



Dec. 2, 2025
1:30 P.M.
BOARD ROOM

BOARD OF RETIREMENT

AGENDA

832 12th Street
Suite 600
Modesto, CA

The Board of Retirement welcomes you to its meetings, which are regularly held on the fourth Tuesday of each month. Your interest is encouraged and appreciated.

The StanCERA boardroom, is currently open to public access. If you wish to make a public comment during the Public Comment section of the meeting, alert the Chair that you wish to speak. As permitted by Gov. Code § 54954.3(b)(1), each public comment is limited to three minutes.

You may also submit public comments in writing. If you wish to make a general public comment or a comment on a specific agenda item in writing, please submit your comment via email or fax no later than 4:30 p.m. on the day before a Board meeting. Comments can be submitted via email at taaa@stancera.org or via fax at (209) 558-4976. If your comment pertains to a specific agenda item, please include the agenda item number in the subject line. As permitted by Gov. Code § 54954.3(b)(1), each public comment is limited to 400 words. Comments submitted in writing will be read aloud during the meeting.

CONSENT/ACTION ITEMS: Consent matters include routine administrative actions and are identified under the Consent Items heading. All other items are action items, "Action" means that the Board may dispose of any item by any action, including but not limited to the following acts: approve, disapprove, authorize, modify, defer, table, take no action, or receive and file.

BOARD AGENDAS & MINUTES: Board agendas, minutes and copies of items to be considered by the Board of Retirement are customarily posted on the Internet by Friday afternoon preceding a meeting at the following website: www.stancera.org.

NOTICE REGARDING NON-ENGLISH SPEAKERS: Board of Retirement meetings are conducted in English and translation to other languages is not provided. Please make arrangements for an interpreter if necessary.

In compliance with the Americans with Disabilities Act: If you require an accommodation, auxiliary aid, or service in order to participate in this meeting, please contact StanCERA at (209) 525-6393 as far in advance as possible but no later than 48 hours before the scheduled event.

- 1) Call Meeting to Order
- 2) Pledge of Allegiance
- 3) Roll Call

4) Announcements

- (a) SACRS award presentation to Stanislaus Community Hero, Center for Human Services (CHS)

5) Public Comment

6) Emergency Declaration

7) Consent Items:

- (a) Approval of October 28, 2025 Meeting Minutes [View](#)
- (b) Application for Service Retirement(s)
Government Code Section 31499.17, 31670, 31662.2 & 31810
See attached for details [View](#)
- (c) Investment Matrix [View](#)
- (d) Triennial Policy Review 2025
Agenda Item [View](#) Attachment 1 [View](#)
- (e) Strategic Goals Update
Agenda Item [View](#) Attachment 1 [View](#)
- (f) StanCERA Board Member Committee Assignments [View](#)
- (g) StanCERA Board Member Education Summary [View](#)
- (h) StanCERA 2026 Board Meeting Calendar [View](#)
- (i) Conference Summary [View](#)

8) Investment:

- (a) Investment Consultant – October Flash Report – NEPC [View](#)
- (b) NEPC Quarterly Performance as of September 30, 2025 [View](#)
- (c) NEPC Private Real Assets Report as of June 30, 2025 [View](#)

9) Standing Committee

- (a) Due Diligence Committee Report [View](#)
- (b) Internal Governance Committee- Discussion and Action
2025 Annual Comprehensive Financial Report
Agenda Item [View](#) Attachment 1 [View](#) Attachment 2 [View](#)

10) Administrative

- (a) Reclassification update – Discussion and action
Agenda Item [View](#) Attachment 1 [View](#) Attachment 2 [View](#)
- (b) Update on StanCOG Retirement Applications
- (c) Update on StanCERA Bylaws - Discussion and Action
Agenda Item [View](#) Attachment [View](#)

11) Closed Session:

- (a) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Pursuant to Government Code Section 54946.9 (d)(1)(2 Cases)
 - i. Vincent L. Cooper v. StanCERA County of Sacramento Superior Court Case No. 25WM000093
 - ii. StanCERA v. Ruby Esparza County of Stanislaus Superior Court Case No. CV-25-005766
- (b) PERSONNEL MATTER
Government Code Section 54957 (b)(1)

12) Members' Forum (Information and Future Agenda Requests Only)

13) Adjournment



Oct. 28, 2025
1:30 P.M.
BOARD ROOM

BOARD OF RETIREMENT

MINUTES

832 12th Street
Suite 600
Modesto, CA

- 1) Call Meeting to Order
- 2) Pledge of Allegiance
- 3) Roll Call

Trustees Present

Donna Riley
Doris Foster
Delilah Vasquez
Darin Gharat
Mike Lynch
Terry Withrow
Rhonda Biesemeier
Samuel Sharpe
Jeff Grover

Trustees Absent

Joshua Clayton

Others Present

Tom Stadelmaier, Executive Director
Stan Conwell, Retirement Investment Officer
Carmen Gusman, Retirement Fiscal Manager
Jamie Gingerich, Member and Employer Services Specialist
Alaine Taa, Executive Assistant/Clerk of the Board
Fred Silva, General Legal Counsel
Daniel Hennessy, NEPC, Investment Consultant

- 4) Announcements - None
- 5) Public Comment - None

6) Emergency Declaration - None

7) Consent Items:

(a) Approval of September 23, 2025 Meeting Minutes

(b) Application for Service Retirement(s)

Government Code Section 31499.17, 31670, 31662.2 & 31810

(c) Application for Disability Retirement – Government Code Section 31724

i. Rego, Fallon – Stanislaus County – Effective 07-30-2024

(d) Investment Matrix

(e) Private Markets Manager Selection

(f) Private Market Program Report as of March 31, 2025

(g) Value Added Reports as of June 30, 2025

Motion was made by Trustee Gharat and seconded by Trustee Riley to approve all consent items as presented.

Roll Call Vote was as follows:

Trustee Riley	YES
Trustee Foster	YES
Trustee Vasquez	YES
Trustee Gharat	YES
Trustee Lynch	YES
Trustee Withrow	YES
Trustee Biesemeier	YES
Trustee Grover	YES

Motion passed unanimously.

8) Investment:

(a) Investment Consultant – September Flash Report – NEPC

(b) NEPC Market Update

9) Administrative

(a) RESCO Discontinue support/charge fee for RESCO insurance broker deductions. Discussion and Action Item.

Motion was made by Trustee Grover and seconded by Trustee Withrow to discontinue support of broker-managed insurance deductions and charging \$5 per transaction fee during the transition period to recover costs until deductions are fully phased out through the end of 2026 at the latest.

Roll Call Vote was as follows:

Trustee Riley	YES
Trustee Foster	YES
Trustee Vasquez	YES
Trustee Gharat	YES
Trustee Lynch	YES
Trustee Withrow	YES
Trustee Biesemeier	YES
Trustee Grover	YES

Motion passed unanimously.

(b) 2025 SACRS Fall Business Meeting Voting Proxy and Directives

Motion was made by Trustee Gharat and seconded by Trustee Biesemeier to appoint Trustee Biesemeier as the primary and Trustee Sharpe as the alternate voting proxy delegates to vote on behalf of the Board of Retirement for the SACRS Business meeting, November 14, 2025.

(c) General Counsel Request for Proposal Update

(d) Organizational Structure/Reclassification Update – Tom Stadelmaier updated the Board about the time frame and process of staff reclassifications for three positions that have been discussed previously with the Board. Based on extensive County HR review, they are recommending to upgrade three positions (retirement benefits manager, IT and project role and deputy director role). These changes will go to the CEO leadership at the County and then the Board of Supervisors for final approval. We will also be eliminating some open positions as part of the change. The changes will allow StanCERA to operate much more efficiently and will create better career pathways for staff. If Board members have any additional input or questions please reach out to Tom.

No Closed Session items to discuss, and no actions were taken on Closed Session agenda items.

10) Closed Session:

(a) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code Section 54946.9 (d)(1) (2 cases)

- i. Vincent L. Hooper v. StanCERA County of Sacramento Superior Court
Case No. 25WM000093
- ii. StanCERA v. Ruby Esparza County of Stanislaus Superior Court
Case No. CV-25-005766

(b) PERSONNEL MATTER

Government Code Section 54957 (b)(1)

13) Members' Forum (Information and Future Agenda Requests Only)

14) Adjournment

Respectively submitted,

By Thomas Stadelmaier

Thomas Stadelmaier, Executive Director

APPROVED AS TO FORM

By Fred A. Silva

Fred A. Silva, General Legal Counsel

StanCERA APPLICATIONS FOR SERVICE RETIREMENT(S)
GOVERNMENT CODE SECTIONS 31499.14, 31670,
31662.2, 31810 & 31700

12/2/25 Item 7.b

EKELUND, CARLA - City of Ceres - Effective 12/31/2025
Facio, Amparo - Stanislaus County - Effective 12/12/2025
Gonzales, Sophia - Stanislaus County - Effective 09/06/2025
Gust, Phyllis - Stanislaus County - Effective 12/12/2025
Hernandez, Maria - Stanislaus County - Effective 10/04/2025
Hoover, Kristine - Stanislaus County - Effective 11/18/2025
Hunter, Chante - Stanislaus County - Effective 12/29/2025
LaMonica, Elizabeth - Stanislaus County - Effective 12/03/2025
Miramontes, Gabriel - Stanislaus County - Effective 12/27/2025
Palacios, Sylvia - Stanislaus County - Effective 10/04/2025
Pouv, Ra - Stanislaus County - Effective 12/31/2025
ROBERTO, SUSAN - Stanislaus County - Effective 12/02/2025
Singleton, Tisha - Stanislaus County - Effective 11/14/2025
WISE, KEVIN - City of Ceres - Effective 12/02/2025
de Jong, Dara - Stanislaus County - Effective 09/30/2025

December 2, 2025

Retirement Board Agenda Item

TO: Retirement Board

FROM: Stan Conwell, Retirement Investment Officer

- I. SUBJECT: Investment Matrix
- II. ITEM NUMBER: 7.c
- III. ITEM TYPE: Information Only
- IV. STAFF RECOMMENDATION: N/A
- V. ANALYSIS:

a) *Investment Program Activities:*

The due diligence committee completed its annual review in October culminating in onsite visits to manager offices in Boston and New York. This work remains an important governance mechanism for the Board, providing ongoing monitoring and independent assessment of key investment partners. More details can be found in the committee's report to the board. Onboarding activities with Meketa continue and are on pace to be completed by the end of the year. Staff also advanced wind-down activities with the legacy private credit funds and finished up the Northern Trust private markets report which provides independent performance reporting for the private market programs.

Audax Annual General Meeting

While in Boston for the due diligence committee's onsite visit, staff was able to attend Audax's annual general meeting (AGM). The meeting provided detailed fund-level updates, including overviews of new investments, recent realizations, and case studies illustrating Audax's buy and build approach. Attendance also allowed staff to engage directly with Audax investment professionals and to network with other limited partners investing alongside StanCERA. These interactions offered additional context on portfolio performance, investment process, and broader market themes relevant to the fund.

Strategic Value Partners (SVP) Annual General Meeting

Staff also attended the SVP annual meeting while in New York for the due diligence committee's onsite visit. The meeting provided thorough updates on the fund and on recent investment activity across the firm. As a value-oriented manager, SVP often targets distress for control deals to secure positions at deeply discounted entry points. Given this focus, SVP often provides a differentiated perspective on current

market conditions and areas of opportunity. While some of SVP's Fund V performance can be attributed to cyclically driven opportunities resulting from the Covid market disruption, the fund series has demonstrated consistent returns across vintages. Staff noted SVP has been expanding their internal operational capabilities to support investment activities for current and future investments and interacted with many new hires at the meeting.

b) *Money Transfer Report:*

October 2025: Capital Calls

From			To		
Manager	Asset Class	Amount	Manager	Asset Class	Amount
NT STIF Fund	Cash	-\$62,237.57	Genstar Capital Partners X	Private Equity	\$62,237.57
NT STIF Fund	Cash	-\$2,024,168.27	Ares Senior Direct Lending Fund III	Private Credit	\$2,024,168.27
NT STIF Fund	Cash	-\$475,000.00	Eclipse Fund V	Private Equity	\$475,000.00
NT STIF Fund	Cash	-\$1,209,986.00	Crestline Opportunity Fund V	Private Credit	\$1,209,986.00
NT STIF Fund	Cash	-€425,000.00	Pimco EDCO	Private Infrastructure	€425,000.00
NT STIF Fund	Cash	-\$294,798.00	SSC Partners III	Private Equity	\$294,798.00
NT STIF Fund	Cash	-\$868,276.00	Crayhill Principal Strategies Fund III	Private Credit	\$868,276.00

c) *Manager Monitor:*

Manager Monitor October 2025				
Manager	Organizational Health	Performance Status	Regulatory action in the last 12 months? (Y/N)	Comments
Liquidity Sub-Portfolio				

Northern Trust STIF Fund	Stable	Performing	N	
Insight Investment	Watch	Performing	N	Portfolio Manager Retirement; Succession Management Plan in place
Growth Sub-Portfolio				
BlackRock Russell 1000 Growth	Stable	Performing	Y	Minor fines pending from state courts and foreign regulatory authorities.
BlackRock Russell 1000 Value	Stable	Performing	Y	Minor fines pending from state courts and foreign regulatory authorities.
Dodge & Cox-Equity	Stable	Performing	N	
Attucks Small Cap	Stable	Performing	N	
LSV International Value	Stable	Performing	N	
Fidelity International Growth	Stable	Performing	N	
MS Prime Property Fund	Watch	Performing	N	Large exit queue from fund; queue size is moderating
PGIM Real Estate US Debt Fund	Watch	Performing	N	Organizational changes under new CEO; Unlikely to impact Real Estate group
ARA American Strategic Value Realty Fund	Stable	Performing	N	Weak short-term performance, Good long-term performance.
Greenfield Acquisition Partners VII	Stable	Performing	N	
Grandview Property Partners I	Stable	Performing	N	
Grandview Property Partners II	Stable	Performing	N	
TA Realty Value Fund XIII	Stable	Too Soon To Tell	N	
KSL Credit Opportunities IV	Stable	Too Soon To Tell	N	
Brookfield Strategic Real Estate Partners V	Stable	Too Soon to Tell	Y	Small fine from India regulatory agency. Unrelated to BSREP V activities.
Graceada Partners IV	Stable	Too Soon to Tell	N	
MS Infrastructure Partners II	Stable	Performing	N	

Northern Trust Infrastructure Fund	Stable	Performing	N	
Palistar Communications Infrastructure Fund II	Stable	Performing	N	
JP Morgan IIF Hedged LP	Stable	Performing	Y	JPMorgan Chase affiliates settle actions related to retail broker-dealer customers. Unrelated to IIF Fund.
IFM Global Infrastructure Fund	Stable	Performing	N	
Carlyle Renewable and Sustainable Energy Fund II	Stable	Too Soon To Tell	Y	SEC penalty for violating certain recordkeeping provisions.
Pimco European Data Centre Opportunity Fund	Stable	Too Soon to Tell	Y	Small Self-Regulatory Organization fines related to futures trading.
Upwelling (Medley Opp Fund II)	Stable	Not Performing	N	Largely liquidated. Some residual income expected.
White Oak Pinnacle Fund	Watch	Not Performing	N	Maintaining enhanced oversight; Working with GP and LPs to influence prioritization of realizations while maximizing value.
Raven Opportunity Fund III	Watch	Not Performing	N	Ownership and Senior Leadership change announced. Enhanced oversight continues; Working with GP and LPs to influence prioritization of realizations while maximizing value.
Blue Owl First Lien Fund	Stable	Performing	N	
Monroe Capital Private Credit Fund IV	Stable	Performing	N	
Callodine ABL II	Stable	Performing	Y	Small fine from California regulator related to license application.
Ares SDL Fund III	Stable	Too Soon To Tell	N	
Comvest Partners Fund VII	Stable	Too Soon To Tell	N	
SVP Special Situations Fund V	Stable	Performing	N	
ABRY Senior Equity VI	Stable	Performing	N	

Crestline Opportunity Fund V	Stable	Performing	N	
Crayhill Principal Strategies Fund III	Stable	Too Soon To Tell	N	
Vista Foundation IV	Stable	Not Performing	N	Early returns not in line with expectations. Conviction maintained
CD&R XI	Stable	Performing	N	
Gryphon Partners VI	Stable	Too Soon To Tell	N	Some portfolio companies facing delayed value creation
Sole Source Fund II	Stable	Performing	N	
Sole Source Fund III	Stable	Too Soon to Tell	N	
Blue Wolf Fund V	Stable	Too Soon To Tell	N	
Audax Private Equity Fund VII	Stable	Too Soon To Tell	N	
Gridiron Capital Fund V	Stable	Too Soon To Tell	N	
Insight Partners Fund XI	Stable	Performing	N	
Great Hill Equity Partners VIII	Stable	Too Soon To Tell	N	Delayed deployment from market headwinds. Conviction maintained.
Eclipse Fund V	Stable	Too Soon To Tell	N	
NIS Opportunistic Credit	Stable	Performing	N	
Risk-Diversifying Sub-Portfolio				
AQR Global Risk Premium	Stable	Performing	N	
PanAgora Risk Parity Multi Asset	Stable	Performing	N	
Northern Trust Intermediate Gov't Bond	Stable	Performing	N	
Northern Trust Long Term Gov't Bond	Stable	Performing	N	
Northern Trust US TIPS	Stable	Performing	N	
Graham Proprietary Matrix	Stable	Performing	N	
Wellington Global Macro	Stable	Performing	N	

Manager Monitor Ratings Key:

Organizational Health

- **Stable** – No known organizational concerns. Team continuity, ownership and strategy AUM remain strong.
- **Watch** – Notable changes (personnel, ownership, strategy) that warrant monitoring.
- **Concern** – Material issues that could impair long-term effectiveness (key departures, instability, strategy outflows).

Performance Status

- **Performing** – Manager is meeting or exceeding performance expectations
- **Not Performing** - Manager is persistently underperforming expectations without sufficient explanation
- **Too Soon To Tell / Under Review** – Manager results are inconclusive due to strategy vintage, recent changes, or short-term volatility. Monitoring for clearer performance trends.

Regulatory actions are monitored across the whole organization and may not impact the fund directly.

VI. RISK: None

VII. STRATEGIC PLAN: N/A

VIII. ADMINISTRATIVE BUDGET IMPACT: None

December 2, 2025

Retirement Board Agenda Item

TO: Retirement Board

FROM: Stan Conwell, Retirement Investment Officer

I. SUBJECT: Triennial Review of Policies

II. ITEM NUMBER: 7.d

III. ITEM TYPE: Information Only

IV. STAFF RECOMMENDATION: N/A

V. ANALYSIS:

In accordance with the policy review schedule and the ongoing strategic goal of developing StanCERA's governance practices in alignment with the dynamic needs of the organization, staff evaluated the following policies and directives:

- Investment Policy Statement
- Investment Policy Statement Directive #1
- Investment Policy Statement Directive #2
- Investment Policy Statement Directive #3
- Investment Policy Statement Directive #4
- Private Markets Investment Policy
- Placement Agent Policy

After review, staff did not make any substantive changes. Only directive #1 had minor edits.

While no substantive changes were made at this time, it's expected that a review of the investment policies along with governance education and discussion will occur with the Board before the next required policy review.

Attachment 1: Investment Policy Statement Directive #1 redline. (Changed lower bound limits for private market asset classes to reflect funding progress)

VI. RISK: None

VII. STRATEGIC PLAN: N/A

VIII. ADMINISTRATIVE BUDGET IMPACT: None



Investment Policy Statement – Directive # 1

StanCERA Asset Allocation Targets and Ranges

Asset Class	Benchmark	Allocation		
		Min	Target	Max
Liquidity Sub-Portfolio		4%	8%	14%
Cash	30 Day T-Bills	0%	1%	4%
Cashflow-Matched Bonds	Bloomberg Barclays US Gov't/Credit Intermediate	4%	7%	10%
Growth Sub-Portfolio		60%	73%	80%
US Large Equity	Russell 1000	10%	14%	18%
US Small Equity	Russell 2000	0%	4%	7%
Private Equity	Cambridge Associates Global All PE	02%	5%	8%
Non-US Equity	MSCI ACWI ex-USA Gross	12%	18%	24%
Core Real Estate	NCREIF ODCE	30%	6.5%	10%
Value Add Real Estate	Cambridge Associates Global Real Estate	20%	6%	10%
Infrastructure	Cambridge Associates Global Infrastructure	03%	7.5%	12%
Private Credit	Cambridge Associates Global Credit	03%	8%	10%
Public Credit	50% Bloomberg US corp Inv Grade/25%	0%	4%	6%
	Bloomberg US Corp High Yield/25% Morningstar			
	LSTA US Leveraged Loan Index			
Risk-Diversifying Sub-Portfolio		15%	19%	24%
US Treasury	Bloomberg Barclays Treasury 7 - 10 year	4%	6%	8%
US Short Duration TIPS	Bloomberg US TIPS 0-5 Year	2%	4%	6%
Risk Parity	S&P Risk Parity Index – 10% Volatility	0%	4%	8%
Liquid Absolute Return	30 Day T-Bills + 4%	0%	5%	7%
Total Allocation			100%	

Total Fund & Sub-Portfolio Benchmarks

The total fund and sub-portfolio benchmarks are a composite of the asset class benchmarks. The total fund benchmark is calculated as the weighted average of the performance of the asset class benchmarks and is weighted using the target allocation weights. The sub-portfolio benchmarks are calculated as the weighted average of the performance of the asset class benchmarks assigned to each sub-portfolio and are weighted using the target allocation weights.

*Stanislaus County Employees' Retirement Association Investment Policy Statement
Directive #1 StanCERA Asset Allocation Targets and Ranges*

Review

This Board shall review this policy / directive at least every three years.

History

Adopted by the Retirement Board on May 24, 2016

Revised 5/23/2017

Revised 5/28/2019

Revised 8/27/2019

Revised 11/24/2020

Revised 12/12/2023

Revised 3/25/2025

Revised 12/2/2025

Thomas Stadelmaier, Executive Director

POLICY APPROVAL DATE: ~~December 2~~March 25, 2025

December 2, 2025

Retirement Board Agenda Item

TO: Retirement Board

FROM: Jamie Gingerich, StanCERA IT and Projects Administrator

- I. SUBJECT: StanCERA Strategic Goals Action Items Update
- II. ITEM NUMBER: 7.e. **Consent**
- III. ITEM TYPE: Information Only
- IV. STAFF RECOMMENDATION: None
- V. ANALYSIS: Please see attached the updated strategic goals action items as of December 2025.

Staff has been developing a streamlined Termination Workflow Process to remove multiple unnecessary steps. This is part of staff working to improve operational efficiency.

The Fiscal Operations team has completed building historical data into the Workiva database to create the annual StanCERA ACFR reports. This platform aims to improve the efficiency and consistency of our financial reporting for current and future ACFRs.

We have completed an audit of pay codes for all batch copy Plan Sponsors and are working with their staff on reporting accurate data to StanCERA. We continue working with the remaining employers as this is an on-going process.

A StanCERA Succession Plan is to be developed. The Board is reviewing recommended classification updates to three positions at the December 2, 2025 meeting.

For the calendar year 2025, staff have successfully completed the following as part of our customer engagement goal:

- October 2025 newsletter
- 3 - In-person Pre-Retirement Seminars
- 3 - Mid-Career presentations at the individual departments
- 6 - Wellness Events with over 1,100 members in attendance.

The Board is encouraged to provide feedback on this update, including suggestions for additional areas of focus and comments on the prioritization of current and future action items.

- VI. RISK: NONE
- VII. STRATEGIC PLAN: The action items reflected are in direct support of the established strategic goals.
- VIII. ADMINISTRATIVE BUDGET IMPACT: NONE

2023-2025

StanCERA Strategic Goals Action Items



UPDATED 12-02-2025



2023-2025 Strategic Goals Action Items

Strategic Planning Objectives for 2023-2025

StanCERA CARES:

Customer engagement (The primary Customers are the Plan members, beneficiaries and those that are working to help them reach their retirement goals.)

Aadministrative excellence

Reporting and transparency

Efficiency and innovation

Sustainability

Action Item Phases: Prepare, Plant, Grow and Harvest

Updates on Action Items are presented to the Board Quarterly





2023-2025 Strategic Goals Action Items

Completed Action Items: Action items that reached the harvest stage are documented here to maintain a record of completed items

Customer engagement	Administrative excellence	Reporting and transparency	Efficiency and innovation	Sustainability
- Member Web Portal Live June 2023 - Re-institute member seminars and establish an ongoing program January 2024 1099Rs added to the member portal January 2025 - Implement additional improvements to Retirement Application May 2025	- Updated stancera.org website live July 2024 - StanCERA Master Password Repository May 2025 - Update disability rules and regulations contained to improve process June 2025 - Complete full review of the Bylaws and Administrative Policy June 2025	- Custom investment reporting database retired after 6/30/2024 data - Develop investment manager due-diligence dashboard June 2025	- PBI enhanced Death reporting process implemented December 2023 - Advice Notices provided online and automatic monthly mailing of advices discontinued November 2023 - Contribution statements available online and automatic mailing of statements discontinued going forward after 12/31/23 statements February 2024 - Develop and implement an audit process for plan sponsor pay codes; this includes the addition of new pay codes	- Completed long-term extension of 6th floor lease September 2023 - Established full policy for elective officials September 2023 - Master Administrative Task List Established January 2024 - Long-term contract established with systems provider Tegrit to reduce risk, establish more predictable costs over time and plan for ongoing improvement of critical technology services December 2024 - Bank Fraud Mitigation-- Evaluate options and take steps to strengthen process controls and safeguards May 2025

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2023-2025 Strategic Goals Action Items

Action Items Priorities: Highest priority initiatives with a goal to show continued progress each quarter

Strategic Objective	Action Item	Champion	Phase	Target Date	Team Members and Current Update
Reporting and Transparency	Review StanCERA Internal Controls Process	Carmen/Jamie	Prepare	4Q 2025	- Staff reviewing existing controls with plans to publish compliance calendar and review potential changes. Plan to update IGC regarding potential changes. - Death Process audits have been put in place.
Efficiency	Implement Workiva solution for enhanced financial reporting support needs	Carmen	Grow	1Q 2026	- Workiva tool is live but will require additional investment of staff time to utilize - Team working on Workiva update to use for the June 30, 2025 ACFR - Finished inputting historical information in Workiva and produced this years ACFR.





2023-2025 Strategic Goals Action Items

Strategic Objective	Action Item	Champion	Phase	Target Date	Team Members and Current Update
Sustainability	Create succession management plan for all staff positions	Stan	Prepare	TBD	- Discussions with County and Board started in 1Q 2024 - Meeting held with County HR to review proposed organizational changes to support succession planning. Three classification reviews requested and in progress. - Succession Planning Policy created and approved by BOR on 06-24-25. - BOR reviewing updated ORG plan on 12-02-25 meeting. Plan to be developed moving forward with upgraded positions.





2023-2025 Strategic Goals Action Items

Action Items On-Deck: Committed initiatives with next-level priority

Strategic Objective	Action Item	Champion	Phase	Target Date	Team Members and Current Update
Admin	Develop a training and development template for use with all staff members that focuses on both current and future needs	Alaine	Plant	4Q 2025	• HR support now highlighting training opportunities for staff and tracking participation • Working on initial template to include StanCERA training, self-study modules, county-sponsored training, CALAPRS/SACRS, industry programs and designations, and outside education with examples of available option • Template developed to track team progress and actual expense vs. budget
Reporting	Develop a dashboard report of organizational operational activities	Tom	Prepare	1Q 2026	• Initial discussions have focused on reviewing





2023-2025 Strategic Goals Action Items

Strategic Objective	Action Item	Champion	Phase	Target Date	Team Members and Current Update
					available system data; next step will involve creating prototype report and then developing system reports as needed
Efficiency	Electronic Voting for Board members through the Member Portal	Jamie	Prepare	3Q 2026	Working with Tegrity on building in the ability to vote through the member portal.





2023-2025 Strategic Goals Action Items

Action Items Additional Ideas: Place-holder for identified projects that typically represent quick-hits or future initiatives that address StanCERA strategic objectives and in some cases may require additional planning to determine scope

Strategic Objective	Action Item	Notes/Updates
Admin	Explore additional educational and due-diligence workshops with investment managers and vendors	
Admin	Implement staff survey and feedback process	
Admin	Develop onboard training and training plan for all roles in organization	
Admin	Establish plan to support team-oriented, high-performance culture	Team training scheduled for August 27, 2025
Customer	Review communications materials available for members and work to standardize, simplify, improve and streamline	Changes to some existing letters completed in the 1Q 2024 system release; more comprehensive communication review to follow Newsletter completed October 2025.
Customer	Discussion and design for next phase (continued enhancements) of member web portal including review of industry best practices	1099Rs on portal complete. 2025 system release planning completed. 2026 system release planning underway.
Customer	Define key member transactions and service levels	





2023-2025 Strategic Goals Action Items

Strategic Objective	Action Item	Notes/Updates
Customer	Explore providing more services to support long-term financial wellness for members	
Customer	Implement member survey and feedback process	
Efficiency	Establish internal process for discussion and design of system and process enhancements to support increased efficiency	
Efficiency	Streamline financial reporting process for assets and investments	• StanCERA has implemented TrustLink and is looking into implementing NT service for capital calls as well • Onsite meeting held at StanCERA with NT in 1Q 2024 with multiple enhancements identified—fiscal team working with NT on implementation of process improvements—some will be dependent on NT release dates • Onsite meeting at StanCERA scheduled for March 5, 2025 to review next steps on





2023-2025 Strategic Goals Action Items

Strategic Objective	Action Item	Notes/Updates
		improving accounting data available from NT.
Efficiency	Modify frequency of tax reconciliation and error review in order to improve year-end processing timeline	• 2024 year-end completed early for: 1099s, 945 and IRS file delivery • Additional opportunities for improvement under review
Efficiency	Streamline Workflow Processing	• Benefits staff taking on additional workflow activities in phased approach. Phase 1 during 1Q 2024 is highlighted by retirement processing. Process changes will result in less handoffs and additional training and development for team members. • Additional workflows updated for more efficient processing with more under review • Working on modifications to death workflows. • Termination workflow process streamlined October 2025.
Reporting	Define key metrics and establish baselines for tracking	





2023-2025 Strategic Goals Action Items

Strategic Objective	Action Item	Notes/Updates
Sustainability	Conduct review of data security including Tegrit systems, County-supported systems and other technology	
Sustainability	Review IT infrastructure and identify areas for clean-up and improvement	
Sustainability	Review all current processes and procedures to identify opportunities for streamlining	- Initial list of opportunities identified (includes workflow changes, mail process changes, portal updates and more); next step is to formalize process for evaluation and implementation of improvements - Using Scribe to document operational procedures
Sustainability	Update and formalize business continuity and disaster recovery planning	Policy to be developed



StanCERA Committee Assignments | 2026

Internal Governance Committee - Standing Committee

This committee shall consist of three (3) Retirement Board members. At least one of the Retirement Board members of the committee shall have sufficient background in accounting, financial or managerial matters to understand, relate to and communicate accounting and organizational matters especially as they relate to audit reports. This committee shall have the responsibility for oversight of all financial audits (both external and internal), compliance audits, Bylaw revisions, Policy revisions, Retirement Board member education and training (including ethics) and other internal governance matters.

2026

1. Chair (Samuel Sharpe)
2. Delilah Vasquez
3. Rhonda Bieseimeier
4. Staff as needed

Due Diligence Committee - Standing Committee

This committee may consist of the Vice-Chair or Chair as Chair, one (1) other Board member, the Executive Director, the Investment Officer and one (1) staff member appointed by the Executive Director (or a designee of the Executive Director), to act as the recorder. This committee shall insure that due diligence reviews and meetings are carried out with Investment managers and other vendors. These are reviewed on a schedule as determined by policy and the committee. The DDC is responsible for delivering a report to the full Board regarding due diligence activities.

2026

1. Chair (Joshua Clayton)
2. Doris Foster
3. Executive Director, Tom Stadelmaier
4. Investment Officer, Stan Conwell
5. Executive Assistant, Alaine Taa

Performance Review and Compensation Committee (PRCC) - Standing Committee

This committee shall consist of current Chair, past Chair, and current Vice Chair. At least annually, or as needed, the PRCC will meet to discuss the performance and compensation of the position of Executive Director.

2026

1. Chair (Terry Withrow)
2. Vice Chair (Joshua Clayton)
3. Past Chair (Mike Lynch)
4. Staff as needed

Strategic Planning Objectives Committee - Standing Committees

This Committee shall consist of no less than two (2) Retirement Board members. The committee may request input from administrative staff and attendance for staff at its meetings as the Committee so desires. The committee shall oversee and review staff reports related to the study and recommendations of Retirement Board approved strategic planning objectives. The committee shall have authority to survey, research, request actuarial and other studies as it deems necessary. The committee shall only make "final" reports to the Retirement Board or recommendations to the Retirement Board that require the Board's action. This committee meets at least once every three (3) years, however, may not always have Board members assigned due to the cyclical nature of the needs required of this Committee.

2026

1. Chair (Donna Riley)
2. Darin Gharat
3. Doris Foster

StanCERA Trustee Education Report 2023-2025

Board Member	3-Year Rolling Total Education Credits	2023 Total Education Credits	2024 Total Education Credits	2025 Total Education Credits
Doris Foster	2	N/A	N/A	2
Donna Riley Ex Officio	59.25	20	21	18.25
Darin Gharat	54.25	20	32	2.25
Mike Lynch	66.25	19	41.5	5.75
Joshua Clayton	58	4	31.25	22.75
Terry Withrow	93.5	70	6.5	17
Rhonda Biesemeier	147.75	30	73.5	44.25
Jeff Grover	48.25	20	23	5.25
Delilah Vasquez	56.75	18	37	1.75
Samuel Sharpe	35.00	2	14.75	18.25

**Board members are required to complete 24 hours of continuing education every 2 years.*

2026

Board Meetings are held every 4th Tuesday at 1:30p.m.

*Exceptions: There will be no July or November Board Meeting. December's Board Meeting will be moved to the 1st Tuesday, December 1st due to the Holiday.

January

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CALAPRS ROUND TABLE SUMMARY

1. **Attendee Name:** Rhonda Biesemeier
2. **Event Name:** Private Equity - What's Under the Hood
3. **Event Date:** October 3, 2025
4. **Event Location:** Virtual

5. Describe what was good about the event:

Excellent presentation by Steve McCourt from Meketa. Steve spoke of many aspects of Private Equity in his presentation "Private Equity Partnerships: Risks, Rewards & Real-World Lessons". He discussed how public markets are more prone to fear & panic than private. He justified the higher fees by saying PE has higher returns, therefore, higher net of fees. He did point out some of the negatives of PE, including labor challenges which have improved over the past decades. However, some companies try to cut costs by instituting bad labor practices, but he mentioned that it can happen in public companies as well. He stated that if 401K's are to start investing it would infuse trillions of dollars into PE.

On the other side of this coin, Alyssa Glachino, Private Equity Stakeholder Project's topic was "Balancing Housing & Labor Principles with Private Equity: Oversight & Opportunities". She stated that lots of press coverage indicates that PE is at its peak. She said each 1937 Act investing entity should have a policy similar to CALPERS "Government & Sustainability Principles" which incorporates labor principles to be considered for the entire portfolio. She noted that this policy sets an even playing field with managers. Ms. Glachino highlighted the need for due diligence reviews of PE companies for employee injuries, child labor, worker treatment, etc. & cited a case against Packer Sanitation which is owned by Blackstone. In this case, Blackstone was fined \$1.5 million for violations and suffered reputational damage.

Steve Delaney of Orange County stated that in his county, they are more interested in finances than labor principles, so there are always different views on valuing our portfolios.

6. Would you recommend this event to other trustees/staff:

In summary, this was another exceptional Round Table with great discussion & presenters. I always gain more knowledge by attending these sessions and would strongly encourage other Trustees to attend.



