



# 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, April 26, 2023 at 8:30 a.m.**  
TCERA Board Room, 136 N. Akers Street, Visalia, CA 93291

### NOTICE TO THE PUBLIC

Documents related to the items on this agenda are available for public inspection at the Retirement Office, 136 N Akers Street, Visalia, CA, during normal business hours. Such documents are also available on TCERA's website, [www.tcera.org](http://www.tcera.org), subject to staff's ability to post the documents before the meeting.

Persons wishing to listen to the meeting in progress may access a live stream link located on TCERA's website [www.tcera.org](http://www.tcera.org).

### **PUBLIC COMMENTS:**

Any person addressing the Board will be limited to a maximum of five (5) minutes. A total of 15 minutes will be allotted for the Public Comment period unless otherwise extended by the Board Chair. If you are part of a large group that would like to comment on an agenda item, please consider commenting in writing or sending one spokesperson to speak on behalf of the group. 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).)

**In Person:** 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.

**Teams:** Persons wishing to participate in public comment remotely may access the Teams link located on TCERA's website, [www.TCERA.org](http://www.TCERA.org). Registration prior to the start of the meeting is required. If you do not wish to register online, you may address the Board in person. Once logged in to the Teams meeting, you may raise the virtual hand to indicate that you wish to make public comment. In an effort to assist the Board Secretary in identifying the agenda item relating to your public comment, please indicate the agenda item number in the chat feature. If you want to listen to the meeting without comment, please access the live stream link located on TCERA's website [www.tcera.org](http://www.tcera.org).

**Email:** Members of the public may also submit public comment via U.S. mail or via email to [BORPublicComment@tularecounty.ca.gov](mailto:BORPublicComment@tularecounty.ca.gov) before the meeting. The comments received via U.S. mail or email before the meeting will be read to the Board of Retirement in open session during the meeting provided that the comments meet the requirements for Public Comments as posted in the agenda.

*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. Please state your name for the record.

**V. X-AGENDA ITEMS**

**VI. DISABILITIES**

1. Discussion and possible action regarding the estimated invoice for the ExamWorks fee in the amount of up to \$9,000 related to the disability application filed by Tina Mahler.

**VII. CONSENT CALENDAR**

1. Approve Minutes of the following meetings:
  - a. Retirement Board Minutes of April 12, 2023.
2. Approve payments to:
  - a. County Counsel – invoice for legal services to the Board of Retirement in the amount of \$1,407.90 for the period ending March 31, 2023.
  - b. County Counsel – invoice for legal services to the Board of Retirement in the amount of \$2,692.90 for the period ending February 28, 2023.
  - c. Cheiron – invoice for actuarial services in the amount of \$4,975.00 for the quarter ended March 31, 2023.
3. Pension Board Reports and Actions
  - a. Approve return to work status for TCERA retiree Le Anne Williams.

**VIII. INVESTMENTS**

1. Discussion and possible action regarding TCERA's strategic investment allocation and investment managers, including performance, contracts, and fees.
  - a. Asset Allocation Report
  - b. Verus Flash Report
2. Presentation from IFM Global Infrastructure (US) LLC regarding TCERA's allocation to infrastructure investments. Discussion and possible action.
3. Presentation from INVESCO regarding TCERA's allocation to real estate debt investments. Discussion and possible action.
4. Educational presentation regarding Manager Ratings and Bank Exposure.

## **IX. NEW BUSINESS**

1. SACRS Annual Spring Business Meeting agenda packet for May 12, 2023. Discussion and possible action.

## **X. OLD BUSINESS**

1. Discussion and possible action regarding TCERA receipt of Public Comments.

## **XI. EDUCATION ITEMS**

1. Discussion and possible action regarding available educational events.

## **XII. COMMUNICATIONS**

1. SACRS Legislative Update, April 2023. Discussion and possible action.

## **XIII. UPCOMING MEETINGS**

1. Board of Retirement Meeting May 24, 2023, 8:30 a.m.
2. Administrative Committee Meeting May 24, 2023, 10:00 a.m.
3. Board of Retirement Meeting June 14, 2023, 8:30 a.m.
4. Trustee Education/Presentation Calendar – Discussion and possible action.

## **XIV. TRUSTEE/STAFF COMMENTS**

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

## **XV. 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.*

ExamWorks, LLC.  
11010 White Rock Road, Suite 120  
Rancho Cordova, CA 95670



Phone: (800) 458-1261  
Fax: (916) 920-2515

April 10, 2023

DARCY NUNES  
TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
136 N. AKERS STREET  
VISALIA, CA 93291

RE: Independent Medical Evaluation  
Examinee: Tina Mahler  
DOI: 5/6/2021  
Claim #: 2021-18190

**SUBJECT: ExamWorks Fee Notice**

Dear Darcy Nunes,

Thank you for scheduling with ExamWorks. This letter serves as notification of the fees associated with the following appointment. This notification will serve as a pre-approval unless we are informed that the documented charges are not acceptable.

**Date/Time of Appointment:** Thursday, April 20, 2023, 8:00 AM  
**Consultant/Physician:** Aimee Vickers Sanchez, Ph.D.  
**Specialty:** Psychology  
**Location:** 3106 Willow Avenue, Suite 104, , Clovis, CA 93612,

**ESTIMATE AND ADDITIONAL FEES**

<b>Estimated Total Fee</b>	\$7,200.00 - \$9,000.00 Fee
<b>Late Cancel/No Show Fee</b>	\$600.00 / \$600.00
<b>Estimated hours of doctor's time</b>	12 – 15 hours 6-8 hr exam 2 hr record review 4-5 hr report prep

**Fee Range: \$7,200.00 - \$9,000.00**

**Included Fees:**

Description	Amount	Unit
Consultation	\$600.00	Hourly
Record Review	\$600.00	Hourly
Report Prep	\$600.00	Hourly

**Notify ExamWorks of Cancellation no later than 5 business days prior to appointment to avoid Late Cancel Fee.**

The fee for this exam may exceed this quote for reasons including, but not limited to: The complexity of the case, volume of the medical records, time required of the physician, additional required tests, or geographical factors. Additional testing fees (i.e. X-Rays, diagnostics, diagnostic reviews, etc.) may apply and may be billed/reimbursed separately.

If you have any questions or concerns, please reply by return email or contact our office within 48 hours. Otherwise, you may experience scheduling delays or cancellations.

Thank you.  
Gretchen Richardson





# COUNTY OF TULARE BOARD OF RETIREMENT

**Leanne Malison**  
Retirement Administrator

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## **MINUTES OF THE BOARD OF RETIREMENT REGULAR RETIREMENT BOARD MEETING Wednesday, April 12, 2023, 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 Pete Vander Poel, Chair

### **II. ROLL CALL**

Voting Trustees Present:	Jim Young, Pete Vander Poel, Ty Inman, Roland Hill, Laura Hernandez, and Gary Reed
Trustees Absent:	Cass Cook, Nathan Polk
Voting Alternate	
Trustees Present:	Jorge Garcia (Voting for Cook), David Vasquez (Voting for Polk)
Alternate Trustees Present:	George Finney
Staff Members Present:	Leanne Malison, Retirement Administrator, Paul Sampietro, Assistant Retirement Administrator, Melanie Tyler, Secretary II
Board Counsel Present:	Makenzie Dunkel, Deputy County Counsel Aaron Zaheen, Deputy County Counsel

### **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. Please state your name for the record.

None

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

None

### **VI. CONSENT CALENDAR**

1. Approve Minutes of the following meetings:
  - a. Retirement Board Minutes of March 22, 2023.
2. Approve payments to:
  - a. Nossaman – invoice for legal services to the Board of Retirement in the amount of \$43.70 for the period ending February 28, 2023.

- b. Hanson Bridgett – invoice for legal services to the Board of Retirement in the amount of \$172.80 for the period ending February 28, 2023.
  - c. Verus – invoice for investment consulting services in the amount of \$22,500.00 for the month ended March 31, 2023.
  - d. Verus – invoice for investment consulting services in the amount of \$75,000.00 for the month ended March 31, 2023.
3. Pension Board Reports and Actions
- a. Ratify Retirement Administrator actions regarding Retirement Application approvals and Option Selections for the month of March 2023.
  - b. Approve Reports regarding Retirement Applications, Option Selections and Deceased Pensioners and 30-Year Members for the month of March 2023.
4. Administrative Financial Reports and Actions
- a. TCERA and TCERA Property, Inc. Preliminary Financial Statements – January 31, 2022.
  - b. TCERA and TCERA Property, Inc. Preliminary Financial Statements – February 28, 2022.

Motion to approve Consent Calendar as presented.

Motion: Young  
Second: Vasquez

Motion passed unanimously.

## **VII. NEW BUSINESS**

1. Discussion and possible action regarding SACRS Board of Director Elections 2023-2024 – Final Ballot.

Motion to authorize the voting delegates to vote in favor of the recommended slate for the SACRS Board of Directors as presented.

Motion: Hill  
Second: Hernandez

Motion passed unanimously.

2. Discussion and possible action regarding Resolution Regarding Pay Codes Included as Pensionable Income – Tulare County Superior Court.

Review of pay code designed to reimburse court employees the cost associated with required cell phone use to conduct court business via a cell phone stipend. The TCERA staff analysis is that the code does not fall under the pensionable income category as it is not regular earnings or additional pay associated with any type of expertise that is applied to a group of employees.

Motion to adopt the Resolution Regarding Pay Codes Included as Pensionable Income, identifying pay code CS as non-pensionable compensation.

Motion: Reed  
Second: Vasquez

Motion passed unanimously.

## **VIII. EDUCATION ITEMS**

1. Discussion and possible action regarding Summary Education Reports as filed:
- a. Ty Inman - CALAPRS General Assembly – March 4-7, 2023, 9.5 Hours.
  - b. George Finney – CALAPRS General Assembly – March 5-7, 2023, 8.5 Hours

Motion to accept the summary reports as filed.

Motion: Reed

Second: Hernandez

Motion passed unanimously.

2. Discussion and possible action regarding available educational events.

No Action

## **IX. UPCOMING MEETINGS**

1. Board of Retirement Meeting April 26, 2023, 8:30 a.m.
2. Board of Retirement Meeting May 24, 2023, 8:30 a.m.
3. Administrative Committee Meeting May 24, 2023, 10:00 a.m.
4. Trustee Education/Presentation Calendar – Discussion and possible action.

Ms. Malison provided the following updates to the TCERA Board of Retirement 2023 Trustee Education/Presentation Calendar:

July 12, 2023 – Disability Education – Counsel

October 11, 2023 – Preliminary Actuarial Analysis and Presentation of Three-Year Experience Study – Cheiron /Joint Meeting with Board of Supervisors

November 1, 2023 - Final Actuarial Valuation Report and Three-Year Experience Study - Cheiron

No Action

## **X. TRUSTEE/STAFF COMMENTS**

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

Mr. Young informed the Board that he will not be in attendance at the next meeting.

## **XII. ADJOURNMENT**

The meeting was adjourned at 8:40 a.m.

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Pete Vander Poel, Chair

**TULARE COUNTY COUNSEL**

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

Invoice No. RET0323

**INVOICE****Customer**

Name Board of Retirement  
Address 136 North Akers Street  
City Visalia State CA ZIP 93291  
Phone (559) 713-2900

**Misc**

Date 4/6/2023  
Exp Cat. \_\_\_\_\_

Statement Number	Matter ID	Description	TOTAL
150879	RETBD-General	3/1/23-3/31/23 Legal Services	\$ 1,223.00
150880	RETBD-General2	3/1/23-3/31/23 Legal Services	\$ -
150881	RETDIS-General	3/1/23-3/31/23 Legal Services	\$ 184.90
Other Expenses:			
	<u>Mail payment to:</u> County Counsel Attn: Billing Clerk 2900 W. Burrel Ave. Visalia, CA 93291		

SubTotal \$ 1,407.90

Shipping \$ -

Tax Rate(s) 0.00% \$ -

**TOTAL \$ 1,407.90****Payment** Other Journal VoucherComments Call or e-mail if questionsName Jae KiserPhone 559-636-4956E-mail JKiser1@tularecounty.ca.govDeposit to: 001-080-2150-5415

Office Use Only

**TULARE COUNTY COUNSEL**

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

Invoice No. RET0223

**INVOICE****Customer**

Name Board of Retirement  
Address 136 North Akers Street  
City Visalia State CA ZIP 93291  
Phone (559) 713-2900

**Misc**

Date 4/5/2023  
Exp Cat. \_\_\_\_\_

Statement Number	Matter ID	Description	TOTAL
150268	RETBD-General	02/01/23-02/28/23 Legal Services	\$ 984.60
150269	RETBD-General2	02/01/23-02/28/23 Legal Services	\$ 1,661.00
150271	RETDIS-General	02/01/23-02/28/23 Legal Services	\$ 47.30
Other Expenses:			
	<u>Mail payment to:</u>		
	County Counsel		
	Attn: Billing Clerk		
	2900 W. Burrel Ave.		
	Visalia, CA 93291		

SubTotal \$ 2,692.90  
Shipping \$ -

**Payment** Other Journal Voucher

Tax Rate(s)

0.00% \$ -

Comments Call or e-mail if questionsName Jae KiserPhone 559-636-4956E-mail JKiser1@tularecounty.ca.govDeposit to: 001-080-2150-5415**TOTAL \$ 2,692.90**

Office Use Only

# Invoice

Date: 18-Apr-23

Inv. # 46401

**For:**

## Actuarial Services

### Payment Options

**Cheiron, Inc., P.O. Box 37117, Baltimore, MD 21297-3117**

**BB&T, Routing Number: 051404260, Account Number: 0000155739428**

**Please include invoice number(s) with your payment and forward the payment confirmation to [accounting@cheiron.us](mailto:accounting@cheiron.us) to ensure payment is applied accurately.**

**THANK YOU FOR YOUR BUSINESS!**





## TCERA RETIREE REINSTATEMENT APPLICATION

Purpose of the Form: Use this form to suspend your retirement and reinstate as an active TCERA member under Gov. Code Section 31680.4.

### Instructions:

- Retiree – Complete Section 1, sign and give to your new employer with a physician's certification.
- Employer – Complete Section 2, and send all documents to the Retirement office.

### To be Eligible:

- You must be receiving a service retirement benefit from TCERA, and
- Your retirement benefit cannot be a disability benefit, and
- You must have an offer of a job from one of TCERA's participating employers, and
- Your new job must qualify for membership in TCERA.

Section 1 – To be completed by the Retiree		
I hereby apply for reinstatement as an active member of the Tulare County Employees' Retirement Association. I certify I am not incapacitated for the duties of the new job. I have attached a certification from a physician licensed by the Medical Board of California or the Osteopathic Medical Board of California confirming that I am not incapacitated for the duties of the new job as described in the employer's job description. I understand that upon approval of this application by the Board of Retirement:		
1. My monthly retirement benefit will stop <u>effective on the date of my re-employment</u> , and I will return to TCERA any benefits I received to which I am not entitled, and		
2. I will begin to make contributions into the system and my contributions will be based on my present age and current tier, effective with the first pay period of my reemployment.		
Full Name Le Anne Williams	Last four of SS # 7867	Employee # 6841
Member Signature 		Date - mm/dd/year 04-14-2023

Section 2 – To be completed by the Department or Special District		
I request the above-named applicant be reinstated to active membership in TCERA. I certify that a job has been offered to the applicant as indicated below.		
Job Title Assistant Chief Probation Officer	Re-Hire Date mm/dd/year 05-07-2023	
Employer Tulare County	Department Probation Department	
Appointing Authority Name Kelly Vernon	Appointing Authority Title Chief Probation Officer	
Appointing Authority Signature 		Date - mm/dd/year 04-14-2023

Section 3 – To be completed by the Retirement Office			
Retirement Board Action: <input type="checkbox"/> Approved <input type="checkbox"/> Denied Date: _____	Retirement Administrator Signature		Date - mm/dd/year
	Date of Membership – mm/dd/year	Tier	New Age at Entry
NOTE: TCERA reserves the right to require a court order if all or part of the retiree's present benefit is being paid to another person under a child support order or court order, including domestic relations order.			



**Visalia Medical Clinic**  
5400 W. Hillsdale Ave  
**Visalia, CA, 93291**  
PH: (559) 738-7500

**MRN:** 2118051

**Visit Date:** 04/12/2023

**Patient Information**

Leanne Williams  
3226 W Royal Oaks Dr  
Visalia, CA 93277  
DOB: 05/29/1966

Date: Apr 12, 2023

Patient: Leanne Williams  
DOB: May 29 1966  
MRN: 2118051

To Tulare County Retirement Board,

Patient is physically and mentally fit  
for her duties as assistant chief probation officer.

  
Angelina F. Mallari, MD

\_\_\_\_\_  
Angelina Mallari,

Electronically signed by: Angelina Mallari M.D. Apr 12 2023 12:11PM PST Author



## TCERA Asset Allocation Comparison 03-31-23 - Preliminary Numbers

Manager	Category	Market Value	Actual %	Target %	Value at Target	Difference to Target	Comments
<b>DOMESTIC EQUITY</b>							
PGIM (QMA)	Large Core Enhanced	68,116,060	3.64%	3.00%	56,112,212	12,003,848	
SSGA S&P 500 Sec Lnd Index Fund	Large Core	163,112,768	8.72%	10.00%	187,040,707	(23,927,939)	
Boston Partners	Large Value	71,592,190	3.83%	3.50%	65,464,247	6,127,942	
William Blair	Large Growth	67,845,421	3.63%	3.50%	65,464,247	2,381,174	
SSGA US Ext Sec Lnd	SMID Core Index	63,166,927	3.38%	3.00%	56,112,212	7,054,714	
Leeward	Small Value	31,788,099	1.70%	1.50%	28,056,106	3,731,993	
William Blair	Smid Growth	26,993,326	1.44%	1.50%	28,056,106	(1,062,780)	
	Total	492,614,791	26.34%	26.00%	486,305,838	6,308,954	
<b>INTERNATIONAL EQUITY</b>							
SGA	International Growth	89,272,249	4.77%	6.00%	112,224,424	(22,952,175)	
PIMCO RAE	International Value	98,395,357	5.26%	4.00%	74,816,283	23,579,074	
SSGA - ACWI Index Fund	International Core	98,381,631	5.26%	6.00%	112,224,424	(13,842,793)	
	Total	286,049,238	15.29%	16.00%	299,265,131	(13,215,893)	
<b>GLOBAL EQUITY</b>							
Skellig Water Fund (KBI)	Water Related	63,622,436	3.40%	3.00%	56,112,212	7,510,224	
	Total	63,622,436	3.40%	3.00%	56,112,212	7,510,224	
<b>PRIVATE EQUITY</b>							
Pantheon	Private Equity - F of F	153,054	0.01%				Underweight pending new commitments and capital calls. Pantheon, Stepstone and BlackRock in liquidation phase.
Stepstone	PE - Secondaries	4,725,546	0.25%				
Ocean Avenue III	Private Equity - F of F	20,761,113	1.11%				
Ocean Avenue IV	Private Equity - F of F	26,848,037	1.44%				
Ocean Avenue V	Private Equity - F of F	2,000,000	0.11%				
Pathway Fund 8	Private Equity - F of F	28,256,744	1.51%				
Pathway Fund 9	Private Equity - F of F	25,073,843	1.34%				
Pathway Fund 10	Private Equity - F of F	21,328,426	1.14%				
Direct Investments	Verus Discretionary	108,898	0.01%				
BlackRock Alternatives	Private Equity - F of F	428,705	0.02%				
	Total	129,684,367	6.93%	12.00%	224,448,848	(94,764,481)	
<b>FIXED INCOME</b>							
BlackRock	Core Plus	78,614,647	4.20%	6.00%	112,224,424	(33,609,777)	
MacKay Shields	Core Plus	102,105,537	5.46%	5.50%	102,872,389	(766,852)	

**TCERA Asset Allocation Comparison 03-31-23 - Preliminary Numbers**

Manager	Category	Market Value	Actual %	Target %	Value at Target	Difference to Target	Comments
DoubleLine	Core Plus	103,709,038	5.54%	5.50%	102,872,389	836,650	
PGIM	Emerging Market Debt	51,773,090	2.77%	3.00%	56,112,212	(4,339,122)	
	Total	336,202,312	17.97%	20.00%	374,081,414	(37,879,102)	
PRIVATE CREDIT							
Sixth Street DCP (TSSP)	Private Credit	84,870,961	4.54%		-	84,870,961	
Sixth Street TAO Contingent (TSSP)	Private Credit	28,652,110	1.53%		-	28,652,110	
	Total	113,523,071	6.07%	5.00%	93,520,353	84,870,961	
REAL ASSETS							
Invesco	Real Estate Debt	76,377,354	4.08%	3.00%	56,112,212	20,265,142	
American Realty Advisors		87,673,881			-	87,673,881	
Direct Investments - Real Estate	Value Add Real Estate and Opportunistic Real Estate	-			-	-	Individual investments underweight pending Opportunistic RE and American Realty capital calls. RREEF America II overweight pending rebalancing. SSGA REIT - Holding for other capital calls.
Total Value Add and Opp RE		87,673,881	4.69%	8.00%			
IFM	Infrastructure	82,056,176	4.39%	4.00%	74,816,283	7,239,893	
SSGA US REIT	REIT Index Fund	708,344	0.04%	0.00%	-	708,344	
RREEF America II	Core Commingled	175,681,010	9.39%	3.00%	56,112,212	119,568,798	
	Total	422,496,765	22.59%	18.00%	187,040,707	235,456,058	
OPPORTUNISTIC							
KKR - Mezzanine	Opportunistic	2,059,003	0.11%	n/a	-	2,059,003	Opportunistic outside of Target Allocation. KKR in distribution phase.
	Total	2,059,003	0.11%		-	2,059,003	
OTHER							
			0.11%		-	2,059,003	
Cash		24,155,086	1.29%	0.00%	-	24,155,086	Capital Calls and Cash Flow Needs.
	Total	24,155,086	1.29%	0.00%	-	24,155,086	
	Grand Total	1,870,407,068	100.00%	100.00%	1,720,774,502		

# Tulare County Employees' Retirement Association

Investment Performance Review

Period Ending: March 31, 2023



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[VERUSINVESTMENTS.COM](https://www.verusinvestments.com)

