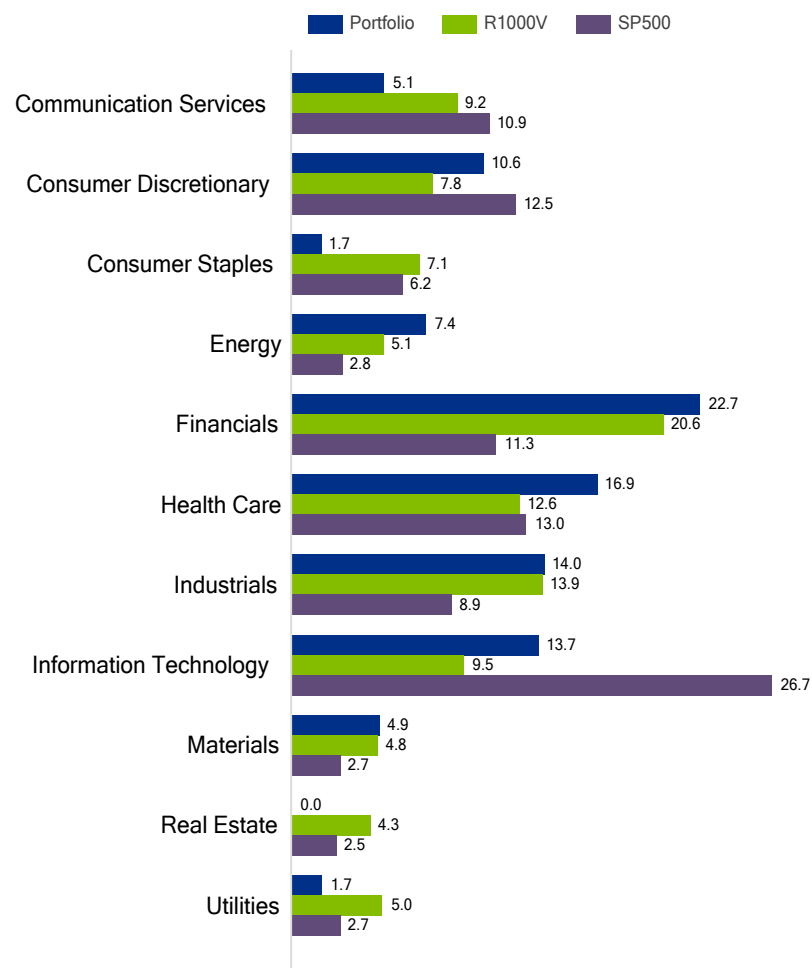
## Portfolio Statistics

	Portfolio	R1000V	SP500
Number of Securities	95	860	505
Wtd. Avg. Mkt. Cap (\$M)	\$134,199	\$129,685	\$433,505
Dividend Yield	1.6%	2.0%	1.5%
Turnover (Trailing 1 Year)	51.3%	-	-

Data as of March 31, 2021.

Portfolio characteristics and sector weightings are for Tulare County Employees' Retirement and are subject to change. The specific securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients. It should not be assumed that investments in these sectors or securities were or will be profitable. Please refer to the appendix for other important disclosures.

## Sector Weightings (% of Portfolio)





# Largest Positions: Overweight and Underweight

*What we don't own is as important as what we do own*

## What We Own

Stock	LCV % Portfolio	Russell 1000® Value Index % Benchmark	Active Weight Percentage
Autozone Inc	2.0	0.1	2.0
Applied Materials Inc	1.9	0.0	1.9
Cigna Corporation	2.1	0.3	1.8
Cisco Systems Inc	2.8	1.2	1.6
Conocophillips	2.0	0.4	1.6
Anthem Inc	1.9	0.4	1.5
Truist Financial Corporation	1.9	0.4	1.5
Dupont De Nemours Inc	1.7	0.2	1.4
Nxp Semiconductors Nv	1.4	0.0	1.4
Bank Of America Corp	3.0	1.6	1.4
<b>Total</b>	<b>20.6</b>	<b>4.5</b>	<b>16.1</b>

## What We Do Not Own

Stock	Russell 1000® Value Index % Benchmark
Walt Disney Company	1.8
Intel Corporation	1.4
Comcast Corporation Class A	1.3
Verizon Communications Inc	1.3
Exxon Mobil Corporation	1.2
At&T Inc	1.1
Chevron Corporation	1.1
Walmart Inc	1.0
Procter & Gamble Company	1.0
Home Depot Inc	0.9
<b>Total</b>	<b>12.0</b>

Data as of March 31, 2021.

Portfolio characteristics and sector weightings are for Tulare County Employees' Retirement and are subject to change. The specific securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients. It should not be assumed that investments in these sectors or securities were or will be profitable. Please refer to the appendix for other important disclosures.

# Portfolio Holdings

Position changes over time: January 1 through March 31, 2021

Key: ◆ = New Holding | ⬆ = Increased Position | ⬇ = Decreased Position | ⌘ = Liquidated | Unchanged

<b>Communication Services</b>	<b>5.1</b>
◆ Charter Communications Inc	0.9
◆ Facebook Inc	0.8
⬆ T-Mobile US Inc	1.7
Alphabet Inc	1.9
<b>Consumer Discretionary</b>	<b>10.6</b>
◆ Kohl's Corp	0.6
⬆ AutoZone Inc	2.0
⬇ Best Buy Co Inc	0.5
⬇ Harley-Davidson Inc	0.6
⬇ Mohawk Industries Inc	1.0
⬇ Williams-Sonoma Inc	0.4
⬇ Wyndham Hotels & Resorts Inc	0.4
Las Vegas Sands Corp	0.7
Lear Corp	0.4
Lennar Corp	0.9
LKQ Corp	0.7
Lowe's Companies Inc	0.6
Tapestry Inc	1.1
TJX Companies Inc	0.6
<b>Consumer Staples</b>	<b>1.7</b>
◆ US Foods Holding Corp	0.3
⬇ Kroger Co	0.4
Coca-Cola European Partners Plc	0.9
<b>Energy</b>	<b>7.4</b>
◆ BP Plc	0.4
◆ EOG Resources Inc	0.3
◆ HollyFrontier Corp	0.5
◆ Pioneer Natural Resources Co	1.1
⬆ Canadian Natural Resources Ltd	0.8
⬆ Schlumberger Ltd	0.9
ConocoPhillips	2.0
Marathon Petroleum Corp	1.4
⌘ Parsley Energy Inc	0.0

<b>Energy (cont...)</b>	
⌘ Petroleo Brasileiro SA - Petrobras	0.0
<b>Financials</b>	<b>22.7</b>
◆ Capital One Financial Corp	1.0
⬆ Citigroup Inc	1.7
⬆ Goldman Sachs Group Inc	1.3
⬇ Aflac Inc	0.6
⬇ American International Group Inc	0.9
⬇ Berkshire Hathaway Inc Cl B	2.8
⬇ Chubb Ltd	1.6
⬇ Huntington Bancshares Inc	0.4
⬇ RenaissanceRe Holdings Ltd	0.2
Bank of America Corp	3.0
Charles Schwab Corp	1.1
Everest Re Group Ltd	0.9
Fifth Third Bancorp	0.7
JPMorgan Chase & Co	3.4
Progressive Corp	1.3
Truist Financial Corp	1.9
⌘ Marsh & McLennan Companies Inc	0.0
<b>Health Care</b>	<b>16.9</b>
⬆ Johnson & Johnson	3.2
⬇ Cigna Corp	2.1
⬇ Pfizer Inc	1.1
AbbVie Inc	0.7
AmerisourceBergen Corp	1.1
Amgen Inc	0.5
Anthem Inc	1.9
Avantor Inc	0.8
CVS Health Corp	0.7
McKesson Corp	1.2
Medtronic Plc	1.3
Novartis AG	1.3
UnitedHealth Group Inc	1.3

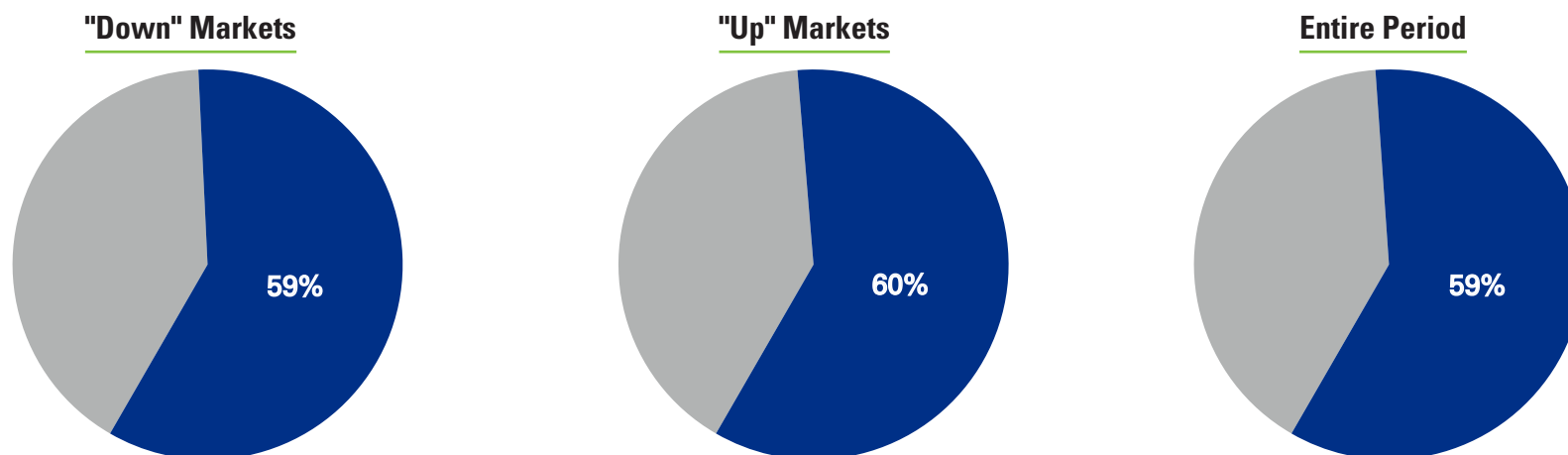
<b>Health Care (cont...)</b>	
⌘ GlaxoSmithKline Plc	0.0
⌘ Viatris Inc	0.0
<b>Industrials</b>	<b>14.0</b>
◆ Allegion Plc	0.3
◆ Vertiv Holdings Co	0.3
⬆ AerCap Holdings NV	0.4
⬆ Allison Transmission Holdings	0.3
⬆ Boeing Co	1.3
⬆ General Dynamics Corp	1.2
⬆ Otis Worldwide Corp	0.8
⬆ United Rentals Inc	1.2
⬇ Deere & Company	2.0
⬇ Owens Corning	0.7
Caterpillar Inc	1.5
Dover Corp	0.7
Eaton Corp Plc	1.4
Howmet Aerospace Inc	0.9
Northrop Grumman Corp	0.4
Union Pacific Corp	0.7
⌘ Cummins Inc	0.0
⌘ Huntington Ingalls Industries Inc	0.0
⌘ Robert Half International Inc	0.0
<b>Information Technology</b>	<b>13.7</b>
◆ Fidelity Natl Information Svcs Inc	1.0
◆ NetApp Inc	0.3
⬆ Cisco Systems Inc	2.8
⬆ Micron Technology Inc	1.7
⬇ Applied Materials Inc	1.9
⬇ KLA Corp	1.0
⬇ Lam Research Corp	1.2
NXP Semiconductors	1.4
Oracle Corp	1.1
Qorvo Inc	0.7

<b>Information Technology (cont...)</b>	
SS&C Technologies Holdings Inc	0.7
⌘ ON Semiconductor Corp	0.0
<b>Materials</b>	<b>4.9</b>
⬆ DuPont de Nemours Inc	1.7
⬆ Kinross Gold Corp	0.5
⬇ Steel Dynamics Inc	0.5
⬇ WestRock Co	0.3
CRH Plc	0.6
FMC Corp	0.5
Newmont Corp	0.5
PPG Industries Inc	0.4
⌘ Yamana Gold Inc	0.0
<b>Utilities</b>	<b>1.7</b>
◆ Dominion Energy Inc	0.9
⬆ CenterPoint Energy Inc	0.8
⌘ Edison International	0.0
⌘ Vistra Corp	0.0

Security holdings as of March 31, 2021 are for Tulare County Employees' Retirement and are subject to change. Values are percent of portfolio and are rounded to one decimal place. It should not be assumed that an investment in these securities was or will be profitable.

# Performance Through Market Cycles

*Preserved capital and compounded returns for favorable long-term performance*



■ Percentage of the time that Large Cap Value Composite has outperformed the Russell 1000® Value Index

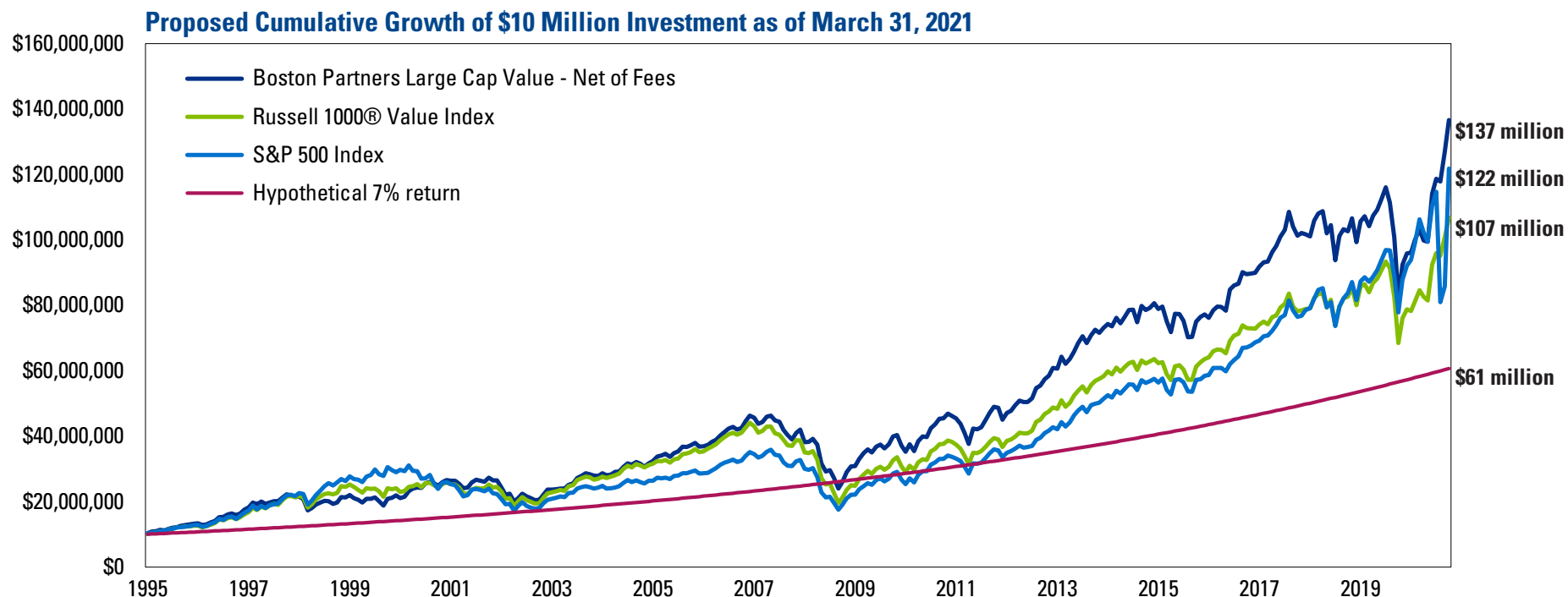
- There have been 66 months in which the market has produced a negative return.
- Composite has outperformed the Index 59% of the time.
- There have been 114 months in which the market has produced a positive return.
- Composite has outperformed the Index 60% of the time.
- The entire period is 180 months.
- Composite has outperformed the Index 59% of the time.

Data as of March 31, 2021, for 15-year period, 180 months.

Returns reflect composite results gross of fees and individual portfolio results may vary. A GIPS® compliant report is contained herein. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

# Benefits of Active Management

*Selecting the right manager can lead to higher growth of capital*



Data as of March 31, 2021.

This is a hypothetical illustration of the growth of \$10 million had it been invested in the Boston Partners Large Cap Value strategy on June 1, 1995. The results of this illustration may be changed depending on investment guidelines and cash flow. It assumes reinvestment of dividends and capital gains, and does not reflect sales loads, redemption fees or the effects of taxes on any capital gains and/or distributions. Past performance is not an indication of future results. A GIPS® compliant report is contained herein.

7% is a representative actuarial rate. Use of 7% is an arbitrary assumption. Results will be different with a different assumption. 7% is based on a study by Milliman Consulting in 2015 of approximately 1,300 multi-employer plans based on form 5,500 filings. Based on the conclusions of the study, 7% is a reasonable assumption for this comparison.



# **Boston Partners**

## *Appendix*

# Performance Attribution - Large Cap Value

*Year to Date as of March 31, 2021*

GICS SECTOR	Portfolio			Russell 1000® Value Index			Attribution Analysis		
	Average Weight	Total Return	Contribution To Return	Average Weight	Total Return	Contribution To Return	Sector Allocation	Stock Selection	Total Effect
Communication Services	4.15	7.21	0.28	9.52	6.06	0.62	0.22	0.07	0.28
Consumer Discretionary	11.01	20.98	2.23	7.46	15.48	1.12	0.14	0.55	0.69
Consumer Staples	1.56	10.92	0.17	7.31	2.47	0.14	0.57	0.16	0.72
Energy	7.07	25.52	1.72	5.01	30.96	1.43	0.34	-0.32	0.03
Financials	23.65	17.17	4.15	20.32	17.55	3.50	0.27	-0.07	0.20
Health Care	18.00	6.63	1.11	13.03	4.16	0.55	-0.31	0.30	-0.01
Industrials	13.49	20.85	2.70	13.68	13.52	1.81	0.00	0.92	0.92
Information Technology	13.36	22.11	2.82	9.45	11.29	1.06	-0.01	1.35	1.34
Materials	5.54	7.63	0.43	4.77	10.86	0.52	0.00	-0.19	-0.19
Real Estate	0.00	0.00	0.00	4.33	9.07	0.38	0.12	0.00	0.12
Utilities	2.16	-1.75	-0.09	5.10	2.79	0.12	0.24	-0.10	0.15
<b>Total</b>	<b>100.00</b>	<b>15.50</b>	<b>15.50</b>	<b>100.00</b>	<b>11.26</b>	<b>11.26</b>	<b>1.57</b>	<b>2.67</b>	<b>4.24</b>

Results are shown as a percentage. Attribution is calculated using end of day security prices and returns shown are equity only and exclude cash. Results are for Tulare County Employees' Retirement and are gross of fees. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

# Performance Attribution - Large Cap Value

*One Year as of March 31, 2021*

GICS SECTOR	Portfolio			Russell 1000® Value Index			Attribution Analysis		
	Average Weight	Total Return	Contribution To Return	Average Weight	Total Return	Contribution To Return	Sector Allocation	Stock Selection	Total Effect
Communication Services	4.12	51.58	2.54	9.28	50.92	4.92	0.30	0.25	0.55
Consumer Discretionary	9.87	115.45	9.32	6.90	98.78	5.75	0.86	1.05	1.91
Consumer Staples	2.40	31.76	0.78	8.47	28.50	2.84	1.85	-0.10	1.76
Energy	4.96	80.88	3.73	5.05	78.54	3.84	0.05	0.18	0.23
Financials	23.97	64.98	14.91	19.58	70.78	12.62	0.45	-1.06	-0.61
Health Care	19.92	34.65	7.98	14.13	34.66	5.80	-0.95	-0.52	-1.47
Industrials	12.69	96.52	10.77	12.53	76.87	8.86	-0.10	1.75	1.65
Information Technology	12.80	98.06	10.91	8.74	53.70	4.50	-0.02	4.24	4.22
Materials	6.81	76.02	6.17	4.66	85.00	3.66	1.00	-0.07	0.93
Real Estate	0.00	0.00	0.00	4.60	39.64	1.88	0.82	0.00	0.82
Utilities	2.45	19.62	0.64	6.04	19.69	1.43	1.48	0.18	1.66
<b>Total</b>	<b>100.00</b>	<b>67.75</b>	<b>67.75</b>	<b>100.00</b>	<b>56.10</b>	<b>56.10</b>	<b>5.74</b>	<b>5.91</b>	<b>11.65</b>

Data as of March 31, 2021.

Results are shown as a percentage. Attribution is calculated using end of day security prices and returns shown are equity only and exclude cash. Results are from a representative account in the Large Cap Value composite and are gross of fees. Individual portfolio results may vary. A GIPS® compliant report is contained herein. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

# Market Observations

*As of March 31, 2021*

- Global growth is accelerating with the re-opening of economies after vaccinations
- Yield curve has steepened as investors anticipate better growth and a pick-up of inflation while the Fed is on hold
  - Russell Value Indices have outperformed Russell Growth Indices during past periods of steepening yield curves
- The value reversal appears to have arrived with Russell 1000® Value Index having outperformed Russell 1000® Growth Index by nearly 20% since the end of August 2020
- Low PE stocks have outperformed high PE in the Russell Value Indices since the market bottom in March 2020
- Russell 1000® Value Index earnings growth is expected to be superior to Russell 1000® Growth Index through 2022 yet trades at about a 40% valuation discount
- Boston Partners has performed well during previous periods when:
  - The yield curve steepens, outperforming Russell Value and Growth Indices
  - Russell Value outperforms Russell Growth, adding more excess return compared to value benchmarks
  - After periods of severe market dislocations such as the tech bubble, financial crisis and the pandemic sell-off

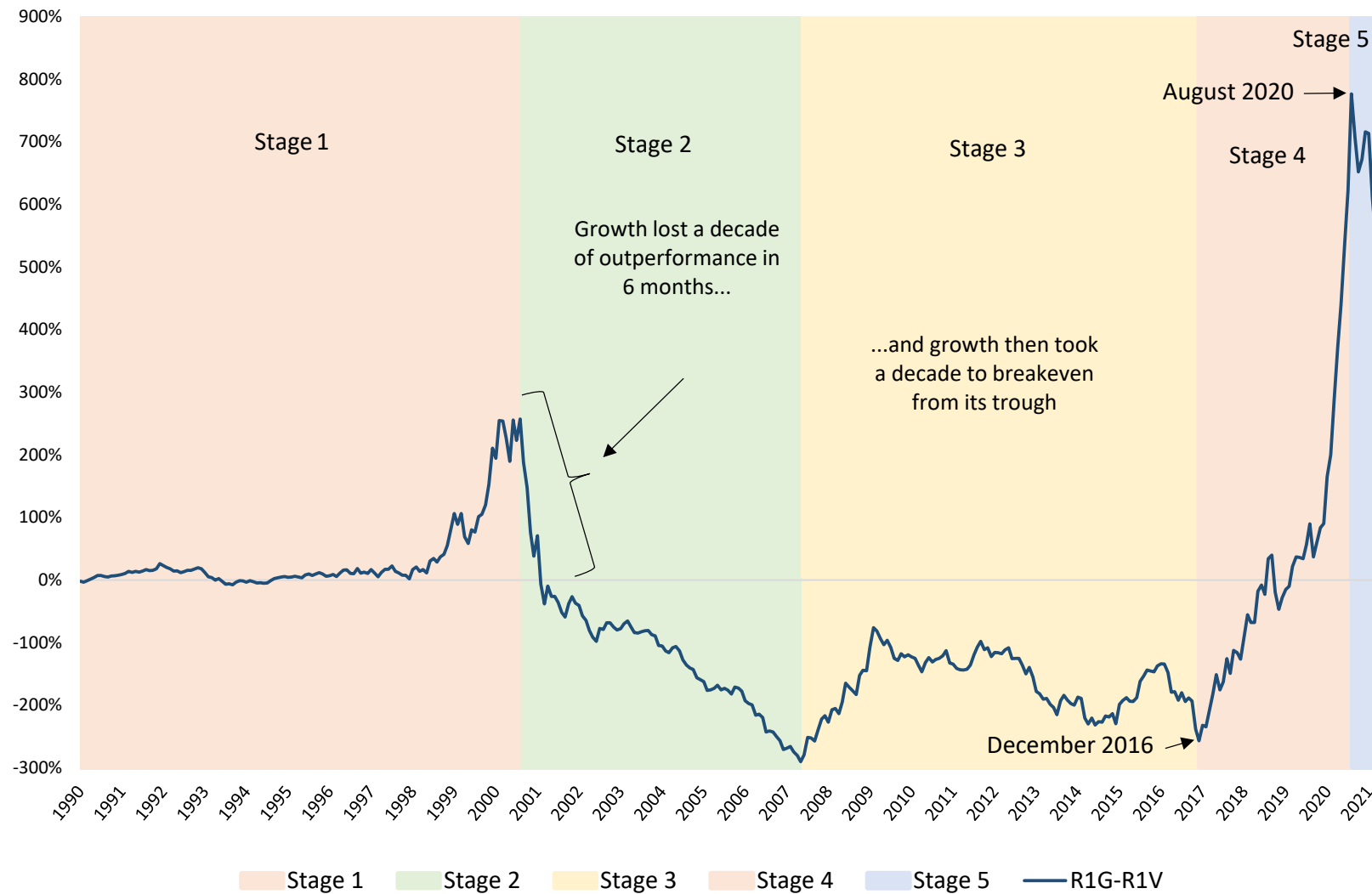
Discussions of returns and trends are not intended to be a forecast of future events or returns. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures. Estimates reflect subjective judgments and assumptions. There can be no assurance that developments will transpire as forecasted and that the estimates are accurate.

033121 LC PR-001



# The Cumulative History of Growth vs. Value Since 1990

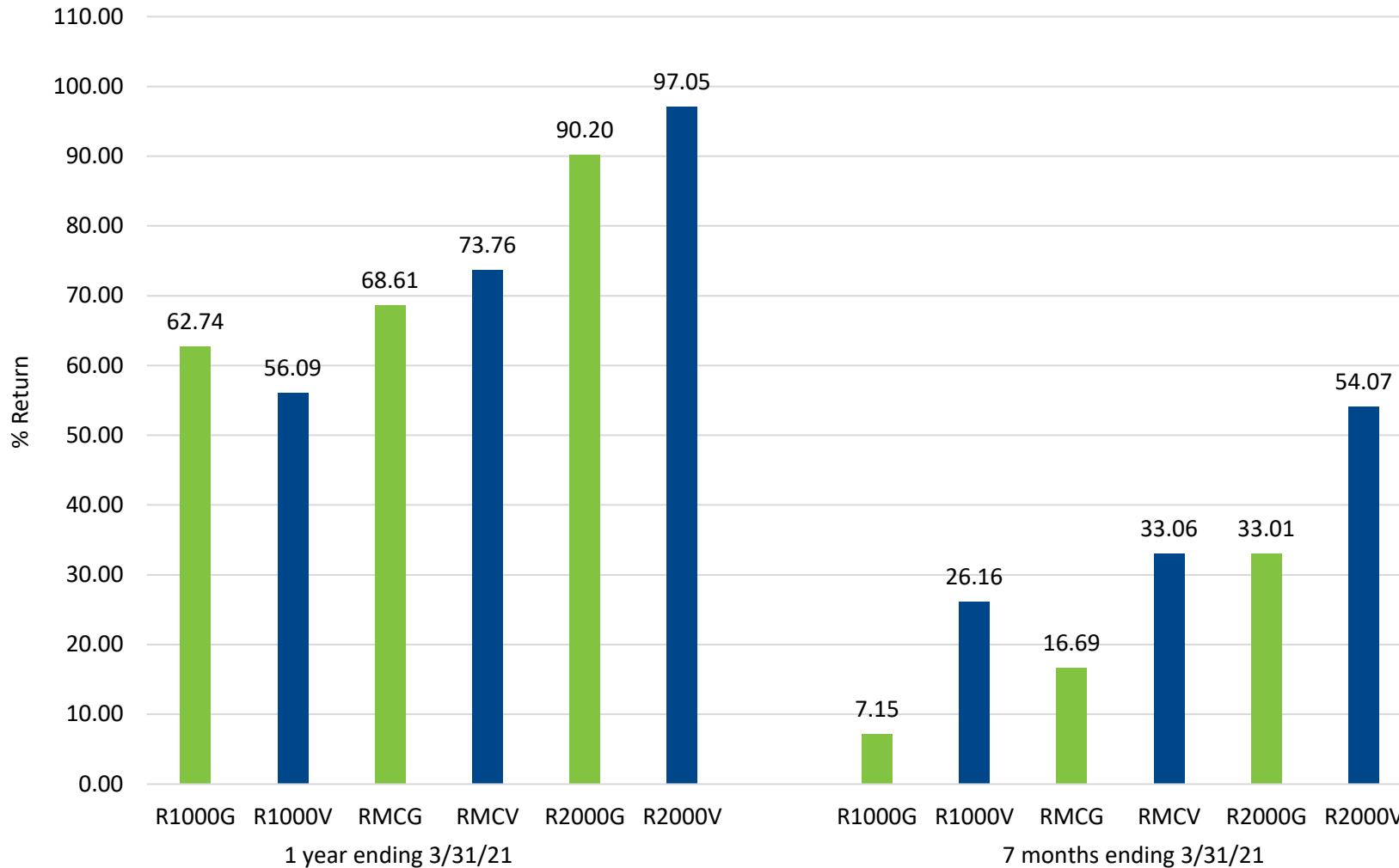
*Russell 1000® Growth Index minus Russell 1000® Value Index Cumulative Return*



Data from December 31, 1989 through March 31, 2021.  
Source: Kailash Capital, Morningstar Direct.  
Past performance is not an indication of future results.

033121 LC PR-002

# The Value Reversal Appears to Have Arrived



Data as of March 31, 2021.

Source: Boston Partners and FactSet.

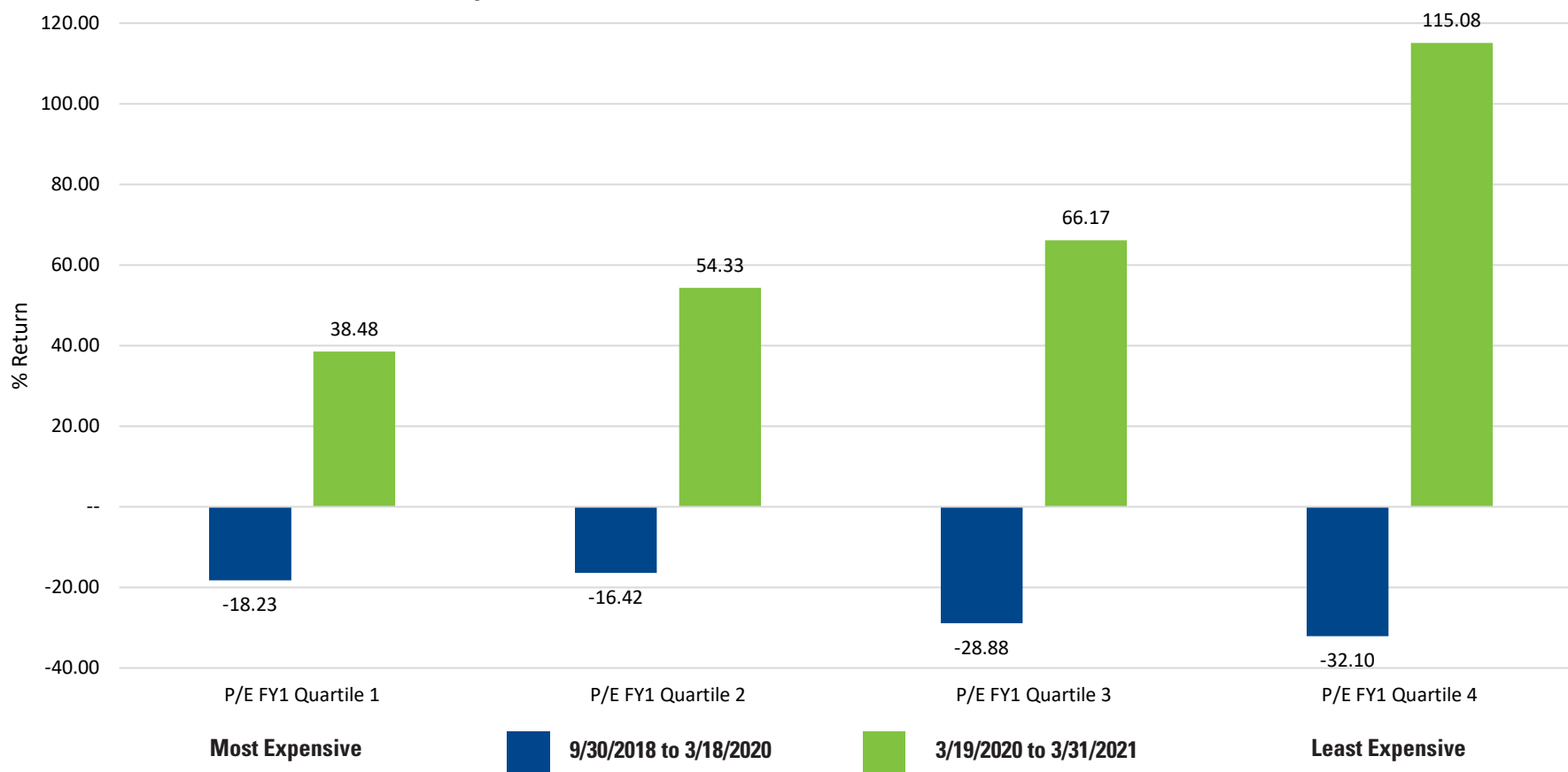
R1000G, R1000V, R2000G, R2000V = Russell 1000® and 2000® Growth and Value Indices, respectively. RMCG and RMCV= Russell Midcap® Growth and Value Indices, respectively.

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

033121 LC PR-003

# Low Valuation Bounced Back after Market Bottom

**Russell 1000® Value Index Performance by P/E Quartile**



	March 19, 2020 - March 31, 2021
Boston Partners Large Cap Value	77.28%
Russell 1000® Value Index	65.52%

Data as of March 31, 2021.

Source: FactSet.

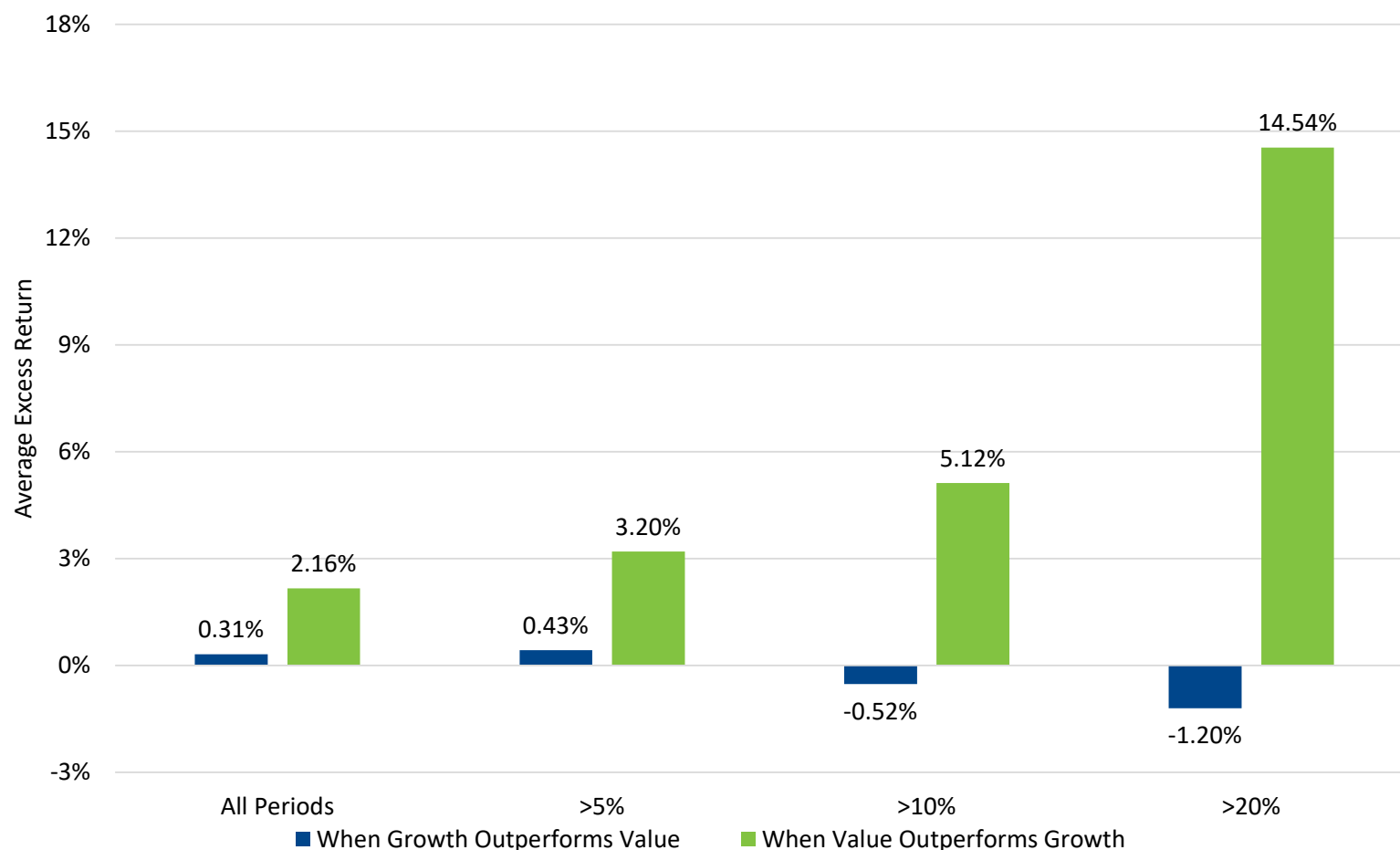
Beginning of period P/E ratio with equal weighting of securities in each grouping. Performance is presented gross of fees for a representative account in the Boston Partners Large Cap Value composite. A GIPS® compliant report is contained herein.

