



SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

AGENDA

BOARD OF RETIREMENT MEETING SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION BOARD MEETING FRIDAY, NOVEMBER 6, 2026 AT 9:00 AM

SJCERA Board Room, 220 East Channel Street, Stockton, California

The public may also attend the Board meeting live via Zoom by (1) clicking here <https://us02web.zoom.us/j/84551315405> and following the prompts to enter your name and email, or (2) calling (669) 219-2599 or (669) 900-9128 and entering Meeting ID 84551315405#

Persons who require disability-related accommodation should contact SJCERA at (209) 468 -2166 or GregF@sjcera.org at least forty-eight (48) hours prior to the scheduled meeting time.

1. ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. MEETING MINUTES

3.1 Minutes of Board Meeting of October 14, 2026

3.2 Minutes of Investment Roundtable Meeting of October 15, 2026

3.3 Board to consider and take possible action

4. PUBLIC COMMENT

4.1 The public is welcome to address the Board during this time on matters within the Board's jurisdiction, following the steps listed below. Speakers are limited to three minutes, and are expected to be civil and courteous. Public comment on items listed on the agenda may be heard at this time, or when the item is called, at the discretion of the Chair.

If joining via Zoom, Public Comment can be made in the following ways:

PC or Mac: select “Participants” in the toolbar at the bottom of your screen, then select the option to raise or lower your hand.

Mobile Device: select the “More” option in the toolbar at the bottom of your screen, then select the option to raise or lower your hand.

Tablet: select the icon labeled “Participants,” typically located at the top right of your screen, then select the hand icon next to your device in the Participants column.

If dialing in from a phone for audio only, dial *9 to “raise your hand.”

If attending in person, members of the public are encouraged to complete a Public Comment form, which can be found near the entry to the Board Room.

Except as otherwise permitted by the Ralph M. Brown Act (California Government Code Sections 54950 et seq.), no deliberation, discussion or action may be taken by the Board on items not listed on the agenda. Members of the Board may, but are not required to: (1) briefly respond to statements made or questions posed by persons addressing the Board;(2) ask a brief question for clarification; or (3) refer the matter to staff for further information.

5. CONSENT

5.1 Service Retirements

5.2 Trustee and Executive Staff Travel

1 Conference and Event Schedules

2 Summary of Pending Trustee and Executive Staff Travel

3 Summary of Completed Trustee and Executive Staff Travel

5.3 Legislative Summary Report/SACRS Legislative Update

5.4 Calendar

5.5 Manager Performance Flash Report - September 2026

5.6 SACRS Business Meeting Materials - November 13, 2026

5.7 Board to consider and take possible action on consent items

6. INVESTMENT CONSULTANT REPORTS

6.1 Presentation by David Sancewich of Meketa Investment Group

- 1 Monthly Economic and Markets Update - September 2026
- 2 Roundtable Summary
- 3 Liquidity Analysis and Cash Forecasting
- 4 Managers on Watch Update

6.2 Board to receive and file reports

7. STAFF REPORTS

- 7.1 CEO Report
- 7.2 2027 - 2028 Action Plan (Draft)
- 7.3 Board to receive and file report

8. CLOSED SESSION

- 8.1 Employee Disability Retirement Application (1)
California Government Code Section 54957(b)
- 8.1.1 Justin Claypool
Sheriff
Deputy Sheriff II

9. REPORT OUT OF PREVIOUS CLOSED SESSION

- 9.1 On August 14, 2026, the Board voted 8-0 in regard to Resolution 2026-11-01 titled "Ocean Avenue Fund VI" and to authorize the CEO to sign the necessary documents to invest up to \$100 million in the fund
- 9.2 On September 11, 2026, the Board voted 9-0 in regard to Resolution 2026-11-02 titled "Long Arc Capital Co-Investment" to authorize the CEO to sign the necessary documents to invest \$15 million in the fund.

10. COMMENTS

- 10.1 Comments from the Board of Retirement

11. SUMMARY OF BOARD DIRECTION

12. ADJOURNMENT



SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

MINUTES

BOARD OF RETIREMENT MEETING SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION BOARD MEETING WEDNESDAY, OCTOBER 14, 2026 AT 9:01 AM

SJCERA Board Room, 220 East Channel Street, Stockton, California

1. ROLL CALL

MEMBERS PRESENT: Phonxay Keokham, Jesse Escotto, Sam Kaisch, Michael Duffy, Michael Restuccia (Out at 10:14 a.m.), Steve Baxter, Emily Hammond, JC Weydert, Steve Moore

MEMBERS ABSENT: Sonny Dhaliwal, Steve Dougherty

STAFF PRESENT: Chief Executive Officer Renee Ostrander, Chief Counsel Aaron Zaheen, Investment Officer Trent Kaeslin, Management Analyst III Greg Frank, Executive Secretary Jamie Dadasovich

OTHERS PRESENT: David Sancewich of Meketa Investment Group, Kay Ceserani of Meketa Investment Group, Michael Pellatz of Meketa Investment Group, Maya Ortiz de Montellano of Meketa Investment Group, Scott Maynard of Meketa Investment Group, Eva Yum of Segal Consulting, Daniel Siblik of Segal Consulting

2. PLEDGE OF ALLEGIANCE

Led by: Renee Ostrander

3. MEETING MINUTES

3.1 Minutes of Board Meeting of September 11, 2026

3.2 The Board voted unanimously (7 - 0) to approve the Minutes of the Board Meeting of September 11, 2026. (Motion: M. Duffy; Second: S. Kaisch)

4. PUBLIC COMMENT

4.1 There was no public comment

5. CONSENT

5.1 Service Retirements

- 5.2** Trustee and Executive Staff Travel
 - 1** Conference and Event Schedules
 - 2** Summary of Pending Trustee and Executive Staff Travel
 - 3** Summary of Completed Trustee and Executive Staff Travel
- 5.3** Legislative Summary Report/SACRS Legislative Update
- 5.4** Board Calendar
- 5.5** Proposed 2027 Board Meeting Calendar
- 5.6** Manager Performance Flash Report - August 2026
- 5.7** The Board reviewed and voted unanimously (7 - 0) to approve the Consent Agenda (Motion: M. Duffy; Second: P. Keokham)

6. ACTUARIAL AUDIT REPORT

- 6.1** Presentation by Eva Yum and Daniel Siblik, Principal and Consulting Actuaries of Segal Consulting
 - 6.1.1** Actuarial Audit of December 31, 2025, Valuation
- 6.2** The Board received and filed reports

7. INVESTMENT CONSULTANT REPORTS

- 7.1** Presentation by David Sancewich, Michael Pellatz, Scott Maynard, Maya Ortiz de Montellano, and Kay Ceserani of Meketa Investment Group
 - 1** Monthly Economic and Markets Update - August 2026
 - 2** Real Estate Review and Pacing Study
 - 3** Private Markets Pacing Studies
 - 4** Asset Allocation and Manager Update
 - 5** Emerging Market Equity Education
- 7.2** The Board received and filed reports

8. CLOSED SESSION

The Chair convened Closed Session at 10:33 a.m. and reconvened Open Session at 10:45 a.m.

- 8.1** Purchase or Sale of Pension Fund Investment
California Government Code Section 54956.81

- 8.2** Purchase or Sale of Pension Fund Investment
California Government Code Section 54956.81

9. GENERAL INVESTMENT CONSULTANT RFP RECOMMENDATION

- 9.1** The Board reviewed and voted unanimously (6 - 0) to approve the RFP Recommendation (Motion: P. Keokham; Second: M. Duffy)

10. STAFF REPORTS

- 10.1** CEO Report: In addition to her written report, CEO Ostrander stated the following: (1) Actuarial and investment evaluations coming out this week. (2) We signed contracts with Ocean Avenue and Neuberger. (3) DROP was approved for study. There is a team in place to support this study and will remain closely connected. (4) Next year's ACFR has been selected as "The Heart of People"; supporting the people behind the care. CEO Ostrander offered sincere thanks to Jesse Escotto for connecting SJCERA to the hospital so we will have an abundance of content. (5) Action Plan draft is underway; a prepared draft will be ready for presentation by next month.

- 10.2** Final 2027-2035 Strategic Plan

- 10.3** Quarterly Operations Report

- 1** Accounts Receivable Third Quarter 2026
- 2** Disability Quarterly Report
- 3** Quarterly Operations Metrics
- 4** Pension Administration System Update

- 10.4** The Board reviewed and voted unanimously (6 - 0) to approve item 10.2 Final 2027-2035 Strategic Plan (Motion: M. Duffy; Second: J. Weydert)

- 10.5** The Board received and filed reports

11. REPORT OUT OF PREVIOUS CLOSED SESSION

- 11.1** On July 10, 2026, the Board voted 7-0 in regard to Resolution 2026-10-01 titled "TPG Peppertree XI" and to authorize the CEO to sign the necessary documents to invest \$75 million in the fund.
- 11.2** On June 12, 2026, the Board voted 5-2 in regard to Resolution 2026-10-02 titled "Bessemer Venture Partners XIII" and "Bessemer Venture Partners Century Fund III" and to authorize the CEO to sign the necessary documents to invest \$30 million and \$20 million respectively in the two funds.

12. COMMENTS

- 12.1** There were no comments from the Board of Retirement

13. SUMMARY OF BOARD DIRECTION

14. ADJOURNMENT

There being no further business, and the meeting was adjourned at 11:02 a.m.



SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

MINUTES

BOARD OF RETIREMENT MEETING SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION SPECIAL MEETING THURSDAY, OCTOBER 15, 2026 AT 8:02 AM

Wine and Roses - Garden Ballroom, 2505 Turner Road, Lodi, CA 95242

1. ROLL CALL

MEMBERS PRESENT: Phonxay Keokham, Jesse Escotto, Sam Kaisch, Michael Duffy, Michael Restuccia, Sonny Dhaliwal (arrived 12:30pm), Steve Baxter, Emily Hammond, JC Weydert, Steve Moore, Steve Dougherty

MEMBERS ABSENT: None

STAFF PRESENT: Chief Executive Officer Renee Ostrander, Chief Legal Counsel Aaron Zaheen, Investment Officer Trent Kaeslin, Management Analyst III Greg Frank, Executive Secretary Jamie Dadasovich, Administrative Secretary Elaina Petersen

OTHERS PRESENT: David Sancewich, Kay Ceserani, Ryan Farrell, Michael Pellatz of Meketa Investment Group, Brian Woods of Abacus Capital Group, Juliette Schainuck of Ares Management, Matt Novak of Berkeley Partners, Tim Murray, Tushar Yadava of BlackRock, Graham Schmidt of Cheiron, Reza Basharzad of Clarion Partners, Alexander Chartz of Dodge & Cox, Sophia Santore, Michael Hudgins of Hines, Alex Tanase, Brooks Monroe of Invesco, Sang Gupta of LongArc, Andrew Henwood, Matthew Buxton of Loomis, Lynn Carr, Jessica Hobbs of Mesa West Capital, David Aspell, Jerry Prior of Mount Lucas Management, Cheryl Cannistra, Christopher Miller of Neuberger, Simon Lau, Stephen Hooker of Newfleet/Stone Harbor, Rodolfo Martell, Kitty Martin of Northern Trust, Jessica Curran, Thomas Casarella of Oaktree Capital Management, Katie Koh of Brookfield Asset Management, Jeff Ennis of Ocean Avenue, Warren Naphtal, Brendan Pearl of P/E Investments, Grant Dechert, Ben Gulliver of Pemberton Capital Advisors, Matt Clark, Catharine Roddy of PIMCO, Kosta Karmaniolas, Lake McGill of Prologis, Jason Kezelman, Sean Patterson of Silver Point Capital, Bridget McKenna of Silver Rock Capital Partners, Emily Brown of SROA Capital, Victoria Choi, Ryan Lepene of TPG Peppertree

2. PLEDGE OF ALLEGIANCE

Led by: Michael Restuccia

3. WELCOME AND INTRODUCTION OF PARTICIPANTS

- 3.1** Moderated by David Sancewich of Meketa Investment Group; Chair Restuccia introduced the Board, Staff, and County Employer guests. Chair Restuccia provided information about the role of the Board of Retirement. CEO Ostrander discussed the
- SJCERA Board of Retirement Investment Roundtable Page | 1

financial status of SJCERA.

4. OVERVIEW OF SJCERA - ASSET ALLOCATION, RETURN AND RISK, GOALS AND OBJECTIVES

- 4.1 David Sancewich of Meketa Investment Group gave a summary of SJCERA's portfolio plan.

5. KEYNOTE SPEAKER - THE STATE OF THE WORLD IN 2026 AND BEYOND

- 5.1 Presentation by Tushar Yadava - Managing Director, BlackRock

6. PRIVATE MARKET INVESTING: PRIVATE EQUITY, PRIVATE CREDIT & MARKET INFRASTRUCTURE

What's next, and where are the markets today? Will Private Market increase distributions and M&A activity?

- 6.1 **Moderator:** Michael Pellatz of Meketa Investment Group
Presenters: Thomas Casarella of Oaktree, Ben Gulliver of Pemberton Capital Advisors, Jeff Ennis of Ocean Avenue, and Ryan Lepene of TPG Peppertree

7. REAL ESTATE

What lies ahead in Real Estate, and what are the opportunities? Has Office bottomed? What are some emerging market constraints in Real Estate?

- 7.1 **Moderator:** David Sancewich of Meketa Investment Group
Presenters: Brooks Monroe of Invesco Real Estate, Kosta Karmaniolas of Prologis, Brian Woods of Abacus Capital Group, and Reza Basharзад of Clarion Partners, LLC

8. MANAGER DEBATE

In a classic debate format, watch teams of managers debate various topics.

- 8.1 **Moderators:** David Sancewich and Ryan Farrell of Meketa Investment Group
Presenters: Warren Naphtal of P/E Diversified, Michael Hudgins of Hines, David Aspell of Mount Lucas Management, and Christopher Miller of Neuberger.

9. INFLATION, STAGFLATION, AND A.I.

When will inflation moderate, and what are the implications? The global economy has been faced with historically high inflation alongside slowing economic growth. What does a more normalized economic market look like from here? What investment trends make sense over the next three to five years given this backdrop?

- 9.1 **Moderator:** Trent Kaeslin of SJCERA
Presenters: Andrew Henwood of Northern Trust, Rodolfo Martell of Northern Trust, and Stephen Hooker of Stone Harbor

10. OPEN DISCUSSION AND RECAP

Led by David Sancewich of Meketa Investment Group

10.1 The Board of Retirement all expressed appreciation for the work put into the event and to those that came to share in the networking.

10.2 The guests of the Investment Roundtable all expressed their enjoyment for the event and thanks those that put the program together.

11. ADJOURNMENT

There being no further business, the meeting was adjourned at 3:52 p.m.

**San Joaquin County Employees Retirement Association***November 2026***5.01 Service Retirement****Consent****01 DIANE ALVAREZ**Legal Technician II
District AttorneyMember Type: General
Years of Service: 09y 06m 03d
Retirement Date: 8/22/2026**02 ORLANDO C ASPURIAS**Deferred Member
N/AMember Type: General
Years of Service: 17y 00m 24d
Retirement Date: 7/29/2026**03 EMELYN M BAGAN**Nursing Assistant
Hosp Surgery - RecoveryMember Type: General
Years of Service: 06y 00m 22d
Retirement Date: 8/1/2026**04 CLAUDIA A BELL**Staff Nurse III -Inpatient
Hosp Med-Surg 2DMember Type: General
Years of Service: 05y 01m 09d
Retirement Date: 8/6/2026**05 TINA M COOK**Legal Administrative Supv
District AttorneyMember Type: General
Years of Service: 08y 00m 02d
Retirement Date: 8/1/2026**06 RENEE J DEMEURICHY**Office Assistant Specialist
Hosp Patient AccountingMember Type: General
Years of Service: 05y 00m 23d
Retirement Date: 8/9/2026**07 HENRY P FLORES**Mental Health Clinician II
Mental Health-Adult OutpatientMember Type: General
Years of Service: 21y 01m 15d
Retirement Date: 8/1/2026

**San Joaquin County Employees Retirement Association****November 2026****08 ADRIANA FRANCO**Office Assistant Specialist
Sheriff-AB109-AlternativesMember Type: General
Years of Service: 22y 04m 26d
Retirement Date: 8/10/2026**09 NANCY C GRIGGS**Deferred Member
N/AMember Type: General
Years of Service: 00y 04m 27d
Retirement Date: 8/8/2026**10 LAURI J KNOWLTON**Court Reporter
Court - Court ReportersMember Type: General
Years of Service: 37y 11m 02d
Retirement Date: 8/23/2026**11 SEAN M LOPEZ**Crafts Worker III
Facilities Mgmt - DowntownMember Type: General
Years of Service: 19y 05m 09d
Retirement Date: 8/23/2026**12 ROBYN L MENDOZA**Nurse Practitioner II-Inpatient
Correctional Health ServicesMember Type: General
Years of Service: 17y 01m 03d
Retirement Date: 7/27/2026**13 CARLA A MIRAMONTES**Eligibility Worker II
HSA-Eligibility StaffMember Type: General
Years of Service: 25y 10m 18d
Retirement Date: 8/8/2026**14 HEIDI M MOORE**Deferred Member
N/AMember Type: General
Years of Service: 07y 11m 20d
Retirement Date: 9/21/2026**15 STACEY L MORTENSEN**Deferred Member
N/AMember Type: General
Years of Service: 06y 06m 29d
Retirement Date: 7/28/2026



San Joaquin County Employees Retirement Association

November 2026

16 LAURA J REEVES

Victim Witness Advocate III
D A - Victim Witness Program

Member Type: General
Years of Service: 28y 00m 04d
Retirement Date: 8/15/2026

17 RICHARD J SOKOL

Airport Director
Stockton Metropolitan Airport

Member Type: General
Years of Service: 03y 05m 13d
Retirement Date: 8/8/2026

18 DIANA ROSE M TAMSE

Deferred Member
N/A

Member Type: General
Years of Service: 05y 00m 08d
Retirement Date: 8/1/2026

CONFERENCES AND EVENTS SCHEDULE

2026 EVENT DATES		EVENT TITLE	EVENT SPONSOR	LOCATION	REG. FEE	WEBLINK FOR MORE INFO	EST. BOARD EDUCATION HOURS
BEGIN	END						
Nov 10	Nov 13	SACRS Fall Conference	SACRS	Rancho Mirage, CA	\$1500	sacrs.org	11*
Nov 17	Nov 19	Global Client Conference	Invesco	San Diego, CA	TBD	invesco.com	15*
Dec 8	Dec 9	13th Annual Northern California Institutional Forum	Markets Group	Berkeley, CA	\$340	marketsgroup.com	12*
Dec 14	Dec 16	CORPaTH Summit	CORPaTH	Las Vegas, NV	\$340	corpath.org	15*

* Estimates based on prior agendas

2027		EVENT TITLE	EVENT SPONSOR	LOCATION	REG. FEE	WEBLINK FOR MORE INFO	EST. BOARD EDUCATION HOURS
EVENT DATES	BEGIN						
Jan 25	Jan 27	IREI: Visions, Insights & Perspectives (VIP) Americas	IREI	Carlsbad, CA	\$5295	irei.com/events/2026-visions-insights-perspectives-vip-infrastructure/	TBD
Mar 8	Mar 10	CALAPRS General Assembly	CALAPRS	Coronado, CA	TBD	members.calaprs.org/event	N/A
May 11	May 14	SACRS Spring Conference	SACRS	TBD	TBD	sacrs.org	N/A
May 15	May 16	NCPERS Trustee Essentials Training 2027	NCPERS	New York, NY	\$645	ncpers.org	N/A

**SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
SUMMARY OF PENDING TRUSTEE AND EXECUTIVE STAFF TRAVEL**

2026				Estimated	BOR Approval
Event Dates	Sponsor / Event Description	Location	Traveler(s)	Cost	Date
Nov 10 - Nov 13	SACRS - Fall Conference	Rancho Mirage, CA	J. Escotto, S. Baxter, R. Ostrander, T. Kaeslin, B. McKelvey, E. Hammond, JC Weydert, S. Moore, A. Zaheen, S. Kaisch, S. Dougherty, M. Duffy	\$25,532	N/A
Nov 11 - Nov 12	Clarion Partners - Fall Advisory Council Meeting	Virtual	M.Duffy, T. Kaeslin	\$0	9/11/2026
Dec 14 - Dec 16	CORPaTH Summit	Las Vegas, NV	R. Ostrander	\$3,100	8/14/2026

2027				Estimated	BOR Approval
Event Dates	Sponsor / Event Description	Location	Traveler(s)	Cost	Date
Jan 25 - Jan 27	Visions, Insights & Perspectives (VIP) Americas	Carlsbad, CA	M.Restuccia, T.Kaeslin, S. Dougherty	\$7,600	8/14/2026
Mar 8 - Mar 10	CALAPRS General Assembly	Coronado, CA	S. Baxter	TBD	N/A

**SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
SUMMARY OF COMPLETED TRUSTEE AND EXECUTIVE STAFF TRAVEL**

Event Dates 2026	Sponsor / Event Description	Location	Traveler(s)	Estimated Cost	Actual Cost	Event Report Filed
Jan 26 - 28	IREI VIP Americas	Carlsbad, CA	M. Restuccia, T. Kaeslin, JC Weydert	\$6,300	\$5,149	2/13/2026 2/13/2026 Pending
Feb 5	CALAPRS - Attorney's Roundtable	Virtual	A. Zaheen	\$50	\$50	N/A
Feb 6	CALAPRS - Administrators Roundtable	Virtual	R. Ostrander	\$50	\$50	N/A
Mar 2 - 4	Communication & Member Services Summit	San Diego, CA	B. McKelvey	\$2,140	\$2,079	4/10/2026
Mar 8 - 11	CALAPRS - General Assembly	Carlsbad, CA	R. Ostrander, T. Kaeslin, JC Weydert	\$6,000	\$4,801	N/A
Mar 9	CALAPRS - General Assembly - Investment Roundtable	Carlsbad, CA	T. Kaeslin	\$50	\$50	N/A
Mar 23 - 25	ALTSLA - Markets Group	Los Angeles, CA	S. Kaisch	\$4,400	\$2,246	5/8/2026
Apr 17	Ad Hoc Roundtable	Virtual	R. Ostrander	\$50	\$50	N/A
Apr 30	10th Annual Pacific Northwest Institutional Forum	Seattle, WA	R. Ostrander	\$2,600	\$1,093.37	7/10/2026
May 12 - 15	Spring Conference - SACRS	Olympic Valley, CA	S. Moore, R. McCray, JC Weydert, R. Ostrander, A. Zaheen	\$11,600	TBD	N/A
May 12 - 14	AEW General Meeting - LPAC Seat	Boston, MA	B. McKelvey	\$500	\$0	N/A
May 15 - 17	NAF Program - NCPERS	Las Vegas, NV	R. Ostrander	\$2,490	\$2,445.09	7/10/2026
May 21	CALAPRS Attorney RT	virtual	A. Zaheen	\$50	\$50	N/A
Jun 2 - 3	Blackrock Annual Meeting	New York, NY	T. Kaeslin	\$2,260	\$2,091.96	N/A
Jun 5	Administrators Roundtable - CALAPRS	Virtual	R. Ostrander	\$50	\$50	N/A
Jun 16 - 17	Chief Officers Summit	Newport Beach, CA	R. Ostrander	\$2,860	\$1,877	N/A
Jun 16 - 19	Legal Education Conference - NAPPA	Grand Rapids, MI	A. Zaheen	\$3,100	TBD	Pending
Jun 20 - Jul 3	Heywood CLASS Conference and various due diligence investment manag	London, UK	B. McKelvey, R. Ostrander	\$24,700	\$13,188	Pending Pending
Aug 17 - 20	NCPERS: Public Pension Forum	Chicago, IL	B. McKelvey	\$1,710	\$1,770.91	N/A
Aug 24 - 27	CALAPRS Principles of Pension Governance for Trustees	Santa Barbara, CA	S. Baxter	\$3,000	\$3,000	N/A
Sept 9 - 10	ALTSSF - Markets Group	San Francisco, CA	JC Weydert, T. Kaeslin	\$7,060	TBD	Pending 10/08/2026
Sept 10	CALAPRS - Attorney's Roundtable	Virtual	A. Zaheen	\$50	\$50	N/A
Sept 22 - 25	CALAPRS - Administrators Institute	Carmel, CA	R. Ostrander	\$3,450	\$3,401	N/A
Oct 15 - Oct 16	Nossaman's 2026 Pensions, Benefits & Investments Fiduciaries Forum	San Francisco, CA	A. Zaheen	\$1,191	\$1,190	Pending
Oct 19 - Oct 21	Abacus Annual Investors Meeting	New York, NY	R. Ostrander	\$0	\$0	N/A
Oct 21 - Oct 22	Berkeley Partners AGM	Dallas, TX	R. Ostrander	\$500	TBD	N/A
Oct 24 - Oct 25	NCPERS: Fiduciary in Focus	Nashville, TN	R. Ostrander	\$1,800	TBD	N/A
Oct 25 - Oct 28	NCPERS: Public Safety Conference 2026	Nashville, TN	R. Ostrander	\$2,372	TBD	N/A
Nov 5	Grandview Partners/Annual Meeting	Virtual	T. Kaeslin	\$0	\$0	N/A
RESTUCCIA	IREI	1/27-29		\$974.11	\$3,525.89	
DHALIWAL						
DUFFY						
KAISCH	ALTSLA	3/22-25		\$2,245.93	\$2,254.07	
KEOKHAM						
MCCRAY						
NICHOLAS						
WEYDERT	IREI	1/27-29		\$2,013.24	\$2,486.76	
MOORE						

*Pending Final Expense



Board of Retirement Meeting

San Joaquin County Employees' Retirement Association

November Legislative Report

To: Board of Retirement

From: Aaron Zaheen, Chief Counsel

Meeting Date: November 6, 2026

Information Current Through: October 29, 2026

Recommended Action

Receive and file this report. No change to benefits, trustee compensation, or Board policy is proposed for approval through this informational item.

Overview

The principal task following the 2026 legislative session is preparing SJCERA for enacted changes to retirement administration. The CERL omnibus bill, AB 2780, warrants review of election procedures, reciprocal retirement processing, death benefits, and overpayment recovery. AB 1619 creates a local option to increase compensation for eligible trustees, while AB 1660 affects responses to public guardians and public administrators. SB 1187 narrows parts of the Brown Act changes enacted through SB 707.

This report expands the October 6 SACRS update with SJCERA-specific implications and implementation recommendations. SACRS positions are identified as such and are not represented as positions adopted by this Board. The report reflects information available before the November election and does not assume an election outcome.

AB 1383 and AB 1054 were vetoed

AB 1383 (McKinnor): Vetoed September 20, 2026. SACRS position: Neutral.

AB 1054 (Gipson): Vetoed, as reported in the October SACRS update. SACRS position: No position/watch.

AB 1383 would have changed PEPPRA pensionable compensation limits and prospective safety retirement formulas beginning in 2027, including age-55 formulas and authority to negotiate a 3 percent at age 55 formula. The veto means those proposed changes do not take effect. SJCERA should continue applying existing law, including ordinary annual compensation-limit adjustments, and should correct any member communications suggesting AB 1383 benefits are forthcoming.

AB 1054 would have established a conditional DROP for specified CalPERS safety members in state bargaining units 5 and 8. It did not establish any changes to CERL system programs. Renewed proposals should be monitored in the next legislative cycle.

Source: Governor's September 20 legislative update and AB 1383 veto materials

Retirement Administration and Governance

AB 2780 CERL omnibus changes

Assembly Committee on Public Employment and Retirement. Chapter 221, Statutes of 2026. SACRS position: Support. Principal CERL provisions effective January 1, 2027.

The SACRS-sponsored package addresses several recurring administrative issues. It clarifies that deferred members cannot run or vote in active-member trustee elections. The SACRS October legislative report identified four principal CERL changes: active-member election eligibility, recovery of erroneous payments, reciprocal lump-sum death benefits, and the meaning of concurrent retirement.

Government Code section 31540.5 establishes a ten-year limitations period, measured from discovery, for erroneous payments following a retiree's or beneficiary's death or a beneficiary's remarriage. A separate rule addresses fraudulent compensation reports. Fraud is not a prerequisite for the death-related recovery provision.

Section 31835 defines concurrent retirement, for that section and section 31835.02, to include dates up to 30 calendar days apart if no service covered by the other system occurs between them. This should not be treated as a blanket change to every reciprocity requirement. Section 31789.6 bars specified CERL lump-sum death payments when the beneficiary is entitled to a lump-sum death benefit from a later reciprocal system.

Source: AB 2780 chaptered text, particularly Government Code §§ 31520–31520.2, 31540.5, 31789.6 and 31835

AB 1619 Trustee compensation

Valencia. Chapter 533, Statutes of 2026. Effective January 1, 2027; local adoption required. SACRS position: Neutral.