SEATTLE 206.622.3700

CHICAGO 312.815.5228

PITTSBURGH 412.784.6678

LOS ANGELES 310.297.1777

SAN FRANCISCO 415.362.3484

# Total Fund

## Executive Summary (Net of Fees) - Preliminary

# Tulare County Employees' Retirement Association

## Period Ending: March 31, 2023

	Market Value	% of Portfolio	1 Mo	YTD	Fiscal YTD	Fiscal 2022	Fiscal 2021	Fiscal 2020	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs
<b>Total Fund</b>	<b>1,880,574,027</b>	<b>100.0</b>	<b>1.3</b>	<b>3.0</b>	<b>4.2</b>	<b>-4.9</b>	<b>23.6</b>	<b>0.6</b>	<b>-2.8</b>	<b>10.2</b>	<b>5.6</b>	<b>6.1</b>	<b>5.2</b>	<b>6.8</b>
<i>Policy Index</i>			1.0	3.5	3.6	-5.8	21.9	3.1	-5.5	8.7	5.7	6.1	5.5	7.0
<b>Total Domestic Equity</b>	<b>492,594,012</b>	<b>26.2</b>	<b>1.4</b>	<b>6.0</b>	<b>9.2</b>	<b>-13.9</b>	<b>44.5</b>	<b>4.2</b>	<b>-8.6</b>	<b>18.4</b>	<b>9.6</b>	<b>11.5</b>	<b>9.9</b>	<b>10.2</b>
<i>Russell 3000 Index</i>			2.7	7.2	9.7	-13.9	44.2	6.5	-8.6	18.5	10.5	11.7	9.9	10.2
SSGA S&P 500 Flagship Fund	163,112,768	8.7	3.7	7.5	9.9	-10.7	40.8	7.5	-7.8	18.6	11.1	12.2	-	-
<i>S&amp;P 500 Index</i>			3.7	7.5	10.0	-10.6	40.8	7.5	-7.7	18.6	11.2	12.2	-	-
PGIM QS US Core Equity	68,115,366	3.6	3.2	7.1	8.7	-9.0	39.5	3.8	-7.9	18.9	9.6	11.7	-	-
<i>S&amp;P 500 Index</i>			3.7	7.5	10.0	-10.6	40.8	7.5	-7.7	18.6	11.2	12.2	-	-
William Blair Large Cap Growth	67,843,221	3.6	7.1	12.0	11.3	-	-	-	-	-	-	-	-	-
<i>Russell 1000 Growth Index</i>			6.8	14.4	12.7	-	-	-	-10.9	-	-	-	-	-
William Blair SMID Cap Growth	26,990,150	1.4	-2.1	5.4	13.8	-28.1	42.4	6.1	-10.1	13.8	7.5	11.5	11.3	-
<i>Russell 2500 Growth Index</i>			-1.6	6.5	11.4	-31.8	49.6	9.2	-10.4	14.7	6.8	10.0	9.7	-
Boston Partners Large Cap Value	71,579,626	3.8	-1.8	-0.4	6.6	-3.8	49.5	-8.8	-5.2	21.4	7.8	9.9	9.2	10.1
<i>Russell 1000 Value Index</i>			-0.5	1.0	7.2	-6.8	43.7	-8.8	-5.9	17.9	7.5	9.1	7.7	9.0
SSGA US Extended Market Index	63,166,927	3.4	-2.9	5.8	8.2	-29.8	-	-	-14.1	-	-	-	-	-
<i>Dow Jones U.S. Completion Total Stock Market Indx</i>			-2.9	5.8	8.1	-30.0	-	-	-14.3	-	-	-	-	-
Leeward Small Cap Value	31,785,955	1.7	-5.4	0.4	8.2	-7.4	62.2	-14.5	-3.4	24.3	7.2	8.5	-	-
<i>Russell 2000 Value Index</i>			-7.2	-0.7	2.7	-16.3	73.3	-17.5	-13.0	21.0	4.5	7.2	-	-
<b>Total International Equity</b>	<b>287,486,888</b>	<b>15.3</b>	<b>2.4</b>	<b>7.0</b>	<b>11.7</b>	<b>-18.5</b>	<b>38.3</b>	<b>-4.0</b>	<b>-2.7</b>	<b>13.8</b>	<b>3.8</b>	<b>5.2</b>	<b>2.3</b>	<b>6.6</b>
<i>MSCI AC World ex USA (Net)</i>			2.4	6.9	10.0	-19.4	35.7	-4.8	-5.1	11.8	2.5	4.2	2.6	7.1
SSGA MSCI ACWI Ex US Index Fund	98,381,631	5.2	2.5	7.0	10.0	-19.2	35.9	-4.5	-4.9	12.0	2.7	4.4	-	-
<i>MSCI AC World ex USA (Net)</i>			2.4	6.9	10.0	-19.4	35.7	-4.8	-5.1	11.8	2.5	4.2	-	-
PIMCO RAE Fundamental Global Ex US Fund	99,833,008	5.3	1.5	6.1	11.9	-15.5	45.3	-14.9	-0.7	16.3	1.8	4.7	-	-
<i>MSCI AC World ex USA Value (Net)</i>			0.3	5.2	9.0	-12.8	37.6	-15.3	-4.0	13.8	1.3	3.1	-	-
SGA International Growth	89,272,249	4.7	3.2	7.9	13.2	-21.0	34.3	6.5	-2.3	13.0	-	-	-	-
<i>MSCI AC World ex USA Growth (Net)</i>			4.6	8.6	11.1	-25.8	33.7	5.8	-6.4	9.5	-	-	-	-

Policy Index (10/1/2021): 26% Russell 3000, 16% MSCI ACWI ex US, 3% MSCI ACWI, 17% Bloomberg US Aggregate, 3% JPM GBI Global, 13.4% NCREIF-ODCE, 5% Russell 2000, 4.6% MSCI REIT Index, 7% Private Equity Returns, 5% Private Credit Returns. SSGA Russell Small Cap Completeness Index transitioned to SSGA US Extended Market Index on 6/10/21. Invesco Commercial MIF funded 9/1/21. Franklin Templeton Global Bond Plus liquidated 12/9/2021. SSGA US REIT Index funded 12/10/2021. Macquarie Large Cap Growth liquidated April 2022. PIMCO Bravo liquidated on 12/31/2022. Due to the lagged nature of Private Market Fund valuations, Private Markets Fund returns have been excluded from monthly updates. All data is preliminary.

Total Fund  
Executive Summary (Net of Fees) - Preliminary

Tulare County Employees' Retirement Association  
Period Ending: March 31, 2023

	Market Value	% of Portfolio	1 Mo	YTD	Fiscal YTD	Fiscal 2022	Fiscal 2021	Fiscal 2020	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs
<b>Total Global Equity</b>	<b>63,622,436</b>	<b>3.4</b>	<b>2.0</b>	<b>7.4</b>	<b>15.4</b>	<b>-12.2</b>	<b>50.4</b>	<b>-3.6</b>	<b>2.4</b>	<b>21.6</b>	<b>8.0</b>	<b>-</b>	<b>-</b>	<b>-</b>
MSCI AC World Index (Net)			3.1	7.3	9.7	-15.8	39.3	2.1	-7.4	15.4	6.9	-	-	-
Skellig Water Fund (aka KBI)	63,622,436	3.4	2.0	7.4	15.4	-12.2	50.4	-3.6	2.4	21.6	8.0	-	-	-
MSCI AC World Index (Net)			3.1	7.3	9.7	-15.8	39.3	2.1	-7.4	15.4	6.9	-	-	-
<b>Total Fixed Income</b>	<b>336,282,036</b>	<b>17.9</b>	<b>2.1</b>	<b>3.2</b>	<b>1.4</b>	<b>-12.7</b>	<b>2.8</b>	<b>2.9</b>	<b>-4.8</b>	<b>-1.3</b>	<b>-0.1</b>	<b>0.9</b>	<b>3.0</b>	<b>3.3</b>
Blmbg. U.S. Aggregate Index			2.5	3.0	-0.1	-10.3	-0.3	8.7	-4.8	-2.8	0.9	1.4	2.7	3.1
<b>Total Domestic Fixed Income</b>	<b>284,508,946</b>	<b>15.1</b>	<b>2.1</b>	<b>3.2</b>	<b>0.3</b>	<b>-11.1</b>	<b>2.3</b>	<b>7.3</b>	<b>-5.3</b>	<b>-1.4</b>	<b>1.0</b>	<b>1.4</b>	<b>-</b>	<b>-</b>
Blmbg. U.S. Aggregate Index			2.5	3.0	-0.1	-10.3	-0.3	8.7	-4.8	-2.8	0.9	1.4	2.7	-
BlackRock Core Plus Fixed Income	78,694,371	4.2	2.5	3.1	0.1	-11.1	0.5	9.1	-5.3	-2.3	1.0	1.5	2.9	3.4
Blmbg. U.S. Aggregate Index			2.5	3.0	-0.1	-10.3	-0.3	8.7	-4.8	-2.8	0.9	1.4	2.7	3.1
Doubleline Core Plus	103,709,038	5.5	1.9	3.4	0.5	-10.1	2.9	4.1	-5.0	-0.8	0.7	-	-	-
Blmbg. U.S. Aggregate Index			2.5	3.0	-0.1	-10.3	-0.3	8.7	-4.8	-2.8	0.9	-	-	-
Mackay Shields Core Plus	102,105,537	5.4	2.1	3.2	0.3	-12.0	3.7	8.5	-5.7	-1.1	1.2	-	-	-
Blmbg. U.S. Aggregate Index			2.5	3.0	-0.1	-10.3	-0.3	8.7	-4.8	-2.8	0.9	-	-	-
<b>Total Emerging Markets Fixed Income</b>	<b>51,773,090</b>	<b>2.8</b>	<b>2.0</b>	<b>3.2</b>	<b>8.6</b>	<b>-19.4</b>	<b>10.3</b>	<b>-2.4</b>	<b>-1.4</b>	<b>3.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
50% JPM EMBI Global Div/50% JPM GBI EM Global Div			2.5	3.5	6.9	-20.2	7.1	-1.1	-3.8	0.5	-	-	-	-
PGIM Emerging Markets Debt	51,773,090	2.8	2.0	3.2	8.6	-19.4	10.3	-	-1.4	3.6	-	-	-	-
50% JPM EMBI Global Div/50% JPM GBI EM Global Div			2.5	3.5	6.9	-20.2	7.1	-	-3.8	0.5	-	-	-	-
<b>Total Real Estate</b>	<b>340,427,238</b>	<b>18.1</b>	<b>0.0</b>	<b>-0.9</b>	<b>-3.2</b>	<b>24.8</b>	<b>2.2</b>	<b>5.3</b>	<b>4.1</b>	<b>7.6</b>	<b>7.2</b>	<b>8.7</b>	<b>4.6</b>	<b>7.5</b>
NCREIF ODCE			-3.3	-3.3	-8.0	28.3	7.1	1.3	-3.9	7.5	6.6	8.5	5.0	7.4
RREEF America II	175,667,659	9.3	0.0	0.0	-4.5	36.1	2.1	5.3	7.0	10.3	8.8	10.0	6.2	-
NCREIF ODCE net 1Q Lag			-5.2	-5.2	-0.6	27.3	1.5	3.9	6.5	9.0	7.7	9.1	5.3	-
American Realty Strategic Value Fund	87,673,881	4.7	0.0	-3.5	0.7	20.2	3.4	-	7.4	8.0	-	-	-	-
NCREIF ODCE net 1Q Lag			-5.2	-5.2	-0.6	27.3	1.5	-	6.5	9.0	-	-	-	-
Invesco Commercial Mortgage Income Fund	76,377,354	4.1	0.0	0.0	-0.5	-	-	-	1.4	-	-	-	-	-
NCREIF ODCE			-3.3	-3.3	-8.0	-	-	-	-3.9	-	-	-	-	-
SSGA US REIT Index Non-Lending Fund	708,344	0.0	-2.6	2.8	-3.6	-	-	-	-21.0	-	-	-	-	-
Dow Jones U.S. REIT Index			-1.4	1.9	-5.5	-	-	-	-18.7	-	-	-	-	-

Policy Index (10/1/2021): 26% Russell 3000, 16% MSCI ACWI ex US, 3% MSCI ACWI, 17% Bloomberg US Aggregate, 3% JPM GBI Global, 13.4% NCREIF-ODCE, 5% Russell 2000, 4.6% MSCI REIT Index, 7% Private Equity Returns, 5% Private Credit Returns. SSGA Russell Small Cap Completeness Index transitioned to SSGA US Extended Market Index on 6/10/21. Invesco Commercial MIF funded 9/1/21. Franklin Templeton Global Bond Plus liquidated 12/9/2021. SSGA US REIT Index funded 12/10/2021. Macquarie Large Cap Growth liquidated April 2022. PIMCO Bravo liquidated on 12/31/2022. Due to the lagged nature of Private Market Fund valuations, Private Markets Fund returns have been excluded from monthly updates. All data is preliminary.

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Tulare County Employees' Retirement Association  
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	Market Value	% of Portfolio	1 Mo	YTD	Fiscal YTD	Fiscal 2022	Fiscal 2021	Fiscal 2020	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs
<b>Total Infrastructure</b>	<b>82,056,176</b>	<b>4.4</b>	<b>2.0</b>	<b>2.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
NCREIF ODCE			-3.3	-3.3	-	-	-	-	-	-	-	-	-	-
IFM Global Infrastructure	82,056,176	4.4	2.0	2.6	-	-	-	-	-	-	-	-	-	-
NCREIF ODCE			-3.3	-3.3	-	-	-	-	-	-	-	-	-	-
<b>Total Private Equity</b>	<b>137,866,494</b>	<b>7.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Private Equity Benchmark			0.0	-3.7	2.0	30.3	42.4	5.4	5.1	21.8	20.0	15.8	12.3	-
Altas Partners Holdings III	108,898	0.0	-	-	-	-	-	-	-	-	-	-	-	-
BlackRock Alternative Advisors	431,570	0.0	-	-	-	-	-	-	-	-	-	-	-	-
Ocean Avenue Fund III	20,761,113	1.1	-	-	-	-	-	-	-	-	-	-	-	-
Ocean Avenue Fund IV	31,268,037	1.7	-	-	-	-	-	-	-	-	-	-	-	-
Ocean Avenue Fund V	2,000,000	0.1	-	-	-	-	-	-	-	-	-	-	-	-
Pantheon Ventures	152,104	0.0	-	-	-	-	-	-	-	-	-	-	-	-
Pathway Private Equity Fund Investors 8	31,322,169	1.7	-	-	-	-	-	-	-	-	-	-	-	-
Pathway Private Equity Fund Investors 9	25,073,843	1.3	-	-	-	-	-	-	-	-	-	-	-	-
Pathway Private Equity Fund Investors 10	22,023,212	1.2	-	-	-	-	-	-	-	-	-	-	-	-
Stepstone Secondary Opportunities Fund II	4,725,546	0.3	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Private Credit</b>	<b>85,372,549</b>	<b>4.5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Private Credit Benchmark			0.0	1.0	-1.2	7.1	28.3	-4.5	2.7	6.2	7.8	-	-	-
Sixth Street DCP (frmly TSSP DCP)	85,372,549	4.5	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Opportunistic</b>	<b>30,711,113</b>	<b>1.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Sixth Street TAO Contingent (frmly TSSP TAO Contingent)	28,652,110	1.5	-	-	-	-	-	-	-	-	-	-	-	-
KKR Mezzanine Partners I	2,059,003	0.1	-	-	-	-	-	-	-	-	-	-	-	-

# **IFM Investors**

## **IFM Global Infrastructure Fund ('IFM GIF')**

**As of December 2022**

**Prepared for Tulare County Employees' Retirement Association**

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IFM (US) Securities, LLC



*December 2022*

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# Important Disclosures



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# IFM Investors Firm Overview

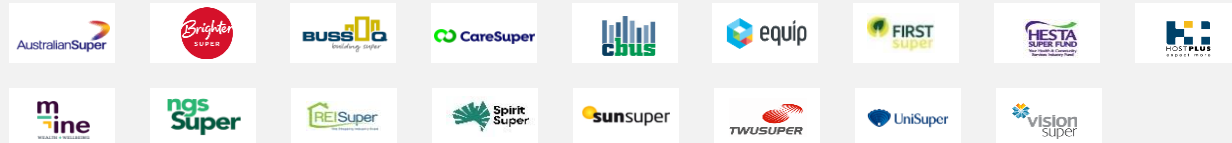
IFM GIF portfolio company  
Freeport LNG (United States)

# Firm Overview

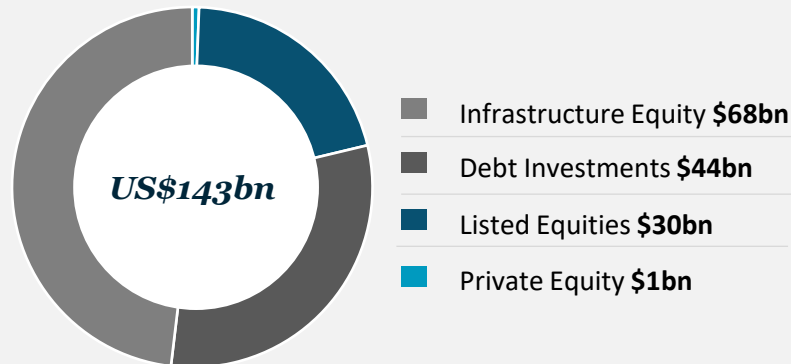


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*Established & owned  
by pension funds*



*US\$143 billion across  
four asset classes<sup>(1)</sup>*



*10 global locations*



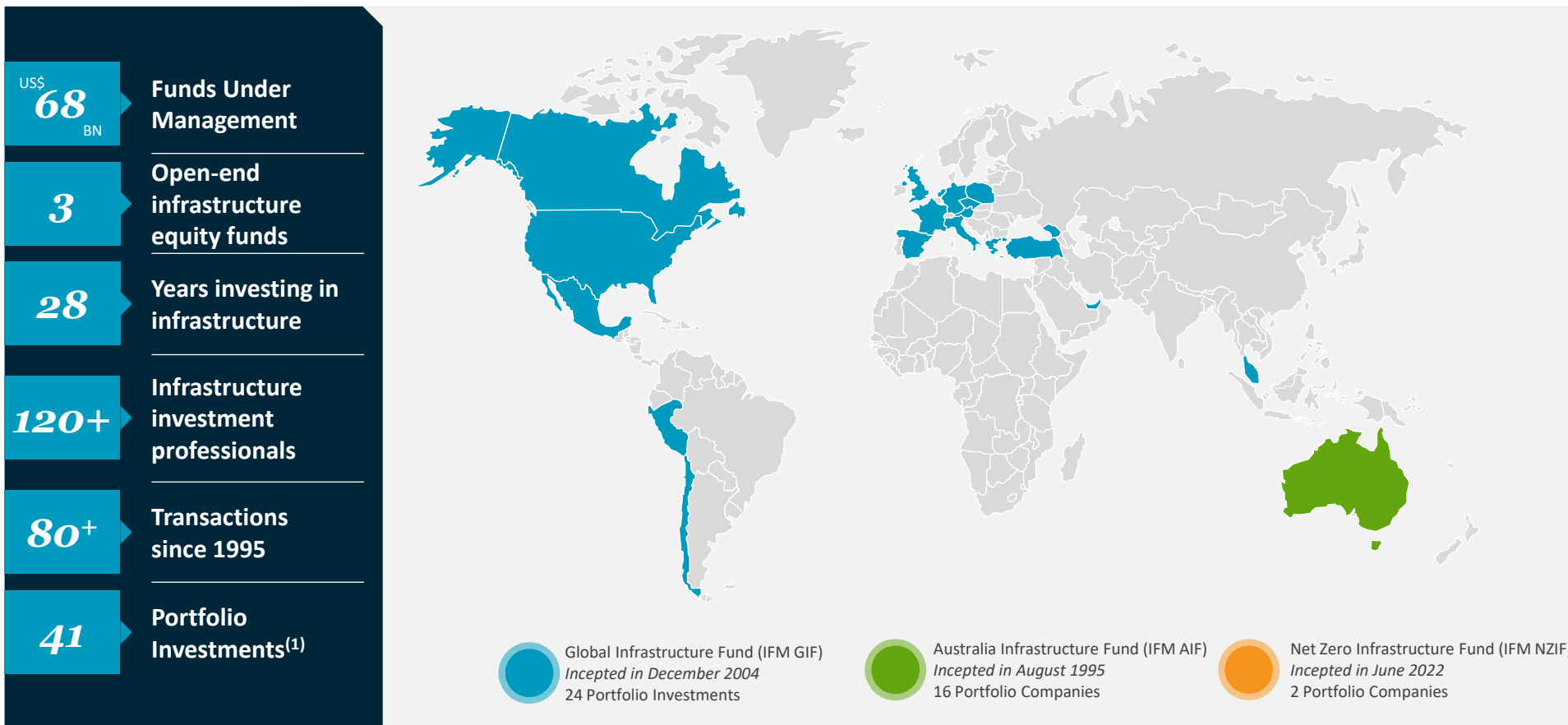
*Seek to protect & grow our investors' long-term capital*

(1) As at 31 December 2022. US \$143bn represents the FUM of investments and undrawn investor commitments. Differences may be due to rounding.

# Infrastructure Equity



*With a track record over two decades, IFM Investors is an established infrastructure equity manager with global scale*



All figures as at 31 December 2022. Differences may be due to rounding.

1) Portfolio investments total 41 due to an overlapping asset (Sydney Airport) across IFM GIF and IFM AIF.

# IFM GIF Investor Base

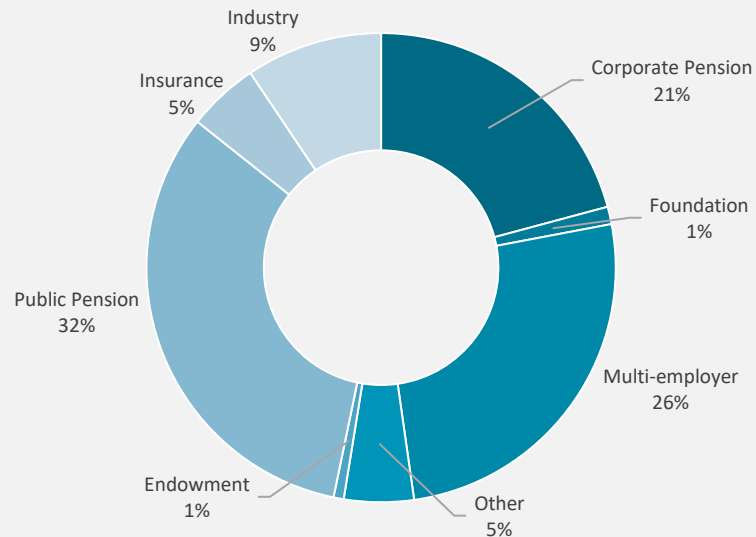


**IFM Investors manages infrastructure investments for long-term institutional investors globally, with impacts on our investors' 120 million members and retirees.**

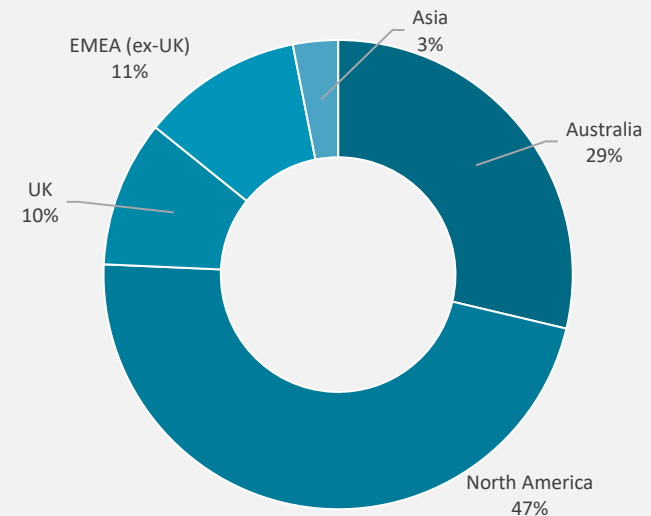


*Serving 565 investors*

*FUM by Investor Type <sup>(1)</sup>*



*FUM by Investor Region <sup>(1)</sup>*



As at 31 December 2022.

(1) FUM represents total NAV of the IFM Global Infrastructure Master Fund plus all undrawn investor commitments and cash available for investment in USD. Differences due to rounding. Past returns are not indicative of future performance.