CONFERENCE SUMMARY

1. **Attendee Name:** Rhonda Biesemeier
2. **Event Name:** SACRS Fall Conference 2025
3. **Event Date:** November 11 - November 14, 2025
4. **Event Location:** Hyatt Regency Huntington Beach, CA
5. **Describe what was good about the event:**

KEYNOTE GENERAL SESSION: In addition to talking about geopolitical issues, General Erik Kurilla talked a lot about leadership and the importance of letting your subordinates know you, that you value them, and understand the obstacles they face.

THE ENERGY ADVANTAGE: This was a high energy, yet not superficial session helping us to identify behavior that is sapping our energy. One particular item that impacted me was that you must always be yourself, rather than trying to "play to the audience". I usually do that, but in some cases, I try to be what I think others would expect and it rarely goes well. Just be you!

TRUSTEE BREAKOUT: I was able to participate on the panel, which was a new experience for me. However, the moderator was very helpful to prep us and there was a good variety of trustees on the panel, some from large counties, some elected, some appointed, some long-timers, and some with less time on their board.

AI'S ROLE IN MODERN MEDICINE: One highlight to me was the use of AI for reading x-rays and MRI's as these are data rich tests. AI can often detect medical concerns better than a human physician just looking at a film.

CIO/CEO PANEL - THINKING OUTSIDE THE BOX: The presenter from General Catalyst definitely went outside the box by purchasing a hospital so they could find ways of improving the system. It was really incredible to hear about this endeavor and they promised to come back in 10 years with an update. CalPERS is always amazing to hear from as well due to their size, and Orange County is really ahead of the game with innovations. While I know they are a much larger

county, I recommend that StanCERA look at some of their automation updates to see if anything they're doing could be adopted here.

GENERAL SESSION ROLE OF DB PENSIONS IN RECRUITING & RETAINING PUBLIC SAFETY PROFESSIONALS: Tyler Bond of the National Institute of Retirement Security presented studies they have in the Safety arena that show that DB's are a great selling point for recruitment & retention of safety members. I feel certain that this is something the County should emphasize in their recruitment packets for ALL positions, but particularly for safety recruits.

6. Would you recommend this event to other trustees/staff: **Definitely!**

7. Number of Education Credits: **0**



Conference Summary

1. **Attendee Name:** Donna Riley
2. **Event Name:** SACRS Fall Conference 2025
3. **Event Date:** November 11 – 14, 2025
4. **Event Location:** Huntington Beach, CA
5. **Describe what was good about the event:** In addition to the networking opportunities, I very much enjoyed the Geopolitical insights with Retired 4-Star General Kurilla and the Trustee Breakout session with Rhonda Biesemeier as part of the panel. It's so helpful to hear how other systems are handling issues.
6. **Would you recommend this event to other trustees/staff:** Yes
7. **Number of Education Credits:** 7.0



Conference Summary

1. **Attendee Name:** Samuel Sharpe
2. **Event Name:** SACRS Fall Conference 2025
3. **Event Date:** Tuesday, November 11, 2025, through Friday, November 14, 2025
4. **Event Location:** Huntington Beach, CA
5. **Describe what was good about the event:** The Fall SACRS conference was at a new location which was walking distance from many local activities. The amenities of the hotel adequately met the needs of the attendees. The SACRS Board of Directors should be commended for a successful event. Presentations included Leadership lessons, personal well-being, professional relationships, and updates on investment opportunities made in various industries. 4 sessions were specifically dedicated to the use of AI. The session, "AI in the Real World: How Counties Are Making it Work", was a panel presentation and discussion by Orange CERS management and the implementation of AI at Orange CERS. Apparent is the need for sound AI governance policy and procedures prior to implementing AI within any retirement system. The final general session presentation of the week was "The Role Of Defined Benefits Pensions in Recruiting and Retaining Public Safety Professionals. Tyler Bond, Research Director of the non-profit organization, National Institute on Retirement Security, presented and discussed the results of the State of Alaska moving from a defined benefits system to a defined contribution system and the impacts on recruiting and retaining law public safety employees. A June 2024 report (attached) by NIRS provided "an overview of the pension plans offered to public safety professionals and highlights the ways pensions help maintain a robust public safety workforce."
6. **Would you recommend this event to other trustees/staff:** Yes.

7. **Number of Education Credits:** 8.5 hours approved. 2 additional hours pending approval from SACRS.

THE ROLE OF DEFINED BENEFIT PENSIONS IN RECRUITING AND RETAINING PUBLIC SAFETY PROFESSIONALS



NATIONAL INSTITUTE ON
Retirement Security

Reliable Research. Sensible Solutions.



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS



By Paul Baugher, Alisa Bennett,
Tyler Bond, Dan Doonan, Larry
Langer, Joe Newton, Daniel Siblik,
and Matthew Strom

June 2024

ABOUT THE AUTHORS

Paul Baugher is a senior consultant with Foster & Foster. He has more than 25 years of experience working with pension and OPEB plans for public, corporate, and church plans of all sizes. He is a Fellow of the Society of Actuaries, an Enrolled Actuary, and a Member of the American Academy of Actuaries.

Alisa Bennett, FSA, EA, MAAA, FCA is a President and Consulting Actuary at CavMac. Alisa has 30 years of public sector consulting experience and serves as lead consulting actuary for CavMac's OPEB and healthcare clients as well as several State level pension systems. Alisa is on the Corporate Advisory Committee of the Public Sector Healthcare Roundtable and is a frequent speaker at conferences for the national organizations serving public plans.

Tyler Bond is the research director of the National Institute on Retirement Security. He plans all NIRS research in coordination with the executive director and board of directors. He has authored or co-authored numerous reports, issue briefs, and fact sheets on public pensions and retirement security. He regularly speaks about NIRS research at conferences and meetings and provides expert testimony to policymakers. He is a member of the National Academy of Social Insurance.

Dan Doonan is the Executive Director of the National Institute on Retirement Security. With the Board of Directors, he leads the organization's strategic planning, retirement research, and education initiatives. Doonan has more than 20 years of experience working on retirement issues from different vantage points including an analyst, consultant, trainer, and even a plan trustee. He is a member of the National Academy of Social Insurance.

Larry Langer, ASA, MAAA, FCA, EA is a Principal and Consulting Actuary with CavMac. Larry has more than 35 years of experience as an actuarial benefits consultant, including over 25 years of public sector experience. He has written actuarial articles, spoken at actuarial conferences, and participated in organized pension trustee training forums. He focuses solely on public sector pension consulting.

Joseph Newton, FSA, EA is a nationally recognized public sector actuary who works with numerous statewide, regional, and local retirement systems and is located in GRS' Dallas, Texas office. He has more than 25 years of actuarial and benefits consulting experience. Joe's clients are located in Colorado, Hawaii, Rhode Island, South Carolina, Oklahoma, and Texas. Joe is the Pension Market Leader for GRS and a member of the GRS Office of the Chief Actuary. Joe is also an appointed member on the Associate Advisory Committee of the National Association of State Retirement Administrators (NASRA).

Daniel J. Siblik, ASA, MAAA, FCA, EA is a Vice President and Actuary in Segal's Chicago office. Dan has more than 25 years of experience as a benefits consultant. He has written actuarial articles, spoken at actuarial conferences and participated in organized pension trustee training forums. He focuses on public sector pension consulting.

Matthew A. Strom, FSA, MAAA, EA is a Senior Vice President and Actuary in Segal's Chicago office with over 25 years of experience consulting to sponsors of defined benefit pension plans. His responsibilities include presenting to boards of trustees and legislative committees, reviewing actuarial valuations, preparing actuarial cost studies, and managing other special projects for statewide, local, and other public sector retirement systems. Matt currently serves on the Society of Actuaries Retirement Plans Experience Committee and Segal's Public Sector Leadership Group.

EXECUTIVE SUMMARY

Police officers in New York City were the first public employees in the United States to be offered a defined benefit pension. While public pension plans eventually were established to cover teachers and general government employees, pension plans have remained an essential component of a career in public safety. Pension benefits, including crucial death and disability benefits, are seen as a vital element of the total compensation package offered to police officers and firefighters.

Defined benefit pensions help with the three Rs of workforce management: recruitment, retention, and retirement. This especially matters for public safety where there is a real need, due to the physically demanding and dangerous nature of the work, for these workers to separate from service and retire at earlier ages. This report shows that pension plans largely succeed in this workforce management, as more than half of new hires are expected to retire from their public safety pension plan.

This report examines data from a nationally representative sample of 28 police and fire pension plans, as well as some national datasets. It considers a number of aspects of pension plans that are significant for public safety professionals, including Social Security coverage and whether or not a Deferred Retirement Option Plan (DROP) is available.

The report's key findings are:

- More than half (52%) of new hires are expected to retire from the pension plan. This far surpasses levels of employee retention seen in the private sector.
- While pension plans generally have strong recruitment and retention effects for police officers and firefighters, states and localities that have made significant changes to their pension plans in recent years have seen a marked increase in the amount of employee turnover.
- Sponsorship of public safety pension plans varies significantly with some states almost exclusively providing plan coverage at the state level, while others almost exclusively provide coverage at the local level. The remaining states have a mix of sponsorship at the state and local levels, with the difference sometimes being between police plans and fire plans.
- Public safety pension plans are largely similar to all state and local government pension plans in terms of funded status, demographic ratio, and assumed rate of return on investments. The main differences lie in benefit provisions relating to retirement eligibility.
- Many firefighters and police officers, as many as two-thirds by some estimates, don't participate in Social Security through their public safety job, although the majority of non-covered public safety professionals are highly concentrated in several states.

INTRODUCTION

Police officers, firefighters, and other public safety professionals are among the most visible public employees. Children become acquainted with them at early ages, and they are often seen in the community, even when they are not saving people from emergencies. Taken together, police officers and firefighters account for more than a million full-time workers across the nation. Estimates vary, but there are approximately 700,000 full-time police officers with the power of arrest in the United States.¹ When other police department employees are included, the number is more than 900,000 full-time employees.² Nearly two-thirds of firefighters in the U.S. are volunteer firefighters and some states, like Delaware, are served almost entirely by volunteer fire departments.³ Full-time professional firefighters account for approximately 315,000 workers nationally.⁴

Firefighters and police officers also were among the first groups of public employees to be offered defined benefit

pensions. The first public pension plan in the U.S. was established for police officers in New York City in 1857.⁵ A decade later that pension coverage was extended to New York City firefighters. Another decade later the pension plan was converted from a lump sum payment to a life annuity.

These public safety professionals differ in some important ways from public service employees like teachers, sanitation workers, civil servants, and others. Because of the physical demands and often dangerous nature of their work, police officers and firefighters tend to have shorter public service careers and retire earlier from these jobs. Death and disability benefits offered as part of pension plans are also of greater importance to these workers in high risk jobs. This report provides an overview of the pension plans offered to public safety professionals and highlights the ways pensions help maintain a robust public safety workforce.

I. AN OVERVIEW OF PUBLIC PENSION PLANS FOR PUBLIC SAFETY PROFESSIONALS

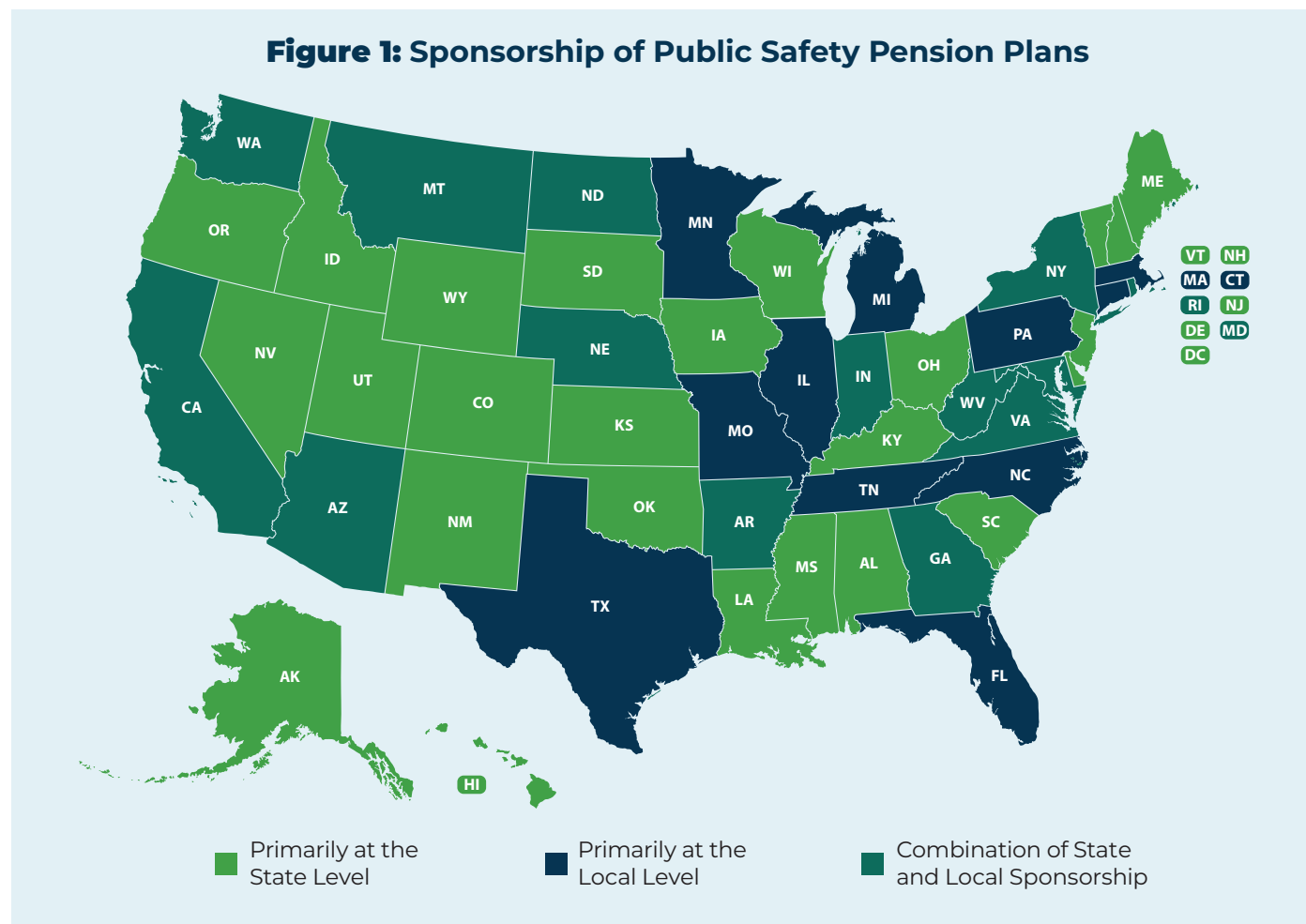
A few years ago, the National Institute on Retirement Security (NIRS) surveyed public employees, including both firefighters and police officers, about retirement and pension benefits.⁶ Unsurprisingly, the survey found that firefighters and police officers have strongly favorable views of pension benefits. Among firefighters, 98 percent had a favorable view of defined benefit (DB) pensions, with a whopping 74 percent having very favorable views. For police officers, the comparable numbers were 97 and 61 percent, respectively.

Half of police officers and more than half of firefighters in that survey said the ability to earn a pension benefit was a reason they chose a public sector job, and more than 60 percent of both groups of workers said the pension was a major reason they stayed at their job. Overwhelming numbers of both police officers and firefighters agree that pensions are a good tool to recruit (97% for police and 99% for fire) and retain (99% for both groups) their fellow public safety professionals.

There are many public pension plans sponsored by state

and local governments across the nation that cover public safety professionals, either exclusively or with other public employees. Some states almost entirely cover public safety at the state level, while other states have mostly local sponsorship of police and fire plans. The remaining portion provide a mix of state and local sponsorship of these plans. It's uncommon for public safety professionals to be in the same plan as teachers and general employees, but some statewide retirement systems have separate plans for different categories of public employees within the same overall system.

Figure 1 displays the variability among state and local sponsorship of these retirement plans, and it's important to consider the implications of these differences. If a police officer works in a state where all police officers participate in the same statewide plan, then that officer may choose to move to a different police department for better pay or a promotion, but that officer wouldn't receive a different pension formula. However, if that same officer worked in a

Figure 1: Sponsorship of Public Safety Pension Plans

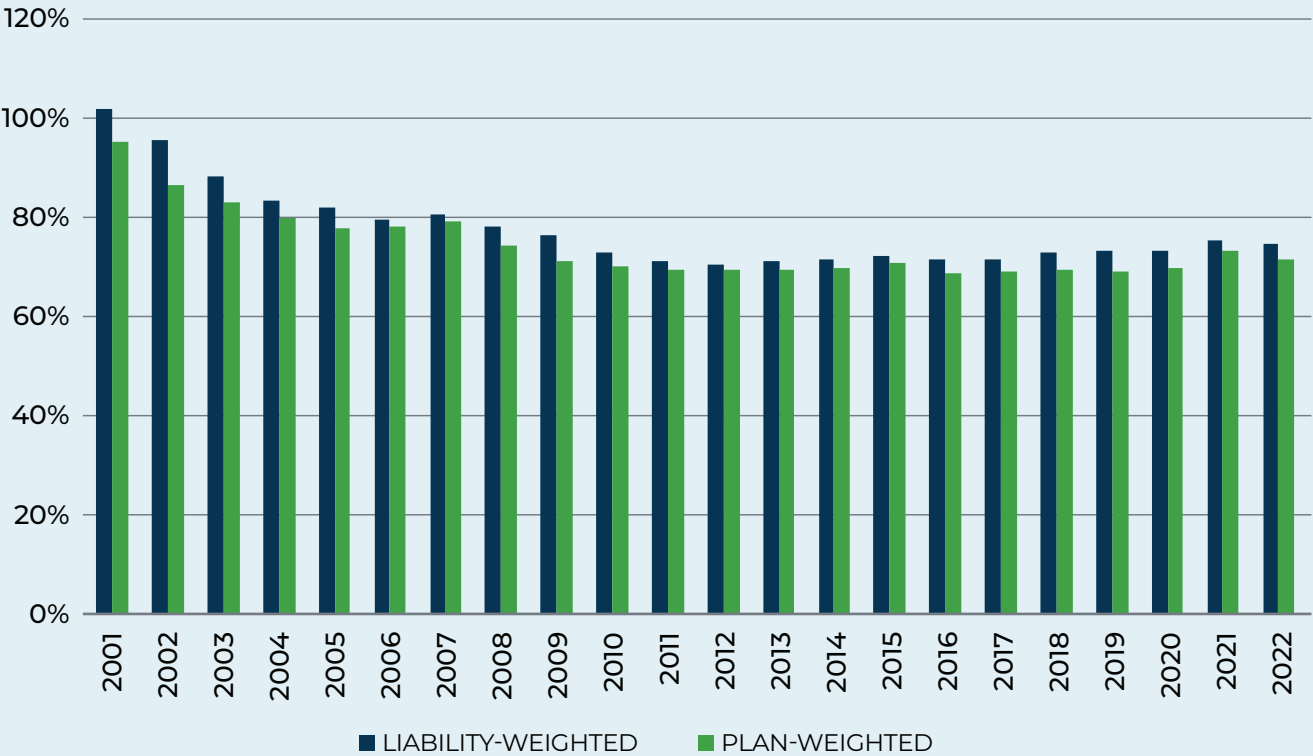
state where retirement plan sponsorship is primarily at the local level, then the officer could easily be incentivized to move to a department offering better retirement benefits. This situation can play out when one jurisdiction closes its pension plan, but neighboring jurisdictions continue to offer pension plans.⁷

While there are interesting variations, public safety plans are broadly similar to state and local public pension plans as a whole. Public safety plans span the whole range of funded ratios (assets divided by liabilities), from a few plans that are poorly funded to some plans that are more than 100 percent funded. The aggregate average funded status for these plans is nearly the same as the aggregate average funded status for all public pension plans.⁸ **Figure 2** shows how the average funding ratio has changed among police and fire pension plans over the past two decades.

The average discount rate assumed by public safety plans is not appreciably different either. **Figure 3** displays both the discount rate used by public safety plans and the discount

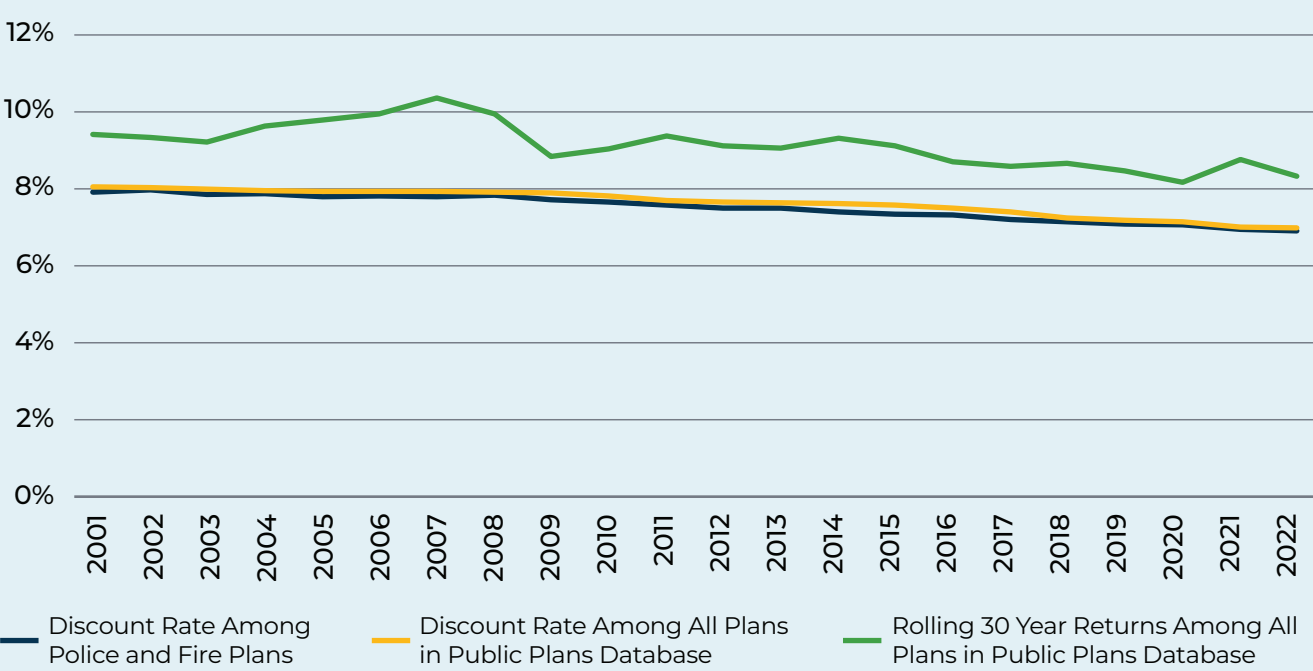
rate used by all public plans and shows that they have followed the same trajectory from around eight percent at the beginning of the century to seven percent today. **Figure 3** also shows that rolling thirty year investment returns for all public pension plans have consistently been above the average assumed rate of return. The downward trend in discount rates in **Figure 3** explains why the average funded ratio has remained relatively flat in **Figure 2**: plans have paid for lowering their assumptions by maintaining a lower funded ratio. This should position public plans for future success as capital markets assumptions anticipate lower investment returns in the future than in the past. Similarly, neither the demographic ratio of active members to retired members nor the history of actuarially determined employer contributions (ADEC) are significantly different from all public pension plans. Public safety plans are largely like all public pension plans, except for some important distinctions regarding benefit provisions and employment patterns among the members.

Figure 2: Average Funding Ratio Among Police and Fire Pension Plans



*Liability-weighted funding ratios are calculated by adding all plan assets and dividing by the total plan liabilities, which gives more weight to larger plans. Plan-weighted averages are simply the average of each plan's funding ratio.

Figure 3: Assumed Rates of Return Compared with Actual Returns: 2001 – 2022



II. SPECIAL CONSIDERATIONS FOR PUBLIC SAFETY PENSION PLANS

Public safety professions tend to be dangerous. Police officers and firefighters face the real risk of physical harm in the course of performing their work. These jobs also are physically demanding. Even if a public safety worker never experiences an injury on the job, they still are subject to routine physical strain and effort. The unavoidable realities of aging mean that many older workers in these demanding jobs simply are not physically capable of performing the frontline work of policing and firefighting. As a result, public safety professionals historically have tended to have shorter tenures and retire earlier than other public employees.

To examine the characteristics of public safety plan participants, this report analyzes data from a representative sample of 28 police and fire pension plans. These 28 plans represent every region of the country and include state plans as well as both large and mid-sized municipal plans. Some plans were specific to either police or fire, while other plans include both categories of employees. These plans accounted for more than a quarter million participants in 2022. The analysis of the data from these plans yielded key findings for this report.

The public safety workers joining these pension plans tend to be 27 or 28 years old when they enter the plan. Among current, active employees, the average length of service was 12 years, but one key datapoint examined was the average tenure within these public safety plans. The analysis found that police officers had an average tenure of 18 years, firefighters had an average of 20 years, and all public safety workers combined had an average of 17.6 years of service. It should be noted that all public safety workers include some corrections officers who tend to have much shorter tenures than police officers or firefighters.

It's also noteworthy how many workers are expected to leave their job via retirement rather than by quitting. More than half (52%) of new hires among all the public safety plans in the dataset are projected to leave via retirement, while another six percent will leave via disability or death. This means that only 42 percent are expected to leave for another reason, likely quitting. This contrasts sharply with experience in the private sector, where the median tenure in 2022 was 4.1 years.⁹ Over the past 40 years, the median tenure of all wage and salary workers ages 25 or older has stayed at approximately five years.¹⁰ **Figure 4** displays this

data for all public safety pension plans, while **Figures A1** and **A2** in the Appendix display this data for police and fire, respectively.

Figure 4: Projected Reason for Leaving Employment Among New Hires in Public Safety Plans

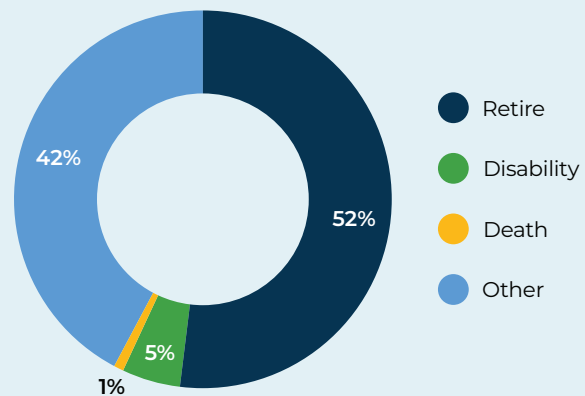


Figure 5 below shows the percentage of current, full group workers expected to leave via retirement for each plan in the dataset. Every plan in the dataset except for two expects to have more than half leave by retiring, and those two plans had 48 percent and 49 percent retiring from the plan. **Figure 5** displays the data by both plan type and plan size and reveals that the patterns are fairly consistent.

While **Figure 5** below shows the expected retirements of the current active population within those plans, **Figure 6** displays the percentages of new hires, aged 25, expected to leave via retirement. These numbers are noticeably lower than for the total population of current active workers. This is due to the relatively high rate of turnover in public safety professions during a member's first several years of employment.

Figure 5: Percentage of Current Workers Expected to Leave via Retirement

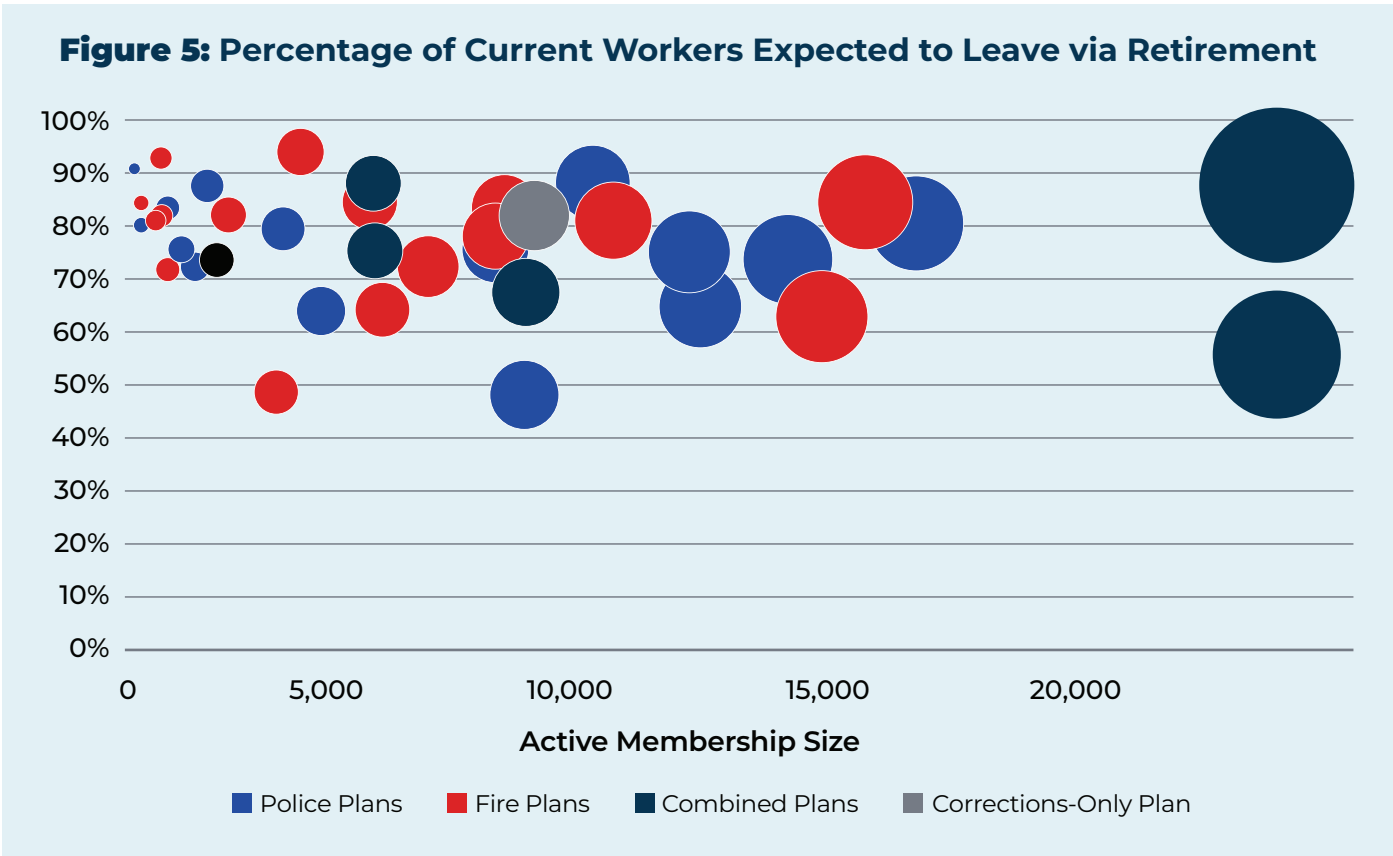
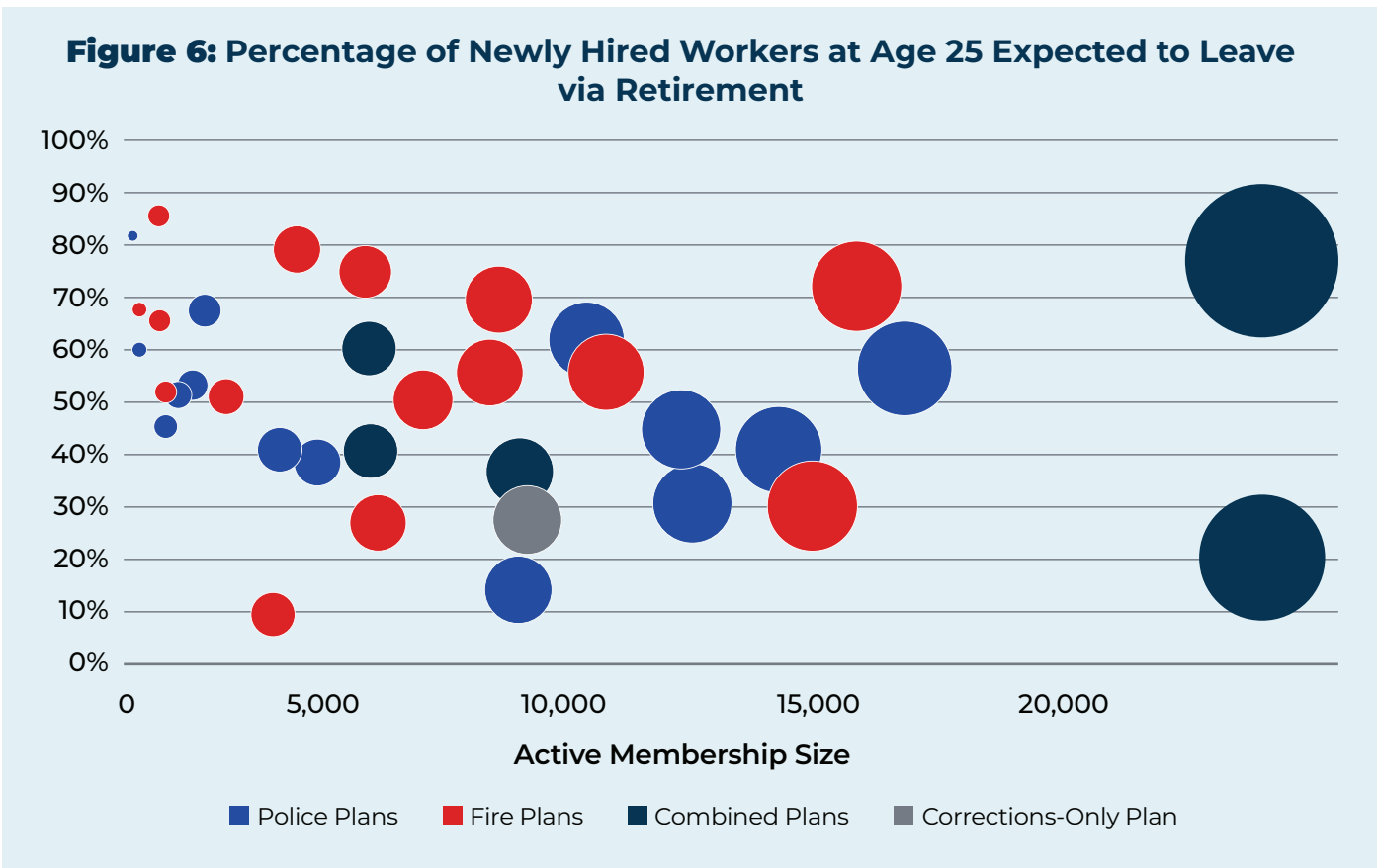


Figure 6: Percentage of Newly Hired Workers at Age 25 Expected to Leave via Retirement



These findings regarding average tenure and retirement from the plan largely fit with expectations, as do the findings relating to average age when claiming retirement benefits. The average age at retirement—that is, when claiming a retirement benefit—was 55 within the dataset for this report. This is likely not the same age as when the public safety professional leaves their public safety job. A firefighter, for example, might leave or “separate” at age 47 after 20 years of service, but would not be eligible to claim retirement benefits until age 55, depending on plan provisions.

The average life expectancy at age 55 for plan participants in the dataset was another 28 years, which means these workers are expected to live into their early to mid-80s. This life expectancy data suggests an interesting paradox. The physically dangerous nature of the job means that one tragic event can result in disability or death for some, but most will leave their public safety career without serious injury. Nevertheless, public safety professionals face high levels of stress and that can take its toll on the body over time. It is also the case, though, that there generally is a requirement to maintain physical strength and health during their careers that may have a longevity effect in retirement. It is also known that the employed population of the U.S. tends to have a longer average life expectancy than the U.S. population as a whole.