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

033121 LC PR-004

# Does Boston Partners Offer Genuine Value?

*Average Annual Excess Returns of Boston Partners Large Cap Value vs. Russell 1000® Value Index  
June 1995 – March 2021*



Data as of March 31, 2021.

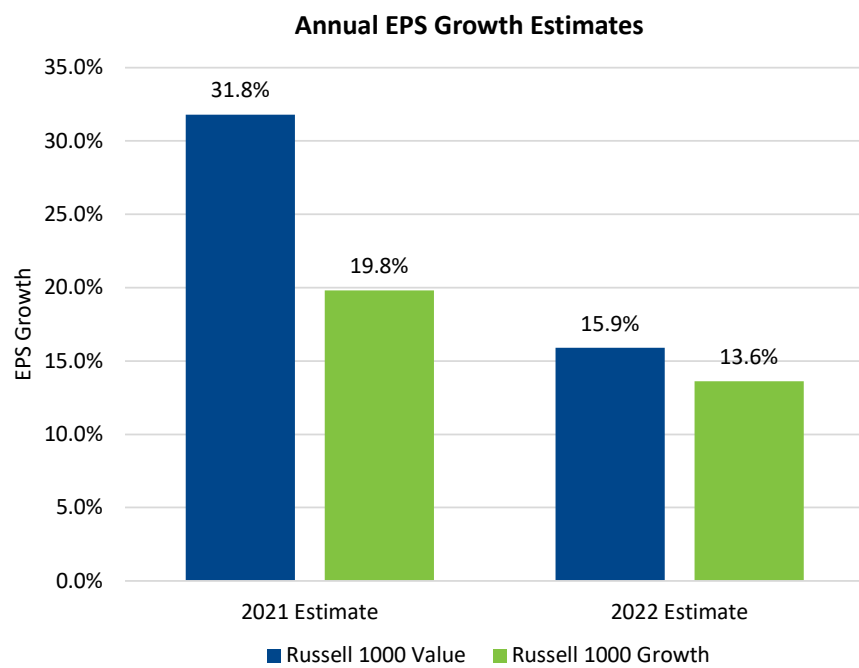
Source: Morningstar Direct, Boston Partners.

Russell 1000® Growth and Russell 1000® Value Indices were utilized to measure growth versus value in the chart above.

The data above includes all monthly rolling 1-year periods from June 1, 1995 through March 31, 2021. Timeline returns, other than those noted, reflect composite results, gross of fees and individual portfolio results will vary. Past performance is not an indication of future results. A GIPS® compliant report is contained herein. Performance for periods over one year are annualized. Please refer to the appendix for other important information and disclosures.

033121 LC PR-005

# Russell 1000<sup>®</sup> Value EPS Growth is Estimated to be Better Than Russell 1000<sup>®</sup> Growth Through 2022 yet Trades at a 40% Discount



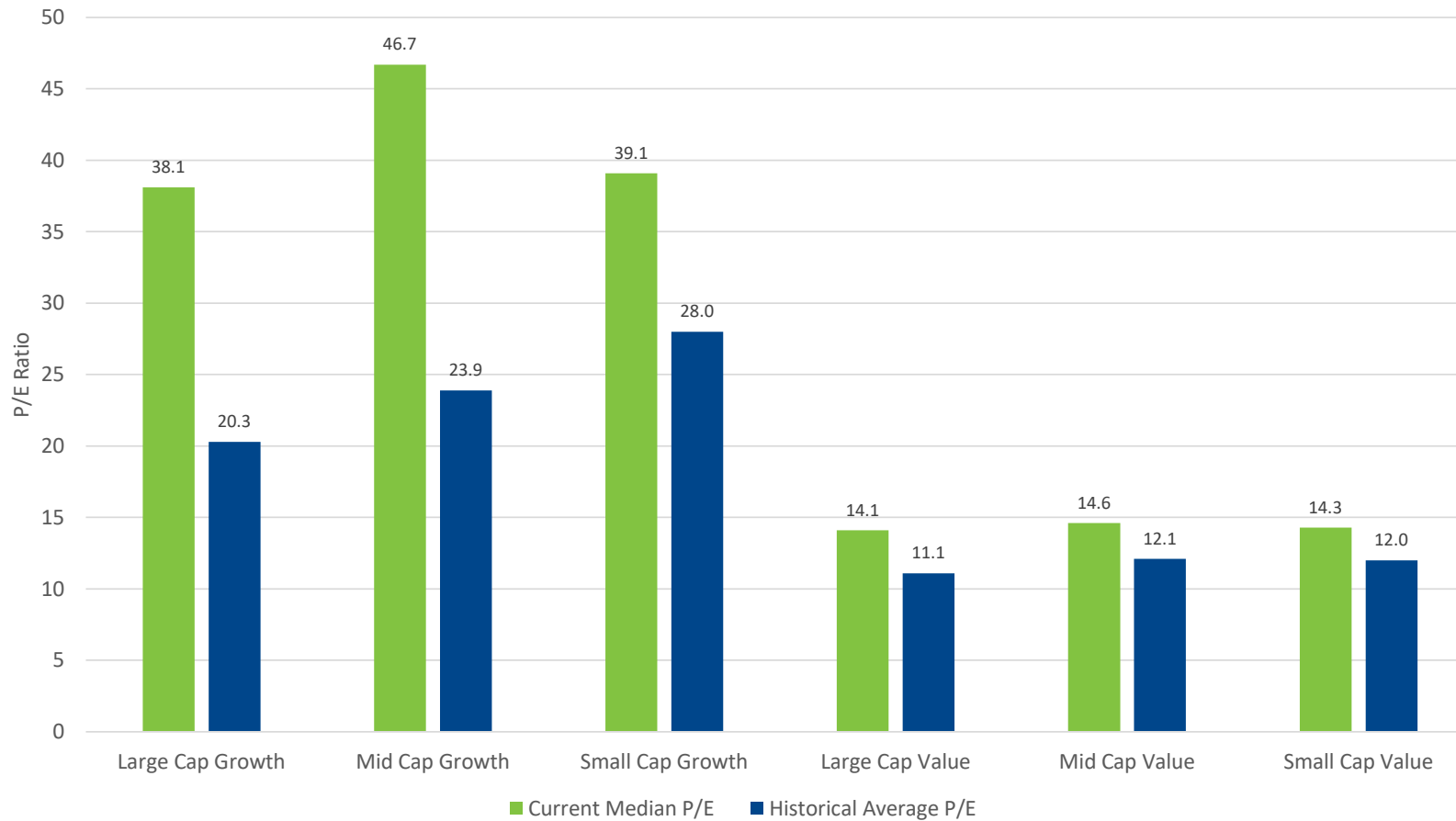
Data as of March 31, 2021.

Source: FactSet.

Earnings growth is not a measure of future performance. Estimates reflect subjective judgments and assumptions. There can be no assurance that developments will transpire as forecasted and that the estimates are accurate. Please refer to the appendix for other important disclosures.

033121 LC PR-006

## Value Looks Attractive Relative to Growth Across all Capitalizations



Data as of March 31, 2021.

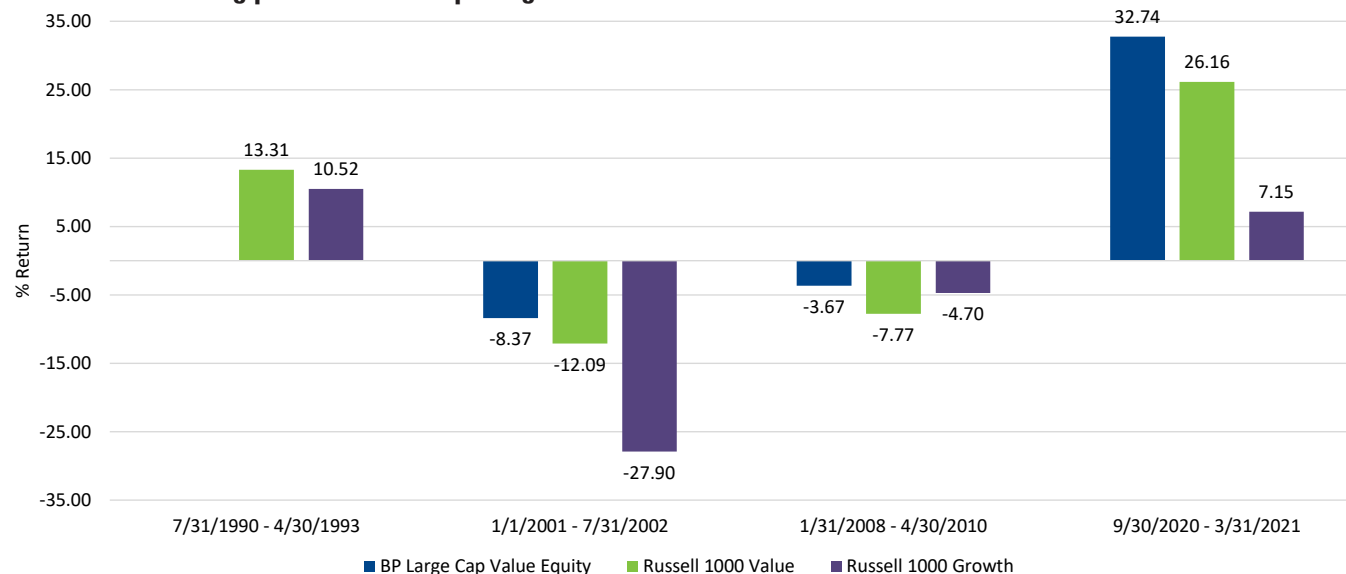
Source: The Leuthold Group.

Historical average median P/E period is from January 1982 to March 2021. The universes are defined by Leuthold. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

033121 LC PR - 007

# Boston Partners Large Cap Value has Outperformed both Value and Growth as the Yield Curve Steepens

## Performance during periods of a Steepening Yield Curve



## 10-Year Treasury minus 2-Year Treasury Yield



Inception date of the Boston Partners Large Cap Value Composite is June 1, 1995.

Data from December 31, 1989 through March 31, 2021. Source: Boston Partners, Morningstar, Inc. and The Federal Reserve Bank of St. Louis.

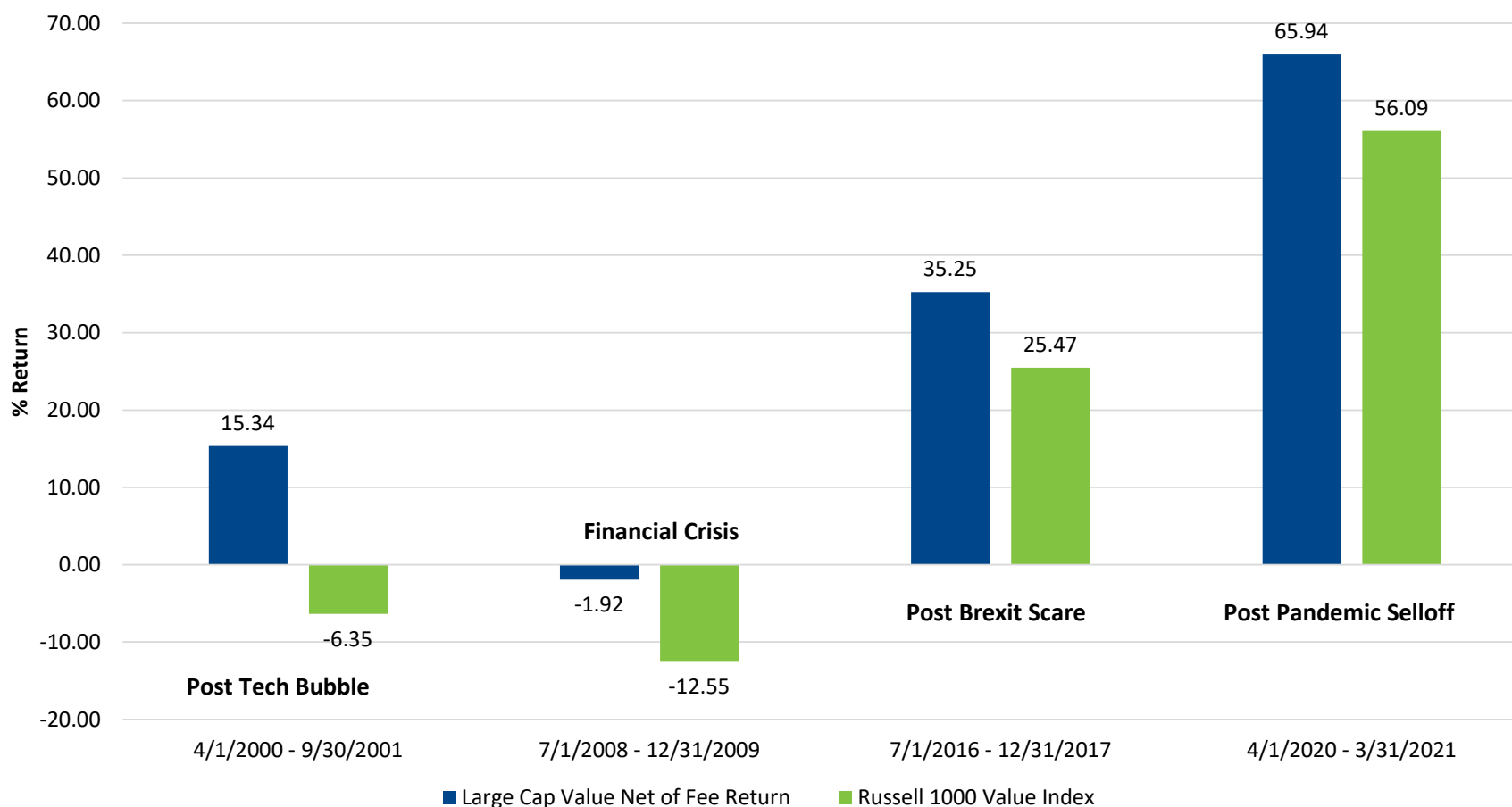
Returns are gross of fees. Performance for periods over one year are annualized. Past performance is not an indication of future results. A GIPS® compliant report is contained herein.

Please refer to the appendix for other important information and disclosures.

033121 LC PR-008

# Sticking to our Process has Paid Off After Extreme Market Environments

Cumulative Returns: Boston Partners Large Cap Value Composite (Net of Fees) and Russell 1000® Value Index



Source: Boston Partners and FactSet.

Past performance is not an indication of future results. A GIPS® compliant report is contained herein. Please refer to the appendix for other important disclosures.

033121 LC PR-009



## Excerpts from Mercer Paper: “Is There Still a Case for Value?”

“Our expectation is that in a period of extended economic uncertainty, a fundamental and more selective approach to value is more likely to win out with a focus on using judgement to differentiate winners and losers. However, a long-term outlook is needed for such an approach and the path is likely to be bumpy.”

“Review value managers: ensure managers employed to deliver value exposure remain consistent in their approach and continue to provide genuine value exposure.”

## Scott McNealy: “What Were You Thinking?”

Scott McNealy, previous CEO of Sun Microsystems

“At 10 times revenue, to give you a 10-year payback, I have to pay you 100% of revenues for 10 straight years. That assumes I have zero cost of goods sold and have zero expenses which is really hard with 39,000 employees. That assumes I pay no taxes. And that assumes you pay no taxes on your dividends which is kind of illegal. And that assumes with zero R&D for the next 10 years I can maintain my current revenue run rate. **What were you thinking?**”

Sun Microsystems' market capitalization was \$200B in early 2000. In 2010, the company was purchased by Oracle for \$5.6B, or 3% of its peak valuation.

### Performance (%)

	1Q 2021	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception*	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Large Cap Value - Gross of Fees</b>	<b>15.18</b>	<b>66.46</b>	<b>10.83</b>	<b>13.10</b>	<b>12.01</b>	<b>9.42</b>	<b>11.03</b>	<b>2.59</b>	<b>24.18</b>	<b>-8.70</b>	<b>20.07</b>	<b>14.74</b>	<b>-4.08</b>	<b>11.85</b>	<b>37.14</b>	<b>21.27</b>	<b>1.29</b>
<b>Large Cap Value - Net of Fees</b>	<b>15.09</b>	<b>65.94</b>	<b>10.48</b>	<b>12.75</b>	<b>11.63</b>	<b>9.05</b>	<b>10.65</b>	<b>2.27</b>	<b>23.79</b>	<b>-8.99</b>	<b>19.71</b>	<b>14.40</b>	<b>-4.37</b>	<b>11.49</b>	<b>36.64</b>	<b>20.66</b>	<b>0.82</b>
Russell 1000® Value Index	11.26	56.09	10.96	11.74	10.99	7.69	9.60	2.80	26.54	-8.27	13.66	17.34	-3.83	13.45	32.53	17.51	0.39
S&P 500® Index	6.17	56.35	16.78	16.29	13.91	10.02	10.16	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11
<b>Concentrated Large Cap Value - Gross of Fees</b>	<b>17.09</b>	<b>67.30</b>	<b>11.79</b>	-	-	-	<b>12.82</b>	<b>2.74</b>	<b>26.11</b>	<b>-8.86</b>	<b>13.71*</b>	-	-	-	-	-	-
<b>Concentrated Large Cap Value - Net of Fees</b>	<b>16.93</b>	<b>66.21</b>	<b>11.02</b>	-	-	-	<b>12.05</b>	<b>2.03</b>	<b>25.23</b>	<b>-9.51</b>	<b>13.32*</b>	-	-	-	-	-	-
Russell 1000® Value Index	11.26	56.09	10.96	-	-	-	10.25	2.80	26.54	-8.27	8.61*	-	-	-	-	-	-
<b>Premium Equity - Gross of Fees</b>	<b>12.14</b>	<b>64.71</b>	<b>10.74</b>	<b>13.50</b>	<b>12.54</b>	<b>10.52</b>	<b>13.01</b>	<b>5.38</b>	<b>28.88</b>	<b>-11.06</b>	<b>18.91</b>	<b>15.73</b>	<b>1.71</b>	<b>13.22</b>	<b>39.73</b>	<b>16.27</b>	<b>-1.01</b>
<b>Premium Equity - Net of Fees</b>	<b>11.98</b>	<b>63.75</b>	<b>10.09</b>	<b>12.84</b>	<b>11.92</b>	<b>9.92</b>	<b>12.44</b>	<b>4.78</b>	<b>28.12</b>	<b>-11.60</b>	<b>18.22</b>	<b>15.08</b>	<b>1.15</b>	<b>12.65</b>	<b>39.04</b>	<b>15.72</b>	<b>-1.55</b>
Russell 3000® Value Index	11.89	58.38	10.99	11.87	10.91	7.65	9.64	2.87	26.26	-8.58	13.19	18.40	-4.13	12.70	32.69	17.55	-0.10
S&P 500® Index	6.17	56.35	16.78	16.29	13.91	10.02	10.16	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11
<b>Mid Cap Value - Gross of Fees</b>	<b>13.84</b>	<b>73.42</b>	<b>11.13</b>	<b>13.12</b>	<b>13.08</b>	<b>11.85</b>	<b>13.46</b>	<b>6.55</b>	<b>31.26</b>	<b>-14.03</b>	<b>16.55</b>	<b>16.29</b>	<b>2.84</b>	<b>14.37</b>	<b>41.04</b>	<b>19.78</b>	<b>1.68</b>
<b>Mid Cap Value - Net of Fees</b>	<b>13.75</b>	<b>72.82</b>	<b>10.75</b>	<b>12.73</b>	<b>12.60</b>	<b>11.28</b>	<b>12.81</b>	<b>6.18</b>	<b>30.80</b>	<b>-14.33</b>	<b>16.16</b>	<b>15.90</b>	<b>2.49</b>	<b>14.00</b>	<b>40.48</b>	<b>18.90</b>	<b>0.88</b>
Russell Midcap® Value Index	13.05	73.76	10.70	11.60	11.05	8.67	11.34	4.96	27.06	-12.29	13.34	20.00	-4.78	14.75	33.46	18.51	-1.38

\* Inception dates are as follows: Large Cap Value is June 1, 1995; Concentrated Large Cap Value is July 1, 2017; Premium Equity is June 1, 1995; and Mid Cap Value is May 1, 1995. Boston Partners has prepared and presented this report in compliance with the GIPS®. Returns reflect composite results and individual portfolio results will vary. Performance for periods over one year are annualized. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

### Performance (%)

	1Q 2021	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception*	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Small/Mid Cap Value - Gross of Fees</b>	<b>17.87</b>	<b>101.40</b>	<b>10.48</b>	<b>12.92</b>	<b>11.32</b>	<b>9.17</b>	<b>11.49</b>	<b>4.49</b>	<b>31.79</b>	<b>-18.56</b>	<b>13.64</b>	<b>25.35</b>	<b>-3.06</b>	<b>5.34</b>	<b>35.33</b>	<b>23.97</b>	<b>-1.57</b>
<b>Small/Mid Cap Value - Net of Fees</b>	<b>17.70</b>	<b>100.22</b>	<b>9.82</b>	<b>12.22</b>	<b>10.59</b>	<b>8.37</b>	<b>10.70</b>	<b>3.87</b>	<b>31.01</b>	<b>-19.08</b>	<b>12.90</b>	<b>24.51</b>	<b>-3.71</b>	<b>4.65</b>	<b>34.37</b>	<b>23.08</b>	<b>-2.31</b>
Russell 2500® Value Index	16.83	87.47	10.88	12.15	10.23	7.87	10.28	4.88	23.56	-12.36	10.36	25.20	-5.49	7.11	33.32	19.21	-3.36
Russell 2500™ Index	10.93	89.40	15.34	15.93	12.20	9.53	10.59	19.99	27.77	-10.00	16.81	17.59	-2.90	7.07	36.80	17.88	-2.51
<b>Small Cap Value - Gross of Fees</b>	<b>18.73</b>	<b>98.98</b>	<b>11.26</b>	<b>13.00</b>	<b>11.11</b>	<b>9.44</b>	<b>13.10</b>	<b>3.12</b>	<b>31.15</b>	<b>-15.69</b>	<b>11.29</b>	<b>25.63</b>	<b>-3.77</b>	<b>4.76</b>	<b>35.27</b>	<b>22.85</b>	<b>-2.13</b>
<b>Small Cap Value - Net of Fees</b>	<b>18.55</b>	<b>97.65</b>	<b>10.49</b>	<b>12.20</b>	<b>10.27</b>	<b>8.58</b>	<b>12.21</b>	<b>2.41</b>	<b>30.22</b>	<b>-16.27</b>	<b>10.49</b>	<b>24.69</b>	<b>-4.53</b>	<b>3.93</b>	<b>34.21</b>	<b>21.85</b>	<b>-2.93</b>
Russell 2000® Value Index	21.17	97.05	11.57	13.56	10.06	7.38	10.34	4.63	22.39	-12.86	7.84	31.74	-7.47	4.22	34.52	18.05	-5.50
Russell 2000® Index	12.70	94.85	14.76	16.35	11.68	8.83	9.78	19.96	25.52	-11.01	14.65	21.31	-4.41	4.89	38.82	16.35	-4.18
<b>Small Cap Value II - Gross of Fees</b>	<b>18.39</b>	<b>98.40</b>	<b>10.44</b>	<b>12.94</b>	<b>11.39</b>	<b>9.47</b>	<b>12.42</b>	<b>2.37</b>	<b>29.43</b>	<b>-15.38</b>	<b>11.05</b>	<b>27.35</b>	<b>-3.27</b>	<b>5.35</b>	<b>36.53</b>	<b>24.54</b>	<b>-2.29</b>
<b>Small Cap Value II - Net of Fees</b>	<b>18.10</b>	<b>96.61</b>	<b>9.40</b>	<b>11.90</b>	<b>10.34</b>	<b>8.39</b>	<b>11.27</b>	<b>1.45</b>	<b>28.18</b>	<b>-16.19</b>	<b>10.05</b>	<b>26.21</b>	<b>-4.19</b>	<b>4.37</b>	<b>35.28</b>	<b>23.42</b>	<b>-3.45</b>
Russell 2000® Value Index	21.17	97.05	11.57	13.56	10.06	7.38	8.76	4.63	22.39	-12.86	7.84	31.74	-7.47	4.22	34.52	18.05	-5.50
<b>Long/Short Equity - Gross of Fees</b>	<b>14.31</b>	<b>34.73</b>	<b>3.69</b>	<b>5.23</b>	<b>7.50</b>	<b>11.38</b>	<b>11.92</b>	<b>-4.03</b>	<b>11.75</b>	<b>-13.34</b>	<b>5.41</b>	<b>25.71</b>	<b>1.15</b>	<b>7.16</b>	<b>10.37</b>	<b>15.40</b>	<b>8.68</b>
<b>Long/Short Equity - Net of Fees</b>	<b>14.04</b>	<b>33.47</b>	<b>2.70</b>	<b>4.16</b>	<b>6.36</b>	<b>9.76</b>	<b>9.54</b>	<b>-4.94</b>	<b>10.70</b>	<b>-14.22</b>	<b>4.30</b>	<b>24.03</b>	<b>0.17</b>	<b>6.04</b>	<b>9.17</b>	<b>14.06</b>	<b>7.39</b>
S&P 500® Index	6.17	56.35	16.78	16.29	13.91	10.02	8.23	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11
<b>Long/Short Research - Gross of Fees</b>	<b>7.33</b>	<b>22.20</b>	<b>1.31</b>	<b>4.04</b>	<b>6.50</b>	<b>6.86</b>	<b>7.00</b>	<b>-6.79</b>	<b>14.16</b>	<b>-9.37</b>	<b>11.63</b>	<b>5.21</b>	<b>3.02</b>	<b>8.68</b>	<b>19.70</b>	<b>14.73</b>	<b>5.35</b>
<b>Long/Short Research - Net of Fees</b>	<b>6.95</b>	<b>20.65</b>	<b>0.04</b>	<b>2.75</b>	<b>5.19</b>	<b>5.54</b>	<b>5.68</b>	<b>-7.92</b>	<b>12.75</b>	<b>-10.50</b>	<b>10.27</b>	<b>3.91</b>	<b>1.74</b>	<b>7.34</b>	<b>18.23</b>	<b>13.32</b>	<b>4.05</b>
S&P 500® Index	6.17	56.35	16.78	16.29	13.91	10.02	8.92	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11
HFRI Equity Hedge Total Index	7.37	48.18	10.03	10.20	5.88	5.12	6.04	17.90	13.69	-7.14	13.29	5.47	-0.97	1.81	14.27	7.41	-8.38

\* Inception dates are as follows: Small/Mid Cap Value is April 1, 1999; Small Cap Value is July 1, 1995; Small Cap Value II is July 1, 1998; Long/Short Equity is August 1, 1997; and Long/Short Research is April 1, 2002.

Boston Partners has prepared and presented this report in compliance with the GIPS®. Returns reflect composite results and individual portfolio results will vary.

Performance for periods over one year are annualized. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

### Performance (%)

	1Q 2021	1 Year	3 Year	5 Year	10 Year	Since Inception*	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Global Equity - Gross of Fees</b>	<b>13.42</b>	<b>67.30</b>	<b>8.50</b>	<b>10.91</b>	<b>10.21</b>	<b>8.62</b>	<b>5.88</b>	<b>20.07</b>	<b>-12.50</b>	<b>21.53</b>	<b>9.47</b>	<b>1.89</b>	<b>5.54</b>	<b>35.12</b>	<b>17.26</b>	<b>-1.77</b>
<b>Global Equity - Net of Fees</b>	<b>13.27</b>	<b>66.33</b>	<b>7.80</b>	<b>10.17</b>	<b>9.42</b>	<b>7.82</b>	<b>5.23</b>	<b>19.27</b>	<b>-13.10</b>	<b>20.67</b>	<b>8.65</b>	<b>1.11</b>	<b>4.74</b>	<b>34.11</b>	<b>16.37</b>	<b>-2.56</b>
MSCI World Index - Net	4.92	54.03	12.81	13.36	9.88	7.75	15.90	27.67	-8.71	22.40	7.51	-0.87	4.94	26.68	15.83	-5.54
MSCI World Value Index - Net	9.56	48.27	6.71	9.11	7.13	5.67	-1.16	21.75	-10.78	17.10	12.33	-4.82	3.69	26.62	15.51	-5.62
<b>International Equity - Gross of Fees</b>	<b>8.87</b>	<b>55.77</b>	<b>4.11</b>	<b>7.56</b>	<b>6.95</b>	<b>4.87</b>	<b>5.46</b>	<b>16.69</b>	<b>-18.07</b>	<b>26.38</b>	<b>0.76</b>	<b>3.54</b>	<b>-3.65</b>	<b>31.47</b>	<b>18.67</b>	<b>-6.20</b>
<b>International Equity - Net of Fees</b>	<b>8.68</b>	<b>54.71</b>	<b>3.38</b>	<b>6.79</b>	<b>6.17</b>	<b>4.09</b>	<b>4.74</b>	<b>15.86</b>	<b>-18.67</b>	<b>25.48</b>	<b>0.01</b>	<b>2.77</b>	<b>-4.37</b>	<b>30.51</b>	<b>17.79</b>	<b>-6.89</b>
MSCI EAFE Index - Net	3.48	44.57	6.02	8.85	5.52	3.74	7.82	22.01	-13.79	25.03	1.00	-0.81	-4.90	22.78	17.32	-12.14
MSCI EAFE Value Index - Net	7.44	45.71	1.85	6.57	3.65	2.35	-2.63	16.09	-14.78	21.44	5.02	-5.68	-5.39	22.95	17.69	-12.17
<b>Global Long/Short - Gross of Fees</b>	<b>11.12</b>	<b>35.12</b>	<b>4.16</b>	<b>5.03</b>	-	<b>5.98</b>	<b>1.75</b>	<b>6.29</b>	<b>-7.68</b>	<b>9.60</b>	<b>4.34</b>	<b>8.73</b>	<b>4.36</b>	<b>8.96*</b>	-	-
<b>Global Long/Short - Net of Fees</b>	<b>10.58</b>	<b>32.47</b>	<b>2.10</b>	<b>2.96</b>	-	<b>3.94</b>	<b>-0.25</b>	<b>4.19</b>	<b>-9.53</b>	<b>7.44</b>	<b>2.28</b>	<b>6.59</b>	<b>2.55</b>	<b>8.02*</b>	-	-
MSCI World Index - Net	4.92	54.03	12.81	13.36	-	11.14	15.90	27.67	-8.71	22.40	7.51	-0.87	4.94	16.83*	-	-
MSCI World Value Index - Net	9.56	48.27	6.71	9.11	-	7.62	-1.16	21.75	-10.78	17.10	12.33	-4.82	3.69	15.74*	-	-
HFRI Equity Hedge Total Index	7.37	48.18	10.03	10.20	-	7.52	17.90	13.69	-7.14	13.29	5.47	-0.97	1.81	8.98*	-	-

\* Inception dates are as follows: Global Equity is July 1, 2008; International Equity is July 1, 2008; and Global Long/Short is July 1, 2013.

Boston Partners has prepared and presented this report in compliance with the GIPS®. Returns reflect composite results and individual portfolio results will vary. Performance for periods over one year are annualized. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

## Performance (%)

	1Q 2021	1 Year	3 Year	5 Year	7 Year	Since Inception*	2020	2019	2018	2017	2016
<b>Emerging Markets Dynamic Equity - Gross of Fees</b>	<b>2.38</b>	<b>30.52</b>	<b>5.05</b>	<b>9.49</b>	-	<b>7.36</b>	<b>13.43</b>	<b>19.53</b>	<b>-16.64</b>	<b>27.89</b>	<b>8.08</b>
<b>Emerging Markets Dynamic Equity - Net of Fees</b>	<b>2.09</b>	<b>29.03</b>	<b>3.64</b>	<b>7.79</b>	-	<b>5.57</b>	<b>12.08</b>	<b>17.82</b>	<b>-17.87</b>	<b>25.69</b>	<b>5.69</b>
MSCI Emerging Markets Index - Net	2.29	58.39	6.48	12.07	-	7.28	18.31	18.42	-14.57	37.28	11.19
HFRI Equity Hedge Total Index	7.37	48.18	10.03	10.20	-	7.53	17.90	13.69	-7.14	13.29	5.47
<b>Emerging Markets - Gross of Fees</b>	<b>6.40</b>	<b>61.80</b>	<b>8.49</b>	-	-	<b>10.58</b>	<b>15.69</b>	<b>29.91</b>	<b>-20.32</b>	<b>14.45*</b>	-
<b>Emerging Markets - Net of Fees</b>	<b>6.15</b>	<b>60.47</b>	<b>7.51</b>	-	-	<b>9.57</b>	<b>14.73</b>	<b>28.69</b>	<b>-21.09</b>	<b>13.33*</b>	-
MSCI Emerging Markets Index - Net	2.29	58.39	6.48	-	-	9.78	18.31	18.42	-14.57	15.92*	-

\* Inception dates are as follows: Emerging Markets Dynamic Equity is March 1, 2015; Emerging Markets Equity is July 1, 2017.

Boston Partners has prepared and presented this report in compliance with the GIPS®. Returns reflect composite results and individual portfolio results will vary. Performance for periods over one year are annualized. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Boston Partners Global Investors, Inc. ("Boston Partners") is an Investment Adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Registration does not imply a certain level of skill or training. Boston Partners is an indirect, wholly owned subsidiary of ORIX Corporation of Japan ("ORIX"). Boston Partners updated its firm description as of November 2018 to reflect changes in its divisional structure. Boston Partners is comprised of two divisions, Boston Partners and Weiss, Peck & Greer Partners ("WPG").

Boston Partners claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Boston Partners has been independently verified for the periods 2007 through 2019. Before then, Boston Partners Asset Management ("BPAM"), the previous entity name, and WPG were independently verified on an annual basis from 1995 through 2006 and 1993 through 2006, respectively. A firm that claims compliance with the GIPS must establish policies and procedures for complying with all the applicable requirements of the GIPS. Verification provides assurance on whether a firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

The composites have had a performance examination for the following periods: Boston Partners Large Cap Value Equity, 1995 to 2019; Boston Partners Premium Equity, 1995 to 2019; Boston Partners Mid Cap Value Equity, 1995 to 2006 and 2010 to 2019; Boston Partners Small/Mid Cap Value Equity, 1999 to 2019; Boston Partners Small Cap Value Equity, 1995 to 2019; Boston Partners Small Cap Value II Equity, 1998 to 2019; Boston Partners Long/Short Research, 2011 to 2019; Boston Partners Global Equity II, 2012 to 2019; Boston Partners International Equity II, 2008 to 2019; Boston Partners Global Long/Short, 2013 to 2019; and Boston Partners Emerging Markets Dynamic Equity, 2016 to 2019. The verification and performance examination reports are available upon request. A list of composite descriptions is available upon request. GIPS® is a registered trademark of the CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

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### Composite Construction(s)

Performance results attained at Boston Partners are linked to the results achieved at BPAM beginning on January 1, 2007 in compliance with the GIPS® standards on performance record portability. Composites include all separately managed and commingled vehicles, fully discretionary, fee-paying accounts under management with a similar investment mandate. Prior to January 1, 2007 the minimum account size for inclusion in all the composites in existence noted above was \$5 million. After January 1, 2007, the minimum account size for composite inclusion was lowered to \$1million for all composites, except for the Boston Partners Small Cap Value Equity and Small Cap Value II Equity Composites; the account minimum for inclusion remained at \$5 million for those composites. No composites have a minimum account size for inclusion as of June 1, 2019. Some composites contain proprietary assets.

The inception and creation date of the **Boston Partners Large Cap Value Equity** composite is June 1, 1995. The strategy is composed of securities with market capitalizations primarily greater than \$3 billion and is benchmarked against Russell 1000® Value Index and the S&P 500 Index (secondary). Prior to December 1, 1995, there was no minimum market value requirement for inclusion in the Boston Partners Large Cap Value Equity composite. Accounts that did not meet the established minimum balance requirement on that date were removed.

The inception and creation date of the **Boston Partners Large Cap Concentrated Equity** composite is July 1, 2017. Under normal market conditions, the strategy is composed of 35 – 40 securities with market capitalizations primarily in the same capitalization range as the Russell 1000® Value Index. The composite is benchmarked against the Russell 1000® Value Index.