Government Code section 31521 permits the Board of Retirement to increase the applicable compensation rate to no more than \$320 per meeting after the Board of Supervisors publicly notices and adopts the enabling provision by majority vote. The supervisors' action cannot occur on the consent calendar. The law retains the specified eligible trustee categories and the limit of five compensated meetings per month. It does not automatically increase compensation or extend per diem eligibility to every trustee.

Source: AB 1619 chaptered text, Government Code § 31521

Public Access and Member Administration

SB 1187 Brown Act requirements

Durazo. Chapter 324, Statutes of 2026. Urgency statute effective September 18, 2026. SACRS position: No position/watch.

SB 1187 amends Government Code section 54953.4, removing specified electronic document-request and language-access duties added by SB 707. The enacted text retains reasonable efforts to invite groups that do not traditionally participate in public meetings. It also retains remote attendance and comment requirements, and related disruption procedures, for eligible legislative bodies.

The section applies to defined city councils, county boards of supervisors, and certain large special-district boards. There has been no legislative clarification as to whether these changes would apply to SJCERA, but staff will proceed as if they do.

Source: SB 1187 chaptered text, Government Code § 54953.4

Other Tracked Measures and Outlook

The following measures remain relevant to the broader public retirement community. As summarized in the October SACRS report, they do not create a direct change to SJCERA benefits or investment authority.

AB 1439 Investment labor standards study

Garcia. Signed. SACRS position: No position/watch.

The final measure requires CalPERS and CalSTRS to obtain a study concerning the impact of restricting investments in California development projects that lack specified labor protections. Amendments removed CERL systems from the bill.

AB 1601 Sonoma County cost of living adjustments

Rogers. Signed. SACRS position: Neutral.

This measure permits Sonoma County to authorize specified retirement and death-allowance cost-of-living adjustments.

AB 1844 Judges Retirement System II beneficiaries

Pacheco. Signed. SACRS position: No position/watch.

The measure expands beneficiary options and survivor-benefit flexibility within the Judges' Retirement System II, subject to applicable spousal community-property rights.

AB 2519 CalSTRS membership

McKinnor. Signed. SACRS position: No position/watch.

The measure expands specified positions subject to CalSTRS membership, including qualifying charter-school positions, with the new definition operative July 1, 2027.

SB 1207 California Conservation Corps service credit

Laird. Signed. SACRS position: No position/watch.

The measure permits qualifying CalPERS members to purchase up to three years of prior California Conservation Corps service.

2027 Legislative Outlook

The next legislative cycle warrants continued attention to PEPRA benefit proposals, public meeting requirements, pension investment mandates, and CERL administration. I recommend using the implementation reviews above to identify any statutory ambiguities that SJCERA may wish to raise through SACRS. No new SJCERA legislative position is proposed in this report.

2026 - SJCERA BOARD OF RETIREMENT MEETING CALENDAR

MONTH	DATE	Periodic Items / Other Events	MONTH	DATE	Periodic Items / Other Events
JAN	9	Board Meeting Earnings Code Ratification Fourth Quarter Operations Reports* Trustee Education Compliance Report Action Plan Results	JUL	10	Board Meeting Mid-Year Administrative Budget Report Second Quarter Operations Reports* Election of Board Officers Annual Policy Review
FEB	13	Board Meeting Notice of CPI/Set Retiree COLA Declining ER Payroll Report Assumptions & CMAs		13-16	SACRS UC Berkeley
	13	CEO Performance Review Committee	AUG	14	Board Meeting Annual Valuation Report & Adoption of Plan Contribution Rates Board Committee Assignments Investment Fee Transparency Report
MAR	13	Board Meeting Fourth Quarter Inv Reports	SEP	11	Board Meeting Second Quarter Inv Reports Strategic Plan First Reading
	13 8-11	Audit Committee Meeting CALAPRS General Assembly			
APR	10	Board Meeting First Quarter Operations Reports*	OCT	14	Board Meeting Annual Pacing Studies Adoption of Board Calendar for next year Third Quarter Operations Reports* Strategic Plan Adoption 2027-2028 Action Plan First Reading Actuary Audit
MAY	8 8 8 12-15	Board Meeting following Audit Committee Meeting Audit Committee Meeting *8:30 a.m. Special Board Meeting SACRS Spring Conf		15	Special Meeting - Investment Roundtable
JUN	12	Board Meeting First Quarter Inv Reports Auditor's Annual Report / ACFR Mid Year Action Plan Results Asset Class Review	NOV	6	Board Meeting Investment Roundtable Recap
	12 11	Administrative Committee Meeting RPESJC Picnic		16 10-13	Administrative Committee Meeting SACRS Fall Conference
			DEC	11	Board Meeting Third Quarter Inv Reports Annual Administrative Budget Asset Class Review: CRO Cash Overlay Review Manager Fee Review Investment Consultant and Actuary Consultant Evals 2027-2028 Action Plan Adoption
				10	RPESJC Holiday Lunch

Unless otherwise noted on the agenda, Board Meetings convene at 9:00 a.m.

* Disability App Status Report and Pending Retiree Accounts Receivable Report

Notes: May meeting may move to the first Friday due to the SACRS Spring Conference.

October meeting is on Wednesday prior to the Investment Roundtable.

November meeting may move to the first Friday due to the SACRS Fall Conference.

One meeting per month on all subjects; special Manager Due Diligence Meetings as needed.

2027 - SJCERA BOARD OF RETIREMENT MEETING CALENDAR

MONTH	DATE	Periodic Items / Other Events	MONTH	DATE	Periodic Items / Other Events
JAN	8	Board Meeting Earnings Code Ratification Fourth Quarter Operations Reports* Trustee Education Compliance Report 2026 Action Plan Results	JUL	9	Board Meeting Mid-Year Administrative Budget Report Second Quarter Operations Reports* Election of Board Officers Annual Policy Review SACRS UC Berkeley
FEB	12	Board Meeting Notice of CPI/Set Retiree COLA Declining ER Payroll Report Benchmark Review	AUG	13	Board Meeting Annual Valuation Report & Adoption of Plan Contribution Rates Board Committee Assignments Investment Fee Transparency Report
	TBD	CEO Performance Review Committee	SEP	10	Board Meeting Second Quarter Investment Reports Start Asset - Liability Work Liquidity Analysis and Evaluation Cash Forecasting
MAR	12	Board Meeting Fourth Quarter Investment Reports Capital Market Assumptions Asset-Liability Education			
	TBD 8-10	Audit Committee Meeting CALAPRS General Assembly 2027			
APR	9	Board Meeting First Quarter Operations Reports*	OCT	6	Board Meeting Adoption of Board Calendar for next year Third Quarter Operations Reports* Real Estate Market & Portfolio Review Private Markets Pricing Studies Asset Allocation & Manager Recap Investment Roundtable Dinner
MAY	7	Board Meeting Private Equity Benchmark Review Risk Survey Presentation	6	7	Special Meeting - Investment Roundtable
	TBD 11-14	Audit Committee Meeting SACRS Spring Conference	NOV	5	Board Meeting Investment Consultant and Actuary Consultant Evals Managers on Watch Update CRO Asset Class Review Investment Roundtable Recap
JUN	11	Board Meeting First Quarter Investment Reports Capital Markets / Portfolio Risk Review		TBD 9-12	Administrative Committee Meeting SACRS Fall Conference
		Auditor's Annual Report / ACFR Mid-Year Action Plan Results Asset Class Review	DEC	10	Board Meeting Third Quarter Investment Reports Annual Administrative Budget Cash Overlay Review Strategic Outlook Memo
	TBD TBD	Administrative Committee Meeting RPESJC Picnic		TBD	RPESJC Holiday Lunch

Unless otherwise noted on the agenda, Board Meetings convene at 9:00 a.m.

* Disability App Status Report and Pending Retiree Accounts Receivable Report

Notes: May meeting may move to the first Friday due to the SACRS Spring Conference.

October meeting is on Wednesday prior to the Investment Roundtable.

November meeting may move to the first Friday due to the SACRS Fall Conference.

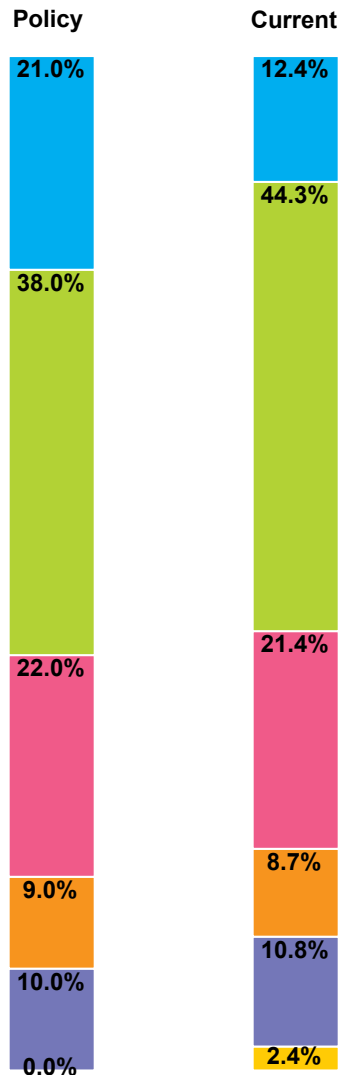
One meeting per month on all subjects; special Manager Due Diligence Meetings as needed.

San Joaquin County Employees' Retirement Association (SJCERA)

November 6, 2026

September Executive Summary

Total Fund | As of September 30, 2026



Allocation vs. Targets and Policy

	Balance (\$)	Current (%)	Policy (%)	Difference (%)
Broad Growth	4,412,805,934	78.1	81.0	-2.9
Aggressive Growth	700,146,482	12.4	21.0	-8.6
Traditional Growth	2,501,472,926	44.3	38.0	6.3
Stabilized Growth	1,211,186,527	21.4	22.0	-0.6
Diversifying Strategies	1,101,328,875	19.5	19.0	0.5
Principal Protection	492,599,629	8.7	9.0	-0.3
Crisis Risk Offset	608,729,245	10.8	10.0	0.8
Cash¹	134,489,286	2.4	0.0	2.4
Cash	134,489,286	2.4	0.0	2.4
Total	5,648,624,094	100.0	100.0	0.0

Summary of Cash Flows

	Quarter	1 Year
SJCERA Total Plan		
Beginning Market Value	5,587,962,290	5,102,496,177
Net Cash Flow	4,874,780	42,766,793
Net Investment Change	55,787,024	503,361,124
Ending Market Value	5,648,624,094	5,648,624,094

¹ Cash allocation includes Overlay.

Asset Class Performance Net-of-Fees | As of September 30, 2026

	Market Value (\$)	% of Portfolio	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Since Inception	Inception Date
SJCERA Total Plan	5,648,624,094	100.0	7.3	9.8	10.9	6.4	7.7	Apr-90
<i>SJCERA Policy Benchmark</i>			7.9	10.8	12.8	7.5	7.8	
SJCERA Total Plan ex Legacy Managers	5,594,405,383	99.0	7.5	10.1	11.4	6.7	8.0	Jun-19
Broad Growth	4,412,805,934	78.1	8.0	10.8	13.0	7.7	8.5	Feb-95
Aggressive Growth Lag¹	700,146,482	12.4	4.3	6.8	6.6	9.3	-0.8	Nov-05
<i>Aggressive Growth Blend</i>			10.1	14.8	10.6	8.5	9.4	
Traditional Growth	2,501,472,926	44.3	12.3	16.0	21.0	11.4	9.8	Jan-95
<i>MSCI ACWI IMI Net</i>			13.0	16.6	21.3	11.1	8.7	
Stabilized Growth¹	1,211,186,527	21.4	1.8	3.3	3.9	1.8	3.6	Mar-05
<i>SJCERA Stabilized Growth Benchmark</i>			3.1	4.4	6.2	5.3	6.1	
Diversifying Strategies	1,101,328,875	19.5	6.3	7.6	4.1	3.0	5.9	Nov-90
Principal Protection	492,599,629	8.7	-2.9	-1.7	4.6	0.6	5.6	Feb-87
<i>Blmbg. U.S. Aggregate Index</i>			-2.9	-1.8	4.1	-0.6	5.1	
Crisis Risk Offset Asset Class	608,729,245	10.8	15.1	16.6	4.1	4.9	6.1	Feb-05
<i>CRO Benchmark</i>			3.5	4.8	4.3	1.9	4.6	
Cash and Misc Asset Class	134,489,285	2.4	0.7	1.5	2.5	2.3	2.4	Nov-94
<i>90 Day U.S. Treasury Bill</i>			2.6	3.6	4.5	3.7	2.5	

* Market Values may not add up due to rounding. All market values and returns are preliminary.

¹ Active legacy managers in the process of winding down funds are excluded, including Morgan Creek III, V, VI, Almanac, Greenfield VII, VIII, Walton V, VI, Crestline, and Raven.

THE MATERIAL CONTAINED IN THIS REPORT IS INTENDED FOR THE INTENDED RECIPIENT AND MAY NOT BE REPRODUCED OR DISTRIBUTED, IN WHOLE OR IN PART, EXCEPT AS REQUIRED OR APPROPRIATE IN CONNECTION WITH A PUBLIC MEETING. THE DATA ARE PROVIDED FOR INFORMATIONAL PURPOSES ONLY, MAY NOT BE COMPLETE, AND CANNOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN FOR DISCUSSION.

MEKETA INVESTMENT GROUP HAS PREPARED THIS REPORT ON THE BASIS OF SOURCES BELIEVED TO BE RELIABLE. THE DATA ARE BASED ON MATTERS AS THEY ARE KNOWN AS OF THE DATE OF PREPARATION OF THE REPORT, AND NOT AS OF ANY FUTURE DATE, AND WILL NOT BE UPDATED OR OTHERWISE REVISED TO REFLECT INFORMATION THAT SUBSEQUENTLY BECOMES AVAILABLE.

IF WE MANAGE YOUR ASSETS ON A DISCRETIONARY BASIS, PLEASE CONTACT US IF THERE ARE ANY CHANGES IN YOUR FINANCIAL SITUATION OR INVESTMENT OBJECTIVES, OR IF YOU WANT TO IMPOSE ANY REASONABLE RESTRICTIONS ON OUR MANAGEMENT OF YOUR ACCOUNT OR REASONABLY MODIFY EXISTING RESTRICTIONS.

IN GENERAL, THE VALUATION NUMBERS PRESENTED IN THIS REPORT ARE PREPARED BY THE CUSTODIAN BANK FOR LISTED SECURITIES, AND BY THE FUND MANAGER OR APPROPRIATE GENERAL PARTNER IN THE CASE OF UNLISTED SECURITIES. THE DATA USED IN THE MARKET COMPARISON SECTIONS OF THIS REPORT ARE SOURCED FROM VARIOUS DATABASES. THESE DATA ARE CONTINUOUSLY UPDATED AND ARE SUBJECT TO CHANGE.

THIS REPORT DOES NOT CONTAIN ALL THE INFORMATION NECESSARY TO FULLY EVALUATE THE POTENTIAL RISKS OF ANY OF THE INVESTMENTS DESCRIBED HEREIN. BECAUSE OF INHERENT UNCERTAINTIES INVOLVED IN THE VALUATIONS OF INVESTMENTS THAT ARE NOT PUBLICLY TRADED, ANY ESTIMATED FAIR VALUES SHOWN IN THIS REPORT MAY DIFFER SIGNIFICANTLY FROM THE VALUES THAT WOULD HAVE BEEN USED HAD A READY MARKET FOR THE UNDERLYING SECURITIES EXISTED, AND THE DIFFERENCES COULD BE MATERIAL.

THIS DOCUMENT MAY CONTAIN CERTAIN FORWARD-LOOKING STATEMENTS, FORECASTS, ESTIMATES, PROJECTIONS, AND OPINIONS ("FORWARD STATEMENTS"). NO REPRESENTATION IS MADE OR WILL BE MADE THAT ANY FORWARD STATEMENTS WILL BE ACHIEVED OR WILL PROVE TO BE CORRECT. A NUMBER OF FACTORS, IN ADDITION TO ANY RISK FACTORS STATED IN THIS MATERIAL, COULD CAUSE ACTUAL FUTURE RESULTS TO VARY MATERIALLY FROM THE FORWARD STATEMENTS. NO REPRESENTATION IS GIVEN THAT THE ASSUMPTIONS DISCLOSED IN THIS DOCUMENT UPON WHICH FORWARD STATEMENTS MAY BE BASED ARE REASONABLE. THERE CAN BE NO ASSURANCE THAT THE INVESTMENT STRATEGY OR OBJECTIVE OF ANY FUND OR INVESTMENT WILL BE ACHIEVED, OR THAT THE CLIENT WILL RECEIVE A RETURN OF THE AMOUNT INVESTED.

IN SOME CASES, MEKETA INVESTMENT GROUP ASSISTS THE CLIENT IN HANDLING CAPITAL CALLS OR ASSET TRANSFERS AMONG INVESTMENT MANAGERS. IN THESE CASES, WE DO NOT MAKE ANY REPRESENTATIONS AS TO THE MANAGERS' USE OF THE FUNDS, BUT DO CONFIRM THAT THE CAPITAL CALLED OR TRANSFERRED IS WITHIN THE AMOUNTS AUTHORIZED BY THE CLIENT.

BECAUSE THERE IS NO READILY ACCESSIBLE MARKET FOR PRIVATE MARKETS ASSETS (COMPANIES AND PARTNERSHIPS), THE VALUES PLACED ON PRIVATE MARKETS ASSETS ARE CALCULATED BY GENERAL PARTNERS USING CONSERVATIVE AND INDUSTRY STANDARD PRICING PROCEDURES. ANNUALLY, AN INDEPENDENT AUDITOR REVIEWS THE PRICING PROCEDURES EMPLOYED BY THE GENERAL PARTNER OF EACH PARTNERSHIP.

THE VALUES OF COMPANIES AND PARTNERSHIPS ARE AUDITED AT YEAR-END, AND ARE NOT AUDITED AT OTHER QUARTER-END PERIODS. WHILE FINANCIAL INFORMATION MAY BE AUDITED, THERE IS SOME DISCRETION AS TO THE METHOD EMPLOYED TO PRICE PRIVATE COMPANIES AND, THEREFORE, PRIVATE MARKETS PARTNERSHIPS. AT ALL TIMES, MEKETA INVESTMENT GROUP EXPECTS GENERAL PARTNERS TO UTILIZE CONSERVATIVE AND INDUSTRY STANDARD PRICING PROCEDURES, AND REQUIRES THE GENERAL PARTNERS TO DISCLOSE THOSE PROCEDURES IN THEIR REPORTS. HOWEVER, BECAUSE OF THE INHERENT UNCERTAINTY OF VALUATION, THESE ESTIMATED VALUES MAY DIFFER FROM THE VALUES THAT WOULD BE USED IF A READY MARKET FOR THE INVESTMENTS EXISTED, AND THE DIFFERENCES COULD BE SIGNIFICANT.



Board of Retirement Meeting

San Joaquin County Employees' Retirement Association

Agenda Item 5.6

November 7, 2025

SUBJECT: Direction to the Board's SACRS Voting Delegate for the Business Meeting of November 13, 2026

SUBMITTED FOR: X CONSENT ACTION INFORMATION

RECOMMENDATION

Staff recommends the Board direct SJCERA's Voting Delegate to approve the following action item on the SACRS' Business Meeting Agenda for November 13, 2026:

Agenda Item 5.B: SACRS Legislative Committee Update: 2027 Legislative Proposals

PURPOSE

For the Board to provide direction to its SACRS Voting Delegate regarding the items presented for action at the SACRS Business Meeting to be held on Friday, November 13, 2026.

DISCUSSION

This memo and attached materials are provided to enable the Board to provide voting instructions to its Voting Delegate in preparation for the November 13, 2026 meeting. The November 6, 2026 SJCERA Board meeting is the only meeting at which the Board can provide such direction prior to the SACRS Business Meeting.

SACRS 2027 Sponsored Legislation

The SACRS-sponsored legislative proposal, called the CERL Modernization Act, for 2027 includes:

- 1) Clarifies governance roles,
- 2) Modernizes administrative authority
- 3) Promotes administrative efficiency, and
- 4) Preserves County Authority

Staff has reviewed the proposed amendments and has no objection to these changes.

Unless the Board Trustees raise questions or concerns about the proposals, the Board would generally recommend the Voting Delegate vote to accept/approve the proposed sponsored legislation. If the Board has any questions or concerns about the legislative proposals, please raise them at the November 6, 2026 Board meeting so the Voting Delegate can raise those issues during discussion at the SACRS business meeting.

Attachment

SACRS Business Meeting Packet – November 13, 2026

A handwritten signature in blue ink, appearing to read "Renee", is positioned above a horizontal line.

RENEE OSTRANDER
Chief Executive Officer



**SACRS
Fall Conference
Annual Business Meeting 2026**

Friday, November 13, 2026
10:15 am – 11:30 am

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



Vision, Mission, Core Values

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

Statement of Purpose

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

Mission Statement

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

Core Values

Teamwork

Integrity

Education

Service and Support



SACRS Business Meeting Agenda
Friday, November 13, 2026
10:15 AM – 11:30 AM
Omni Rancho Las Palmas Resort & Spa
Rancho Mirage, CA

SACRS Parliamentarian – David Lantzer, Olson Remcho, LLP
SACRS Sergeant at Arms – Gabe Rodrigues, SACRS Safety Team

Meeting Call to Order

1. SACRS Retirement Systems Roll Call

Rhonda Biesemeier, Stanislaus CERA, SACRS Secretary

2. SACRS Secretary's Report - Receive and File

Rhonda Biesemeier, Stanislaus CERA, SACRS Secretary

- A. SACRS Business Meeting Minutes May 2026

3. SACRS Treasurer's Report - Receive and File

Zandra Cholmondeley, Santa Barbara CERS, SACRS Treasurer

- A. July 2026 Financials (*Accrual Basis*)
- B. 2026-2027 Proposed Budget

4. SACRS President Report - No Action

Adele Lopez Tagaloa, Orange CERS, SACRS President

- A. SACRS President Update

5. SACRS Legislative Committee Report – Action Item

Eric Stern, Sacramento CERS, SACRS Legislative Committee Chairs

- A. Legislative Committee Report
- B. SACRS Legislation/CERL Modernization Act Packet 2027

6. SACRS Nomination Committee Report – No Action

David MacDonald, Contra Costa CERA, SACRS Nomination Committee Chair & Immediate Past President

- A. SACRS Board of Directors Elections 2027-2028



7. SACRS Audit Committee Report – No Action

David Kim, San Diego CERA, SACRS Audit Committee Chair

- A. SACRS Audit 2025-2026 Update

8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Co-Chair and Renee Ostrander, San Joaquin CERA, SACRS Education Committee Co-Chair

- A. Education Committee Report

9. SACRS Program Committee Report – No Action

Jordan Kaufman, Kern CERA, SACRS Program Committee Chair & Vice President

- A. Program Committee Report

10. SACRS Affiliate Committee Report – No Action

Sean Gannon, Manulife Investments, SACRS Affiliate Committee Chair

- A. Affiliate Committee Report

11. SACRS Bylaws Committee Report – No Action

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

- A. Bylaws Committee Report

12. SACRS Fall Conference Breakout Reports – No Action

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

- A. Administrators
- B. Affiliates
- C. Attorneys
- D. General Trustees
- E. Internal Auditors
- F. Investment Officers
- G. Operations & Benefits
- H. Safety Trustees

13. Adjournment

Next scheduled SACRS Business Meeting will be held on Friday, May 14, 2027. The meeting will be held at the Hyatt Regency Monterey Hotel & Spa, Monterey, CA, during SACRS Annual Spring Conference May 11 – 14, 2027.



1. SACRS Retirement Systems Roll Call

Rhonda Biesemeier, Stanislaus CERA, SACRS Secretary

Roll Call of the 20 Retirement Systems

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

**1. SACRS Retirement Systems Roll Call**

Rhonda Biesemeier, Stanislaus CERA, 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			
Total			



2. SACRS Secretary's Report - Receive and File

Rhonda Biesemeier, Stanislaus CERA, SACRS Secretary

- A. SACRS Business Meeting Minutes May 2026



3. SACRS Treasurer's Report – Receive and File

Zandra Cholmondeley, Santa Barbara CERS, SACRS Treasurer

- A. July 2026 Financials (*Accrual*)
- B. 2026-2027 SACRS Proposed Budget

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss Budget vs. Actual

July 2026

Ordinary Income/Expense

Income

4100 · Membership Dues

4101 · Affiliates	24,750.00	375,000.00	-350,250.00	6.6%
4102 · Non Profit - Organizations	150.00	3,000.00	-2,850.00	5.0%
4103 · Non Profit - Systems	600.00	6,500.00	-5,900.00	9.23%
4104 · Systems - Medium	666.74	28,000.00	-27,333.26	2.38%
4105 · Systems - Large	3,500.00	96,000.00	-92,500.00	3.65%

Total 4100 · Membership Dues	29,666.74	508,500.00	-478,833.26	5.83%
-------------------------------------	------------------	-------------------	--------------------	--------------

4200 · Webinar Symposium Registration

4202 · Affiliates - Regular	0.00	3,500.00	-3,500.00	0.0%
4204 · Non Profit	0.00	2,500.00	-2,500.00	0.0%
4205 · Systems	0.00	2,500.00	-2,500.00	0.0%
4206 · Non-Members	0.00	4,500.00	-4,500.00	0.0%

Total 4200 · Webinar Symposium Registration	0.00	13,000.00	-13,000.00	0.0%
--	-------------	------------------	-------------------	-------------

4250 · Product Income

4251 · CERL	0.00	200.00	-200.00	0.0%
4254 · Website Job Board	100.00			
4269 · Product Shipping	0.00	50.00	-50.00	0.0%

Total 4250 · Product Income	100.00	250.00	-150.00	40.0%
------------------------------------	---------------	---------------	----------------	--------------

4270 · UC Berkeley Program

4271 · Registrations	85,000.00	130,000.00	-45,000.00	65.39%
4272 · Sponsorships	80,000.00	85,500.00	-5,500.00	93.57%
4273 · Spouse	0.00	500.00	-500.00	0.0%
4270 · UC Berkeley Program - Other	100.00			

Total 4270 · UC Berkeley Program	165,100.00	216,000.00	-50,900.00	76.44%
---	-------------------	-------------------	-------------------	---------------

4300 · Fall Conference Registration

4301 · Affiliates - Early	0.00	164,560.00	-164,560.00	0.0%
4302 · Affiliates - Regular	0.00	210,600.00	-210,600.00	0.0%
4303 · Affiliates - Late/Onsite	0.00	25,800.00	-25,800.00	0.0%
4304 · Non Profit	0.00	2,900.00	-2,900.00	0.0%
4305 · Systems	0.00	50,750.00	-50,750.00	0.0%
4306 · Non-Members	0.00	150,000.00	-150,000.00	0.0%
4307 · Fun Run	0.00	2,000.00	-2,000.00	0.0%
4308 · Yoga	0.00	500.00	-500.00	0.0%
4309 · Spouse	0.00	2,500.00	-2,500.00	0.0%
4310 · Sponsorship	0.00	70,000.00	-70,000.00	0.0%

Total 4300 · Fall Conference Registration	0.00	679,610.00	-679,610.00	0.0%
--	-------------	-------------------	--------------------	-------------

4350 · Spring Conference Registration

4351 · Affiliates - Early	1,360.00	164,560.00	-163,200.00	0.83%
4352 · Affiliates - Regular	0.00	210,600.00	-210,600.00	0.0%
4353 · Affiliates - Late/Onsite	0.00	25,800.00	-25,800.00	0.0%
4354 · Non Profit	0.00	2,900.00	-2,900.00	0.0%
4355 · Systems	0.00	50,750.00	-50,750.00	0.0%
4356 · Non-Members	0.00	150,000.00	-150,000.00	0.0%