There is a longstanding academic debate regarding life expectancy for police officers. This is a relatively understudied area, so the available research is rather thin. However, the first major report that examined police life expectancy found that retired police officers tended to live as long as other retired public employees, rather than having shorter lives.¹¹ This finding was rebutted decades later by researchers affiliated with the National Institutes of Health (NIH) who found the life expectancy of male police officers from Buffalo, NY, was significantly shorter than the U.S. population.¹² Additionally, firefighters on average live ten years less than other Americans, due in large part to much higher rates of cancer due to exposure to chemicals on the job.¹³ The Center for Retirement Research examined public pension plan actuarial reports regarding the average life expectancy of public safety professionals and found that the life expectancy assumptions were nearly identical to other groups of public employees.¹⁴

Because police officers and firefighters tend to leave or retire from their public safety jobs at earlier ages than other public employees, it is quite common for these workers to have second careers. The Illinois Public Pension Fund Association (IPPFA) conducted a survey of police and fire

pension plan members in Illinois and found that three-fourths of firefighters and more than four-fifths of police officers continued working or started working again after retirement from their public safety career.¹⁵

Another important aspect of pension plans for public safety professionals is the availability of death and disability benefits. These workers are more likely to get injured or die on the job at younger ages due to the inherently dangerous work they perform. Therefore, it is important for them to have these benefits as part of their pension plan or as a separate stand-alone plan. Access to a disability or death benefit through the pension plan is especially important in those states in which public safety professionals do not participate in Social Security. It’s important to remember that Social Security is a social insurance program that not only provides retirement income but insures against disability and provides survivor benefits. Pension plan provisions related to disability benefits vary depending upon whether the disability occurred in-service or out-of-service. Often there is no vesting requirement for in-service disability and the benefit frequently can be a flat percentage of salary rather than a benefit based on service, which is more valuable to a younger, low service member. The value of the disability benefit and how it is awarded varies substantially from plan to plan and can even include presumptive conditions such as heart conditions or cancers that are presumed to be in the line of duty due to exposures to hazardous conditions. The public safety plan dataset from the National Association of State Retirement Administrators (NASRA) provides an informative resource of how disability benefits are calculated in different plans.¹⁶

III. EMPLOYEE BEHAVIOR PATTERNS FOR PUBLIC SAFETY PROFESSIONALS

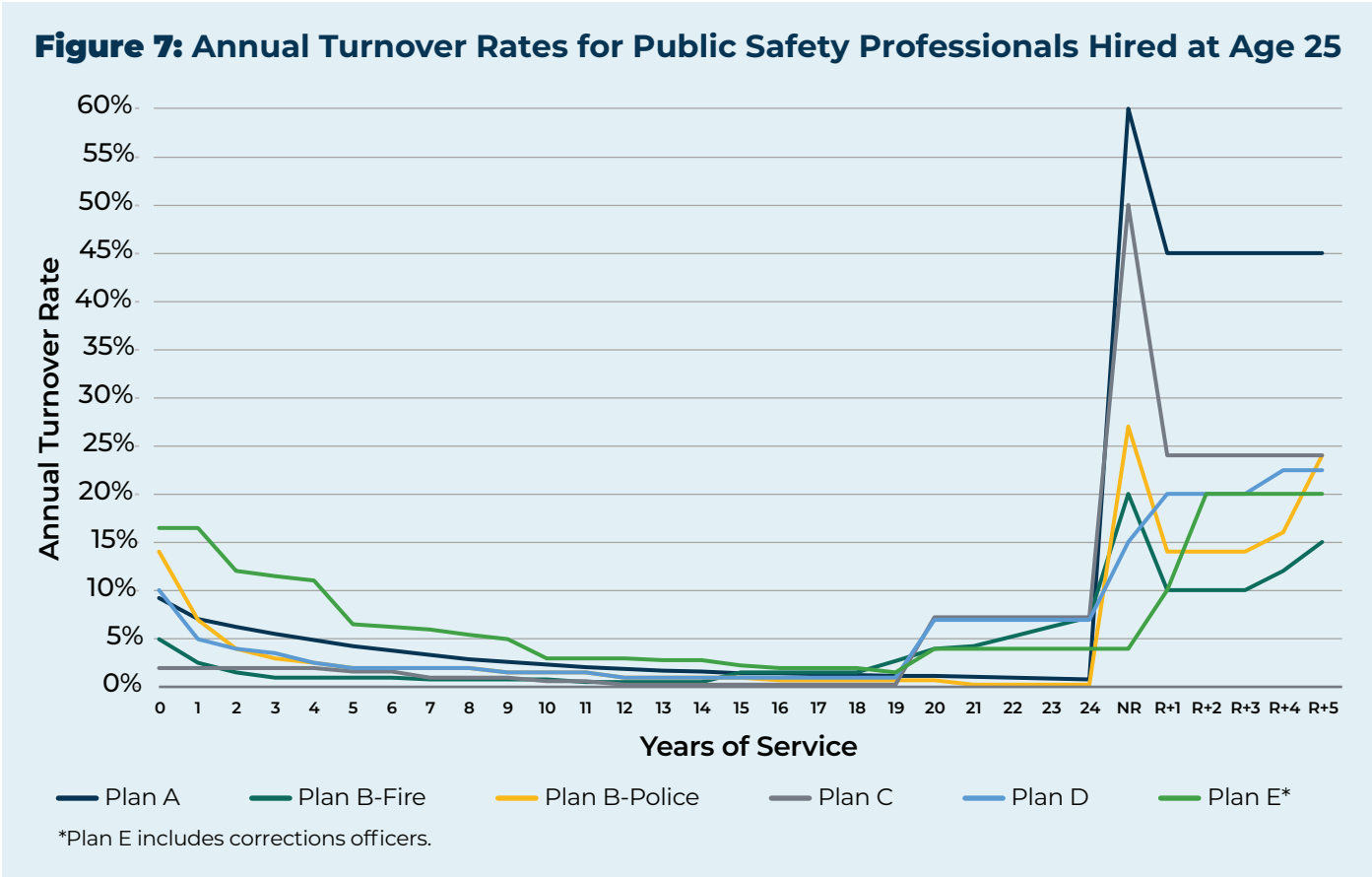
Public safety professions continue to emphasize a career model of employment. A majority of the plans analyzed for this report expect 75 percent or more of current workers to retire from the plan, and more than half of new hires are expected to retire from the pension plan. That retention rate is substantially higher than what is typical in the private sector today where tenures with individual employers tend to be shorter and workers change jobs more frequently.¹⁷

There is a real return on investment for the communities that support these firefighters and police officers and that, in turn, benefit from their service. It costs a significant amount in terms of both money and time to fully train a new firefighter or police officer. The pension plan acts as an incentive to keep these professionals in their careers so the public can benefit from the advantages of having an experienced and well-trained public safety workforce.

Additionally, many of these plans expect to receive more than 15 years of service from their new hires, with some

expecting to receive more than 20 years of service. As is seen in other public sector careers, such as teaching, turnover is highest in the earliest years of service, when a new hire is deciding if this is truly the right career for them, but turnover decreases notably after those early years.

Figure 7 below uses data from five of the plans included in the dataset for this report to show the levels of assumed turnover across years of service. The chart shows that while turnover is higher in the first few years of service, after about the fifth year of service, it flattens and is incredibly low until a public safety worker reaches the point at which retirement provisions take effect. The chart then shows the expected higher levels of employees leaving once they reach the service years at which they are eligible to retire. This demonstrates that the pension plans are working as intended: they are retaining workers during their career and then helping them transition to retirement when it is appropriate.



IV. WORKFORCE CHALLENGES FOR PUBLIC SAFETY PLANS

Public pension plans are an important workforce management tool. While originally established to help older public employees transition into retirement, pension plans proved to have valuable recruitment and retention impacts as well. Pensions have helped to promote a career model of employment in the public sector, and this is especially true for public safety jobs where there are fewer direct counterparts in the private sector. Additionally, there are large sunk costs for training new police officers and firefighters. Thus, retaining these workers for a career helps create a return on investment for taxpayers.

While pensions do much to recruit and retain public safety professionals, these professions are experiencing the same workforce challenges as many others today. The labor market has been tight throughout the U.S. recently. In part, this has been driven by a greater than expected number of retirements following the pandemic.

Public safety departments have struggled to find new workers and keep current workers in recent years. The Police Executive Research Forum (PERF) in a survey of its members found that both resignations and retirements had increased over the four-year period from 2019-2022. The survey also found that while hiring bounced back following the pandemic, police agencies are losing officers quicker than they can hire them.¹⁸ Fire departments also are finding it hard to replace retiring workers, especially in volunteer fire departments that serve many rural areas.¹⁹ Survey data from MissionSquare Research Institute indicated that policing was the most difficult position to fill, according to state and local government human resources professionals.²⁰

While there are clearly broader social and economic factors at work, moving away from pension plans in some jurisdictions has contributed to increased turnover among public safety professionals. Alaska closed both of its statewide DB public pension plans in 2006, and now is realizing the unfortunate workforce consequences. Firefighters and peace officers participate in the Public Employees' Retirement System (PERS), which switched from a traditional DB pension to a defined contribution (DC)-only plan following the closure. Municipalities throughout Alaska have struggled to recruit and retain firefighters and peace officers in the years since and, in some jurisdictions, it has reached crisis levels.

For example, the City of Fairbanks does not have police officers on duty between 8 am and 12 pm due to severe staff shortages.²¹ The Matanuska-Susitna Borough Assembly passed a resolution urging residents to arm themselves due to limited law enforcement.²² In a November 2017 presentation of its recruitment and retention plan, the Alaska Department of Public Safety specifically cited the lack of a defined benefit pension plan as an "impediment to success."²³

NIRS examined the increase in turnover among peace officers in Alaska since the switch to the DC plan.²⁴ That research found far lower levels of retention among both male and female peace officers in the DC plans. The DB plan would be expected to keep 63 out of 100 male peace officers after 25 years of service, whereas the DC plan is only expected to retain 17 out of 100 (**Figure 8**). For female peace officers, the numbers are 40 out of 100 for the DB plan and 9 out of 100 for the DC plan (**Figure 9**). And most PERS participants who are separating from service are quitting, not retiring.

Figure 8: Retention of Male Peace Officers in Alaska: DB & DC Plans Based on Ultimate Termination Rates

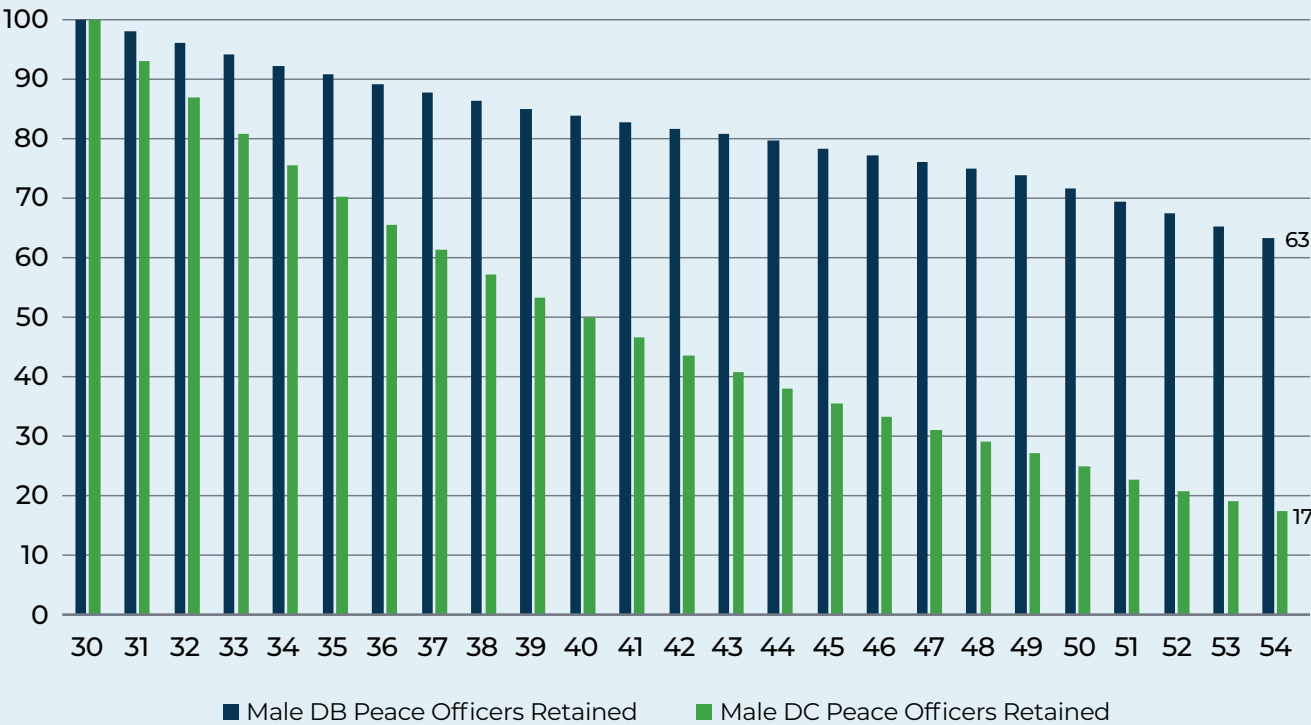
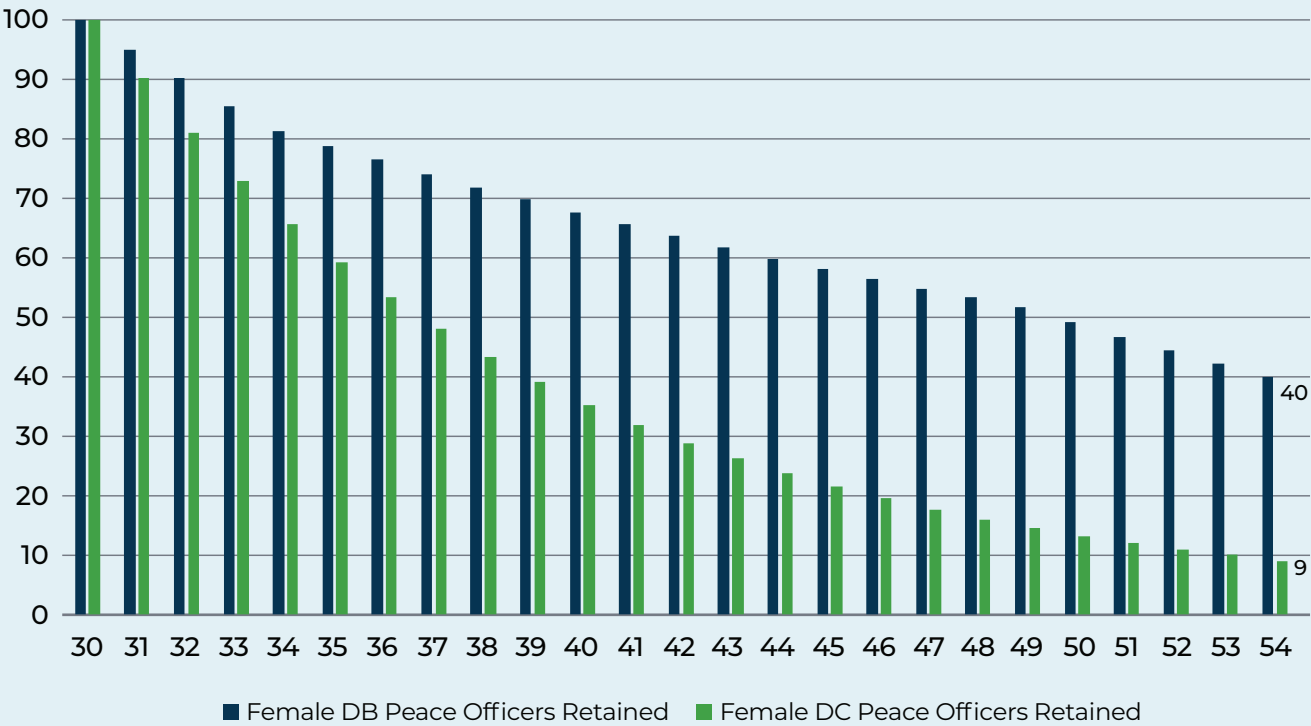


Figure 9: Retention of Female Peace Officers in Alaska: DB & DC Plans Based on Ultimate Termination Rates



NIRS has uncovered similar patterns in other states. The state of Rhode Island changed its retirement plan design from a traditional DB plan to a DB-DC hybrid plan beginning in 2012. In the years since, turnover has increased noticeably among police officers and firefighters.²⁵ Turnover was substantially higher among the police officers and firefighters with the fewest years of service (zero to four years) in the most recent actuarial experience study than in the previous four studies (**Figure 10**). While turnover followed the same trendline of declining with more years of service, as seen in the previous studies, it remained at higher levels in the most recent study. This means fewer experienced workers are retained to maintain public safety and fewer total years of public service are provided.

In some jurisdictions, public safety professionals can simply move to a neighboring city or town in response to pension changes. This happened in Palm Beach, Florida. The city council changed the pension plan in 2012, switching to a hybrid DB-DC plan with much smaller pension benefits. Crucially, the switch affected both current active workers as well as future hires. This led to a large, swift exodus of experienced workers. From 2011 to 2012, the number of departures among police and fire employees quadrupled.²⁶ Over a four-year period from 2011 to 2015, the number of withdrawals among firefighters increased tenfold from three to 31, while the departures of vested firefighters went from one to 29. This led to a change in the composition of the workforce with less experienced employees replacing those with more years of service.

Turnover has been increasing, but only modestly across all the plans included in the dataset for this report. **Figure 11** below shows the change in turnover during the past five years. Turnover across all plans has increased slightly over this period. The turnover rate is higher for the total plans in the dataset because that includes a broader range of public safety employees than just police officers or firefighters.

Figure 10: Turnover Experience in Rhode Island MERS Police and Fire Plan: 2004 - 2022

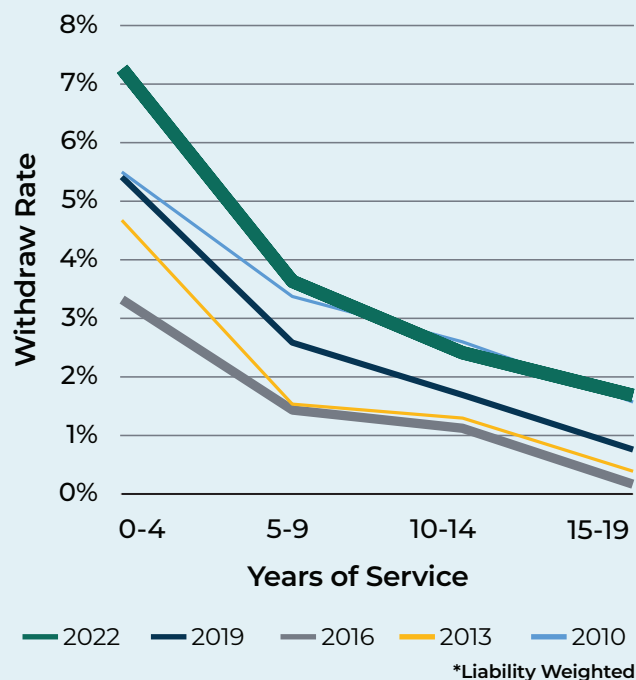
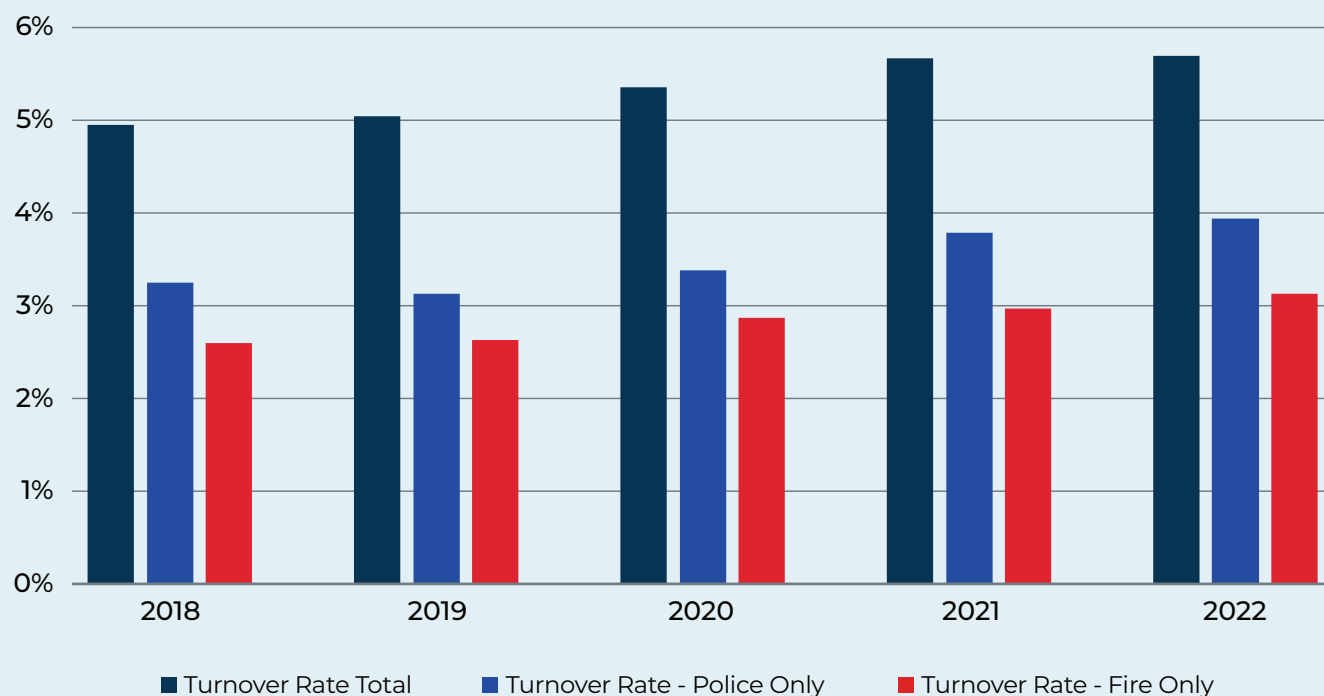


Figure 11: Change in Turnover Among Select Public Safety Pension Plans: 2018 – 2022



Arizona Public Safety Personnel Retirement System

As has been documented in this report, changes to public pension plans often lead to increased employee turnover as workers have less incentive to stay in a plan with less generous benefits. Whether or not current active employees are affected also matters, as does the tenor of the debate around making changes. One interesting example of these dynamics is the Arizona Public Safety Personnel Retirement System (PSPRS).

PSPRS covers police officers, firefighters, and other public safety employees throughout Arizona. These public safety members have long participated in a traditional defined benefit pension plan. The Arizona legislature passed a bill in 2011, which was altered by a subsequent court ruling that had the effect of creating a second benefit tier for those members hired on or after January 1, 2012. Additional legislation passed in 2016 provided Tier 2 members who do not contribute to Social Security through their employer a “hybrid” benefit by adding a defined contribution plan (with an employer match) to their retirement benefits.

Tier 2 only remained in effect for five-and-a-half years, though, as the same 2016 legislation also created a new Tier

3 benefit structure effective for all hires on or after July 1, 2017. Tier 3 still retains the DB plan as the default option for new hires and implements the hybrid DB and DC plans for those who do not participate in Social Security. It also added a seldomly selected DC-only plan as an option. Notably, both the Tier 2 and Tier 3 benefit structures established minimum ages to draw pension benefits (52.5 and 55 years of age, respectively) and did not include the popular Deferred Retirement Option Plan (DROP) made available to Tier 1 members. The Tier 3 membership also pays a dynamic and currently higher contribution rate than its Tier 1 and Tier 2 predecessors, as actuarially required contributions are split evenly between members and their employers in Tier 3.

Alongside the implementation of Tier 2 and then Tier 3 was the passage of a ballot measure in 2016, Proposition 124, that eliminated the Permanent Benefit Increase (PBI), a type of cost of living adjustment (COLA) based on investment returns, for all retirees of PSPRS and replaced it with a new COLA going forward. The ballot referral, which amended the state constitution, followed a legislative attempt to eliminate the PBI through statute that was ultimately overturned by the courts. Interestingly, many plan participants supported Prop 124 through the urging of member association leadership that shared the belief that the benefit increases brought by the PBI were unsustainable

and partially responsible for declining plan funding levels. Member organizations campaigned in support of the measure and the removal of the PBI was made possible by cooperation between members and employers.

The dynamics around how and why these changes are made seems to matter. Analyzing turnover data for police officers and firefighters in Tier 1 and Tier 2 revealed that the actual turnover aligned with the expected turnover almost exactly. As noted, Tier 2 retained the DB structure with some adjustments to plan provisions.

The implementation of Tier 3 came after the passage of Prop. 124. Tier 3 is still a fairly young tier, so there aren't as many years of data available yet, but it does appear that actual turnover has been somewhat higher than expected in Tier 3. It will be interesting to see if this trend continues as more data becomes available. Early data indicates less than four percent of Tier 3 members are choosing the DC plan. Those who are defaulting into the DB plan are paying more than their predecessors, while waiting longer to be able to claim benefits. This is occurring while many public safety departments are struggling to increase pay, but mandating overtime due to a shortage of workers.

As noted in this report, public safety departments across the nation have struggled to maintain full staffing levels in recent years. Some of the increased turnover may be indicative of the broader national challenge to sustain a robust public safety workforce. But this can easily become a vicious cycle as those currently doing the work can become burnt out or disgruntled when forced to work longer hours for stagnant pay while contributing more to their retirement benefit. The prestige of becoming a police officer has declined in recent years due to the stresses and strains of the job. If this trend continues and spreads to impact firefighters, then that would affect the number of candidates applying to fill these jobs in the future.

PSPRS represents a unique example where plan changes were made both proactively for the long-term health of the plan and by legislative mandate to reduce costs for employers and share more risk with workers. Importantly, the core DB plan has been retained throughout this process and the early data suggests the vast majority of new hires are choosing the DB plan. Other social and economic factors are bearing down on the public safety workforce at the moment, and the pension plan can experience some unexpected outcomes as a result, but losing the pension benefit likely would have contributed to even higher rates of turnover, as has been seen in other states.

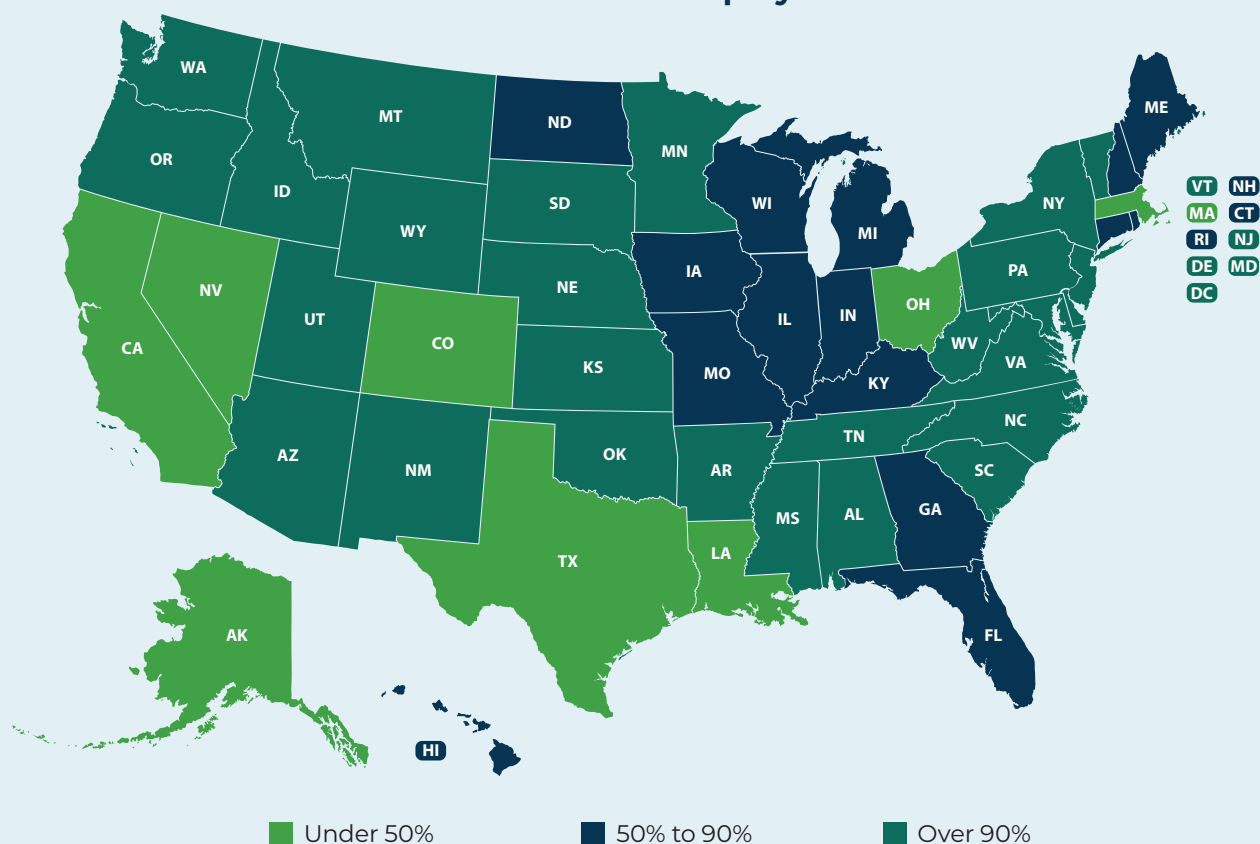
V. PUBLIC SAFETY INTERACTION WITH SOCIAL SECURITY

Many public safety professionals do not participate in Social Security as part of their public safety employment. When Social Security was established in the 1930s, it covered less than half of the workforce and did not include any local, state, or federal government employees. It was only after the Social Security amendments of 1950 that state governments were given the option to include their public employees in Social Security. Many states immediately opted to begin participating in Social Security. All states now have what is called a Section 218 agreement with the Social Security Administration that details which public employees in that state will or will not participate in Social Security. While Social Security participation varies widely across states, some estimates maintain that two-thirds of police officers and firefighters

nationwide do not participate (teachers are the third group of public employees that have high rates of non-participation in Social Security).

A number of states had already established public pension plans for teachers, police officers, and firefighters before the Social Security amendments of 1950. In some of these states, the decision was made to not have those three groups of public sector employees participate in Social Security because they were already covered by a pension plan. The states with the highest concentrations of public employees not participating in Social Security are: Alaska, California, Colorado, Louisiana, Massachusetts, Nevada, Ohio, and Texas (**Figure 12**).

Figure 12: Social Security Coverage Among State and Local Government Employees



Social Security requires 40 credits, or 10 years of work, to be “insured” and eligible for benefits. The Primary Insurance Amount, or PIA, uses the highest 35 years of pay to calculate the Average Indexed Monthly Earnings (AIME). Any years of compensation under 35 years are considered as zero pay in the average. The AIME only considers earnings up to the Social Security contribution and benefit base (also known as the taxable maximum), which is indexed every year according to the national average wage indexing series. Amounts above the contribution and benefit base are excluded.

Social Security benefits are designed with two “bend points” that result in participants with the lowest AIME amounts getting approximately 90 percent of coverage. People with a high AIME get approximately 40 percent to even as low as 30 percent in Social Security coverage if they have earnings that exceed the taxable maximum. Social Security was designed to give lower income individuals a higher percentage of AIME in their benefit.

Many police and fire personnel do not participate in Social Security as part of those public safety jobs. Therefore, some of these individuals only obtain jobs that participate in Social Security either after they retire from public safety or in a part-time capacity while working their full-time public safety job. Because these employees may have worked 20 or more years in non-participating employment, they likely will not obtain a full 35 years of Social Security earnings. This will result in their AIME mimicking someone who has a low AIME either due to not working for several years or simply earning a very low wage over many years. That relatively low AIME will pass through the bend points of the PIA formula and result in public safety personnel receiving a high percentage of coverage.

Social Security currently has an offset called the Windfall Elimination Provision, or WEP, that is intended to take into consideration that earners such as these (who have service and earnings that were not Social Security eligible) are different from people such as stay-at-home parents, individuals who were lifetime low earners, or those that were just generally underemployed. The earnings for these

public safety members that Social Security does not include typically are going towards a pension benefit for them and so the WEP reduces the preliminary PIA calculation by approximately 50 percent. This means the initial Social Security benefit calculation for a public safety member who may have worked 20 years in a non-participating plan and then worked 15 years in a participating plan may be approximately 90 percent of AIME. The WEP adjustment attempts to differentiate them from actual low earners by considering that they likely have an additional pension earned in those non-covered years and adjusts their coverage percentage closer to the “40 percent of AIME” target.

The WEP has been the subject of much debate since it was introduced in 1983. Many retired public employees, who had years of non-covered public sector employment, assert that the WEP is overly broad and reduces their Social Security benefits too much. There have been a number of pieces of legislation introduced over the years that would either repeal the WEP altogether or would replace it with a formula that aims to more accurately adjust Social Security benefits for the actual number of years of non-covered employment. While not discussed in this report, a related provision called the Government Pension Offset (GPO) affects the Social Security benefits of spouses of retired public employees who had years of non-covered employment. The GPO is subject to the same calls for action to either repeal or replace.

VI. RETIREE HEALTHCARE AND OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Retiree healthcare is of particular interest to public safety retirees because they generally retire younger, sometimes well before age 65 and, therefore, before eligibility for Medicare unless they qualify for Medicare earlier than age 65 due to disability. Paying for healthcare costs in general represents a significant portion of a retiree’s pension benefit dollars and can be particularly expensive for pre-65 retirees. Absent group retiree health coverage, a pre-65 retiree can purchase insurance on the Affordable Care Act (ACA) exchanges, but the premium can be based on age and can be up to three times what a younger person would pay. For retirees aged 65 and older, there is not the same issue around Medicare as there is for Social Security because state and local government employees hired (or rehired) after March 31, 1986, are subject to mandatory Medicare coverage and should be eligible for free Medicare Part A (hospital insurance) when they retire. Medicare Part B (medical insurance) and Part D (prescription drug insurance) coverage is generally available to anyone age 65 and over if they pay the premium.

Similar to pension plan offerings, there are some interesting variations within plan coverage for retiree healthcare for public safety professionals. Many states offer statewide plans that cover all state retirees, including police officers and firefighters, sometimes together in one plan and other times in separate plans, whereas in other states retiree healthcare plan coverage for police officers and firefighters is almost exclusively provided at the local level. Additionally, there is wide variation among the different retiree health plans such as:

- access only, which means retirees may purchase coverage at “full cost” in a state or local health plan, or
- subsidized coverage in the statewide or local group health plan, or
- flat dollar stipends or HRA contributions for members to either participate in the state or local health plan and/or find their own coverage.

“Full cost” is in quotations in the first bullet point because it is important to note that average health costs increase as a population ages and, therefore, retirees as a group have higher healthcare costs than active employees. This makes offering retirees pre-Medicare coverage in a group health plan a good deal for the retirees, while at the same time increasing overall costs for active members, even if retirees pay the full premium rate. This good deal for retirees is called an implicit subsidy while any additional subsidization beyond access only is called an explicit subsidy. This is important because, as noted previously, public safety members often retire at younger ages than other similarly situated state employees and have more years to access the state or local government-sponsored group health plan as a pre-Medicare retiree.

Most public safety retirees are offered the same post-retirement benefits as general state, teacher, or local employees, depending on which plan they are in, with some examples of differences that will be mentioned later. Many subsidized post-retirement health plans that offer either

premium support or flat dollar contributions are based on service at retirement. Since public safety employees can typically retire at younger ages with less service than other employees in the same state or locality, they not only have more years as a pre-Medicare eligible retiree, which is more costly than once they qualify for Medicare, but they could also have a lower explicit subsidization due to fewer years of service. The increased pre-Medicare costs impact both the retiree health plan and the retiree. In some instances, the state or local government-sponsored health plan could even have additional higher service requirements for retiree healthcare than for pension benefits; for example, 30 years regardless of age, making lower service public safety retirees unable to access the plan at all.