The inception and creation date of the **Boston Partners Premium Equity** composite is June 1, 1995. The strategy is a hybrid of Boston Partners' other equity products. It has the flexibility to invest across the capitalization spectrum and to invest in securities with equity-like return and risk profiles. Boston Partners Premium Equity is benchmarked against the Russell 3000® Value Index and the S&P 500 Index (secondary).

The inception and creation date of the **Boston Partners Mid Cap Value Equity** composite is May 1, 1995. Effective March 1, 2006, the Mid Cap Value Equity strategy is composed of securities primarily in the same market capitalization range, at time of purchase, as the Russell Midcap® Value Index. Effective January 1, 2005 the Boston Partners Mid Cap Value composite revised its benchmark from the Russell 2500™ Value Index to the Russell Midcap® Value Index. The Russell Midcap® Value Index has less of a bias toward smaller capitalization stocks and thus more accurately reflects the composition of Boston Partners holdings.

The inception and creation date of the **Boston Partners Small/Mid Cap Value Equity** composite is April 1, 1999. The strategy is generally composed of securities with market capitalizations, at the time of purchase, in the same market capitalization range as the Russell 2500™ Index. The composite is benchmarked against the Russell 2500™ Value Index. The Russell 2500™ Index is presented as supplemental information.

The inception and creation date of the **Boston Partners Small Cap Value Equity** composite is July 1, 1995. The strategy is generally composed of securities with market capitalizations, at the time of purchase, in the same market capitalization range as the Russell 2000® Index. The composite is benchmarked against the Russell 2000® Value Index. The Russell 2000® Index is presented as supplemental information. The inception date of the Boston Partners Small Cap Value II Equity composite is July 1, 1998. The composite was created in 2000. The strategy is generally composed of securities with market capitalizations, at the time of purchase, in the same market capitalization range as the Russell 2000® Index and in accordance with the product's selective investment in micro cap companies. The composite is benchmarked against the Russell 2000® Value Index.

The inception date and creation date of the **Boston Partners Long/Short Equity** composite is August 1, 1997. The strategy is an absolute return product that balances long and short portfolio strategies and seeks to achieve stable absolute returns with approximately half the risk of the S&P 500. However, this product is not risk neutral. It is exposed to style, capitalization, sector and short-implementation risks. Prior to October 1, 1998, the composite was managed on a non-fee paying basis. Participant results would have been substantially different if fee waivers were not applied. The composite is benchmarked against the S&P 500 Index and the Russell 3000® Value/Russell 3000® Growth for comparative



purposes only since the strategy is not correlated to equity market returns.

The inception and creation date of the **Boston Partners Long/Short Research Equity** composite is April 1, 2002. This strategy is an absolute return product that balances long and short portfolio strategies and seeks to achieve stable absolute returns with approximately half the risk of the S&P 500 Index. The strategy is benchmarked against the S&P 500 Index. The HFRI Equity Hedge (Total) Index is presented as supplemental information.

The inception and creation date of the **Boston Partners Global Equity II** composite is July 1, 2008. This strategy is unconstrained and primarily invests in equity securities in the global market without using hedges on currency. The strategy is benchmarked against the MSCI World Index-Net. Prior to August 1, 2017, the strategy was benchmarked to the MSCI World Index. Non-performance related statistics are measured against the MSCI World Index. The MSCI World Value Index-Net and the MSCI ACWI Index-Net are presented as supplemental information.

The inception date and creation date of the **Boston Partners International Equity II** composite is July 1, 2008. This strategy is unconstrained and primarily invests in non-us markets without using currency hedges. The strategy is benchmarked against the MSCI EAFE Index-Net as of August 1, 2017. From July 1, 2008 to June 30, 2010 the primary benchmark was MSCI EAFE Value Index and on July 1, 2010 the primary benchmark changed to the MSCI EAFE Index. This change to the MSCI EAFE Index was made retroactively to July 1, 2008. Non-performance related statistics are measured against the MSCI EAFE Index. The MSCI EAFE Value Index-Net and the MSCI ACWI ex U.S. Index-Net are presented as supplemental information.

The inception and creation date of the **Boston Partners Global Long/Short Equity** composite is July 1, 2013. The strategy is composed of securities with market capitalizations primarily greater than \$50 million and is benchmarked against the MSCI World Index-Net. Non-performance related statistics are measured against the MSCI World Index. Prior to August 1, 2017, the strategy was benchmarked to the MSCI World Index. The MSCI World Value Index-Net and the HFRI Equity Hedge (Total) Index are presented as supplemental information.

The inception and creation of the **Boston Partners Emerging Markets Dynamic Equity** composite is March 1, 2015. The strategy is composed of securities with market capitalizations

primarily greater than \$250 million and is benchmarked against the MSCI Emerging Markets Index-Net. Non-performance related statistics are measured against the MSCI Emerging Markets Index. Prior to August 1, 2017, the strategy was benchmarked to the MSCI Emerging Markets Index. The HFRI Equity Hedge (Total) Index is presented as supplemental information. Prior to July 1, 2020, the Boston Partners Emerging Markets Dynamic Equity Composite was named the Boston Partners Emerging Markets Long/Short Composite.

The inception and creation of the Boston Partners Emerging Markets Equity composite is July 1, 2017. The strategy is composed of securities with market capitalizations primarily greater than \$250 million and is benchmarked against the MSCI Emerging Markets Index-Net. Prior to August 1, 2017, the strategy was benchmarked to the MSCI Emerging Markets Index. Non-performance related statistics are measured against the MSCI Emerging Markets Index.

### Benchmarks

Index returns are provided for comparison purposes only to show how the composite's returns compare to a broad-based index of securities, as the indices do not have costs, fees, or other expenses associated with their performance. In addition, securities held in indices may not be similar to securities held in the composite's accounts.

The S&P 500® Index is an unmanaged index of the common stocks of 500 widely held U.S. companies.

All Russell® Indices are registered trademarks of the Frank Russell Company. The Russell® Value Indices typically measure the performance of universes of stocks displaying low price-to-book ratios and low forecasted growth values. The Russell® Growth Indices typically measure the performance of universes of stocks displaying high price-to-book ratios and high forecasted growth values. The Russell 1000® Index measures the performance of the large-cap segment of the U.S. equity universe. It includes the 1,000 largest companies in the Russell 3000® Index. The Russell 3000® Index measures performance of the 3,000 largest U.S. companies based on total market capitalization. The Russell 2500™ and 2000® Indices measure performance of the 2,500 and 2,000 smallest companies in the Russell 3000® Index respectively. The Russell Midcap® Index measures the performance of the 800 smallest companies in the Russell 1000® Index.

The MSCI Indices cover the full range of developed, emerging and All Country MSCI International Equity Indices across all size segmentations. MSCI style indices use a multi-factor

approach, which uses three variables (book value to price, 12-month forward earnings to price and dividend yield) to define the value investment style characteristics and five variables (long-term forward earnings per share ("EPS") growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend) to define the growth investment style characteristics. The MSCI EAFE Index captures large and mid-cap equities across developed markets in Europe, Australasia and the Far East, excluding the U.S. and Canada. The MSCI World Index represents large and mid-cap equity performance across 23 developed markets countries, covering approximately 85% of the free float-adjusted market capitalization in each. The MSCI Emerging Markets Index captures large and mid cap representation across 26 emerging market countries covering approximately 85% of the free float-adjusted market capitalization in each country. The MSCI ACWI (All Country World Index) captures both the MSCI World and MSCI Emerging Markets Index covering approximately 85% of the global investable equity opportunity set. The MSCI ACWI ex-U.S. Index excludes the equity opportunity set within the U.S.

The HFRI Equity Hedge (Total) Index constituent funds typically maintain at least 50% exposure to, and may in some cases be entirely invested in, equities or equity derivative securities, both long and short. Constituents use a wide variety of investment processes and techniques, net exposure levels, leverage employed, holding periods, market capitalizations concentrations, and valuation ranges. Data cannot be shared or distributed without written consent.

Net total return indexes reinvest dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

### Calculation Methodology

Composite account returns are asset value weighted using beginning of month asset values and composite account returns are calculated on a total return, time-weighted basis using trade date valuations. Composite returns are geometrically linked on a monthly basis. Effective January 1, 2011, Boston Partners adopted a significant cash flow policy. Accounts are temporarily removed from the composite when a significant external cash flow occurs, which is typically defined as a flow that is greater than or equal to 10% of the beginning market value of an account on the day of the flow; and greater than or equal to 10% of the beginning

# Boston Partners

## Performance disclosures (continued)

market value of the composite for that month. An account is generally added back to the composite as of the first full month following the significant cash flow. Returns reflect the reinvestment of dividends and other earnings and are expressed in U.S. Dollars unless otherwise noted. Additional information regarding policies for valuing accounts, calculating performance, and preparing compliant reports is available upon request.

### Fees and Expenses

Composite returns are provided on a gross and net of fee basis. Composite account returns will be reduced by any fees and expenses incurred in the management of the account. Net of fee composite returns are asset weighted and reflect the deduction of management fees, which may include performance-based fees, commissions and transaction costs, and are calculated by deducting actual fees charged to the accounts in a composite. Gross composite returns are calculated by deducting commissions and transaction costs charged to accounts in a composite. Fees are applied to gross returns at month end. Actual fees may vary depending on the applicable fee schedule and account size. Additional information regarding policies for valuing accounts, calculating performance, and preparing compliant reports is available upon request. Investment advisory fees are listed herein and are fully described in Boston Partners' Form ADV, Part 2.

### Composite Dispersion

The measurement of composite dispersion is calculated by the weighted average standard deviation of the annual account gross-of-fee returns within the composite. Dispersion in composites with less than five accounts included for the entire year is not considered meaningful and is denoted with "N/A". Prior to January 1, 2007, the measurement of composite dispersion was calculated by determining the difference between the highest and lowest annual account returns within the composite. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. This calculation has been adopted effective with the period ended December 31, 2011.

### Large Cap Value Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev. <sup>1</sup>	Bench. 3-Yr. Std. Dev. <sup>2</sup>	% of Firm AUM
<b>2019:</b>	133	\$ 25.3 bn	0.29%	12.48%	11.85%	11.94%	28%
<b>2018:</b>	142	\$22.4 bn	0.19%	12.16%	10.82%	10.80%	27%
<b>2017:</b>	141	\$25.4 bn	0.33%	11.57%	10.20%	9.92%	26%
<b>2016:</b>	156	\$25.3 bn	0.23%	11.95%	10.77%	10.59%	29%
<b>2015:</b>	167	\$24.6 bn	0.16%	11.28%	10.68%	10.47%	31%
<b>2014:</b>	151	\$25.2 bn	0.11%	9.83%	9.20%	8.98%	34%
<b>2013:</b>	129	\$16.5 bn	0.62%	13.77%	12.70%	11.94%	32%
<b>2012:</b>	105	\$8.6 bn	0.24%	16.50%	15.51%	15.09%	30%
<b>2011:</b>	99	\$5.1 bn	0.23%	20.03%	20.69%	18.71%	24%
<b>2010:</b>	89	\$4.8 bn	0.15%	n/a	n/a	n/a	26%

<sup>1</sup>Russell 1000® Value Index <sup>2</sup>S&P 500 Index

### Concentrated Large Cap Value Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
<b>2019:</b>	1	\$8 mm	n/a	n/a	n/a	0%
<b>2018:</b>	1	\$4 mm	n/a	n/a	n/a	0%
<b>2017*:</b>	1	\$3 mm	n/a	n/a	n/a	0%

\* 2017 performance period is from July 1.

### Premium Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev. <sup>1</sup>	Bench. 3-Yr. Std. Dev. <sup>2</sup>	% of Firm AUM
<b>2019:</b>	37	\$4.1 bn	0.12%	13.35%	12.01%	11.94%	5%
<b>2018:</b>	36	\$3.7 bn	0.11%	12.58%	11.06%	10.80%	5%
<b>2017:</b>	35	\$4.3 bn	0.17%	11.47%	10.33%	9.92%	4%
<b>2016:</b>	35	\$3.4 bn	0.10%	12.30%	10.97%	10.59%	4%
<b>2015:</b>	35	\$3.3 bn	0.09%	11.46%	10.74%	10.47%	4%
<b>2014:</b>	29	\$3.1 bn	0.14%	9.92%	9.36%	8.98%	4%
<b>2013:</b>	29	\$2.7 bn	0.53%	13.76%	12.90%	11.94%	5%
<b>2012:</b>	26	\$2.2 bn	0.17%	16.17%	15.81%	15.09%	7%
<b>2011:</b>	24	\$2.0 bn	0.19%	19.37%	21.04%	18.71%	9%
<b>2010:</b>	27	\$2.1 bn	0.43%	n/a	n/a	n/a	12%

<sup>1</sup>Russell 3000® Value Index <sup>2</sup>S&P 500 Index

### Mid Cap Value Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
<b>2019:</b>	40	\$20.1 bn	0.04%	13.25%	12.79%	22%
<b>2018:</b>	41	\$16.0 bn	0.16%	13.26%	11.96%	20%
<b>2017:</b>	36	\$20.9 bn	0.09%	11.56%	10.33%	21%
<b>2016:</b>	35	\$18.5 bn	0.09%	12.45%	11.30%	21%
<b>2015:</b>	37	\$15.3 bn	0.01%	10.97%	10.71%	20%
<b>2014:</b>	29	\$11.6 bn	0.12%	10.27%	9.81%	16%
<b>2013:</b>	16	\$7.6 bn	0.24%	14.83%	13.69%	15%
<b>2012:</b>	9	\$2.9 bn	0.01%	17.76%	16.76%	10%
<b>2011:</b>	4	\$1.0 bn	n/a	21.35%	22.78%	5%
<b>2010:</b>	3	\$306 mm	n/a	n/a	n/a	2%

### Small/Mid Cap Value Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
<b>2019:</b>	19	\$1.5 bn	0.08%	15.66%	14.23%	2%
<b>2018:</b>	20	\$1.1 bn	0.19%	14.64%	13.58%	1%
<b>2017:</b>	18	\$1.3 bn	0.30%	12.72%	11.81%	1%
<b>2016:</b>	18	\$1.0 bn	0.14%	13.90%	13.17%	1%
<b>2015:</b>	13	\$814 mm	0.14%	12.21%	12.02%	1%
<b>2014:</b>	10	\$499 mm	0.08%	11.65%	11.25%	1%
<b>2013:</b>	7	\$481 mm	0.13%	15.30%	15.07%	1%
<b>2012:</b>	7	\$367 mm	0.08%	18.30%	18.41%	1%
<b>2011:</b>	7	\$327 mm	0.10%	23.85%	24.23%	2%
<b>2010:</b>	7	\$384 mm	0.04%	n/a	n/a	2%

### Small Cap Value Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
<b>2019:</b>	20	\$1.6 bn	0.34%	15.31%	15.68%	2%
<b>2018:</b>	20	\$1.3 bn	0.24%	14.79%	15.76%	2%
<b>2017:</b>	20	\$1.4 bn	0.14%	13.46%	13.97%	1%
<b>2016:</b>	19	\$1.2 bn	0.21%	14.71%	15.50%	1%
<b>2015:</b>	19	\$1.0 bn	0.19%	13.03%	13.45%	1%
<b>2014:</b>	18	\$1.1 bn	0.26%	12.36%	12.79%	2%
<b>2013:</b>	16	\$1.1 bn	0.56%	15.69%	15.82%	2%
<b>2012:</b>	16	\$957 mm	0.20%	18.66%	19.89%	3%
<b>2011:</b>	17	\$923 mm	0.08%	24.94%	26.05%	4%
<b>2010:</b>	16	\$682 mm	0.16%	n/a	n/a	4%

### Small Cap Value Equity II:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
<b>2019:</b>	3	\$720 mm	n/a	15.37%	15.68%	1%
<b>2018:</b>	3	\$597 mm	n/a	14.78%	15.76%	1%
<b>2017:</b>	4	\$935 mm	n/a	13.21%	13.97%	1%
<b>2016:</b>	4	\$878 mm	n/a	14.36%	15.50%	1%
<b>2015:</b>	3	\$478 mm	n/a	12.78%	13.45%	1%
<b>2014:</b>	4	\$444 mm	n/a	12.11%	12.79%	1%
<b>2013:</b>	4	\$370 mm	n/a	15.63%	15.82%	1%
<b>2012:</b>	4	\$304 mm	n/a	18.46%	19.89%	1%
<b>2011:</b>	5	\$272 mm	0.10%	25.12%	26.05%	1%
<b>2010:</b>	6	\$300 mm	0.24%	n/a	n/a	2%



### Long/Short Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
2019:	2	\$311 mm	n/a	9.53%	11.93%	0%
2018:	2	\$515 mm	n/a	9.81%	10.80%	1%
2017:	2	\$1.1 bn	n/a	9.09%	9.92%	1%
2016:	2	\$1.1 bn	n/a	9.68%	10.77%	1%
2015:	2	\$687 mm	n/a	8.41%	10.47%	1%
2014:	2	\$958 mm	n/a	6.77%	8.98%	1%
2013:	2	\$965 mm	n/a	5.46%	11.94%	2%
2012:	2	\$829 mm	n/a	11.93%	15.09%	3%
2011:	2	\$626 mm	n/a	19.85%	18.71%	3%
2010:	2	\$440 mm	n/a	n/a	n/a	2%

### Long/Short Research:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
2019:	2	\$3.1 bn	n/a	7.57%	11.94%	4%
2018:	2	\$4.9 bn	n/a	7.11%	10.80%	6%
2017:	2	\$7.4 bn	n/a	6.40%	9.92%	7%
2016:	2	\$6.9 bn	n/a	6.64%	10.59%	8%
2015:	1	\$7.2 bn	n/a	6.13%	10.47%	9%
2014:	1	\$6.0 bn	n/a	5.52%	8.98%	8%
2013:	1	\$2.9 bn	n/a	7.95%	11.94%	6%
2012:	1	\$492 mm	n/a	9.86%	15.09%	2%
2011:	1	\$97 mm	n/a	10.70%	18.71%	0%
2010:	1	\$9 mm	n/a	n/a	n/a	0%

### Global Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
2019:	9	\$1.7 bn	0.15%	11.28%	11.14%	2%
2018:	9	\$1.5 bn	0.09%	11.02%	10.38%	2%
2017:	8	\$1.5 bn	0.11%	10.49%	10.23%	2%
2016:	4	\$699 mm	n/a	11.28%	10.94%	1%
2015:	3	\$438 mm	n/a	10.76%	10.80%	1%
2014:	1	\$27 mm	n/a	10.48%	10.22%	0%
2013:	2	\$66 mm	n/a	13.73%	13.52%	0%
2012:	2	\$18 mm	n/a	17.23%	16.72%	0%
2011:	1	\$8 mm	n/a	20.11%	20.15%	0%
2010:	1	\$9 mm	n/a	n/a	n/a	0%

### International Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
2019:	n/a	\$1.8 bn	0.13%	11.41%	10.81%	2%
2018:	6	\$1.4 bn	0.05%	11.98%	11.24%	2%
2017:	5	\$1.2 bn	0.10%	11.31%	11.83%	1%
2016:	3	\$603 mm	n/a	11.81%	12.48%	1%
2015:	1	\$261 mm	n/a	11.07%	12.47%	0%
2014:	2	\$33 mm	n/a	11.77%	12.99%	0%
2013:	2	\$20 mm	n/a	14.28%	16.21%	0%
2012:	2	\$18 mm	n/a	18.16%	19.34%	0%
2011:	1	\$6 mm	n/a	21.73%	22.40%	0%
2010:	1	\$6 mm	n/a	n/a	n/a	0%

### Global Long/Short Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
2019:	1	\$558 mm	n/a	5.24%	11.14%	1%
2018:	1	\$861 mm	n/a	5.09%	10.38%	1%
2017:	1	\$1.0 bn	n/a	4.92%	10.23%	1%
2016:	1	\$868 mm	n/a	5.33%	10.94%	1%
2015:	1	\$629 mm	n/a	n/a	n/a	1%
2014:	1	\$125 mm	n/a	n/a	n/a	0%
2013*:	1	\$3 mm	n/a	n/a	n/a	0%

\* 2013 performance period is from July 1.

### Emerging Markets Dynamic Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
2019:	2	\$210 mm	n/a	10.80%	14.17%	0%
2018:	1	\$177 mm	n/a	9.48%	14.60%	0%
2017:	1	\$211 mm	n/a	n/a	n/a	0%
2016:	1	\$11 mm	n/a	n/a	n/a	0%
2015*:	1	\$3 mm	n/a	n/a	n/a	0%

\* 2015 performance period is from March 1.

### Emerging Markets Equity:

	# of Accts. in Comp.	Total Assets in Comp.	Comp. Dispersion	Comp. 3-Yr. Std. Dev.	Bench. 3-Yr. Std. Dev.	% of Firm AUM
2019:	1	\$10 mm	n/a	n/a	n/a	0%
2018:	1	\$4 mm	n/a	n/a	n/a	0%
2017*:	1	\$3 mm	n/a	n/a	n/a	0%

\* 2017 performance period is from July 1.

### Firm Assets:

Year	Assets (mm)	Year	Assets (mm)
2019:	\$89,368	2014:	\$73,250
2018:	\$81,550	2013:	\$52,334
2017:	\$99,241	2012:	\$29,023
2016:	\$87,222	2011:	\$21,098
2015:	\$78,363	2010:	\$18,419

### Other Disclosures

GICS (Global Industry Classification Standard) sector classification is used. All product characteristics and sector weightings are calculated using a representative account. Risk statistics are calculated using composite data. Account composition is subject to change and information contained in this publication may not be representative of the current account. Foreign investors may have taxes withheld. Investing involves risk including the risk of loss of principal. Value investing involves buying the stocks of companies that are out of favor or are undervalued. This may adversely affect an account's value and return. Stock values fluctuate in response to issuer, political, regulatory, market or economic developments. The value of small and mid-capitalization securities may be more volatile than those of larger issuers, but larger issuers could fall out of favor. Investments in foreign issuers may be more volatile than in the U.S. market, and international investing is subject to special risks including, but not limited to, currency risk associated with non - U.S. dollar denominated securities, which may be affected by fluctuations in currency exchange rates, political, social or economic instability, and differences in taxation, auditing and other financial practices. Investments in emerging markets may increase risks.

For those composites that utilize short selling, short sales theoretically involve unlimited loss potential since the market price of securities sold short may continuously increase. This may have the effect of increased leverage and constitutes the use of leverage. For those composites that utilize derivatives, derivative investments may involve risks such as potential illiquid markets and additional risk of loss of principal.

Boston Partners participates in Initial Public Offerings (IPOs) as described in its Form ADV, Part 2. IPO contributions to performance vary from year to year depending on availability and prevailing market conditions. IPO contributions may have a significant positive effect on performance when initially purchased. Such positive performance should not be expected for future performance periods.

### Performance Restatement

Due to the retroactive application of our Tax Loss Harvesting Policy, an account with tax restrictions was temporarily removed from the Boston Partners Large Cap Value Composite in Q4 2019. The 2019 annualized gross and net composite returns have been restated: 4th Quarter from 7.80% and 7.71% to 8.10% and 8.01%; 1 Year from 23.83% and 23.46%

to 24.18% and 23.79%; 3 Year from 10.72% and 10.39% to 10.83% and 10.49%; 5 Year from 8.36% and 8.03% to 8.42% and 8.09%; 7 Year from 12.58% and 12.22% to 12.62% and 12.27%; 10 Year from 12.34% and 11.95% to 12.37% and 11.98%; 15 Year from 9.38% and 9.01% to 9.40% and 9.03%; 20 Year from 9.22% and 8.84% to 9.23% and 8.85%; and since inception from 10.85% and 10.48% to 10.87% and 10.49%, respectively.

### **Annual Fee Schedules**

**Large Cap:** 70 basis points ("bp") on the first \$10 million in assets; 50 bp on the next \$40 million; 40 bp on the next \$50 million; 30 bp thereafter. **Concentrated Large Cap:** 70 basis points ("bp") on the first \$10 million in assets; 50 bp on the next \$40 million; 40 bp on the next \$50 million; 30 bp thereafter. **Premium Equity:** 80 bp on the first \$25 million of assets; 60 bp on the next \$25 million; 50 bp on the next \$50 million; 40 bp thereafter. **Mid Cap:** 80 bp on the first \$25 million of assets; 60 bp thereafter. **Small/Mid Cap, Small Cap, and Small Cap II:** 100 bp on the first \$25 million of assets; 80 bp thereafter. **Long/Short:** 100 bp on total assets under management; plus 20% profit participation. **Long/Short Research:** 150 basis points. **Global Equity and International Equity:** 75 basis points ("bp") on the first \$25 million in assets; 65 bp on the next \$25 million; 55 bp on the next \$50 million; 50 bp thereafter. **Global Long/Short:** 200 bp on total assets under management. **Emerging Markets Dynamic Equity:** 150 bp on total assets under management. **Emerging Markets Equity:** 95 basis points ("bp") on the first \$25 million in assets; 85 bp on the next \$25 million; 75 bp on the next \$50 million; 70 bp thereafter.

### **Corporate Information**

Boston Partners is affiliated with listed corporations through common ownership. ORIX Corporation Europe N.V. services may be offered in the U.S. through Robeco Institutional Asset Management, U.S., an SEC Registered Investment Adviser registered under the Investment Advisers Act of 1940. Transtrend products may be offered in the U.S. through Boston Partners Securities, LLC, member FINRA, SIPC. Boston Partners is authorized to transact as an Investment Adviser and maintains a Securities License by the Government of Guam Department of Revenue and Taxation. It also maintains a Certificate of Authority to transact business on Guam as a Foreign Corporation. In addition, Boston Partners is registered in Korea with the Financial Services Commission (FSC).



# SGA International Growth Equity

Q1 2021 Portfolio Review

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June 2021

## Tulare County Employees' Retirement Association

# > Philosophy

Identify those few differentiated global businesses that offer predictable, sustainable growth over the long term

Deep company research with coverage by multiple analysts to enhance objectivity

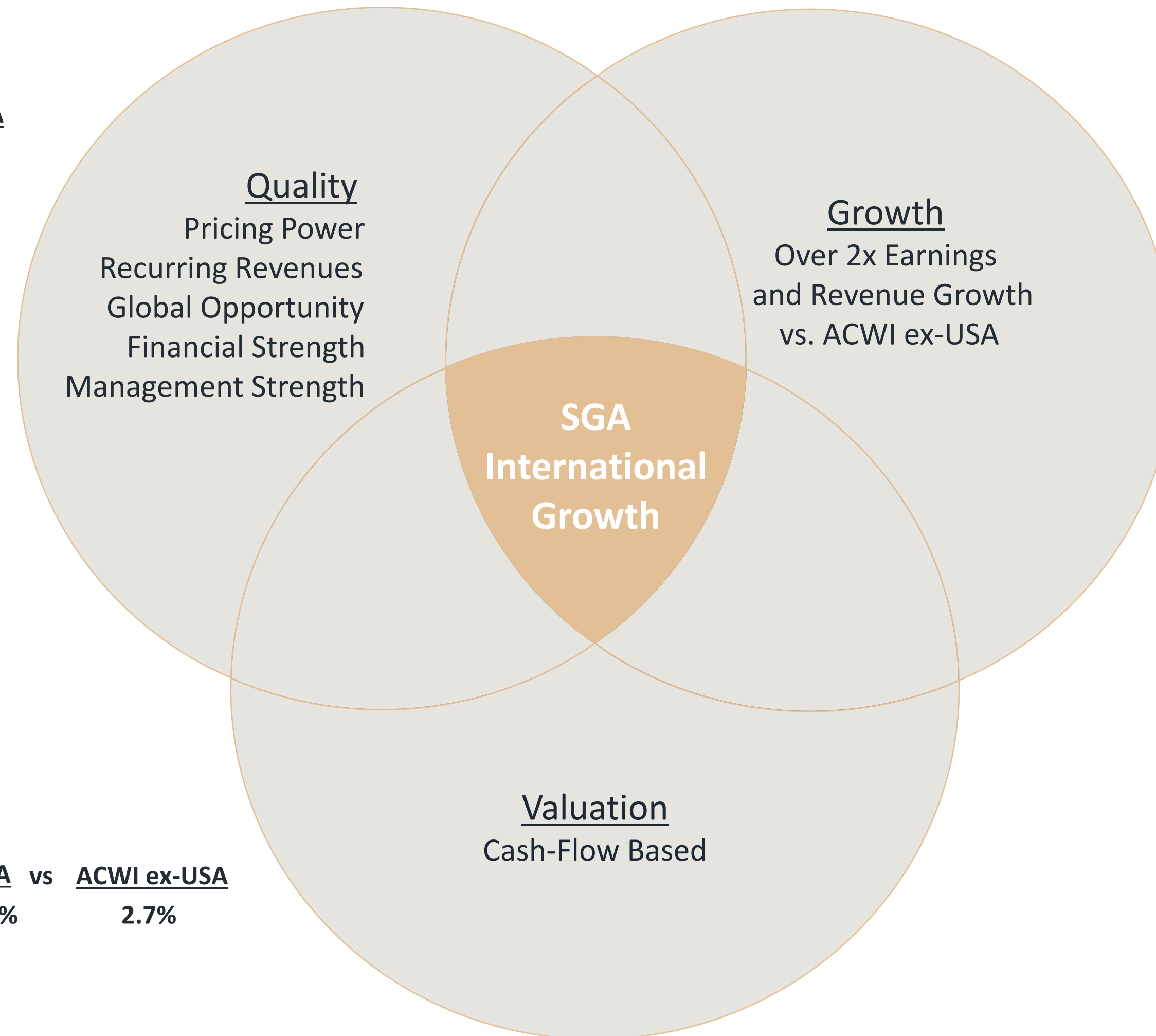
Valuation is an essential element of growth stock selection; cash flow metrics best reflect reality

Focus on a longer-term time horizon to take advantage of short-term inefficiencies and volatility

Invest with conviction based solely on opportunity and not benchmark active weights

# > SGA International Growth Portfolio

	<u>SGA</u>	vs	<u>ACWI ex-USA</u>
Gross Margin:	48%		38%
Cash Flow/Earnings:	92%		73%
Debt/EBITDA:	2.5x		3.9x
Net Debt/Market Cap:	8%		40%
Growth Volatility:	8%		26%



	<u>SGA</u>	vs	<u>ACWI ex-USA</u>
EPS Growth:	8.3%		-5.4%
Revenue Growth:	11.1%		-2.5%

	<u>SGA</u>	vs	<u>ACWI ex-USA</u>
Enterprise Yield:	2.5%		2.7%

Cash Earnings Ratio is a measure of proportion of earnings that is converted into cash (CFATS / Earnings). Cash Flow Available To Shareholders (CFATS) = Op Cash Flow – Cap X – Sustaining Acquisitions – Unfunded Obligations (pensions, legal). Enterprise yield (EY) is a proprietary measure of the free cash flow truly available to investors as a percentage of market value (CFATS / Market Capitalization). Source: Bloomberg, FactSet, and SGA estimates and adjustments. Data as of 3/31/21. C/E Ratio, EY exclude financials. SGA C/E ratio and Enterprise Yield projected. EPS and Revenue Growth are historical values since inception of the SGA International Growth composite. SGA International Growth composite inception is 3/1/2015. Earnings Growth data is through 12/31/2020 (last full calendar year of reported EPS data) for SGA's longest tenured account. SGA EPS Growth data is based upon portfolio companies non-GAAP operating earnings. EPS calculations exclude companies with earnings going from (i) positive to negative or (ii) negative to positive, year to year.



# > Our Firm

Our ideal client believes strongly in being very selective in company identification and benchmark indifferent in portfolio construction



Founded: 2003

Location: Stamford, Connecticut

Strategy: Sustainable Growth Equities

Assets Under Advisement: \$22.5 billion

U.S. Equities: \$12.9B

Global Equities: \$9.6B

30 employees

17 are equity owners

It is not known whether the listed clients approve or disapprove of Sustainable Growth Advisers or the advisory services it has provided. References provided upon request. The names included herein were selected as being representative of the different types of institutional clients and businesses serviced by Sustainable Growth Advisers. Performance was not a determining factor for inclusion or exclusion of client names on the list. You may have a different experience than the clients listed above. As of 3/31/2021, \$22.5 billion in assets includes \$19.1 billion from discretionary accounts and \$3.4 billion from emulated (Model) accounts.

# > Investment Team

Analysts and Portfolio Managers



Tucker Brown  
SGA Since 2006  
PM - International



Julian Cochran  
SGA Since 2019



George Fraise  
SGA Since 2003



Hrishikesh (HK) Gupta  
SGA Since 2014  
PM – Global  
Emerging Markets  
Global Mid Cap



Alexandra Lee, MD  
SGA Since 2004  
PM - International



James Li, CFA  
SGA Since 2019



Peter Madej, CMT  
SGA Since 2005



Gordon Marchand  
CFA, CIC, CPA  
SGA Since 2003  
PM - U.S.  
Global  
International



Kishore Rao  
SGA Since 2004  
PM - U.S.  
Emerging Markets  
Global Mid Cap



Jon Richter  
SGA Since 2019



Rob Rohn  
SGA Since 2003  
PM - U.S.  
Global  
Emerging Markets  
Global Mid Cap



Luying Wang, CFA  
SGA Since 2017

## Client Portfolio Managers



Peter Knudsen, CFA  
SGA Since 2014



Deana Leong  
SGA Since 2019



David Shapiro  
SGA Since 2019



Steve Skatrud, CFA  
SGA Since 2014

## > TCERA SGA International Returns

Trailing Data	Q1 2021	1 – Year	Since Inception
SGA International CIT	0.9%	50.1%	13.5%
MSCI ACWI ex-USA Growth	-0.1%	49.4%	10.4%
MSCI ACWI ex-USA	3.5%	49.4%	6.7%
Excess Return vs ACWI ex-USA Growth	+1.0%	+0.7%	+3.1%

Returns (net of fees through 3/31/2021) are those of the SGA International CIT Class 4. MSCI ACWI ex-USA and ex-USA Growth returns are Net Total Return (MSCI Net Total Return indexes reinvest dividends after the deduction of withholding taxes). Inception is 6/4/2018. Returns reflect the reinvestment of dividends, interest and other earnings. For interest and capital gains, SGA does not withhold taxes, for dividends SGA will withhold taxes as reported by the client's custodian. Past performance does not guarantee future results. This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document.