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss Budget vs. Actual

July 2026

	Jul 26	Budget	\$ Over Budget	% of Budget
4357 · Fun Run	0.00	2,000.00	-2,000.00	0.0%
4358 · Yoga	0.00	500.00	-500.00	0.0%
4359 · Spouse	0.00	2,500.00	-2,500.00	0.0%
4360 · Sponsorship	0.00	70,000.00	-70,000.00	0.0%
4350 · Spring Conference Registration - Other	-1,360.00			
Total 4350 · Spring Conference Registration	0.00	679,610.00	-679,610.00	0.0%
4800 · Credit Card Processing Fee	10,133.44			
4900 · Interest Earned	1,658.10	30,000.00	-28,341.90	5.53%
Total Income	206,658.28	2,126,970.00	-1,920,311.72	9.72%
Gross Profit	206,658.28	2,126,970.00	-1,920,311.72	9.72%
Expense				
5000 · Administrative Fee	38,625.00	225,000.00	-186,375.00	17.17%
5001 · Administrative Services	0.00	500.00	-500.00	0.0%
5002 · Awards	0.00	500.00	-500.00	0.0%
5003 · Bank Charges/Credit Card Fees	1,962.99	55,000.00	-53,037.01	3.57%
5010 · Berkeley & Symposium				
5011 · Audio/Visual	0.00	7,000.00	-7,000.00	0.0%
5013 · Hotel	1,475.79	25,000.00	-23,524.21	5.9%
5014 · Food & Beverage	577.28			
5015 · Materials/Printing/Design	0.00	2,500.00	-2,500.00	0.0%
5016 · Travel	0.00	1,000.00	-1,000.00	0.0%
5017 · UC Berkeley	308,402.95	277,200.00	31,202.95	111.26%
Total 5010 · Berkeley & Symposium	310,456.02	312,700.00	-2,243.98	99.28%
5020 · Webinar Symposium				
5022 · Webinar Technology	0.00	25,000.00	-25,000.00	0.0%
Total 5020 · Webinar Symposium	0.00	25,000.00	-25,000.00	0.0%
5030 · CERL				
5031 · Materials/Printing/Design	0.00	16,500.00	-16,500.00	0.0%
5032 · Shipping	0.00	1,300.00	-1,300.00	0.0%
Total 5030 · CERL	0.00	17,800.00	-17,800.00	0.0%
5039 · Charitable Contributions	0.00	4,000.00	-4,000.00	0.0%
5040 · Commissions & Fees	0.00	10,000.00	-10,000.00	0.0%
5042 · Dues & Subscriptions	0.00	4,500.00	-4,500.00	0.0%
5050 · Fall Conference				
5051 · Audio/Visual	0.00	130,000.00	-130,000.00	0.0%
5052 · Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
5053 · Entertainment	0.00	6,500.00	-6,500.00	0.0%
5054 · Hotel				
5054.1 · Wednesday Night Event	0.00	75,000.00	-75,000.00	0.0%
5054.2 · Conference	0.00	50,000.00	-50,000.00	0.0%
5054.3 · Food & Beverage	0.00	250,000.00	-250,000.00	0.0%
Total 5054 · Hotel	0.00	375,000.00	-375,000.00	0.0%
5055 · Program Material	0.00	15,000.00	-15,000.00	0.0%
5056 · Speakers	0.00	50,000.00	-50,000.00	0.0%
5057 · Supplies	0.00	500.00	-500.00	0.0%

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss Budget vs. Actual

July 2026

	Jul 26	Budget	\$ Over Budget	% of Budget
5058 · Travel	0.00	15,000.00	-15,000.00	0.0%
Total 5050 · Fall Conference	0.00	594,500.00	-594,500.00	0.0%
5070 · Insurance	0.00	6,200.00	-6,200.00	0.0%
5071 · Legal & Professional Fees	0.00	25,000.00	-25,000.00	0.0%
5072 · Legislative Advocacy	6,000.00	72,000.00	-66,000.00	8.33%
5080 · Magazine				
5082 · Design/Printing/Etc.	0.00	10,000.00	-10,000.00	0.0%
5083 · Magazine - Other	0.00	10,000.00	-10,000.00	0.0%
Total 5080 · Magazine	0.00	20,000.00	-20,000.00	0.0%
6000 · Board & Committees				
6001 · Board of Directors				
6001.1 · Food & Beverage	439.22	6,000.00	-5,560.78	7.32%
6001.3 · Travel - BOD Meetings	119.63	8,000.00	-7,880.37	1.5%
6001.5 · Board Of Directors - Other	0.00	5,500.00	-5,500.00	0.0%
Total 6001 · Board of Directors	558.85	19,500.00	-18,941.15	2.87%
6003 · Program Committee Meetings	0.00	1,500.00	-1,500.00	0.0%
Total 6000 · Board & Committees	558.85	21,000.00	-20,441.15	2.66%
6010 · Office Expenses / Supplies	0.00	2,500.00	-2,500.00	0.0%
6011 · Postage & Delivery	472.82	6,000.00	-5,527.18	7.88%
6020 · Spring Conference				
6021 · Audio/Visual	0.00	110,000.00	-110,000.00	0.0%
6022 · Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
6023 · Entertainment	0.00	6,800.00	-6,800.00	0.0%
6024 · Hotel				
6024.1 · Wednesday Night Event	0.00	85,000.00	-85,000.00	0.0%
6024.2 · Conference	-6,587.60	85,000.00	-91,587.60	-7.75%
6024.3 · Food & Beverage	0.00	150,000.00	-150,000.00	0.0%
6024.4 · Hotel - Other	0.00	45,000.00	-45,000.00	0.0%
Total 6024 · Hotel	-6,587.60	365,000.00	-371,587.60	-1.81%
6025 · Program Material	0.00	15,000.00	-15,000.00	0.0%
6026 · Speakers	0.00	50,000.00	-50,000.00	0.0%
6027 · Supplies	0.00	2,000.00	-2,000.00	0.0%
6028 · Travel	158.05	15,000.00	-14,841.95	1.05%
Total 6020 · Spring Conference	-6,429.55	566,300.00	-572,729.55	-1.14%
6051 · Taxes & Licenses	0.00	1,200.00	-1,200.00	0.0%
6053 · Technology/AMS/Website	5,614.14	50,000.00	-44,385.86	11.23%
6054 · Travel	0.00	5,000.00	-5,000.00	0.0%
Total Expense	357,260.27	2,024,700.00	-1,667,439.73	17.65%
Net Ordinary Income	-150,601.99	102,270.00	-252,871.99	-147.26%
	-150,601.99	102,270.00	-252,871.99	-147.26%

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss

July 2026

	Jul 26
Ordinary Income/Expense	
Income	
4100 · Membership Dues	
4101 · Affiliates	24,750.00
4102 · Non Profit - Organizations	150.00
4103 · Non Profit - Systems	600.00
4104 · Systems - Medium	666.74
4105 · Systems - Large	3,500.00
Total 4100 · Membership Dues	29,666.74
4250 · Product Income	
4254 · Website Job Board	100.00
Total 4250 · Product Income	100.00
4270 · UC Berkeley Program	
4271 · Registrations	85,000.00
4272 · Sponsorships	80,000.00
4270 · UC Berkeley Program - Other	100.00
Total 4270 · UC Berkeley Program	165,100.00
4300 · Fall Conference Registration	
4303 · Affiliates - Late/Onsite	0.00
4308 · Yoga	0.00
Total 4300 · Fall Conference Registration	0.00
4350 · Spring Conference Registration	
4351 · Affiliates - Early	1,360.00
4352 · Affiliates - Regular	0.00
4355 · Systems	0.00
4357 · Fun Run	0.00
4358 · Yoga	0.00
4359 · Spouse	0.00
4350 · Spring Conference Registration - Other	-1,360.00
Total 4350 · Spring Conference Registration	0.00
4800 · Credit Card Processing Fee	10,133.44
4900 · Interest Earned	1,658.10
Total Income	206,658.28
Gross Profit	206,658.28
Expense	
5000 · Administrative Fee	38,625.00
5003 · Bank Charges/Credit Card Fees	1,962.99
5010 · Berkeley & Symposium	
5013 · Hotel	1,475.79
5014 · Food & Beverage	577.28
5017 · UC Berkeley	308,402.95
Total 5010 · Berkeley & Symposium	310,456.02
5072 · Legislative Advocacy	6,000.00
6000 · Board & Committees	
6001 · Board of Directors	
6001.1 · Food & Beverage	439.22

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss

July 2026

	Jul 26
6001.3 · Travel - BOD Meetings	119.63
Total 6001 · Board of Directors	558.85
Total 6000 · Board & Committees	558.85
6011 · Postage & Delivery	472.82
6020 · Spring Conference	
6024 · Hotel	
6024.2 · Conference	-6,587.60
Total 6024 · Hotel	-6,587.60
6028 · Travel	158.05
Total 6020 · Spring Conference	-6,429.55
6053 · Technology/AMS/Website	5,614.14
Total Expense	357,260.27
Net Ordinary Income	-150,601.99
Net Income	-150,601.99

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Balance Sheet

As of July 31, 2026

Jul 31, 26

ASSETS

Current Assets

Checking/Savings

1000 · First Foundation Bank-Checking	341,017.96
1001 · BofA Interest Checking 4389	6,648.20
1002 · First Foundation Bank ICS Acct	152,745.41

Total Checking/Savings	500,411.57
-------------------------------	-------------------

Other Current Assets

1100 · CalTrust - Medium Term	330,072.68
1107 · CalTrust Liquidity Fund	9,891.37
1110 · CAMP-SACRS Liquidity Fund	583,544.53
1115 · Accounts Receivable	381,791.10
1200 · Prepaid Expenses	
1230 · Prepaid Expense - Fall Conf	100,166.67
1250 · Prepaid Expense - Spring Conf	30,000.00

Total 1200 · Prepaid Expenses	130,166.67
--------------------------------------	-------------------

Total Other Current Assets	1,435,466.35
-----------------------------------	---------------------

Total Current Assets	1,935,877.92
-----------------------------	---------------------

TOTAL ASSETS	1,935,877.92
---------------------	---------------------

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

2000 · Accounts Payable (A/P)	
2050 · Accounts Payable - Spring Conf	579.59
Total 2000 · Accounts Payable (A/P)	579.59

Total Accounts Payable	579.59
-------------------------------	---------------

Credit Cards

2210 · First Foundation Master Card	2,332.09
-------------------------------------	----------

Total Credit Cards	2,332.09
---------------------------	-----------------

Other Current Liabilities

2150 · Refund Liability	3,000.00
2200 · Deferred Revenue	
2201 · Deferred Dues - Affiliates	272,250.00
2202 · Deferred Dues - NonProfit Org	1,650.00
2203 · Deferred Dues - NonProf Systems	6,600.00
2204 · Deferred Dues - Systems Medium	7,333.26
2205 · Deferred Dues - Systems Large	38,500.00
2230 · Deferred Rev - Fall Conference	320,040.00

Total 2200 · Deferred Revenue	646,373.26
--------------------------------------	-------------------

Total Other Current Liabilities	649,373.26
--	-------------------

Total Current Liabilities	652,284.94
----------------------------------	-------------------

Total Liabilities	652,284.94
--------------------------	-------------------

Equity

32000 · Retained Earnings	1,434,194.97
---------------------------	--------------

Net Income	-150,601.99
-------------------	--------------------

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Balance Sheet

As of July 31, 2026

	Jul 31, 26
Total Equity	1,283,592.98
TOTAL LIABILITIES & EQUITY	1,935,877.92

Ordinary Income/Expense	2026 - 27 Annual Budget
Income	
4101 · Affiliates	
4102 · Non Profit - Organizations	375,000.00
4103 · Non Profit - Systems	3,000.00
4104 · Systems - Medium	6,500.00
4105 · Systems - Large	28,000.00
Total 4100 · Membership Dues	96,000.00
4200 · Webinar Symposium Registration	508,500.00
4201 · Affiliates - Early	
4202 · Affiliates - Regular	0.00
4203 · Affiliates - Late/Onsite	3,500.00
4204 · Non Profit	0.00
4205 · Systems	2,500.00
4206 · Non-Members	2,500.00
4200 · Webinar Symposium Registration - Other	4,500.00
Total 4200 · Webinar Symposium Registration	0.00
4250 · Product Income	13,000.00
4251 · CERL	
4252 · Roster	200.00
4253 · Website Advertising	0.00
4254 · Website Job Board	0.00
4255 · Magazine Advertising	0.00
4256 · Conference Recordings	0.00
4257 · Trustee Handbooks	0.00
4269 · Product Shipping	0.00
4250 · Product Income - Other	50.00
Total 4250 · Product Income	0.00
4270 · UC Berkeley Program	250.00
4271 · Registrations	
4272 · Sponsorships	130,000.00
4273 · Spouse	85,500.00
4270 · UC Berkeley Program - Other	500.00
Total 4270 · UC Berkeley Program	0.00
4300 · Fall Conference Registration	216,000.00
4301 · Affiliates - Early	
4302 · Affiliates - Regular	164,560.00
4303 · Affiliates - Late/Onsite	210,600.00
4304 · Non Profit	25,800.00
4305 · Systems	2,900.00
4306 · Non-Members	50,750.00

4307 · Fun Run	150,000.00
4308 · Yoga	2,000.00
4309 · Spouse	500.00
4310 · Sponsorships	2,500.00
4300 · Fall Conference Registration - Other	70,000.00
Total 4300 · Fall Conference Registration	0.00
4350 · Spring Conference Registration	679,610.00
4351 · Affiliates - Early	
4352 · Affiliates - Regular	164,560.00
4353 · Affiliates - Late/Onsite	210,600.00
4354 · Non Profit	25,800.00
4355 · Systems	2,900.00
4356 · Non-Members	50,750.00
4357 · Fun Run	150,000.00
4358 · Yoga	2,000.00
4359 · Spouse	500.00
4360 · Sponsorship	2,500.00
4350 · Spring Conference Registration - Other	70,000.00
Total 4350 · Spring Conference Registration	0.00
4800 · Credit Card Processing Fee	679,610.00
4900 · Interest Earned	0.00
Total Income	30,000.00
Gross Profit	2,126,970.00
Expense	2,126,970.00
5000 · Administrative Fee	
5001 · Administrative Services	225,000.00
5002 · Awards	500.00
5003 · Bank Charges/Credit Card Fees	500.00
5010 · Berkeley & Symposium	55,000.00
5011 · Audio/Visual	
5012 · Delivery & Shipping	7,000.00
5013 · Hotel	0.00
5014 · Food & Beverage	25,000.00
5015 · Materials/Printing/Design	0.00
5016 · Travel	2,500.00
5017 · UC Berkeley	1,000.00
5010 · Berkeley & Symposium - Other	277,200.00
Total 5010 · Berkeley & Symposium	0.00
5020 · Webinar Symposium	312,700.00
5021 · Webinar Speaker	
5022 · Webinar Technology	0.00
5023 · Webinar Misc.	25,000.00
5020 · Webinar Symposium - Other	0.00
Total 5020 · Webinar Symposium	0.00

5030 · CERL	25,000.00
5031 · Materials/Printing/Design	
5032 · Shipping	16,500.00
5030 · CERL - Other	1,300.00
Total 5030 · CERL	0.00
5039 · Charitable Contributions	17,800.00
5040 · Commissions & Fees	4,000.00
5041 · Consulting	10,000.00
5042 · Dues & Subscriptions	0.00
5050 · Fall Conference	4,500.00
5051 · Audio/Visual	
5052 · Delivery & Shipping	130,000.00
5053 · Entertainment	2,500.00
5054 · Hotel	6,500.00
5054.1 · Wednesday Night Event	
5054.2 · Conference	75,000.00
5054.3 · Food & Beverage	50,000.00
5054 · Hotel - Other	250,000.00
Total 5054 · Hotel	0.00
5055 · Program Material	375,000.00
5056 · Speakers	15,000.00
5057 · Supplies	50,000.00
5058 · Travel	500.00
5050 · Fall Conference - Other	15,000.00
Total 5050 · Fall Conference	0.00
5070 · Insurance	594,500.00
5071 · Legal & Professional Fees	6,200.00
5072 · Legislative Advocacy	25,000.00
5080 · Magazine	72,000.00
5081 · Delivery & Shipping	
5082 · Design/Printing/Etc.	0.00
5083 · Magazine - Other	10,000.00
5080 · Magazine - Other	10,000.00
Total 5080 · Magazine	0.00
6000 · Board & Committees	20,000.00
6001 · Board of Directors	
6001.1 · Food & Beverage	
6001.2 · Printing/Supplies	6,000.00
6001.3 · Travel - BOD Meetings	0.00
6001.4 · Travel - Miscellaneous BOD	8,000.00
6001.5 · Board Of Directors - Other	0.00
6001 · Board of Directors - Other	500.00
Total 6001 · Board of Directors	5,000.00
6002 · Legislative Committee Meetings	19,500.00

6003 · Program Committee Meetings	0.00
6004 · Nominating Committee Meetings	1,500.00
6005 · Audit Committee Meetings	0.00
6006 · Education Committee Meetings	0.00
6007 · Bylaws Committee Meetings	0.00
6000 · Board & Committees - Other	0.00
Total 6000 · Board & Committees	0.00
6010 · Office Expenses / Supplies	21,000.00
6011 · Postage & Delivery	2,500.00
6020 · Spring Conference	6,000.00
6021 · Audio/Visual	
6022 · Delivery & Shipping	110,000.00
6023 · Entertainment	2,500.00
6024 · Hotel	6,800.00
6024.1 · Wednesday Night Event	
6024.2 · Conference	85,000.00
6024.3 · Food & Beverage	85,000.00
6024.4 · Hotel - Other	150,000.00
6024 · Hotel - Other	10,000.00
Total 6024 · Hotel	35,000.00
6025 · Program Material	365,000.00
6026 · Speakers	15,000.00
6027 · Supplies	50,000.00
6028 · Travel	2,000.00
6020 · Spring Conference - Other	15,000.00
Total 6020 · Spring Conference	0.00
6050 · Strategic Facilitator	566,300.00
6051 · Taxes & Licenses	0.00
6053 · Technology/AMS/Website	1,200.00
6054 · Travel	50,000.00
Total Expense	5,000.00
Net Ordinary Income	2,024,700.00
	102,270.00
	102,270.00



4. SACRS President Report - No Action

Adele Lopez Tagaloa, Orange CERS, SACRS President

A. SACRS President Update

Verbal report, no printed materials for this item



5. SACRS Legislative Committee Report – Action Item

Eric Stern, Sacramento CERS, SACRS Legislative Committee Chair

- A. Legislative Committee Report
- B. Proposed 2027 SACRS Legislation



TO: State Association of County Retirement Systems
FROM: Cara Martinson, Capitol Advocacy
Laurie Johnson, LJ Consulting & Advocacy
DATE: October 6, 2026

RE: Legislative Update – October

The 2026 California legislative session has officially wrapped, with the Legislature sending 1,160 bills to Governor Gavin Newsom for final action. The Governor ultimately signed 1,040 bills and vetoed 120, meaning approximately 90% of measures reaching his desk were signed and 10% were vetoed.

Among the most significant actions for SACRS was the veto of AB 1383, which would have lowered the full-retirement age for public safety employees from 57 to 55 and permitted increased pension formulas. The bill passed the Legislature with strong bipartisan support, receiving votes of 33 - 0 in the Senate and 69 - 2 in the Assembly. In his veto message, the Governor noted the bill's impact on PEPRA reforms and its significant implications for state and local finances. Newsom also vetoed AB 1054, which addressed a deferred retirement option program and public employee health benefits. On infrastructure and disaster recovery, the Governor vetoed SB 872, which would have provided additional funding for Delta levee improvements, citing funding already included in the budget. He also vetoed two wildfire insurance claims measures while signing other reforms intended to strengthen protections for policyholders following disasters.

The Governor's broader actions included signing legislation prohibiting marriage for anyone under 18; measures addressing immigration enforcement; new laws governing artificial intelligence in the workplace and health care; and measures intended to strengthen competition and streamline business permitting. He also signed AB 2222, establishing refundable tax credits for local news organizations, and SB 895, placing a \$7.5 billion state research bond on the March 2028 ballot.

With final bill actions complete, attention shifts to implementation and preparation for the 2027–28 legislative cycle. Focus is also turning to the November election and the upcoming transition to a new Governor and administration, whose priorities will help shape the state's approach to pension policy, local government funding and other issues important to SACRS members.

Legislative Update:

- **AB 1054 (Gipson)** - Creates the Deferred Retirement Option Program (DROP) – a voluntary program – for California Public Employee’s Retirement System (CalPERS) safety plan members of State Bargaining Units 5 (Highway Patrol) and 8 (CAL FIRE). The bill also states that the DROP becomes effective and applicable only after: 1) the applicable Bargaining Unit has entered into a MOU with the employer to implement the program; 2) The program has been certified via an actuarial analysis that it is cost neutral by the CalPERS Board of Administration; and 2) CalPERS has adopted regulations to implement and administer the program.
 - Status: The bill passed out of the Legislature and was vetoed by the Governor. In his veto message the Governor noted that the design and establishment of a DROP is more appropriately handled through the collective bargaining process.
 - Position: No Position/Watch
- **AB 1383 (McKinnor)** – The bill includes the following provisions:
 - Increases, on and after January 1, 2027, the PEPRA pensionable compensation limit to the Social Security compensation limit for members covered by Social Security and 120% of that amount for members not covered by Social Security;
 - Freezes existing 2013 PEPRA safety formulas to apply only to service from January 1, 2013, to December 31, 2026 and lowers the retirement age on a prospective basis from age 57 to 55 for three existing safety DB retirement formulas;
 - Authorize a public employer to create a fourth PEPRA safety formula of three percent (3%) at age 55, to be applied prospectively.
 - Amendments earlier this year removed a provision that would have permitted collective bargaining over the 50-50 normal cost sharing requirement.
 - Status: This bill was vetoed by the Governor
 - Position: Neutral
- **AB 1439 (Garcia)** - The bill would have required labor protection standards on pension system investments in development projections. The bill was amended coming out of the Assembly to require CalPERS and CalSTRS to contract with the University of California Labor Centers to conduct an

- independent study to determine the impacts on public employee retirement funds of prohibiting the boards from investing in California development projects that do not provide labor standards protections for workers. The bill no longer applies to the CERL systems and removes SACRS' opposition.
- Status: The bill passed out of the Legislature and was signed by the Governor.
 - Position: No position/watch
- **AB 1601 (Rogers)** – This bill would permit the Sonoma County Board of Supervisors to authorize a cost-of-living adjustment to the retirement allowances, optional death allowances, or annual death allowances payable by the retirement system.
 - Status: This bill passed out of the Legislature and was signed by the Governor.
 - Position: Neutral
 - **AB 1619 (Valencia)** – This bill allows county Boards of Supervisors to authorize an increase in the Board of Retirement trustee per diem from \$100 to \$320. The bill would then require action by the Board of Retirement to establish the increased compensation rate. This bill was amended to apply the same increase in compensation to CalPERS and CalSTRs Board Members.
 - Status: This bill passed out of the Legislature and was signed by the Governor.
 - Position: Neutral
 - **AB 1660 (Schiavo)** – This bill was amended to permit, as opposed to require, a court to award sanctions of no less than \$1,000 per violation if a financial institution, private agency, retirement fund administrator, insurance company, or other person fails to comply with existing requirements to provide information or surrender property of a decedent, minor, or conservatee to a public administrator or public guardian that is authorized to take possession and control of such property. Recent amendments require that the financial institution or other person or entity must receive notice of a violation.
 - Status: This bill passed out of the Legislature and was signed by the Governor.
 - Position: No position/watch
 - **AB 1844 (Pacheco)** – This bill modifies the Judges' Retirement System II, to give judges more flexibility in designating beneficiaries for their retirement benefits. This bill would authorize a judge who elects one of the optional

- retirement payment plans in lieu of receiving the maximum retirement allowance to designate a beneficiary other than their spouse to receive the payment or allowance after the judge's death, subject to the community property rights of the judge's spouse. Additionally, the bill extends existing survivor benefits to non-spouse beneficiaries, removing the stipulation that the judge must have served a minimum of 20 years if they die in office.
- Status: This bill passed out of the Legislature and was signed by the Governor.
 - Position: No position/watch
- **AB 2519 (McKinnor)** – The bill expands who must be included in the State Teachers' Retirement System (STRS) membership. Under current law STRS administers a defined-benefit retirement program funded by employer and employee contributions and applies to positions that generally require a valid credential or license; charter school positions were excluded. This bill adds permitholders and comparable positions at charter schools that receive state apportionment and perform specified directing, coordinating, supervising, or administrative functions to the definition of "position subject to membership." It also removes a board-triggered timing requirement and makes the new definition operative on July 1, 2027.
 - Status: This bill passed out of the Legislature and was signed by the Governor.
 - Position: No position/watch
 - **AB 2780 (Assembly Committee on Public Employment and Retirement) – Public Retirement Systems: Omnibus Bill** - This bill includes the SACRS-sponsored legislative package in the Legislature's annual omnibus bill for technical changes to laws affecting CalSTRS, CalPERS, and the CERL systems. The proposed changes in the CERL include the following:
 - Clarifying that deferred members cannot run for or vote in active member Miscellaneous and Safety trustee elections.
 - Establishing a 10-year statute of limitations for recovery of overpayments due to fraudulent reports of overpaid death benefits.
 - Formalizing the practice of the majority of CERL systems that only the last system pays a lump-sum burial allowance for reciprocal members.
 - Defining "concurrent retirement" to allow reciprocal members to retire on different dates with 30 days of each retirement date, as long as there is not overlapping service.
 - Status: This bill passed out of the Legislature and was signed by the Governor.

- Position: Support
- **SB 1187 (Durazo)** – This bill was amended to remove the language access requirements established in SB 707 (Chapters 327, 2025). Specifically, the bill would repeal several public participation and language access requirements, including requirements related to translation of meeting materials, interpretation services, multilingual website content, public outreach to underrepresented communities, and opportunities for the public to provide additional agenda translations. It would reduce the administrative obligations placed on eligible legislative bodies related to multilingual access and public engagement.
 - Status: This bill passed out of the Legislature and was signed by the Governor.
 - No position/watch
- **SB 1207 (Laird)** – This bill authorizes CalPERS members to buy back not more than three years of service credit for their prior service in the California Conservation Corps (CCC). The bill also makes changes to CCC's statutes to clarify the scope of authorized projects and to specifically permit CCC to contract with corps established by California Native American tribes
 - Status: This bill was passed by the Legislature and signed by the Governor.
 - No position/watch

Contact:

If you have any questions, contact Cara Martinson at cmartinson@capitoladvocacy.com, or Laurie Johnson at lauriejconsult@gmail.com.



August 25, 2026

RE: SACRS Legislative Proposals 2027

Dear SACRS Board of Directors,

The SACRS Legislative Committee has developed a legislative package for consideration in the upcoming 2027 legislative session. This proposal, called the CERL Modernization Act, reflects the input of SACRS member systems and is intended to provide administrative clarity and consistency for county retirement systems.

The CERL Modernization Act updates outdated provisions in the County Employees Retirement Law of 1937 to reflect modern governance practices, constitutional authority, and longstanding case law. Many of the proposed updates address statutory language that predates Proposition 162 (1992), which granted retirement boards plenary authority over the administration and investment of retirement system assets under Article XVI, Section 17 of the California Constitution. As a consortium of 20 independent county retirement systems, the 1937 Act systems have historically lacked the large legislative staffing resources available to statewide systems such as CalPERS and CalSTRS. As a result, portions of CERL still contain outdated references that no longer align with current constitutional governance standards or operational practice.

The proposed legislation clarifies the retirement boards' authority over administrative and procedural matters, consistent with the recent California Supreme Court ruling *LACERA v LA County*. It does not address retirement system staffing or personnel matters.

Clarifies Governance Roles

- Clarifies the respective roles of Boards of Retirement and Boards of Supervisors.
- Aligns CERL governance authority with constitutional standards established by Proposition 162.
- Aligns Board of Retirement authority more closely with governance standards applicable to CalPERS and CalSTRS.

Modernizes Administrative Authority

- Removes outdated statutory provisions requiring Board of Supervisors approval over actuarial and administrative functions now constitutionally vested in Boards of Retirement.



- Clarifies Board of Retirement authority over actuarial assumptions, contribution rates, administrative regulations, and reserve policies.
- Modernizes election administration and technical statutory provisions.

Promotes Administrative Efficiency

- Streamlines outdated procedural requirements.
- Eliminates obsolete administrative restrictions inconsistent with modern retirement system operations.
- Supports efficient, transparent, and accountable retirement system governance.

Preserves County Authority

- Does not change the authority of Boards of Supervisors to adopt retirement benefit formulas and other benefit provisions.
- Does not alter employer contribution obligations or collective bargaining responsibilities.
- Maintains existing county appointment authority for retirement board trustees.
- Does not alter retirement system staffing or personnel matters.

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

A summary table and proposed bill language is attached. Please note that draft language is subject to change during the legislative process.