As noted previously, some public safety retirees, particularly those who retire relatively young, continue to work in other non-hazardous duty jobs, either in government or the private sector, and may receive health insurance as an active employee at their new job. Some public sector sponsored retiree health plans allow such members to access the health plan either while working elsewhere or when they retire fully and some do not, often depending on whether they remain in public sector employment in the same state or go to the private sector. Therefore, some public safety retirees could be at a disadvantage when they ultimately do retire if they have lost the right to retiree coverage in their state or local health plan.

There is a wide variety of retiree health coverage offered to public safety retirees and much of the time the coverage is the same as that offered to other non-hazardous duty retirees. One example of an exception is the Kentucky

Public Pensions Authority where retirees whose participation began after July 1, 2003, receive a flat dollar monthly contribution times years of service to pay their healthcare premiums. As of July 1, 2023, the flat dollar contribution amount was \$14.41 for non-hazardous service and \$21.62 for hazardous service. Frequently, however, public safety and hazardous duty retirees receive the same healthcare benefits as other state and local government retirees with the only potential enhancement being line of duty death and disability benefits that provide health insurance and/or life insurance for members and their beneficiaries that are disabled or killed in the line of duty. There is an existing federal tax law called the Healthcare Enhancement for Local Public Safety Act (HELPS) that allows eligible retired public safety officers to exclude from gross income up to \$3,000 in annual distributions from a governmental retirement plan to pay qualified health care insurance or long-term care insurance premiums, which can cover some of the premium costs.

Just like pension benefits, retiree healthcare benefits can be an important retention tool for public safety employees, but there is variability around benefit offerings and subsidization. In addition, there is a large impact on healthcare costs to both the public sector plan and the public safety retiree based on age at retirement and eligibility for Medicare at age 65. Not only that, retiree healthcare benefits are not necessarily guaranteed by state or local law and in some cases may potentially be terminated with no rights to a future benefit. This is particularly concerning for pre-Medicare eligible public safety retirees who would have higher premiums if they have to purchase their own coverage.

VII. DEFERRED RETIREMENT OPTION PLANS (DROPS)

DROPs are a feature of some defined benefit plans that allow employees who are eligible for retirement to continue working. In many cases the employee has obtained the maximum benefit formula multiplier offered through the plan design so a DROP can be used by the employer as a means to incentivize employees to work additional years beyond their retirement age. Historically, DROP arrangements have been more prevalent in plans covering public safety workers because these members tend to reach their retirement age and maximum-available

formula multiplier sooner than their counterparts in non-public safety retirement systems. However, municipalities have considered (and implemented) DROP programs to address workforce management challenges in order to incentivize long-tenured workers to remain on the job before transitioning into retirement.

In a typical DROP arrangement, an employee “enters the DROP” in lieu of retiring from active service. The employee continues to work and the value of their pension

benefits are allocated to a hypothetical account, instead of being paid to the employee. Depending on the specific terms of the DROP, these accounts may receive an annual interest credit allocation or participate in a gain-sharing mechanism. Also dependent upon the design, the DROP allocations may increase in accordance with any COLA provided under the terms of the plan.

When the employee eventually retires (commonly referred to as “exiting the DROP”), they receive the full value of this hypothetical account as a lump sum payment in addition to their established pension annuity payments. Most employers impose a limit on the number of years that an employee can participate in a DROP. For example, a common period of allowable DROP participation is up to four years, but an employer may design a DROP for a longer or shorter period based upon workforce management

goals or financial considerations. One by-product is that the actual retirement of these individuals can be very predictable as they are scheduled to leave after a predetermined period once they enter DROP.

Some critics of DROP claim that they create “double dipping” where a member can stay active and also receive pension payouts, but this ignores the fact that the pension payouts are received at retirement in a manner that mimics a partial lump sum payment. Those arguments also typically do not point out that the employer would be hiring the member’s replacement if they did retire thus paying salary and pension payouts anyway. The annual cost of a successful DROP program, after adjusting for retirement, often is lower than for a plan without a DROP.

CONCLUSION

DB pension plans have been offered to police officers and firefighters for more than a century. Pension plans play a critical role in managing the public safety workforce as they enable public safety employees to transition out of their physically demanding jobs at younger ages. While an educator may teach for over thirty years, it is uncommon to find a firefighter working past twenty years. And pension plans include disability and death benefits that are essential for workers performing dangerous jobs.

While public safety pension plans are largely like all public pension plans, they differ in several key ways relating to benefit provisions, typically allowing their beneficiaries to claim their retirement benefits at an earlier age. These pension benefits are especially important for the high percentage of firefighters and police officers who do not participate in Social Security through a public safety job.

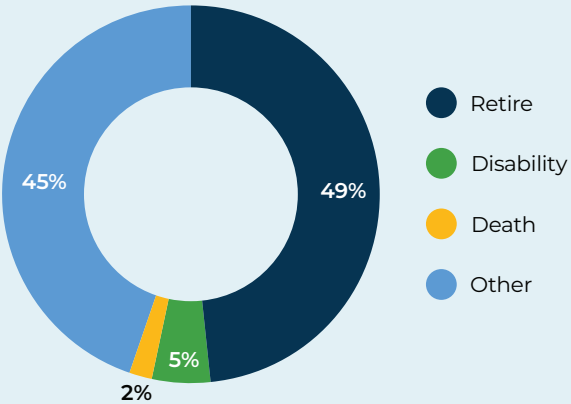
In addition to helping manage the transition into retirement at the end of a career, pension plans have critically important recruitment and retention effects for public

safety personnel. While public safety departments across the country are struggling with employee recruitment and retention, especially in the years since the onset of the Covid-19 pandemic, those jurisdictions that recently have made significant changes to their public pension plans have experienced higher levels of employee turnover. These recruitment challenges have gotten the attention of Congress, which recently passed Senate bill 546, the “Recruit and Retain Act”, which requires the Government Accountability Office (GAO) to conduct a study to consider the comprehensive effects of recruitment and retention on federal, state, tribal, and local law enforcement agencies in the U.S.²⁷

A pension benefit is earned through years of hard work and dedication to public service. Firefighters and police officers exemplify this dedication by putting their lives on the line to keep communities safe. The pension provides them with dignity and security in retirement in exchange for this service.

APPENDIX

Figure A1: Projected Reason for Leaving Employment Among New Hires in Police Pension Plans



*The figures may not add to 100% due to rounding

Figure A2: Projected Reason for Leaving Employment Among New Hires in Fire Pension Plans

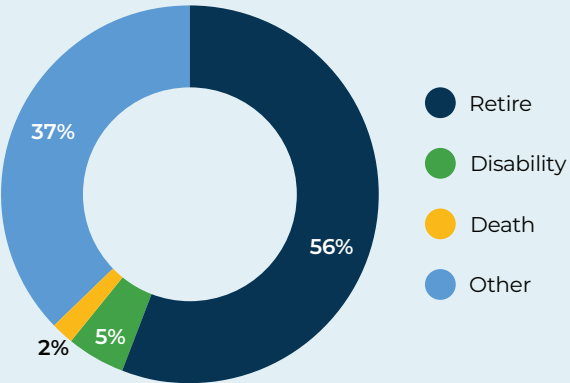
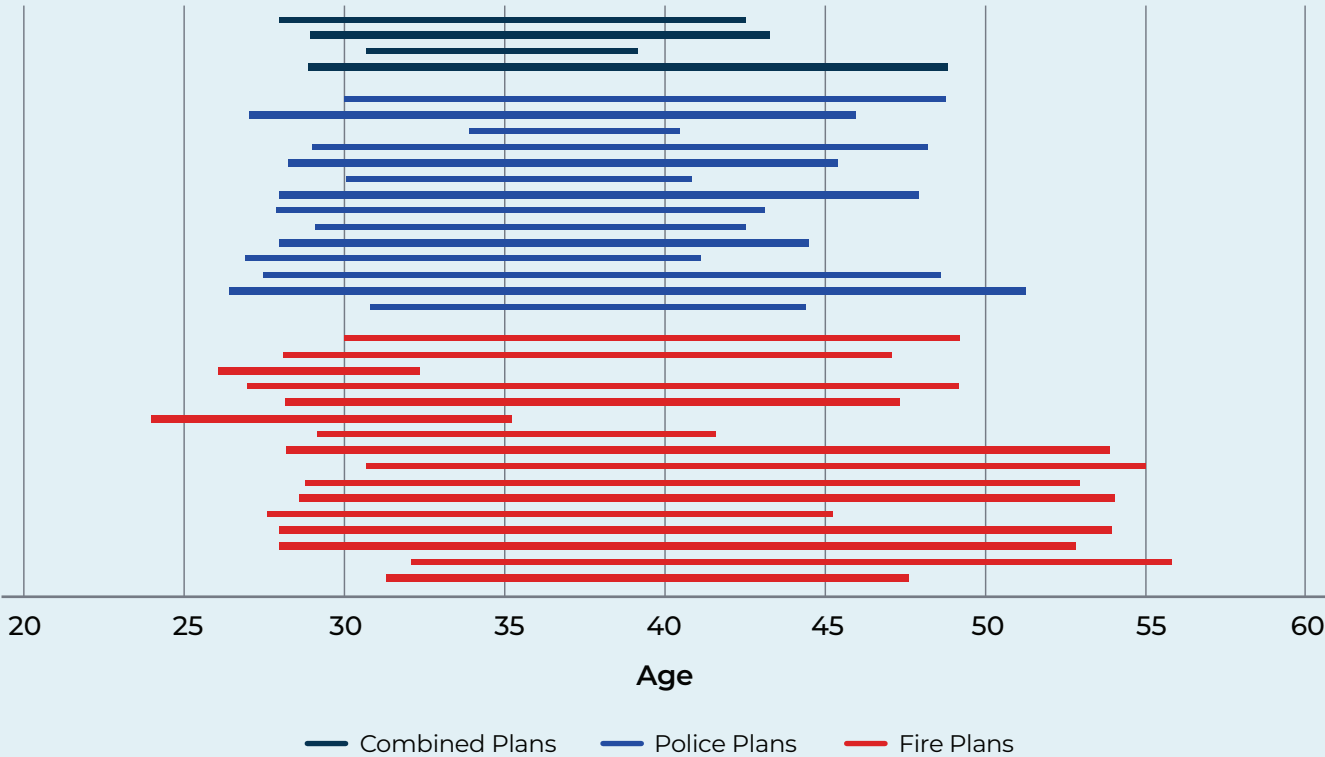


Figure A3: Average Hire Age and Tenure Among Select Public Safety Pension Plans



ENDNOTES

1. According to the Bureau of Labor Statistics, there were 646,310 Police and Sheriff's Patrol Officers in May 2023: <https://www.bls.gov/oes/current/oes333051.htm>. The FBI's Uniform Crime Reporting Program reported there were almost 700,000 full-time law enforcement officers in 2019: <https://ucr.fbi.gov/crime-in-the-u.s/2019/crime-in-the-u.s.-2019/topic-pages/tables/table-74>. The U.S. Department of Justice's Bureau of Justice Statistics provides a helpful explanation of the different data sources: <https://bjs.ojp.gov/content/pub/pdf/nsleed.pdf>.
2. According to the U.S. Census Bureau's Annual Survey of Public Employment & Payroll, there are over 900,000 full-time employees employed in police protection, and over 700,000 of those have the power of arrest. The American Community Survey (ACS) reported in 2021 an estimate of 784,000 police officers in the U.S.: <https://www.census.gov/newsroom/stories/police-week.html>.
3. The National Volunteer Fire Council (NVFC) states there are over 1 million firefighters in the U.S., but 65 percent of those are volunteers: <https://www.nvfc.org/wp-content/uploads/2022/12/NVFC-Volunteer-Fire-Service-Fact-Sheet.pdf>. The Federal Emergency Management Agency (FEMA) says over 1.2 million fire department personnel, but not all of these are firefighters: <https://apps.usfa.fema.gov/registry/summary#f>.
4. The Bureau of Labor Statistics reported 315,460 firefighters in May 2023: <https://www.bls.gov/oes/current/oes332011.htm>
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Our Mission

The National Institute on Retirement Security is a non-profit research and education organization established to contribute to informed policymaking by fostering a deep understanding of the value of retirement security to employees, employers, and the economy as a whole.

Our Vision

Through our activities, NIRS seeks to encourage the development of public policies that enhance retirement security in America. Our vision is one of a retirement system that simultaneously meets the needs of employers, employees, and the public interest. That is, one where:

- employers can offer affordable, high quality retirement benefits that help them achieve their human resources goals;
- employees can count on a secure source of retirement income that enables them to maintain a decent living standard after a lifetime of work; and
- the public interest is well-served by retirement systems that are managed in ways that promote fiscal responsibility, economic growth, and responsible stewardship of retirement assets.

Our Approach

- High-quality research that informs the public debate on retirement policy. The research program focuses on the role and value of defined benefit pension plans for employers, employees, and the public at large. We also conduct research on policy approaches and other innovative strategies to expand broad based retirement security.
- Education programs that disseminate our research findings broadly. NIRS disseminates its research findings to the public, policy makers, and the media by distributing reports, conducting briefings, and participating in conferences and other public forums.
- Outreach to partners and key stakeholders. By building partnerships with other experts in the field of retirement research and with stakeholders that support retirement security, we leverage the impact of our research and education efforts. Our outreach activities also improve the capacity of government agencies, non-profits, the private sector, and others working to promote and expand retirement security.

The National Institute on Retirement Security is a non-profit, non-partisan organization established to contribute to informed policy making by fostering a deep understanding of the value of retirement security to employees, employers, and the economy as a whole. NIRS works to fulfill this mission through research, education and outreach programs that are national in scope.



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MONTHLY PERFORMANCE FLASH REPORT

STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

OCTOBER 31, 2025

Dan Hennessy, CFA, CAIA, Senior Consultant

Sam Austin, Partner

John Tolar, CFA, Senior Consulting Analyst



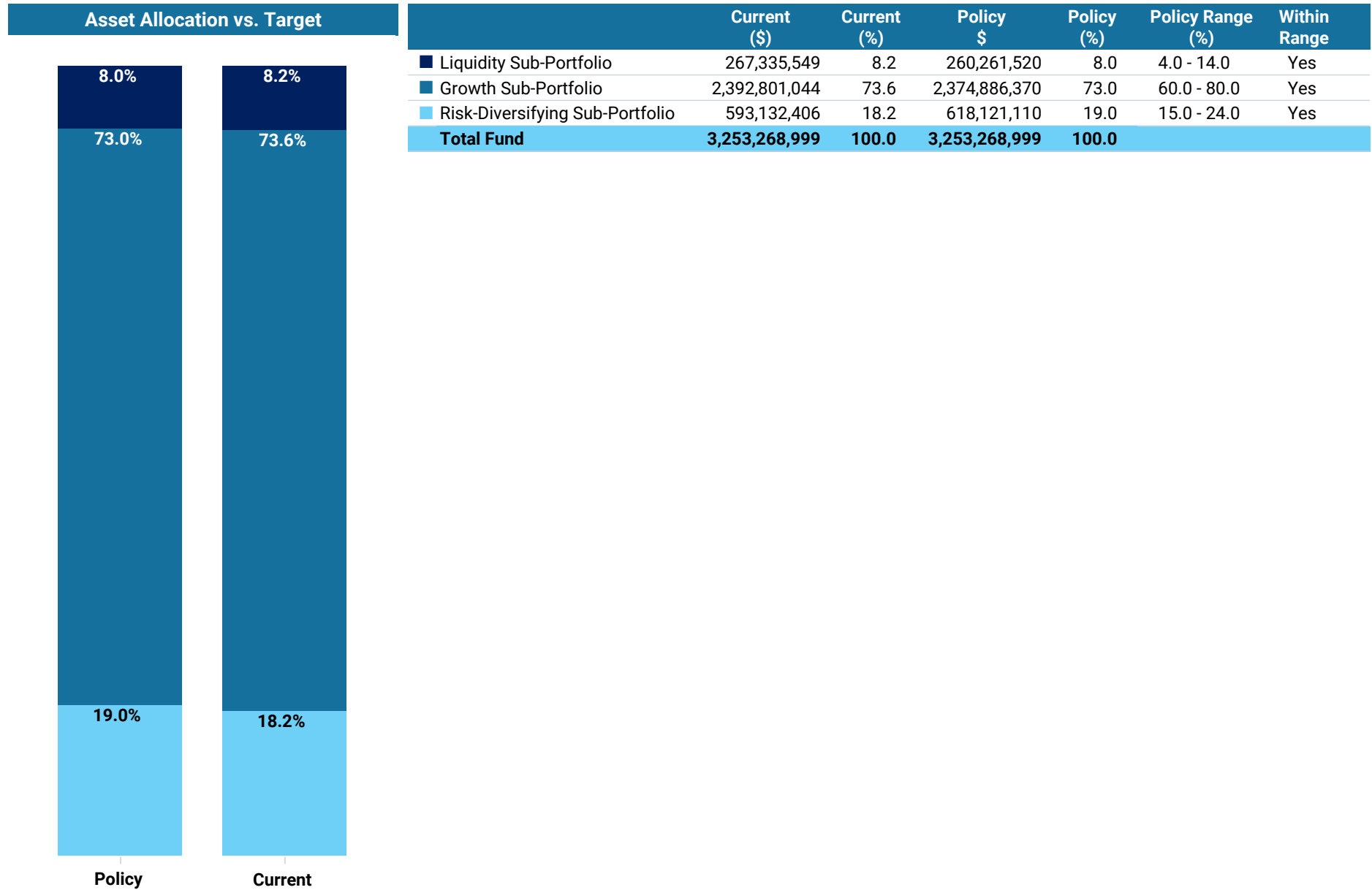
CALENDAR YEAR INDEX PERFORMANCE

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Oct	YTD
S&P 500	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%	-18.1%	26.3%	25.0%	2.3%	17.5%
Russell 1000	0.9%	12.1%	21.7%	-4.8%	31.4%	21.0%	26.5%	-19.1%	26.5%	24.5%	2.2%	17.1%
Russell 2000	-4.4%	21.3%	14.6%	-11.0%	25.5%	20.0%	14.8%	-20.4%	16.9%	11.5%	1.8%	12.4%
Russell 2500	-2.9%	17.6%	16.8%	-10.0%	27.8%	20.0%	18.2%	-18.4%	17.4%	12.0%	0.7%	10.2%
MSCI EAFE	-0.8%	1.0%	25.0%	-13.8%	22.0%	7.8%	11.3%	-14.5%	18.2%	3.8%	1.2%	26.6%
MSCI EM	-14.9%	11.2%	37.3%	-14.6%	18.4%	18.3%	-2.5%	-20.1%	9.8%	7.5%	4.2%	32.9%
MSCI ACWI	-2.4%	7.9%	24.0%	-9.4%	26.6%	16.3%	18.5%	-18.4%	22.2%	17.5%	2.2%	21.1%
Private Equity	12.6%	9.9%	9.0%	21.0%	11.1%	17.6%	32.9%	39.4%	-9.1%	5.8%	-	-
BBG TIPS	-1.4%	4.7%	3.0%	-1.3%	8.4%	11.0%	6.0%	-11.8%	3.9%	1.8%	0.4%	7.2%
BBG Municipal	3.3%	0.2%	5.4%	1.3%	7.5%	5.2%	1.5%	-8.5%	6.4%	1.1%	1.2%	3.9%
BBG Muni High Yield	1.8%	3.0%	9.7%	4.8%	10.7%	4.9%	7.8%	-13.1%	9.2%	6.3%	1.0%	2.3%
BBG US Corporate HY	-4.5%	17.1%	7.5%	-2.1%	14.3%	7.1%	5.3%	-11.2%	13.4%	8.2%	0.2%	7.4%
BBG US Agg Bond	0.5%	2.6%	3.5%	0.0%	8.7%	7.5%	-1.5%	-13.0%	5.5%	1.3%	0.6%	6.8%
BBG Global Agg	-3.2%	2.1%	7.4%	-1.2%	6.8%	9.2%	-4.7%	-16.2%	5.7%	-1.7%	-0.3%	7.6%
BBG Long Treasuries	-1.2%	1.3%	8.5%	-1.8%	14.8%	17.7%	-4.6%	-29.3%	3.1%	-6.4%	1.3%	7.0%
BBG US Long Credit	-4.6%	10.2%	12.2%	-6.8%	23.4%	13.3%	-1.2%	-25.3%	10.7%	-2.0%	0.5%	8.4%
BBG US STRIPS 20+ Yr	-3.7%	1.4%	13.7%	-4.1%	20.9%	24.0%	-5.2%	-39.6%	1.1%	-13.8%	2.1%	5.1%
JPM GBI-EM Global Div	-14.9%	9.9%	15.2%	-6.2%	13.5%	2.7%	-8.7%	-11.7%	12.7%	-2.4%	0.5%	15.9%
JPM EMBI Glob Div	1.2%	10.2%	10.3%	-4.3%	15.0%	5.3%	-1.8%	-17.8%	11.1%	6.5%	2.1%	13.0%
CS Hedge Fund	-0.7%	1.2%	7.1%	-3.2%	9.3%	6.4%	8.2%	1.1%	5.8%	9.8%	-	8.4%
BBG Commodity	-24.7%	11.8%	1.7%	-11.2%	7.7%	-3.1%	27.1%	16.1%	-7.9%	5.4%	2.9%	12.5%
Alerian Midstream	-37.3%	33.8%	-2.4%	-13.3%	24.0%	-23.4%	38.4%	21.5%	14.0%	44.5%	-6.4%	-0.4%
FTSE NAREIT Equity REITs	3.2%	8.5%	5.2%	-4.6%	26.0%	-8.0%	43.2%	-24.4%	13.7%	8.7%	-1.6%	2.8%

*Private Equity return represents calendar year pooled IRR and is subject to a one quarter lag
Source: FactSet, Barclays, Thomson One

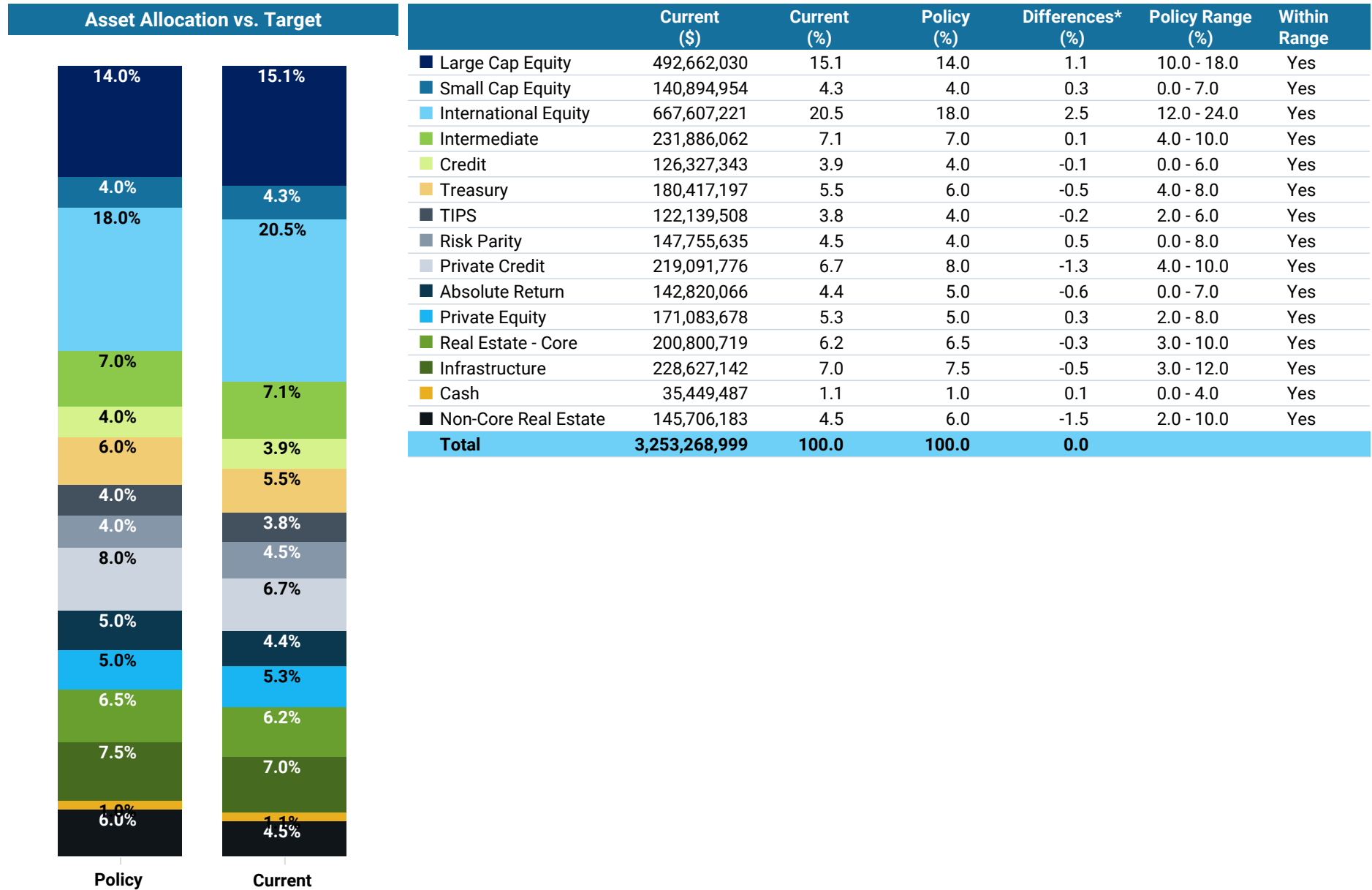


ASSET ALLOCATION VS. POLICY



*Difference between Policy and Current Allocation

ASSET ALLOCATION VS. POLICY



*Difference between Policy and Current Allocation

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	3,253,268,999	100.0	0.7	11.2	11.8	10.8	8.9	8.1	7.5	8.7	Jan-95
Policy Index			1.0	11.8	12.6	12.4	9.3	8.8	8.1	8.1	
Allocation Index			1.1	12.0	12.8	11.0	8.6				
Liquidity Sub-Portfolio	267,335,549	8.2	0.4	5.4	5.8	5.9	2.4	3.8	2.9	2.6	Aug-14
StanCERA Liquidity Blended BM			0.4	5.8	5.9	5.4	1.4	3.0	2.3	2.2	
Cash	35,449,487	1.1	0.4	4.4	5.3	5.6	4.3	3.5	2.8	2.6	Aug-14
FTSE 1 Month T-Bill			0.4	3.7	4.5	4.9	3.1	2.7	2.1	1.9	
Cashflow-Matched Bonds	231,886,062	7.1	0.3	5.5	5.8	5.9	1.9	3.6		3.1	Jul-17
Blmbg. Intermed. U.S. Government/Credit			0.4	6.2	6.2	5.5	0.9	2.7		2.2	
Insight	231,886,062	7.1	0.3	5.5	5.8	5.9	1.9	3.6		3.1	Jul-17
Blmbg. Intermed. U.S. Government/Credit			0.4	6.2	6.2	5.5	0.9	2.7		2.2	
Growth Sub-Portfolio	2,392,801,044	73.6	0.8	13.0	13.5	12.7	11.5	9.9	9.2	8.4	Jan-04
StanCERA Growth Blended BM			1.4	15.8	16.8	14.8	12.6	11.2	10.3		
US Equities	633,556,984	19.5	1.1	13.9	17.4	19.9	17.1	14.5	13.2	10.7	Jan-04
Russell 3000 Index			2.1	16.8	20.8	21.8	16.7	15.3	14.1	10.7	
US Large Equity	492,662,030	15.1	1.9	16.5	20.3	22.1	17.5	15.8	14.4	13.1	Jan-95
Russell 1000 Index			2.2	17.1	21.1	22.3	17.1	15.7	14.4	11.2	
BlackRock Russell 1000 Growth	265,091,461	8.1	3.6	21.5	30.5	30.7	19.2	20.3	18.3	17.8	Aug-10
Russell 1000 Growth Index			3.6	21.5	30.5	30.7	19.2	20.3	18.3	17.7	
BlackRock Russell 1000 Value	113,763,710	3.5	0.4	12.1	11.1	13.4	14.3	10.5	10.0	11.6	Aug-09
Russell 1000 Value Index			0.4	12.1	11.1	13.4	14.3	10.4	10.0	11.6	
Dodge & Cox-Equity	113,806,858	3.5	-0.7	10.2	9.2	14.9	17.4	11.9	11.9	12.0	Jan-95
Russell 1000 Value Index			0.4	12.1	11.1	13.4	14.3	10.4	10.0	10.0	
US Small Equity	140,894,954	4.3	-1.5	5.3	7.7	12.1	16.5	10.0	9.2	11.8	Jan-09
Russell 2000 Index			1.8	12.4	14.4	11.9	11.5	8.8	9.4	11.5	
Attucks Small Cap	140,894,954	4.3	-1.5	5.3	7.7	12.1	16.5	10.0	10.0	12.0	Jan-09
Russell 2000 Value Index			0.3	9.3	9.9	9.3	13.8	7.9	8.7	10.2	
International Equity	667,607,221	20.5	1.7	32.3	29.0	23.2	14.2	10.8	8.8	7.5	Oct-04
MSCI AC World ex USA (Net)			2.0	28.6	24.9	20.3	11.2	9.1	7.7	6.7	
LSV Int'l Large Cap Value	334,898,766	10.3	1.0	36.9	34.4	25.9	17.6	11.4	9.4	7.7	Oct-04
MSCI AC World ex USA Value (Net)			1.6	31.7	28.2	22.1	15.4	8.9	7.5	6.3	
Fidelity Int'l Growth	332,708,455	10.2	2.6	27.4	23.2	20.3	10.7	9.8	8.0	5.4	May-06
MSCI AC World ex USA Growth (Net)			2.4	25.5	21.8	18.5	7.1	9.0	7.6	5.2	

- Cash Composite includes the Transaction Account Value.

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Core Real Estate	200,800,719	6.2	0.0	2.6	3.7	1.4	5.6	4.7	4.9	3.0	Apr-08
NCREIF ODCE			0.0	2.8	4.0	-5.4	3.5	3.5	5.0	4.5	
Prime Property Fund	90,110,573	2.8	0.0	1.5	2.1	-3.0	4.4	4.3	5.7	5.6	Oct-15
NCREIF ODCE			0.0	2.8	4.0	-5.4	3.5	3.5	5.0	5.0	
PGIM Real Estate US Debt Fund	110,690,146	3.4	0.0	3.6	5.1	6.0	5.6	5.6		5.4	Sep-18
Blmbg. U.S. Investment Grade: CMBS Index			0.5	6.8	7.2	6.6	1.2	3.1		2.9	
Value-Add Real Estate	145,706,183	4.5	0.0	1.1	0.8	-2.7	4.5	6.0	7.9	7.8	Aug-14
CJA Global Real Estate			0.0	2.6	0.1	-1.0	5.5	4.9	6.4	7.0	
American Strategic Value Realty	77,975,474	2.4	0.0	1.6	1.8	-5.3	2.6	3.5	5.8	6.6	Jan-15
CJA Global Real Estate			0.0	2.6	0.1	-1.0	5.5	4.9	6.4	6.6	
Greenfield Acquisition Partners VII	568,809	0.0	0.0	-11.1	-7.6	-3.3	10.7	10.4	11.4	10.8	Aug-14
CJA Global Real Estate			0.0	2.6	0.1	-1.0	5.5	4.9	6.4	7.0	
Grandview Property Partners I	15,228,665	0.5	0.0	-7.2	-7.2	3.2	9.2	12.3		13.9	Apr-18
CJA Global Real Estate			0.0	2.6	0.1	-1.0	5.5	4.9		4.9	
Grandview Property Partners II	19,131,313	0.6	0.0	7.4	3.3	1.6				1.1	Dec-21
CJA Global Real Estate			0.0	2.6	0.1	-1.0				1.8	
TA Realty Value Fund XIII	17,640,878	0.5	0.0	1.1	1.7					-2.2	Dec-23
CJA Global Real Estate			0.0	2.6	0.1					-0.6	
KSL Credit Opportunities IV	2,165,517	0.1	0.0	1.6	4.4					4.8	Apr-24
CJA Global Real Estate			0.0	2.6	0.1					0.4	
Graceada PR Fund IV	8,920,528	0.3	0.0							0.0	Sep-25
CJA Global Real Estate			0.0							0.0	
BSREP V	4,074,998	0.1	0.0							0.0	Oct-25
CJA Global Real Estate			0.0							0.0	

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Infrastructure	228,627,142	7.0	0.0	8.1	14.4	8.9	4.9	5.6	6.9	5.8	Jun-15
CJA Global Infrastructure			0.0	4.9	8.9	8.7	11.4				
CPI + 5% 1 Qtr Lag (Unadjusted)			0.6	6.7	7.8	8.1	9.7	8.8	8.2	8.3	
MS Infrastructure Partners II	14,467,333	0.4	0.0	21.4	30.6	6.4	9.2	8.6	9.0	7.8	Jun-15
CPI + 5% 1 Qtr Lag (Unadjusted)			0.6	6.7	7.8	8.1	9.7	8.8	8.2	8.3	
CJA Global Infrastructure			0.0	4.9	8.9	8.7	11.4				
Palistar Communications Infrastructure Fund II	19,080,833	0.6	0.0	8.2	9.9	7.0				7.9	Feb-22
CJA Global Infrastructure			0.0	4.9	8.9	8.7				9.6	
JP Morgan IIF Hedged LP	41,263,094	1.3	0.0	7.5	10.1	10.6				9.8	Apr-22
CJA Global Infrastructure			0.0	4.9	8.9	8.7				8.4	
Northern Trust Infrastructure Fund	79,374,874	2.4	0.0	5.3	16.2	9.3				3.3	Jul-21
67% STOXX Global Broad Infra/33% Blmbg. US TIPS 1 Qtr Lag			0.0	4.9	14.9	8.7				3.0	
IFM Global Infrastructure Fund	63,906,372	2.0	0.0	8.6	12.5	8.3				7.8	Aug-22
CJA Global Infrastructure			0.0	4.9	8.9	8.7				8.1	
Carlyle Renewable and Sustainable Energy Fund II	9,373,034	0.3	0.0	14.0	18.0					24.9	Feb-24
CJA Global Infrastructure			0.0	4.9	8.9					9.4	
PIMCO Euro Data Centre Opp Fund	1,161,602	0.0	0.0							0.0	Sep-25
CJA Global Infrastructure			0.0							3.7	
Private Equity	171,083,678	5.3	0.1	-0.2	0.4	5.3	9.2			10.5	Dec-18
CJA Global All PE			0.0	6.5	9.5	5.5	13.6			12.1	
Russell 3000 + 3% QTR Lagged			2.5	13.7	19.2	19.9	18.6			16.4	
Private Equity	161,406,060	5.0	0.0	-1.3	-1.5	1.2	9.5			9.7	Apr-20
CJA Global All PE			0.0	6.5	9.5	5.5	13.6			12.1	
Private Equity Proxy	9,677,617	0.3	2.1	16.8	20.7	21.7	16.7	16.1	14.6	11.0	Dec-03
CJA Global All PE			0.0	6.5	9.5	5.5	13.6	11.9	11.9	13.3	
Private Credit	219,091,776	6.7	0.1	-1.1	-5.0	0.4	1.3	-0.5	0.3	1.5	Jun-13
CJA Global Credit			0.0	4.5	7.0	6.6	11.6	8.6	8.7	9.2	
S&P/LSTA Leveraged Loan Index +2% Qtr Lag			1.0	7.8	9.6	11.4	9.4	7.7	7.3	7.0	
Private Credit	157,184,534	4.8	0.0	-5.1	-11.1	-4.6	0.8	-0.9	0.1	1.3	Jun-13
CJA Global Credit			0.0	4.5	7.0	6.6	11.6	8.6	8.7	9.2	
Private Credit Proxy	61,907,242	1.9	0.2	7.2	8.0	9.9				3.9	Jul-21
CJA Global Credit			0.0	4.5	7.0	6.6				8.6	