# > SGA International Growth Returns

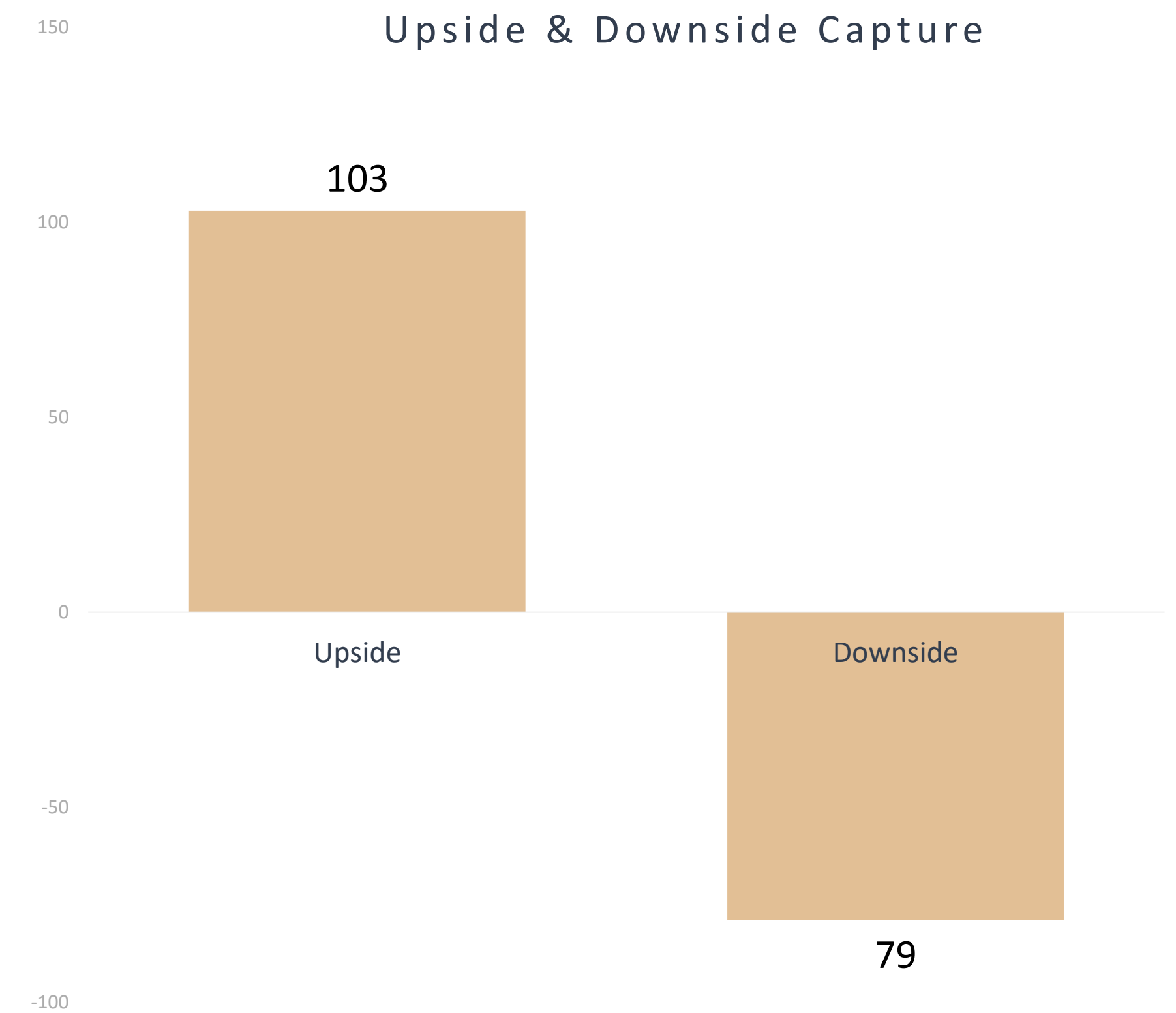
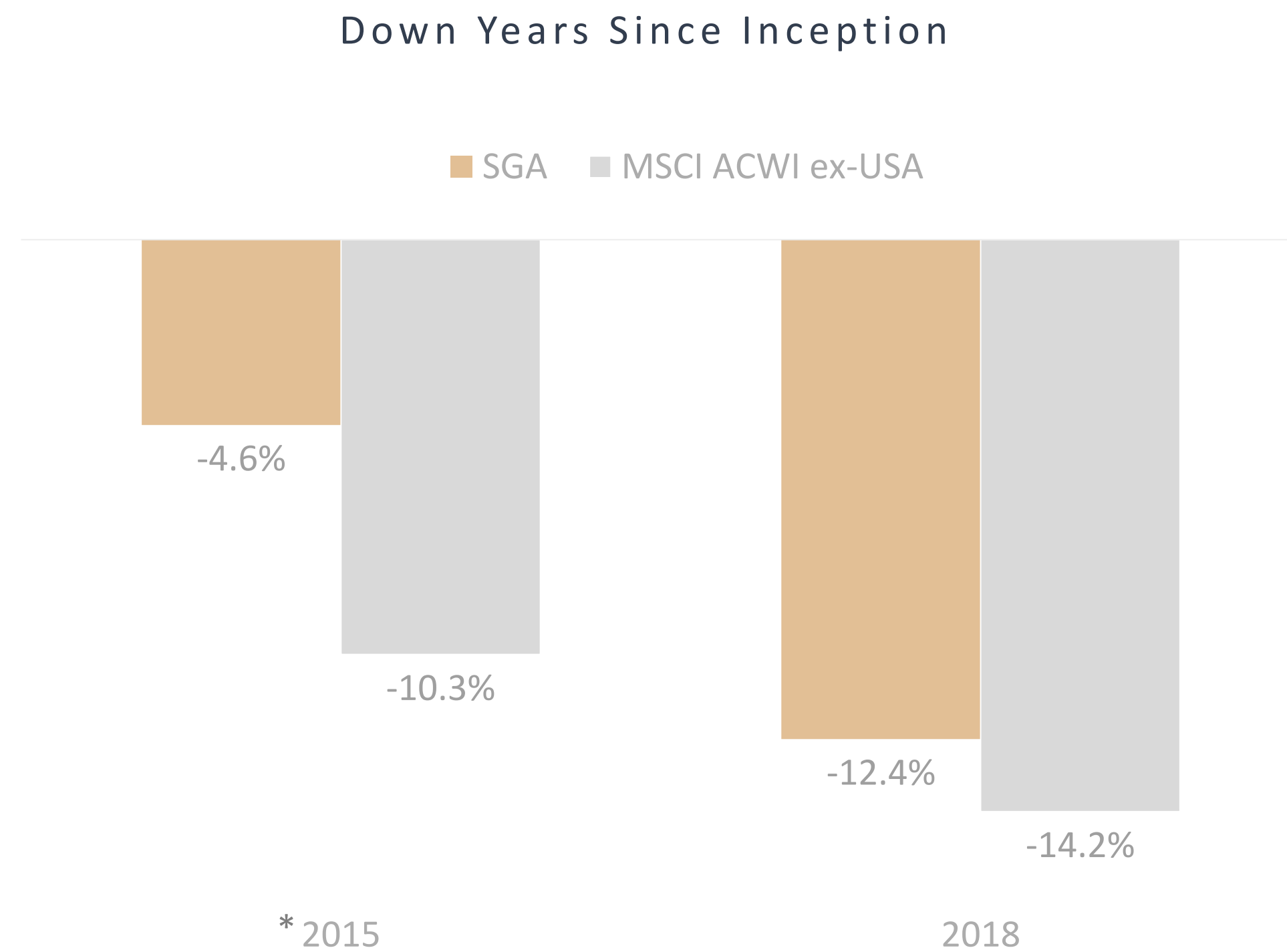
Rolling Data	Q1 2021	1 – Year	3 – Year	5-Year	Since Inception
SGA International Growth	0.9%	50.4%	13.0%	15.0%	11.3%
MSCI ACWI ex-USA	3.5%	49.4%	6.5%	9.8%	6.0%
Excess Return	-2.6%	+1.0%	+6.5%	+5.2%	+5.3%

Calendar Year	2020	2019	2018	2017	2016	2015 (Partial)
SGA International Growth	25.5%	31.0%	-12.4%	37.8%	0.6%	-4.6%
MSCI ACWI ex-USA	10.7%	21.5%	-14.2%	27.2%	4.5%	-10.3%
Excess Return	+14.8%	+9.5%	+1.8%	+10.6%	-3.9%	+5.7%

Returns (gross of fees through 3/31/2021) are those of the SGA International Growth Composite. MSCI ACWI ex-USA returns are Net Total Return (MSCI Net Total Return indexes reinvest dividends after the deduction of withholding taxes). Composite inception is 3/1/2015. Returns reflect the reinvestment of dividends, interest and other earnings. For interest and capital gains, SGA does not withhold taxes, for dividends SGA will withhold taxes as reported by the client's custodian. The performance figures shown do not reflect the deduction of investment advisory fees. The prospective return will be reduced by advisory fees and any other expenses incurred in the management of the account. SGA's fees are available upon request and may be found in Part 2A of its Form ADV. Past performance does not guarantee future results. This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document.

# > Downside Protection

To compound long-term wealth creation, capital must be protected from losses



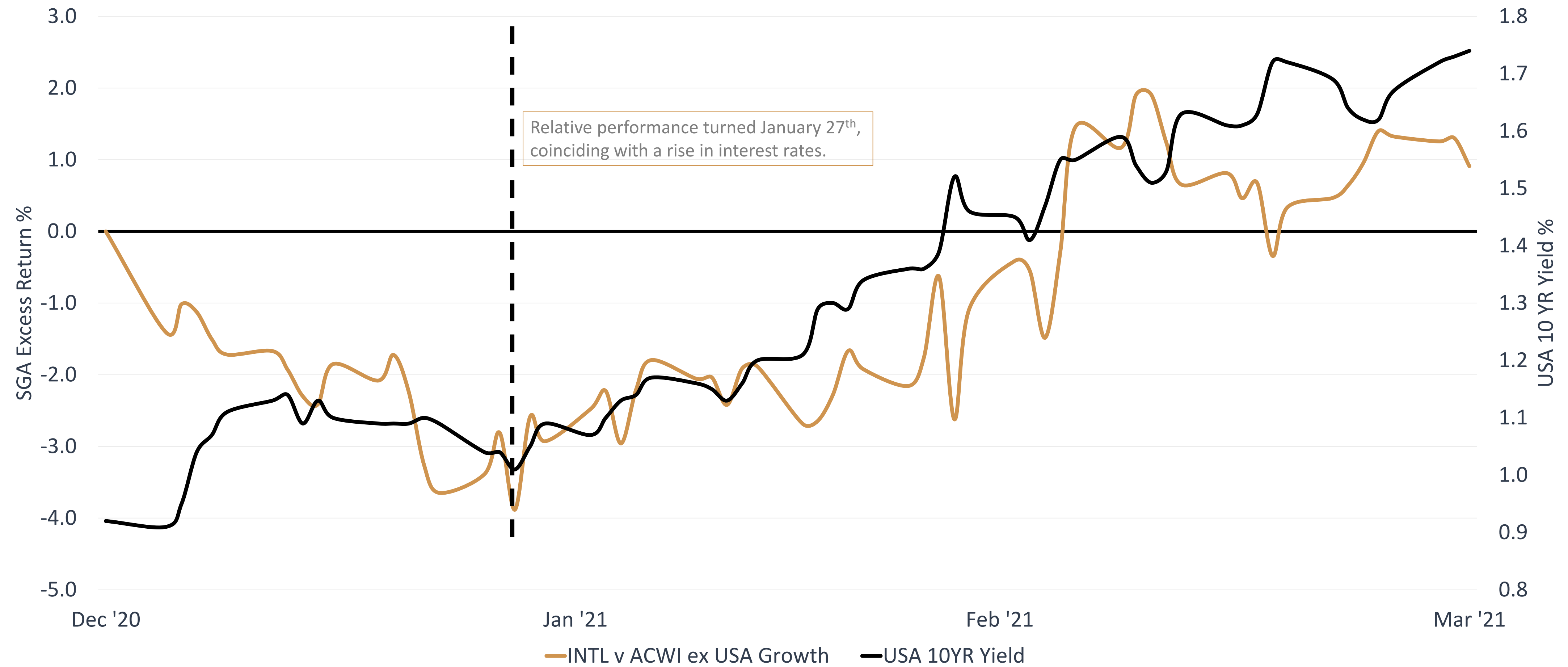
\*Partial year. SGA International Growth composite inception is 3/1/2015. MSCI ACWI ex-USA is Net Total Return (reinvest dividends after the deduction of withholding taxes). The performance figures do not reflect the deduction of investment advisory fees. The prospective return will be reduced by the advisory fees and any other expenses incurred in the management of the account. SGA's fees are available upon request and may be found in Part 2A of its Form ADV. Returns reflect the reinvestment of dividends, interest and other earnings. For interest and capital gains, SGA does not withhold taxes, for dividends, SGA will withhold taxes as reported by the client's custodian. This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document. **It should not be assumed that future results will be reflective of past performance.** Upside and Downside capture based on monthly gross returns compared to the MSCI ACWI ex-USA Net TR Index, since inception of the SGA International Growth composite.

## > Q1 2021 Global ex-US Market Performance Summary

- Global equity markets continued to rally on optimism over the dispersion of COVID-19 vaccines and expectations for a return to economic growth
- Value outperformed growth for the period and small cap outperformed large; business quality metrics were generally not rewarded as low ROE, and high debt each outperformed
- Energy and Financials performed best, followed by Materials and Industrials, reflecting the continued surge in more economically sensitive stocks; Health Care, Consumer Staples, and Utilities (i.e. defensives) performed worst
- Developed Markets outperformed Emerging Markets, with broad strength seen in Europe
- Strong returns in select emerging market countries such as South Africa, Taiwan, and India, but emerging Markets in Europe and Latin America performed worst after leading in Q4 2020

Focus on Sustainable Growth, Cash Generation, Balance Sheets

## > Q1 SGA Relative Returns and Correlation to 10-Year Bond Yield



Data as of 3/31/2021. Source: FactSet, MSCI. The performance figures shown are for the institutional share class of the Virtus SGA International Growth Fund, SCIZX, relative to the MSCI ACWI ex USA Index. SGA serves as sole sub-advisor to the referenced fund SCIZX based on SGA's International Growth portfolio. MSCI ACWI ex USA is Net Total Return (MSCI Net Total Return indexes reinvest dividends after the deduction of withholding taxes). Returns reflect the reinvestment of dividends, interest and other earnings. For interest and capital gains, SGA does not withhold taxes, for dividends SGA will withhold taxes as reported by the client's custodian. This information is supplemental & complements full disclosure presentation on composite performance found on the last pages of this document. **It should not be assumed that future results will be reflective of past performance.**

## > Global Investment Environment and Outlook

- Global growth rebounding led by the U.S. and China, but economic recovery remains very uneven and volatile
- Rising geopolitical risks, new virus variants, and the slow pace of vaccinations globally a threat to recovery
- Monetary policy likely to remain highly accommodative despite short-term bounces in inflation expectations
- Accelerated trends toward more use of e-commerce and digital payment solutions likely to continue with the recovery
- Companies with above-average sustainable revenue and earnings growth likely to remain attractive to investors given volatility

Focus on Sustainable Growth, Cash Generation, Balance Sheets

The views expressed represent the Manager's assessment of the portfolio and market environment as of the time period indicated and should not be considered a recommendation to buy, hold, or sell any security and should not be relied on as research or investment advice. Information is as of the date indicated and subject to change. This information is supplemental & complements full disclosure presentation on composite performance found on the last pages of this document. **It should not be assumed that future results will be reflective of past performance.**



# > Contribution Analysis – International Growth

Portfolio Companies	Q1 Return
Sartorius	19.07%
CP All	13.98%
Wal-Mart de Mexico	12.15%
Infosys	10.44%
Aon	9.16%
IHS Markit	7.98%
Tencent	7.87%
HDFC Bank	7.51%
Linde	6.77%
Alcon	6.37%
Diageo	5.85%
Dassault Systemes	5.45%
<b>MSCI ACWI ex-USA *</b>	<b>3.49%</b>
Temenos	3.34%
Medtronic	1.35%
L'Oreal	1.00%
Steris	0.73%
Recruit	0.49%
FEMSA	-0.58%
AIA Group	-1.00%
Novo Nordisk	-2.53%
Alibaba	-2.58%
Adyen	-4.02%
Nestle	-5.10%
SAP	-5.83%
Heineken	-7.73%
Asian Paints	-8.29%
Sysmex	-9.87%
Fast Retailing	-10.76%
Shandong Weigao	-12.67%
Adidas	-14.16%
New Oriental Education	-24.65%

## Contributors

Q1 2021	Avg. Wt.	CTR	1-Year	Avg. Wt.	CTR
Aon	5.1%	0.46%	Adyen	3.2%	4.75%
HDFC Bank	5.1%	0.46%	HDFC Bank	4.7%	3.88%
Sartorius	2.0%	0.45%	IHS Markit	4.5%	3.22%
CP All	2.4%	0.37%	Shandong Weigao	3.8%	2.73%
Wal-Mart de Mexico	3.1%	0.36%	MercadoLibre	0.8%	2.69%

## Detractors

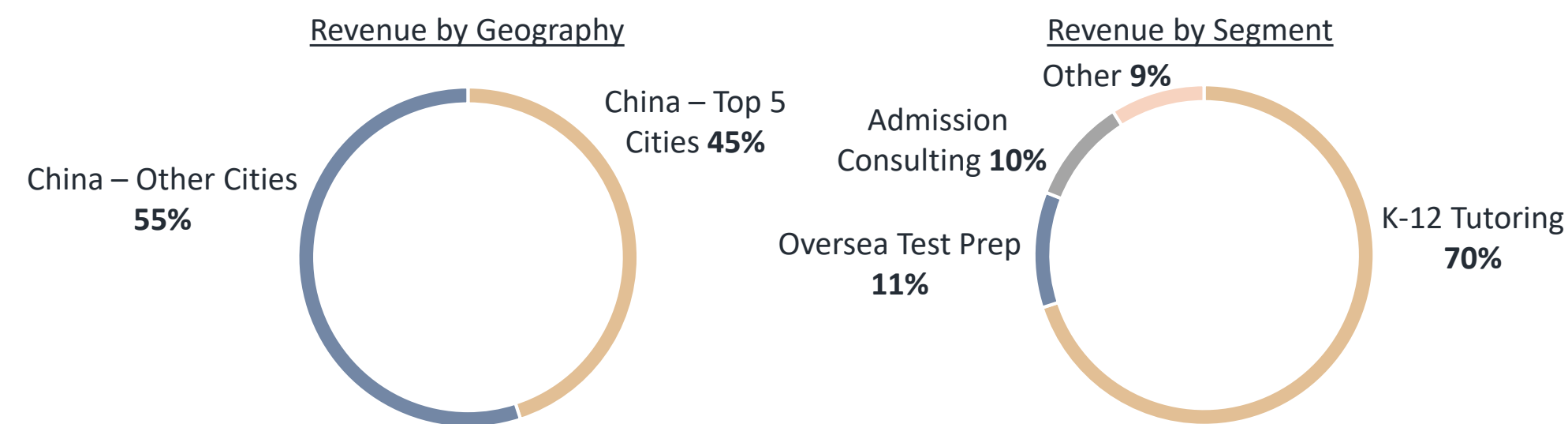
Q1 2021	Avg. Wt.	CTR	1-Year	Avg. Wt.	CTR
New Oriental Education	2.6%	-0.76%	Tal Education	0.1%	-0.12%
Adidas	3.5%	-0.53%	Recruit	0.3%	0.00%
Shandong Weigao	3.3%	-0.42%	Medtronic	0.5%	0.06%
Heineken	3.7%	-0.29%	CP All	0.9%	0.22%
Fast Retailing	2.3%	-0.23%	Sartorius	0.6%	0.41%

Representative list of portfolio holdings as of 3/31/2021. The Q1 returns referenced for each of the portfolio holdings illustrate the gross Q1 return and does not consider fees charged. The largest contributors and detractors are determined using a ranking of the absolute contribution to portfolio return by each security held over the period under consideration. Portfolio holdings are subject to change daily. \*MSCI ACWI ex-USA is listed for illustrative purposes and is not a portfolio holding. MSCI ACWI ex-USA Return is Net Total Return (MSCI Net Total Return indexes reinvest dividends after the deduction of withholding taxes). Under no circumstances does the information contained within represent a recommendation to buy or sell securities. It should not be assumed that investments in the securities were or will be profitable. The list provided may not represent all the securities recommended for advisory clients. A complete list of all securities recommended for the strategy in the preceding year can be obtained free of charge by contacting SGA at (203) 348-4742. Results include the reinvestment of all income. For the global portfolio's interest and capital gains, SGA does not withhold taxes. For dividends, SGA withholds taxes as reported by the client's custodian. This information is supplemental & complements full disclosure presentation on composite performance on the last pages of this presentation. **It should not be assumed that future results will be reflective of past performance.**

# > New Oriental Education

<b>Company Description</b> New Oriental Education (EDU), headquartered in Beijing, is the largest private educational company in China, based on the number of its program offerings, total student enrollments, and its geographic presence. The company offers English test preparation courses to students taking language and entrance exams used by educational institutions abroad in countries including the U.S. and U.K. EDU also provides after-school tutoring courses for K-12 students to prepare for higher education entrance exams, as well as overseas school application consulting services, and adult language training courses. The company is expanding its online education programs in addition to its existing network of language educational schools, learning centers, and bookstores in over 100 cities across China, staffed by approximately 30,000 teachers.	Market Cap (USD)	\$24B
	3Yr EPS Growth (Est.)	38%
	3Yr Revenue Growth (Est.)	24%
	C/E Ratio	125%
	Enterprise Yield	3.0%
<b>ESG:</b> New Oriental Education helps students improve testing scores, and is known for helping students catching up in learning progress, but they charge a slight premium and therefore could create a perception of unfairness due to the affordability of services. The company has a VIE structure; investors do not own equity interests in the operating company, instead only share profits via contractual arrangements that are subject to enforcement risks.		

## Business Model Drivers



## Investment Concept

**Pricing Power:** EDU’s brand name, large scale, and technological capabilities lead to strong pricing power and a competitive advantage. The company has the best known private education brand in China, with many parents being Alumni of the company's programs. Their strong brand and large scale allows them to charge higher prices, pay teachers better, and innovate to maintain industry leading content and services.

**Recurring Revenues:** The wide range of products offered by EDU across categories and age groups allows for cross-selling and recurring enrollments. Student data is logged and used to create more personalized experiences, resulting in a stickier product. The business is also somewhat insulated from economic swings as education is often prioritized at such times.

**Global Opportunity:** EDU has a long runway of growth due to industry trend including teaching content and format digitalization that enables faster and high quality geographic expansion, and an increase in the penetration rate of K-12 tutoring services due to urbanization and higher population income. EDU stands to gain significantly from consolidation within the fragmented industry.

## Current Issues

- The education industry is competitive and very fragmented, EDU could lose market share if they don’t keep pace with the competition, especially the online tutoring market
- Regulations and government attitude towards K-12 tutoring, and changes to junior/high-school and college entry exams can negatively impact the industry’s growth prospects; e.g., recent government action on tightening approval for offline institution expansion and calling for public schools to extend teaching hours could negative impact capacity expansion and students demand for after school tutoring
- COVID-19 led to a temporary closure of offline learnings centers, although EDU was able to shift students to online learning; offline was an important customer acquisition channel for EDU, therefore near term growth will be negatively impacted
- COVID-19 negatively impacted EDU’s overseas testing business due to cancellation of language tests and uncertainty around international traveling and school admissions

## SGA Perspective

- New Oriental Education has a strong management team led by founder and chairman Michael Yu and CEO Chenggang Zhou, who has been with the company for over 16 years
- Industry consolidation is accelerating due to digital technology that ensures high quality consistent delivery across regions, benefiting players with deep pockets to spend on digital systems
- Industry regulations that tightened learning center expansion, tuition payment duration, and teacher requirements further raised barriers to entry, making it difficult for smaller players to expand; EDU’s strong brand and cash position should enable it to withstand policy changes better than competition
- COVID-19 forced many small players out of business due to extended closures; this will accelerate industry consolidation and benefit players with deep pockets such as EDU
- Increasing income gap, continued trend of urbanization, and high competition for good colleague and jobs makes it very important for students to enter good universities, leading to higher spending on education

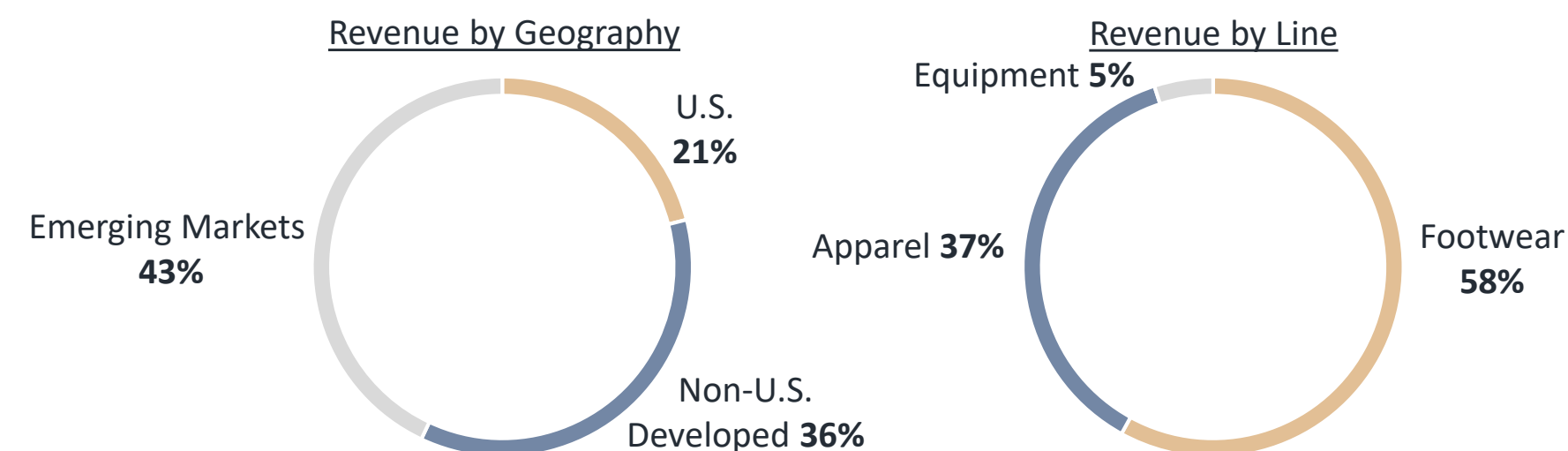
## Recent Action Taken

- Maintained an average weight position, added on recent weakness

# > Adidas

<b>Company Description</b> Adidas is the second largest active footwear and apparel company in the world, with its 11% global market share trailing only Nike’s 15%. The company has operations in over 100 countries and sells over 900 million sports and sports lifestyle products annually. Its brands include: Adidas, UltraBOOST, PureBOOST, Alphabounce, Superstar, Stan Smith and Gazelle. Adidas undertook a turnaround in the mid-2000’s which included a corporate restructuring into vertical business units, the hiring of top designer talent, and a focus on speed to market, key cities, and an “open source” strategy emphasizing enhanced customer feedback loops, and collaborations with influencers in pop culture. Industry dynamics increasingly favor large scale competitors such as Adidas in areas such as brand building, DTC sales and investments in faster development cycles and supply chains.	Market Cap (USD)	<b>\$61B</b>
	3Yr EPS Growth (Est.)	<b>77%</b>
	3Yr Revenue Growth (Est.)	<b>9%</b>
<b>ESG:</b> The company’s Sustainability Roadmap identifies strategic priorities to address the issues and challenges of the spaces “where sport is made, sold and played”. Examples of 2025 targets include, 9 out of 10 articles sustainable, 15% reduction in average CO <sub>2</sub> footprint per product, achievement of carbon neutrality in owned operations, 40% water savings at strategic suppliers, and at least 80% of strategic supplier facilities achieve Level 3 (of 3) compliance with ‘Manufacturing Restricted Substances List.’	C/E Ratio	<b>95%</b>
	Enterprise Yield	<b>1.2%</b>

## Business Model Drivers



## Investment Concept

**Pricing Power:** Pricing power is supported by strong brand equity and product innovation. An increasing mix of DTC sales is margin accretive, and greater utilization of data and improving supply chains leads to faster feedback loops and production cycles, and ultimately improved price yields.

**Recurring Revenues:** Adidas produces over 400 million pairs of shoes, 400 million pieces of apparel and 100 million pieces of sports equipment annually, which need to be periodically replaced or upgraded by users. Sports equipment and apparel has greater brand loyalty than other lines of retail clothing. The company has a geographically diverse revenue base across over 100 countries, with no single region representing more than 30% of sales.

**Global Opportunity:** The global active footwear and apparel market is growing approximately twice as fast as GDP, driven by secular trends including consumers’ increased focus on health and wellness, ongoing casualization of the workplace, growth in age demographics that favor athletic footwear, and under-penetration of markets outside North America.

## Current Issues

- Social distancing measures across the world in response to the COVID-19 pandemic continue to result in temporary closures at a meaningful number of company and retail partner stores, most notably in Western Europe
- The near term disruption in sales will continue to cause inventory pressure and markdowns as economies slowly reopen
- The company announced the formation of a syndicated 3 billion Euro loan facility led by a state-owned development bank in Germany as a precautionary measure against any future liquidity issues

## SGA Perspective

- COVID-19 related pressures on the business peaked in Q2. The company’s China business, which represents 30% of profits, has mostly recovered, and trends in Europe and North America are improving
- Trends in the company’s direct-to-consumer business, which represents 40% of sales, have held up well and accelerated during social distancing mandates
- Excess inventory has moderated meaningfully as markets have been reopening; this is being reflected in improving cash flow forecasts
- The establishment of the loan facility was a surprise given the company’s net-cash position and positive cash flow, but is likely more of an insurance policy against a more severe turn for the worse in the pandemic
- Long term thesis intact, valuation is attractive

## Recent Action Taken

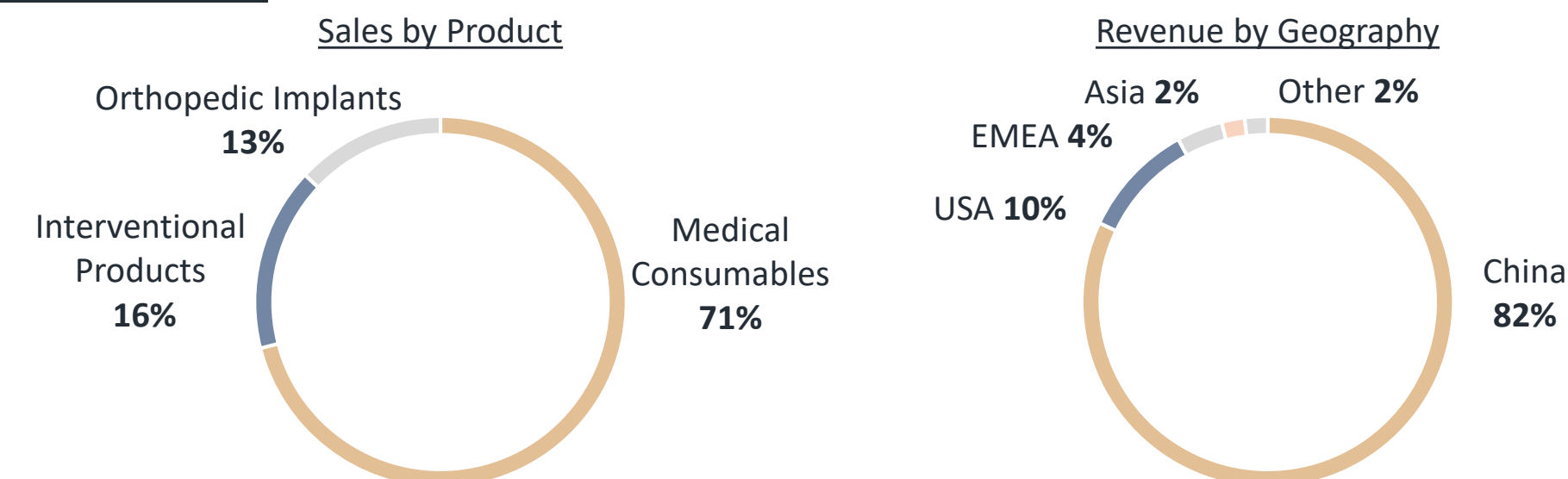
- Maintained an average weight position



# > Shandong Weigao

<b>Company Description</b> Shandong Weigao is a leading medical device company in China, with a focus on single-use devices such as medical consumables (syringes, catheters), orthopedic implants, and interventional products (biopsy needles). The company sells its products mostly through a direct sales force focusing on top tier hospitals in China. The company is engaged in research and development, enabling it to continue to launch new medical consumable products and to enter new categories in the health care space. It was founded in 1988 and is headquartered in Weihai, China.	Market Cap (USD)	<b>\$9B</b>
	3Yr EPS Growth (Est.)	<b>22%</b>
	3Yr Revenue Growth (Est.)	<b>15%</b>
	C/E Ratio	<b>70%</b>
<b>ESG:</b> Shandong Weigao is controlled by Weigao Holdings; New management of Weigao holds equity in only 1066-HK, the listed company, so incentives are aligned.	Enterprise Yield	<b>3.0%</b>

## Business Model Drivers



## Investment Concept

**Pricing Power:** As a leading medical device company in China, Weigao has scale in manufacturing and a strong R&D capability to launch higher margin products to maintain its margins. While competition is intense, the company continues to invest in its innovation pipeline and to upgrade the portfolio to improved products such as infusion sets with safety features that have higher prices. Its direct sales force enables the company to more effectively launch new products as most of them require training and education of the hospital work force.

**Recurring Revenues:** Most of the company's products are consumables which must be replaced.

**Global Opportunity:** Medical consumables should grow at a sustainable rate given that the demand for healthcare in China continues to grow, driven by demographics and government policies that support more insurance coverage. The company is starting to export some products, however their current focus continues to be on the Chinese domestic market.

## Current Issues

- The COVID-19 pandemic has negatively impacted medical procedures
- Uncertain impact from various government policies such as two-invoice, tendering, GPO, limits on antibiotic usage; negative impact from government price cuts
- New management has been appointed in 2021
- All of the founding shareholders' shares (50% of total shares) have become listed in Hong Kong, and we expect some shares to be sold in the near-term
- Subsidiaries (orthopedic, interventional) continue to not be listed, and may lead to departures of management
- Increased competition may pose increased pricing pressures in the future
- Need for management equity incentive led to dilution of listed company's shareholding in dialysis and orthopedic subsidiaries
- Weigao Holdings is the controlling shareholder

## SGA Perspective

- Expect medical procedures to improve in 2021
- Government policies led to pricing pressure, but will favor local high quality players in the long-term
- Newly appointed management are veterans of the company and hold equity in Listco, but not in Weigao holdings, increasing alignment with shareholders
- Despite potential share sales by top management, the listing of shares has led to better long-term alignment of management's and shareholders' interests
- Subsidiaries have improved prospects for listing in the future with full listing of 1066 HK shares
- Competition is intense, but the company continues to upgrade its portfolio from more commodity-like products to higher barrier to entry products, and will continue to do so to protect its margins

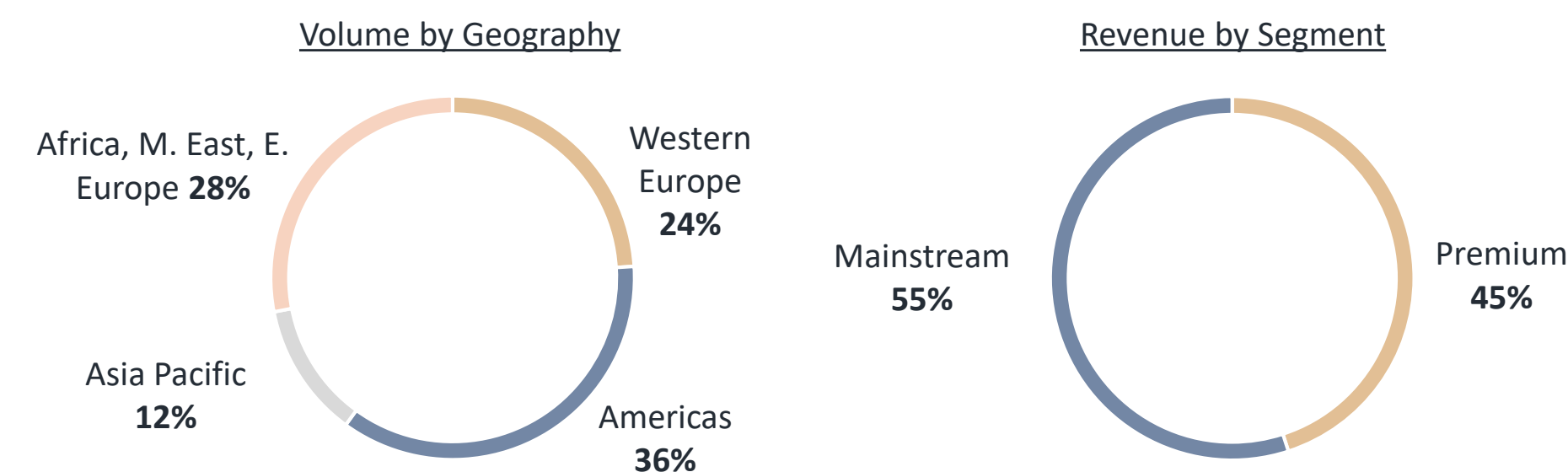
## Recent Action Taken

- Maintained an average weight position, added on recent weakness

# > Heineken

<b>Company Description</b> Heineken is the second largest global brewer by revenue and the number one international premium beer brand, operating more than 160 brewers across 70+ countries. In addition to Heineken, the company includes 250+ brands such as Amstel, Sol, Bohemia, Dos Equis, Tecate and Red Stripe.	Market Cap (USD)	<b>\$59B</b>
	3Yr EPS Growth (Est.)	<b>33%</b>
<b>ESG:</b> The company's sustainability strategy, entitled "Brewing a Better World", is focused on six key priorities: protecting water resources, reducing CO2 emissions, sourcing sustainably, responsible consumption, promoting health & safety, and growing with communities. The company is 50.01% owned by Heineken Holding N.V. (majority controlled by the founding Heineken and long standing Hoyer families), providing a stable, ultra-long term investment philosophy to the company. Areas of SGA's focus for engagement with the company include packaging's impact on the environment and supply chain controls regarding worker conditions and natural resource management.	3Yr Revenue Growth (Est.)	<b>9%</b>
	C/E Ratio	<b>100%</b>
	Enterprise Yield	<b>2.7%</b>

## Business Model Drivers



## Investment Concept

**Pricing Power:** Heineken has the highest premium beer brand equity globally and is #1 or #2 in 5 of the top 10 premium markets.

**Recurring Revenues:** The beer industry has relatively stable, regularly recurring consumption patterns across the world. Heineken is geographically diverse with no region representing more than one quarter of profits and no country accounting for more than 15% of volumes. The company also has brand diversity with the largest brand representing only 15% of volume.

**Global Opportunity:** Heineken is well positioned to benefit from two of the key secular growth drivers in the global beer category, the premium segment and developing markets, both of which generate higher than average margins. The company is also targeting additional growth opportunities in cider, draft, craft and low/no alcohol products.