Respectfully,

/s/

Eric Stern
Chair, SACRS Legislative Committee, and
Chief Executive Officer, Sacramento County Employees' Retirement System

ATTACHMENTS

- SACRS 2027 Legislative Proposal – Summary Table
- Chart: Administrative Rate by System Assets
- SACRS 2027 Legislative Proposal – Draft Language

CERL Modernization Act
August 2026

Issue	Gov Code	Topic	Issue/Justification
1	31452	Garnishments	<p>This amendment corrects an irregularity in state law to clarify that a member's pension is not subject to an Order to Withhold (OTW) from the California Franchise Tax Board, consistent with other retirement systems. Under current law, the following retirement systems are generally restricted from garnishing pension payments by "any other process whatsoever," which include FTB orders:</p> <ul style="list-style-type: none"> •US Government (5 USC 8346) •CalPERS (GC 21255) •CalSTRS (EDC 22005) •Legislators' Retirement Fund (GC 9359.3) •Municipal Utility District Retirement Systems •Transit District Retirement Systems <p>However, for CERL systems, the Government Code restrictions on garnishments are tied to "any other process of court," which has created confusion over FTB orders because "process of court" refers to orders from the judicial branch of government. The FTB is an executive branch agency and thus not be covered under "process of court. However, it is the common practice of CERL systems to not recognize FTB orders to garnish pension payments.</p>
2	31453	Actuarial valuation	<p>This amendment clarifies that the Board of Retirement need only communicate actuarial information to the Board of Supervisors, updating outdated references that the Board of Supervisors must approve actuarial assumptions. The plenary authority to establish actuarial assumptions and contribution rates rests with the Board of Retirement, under Proposition 162. However, it is still necessary to provide this information to the Board of Supervisors (and plan sponsors) for budgeting purposes and transparency.</p>
3	31456	"Actuarial Equivalent" defined	<p>This amendment updates outdated phrasing from 1947 that refers to the adoption of mortality tables by the Board of Supervisors. The Board of Retirement has plenary authority under Article XVI of the California Constitution to adopt actuarial assumptions.</p>
4	31459 31459.1	Board of Investments cross references	<p>This amendment updates cross references to the LACERA Board of Investments</p>

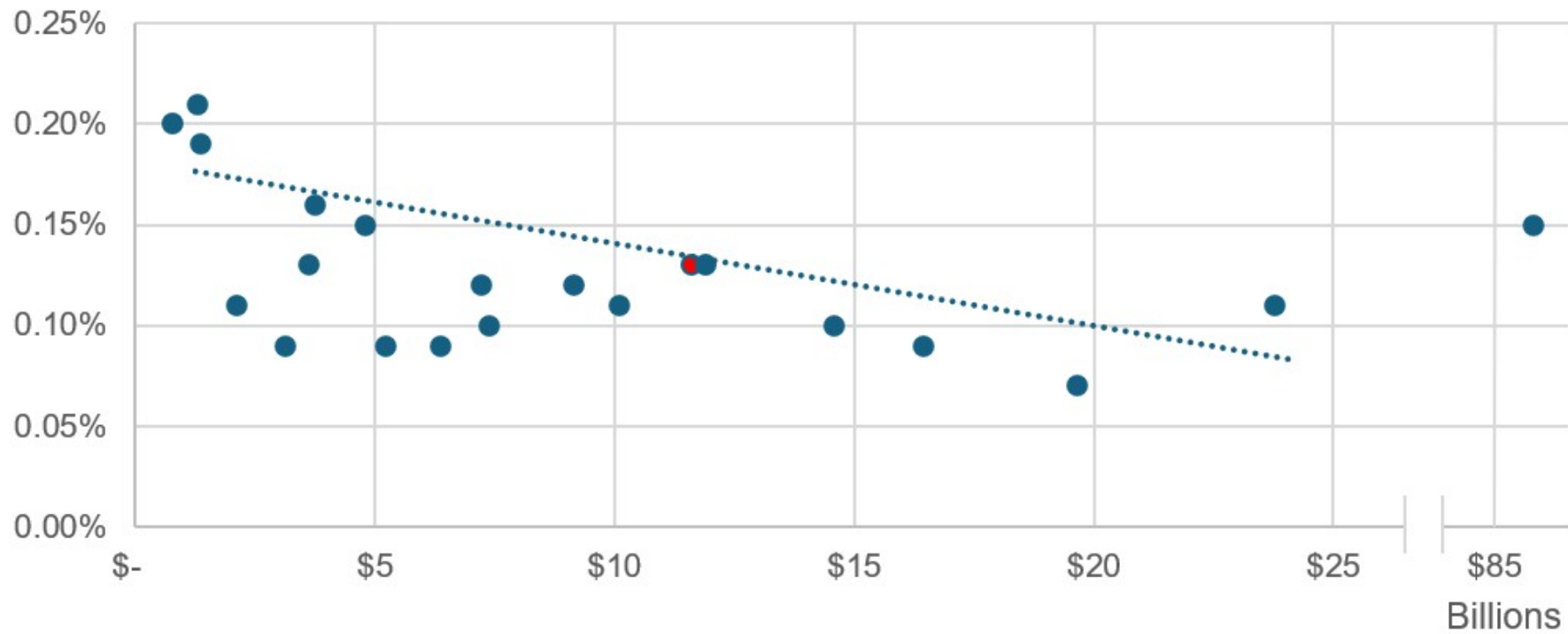
CERL Modernization Act
August 2026

5	31522	Employer Reimbursement for Trustees	This amendment provides a mechanism for the retirement system, upon adoption by the Board of Supervisors, to reimburse an employing agency of an elected Board of Retirement trustee when the trustee is fulfilling Board duties while on leave from work. This provision creates a pathway to encourage employer support for elected Board Members to attend training sessions to fulfill statutory education requirements. This language is similar to section 20092 for CalPERS elected members, adopted in 1985.
6	31523 31523.1	Trustee Elections	This amendment directs the Board of Retirement, and not the Board of Supervisors, to declare an unopposed board of retirement candidate the winner of the election. More and more CERL systems are not using the Registrar of Voters to conduct elections and are self-administering their board elections.
7	31525	Regulations; approval	This amendment deletes the requirement that Board of Retirement regulations must be approved by the Board of Supervisors. This language is a holdover from when CERL systems were managed as an internal county department, and was adopted prior to the passage of Prop. 162 in 1992, which provided plenary authority to the Board of Retirement. Many county retirement systems have already evolved its practices to adopt "policies" instead of "regulations," which is a distinction in name only. It is not appropriate for the Board of Supervisors to make decisions on practical and procedural administrative retirement matters, when the Board of Retirement is a bona fide administrative rule-making body. The Board of Supervisors still maintains appointment authority for four Board of Retirement trustees and maintains authority to adopt or discontinue numerous benefit options in the CERL.

CERL Modernization Act
August 2026

8	31580.2	Annual budget; expenses of administration	This amendment removes an outdated and unforceable provision that established an administrative cap on county retirement system expenses. The Board of Retirement has plenary authority under Article XVI of the California Constitution and is charged under this section to adopt its own budget using trust fund earnings. The purpose in enacting 31580.2 was to transfer costs of operating the retirement system from the county's General Fund to investment earnings, placing fiscal responsibility in the Retirement Board. Removing the administrative cap provides conformity with CalPERS statutes; the Legislature repealed a similar administrative cap for CalPERS under section 20202.5 (renumbered to 20173) in 1975. The CERL provision has been amended over the years to exclude investment, technology, and legal costs (as well as moving to a threshold based on total liabilities instead of assets) which has made the cap more arbitrary. The Board of Retirement has the appropriate budgetary control to ensure fiscal restraint, and almost all CERL systems adopt administration budgets far below the cap, the exceptions being the smallest systems that lack of economies of scale.
9	31591	Interest credits	This amendment updates outdated phrasing from 1947 that refers to the adoption of mortality tables by the Board of Supervisors. The Board of Retirement has plenary authority under Article XVI of the California Constitution to adopt actuarial assumptions.
10	31611	Actuarial valuation	This amendment removes references regarding Board of Supervisor approval of contribution rates and actuarial assumptions. This is an outdated practice that conflicts with Board of Retirement authority under Article XVI, Section 17, of the California Constitution. This language should have been updated after voters approved Prop 162 in 1992.
11	31612	"Actuarial rate" defined	This amendment updates phrasing to indicate that interest rate assumptions fall under the jurisdiction of and are adopted by the Board of Retirement, not the Board of Supervisors.
12	31615	Interest	This amendment updates phrasing to indicate that mortality tables fall under the jurisdiction of and are adopted by the Board of Retirement, not the Board of Supervisors.
13	31616	Reserve Policy	This amendment removes the 3% cap on reserves and authorizes the Board of Retirement to establish a reserve level it deems appropriate.

Admin Rate vs Plan Assets, FYE 2025



1. 31452 – Garnishments

Section 31452 of the Government Code is amended to read:

The right of a person to a pension, annuity, retirement allowance, return of contributions, the pension, annuity, or retirement allowance, any optional benefit, any other right accrued or accruing to any person under this chapter, the money in the fund created or continued under this chapter or the California Public Employees' Pension Reform Act of 2013, and any property purchased for investment purposes pursuant to this chapter, are exempt from taxation, including any inheritance tax, whether state, county, municipal, or district. They are not subject to execution or any ~~other process of court~~ **process** whatsoever except to the extent permitted by Section 31603 of this code and Section 704.110 of the Code of Civil Procedure, and are unassignable except as specifically provided in this chapter.

2. 31453 – Actuarial Valuation reporting

Section 31453 of the Government Code is amended to read:

(a) An actuarial valuation shall be made within one year after the date on which any system established under this chapter becomes effective, and thereafter at intervals not to exceed three years. The valuation shall be conducted under the supervision of an actuary and shall cover the mortality, service, and compensation experience of the members and beneficiaries, and shall evaluate the assets and liabilities of the retirement fund. Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 45 days prior to the beginning of the succeeding fiscal year, ~~recommend~~**transmit** to the board of supervisors the changes in the rates of interest, in the rates of contributions of members, and in county and district appropriations as are necessary. With respect to the rates of interest to be credited to members and to the county or district, the board may, in its sound discretion, ~~recommend~~**provide** a rate that is higher or lower than the interest assumption rate established by the actuarial survey. No adjustment shall be included in the new rates for time prior to the effective date of the revision.

(b) (1) Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 45 days prior to the beginning of the succeeding fiscal year, ~~recommend~~**transmit** to the governing body of a district within the county system that is not governed by the board of supervisors the changes in the rates of contributions of district members and in district appropriations as are necessary.

*CERL Modernization Act
Draft Language
August 2026*

(2) This subdivision shall not be operative in any county until the board of supervisors, by resolution adopted by majority vote, makes the provision applicable in that county.

3. 31456 – “Actuarial Equivalent” defined

Section 31456 of the Government Code is amended to read:

“Actuarial equivalent” means a benefit of equal value when computed upon the basis of the mortality tables adopted by the board of supervisors and regular interest thereon.

4. 31459, 31459.1 – Board of Investments cross-references

Section 31459 of the Government Code is amended to read:

(a) In a county in which a board of investments has been established pursuant to Section 31520.2:

(1) As used in Sections 31453, 31453.5, 31454, 31454.1, 31454.5, **31456**, 31472, 31588.1, 31589.1, 31591, 31592.3, 31594, 31595.1, 31595.9, 31596, 31596.1, 31601.1, 31607, 31611, **31612, 31615**, 31616, 31625, 31784, and 31872, “board” means a board of investments.

(2) As used in the first paragraph of Section 31592.2, “board” means a board of investments.

(3) Sections 31510.4, 31522, 31523, 31524, 31525, 31528, 31529, 31529.5, 31595, 31618, 31680, and 31680.1 apply to both the board of retirement and board of investments, and “board” means both “board of retirement” and “board of investments.”

(b) In Article 17 (commencing with Section 31880), “board” means the Board of Administration of the Public Employees’ Retirement System.

(c) In all other cases, “board” means the board of retirement.

Section 31459.1 is amended to read:

(a) In a county in which a board of investments has been established pursuant to Section 31520.2:

(1) As used in Sections 31453, 31453.5, 31454, 31454.1, 31454.5, **31456**, 31472, 31588.1, 31589.1, 31591, 31592.3, 31594, 31595.1, 31595.9, 31596, 31596.1, 31601.1, 31607, 31610, 31611, 31612, 31613, **31615**, 31616, 31618, 31621.11, 31625, 31639.26, 31784, and 31872, “board” means board of investments.

*CERL Modernization Act
Draft Language
August 2026*

(2) As used in the first paragraph of Section 31592.2 and the first paragraph and subdivision (c) of the second paragraph of Section 31595, “board” means a board of investments.

(3) Sections 31521, 31522, 31522.1, 31522.2, 31523, 31524, 31525, 31528, 31529, 31529.5, 31535.1, 31580.2, 31614, 31680, and 31680.1, apply to both the board of retirement and board of investments, and “board” means either or both the board of retirement and board of investments.

(4) Subdivision (a) of Section 31526 and subdivisions (a) and (b) of the second paragraph of Section 31595 apply to both the board of retirement and board of investments, and “board” means either or both the board of retirement and board of investments.

(b) In Article 17 (commencing with Section 31880) of this chapter, “board” means the Board of Administration of the Public Employees’ Retirement System.

(c) In all other cases, “board” means the board of retirement.

(d) This section shall apply only in a county of the first class, as defined in Section 28020, as amended by Chapter 1204 of the Statutes of 1971, and Section 28022, as amended by Chapter 43 of the Statutes of 1961.

5. 31522 – Duties of board members; additional compensation

Section 31522 is amended to read:

(1) The official duties of elected board members who are employees of the county or a district shall be included as part of their county or district employment and their board duties shall normally take precedence over any other duties, **except as provided in (2).** The elected board members who are county or district employees shall not receive any additional compensation by virtue of their election to the board.

(2) **Upon approval of the governing entity, each county or district that employs an elected member of the board shall be reimbursed by the retirement fund in an amount equal to the salary and benefits paid to the elected board member by the county or district for the percentage of the elected board member’s regular work schedule during which the elected board member is on leave from the county or district to attend meetings or activities of the board, or meetings of committees or subcommittees of the board, or to otherwise fulfill his or her responsibilities to the system. The system shall establish procedures for the reimbursement process, and the reimbursement shall not exceed 25% of the board member’s regular work schedule.**

*CERL Modernization Act
Draft Language
August 2026*

6. 31523, 31523.1 – Retirement Board Elections

Section 31523 of the Government Code is amended to read:

(a) In the event of a vacancy in the second, third, seventh, eighth, or alternate seventh member position on the board of retirement, the board shall cause an election to fill the vacancy to be held at the earliest possible date, except as provided in Sections 31520.3 and 31520.5. The vacancy in the second, third, or eighth member position on the board of retirement shall be filled for the duration of the current term except that, if the remaining portion of the current term is six months or less on the date of the election, a single election may be held to fill the vacancy for the remainder of the current term and to fill the position for the succeeding term. With respect to a vacancy in the seventh member position, candidates shall be a safety member from a group which is not represented by an incumbent alternate seventh member. With respect to the alternate seventh member position, the candidates shall be limited to the group under Section 31470.2 or 31470.4, or any other eligible safety member in a county if there is no eligible candidate from the groups under Sections 31470.2 and 31470.4 that is not represented by an incumbent seventh board member. The successful candidate shall serve for the duration of the current term.

(b) If there is a vacancy with respect to the alternate retired member, the board of retirement shall, by majority vote, appoint a replacement alternate member in the same manner as prescribed in Sections 31520.3 and 31520.5 for the initial appointment of an alternate retired member, who shall serve until the expiration of the current term of the current eighth member.

(c) If an election has been called on the expiration of the term of office of any member or alternate member, or to fill a vacancy for the second, third, seventh, eighth, or alternate seventh member of a board of retirement, and only one candidate has been duly nominated in accordance with the rules established for the holding of that election, the board supervisors shall order that no election be held and shall ~~direct the clerk to~~ cast a unanimous ballot in favor of the candidate.

Section 31523.1 of the Government Code is amended to read:

(a) In the event of a vacancy in the second, third, fourth, or eighth member position on a board of investments established pursuant to Section 31520.2, the board of investments shall cause an election to be held at the earliest possible date to fill the vacancy. The vacancy in the second, third, fourth, or eighth member position shall be filled for the duration of the current term except that, if the remaining portion of the current term on the date of the election is six months or less, a single election may be held to fill the vacancy for the remainder of the current term and to fill the position for the succeeding term.

*CERL Modernization Act
Draft Language
August 2026*

(b) If an election has been called on the expiration of the term of office of any member, or to fill a vacancy for the second, third, fourth, or eighth member position of a board of investments, and only one candidate has been duly nominated in accordance with the rules established for the holding of that election, the board ~~supervisors~~ shall order that no election be held and shall ~~direct the clerk to cast a unanimous ballot in favor of the~~ candidate.

7. 31525 – Regulations; approval

Section 31525 of the Government Code is amended to read:

The board may make regulations not inconsistent with this chapter, **the Public Employees' Pension Reform Act of 2013, and any other provisions of law applicable to county retirement systems.** ~~The regulations become effective when approved by the board of supervisors.~~

8. 31580.2 – Annual Budget Limit

Section 31580.2 of the Government Code is amended to read:

~~(a) In counties in which the board of retirement, or the board of retirement and the board of investment, have appointed personnel pursuant to Section 31522.1, 31522.5, 31522.7, 31522.9, 31522.10, or 31522.11, the respective board or boards shall annually adopt a budget covering the entire expense of administration of the retirement system, which expense shall be charged against the earnings of the retirement fund. The expense incurred in any year may not exceed the greater of either of the following:~~

~~(1) Twenty-one hundredths of 1 percent of the accrued actuarial liability of the retirement system.~~

~~(2) Two million dollars (\$2,000,000), as adjusted annually by the amount of the annual cost of living adjustment computed in accordance with Article 16.5 (commencing with Section 31870).~~

~~(b) Expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products shall not be considered a cost of administration of the retirement system for purposes of this section.~~

9. 31591 – Interest Credits

Section 31591 of the Government Code is amended to read:

(a) Regular interest shall be credited semiannually on June 30th and December 31st to all contributions in the retirement fund which have been on deposit for six months

*CERL Modernization Act
Draft Language
August 2026*

immediately prior to that date. Interest at the rate of $2\frac{1}{2}$ percent per annum, until otherwise determined by the board, compounded semiannually, shall be used in the calculation of benefits under any mortality table adopted by the board of supervisors.

(b) No interest shall be credited to a member's account after the membership of the member in the retirement association has ceased, except under any of the following circumstances:

(1) The former member has left his or her accumulated contributions in the retirement fund and has either elected, in writing, a deferred retirement allowance, or is eligible to so elect under Section 31700 but has failed to do so.

(2) The surviving spouse of a deceased member or the legally appointed guardian of the member's unmarried children under age 18 has elected to leave a death benefit on deposit as provided for in Section 31781.2.

(3) The former member, regardless of service, has left his or her accumulated contributions in the retirement fund and has not terminated employment.

10. 31611 – Actuarial Valuation

Section 31611 is amended to read:

An actuarial valuation shall be made within one year after the date on which any system established under this chapter becomes effective, and thereafter at intervals not to exceed three years. The valuation shall be conducted under the supervision of an enrolled actuary and shall cover the mortality, service, and compensation experience of the members and beneficiaries, and shall evaluate the assets and liabilities of the retirement fund. Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 60 days prior to the beginning of the succeeding fiscal year, transmit ~~recommend~~ to the board of supervisors of such changes in the rates of interest, in the rates of contributions of members, in county and district appropriations as are necessary, and appropriate mortality tables. ~~In making recommendations to the board of supervisors, the board shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. No adjustment shall be included in the new rates for time prior to the effective date of the revision. The cost of actuarial valuations and investigations may, in the sound discretion of the board, be charged against the earnings of the retirement fund.~~

11. 31612 – “Actuarial rate” defined

Section 31612 is amended to read:

*CERL Modernization Act
Draft Language
August 2026*

“Actuarial rate” means the interest assumption rate established by the most recent actuarial survey adopted ~~recommended by the board of retirement and adopted by the board of supervisors.~~

12. 31615: Interest

Section 31615 is amended to read:

Regular interest at the actuarial rate, or at the highest rate possible if net earnings, as defined in Section 31613 are not sufficient to credit the full actuarial rate, shall be credited semiannually on June 30 and December 31 to all contributions, reserves, and accounts in the retirement fund, except the Contingency Reserve Account, which have been on deposit for six months immediately prior to those dates.

Interest at the actuarial rate, compounded semiannually, shall be used in the calculation of benefits under any mortality table adopted by the board of supervisors. No interest shall be credited to a member’s account after the termination of the member’s county service, unless the member has elected, in writing, to leave his or her accumulated contributions in the retirement fund and be granted a deferred retirement allowance, or the surviving spouse of a deceased member or the legally appointed guardian of the member’s unmarried children under age 18 has elected to leave a death benefit on deposit as provided for in Section 31781.2.

13. 31616: Reserves

Section 31616 is amended to read:

After the semiannual application of Section 31615, earnings of the retirement fund in excess of the total interest credited to contributions and reserves shall remain in the fund as a reserve against deficiencies in interest earnings, losses on investments, or payments made pursuant to Section 31588.1 or 31589.1, if applicable.

These funds shall be placed in an account known hereafter as the Contingency Reserve Account. The size of this account shall be determined semiannually by the board ~~but shall not exceed 3 percent of the total assets of the retirement fund.~~

If, at the end of any semiannual period, the balance of the Contingency Reserve Account falls below 1 percent of system assets, the board shall, by the end of the subsequent semiannual period, provide funds from earnings of fund assets from the subsequent semiannual period, to bring the level of the Contingency Reserve Account to at least 1 percent of system assets.

No funds in the Contingency Reserve Account shall be available for the payment of benefits.

*CERL Modernization Act
Draft Language
August 2026*

Net earnings remaining after the application of this section shall be applied as provided in Sections 31617, 31618, and 31619.



6. SACRS Nomination Committee Report – No Action

David MacDonald, Contra Costa CERA, SACRS Nomination Committee Chair & Immediate Past President

A. SACRS Board of Directors Election Notice 2027-2028



September 17, 2026

To: SACRS Trustees & SACRS Administrators/CEO's
From: David MacDonald, SACRS Immediate Past President, Nominating Committee Chair
SACRS Nominating Committee
Re: SACRS Board of Director Elections 2027-2028 - Elections Notice

SACRS BOD 2027-2028 election process will begin January 1, 2027. Please provide this election notice to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2027	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, 2027	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 15, 2027	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 15, 2027	Board of Directors takes office for 1 year

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

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

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

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

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

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



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

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

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

The elections will be held at the SACRS Spring Conference May 11-14, 2027. Elections will be held during the Annual Business meeting on Friday, May 14, at the Hyatt Regency Monterey Hotel and Spa, Monterey, CA.

If you have any questions, please contact David MacDonald at dmacdcccera@gmail.com or Sulema Peterson, SACRS Executive Director, at sulema@sacrs.org.

Thank you for your prompt attention to this timely matter.

Sincerely,

David MacDonald

David MacDonald, Trustee, Contra Costa CERA and SACRS Nominating Committee Chair

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



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2027-2028**

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, 2027.** Please submit to the Nominating Committee Chair at dmacdcccera@gmail.com **AND** to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name:
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: Email Address: Phone:
Name of Retirement System Candidate Currently Serves On	System Name:
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	☐ Chair ☐ Alternate ☐ General Elected ☐ Retiree ☐ Other _____
Applying for SACRS Board of Directors Position (select only one)	☐ President ☐ Vice President ☐ Treasurer ☐ Secretary ☐ Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	



7. SACRS Audit Committee Report – No Action

David Kim, San Diego CERA, SACRS Audit Committee Chair

A. SACRS Audit 2025-2026

Verbal report, no printed materials for this item



8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Co-Chair
and Renee Ostrander, San Joaquin CERA, SACRS Education Committee
Co-Chair

A. Education Committee Report

Verbal report, no printed materials for this item



9. SACRS Program Committee Report – No Action

Jordan Kaufman, Kern CERA, SACRS Program Committee Chair & Vice President

A. Program Committee Report

Verbal report, no printed materials for this item



10. SACRS Affiliate Committee Report – No Action

Sean Gannon, Manulife Investments, SACRS Affiliate Committee Chair

A. Affiliate Committee Report

Verbal report, no printed materials for this item



11. SACRS Bylaws Committee Report – No Action

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

A. Bylaws Committee Report

Verbal report, no printed materials for this item



12. SACRS Fall Conference Breakout Reports – No Action

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

- A. Administrators
- B. Affiliates
- C. Attorneys
- D. Disability
- E. General Trustees
- F. Internal Auditors
- G. Investment Officers
- H. Operations/Benefits
- I. Safety Trustees

Verbal report, no printed materials for this item



13. Adjournment

Next scheduled SACRS Business Meeting will be held on Friday, May 14, 2027. The meeting will be held at the Hyatt Regency Monterey Hotel & Spa, Monterey, CA, during SACRS Annual Spring Conference May 11 – 14, 2027.



Board of Retirement
San Joaquin County Employees' Retirement Association

Agenda Item 5.7

November 6, 2026

SUBJECT: Board to consider and take possible action on consent items

SUBMITTED FOR:

RECOMMENDATION

PURPOSE

DISCUSSION

ATTACHMENTS

None

Economic and Market Update

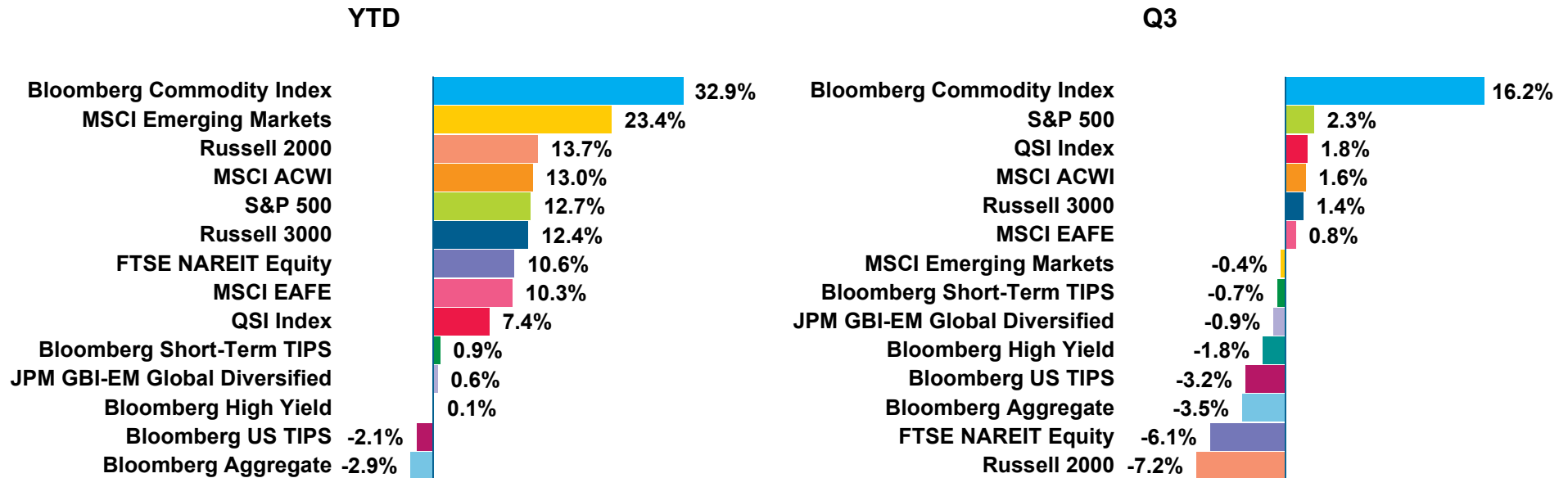
September 2026 Report

Commentary

Global markets were mixed in the third quarter of 2026. Renewed Middle East tensions stoked inflation fears, lifting commodities while pushing yields higher and weighing on bonds. Equities largely looked past the noise, driven by strong earnings and the AI buildout.

- US equities (Russell 3000) rose 1.4% in the third quarter despite a September decline, bringing the index's year-to-date gain to 12.4%. Value stocks led for the quarter, with the Russell 1000 Value Index advancing 2.6% versus 0.9% for the Russell 1000 Growth Index. Small caps lagged given their higher interest rate sensitivity, as the Russell 2000 Index fell 7.2% while large-cap names (Russell 1000) gained 1.8%.
- Developed international markets (MSCI EAFE: +0.8%) edged higher in the quarter, trailing the US but outperforming emerging markets (MSCI Emerging Markets: -0.4%). China (+3.7%) advanced, while emerging markets ex-China (-1.3%) declined, pressured by weakness in Taiwanese and Korean semiconductor stocks amid concerns over the sustainability of AI-related spending. A stronger US dollar in September weighed on international equity results for US-based investors, particularly in developed markets.
- Fixed income declined during the third quarter as Treasury yields rose across the curve. The Bloomberg Universal Index fell 3.4%, bringing its year-to-date return to -2.6%. Longer maturity bonds fell the most (Bloomberg US Long Treasury: -8.0%), while high yield bonds (Bloomberg High Yield: -1.8%) and emerging market debt (JPM GBI-EM: -0.9%) also declined as credit spreads widened in September.
- Looking ahead, investors will be focused on the path of monetary policy, whether Treasury yields stabilize after breaking above 5%, how the conflict in the Middle East progresses, and earnings durability.

Index Returns¹



- In the third quarter of 2026, commodities led all asset classes (Bloomberg Commodity Index: +16.2%) given the surge in oil prices, remaining the top performer year-to-date (+32.9%).
- Except for emerging markets, stocks broadly rose for the quarter led by the US (Russell 3000: +1.4%) as investors looked past the geopolitical tensions and rising rates and focused on resilient earnings and AI themes. Rate-sensitive areas like small caps (Russell 2000: -7.2%) and REITs (FTSE NAREIT Equity: -6.1%) lagged in the rising rate environment.
- The bond market declined as yields rose (Bloomberg Aggregate: -3.5%), influenced by concerns over inflationary pressures, growing fiscal deficits, and the significant bond issuance coming from the AI sector.