# IFM Global Infrastructure Fund

IFM GIF portfolio company  
Global Container Terminals (Canada)



# IFM Global Infrastructure Fund (IFM GIF)



**IFM GIF's strategy is to manage a diversified portfolio of global infrastructure investments with a net target return of 8-12% over the long term <sup>(1)</sup>**

**Net Asset Value: \$47 bn**

**Weighted Average Discount Rate: 10%**

**Weighted average leverage: 35%**

	1-Year	3-Year	5-Year	7-Year	10-Year	Since Inception (2004)
<b>IFM GIF Net Return<sup>(2)</sup></b>	<b>8.9%</b>	<b>9.5%</b>	<b>11.6%</b>	<b>12.6%</b>	<b>10.9%</b>	<b>9.2%</b>
<b>US LP Net Return<sup>(3)</sup></b>	<b>8.2%</b>	<b>9.4%</b>	<b>12.1%</b>	<b>n.a</b>	<b>n.a</b>	<b>12.1%</b>

***5.6% net cash yield since inception <sup>(4)</sup>***

IFM GIF's total return seeks a significant contribution from cash yield over the medium to long term.

Past returns are not indicative of future performance. All figures as at 31 December 2022. Master Fund performance is provided for illustrative purposes only. Investment decisions should not be made solely based on the return series shown herein because specific feeder fund-level performance will differ from the Master Fund returns. The hedging strategy and fee structure of each feeder fund and between each separate Class Interest will be different, which will impact the performance experienced by an investor. Please note that only Class A interests are being offered to new investors at this time. Feeder fund-level performance is available upon request.

(1) The target return is net of advisory fees, any performance fees, allocable expenses and investment-level taxes. Target returns are presented for illustrative purposes only and are based on certain assumptions that may not materialize and other information that may prove inaccurate. These assumptions generally involve considering past performance, long run economic conditions, and portfolio composition. There is no guarantee that the target returns will be achieved.

(2) The net time-weighted Master Fund returns are presented on a local currency basis, which reflect the aggregated performance of each asset's respective local currency performance at the Master Fund level, weighted by the USD proportionate equity value of each asset (given USD is the base currency of the fund). By measuring each asset's performance in its local currency, these returns are considered a proxy for hedged returns (i.e., Class A interests) without having to reflect actual FX spot movements and the cost or benefit of hedging, which are administered through hedge pools at the Master Fund level for hedged feeder funds only. Furthermore, since management and performance fees are only accrued at the unit class and feeder fund levels, the net returns shown reflect the highest feeder level management and performance fee structure (Class A interests) applied on a pro-forma basis.

(3) IFM Global Infrastructure (US) L.P. Class A is a hedged product for eligible US investors seeking access to core infrastructure located in globally developed economies ex-Australia. Returns are time-weighted as of December 31, 2022 net of taxes and fees, denominated in USD. Fund was inception June 2016. Returns are reported on an annualized basis.

(4) Cash yield for the IFM Global Infrastructure Master Fund ("Master Fund") is calculated based on aggregated feeder level distributions to investors over aggregated feeder level NAVs, taking into account fees (including management and performance fees) and expenses. The overall cash yield for the Master Fund is considered as a net calculation. Since inception cash yield is calculated as of the Master Fund's first distribution to investors in June 2012.

# Global Infrastructure Team



**Kyle Mangini**

Global Head of Infrastructure



**Julio Garcia**

Head of North America



**Deepa Bharadwaj**

Head of Europe



**Michael Hanna**

Head of Australia

**10**  
years average tenure  
at IFM Investors<sup>(1)</sup>

**20**  
years average industry  
experience<sup>(1)</sup>

**31%**  
Women

**20+**  
Languages Spoken

**300+**  
Support staff across  
Legal, Tax & Ops

**120+**  
Professionals

**93**

## Investment Team

### Infrastructure specialists

- ▶ Origination and agile transactional capability
- ▶ Deal team continues to be responsible for asset management, ensuring alignment and continuity
- ▶ Deep sector knowledge

**24**

## Asset Management Specialists

### Support investment team for value creation across portfolio

- ▶ Managing key asset risks
- ▶ Enhancing asset performance
- ▶ Leveraging portfolio's scale to generate synergies

**7**

## Portfolio Management

### Improving efficiency of portfolio

- ▶ Portfolio insight
- ▶ Determining optimal asset allocations
- ▶ FX, structuring and liquidity management

## Diverse Skill Set



IB/ Capital Markets



Operations



Regulation/  
Government  
/ Legal



Project Management



HR/Labour Relations

# What Does IFM GIF Invest In?



IFM GIF seeks to invest in essential infrastructure assets primarily in OECD countries

## Key target sectors



### Utilities



Gas & Electric



Water



Telecom & Digital



### Energy



Terminals



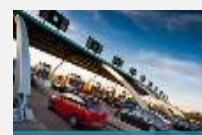
Pipelines



LNG



### Transportation



Toll Roads



Airports



Seaports

## We focus on assets with distinct characteristics:

01

Strong market positions/ High barriers to entry

02

Long asset/ concession life

03

Inflation protection

04

Benefit from regional/global economic growth

05

Stable and predictable revenues

06

Stable regulatory environment

07

Targeting investment-grade financing

## IFM GIF is focused on building and managing a diversified portfolio of essential infrastructure assets to deliver stable long-term returns

Key building blocks of our investment strategy include specific goals through the investment cycle:



*Buy  
Well*

- ▶ A long-term partner aligned with government entities and strategics
- ▶ Opportunities sourced through 120+ dedicated specialists and senior advisors, extended sourcing network through portfolio companies' industry relationships
- ▶ Current portfolio is a platform for bolt on acquisitions and capital reinvestment

*Manage  
Intensively*

- ▶ Strong governance and active board representation
- ▶ Integrated Asset Management Specialist team driving global knowledge sharing and best practice
- ▶ Prudent and conservative approach towards leverage
- ▶ ESG principles embedded in investment decision and asset management<sup>(1)</sup>

*Sell  
Opportunistically*

- ▶ Create value with a long-term return focus
- ▶ Sell to capture one-off market opportunities
- ▶ Partial divestments to rebalance portfolio and partner with strategic sponsors

IFM GIF portfolio company:  
Global Container Terminals (US)

(1) While IFM Investors seeks to integrate certain ESG factors into its investment process and firm operations, there is no guarantee that IFM Investors' ESG strategy will be successfully implemented or that any investments or operations will have a positive ESG impact. The description of ESG integration herein is provided to illustrate IFM Investors' intended approach to investing and firm operations; however, there is no guarantee that the processes will be followed in every circumstance or at all.

# IFM GIF Open-end Fund Benefits



## IFM Investors seeks to match long-term infrastructure investment to investors' long-term liabilities



Investments in infrastructure are subject to various risks including regulatory risk and market risk, which are outlined in further detail on the "Important Disclosures" page. Prior to making an investment in any infrastructure strategy, investors should refer to the offering documents for a complete discussion of risks.

(1) While IFM Investors seeks to integrate certain ESG factors into its investment process and firm operations, there is no guarantee that IFM Investors' ESG strategy will be successfully implemented or that any investments or operations will have a positive ESG impact. The description of ESG integration herein is provided to illustrate IFM Investors' intended approach to investing and firm operations; however, there is no guarantee that the processes will be followed in every circumstance or at all

# Portfolio Evolution

## Buy and manage strategy with opportunistic exits



Since early 2018, we've executed 15 acquisitions and follow-ons, representing >US\$21bn <sup>(1)</sup>

### 13 New Acquisitions



FCC Aqualia (Spain, Czech Republic)



GCT Terminals (US and Canada)



DCT Gdańsk (Poland)



Enwave Energy Corporation (Canada)



GlasfaserPlus GmbH (Germany)



Sydney Airport (Australia)



IFM Net Zero Infrastructure Fund (Global)



Impala Terminal (Peru, Spain & Mexico)



Aleatica (Global)



Buckeye Partners (US)



Naturgy Energy Group<sup>(1)</sup> (Spain)



Atlas Arteria (Global)



Switch (US)

### 2 Follow-ons/Expansion



Indiana Toll Road (US)



VTTI (Global)

2018

2019

2021

2022

2023

### Divestitures



Connex, Partial (Mexico)



50Hertz, Full (Germany)



Freeport Notes 2 (US)



VTTI, Partial (Global)



Indiana Toll Road, Partial (US)



GCT USA (US)<sup>(2)</sup>



M6toll (UK)<sup>(3)</sup>

### Main Reasons for divestiture



Portfolio Diversification



Strategic Considerations



Opportunistic Exit

(1) Investments made since 2018 have been included. This is not a representation of all investments completed since the inception of the Global Infrastructure Fund. It should not be assumed that the investments shown herein will be profitable or that investments made in the future will be profitable or will equal the performance of the investments shown herein. (2) Announced December 2022. Closing subject to regulatory approval.

(3) Transaction announced on 23 January 2023.

A complete list of historical investments in the portfolio is available upon request. We selected 2018 as start year to demonstrate level of activity over the last ~5 years.



# IFM Global Infrastructure Fund

## Diversified portfolio of investments



**IFM GIF portfolio companies are largely domiciled in OECD countries with mostly control/co-control positions<sup>(1)</sup>**



As at 31 December 2022. Portfolio holdings shown are as of the date noted, may not represent all the portfolio's current holdings and are not representative of future investments. Flags denote only the key geographies for each investment and are therefore not exhaustive.

(1) Country exposures outlined here reflect material asset exposures (based on contribution to total EBITDA) across our portfolio companies.



# Performance



# Tulare County Employees' Retirement Association



Global Infrastructure US (Class A) Account Activity	Date	Amount (USD)
Initial Commitment	December 31, 2021	\$80,000,000
Drawdown	January 3, 2023	\$80,000,000
Total Distributions Since Inception	March 31, 2023	\$0
Ending Capital Balance	March 31, 2023	\$82,056,176
<b>Net TWR Since Inception (%p.a.)</b>	<b>March 31, 2023</b>	<b>2.57%</b>

## Notes:

- Investor has chosen to have distributions reinvested into the Partnership and are reflected on the Capital Account Statements as additional contributions

Past performance is no guarantee of future results. Returns are shown net of all fees and all costs incurred by the investment programs, but before withholding taxes and other costs that are incumbent on clients. Nothing contained herein should be deemed to be a prediction or projection of future performance of any investment.



# Asset Management & Responsible Investment

IFM GIF asset  
London Stansted Airport (UK)

# Asset Management Framework



The asset management framework shown above includes intended results and is not a guarantee of such. Investors should not rely on any target returns or any other reference to future results or events, all of which are hypothetical and not a guarantee of future performance. Actual returns and results will depend on many factors and are subject to substantial risks and uncertainties.



# Approach to Responsible Investment



We focus on delivering investment returns over the long term in a socially responsible and ethical manner



## Principles of Responsible Investment<sup>(2)</sup>

### Enterprise-wide Investment & Stewardship Policy – 2021 Ratings

60

Industry Median

87

IFM Score

### Infrastructure Equity – 2021 Ratings

77

Industry Median

100

IFM Score

## Net Zero Asset Managers Initiative

The Net Zero Asset Managers initiative is an international group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner

**301 Signatories**  
**US\$59tn in AUM<sup>(1)</sup>**

(1) As at 31 December 2022.

(2) The Principles for Responsible Investment is a United Nations-supported international network of asset managers, asset owners and service providers working together to promote and implement six aspirational ESG principles. The PRI's annual assessment process scores and benchmarks signatories' responsible investment governance and processes against its principles and other signatories. Please refer to the publicly available PRI 2021 Assessment Methodology document on PRI's website for how assessment scores were determined.

While IFM Investors seeks to integrate certain ESG factors into its investment process and firm operations, there is no guarantee that IFM Investors' ESG strategy will be successfully implemented or that any investments or operations will have a positive ESG impact. The description of ESG integration herein is provided to illustrate IFM Investors' intended approach to investing and firm operations; however, there is no guarantee that the processes will be followed in every circumstance or at all.

## Responsible Investment Charter and ESG Policy

- ▶ The Charter and Policy articulate our core investment beliefs and how these inform our day-to-day activities

## Focused principles

- ▶ Climate Change
- ▶ Working People
- ▶ Inclusion and Diversity

## ESG framework

- ▶ IFM uses a proprietary ESG due diligence framework to support the identification of key ESG focus areas
- ▶ Key sectors have specific guidance notes, best practices and case studies to support the due diligence process



## Dedicated team of responsible investment (RI) professionals



**Serena de Kretser**  
Executive Director

Serena manages the RI team, working closely with each investment team. She helps ensure responsible investment considerations are embedded in IFM Investors' investment, asset management and reporting frameworks.



**Ashley Kopczynski**  
Director



**Hiroka McGregor**  
Assoc. Director



**Lauren Owens**  
Senior Assoc.



**Samantha Hutton**  
Senior Assoc.

# Asset Management Initiatives



**IFM takes an active approach to managing its portfolio companies and leverages the experience of its investment professionals across finance, operations, engineering, and regulatory management to optimise outcomes for its investors**

## Asset Level Initiatives

## Portfolio-Wide Initiatives

### Seek to Protect

Manage risks & deliver investment case

Safety Improvements

M6toll

Governance Improvements

aqualia

Information Flows

vtti

**Cyber Security Assessment**

### Seek to Enhance

Actively improve the value of individual assets

Capital Program

MAG

Storage Acquisitions

BUCKEYE PARTNERS, L.P.  
vti

Follow-On Investments

ALEATICA

**Technology Disruption Review**

### Seek to Exceed

Seek returns above what seems possible from individual assets

Project Brickyard

indiana TOLL ROAD

Knowledge Sharing

M6toll  
ALEATICA  
indiana TOLL ROAD

Construction Management

FREEPORT LNG

**Global Insurance Facility**

The portfolio companies shown have been chosen to reflect some examples of asset management initiatives completed since the acquisition of these portfolio companies. This page does not represent all initiatives completed to date. Asset management initiatives may be completed for a single portfolio company or for the entire IFM GIF portfolio, as appropriate.



*One purpose. Shared prosperity.*

**CONTACTS:**

**Joe Tremblay**

Director, Global Relationship Group

FINRA Registered Representative

Phone: +1 929 287 4378

Email: [joe.tremblay@ifminvestors.com](mailto:joe.tremblay@ifminvestors.com)

**IFM (US) Securities, LLC**

**Member: FINRA/SIPC**

IFM-23FEB2023-2755825

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# Invesco Commercial Mortgage Income (“CMI”) - U.S. Fund, L.P.

First Quarter 2023

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In Australia, Canada, Hong Kong, and Singapore, this presentation must be preceded or accompanied by Invesco Commercial Mortgage Income - U.S. Fund, L.P. Private Placement Memorandum. There are risk factors associated with this investment. Your attention is drawn to the risk factors on pages 60-90 of the Private Placement Memorandum. The Private Placement Memorandum should be reviewed in its entirety before investing. II-CMIF-PPT-1

# Contents

<b>1</b>	<b>Introductions and Description of Asset Class (2 min)</b>
<b>2</b>	<b>Firm Overview (3 min)</b>
<b>3</b>	<b>Investment Philosophy/Process (5 min)</b>
<b>4</b>	<b>Performance (15 min)</b>
<b>5</b>	<b>General Discussion (20 min)</b>



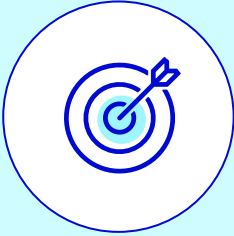
## Introductions and Description of Asset Class (2 min)

1

# Executive Summary

Real estate debt can offer attractive returns while reducing risk

## Potential benefits to investors



**Predictable  
income**



**Security in the  
capital stack**



**Inflation  
hedge**

Source: Invesco Real Estate as of December 2022

## Firm Overview (3 min)

2

# Executive Summary

Diversified global real estate track record with 39 years of experience

**\$89.3bn**

Assets under management

**\$53.4bn**

North America direct

Founded in 1983

**\$14.5bn**

Listed Real Assets

Founded in 1988

**\$14.7bn**

European direct

Founded in 1996

**\$6.7bn**

Asia direct

Founded in 2006

**587**

Employees

**21**

Offices

**16**

Countries

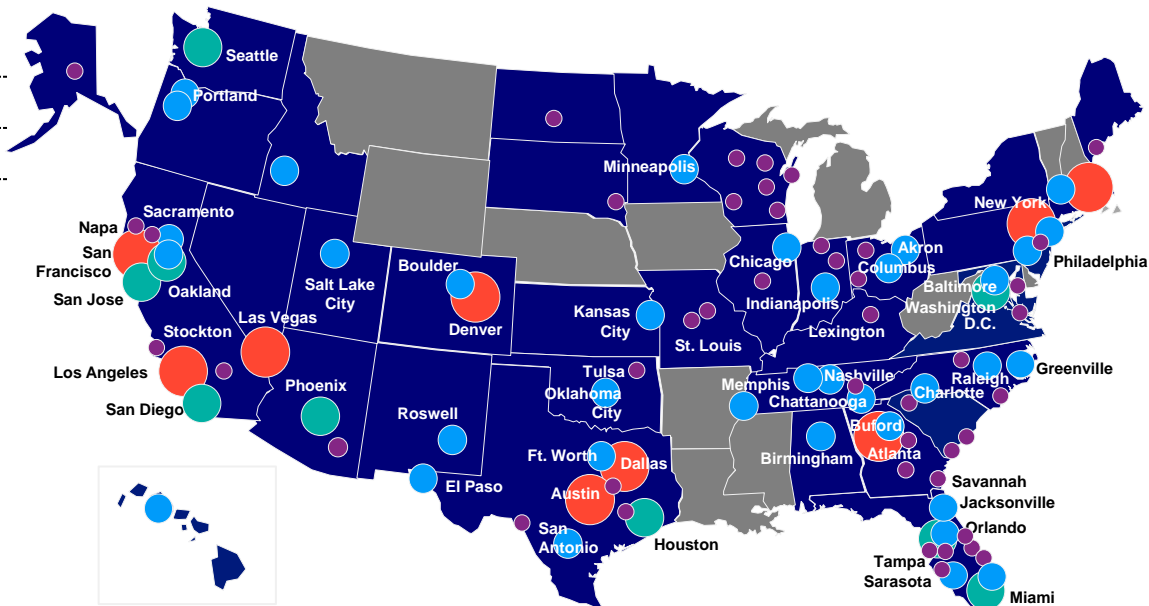
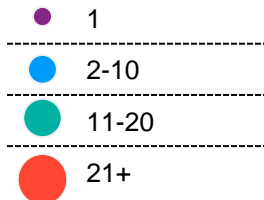


Source: Invesco Real Estate (IRE) as of September 30, 2022, latest data available, lags one quarter. \$=USD. Figures represent to Gross Asset Values of the invested assets under management.

# Executive Summary

## Platform Creates Informational & Sourcing Advantages

KEY: # of Investments



**634**  
investments

**159M**  
square feet

**~\$7B**  
Buy/sell/finance per year

Source: Invesco Real Estate as of June 30, 2022, latest data available.

# Executive Summary

## Dedicated Global Real Estate Credit Team

### Expertise



**25**

Team members

**15+**

Average years of  
real estate experience

### Platform



**226**

Loans

**4**

Global Offices

### Track Record



**12**

Years

**\$17.7 bn**

Originations

Industrial | Phoenix, AZ (Closed 8/22)



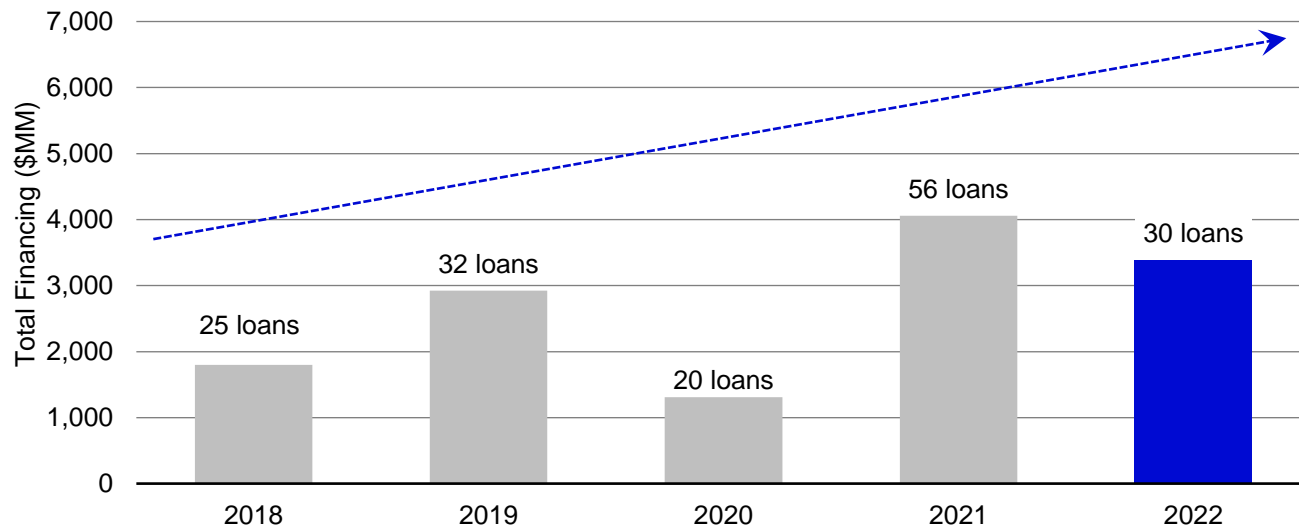
Source: Invesco Real Estate as of December 31, 2022. Reflects investments made in both US Debt Programme and in connection with the broader mandate for a REIT managed by the Investment Manager and to separate accounts along with investment made by the EU CMI credit team



# Invesco Real Estate Debt Platform

## Recognized US Origination Leadership

Total financing and number of loans per year (USD millions)<sup>1</sup>



<sup>1</sup> Source: Invesco Real Estate as of September 30, 2022.

<sup>2</sup> Source: RECapitalUSA, April 2023

**Alternative  
Lender  
of the Year**

**(Sub-\$15bn Real Estate AUM)**



## Investment Philosophy/Process (5 min)

3

# Fund Strategy & Performance

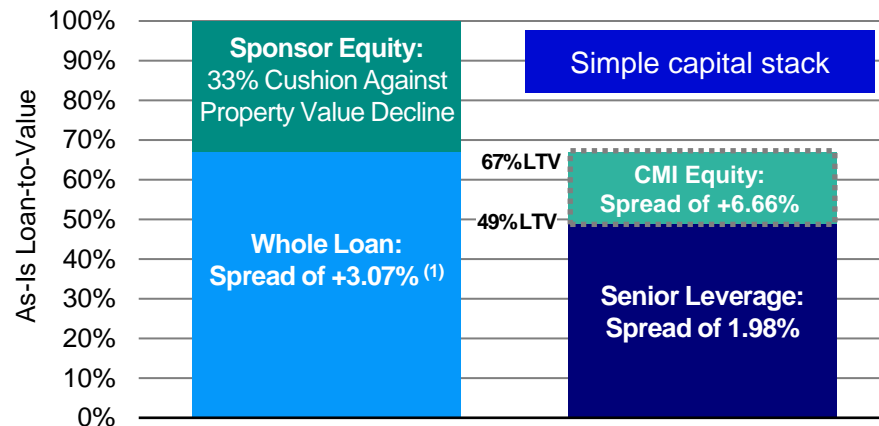
## Consistent & Deliberate Strategy

**Mandate is the direct origination of bridge loans secured by U.S. commercial real estate**

### Strategic Focus

- Best-in-class relationship borrowers
- Institutional quality real estate
- Floating rate, 3 to 7-year loans
- Does not lend against undeveloped land; limited construction exposure

### Example Using Portfolio Metrics



<sup>1</sup> Spread represents gross coupon rate, which reflects the current pay spread on the Total Debt. Coupon rate on Committed Equity reflects the current pay spread paid to CMI on its Committed Equity position. Averages exclude fixed rate loans.