## Current Issues

- With over 1/3rd of volumes coming from on-premise business and 1/3rd of the cost base fixed, pandemic-related reductions in consumer traffic to bars and restaurants pressured operating results in 2020
- Loss of exclusivity at OXXO convenience stores, the most important retail partner in one of the company's largest markets
- Significant COGS inflation in USD-based input prices in emerging markets
- Management's 2023 margin targets are lower than many in the market would have expected considering the accompanying cost savings program
- Unexpected departure of CFO

## SGA Perspective

- Operating results should recovery dramatically over the next two years as economies reopen and initiatives under the company's new "Evergreen" strategic plan gain traction
- The company's significant exposure to emerging and frontier markets, although a negative in the near-term due to inflation, remains a clear positive to the thesis over the long-term given superior secular growth
- Management's 2023 margin guidance is conservative and could be exceeded substantially
- Loss of exclusivity at OXXO should be mitigated by a number of factors including OXXO's intention to expand total beer shelf space, as well as Heineken's increased freedom to pursue other more profitable commercial opportunities with other retail partners

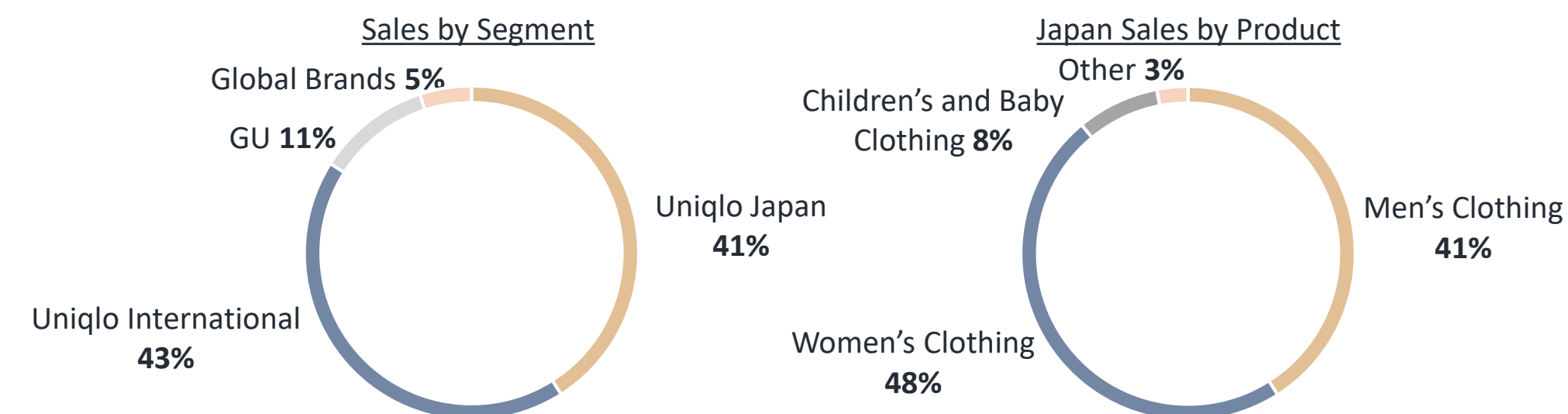
## Recent Action Taken

- Maintained an above-average weight position

# > Fast Retailing

<b>Company Description</b> Fast Retailing is a Japanese retail holding company of Uniqlo, GU and Global Brands such as Theory and J Brands. It is a retailer as well as a manufacturer of apparel. The company uses extreme innovation in both building its products and then marketing them. They use creative material as well as design in building apparel such that it remains trendy with fashion, but also serves its purpose through utility and comfort. They contain costs through design and scale such that they can price products for mass adoption. They are equally innovative in marketing. They use promotions, partnerships and campaigns to generate mass adoption of their products.	Market Cap (USD)	<b>\$81B</b>
	3Yr EPS Growth (Est.)	<b>25%</b>
	3Yr Revenue Growth (Est.)	<b>3%</b>
	C/E Ratio	<b>93%</b>
<b>ESG:</b> The industry is increasingly utilizing recyclable materials and so is Fast Retailing. Given the contract manufacturing arrangement, they are indirectly held responsible to the labor practices of their suppliers. In this context, their contract manufacturers are the same as for other big apparel retailers. The board is not diverse based on industry experience or gender. This is typical of a Japanese company, but does not scale up to global standards.	Enterprise Yield	<b>1.4%</b>

## Business Model Drivers



## Investment Concept

**Pricing Power:** Fast Retailing has huge scale that is difficult to replicate. Specifically, their ability to reach the end customer, and market and procure products through their supply chain in a cost effective and timely fashion, offers them significant advantages. Without their scale, it would be difficult to sustainably offer the price that Uniqlo is able to offer to its customers today.

**Recurring Revenues:** In the various categories of apparel they are serving, they are selling the basic and the most functional end. Customers are more likely to buy it every time there is a need for the apparel.

**Global Opportunity:** They have global reach and ambitions to become the largest apparel retailer in the world. They have proven profitability in Japan, China and South Korea. They are on track in SE Asia and Europe, and in the process of transforming their operations in the US.

## Current Issues

- Coronavirus related macro factors have impacted their sales significantly. Depending on the geography, if the stores are open they are beneficiaries of the work from home trend and then there are geographies where stores are closed
- Sales and margins in Japan will be severely impacted due to inclusion of VAT in the prices now
- International operations have shown significant growth and operating margin improvement. Is this sustainable?
- Volatility of the Yen against the USD impacts P&L in multiple ways. Appreciation of the Yen results in a mark down of assets and depreciation leads to lower margins in Japan. Recent volatility may not allow the company to deliver clean results

## SGA Perspective

- Structurally nothing has changed such that when the business recovers, Fast Retailing should be able to regain their position. They have managed the business in China well and should see improvement as the virus issue recedes. The winter months are behind them now and they have managed the inventory well during that period. Western geographies contribute less to their sales. They sell basic clothing and are thus less subject to discretionary spending. South Korea is much smaller but has turned the corner for them
- Their guide for the year suggests that they likely front loaded the spring discount sales by including VAT in the price as the impact seems to be quite manageable for now
- All international geographies are unlikely to continue to perform in parallel. However, each still has sufficient room for growth and improvement
- The Yen's volatility is going to impact results but the phenomenon will be short-lived as they are not losing market share. All apparel companies currently face the same headwind in Japan

## Recent Action Taken

- Maintained a below-average weight position



## > Q1 2021 Purchases and Sales – International Growth

New Positions

Q1 2021

Recruit

Liquidated Positions

Q1 2021

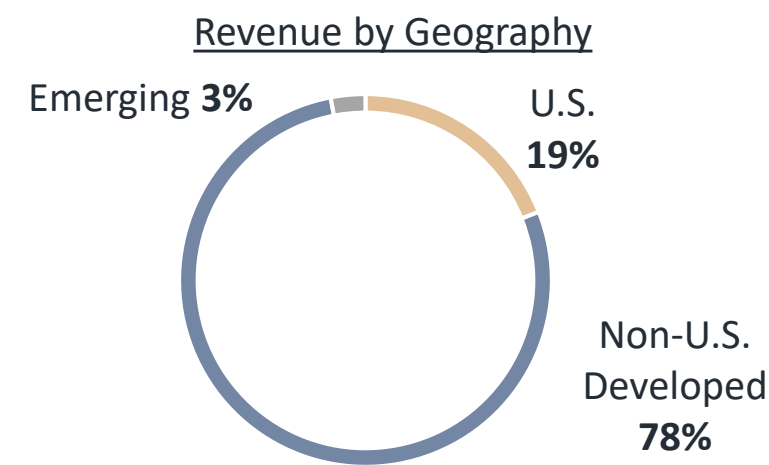
None

Representative account activity as of 3/31/2021. Portfolio holdings are subject to change daily. Under no circumstances does the information contained within represent a recommendation to buy or sell securities. It should not be assumed that investments in the securities were or will be profitable. The list provided does not represent all the securities recommended for advisory clients. A complete list of all securities recommended for the strategy in the preceding year can be obtained free of charge by contacting SGA at (203) 348-4742. This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document. **It should not be assumed that future results will be reflective of past performance.**

# > Recruit

<b>Company Description</b> Recruit is a Tokyo- and Austin, Texas-headquartered HR and Media company that owns the job search engine Indeed.com, as well as a variety of online media and staffing businesses. Recruit started in 1960 by making publications for job-seeking college graduates, and in 2012 acquired Indeed for ~\$1 billion. Indeed, reported in Recruit’s HR Technology segment along with Glassdoor.com, is one of the largest global job search engines, with over 250 million monthly unique visitors in 60+ countries. The company’s Media & Solutions segment includes non-staffing HR businesses and classified platforms in Japan, and the Staffing segment includes both Japanese and overseas staffing businesses. Recruit also owns 39% of 51job, a leading online recruiting and HR services platform in China with a ~\$4.3 billion market cap. Hisayuki ‘Deko’ Idekoba was promoted to Recruit’s CEO position this year after previously leading Indeed and Recruit Corporate Planning (he joined the company in 1999). The company became public in 2014.  <b>ESG:</b> Recruit's HR businesses, most notably Indeed, help connect people with work, a somewhat unsung but critical role in society. Only 2 of Recruit's 7 directors are totally independent. It is managed as a relatively modern Japanese company, with management incentives geared toward profit growth not sales growth.	Market Cap (USD)	\$80B
	3Yr EPS Growth (Est.)	29%
	3Yr Revenue Growth (Est.)	6%
	C/E Ratio	110%
	Enterprise Yield	1.7%

## Business Model Drivers



## Investment Concept

**Pricing Power:** Indeed benefits from dominant market share of mass-market job search and the difficulty of reproducing its service workforce. Recruit is the largest or second largest provider within the top six platforms in the Media & Solutions segment: HR, Real Estate, Bridal, Packaged Travel, Restaurants, and Beauty. The company has significant scale advantages in Japan.

**Recurring Revenues:** Recruit’s leading market positioning and Indeed’s reliability with employers leads to repeat customers and recurring revenues.

**Global Opportunity:** Indeed has a significant growth runway globally given the limited penetration of online hiring, as well as a long-term opportunity for pricing increases. The Media & Solutions segment is a structural share gainer from offline businesses such as newspapers.

## Current Issues

- M&A: from 2011-2015, management spent ~\$2.7 billion rolling up Overseas Staffing businesses that are now worth ~\$1.6 billion
- The staffing, classifieds, and online job advertising businesses all have some degree of cyclical risk
- In HR Tech, Recruit competes with well-resourced players including LinkedIn (Microsoft) and, to some degree, Google
- Execution risk for HR Tech’s long runway for long-term margin improvement

## SGA Perspective

- Hisayuki ‘Deko’ Idekoba, who was already named Recruit’s new CEO and President in January (effective April 1<sup>st</sup>), was also given an incremental title of ‘Head of the Corporate Planning Division’, providing additional confidence that future M&A activity will be geared more toward the HR Technology area where Recruit has been highly successful, rather than toward the traditional staffing industry where management has done more poorly
- While Recruit’s businesses are exposed to the risk of weak financial performance in downturns, Recruit has generally shown the tendency to use challenging periods to consolidate its leadership positions and even develop new businesses (such as Indeed’s new ‘Hire’ platform, which made progress during the pandemic)
- HR Tech’s margins are being deliberately compressed as management focuses on growth. The business’ high-margin nature will emerge in the long term, although the timing is uncertain
- HR Tech has demonstrated its ability to hold its own and even gain share from its largest competitors
- Air BusinessTools, Recruit’s suite of small business-focused SaaS offerings (including the AirPAY touchless payment system, AirREGI accounting/POS software and others) provides potential for another leg of long-term growth utilizing Recruit’s extensive relationships with small businesses

## Recent Action Taken

- Initiated a below-average weight position in February 2021

# > Portfolio Holdings

Communication Services		3.0%
Tencent	China	3.0%
Consumer Discretionary		11.7%
Alibaba	China	3.5%
Adidas	Germany	3.4%
New Oriental Education	China	3.0%
Fast Retailing	Japan	1.8%
Consumer Staples		22.5%
L'Oreal	France	3.8%
Heineken	Netherlands	3.7%
Diageo	United Kingdom	3.3%
Wal-Mart de Mexico	Mexico	3.2%
FEMSA	Mexico	3.0%
CP All	Thailand	2.9%
Nestle	Switzerland	2.6%

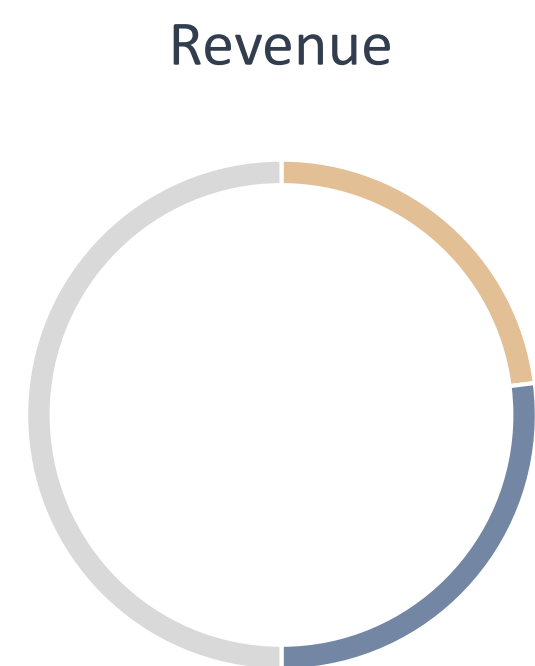
Financials		15.3%
Aon	Ireland	5.3%
AIA Group	Hong Kong	5.3%
HDFC Bank	India	4.7%
Health Care		20.4%
Steris	Ireland	4.1%
Shandong Weigao	China	3.7%
Alcon	Switzerland	3.4%
Novo Nordisk	Denmark	3.3%
Medtronic	Ireland	2.1%
Sysmex	Japan	1.9%
Sartorius	Germany	1.9%
Industrials		5.5%
IHS Markit	United Kingdom	3.4%
Recruit	Japan	2.1%

Information Technology		15.0%
Dassault Systemes	France	3.7%
SAP	Germany	3.4%
Temenos	Switzerland	2.9%
Infosys	India	2.8%
Adyen	Netherlands	2.2%
Materials		6.0%
Linde	United Kingdom	4.0%
Asian Paints	India	2.0%
Cash Balance		0.6%

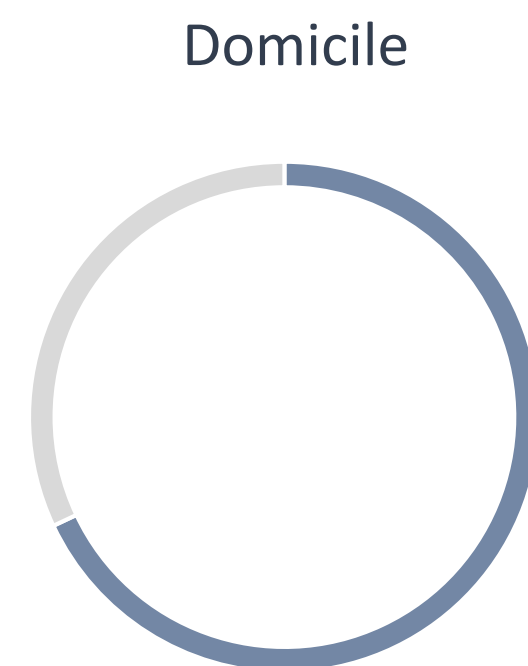
Representative portfolio weights as of 3/31/2021. Portfolio holdings are subject to change daily. Under no circumstances does the information contained within represent a recommendation to buy or sell securities. It should not be assumed that investments in the securities were or will be profitable. The list provided may not represent all the securities recommended for advisory clients. A complete list of all securities recommended for the strategy in the preceding year can be obtained free of charge by contacting SGA at (203) 348-4742. This information is supplemental & complements full disclosure presentation on composite performance found on the last pages of this document. **It should not be assumed that future results will be reflective of past performance.**

# > Portfolio Positioning Summary

3Y Growth Rate	5-10%	10-15%	15-20%	20%+
Allocation	10%	32%	16%	42%
C/E	92%	92%	67%	93%
EY	3.9%	2.8%	2.8%	2.1%
Fwd. 3 YR Rev.	7%	8%	10%	14%



23% U.S.  
27% Non-U.S. Developed  
50% Emerging



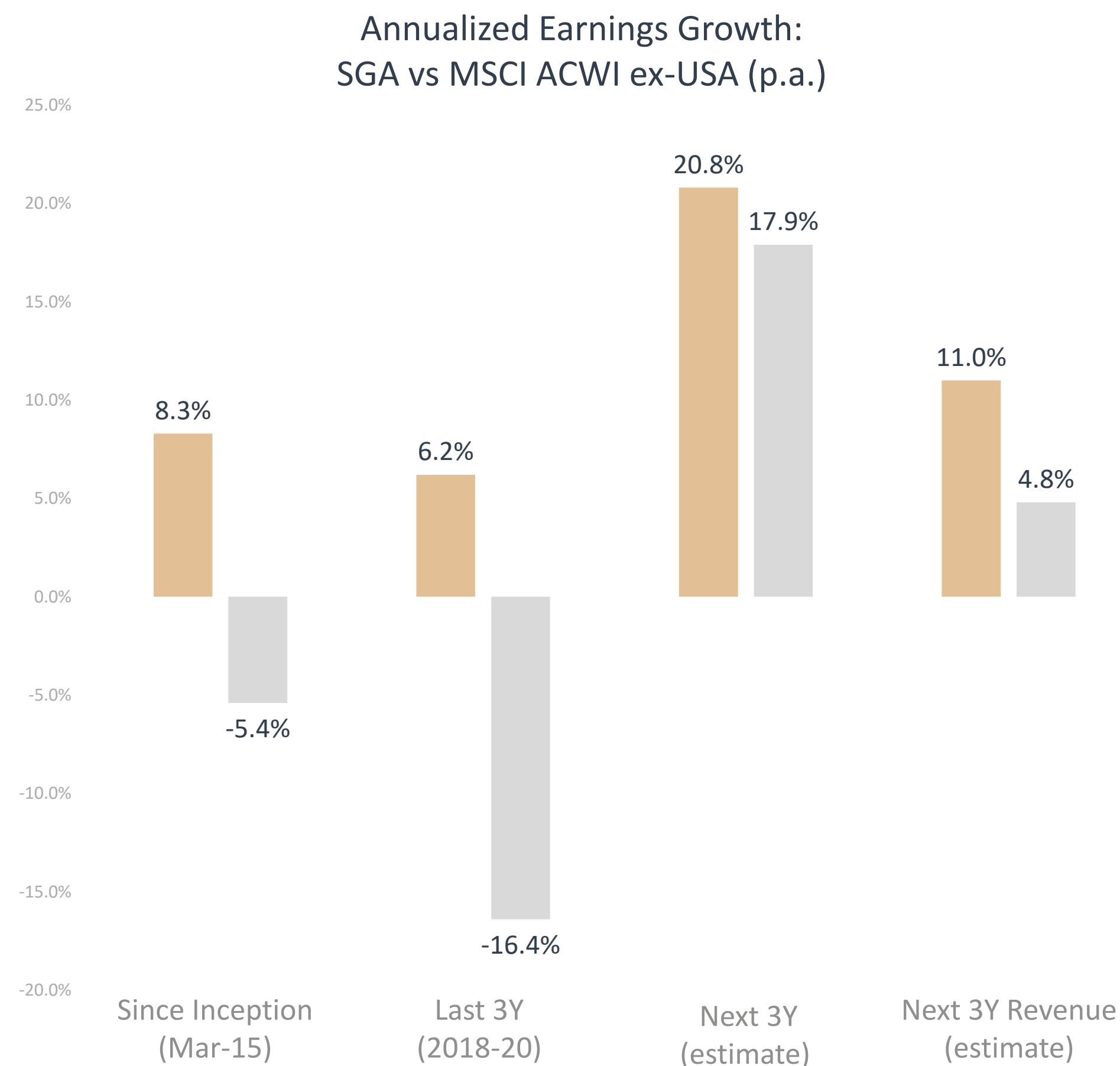
0% U.S.  
68% Non-U.S. Developed  
32% Emerging

Market Value	SGA	ACWI ex-USA	Difference
\$50 Billion +	67.7%	46.0%	+21.7%
\$25 – 50 Billion	10.7%	19.2%	-8.5%
\$15 – 25 Billion	15.0%	12.5%	+2.5%
\$5 – 15 Billion	6.6%	19.0%	-12.4%
< \$5 Billion	0.0%	3.3%	-3.3%

Sector Allocations	SGA	ACWI ex-USA	Difference
Communication Services	3.0%	7.1%	-4.1%
Consumer Discretionary	11.7%	13.7%	-2.0%
Consumer Staples	22.5%	8.4%	+14.1%
Energy	0.0%	4.5%	-4.5%
Financials	15.3%	18.9%	-3.6%
Health Care	20.4%	8.9%	+11.5%
Industrials	5.5%	11.7%	-6.2%
Information Technology	15.0%	12.8%	+2.2%
Materials	6.0%	8.2%	-2.2%
Real Estate	0.0%	2.6%	-2.6%
Utilities	0.0%	3.2%	-3.2%
Cash	0.6%	0.0%	+0.6%

Data as of 3/31/2021. Source: Bloomberg, FactSet, SGA Estimates and Adjustments and representative portfolio. Earnings growth rates are based upon SGA estimates of portfolio companies non-GAAP operating earnings. EPS calculations exclude companies with earnings going from (i) positive to negative or (ii) negative to positive, year to year. SGA C/E ratio and Enterprise Yield projected. Holdings/weights are subject to change without notice and should not be considered investment advice, a recommendation to purchase or sell a specific security or as indicative of the investment performance of SGA's portfolio. This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document. **It should not be assumed that future results will be reflective of past performance.**

# > Portfolio Characteristics



Quality	SGA	MSCI ACWI ex-USA
Cash/Earnings Ratio	92%	73%
Gross Margin	48%	38%
Debt/EBITDA	2.5x	3.9x
Net Debt/Market Cap	8%	40%
Volatility of Earnings	8%	26%

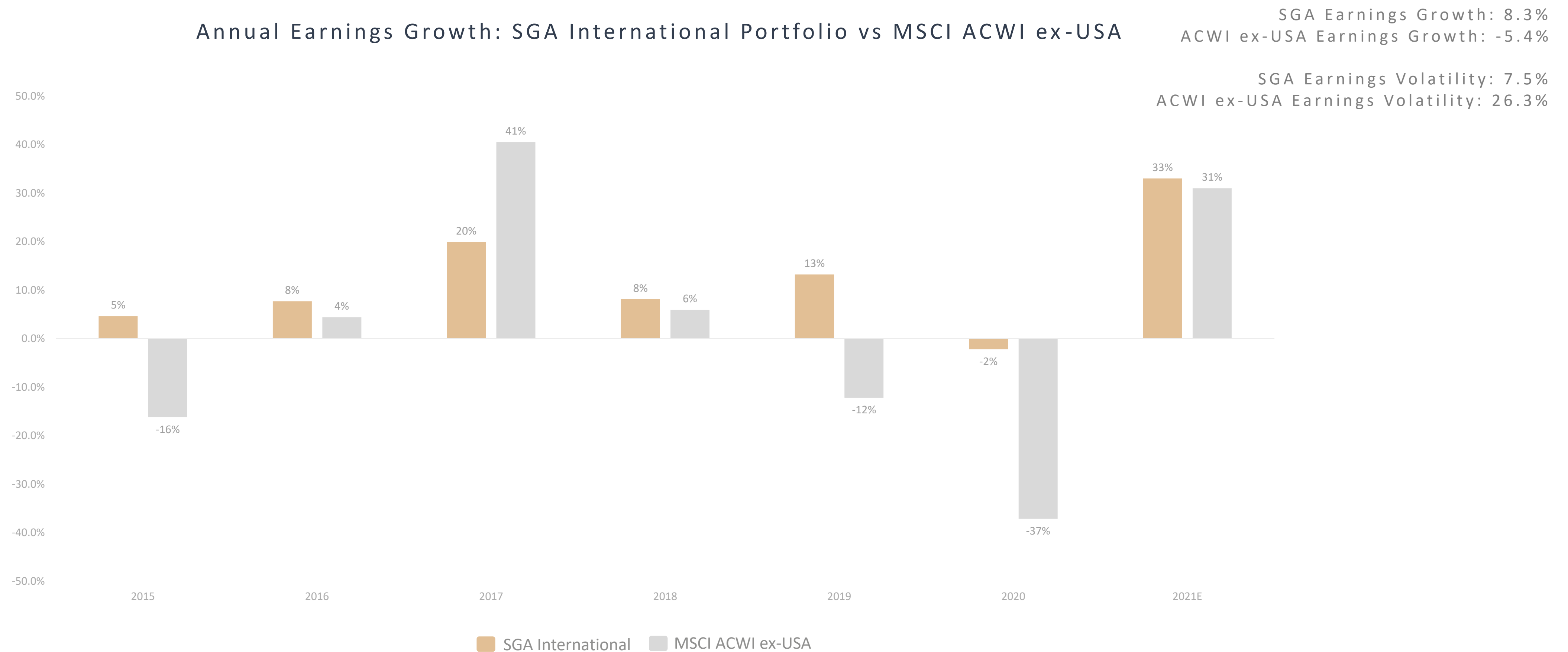
Characteristics	SGA	MSCI ACWI ex-USA
Weighted Market Value	\$122B	\$102B
Median Market Value	\$61B	\$9B
Number of Holdings	31	2,357
% in Top Ten	42%	12%
% Cash	0.6%	-
Active Share	91%	-

Source: Bloomberg, Baseline, SGA Estimates and Adjustments. Data as of 3/31/2021. Historical growth rates for MSCI ACWI ex-USA is sourced from MSCI and Bloomberg. MSCI ACWI ex-USA estimates and characteristics sourced from Bloomberg and FactSet using MSCI data. C/E Ratio exclude financials. SGA C/E ratio projected. SGA weights and characteristics are based on a representative account. SGA EPS Growth data is based upon portfolio companies non-GAAP operating earnings. EPS calculations exclude companies with earnings going from (i) positive to negative or (ii) negative to positive, year to year. Volatility of Earnings is calculated using standard deviation of annual EPS growth, since inception 3/1/2015. All accounts are modeled in line with SGA's representative account. Account holdings and weights may differ from this representative account. The representative account holdings are subject to change without notice. This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document. **It should not be assumed that future results will be reflective of past performance.**



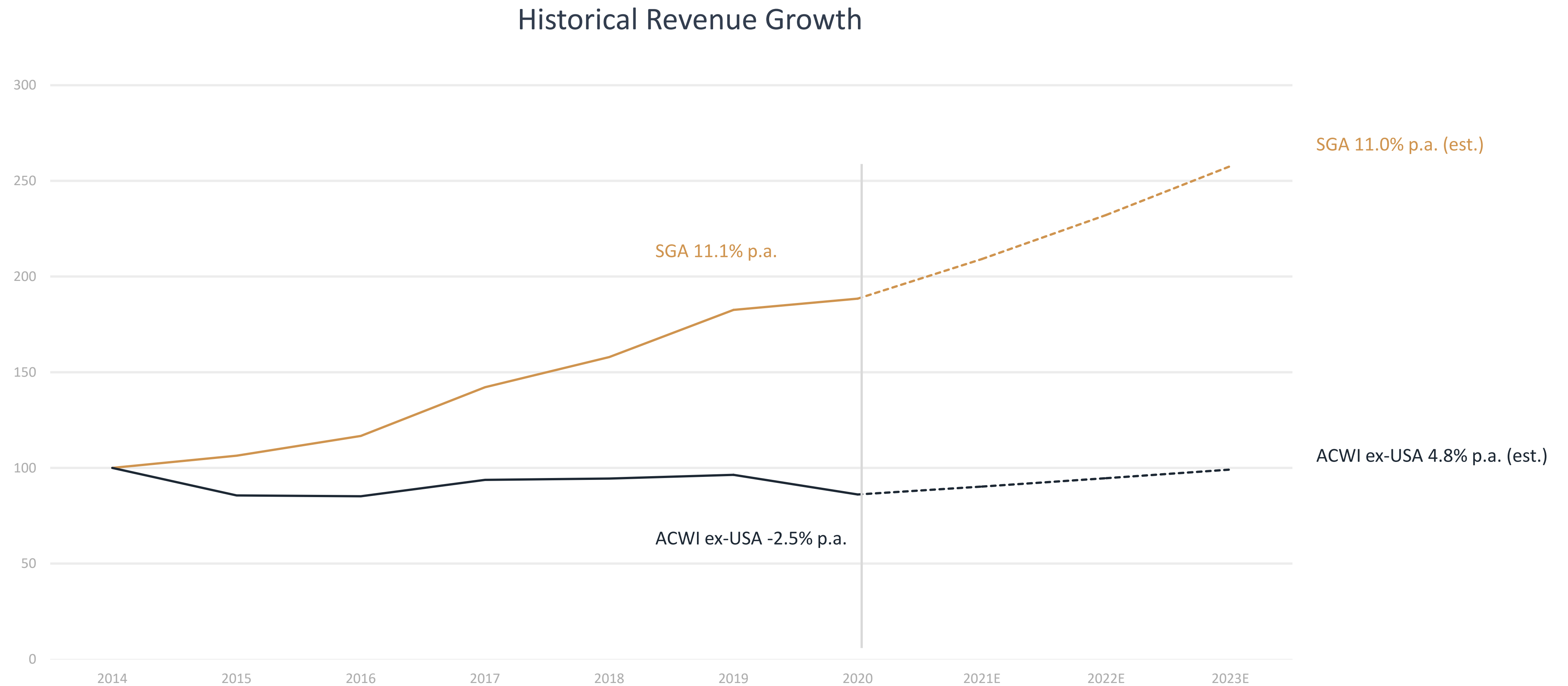
# > Higher Growth with Lower Volatility

SGA Portfolio Companies have historically grown their earnings at 2-3x the rate of the index with almost 70% less volatility



Source: Bloomberg, Baseline, SGA Estimates and Adjustments. Data as of 3/31/2021. Historical growth rates for MSCI ACWI ex-USA is sourced from MSCI and Bloomberg. MSCI ACWI ex-USA estimates and characteristics sourced from Bloomberg and FactSet using MSCI data. C/E Ratio, EY exclude financials. SGA C/E ratio and Enterprise Yield projected. SGA EPS Growth data is based upon portfolio companies non-GAAP operating earnings. EPS calculations exclude companies with earnings going from (i) positive to negative or (ii) negative to positive, year to year. Growth volatility is calculated using standard deviation of annual EPS growth, since inception 3/1/15. All accounts are modeled in line with SGA's representative account. Account holdings and weights may differ from this representative account. The representative account holdings are subject to change without notice. This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document. **It should not be assumed that future results will be reflective of past performance.**

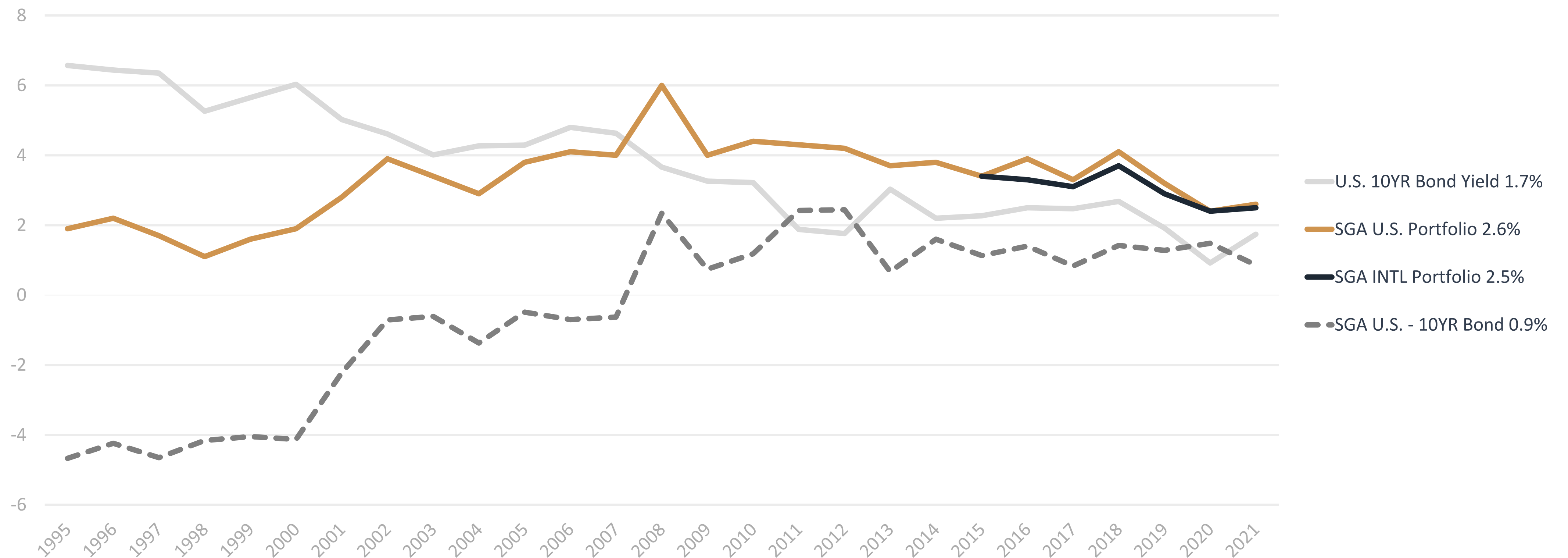
# > Revenue Growth



Source: SGA estimates, Bloomberg, and FactSet as of 3/31/2021. This information is supplemental & complements full disclosure presentation on composite performance. **It should not be assumed that future results will be reflective of past performance.**

# > Portfolio Valuation – Enterprise Yield

$$\text{Enterprise Yield} = (\text{Op Cash Flow} - \text{Cap X} - \text{Acquisitions} - \text{Unfunded Obligations}) / \text{Market Capitalization}$$



Data as of 3/31/2021. U.S. data for SGA's longest tenured account. The record presented for the period between April 1, 2000 to July 1, 2003 occurred prior to the inception of SGA, and represents the record established by two of SGA's founders (and investment committee members) Gordon Marchand and George Fraise while affiliated with a prior firm. The data for all prior periods is data obtained from the John Hancock U.S. Global Leaders Fund (during which Gordon Marchand served as one of the fund's portfolio managers) and is provided for informational purposes only and does not constitute part of SGA's portable record. International data for international portfolio since inception (3/1/2015). SGA Enterprise Yield (EY) is a proprietary measure of the projected free cash flow truly available to investors as a percentage of market value (CFATS / Market Capitalization). SGA EY prior to 2005 utilizes a forward looking simple average of actual cash flows, from 2005 SGA EY utilizes projected cash flows. EY estimates vs. 10-Year Treasury Bond (represents the risk free rate and the benchmark against which all long duration assets must be measured). This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document. **It should not be assumed that future results will be reflective of past performance.**



# Appendix

# > Sustainability

## Enhancing the predictability of our companies and reducing portfolio risk

### Naturally ESG Compatible

- Focus on business quality and risk
- How sustainable is long-term growth?

### Integrated Process

- Proprietary ESG ranking system
- Cash-flow projections & discount rates
- Portfolio decision making
- Engagement & proxy voting

### External ESG Research

- A supplement to our proprietary research
- MSCI ESG Analytics

### Client Preferences

- Tailored investment universe upon request

### Continuous Enhancements:

- Updated ESG & Proxy Voting Policies
- Environmental & Modern Slavery Policies
- Review of Third-party ESG Data Providers
- Appointment of MSCI ESG Research & GHG Portfolio Analysis Services
- Appointment of ISS Sustainability Voting Policy Services
- Adoption of the PRI Framework: Identify-Assess-Model-Engage
- TCFD supporting organization, CDP signatory

SGA integrates ESG factors, including ESG risks and opportunities, into its investment process. SGA believes environmental, social and governance factors inherently impact a company's brand equity, employee satisfaction, competitive position, financial performance and ultimately long-term shareholder value. Investments are made with the objective of maximizing risk-adjusted financial returns to its clients. SGA does not place a premium on social returns, nor does SGA allocate its clients' capital based on thematic or top-down views.

## > SGA's ESG Integration – A Timeline

2003

- Sustainable Growth Advisers is founded with an investment process that naturally focuses on ESG friendly businesses

2010

- SGA initiates rankings to guide research discussions that incorporate ESG considerations

2014

- SGA becomes a signatory to the Principles for Responsible Investing (PRI) and SGA engages independent, third-party ESG research provider Sustainalytics

2016

- SGA Global Growth Fund ICAV incorporates Norges Bank Exclusionary List of ESG acceptable investments in its investment guidelines

2018

- SGA's U.S. Global Leaders Growth mutual fund\* is named a sub-advisor to Ameriprise Sustainable Investing World Portfolios offering

2019

- SGA's U.S. Global Leaders Growth mutual fund\* ranked in top five of 188 of "The Top Sustainable Funds" by Barron's Magazine which utilized Morningstar sustainability rankings

2020

- Publication of the SGA Environmental Policy, Statement on Modern Slavery, updated ESG Policy and Proxy Policies
- SGA replaces Sustainalytics with MSCI for third-party ESG research support
- SGA becomes a supporting organization for TCFD and a signatory to CDP

\*SGA serves as sole-sub advisor to the John Hancock U.S. Global Leaders Growth fund. SGA integrates ESG factors, including ESG risks and opportunities, into its investment process. SGA believes environmental, social and governance factors inherently impact a company's brand equity, employee satisfaction, competitive position, financial performance and ultimately long-term shareholder value. Investments are made with the objective of maximizing risk-adjusted financial returns to its clients. SGA does not place a premium on social returns, nor does SGA allocate its clients' capital based on thematic or top-down views.