¹ Source: Bloomberg. Data is as of September 30, 2026.

Domestic Equity Returns¹

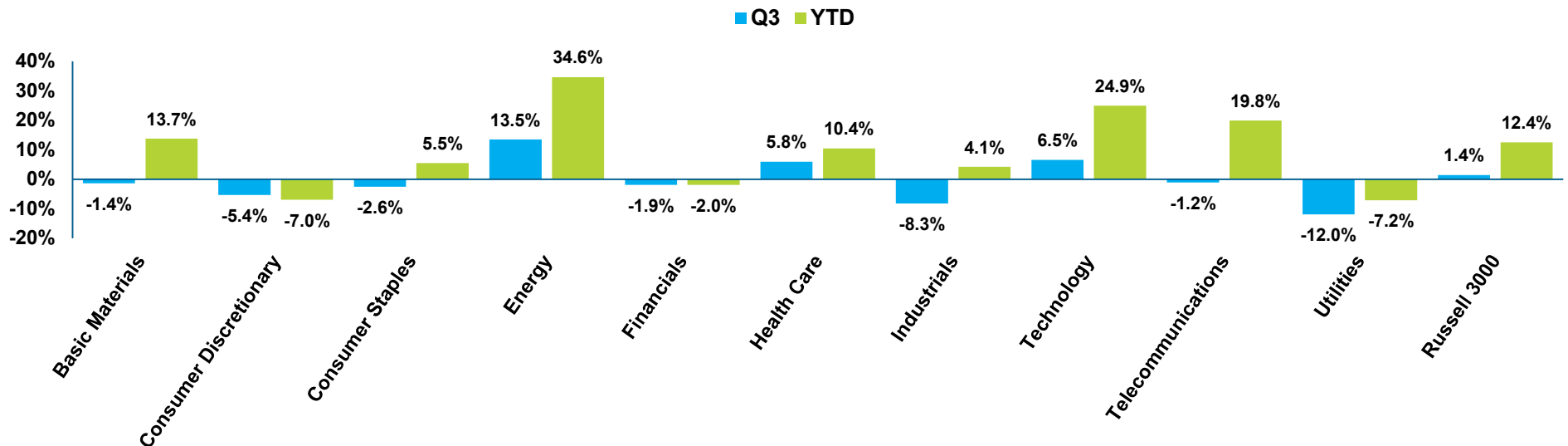
Domestic Equity	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-0.3	2.3	12.7	15.7	22.9	13.8	15.3
Russell 3000	-0.8	1.4	12.4	15.1	22.3	12.6	14.7
Russell 1000	-0.6	1.8	12.3	15.0	22.5	13.0	15.0
Russell 1000 Growth	2.2	0.9	6.3	7.5	24.3	13.7	18.2
Russell 1000 Value	-3.1	2.6	19.3	23.8	20.1	11.9	11.4
Russell MidCap	-4.2	-3.0	11.8	12.0	17.2	8.0	11.2
Russell MidCap Growth	-1.8	-5.8	1.0	-2.7	15.4	4.9	11.9
Russell MidCap Value	-5.0	-2.0	15.3	16.9	17.5	9.3	9.9
Russell 2000	-5.3	-7.2	13.7	16.2	17.7	6.3	9.8
Russell 2000 Growth	-5.3	-9.4	10.7	12.1	17.6	4.7	9.9
Russell 2000 Value	-5.2	-4.9	17.0	20.8	17.9	7.8	9.4
QSI Index	-2.6	1.8	7.4	8.3	15.1	8.7	11.8

US Equities: The Russell 3000 index rose 1.4% in the third quarter of 2026, despite losses in September driven by rising interest rates and oil prices, bringing the year-to-date return to 12.4%.

- Value outpaced growth in the third quarter across market capitalizations and retains a wide year-to-date lead. Small caps lagged given their sensitivity to interest rates (Russell 2000: -7.2%).
- The “Magnificent Seven” gained 11.1% in the third quarter, including 4.2% in September. Performance was mixed across the companies, but the group’s net gain helped offset broader weakness given its weight in the index.

¹ Source: Bloomberg. Data is as of September 30, 2026.

Russell 3000 Sector Returns¹



Sector performance was mixed in the third quarter, with energy leading the market and utilities the weakest performing sector.

- Energy led all sectors in the third quarter by a wide margin, rising 13.5% given the surge in oil prices and strong earnings outlook. Technology (+6.5%) benefited from demand for AI-related semiconductors, and health care (+5.8%) also gained.
- Utilities (-12.0%) was the weakest sector as dividend income looked less attractive given the rise in yields. Industrials (-8.3%) and consumer discretionary (-5.4%) also fell for the quarter.
- On a year-to-date basis, energy (+34.6%) and technology (+24.9%) remain the top performers, followed by telecommunications (+19.8%) and basic materials (+13.7%).

¹ Source: Bloomberg. Data is as of September 30, 2026.

Foreign Equity Returns¹

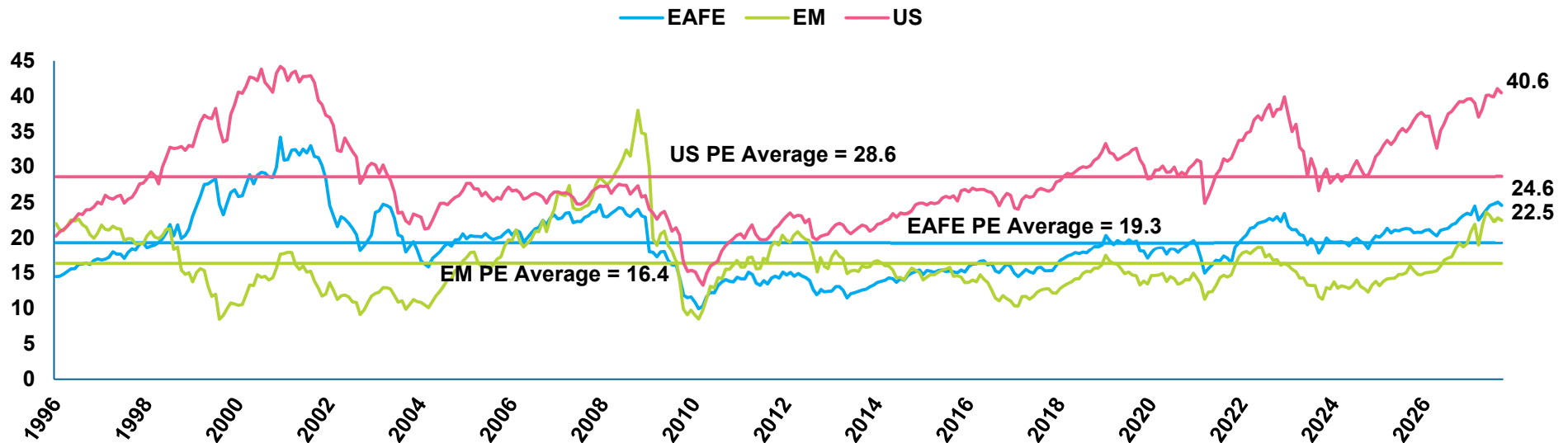
Foreign Equity	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	-2.4	0.5	14.2	20.0	20.5	9.6	9.2
MSCI EAFE	-3.1	0.8	10.3	15.7	18.4	9.3	9.1
MSCI EAFE (Local Currency)	-1.7	0.6	12.4	19.3	16.6	11.1	10.1
MSCI EAFE Small Cap	-2.8	2.9	10.8	13.7	18.2	5.8	8.0
MSCI Emerging Markets	-0.6	-0.4	23.4	29.2	24.1	8.9	9.1
MSCI Emerging Markets (Local Currency)	-0.4	-2.9	23.1	30.0	24.5	10.9	10.7
MSCI EM ex China	0.5	-1.3	36.9	50.9	29.2	13.4	11.5
MSCI China	-4.6	3.7	-11.9	-18.4	9.8	-2.1	3.4

Developed international equities (MSCI EAFE) returned 0.8% in the third quarter of 2026 while emerging markets equities (MSCI Emerging Markets) fell 0.4%, though performance varied significantly by region.

- Developed market equities edged higher over the quarter but declined in September. Energy stocks rallied on higher oil prices as the Middle East conflict flared up again, and financials gained on strong bank earnings and rising rates, especially in Japan. Those gains were largely given back in September, when the index fell over 3% as the USD strengthened and energy-driven inflation pushed the ECB to raise rates to 2.5% and the Bank of England to signal it may follow.
- Emerging markets trailed developed peers over the quarter but outperformed in September, led by strength outside China. Emerging markets outside China fell 1.3% for the quarter as AI-related concerns drove Korea and Taiwan lower and higher oil prices and rising rate expectations weighed on India. Chinese equities were a bright spot, rising 3.7% in the third quarter given policy support and the rotation out of Korea and Taiwan, although the gains faded later in the quarter on weak economic activity.

¹ Source: Bloomberg. Data is as of September 30, 2026.

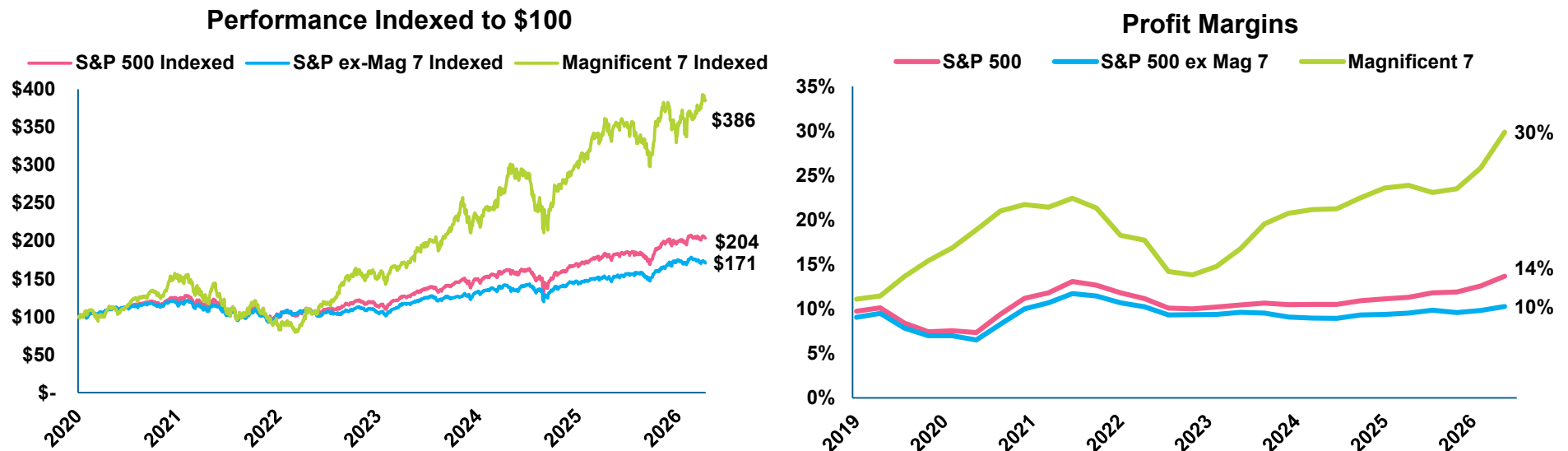
Equity Cyclically Adjusted P/E Ratios¹



- Cyclically adjusted US equity valuations rose over the quarter (39.7 to 40.6) with the US CAPE still far above its long-run average of 28.6.
- Non-US developed market (EAFE) valuations rose slightly since the end of June from 24.5 to 24.6 versus a long-run average of 19.3. Despite trading above historical norms, EAFE valuations remain considerably lower than those in the US.
- Emerging market valuations fell slightly over the quarter (23.1 to 22.5) but remain elevated relative to the long-run average of 16.4.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of September 2026. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end, respectively.

Performance and Profit Margins: S&P 500 and “Magnificent 7”¹



- The “Magnificent Seven” extended their outperformance in the third quarter, rising 11.1% compared to a 2.4% decline for the S&P 500 excluding the group, leaving overall market returns still dependent on a handful of companies.
- The group’s profitability continues to differentiate it from the broader market. Average profit margins for the “Magnificent Seven” rose to 30%, compared to 14% for the S&P 500, and 10% for the S&P 500 excluding the “Magnificent Seven”.

¹ Source: Bloomberg. Data is as of September 30, 2026.

Fixed Income Returns¹

Fixed Income	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-2.6	-3.4	-2.6	-1.5	4.5	-0.3	1.5	5.8	5.6
Bloomberg Aggregate	-2.6	-3.5	-2.9	-1.8	4.1	-0.6	1.1	5.6	5.8
Bloomberg US TIPS	-2.6	-3.2	-2.1	-2.0	3.8	0.0	2.1	5.2	6.3
Bloomberg Short-term TIPS	-0.9	-0.7	0.9	1.3	4.8	2.9	3.0	4.9	2.3
Bloomberg US Long Treasury	-5.0	-8.0	-7.6	-7.7	1.0	-7.3	-2.1	5.6	13.7
Bloomberg High Yield	-2.5	-1.8	0.1	1.4	8.0	3.6	5.0	8.4	3.6
JPM GBI-EM Global Diversified (USD)	-2.1	-0.9	0.6	3.9	8.2	2.6	2.3	--	--

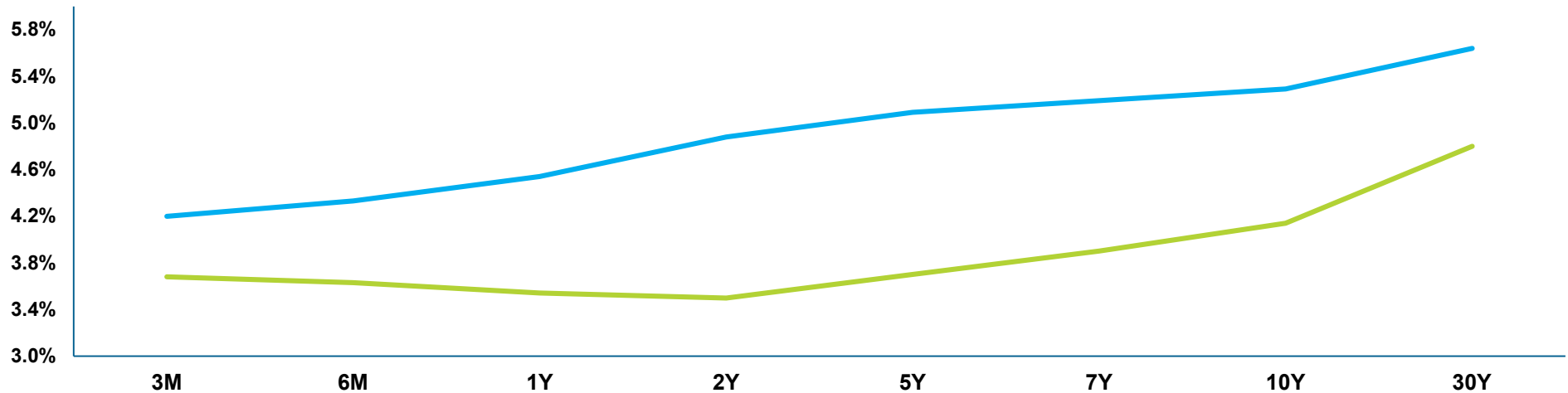
Fixed Income: The Bloomberg Universal index fell 3.4% in the third quarter of 2026, bringing the year-to-date return to -2.6%.

- Fixed income declined over the third quarter as Treasury yields rose across the curve, with losses concentrated in September given the Federal Reserve's first rate increase since 2023, higher oil prices, and weak demand at Treasury auctions. The Bloomberg US Long Treasury index fell 8.0% for the quarter given its higher interest rate sensitivity.
- The broad TIPS index declined like nominal bonds (Bloomberg US TIPS: -3.2%), while short-term TIPS (-0.7%) held up better given their lower duration (interest rate sensitivity).
- Riskier sectors also experienced losses, with high yield bonds (Bloomberg High Yield: -1.8%) and emerging market debt (JPM GBI-EM: -0.9%) falling as credit spreads widened and a stronger US dollar weighed on local-currency emerging market debt in September.

¹ Source: Bloomberg. Data is as of September 30, 2026. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.

US Yield Curve¹

— 12/31/2025 — 9/30/2026

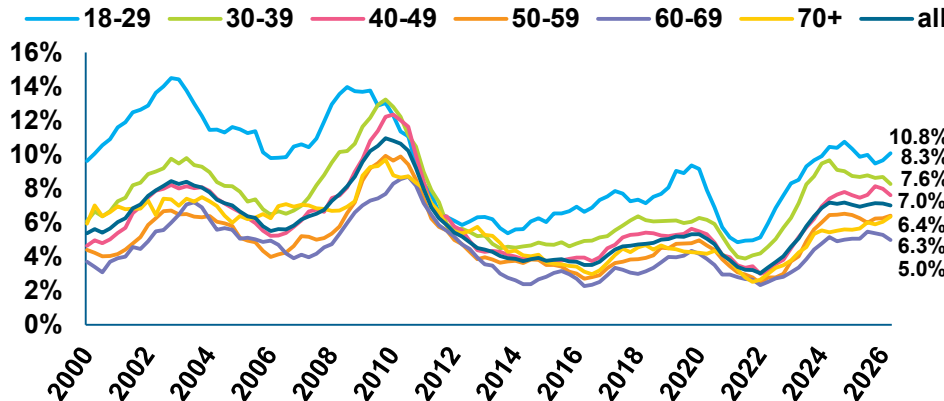


- Treasury yields rose sharply in the third quarter driven by higher oil prices, the Fed's rate increase, heavy debt issuance, and weak demand.
- The policy-sensitive 2-year Treasury yield rose from 3.48% at the end of 2025 to 4.89% at the end of September. The 10-year Treasury yield rose from 4.17% to 5.29% (the first time above 5.0% since 2007), while the 30-year Treasury yield increased from 4.79% to 5.63%.
- The spread between the 2-year and 10-year Treasury rose from 29.5 basis points to 40.2 basis points over the quarter as longer dated yields increased more. Overall, the curve has flattened this year because energy-driven inflation pushed markets to stop pricing Fed rate cuts and start pricing hikes, which lifted 2-year yields more than 10-year yields.

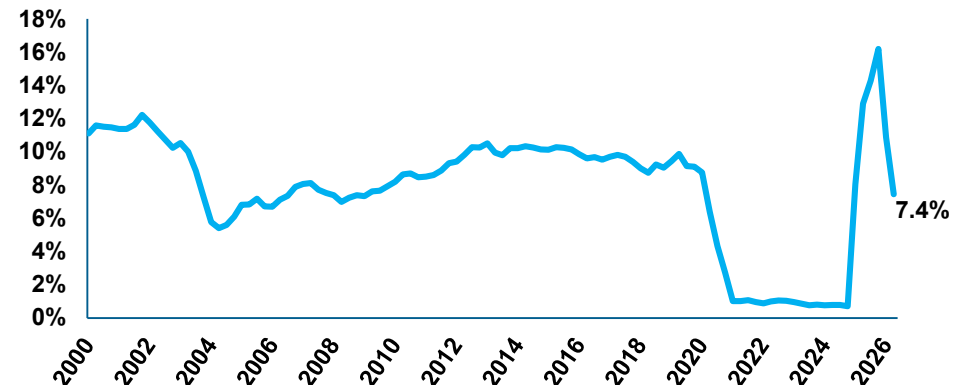
¹ Source: Bloomberg. Data is as of September 30, 2026.

Stress is Building Among Some US Consumers¹

Transition into Serious Delinquency for Credit Cards by Age



Transition Into Serious Delinquency (90+ Days) for Student Loans²

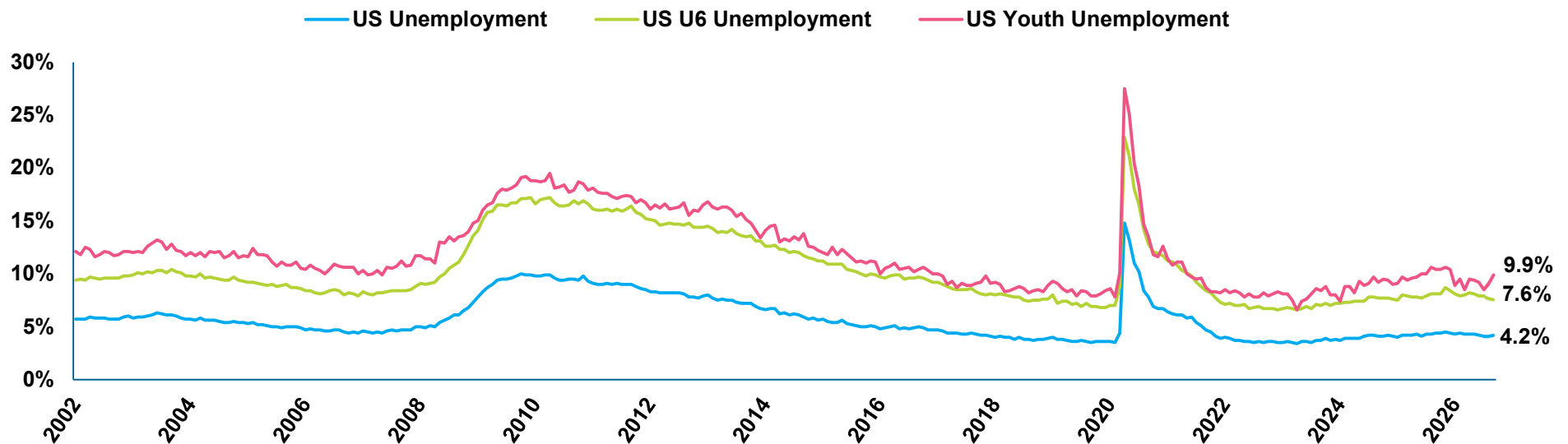


- US consumer trends remain increasingly K-shaped: higher-income households show resilience, while younger, rate-sensitive borrowers face mounting pressure from elevated borrowing costs and inflation that remains above the Federal Reserve's target.
- Delinquencies are still elevated relative to pandemic lows, particularly among younger cohorts. While overall delinquency rates remain below levels seen during prior economic downturns, differences in household financial health have continued to widen.
- Student loan repayment also remains a pressure point for some households. The serious delinquency rate decline from 16.2% to 7.4% does not represent an improvement but a fading of the initial post-pandemic one-time spike caused by a backlog of old unpaid loans all hitting credit reports at once.

¹ Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. See also FRED. Data is as of June 30, 2026.

² Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. Percent of student loan holders transitioning into serious default (90-days or more) based on four quarter moving average. Delays in reporting may cause fluctuations. Data is as of June 30, 2026.

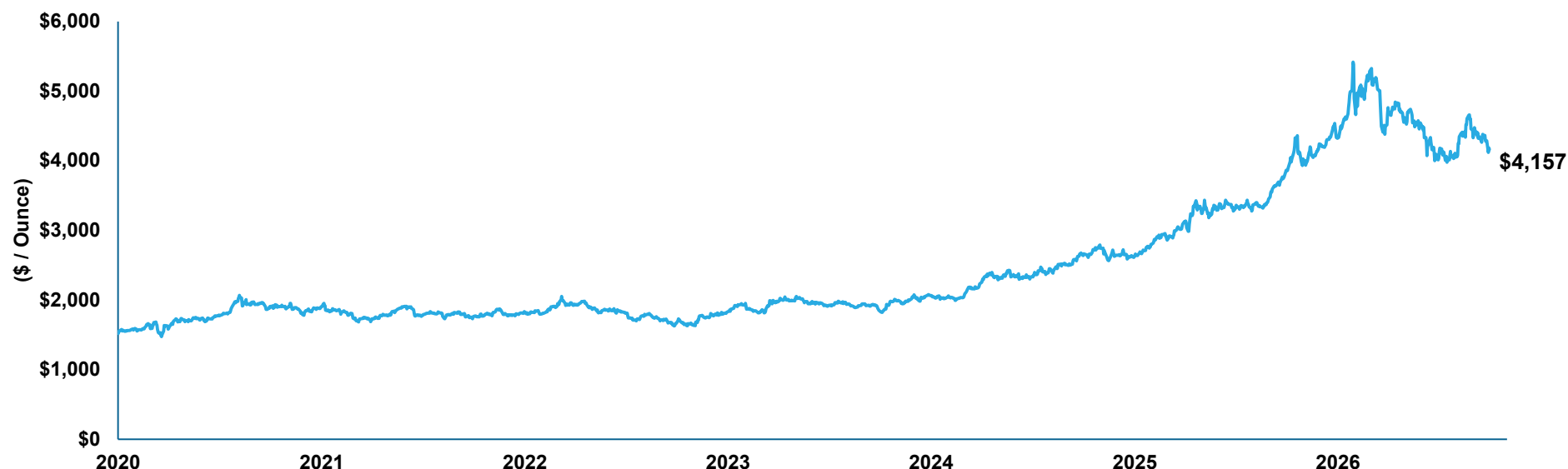
US Unemployment¹



- The US economy added 29,000 jobs in September, well below expectations for 90,000. Payrolls for July (-10,000) and August (133,000) were also revised down by a combined 60,000 jobs. Health care, construction, and manufacturing added jobs, while government, financial activities, information and professional, and business services cut them. The unemployment rate finished the quarter at the same level it started (4.2%).
- Broader labor market indicators were mixed, with the U-6 underemployment rate easing to 7.6% while youth unemployment rose to 9.9%.
- Generally, the labor market remains in a low hire/low fire environment. Wage growth has slowed to 3% year-over-year, down from its post-pandemic peak of close to 6%.

¹ Source: FRED and BLS. Data is as of September 30, 2026. U-3: Total unemployed, as a percent of the civilian labor force (official unemployment rate), U-6: Total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers. Youth: Total unemployed between the ages of 16 and 24, as a percent of civilian labor force.

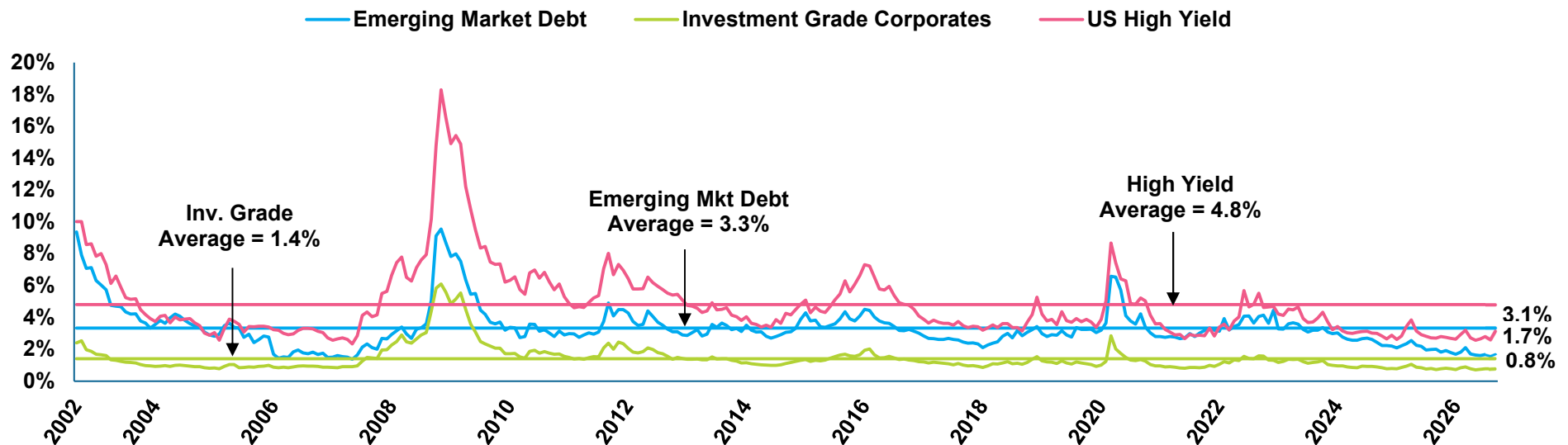
Gold¹



- Gold fell 6.3% in September to \$4,157 per ounce, giving back most of August's gain but finishing above its \$4,008 level at the start of the quarter. The metal remains well below its record high of over \$5,400/oz reached in January.
- Rising real yields, the Fed's rate increase, and a stronger US dollar weighed on the non-yielding metal. However, persistent inflation concerns, large fiscal deficits, and ongoing central bank reserve diversification may continue to provide structural support going forward.

¹ Source: Bloomberg. Data is as of September 30, 2026. Gold Spot Price is quoted as US Dollars per Troy Ounce.