Source: Invesco Real Estate as of December 31, 2022. For illustrative purposes only. Based on unaudited internal reporting estimates.

# Investment Process Overview



## 1 Investment Strategy Group

- Formulate investment posture and convictions



## 2 Acquisitions / Originations

- Initial Sourcing and Review
- Screening Committee
- Preliminary Investment Committee
- Due Diligence
- Coordinate Debt Priorities & Strategy
- Final Investment Committee
- Closing



## 3 Investment Management

- Loan Surveillance
- Active Investment Management / Loan Approvals
- Disposition Analysis / Loan Modifications
- Loan Payoff and/or Refi

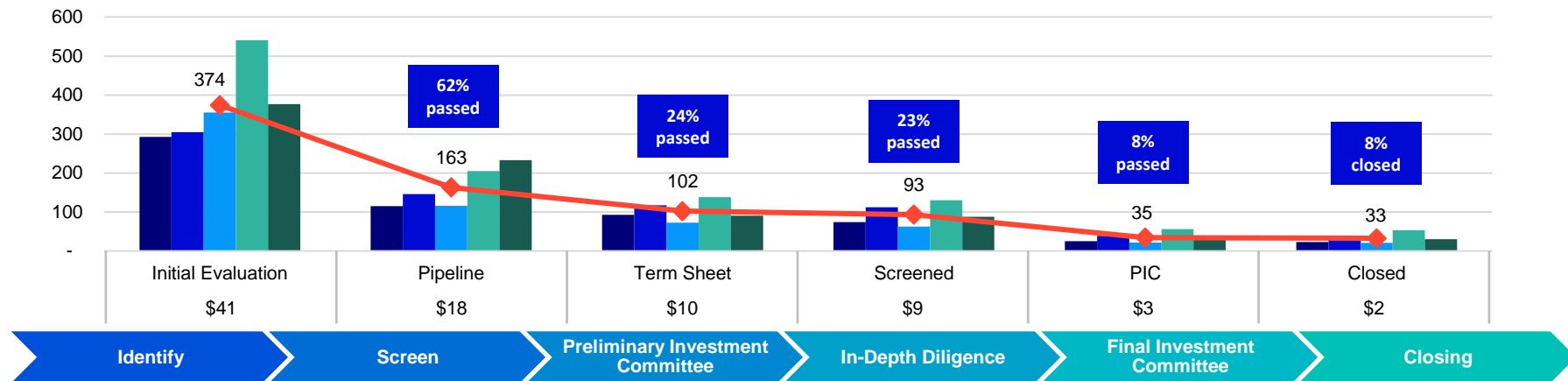
Source: Invesco Real Estate

# Platform Screening

Tight filter to initially approve pipeline opportunities, but high closing ratio afterwards

## Debt Investment Opportunity Evaluation Results

Total number of deals and size 2022



### Status Definitions:

**Initial Evaluation:** Investment opportunity has potential capital fit and is evaluated by acquisitions professional

**Pipeline:** Deal is presented to portfolio managers, acquisitions officers and underwriters for preliminary feedback in capital fit

**Screened:** Presented to screening committee members to ensure capital fit before Best and Final offer

**PIC:** Presented to Preliminary Investment Committee for approval to commence due diligence after LOI acceptance

**Closed:** Deal closed.

Source: Invesco Real Estate (IRE) as of December 31, 2021, latest data available as final 2022 figures are being finalized. For illustrative purposes only. Please note data will be updated in 4Q at the end of each calendar year. Some transactions span multiple years from Initial Evaluation to Closing. The deals are counted in the year of final Closing.

# We believe ESG+R<sup>1</sup> integration reduces risk and enhances performance

## Thematic focus for target loan collateral



### Better collateral

Optimized energy efficiency; improved tenant experience



### Broader insight

Raise awareness of new risks and opportunities



### Future proof

Anticipating regulatory changes, adapting to changing market dynamics

<sup>1</sup> Environmental, Social, Governance and Resilience

Source: Invesco Real Estate as of 4Q2022. Whilst the portfolio manager considers ESG aspects they are not bound by any specific ESG criteria and have the flexibility to invest across the ESG spectrum from best to worst in class. There are no guarantees that targets will be achieved.

## Commercial outputs of ESG+R

### Managing risk and reducing costs

- ✓ Operating costs
- ✓ Liabilities
- ✓ Obsolescence
- ✓ Financeability

### Increasing long term revenue

- ✓ Less incentives
- ✓ Reduced vacancy
- ✓ Higher rents
- ✓ Added value



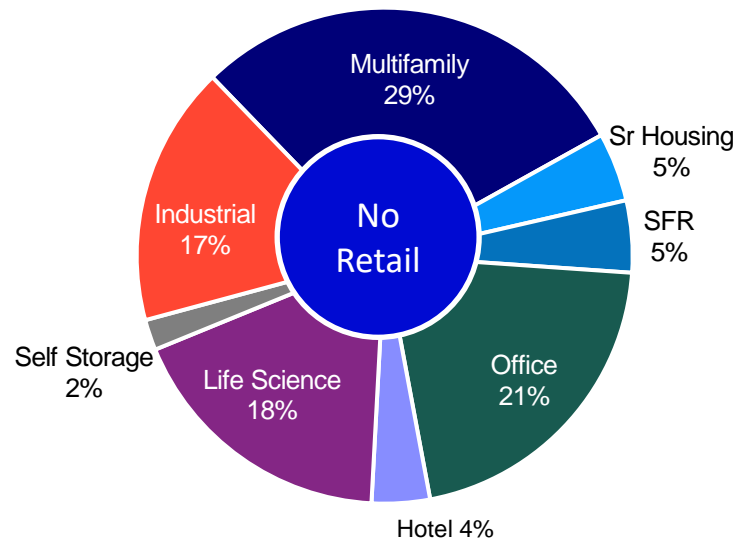
# Fund Summary

## Key Statistics

Investments	101
Committed Equity	\$2,063.7M
Invested Equity	\$1,835.8M
Spot Interest Rate	11.45%
LTV Attached / Detached	50% / 69%

Source: Invesco Real Estate as of March 31, 2023.

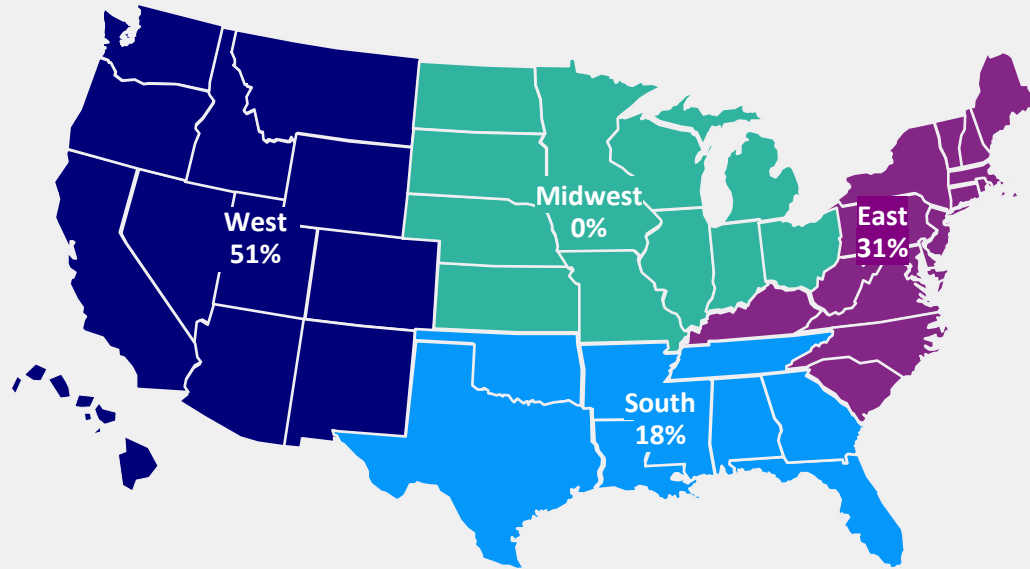
## Property Type



# Portfolio Metrics & Composition

## Geographic Exposure and Diversification

Existing portfolio broadly diversified across geographies with overweight to primary markets



Top 10 Markets		Exposure
1	San Diego	15%
2	New York City	14%
3	Los Angeles	14%
4	Boston	7%
5	Dallas	7%
6	San Francisco	5%
7	Phoenix	4%
8	Houston	4%
9	Washington DC	4%
10	Seattle	3%

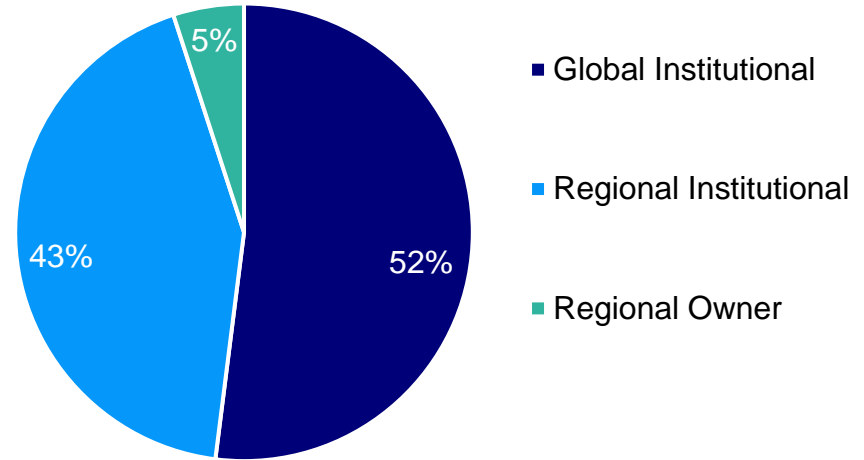
All metrics are as of December 31, 2022. Percentages based on CMI's committed equity. Totals may not equal 100 due to rounding.

# Portfolio Metrics & Composition

## Institutional Borrower Profile

**Diversified sponsor exposure 95% institutional borrowers illustrates focus on credit over yield**

Top 10 Sponsors	No. of Loans	Equity Commitment (M)	Exposure
KKR	18	\$172	8.1%
Longfellow	7	\$139	6.6%
Knightvest	8	\$139	6.6%
Carlyle	5	\$134	6.4%
Gemdale	1	\$100	4.7%
IEC	6	\$99	4.7%
Bridge	2	\$89	4.2%
Savannah	1	\$86	4.1%
Harrison Street	2	\$61	2.9%
Rockefeller	2	\$57	2.7%



Source: Invesco Real Estate as of December 31, 2022.

Representative of closed loans. Percentages based on CMI's committed equity. Totals may not equal 100% due to rounding

Performance (15 min)

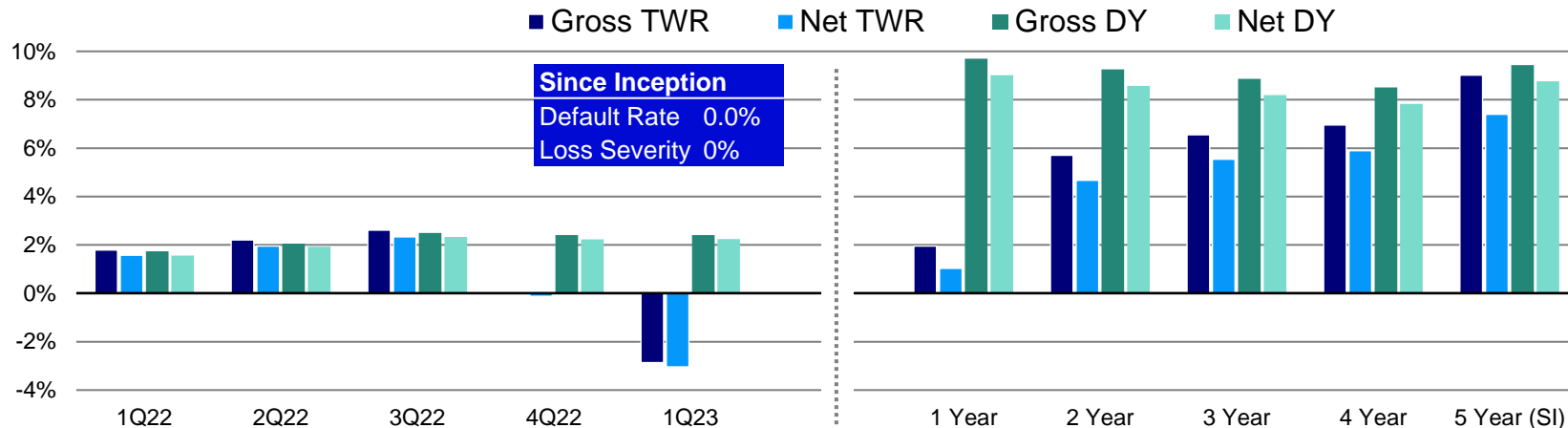
5

# Fund Management & Performance

## Fund-Level Performance

**Outperforming Target 7-8%  
Dividend Yield Across All Periods**

### Dividend Yields and Time Weighted Returns



	1Q22	2Q22	3Q22	4Q22	1Q23
Dividend Yield (Gross)	1.74%	2.05%	2.50%	2.41%	2.41%
Dividend Yield (Net)	1.56%	1.93%	2.33%	2.23%	2.24%
TWR (Gross)	1.79%	2.21%	2.61%	0.07%	-2.87%
TWR (Net)	1.57%	1.95%	2.33%	-0.12%	-3.04%

	1 Year	2 Year	3 Year	4 Year	5 Year (SI)
	9.70%	9.26%	8.87%	8.51%	9.44%
	9.02%	8.57%	8.19%	7.83%	8.76%
	1.95%	5.70%	6.55%	6.96%	9.02%
	1.03%	4.67%	5.54%	5.89%	7.40%

Source: Invesco Real Estate as of March 31, 2023. **Past performance is not indicative of future results.**

# TCERA Client Summary

## Invesco Commercial Mortgage Income (“CMI”) - U.S. Fund, L.P.

### Tulare County Employees Retirement Association

Commitment Amount	<b>\$80,000,000</b>	<b>Fundings:</b>	
		3Q21	\$16,576,875
		4Q21	\$38,955,656
NAV as of 1Q23	<b>\$73,994,772</b>	1Q22	\$11,603,813
		4Q22	\$12,863,656
		<b>Total Funding:</b>	<b>\$80,000,000</b>
Total Dividend Distributions as of 1Q23	<b>\$9,038,919</b>	<b>Dividends:</b>	
		3Q21	\$156,795
		4Q21	\$850,797
TCERA Gross IRR as of 1Q23	<b>3.61%</b>	1Q22	\$1,165,231
		2Q22	\$1,375,620
		3Q22	\$1,679,066
		4Q22	\$1,926,363
TCERA Net IRR as of 1Q23	<b>2.51%</b>	1Q23	\$1,885,047
		<b>Total Dividends:</b>	<b>\$9,038,919</b>

Source: Invesco Real Estate as of March 31, 2023.

Past performance is not indicative of future results.



# CMI-US Performance versus ODCE

## CMI vs. ODCE<sup>1</sup> - Historical and Projected Returns

Metrics as of 1Q 2023 <sup>1</sup>	Historical 1Y	Historical 3Y	SI / Historical 5Y
ODCE <sup>1</sup> - EW Gross TWR <i>(based on income &amp; appreciation)</i>	-2.93%	9.07%	8.03%
CMI – US TWR (Gross TWR) <i>(excludes commitment fees to Invesco)</i>	1.68%	6.22%	8.10%

## TCERA Investment Timeframe vs. ODCE<sup>1</sup> - Historical

Metrics as of 1Q 2023 <sup>1</sup>	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	Since Inception (3Q21)
ODCE - EW Gross TWR <i>(based on income &amp; appreciation)</i>	6.96%	7.70%	7.99%	4.55%	0.96%	-4.90%	-3.31%	11.38%
CMI – US Gross TWR <i>(excludes commitment fees to Invesco)</i>	2.44%	2.34%	1.74%	2.07%	2.50%	0.06%	-2.87%	4.74%
<b>TCERA</b>								3.61% Gross IRR

Source: Invesco Real Estate as of March 31, 2023. **Past performance is not indicative of future results.**

<sup>1</sup> 1Q 2023 ODCE data is preliminary.

## General Discussion (20 min)

5

# Real estate market conditions

Headwinds tempering near-term outlook; capital markets disrupted

## Capital markets disrupted

- ✓ Rising rates and impaired equity markets have **subdued capital flows**
- ✓ Debt costs exceed cap rates; levered buyers out; lenders on pause
- ✓ Denominator effect impacting institutional capital
- ✓ Price discovery underway; value adjustments ongoing, **motivated sellers**

## Fundamentals healthy

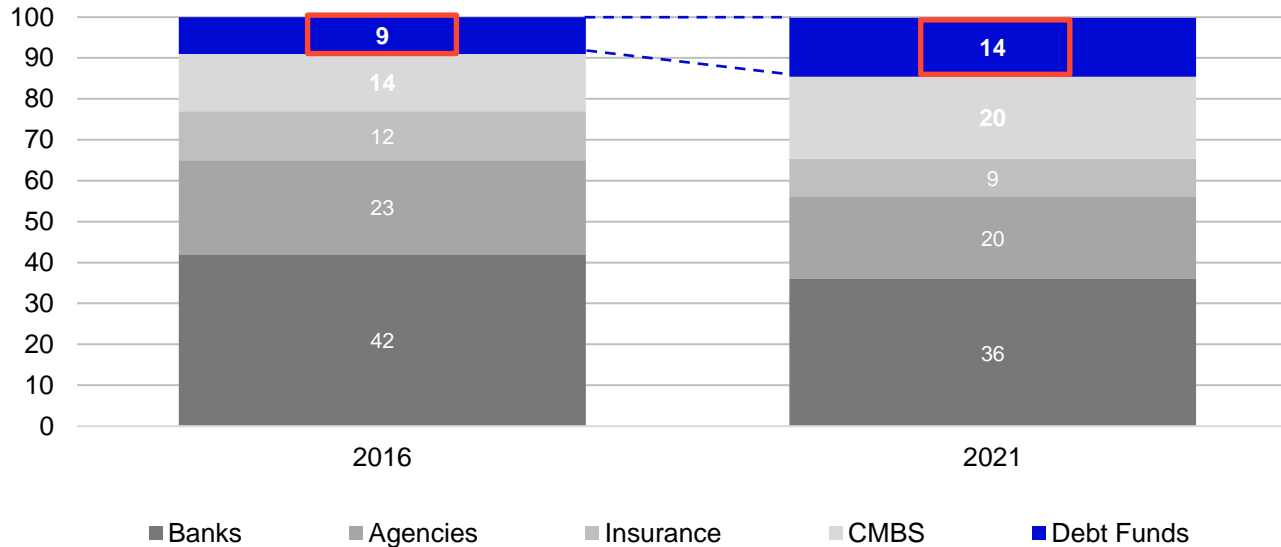
- ✓ Demand is **healthy across many sectors**, but signs of moderation emerging
- ✓ Occupancy rates remain **well above long-term averages** (x-office)
- ✓ Supply has increased, but expect interest rate rise to curb new starts
- ✓ Secular trends **differentiate sector performance**
- ✓ Market disparity **favors South and West**

Source: Invesco Real Estate as of December 31, 2022.

# Why Commercial Real Estate Debt?

Banks have long been the largest lenders but this is shifting

Share of commercial real estate debt outstanding by lender entity type (%)



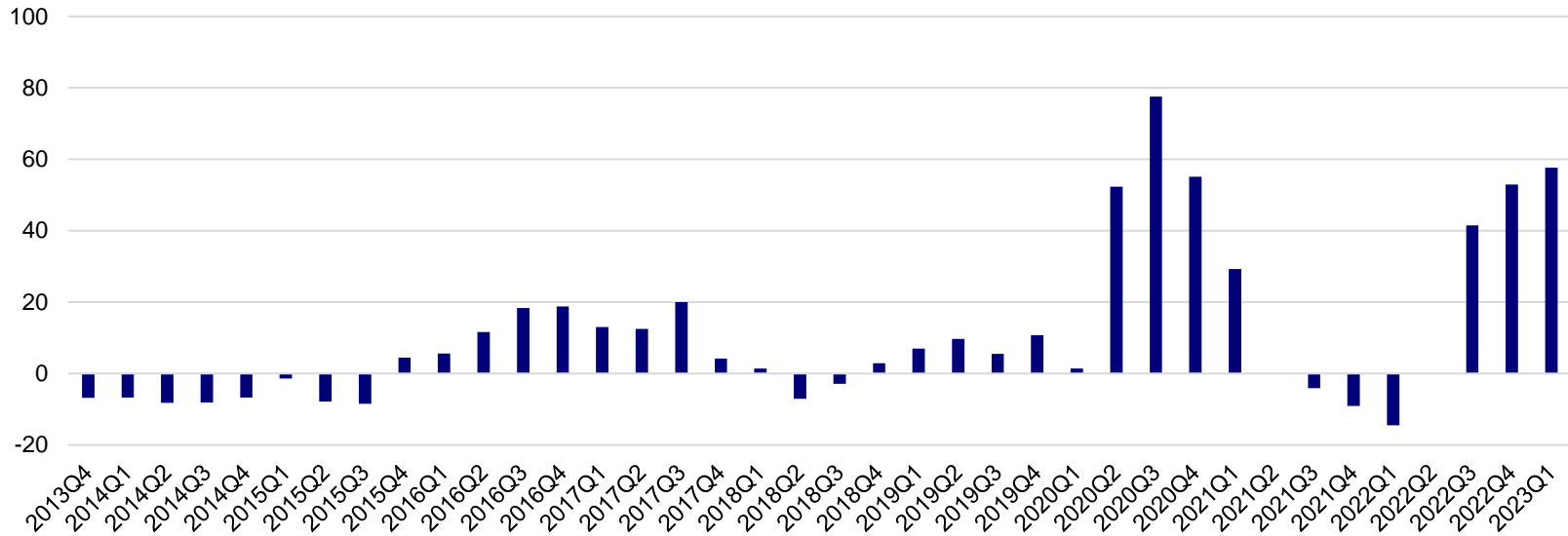
Over the past five years, market share for banks, agencies and insurance companies has eroded as debt funds have gained market share.

Source: Invesco Real Estate based on data from MSCI, Real Capital Analytics, Capital Trends US Big Picture report as of August 2022.

# Why Commercial Real Estate Debt Now?

## Debt Funds are the place to be

Net percentage of banks with tightening credit standards



1. Refers to the balance between the percentage of banks reporting a tightening of credit standards and the percentage of banks reporting an easing of credit standards with a positive % denoting tightening bank credit.