# > Portfolio Changes – International Growth

Sector Allocations	Q1 2021	Q4 2020	Change
Communication Services	3.0%	3.7%	-0.7%
Consumer Discretionary	11.7%	12.9%	-1.2%
Consumer Staples	22.5%	21.0%	+1.5%
Energy	0.0%	0.0%	-
Financials	15.3%	16.0%	-0.7%
Health Care	20.4%	20.1%	+0.3%
Industrials	5.5%	3.0%	+2.5%
Information Technology	15.0%	14.9%	+0.1%
Materials	6.0%	6.2%	-0.2%
Real Estate	0.0%	0.0%	-

Geographic Revenue	Q1 2021	Q4 2020	Change
United States	23%	22%	+1%
Non-U.S. Developed	27%	28%	-1%
Emerging Markets	50%	50%	-

Portfolio by Domicile	Q1 2021	Q4 2020	Change
United States	0%	0%	-
Non-U.S. Developed	68%	68%	-
Emerging Markets	32%	32%	-

Valuation	Q1 2021	Q4 2020	Change
Cash/Earnings Ratio (CE)	92%	90%	+2%
Enterprise Yield (EY)	2.5%	2.4%	+0.1%
EY/10 YR Bond	146%	258%	-112%

Capitalization	Q1 2021	Q4 2020	Change
Weighted Cap.	\$122B	\$133B	-\$11B
Median Cap.	\$61B	\$67B	-\$6B

SGA weights and characteristics are based on representative account as of 3/31/2021. SGA C/E ratio and Enterprise Yield projected. Account holdings and weights may differ from this representative account. Holdings/weights are subject to change without notice and should not be considered investment advice, a recommendation to purchase or sell a specific security or as indicative of the investment performance of SGA's portfolio. The list provided does not represent all the securities recommended for advisory clients. A complete list of all securities recommended for the strategy in the preceding year can be obtained by contacting SGA at (203) 348-4742. This information is supplemental & complements full disclosure presentation on composite performance found on the back pages of this document. **It should not be assumed that future results will be reflective of past performance.**



# > Annual Full Disclosure Presentation – International

Period	Total Return				Number of Portfolios	Composite Dispersion	3 Year Standard Deviation			Total Assets in Composite at Period End (USD millions)	Total Firm Assets at Period End (USD millions)	Percentage of non-fee paying accounts
	Before Fees	After Fees	MSCI ACWI ex-USA Net TR Index	MSCI ACWI Growth ex-USA Net TR Index			SGA Composite	MSCI ACWI ex-USA Net TR Index	MSCI ACWI Growth ex-USA Net TR Index			
Mar. 1 - Dec. 31, 2015	<b>-4.63%</b>	<b>-5.30%</b>	<b>-10.32%</b>	<b>-6.77%</b>	Five or Fewer	N/A				0.096	5,318	100%
2016	<b>0.65%</b>	<b>-0.21%</b>	<b>4.50%</b>	<b>0.12%</b>	Five or Fewer	N/A				0.097	5,672	100%
2017	<b>37.83%</b>	<b>36.69%</b>	<b>27.19%</b>	<b>32.01%</b>	Five or Fewer	N/A				0.133	9,971	100%
2018	<b>-12.42%</b>	<b>-13.17%</b>	<b>-14.20%</b>	<b>-14.43%</b>	Five or Fewer	N/A	12.85%	11.38%	11.55%	89	9,096	0%
2019	<b>30.96%</b>	<b>29.87%</b>	<b>21.51%</b>	<b>27.34%</b>	Five or Fewer	N/A	12.01%	11.34%	11.50%	307	12,347	0%
2020	<b>25.55%</b>	<b>24.50%</b>	<b>10.65%</b>	<b>22.20%</b>	Five or Fewer	N/A	15.87%	17.93%	16.48%	310	18,780	0%
YTD 2021	<b>0.90%</b>	<b>0.68%</b>	<b>3.49%</b>	<b>-0.08%</b>	Five or Fewer	N/A	15.45%	17.41%	15.97%	314	19,071	0%
Since Inception (March 1, 2015)	<b>11.34%</b>	<b>10.40%</b>	<b>5.97%</b>	<b>8.47%</b>			<b>14.39*</b>	<b>14.99*</b>	<b>14.05*</b>			

N/A- Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

3 Year Standard Deviation is not shown for 2015, 2016, and 2017 as 36 months of returns are not available

\* Since Inception Annualized Standard Deviation. SGA Composite Dispersion based on Gross Returns.

Sustainable Growth Advisers, LP (“SGA”) was formed in 2003 and is a registered investment advisor under the Investment Advisers Act of 1940. SGA manages portfolios of publicly traded equity assets according to its “Large Cap Growth Equity” investment approach for pooled funds, institutions, trusts and private accounts. SGA is an operationally independent investment management firm and an affiliate of Virtus Investment Partners. The SGA International Growth Composite was created in March 2015. The firm maintains a complete list and description of all composites, which is available upon request.

Sustainable Growth Advisers, LP claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sustainable Growth Advisers, LP has been independently verified for the periods July 1, 2003 – December 31, 2019.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The SGA International Growth composite has had a performance examination for the periods March 1, 2015 - December 31, 2019. The verification and performance examination reports are available upon request.

GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

SGA International Growth Composite contains fee-paying and non-fee paying large cap international growth equity portfolios under full discretionary management of the firm. For comparison purposes the composite is measured against the MSCI ACWI ex-USA TR Index (Net) and MSCI ACWI Growth ex-USA TR Index (Net).

The composite calculation has been appropriately weighted for the size of each portfolio on a time-weighted, total return basis. Monthly portfolio returns have been used in the construction of the composite. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm.

The U.S. Dollar is the currency used to express performance. Results are presented gross and net of management fees and include the reinvestment of all income. For interest and capital gains, SGA does not withhold taxes. For dividends, SGA will withhold taxes as reported by the Client’s custodian. Returns are calculated net of withholding taxes on dividends. The Net Returns are calculated based upon the highest published fees. The net performance has been calculated by reducing the gross performance by the amount of the highest published fee that may be charged to SGA clients, 0.85%, employing the International Growth strategy during the period under consideration. Actual fees charged to clients may vary depending on, among other things, the applicable fees schedule and portfolio size. SGA’s fees are available upon request and also may be found in Part 2A of its Form ADV. The annual dispersion presented is an asset-weighted standard deviation calculated using gross returns for the accounts in the composite the entire year. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Past performance is not indicative of future results.

The standard investment management fee schedule for the firm is 0.85% on the first \$25 million and 0.65% on the next \$75 million and 0.50% over \$100 million. Actual investment advisory fees incurred by clients used in the composite may vary from the standard fee schedule.



## EDUCATIONAL EVENTS - Board of Retirement

### 2021

1. **SACRS**, Pension Investment Mgmt Program, Invest in Yourself, July 13-22, 2021, UC Berkeley Haas School of Business, Virtual. Tues, Wed, Thurs for two weeks, 9:a.m.-Noon Modern Investment Theory & Practice for Retirement Systems. Agenda is in the binder.
2. **CALAPRS**, Principles of Pension Governance for Trustees, Sept 28 - Oct 1 – Virtual
3. **CALAPRS**, Trustees Round Table, October 29, 2021 – Virtual
4. **SACRS**, Fall Conference, Nov. 9-12, 2021, Lowes Hollywood Hotel.
5. **PIMCO**, Fall Seminar, Nov. 15-18, 2021. More information is forthcoming.

# TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## SUMMARY EDUCATION REPORT

(Due at the next meeting. Attach copy of Agenda)

NAME OF ATTENDEE:

CONFERENCE/SEMINAR ATTENDED:

DATES ATTENDED:

NUMBER OF CONTINUING EDUCATION HOURS OBTAINED:

TOPICS OF DISCUSSION:

REASON MEETING WAS BENEFICIAL TO RETIREMENT SYSTEM:

RECOMMENDATION REGARDING FUTURE ATTENDANCE: (i.e., should we send a representative in the future? If so, who should attend?)

Signature

Date

Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body. (Gov. Code, § 53232.3, subd. (d).)

NOTE: Attachments to this report will be held on file in the Retirement Office for review by interested parties, but will not be photocopied for the Retirement Board.

# TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## SUMMARY EDUCATION REPORT

*(Attach copy of Agenda)*

NAME OF ATTENDEE: Leanne Malison

CONFERENCE/SEMINAR ATTENDED: SACRS – VIRTUAL SPRING CONFERENCE

DATES ATTENDED: MAY 12 – 14, 2021

NUMBER OF CONTINUING EDUCATION HOURS OBTAINED: 13

TOPICS OF DISCUSSION: The General Session speaker, Dr. David Kelly, was engaging and knowledgeable, sharing insights on the economy and financial markets. David Rubenstein's session on the Biden Administration was extremely interesting. Additional topics included CIO perspectives, bond investments, diversity in the workplace, cyber-security, and the Chinese markets. The Administrator's Breakout Session continues to be very beneficial as is the update regarding pension legislation.

REASON MEETING WAS BENEFICIAL TO RETIREMENT SYSTEM: SACRS continues to be a good education forum and an important venue for networking with colleagues from other systems as well as investment professionals.

RECOMMENDATION REGARDING FUTURE ATTENDANCE: *(I.E., SHOULD WE SEND A REPRESENTATIVE IN THE FUTURE? IF SO, WHO SHOULD ATTEND?)*

Trustees and Staff should attend as schedules permit.

  
Signature

5/18/21  
Date

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# TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## SUMMARY EDUCATION REPORT

*(Attach copy of Agenda)*

NAME OF ATTENDEE: Leanne Malison

CONFERENCE/SEMINAR ATTENDED: HANSON BRIDGETT – PUBLIC SECTOR PLAN FIDUCIARIES 2021 UPDATE

DATES ATTENDED: MAY 25, 2021

NUMBER OF CONTINUING EDUCATION HOURS OBTAINED: 1

TOPICS OF DISCUSSION: This webinar was provided by one of TCERA's outside counsel firms. The session covered updated information regarding meeting fiduciary duties for plan administration.

REASON MEETING WAS BENEFICIAL TO RETIREMENT SYSTEM: It is important to stay current on the legal implicates of plan procedures, practice and policies.

RECOMMENDATION REGARDING FUTURE ATTENDANCE: (I.E., SHOULD WE SEND A REPRESENTATIVE IN THE FUTURE? IF SO, WHO SHOULD ATTEND?)

Staff should participate in education offered by counsel whenever schedules allow.

  
Signature

5/25/21  
Date

NOTE: Attachments to this report will be held on file in the Retirement Office for review by interested parties, but will not be photocopied for the Retirement Board.

# TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## SUMMARY EDUCATION REPORT

NAME OF ATTENDEE: Leanne Malison

CONFERENCE/SEMINAR ATTENDED: BLACKROCK FUTURE FORUM: CHINA: THE EVOLVING INVESTMENT LANDSCAPE

DATES ATTENDED: JUNE 2, 2021

NUMBER OF CONTINUING EDUCATION HOURS OBTAINED: 1

TOPICS OF DISCUSSION: Webinar with Wei Li, BlackRock Global Chief Investment Strategist, Tom Donilon, Chairman of the BlackRock Investment Institute, Ma Jun, President, Institute of Public & Environmental Affairs, and several institutional investment managers. Chinese investments represent an increasing piece of international investment indices. China's economic growth, impact on supply chains, and concerns regarding national security were key topics. There will be a delicate balance of competition and cooperation. Geopolitical risks need to be considered as part of the overall evaluation of risk in the investment. The webinar focus on the investment landscape in China was timely given the Board's recent interest in this topic.

REASON MEETING WAS BENEFICIAL TO RETIREMENT SYSTEM: Webinars are providing important information during an ever-changing investment environment. The topics and information were timely and informative. BlackRock has the clout to bring in top speakers with proven expertise.

RECOMMENDATION REGARDING FUTURE ATTENDANCE: *(I.E., SHOULD WE SEND A REPRESENTATIVE IN THE FUTURE? IF SO, WHO SHOULD ATTEND?)*

Trustees and Staff should participate as schedules permit whenever TCERA manager webinars are available.

  
Signature

6/2/2021  
Date

# County of Tulare

221 S Mooney Blvd Room 103E  
Visalia, California 93291-4593



Cass Cook, CFIP  
Auditor-Controller/Treasurer-Tax Collector

Paul Sampietro, Chief Deputy Treasurer-Tax Collector

Telephone: (559) 636-5290  
Fax: (559) 730-2532  
[www.tularecountytax.com](http://www.tularecountytax.com)

April 19, 2021

## TREASURER'S QUARTERLY INVESTMENT REPORT QUARTER ENDING MARCH 31, 2021

Honorable Board of Supervisors:

This report reflects the investment activity for the quarter ending March 31, 2021 of pooled funds on deposit with the Treasurer and is in compliance with California Government Code §27000, etc., §53600, etc., Tulare County Ordinance 1-03-2061 and the Treasurer's Statement of Investment Policy dated December 2020.

**INVESTMENT GOALS** – The first and primary goal is **SAFETY** and the preservation of capital. The second goal is the continual maintenance of **LIQUIDITY**. Tulare County has the ability to convert sufficient securities to cash to cover the cash flow of the County and all of its investment agencies to meet any contingency needs during the next six months. The third goal in order of importance is **YIELD**, or earning a reasonable rate of return representative of current market conditions and the present phase of the market cycle while remaining in compliance with all state laws and the Treasurer's written investment policy.

Attached is a statement containing summaries of the portfolio composition, credit ratings, maturity distribution, portfolio master summary and other information designed to give a better understanding of the investment activity that has occurred during the quarter ending March 31, 2021.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Cass Cook", is written over a faint, larger signature.

Cass Cook, CFIP  
Auditor-Controller/Treasurer-Tax Collector

CC/fv

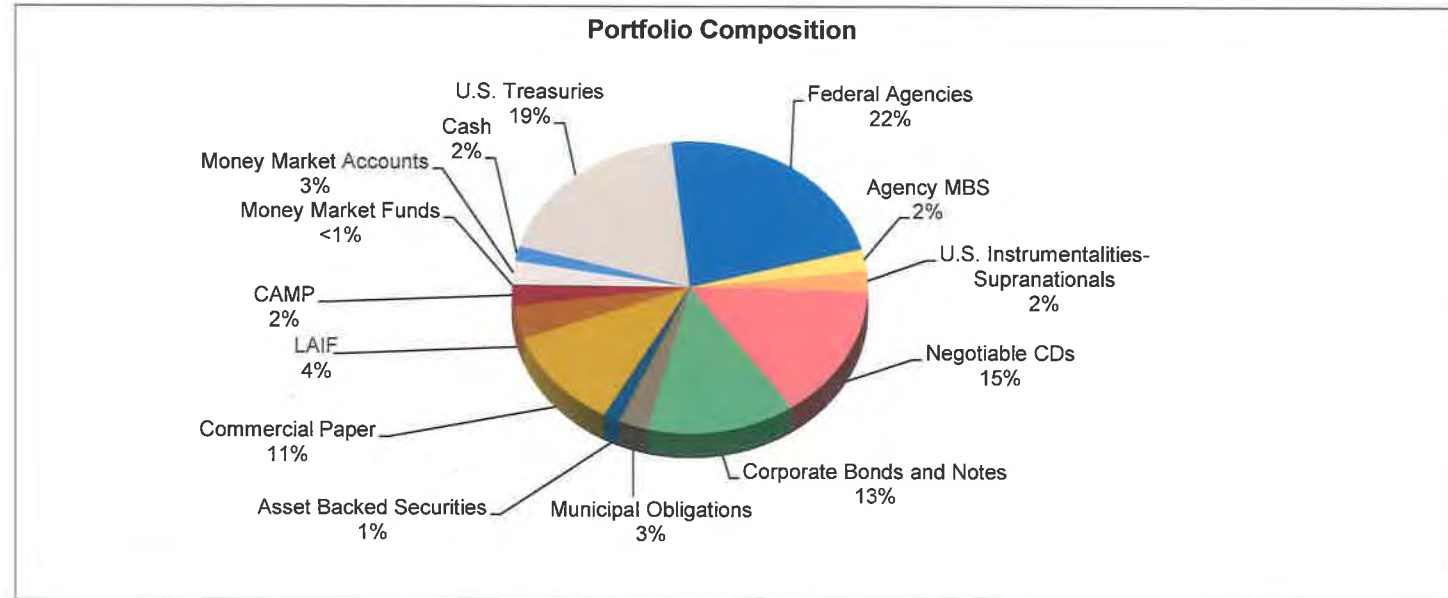
**Tulare County Investment Report**  
March 31, 2021

A listing of Tulare County investments is shown below.

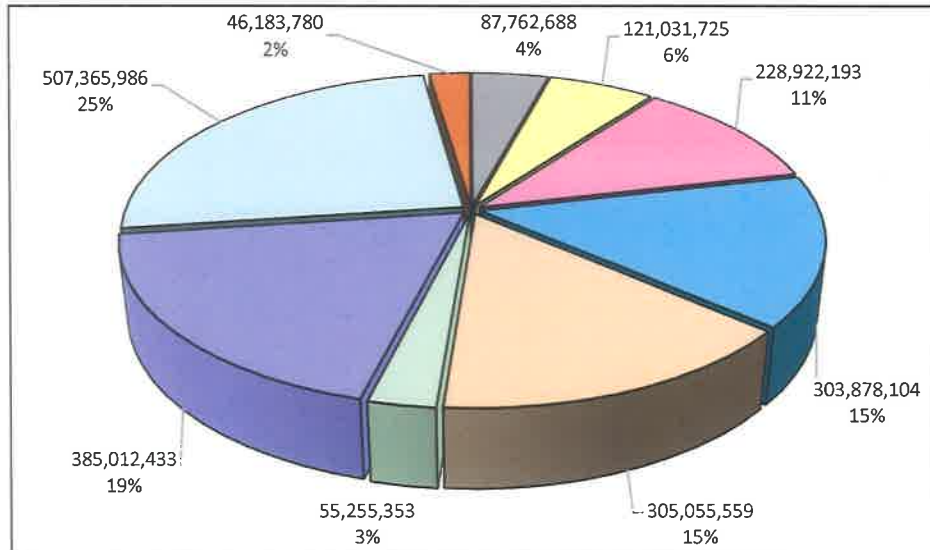
<b>Portfolio Composition</b>				
	Book Value	Market Value*	% of Portfolio**	Permitted by Policy
U.S. Treasuries	385,012,433	396,266,332	19%	100%
Federal Agencies	459,038,723	461,142,597	22%	
Agency Mortgage Backed Securities (MBS)	48,327,264	48,730,839	2%	75%
U.S. Instrumentalities-Supranationals	46,183,780	46,628,121	2%	30%
Negotiable CDs	303,878,104	304,594,931	15%	30%
Corporate Bonds and Notes	274,669,286	280,649,316	13%	30%
Municipal Obligations	55,255,353	55,755,525	3%	30%
Asset Backed Securities	30,386,274	30,751,043	1%	20%
Commercial Paper	228,922,193	228,945,699	11%	40%
Local Agency Investment Fund (LAIF)	74,861,883	74,861,883	4%	\$75 million
California Asset Management Program (CAMP)	46,169,842	46,169,842	2%	50%
Money Market Funds	1,359,732	1,359,732	<1%	15%
Money Market Accounts	52,783,739	52,783,739	3%	50%
Cash	33,619,218	33,619,218	2%	100%
<b>Total</b>	<b>\$2,040,467,821</b>	<b>\$2,062,258,816</b>	<b>100%</b>	

\* Market Prices were provided by the Union Bank of California.

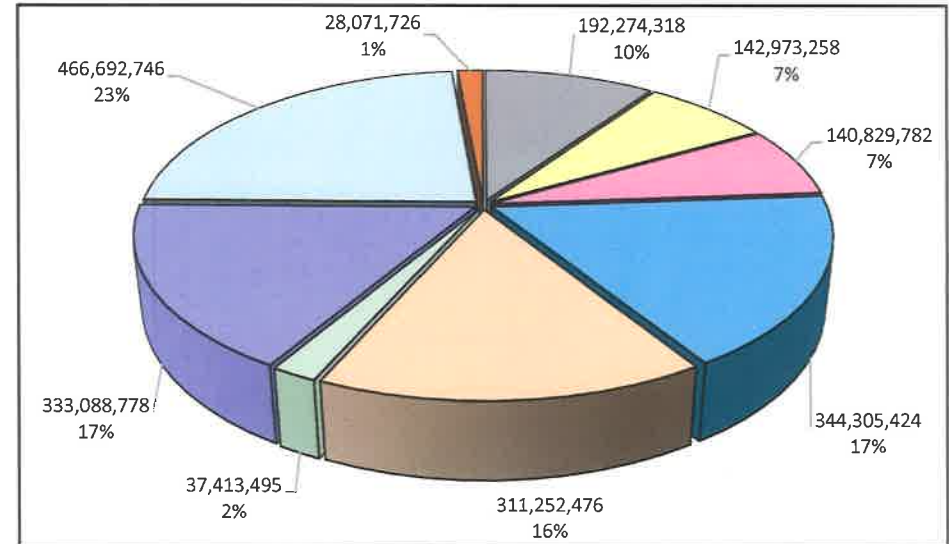
\*\* Detail may not add to total due to rounding.



MARCH 31, 2021



DECEMBER 31, 2020



Security Type	Book Value	% of Total
Cash	33,619,218	1.65%
Money Market Accounts	52,783,739	2.59%
Money Market Funds	1,359,732	0.07%
LAIF Managed Pool	74,861,883	3.67%
California Asset Management Program	46,169,842	2.26%
Commercial Paper - Discount	228,922,193	11.22%
Negotiable Certificates of Deposit	303,878,104	14.89%
Corporate Notes	260,383,661	12.76%
Corporate Notes - Floaters	4,300,000	0.21%
Corporate Notes - Step Ups	9,985,625	0.49%
Corporate Asset Backed Securities	30,386,274	1.49%
Municipal Bonds	55,055,353	2.70%
Municipal Promissory Notes	200,000	0.01%
Treasury Securities	385,012,433	18.87%
Agency Issues	459,038,723	22.50%
Agency Mortgage Backed Securities	48,327,264	2.37%
Supranationals	46,183,780	2.26%
	<b>2,040,467,821</b>	<b>100.00%</b>

Security Type	Book Value	% of Total
Cash	135,409,862	6.78%
Money Market Accounts	52,713,916	2.64%
Money Market Funds	4,150,540	0.21%
LAIF Managed Pool	74,743,703	3.74%
California Asset Management Program	68,229,554	3.42%
Commercial Paper - Discount	140,829,782	7.05%
Negotiable Certificates of Deposit	344,305,424	17.24%
Corporate Notes / Bonds	278,779,004	13.96%
Corporate Notes / Bonds - Floaters	4,300,000	0.22%
Corporate Notes / Bonds - Step Ups	-	0.00%
Corporate Asset Backed Securities	28,173,472	1.41%
Municipal Bonds	37,213,495	1.86%
Municipal Promissory Notes	200,000	0.01%
Treasury Securities	333,088,778	16.68%
Agency Issues	415,650,016	20.81%
Agency Mortgage Backed Securities	51,042,731	2.56%
Supranationals	28,071,726	1.41%
	<b>1,996,902,002</b>	<b>100.00%</b>



The average weighted credit rating of Tulare County's portfolio is AA\*.

<b>Credit Ratings</b>		
	Book Value	% of Portfolio
AAA	\$127,693,505	6%
A-1+/A-1 (Short-Term Rating)	\$479,454,297	24%
AA	\$995,006,967	49%
A	\$214,106,243	11%
BBB**	\$19,323,678	1%
Not Rated***	\$103,529,176	5%
Cash****	\$86,402,956	4%
<b>Total</b>	<b>\$2,040,467,821</b>	<b>100%</b>

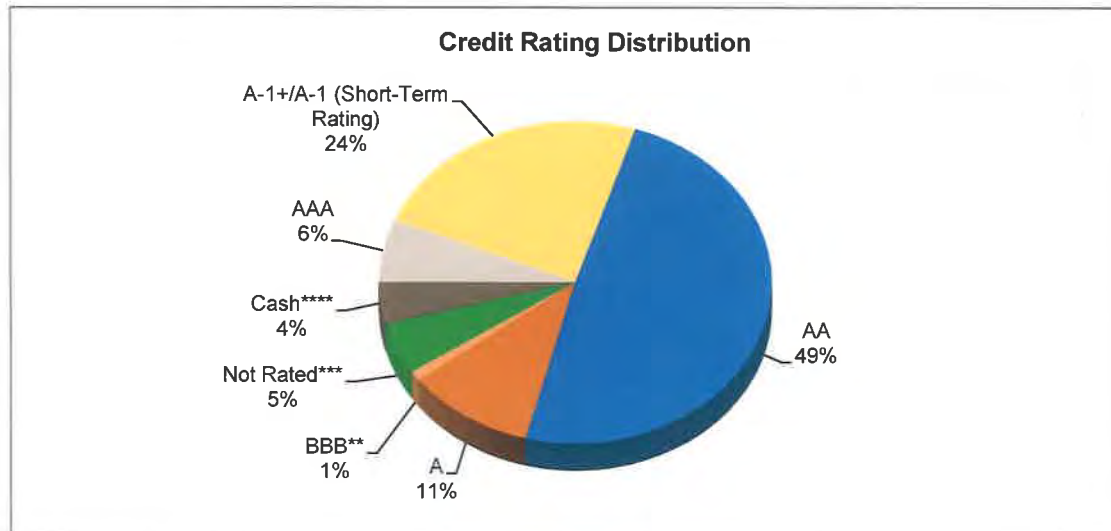
Ratings by Standard & Poor's (S&P). Includes all ratings in this category (e.g., A-, A, A+).

\* Average weighted credit rating was calculated using S&P ratings. Cash/overnight securities were not included in the calculation.

\*\* Securities rated in the BBB category by S&P are rated A- or the equivalent or better by at least one NRSRO or were rated A- or the equivalent or better by at least one NRSRO at time of purchase.

\*\*\* The portion of the portfolio that is invested in LAIF, the State of California pooled investment fund, is not rated. The remaining portion not rated comprises individual securities with ratings of A- or the equivalent or better by at least one NRSRO.

\*\*\*\* Fully collateralized in accordance with California government code.



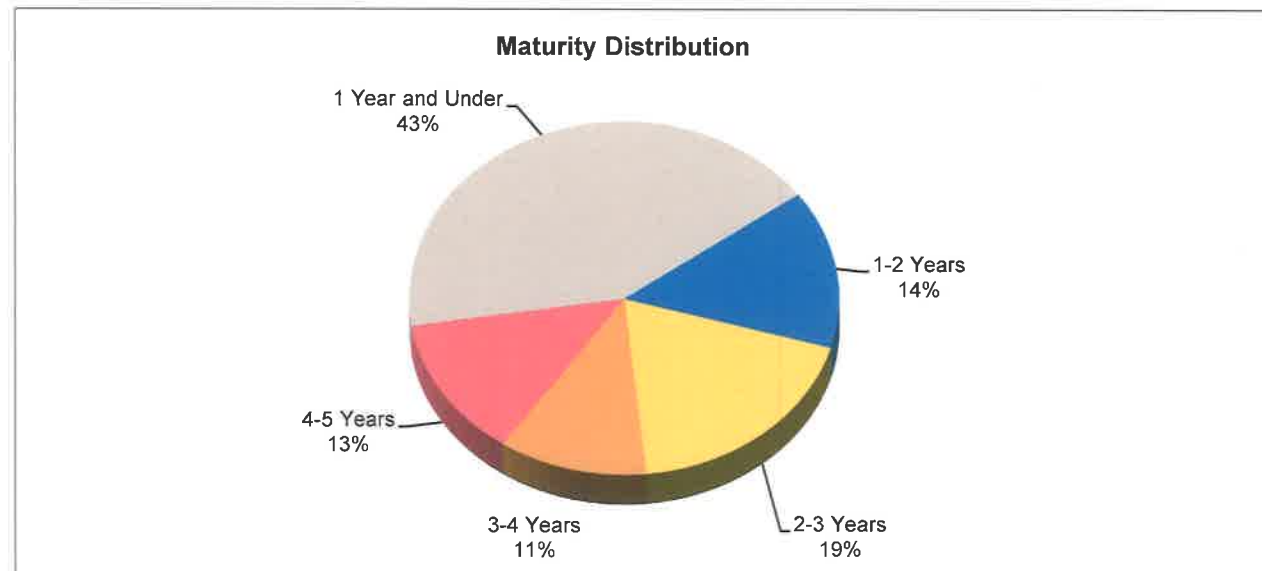
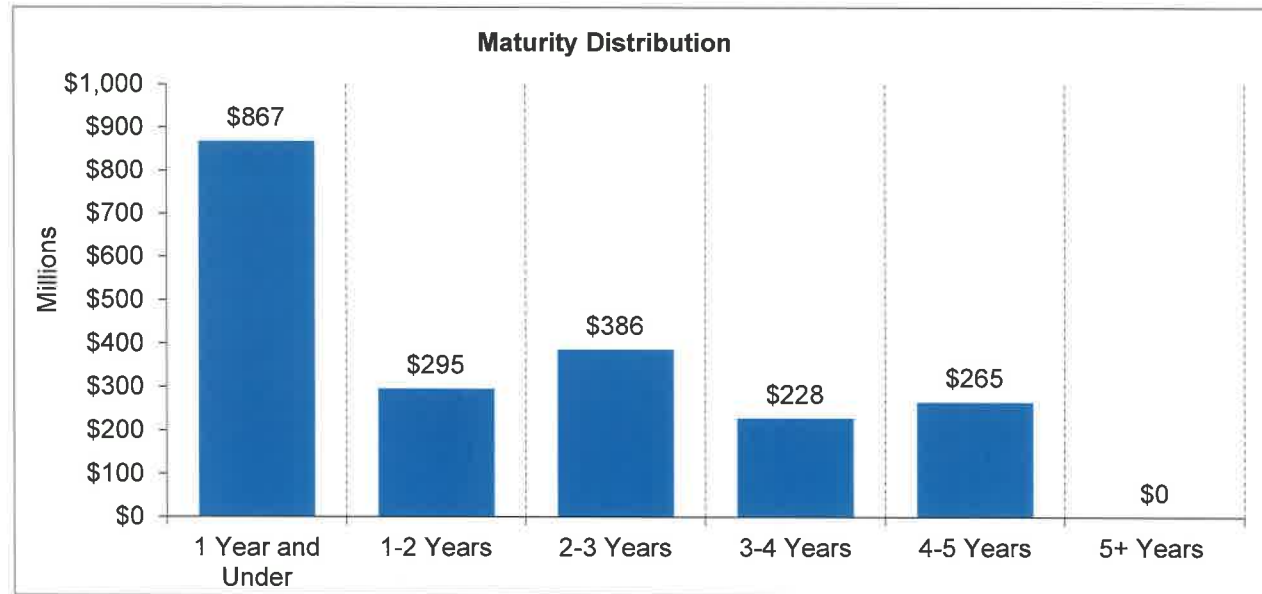
Corporate Issuers (49.3%)	Book Value	Market Value	% of Portfolio	S&P Rating	WAM (in days)
Amazon.com Inc	5,473,235	5,702,785	0.3%	AA-	692
Apple Inc.	11,278,507	11,897,411	0.6%	AA+	1,014
Bank of America Corp.	19,243,348	19,140,150	0.9%	A-	1,059
BofA Securities Inc	22,994,855	22,993,870	1.1%	A-1	57
Bank of Montreal Chicago	25,000,000	25,001,750	1.2%	A-1	155
Bank of New York Mellon	13,492,986	13,890,703	0.7%	A	691
Bank of the Sierra - Checking <sup>1</sup>	470,163	470,163	0.0%	CASH	1
Berkshire Hathaway Inc	5,142,233	5,140,419	0.3%	AA	136
Blackrock Inc	5,546,977	5,697,890	0.3%	AA-	426
BNP Paribas NY	15,000,000	14,999,430	0.7%	A-1	35
Burlington North Santa Fe	3,281,980	3,227,220	0.2%	A+	1,461
CA Infrastructure & Econ Dev	5,000,000	5,000,850	0.2%	AAA	183
CA State Earthquake Authority	2,465,000	2,527,636	0.1%	NR <sup>2</sup>	821
California State University	3,050,000	3,044,419	0.1%	AA-	1,310
C.A.M.P.	46,169,842	46,169,842	2.3%	AAA	1
Capital One Auto Receivables	2,761,285	2,802,527	0.1%	AAA	958
Cash in Vault	317,261	317,261	0.0%	CASH	1
CarMax Auto Owner Trust	4,794,056	4,852,148	0.2%	AAA	1,507
Charles Schwab Corp	5,939,989	6,237,180	0.3%	A	664
Chevron Corp	29,693,837	29,689,022	1.5%	A-1+	78
Citigroup Inc	5,381,228	5,460,409	0.3%	BBB+ <sup>4</sup>	251
City of Oakland CA	2,856,454	2,846,093	0.1%	AA	289
Commonwealth Bk of Australia	25,000,000	24,990,800	1.2%	A-1+	79
Cooperative Rabobank NY	15,000,641	15,002,250	0.7%	A-1	69
Cornell University	9,996,578	9,994,700	0.5%	A-1+	112
Costco Wholesale Corp.	7,090,790	7,481,740	0.3%	A+	1,143
Credit Agricole CIB NY	46,767,733	46,767,949	2.3%	A-1	44
Credit Suisse NY	14,822,947	14,799,400	0.7%	A+	533
DCAT LLC	9,998,375	9,998,400	0.5%	A-1	39
Dnb Nor Bank Asa NY	8,770,000	9,010,386	0.4%	AA-	610
Exxon Mobile Corp.	29,984,654	29,984,400	1.5%	A-1+	114
Federal Farm Credit Bank	25,057,387	24,984,281	1.2%	AA+	779
Federal Home Loan Bank	58,014,662	58,860,529	2.8%	AA+	816
Federal Home Loan Mtg Corp	151,853,084	151,850,273	7.4%	AA+	880
Federal National Mtg Assoc	272,440,853	274,178,353	13.4%	AA+	1,195
Federated Govt Oblig Fund	1,359,732	1,359,732	0.1%	AAA	1
Five Star Bank <sup>1</sup>	50,369,061	50,369,061	2.5%	CASH	1
Florida St Bld of Admin Fin Co	9,115,991	9,184,448	0.4%	AA	1,552
Goldman Sachs Group Inc	9,207,450	9,142,476	0.5%	BBB+ <sup>4</sup>	845
Hershey Company	9,149,403	9,268,800	0.4%	A	1,324
Home Depot Inc.	5,656,584	5,930,964	0.3%	A	730
Honda/American Honda Finance	6,135,056	6,570,764	0.3%	A-	950
Honda Auto Receivables Trust	9,673,690	9,773,323	0.5%	NR <sup>3</sup>	1,241
HSBC USA Inc	14,951,000	14,974,800	0.7%	A-2 <sup>5</sup>	336
Hyundai Auto Receivables Trust	329,765	330,940	0.0%	AAA	470
IBM Corp.	5,002,151	5,092,600	0.2%	A	301
ING (US) Funding LLC	4,998,814	4,998,550	0.2%	A-1	61
Intel Corp	9,020,083	9,029,072	0.4%	A+	1,454
Inter-American Develop Bank	19,064,162	19,555,280	0.9%	AAA	409
Intl Bk of Reconstruction & Dev	27,119,618	27,072,841	1.3%	AAA	364
John Deere Owner Trust	1,528,603	1,539,924	0.1%	NR <sup>3</sup>	593
John Deere Capital Corp.	2,727,012	2,823,298	0.1%	A	457
Johnson & Johnson	7,186,405	7,153,322	0.4%	AAA	1,385
J.P. Morgan Chase - Checking <sup>1</sup>	31,570,548	31,570,548	1.5%	CASH	1
J.P. Morgan Chase	12,391,432	12,565,828	0.6%	A-	810
L.A.I.F	74,861,883	74,861,883	3.7%	NR	1
Lloyds Bank Corp Mkts/NY	13,133,847	13,142,110	0.6%	A-1	134

Corporate Issuers	Book Value	Market Value	% of Issuer	S&P Rating	WAM (in days)
Los Angeles Community College	2,170,000	2,170,803	0.1%	AA+	122
Lower Tule River Irrigation Dist	200,000	200,000	0.0%	A-	1,644
Mastercard Inc.	9,718,192	10,084,667	0.5%	A+	1,252
Merck & Co Inc	9,081,086	9,014,706	0.4%	AA-	1,411
Metlife Global Funding	11,200,039	11,166,502	0.5%	AA-	285
Metlife Short-Term Funding	8,193,976	8,193,197	0.4%	A-1+	50
Microsoft Corp.	2,609,765	2,619,500	0.1%	AAA	129
MUFG Union Bank - Checking <sup>1</sup>	1,261,246	1,261,246	0.1%	CASH	1
Nestle Capital Corp	14,992,313	14,991,750	0.7%	A-1+	123
Nissan Auto Receivables	2,414,934	2,423,791	0.1%	AAA	1,201
Nordea Bank ABP NY	11,000,000	11,269,610	0.5%	AA-	512
Norinchukin Bank NY	15,002,832	15,002,250	0.7%	A-1	40
Oracle Corp.	11,713,708	11,808,796	0.6%	A	167
PACCAR Financial Corp.	7,084,005	7,134,351	0.3%	A+	194
Pfizer Inc	8,001,112	8,511,767	0.4%	A+	1,079
PNC Bank NA	7,479,822	7,673,582	0.4%	A	483
Protective Life Global Funding	2,546,119	2,544,215	0.1%	AA-	166
Royal Bank of Canada	37,623,821	37,630,582	1.8%	A-1+	98
Santa Clara USD	15,000,000	14,999,700	0.7%	AA+	456
Skandinav Enskilda Bk NY	34,400,713	34,404,000	1.7%	A-1	41
Societe Generale NY	11,680,000	11,856,718	0.6%	A-1	319
Standard Chartered Bank NY	15,000,000	15,002,400	0.7%	A-1	29
State of California	10,714,464	11,102,864	0.5%	AA-	913
State of Louisiana	1,000,000	997,610	0.0%	AA-	1,522
Sumitomo Mitsui Bank NY	15,000,096	15,001,050	0.7%	A-1	15
Sumitomo Mitsui Bank NY	9,305,000	9,309,466	0.5%	A	463
Suncrest Bank <sup>1</sup>	2,414,677	2,414,677	0.1%	CASH	1
Swedbank NY	30,000,000	30,005,850	1.5%	A-1	64
Toronto Dominion Bank NY	15,000,000	15,002,700	0.7%	A-1+	57
Toyota Motor Credit Corp.	14,992,958	14,995,900	0.7%	A-1+	61
Toyota Motor Credit Corp.	18,160,573	18,995,567	0.9%	A+	579
Toyota Auto Receivables Trust	8,883,940	9,028,391	0.4%	AAA	1,113
Truist Financial Corp	10,094,355	10,079,119	0.5%	A-	301
UnitedHealth Group Inc	9,999,278	9,999,400	0.5%	A-1	20
University of California	3,683,444	3,681,104	0.2%	AA	1,505
USAA Capital Corp	9,998,975	9,998,300	0.5%	A-1+	41
US Bancorp	18,395,716	19,358,153	0.9%	A+	969
U.S. Treasury	385,012,433	396,266,332	18.9%	AA+	1,057
Wells Fargo & Company	4,735,000	4,735,000	0.2%	BBB+ <sup>4</sup>	1
	<b>2,040,467,821</b>	<b>2,062,258,816</b>	<b>100.0%</b>		<b>640</b>

## Notes:

- Deposits with the various financial institutions are FDIC insured and/or collateralized pursuant to California Government Code.
- The security is not rated by S&P nor Moody's, however is rated A by Fitch.
- The securities are not rated by S&P, however are rated Aaa by Moody's.
- The securities are rated BBB+ by S&P, however are rated A3 by Moody's and/or A- by Fitch, or better.
- The security is rated A-2 by S&P, however is rated P-1 by Moody's and F1+ by Fitch.