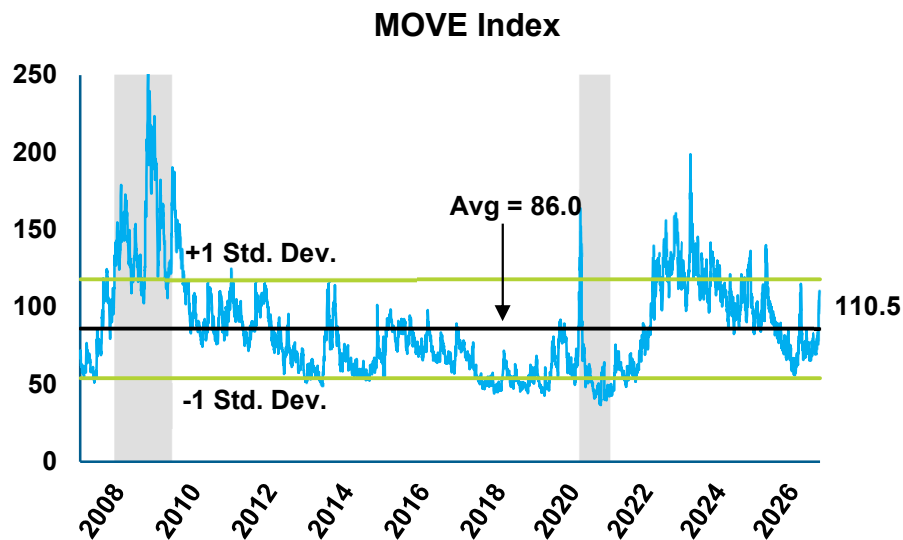
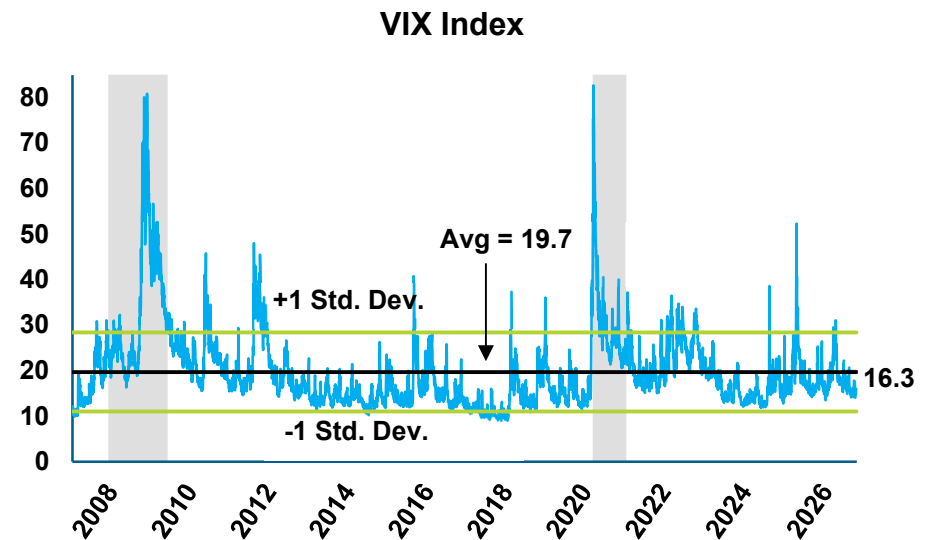
Credit Spreads vs. US Treasury Bonds¹



- Credit spreads widened through the quarter, concentrated in September and led by high yield as higher rates and heavy issuance weighed on risk assets.
- Investment grade spreads were little changed over the quarter (0.7% to 0.8%) and remain well inside the 1.4% long-run average.
- High yield spreads widened to 3.1% (from 2.6% at the end of June), versus a 4.8% long-run average. Emerging market debt spreads widened to 1.7% (from 1.6% at the end of June), versus a 3.3% long-run average.
- Despite widening, all spreads remain well below their respective long-run averages, as many investors continue to be attracted to their higher relative yields compared to Treasuries.

¹ Source: Bloomberg. Data is as of September 30, 2026. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

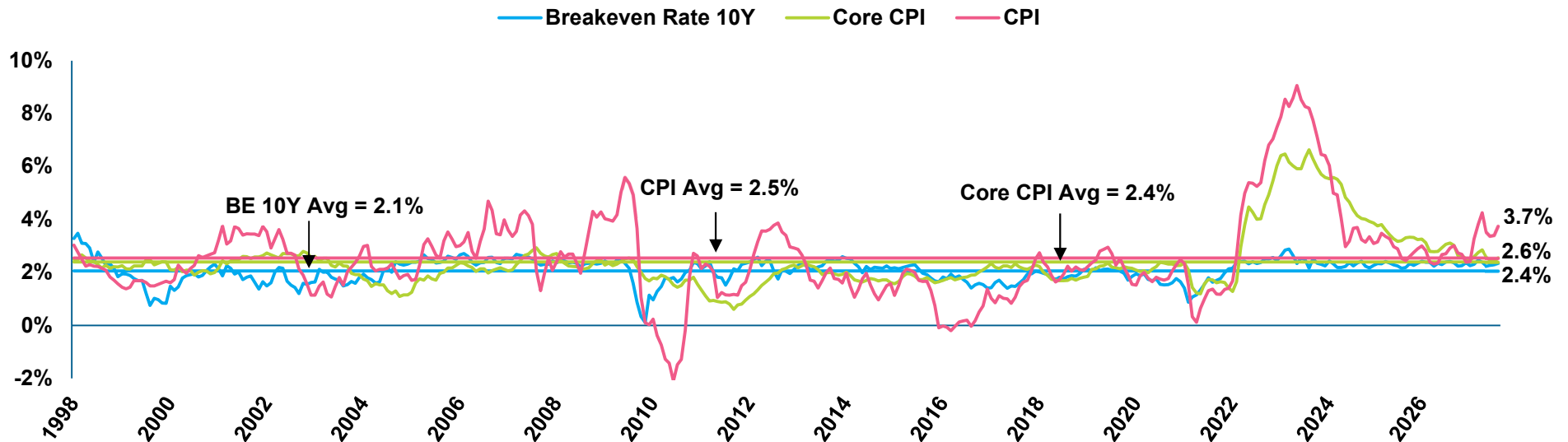
Equity and Fixed Income Volatility¹



- In the third quarter, the MOVE index of bond volatility jumped, exceeding 100 in September, while the VIX stayed more stable and below the long-term average.
- The split reflects how the same mix of strong nominal growth, energy-driven inflation, and a renewed Fed hiking cycle favored corporate earnings but weighed on long-duration bonds.

¹ Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of September 30, 2026. The average line indicated is the average of the VIX and MOVE values between January 2007 and September 2026.

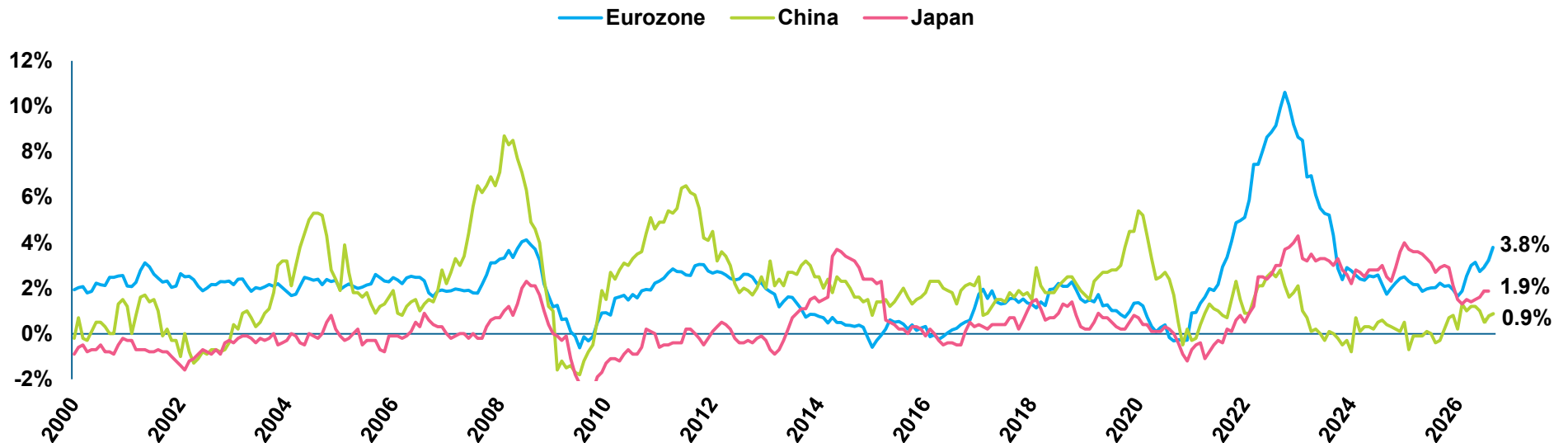
US Inflation¹



- For the quarter, MoM inflation accelerated, rising 0.1%, 0.4%, and 0.6%, largely on higher gasoline and heating oil prices. The annual inflation rate rose over the quarter (3.5% to 3.7%) remaining above the Fed's target level.
- Given energy dynamics, core inflation remains below headline (2.6% at the end of September), with the MoM rate holding relatively steady through the quarter. Energy has started to feed into core prices however, with fuel-sensitive categories such as airline fares, car and truck rentals, and delivery services rising sharply in September.
- Long-term inflation expectations were stable over the quarter, with 10-year breakevens finishing September at 2.4%.

¹ Source: FRED. Data is as of September 30, 2026.

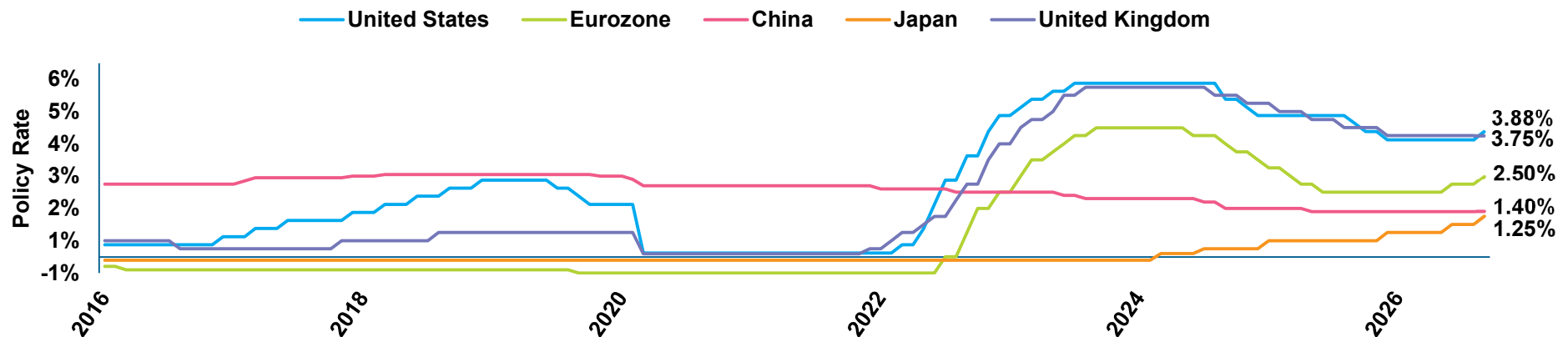
Global Inflation (CPI Trailing Twelve Months)¹



- Eurozone inflation rose by 1% over the quarter (2.8% YoY to 3.8%), further above the ECB's 2.0% target. Energy remained the driver, as the Middle East conflict pushed oil costs higher.
- Japan's annual inflation held at 1.9% in August (slightly below the BOJ's 2.0% target), matching July's rate, the highest since December 2025. Firmer prices for household goods (4.9%), healthcare (3.0%), and recreation (2.2%) offset slower food and transport inflation and a steeper subsidy-driven fall in electricity prices (-2.4%).
- China's inflation rate finished the quarter close to where it started (1.0% to 0.9%) after readings of 0.5% in July and 0.8% in August. Demand remains weak in China though, given continued issues in the property sector, a weak labor market especially among young people, and a focus on savings given the uncertainties.

¹ Source: Bloomberg. Data is as of September 2026 except for Japan which is as of August 2026.

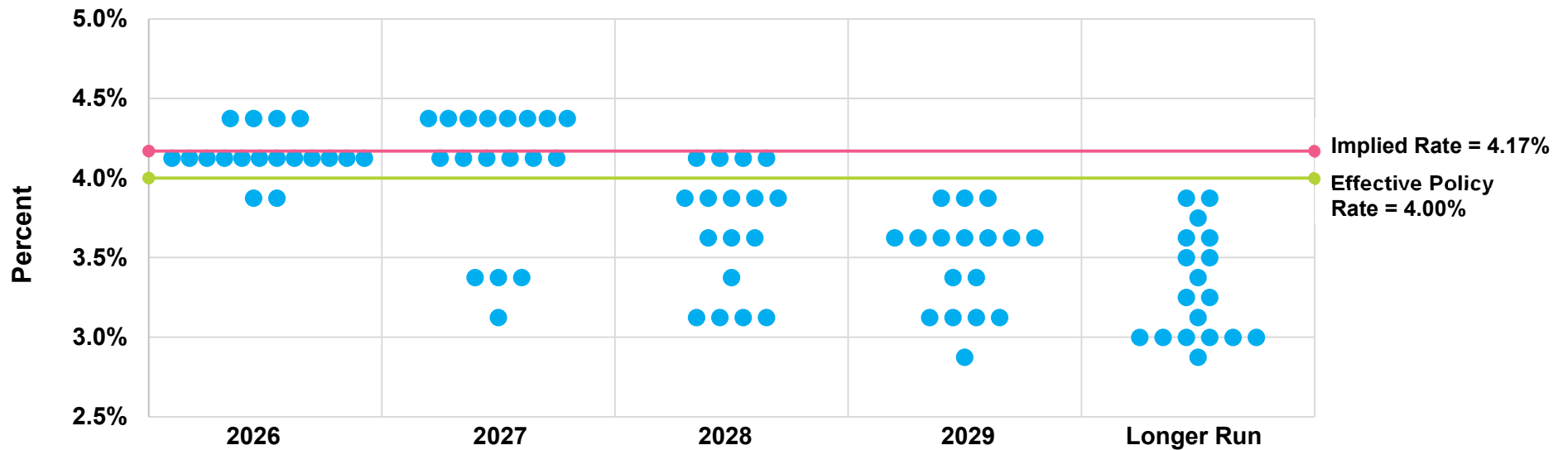
Global Policy Rates¹



- Global monetary policy tightened in the third quarter, as the Federal Reserve, the European Central Bank (ECB), and the Bank of Japan (BOJ) each raised rates by 0.25% in September.
- The Federal Reserve raised its policy rate to 3.75%–4.00%, its first increase since 2023, as inflation remained above target. Markets are assigning a high probability of an additional rate hike in December and possibly two more next year.
- The ECB raised its deposit rate to 2.50%, citing the Middle East conflict, while the Bank of England (BOE) held at 3.75%. Both economies are expected to continue to raise rates through next year, particularly the ECB.
- The BOJ raised its policy rate to 1.25%, the highest since 1995, given imported inflation risks from higher oil prices and a weak yen. It is also expected to continue to increase interest rates next year.
- China is expected to remain accommodative, with the 7-day reverse repo rate held at a record-low 1.40% since May 2025 as subdued inflation and weak domestic growth point to further easing ahead. The central bank continues to support bank liquidity with renewed liquidity injections.

¹ Source: Bloomberg. Data is as of September 30, 2026. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the PBOC 7-day Reverse Repo Rate. UK rate is the UK Bank of England Official Bank Rate.

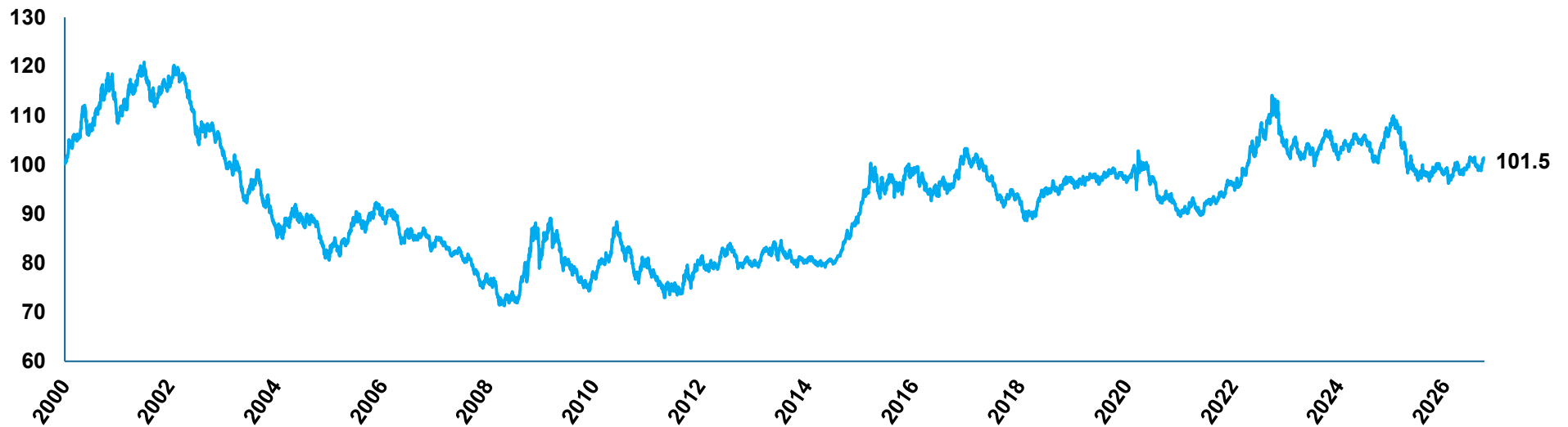
Federal Reserve Dot Plot¹



- The Federal Reserve's dot plot reflects expectations for interest rates by each member across various periods. The September projections shifted higher, with no participant anticipating cuts in 2026.
- The median projection for 2026 rose to 4.125% (from 3.75% in June), implying one additional 0.25% increase this year, with dots ranging from 3.875% to 4.375%. The market-implied rate of 4.17% is broadly in line with the median.
- The median policy rate holds at 4.125% in 2027 before declining to 3.875% in 2028 and 3.625% in 2029, implying a slow path of easing. The longer-run median rose to 3.25% from June, though the wide dispersion of forecasts suggests policymakers remain divided on the pace and timing of future rate changes.

¹ Source: September 16, 2026, FOMC Summary of Economic Projections. Implied Rate and Effective Policy Rate are as of September 30, 2026, from Bloomberg.

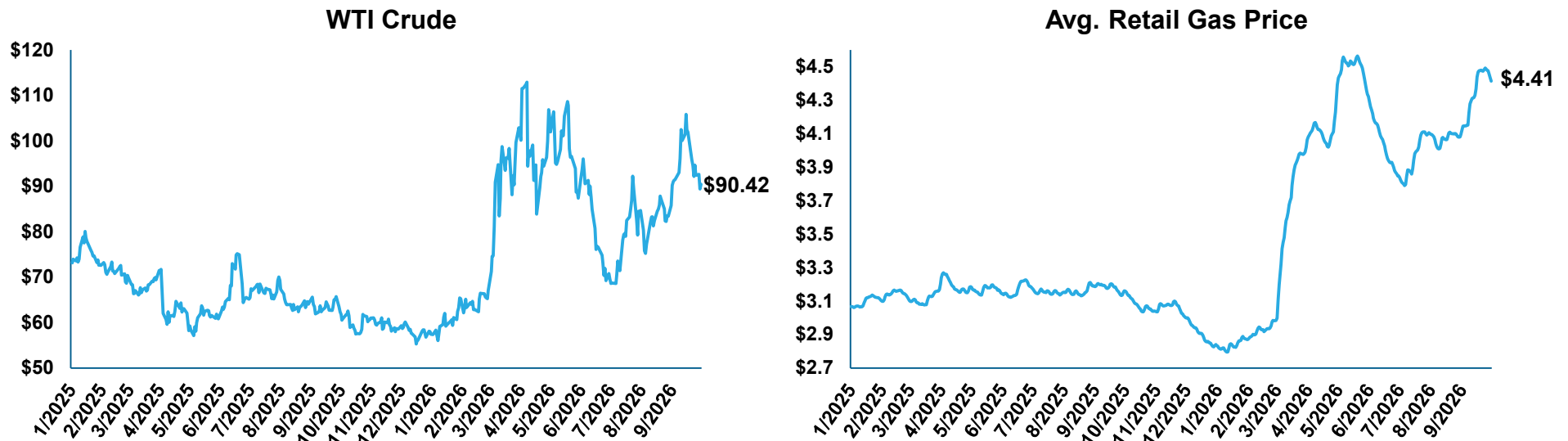
US Dollar vs. Broad Currencies¹



- The US dollar finished the quarter close to where it started with declines in July and August balanced by a rally in September.
- The Federal Reserve's rate increase and the rise in Treasury yields to their highest levels since 2007 supported the dollar later in the quarter.
- Stronger relative growth, the rise in yields, AI optimism, and safe haven flows given geopolitical tensions could all act as further tailwinds to the dollar going forward.

¹ Source: Bloomberg. Data is as of September 30, 2026.

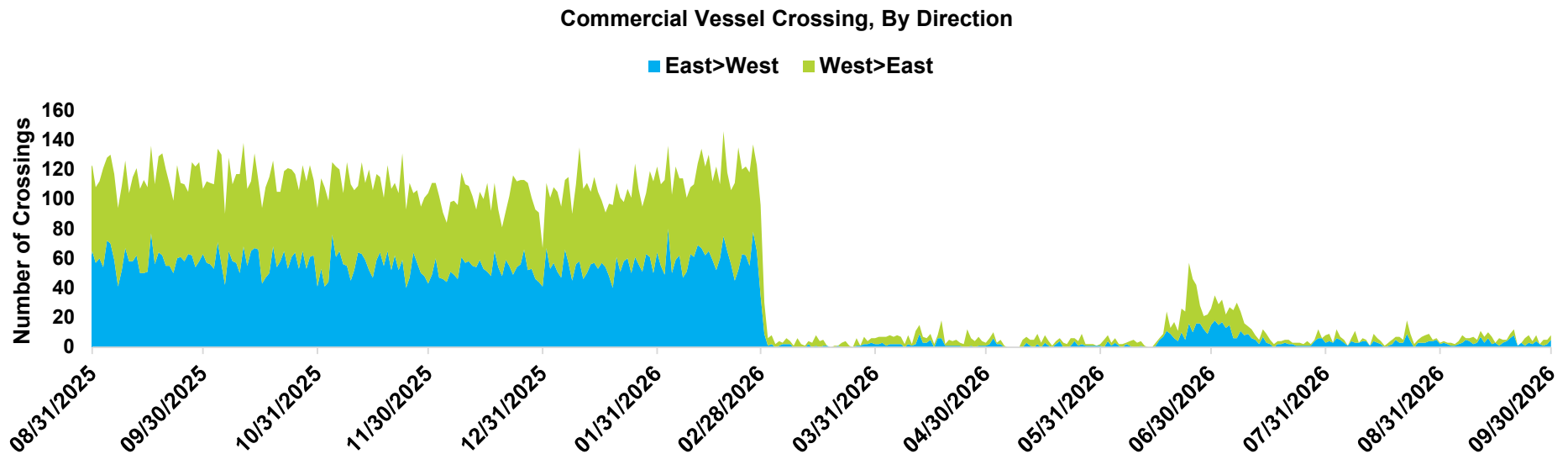
Gas and Oil¹



- Oil prices rose close to 32% over the quarter given renewed tensions in the Middle East, with WTI crude increasing from \$68.68 to \$90.42/barrel after briefly topping \$100 in the middle of September.
- US retail gasoline prices rose from \$4.10 to \$4.41/gallon, nearing their May peak of \$4.56. Diesel prices used heavily in transportation also remain elevated over \$6.00/gallon. Higher fuel costs continue to weigh most on lower-income households, where fuel and other essential expenses represent a larger share of spending.

¹ Source: Bloomberg. Data is as of September 30, 2026.

Daily Traffic Through the Strait of Hormuz¹



- The Strait of Hormuz is a key channel for the global distribution of oil with roughly 20% of global oil consumption (~20 million barrels a day, plus a comparable share of seaborne LNG) previously moving through the narrow channel.
- Commercial traffic through the Strait of Hormuz dramatically fell at the end of February following the escalation of the US-Iran conflict and Iran's closure of the waterway, with vessel volume crossings falling from well over 100/day to under 10/day.
- Activity rebounded briefly in June following the ceasefire but has since remained depressed through September, near the lows seen after the start of the conflict, given continued hostilities between the US and Iran.

¹ Source: Bloomberg. Data is as of September 30, 2026.

Key Trends

- Global growth expectations remain fragile but broadly stable. The IMF projects global growth of 3.0% in 2026 (down from 3.1% in the April 2026 outlook) and 3.4% in 2027, as stronger AI-driven activity largely offsets the drag from the Middle East conflict. Global inflation is expected to rise to 4.7% in 2026 (from 4.1% in 2025) before easing to 3.9% in 2027, suggesting the disinflation trend has stalled. The IMF continues to view renewed Middle East escalation as the primary downside risk.
- Tighter monetary policy became a key theme in the third quarter, as the Fed, ECB, and BOJ all raised rates in September in response to energy-driven inflation pressures. The Fed entered 2026 expecting to cut rates and has instead begun hiking, a shift that helped push long-term yields to multi-decade highs. Chair Warsh continues to withhold forward guidance, leaving investors to infer the Fed's tolerance for inflation from incoming data, an ambiguity that is itself a source of volatility. Other key issues related to rates include growing fiscal deficits and the increased supply of corporate debt, particularly from AI-related companies.
- US consumers continue to show strain at the lower end, with gasoline above \$4/gallon, higher borrowing costs, and a rising share of younger, rate-sensitive borrowers at risk of falling behind on debt. Wage growth has slowed to below the inflation rate, adding to pressures. The employment market seems stable for now but a pick-up in unemployment could add further pressures to the already very fragile situation.
- US equity leadership narrowed in the third quarter, with the "Magnificent Seven" rising 11.0% while the rest of the S&P 500 declined 2.4%. The divergence leaves index returns increasingly concentrated in a handful of names, and into the fourth quarter that concentration remains a principal risk, with scrutiny centered on whether AI-related revenues can keep pace with the scale of capital spending.

THIS REPORT (THE "REPORT") HAS BEEN PREPARED FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

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

THE INFORMATION USED TO PREPARE THIS REPORT MAY HAVE BEEN OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. SOME OF THIS REPORT MAY HAVE BEEN PRODUCED WITH THE ASSISTANCE OF ARTIFICIAL INTELLIGENCE ("AI") TECHNOLOGY. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY, ADEQUACY, VALIDITY, RELIABILITY, AVAILABILITY, OR COMPLETENESS OF ANY INFORMATION CONTAINED HEREIN, WHETHER OBTAINED EXTERNALLY OR PRODUCED BY THE AI.

THE RECIPIENT SHOULD BE AWARE THAT THIS REPORT MAY INCLUDE AI-GENERATED CONTENT THAT MAY NOT HAVE CONSIDERED ALL RISK FACTORS. THE RECIPIENT IS ADVISED TO CONSULT WITH THEIR MEKETA ADVISOR OR ANOTHER PROFESSIONAL ADVISOR BEFORE MAKING ANY FINANCIAL DECISIONS OR TAKING ANY ACTION BASED ON THE CONTENT OF THIS REPORT. WE BELIEVE THE INFORMATION TO BE FACTUAL AND UP TO DATE BUT DO NOT ASSUME ANY RESPONSIBILITY FOR ERRORS OR OMISSIONS IN THE CONTENT PRODUCED. UNDER NO CIRCUMSTANCES SHALL WE BE LIABLE FOR ANY SPECIAL, DIRECT, INDIRECT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES OR ANY DAMAGES WHATSOEVER, WHETHER IN AN ACTION OF CONTRACT, NEGLIGENCE, OR OTHER TORT, ARISING OUT OF OR IN CONNECTION WITH THE USE OF THIS CONTENT. IT IS IMPORTANT FOR THE RECIPIENT TO CRITICALLY EVALUATE THE INFORMATION PROVIDED.

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

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

MEMORANDUM

TO: San Joaquin County Employees' Retirement Association Board of Retirement ("SJCERA")
FROM: Meketa Investment Group ("Meketa")
DATE: November 6, 2026
RE: 2026 Annual Roundtable: Summary

On October 15, 2026, the San Joaquin County Employees' Retirement Association ("SJCERA") held its annual investment manager roundtable in Lodi, CA. The event featured various panel presentations on a variety of topics. This memo summarizes some of the issues discussed that are facing SJCERA and key points.

Every year SJCERA staff and Meketa strive to make the event better than the previous. Like previous years there was a keynote speaker, and various managers were paired up with each other to present topics to the SJCERA board, staff, employers and various attendees. These topics included a private markets discussion on Private Equity, Real Estate, Infrastructure and Credit. In addition, we discussed AI and inflation and had a manager debate. The event was wrapped up with a prediction of inflation over the next 12 months and comments from SJCERA trustees and employers in attendance.

Key-Note Presentation

We started the event with an opening presentation by Tushar Yadava from BlackRock. He spent the morning talking about the state of the markets and how AI has driven returns. The presentation was insightful and provided those in attendance with insight into the world markets. The conversation was informative and robust. Tushar also took questions about various topics from the group.