Source: ECB

# Appendix

## Fee Schedule

**Management Fee:** Calculated on the Limited Partner's Net Asset Value. The percentage used to calculate each Limited Partner's Management Fee is based on the Limited Partner's Capital Commitment, as increased by reinvested amounts and additional subscription amounts and reduced by any redemptions and transfers by such Limited Partner. For Limited Partners whose subscription amount (as adjusted) is:

<b>\$100 million or greater:</b>	<b>0.80%</b>
<b>\$50 million up to (but not including) \$100 million:</b>	<b>0.90%</b>
<b>\$0 million up to (but not including) \$50 million:</b>	<b>1.00%</b>

Example:

- If a Limited Partner has committed \$100 million to the Fund and the Fund has called \$50 million (i.e. the Limited Partner's Net Asset Value = ~\$50 million)
- Fee Rate (0.80%) x \$50 million = \$400,000 per annum (\$100,000 for that quarter)

**Target Commitment Fee: 0.75%** on the Fund's full net hold (i.e. including future fundings) after giving effect to the financing strategy (e.g. A-note execution, facility placement, etc) is due to the General Partner at each loan closing.

- If Borrower pays < 0.75%, the Fund pays the difference (recorded as an expense to the Fund)
- If Borrower pays  $\geq$  0.75%, the Fund receives the difference (recorded as income to the Fund)
- Example:
  - \$100 million loan is funded \$40 million with equity and \$60 million with debt
  - Target Commitment Fee = \$300,000 (40% of 0.75% of \$100 million)

# Conclusion

## Why Invesco & Why CMI



### Platform Acumen

- Being a real estate investor provides for numerous benefits to internal underwriting, research, and asset management.
- Continue to see the entire spectrum of credit-related opportunities to determine the best relative value.



### Dedicated Team

18-member North American credit team focused on the origination and asset management of loans with 14 years average experience



### Distinct Perspective

“Credit-over-yield” focus on floating rate, shorter duration commercial real estate loans centered around long-term relationships with senior lenders and borrowers.



### Compelling Portfolio

- Existing portfolio is statistically significant and well diversified by property type and region with conservative credit metrics
- All loans are performing and in good standing.



### Robust Risk Management

- Focus on match-term leverage from a diversified lender base without securitization and limited mark-to-market risk.
- Robust loan risk rating system in place to assess risk-adjusted relative value upfront, and loan/portfolio-level health post-close.



### Demonstrable Performance

- Outperformed target returns
- Distribute majority of its income on a current basis.
- Attractive current income returns relative to fixed income and real estate alternatives.
- Maintained NAV at par with no historical loan level losses since inception.

Source: Invesco Real Estate as of December 31, 2022.

Please see Fund Management & Performance: Fund-Level Performance page 16 which shows Outperforming Target Dividend Yield Gross 7-8% / Net 6-7% across all periods.



# Appendix

# Fund Strategy & Performance

## Leverage Strategy & Execution

Balance sheet risk management focused on asset-liability matching along with lender diversification

Strategy & Execution	A-Note Execution/ Mezzanine/ B-Note	Financing Facility		
		Debt-on-Debt	Warehouse Financing	Non-Recourse
Attached/ Detached LTV	55-70%	49-64%	50-66%	49-64%
Exposure (%)	28%	25%	23%	21%
Senior Debt Characteris tics	<ul style="list-style-type: none"> <li>• Non-mark to market</li> <li>• Term matched</li> <li>• Non-recourse</li> <li>• Not cross-collateralized</li> <li>• Relationship bank lenders</li> </ul>	<ul style="list-style-type: none"> <li>• Non-mark to market</li> <li>• Term matched</li> <li>• Non-recourse or partial recourse</li> <li>• May be cross-collateralized</li> <li>• Relationship bank &amp; insurance lenders</li> </ul>	<ul style="list-style-type: none"> <li>• Collateral marks</li> <li>• Non-term matched</li> <li>• Partial recourse</li> <li>• Cross-collateralized</li> <li>• Relationship bank &amp; IB lenders</li> </ul>	<ul style="list-style-type: none"> <li>• May be cross-collateralized</li> <li>• Non-recourse</li> <li>• Non-MTM</li> <li>• Match term</li> <li>• Insurance company</li> </ul>

Source: Invesco Real Estate as of September 30, 2022. Percentages based on CMI's committed equity. Due to rounding, figures may not add up to 100%.

# Risk Warnings

Prospective investors should carefully consider the following risk factors, together with all of the other information included in this Memorandum, before deciding to purchase Interests. As a result of these factors, as well as other risks inherent in any investment, there can be no assurance that the Fund will be able to meet its investment objectives or otherwise be able to successfully carry out its investment program.

The Fund may not achieve its targeted rate of return on its investments.

The properties ultimately securing the Fund's investments may be located in or near major metropolitan areas of the United States. Such properties or the areas in which they are located could be subject to future acts of terrorism.

The Fund may take interests that will be subordinate to both general and secured creditors of the asset.

The Fund intends to invest in assets that are risky and suitable only for sophisticated investors. Subordinated debt may be subject to greater credit risks than investment alternatives.

Interest rate changes may adversely affect value.

The Fund's investments may be illiquid.

The Fund may not be able to achieve diversification in its investments.

The real properties underlying the Fund's investments will be subject to U.S. federal and state environmental laws, regulations and administrative rulings

The Fund may make investments that become non-performing or otherwise troubled.

The Fund's investment activities may include activities that will subject it to the risks of becoming involved in litigation by third parties.

There can be no assurance that insurance will be available or sufficient to cover all such risks.

If the Fund is required to foreclose on its security to protect its investment, the Fund may have controlling interests in such security.

The Fund has limited operating history upon which prospective investors may evaluate its

performance. There can be no assurance that the Fund will be able to implement its investment strategy and investment approach or achieve its investment objective or that a Limited Partner will receive a return of its capital.

The investments to be made by the Fund are speculative in nature, and the possibility of partial or total loss of capital will exist. Investors should not subscribe to or invest in the Fund unless they can readily bear the consequences of such loss.

Please see offering document for conflicts of interest information.

Please see the offering memorandum for additional risk information and for more detail on the risks listed above.

# Risk Factors & Potential Conflicts of Interest

Prospective investors should carefully consider, among other factors, the matters described below, each of which could have an adverse effect on the value of the Interests in the Fund. As a result of these factors, as well as other risks inherent in any investment or set forth elsewhere in this Memorandum (e.g., “Legal, Tax and Regulatory Matters”), there can be no assurance that the Fund will meet its investment objectives or otherwise be able to successfully carry out its investment program. The Fund’s returns will be unpredictable. An investor should only invest in the Fund as part of an overall investment strategy and only if the investor is able to withstand a total loss of its investment. Investors should not construe the performance of earlier investments by Invesco as providing any assurances regarding the future performance of the Fund.

## Risk Factors

- General Real Estate Considerations
- Risks Associated with Unspecified Transactions
- Difficulty of Locating Suitable Investments, etc.
- Speculative Nature of Investments
- Leverage
- Possible Lack of Diversification
- Interest Rate Changes May Adversely Affect Value

## Tax Risks

- Tax Classification of the Fund
- Challenge by the Internal Revenue Service (the “Service”) of the Fund’s allocations of income and loss
- Taxable Income from Investment in Interests.
- Penalties
- Risks Relating to Tax-Exempt Investors
- Risks Relating to Non-US Investors
- Changes in Federal Income Tax Law
- State and Local Taxes
- REIT Subsidiaries
- Changes in the Ownership of an Investor Could Cause the Investor’s Interest in the Fund to Become Excess Interests
- Tax and Legislative Risks Associated with Real Estate Investment Trusts
- Lack of Liquidity of Investments
- Development Risks
- Potential Environmental Liability
- Inflation Risk
- Third-Party Involvement
- Lack of Limited Partner Control over Fund Policies

## Tax Risks (continued)

- Reliance on Fund Personnel
- Absence of Recourse to General Partner
- Recourse to Fund Assets
- No Market for Interests in the Fund
- Projections, Opinions
- Diverse Limited Partners
- Failure of Limited Partners to Make Capital Contributions
- Losses of the Fund may be Uninsured
- Transactions may be Completed on an Expedited Basis
- Absence of Regulatory Oversight
- Investments Longer than Term
- Enhanced Scrutiny and Potential Regulation of the Private Equity Industry and the Financial Services Industry
- Risks Relating to Admission of ERISA Investors to the Fund

## Potential Conflicts of Interest

- Client Relationships
- Co-investment Policy
- Allocation of Investment Opportunities
- General Partner Compensation
- Management of the Fund
- Participation in REIT Subsidiary
- Acquisitions or Dispositions of Investments
- Transactions with Affiliates
- Leasing

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# **PERSPECTIVES** THAT DRIVE ENTERPRISE SUCCESS



**APRIL 2023**

Update

**Tulare County Employees' Retirement Association**

# Manager Ratings Overview

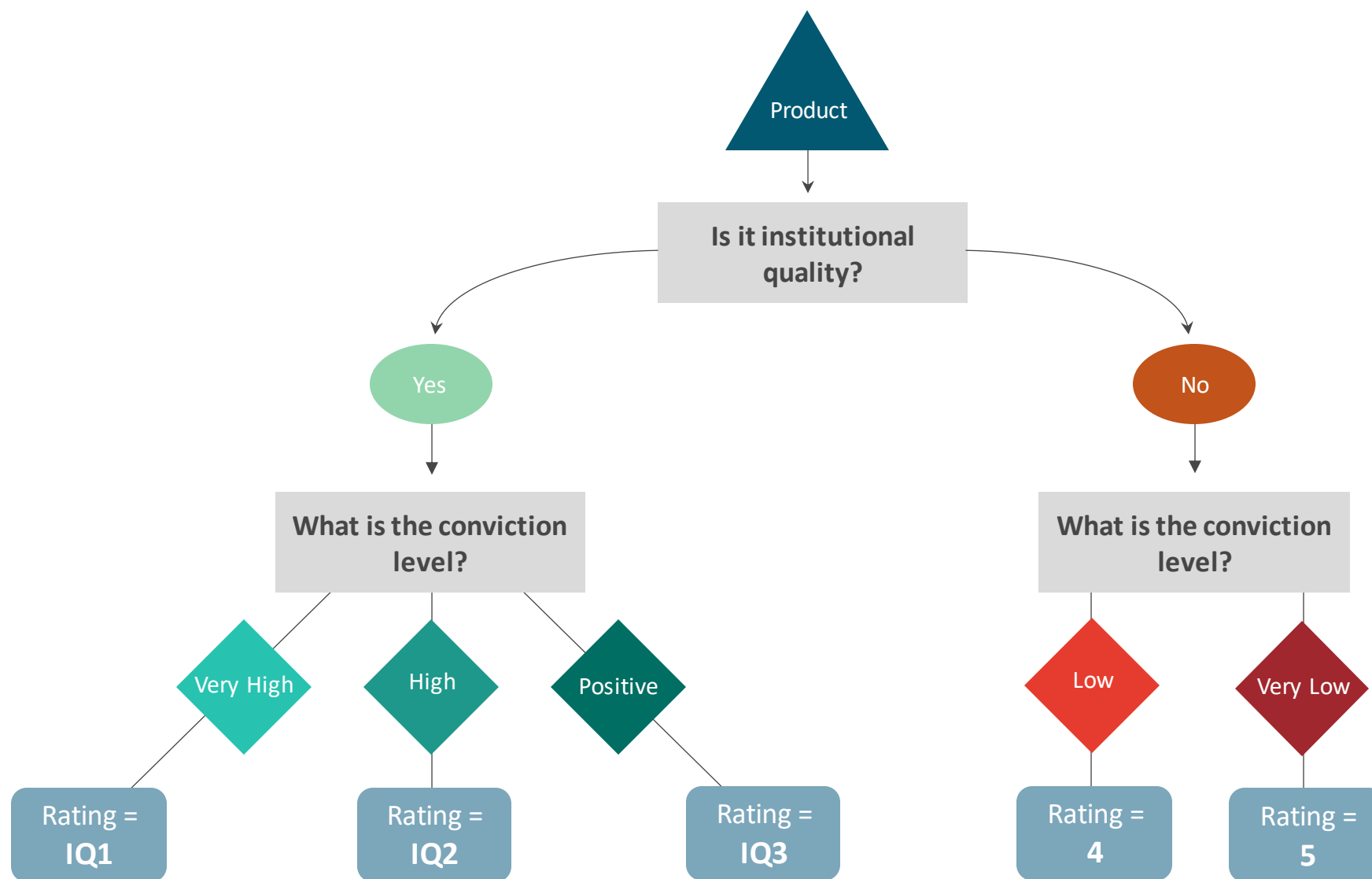
# Ratings definitions and characteristics

Rating	Institutional Quality?	Conviction Level	Defining Characteristics	Recommendations
IQ1	Yes	Very High	Earns Verus' highest conviction. Above-average characteristics most likely to achieve the strategy's desired investment results.	Recommended for use in client portfolios. May be used in Verus discretionary portfolios.
IQ2	Yes	High	Maintains Verus' high conviction. Above-average characteristics most likely to achieve strategy's desired investment results.	Recommended for use in client portfolios. May be used in Verus discretionary portfolios.
IQ3	Yes	Positive	Meets institutional quality standards that can achieve desired investment results. Strengths outweigh weaknesses.	While IQ1 or IQ2 rated products are generally preferable, certain client needs may be better addressed by a highly specialized IQ3 product.
4	No	Low	Concerns with the product's ability to meet institutional-quality standards.	Clients should re-evaluate and only retain if there are specific strong reasons for client-specific suitability. If retained, should be closely monitored.
5	No	Very Low	Significant issues inhibit the product's ability to meet institutional-quality standards.	Verus recommends termination immediately

The ratings have two components:

1. The **institutional quality rating** is given to a product that meets or exceeds the standards of fiduciary care required by institutional investors. IQ-rated products are deemed to be suitable for use in clients' portfolios.
2. The **conviction rating** represents the judgment of our research team in the distinguishing qualities of the product, with 1 as the highest rating and 5 the lowest.

# Rating process



*Rating process simplified for illustrative purposes only*

# Verus ESG evaluations assessed alongside investment evaluations

	ESG A Fully Integrated	ESG B Some ESG Elements Observed	ESG C Minimal/No ESG Integration
<b>A</b> <i>Alignment</i>	Firm actively promotes ESG principles; Incentive comp is ESG aligned	Firm has an ESG policy; PRI neither necessary nor sufficient Incentive comp not ESG aligned	Firm does not have any type of ESG policy
<b>E</b> <i>Edge</i>	ESG features in product's stated objective; Product is differentiated from peers based on ESG approach; ESG-ness is obvious to a client	Stated objective emphasizes longer investment horizon; May be "unintentional ESG" due to philosophy emphasis on governance, quality, or sustainable returns	Stated objective has features inconsistent with ESG management due to sector emphasis, high turnover or momentum orientation
<b>I</b> <i>Implementation</i>	ESG principles explicitly incorporated in security analysis/valuation	ESG principles explicitly incorporated in security analysis/valuation (whether or not explicitly labeled as "ESG")	Manager may vote proxies, but no other ESG elements apparent in process; When prompted, may cite ESG as implicit in security analysis/valuation
<b>O</b> <i>Optimal Use of Risk</i>	ESG elements are critical to portfolio construction <u>and</u> risk management; Can cite multiple examples where ESG influences active risk taken	ESG elements may be influences in portfolio construction <u>or</u> risk management; Manager can cite an example of ESG influence on active risk	Portfolio construction and risk focuses exclusively on volatility, liquidity, default; Manager cannot cite examples of ESG influence on active risk
<b>U</b> <i>Understandable Performance</i>	Performance attribution reflects ESG elements <u>or</u> portfolio success is measured based on ESG elements	Performance is consistent with the manager's stated objective	Performance is consistent with the manager's stated objective

# TCERA manager ratings

Manager name	Product name	AUM (\$M)	IQ Rating	ESG Rating
State Street	S&P 500 Flagship Fund	\$152	Passive - IQ3	-
PGIM	QS US Large-Cap Core Equity	\$64	Passive - IQ3	-
William Blair	Large-Cap Growth	\$61	IQ2	B
Boston Partners	Large-Cap Value	\$72	IQ2	B
State Street	US Extended Market Index	\$60	Passive - IQ3	-
William Blair	SMID Cap Growth	\$26	IQ1	B
Leeward	Small-Cap Value	\$32	IQ3	C
State Street	MSCI ACWI ex-US Index	\$92	Passive - IQ3	-
PIMCO	RAE Fundamental Global ex US	\$94	IQ1	C
SGA	International Growth	\$83	IQ3	B
KBI	Water Strategy	\$59	IQ3	A
Blackrock	Core Plus	\$102	IQ3	B

# TCERA manager ratings cont.

Manager name	Product name	AUM (\$M)	IQ Rating	ESG Rating
Doubleline	Core Plus	\$100	IQ3	C
Mackay Shields	Core Plus	\$99	IQ2	B
PGIM	Emerging Markets Debt	\$50	IQ1	B
DWS	RREEF America II	\$182	IQ2	B
American Realty	Strategic Value	\$91	IQ1	C
Invesco	Commercial Mortgage Income	\$78	Rating pending	
State Street	US REIT Index	\$0.689	Passive - IQ3	-



# Failed Regional Bank Exposure

# TCERA failed regional bank exposure

Manager Name	Product	AUM (\$M)	SVB Exposure	Signature Bank Exposure	Silvergate Bank Exposure	Total Estimated Exposure
State Street	S&P 500 Index	\$151.8	0.04%	0.02%	0.00%	\$91,080
PGIM	QS US Large-Cap Core Equity	\$63.6	0.00%	0.00%	0.00%	\$0.00
William Blair	Large-Cap Growth	\$60.6	0.00%	0.00%	0.00%	\$0.00
Boston Partners	Large-Cap Value	\$71.9	0.00%	0.00%	0.00%	\$0.00
State Street	US Extended Market Index	\$59.7	0.00%	0.00%	0.01%	\$5,970
William Blair	SMID Cap Growth	\$25.6	0.00%	0.00%	0.00%	\$0.00
Leeward	Small-Cap Value	\$31.7	0.00%	0.00%	0.00%	\$0.00
State Street	MSCI ACWI ex-US Index	\$92.0	0.00%	0.00%	0.00%	\$0.00
PIMCO	RAE Global ex-US	\$94.1	0.00%	0.00%	0.00%	\$0.00
SGA	International Growth	\$82.7	0.00%	0.00%	0.00%	\$0.00

*Note: TCERA did have any exposure to Credit Suisse AT1 Bonds*

# TCERA failed regional bank exposure cont.

Manager Name	Product	AUM (\$M)	SVB Exposure	Signature Bank Exposure	Silvergate Bank Exposure	Total Estimated Exposure
KBI	Water Strategy	\$59.2	0.00%	0.00%	0.00%	\$0.00
Blackrock	Core Plus	\$102.1	0.00%	0.00%	0.00%	\$0.00
Doubleline	Core Plus	\$100.3	0.00%	0.00%	0.00%	\$0.00
MacKay Shields	Core Plus	\$99.9	0.21%	0.00%	0.00%	\$209,790
PGIM	Emerging Markets Debt	\$50.2	0.00%	0.00%	0.00%	\$0.00
State Street	US REIT Index	\$0.689	0.00%	0.00%	0.00%	\$0.00
<b>Total</b>			<b>0.25%</b>	<b>0.02%</b>	<b>0.01%</b>	<b>\$306,840</b>

Note: TCERA did have any exposure to Credit Suisse AT1 Bonds

# Notices & disclosures

**Past performance is no guarantee of future results.** This document is provided for informational purposes only and is directed to institutional clients and eligible institutional counterparties only and is not intended for retail investors. Nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security or pursue a particular investment vehicle or any trading strategy. This document may include or imply estimates, outlooks, projections and other “forward-looking statements.” No assurance can be given that future results described or implied by any forward looking information will be achieved. Investing entails risks, including possible loss of principal. Additional information about Verus Advisory, Inc. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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**SACRS  
Spring Conference  
Annual Business Meeting 2023**

Friday, May 12, 2023  
10:15 am – 11:30 am

Paradise Point Resort & Spa  
San Diego, CA  
Sunset I-III Ballroom



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

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

## **Statement of Purpose**

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

## **Mission Statement**

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

## **Core Values**

Teamwork

Integrity

Education

Service and Support



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

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

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**1. SACRS System Roll Call**

Adele Tagaloa, Orange CERS, SACRS Secretary

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

Adele Tagaloa, Orange CERS, SACRS Secretary

- A. November 2022 SACRS Business Meeting Minutes

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

Jordan Kaufman, Kern CERA, SACRS Treasurer

- A. July 2022 – February 2023 Financials

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

Vivian Gray, Los Angeles CERA, SACRS President

- A. SACRS President Update

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

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

- A. 2023 Legislative Report

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

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

- A. SACRS Board of Directors Elections 2023-2024





**7. SACRS Audit Report – Action**

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

- A. SACRS 2021-2022 Annual Audit

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

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. SACRS Annual Spring 2023 Conference Evaluations/Feedback

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

David MacDonald, Contra Costa CERA, SACRS Program Committee Chair

- A. SACRS Annual Spring 2023 Conference Report

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

Joanne Svendsgaard, Millennium, SACRS Affiliate Committee Chair

- A. Affiliate Committee Update

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

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

- A. Bylaws Committee Update

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

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

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

**13. Adjournment**

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



## 1. SACRS System Roll Call

Adele Tagaloa, Orange CERS, SACRS Secretary



1. SACRS System Roll Call  
Adele Tagaloa, SACRS Secretary

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



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

Adele Tagaloa, Orange CERS, SACRS Secretary

- A. Fall 2022 SACRS Business Meeting Minutes



SACRS Business Meeting Minutes  
Friday, November 11, 2022  
10:15 AM – 11:30 AM  
Hyatt Regency Long Beach  
Regency ABC Ballroom

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

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**Meeting called to order at 10:16 am by David MacDonald, SACRS Vice President**

**SACRS Board of Directors in Attendance:**

David MacDonald, Vice President; Adele Tagaloa, Secretary; Jordan Kaufman, Treasurer; David Gilmore, Board member; Vere Williams, Board member; Dan McAllister, Immediate Past President, Wally Fikri, Affiliate Committee Chair

**Absent:** Vivian Gray, SACRS President

**1. SACRS System Roll Call**

Adele Tagaloa, Orange CERS, SACRS Secretary

19 SACRS Member Systems Present

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

**Absent:** Mendocino

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

Adele Tagaloa, Orange CERS, SACRS Secretary

**A. Spring 2022 SACRS Business Meeting Minutes**

Motion: A motion to approve the Spring 2021 SACRS Business Meeting Minutes was submitted by San Diego County.

2nd: Marin County

Yes: 19

No: 0

Absent: Mendocino

Motion Passes 19-0-1



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

Jordan Kaufman, Kern CERA, SACRS Treasurer

A. July – August 2022 Financials

B. 2022-2023 Annual Budget

Motion A: A motion to approve the Treasurer's report was submitted by Fresno County.

2nd: Imperial County

Yes: 19

No: 0

Absent: Mendocino

Motion Passes 19-0-1

Motion B: A motion to approve the 2022-2023 Annual Budget was submitted by Marin County.

2nd: Sacramento County

Yes: 19

No: 0

Absent: Mendocino

Motion Passes 19-0-1

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

Vivian Gray, Los Angeles CERA, SACRS President

A. SACRS President Update

Discussion, no action taken. In Vivian Gray's absence, David MacDonald, Vice President, provided a verbal update of upcoming strategic goals of the Board for the 2023 year.