The portfolio has a high degree of liquidity.



\* Maturity Distribution values represent Book Valuation and are rounded to the nearest million.

## **OTHER PORTFOLIO CHARACTERISTICS**

	<u>LIQUID PORTFOLIO</u>	<u>PFM PORTFOLIO</u>	<u>TOTAL INVESTMENT POOL</u>
<b>Average Daily Balance</b>			
<u>Month</u>			
January 2021	\$ 756,923,350	\$ 1,209,961,150	\$ 1,966,884,499
February 2021	\$ 762,356,603	\$ 1,212,496,591	\$ 1,974,853,194
March 2021	\$ 776,306,121	\$ 1,214,433,704	\$ 1,990,739,825
<u>Quarter</u>			
Ended March 31, 2021	\$ 765,289,983	\$ 1,212,290,500	\$ 1,977,580,483
<u>Fiscal Year to Date</u>			
Ended March 31, 2021	\$ 629,428,953	\$ 1,205,397,025	\$ 1,834,825,978

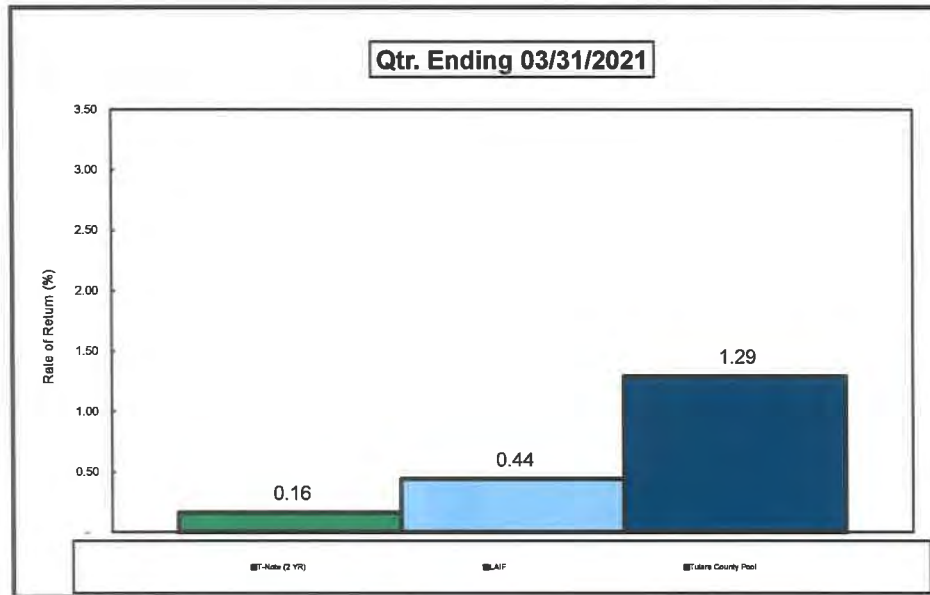
### **Weighted Average Maturity as of March 31, 2021**

Average days to maturity:	110 days	1,000 days	640 days
Average years to maturity:		2.74 years	1.75 years

### **Effective Rate of Return and Earnings**

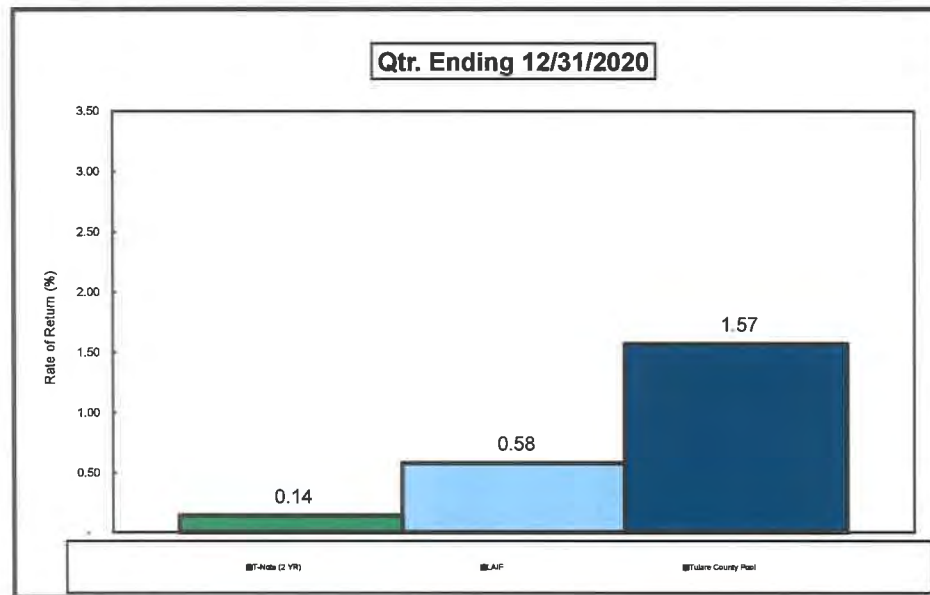
<u>Month</u>					
January 2021	0.29%	183,546	1.82%	1,869,426	1.24% 2,052,972
February 2021	0.25%	145,864	2.08%	1,932,841	1.37% 2,078,705
March 2021	0.22%	143,398	1.97%	2,033,398	1.29% 2,176,796
<u>Quarter</u>					
Ended March 31, 2021	0.25%	472,808	1.95%	5,835,665	1.29% 6,308,473
Treasury Fees - Quarterly					-0.07% (342,320)
<b>March 31, 2021 -- Net of Fees</b>					1.22% 5,966,153

**TULARE COUNTY TREASURER  
INVESTMENT POOL EARNINGS COMPARISON  
FOR THE QUARTER ENDING MARCH 31, 2021**



**TULARE COUNTY TREASURER  
Quarter Ending 03/31/2021**

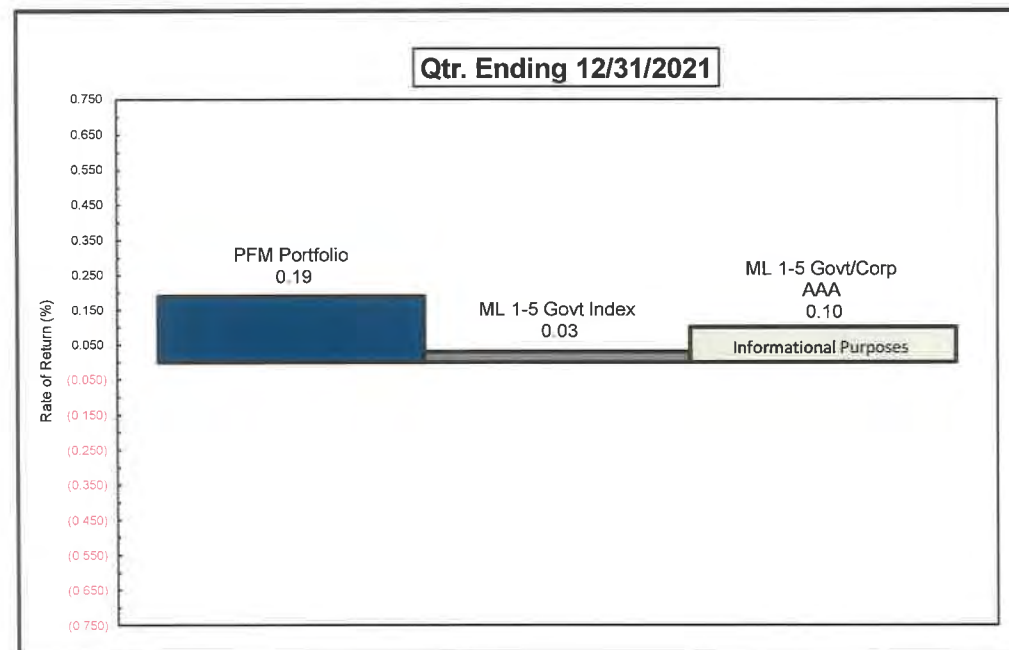
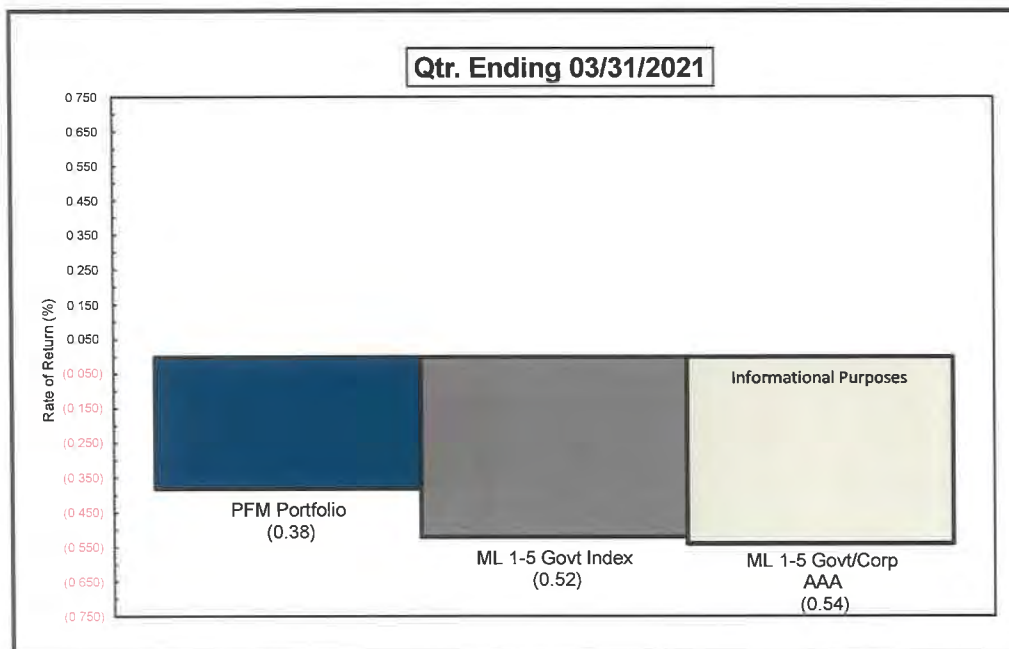
Average Daily Balance	\$ 1,977,580,483
Earning for the Quarter	\$ 6,308,473
Quarterly Rate of Return	1.29%
Weighted Avg. Yrs. to Maturity	1.75



**TULARE COUNTY TREASURER  
Quarter Ending 12/31/2020**

Average Daily Balance	\$ 1,856,455,667
Earning for the Quarter	\$ 7,340,025
Quarterly Rate of Return	1.57%
Weighted Avg. Yrs. to Maturity	1.69

**TULARE COUNTY TREASURER  
INVESTMENT ADVISORS' BENCHMARK COMPARISON  
FOR THE QUARTER ENDING MARCH 31, 2021**



**TOTAL RETURN**

Total return measures the portfolio's performance over time. It encompasses not only the income that the portfolio generated, but also any price appreciation or depreciation that the investments may have experienced. This equates the beginning value of the portfolio with the ending value, and includes interest earnings and both realized and unrealized gains and losses on the portfolio.

**COMMENTS - CURRENT QUARTER**

The U.S. Treasury yield curve steepened dramatically during the quarter with longer term yields rising considerably during the quarter while shorter term yields remained near all-time low levels, anchored by the Fed's near-zero rate policy. Yields on 2- to 3-year maturities remained near record lows, while yields on maturities five years and longer increased by 50 to 90 basis points (0.50% to 0.90%). This pushed the spread between the yield on 2-year and 10-year Treasuries to a five-year high of 158 basis points (1.58%) by quarter end. As a result, only very short-term U.S. Treasury index returns were slightly positive for the quarter. Most fixed income indices were negative, with longer durations suffering the most. Like its index benchmark, the County's Portfolio returned a negative total return for the quarter, as unrealized market value losses, due to rising rates, were greater than realized earnings. The portfolio, however, outperformed its benchmark by 0.14% for the quarter, another strong result on a relative basis.

The portfolio's modestly conservative and shorter-duration posture in the first quarter added notable value to performance relative to the benchmark as the steeper curve resulted in significant underperformance of the longer end of the curve. The portfolio's broad diversification by sector also helped to contribute to the strong relative performance for the quarter. Allocations in most sectors were maintained during the quarter, while allocations to agencies and corporates were modestly reduced in response to very narrow yield spreads limiting their value going forward. The agency MBS allocation was also reduced due to heightened risks associated with elevated prepayments which are expected to slow. The portfolio's allocation to the municipal sector added value to portfolio performance as municipals were one of the best investment-grade performers for the quarter. Investment-grade corporates and asset-backed security allocations also added to portfolio performance relative to the benchmark, as the sectors had small excess returns relative to Treasuries as higher income offset modestly wider yield spreads.

**PERFORMANCE REVIEW**

	CURRENT QUARTER	ANNUALIZED		
		1 YR	3YR	07/01/2006
ML 1-5 Govt	-0.52%	-0.07%	3.25%	2.77%
PFM Portfolio	-0.38%	1.52%	3.59%	3.05%



**Tulare County Treasurer  
Portfolio Management  
Portfolio Summary  
March 31, 2021**

Tulare County  
County Civic Center, Room 103E  
Visalia, Visalia, Ca. 93291  
(559)733-6575

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Cash	33,619,217.51	33,619,217.51	33,619,217.51	1.65	1	1	0.168	0.170
Money Market Accounts	52,783,738.65	52,783,738.65	52,783,738.65	2.59	1	1	0.404	0.409
Money Market Fund	1,359,732.00	1,359,732.00	1,359,732.00	0.07	1	1	0.010	0.010
Managed Investment Pools	121,031,725.12	121,031,725.12	121,031,725.12	5.93	1	1	0.278	0.282
Commercial Paper Disc. -Amortizing	229,045,000.00	228,945,699.10	228,922,192.76	11.22	167	94	0.169	0.171
Negotiable CD's	303,830,000.00	304,594,931.00	303,878,103.89	14.89	321	139	0.508	0.515
Treasury Securities - Coupon	381,501,000.00	396,266,331.79	385,012,433.14	18.87	1,674	1,058	1.729	1.753
Agency Issues - Fixed Coupon	457,410,000.00	461,142,597.00	459,038,722.87	22.50	1,419	1,085	0.729	0.739
Agencies - Mortgage Backed	47,357,619.23	48,730,838.65	48,327,263.57	2.37	1,293	582	1.535	1.556
Supranationals	46,250,000.00	46,628,121.00	46,183,779.54	2.26	824	383	1.105	1.120
Municipal Bonds	54,840,000.00	55,555,525.25	55,055,352.93	2.70	1,026	833	0.823	0.834
Corporate Notes	255,810,000.00	266,427,846.36	260,383,660.57	12.76	1,330	742	1.946	1.973
Medium Term Notes - Step Ups	10,000,000.00	9,913,300.00	9,985,625.00	0.49	1,095	1,051	0.345	0.350
Medium Term Notes - Floaters	4,300,000.00	4,308,170.00	4,300,000.00	0.21	1,461	1,264	0.644	0.653
Asset Backed	30,389,940.49	30,751,042.50	30,386,273.68	1.49	1,579	1,176	1.449	1.469
Promissory Notes	200,000.00	200,000.00	200,000.00	0.01	1,825	1,644	2.535	2.570
<b>Investments</b>	<b>2,029,727,973.00</b>	<b>2,062,258,815.93</b>	<b>2,040,467,821.23</b>	<b>100.00%</b>	<b>981</b>	<b>640</b>	<b>0.971</b>	<b>0.985</b>

Total Earnings	March 31 Month Ending	Fiscal Year To Date
Current Year	2,176,796.18	23,686,464.39
<b>Average Daily Balance</b>	<b>1,990,739,824.82</b>	<b>1,834,825,978.33</b>
<b>Effective Rate of Return</b>	<b>1.29%</b>	<b>1.72%</b>

  
Cass Cook, CFIP  
Auditor-Controller/Treasurer-Tax Collector

Reporting period 03/01/2021-03/31/2021

Run Date: 04/06/2021 - 13:55

Portfolio CNTY  
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**LIP ACCOUNT**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**March 31, 2021**

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Cash</b>												
SYS0002	0002	UNION BANK - CHECKING			1,261,246.38	1,261,246.38	1,261,246.38	0.250		0.253	1	
SYS0002B	0002B	UNION BANK - CHECKING			0.00	0.00	0.00	1.000		1.014	1	
SYS0002A	0002A	BANK OF THE SIERRA		07/01/2020	470,162.87	470,162.87	470,162.87			0.000	1	
SYS0001	0001	CASH IN VAULT		07/01/2020	317,260.54	317,260.54	317,260.54			0.000	1	
SYS0002C	0002C	JP MORGAN CHASE		09/29/2020	31,327,897.47	31,327,897.47	31,327,897.47	0.170		0.172	1	
SYS0002D	0002D	JP MORGAN CHASE		02/04/2021	242,650.25	242,650.25	242,650.25			0.000	1	
<b>Subtotal and Average</b>			<b>40,867,461.87</b>		<b>33,619,217.51</b>	<b>33,619,217.51</b>	<b>33,619,217.51</b>			<b>0.170</b>	<b>1</b>	
<b>Money Market Accounts</b>												
SYS6096	6096	FIVE STAR BANK			50,369,061.16	50,369,061.16	50,369,061.16	0.407		0.407	1	
SYS5833	5833	SUNCREST BANK			2,414,677.49	2,414,677.49	2,414,677.49	0.460		0.460	1	
<b>Subtotal and Average</b>			<b>52,783,738.65</b>		<b>52,783,738.65</b>	<b>52,783,738.65</b>	<b>52,783,738.65</b>			<b>0.409</b>	<b>1</b>	
<b>Managed Investment Pools</b>												
SYS4339-A	4339A	CALIFORNIA ASSET MANAGEMENT PR			46,169,842.24	46,169,842.24	46,169,842.24	0.080	AAA	0.080	1	
SYS9980	9980	LOCAL AGCY INVESTMENT FD			74,861,882.88	74,861,882.88	74,861,882.88	0.407		0.407	1	
<b>Subtotal and Average</b>			<b>113,612,370.28</b>		<b>121,031,725.12</b>	<b>121,031,725.12</b>	<b>121,031,725.12</b>			<b>0.282</b>	<b>1</b>	
<b>Commercial Paper Disc. -Amortizing</b>												
06054NT19	6247	BOFA SECURITIES INC		03/08/2021	15,000,000.00	14,995,650.00	14,996,441.67	0.140		0.142	61	06/01/2021
06054NSD4	6248	BOFA SECURITIES INC		03/11/2021	2,000,000.00	1,999,660.00	1,999,673.33	0.140		0.142	42	05/13/2021
06054NSR3	6249	BOFA SECURITIES INC		03/11/2021	6,000,000.00	5,998,560.00	5,998,740.00	0.140		0.142	54	05/25/2021
22533TRU2	6177	CREDIT AGRICOLE CIB NY		10/28/2020	15,000,000.00	14,999,100.00	14,998,200.00	0.160		0.162	27	04/28/2021
22533TTN6	6239	CREDIT AGRICOLE CIB NY		03/02/2021	20,000,000.00	19,992,200.00	19,994,533.33	0.120		0.122	82	06/22/2021
21920NUN0	6250	CORNELL UNIVERSITY		03/12/2021	10,000,000.00	9,994,700.00	9,996,577.78	0.110		0.112	112	07/22/2021
16677JTB2	6211	CHEVRON CORP		01/21/2021	18,700,000.00	18,693,642.00	18,696,311.94	0.100		0.101	71	06/11/2021
16677JTW6	6237	CHEVRON CORP		03/01/2021	11,000,000.00	10,995,380.00	10,997,525.00	0.090		0.091	90	06/30/2021
24023GSA6	6226	DCAT LLC		02/10/2021	10,000,000.00	9,998,400.00	9,998,375.00	0.150		0.152	39	05/10/2021
40434RC34	6240	HSBC USA		03/03/2021	15,000,000.00	14,974,800.00	14,951,000.00	0.350		0.361	336	03/03/2022
4497W0T16	6241	ING (US) FUNDING LLC		03/03/2021	5,000,000.00	4,998,550.00	4,998,813.89	0.140		0.142	61	06/01/2021
53948AVD0	6193	LLOYDS BANK CORP MKTS/NY		11/25/2020	13,150,000.00	13,142,110.00	13,133,847.42	0.330		0.339	134	08/13/2021
59157TSM6	6238	METLIFE SHORT TERM FUND		03/01/2021	8,195,000.00	8,193,197.10	8,193,975.62	0.090		0.091	50	05/21/2021
64105GV27	6201	NESTLE CAPITAL CORP		12/09/2020	15,000,000.00	14,991,750.00	14,992,312.50	0.150		0.154	123	08/02/2021
89233GSD9	6151	TOYOTA MOTOR CREDIT CORP		09/02/2020	10,000,000.00	9,998,300.00	9,996,500.00	0.300		0.308	42	05/13/2021
89233GUC8	6170	TOYOTA MOTOR CREDIT CORP		10/15/2020	5,000,000.00	4,997,600.00	4,996,458.33	0.250		0.257	102	07/12/2021
91058TRM0	6254	UNITEDHEALTH GROUP INC		03/24/2021	10,000,000.00	9,999,400.00	9,999,277.78	0.130		0.132	20	04/21/2021
90328ASC8	6228	USAA CAPITAL CORP		02/11/2021	10,000,000.00	9,998,300.00	9,998,975.00	0.090		0.091	41	05/12/2021
30229ATH2	6173	EXXON MOBIL CORP		10/23/2020	15,000,000.00	14,994,600.00	14,992,941.67	0.220		0.226	77	06/17/2021

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**LIP ACCOUNT**  
**Portfolio Management**  
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**March 31, 2021**

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Commercial Paper Disc. -Amortizing</b>												
30229AW13	6225	EXXON MOBIL CORP		02/10/2021	15,000,000.00	14,989,800.00	14,991,712.50	0.130		0.133	153	09/01/2021
<b>Subtotal and Average</b>			<b>213,914,126.20</b>		<b>229,045,000.00</b>	<b>228,945,699.10</b>	<b>228,922,192.76</b>			<b>0.171</b>	<b>94</b>	
<b>Negotiable CD's</b>												
06367CC39	6242	BANK OF MONTREAL CHICAGO		03/03/2021	25,000,000.00	25,001,750.00	25,000,000.00	0.180		0.183	155	09/03/2021
05586FDQ7	6220	BNP PARIBAS NY BRANCH		02/04/2021	15,000,000.00	14,999,430.00	15,000,000.00	0.150		0.152	35	05/06/2021
20271EUP2	6224	COMMONWEALTH BANK OF		02/08/2021	15,000,000.00	14,996,400.00	15,000,000.00	0.130		0.132	53	05/24/2021
20271EVA4	6260	COMMONWEALTH BANK OF		03/29/2021	10,000,000.00	9,994,400.00	10,000,000.00	0.140		0.142	119	07/29/2021
65602V6W1	6216	NORINCHUKIN BANK NY		01/27/2021	15,000,000.00	15,002,250.00	15,002,832.44	0.240		0.193	40	05/11/2021
21684XJS6	6171	COOPERATIEVE RABOBANK UA		10/16/2020	15,000,000.00	15,002,250.00	15,000,641.40	0.220		0.223	69	06/09/2021
78012UXV2	6160	ROYAL BANK OF CANADA		09/28/2020	15,000,000.00	15,001,950.00	15,000,000.00	0.210		0.213	91	07/01/2021
78012UXX8	6161	ROYAL BANK OF CANADA		09/28/2020	15,000,000.00	15,003,000.00	15,000,000.00	0.220		0.223	123	08/02/2021
78012UEE1	6204	ROYAL BANK OF CANADA		12/10/2020	7,580,000.00	7,625,631.60	7,623,821.39	3.240		0.230	67	06/07/2021
83050PNR6	6169	SKANDINAV ENSKILDA BK NY		10/14/2020	9,400,000.00	9,400,000.00	9,400,712.83	0.210		0.213	0	04/01/2021
83050PQG7	6207	SKANDINAV ENSKILDA BK NY		12/28/2020	25,000,000.00	25,004,000.00	25,000,000.00	0.210		0.213	57	05/28/2021
85325V6G0	6138	STANDARD CHARTERED BK NY		07/30/2020	15,000,000.00	15,002,400.00	15,000,000.00	0.340		0.345	29	04/30/2021
86565CSB6	6172	SUMITOMO MITSUI BANK NY		10/16/2020	15,000,000.00	15,001,050.00	15,000,095.83	0.230		0.233	15	04/16/2021
87019VL47	6162	SWED BANK		09/28/2020	15,000,000.00	15,003,750.00	15,000,000.00	0.230		0.233	89	06/29/2021
87019VP35	6198	SWED BANK		12/04/2020	15,000,000.00	15,002,100.00	15,000,000.00	0.200		0.203	39	05/10/2021
89114NWT8	6197	TORONTO DOMINION BANK NY		12/04/2020	15,000,000.00	15,002,700.00	15,000,000.00	0.230		0.233	57	05/28/2021
<b>Subtotal and Average</b>			<b>233,327,620.32</b>		<b>241,980,000.00</b>	<b>242,043,061.60</b>	<b>242,028,103.89</b>			<b>0.210</b>	<b>69</b>	
<b>Agency Issues - Fixed Coupon</b>												
3133EMPY2	6232	FEDERAL FARM CREDIT BANK		02/22/2021	15,000,000.00	15,000,450.00	14,998,302.16	0.060		0.076	315	02/10/2022
3130A8QS5	6208	FEDERAL HOME LOAN BANKS		01/08/2021	10,000,000.00	10,031,000.00	10,029,017.20	1.125		0.110	104	07/14/2021
313381BR5	6257	FEDERAL HOME LOAN BANKS		03/26/2021	10,000,000.00	10,286,400.00	10,350,009.10	1.875		0.130	617	12/09/2022
313382AX1	6258	FEDERAL HOME LOAN BANKS		03/26/2021	10,000,000.00	10,377,000.00	10,390,915.75	2.125		0.157	708	03/10/2023
<b>Subtotal and Average</b>			<b>29,045,886.54</b>		<b>45,000,000.00</b>	<b>45,694,850.00</b>	<b>45,768,244.21</b>			<b>0.114</b>	<b>426</b>	
<b>Supranationals</b>												
459058FH1	6212	INTL BK RECON & DEVELOP		01/22/2021	15,000,000.00	15,024,450.00	15,061,338.99	1.376		0.104	53	05/24/2021
459058GH0	6215	INTL BK RECON & DEVELOP		01/27/2021	3,000,000.00	3,023,550.00	3,025,448.49	2.750		0.120	113	07/23/2021
<b>Subtotal and Average</b>			<b>18,097,296.96</b>		<b>18,000,000.00</b>	<b>18,048,000.00</b>	<b>18,086,787.48</b>			<b>0.106</b>	<b>63</b>	
<b>Municipal Bonds</b>												
13034AL24	6206	CA INFRASTRUCTURE & ECON DEV		12/17/2020	5,000,000.00	5,000,850.00	5,000,000.00	0.178		0.178	183	10/01/2021
54438CYF3	6184	LOS ANGELES COMMUNIT COLLEGE		11/10/2020	2,170,000.00	2,170,802.90	2,170,000.00	0.276		0.276	122	08/01/2021
672240US5	6244	CITY OF OAKLAND		03/05/2021	2,795,000.00	2,846,092.60	2,856,454.19	2.500		0.151	289	01/15/2022

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**LIP ACCOUNT**  
**Portfolio Management**  
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**March 31, 2021**

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Municipal Bonds</b>												
8014952N1	6252	SANTA CLARA CA USD		03/16/2021	15,000,000.00	14,999,700.00	15,000,000.00	0.160		0.191	456	07/01/2022
<b>Subtotal and Average</b>			<b>17,401,725.27</b>		<b>24,965,000.00</b>	<b>25,017,445.50</b>	<b>25,026,454.19</b>			<b>0.191</b>	<b>353</b>	
<b>Corporates Notes</b>												
06406FAB9	6202	BANK OF NEW YORK MELLON CORP		12/10/2020	1,553,000.00	1,553,000.00	1,558,308.57	2.050		0.570	32	05/03/2021
06406RAM9	6259	BANK OF NEW YORK MELLON CORP		03/29/2021	5,000,000.00	5,143,500.00	5,158,396.21	1.850		0.281	666	01/27/2023
084670BC1	6182	BERKSHIRE HATHAWAY INC		11/03/2020	5,074,000.00	5,140,418.66	5,142,232.70	3.750		0.134	136	08/15/2021
22550L2A8	6217	CREDIT SUISSE AG NY		02/01/2021	5,414,000.00	5,470,359.74	5,502,947.05	2.100		0.172	225	11/12/2021
46625HHZ6	6200	JP MORGAN CHASE & CO		12/09/2020	1,112,000.00	1,116,748.24	1,121,530.94	4.625		0.149	39	05/10/2021
59217GCS6	6218	MET LIFE GLOB FUNDING		02/03/2021	10,905,000.00	11,166,501.90	11,200,039.13	3.375		0.158	285	01/11/2022
74368CAE4	6219	PROTECTIVE LIFE GLOBAL		02/03/2021	2,525,000.00	2,544,215.25	2,546,118.83	1.999		0.150	166	09/14/2021
867914BM4	6222	TRUIST FINANCIAL CORP		02/05/2021	9,901,000.00	10,079,118.99	10,094,355.28	2.700		0.391	301	01/27/2022
94974BEV8	6125	WELLS FARGO SECURITIES LLC		06/24/2020	4,735,000.00	4,735,000.00	4,735,000.00	4.600		0.391	0	04/01/2021
<b>Subtotal and Average</b>			<b>47,070,464.41</b>		<b>46,219,000.00</b>	<b>46,948,862.78</b>	<b>47,058,928.71</b>			<b>0.257</b>	<b>258</b>	
<b>Medium Term Notes - Step Ups</b>												
06048WL24	6229	BANK OF AMERICA CORP		02/16/2021	10,000,000.00	9,913,300.00	9,985,625.00	0.300		0.350	1,051	02/16/2024
<b>Subtotal and Average</b>			<b>9,985,430.11</b>		<b>10,000,000.00</b>	<b>9,913,300.00</b>	<b>9,985,625.00</b>			<b>0.350</b>	<b>1,051</b>	
<b>Promissory Notes</b>												
SYS6164	6164	LOWER TULE RIVER IRRIGATION		10/01/2020	200,000.00	200,000.00	200,000.00	2.570		2.570	1,644	10/01/2025
SYS5903	5903	TULARE COUNTY TRANSPORTATION A			0.00	0.00	0.00					
<b>Subtotal and Average</b>			<b>200,000.00</b>		<b>200,000.00</b>	<b>200,000.00</b>	<b>200,000.00</b>			<b>2.570</b>	<b>1,644</b>	
<b>Total and Average</b>			<b>776,306,120.60</b>		<b>822,843,681.28</b>	<b>824,245,900.26</b>	<b>824,511,017.52</b>			<b>0.218</b>	<b>110</b>	