Private Equity, Infrastructure and Private Credit

This panel was centered on discussing the trends and opportunities within the Private Equity/Infrastructure and Private Debt/Credit markets. Michael Pellatz interviewed Ocean Avenue, Oaktree, and Pemberton. The comments from the panel varied. Private equity has been a drag on SJCERA's relative performance as it has failed to keep up with its public markets + premium benchmark in the short term. The takeaway from these discussions was that there is still long-term value to be had from private markets.

Real Estate

Despite strong performance in the broad capital markets in 2023, 2024, 2025, and 2026, Real Estate markets have generally continued to lag (led by office). SJCERA's Real Estate managers, however, provided an opportunistic view of some Real Estate segments moving forward. Specifically, there are opportunities in retail, industrial and housing. Office continues to be the segment of the Real Estate market that has done well in some locations but with challenges in others.

Manager Debate

Following lunch, we held a manager debate with P/E, Hines, Mt. Lucas, and Neuberger. The firms teamed up to discuss various topics from interest rates to pop culture. The managers went back and forth with a final judgement by the group and Trustee Hammond that team Mt Lucas and Neuberger won the debate.

Inflation and AI

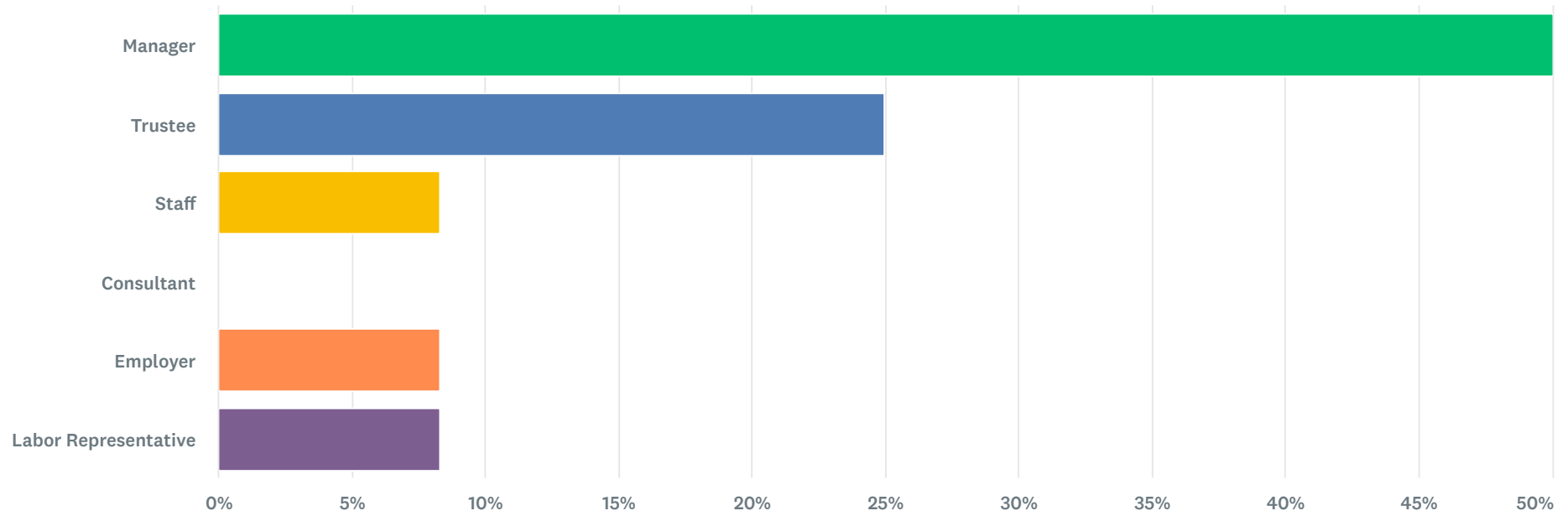
Loomis, Northern and Stone Harbor discussed the trends and opportunities about AI, and the effect Inflation is having on the markets. The managers talked about how AI and inflation continue to change the world markets and the price of goods used by consumers. The group had an interactive discussion with those in attendance.

Conclusion and Next Steps

SJCERA, like many other pension plans, faces challenges in meeting an actuarial rate of return of 6.75% while managing risk and balancing diversification. However, the portfolio with the combination of strong investment returns and higher than required contributions from employers has begun to emerge into a significantly higher funding ratio over the previous 10 years, moving from 65% to over 80% today.

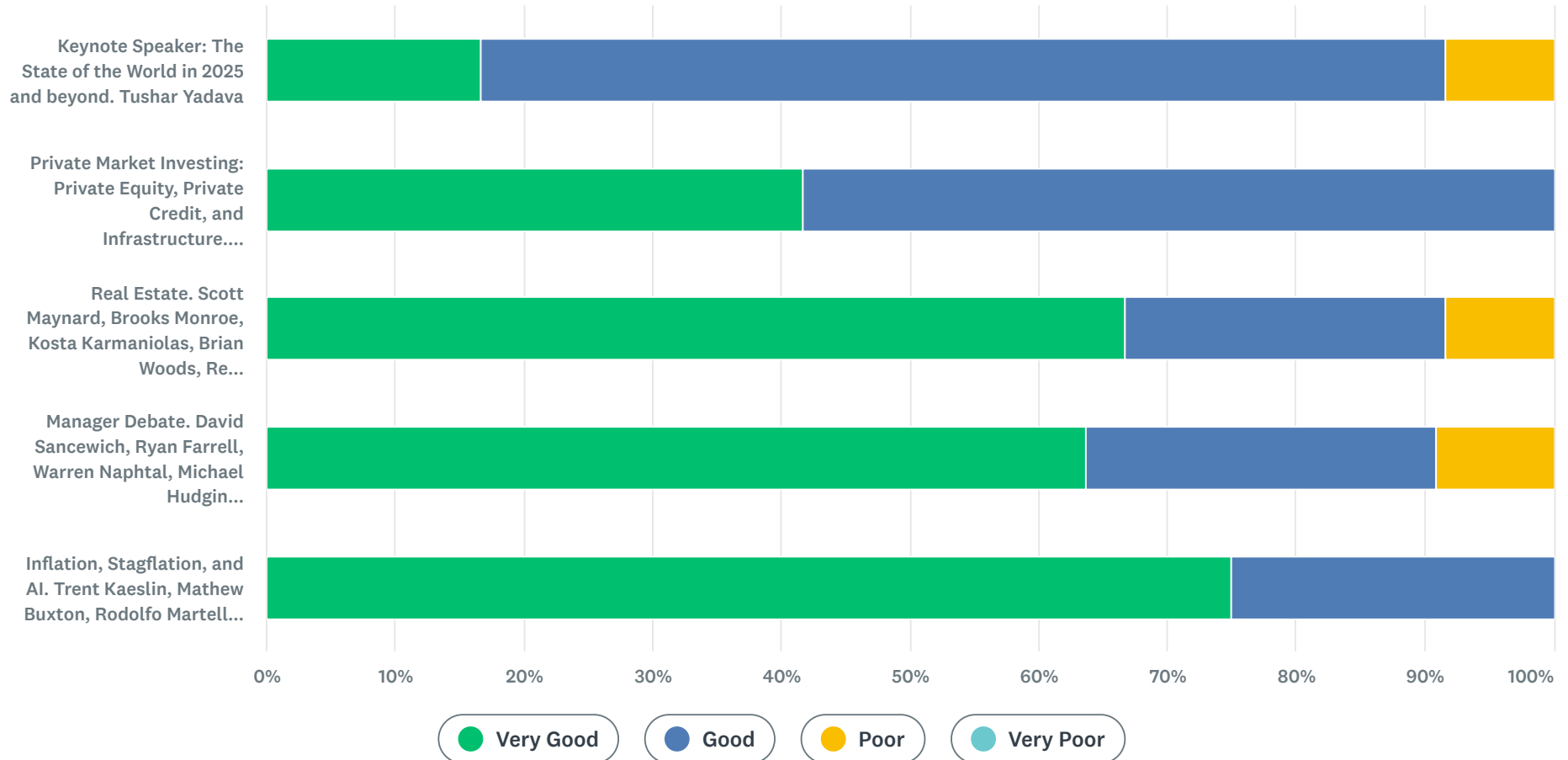
Q1 12 responses

Evaluator is a:



Q3 12 responses

Presentations:



	 Very Good	 Good	 Poor	 Very Poor	Total
Keynote Speaker: The State of the World in 2025 and beyond. Tushar Yadava	16.67% 2	75.00% 9	8.33% 1	0% 0	12
Private Market Investing: Private Equity, Private Credit, and Infrastructure. Maya Ortize de Montellano, Michael Pellatz, Tom Casarella, Ben Gulliver	41.67% 5	58.33% 7	0% 0	0% 0	12
Real Estate. Scott Maynard, Brooks Monroe, Kosta Karmaniolas, Brian Woods, Reza Basharзад	66.67% 8	25.00% 3	8.33% 1	0% 0	12
Manager Debate. David Sancewich, Ryan Farrell, Warren Naphtal, Michael Hudgins, David Aspell, Christopher Miller	63.64% 7	27.27% 3	9.09% 1	0% 0	11
Inflation, Stagflation, and AI. Trent Kaeslin, Mathew Buxton, Rodolfo Martell, Stephen Hooker	75.00% 9	25.00% 3	0% 0	0% 0	12
					59

#	COMMENTS	
1	Thank you to the team for organizing such a succesful, and educational, event!	
2	Sound system was poor quality, would love it if hotel could upgrade their screen. Maybe do a digital screen.	
3	Another great year!	

Q4 What aspect of the roundtable was most beneficial to you?

Answered: 12 Skipped: 0

#	RESPONSES	
1	Interacting w peers, sjcera and meketa staff and trustees	
2	Meeting Board members	
3	Hearing from industry experts and their impact for SJCERA.	
4	The update on the plan as a whole, the video of the members and the meal spent with staff and trustees	
5	Trend analysis. Update on returns	
6	Lived the topics of discussion this year	
7	Jamie doing everything, cuz she did an outstanding job!	
8	The personal interaction with trustees, staff and other managers.	
9	The manager debate and the inflation panel	
10	Inflation	
11	Networking	
12	Networking with all parties.	

Q5 What aspect of the roundtable was least beneficial to you?

Answered: 12 Skipped: 0

#	RESPONSES	
1	na	
2	N/A	
3	The entire event was very beneficial.	
4	I thought the real estate panel was a little underwhelming and didn't push the issues of valuation, debt and distributions as much as could have been, which would have been useful for staff and trustees	
5	All useful.	
6	NA	
7	Sound was rough	
8	It was really hard to hear some of the speakers.	
9	PE/PC panel	
10	None	
11	Keynote felt weak this year	
12	Mics were terrible.	

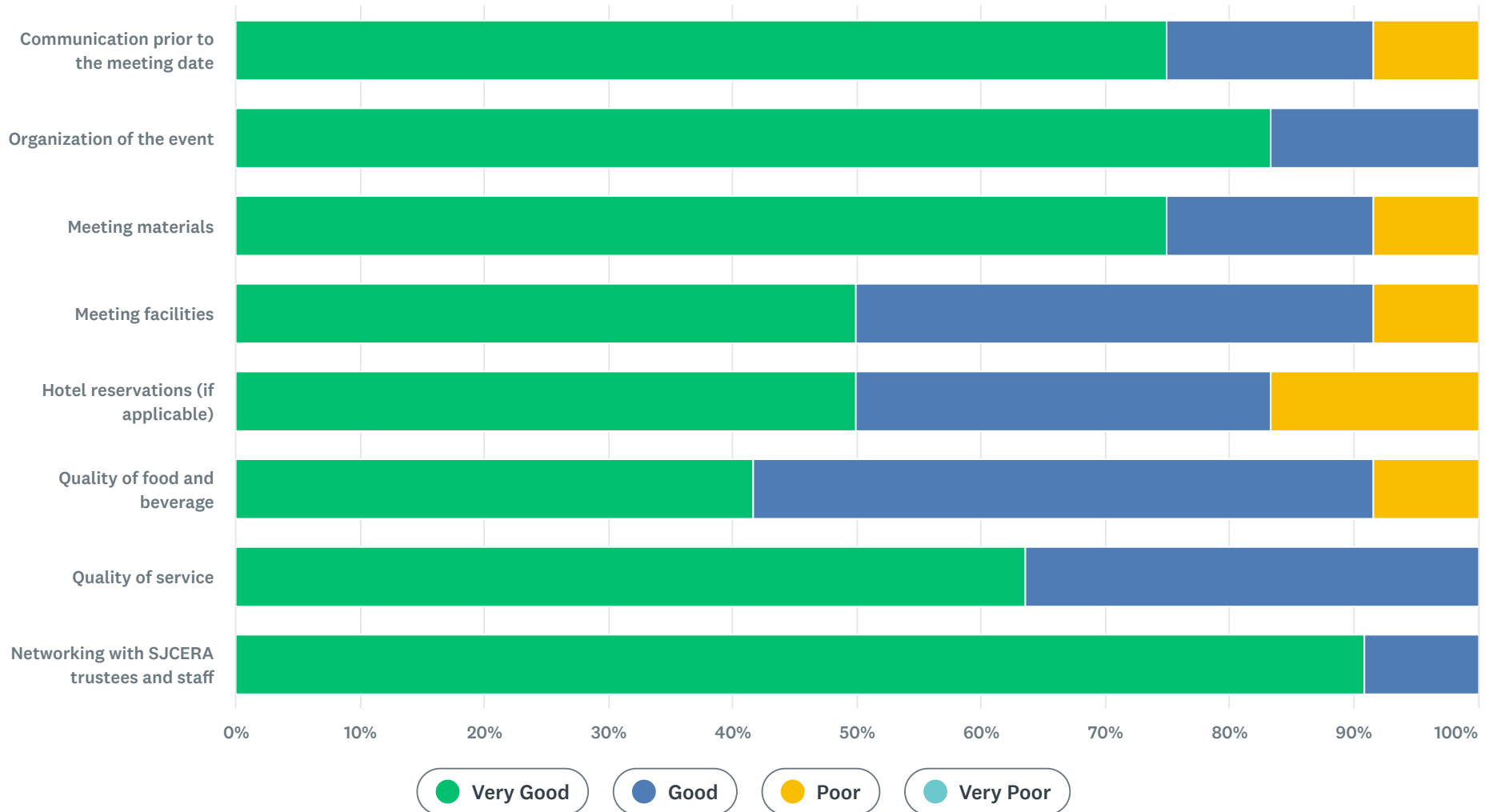
Q6 What topics would you like to hear at the roundtable next year?

Answered: 11 Skipped: 1

#	RESPONSES	
1	more private assets discussion	
2	Not a specific topic but more Q&A with Board and plan members of the managers - what are their concerns?	
3	SJCERA and Meketa have done an excellent job in tailoring the roundtables to cover important and current topics. Please keep it up!	
4	More on actuarials and not just investments.	
5	I would like to hear about current national and/or global events and whether they will have any long term impacts on the plan. Similar to the discussion about AI this year.	
6	Inflation, stagflation	
7	the evolution of AI is a good topic. I also like the debate of public/private	
8	Convergence of public and private credit	
9	Re	
10	I'll leave that to when we are closer to the event. Worlds really chaotic so closer to the event gives greater sight on what's needed	
11	Similar line up to this year. I don't know what will be the hot buttons just quite yet.	

Q7 12 responses

General:



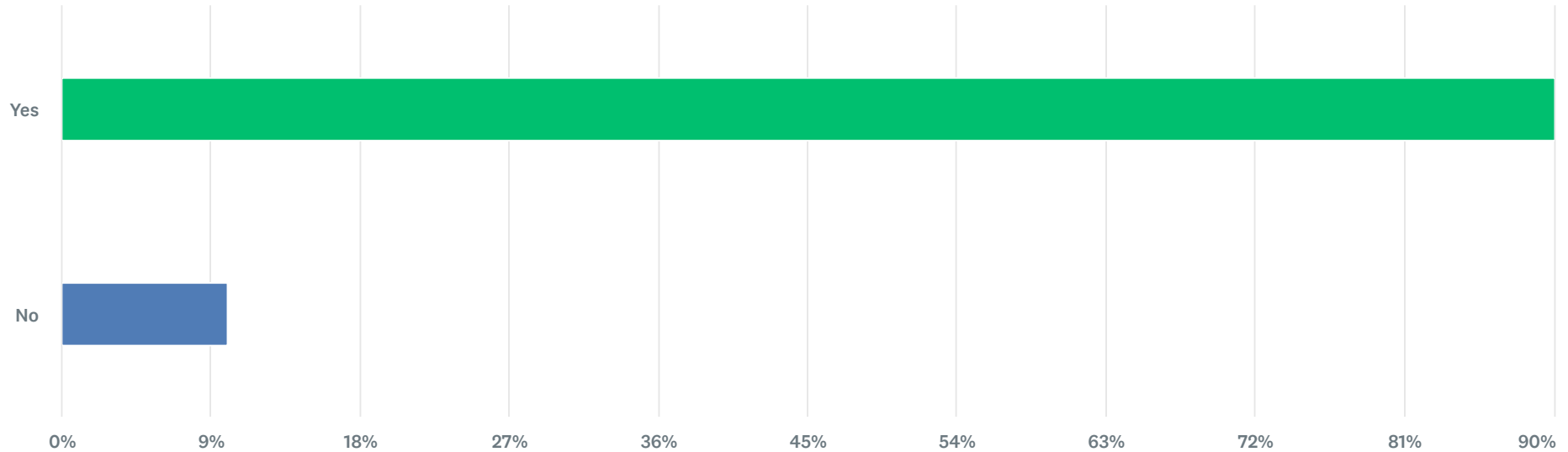
	 Very Good	 Good	 Poor	 Very Poor	Total
Communication prior to the meeting date	75.00% 9	16.67% 2	8.33% 1	0% 0	12
Organization of the event	83.33% 10	16.67% 2	0% 0	0% 0	12
Meeting materials	75.00% 9	16.67% 2	8.33% 1	0% 0	12
Meeting facilities	50.00% 6	41.67% 5	8.33% 1	0% 0	12
Hotel reservations (if applicable)	50.00% 3	33.33% 2	16.67% 1	0% 0	6
Quality of food and beverage	41.67% 5	50.00% 6	8.33% 1	0% 0	12
Quality of service	63.64% 7	36.36% 4	0% 0	0% 0	11
Networking with SJCERA trustees and staff	90.91% 10	9.09% 1	0% 0	0% 0	11
					88

#	COMMENTS	
1	great event	
2	Thank you for the invite, I enjoyed the event, it is always good with good presentations for keynote	

3	As noted above, AV gets worse each year.
4	Great event
5	The hotel sold out and it is much better to be at the venue for this event. I did get a room after there was a cancellation!
6	Poor speakers

Q8 10 responses

Should the location be repeated next year?



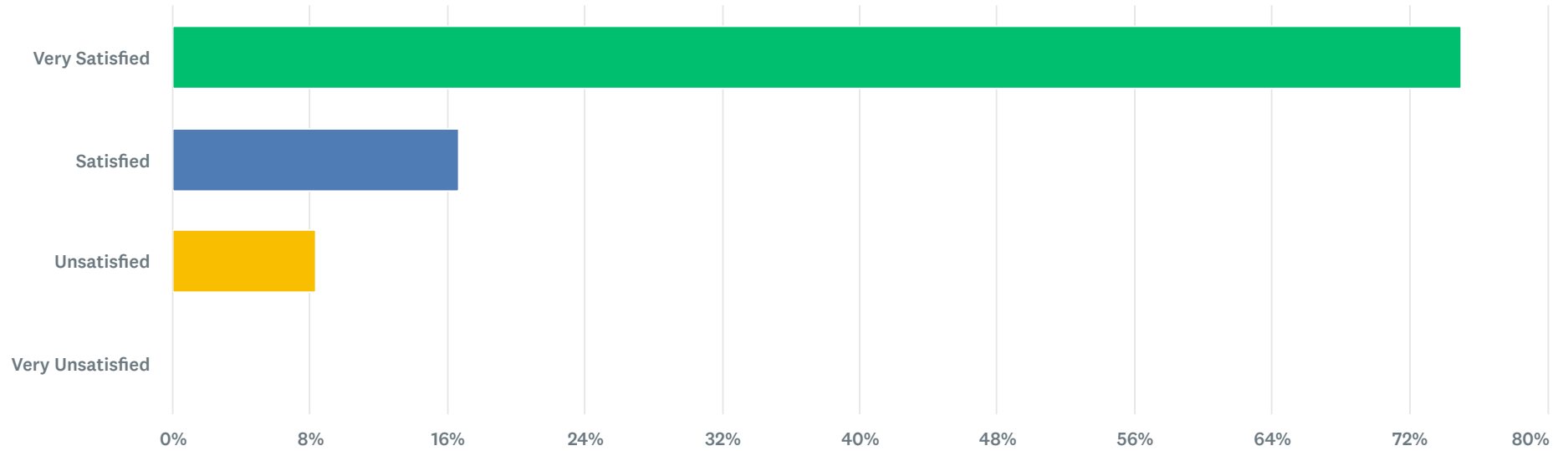
Answer Choices	Percentage	Responses
● Yes	90.00%	9
● No	10.00%	1
Total		10

#	COMMENTS	
1	Fantastic location.	
2	Need more modern facility.	
3	Keep looking for new location	
4	Speakers meaning mics	

5I'd be okay with a different venue.

Q9 12 responses

How satisfied were you with the room design for the Roundtable?



Q10 Suggestions for improving next year's event:

Answered: 7 Skipped: 5

#	RESPONSES	
1	NA	
2	Sound	
3	Love the event. Nothing to note to change.	
4	None. This is an excellent event and a model for other public plans to follow.	
5	Nothing specific	
6	Microphones need to be addressed	
7	New sound vendor.	

Q11 Additional suggestions or comments:

Answered: 5 Skipped: 7

#	RESPONSES	
1	thanks for having us	
2	Thank you again for a wonderful event.	
3	Great work everyone. I know it takes a village.	
4	None	
5	A non pork option for guests is a must	

San Joaquin County Employees' Retirement Association

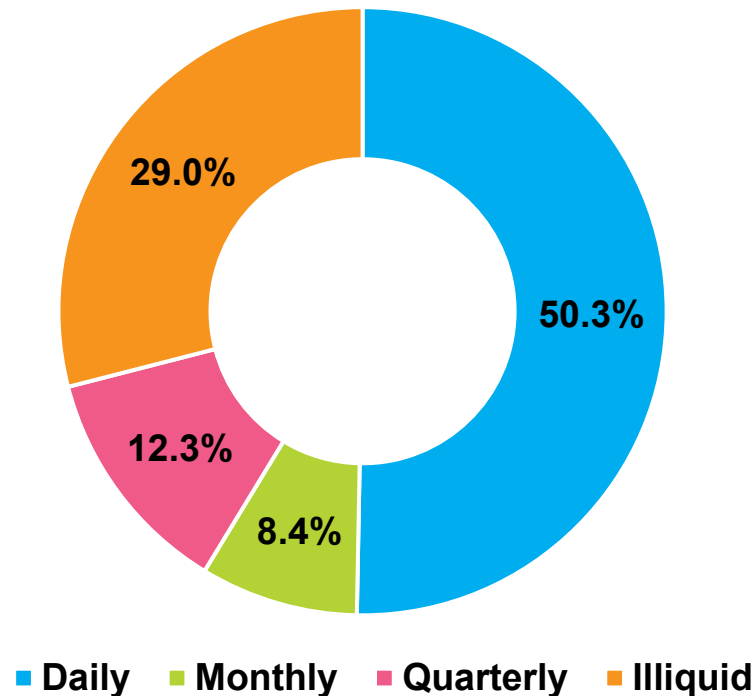
November 6, 2026

Liquidity Analysis

Liquidity Risk

- The Plan must maintain adequate liquidity to satisfy benefit payments and if possible, avoid selling assets at distressed prices.
- We conducted an extreme stress test to analyze the Plan's liquidity using the Plan's current long-term strategic allocation policy.
- Specifically, we evaluated whether the Plan could:
 1. continue to meet its benefit obligations and expenses;
 2. while staying within its target allocation ranges; and
 3. at what cost (i.e., to what extent would it be forced to sell stressed or distressed assets)?

Liquidity Profile of the Policy Portfolio



- More than 50% of the portfolio has daily liquidity.
- Aggressive Growth (21% target allocation) is the least liquid asset class in the policy portfolio. This class included Private Equity, Infrastructure, and Value-add/Opp Real Estate.

Core Private Real Estate is assumed to have quarterly liquidity. Multi-Sector Credit, Systematic Trend Following, and Alternative Risk Premia are assumed to have monthly liquidity.

Liquidity Risk Stress Test

The scenario is designed to be extreme.

- In years 1–3, the total portfolio return is calculated using each asset class's returns produced during the Global Financial Crisis (GFC), specifically in Q4 2007, 2008, and Q1 2009, respectively.
- In years 4–10, we assume average expected returns for each asset class.
- This stress test uses the cash flow projections prepared by the Plan's actuary, Cheiron, for the next 10 fiscal years as presented in the Actuarial Valuation Report as of June 30, 2025.
 - These total net cash flows include actuary-recommended contributions and projected administrative expenses and benefit payments.
- **Even under this extreme scenario, the current policy portfolio maintains a sufficient level of liquidity to pay benefits and other expenses (illustrated on the following page).**

Liquidity Risk Stress Test

Year / Period	1	2	3	4	5	6	7	8	9	10
Beginning Market Value (BMV) (\$M)	5,648.0	5,876.7	4,725.9	4,549.8	4,959.4	5,441.5	5,948.3	6,486.0	7,057.0	7,665.2
Portfolio Return (%)	1.32	-21.88	-5.79	6.74	6.64	6.51	6.47	6.46	6.46	6.46
Total Net Flows (\$M)	-106.2	-78.7	-46.3	97.0	247.7	282.4	262.0	297.0	280.2	355.9
Net Flows (As % of BMV)	-1.9	-1.3	-1.0	2.1	5.0	5.2	4.4	4.6	4.0	4.6
Ending Market Value (\$M)	5,876.7	4,725.9	4,549.8	4,959.4	5,441.5	5,948.3	6,486.0	7,057.0	7,665.2	8,311.5
Remaining Liquid Assets (\$M)	3,919.3	2,965.5	2,737.6	3,188.4	3,765.7	4,197.5	4,605.1	5,010.4	5,442.3	5,901.2
Assets with Limited Liquidity (\$M)	1,957.5	1,760.4	1,812.2	1,771.0	1,675.8	1,750.9	1,880.9	2,046.5	2,222.9	2,410.3
Percentage of Illiquid Assets (%)	33.3	37.3	39.8	35.7	30.8	29.4	29.0	29.0	29.0	29.0
Assets Sold Under Duress (\$M)	0.0	-47.7	-33.7	58.0	66.9	80.3	80.3	80.3	80.3	80.3

- Total net cash flows are estimated and consist of contributions from external managers and employers/employees.
- Overall, the Plan maintains a balanced mix of liquid and illiquid assets, resulting in minimal asset sales under duress.

Beginning Market Value is the market value as of September 30, 2026, rounded. The analysis is based on the policy target portfolio.

Appendix

Liquidity Analysis Model Parameters

The Liquidity Analysis projects a portfolio's liquidity and net flows over the next 10 years using its cash flows, private market contributions, private market distributions, and each asset class's liquidity classification. The model evaluates the portfolio's ability to meet its obligations under stressed and unstressed environments while staying within target asset allocation ranges. Given the inputs and expected returns, the model evaluates to what extent assets may need to be sold at distressed prices.

- **Beginning Market Value:** as of September 30, 2026.
- **Cash Flows:** Net of Cheiron's actuarially projected cash flows (Projected Contributions less Projected Admin Expenses and Projected Benefit Payments) for FYE 2027–2036, as presented in Appendix D of the Actuarial Valuation Report as of June 30, 2025. No private market contributions or distributions are assumed.
- **Annual Liquid Assets Late Rebalance Limit:** 25% (default).
- **Quarterly Liquid Assets Early Rebalance Limit:** 10% (default).
- **Illiquid Late Rebalance Limit:** 10% (default).
- **Portfolio returns** are calculated using a weighted average of each year's asset allocations and that year's expected returns. Under stressed scenarios, asset weights change by year based on the experienced return and the rebalancing that takes place for each asset class. The Annual and Illiquid Late Rebalance Limit adjust the projections by allowing for up to the respective percent set to be rebalanced for annual and illiquid asset classes in years 4–10. The Quarterly Early Rebalance Limit adjusts the projections by allowing for up to the percent set to be rebalanced for quarterly liquid asset classes in years 1–3.
- **Stressed Scenario:**
 - Years 1–3: Portfolio return derived from asset class returns experienced during the Global Financial Crisis: Q4 2007, 2008, and Q1 2009 respectively. If asset classes did not exist during these periods, proxies that are either weighted averages or close equivalents to other asset classes are used. Years 4–10: use the portfolio's CME expected return.
 - As the stressed scenario assumes economic conditions during the Global Financial Crisis only, outputs from the stressed scenario should not be interpreted as all economically-stressed scenarios.