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

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

A. 2022 Legislative Report – No Action

Discussion, no action taken. Eric Stern gave a verbal report on the committee's decision to provide more outreach to the systems. The committee will be providing templates for position letters to the legislature, legislative representation contact information and guidelines for submitting letters to the legislature.



## **6. SACRS Nomination Committee – 2023-2024 SACRS Election Notice – No Action**

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

### **A. SACRS Election Notice 2023-2024**

Discussion only, no action. Dan McAllister asked systems to alert staff and trustees that might be interested in serving on the Board that the elections begin January 1, 2023.

## **7. SACRS Audit Report – No Action**

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

### **A. Audit Committee report/verbal update**

Discussion only, no action. Steve Delaney reported that the annual audit will be presented to the Board in January 2023 and presented to the membership at the Spring 2023 Business Meeting.

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

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

### **A. SACRS Annual Fall Conference 2022 Evaluations/verbal update**

Discussion only, no action. JJ Popowich provided a verbal report of the Education committee meeting and review of all sessions. JJ reported that the group thought it was a great conference, really liked “Nice Bike,” Mark Scharenbroich keynote speaker, moderator John D’Agostino and the overall conference. He noted that while the agenda included a range of diversity of speakers, in the future it would be great if the Program committee could include more women. The Committee will provide a full report to the Board in January 2023.

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

David MacDonald, Contra Costa CERA, SACRS Program Committee Chair

### **A. Program Committee report/verbal update**

Discussion only, no action. David MacDonald thanked the committee members and welcomed feedback via the evaluations online.





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

Wally Fikri, William Blair, SACRS Affiliate Committee Chair

### **A. Affiliate Committee report/verbal update**

Discussion only, no action. Wally Fikri provided a verbal update on the Affiliate breakout and the new affiliate members. He announced that nominations to be on the Affiliate Committee are open, qualified members may submit their interest via the online portal on SACRS website. The selection process is available in the Affiliate Guidelines for those that want more information, or feel free to contact Wally directly.

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

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

### **A. Bylaws Committee report/verbal update**

No report.

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

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

- A. Administrators – Brian McKelvey, San Joaquin CERA, gave a verbal report on the Administrators breakout, well attended. Brian Richards, Santa Barbara CERS will be the Spring 2023 moderator.
- B. Counsel – Aaron Zaheen, Tulare CERA, gave a verbal report on the Counsel breakout. The group discussed Cyber Security, AB 2449 Brown Act Teleconferencing, Litigation update and Proposed SEC Rules. Rachel Witt, San Diego CERA will be the Spring 2023 moderator.
- C. Disability/Operations & Benefits Combo - Carlos Barrios, Alameda CERA, provided a verbal update, good session and well attended. The group discussed LACERA's Benefit Protection Unit, Retiree Benefits Protection and New Online Disability Application Process and Paper to Digital platforms. Colin Bishop, San Bernardino CERA, will be the Spring 2023 Moderator.
- D. Internal Auditors - No report
- E. Investment Officers - No report
- F. Safety Trustees - Brian Williams, Sonoma CERA, provided a verbal update, volunteered as the Spring 2023 Moderator.



- G. General Trustees – Adele Tagaloa, Marin CERA, provided a verbal update, good session and was highly informative. The group discussed Asset Allocation 101 and had a robust roundtable discussion.

### **13. Adjournment**

Next scheduled SACRS Association Business Meeting will be held Friday, May 12, 2023, at the Paradise Point Resort & Spa, San Diego, CA.

Motion: A motion to adjourn the meeting at 10:44 am was submitted by San Diego County.

2nd: Contra Costa County

Yes: 19

No: 0

Absent: Mendocino

Motion passes 19-0-0



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

Jordan Kaufman, Kern CERA, SACRS Treasurer

#### **A. July – February 2023 Financials**

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## Balance Sheet

As of February 28, 2023

28-Feb-23

### ASSETS

#### Current Assets

##### Checking/Savings

1000 · First Foundation Bank-Checking	185,891.31
1001 · BofA Interest Checking 4389	46,672.36
1002 · First Foundation Bank ICS Acct	57,600.58

Total Checking/Savings	290,164.25
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##### Other Current Assets

1100 · CalTrust - Medium Term	692,182.46
1107 · CalTrust Liquidity Fund	8,421.58
1110 · CAMP-SACRS Liquidity Fund	811,199.37

Total Other Current Assets	1,511,803.41
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Total Current Assets	1,801,967.66
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TOTAL ASSETS	1,801,967.66
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### LIABILITIES & EQUITY

#### Liabilities

##### Current Liabilities

##### Credit Cards

2200 · First Foundation Credit Card	39.00
2201 · First Foundation Master Card	-1,481.00

Total Credit Cards	-1,442.00
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##### Other Current Liabilities

2150 · Refund Liability	10.00
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Total Other Current Liabilities	10.00
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Total Current Liabilities	-1,432.00
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Total Liabilities	-1,432.00
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#### Equity

32000 · Retained Earnings	1,904,635.13
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Net Income	-101,235.47
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Total Equity	1,803,399.66
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TOTAL LIABILITIES & EQUITY	1,801,967.66
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# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## Profit & Loss

July 2022 through February 2023

### Ordinary Income/Expense

#### Income

##### 4100 - Membership Dues

4101 - Affiliates	256,250.00
4102 - Non Profit - Organizations	2,750.00
4103 - Non Profit - Systems	7,500.00
4104 - Systems - Medium	52,000.00
4105 - Systems - Large	36,000.00

Total 4100 - Membership Dues 354,500.00

##### 4250 - Product Income

4251 - CERL	125.00
4254 - Website Job Board	400.00

Total 4250 - Product Income 525.00

##### 4270 - UC Berkeley Program

4271 - Registrations	7,500.00
4272 - Sponsorships	17,500.00

Total 4270 - UC Berkeley Program 25,000.00

##### 4300 - Fall Conference Registration

4301 - Affiliates - Early	182,580.00
4302 - Affiliates - Regular	65,540.00
4303 - Affiliates - Late/Onsite	19,200.00
4304 - Non Profit	840.00
4305 - Systems	18,240.00
4306 - Non-Members	258,990.00
4307 - Fun Run	1,125.00
4308 - Yoga	555.00
4300 - Fall Conference Registration - Other	-900.00

Total 4300 - Fall Conference Registration 546,170.00

##### 4350 - Spring Conference Registration

4351 - Affiliates - Early	86,700.00
4355 - Systems	8,160.00
4356 - Non-Members	64,080.00
4357 - Fun Run	450.00
4358 - Yoga	330.00

Total 4350 - Spring Conference Registration 159,720.00

4900 - Interest Earned 15,379.04

#### Total Income

1,101,294.04

#### Gross Profit

1,101,294.04

#### Expense

5000 - Administrative Fee	150,000.00
5001 - Administrative Services	1,388.00
5002 - Awards	230.47
5003 - Bank Charges/Credit Card Fees	26,716.42
5010 - Berkeley & Symposium	
5011 - Audio/Visual	6,867.79

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## Profit & Loss

July 2022 through February 2023

5014 · Food & Beverage	28,707.79
5015 · Materials/Printing/Design	964.56
5016 · Travel	2,789.93
<b>Total 5010 · Berkeley &amp; Symposium</b>	<b>39,330.07</b>
5040 · Commissions & Fees	15,712.17
5041 · Consulting	12,362.00
5042 · Dues & Subscriptions	3,825.00
5050 · Fall Conference	
5051 · Audio/Visual	102,087.50
5052 · Delivery & Shipping	3,061.65
5053 · Entertainment	7,716.87
5054 · Hotel	
5054.1 · Wednesday Night Event	13,275.00
5054.2 · Conference	32,775.63
5054.3 · Food & Beverage	150,000.00
<b>Total 5054 · Hotel</b>	<b>196,050.63</b>
5055 · Program Material	23,796.94
5056 · Speakers	39,230.00
5057 · Supplies	211.74
5058 · Travel	2,485.23
<b>Total 5050 · Fall Conference</b>	<b>374,640.56</b>
5070 · Insurance	4,539.00
5071 · Legal & Professional Fees	12,835.00
5072 · Legislative Advocacy	36,638.00
5080 · Magazine	
5082 · Design/Printing/Etc.	6,055.00
5083 · Magazine - Other	8,405.00
<b>Total 5080 · Magazine</b>	<b>14,460.00</b>
6000 · Board & Committees	
6001 · Board of Directors	
6001.1 · Food & Beverage	17,149.43
6001.2 · Printing/Supplies	4,996.74
6001.3 · Travel - BOD Meetings	18,705.05
6001.4 · Travel - Miscellaneous BOD	1,272.93
6001.5 · Board Of Directors - Other	13,067.36
6001 · Board of Directors - Other	3,367.22
<b>Total 6001 · Board of Directors</b>	<b>58,558.73</b>
<b>Total 6000 · Board &amp; Committees</b>	<b>58,558.73</b>
6010 · Office Expenses / Supplies	1,498.92
6011 · Postage & Delivery	8,039.89
6020 · Spring Conference	
6021 · Audio/Visual	102,087.50
6022 · Delivery & Shipping	2,000.00
6023 · Entertainment	476.49
6024 · Hotel	



STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss

July 2022 through February 2023

6024.1 - Wednesday Night Event	103,426.52
6024.2 - Conference	2,094.84
6024.3 - Food & Beverage	161,992.19
6024 - Hotel - Other	4,483.22
Total 6024 - Hotel	271,996.77
6025 - Program Material	6,706.40
6026 - Speakers	4,320.80
6028 - Travel	13,924.18
Total 6020 - Spring Conference	401,512.14
6053 - Technology/AMS/Website	38,951.76
6054 - Travel	1,291.38
Total Expense	1,202,529.51
Net Ordinary Income	-101,235.47
	<u><u>-101,235.47</u></u>



# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## Profit & Loss Budget vs. Actual

July 2022 through February 2023

	Jul '22 - Feb 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4100 · Membership Dues				
4101 · Affiliates	256,250.00	268,750.00	-12,500.00	95.35%
4102 · Non Profit - Organizations	2,750.00	2,750.00	0.00	100.0%
4103 · Non Profit - Systems	7,500.00	6,000.00	1,500.00	125.0%
4104 · Systems - Medium	52,000.00	52,000.00	0.00	100.0%
4105 · Systems - Large	36,000.00	42,000.00	-6,000.00	85.71%
Total 4100 · Membership Dues	354,500.00	371,500.00	-17,000.00	95.42%
4250 · Product Income				
4251 · CERL	125.00	0.00	125.00	100.0%
4254 · Website Job Board	400.00			
Total 4250 · Product Income	525.00	0.00	525.00	100.0%
4270 · UC Berkeley Program				
4271 · Registrations	7,500.00	60,000.00	-52,500.00	12.5%
4272 · Sponsorships	17,500.00	40,000.00	-22,500.00	43.75%
Total 4270 · UC Berkeley Program	25,000.00	100,000.00	-75,000.00	25.0%
4300 · Fall Conference Registration				
4301 · Affiliates - Early	182,580.00	140,000.00	42,580.00	130.41%
4302 · Affiliates - Regular	65,540.00	60,000.00	5,540.00	109.23%
4303 · Affiliates - Late/Onsite	19,200.00	70,400.00	-51,200.00	27.27%
4304 · Non Profit	840.00	960.00	-120.00	87.5%
4305 · Systems	18,240.00	20,000.00	-1,760.00	91.2%
4306 · Non-Members	258,990.00	200,250.00	58,740.00	129.33%
4307 · Fun Run	1,125.00	500.00	625.00	225.0%
4308 · Yoga	555.00	100.00	455.00	555.0%
4300 · Fall Conference Registration - Other	-900.00	0.00	-900.00	100.0%
Total 4300 · Fall Conference Registration	546,170.00	492,210.00	53,960.00	110.96%
4350 · Spring Conference Registration				
4351 · Affiliates - Early	86,700.00	140,000.00	-53,300.00	61.93%
4352 · Affiliates - Regular	0.00	60,000.00	-60,000.00	0.0%
4353 · Affiliates - Late/Onsite	0.00	70,400.00	-70,400.00	0.0%
4354 · Non Profit	0.00	960.00	-960.00	0.0%
4355 · Systems	8,160.00	20,000.00	-11,840.00	40.8%
4356 · Non-Members	64,080.00	200,250.00	-136,170.00	32.0%
4357 · Fun Run	450.00	500.00	-50.00	90.0%
4358 · Yoga	330.00	100.00	230.00	330.0%
Total 4350 · Spring Conference Registration	159,720.00	492,210.00	-332,490.00	32.45%
4900 · Interest Earned	15,379.04	-953.55	16,332.59	-1,612.82%
Total Income	1,101,294.04	1,454,966.45	-353,672.41	75.69%
Gross Profit	1,101,294.04	1,454,966.45	-353,672.41	75.69%
Expense				
5000 · Administrative Fee	150,000.00	225,000.00	-75,000.00	66.67%
5001 · Administrative Services	1,388.00	500.00	888.00	277.6%

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## Profit & Loss Budget vs. Actual

July 2022 through February 2023

	Jul '22 - Feb 23	Budget	\$ Over Budget	% of Budget
<b>5002 · Awards</b>	230.47	500.00	-269.53	46.09%
<b>5003 · Bank Charges/Credit Card Fees</b>	26,716.42	36,000.00	-9,283.58	74.21%
<b>5010 · Berkeley &amp; Symposium</b>				
<b>5011 · Audio/Visual</b>	6,867.79	2,200.00	4,667.79	312.17%
<b>5012 · Delivery &amp; Shipping</b>	0.00	0.00	0.00	0.0%
<b>5013 · Hotel</b>	0.00	12,500.00	-12,500.00	0.0%
<b>5014 · Food &amp; Beverage</b>	28,707.79	12,500.00	16,207.79	229.66%
<b>5015 · Materials/Printing/Design</b>	964.56	3,000.00	-2,035.44	32.15%
<b>5016 · Travel</b>	2,789.93	2,500.00	289.93	111.6%
<b>5017 · UC Berkeley</b>	0.00	216,000.00	-216,000.00	0.0%
<b>Total 5010 · Berkeley &amp; Symposium</b>	39,330.07	248,700.00	-209,369.93	15.81%
<b>5020 · Webinar Symposium</b>				
<b>5021 · Webinar Speaker</b>	0.00	0.00	0.00	0.0%
<b>5022 · Webinar Technology</b>	0.00	25,000.00	-25,000.00	0.0%
<b>5023 · Webinar Misc</b>	0.00	0.00	0.00	0.0%
<b>Total 5020 · Webinar Symposium</b>	0.00	25,000.00	-25,000.00	0.0%
<b>5030 · CERL</b>				
<b>5031 · Materials/Printing/Design</b>	0.00	16,500.00	-16,500.00	0.0%
<b>5032 · Shipping</b>	0.00	1,300.00	-1,300.00	0.0%
<b>Total 5030 · CERL</b>	0.00	17,800.00	-17,800.00	0.0%
<b>5040 · Commissions &amp; Fees</b>	15,712.17	20,000.00	-4,287.83	78.56%
<b>5041 · Consulting</b>	12,362.00	21,192.00	-8,830.00	58.33%
<b>5042 · Dues &amp; Subscriptions</b>	3,825.00	3,700.00	125.00	103.38%
<b>5050 · Fall Conference</b>				
<b>5051 · Audio/Visual</b>	102,087.50	90,000.00	12,087.50	113.43%
<b>5052 · Delivery &amp; Shipping</b>	3,061.65	2,500.00	561.65	122.47%
<b>5053 · Entertainment</b>	7,716.87	6,500.00	1,216.87	118.72%
<b>5054 · Hotel</b>				
<b>5054.1 · Wednesday Night Event</b>	13,275.00	65,000.00	-51,725.00	20.42%
<b>5054.2 · Conference</b>	32,775.63	15,000.00	17,775.63	218.5%
<b>5054.3 · Food &amp; Beverage</b>	150,000.00	250,000.00	-100,000.00	60.0%
<b>Total 5054 · Hotel</b>	196,050.63	330,000.00	-133,949.37	59.41%
<b>5055 · Program Material</b>	23,796.94	25,000.00	-1,203.06	95.19%
<b>5056 · Speakers</b>	39,230.00	50,000.00	-10,770.00	78.46%
<b>5057 · Supplies</b>	211.74	500.00	-288.26	42.35%
<b>5058 · Travel</b>	2,485.23	15,000.00	-12,514.77	16.57%
<b>5050 · Fall Conference - Other</b>	0.00	0.00	0.00	0.0%
<b>Total 5050 · Fall Conference</b>	374,640.56	519,500.00	-144,859.44	72.12%
<b>5070 · Insurance</b>	4,539.00	5,000.00	-461.00	90.78%
<b>5071 · Legal &amp; Professional Fees</b>	12,835.00	35,000.00	-22,165.00	36.67%
<b>5072 · Legislative Advocacy</b>	36,638.00	62,808.00	-26,170.00	58.33%
<b>5080 · Magazine</b>				
<b>5081 · Delivery &amp; Shipping</b>	0.00	600.00	-600.00	0.0%
<b>5082 · Design/Printing/Etc.</b>	6,055.00	20,000.00	-13,945.00	30.28%

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## Profit & Loss Budget vs. Actual

July 2022 through February 2023

	Jul '22 - Feb 23	Budget	\$ Over Budget	% of Budget
5083 · Magazine - Other	8,405.00	6,000.00	2,405.00	140.08%
<b>Total 5080 · Magazine</b>	<b>14,460.00</b>	<b>26,600.00</b>	<b>-12,140.00</b>	<b>54.36%</b>
<b>6000 · Board &amp; Committees</b>				
6001 · Board of Directors				
6001.1 · Food & Beverage	17,149.43	25,000.00	-7,850.57	68.6%
6001.2 · Printing/Supplies	4,996.74	4,000.00	996.74	124.92%
6001.3 · Travel - BOD Meetings	18,705.05	11,000.00	7,705.05	170.05%
6001.4 · Travel - Miscellaneous BOD	1,272.93	8,000.00	-6,727.07	15.91%
6001.5 · Board Of Directors - Other	13,067.36	3,000.00	10,067.36	435.58%
6001 · Board of Directors - Other	3,367.22			
<b>Total 6001 · Board of Directors</b>	<b>58,558.73</b>	<b>51,000.00</b>	<b>7,558.73</b>	<b>114.82%</b>
6002 · Legislative Committee Meetings	0.00	250.00	-250.00	0.0%
6003 · Program Committee Meetings	0.00	2,500.00	-2,500.00	0.0%
<b>Total 6000 · Board &amp; Committees</b>	<b>58,558.73</b>	<b>53,750.00</b>	<b>4,808.73</b>	<b>108.95%</b>
6010 · Office Expenses / Supplies	1,498.92	2,500.00	-1,001.08	59.96%
6011 · Postage & Delivery	8,039.89	6,000.00	2,039.89	134.0%
6020 · Spring Conference				
6021 · Audio/Visual	102,087.50	90,000.00	12,087.50	113.43%
6022 · Delivery & Shipping	2,000.00	2,500.00	-500.00	80.0%
6023 · Entertainment	476.49	6,500.00	-6,023.51	7.33%
6024 · Hotel				
6024.1 · Wednesday Night Event	103,426.52	65,000.00	38,426.52	159.12%
6024.2 · Conference	2,094.84	0.00	2,094.84	100.0%
6024.3 · Food & Beverage	161,992.19			
6024.4 · Hotel - Other	0.00	25,000.00	-25,000.00	0.0%
6024 · Hotel - Other	4,483.22			
<b>Total 6024 · Hotel</b>	<b>271,996.77</b>	<b>90,000.00</b>	<b>181,996.77</b>	<b>302.22%</b>
6025 · Program Material	6,706.40	25,000.00	-18,293.60	26.83%
6026 · Speakers	4,320.80	50,000.00	-45,679.20	8.64%
6027 · Supplies	0.00	1,000.00	-1,000.00	0.0%
6028 · Travel	13,924.18	15,000.00	-1,075.82	92.83%
6020 · Spring Conference - Other	0.00	0.00	0.00	0.0%
<b>Total 6020 · Spring Conference</b>	<b>401,512.14</b>	<b>280,000.00</b>	<b>121,512.14</b>	<b>143.4%</b>
6050 · Strategic Facilitator	0.00	15,000.00	-15,000.00	0.0%
6051 · Taxes & Licenses	0.00	600.00	-600.00	0.0%
6053 · Technology/AMS/Website	38,951.76	45,000.00	-6,048.24	86.56%
6054 · Travel	1,291.38	7,500.00	-6,208.62	17.22%
<b>Total Expense</b>	<b>1,202,529.51</b>	<b>1,657,650.00</b>	<b>-455,120.49</b>	<b>72.54%</b>
<b>Net Ordinary Income</b>	<b>-101,235.47</b>	<b>-202,683.55</b>	<b>101,448.08</b>	<b>49.95%</b>
	<b>-101,235.47</b>	<b>-202,683.55</b>	<b>101,448.08</b>	<b>49.95%</b>



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

Vivian Gray, Los Angeles CERA, SACRS President

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



**No printed materials for this item**



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

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

### **A. 2023 Legislative Report – No Action**





April 6, 2023

TO: State Association of County Retirement Systems

FROM: Edelstein Gilbert Robson & Smith, LLC

RE: **Legislative Update – April 2023**

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### **General Update**

With the bill introduction deadline behind us, the Legislature now turns to policy committee hearings for the first house. The Legislature will have until April 28 for all fiscal bills to be heard in policy committee. Until this date (aside from Spring Recess from March 30 – April 10), the Legislature will be busy conducting hearings for bills introduced this year.

By this point, most of the “spot” or “intent” bills (placeholder bills without substantive language) have since been amended with substantive language that will allow them to move forward in the legislative process and get a hearing in policy committee.

Non-fiscal bills will have until May 5 to be heard in policy committee.

### **Legislation of Interest**

**AB 1020 (Grayson) – CERL Disability Presumptions.** This bill would establish several new disability retirement presumptions for various injuries and illnesses in the CERL, similar to provisions that exist in the Labor Code. The bill is sponsored by the California Professional Firefighters.

**SB 252 (Gonzalez) – PERS and STRS Fossil Fuel Divestment.** Senator Gonzalez reintroduced SB 1173 from last session. Like last year, this bill applies to CalPERS and CalSTRS and prohibits the retirement systems from renewing or making new investments in fossil fuel companies as well as requiring them to liquidate existing investments by July 1, 2030, among other requirements. The bill was introduced as part of a package of climate legislation.

**SB 660 (Alvarado-Gil) - CA Public Retirement System Agency Cost and Liability Panel.** This bill would establish the CA Public Retirement System Agency Cost and

Liability Panel that would be tasked to determine how costs and unfunded liability are apportioned to a public agency when a member changes employers within the same retirement system or concurrently retires with two or more systems that have entered into a reciprocity agreement. The panel would include a member from the State Association of County Retirement Systems (SACRS).

### **Public Meeting Bills**

Since the onset of the COVID-19 pandemic, teleconferencing flexibilities have become a subject of interest in California's Legislature, with local government groups sponsoring various bills on the topic since 2021. This session is no exception, and a handful of bills have been introduced:

**AB 557 (Hart) - AB 361 Sunset Extension.** This bill would remove the sunset established in AB 361 (R. Rivas) as well as increase the time period when the Board must renew the findings of an emergency or need for social distancing from 30 days to 45 days.