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Fund</b>												
60934N10S	3521B	FEDERATED GOVT OBLIG			1,359,732.00	1,359,732.00	1,359,732.00	0.010	AAA	0.010	1	
<b>Subtotal and Average</b>			<b>2,515,448.26</b>		<b>1,359,732.00</b>	<b>1,359,732.00</b>	<b>1,359,732.00</b>			<b>0.010</b>	<b>1</b>	
<b>Negotiable CD's</b>												
22535CDU2	5951	CREDIT AGRICOLE CIB-NY		04/04/2019	11,775,000.00	11,776,648.50	11,775,000.00	2.830		2.869	1	04/02/2021
22552G3C2	6253	CREDIT SUISSE AG NY		03/23/2021	9,320,000.00	9,329,040.40	9,320,000.00	0.590		0.598	715	03/17/2023
23341VZT1	6039	DNB NOR BANK ASA NY		12/06/2019	8,770,000.00	9,010,385.70	8,770,000.00	2.040		2.068	610	12/02/2022
65558TLL7	5990	NORDEA BANK FINLAND NY		08/29/2019	11,000,000.00	11,269,610.00	11,000,000.00	1.850		1.871	512	08/26/2022
83369XDL9	6081	SOCIETE GENERALE NY		02/19/2020	11,680,000.00	11,686,718.40	11,680,000.00	1.800		1.800	319	02/14/2022
86565CKU2	6131	SUMITOMO MITSUI BANK NY		07/14/2020	9,305,000.00	9,309,466.40	9,305,000.00	0.700		0.710	463	07/08/2022
<b>Subtotal and Average</b>			<b>61,850,000.00</b>		<b>61,850,000.00</b>	<b>62,551,869.40</b>	<b>61,850,000.00</b>			<b>1.709</b>	<b>415</b>	
<b>Treasury Securities - Coupon</b>												
912828XG0	5746A	U.S. TREASURY NOTE		09/01/2018	11,000,000.00	11,275,880.00	11,039,924.69	2.125		1.822	455	06/30/2022
912828XQ8	5748	U.S. TREASURY NOTE		08/31/2017	5,000,000.00	5,125,600.00	5,017,133.53	2.000		1.730	486	07/31/2022
912828L24	5755	U.S. TREASURY NOTE		09/29/2017	3,000,000.00	3,073,830.00	2,998,516.54	1.875		1.912	517	08/31/2022
912828L57	5757	U.S. TREASURY NOTE		10/06/2017	185,000.00	189,473.30	184,526.52	1.750		1.930	547	09/30/2022
912828L57	5761A	U.S. TREASURY NOTE		09/01/2018	11,000,000.00	11,265,980.00	10,963,080.15	1.750		1.984	547	09/30/2022
912828L57	5765	U.S. TREASURY NOTE		11/03/2017	7,390,000.00	7,568,690.20	7,360,833.67	1.750		2.028	547	09/30/2022
912828N30	5784A	U.S. TREASURY NOTE		09/01/2018	2,445,000.00	2,528,863.50	2,431,505.70	2.125		2.459	639	12/31/2022
9128283C2	5819	U.S. TREASURY NOTE		05/04/2018	14,075,000.00	14,487,960.50	13,909,619.02	2.000		2.796	578	10/31/2022
912828L57	5825	U.S. TREASURY NOTE		06/06/2018	10,740,000.00	10,999,693.20	10,587,932.56	1.750		2.759	547	09/30/2022
912828P38	5855	U.S. TREASURY NOTE		10/05/2018	18,150,000.00	18,676,713.00	17,780,874.63	1.750		2.939	670	01/31/2023
912828W89	5856	U.S. TREASURY NOTE		10/05/2018	7,385,000.00	7,515,714.50	7,309,854.69	1.875		2.957	364	03/31/2022
912828X47	5862	U.S. TREASURY NOTE		10/24/2018	3,955,000.00	4,030,382.30	3,909,632.00	1.875		3.002	394	04/30/2022
912828Q29	5865	U.S. TREASURY NOTE		11/07/2018	7,960,000.00	8,170,780.80	7,743,353.86	1.500		2.964	729	03/31/2023
912828XR6	5866	U.S. TREASURY NOTE		11/07/2018	1,450,000.00	1,477,637.00	1,431,034.53	1.750		2.942	425	05/31/2022
912828P38	5880	U.S. TREASURY NOTE		12/06/2018	12,000,000.00	12,348,240.00	11,775,373.89	1.750		2.839	670	01/31/2023
912828T91	5898	U.S. TREASURY NOTE		12/24/2018	3,750,000.00	3,881,700.00	3,655,987.29	1.625		2.667	943	10/31/2023
9128282D1	5899	U.S. TREASURY NOTE		12/24/2018	6,600,000.00	6,782,820.00	6,407,296.08	1.375		2.670	882	08/31/2023
912828V23	5907	U.S. TREASURY NOTE		01/09/2019	4,995,000.00	5,261,133.60	4,955,755.78	2.250		2.556	1,004	12/31/2023
912828S92	5920	U.S. TREASURY NOTE		02/12/2019	2,650,000.00	2,713,547.00	2,580,769.57	1.250		2.439	851	07/31/2023
912828WE6	5931	U.S. TREASURY NOTE		03/08/2019	7,150,000.00	7,613,606.00	7,190,455.17	2.750		2.519	958	11/15/2023
9128285D8	5969	U.S. TREASURY NOTE		05/03/2019	10,300,000.00	10,973,929.00	10,453,289.22	2.875		2.245	912	09/30/2023
912828X70	5972	U.S. TREASURY NOTE		06/05/2019	24,490,000.00	25,699,316.20	24,559,704.97	2.000		1.903	1,125	04/30/2024
912828V80	5975	U.S. TREASURY NOTE		06/25/2019	13,200,000.00	13,918,212.00	13,373,657.66	2.250		1.764	1,035	01/31/2024
912828XX3	5976	U.S. TREASURY NOTE		07/03/2019	22,560,000.00	23,698,603.20	22,711,273.52	2.000		1.783	1,186	06/30/2024
9128285K2	5981	U.S. TREASURY NOTE		07/30/2019	7,910,000.00	8,440,207.30	8,113,623.09	2.875		1.833	943	10/31/2023

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<b>Treasury Securities - Coupon</b>												
9128282N9	5985	U.S. TREASURY NOTE		08/05/2019	8,950,000.00	9,444,308.50	9,042,474.17	2.125		1.799	1,217	07/31/2024
9128282U3	5996	U.S. TREASURY NOTE		09/05/2019	17,775,000.00	18,613,091.25	18,092,220.83	1.875		1.333	1,248	08/31/2024
9128282Y5	6005	U.S. TREASURY NOTE		10/03/2019	17,000,000.00	17,953,530.00	17,355,939.68	2.125		1.501	1,278	09/30/2024
9128283D0	6023	U.S. TREASURY NOTE		11/05/2019	11,925,000.00	12,648,012.75	12,205,114.22	2.250		1.566	1,309	10/31/2024
912828YM6	6035	U.S. TREASURY NOTE		12/04/2019	9,450,000.00	9,769,693.50	9,387,746.59	1.500		1.692	1,309	10/31/2024
9128283J7	6061	U.S. TREASURY NOTE		01/07/2020	4,135,000.00	4,369,371.80	4,211,284.30	2.125		1.599	1,339	11/30/2024
9128285P1	6084	U.S. TREASURY NOTE		03/04/2020	27,750,000.00	29,658,922.50	29,241,737.08	2.875		0.822	973	11/30/2023
91282CBC4	6209	U.S. TREASURY NOTE		01/13/2021	14,275,000.00	13,934,255.75	14,196,344.70	0.375		0.495	1,735	12/31/2025
912828Y87	6210	U.S. TREASURY NOTE		01/14/2021	5,055,000.00	5,271,606.75	5,300,881.29	1.750		0.283	1,217	07/31/2024
9128286A3	6223	U.S. TREASURY NOTE		02/08/2021	19,485,000.00	21,083,354.55	21,517,719.81	2.625		0.453	1,766	01/31/2026
91282CBH3	6235	U.S. TREASURY NOTE		02/26/2021	5,736,000.00	5,590,821.84	5,621,034.91	0.375		0.804	1,766	01/31/2026
91282CBQ3	6243	U.S. TREASURY NOTE		03/05/2021	17,725,000.00	17,369,082.00	17,537,257.77	0.500		0.721	1,794	02/28/2026
91282CBQ3	6256	U.S. TREASURY NOTE		03/26/2021	2,900,000.00	2,841,768.00	2,857,669.46	0.500		0.811	1,794	02/28/2026
<b>Subtotal and Average</b>			<b>380,470,904.71</b>		<b>381,501,000.00</b>	<b>396,266,331.79</b>	<b>385,012,433.14</b>			<b>1.753</b>	<b>1,058</b>	
<b>Agency Issues - Fixed Coupon</b>												
3133ELVX9	6094	FEDERAL FARM CREDIT BANK		04/08/2020	3,170,000.00	3,187,054.60	3,170,000.00	0.875		0.875	1,103	04/08/2024
3133EMBH4	6166	FEDERAL FARM CREDIT BANK		10/09/2020	6,900,000.00	6,796,776.00	6,889,085.28	0.530		0.566	1,642	09/29/2025
3130A0F70	5913	FEDERAL HOME LOAN BANKS		01/31/2019	8,990,000.00	9,722,055.70	9,138,786.82	3.375		2.713	981	12/08/2023
3130A0F70	5917	FEDERAL HOME LOAN BANKS		02/06/2019	6,110,000.00	6,607,537.30	6,218,772.35	3.375		2.664	981	12/08/2023
3130AJHU6	6100	FEDERAL HOME LOAN BANKS		04/16/2020	11,935,000.00	11,836,536.25	11,887,161.23	0.500		0.601	1,474	04/14/2025
3137EAER6	6120	FED. HOME LOAN MTG. CORP.		06/03/2020	10,620,000.00	10,665,241.20	10,634,538.30	0.375		0.309	764	05/05/2023
3137EAER6	6123	FED. HOME LOAN MTG. CORP.		06/18/2020	14,480,000.00	14,541,684.80	14,498,845.78	0.375		0.313	764	05/05/2023
3137EAES4	6126	FED. HOME LOAN MTG. CORP.		06/26/2020	16,700,000.00	16,713,193.00	16,663,652.76	0.250		0.348	816	06/26/2023
3137EAEU9	6134	FED. HOME LOAN MTG. CORP.		07/23/2020	11,195,000.00	11,013,529.05	11,146,938.71	0.375		0.476	1,572	07/21/2025
3134GWLD6	6144	FED. HOME LOAN MTG. CORP.		08/06/2020	10,400,000.00	10,406,240.00	10,400,000.00	0.300		0.300	676	02/06/2023
3137EAEV7	6148	FED. HOME LOAN MTG. CORP.		08/21/2020	11,080,000.00	11,083,324.00	11,070,994.20	0.250		0.284	875	08/24/2023
3137EAEX3	6159	FED. HOME LOAN MTG. CORP.		09/25/2020	17,170,000.00	16,845,487.00	17,123,664.68	0.375		0.436	1,636	09/23/2025
3134GWTL0	6163	FED. HOME LOAN MTG. CORP.		09/29/2020	10,125,000.00	10,129,050.00	10,123,737.42	0.300		0.305	910	09/28/2023
3137EAF2A	6199	FED. HOME LOAN MTG. CORP.		12/04/2020	10,160,000.00	10,144,353.60	10,151,031.26	0.250		0.283	977	12/04/2023
3135G0T45	5721A	FED. NAT'L. MTG. ASSN.		09/01/2018	11,040,000.00	11,235,187.20	11,039,648.23	1.875		1.878	369	04/05/2022
3135G0T45	5726	FED. NAT'L. MTG. ASSN.		06/29/2017	7,100,000.00	7,225,528.00	7,099,774.09	1.875		1.878	369	04/05/2022
3135G0T78	5794	FED. NAT'L. MTG. ASSN.		03/05/2018	3,500,000.00	3,597,580.00	3,467,862.79	2.000		2.649	552	10/05/2022
3135G0T78	5795	FED. NAT'L. MTG. ASSN.		03/06/2018	2,410,000.00	2,477,190.80	2,386,991.21	2.000		2.675	552	10/05/2022
3135G0U43	5854	FED. NAT'L. MTG. ASSN.		10/04/2018	6,240,000.00	6,639,484.80	6,217,614.47	2.875		3.034	894	09/12/2023
3135G0U43	5875	FED. NAT'L. MTG. ASSN.		11/30/2018	7,000,000.00	7,448,140.00	6,984,672.03	2.875		2.971	894	09/12/2023
3135G0U43	5904	FED. NAT'L. MTG. ASSN.		12/31/2018	6,350,000.00	6,756,527.00	6,378,947.70	2.875		2.675	894	09/12/2023
3135G0V34	5918	FED. NAT'L. MTG. ASSN.		02/08/2019	7,005,000.00	7,440,290.70	6,990,150.80	2.500		2.580	1,040	02/05/2024

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<b>Agency Issues - Fixed Coupon</b>												
3135G0V34	5919	FED. NAT'L. MTG. ASSN.		02/11/2019	3,185,000.00	3,382,915.90	3,182,254.86	2.500		2.532	1,040	02/05/2024
3135G0V34	6083	FED. NAT'L. MTG. ASSN.		03/03/2020	12,740,000.00	13,531,663.60	13,302,944.87	2.500		0.915	1,040	02/05/2024
3135G0X24	6085	FED. NAT'L. MTG. ASSN.		03/05/2020	14,250,000.00	14,796,630.00	14,662,527.19	1.625		0.839	1,377	01/07/2025
3135G03U5	6103	FED. NAT'L. MTG. ASSN.		04/24/2020	15,500,000.00	15,455,050.00	15,474,054.66	0.625		0.667	1,482	04/22/2025
3135G03U5	6106	FED. NAT'L. MTG. ASSN.		04/30/2020	5,345,000.00	5,329,499.50	5,354,107.65	0.625		0.582	1,482	04/22/2025
3135G04Q3	6117	FED. NAT'L. MTG. ASSN.		05/22/2020	17,335,000.00	17,356,148.70	17,297,750.46	0.250		0.351	781	05/22/2023
3135G03U5	6118	FED. NAT'L. MTG. ASSN.		05/26/2020	3,225,000.00	3,215,647.50	3,236,765.97	0.625		0.534	1,482	04/22/2025
3135G03U5	6121	FED. NAT'L. MTG. ASSN.		06/05/2020	12,500,000.00	12,463,750.00	12,553,217.99	0.625		0.519	1,482	04/22/2025
3135G04Z3	6124	FED. NAT'L. MTG. ASSN.		06/19/2020	18,485,000.00	18,300,519.70	18,452,737.40	0.500		0.542	1,538	06/17/2025
3135G04Z3	6129	FED. NAT'L. MTG. ASSN.		07/07/2020	7,200,000.00	7,128,144.00	7,207,051.96	0.500		0.476	1,538	06/17/2025
3135G05G4	6130	FED. NAT'L. MTG. ASSN.		07/10/2020	23,535,000.00	23,551,945.20	23,496,628.14	0.250		0.322	830	07/10/2023
3135G04Z3	6143	FED. NAT'L. MTG. ASSN.		08/04/2020	10,000,000.00	9,900,200.00	10,045,056.25	0.500		0.392	1,538	06/17/2025
3135G05X7	6150	FED. NAT'L. MTG. ASSN.		08/27/2020	11,900,000.00	11,680,802.00	11,850,936.53	0.375		0.470	1,607	08/25/2025
3135G04Z3	6158	FED. NAT'L. MTG. ASSN.		09/18/2020	2,145,000.00	2,123,592.90	2,151,773.83	0.500		0.424	1,538	06/17/2025
3135G04Z3	6165	FED. NAT'L. MTG. ASSN.		10/05/2020	12,000,000.00	11,880,240.00	12,045,910.07	0.500		0.408	1,538	06/17/2025
3135G05X7	6174	FED. NAT'L. MTG. ASSN.		10/23/2020	4,360,000.00	4,279,688.80	4,337,798.54	0.375		0.492	1,607	08/25/2025
3135G05X7	6180	FED. NAT'L. MTG. ASSN.		10/29/2020	13,730,000.00	13,477,093.40	13,678,134.77	0.375		0.462	1,607	08/25/2025
3135G05G4	6183	FED. NAT'L. MTG. ASSN.		11/10/2020	8,675,000.00	8,681,246.00	8,670,189.44	0.250		0.274	830	07/10/2023
3135G06G3	6185	FED. NAT'L. MTG. ASSN.		11/12/2020	11,205,000.00	11,029,641.75	11,167,992.41	0.500		0.573	1,681	11/07/2025
3135G06G3	6189	FED. NAT'L. MTG. ASSN.		11/24/2020	2,570,000.00	2,529,779.50	2,569,521.29	0.500		0.508	1,681	11/07/2025
3135G06H1	6213	FED. NAT'L. MTG. ASSN.		01/26/2021	2,845,000.00	2,841,557.55	2,850,254.27	0.250		0.196	970	11/27/2023
<b>Subtotal and Average</b>			<b>413,282,026.66</b>		<b>412,410,000.00</b>	<b>415,447,747.00</b>	<b>413,270,478.66</b>			<b>0.808</b>	<b>1,158</b>	
<b>Agencies - Mortgage Backed</b>												
3137BDDC7	5751A	FREDDIE MAC MULTIFAMILY PASS		08/30/2018	1,760,502.41	1,764,093.83	1,832,710.51	3.130		0.092	85	06/25/2021
3137BM6P6	5753A	FREDDIE MAC MULTIFAMILY PASS		08/30/2018	8,396,331.64	8,618,918.39	8,715,728.10	3.090		0.962	511	08/25/2022
3137BM6P6	5810	FREDDIE MAC MULTIFAMILY PASS		04/09/2018	2,818,661.94	2,893,384.67	2,842,664.61	3.090		2.565	511	08/25/2022
3137BLUR7	5954	FREDDIE MAC MULTIFAMILY PASS		04/05/2019	4,610,000.00	4,709,115.00	4,621,525.00	2.716		2.441	450	06/25/2022
3137BHX8	5970	FREDDIE MAC MULTIFAMILY PASS		05/21/2019	10,389,911.38	10,537,552.02	10,454,848.33	2.791		2.108	299	01/25/2022
3137B1BS0	5973	FREDDIE MAC MULTIFAMILY PASS		06/17/2019	3,000,000.00	3,095,310.00	3,026,250.00	2.510		1.848	603	11/25/2022
3137AWQH1	6001	FREDDIE MAC MULTIFAMILY PASS		09/09/2019	5,450,000.00	5,581,454.00	5,530,472.66	2.307		1.201	511	08/25/2022
3137FQ3V3	6033	FREDDIE MAC MULTIFAMILY PASS		11/26/2019	3,015,553.75	3,108,342.34	3,015,481.38	2.092		1.980	1,211	07/25/2024
3136B1XP4	5818	FANNIE MAE		04/30/2018	479,927.45	482,471.07	489,473.69	3.560		2.174	177	09/25/2021
3136AJB54	6055	FANNIE MAE		12/18/2019	7,436,730.66	7,940,197.33	7,798,109.29	3.346		0.867	1,089	03/25/2024
<b>Subtotal and Average</b>			<b>48,660,880.87</b>		<b>47,357,619.23</b>	<b>48,730,838.65</b>	<b>48,327,263.57</b>			<b>1.556</b>	<b>582</b>	

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Supranationals</b>												
4581X0CW6	5655A	INTER-AMERICAN DEVEL BK		09/01/2018	9,700,000.00	9,846,470.00	9,698,097.67	2.125		2.150	292	01/18/2022
4581X0CZ9	5802A	INTER-AMERICAN DEVEL BK		09/01/2018	9,500,000.00	9,708,810.00	9,366,063.83	1.750		2.783	531	09/14/2022
459058JM6	6191	INTL BK RECON & DEVELOP		11/24/2020	9,050,000.00	9,024,841.00	9,032,830.56	0.250		0.322	967	11/24/2023
<b>Subtotal and Average</b>			<b>28,093,052.69</b>		<b>28,250,000.00</b>	<b>28,580,121.00</b>	<b>28,096,992.06</b>			<b>1.773</b>	<b>589</b>	
<b>Municipal Bonds</b>												
13063DRJ9	6011	STATE OF CALIFORNIA		10/24/2019	10,580,000.00	11,102,863.60	10,714,463.81	2.400		1.870	913	10/01/2023
13017HAK2	6190	CALIFORNIA ST EARTHQUAKE AUTH		11/24/2020	2,465,000.00	2,527,635.65	2,465,000.00	1.477		1.477	821	07/01/2023
13077DMK5	6157	CALIFORNIA ST UNIV REVENUE		09/17/2020	3,050,000.00	3,044,418.50	3,050,000.00	0.685		0.685	1,310	11/01/2024
341271AD6	6155	FLORIDA ST BRD OF ADMIN FIN CO		09/16/2020	2,550,000.00	2,573,664.00	2,565,990.50	1.258		1.158	1,552	07/01/2025
341271AD6	6156	FLORIDA ST BRD OF ADMIN FIN CO		09/16/2020	6,550,000.00	6,610,784.00	6,550,000.00	1.258		1.258	1,552	07/01/2025
546417DQ6	6168	STATE OF LOUISIANA		10/14/2020	1,000,000.00	997,610.00	1,000,000.00	0.840		0.914	1,522	06/01/2025
91412HGE7	6132	UNIVERSITY OF CALIFORNIA BG		07/16/2020	2,565,000.00	2,565,769.50	2,565,000.00	0.883		0.916	1,505	05/15/2025
91412HGE7	6133	UNIVERSITY OF CALIFORNIA BG		07/16/2020	1,115,000.00	1,115,334.50	1,118,444.43	0.883		0.806	1,505	05/15/2025
<b>Subtotal and Average</b>			<b>30,031,174.44</b>		<b>29,875,000.00</b>	<b>30,538,079.75</b>	<b>30,028,898.74</b>			<b>1.370</b>	<b>1,233</b>	
<b>Corporates Notes</b>												
037833CG3	5958	APPLE INC		04/11/2019	10,000,000.00	10,670,200.00	10,065,832.22	3.000		2.752	1,044	02/09/2024
037833DV9	6114	APPLE INC		05/11/2020	1,215,000.00	1,227,210.75	1,212,674.40	0.750		0.842	770	05/11/2023
023135AW6	5959	AMAZON.COM INC		04/11/2019	5,500,000.00	5,702,785.00	5,473,234.89	2.400		2.672	692	02/22/2023
06051GHF9	6167	BANK OF AMERICA CORP		10/14/2020	8,745,000.00	9,226,849.50	9,257,722.57	3.550		1.489	1,069	03/05/2024
06406RAJ6	5929	BANK OF NEW YORK MELLON CORP		03/07/2019	6,725,000.00	7,194,203.25	6,776,281.29	3.450		3.101	862	08/11/2023
09247XAJ0	5960	BLACKROCK INC.		04/11/2019	5,500,000.00	5,697,890.00	5,546,976.81	3.375		2.607	426	06/01/2022
12189LAV3	6262	BURLINGTN NORTH SANTA FE		03/29/2021	3,000,000.00	3,227,220.00	3,281,980.17	3.000		0.977	1,461	04/01/2025
172967LC3	5772	CITIGROUP INC		11/22/2017	5,375,000.00	5,460,408.75	5,381,227.80	2.900		2.720	251	12/08/2021
22160KAL9	5974	COSTCO WHOLESALE CORP		06/18/2019	7,000,000.00	7,481,740.00	7,090,790.36	2.750		2.309	1,143	05/18/2024
24422ETL3	5700A	JOHN DEERE CAPITAL CORPORATION		09/01/2018	1,585,000.00	1,613,989.65	1,585,922.97	2.650		2.569	280	01/06/2022
24422ETG4	5822A	JOHN DEERE CAPITAL CORPORATION		09/01/2018	1,155,000.00	1,209,308.10	1,141,088.58	2.800		3.479	704	03/06/2023
38141GWC4	5848	GOLDMAN SACHS GROUP INC		09/07/2018	5,500,000.00	5,508,580.00	5,468,941.18	3.000		3.567	390	04/26/2022
38148LAE6	6230	GOLDMAN SACHS GROUP INC		02/17/2021	3,330,000.00	3,633,895.80	3,738,508.62	3.750		0.940	1,512	05/22/2025
437076AZ5	5807	HOME DEPOT INC		04/05/2018	5,700,000.00	5,930,964.00	5,656,583.52	2.700		3.114	730	04/01/2023
02665WCJ8	5840A	AMERICAN HONDA FINANCE CORP		09/01/2018	2,215,000.00	2,362,430.40	2,213,246.00	3.450		3.487	834	07/14/2023
02665WCT6	5911	AMERICAN HONDA FINANCE CORP		01/31/2019	3,900,000.00	4,208,334.00	3,921,810.11	3.550		3.330	1,016	01/12/2024
427866BC1	6111	HERSHEY COMPANY		05/05/2020	8,860,000.00	9,268,800.40	9,149,403.04	2.050		1.123	1,324	11/15/2024
459200JQ5	5677	IBM CORP.		01/31/2017	5,000,000.00	5,092,600.00	5,002,150.78	2.500		2.444	301	01/27/2022
458140BP4	6112	INTEL CORP		05/05/2020	8,300,000.00	9,029,072.00	9,020,083.10	3.400		1.154	1,454	03/25/2025
478160CJ1	6245	JOHNSON & JOHNSON		03/08/2021	5,000,000.00	5,338,300.00	5,362,633.95	2.625		0.782	1,385	01/15/2025
478160CJ1	6255	JOHNSON & JOHNSON		03/25/2021	1,700,000.00	1,815,022.00	1,823,770.80	2.625		0.807	1,385	01/15/2025

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Corporate Notes</b>												
48128BAB7	5789A	JP MORGAN CHASE & CO		09/01/2018	6,000,000.00	6,120,780.00	5,978,957.34	2.972		3.183	654	01/15/2023
48128BAB7	5803A	JP MORGAN CHASE & CO		09/01/2018	1,000,000.00	1,020,130.00	990,943.75	2.972		3.522	654	01/15/2023
57636QAB0	5961	MASTERCARD INC		04/11/2019	5,091,000.00	5,519,305.83	5,189,876.89	3.375		2.679	1,096	04/01/2024
57636QAN4	6110	MASTERCARD INC		05/05/2020	4,380,000.00	4,565,361.60	4,528,315.57	2.000		1.111	1,432	03/03/2025
58933YAR6	6246	MERCK & CO INC		03/08/2021	5,000,000.00	5,321,550.00	5,352,878.33	2.750		0.939	1,411	02/10/2025
58933YAR6	6261	MERCK & CO INC		03/29/2021	3,470,000.00	3,693,155.70	3,728,207.21	2.750		0.883	1,411	02/10/2025
594918BP8	5612A	MICROSOFT CORP		09/01/2018	1,390,000.00	1,395,059.60	1,389,897.02	1.550		1.571	129	08/08/2021
594918BP8	5613A	MICROSOFT CORP		09/01/2018	1,220,000.00	1,224,440.80	1,219,868.30	1.550		1.581	129	08/08/2021
68389XBK0	5643A	ORACLE CORP		09/01/2018	6,140,000.00	6,175,980.40	6,126,914.74	1.900		2.388	167	09/15/2021
68389XBK0	5663A	ORACLE CORP		09/01/2018	600,000.00	603,516.00	598,580.83	1.900		2.442	167	09/15/2021
68389XBK0	5664	ORACLE CORP		01/24/2017	5,000,000.00	5,029,300.00	4,988,212.81	1.900		2.450	167	09/15/2021
69371RN44	5673A	PACCAR FINANCIAL CORP		09/01/2018	6,500,000.00	6,530,095.00	6,479,628.82	1.650		2.556	132	08/11/2021
69371RQ90	6147	PACCAR FINANCIAL CORP		08/11/2020	605,000.00	604,255.85	604,376.23	0.350		0.394	862	08/11/2023
717081ES8	5941	PFIZER INC		03/28/2019	7,925,000.00	8,511,767.00	8,001,111.58	2.950		2.601	1,079	03/15/2024
69353RFE3	5738A	PNC BANK		09/01/2018	7,480,000.00	7,673,582.40	7,479,821.60	2.450		2.452	483	07/28/2022
808513AT2	5804A	CHARLES SCHWAB CORP		09/01/2018	6,000,000.00	6,237,180.00	5,939,988.54	2.650		3.245	664	01/25/2023
89236TDP7	5796A	TOYOTA MOTOR CREDIT		09/01/2018	2,750,000.00	2,799,280.00	2,741,025.98	2.600		3.044	285	01/11/2022
89236TDP7	5821A	TOYOTA MOTOR CREDIT		09/01/2018	2,000,000.00	2,035,840.00	1,989,207.31	2.600		3.339	285	01/11/2022
89236TDP7	5830A	TOYOTA MOTOR CREDIT		09/01/2018	1,850,000.00	1,883,152.00	1,841,270.07	2.600		3.245	285	01/11/2022
89236TDP7	5850	TOYOTA MOTOR CREDIT		09/07/2018	4,250,000.00	4,326,160.00	4,232,881.40	2.600		3.149	285	01/11/2022
89236TFS9	5908	TOYOTA MOTOR CREDIT		01/10/2019	7,375,000.00	7,951,135.00	7,356,188.42	3.350		3.451	1,012	01/08/2024
91159HHP8	5666A	US BANCORP		09/01/2018	3,000,000.00	3,051,870.00	2,999,160.07	2.625		2.661	298	01/24/2022
91159HHV5	5957	US BANCORP		04/11/2019	10,000,000.00	10,763,400.00	10,133,639.68	3.375		2.868	1,040	02/05/2024
91159HHX1	5984	US BANCORP		08/05/2019	5,260,000.00	5,542,882.80	5,262,916.21	2.400		2.382	1,216	07/30/2024
<b>Subtotal and Average</b>			<b>214,428,153.88</b>		<b>209,591,000.00</b>	<b>219,478,983.58</b>	<b>213,324,731.86</b>			<b>2.351</b>	<b>849</b>	
<b>Medium Term Notes - Floaters</b>												
46647PBS4	6154	JP MORGAN CHASE & CO		09/16/2020	4,300,000.00	4,308,170.00	4,300,000.00	0.653		0.653	1,264	09/16/2024
<b>Subtotal and Average</b>			<b>4,300,000.00</b>		<b>4,300,000.00</b>	<b>4,308,170.00</b>	<b>4,300,000.00</b>			<b>0.653</b>	<b>1,264</b>	
<b>Asset Backed</b>												
14315XAC2	6063	CarMax Auto Owner Trust		01/22/2020	2,790,000.00	2,852,300.70	2,789,452.60	1.890		1.906	1,355	12/16/2024
14316NAC3	6214	CarMax Auto Owner Trust		01/27/2021	2,005,000.00	1,999,847.15	2,004,603.81	0.340		0.349	1,719	12/15/2025
14042WAC4	5971	CAPITAL ONE PRIME AUTO RECEIVA		05/30/2019	2,761,845.00	2,802,526.98	2,761,285.45	2.510		2.533	958	11/15/2023
43813RAC1	6082	HONDA AUTO RECEIVABLES TRUST		02/26/2020	6,375,000.00	6,478,338.75	6,373,750.50	1.610		1.625	1,117	04/22/2024
43813GAC5	6234	HONDA AUTO RECEIVABLES TRUST		02/24/2021	3,300,000.00	3,294,984.00	3,299,939.61	0.270		0.271	1,481	04/21/2025
44891KAD7	5815	HYUNDAI AUTO RECEIVABLES TRUST		04/18/2018	329,815.11	330,939.78	329,765.44	2.790		2.814	470	07/15/2022
47788EAC2	5842A	JOHN DEERE OWNER TRUST		08/30/2018	1,528,718.45	1,539,923.96	1,528,602.57	3.080		2.012	593	11/15/2022

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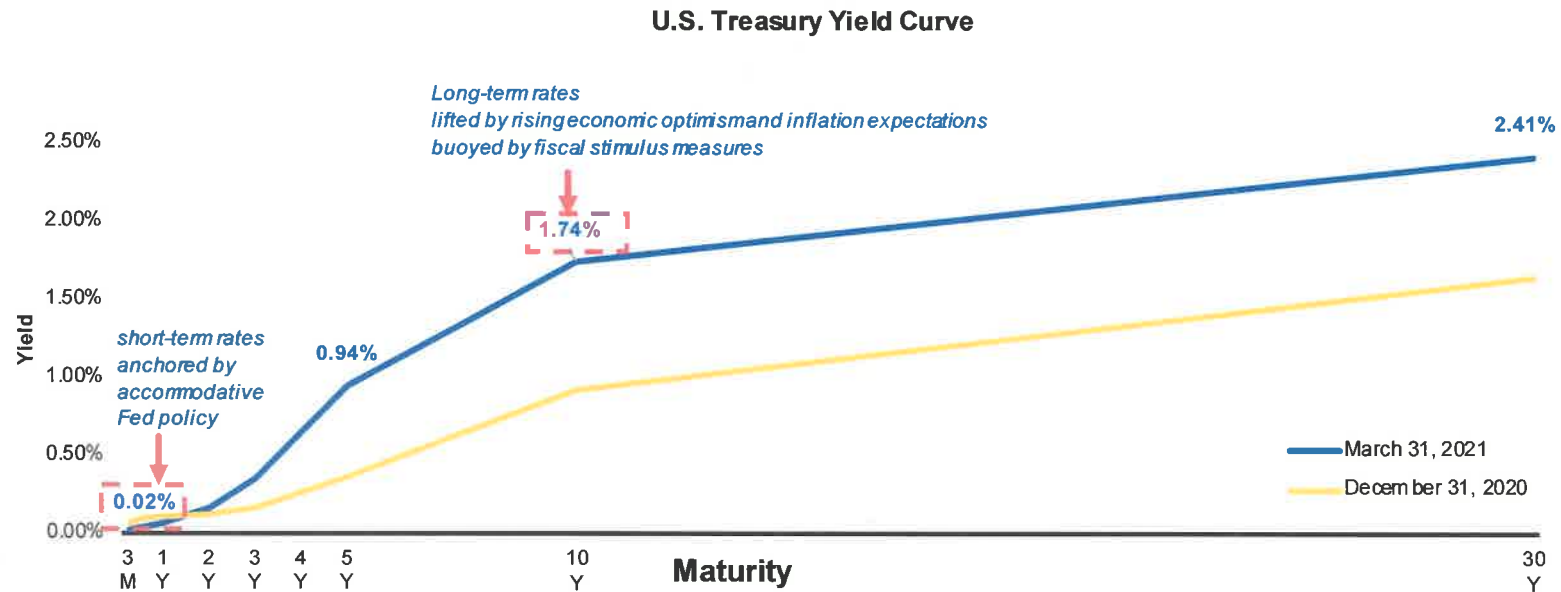
CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Asset Backed</b>												
65479CAD0	6127	NISSAN AUTO RECEIVABLES OWNERS		06/30/2020	2,415,000.00	2,423,790.60	2,414,933.83	0.550		0.552	1,201	07/15/2024
89238BAD4	5786	TOYOTA AUTO RECEIVABLES TRUST		01/29/2018	319,561.93	320,440.73	319,558.26	2.350		2.362	410	05/16/2022
89232HAC9	6072	TOYOTA AUTO RECEIVABLES TRUST		02/12/2020	8,565,000.00	8,707,949.85	8,564,381.61	1.660		1.669	1,140	05/15/2024
<b>Subtotal and Average</b>			<b>30,766,356.17</b>		<b>30,389,940.49</b>	<b>30,751,042.50</b>	<b>30,386,273.68</b>			<b>1.469</b>	<b>1,176</b>	
<b>Total and Average</b>			<b>1,214,433,704.22</b>		<b>1,206,884,291.72</b>	<b>1,238,012,915.67</b>	<b>1,215,956,803.71</b>			<b>1.505</b>	<b>1,000</b>	



## ECONOMIC RECAP

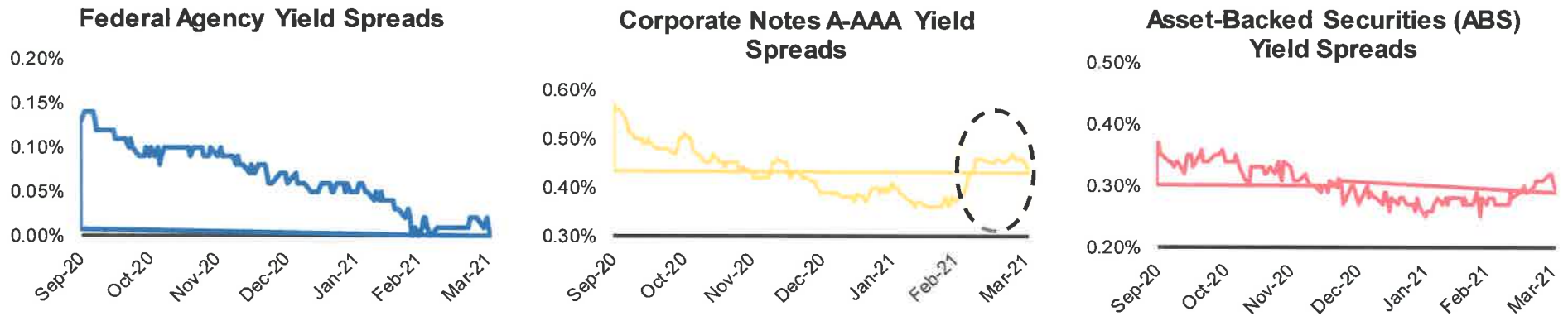
- Economic conditions during the first quarter were characterized by the following:
  - A dramatically lower COVID-19 caseload as vaccine inoculations ramped up despite initial logistical challenges.
  - A new administration in Washington pushing new policies and priorities.
  - Improving economic data supported by an additional \$1.9 trillion in relief funds from the American Rescue Plan Act.
  - Increasing inflation expectations fueled by a combination of stronger recovery and additional stimulus.
  - A reaffirmed commitment by the Federal Reserve to keep short-term rates near zero and continue their asset purchase program until the economy is more fully recovered.
- The U.S. Treasury yield curve steepened dramatically during the quarter. Yields on very short-term maturities under a year remained anchored to the Fed's near-zero rate policy. Yields on 2- to 3-year maturities hovered near record lows, while yields on maturities five years and longer increased by 50 to 90 basis points (0.50% to 0.90%). This pushed the spread between the yield on 2-year and 10-year Treasuries to a five-year high of 158 basis points (1.58%) by quarter end.
  - Following three consecutive quarters of significant spread narrowing in the second, third, and fourth quarters of 2020, most sectors held at tight spread levels. All things considered, diversifying relative to Treasuries remained a value add.

## TREASURY YIELD CURVE STEEPENED ON ECONOMIC OPTIMISM



Source: Bloomberg, as of March 31, 2021.

## AGENCY YIELD SPREADS TIGHTEN, BUT CORPORATES AND ABS WIDEN



Source: ICE BofAML 1-5 year indices via Bloomberg, MarketAxess, and PFM as of 10/2/2020. Spreads on ABS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries.

THE FIGHT AGAINST THE COVID 19 PANDEMIC CONTINUES

- COVID-19 cases fell by 66% in the U.S. during the first quarter.
- Approximately 95 million Americans received at least one vaccination by quarter-end.

Enactment Date	Congressional Actions
March 6, 2020	<b>\$7.8 billion</b> Coronavirus Preparedness and Response Supplemental Appropriations Act
March 18	<b>\$15.4 billion</b> Families First Coronavirus Response Act (FFCRA)
March 27	<b>\$2.1 trillion</b> Coronavirus Aid, Relief, and Economic Security (CARES) Act
April 24	<b>\$483 billion</b> Paycheck Protection Program and Health Care Enhancement Act
Dec 27	<b>\$900 billion</b> Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act
March 11, 2021	<b>\$1.9 trillion</b> American Rescue Plan (ARP) Act of 2021
?	<b>\$2 trillion</b> proposed "American Jobs Plan"