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Public Credit	126,327,343	3.9	0.4							5.2	Apr-25
Public Credit Benchmark			0.3							5.1	
NIS Opportunistic Credit	126,327,343	3.9	0.4							5.2	Apr-25
NIS Blend			0.4							4.6	
Risk-Diversifying Sub-Portfolio	593,132,406	18.2	0.6	7.0	7.8	5.3	1.3	2.6	2.6	4.1	Dec-03
StanCERA Risk-Diversifying Blended BM			1.0	11.9	11.7	10.7	4.0	4.6	3.4		
Risk Parity	147,755,635	4.5	2.4	15.9	15.7	7.9	3.6	5.3		4.0	Dec-17
S&P Risk Parity Index - 10% Target Volatility (TR)			4.6	17.3	17.4	12.4	9.1	9.0		7.8	
AQR Global Risk Premium - EL	72,840,569	2.2	2.6	13.8	13.3	8.7	4.9	5.7		4.9	Apr-18
S&P Risk Parity Index - 10% Target Volatility (TR)			4.6	17.3	17.4	12.4	9.1	9.0		8.4	
PanAgora Risk Parity Multi Asset	74,915,066	2.3	2.1	18.0	18.2	6.9	2.1	4.8		3.3	Dec-17
S&P Risk Parity Index - 10% Target Volatility (TR)			4.6	17.3	17.4	12.4	9.1	9.0		7.8	
US Treasury Bonds	180,417,197	5.5	0.7	6.1	4.8	4.1	-1.7	1.5	1.7	3.6	Dec-03
Blmbg. U.S. Treasury: 7-10 Year			0.7	7.9	6.5	4.4	-1.7	1.9	1.3	3.5	
Northern Trust Intermediate Gov't Bond	121,651,700	3.7	0.4	5.7	5.6	4.6	0.5	2.2		1.7	Aug-17
Blmbg. U.S. Government: Intermediate			0.4	5.7	5.7	4.7	0.5	2.2		1.7	
Northern Trust Long Term Gov't Bond	58,765,497	1.8	1.3	6.9	3.1	2.7	-6.5	0.5		-0.2	Aug-17
Blmbg. U.S. Government: Long Term Bond Index			1.3	7.0	3.2	2.8	-6.9	0.2		-0.5	
Liquid Absolute Return	142,820,066	4.4	-0.7	1.3	5.6	4.1				7.8	Oct-21
30 Day T-Bill + 4%			0.7	7.1	8.6	9.1				8.0	
Graham Proprietary Matrix	83,196,766	2.6	0.6	6.6	13.1	5.8				11.7	Nov-21
HFRI Macro (Total) Index			1.0	4.5	7.1	2.5				4.2	
Wellington Global Macro	59,623,300	1.8	-2.5	-5.3	-3.2					0.6	Oct-24
HFRI Macro (Total) Index			1.0	4.5	7.1					4.7	
US Short Duration TIPS	122,139,508	3.8	0.1	5.7	6.1					6.2	Jun-24
Blmbg. U.S. TIPS 0-5 Year			0.1	5.7	6.1					6.2	
Northern Trust US TIPS	122,139,508	3.8	0.1	5.7	6.1					6.2	Jun-24
Blmbg. U.S. TIPS 0-5 Year			0.1	5.7	6.1					6.2	

CASH FLOW SUMMARY BY MANAGER

	1 Month Ending October 31, 2025				
	Beginning Market Value	Contributions	Withdrawals	Ending Market Value	Net Investment Change
Abry Senior Equity VI, L.P.	\$13,713,282	-	-	\$13,713,282	-
American Strategic Value Realty	\$77,975,474	-	-	\$77,975,474	-
AQR Global Risk Premium - EL	\$70,962,037	-	-	\$72,840,569	\$1,878,532
Ares Sr Direct Lending Fund III	\$4,750,029	\$2,024,168	-	\$6,774,197	-
Audax Private Equity VII	\$11,940,268	-	-\$267,196	\$11,673,073	-
Blackrock High Yield Fund	\$61,772,984	-	-	\$61,907,242	\$134,258
BlackRock Russell 1000 Growth	\$255,799,003	-	-	\$265,091,461	\$9,292,458
BlackRock Russell 1000 Value	\$113,263,021	-	-	\$113,763,710	\$500,689
Blue Wolf Capital Fund V-A, L.P.	\$18,332,693	-	-	\$18,332,693	-
BSREP V	\$4,074,998	-	-	\$4,074,998	-
Callodine Loan Fund II LP	\$16,630,520	-	-	\$16,630,520	-
Cash Account	\$34,959,244	\$13,782,097	-\$13,461,479	\$35,400,273	\$120,411
Carlyle Renewable and Sustainable Energy Fund II	\$9,373,034	-	-	\$9,373,034	-
Channing	\$37,081,812	-	-	\$37,356,083	\$274,271
Clayton, Dublier, & Rice	\$19,357,949	-	-	\$19,357,949	-
Comvest Credit Partners VII	\$13,634,613	-	-	\$13,634,613	-
Crayhill Principal Strategies Fund III	\$9,485,086	-	-	\$9,485,086	-
Crestline Opportunity Fund IV	\$11,755,664	-	-	\$11,755,664	-
Dodge & Cox-Equity	\$114,631,129	-	-\$60,487	\$113,806,858	-\$763,784
Eclipse Fund V	\$2,336,338	\$475,000	-	\$2,811,338	-
Fidelity Int'l Growth	\$328,705,713	-	-\$4,350,000	\$332,708,455	\$8,352,742
Genstar Capital Partners X	\$15,395,863	\$62,238	-	\$15,458,101	-
Graceada PR Fund IV	\$8,920,528	-	-	\$8,920,528	-
Graham Proprietary Matrix	\$82,711,196	-	-	\$83,196,766	\$485,570
Grandview Property Partners I	\$15,228,665	-	-	\$15,228,665	-
Grandview Property Partners II	\$19,131,313	-	-	\$19,131,313	-
Great Hill EP VIII	\$13,621,650	-	-	\$13,621,650	-
Greenfield Acquisition Partners VII	\$604,108	-	-\$35,299	\$568,809	-
Gridiron Capital Fund V	\$8,144,665	-	-	\$8,144,665	-

CASH FLOW SUMMARY BY MANAGER

	Beginning Market Value	Contributions	Withdrawals	Ending Market Value	Net Investment Change
Gryphon Partners VI LP	\$19,163,141	-	-	\$19,163,141	-
IFM Global Infrastructure Fund	\$63,906,372	-	-	\$63,906,372	-
Insight	\$213,720,863	\$17,350,000	-	\$231,886,062	\$815,199
Insight Partners XI	\$13,781,829	-	-\$153,629	\$13,628,200	-
JP Morgan IIF Hedged LP	\$41,263,094	-	-	\$41,263,094	-
KSL Credit Opportunities IV	\$2,165,517	-	-	\$2,165,517	-
LSV Int'l Large Cap Value	\$344,645,738	-	-\$13,000,000	\$334,898,766	\$3,253,028
Upwelling Capital	\$36,738	-	-	\$36,738	-
Monroe Capital Fund V	\$12,026,558	-	-	\$12,026,558	-
Monroe Private Credit IV	\$16,227,034	-	-	\$16,227,034	-
MS Infrastructure Partners II	\$14,467,333	-	-	\$14,467,333	-
NIS Opportuntistic Credit	\$125,871,854	-	-	\$126,327,343	\$455,489
Northern Trust Infrastructure Fund	\$79,374,874	-	-	\$79,374,874	-
Northern Trust Intermediate Gov't Bond	\$121,113,202	-	-	\$121,651,700	\$538,498
Northern Trust Long Term Gov't Bond	\$58,020,285	-	-	\$58,765,497	\$745,212
Northern Trust Russell 3000	\$9,474,754	-	-	\$9,677,617	\$202,864
Northern Trust US TIPS	\$122,026,957	-	-	\$122,139,508	\$112,551
Owl Rock First Lien Fund	\$5,478,751	-	-	\$5,478,751	-
Pacific Ridge	\$25,329,470	-	-	\$24,319,186	-\$1,010,284
Palistar Communications Infrastructure Fund II	\$19,080,833	-	-	\$19,080,833	-
PanAgora Risk Parity Multi Asset	\$73,384,074	-	-	\$74,915,066	\$1,530,993
PIMCO Euro Data Centre Opp Fund	\$1,161,602	-	-	\$1,161,602	-
PGIM Real Estate US Debt Fund	\$110,690,146	-	-	\$110,690,146	-
Phocas'	\$34,060,635	-	-	\$33,356,876	-\$703,759
Prime Property Fund	\$90,110,573	-	-	\$90,110,573	-
Raven Opportunity III	\$15,458,898	-	-	\$15,458,898	-
Seizert	\$46,476,949	-	-	\$45,862,809	-\$614,140
Sole Source Capital Partners II	\$19,570,514	-	-	\$19,570,514	-
Strategic Values Special Situations Fund V, L.P.	\$12,022,554	-	-	\$12,022,554	-
TA Realty Value Fund XIII	\$17,640,878	-	-	\$17,640,878	-

CASH FLOW SUMMARY BY MANAGER

	Beginning Market Value	Contributions	Withdrawals	Ending Market Value	Net Investment Change
Transition Account	\$49,044	-	-	\$49,214	\$170
Vista Foundation Fund IV	\$19,644,737	-	-	\$19,644,737	-
Wellington Global Macro	\$61,177,959	-	-	\$59,623,300	-\$1,554,659
White Oak Pinnacle	\$23,940,638	-	-	\$23,940,638	-
Total	\$3,226,857,277	\$33,693,503	-\$31,328,089	\$3,253,268,999	\$24,046,308

NOTES

- All performance is shown net of investment management fees. Fiscal year end date is June 30th. Prime, PGIM, and KSL stated as of 6/30/2025.
- Performance history is provided by Verus through June 2020. As of July 1, 2020 performance is calculated and reported by NEPC.
- Policy Index history:

- **Inception - 6/30/2017:** 14.4% Russell 1000 Value, 11.3% Russell 1000 Growth, 4.8% S&P 500, 4% Russell 2000 Value, 3.7% Russell 2000 Growth, 18% MSCI ACWI ex USA Gross, 29.8%Bloomberg US Aggregate TR, 3.5% DJ US Select RESI TR USD, 7.5% 9% Annual, 3% CPI + 4%
- **7/1/2017 - 8/31/2018:** 18.5% Russell 1000, 5.5% Russell 2000, 24% MSCI ACWI ex USA Gross, 19% Bloomberg US Govt/Credit 1-3 Yr. TR, 1% FTSE T-Bill 1 Month TR, 3% Bloomberg US Treasury 7-10 Yr TR, 7.7% NCREIF Property Index, 1.7% NCREIF Property Index +2%, 0.6% CPI + 5%, 5% Bloomberg US High Yield + 2%, 14% 60% MSCI ACWI Net/40% Bloomberg Global Aggregate
- **9/1/2018 - 5/30/2019:** 10% Russell 1000, 3% Russell 2000, 6% Russell 3000 +3%, 27% MSCI ACWI ex USA Gross, 20% Bloomberg US Govt/Credit 1-3 Yr. TR, 1% FTSE T-Bill 1 Month TR, 3%Bloomberg US Treasury 7-10 Yr TR, 5% NCREIF Property Index, 5% NCREIF Property Index +2%, 1% CPI + 5%, 6% S&P/LSTA Leveraged Loan Index+2%, 13% 60% MSCI ACWI Net/40% Bloomberg Global Aggregate
- **6/1/2019 - 6/30/2020:** 14% Russell 1000, 3% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 19% Bloomberg US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 3% Bloomberg US Treasury 7-10 Yr, 5% NCREIF Property, 5% NCREIF Property +2%, 2% CPI +5%, 6% S&P/LSTA Leveraged Loan Index + 2%, 13% 60% MSCI ACWI / 40% Bloomberg Global Aggregate
- **7/1/2020 - 12/31/2020:** 14% Russell 1000, 3% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 8% Bloomberg US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 3% Bloomberg US Treasury 7-10 Yr, 5% NCREIF Property, 5% NCREIF Property +2%, 2% CPI +5%, 6% S&P/LSTA Leveraged Loan Index + 2%, 13% 60% MSCI ACWI / 40% Bloomberg Global Aggregate, 11%Bloomberg US Intermediate.
- **1/1/2021 - 06/30/2021:** 16% Russell 1000, 3.5% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 8% Bloomberg US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 5% Bloomberg US Treasury 7-10 Yr, 6% NCREIF Property, 5% NCREIF Property +2%, 2% CPI +5%, 4.5% S&P/LSTA Leveraged Loan Index + 2%, 13%60% MSCI ACWI / 40% Bloomberg Global Aggregate, 7%Bloomberg US Intermediate.
- **7/1/2021 - 6/30/2023:** 16% Russell 1000, 4% Russell 2000, 5% Russell 3000 + 3%, 20% MSCI ACWI ex USA Gross, 6.5% NCREIF Property Index, 6% NCREIF Property Index + 2%, 7.5% CPI + 5% (Unadjusted), 8% S&P/LSTA Leveraged Loan Index +2%, 6% Bloomberg US Treasury 7-10 Yr TR, 10% 60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg, 3% 30 Day T-Bill + 4%, 1% FTSE T-Bill 1 Month TR, 7% Bloomberg US Govt/Credit Int TR.
- **7/1/2023 - Present:** 16% Russell 1000, 4% Russell 2000, 5% Russell 3000 + 3%, 20% MSCI ACWI ex USA Gross, 6.5% NCREIF Property Index, 6% NCREIF Property Index + 2%, 7.5% CPI + 5% 1 Qtr Lag (Unadjusted), 8% S&P/LSTA Leveraged Loan Index +2%, 6% Bloomberg US Treasury 7-10 Yr TR, 10% 60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg, 3% 30 Day T-Bill + 4%, 1% FTSE T-Bill 1 Month TR, 7% Bloomberg US Govt/Credit Int TR.
- **5/1/2024 - Present:** 14% Russell 1000, 4% Russell 2000, 5% Russell 3000 + 3%, 18% MSCI ACWI ex USA Gross, 6.5% NCREIF Property Index, 6% NCREIF Property Index + 2%, 7.5% CPI + 5% 1 Qtr Lag (Unadjusted), 8% S&P/LSTA Leveraged Loan Index +2%, 4% Public Credit Custom Benchmark (50% Bloomberg US Corp Investment Grade Index/25% Bloomberg US HY 2% Cap/25% Morningstar LTSA US Leveraged Loan Index), 6% Bloomberg US Treasury 7-10 Yr TR, 4% Bloomberg US TIPS 0-5 Yr, 4% S&P Risk Parity Index 10% Target Volatility, 1% FTSE T-Bill 1 Month TR, 7% Bloomberg US Govt/Credit Int TR.
- **4/1/2025 - Present:** 14% Russell 1000, 4% Russell 2000, 5% CJA Global Credit, 18% MSCI ACWI ex USA Gross, 6.5% NCREIF ODCE, 6% CJA Global Real Estate, 7.5% CJA Global Infrastructure, 8% CJA Global Credit, 4% Public Credit Custom Benchmark (50% Bloomberg US Corp Investment Grade Index/25% Bloomberg US HY 2% Cap/25% Morningstar LTSA US Leveraged Loan Index), 6% Bloomberg US Treasury 7-10 Yr TR, 4% Bloomberg US TIPS 0-5 Yr, 4% 60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg, 5% 30 Day T-Bill + 4%, 1% FTSE T-Bill 1 Month TR, 7% Bloomberg US Govt/Credit Int TR.

- As of July 1, 2020, the small Capital Prospects transition cash balance is moved from the Cash composite to the Capital Prospects account. Historical performance for Capital Prospects, US Small, US Equities, Growth Sub-Portfolio, Cash, and Liquidity Sub-Portfolio prior to July 1, 2020 reflects performance of these composites before this change.
- Private Equity and Private Credit investments are valued one quarter lagged and adjusted for capital calls and distributions between quarter-end months. As of July 1, 2023, Infrastructure funds and NT Infrastructure benchmark are valued one quarter lagged and adjusted for capital calls and distributions between quarter-end months. Value-Add Real Estate managers are valued quarterly adjusted for current cash flows.

DISCLAIMERS & DISCLOSURES

Past performance is no guarantee of future results.

Returns for pooled funds, e.g. mutual funds and collective investment trusts, are collected from third parties; they are not generally calculated by NEPC. Returns for separate accounts, with some exceptions, are calculated by NEPC. Returns are reported net of manager fees unless otherwise noted.

A “since inception” return, if reported, begins with the first full month after funding, although actual inception dates (e.g. the middle of a month) and the timing of cash flows are taken into account in Composite return calculations.

NEPC’s preferred data source is the plan’s custodian bank or record-keeper. If data cannot be obtained from one of the preferred data sources, data provided by investment managers may be used. Information on market indices and security characteristics is received from additional providers. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within. In addition, some index returns displayed in this report or used in calculation of a policy index, allocation index or other custom benchmark may be preliminary and subject to change.

All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.

The opinions presented herein represent the good faith views of NEPC as of the date of this presentation and are subject to change at any time. Neither fund performance nor universe rankings contained in this report should be considered a recommendation by NEPC.

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Source of private fund performance benchmark data: Cambridge Associates, via Refinitiv





QUARTERLY PERFORMANCE REPORT

STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

SEPTEMBER 30, 2025

Daniel Hennessy, CFA, CAIA, Senior Consultant
John Tolar, CFA, Senior Consulting Analyst

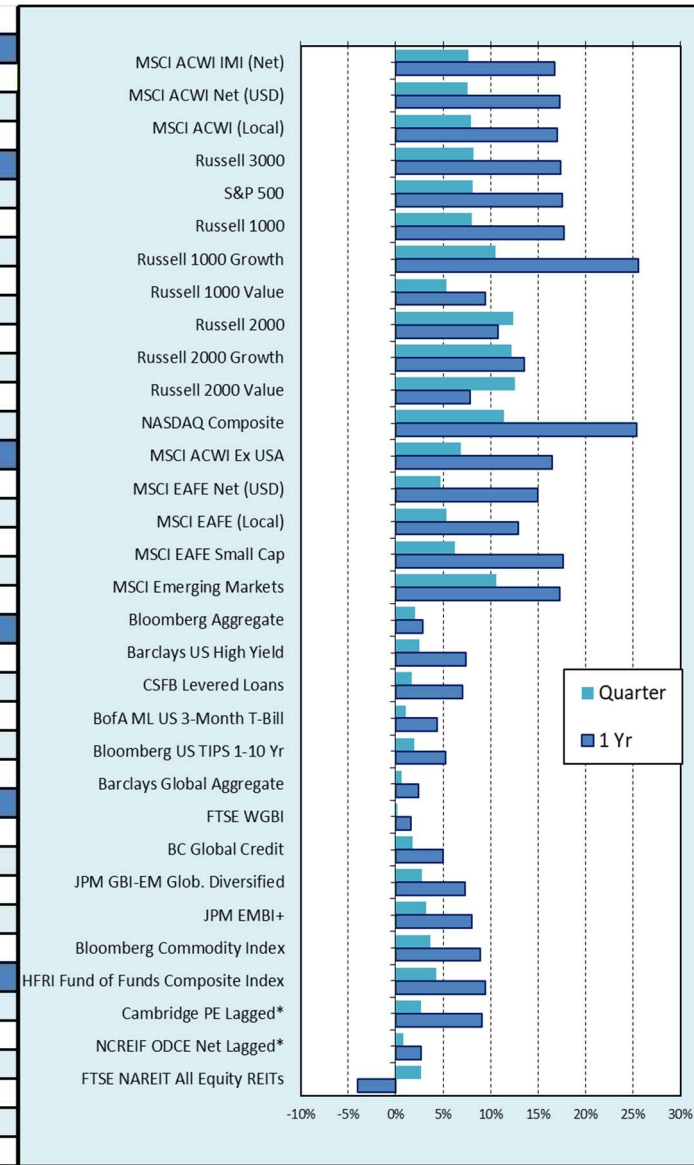


MARKET ENVIRONMENT

MARKET ENVIRONMENT

Q3 2025 OVERVIEW

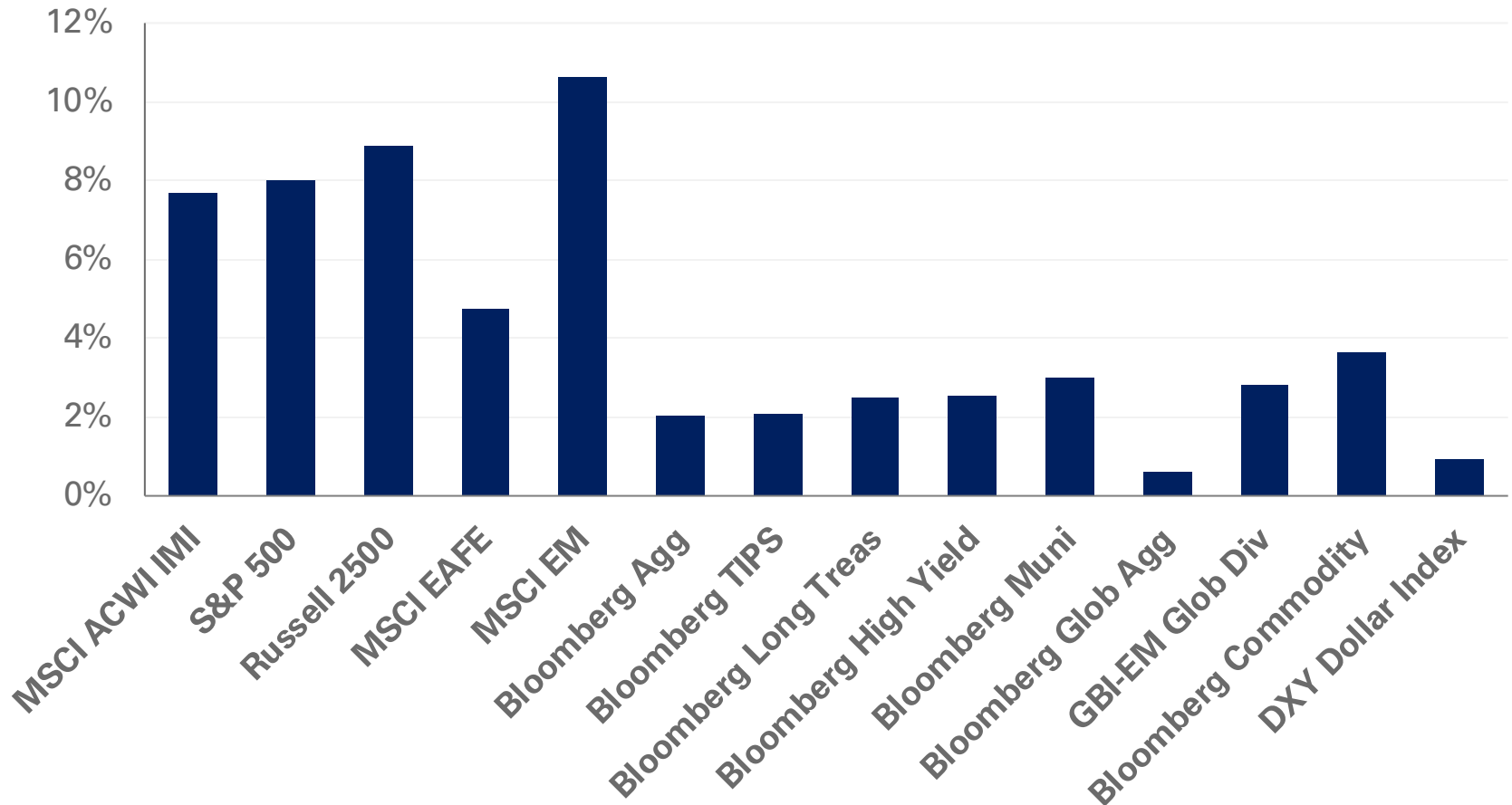
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
World Equity Benchmarks						
MSCI ACWI IMI (Net)	World with Small Cap	7.67%	16.79%	22.49%	13.30%	11.63%
MSCI ACWI Net (USD)	World W/O Small Cap	7.62%	17.27%	23.12%	13.54%	11.91%
MSCI ACWI (Local)	World (Local Currency)	7.98%	16.99%	21.94%	14.12%	12.17%
Domestic Equity Benchmarks						
Russell 3000	Domestic All Cap	8.18%	17.41%	24.12%	15.74%	14.71%
S&P 500	Large Core	8.12%	17.60%	24.94%	16.47%	15.30%
Russell 1000	Large Core	7.99%	17.75%	24.64%	15.99%	15.04%
Russell 1000 Growth	Large Growth	10.51%	25.53%	31.61%	17.58%	18.83%
Russell 1000 Value	Large Value	5.33%	9.44%	16.96%	13.88%	10.72%
Russell 2000	Small Core	12.39%	10.76%	15.21%	11.56%	9.77%
Russell 2000 Growth	Small Growth	12.19%	13.56%	16.68%	8.41%	9.91%
Russell 2000 Value	Small Value	12.60%	7.88%	13.56%	14.59%	9.23%
NASDAQ Composite	Large Growth	11.41%	25.42%	29.92%	16.07%	18.32%
International Equity Benchmarks						
MSCI ACWI Ex USA	World ex-US	6.89%	16.45%	20.67%	10.26%	8.23%
MSCI EAFE Net (USD)	Int'l Developed	4.77%	14.99%	21.70%	11.15%	8.17%
MSCI EAFE (Local)	Int'l Developed (Local Currency)	5.38%	12.92%	16.88%	12.54%	8.62%
MSCI EAFE Small Cap	Small Cap Int'l	6.20%	17.65%	19.65%	8.47%	7.92%
MSCI Emerging Markets	Emerging Equity	10.64%	17.32%	18.21%	7.02%	7.99%
Domestic Fixed Income Benchmarks						
Bloomberg Aggregate	Core Bonds	2.03%	2.88%	4.93%	-0.45%	1.84%
Barclays US High Yield	High Yield	2.54%	7.41%	11.09%	5.55%	6.17%
CSFB Levered Loans	Bank Loans	1.68%	7.09%	9.71%	6.88%	5.45%
BofA ML US 3-Month T-Bill	Cash	1.08%	4.38%	4.77%	2.98%	2.08%
Bloomberg US TIPS 1-10 Yr	Inflation	1.97%	5.27%	5.42%	2.78%	3.22%
Global Fixed Income Benchmarks						
Barclays Global Aggregate	Global Core Bonds	0.60%	2.40%	5.45%	-1.56%	1.15%
FTSE WGBI	World Gov. Bonds	0.16%	1.59%	4.45%	-3.02%	0.40%
BC Global Credit	Global Bonds	1.82%	5.00%	8.29%	0.17%	2.51%
JPM GBI-EM Glob. Diversified	Em. Mkt. Bonds (Local Currency)	2.80%	7.35%	11.25%	2.32%	3.54%
JPM EMBI+	Em. Mkt. Bonds	3.23%	8.03%	12.27%	-0.22%	2.59%
Alternative Benchmarks						
Bloomberg Commodity Index	Commodities	3.65%	8.88%	2.76%	11.53%	3.96%
HFRI Fund of Funds Composite Index	Fund of Hedge Funds	4.30%	9.45%	8.09%	6.18%	4.62%
Cambridge PE Lagged*	Private Equity	2.69%	9.07%	7.86%	15.87%	13.06%
NCREIF ODCE Net Lagged*	Real Estate	0.81%	2.67%	-6.21%	2.54%	4.42%
FTSE NAREIT All Equity REITs	REIT	2.67%	-4.00%	8.34%	6.97%	6.79%
CPI + 2%	Inflation/Real Assets	1.11%	10.38%	7.05%	5.85%	4.58%



* As of 6/30/2025

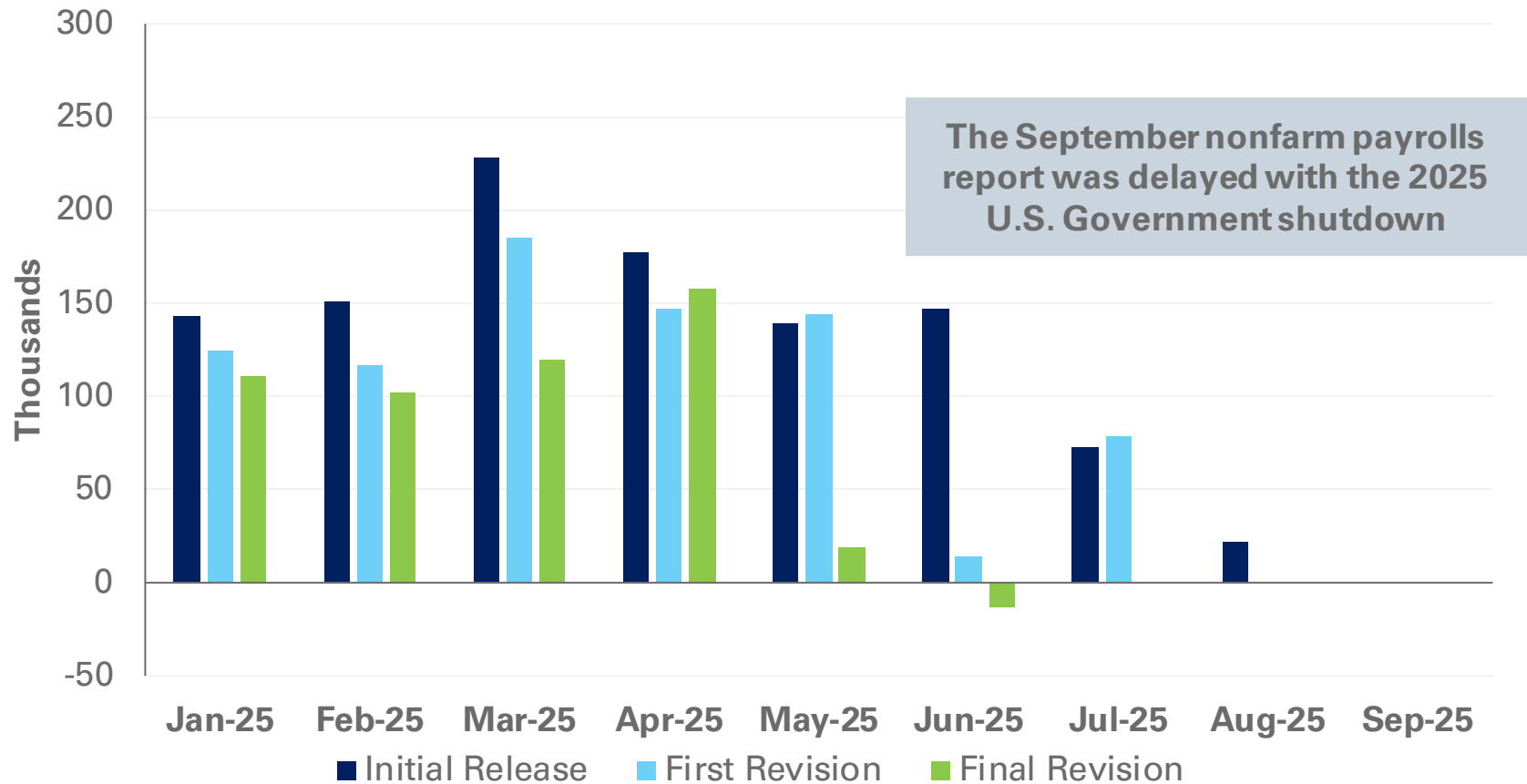
GLOBAL EQUITIES LED THE WAY IN Q3

QUARTERLY TOTAL RETURNS



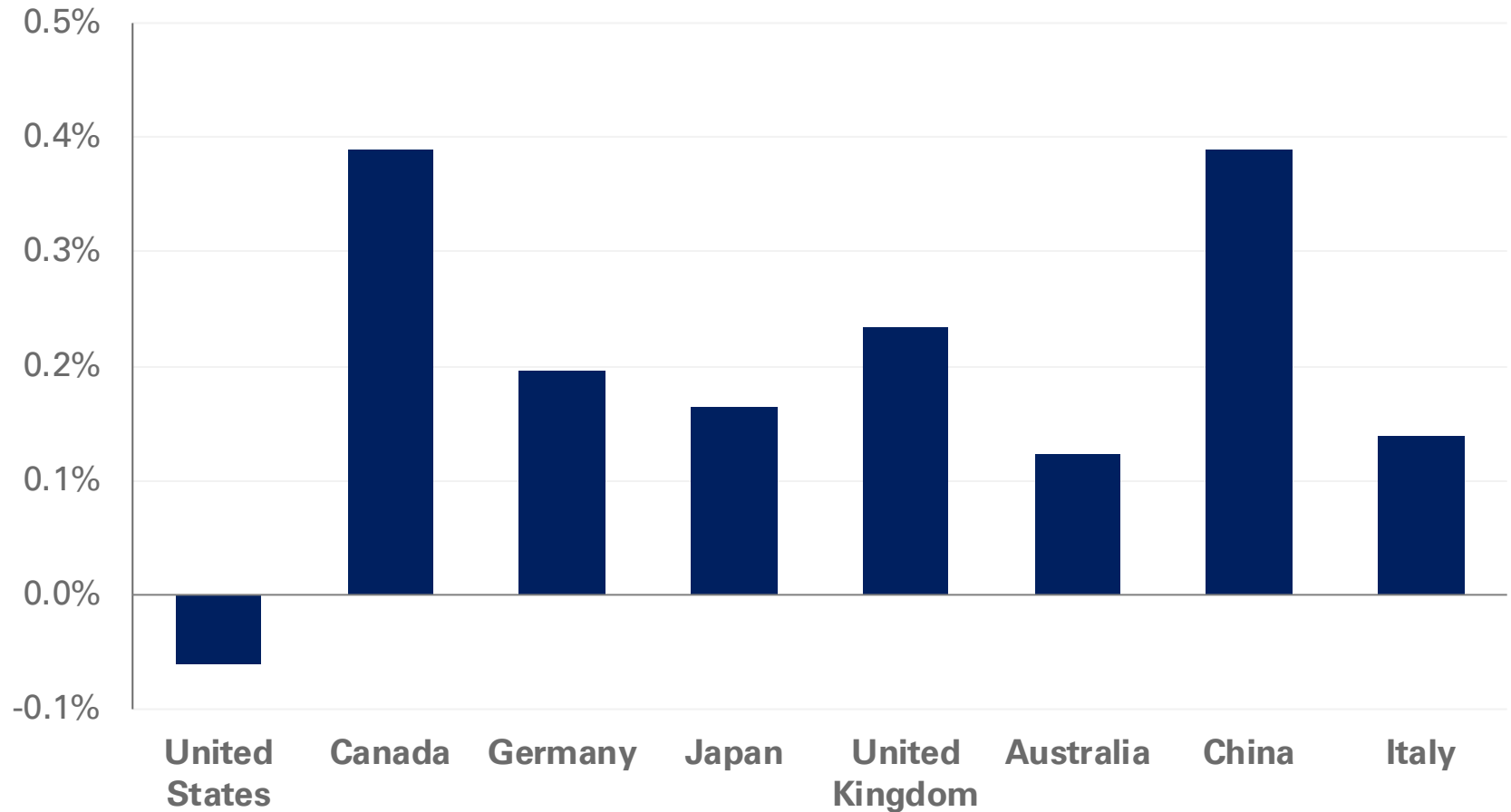
DATA REVISIONS REFLECT LABOR MARKET WEAKNESS