**AB 817 (Pacheco) – Open Meeting Flexibility for Subsidiary Bodies.** This bill allows subsidiary bodies to use teleconferencing without regard to a state of emergency if they meet certain requirements. Subsidiary bodies are bodies that serve in an advisory capacity and do not take final action on specified items.

**AB 1379 (Papan) - Teleconference Flexibilities.** AB 1379 expands various flexibilities for local agencies under the Brown Act including, but not limited to, relaxing requirements for posting teleconference locations, relaxing certain quorum requirements, removing the existing January 1, 2026 sunset date of flexibilities in current law, removing restrictions that prohibit members from participating remotely for more than two meetings a year, among other changes. The bill also requires that a legislative body have at least two meetings a year where members are in person at a single designated location.

**SB 411 (Portantino) - Teleconferencing for Appointed Bodies.** This bill would allow local legislative bodies with appointed members to use teleconferencing indefinitely regardless of the presence of an emergency. The author intends this bill to apply to neighborhood councils. The bill is an urgency bill and therefore requires a 2/3 vote.

**SB 537 (Becker) - Teleconference Flexibilities.** This bill was recently amended with substantive language that allows multijurisdictional, cross county legislative bodies to use teleconferencing indefinitely and without regard to a state of emergency and adds certain requirements, like requiring a legislative body to provide a record of attendance on its website within 7 days of the meeting. The bill also adds to the list of circumstances where a member is permitted to participate remotely. We have met with the author's staff and are preparing some amendments to clarify that local retirement systems are covered by the bill. The bill is an urgency bill and therefore requires a 2/3 vote.





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

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

A. SACRS Board of Directors Elections 2023-2024



March 24, 2023

To: SACRS Trustees & SACRS Administrators/CEO's  
From: Dan McAllister, SACRS Immediate Past President, Nominating Committee Chair  
SACRS Nominating Committee  
Re: SACRS Board of Director Elections 2023-2024 Elections – Final Ballot

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SACRS BOD 2023-2024 election process began January 2023. Please provide the final ballot and voting instructions to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2023	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.
March 25, 2023	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 12, 2023	Nominating Committee to conduct elections during the SACRS Business Meeting at the Spring Conference, May 9-12, 2023
May 12, 2023	Board of Directors take office for 1 year (until Spring 2024 Elections)

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

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

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

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

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

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



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

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

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

The elections will be held at the SACRS Spring Conference on Friday, May 12, 2023, during the scheduled business meeting at the Paradise Point Resort & Spa, San Diego, CA.

**SACRS Nominating Committee Recommended Slate:**

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

The Regular Member listed as “Open” is due to a late withdrawal of a submission by an interested candidate. We are past the deadline to submit a nomination, and we received no other submissions of interest. SACRS Bylaws do not allow nominations or write-in candidates from the floor, therefore the Nominating Committee will be reaching out to the regular membership in search of interested parties that would like to serve.

**\*Bylaws- Article VIII Board of Directors/Section 2/ Elections of Directors**

The Bylaws state that the Board of Directors can make an appointment if there is a vacant position on the Board. Once the Board of Directors are elected, at their first meeting in June, they will fill the vacancy.

**\*Bylaws- Article VIII Board of Directors/Section 6/ Elections of Directors**

Regular members interested in serving as a “Regular Member” of the SACRS Board of Directors may complete a supplemental candidate form for consideration. Send the supplemental candidate form, no later than April 21, 2023, to [sulema@sacrs.org](mailto:sulema@sacrs.org) to be reviewed by the Nominating Committee. At the SACRS Business meeting in May, the Nominating Committee will update the membership on submissions received and make a recommendation to the newly elected Board of Directors.

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

If you have any questions, please contact me at Dan McAllister, [Dan.McAllister@sdcounty.ca.gov](mailto:Dan.McAllister@sdcounty.ca.gov) or Sulema Peterson, [sulema@sacrs.org](mailto:sulema@sacrs.org) (916) 701-5158.

*Continued*



Thank you for your prompt attention to this timely matter.

Sincerely,

*Dan McAllister*

Dan McAllister, San Diego CERA Trustee  
SACRS Nominating Committee Chair

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

Attached: 2023-2024 Candidate submissions  
Candidate Form



### SACRS Nomination SUPPLEMENTAL Submission Form SACRS Board of Directors Elections

All interested candidates that would like to be considered for appointment to the Board of Directors for the 2023-2024 OPEN REGULAR MEMBER position must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than April 21, 2023.** Please submit to the Nominating Committee Chair at [Dan.McAllister@sdcounty.ca.gov](mailto:Dan.McAllister@sdcounty.ca.gov) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

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



**President Candidate Form - David MacDonald, Contra Costa CERA**

**SACRS Board of Directors Elections 2023-2024**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2023.** Please submit to the Nominating Committee Chair at [Dan.McAllister@sdcountry.ca.gov](mailto:Dan.McAllister@sdcountry.ca.gov) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

<b>Name of Candidate</b>	Name: David J. MacDonald, MD
<b>Candidate Contact Information</b> (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: [REDACTED] Email Address: <a href="mailto:dmacdcccera@gmail.com">dmacdcccera@gmail.com</a> Phone: [REDACTED]
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name: CCCERA
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<ul style="list-style-type: none"><li><input type="radio"/> Chair</li><li><input type="radio"/> Alternate</li><li><input type="radio"/> General Elected</li><li><input type="radio"/> Retiree</li><li><input checked="" type="radio"/> <b>Other - Vice Chair X</b> (elected board member)</li></ul>
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<ul style="list-style-type: none"><li><input checked="" type="radio"/> <b>President X</b></li><li><input type="radio"/> Vice President</li><li><input type="radio"/> Treasurer</li><li><input type="radio"/> Secretary</li><li><input type="radio"/> Regular Member</li></ul>
<b>Brief Bio</b>	<ul style="list-style-type: none"><li>* SACRS Board of Directors, Member – 2020-2021 &amp; 2021-2022</li><li>* SACRS Vice President – 2022-2023</li><li>* Vice Chair, CCCERA Board of Retirement</li><li>* Elected general member trustee of CCCERA since 2016</li><li>* President, Physicians' and Dentists' of Contra Costa (PDOCC), since 2010 (Union for health care providers working at Contra Costa County).</li><li>* 29 years serving on the PDOCC Executive Board, including many years as Vice President and President.</li><li>* 32 years of service to Contra Costa County as a physician working in the Department of Health Services.</li><li>* Education/Pension Trustee Certificates:<ul style="list-style-type: none"><li>- Bachelors of Science, Biology – UC Irvine</li><li>- Doctor of Medicine – UC Irvine</li><li>- UC Berkeley (SACRS) – Modern Investment Theory &amp; Practice for Retirement Systems</li><li>- Wharton Business School – Portfolio Concepts &amp; Management</li><li>- IFEBP – CAPPP program, Trustees Masters Program</li><li>- CALAPRS Trustee Education – Principles of Pension Governance</li></ul></li></ul>

## **Vice President Candidate Form - Adele Tagaloa, Orange CERS**



**SACRS Nomination Submission Form  
SACRS Board of Directors Elections 2022-2023**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2022.** Please submit to the Nominating Committee Chair at [Dan.McAllister@sdcounty.ca.gov](mailto:Dan.McAllister@sdcounty.ca.gov) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

<b>Name of Candidate</b>	<b>Adele Tagaloo</b>
<b>Candidate Contact Information</b> (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: [REDACTED] Email Address: <a href="mailto:atagaloo@ocers.org">atagaloo@ocers.org</a> [REDACTED] Phone: [REDACTED]
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name: <b>Orange County Employees Retirement System (OCERS)</b>
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<input type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<input type="radio"/> President <input checked="" type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
<b>Brief Bio</b>	<ul style="list-style-type: none"> <li>♦ <b>Secretary,</b> [REDACTED] ram and Bylaws Committee</li> <li>♦ <b>Elected General Member Trustee, OCERS, 2020 to present</b> Over 13 years of service to the County of Orange Proudly serving 1.8 million registered voters at the Registrar of Voters office</li> <li>♦ <b>Chair, OCERS Disability Committee 2020 to present</b></li> <li>♦ <b>Vice- Chair, OCERS Investment Committee 2022 to present</b></li> <li>♦ <b>Member, OCERS Governance Committee member 2022 to present</b></li> <li>♦ <b>Union Steward, Orange County Employees Association (OCEA) 2012 to present</b></li> <li>♦ <b>Board of Directors, OCEA 2018 to present</b></li> <li>♦ <b>Political Action Committee and Scholarship Committee member, OCEA</b></li> </ul> <p><b>Public Pension Trustee Certificates:</b>          Public Pension Investment Management Program - UC Berkeley          CALAPRS Principles of Pension Governance and Principles for Trustees          Completed 190 hours of education, 2020 - present</p>

**Treasurer Candidate Form - Jordan Kaufman, Kern CERA**





All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2023.** Please submit to the Nominating Committee Chair at [Dan.McAllister@sdcounty.ca.gov](mailto:Dan.McAllister@sdcounty.ca.gov) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

STATE ASSOCIATION of  
COUNTY RETIREMENT SYSTEMS

**Secretary Candidate Form - Zandra Cholmondeley, Santa Barbara CERS**



### SACRS Nomination Submission Form SACRS Board of Directors Elections 2023-2024

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2023.** Please submit to the Nominating Committee Chair at [Dan.McAllister@sdcounty.ca.gov](mailto:Dan.McAllister@sdcounty.ca.gov) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

<b>Name of Candidate</b>	Name: <b>Zandra Cholmondeley</b>
<b>Candidate Contact Information</b> (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: <span style="background-color: black; color: black;">[REDACTED]</span> Email Address: <a href="mailto:zcholmondeley@gmail.com">zcholmondeley@gmail.com</a> <span style="float: right;">+</span> Phone: <span style="background-color: black; color: black;">[REDACTED]</span> <span style="float: right;">+</span>
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name: Santa Barbara County Employees' Retirement System (SBCERS)
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input checked="" type="radio"/> Retiree <input type="radio"/> Other _____
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member
<b>Brief Bio in Paragraph Format</b>	<p>Zandra Cholmondeley was elected to represent County retirees as a trustee on the governing board of the Santa Barbara County Retirement System (SBCERS) in November 2008. She joined the SBCERS Board in January 2009 and starting in January 2010, served two terms as Chair of the Board. She has also served three terms as the President of the Retired Employees of Santa Barbara County (RESBC).</p> <p>Zandra retired in July 2008. As Principal Analyst for Santa Barbara County she was charged with overseeing the development of the County's annual budget and performed numerous special projects for the County Executive Officer (CEO). Her budget responsibilities included working with County departments to ensure the accuracy of projections and overall preparation of the budget document. Special projects experience included implementing fiscal policy for the County Executive and oversight of internal service funds including the fleet and self-insurance funds.</p>



## **Regular Member Candidate Form - David Gilmore, San Diego CERA**



**SACRS Nomination Submission Form  
SACRS Board of Directors Elections 2023-2024**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2023.** Please submit to the Nominating Committee Chair at [Dan.McAllister@sdcounty.ca.gov](mailto:Dan.McAllister@sdcounty.ca.gov) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

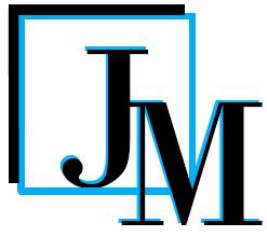
<b>Name of Candidate</b>	Name: David Gilmore
<b>Candidate Contact Information</b> (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: <span style="background-color: black; color: black;">[REDACTED]</span> Email Address: DGilmore@sdcscera.org Phone: <span style="background-color: black; color: black;">[REDACTED]</span>
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name:
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<input type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> <b>General Elected</b> <input type="radio"/> Retiree <input type="radio"/> Other _____
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<input type="radio"/> President <input type="radio"/> <b>Vice President</b> <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member
<b>Brief Bio in Paragraph Format</b>	<p>I have over 25 years with the County of San Diego and have been in management for the past 13 years. I am currently in my second term at SDCERA as a trustee and occupy the safety seat. I was elected to the SACRS Board of Directors last year and am seeking re-election for the upcoming year. I have a degree in accounting and a graduate degree in public administration.</p> <p>Thank you for your consideration and please see my letter of intent attached.</p>



## **7. SACRS Audit Report – Action**

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

### **A. SACRS 2021-2022 Annual Audit**



JAMES MARTA & COMPANY LLP  
CERTIFIED PUBLIC ACCOUNTANTS

**STATE ASSOCIATION OF  
COUNTY RETIREMENT SYSTEMS**

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

**FOR THE FISCAL YEARS ENDED  
JUNE 30, 2022 AND 2021**

701 HOWE AVENUE, E3  
SACRAMENTO, CA 95825

(916) 993-9494  
(916) 993-9489 FAX  
[WWW.JPMCPA.COM](http://WWW.JPMCPA.COM)

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

JUNE 30, 2022

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**BOARD OF DIRECTORS**

**Vivian Gray**  
President

**David MacDonald**  
Vice President

**Jordan Kaufman**  
Treasurer

**Adele Tagaloa**  
Secretary

**Dan McAllister**  
Immediate Past President

**Vere Williams**  
Board Member

**David Gilmore**  
Board Member

**Wally Fikri**  
Affiliate Chair

\* \* \* \*

**Sulema Peterson**  
Association Management

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

JUNE 30, 2022 AND 2021

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**James Marta & Company LLP**  
**Certified Public Accountants**

*Accounting Auditing Tax and Consulting*

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**INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statement State Association of County Retirement Systems (SACRS) which comprise the statement of cash receipts and disbursements for the fiscal years ended June 30, 2022 and 2021, and the related notes to the financial statement.

In our opinion, the accompanying statement of cash receipts and disbursements present fairly, in all material respects, the financial position of State Association of County Retirement Systems as of June 30, 2022 and 2021 in accordance with the cash basis of accounting described in Note 1.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of State Association of County Retirement Systems, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Emphasis of Matter – Basis of Accounting***

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

***Responsibility of Management for the Consolidated Financial Statements***

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

In preparing the statement of cash receipts and disbursements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about State Association of County Retirement Systems' ability to continue as a going concern for a period of at least twelve months from the date of the statement of cash receipts and disbursements.

***Auditor's Responsibilities for the Audit of the statement of cash receipts and disbursements***

Our objectives are to obtain reasonable assurance about whether the statement of cash receipts and disbursements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these statement of cash receipts and disbursements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the statement of cash receipts and disbursements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of State Association of County Retirement Systems' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the statement of cash receipts and disbursements
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about State Association of County Retirement Systems' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



### ***Other Information***

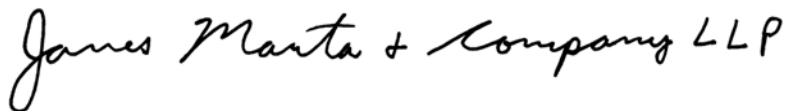
Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report, on pages 8 to 13, are presented for purposes of additional analysis and are not a required part of the financial statement.

The Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, on pages 8 to 12, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, on pages 8 to 12 is fairly stated in all material respects in relation to the financial statement as a whole.

The Conference Summary Report, on page 13, has not been subjected to the auditing procedures applied in the audit of the basic financial statement, and accordingly, we do not express an opinion or provide any assurance on it.

### ***Restricted Use***

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

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
December 20, 2022

## **FINANCIAL SECTION**

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	2021-22	2020-21
<b><u>Cash Receipts</u></b>		
Dues	\$ 321,490	\$ 422,500
Conference		
Fall	503,150	104,815
Spring	534,549	116,115
Seminars	115,650	73,000
Other admin receipts	350	60,050
Other conference receipts	350	350
Interest	-	8,519
Total cash receipts	<u>1,475,539</u>	<u>785,349</u>
<b><u>Cash Disbursements</u></b>		
Conference		
Fall - 2021 and 2020		
Hotel and meals	345,697	2,668
Audio and visual	86,293	46,888
Program materials	95,289	41,174
Spring - 2022 and 2021		
Hotel and meals	30,956	6,490
Audio and visual	122,694	39,097
Program materials	76,921	13,790
Seminars	250,832	196,257
Conference administration	31,462	22,826
Total conference disbursements	<u>1,040,144</u>	<u>369,190</u>
Administration	357,802	274,714
Lobbying	65,013	55,011
Newsletters	33,276	15,031
Committee meetings	58,157	2,033
Special projects	17,841	17,759
Interest	32,231	-
Total administration disbursements	<u>564,320</u>	<u>364,548</u>
Total Cash Disbursements	<u>1,604,464</u>	<u>733,738</u>
Excess (Deficit) of Cash Receipts over Cash Disbursements	(128,925)	51,611
Cash and Investments, Beginning	<u>2,033,559</u>	<u>1,981,948</u>
Cash and Investments, Ending	<u>\$ 1,904,634</u>	<u>\$ 2,033,559</u>
<i>Supplementary Information</i>		
Cash and Investments at June 30,	2022	2021
Cash and cash equivalents	\$ 959,810	\$ 1,054,911
Non current portion of investments	944,824	978,648
Total Cash and Investments	<u>\$ 1,904,634</u>	<u>\$ 2,033,559</u>

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

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## NOTES TO THE FINANCIAL STATEMENT

### FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

---

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. ORGANIZATION

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

##### B. BASIS OF ACCOUNTING

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

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

##### C. INCOME TAXES

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

##### D. CONTRACTUAL AGREEMENTS

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

##### E. COMPARATIVE DATA

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

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## NOTES TO THE FINANCIAL STATEMENT

### FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### E. COMPARATIVE DATA (CONTINUED)

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

#### 2. CASH AND INVESTMENTS

##### Cash and Cash Equivalents

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

	2022	2021
Bank accounts	\$ 158,389	\$ 255,570
Money market accounts	801,421	799,341
Total cash and cash equivalents	<u>\$ 959,810</u>	<u>\$ 1,054,911</u>

Cash in bank accounts at June 30, 2022 consisted of the following:

	First Foundation	Bank of America	Total
Per bank	\$ 149,965	\$ 46,669	\$ 196,634
Checks outstanding	(38,245)	-	(38,245)
Total bank accounts	<u>\$ 111,720</u>	<u>46,669</u>	<u>\$ 158,389</u>

Cash in bank accounts at June 30, 2021 consisted of the following:

	First Foundation	Bank of America	Total
Per bank	\$ 257,855	\$ 16,883	\$ 274,738
Checks outstanding	(19,168)	-	(19,168)
Total bank accounts	<u>\$ 238,687</u>	<u>16,883</u>	<u>\$ 255,570</u>

Cash balances on interest-bearing accounts held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). There was \$0 and \$7,855 in excess of FDIC coverage as of June 30, 2022 and 2021, respectively.

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## NOTES TO THE FINANCIAL STATEMENT

### FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

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#### 2. CASH AND INVESTMENTS (Continued)

##### Investments

In March 2015, SACRS invested in the CalTRUST Medium-Term Fund (the "Fund"), depositing \$1,104,130. The fair value balance as of June 30, 2022 and 2021 presented in the financial statement is \$944,824 and \$978,648; respectively. This balance includes reinvested interest income totaling and \$0 and \$3,329, respectively. The current portion of the investment account represents underlying securities which are immediately redeemable (e.g. equities), or will mature within one year. The current portion of investments at June 30, 2022 and 2021 was \$0. The Fund is not rated or insured.

#### 3. CONTRACTS

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

Conference	Cancellation Fees	Food and Beverage Minimums	Room Nights Reserved	Guest Room Nights Minimum	Rooms Attrition
Fall 2022	\$136,762-\$288,524	\$150,000	1145	916	\$249 plus tax
Spring 2023	\$224,848-\$404,726	\$170,000	1145	916	\$247 plus tax
Fall 2023	\$123,832-\$397,665	\$150,000	1185	948	\$209 plus tax

#### 4. DONATED SERVICES

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

#### 5. SUBSEQUENT EVENTS

SACRS' management has evaluated subsequent events through December 20, 2022, the date which the financial statement was issued. Management is not aware of any subsequent events that would require recognition or disclosure in the financial statement.