Notes and Disclaimers

1. The returns shown rely on estimates of expected return, standard deviation, and correlation developed by Meketa Investment Group. To the extent that actual return patterns to the asset classes differ from our expectations, the results in the table will be incorrect. However, our inputs represent our best unbiased estimates of these simple parameters.
2. The returns shown use a lognormal distribution, which may or may not be an accurate representation of each asset class's future return distribution. To the extent that it is not accurate in whole or in part, the probabilities listed in the table will be incorrect. As an example, if some asset classes' actual return distributions are even more right-skewed than the lognormal distribution (i.e., more frequent low returns and less frequent high returns), then the probability of the portfolio hitting a given annual return will be lower than that stated in the table.

THE MATERIAL CONTAINED IN THIS REPORT IS INTENDED FOR THE INTENDED RECIPIENT AND MAY NOT BE REPRODUCED OR DISTRIBUTED, IN WHOLE OR IN PART, EXCEPT AS REQUIRED OR APPROPRIATE IN CONNECTION WITH A PUBLIC MEETING. THE DATA ARE PROVIDED FOR INFORMATIONAL PURPOSES ONLY, MAY NOT BE COMPLETE, AND CANNOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN FOR DISCUSSION.

MEKETA INVESTMENT GROUP HAS PREPARED THIS REPORT ON THE BASIS OF SOURCES BELIEVED TO BE RELIABLE. THE DATA ARE BASED ON MATTERS AS THEY ARE KNOWN AS OF THE DATE OF PREPARATION OF THE REPORT, AND NOT AS OF ANY FUTURE DATE, AND WILL NOT BE UPDATED OR OTHERWISE REVISED TO REFLECT INFORMATION THAT SUBSEQUENTLY BECOMES AVAILABLE.

IF WE MANAGE YOUR ASSETS ON A DISCRETIONARY BASIS, PLEASE CONTACT US IF THERE ARE ANY CHANGES IN YOUR FINANCIAL SITUATION OR INVESTMENT OBJECTIVES, OR IF YOU WANT TO IMPOSE ANY REASONABLE RESTRICTIONS ON OUR MANAGEMENT OF YOUR ACCOUNT OR REASONABLY MODIFY EXISTING RESTRICTIONS.

IN GENERAL, THE VALUATION NUMBERS PRESENTED IN THIS REPORT ARE PREPARED BY THE CUSTODIAN BANK FOR LISTED SECURITIES, AND BY THE FUND MANAGER OR APPROPRIATE GENERAL PARTNER IN THE CASE OF UNLISTED SECURITIES. THE DATA USED IN THE MARKET COMPARISON SECTIONS OF THIS REPORT ARE SOURCED FROM VARIOUS DATABASES. THESE DATA ARE CONTINUOUSLY UPDATED AND ARE SUBJECT TO CHANGE.

THIS REPORT DOES NOT CONTAIN ALL THE INFORMATION NECESSARY TO FULLY EVALUATE THE POTENTIAL RISKS OF ANY OF THE INVESTMENTS DESCRIBED HEREIN. BECAUSE OF INHERENT UNCERTAINTIES INVOLVED IN THE VALUATIONS OF INVESTMENTS THAT ARE NOT PUBLICLY TRADED, ANY ESTIMATED FAIR VALUES SHOWN IN THIS REPORT MAY DIFFER SIGNIFICANTLY FROM THE VALUES THAT WOULD HAVE BEEN USED HAD A READY MARKET FOR THE UNDERLYING SECURITIES EXISTED, AND THE DIFFERENCES COULD BE MATERIAL.

THIS DOCUMENT MAY CONTAIN CERTAIN FORWARD-LOOKING STATEMENTS, FORECASTS, ESTIMATES, PROJECTIONS, AND OPINIONS ("FORWARD STATEMENTS"). NO REPRESENTATION IS MADE OR WILL BE MADE THAT ANY FORWARD STATEMENTS WILL BE ACHIEVED OR WILL PROVE TO BE CORRECT. A NUMBER OF FACTORS, IN ADDITION TO ANY RISK FACTORS STATED IN THIS MATERIAL, COULD CAUSE ACTUAL FUTURE RESULTS TO VARY MATERIALLY FROM THE FORWARD STATEMENTS. NO REPRESENTATION IS GIVEN THAT THE ASSUMPTIONS DISCLOSED IN THIS DOCUMENT UPON WHICH FORWARD STATEMENTS MAY BE BASED ARE REASONABLE. THERE CAN BE NO ASSURANCE THAT THE INVESTMENT STRATEGY OR OBJECTIVE OF ANY FUND OR INVESTMENT WILL BE ACHIEVED, OR THAT THE CLIENT WILL RECEIVE A RETURN OF THE AMOUNT INVESTED.

IN SOME CASES, MEKETA INVESTMENT GROUP ASSISTS THE CLIENT IN HANDLING CAPITAL CALLS OR ASSET TRANSFERS AMONG INVESTMENT MANAGERS. IN THESE CASES, WE DO NOT MAKE ANY REPRESENTATIONS AS TO THE MANAGERS' USE OF THE FUNDS, BUT DO CONFIRM THAT THE CAPITAL CALLED OR TRANSFERRED IS WITHIN THE AMOUNTS AUTHORIZED BY THE CLIENT.

BECAUSE THERE IS NO READILY ACCESSIBLE MARKET FOR PRIVATE MARKETS ASSETS (COMPANIES AND PARTNERSHIPS), THE VALUES PLACED ON PRIVATE MARKETS ASSETS ARE CALCULATED BY GENERAL PARTNERS USING CONSERVATIVE AND INDUSTRY STANDARD PRICING PROCEDURES. ANNUALLY, AN INDEPENDENT AUDITOR REVIEWS THE PRICING PROCEDURES EMPLOYED BY THE GENERAL PARTNER OF EACH PARTNERSHIP.

THE VALUES OF COMPANIES AND PARTNERSHIPS ARE AUDITED AT YEAR-END, AND ARE NOT AUDITED AT OTHER QUARTER-END PERIODS. WHILE FINANCIAL INFORMATION MAY BE AUDITED, THERE IS SOME DISCRETION AS TO THE METHOD EMPLOYED TO PRICE PRIVATE COMPANIES AND, THEREFORE, PRIVATE MARKETS PARTNERSHIPS. AT ALL TIMES, MEKETA INVESTMENT GROUP EXPECTS GENERAL PARTNERS TO UTILIZE CONSERVATIVE AND INDUSTRY STANDARD PRICING PROCEDURES, AND REQUIRES THE GENERAL PARTNERS TO DISCLOSE THOSE PROCEDURES IN THEIR REPORTS. HOWEVER, BECAUSE OF THE INHERENT UNCERTAINTY OF VALUATION, THESE ESTIMATED VALUES MAY DIFFER FROM THE VALUES THAT WOULD BE USED IF A READY MARKET FOR THE INVESTMENTS EXISTED, AND THE DIFFERENCES COULD BE SIGNIFICANT.

MEMORANDUM

TO: SJCERA Board of Retirement (SJCERA)
FROM: Meketa Investment Group (Meketa)
DATE: November 6, 2026
RE: P/E Investments and Graham Capital—Manager Updates

Graham Capital		P/E Investments	
Inception Date:	April 2016	Inception Date:	July 2016
Strategy:	Tactical Trend	Strategy:	Diversified Global Macro
Benchmark:	SG Trend	Benchmark:	5% Annual
SJCERA AUM (9/30/26)	\$154.0 M	SJCERA AUM (9/30/26)	\$65.8 M
Firm-wide AUM (9/30/26)	\$22.9 B	Firm-wide AUM (9/30/26)	\$23.2 B
Strategy AUM (9/30/26)	\$4.3 B	Strategy AUM (9/30/26)	\$309.0 M

Summary

In June 2026, Graham Capital and P/E Investments were placed on Watch status following periods of meaningful underperformance. P/E Investments experienced periods underperformance in 2025 and 2023, while Graham Capital underperformed in 2023.

SJCERA invested in Graham Capital's Tactical Trend strategy in April 2016 and P/E Investments' Diversified Global Macro strategy in July 2016. As of September 30, 2026, the Graham portfolio was approximately \$154.0 million or about 2.7% of SJCERA's total plan assets and the P/E Investments portfolio was approximately \$65.8 million or about 1.2% of SJCERA's total plan assets.

Recommendation

Meketa's review of Graham Capital's Tactical Trend strategy and P/E Investments' Diversified Global Macro strategy identified no material concerns related to organization, personnel, investment process, or risk management. While both strategies experienced periods of underperformance that resulted in their placement on Watch status, recent performance has improved, and the factors driving prior underperformance remain consistent with each strategy's intended investment approach. Based on our findings, **Meketa recommends removing both managers from Watch status and returning them to Good Standing.**

Investment Performance Review Summary¹

As of September 30, 2026, Graham has outperformed its benchmark over all reported periods on a net-of-fee basis. P/E Investments has outperformed its benchmark on a net-of-fee basis except for over the trailing 3-year and since inception periods.

The P/E Diversified Global Macro strategy underperformed in 2023 and 2025, primarily due to positioning within its Global Equity and FX strategies during environments characterized by strong risk sentiment and policy-driven market volatility. In both periods, the Strategy's risk-managed and often contrarian positioning proved challenging in the short term, though other portfolio components helped partially offset losses and several underlying strategies subsequently recovered as market conditions normalized.

As of 9/30/2026	Market Value (\$M)	2026-Q3	1 YR	3 YR	5 YR	Since Inception	Inception Date ²
Graham Tactical Trend (Net)	154.0	8.6	39.1	7.6	11.3	5.8	05/2016
<i>SG Trend</i>	---	6.0	21.2	4.9	7.9	5.1	---
Excess Return (Net)	---	2.7	17.9	2.7	3.4	0.6	---
P/E Diversified Global Macro (Net)	65.8	7.1	15.5	-3.8	7.0	1.9	07/2016
<i>5% Annual</i>	---	1.2	5.0	5.0	5.0	5.0	---
Excess Return (Net)	---	5.9	10.5	-8.8	2.0	-3.1	---

¹ Performance is annualized for periods longer than one year.

² Funded April 21, 2016, performance inception May 2016 reflects the first full month of performance.

Product and Organization Review Summary

A review of Graham and P/E Investments identified no material organizational concerns, business developments, or investment related issues that would negatively affect either strategy. However, Graham has experienced some changes in leadership. Effective February 7, 2025, Jens Foehrenbach joined Graham as President and Co-CIO. He also joined the Firm's Executive, Investment, and Risk Committees. Pablo Calderini was promoted to Vice Chairman and served as Co-CIO with Jens throughout 2025 and into 2026. In January 2026, Jens became sole CIO as Pablo stepped away from his Co-CIO responsibilities to focus on launching and managing a new discretionary strategy for Graham. Pablo was also removed from Graham's Executive, Investment, Risk, and Compliance Committees.

	Level of Concern	
	Graham	P/E Investments
Product		
Complied with IPS	None	None
Complied with Manager Guidelines	None	None
Investment Personnel Changes	Low	None
Investment Process Changes	None	None
Complied with Internal Risk Management	None	None
Organization		
Material Business Changes	None	None
Management Changes	Low	None
Litigation	None	None
Recommended Action	Good Standing – X	Good Standing – X
	Watch	Watch
	Terminate	Terminate

Investment Philosophy and Process, per Manager

Both Graham Capital's Tactical Trend and P/E Investments' Diversified Global Macro strategies are currently allocated within the Plan's Crisis Risk Offset strategic class which invests in defensive and diversifying strategies designed to help protect the portfolio during periods of market stress, reduce dependence on equity market returns, and improve overall portfolio resilience.

Graham Tactical Trend

This strategy is a dynamic, trend-based strategy comprised of multiple sub-models. The strategy gradually buys and sells based on a number of factors, including price, volatility, and length of time a position has been held. Tactical Trend includes trend-following models that trade based on an intermediate- to long-term time horizon as well as adaptive models, which adjust their behavior, speeding up and slowing down depending on the prevailing market conditions via a feedback mechanism. This strategy trades a broad range of markets, including global interest rates, foreign exchange, global stock indices, and commodities.

P/E Investments Diversified Global Macro

This strategy is a systematic, alternative risk premia strategy that seeks to generate diversified returns by investing across global equity, fixed income, currency, and macroeconomic markets. The strategy employs quantitative models to identify and capture persistent sources of risk premium while maintaining low correlation to traditional stock and bond markets. Its diversified and risk-managed approach is intended to provide attractive long-term returns across a variety of market environments.

DS/KC/RF/jl

Disclosure

THE MATERIAL CONTAINED IN THIS REPORT IS INTENDED FOR THE INTENDED RECIPIENT AND MAY NOT BE REPRODUCED OR DISTRIBUTED, IN WHOLE OR IN PART, EXCEPT AS REQUIRED OR APPROPRIATE IN CONNECTION WITH A PUBLIC MEETING. THE DATA ARE PROVIDED FOR INFORMATIONAL PURPOSES ONLY, MAY NOT BE COMPLETE, AND CANNOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN FOR DISCUSSION.

MEKETA INVESTMENT GROUP HAS PREPARED THIS REPORT ON THE BASIS OF SOURCES BELIEVED TO BE RELIABLE. THE DATA ARE BASED ON MATTERS AS THEY ARE KNOWN AS OF THE DATE OF PREPARATION OF THE REPORT, AND NOT AS OF ANY FUTURE DATE, AND WILL NOT BE UPDATED OR OTHERWISE REVISED TO REFLECT INFORMATION THAT SUBSEQUENTLY BECOMES AVAILABLE.

IF WE MANAGE YOUR ASSETS ON A DISCRETIONARY BASIS, PLEASE CONTACT US IF THERE ARE ANY CHANGES IN YOUR FINANCIAL SITUATION OR INVESTMENT OBJECTIVES, OR IF YOU WANT TO IMPOSE ANY REASONABLE RESTRICTIONS ON OUR MANAGEMENT OF YOUR ACCOUNT OR REASONABLY MODIFY EXISTING RESTRICTIONS.

IN GENERAL, THE VALUATION NUMBERS PRESENTED IN THIS REPORT ARE PREPARED BY THE CUSTODIAN BANK FOR LISTED SECURITIES, AND BY THE FUND MANAGER OR APPROPRIATE GENERAL PARTNER IN THE CASE OF UNLISTED SECURITIES. THE DATA USED IN THE MARKET COMPARISON SECTIONS OF THIS REPORT ARE SOURCED FROM VARIOUS DATABASES. THESE DATA ARE CONTINUOUSLY UPDATED AND ARE SUBJECT TO CHANGE.

THIS REPORT DOES NOT CONTAIN ALL THE INFORMATION NECESSARY TO FULLY EVALUATE THE POTENTIAL RISKS OF ANY OF THE INVESTMENTS DESCRIBED HEREIN. BECAUSE OF INHERENT UNCERTAINTIES INVOLVED IN THE VALUATIONS OF INVESTMENTS THAT ARE NOT PUBLICLY TRADED, ANY ESTIMATED FAIR VALUES SHOWN IN THIS REPORT MAY DIFFER SIGNIFICANTLY FROM THE VALUES THAT WOULD HAVE BEEN USED HAD A READY MARKET FOR THE UNDERLYING SECURITIES EXISTED, AND THE DIFFERENCES COULD BE MATERIAL.

THIS DOCUMENT MAY CONTAIN CERTAIN FORWARD-LOOKING STATEMENTS, FORECASTS, ESTIMATES, PROJECTIONS, AND OPINIONS ("FORWARD STATEMENTS"). NO REPRESENTATION IS MADE OR WILL BE MADE THAT ANY FORWARD STATEMENTS WILL BE ACHIEVED OR WILL PROVE TO BE CORRECT. A NUMBER OF FACTORS, IN ADDITION TO ANY RISK FACTORS STATED IN THIS MATERIAL, COULD CAUSE ACTUAL FUTURE RESULTS TO VARY MATERIALLY FROM THE FORWARD STATEMENTS. NO REPRESENTATION IS GIVEN THAT THE ASSUMPTIONS DISCLOSED IN THIS DOCUMENT UPON WHICH FORWARD STATEMENTS MAY BE BASED ARE REASONABLE. THERE CAN BE NO ASSURANCE THAT THE INVESTMENT STRATEGY OR OBJECTIVE OF ANY FUND OR INVESTMENT WILL BE ACHIEVED, OR THAT THE CLIENT WILL RECEIVE A RETURN OF THE AMOUNT INVESTED.

IN SOME CASES, MEKETA INVESTMENT GROUP ASSISTS THE CLIENT IN HANDLING CAPITAL CALLS OR ASSET TRANSFERS AMONG INVESTMENT MANAGERS. IN THESE CASES, WE DO NOT MAKE ANY REPRESENTATIONS AS TO THE MANAGERS' USE OF THE FUNDS, BUT DO CONFIRM THAT THE CAPITAL CALLED OR TRANSFERRED IS WITHIN THE AMOUNTS AUTHORIZED BY THE CLIENT.

BECAUSE THERE IS NO READILY ACCESSIBLE MARKET FOR PRIVATE MARKETS ASSETS (COMPANIES AND PARTNERSHIPS), THE VALUES PLACED ON PRIVATE MARKETS ASSETS ARE CALCULATED BY GENERAL PARTNERS USING CONSERVATIVE AND INDUSTRY STANDARD PRICING PROCEDURES. ANNUALLY, AN INDEPENDENT AUDITOR REVIEWS THE PRICING PROCEDURES EMPLOYED BY THE GENERAL PARTNER OF EACH PARTNERSHIP.

THE VALUES OF COMPANIES AND PARTNERSHIPS ARE AUDITED AT YEAR-END, AND ARE NOT AUDITED AT OTHER QUARTER-END PERIODS. WHILE FINANCIAL INFORMATION MAY BE AUDITED, THERE IS SOME DISCRETION AS TO THE METHOD EMPLOYED TO PRICE PRIVATE COMPANIES AND, THEREFORE, PRIVATE MARKETS PARTNERSHIPS. AT ALL TIMES, MEKETA INVESTMENT GROUP EXPECTS GENERAL PARTNERS TO UTILIZE CONSERVATIVE AND INDUSTRY STANDARD PRICING PROCEDURES, AND REQUIRES THE GENERAL PARTNERS TO DISCLOSE THOSE PROCEDURES IN THEIR REPORTS. HOWEVER, BECAUSE OF THE INHERENT UNCERTAINTY OF VALUATION, THESE ESTIMATED VALUES MAY DIFFER FROM THE VALUES THAT WOULD BE USED IF A READY MARKET FOR THE INVESTMENTS EXISTED, AND THE DIFFERENCES COULD BE SIGNIFICANT.



SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

October 30, 2026

TO: Board of Retirement

FROM: Renee Ostrander 
Chief Executive Officer

SUBJECT: Chief Executive Officer Report

STRENGTHEN THE LONG-TERM FINANCIAL HEALTH OF THE RETIREMENT PLAN

Asset Allocation

Review Investment Policy Statement/Strategic Asset Allocation Policy.

The policies will be presented to the Administration Committee on November 16 for review and discussion. Following the Committee's review, the policies will be presented to the Board at its December meeting for final approval.

Optimize the Investment Manager Lineup

Evaluate investment managers, including legacy managers, to optimize performance; initiate changes as needed.

The Investment team continues to evaluate existing investment managers, including legacy funds, to optimize portfolio performance and alignment with our investment objectives. Recent reviews have resulted in strategic adjustments and the removal of two managers, with ongoing evaluations guiding future portfolio decisions.

Define Emerging Governance Issues

Identify and implement fund governance changes on an as needed basis.

The SJCERA legal and investment teams are working to put together robust investment guidelines for internal use, to help in negotiations for investment deals in the future. Additionally, later this month, the Administrative Committee will be reviewing some of the revisions to existing investment policies and new policies to meet the moving target of market terms in investments.

MODERNIZE THE OPERATIONS INFRASTRUCTURE

New Pension Administration System (PAS)

Achieve defined milestones in new Pension Administration System.

SJCERA continues to make significant progress in implementing its new Pension Administration System (PAS). Release 2.0 was received from Heywood on October 21, 2026, and SJCERA staff and AP Consultants have begun their initial evaluation of the release's functionality and associated workflows. Data cleanup efforts have also advanced considerably, with more than 3,000 member records updated and loaded into the testing environment to support system validation and improve data accuracy. In addition, the project team continues to refine internal processes related to project scheduling, release management, and team collaboration, to improve coordination and overall project efficiency. Looking

ahead, Release 3.0 will represent a significant milestone in the implementation, as it will introduce the ability to test monthly retirement benefit payments, one of the system's most critical functions.

MAINTAIN BUSINESS OPERATIONS

Improved Investment Operations

The legal and investment team negotiated Ocean Avenue Capital Fund VI entirely in-house, without using outside counsel. This is an organizational first for SJCERA and shows the capabilities of the team.

2027-2028 Action Plan

Included in today's materials is the first draft of the 2027-2028 Action Plan. The team has identified initiatives that will already be on in progress for the upcoming 24 months as well as new endeavors that support the changes in the newly adopted Strategic Plan. The plan is ready for trustee feedback and will come back with those updates and the additional inputs from Meketa in it's final version in December.

Provide Excellent Customer Service

A few quotes from our members:

[Bethany Vavzinak]

"Bethany was wonderful and pleasant to speak with"

"My question was answered without confusing statements. I was able to understand what I need to do moving forward."

[Vickie Monegas]

"I always get a quick response to my emailed questions and I appreciate that."

"Vicki is amazing. I mean that wholeheartedly. She has been so helpful with me each time and she is so very kind. I appreciate her knowledge and patience she has with my questions each time we talk."

"Vickie, you got back to me so quickly and answered my question. Thank you so much!! You and others are so helpful!!"

"Vicki always responds to questions whether email or by phone. Employees always look forward to emailing and receiving information from her. She is consistent and professional in all her communications."

Employee of the Month

Congratulations to Employee of the Month, Rachna Sharma! The leadership team was eager to recognize Rachna in her efforts to streamline processes within the financial department of SJCERA. She has implemented processes that have improved internal controls and helped with improving checks and balances. Rachna started a "Cash Flow" project with her team to help track expenses coming in and going out. With her hard work, she has been an asset in improving the accounting practices for SJCERA.

Conclusion

This month was all about education. In October, our Communications Officer sat with retirees at the San Joaquin County Open Enrollment Fair at Micke Grove and provided educational materials around their benefits and answer any healthcare questions. One of the highlights of the event was sitting down with one of our active members who felt so confused by everything retirement related. She sat with this member for 30 minutes explaining SJCERA benefits, and the member's eligibility.

In addition, I took a trip to Nashville, Tennessee to speak at the 2026 NCPERS Fiduciary in Focus Workshop. In partnership with Hank Kim, CEO of NCPERS, we focused on how trustees and staff work

together to support benefits administration and member service. It was an honor to speak to trustees from across the nation on the importance of collaboration across the organization.

And finally, I also had the opportunity to speak on a panel hosted by Women In Real-Estate (WIRE). WIRE (Women in Real Estate) is a professional community and network that supports women across the real estate industry through events, leadership programs, education, and membership-based collaboration. It includes regional chapters, curated workshops, and initiatives focused on leadership, networking, and career development. The panel, 'Leadership & Longevity in the Private Markets', focused on c-suite women in the pension community and sharing the opportunities that defined their careers to what it is today. I was joined on the panel by Debby Cherney, CEO of SBCERA, and Alison Romano, CEO/CIO of SFERS. Promoting education, whether it be to our own members, to our peers, or in our industry, the importance is commitment to education. The outcome of the effort is better for all.



2027-2028 ACTION PLAN

1. THOUGHTFUL FINANCIAL STEWARDSHIP

	ACTION ITEM
1.a. Achieve Sustainable Long-Term Returns	
1.a.i.	Adopt documented escalation processes for persistent underperformance, including consultant recommendations and Board of Retirement decisions.
1.b. Maintain Disciplined Asset Allocation	
1.b.i.	Establish a practice of tracking target vs actual allocation.
1.b.ii.	Establish process flows for rebalancing triggers, delegated authorization, and exceptional reporting procedures.
1.b.iii.	Train investment and finance staff on rebalancing approvals and trade documents.
1.b.iv.	Conduct asset-liability study with consultant and actuarial input.
1.c. Manage Investment Risk Prudently	
1.c.i.	Improve stress test capabilities and practices.
1.d. Optimize Investment Costs and Value	
1.d.i.	Improve reconciliation of invoices, contractual fee schedules, and manager reported charges.
1.d.ii.	Create a documented reconciliation of savings from consultant partnerships.
1.d.iii.	Explore and evaluate custodial bank options via RFI
1.e. Maintain Sufficient Liquidity	
1.e.i.	Developing a rolling cash flow forecast covering benefits, operations, contributions, and investment commitments.
1.e.ii.	Test liquidity under delayed contributions, lower distributions and increased capital calls.
1.e.iii.	Document approved liquidity escalation steps and available funding sources.
1.f. Strengthen Investment Governance	
1.f.i.	Develop investment contracting standards & policy.
1.f.ii.	Review investment policies for gaps with consultant and legal input, and revise as necessary.
1.f.iii.	Create internal investment negotiation repository.
1.f.iv.	Create list of important Board decision due dates and timelines.

2. INFORMED CONFIDENT MEMBERS

	ACTION ITEM
2.a. Improved Member Understanding of Benefits and Retirement Planning	
2.a.i.	Create a plain-language glossary and prioritize benefit materials needing revision.
2.a.ii.	Train staff to use consistent explanations of common benefit questions.
2.a.iii.	Review and revise member forms.
2.b. Expand Member Education and Outreach	
2.b.i.	Develop an annual outreach calendar with priorities for underrepresented member groups.
2.b.ii.	Pilot after-hours education sessions.
2.c. Increase Early Retirement Planning	
2.c.i.	Utilize new Pension Administration System (PAS) to coordinate delivery of planning info through employer.
2.c.ii.	Revise member packets to include early retirement planning resources.
2.d. Increase Use of Self-Service Tools	
2.d.i.	Establish baseline PAS usage, registration, task completion, and member support needs.
2.e. Strengthen Engagement With Retirees	
2.e.i.	Establish retiree communications calendar covering benefits, service reminders, and educational opportunities.

3. DEEPENED PARTNER ENGAGEMENT

	ACTION ITEM
3.a. Strengthen Relationships with Participating Employers	
3.a.i.	Identify primary and backup contacts for each participating employer and confirm communications preferences.
3.b. Enhance Relationships with Stakeholders	
3.b.i.	Map key stakeholder groups and document their communication needs.
3.b.ii.	Establish a stakeholder engagement calendar aligned with board and public reporting schedules.
3.b.iii.	Develop consistent explanations of SJCERA's role, funding, benefits, and strategic priorities.
3.c. Communicate Future Changes Proactively	
3.c.i.	Establish a change-communications template defining audiences, timing, and channels.
3.c.ii.	Collect readiness feedback and adjust communications before each change takes effect.

4. STREAMLINED OPERATIONAL EXCELLENCE

	ACTION ITEM
4.a. Modernize Technology and Digital Tools	
4.a.i.	Implement new PAS.
4.a.ii.	Establish service, cost, and customer experience baselines using available operational and CEM questionnaire data.
4.a.iii.	Revamp website to be member centric and reflect current branding.
4.a.iv.	Implement validated operational dashboard using reliable PAS or interim data sources.
4.b. Standardize and Improve Key Processes	
4.b.i.	Map high-volume benefit, payroll, finance, and employer-reporting processes and identify bottlenecks.
4.c. Strengthen Internal Controls and Compliance	
4.c.i.	Track, document, and report member interactions (phone, email, and walk-ins).
4.c.ii.	Assess segregation of duties and documents across all departments.
4.d. Strengthen Cybersecurity and Operational Resilience	
4.d.i.	Continue cybersecurity plan by updating risk assessment, inventory critical systems data, and third party dependancies.
4.d.ii.	Move all server systems into the cloud.
4.d.iii.	Document vendor access to member information.
4.d.iv.	Enhance legal review of new vendor contracts, and include AI compliance.
4.d.v.	Evaluate standardized accounting/financial systems software.

5. ENGAGED EMPOWERED TEAM

	ACTION ITEM
5.a. Strengthen Employee Engagement and Workplace Culture	
5.a.i.	Establish Annual Education and Development Day.
5.b. Invest in Employee Development and Growth	
5.c. Equip Staff with Effective Tools and Resources	
5.c.i.	Inventory essential software, equipment procedures, and reference materials by position.
5.d. Promote Innovation and Continuous Improvement	
5.e. Strengthen Collaboration and Shared Accountability	
5.e.i.	Establish regular cross-department coordination meeting schedule.

ACTION ITEM	
	Implement approved DROP program.
	Complete RFP for auditing services.
	Update Financial System.

	On Track
	Completed
	Identified Potential Risks
	Known Delays