NONFARM PAYROLLS REPORT: MONTHLY JOBS ADDED



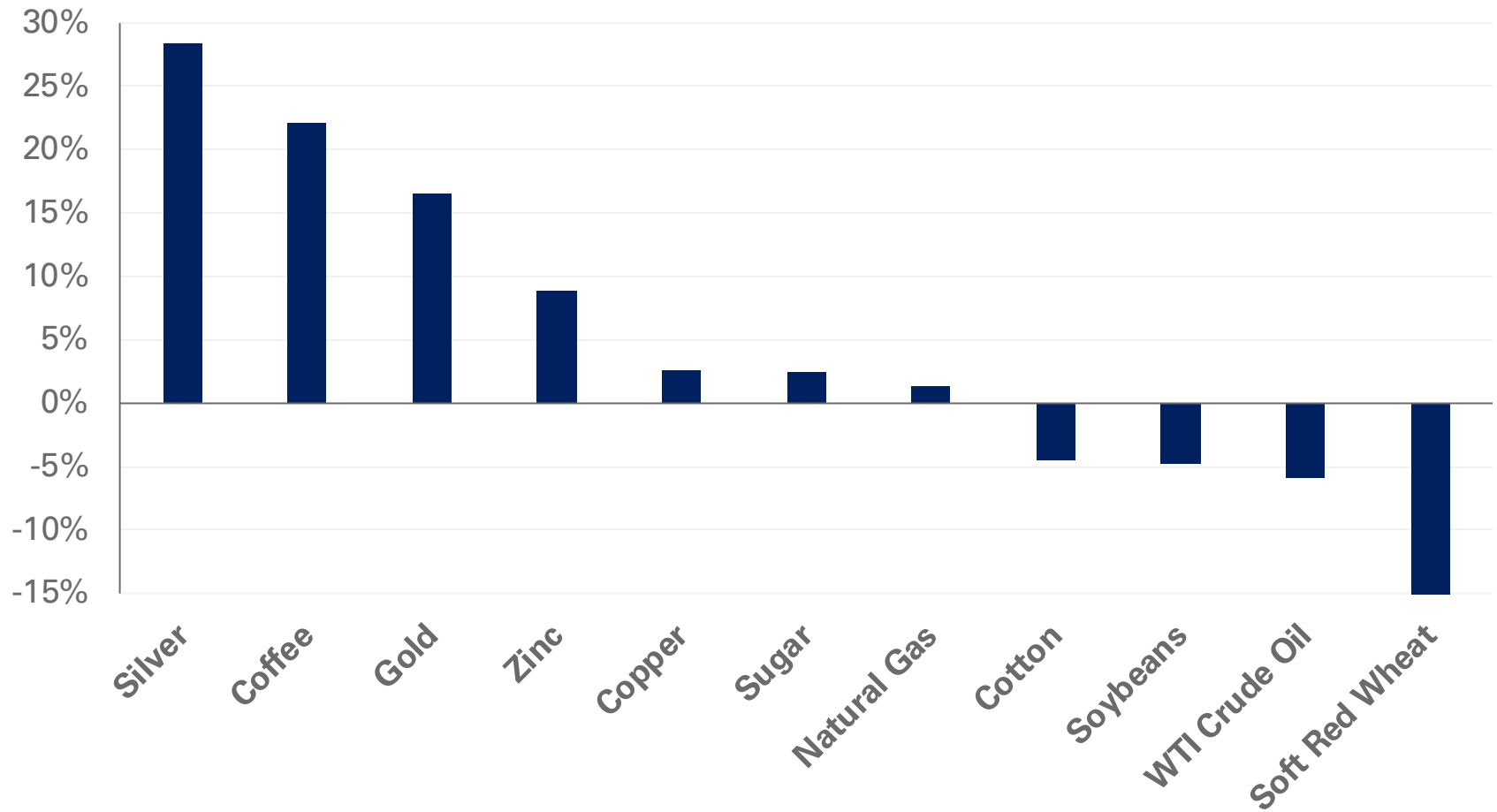
GLOBAL BOND YIELDS MOVED HIGHER

QUARTERLY CHANGE IN 30-YEAR GOVERNMENT BOND YIELDS



ALL COMMODITIES NOT TRADED EQUALLY

THIRD QUARTER COMMODITY PRICE SPOT RETURNS

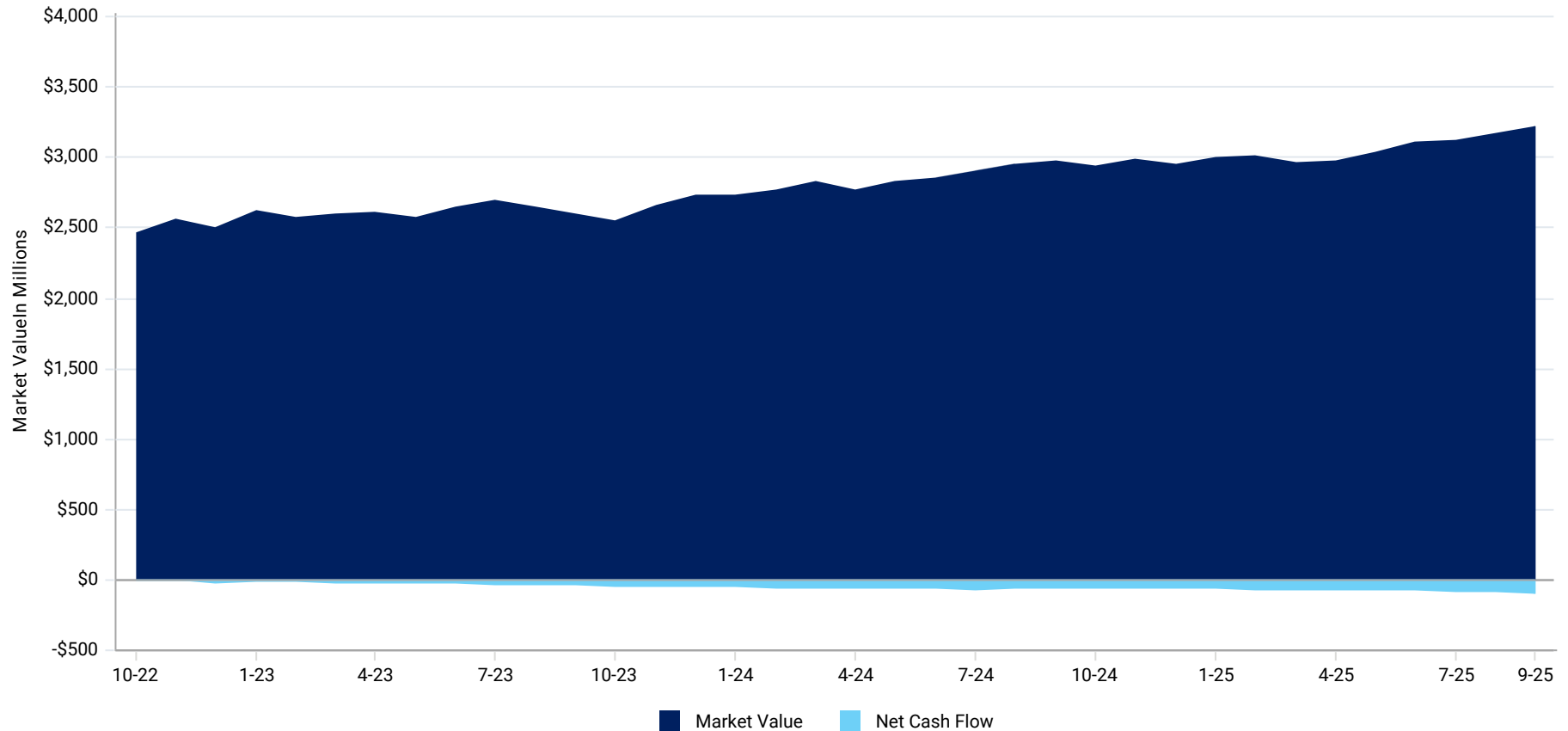




TOTAL FUND PERFORMANCE

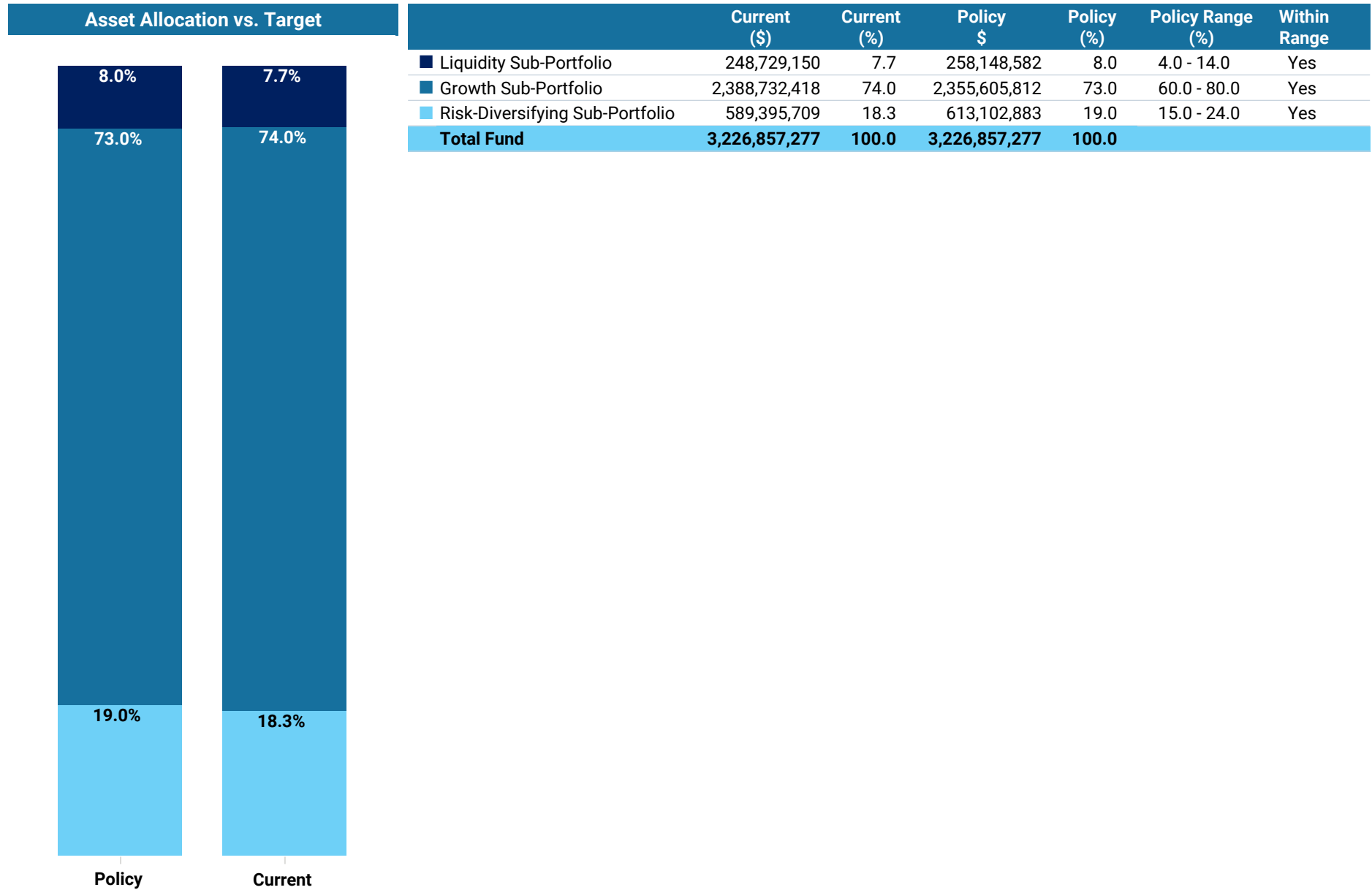
ASSET GROWTH SUMMARY

3 Years Ending September 30, 2025



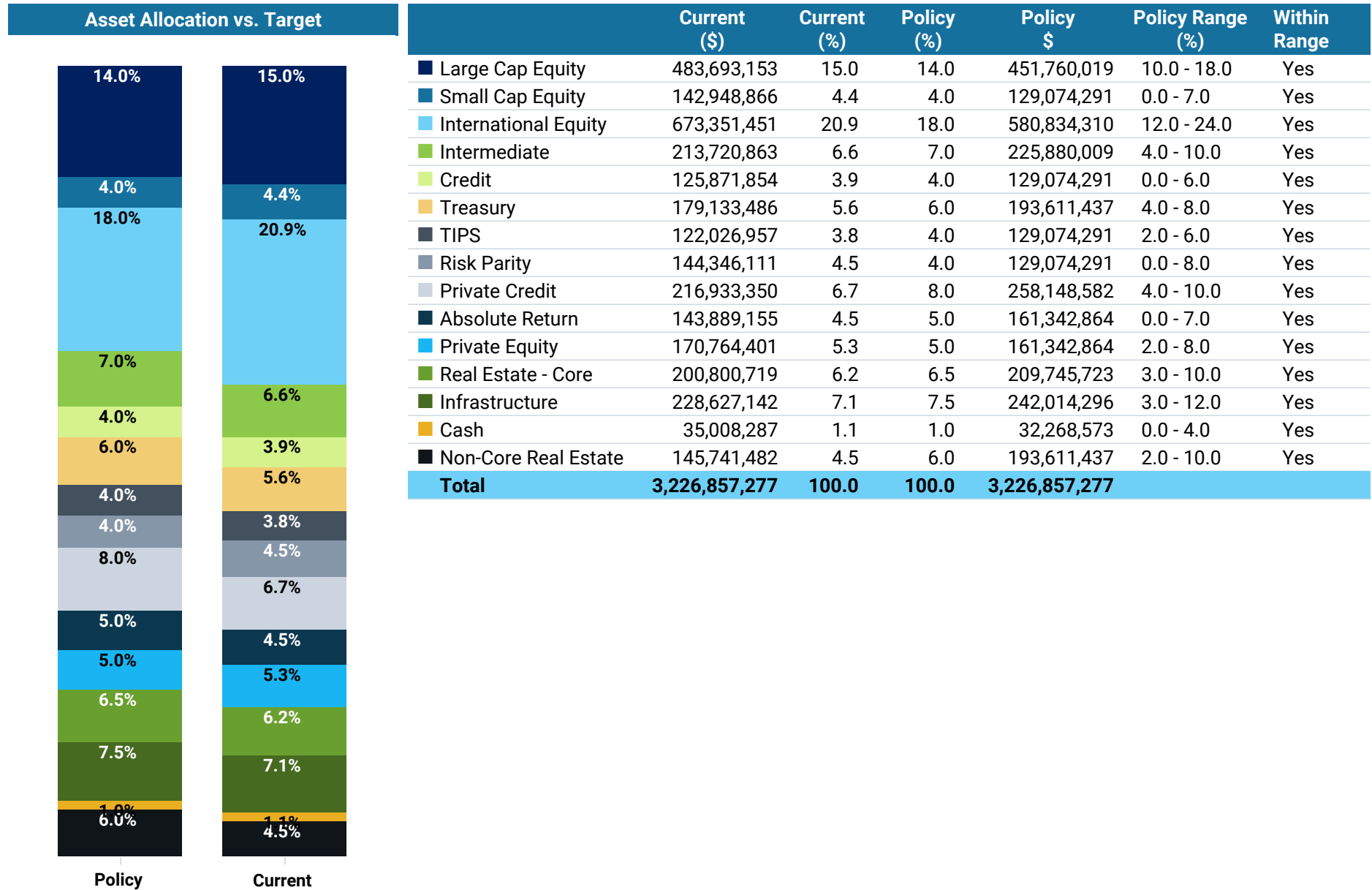
	Last Three Months	Year To Date	1 Year	3 Years
Beginning Market Value	3,110,608,463	2,952,061,265	2,985,141,583	2,398,021,638
Net Cash Flow	-15,127,519	-31,355,099	-33,433,258	-93,913,979
Net Investment Change	131,376,333	306,151,110	275,148,952	922,749,619
Ending Market Value	3,226,857,277	3,226,857,277	3,226,857,277	3,226,857,277
Net Change	116,248,814	274,796,012	241,715,694	828,835,639

ASSET ALLOCATION VS. POLICY



*Difference between Policy and Current Allocation

ASSET ALLOCATION VS. POLICY



*Difference between Policy and Current Allocation

PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	3,226,857,277	100.0	4.2	10.4	9.3	11.6	8.4	7.3	8.0	8.7	Jan-95
Policy Index			<u>4.3</u>	<u>10.6</u>	<u>9.9</u>	<u>13.1</u>	<u>8.9</u>	<u>7.9</u>	<u>8.4</u>	<u>8.1</u>	
Allocation Index			<u>4.7</u>	<u>10.8</u>	<u>9.5</u>	<u>11.6</u>	<u>8.1</u>				
InvMetrics Public DB > \$1 Billion Rank			53	56	67	64	68	72	61	5	
Liquidity Sub-Portfolio	248,729,150	7.7	1.4	5.0	4.6	5.7	2.4	3.7	2.8	2.6	Aug-14
StanCERA Liquidity Blended BM			<u>1.5</u>	<u>5.4</u>	<u>4.1</u>	<u>5.2</u>	<u>1.4</u>	<u>2.9</u>	<u>2.3</u>	<u>2.1</u>	
Cash	35,008,287	1.1	1.3	3.9	5.3	5.6	4.3	3.4	2.8	2.5	Aug-14
FTSE 1 Month T-Bill			<u>1.1</u>	<u>3.3</u>	<u>4.5</u>	<u>4.9</u>	<u>3.0</u>	<u>2.6</u>	<u>2.1</u>	<u>1.8</u>	
Cashflow-Matched Bonds	213,720,863	6.6	1.4	5.1	4.4	5.7	1.9	3.5		3.1	Jul-17
Blmbg. Intermed. U.S. Government/Credit			<u>1.5</u>	<u>5.7</u>	<u>4.0</u>	<u>5.2</u>	<u>0.8</u>	<u>2.6</u>		<u>2.2</u>	
eV US Government Fixed Inc Rank			92	100	1	1	1	1		1	
Insight	213,720,863	6.6	1.4	5.1	4.4	5.7	1.9	3.5		3.1	Jul-17
Blmbg. Intermed. U.S. Government/Credit			<u>1.5</u>	<u>5.7</u>	<u>4.0</u>	<u>5.2</u>	<u>0.8</u>	<u>2.6</u>		<u>2.2</u>	
eV US Government Fixed Inc Rank			92	100	1	1	1	1		1	
Growth Sub-Portfolio	2,388,732,418	74.0	5.0	12.1	10.8	13.9	11.0	8.9	9.8	8.4	Jan-04
StanCERA Growth Blended BM			<u>5.6</u>	<u>14.2</u>	<u>13.6</u>	<u>15.8</u>	<u>12.0</u>	<u>10.1</u>	<u>10.7</u>		

- Cash Composite includes the Transaction Account Value.

PERFORMANCE DETAIL

	Allocation		Performance (%)								Inception Date
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	
US Equities	626,642,019	19.4	7.7	12.7	15.4	23.1	16.5	13.0	13.9	10.7	Jan-04
Russell 3000 Index			<u>8.2</u>	<u>14.4</u>	<u>17.4</u>	<u>24.1</u>	<u>15.7</u>	<u>13.7</u>	<u>14.7</u>	<u>10.6</u>	
US Large Equity	483,693,153	15.0	7.5	14.4	17.5	24.7	16.4	14.2	15.1	13.1	Jan-95
Russell 1000 Index			<u>8.0</u>	<u>14.6</u>	<u>17.7</u>	<u>24.6</u>	<u>16.0</u>	<u>14.2</u>	<u>15.0</u>	<u>11.2</u>	
eV US Large Cap Equity Rank			32	33	29	31	24	27	26	6	
BlackRock Russell 1000 Growth	255,799,003	7.9	10.5	17.2	25.5	31.6	17.5	18.1	18.8	17.6	Aug-10
Russell 1000 Growth Index			<u>10.5</u>	<u>17.2</u>	<u>25.5</u>	<u>31.6</u>	<u>17.6</u>	<u>18.1</u>	<u>18.8</u>	<u>17.6</u>	
eV US Large Cap Growth Equity Rank			16	26	17	20	11	9	7	5	
BlackRock Russell 1000 Value	113,263,021	3.5	5.3	11.6	9.4	16.9	13.9	9.6	10.8	11.7	Aug-09
Russell 1000 Value Index			<u>5.3</u>	<u>11.7</u>	<u>9.4</u>	<u>17.0</u>	<u>13.9</u>	<u>9.5</u>	<u>10.7</u>	<u>11.6</u>	
eV US Large Cap Value Equity Rank			49	47	54	55	62	63	62	55	
Dodge & Cox-Equity	114,631,129	3.6	3.2	11.0	9.7	19.3	17.1	11.1	12.8	12.0	Jan-95
Russell 1000 Value Index			<u>5.3</u>	<u>11.7</u>	<u>9.4</u>	<u>17.0</u>	<u>13.9</u>	<u>9.5</u>	<u>10.7</u>	<u>10.0</u>	
eV US Large Cap Value Equity Rank			87	54	52	29	17	28	15	5	
US Small Equity	142,948,866	4.4	8.3	6.9	8.3	17.2	17.9	8.5	10.0	12.0	Jan-09
Russell 2000 Index			<u>12.4</u>	<u>10.4</u>	<u>10.8</u>	<u>15.2</u>	<u>11.6</u>	<u>6.8</u>	<u>9.8</u>	<u>11.4</u>	
eV US Small Cap Core Equity Rank			46	47	37	26	5	30	54	56	
Attucks Small Cap	142,948,866	4.4	8.3	6.9	8.3	17.2	17.9	8.5	10.7	12.2	Jan-09
Russell 2000 Value Index			<u>12.6</u>	<u>9.0</u>	<u>7.9</u>	<u>13.6</u>	<u>14.6</u>	<u>6.4</u>	<u>9.2</u>	<u>10.2</u>	
eV US Small Cap Value Equity Rank			48	30	25	22	17	27	20	34	
International Equity	673,351,451	20.9	8.3	30.0	21.0	24.2	13.3	9.0	9.4	7.5	Oct-04
MSCI AC World ex USA (Net)			<u>6.9</u>	<u>26.0</u>	<u>16.4</u>	<u>20.7</u>	<u>10.3</u>	<u>7.5</u>	<u>8.2</u>	<u>6.6</u>	
eV ACWI ex-US Large Cap Equity Rank			14	23	22	18	20	26	30	41	
LSV Int'l Large Cap Value	344,645,738	10.7	9.6	35.7	27.7	27.5	16.7	9.9	10.1	7.6	Oct-04
MSCI AC World ex USA Value (Net)			<u>8.1</u>	<u>29.6</u>	<u>20.2</u>	<u>23.1</u>	<u>14.4</u>	<u>7.6</u>	<u>8.1</u>	<u>6.3</u>	
eV ACWI ex-US Large Cap Equity Rank			7	9	7	4	4	17	17	33	
Fidelity Int'l Growth	328,705,713	10.2	7.0	24.2	14.1	20.6	9.9	8.0	8.4	5.3	May-06
MSCI AC World ex USA Growth (Net)			<u>5.7</u>	<u>22.5</u>	<u>12.9</u>	<u>18.3</u>	<u>6.2</u>	<u>7.2</u>	<u>8.2</u>	<u>5.1</u>	
eV ACWI ex-US Large Cap Equity Rank			27	52	62	54	50	55	58	50	

PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Core Real Estate	200,800,719	6.2	0.0	2.6	3.7	1.5	5.5	4.6	5.0	3.0	Apr-08
NCREIF ODCE			<u>0.7</u>	<u>2.8</u>	<u>4.0</u>	<u>-5.4</u>	<u>3.5</u>	<u>3.5</u>	<u>5.0</u>	<u>4.6</u>	
eV Private Real Estate Rank			74	100	50	56	17	47	30	52	
Prime Property Fund	90,110,573	2.8	0.0	1.5	2.1	<u>-3.0</u>	4.4	4.3	5.7	5.7	Oct-15
NCREIF ODCE			<u>0.7</u>	<u>2.8</u>	<u>4.0</u>	<u>-5.4</u>	<u>3.5</u>	<u>3.5</u>	<u>5.0</u>	<u>5.0</u>	
eV Private Real Estate Rank			74	100	72	83	32	48	22	39	
PGIM Real Estate US Debt Fund	110,690,146	3.4	0.0	3.6	5.1	6.0	5.6	5.6		5.5	Sep-18
Blmbg. U.S. Investment Grade: CMBS Index			<u>1.8</u>	<u>6.3</u>	<u>4.8</u>	<u>5.9</u>	<u>1.0</u>	<u>3.0</u>		<u>2.9</u>	
eV Private Real Estate Rank			74	89	40	21	17	45		45	

PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Value-Add Real Estate	145,741,482	4.5	0.5	1.1	0.8	-2.7	4.5	5.9	7.9	7.8	Aug-14
<i>CJA Global Real Estate</i>			<u>0.0</u>	<u>2.6</u>	<u>0.1</u>	<u>-1.0</u>	<u>5.5</u>	<u>4.9</u>	<u>6.4</u>	<u>7.1</u>	
eV Private Real Estate Rank			71	100	80	83	30	45	6	1	
American Strategic Value Realty	77,975,474	2.4	1.1	1.6	1.8	-5.3	2.6	3.5	5.8	6.6	Jan-15
<i>CJA Global Real Estate</i>			<u>0.0</u>	<u>2.6</u>	<u>0.1</u>	<u>-1.0</u>	<u>5.5</u>	<u>4.9</u>	<u>6.4</u>	<u>6.6</u>	
eV Private Real Estate Rank			52	100	73	92	72	54	22	17	
Greenfield Acquisition Partners VII	604,108	0.0	-0.1	-11.1	-7.6	-3.3	10.7	10.5	11.4	10.9	Aug-14
<i>CJA Global Real Estate</i>			<u>0.0</u>	<u>2.6</u>	<u>0.1</u>	<u>-1.0</u>	<u>5.5</u>	<u>4.9</u>	<u>6.4</u>	<u>7.1</u>	
eV Private Real Estate Rank			74	100	100	84	1	4	1	1	
Grandview Property Partners I	15,228,665	0.5	-0.5	-7.2	-7.2	3.2	9.2	12.1		14.1	Apr-18
<i>CJA Global Real Estate</i>			<u>0.0</u>	<u>2.6</u>	<u>0.1</u>	<u>-1.0</u>	<u>5.5</u>	<u>4.9</u>		<u>5.0</u>	
eV Private Real Estate Rank			76	100	100	48	1	2		1	
Grandview Property Partners II	19,131,313	0.6	-0.4	7.4	3.3	1.6				1.1	Dec-21
<i>CJA Global Real Estate</i>			<u>0.0</u>	<u>2.6</u>	<u>0.1</u>	<u>-1.0</u>				<u>1.9</u>	
eV Private Real Estate Rank			76	65	56	56				48	
TA Realty Value Fund XIII	17,640,878	0.5	0.4	1.1	1.7					-2.2	Dec-23
<i>CJA Global Real Estate</i>			<u>0.0</u>	<u>2.6</u>	<u>0.1</u>					<u>-0.6</u>	
eV Private Real Estate Rank			72	100	74					90	
KSL Credit Opportunities IV	2,165,517	0.1	0.0	1.6	4.4					5.1	Apr-24
<i>CJA Global Real Estate</i>			<u>0.0</u>	<u>2.6</u>	<u>0.1</u>					<u>0.4</u>	
eV Private Real Estate Rank			74	100	46					56	
Graceada PR Fund IV	8,920,528	0.3								0.0	Sep-25
<i>CJA Global Real Estate</i>										<u>0.0</u>	
BSREP V	4,074,998	0.1									Oct-25
<i>CJA Global Real Estate</i>											

PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Infrastructure	228,627,142	7.1	4.1	8.1	14.4	9.5	4.9	5.8	6.9	5.9	Jun-15
CJA Global Infrastructure			<u>3.7</u>	<u>4.9</u>	<u>8.9</u>	<u>8.7</u>	<u>11.4</u>				
CPI + 5% 1 Qtr Lag (Unadjusted)			<u>2.1</u>	<u>6.1</u>	<u>7.8</u>	<u>8.0</u>	<u>9.8</u>	<u>8.8</u>	<u>8.2</u>	<u>8.3</u>	
eV Infrastructure Rank			23	98	19	90	100	100	100	92	
MS Infrastructure Partners II	14,467,333	0.4	9.9	21.4	30.6	6.4	9.2	8.9	9.0	7.9	Jun-15
CPI + 5% 1 Qtr Lag (Unadjusted)			<u>2.1</u>	<u>6.1</u>	<u>7.8</u>	<u>8.0</u>	<u>9.8</u>	<u>8.8</u>	<u>8.2</u>	<u>8.3</u>	
CJA Global Infrastructure			<u>3.7</u>	<u>4.9</u>	<u>8.9</u>	<u>8.7</u>	<u>11.4</u>				
eV Infrastructure Rank			2	29	1	99	63	43	27	16	
Northern Trust Infrastructure Fund	79,374,874	2.5	6.1	5.3	16.2	10.8				3.4	Jul-21
67% STOXX Global Broad Infra/33% Blmbg. US TIPS 1 Qtr Lag			<u>5.5</u>	<u>4.9</u>	<u>14.9</u>	<u>10.2</u>				<u>3.1</u>	
Palistar Communications Infrastructure Fund II	19,080,833	0.6	2.0	8.2	9.9	7.0				8.1	Feb-22
CJA Global Infrastructure			<u>3.7</u>	<u>4.9</u>	<u>8.9</u>	<u>8.7</u>				<u>9.9</u>	
JP Morgan IIF Hedged LP	41,263,094	1.3	2.2	7.5	10.1	10.6				10.1	Apr-22
CJA Global Infrastructure			<u>3.7</u>	<u>4.9</u>	<u>8.9</u>	<u>8.7</u>				<u>8.6</u>	
IFM Global Infrastructure Fund	63,906,372	2.0	2.6	8.6	12.5	8.4				8.1	Aug-22
CJA Global Infrastructure			<u>3.7</u>	<u>4.9</u>	<u>8.9</u>	<u>8.7</u>				<u>8.3</u>	
Carlyle Renewable and Sustainable Energy Fund II	9,373,034	0.3	2.1	14.0	18.0					26.3	Feb-24
CJA Global Infrastructure			<u>3.7</u>	<u>4.9</u>	<u>8.9</u>					<u>9.9</u>	
PIMCO Euro Data Centre Opp Fund	1,161,602	0.0								0.0	Sep-25
CJA Global Infrastructure										<u>3.7</u>	

PERFORMANCE DETAIL

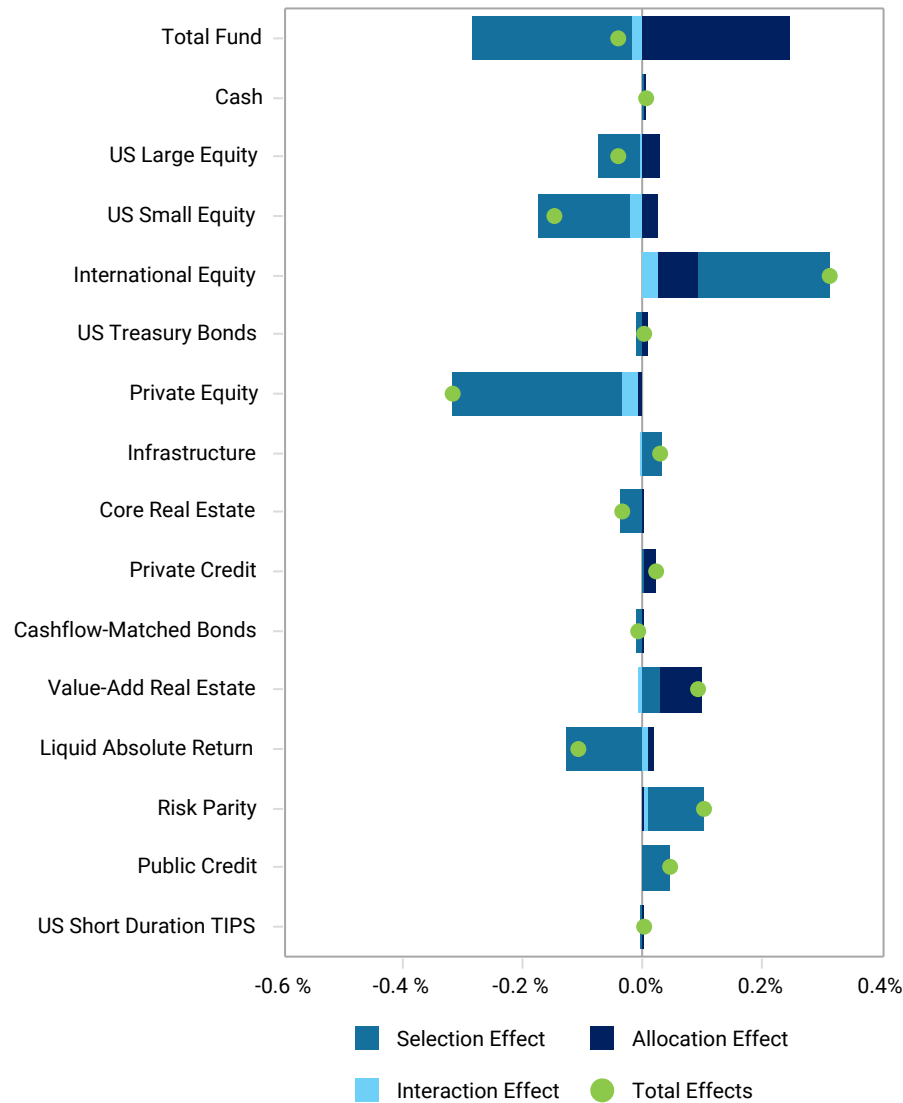
	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Equity	170,764,401	5.3	-1.8	-0.3	0.1	6.5	8.7			10.6	Dec-18
CJA Global All PE			<u>3.8</u>	<u>6.5</u>	<u>9.5</u>	<u>5.5</u>	<u>13.6</u>			<u>12.2</u>	
Russell 3000 + 3% QTR Lagged			<u>11.8</u>	<u>11.0</u>	<u>18.8</u>	<u>22.7</u>	<u>19.4</u>			<u>16.2</u>	
Private Equity	161,289,647	5.0	-2.5	-1.3	-1.5	1.2	9.5			9.8	Apr-20
CJA Global All PE			<u>3.8</u>	<u>6.5</u>	<u>9.5</u>	<u>5.5</u>	<u>13.6</u>			<u>12.3</u>	
Private Equity Proxy	9,474,754	0.3	8.2	14.3	17.3	24.1	15.7	14.5	15.3	10.9	Dec-03
CJA Global All PE			<u>3.8</u>	<u>6.5</u>	<u>9.5</u>	<u>5.5</u>	<u>13.6</u>	<u>11.9</u>	<u>11.9</u>	<u>13.3</u>	
Private Credit	216,933,350	6.7	2.9	-1.2	-5.3	0.8	1.3	-0.4	0.3	1.5	Jun-13
CJA Global Credit			<u>2.9</u>	<u>4.5</u>	<u>7.0</u>	<u>6.6</u>	<u>11.6</u>	<u>8.6</u>	<u>8.7</u>	<u>9.3</u>	
S&P/LSTA Leveraged Loan Index +2% Qtr Lag			<u>2.8</u>	<u>6.7</u>	<u>9.4</u>	<u>11.9</u>	<u>9.6</u>	<u>7.7</u>	<u>7.2</u>	<u>6.9</u>	
Private Credit	155,160,365	4.8	3.0	-5.1	-11.1	-4.6	0.8	-0.8	0.1	1.3	Jun-13
CJA Global Credit			<u>2.9</u>	<u>4.5</u>	<u>7.0</u>	<u>6.6</u>	<u>11.6</u>	<u>8.6</u>	<u>8.7</u>	<u>9.3</u>	
Private Credit Proxy	61,772,984	1.9	2.4	7.0	7.2	10.9				4.1	Jun-21
CJA Global Credit			<u>2.9</u>	<u>4.5</u>	<u>7.0</u>	<u>6.6</u>				<u>10.2</u>	
Public Credit	125,871,854	3.9	3.5							4.8	Apr-25
Public Credit Benchmark			<u>2.4</u>							<u>4.8</u>	
NIS Opportunistic Credit	125,871,854	3.9	3.5							4.8	Apr-25
NIS Blend			<u>1.9</u>							<u>4.2</u>	
Risk-Diversifying Sub-Portfolio	589,395,709	18.3	2.4	6.4	5.1	5.3	1.2	2.5	2.6	4.0	Dec-03
StanCERA Risk-Diversifying Blended BM			<u>3.4</u>	<u>10.8</u>	<u>8.0</u>	<u>10.9</u>	<u>3.7</u>	<u>4.5</u>	<u>3.3</u>		
Risk Parity	144,346,111	4.5	7.1	13.2	8.2	7.8	2.8	4.3		3.7	Dec-17
S&P Risk Parity Index - 10% Target Volatility (TR)			<u>4.8</u>	<u>12.2</u>	<u>7.5</u>	<u>12.2</u>	<u>7.6</u>	<u>7.9</u>		<u>7.3</u>	
eV Global TAA Rank			13	57	70	95	91	80		81	
AQR Global Risk Premium - EL	70,962,037	2.2	5.6	10.9	5.4	8.4	4.1	4.7		4.6	Apr-18
S&P Risk Parity Index - 10% Target Volatility (TR)			<u>4.8</u>	<u>12.2</u>	<u>7.5</u>	<u>12.2</u>	<u>7.6</u>	<u>7.9</u>		<u>7.9</u>	
eV Global TAA Rank			34	77	92	91	84	72		65	
PanAgora Risk Parity Multi Asset	73,384,074	2.3	8.6	15.5	11.0	6.9	1.4	3.8		3.1	Dec-17
S&P Risk Parity Index - 10% Target Volatility (TR)			<u>4.8</u>	<u>12.2</u>	<u>7.5</u>	<u>12.2</u>	<u>7.6</u>	<u>7.9</u>		<u>7.3</u>	
eV Global TAA Rank			6	34	40	97	97	86		87	

PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
US Treasury Bonds	179,133,486	5.6	1.6	5.3	1.1	3.1	-2.1	1.3	1.7	3.6	Dec-03
Blmbg. U.S. Treasury: 7-10 Year			<u>1.8</u>	<u>7.2</u>	<u>2.3</u>	<u>3.6</u>	<u>-2.1</u>	<u>1.7</u>	<u>1.1</u>	<u>3.5</u>	
eV US Government Fixed Inc Rank			82	95	84	83	81	80	9	1	
Northern Trust Intermediate Gov't Bond	121,113,202	3.8	1.2	5.2	3.4	4.3	0.3	2.1		1.6	Aug-17
Blmbg. U.S. Government: Intermediate			<u>1.3</u>	<u>5.3</u>	<u>3.5</u>	<u>4.4</u>	<u>0.4</u>	<u>2.1</u>		<u>1.7</u>	
eV US Government Fixed Inc Rank			97	99	13	28	12	23		28	
Northern Trust Long Term Gov't Bond	58,020,285	1.8	2.5	5.6	-3.5	0.4	-7.3	-0.1		-0.4	Aug-17
Blmbg. U.S. Government: Long Term Bond Index			<u>2.5</u>	<u>5.6</u>	<u>-3.4</u>	<u>0.5</u>	<u>-7.7</u>	<u>-0.5</u>		<u>-0.7</u>	
eV US Long Duration Fixed Inc Rank			95	96	96	97	95	94		95	
Liquid Absolute Return	143,889,155	4.5	-0.4	2.1	6.9	4.9				8.2	Oct-21
30 Day T-Bill + 4%			<u>2.1</u>	<u>6.4</u>	<u>8.7</u>	<u>9.1</u>				<u>8.0</u>	
eV Alt Absolute Return Rank			86	80	63	78				33	
Graham Proprietary Matrix	82,711,196	2.6	0.7	6.0	9.8	6.0				11.8	Nov-21
HFRI Macro (Total) Index			<u>4.7</u>	<u>3.4</u>	<u>4.1</u>	<u>2.4</u>				<u>4.0</u>	
eV Alt Absolute Return Rank			79	61	46	73				12	
Wellington Global Macro	61,177,959	1.9	-1.7	-2.8	3.3					3.3	Oct-24
HFRI Macro (Total) Index			<u>4.7</u>	<u>3.4</u>	<u>4.1</u>					<u>4.1</u>	
eV Alt Absolute Return Rank			91	89	77					77	
US Short Duration TIPS	122,026,957	3.8	1.5	5.6	5.5					6.5	Jun-24
Blmbg. U.S. TIPS 0-5 Year			<u>1.6</u>	<u>5.7</u>	<u>5.5</u>					<u>6.6</u>	
eV US TIPS / Inflation Fixed Inc Rank			90	96	8					63	
Northern Trust US TIPS	122,026,957	3.8	1.5	5.6	5.5					6.5	Jun-24
Blmbg. U.S. TIPS 0-5 Year			<u>1.6</u>	<u>5.7</u>	<u>5.5</u>					<u>6.6</u>	
eV US TIPS / Inflation Fixed Inc Rank			90	96	8					63	

ATTRIBUTION ANALYSIS

Attribution Effects 1 Quarter Ending September 30, 2025



Attribution Summary 1 Quarter Ending September 30, 2025

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effects (%)
Cash	1.3	1.1	0.2	0.0	0.0	0.0
US Large Equity	7.5	8.0	-0.5	-0.1	0.0	0.0
US Small Equity	8.3	12.4	-4.1	-0.2	0.0	-0.1
International Equity	8.3	7.0	1.3	0.2	0.1	0.3
US Treasury Bonds	1.6	1.8	-0.1	0.0	0.0	0.0
Private Equity	-1.8	3.8	-5.6	-0.3	0.0	-0.3
Infrastructure	4.1	3.7	0.4	0.0	0.0	0.0
Core Real Estate	0.0	0.5	-0.5	0.0	0.0	0.0
Private Credit	2.9	2.9	0.0	0.0	0.0	0.0
Cashflow-Matched Bonds	1.4	1.5	-0.1	0.0	0.0	0.0
Value-Add Real Estate	0.5	0.0	0.5	0.0	0.1	0.1
Liquid Absolute Return	-0.4	2.1	-2.5	-0.1	0.0	-0.1
Risk Parity	7.1	4.8	2.3	0.1	0.0	0.1
Public Credit	3.5	2.4	1.1	0.0	0.0	0.0
US Short Duration TIPS	1.5	1.6	0.0	0.0	0.0	0.0
Total Fund	4.2	4.3	0.0	-0.3	0.2	0.0

*Total Actual and Index returns are weighted average calculations.

ATTRIBUTION ANALYSIS

Attribution Effects 1 Year Ending September 30, 2025



Attribution Summary 1 Year Ending September 30, 2025

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effects (%)
Cash	5.3	4.5	0.8	0.0	0.0	0.0
US Large Equity	17.5	17.7	-0.2	0.0	0.0	0.0
US Small Equity	8.3	10.8	-2.5	-0.1	0.0	-0.2
International Equity	21.0	17.1	3.9	0.7	0.0	0.8
US Treasury Bonds	1.1	2.3	-1.2	-0.1	0.0	-0.1
Private Equity	0.1	4.8	-4.7	-0.3	-0.1	-0.3
Infrastructure	14.4	9.3	5.1	0.4	0.0	0.3
Core Real Estate	3.7	3.6	0.1	0.0	0.0	0.0
Private Credit	-5.3	8.2	-13.5	-1.0	0.0	-1.0
Value-Add Real Estate	0.8	5.2	-4.4	-0.2	0.1	-0.1
Cashflow-Matched Bonds	4.4	4.0	0.4	0.0	0.0	0.0
Liquid Absolute Return	6.9	8.7	-1.8	-0.1	0.0	-0.1
Risk Parity	8.2	6.9	1.3	0.1	0.0	0.0
Public Credit	4.8	5.4	-0.6	0.0	0.0	0.0
US Short Duration TIPS	5.5	5.5	0.0	0.0	0.0	0.0
Total Fund	9.3	9.9	-0.6	-0.6	0.0	-0.6

*Total Actual and Index returns are weighted average calculations.

ATTRIBUTION ANALYSIS

Attribution Effects 3 Years Ending September 30, 2025



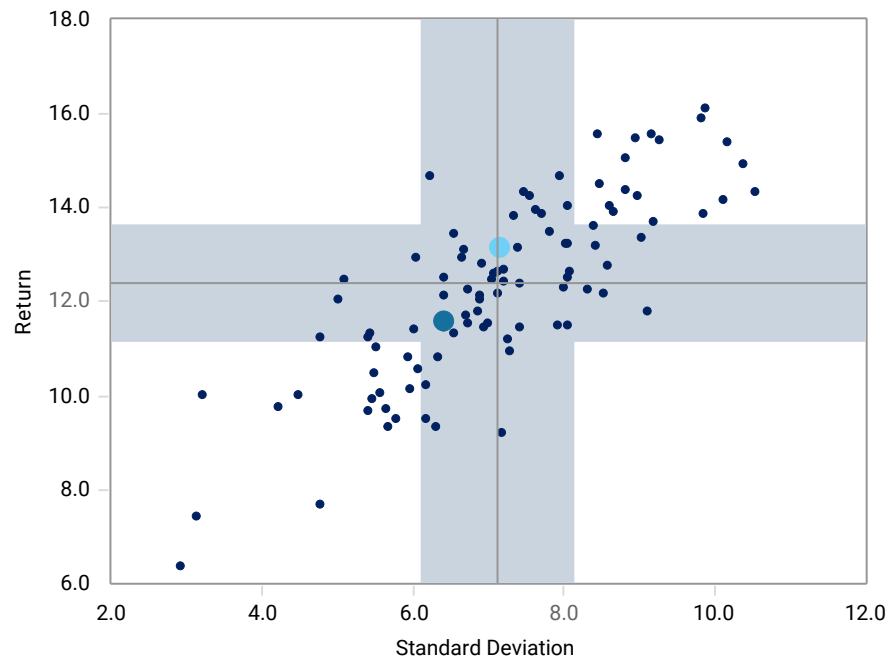
Attribution Summary 3 Years Ending September 30, 2025

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effects (%)
Cash	5.6	4.9	0.7	0.0	0.0	0.0
US Large Equity	24.7	24.6	0.0	0.0	0.1	0.1
US Small Equity	17.2	15.2	2.0	0.1	-0.1	0.0
International Equity	24.2	21.3	2.9	0.5	-0.1	0.4
US Treasury Bonds	3.1	3.6	-0.5	0.0	0.0	0.0
Private Equity	6.5	21.9	-15.4	-0.9	0.1	-0.8
Infrastructure	9.5	8.8	0.6	0.0	0.0	0.0
Core Real Estate	1.5	-2.9	4.4	0.4	-0.2	0.2
Private Credit	0.8	11.7	-10.9	-0.9	0.0	-0.9
Value-Add Real Estate	-2.7	-1.1	-1.6	-0.1	0.2	0.1
Cashflow-Matched Bonds	5.7	5.2	0.5	0.0	-0.1	0.0
Liquid Absolute Return	4.9	9.1	-4.2	-0.1	0.0	-0.1
Risk Parity	7.8	14.4	-6.6	-0.6	0.0	-0.6
Public Credit	1.6	4.1	-2.5	0.0	0.0	0.0
US Short Duration TIPS	3.1	3.2	-0.1	0.0	0.0	0.0
Total Fund	11.6	13.1	-1.6	-1.5	0.0	-1.6

*Total Actual and Index returns are weighted average calculations.

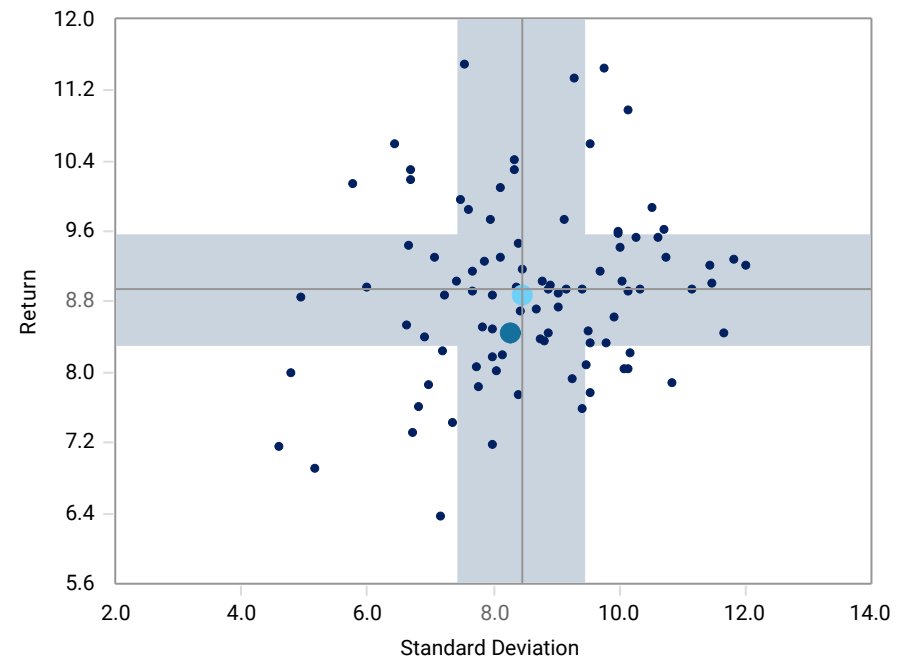
RISK VS. RETURN

3 Years Ending September 30, 2025



● InvMetrics Public DB > \$1 Billion ● Total Fund
● Policy Index

5 Years Ending September 30, 2025



● InvMetrics Public DB > \$1 Billion ● Total Fund
● Policy Index

3 Years Ending September 30, 2025

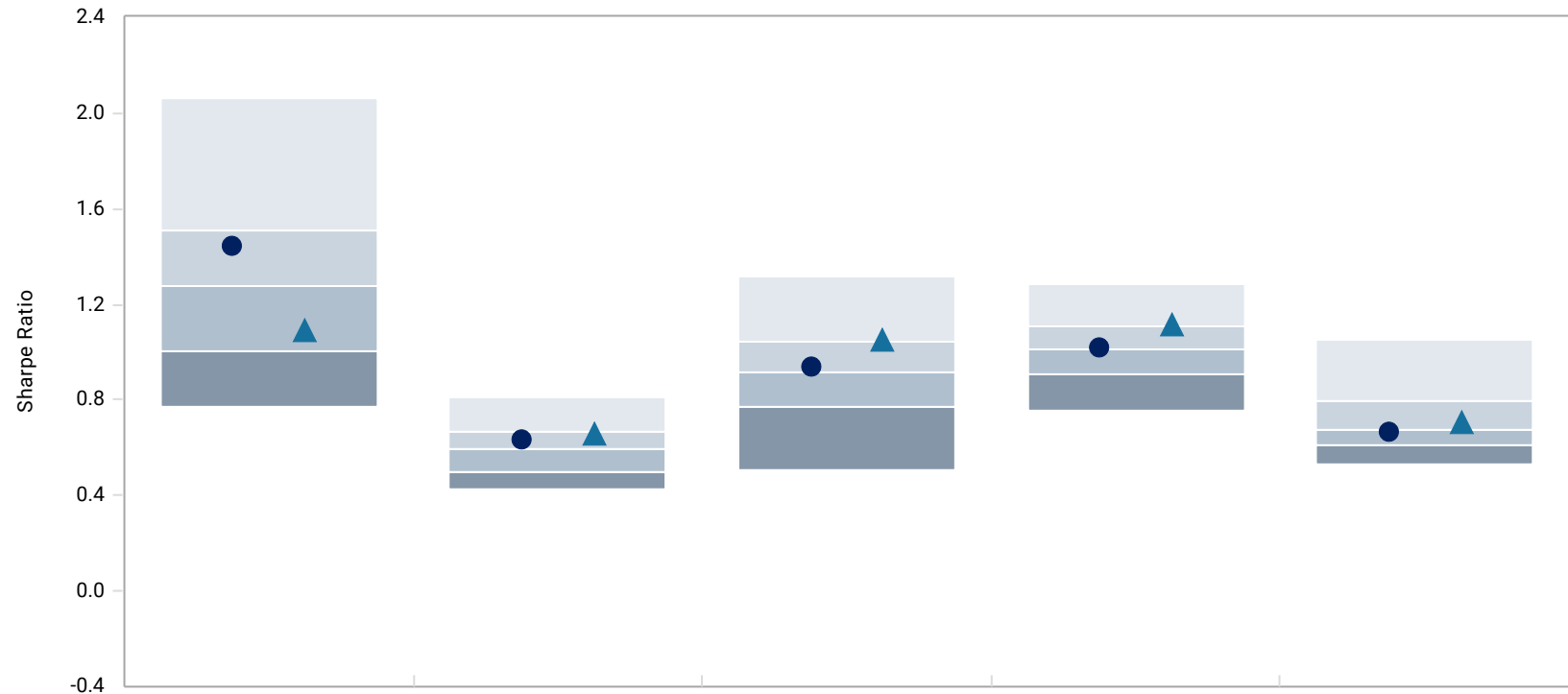
	Return	Standard Deviation	Sharpe Ratio
Total Fund	11.6 (64)	6.4 (31)	1.0 (45)
Policy Index	13.1 (36)	7.2 (50)	1.1 (24)
Population	97	97	97

5 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Total Fund	8.4 (68)	8.3 (42)	0.7 (53)
Policy Index	8.9 (54)	8.5 (50)	0.7 (40)
Population	94	94	94

TOTAL FUND SHARPE RATIO RANKINGS

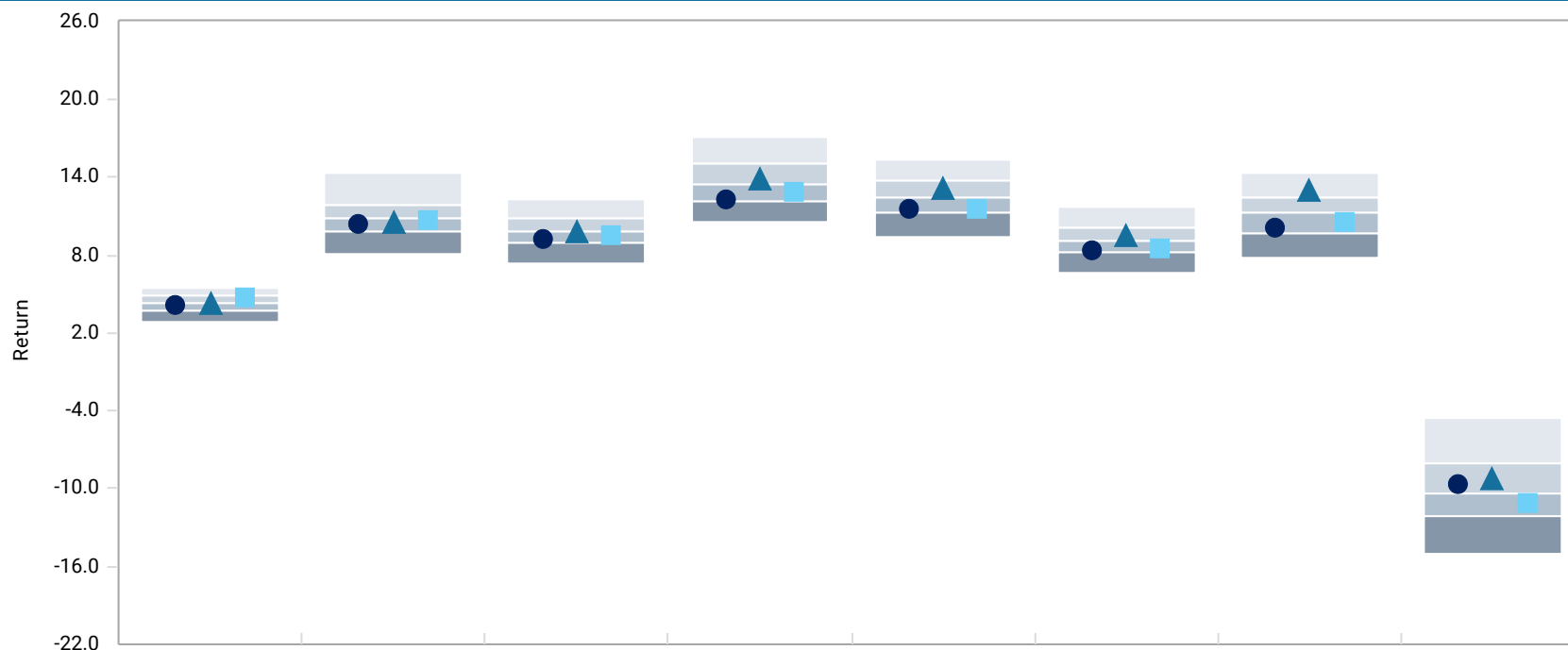
Total Fund vs. InvMetrics Public DB > \$1 Billion



	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
● Total Fund	1.4 (33)	0.6 (34)	0.9 (43)	1.0 (45)	0.7 (53)
▲ Policy Index	1.1 (66)	0.7 (26)	1.1 (22)	1.1 (24)	0.7 (40)
5th Percentile	2.1	0.8	1.3	1.3	1.1
1st Quartile	1.5	0.7	1.0	1.1	0.8
Median	1.3	0.6	0.9	1.0	0.7
3rd Quartile	1.0	0.5	0.8	0.9	0.6
95th Percentile	0.8	0.4	0.5	0.8	0.5
Population	102	99	98	97	94

RETURN SUMMARY VS. PEER UNIVERSE

Total Fund vs. InvMetrics Public DB > \$1 Billion



	3 Mo (%)	YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	2024	2023	2022
● Total Fund	4.2 (53)	10.4 (56)	9.3 (67)	12.3 (73)	11.6 (64)	8.3 (72)	10.2 (71)	-9.6 (43)
▲ Policy Index	4.3 (52)	10.6 (52)	9.9 (52)	13.9 (44)	13.1 (36)	9.6 (38)	13.1 (15)	-9.1 (37)
■ Allocation Index	4.7 (30)	10.8 (51)	9.5 (63)	12.8 (62)	11.6 (64)	8.5 (66)	10.5 (66)	-11.0 (62)
5th Percentile	5.5	14.3	12.3	17.1	15.5	11.7	14.4	-4.6
1st Quartile	4.9	11.9	10.9	15.1	13.8	10.1	12.5	-8.0
Median	4.3	10.9	9.9	13.5	12.4	9.1	11.3	-10.3
3rd Quartile	3.8	9.9	8.9	12.1	11.2	8.2	9.7	-12.2
95th Percentile	2.9	8.1	7.4	10.7	9.4	6.6	7.9	-15.0
Population	102	99	98	98	97	174	185	178

FEE SCHEDULE

Account Name	Fee Schedule	Market Value (\$)	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Transition Account		49,044		
Cash Account	0.10 % of Assets	34,959,244	34,959	0.10
Insight	0.12 % of Assets	213,720,863	256,465	0.12
BlackRock Russell 1000 Growth	0.02 % of Assets	255,799,003	51,160	0.02
BlackRock Russell 1000 Value	0.02 % of Assets	113,263,021	22,653	0.02
Dodge & Cox-Equity	0.40 % of First \$10 M 0.20 % of Next \$90 M 0.15 % Thereafter	114,631,129	241,947	0.21
Channing	0.75 % of Assets	37,081,812	278,114	0.75
Pacific Ridge	0.75 % of Assets	25,329,470	189,971	0.75
Seizert	0.75 % of Assets	46,476,949	348,577	0.75
Phocas'	0.75 % of Assets	34,060,635	255,455	0.75
LSV Int'l Large Cap Value	0.25 % of Assets	344,645,738	861,614	0.25
Fidelity Int'l Growth	0.25 % of Assets	328,705,713	821,764	0.25
Prime Property Fund	0.84 % of Assets	90,110,573	756,929	0.84
PGIM Real Estate US Debt Fund	0.80 % of First \$50 M 0.70 % of Next \$50 M 0.75 % Thereafter	110,690,146	830,176	0.75
American Strategic Value Realty	0.75 % of First \$25 M 0.65 % of Next \$25 M 0.55 % of Next \$50 M 0.45 % Thereafter	77,975,474	503,865	0.65
Greenfield Acquisition Partners VII	1.50 % of Assets	604,108	9,062	1.50
Grandview Property Partners I	1.75 % of Assets	15,228,665	266,502	1.75
Grandview Property Partners II	1.75 % of Assets	19,131,313	334,798	1.75
MS Infrastructure Partners II	1.50 % of Assets	14,467,333	217,010	1.50
Palistar Communications Infrastructure Fund II	1.50 % of Assets	19,080,833	286,212	1.50
JP Morgan IIF Hedged LP	0.95 % of Assets	41,263,094	391,999	0.95
Northern Trust Infrastructure Fund	0.47 % of Assets	79,374,874	373,062	0.47
IFM Global Infrastructure Fund	0.77 % of Assets	63,906,372	492,079	0.77
Vista Foundation Fund IV	2.00 % of Assets	19,644,737	392,895	2.00
Insight Partners XI	1.65 % of Assets	13,781,829	227,400	1.65

FEE SCHEDULE

Account Name	Fee Schedule	Market Value (\$)	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Gryphon Partners VI LP	1.00 % of Assets	19,163,141	191,631	1.00
Clayton, Dublier, & Rice	0.90 % of Assets	19,357,949	174,222	0.90
Genstar Capital Partners X	1.75 % of Assets	15,395,863	269,428	1.75
Sole Source Capital Partners II	2.00 % of Assets	19,570,514	391,410	2.00
Blue Wolf Capital Fund V-A, L.P.	2.00 % of Assets	18,332,693	366,654	2.00
Northern Trust Russell 3000	0.02 % of Assets	9,474,754	1,895	0.02
Upwelling Capital	0.00 % of Assets	36,738		0.00
Owl Rock First Lien Fund	0.70 % of Assets	5,478,751	38,351	0.70
Raven Opportunity III	0.00 % of Assets	15,458,898		0.00
White Oak Pinnacle	1.50 % of Assets	23,940,638	359,110	1.50
Abry Senior Equity VI, L.P.	1.50 % of Assets	13,713,282	205,699	1.50
Strategic Values Special Situations Fund V, L.P.	1.75 % of Assets	12,022,554	210,395	1.75
Blackrock High Yield Fund	0.12 % of Assets	61,772,984	74,128	0.12
Monroe Private Credit IV	1.00 % of Assets	16,227,034	162,270	1.00
AQR Global Risk Premium - EL	0.38 % of Assets	70,962,037	269,656	0.38
PanAgora Risk Parity Multi Asset	0.35 % of Assets	73,384,074	256,844	0.35
Northern Trust Intermediate Gov't Bond	0.05 % of First \$25 M 0.04 % Thereafter	121,113,202	50,945	0.04
Northern Trust Long Term Gov't Bond	0.05 % of First \$25 M 0.04 % Thereafter	58,020,285	25,708	0.04
Northern Trust US TIPS	0.04 % of Assets Minimum Fee: \$40,000	122,026,957	48,811	0.04
Graham Proprietary Matrix	1.85 % of Assets	82,711,196	1,530,157	1.85
Callodine Loan Fund II LP	1.50 % of Assets	16,630,520	249,458	1.50
Audax Private Equity VII	1.00 % of Assets	11,940,268	119,403	1.00
Great Hill EP VIII	1.60 % of Assets	13,621,650	217,946	1.60
Crestline Opportunity Fund IV	1.75 % of Assets	11,755,664	205,724	1.75

FEE SCHEDULE

Account Name	Fee Schedule	Market Value (\$)	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Gridiron Capital Fund V	2.00 % of Assets	8,144,665	162,893	2.00
TA Realty Value Fund XIII	0.85 % of Assets	17,640,878	149,947	0.85
Carlyle Renewable and Sustainable Energy Fund II	1.00 % of Assets	9,373,034	93,730	1.00
KSL Credit Opportunities IV	1.50 % of Assets	2,165,517	32,483	1.50
Comvest Credit Partners VII	1.00 % of Assets	13,634,613	136,346	1.00
Eclipse Fund V	2.50 % of Assets	2,336,338	58,408	2.50
Ares Sr Direct Lending Fund III	0.75 % of Assets	4,750,029	35,625	0.75
Wellington Global Macro	Performance Based 0.50 % and 22.25 %	61,177,959	305,890	0.50
Crayhill Principal Strategies Fund III	1.50 % of Assets	9,485,086	142,276	1.50
NIS Opportuntistic Credit		125,871,854		
Monroe Capital Fund V	1.00 % of Assets	12,026,558	120,266	1.00
Graceada PR Fund IV	1.50 % of Assets	8,920,528	133,808	1.50
PIMCO Euro Data Centre Opp Fund		1,161,602		
BSREP V	1.50 % of Assets	4,074,998	61,125	1.50
Investment Management Fee		3,226,857,277	15,297,310	0.47

RISK STATISTICS

3 Years Ending September 30, 2025											
	Return	Excess Return	Standard Deviation	Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Information Ratio	Up Capture	Down Capture
Abry Senior Equity VI, L.P.	10.6	5.6	4.7	4.3	0.9	3.4	0.5	1.2	1.1	141.2	-782.3
<i>CJA Global Credit</i>	6.6	1.8	3.4	0.0	1.0	0.0	1.0	0.5		100.0	100.0
American Strategic Value Realty	-5.3	-10.1	4.0	-4.7	0.6	3.9	0.1	-2.5	-1.1	-57.9	226.5
<i>CJA Global Real Estate</i>	-1.0	-5.6	2.3	0.0	1.0	0.0	1.0	-2.4		100.0	100.0
AQR Global Risk Premium - EL	8.4	3.8	8.9	-4.0	0.8	4.3	0.8	0.4	-1.6	74.4	109.5
<i>60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg</i>	15.9	10.6	9.8	0.0	1.0	0.0	1.0	1.1		100.0	100.0
Blackrock High Yield Fund	10.9	5.8	5.1	-0.4	1.0	0.3	1.0	1.1	-0.6	99.9	106.7
<i>Blmbg. U.S. Corp: High Yield Index</i>	11.1	6.0	5.0	0.0	1.0	0.0	1.0	1.2		100.0	100.0
BlackRock Russell 1000 Growth	31.6	24.3	15.9	0.0	1.0	0.0	1.0	1.5	-1.0	99.9	100.1
<i>Russell 1000 Growth Index</i>	31.6	24.3	15.9	0.0	1.0	0.0	1.0	1.5		100.0	100.0
BlackRock Russell 1000 Value	16.9	12.1	14.3	0.0	1.0	0.0	1.0	0.8	-0.8	100.0	100.0
<i>Russell 1000 Value Index</i>	17.0	12.1	14.3	0.0	1.0	0.0	1.0	0.8		100.0	100.0
Capital Prospects Transition	0.0	-4.7	0.0	0.0	0.0	21.7		-20.5	-0.7	0.0	0.0
<i>Russell 2000 Value Index</i>	13.6	10.4	21.7	0.0	1.0	0.0	1.0	0.5		100.0	100.0
Channing	14.8	11.5	21.5	1.9	0.9	6.4	0.9	0.5	0.2	99.3	94.5
<i>Russell 2000 Value Index</i>	13.6	10.4	21.7	0.0	1.0	0.0	1.0	0.5		100.0	100.0
Clayton, Dublier, & Rice	3.0	-1.1	10.8	1.3	0.4	10.9	0.0	-0.1	-0.2	68.9	101.1
<i>CJA Global All PE</i>	5.5	0.8	3.6	0.0	1.0	0.0	1.0	0.2		100.0	100.0
Dodge & Cox-Equity	19.3	14.1	14.4	2.3	1.0	3.0	1.0	1.0	0.7	101.2	87.8
<i>Russell 1000 Value Index</i>	17.0	12.1	14.3	0.0	1.0	0.0	1.0	0.8		100.0	100.0
LSV Int'l Large Cap Value	27.5	20.6	12.1	4.8	0.9	2.1	1.0	1.7	1.7	105.7	80.6
<i>MSCI AC World ex USA Value (Net)</i>	23.1	17.1	12.6	0.0	1.0	0.0	1.0	1.4		100.0	100.0
Fidelity Int'l Growth	20.6	15.1	13.9	3.3	0.9	3.8	0.9	1.1	0.5	98.7	82.4
<i>MSCI AC World ex USA Growth (Net)</i>	18.3	13.3	14.5	0.0	1.0	0.0	1.0	0.9		100.0	100.0
Genstar Capital Partners X	2.4	-2.3	3.7	2.0	0.1	5.0	0.0	-0.6	-0.6	21.1	-161.4
<i>CJA Global All PE</i>	5.5	0.8	3.6	0.0	1.0	0.0	1.0	0.2		100.0	100.0

RISK STATISTICS

	Return	Excess Return	Standard Deviation	Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Information Ratio	Up Capture	Down Capture
Graham Proprietary Matrix	6.0	1.4	7.5	3.7	1.0	5.7	0.4	0.2	0.6	121.3	65.4
HFRI Macro (Total) Index	2.4	-2.2	4.9	0.0	1.0	0.0	1.0	-0.5		100.0	100.0
Grandview Property Partners I	3.2	-0.7	12.8	2.3	-1.8	13.7	0.1	-0.1	0.4	139.7	-111.2
CJA Global Real Estate	-1.0	-5.6	2.3	0.0	1.0	0.0	1.0	-2.4		100.0	100.0
Grandview Property Partners II	1.6	-2.7	8.2	2.9	1.0	7.9	0.1	-0.3	0.4	389.9	122.0
CJA Global Real Estate	-1.0	-5.6	2.3	0.0	1.0	0.0	1.0	-2.4		100.0	100.0
Greenfield Acquisition Partners VII	-3.3	-6.9	14.7	-3.6	-1.5	15.4	0.1	-0.5	-0.1	-640.1	-243.8
CJA Global Real Estate	-1.0	-5.6	2.3	0.0	1.0	0.0	1.0	-2.4		100.0	100.0
Gryphon Partners VI LP	-3.1	-7.0	12.9	-1.4	-0.2	13.5	0.0	-0.5	-0.6	-70.5	-286.2
CJA Global All PE	5.5	0.8	3.6	0.0	1.0	0.0	1.0	0.2		100.0	100.0
IFM Global Infrastructure Fund	8.4	3.5	4.2	3.7	0.5	3.9	0.4	0.8	-0.1	71.9	-407.1
CJA Global Infrastructure	8.7	3.8	4.8	0.0	1.0	0.0	1.0	0.8		100.0	100.0
Insight Partners XI	-14.9	-16.9	24.2	4.7	-3.1	26.0	0.2	-0.7	-0.7	-184.4	122.2
CJA Global All PE	5.5	0.8	3.6	0.0	1.0	0.0	1.0	0.2		100.0	100.0
JP Morgan IIF Hedged LP	10.6	5.6	4.9	5.1	0.6	4.3	0.4	1.1	0.4	84.7	-607.3
CJA Global Infrastructure	8.7	3.8	4.8	0.0	1.0	0.0	1.0	0.8		100.0	100.0
Upwelling Capital	-30.5	-30.5	36.0	-6.6	-2.9	37.1	0.1	-0.8	-0.9	-343.4	2,739.9
CJA Global Credit	6.6	1.8	3.4	0.0	1.0	0.0	1.0	0.5		100.0	100.0
Monroe Private Credit IV	17.4	12.1	11.4	13.3	0.6	11.3	0.0	1.1	0.9	170.8	-4,686.3
CJA Global Credit	6.6	1.8	3.4	0.0	1.0	0.0	1.0	0.5		100.0	100.0
MS Infrastructure Partners II	6.4	2.0	8.9	3.1	0.4	9.1	0.1	0.2	-0.2	43.8	-617.8
CJA Global Infrastructure	8.7	3.8	4.8	0.0	1.0	0.0	1.0	0.8		100.0	100.0
Northern Trust Infrastructure Fund	10.8	6.4	12.5	-0.2	1.1	1.2	1.0	0.5	0.6	107.8	109.8
67% STOXX Global Broad Infra / 33% Bloomberg US TIPS	10.2	5.7	11.5	0.0	1.0	0.0	1.0	0.5		100.0	100.0
Northern Trust Intermediate Gov't Bond	4.3	-0.4	3.8	-0.1	1.0	0.0	1.0	-0.1	-1.9	99.2	100.5
Blmbg. U.S. Government: Intermediate	4.4	-0.3	3.8	0.0	1.0	0.0	1.0	-0.1		100.0	100.0
Northern Trust Long Term Gov't Bond	0.4	-3.3	14.5	-0.1	1.0	0.1	1.0	-0.2	-1.1	99.6	100.2
Blmbg. U.S. Government: Long Term Bond Index	0.5	-3.2	14.5	0.0	1.0	0.0	1.0	-0.2		100.0	100.0