## **SUPPLEMENTARY INFORMATION**

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

**COMBINING STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Conference</u>	<u>Administration</u>	<u>Total</u>
<b><u>Cash Receipts</u></b>			
Dues	\$ -	\$ 321,490	\$ 321,490
Conference			
Fall	503,150	-	503,150
Spring	534,549	-	534,549
Seminars	115,650		115,650
Other admin receipts	-	350	350
Other conference receipts	350	-	350
Total Cash Receipts	<u>1,153,699</u>	<u>321,840</u>	<u>1,475,539</u>
<b><u>Cash Disbursements</u></b>			
Conference			
Fall - 2021			
Hotel and meals	345,697	-	345,697
Audio and visual	86,293	-	86,293
Program materials	95,289	-	95,289
Spring - 2022			
Hotel and meals	30,956	-	30,956
Audio and visual	122,694	-	122,694
Program materials	76,921	-	76,921
Seminars	250,832	-	250,832
Conference Administration	31,462	-	31,462
Total conference disbursements	<u>1,040,144</u>	<u>-</u>	<u>1,040,144</u>
Administration	-	357,802	357,802
Lobbying	-	65,013	65,013
Newsletters	-	33,276	33,276
Committee meetings	-	58,157	58,157
Special projects	-	17,841	17,841
Interest	-	32,231	32,231
Total administration disbursements	<u>-</u>	<u>564,320</u>	<u>564,320</u>
Total Cash Disbursements	<u>1,040,144</u>	<u>564,320</u>	<u>1,604,464</u>
Excess (Deficit) of Cash Receipts over Cash Disbursements	113,555	(242,480)	(128,925)
Cash and Investments, Beginning	<u>3,006,835</u>	<u>(973,276)</u>	<u>2,033,559</u>
Cash and Investments, Ending	<u>\$ 3,120,390</u>	<u>\$ (1,215,756)</u>	<u>\$ 1,904,634</u>



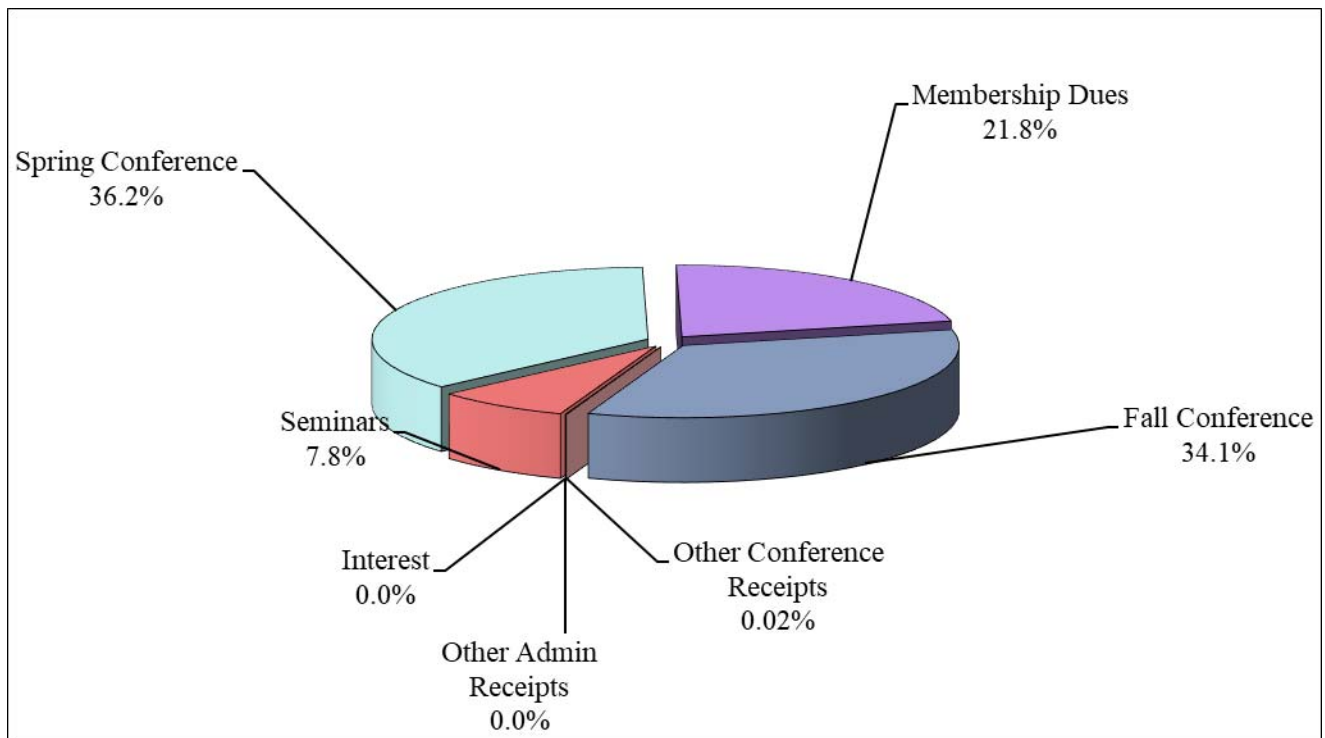
**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

**GRAPHICAL PRESENTATION OF CASH RECEIPTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**CASH RECEIPTS BY SOURCE**



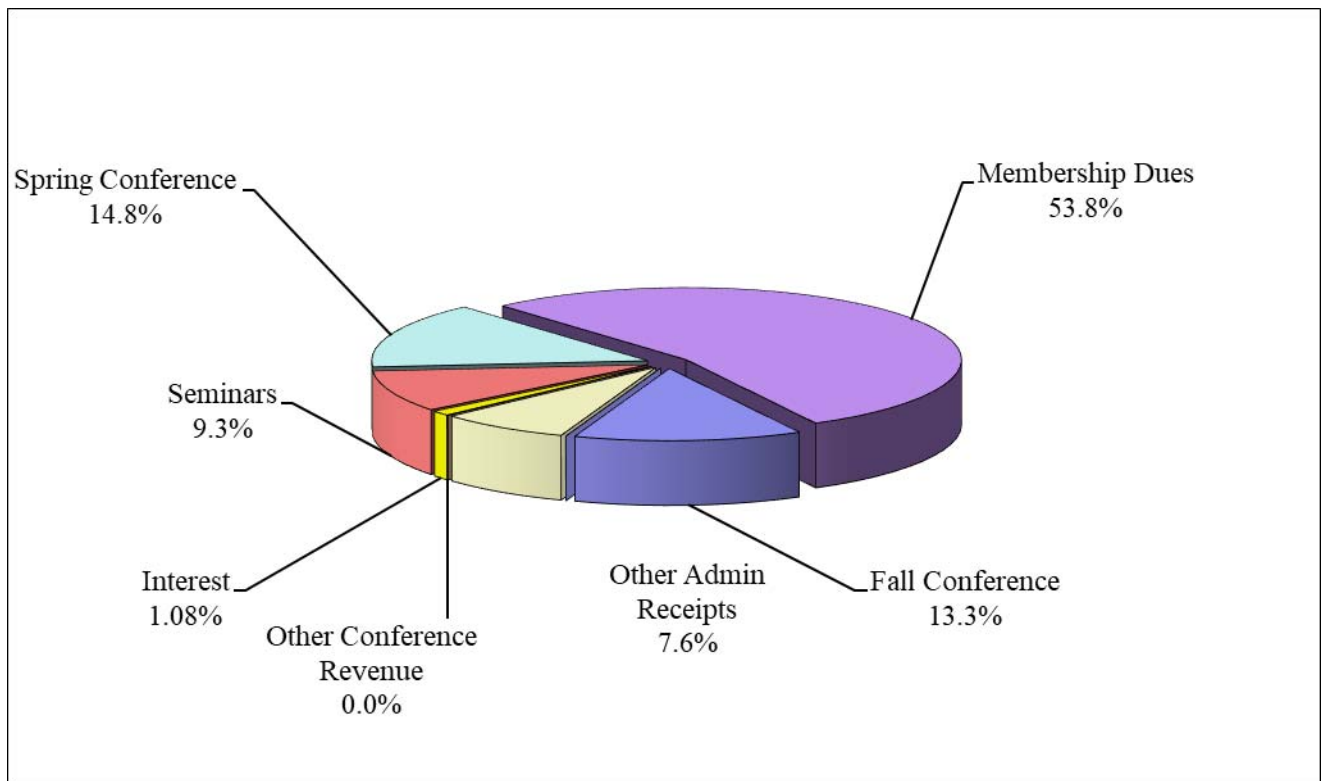
**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

**GRAPHICAL PRESENTATION OF CASH RECEIPTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**CASH RECEIPTS BY SOURCE**

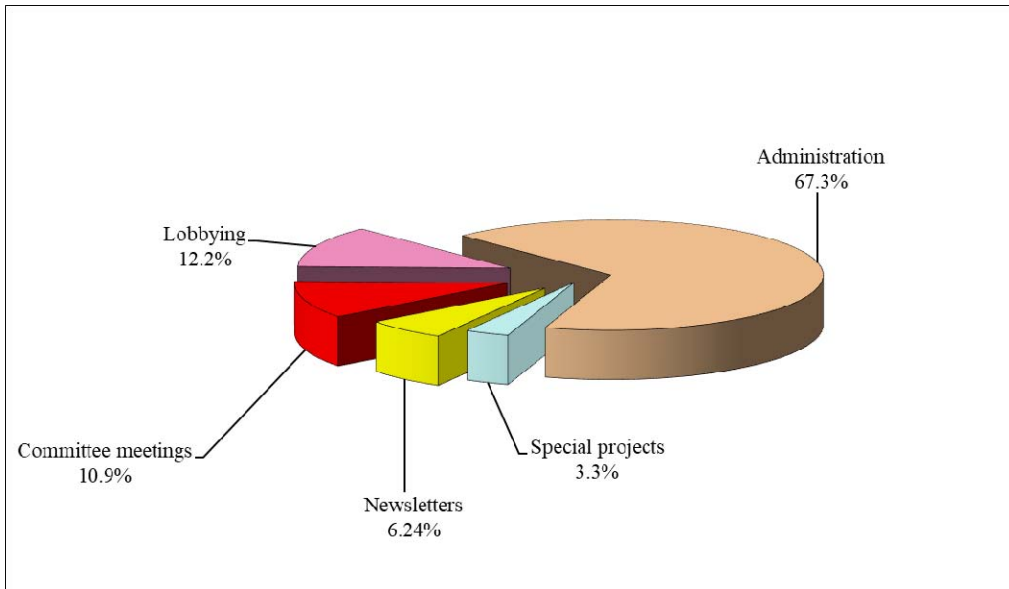


# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

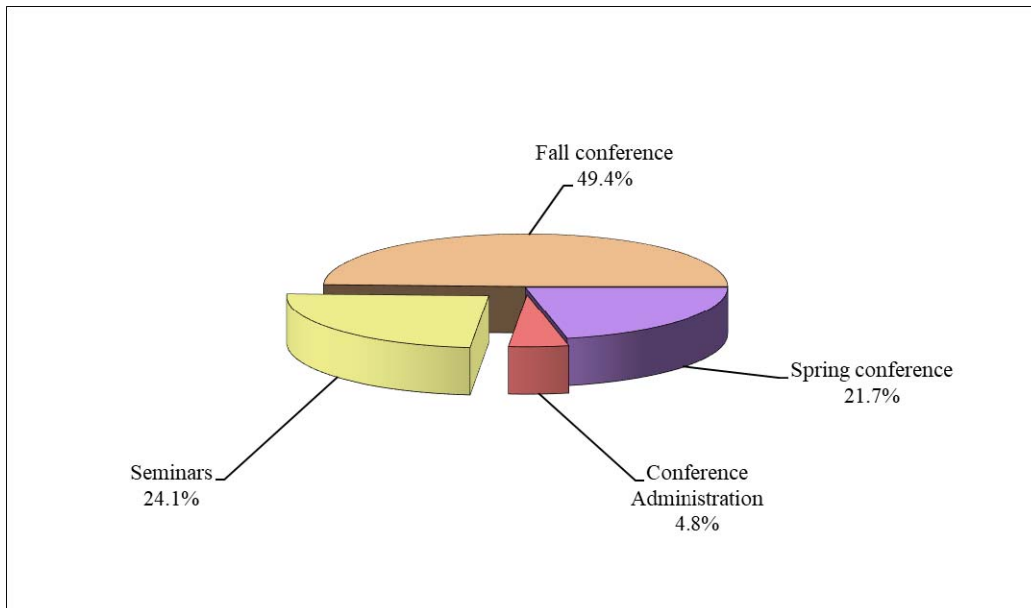
## GRAPHICAL PRESENTATION OF CASH DISBURSEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

### ADMINISTRATION CASH DISBURSEMENTS



### CONFERENCE CASH DISBURSEMENTS



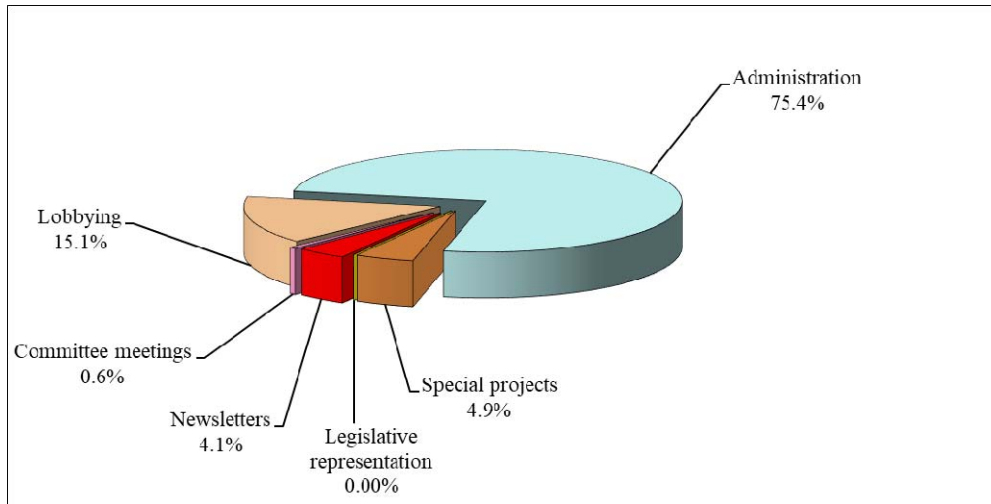
# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## GRAPHICAL PRESENTATION OF CASH DISBURSEMENTS

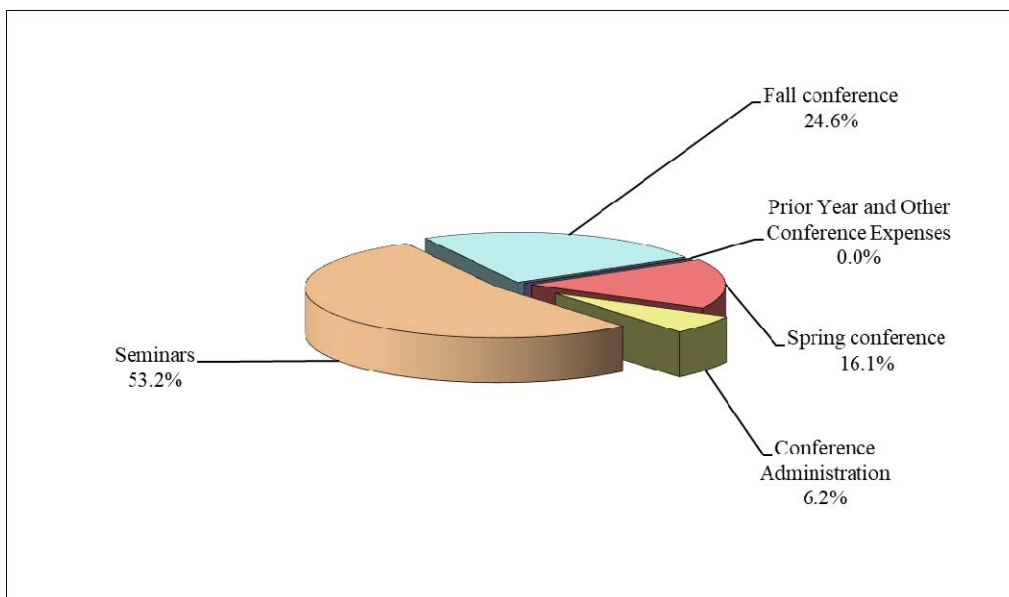
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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### ADMINISTRATION CASH DISBURSEMENTS



### CONFERENCE CASH DISBURSEMENTS



# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## CONFERENCE SUMMARY REPORT

	Spring 2022	Fall 2021	Spring 2021 Held Via Virtual Conference	Fall 2020 Held Via Virtual Conference	Spring 2020 Canceled/Held Via Webinar	Fall 2019 Monterey	Spring 2019 Lake Tahoe	Fall 2018 Indian Wells
Cash receipts								
Conference	\$ 534,549	\$ 503,150	\$ 116,115	\$ 102,380	\$ -	\$ 639,270	\$ 592,590	\$ 591,530
Total cash receipts	<u>534,549</u>	<u>503,150</u>	<u>116,115</u>	<u>102,380</u>	<u>-</u>	<u>639,270</u>	<u>592,590</u>	<u>591,530</u>
Cash disbursements								
Hotel and meals	20,225	329,775	-	-	-	267,961	195,278	312,670
Audio and visual	114,145	86,293	38,975	46,888	-	56,477	57,731	52,180
Program materials	33,115	39,374	2,500	3,049	-	20,381	42,342	32,086
Program Speakers	41,750	55,915	11,290	38,125	-	63,172	39,784	74,458
Conference Administration	21,335	15,923	3,830	2,668	-	12,131	28,354	22,738
Total cash disbursements	<u>230,571</u>	<u>527,279</u>	<u>56,595</u>	<u>90,730</u>	<u>-</u>	<u>420,122</u>	<u>363,489</u>	<u>494,132</u>
Net cash provided by conference	<u>\$ 303,978</u>	<u>\$ (24,129)</u>	<u>\$ 59,520</u>	<u>\$ 11,650</u>	<u>\$ -</u>	<u>\$ 219,148</u>	<u>\$ 229,101</u>	<u>\$ 97,398</u>
Total attendees	<u>577</u>	<u>540</u>	<u>443</u>	<u>363</u>	<u>N/A</u>	<u>647</u>	<u>590</u>	<u>588</u>



**James Marta & Company LLP**

***Certified Public Accountants***

*Accounting, Auditing, Consulting, and Tax*

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of State Association of County Retirement Systems (SACRS), as of and for the years ended June 30, 2022 and 2021 the related notes to the financial statement, which collectively comprise the State Association of County Retirement Systems' basic financial statement, and have issued our report thereon dated December 20, 2022.

**Internal Control over Financial Reporting**

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

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

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

**Purpose of this Report**

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

*James Marta & Company LLP*

James Marta & Company LLP  
Certified Public Accountants  
December 20, 2022



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

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

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



**No printed materials for this item**





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

David MacDonald, Contra Costa CERA, SACRS Program Committee Chair

### **A. SACRS Annual Spring 2023 Conference Report**



**No printed materials for this item**



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

Joanne Svendsgaard, Millennium, SACRS Affiliate Committee Chair

### **A. Affiliate Committee report/verbal update**



**No printed materials for this item**



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

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

- A. Bylaws Committee report/verbal update



**No printed materials for this item**



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

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

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



**No printed materials for this item**





### **13. Adjournment**

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



COUNTY OF TULARE  
**BOARD OF RETIREMENT**

**Leanne Malison**  
**Retirement Administrator**

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**MEMORANDUM**

**To:** Board of Retirement  
**From:** Leanne Malison, Retirement Administrator  
**Date:** April 26, 2023  
**Subject:** Board of Retirement Public Comment

**History:**

The Board of Retirement has authorized Public Comment for Board meetings via remote access (Zoom or Teams) since March 23, 2022. This access was in addition to the opportunity to address the Board in person or via email. This action was in response to the COVID-19 pandemic to ensure that members of the public could provide input regarding Board matters without risk of exposure.

**Request:**

Staff is requesting that the Board consider returning to in-person and email access only for Public Comment for Board meetings. The reasons for the request include:

1. The Governor of California has lifted the declared emergency for the pandemic.
2. Monitoring and managing the remote access in addition to the live-stream and in-person activity is challenging for TCERA given our limited staff resources.
3. The Board of Supervisors has implemented this change. While TCERA is not required to handle Public Comment in the same manner as the Board of Supervisors, consistency would help eliminate confusion for members of the public.
4. The addition of remote access for Public Comment was an official Board action and therefore requires Board action for the option to be removed.

TCERA is committed to providing transparency in its activity and the opportunity for the public to communicate with the Board regarding retirement matters. Staff believes that in-person access, email capability, and live-stream technology achieve this goal.

## EDUCATIONAL EVENTS - Board of Retirement

### **2023**

1. **CALAPRS**, Trustees Roundtable, May 5, 2023, (Virtual). Agenda Pending
2. **SACRS**, Spring Conference, May 9-12, 2023, Paradise Point Resort & Spa, San Diego, CA. Agenda in Binder.
3. **PIMCO**, Fall PIMCO Institute, October 23-26, 2023, 650 Newport Center Dr, Newport Beach. Agenda in Binder.
4. **Invesco**, Real Estate Global Client Conference, November 14-16, 2023, The Lodge at Torrey Pines, San Diego, CA. Agenda Pending.



April 6, 2023

TO: State Association of County Retirement Systems

FROM: Edelstein Gilbert Robson & Smith, LLC

RE: **Legislative Update – April 2023**

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### **General Update**

With the bill introduction deadline behind us, the Legislature now turns to policy committee hearings for the first house. The Legislature will have until April 28 for all fiscal bills to be heard in policy committee. Until this date (aside from Spring Recess from March 30 – April 10), the Legislature will be busy conducting hearings for bills introduced this year.

By this point, most of the “spot” or “intent” bills (placeholder bills without substantive language) have since been amended with substantive language that will allow them to move forward in the legislative process and get a hearing in policy committee.

Non-fiscal bills will have until May 5 to be heard in policy committee.

### **Legislation of Interest**

**AB 1020 (Grayson) – CERL Disability Presumptions.** This bill would establish several new disability retirement presumptions for various injuries and illnesses in the CERL, similar to provisions that exist in the Labor Code. The bill is sponsored by the California Professional Firefighters.

**SB 252 (Gonzalez) – PERS and STRS Fossil Fuel Divestment.** Senator Gonzalez reintroduced SB 1173 from last session. Like last year, this bill applies to CalPERS and CalSTRS and prohibits the retirement systems from renewing or making new investments in fossil fuel companies as well as requiring them to liquidate existing investments by July 1, 2030, among other requirements. The bill was introduced as part of a package of climate legislation.

**SB 660 (Alvarado-Gil) - CA Public Retirement System Agency Cost and Liability Panel.** This bill would establish the CA Public Retirement System Agency Cost and

Liability Panel that would be tasked to determine how costs and unfunded liability are apportioned to a public agency when a member changes employers within the same retirement system or concurrently retires with two or more systems that have entered into a reciprocity agreement. The panel would include a member from the State Association of County Retirement Systems (SACRS).

### **Public Meeting Bills**

Since the onset of the COVID-19 pandemic, teleconferencing flexibilities have become a subject of interest in California's Legislature, with local government groups sponsoring various bills on the topic since 2021. This session is no exception, and a handful of bills have been introduced:

**AB 557 (Hart) - AB 361 Sunset Extension.** This bill would remove the sunset established in AB 361 (R. Rivas) as well as increase the time period when the Board must renew the findings of an emergency or need for social distancing from 30 days to 45 days.

**AB 817 (Pacheco) – Open Meeting Flexibility for Subsidiary Bodies.** This bill allows subsidiary bodies to use teleconferencing without regard to a state of emergency if they meet certain requirements. Subsidiary bodies are bodies that serve in an advisory capacity and do not take final action on specified items.

**AB 1379 (Papan) - Teleconference Flexibilities.** AB 1379 expands various flexibilities for local agencies under the Brown Act including, but not limited to, relaxing requirements for posting teleconference locations, relaxing certain quorum requirements, removing the existing January 1, 2026 sunset date of flexibilities in current law, removing restrictions that prohibit members from participating remotely for more than two meetings a year, among other changes. The bill also requires that a legislative body have at least two meetings a year where members are in person at a single designated location.

**SB 411 (Portantino) - Teleconferencing for Appointed Bodies.** This bill would allow local legislative bodies with appointed members to use teleconferencing indefinitely regardless of the presence of an emergency. The author intends this bill to apply to neighborhood councils. The bill is an urgency bill and therefore requires a 2/3 vote.

**SB 537 (Becker) - Teleconference Flexibilities.** This bill was recently amended with substantive language that allows multijurisdictional, cross county legislative bodies to use teleconferencing indefinitely and without regard to a state of emergency and adds certain requirements, like requiring a legislative body to provide a record of attendance on its website within 7 days of the meeting. The bill also adds to the list of circumstances where a member is permitted to participate remotely. We have met with the author's staff and are preparing some amendments to clarify that local retirement systems are covered by the bill. The bill is an urgency bill and therefore requires a 2/3 vote.

# TCERA Board of Retirement 2023 Trustee Education/Presentation Calendar

Month	Meeting Date	Education/Presentation Topics
January	January 11 January 25	
February	February 8 February 22	Parliamentary Procedures Education – Counsel 12/31/22 Investment Report – Verus
March	March 8 March 22	PIMCO RAE SGA
April	April 12 April 26	Invesco IFM
May	SACRS – May 9-12 May 24	3/31/23 Investment Report – Verus Strategic Asset Allocation Review - Verus
June	June 14 June 28	Pathway
July	July 12 July 26	Disability Education – Counsel BlackRock (Fixed Income) DoubleLine
August	August 9 August 23	Strategic Planning Session 6/30/23 Investment Report – Verus Investment Manager Fee Review
September	September 13 September 27	Boston Partners

		Leeward
October	October 11	Preliminary Actuarial Analysis and Presentation of Three-Year Experience Study – Cheiron Joint Meeting with Board of Supervisors
	October 25	Private Markets Review - Verus Actuarial Discussion – Part 2
November	November 1 - due to SACRS	Final Actuarial Valuation Report and Three-Year Experience Study - Cheiron
	SACRS Nov 7-10	
	November 15 - due to Thanksgiving Holiday	9/30/23 Investment Report Final Actuarial Valuation Report and Three-Year Experience Study – Part 2 (if needed) - Cheiron
December	December 13	Brown Armstrong – Audit Results

Expected 2024 Investment Manager Regular Biennial Presentations:

QMA (PGIM)  
Sixth Street  
RREEF  
Ocean Avenue  
William Blair  
KBI  
PGIM (EM Debt)  
American Realty  
MacKay Shields