RISK STATISTICS

	Return	Excess Return	Standard Deviation	Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Information Ratio	Up Capture	Down Capture
Northern Trust Russell 3000	24.1	18.0	13.9	0.0	1.0	0.0	1.0	1.3	-0.6	99.9	100.0
<i>Russell 3000 Index</i>	24.1	18.1	13.9	0.0	1.0	0.0	1.0	1.3		100.0	100.0
Owl Rock First Lien Fund	5.9	1.4	8.2	3.7	0.4	8.3	0.0	0.2	0.0	69.4	-1,279.1
<i>CJA Global Credit</i>	6.6	1.8	3.4	0.0	1.0	0.0	1.0	0.5		100.0	100.0
Pacific Ridge	18.0	14.3	21.9	6.3	0.9	7.6	0.9	0.7	0.6	96.4	78.5
<i>Russell Microcap Value Index</i>	12.6	9.9	23.5	0.0	1.0	0.0	1.0	0.4		100.0	100.0
Palistar Communications Infrastructure Fund II	7.0	2.2	4.1	5.1	0.2	5.4	0.1	0.5	-0.3	52.6	-498.6
<i>CJA Global Infrastructure</i>	8.7	3.8	4.8	0.0	1.0	0.0	1.0	0.8		100.0	100.0
PanAgora Risk Parity Multi Asset	6.9	2.8	12.0	-8.6	1.1	5.8	0.8	0.2	-1.3	86.3	155.1
<i>60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg</i>	15.9	10.6	9.8	0.0	1.0	0.0	1.0	1.1		100.0	100.0
PGIM Real Estate US Debt Fund	6.0	1.2	2.6	6.0	0.0	5.3	0.0	0.5	0.0	44.3	-38.0
<i>Blmbg. U.S. Investment Grade: CMBS Index</i>	5.9	1.1	4.6	0.0	1.0	0.0	1.0	0.2		100.0	100.0
Prime Property Fund	-3.0	-7.6	3.0	0.1	0.6	2.4	0.9	-2.5	1.0	53.6	54.6
<i>NCREIF ODCE</i>	-5.4	-10.0	5.0	0.0	1.0	0.0	1.0	-2.0		100.0	100.0
Raven Opportunity III	-35.4	-41.3	30.8	-18.5	-2.5	32.0	0.1	-1.3	-1.3	-564.0	-518.9
<i>CJA Global Credit</i>	6.6	1.8	3.4	0.0	1.0	0.0	1.0	0.5		100.0	100.0
Seizert	19.4	15.0	19.8	6.8	0.9	6.5	0.9	0.8	0.7	92.5	69.3
<i>Russell 2000 Value Index</i>	13.6	10.4	21.7	0.0	1.0	0.0	1.0	0.5		100.0	100.0
Sole Source Capital Partners II	17.3	12.7	17.5	13.9	0.8	17.3	0.0	0.7	0.7	214.9	-598.0
<i>CJA Global All PE</i>	5.5	0.8	3.6	0.0	1.0	0.0	1.0	0.2		100.0	100.0
Strategic Values Special Situations Fund V, L.P.	14.7	9.4	7.7	2.3	1.8	5.3	0.7	1.2	1.4	234.8	1,203.4
<i>CJA Global Credit</i>	6.6	1.8	3.4	0.0	1.0	0.0	1.0	0.5		100.0	100.0
Vista Foundation Fund IV	2.8	-1.9	3.5	-0.4	0.6	3.2	0.3	-0.5	-0.8	51.0	52.0
<i>CJA Global All PE</i>	5.5	0.8	3.6	0.0	1.0	0.0	1.0	0.2		100.0	100.0
White Oak Pinnacle	0.5	-4.1	4.6	-0.6	0.2	5.3	0.0	-0.9	-1.1	10.7	121.5
<i>CJA Global Credit</i>	6.6	1.8	3.4	0.0	1.0	0.0	1.0	0.5		100.0	100.0



Manager Pages



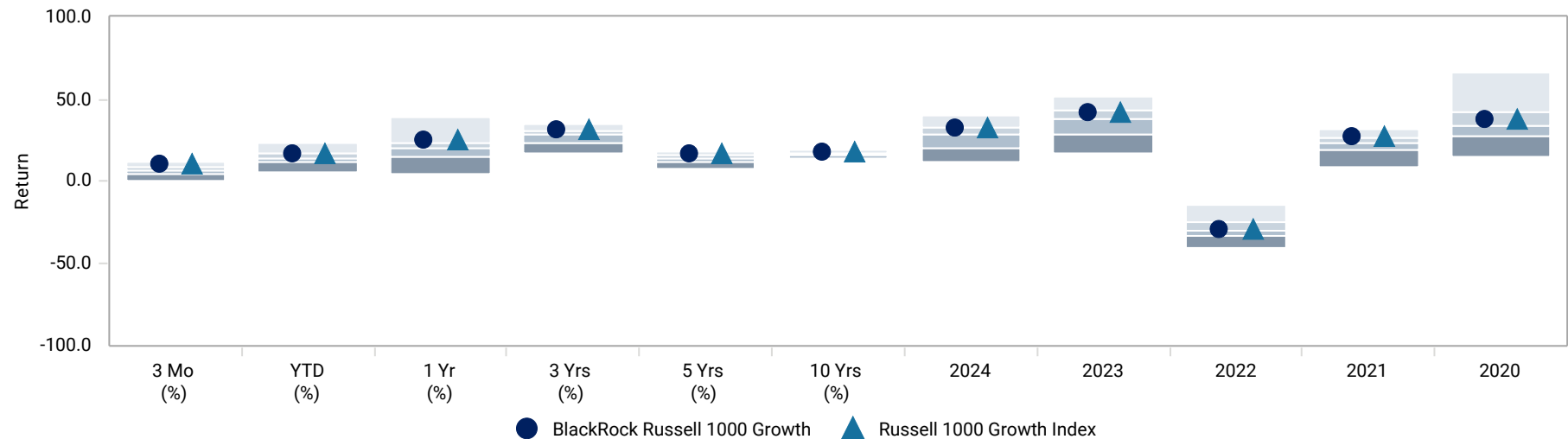
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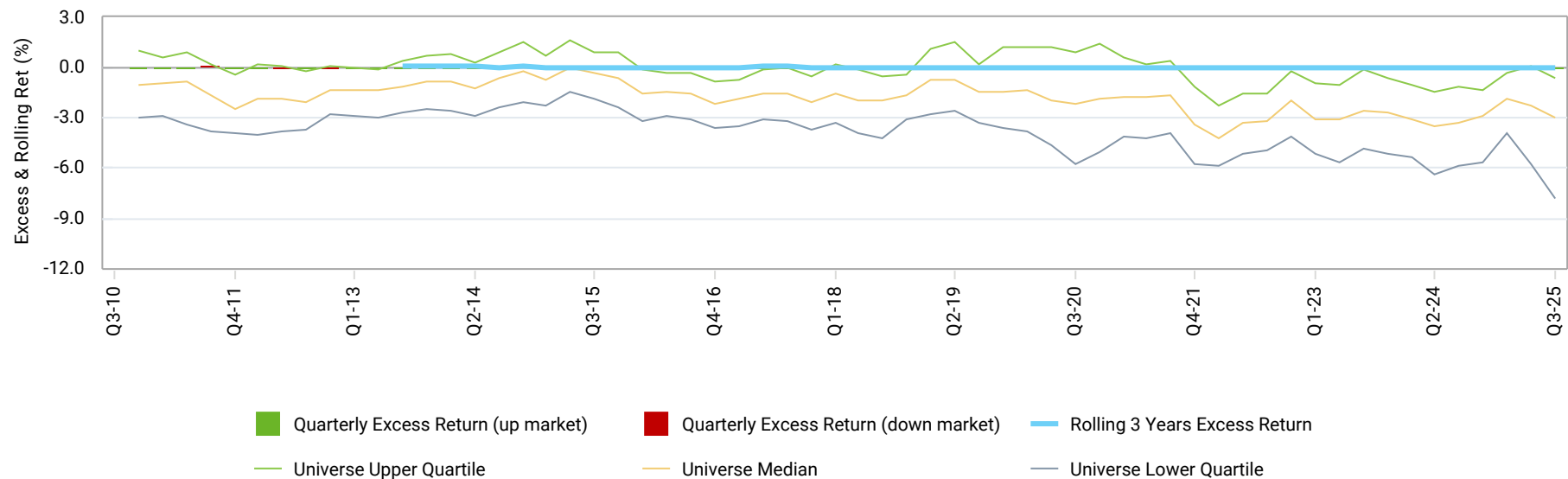
PROPRIETARY & CONFIDENTIAL

BLACKROCK RUSSELL 1000 GROWTH

eV US Large Cap Growth Equity (net of fees)

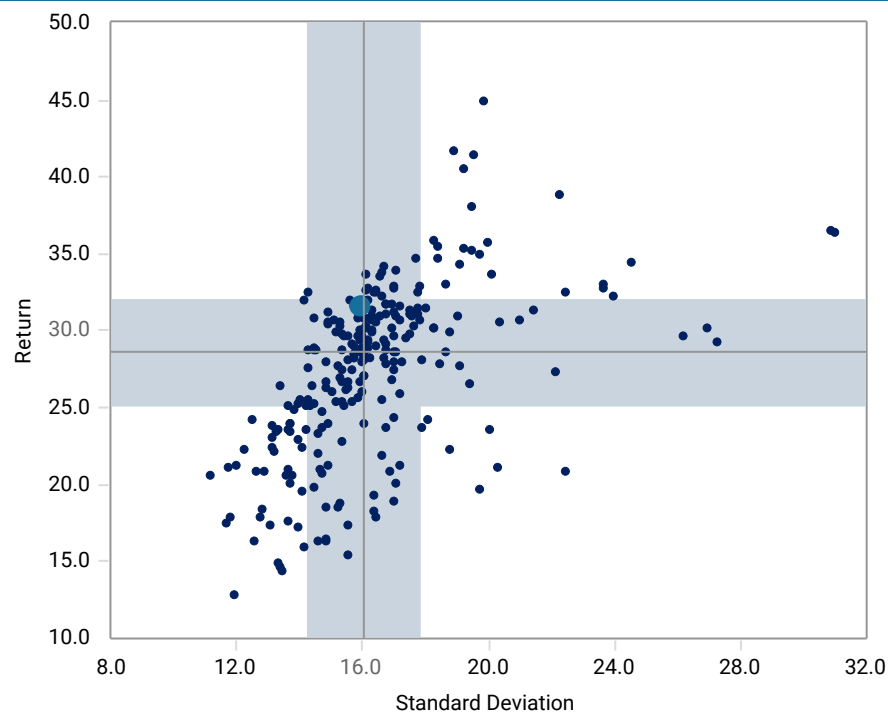


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



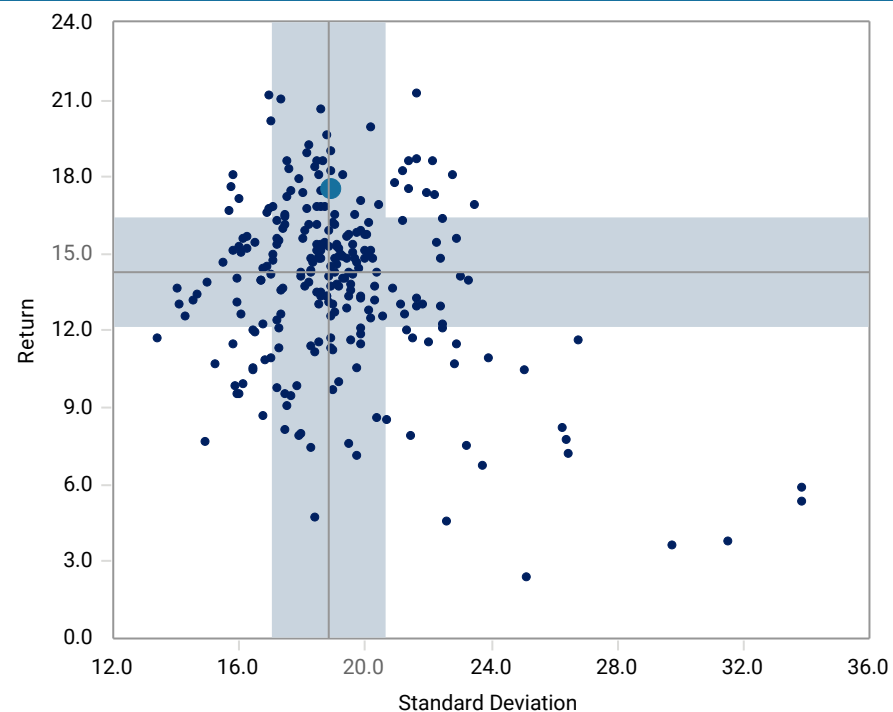
RISK VS. RETURN

3 Years Ending September 30, 2025



● eV US Large Cap Growth Equity ● BlackRock Russell 1000 Growth

5 Years Ending September 30, 2025



● eV US Large Cap Growth Equity ● BlackRock Russell 1000 Growth

3 Years Ending September 30, 2025

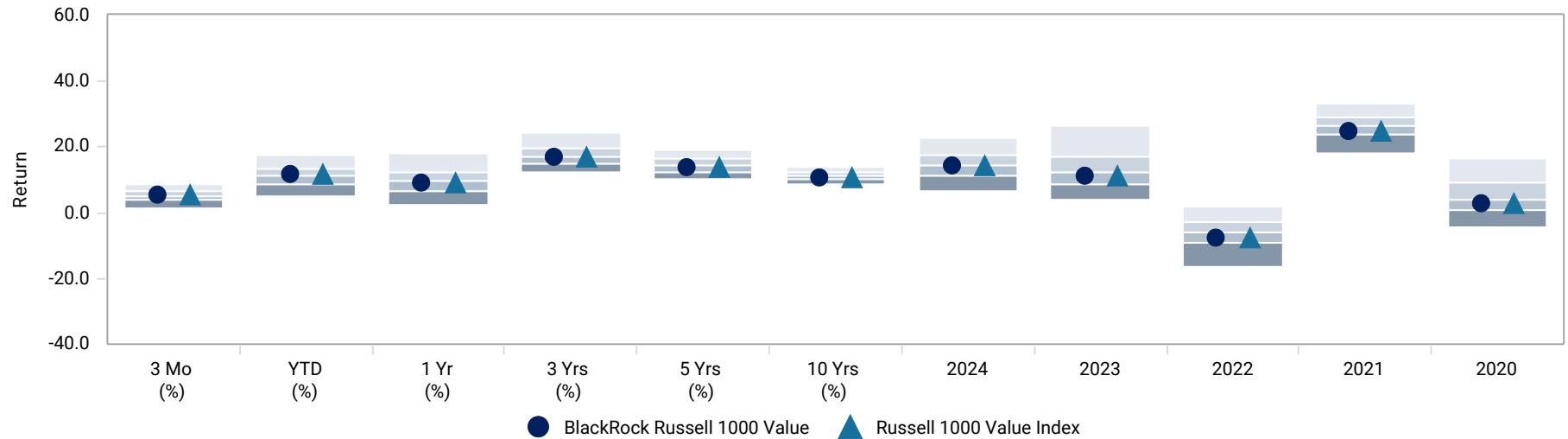
	Return	Standard Deviation	Sharpe Ratio
BlackRock Russell 1000 Growth	31.6 (20)	15.9 (44)	1.5 (12)
Russell 1000 Growth Index	31.6 (20)	15.9 (44)	1.5 (12)
eV US Large Cap Growth Equity Median	28.6	16.0	1.3
Population	260	260	260

5 Years Ending September 30, 2025

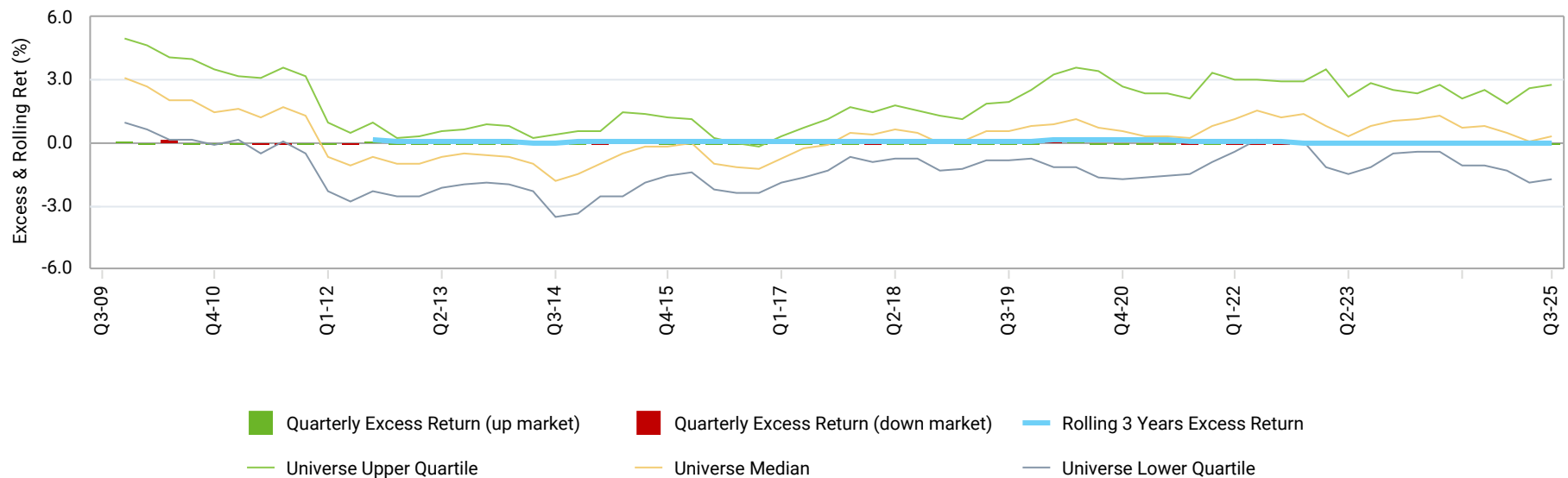
	Return	Standard Deviation	Sharpe Ratio
BlackRock Russell 1000 Growth	17.5 (11)	18.9 (53)	0.8 (14)
Russell 1000 Growth Index	17.6 (11)	18.9 (53)	0.8 (14)
eV US Large Cap Growth Equity Median	14.3	18.8	0.7
Population	248	248	248

BLACKROCK RUSSELL 1000 VALUE

eV US Large Cap Value Equity (net of fees)

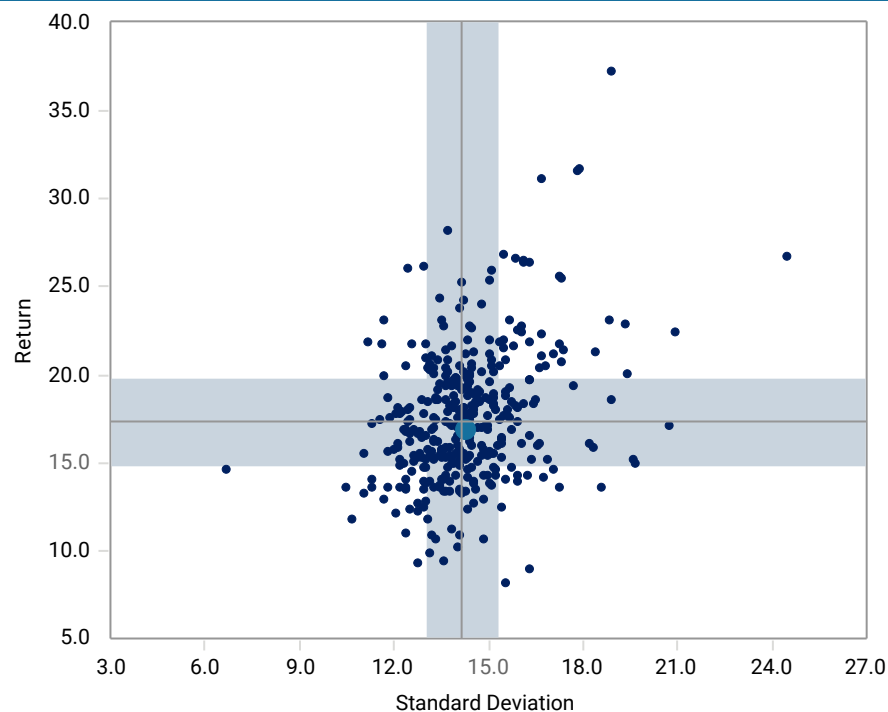


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



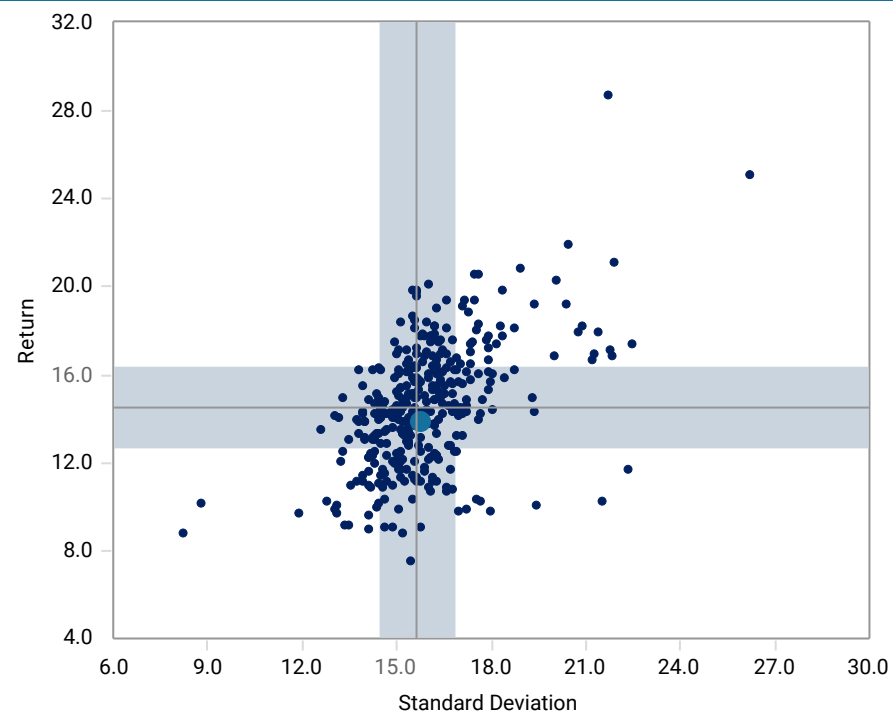
RISK VS. RETURN

3 Years Ending September 30, 2025



● eV US Large Cap Value Equity ● BlackRock Russell 1000 Value

5 Years Ending September 30, 2025



● eV US Large Cap Value Equity ● BlackRock Russell 1000 Value

3 Years Ending September 30, 2025

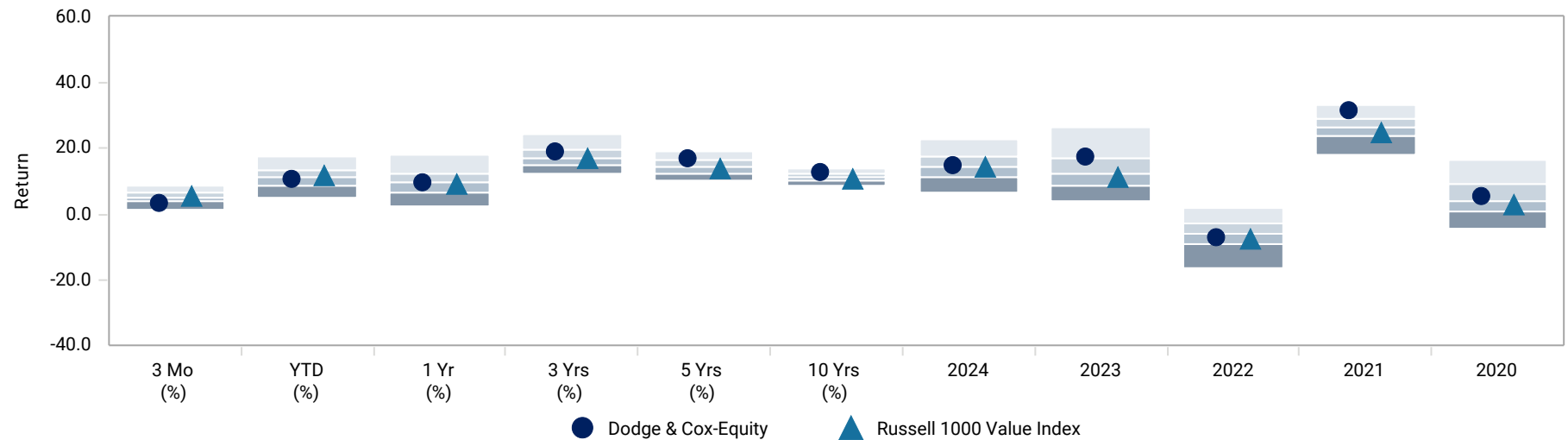
	Return	Standard Deviation	Sharpe Ratio
BlackRock Russell 1000 Value	16.9 (55)	14.3 (52)	0.8 (55)
Russell 1000 Value Index	17.0 (54)	14.3 (52)	0.8 (55)
eV US Large Cap Value Equity Median	17.3	14.2	0.9
Population	371	371	371

5 Years Ending September 30, 2025

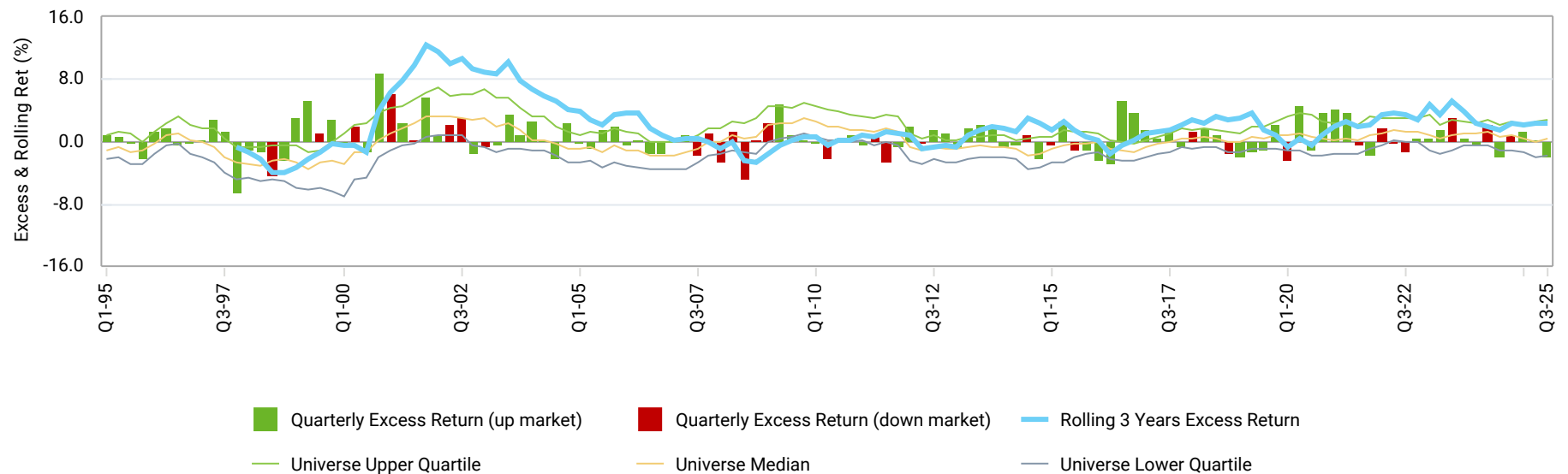
	Return	Standard Deviation	Sharpe Ratio
BlackRock Russell 1000 Value	13.9 (62)	15.8 (52)	0.7 (62)
Russell 1000 Value Index	13.9 (61)	15.8 (52)	0.7 (62)
eV US Large Cap Value Equity Median	14.5	15.6	0.8
Population	351	351	351

DODGE & COX-EQUITY

eV US Large Cap Value Equity (net of fees)

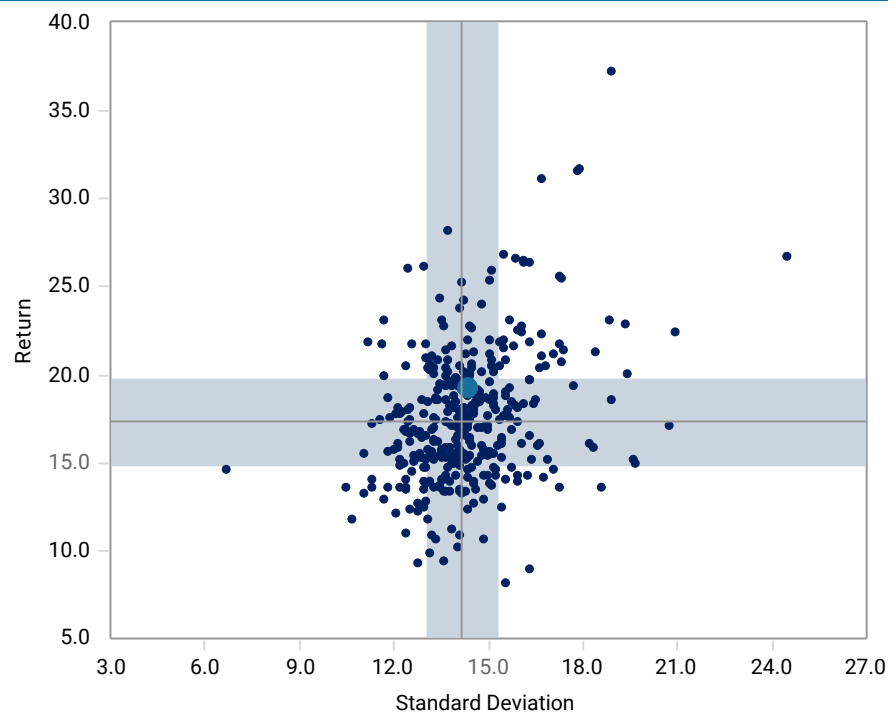


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



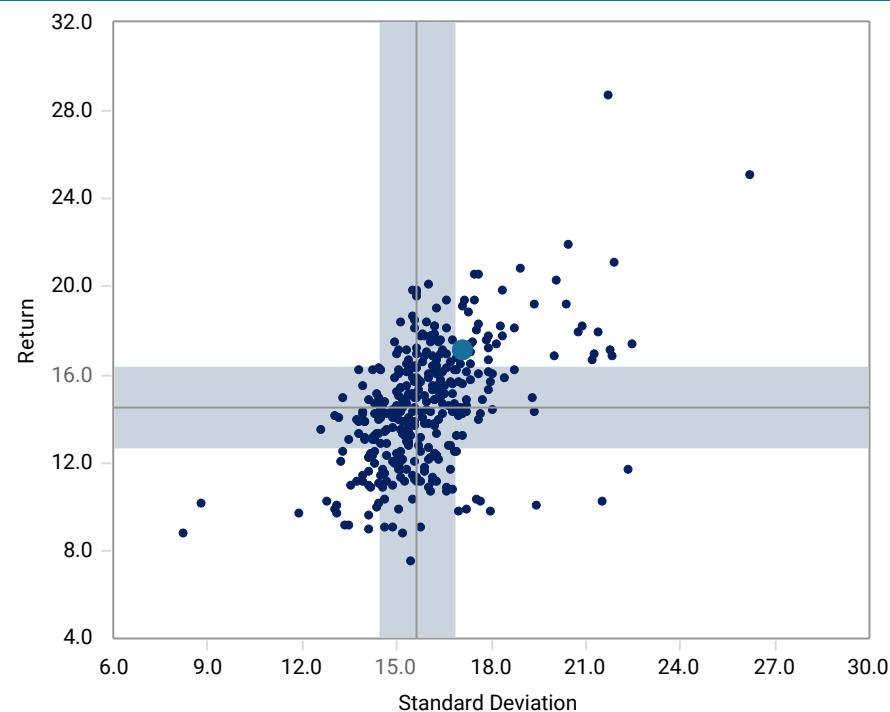
RISK VS. RETURN

3 Years Ending September 30, 2025



● eV US Large Cap Value Equity ● Dodge & Cox-Equity

5 Years Ending September 30, 2025



● eV US Large Cap Value Equity ● Dodge & Cox-Equity

3 Years Ending September 30, 2025

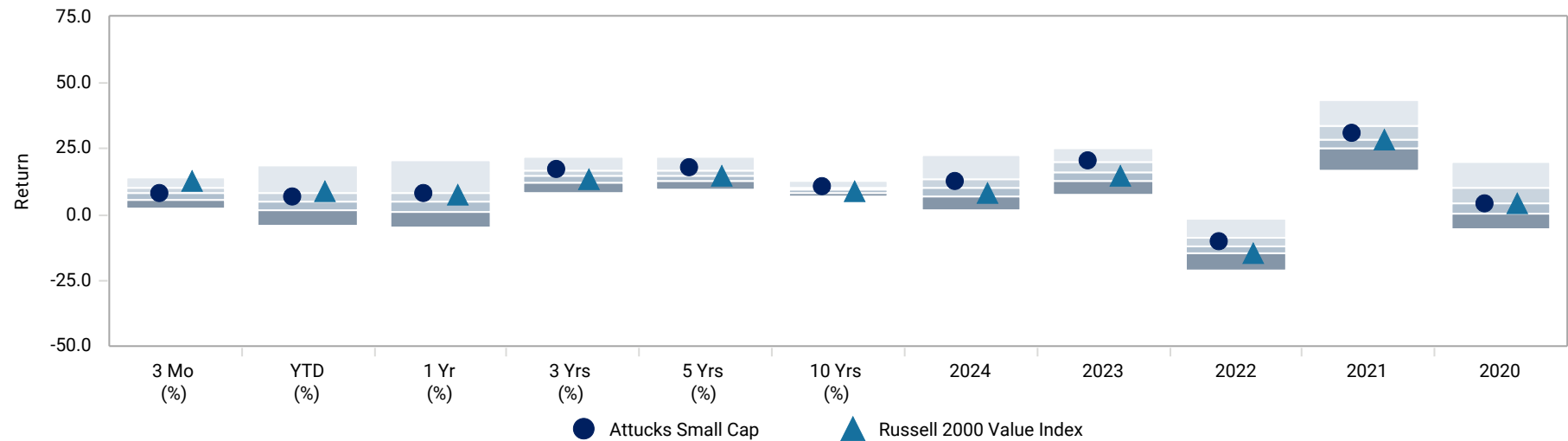
	Return	Standard Deviation	Sharpe Ratio
Dodge & Cox-Equity	19.3 (29)	14.4 (56)	1.0 (30)
Russell 1000 Value Index	17.0 (54)	14.3 (52)	0.8 (55)
eV US Large Cap Value Equity Median	17.3	14.2	0.9
Population	371	371	371

5 Years Ending September 30, 2025

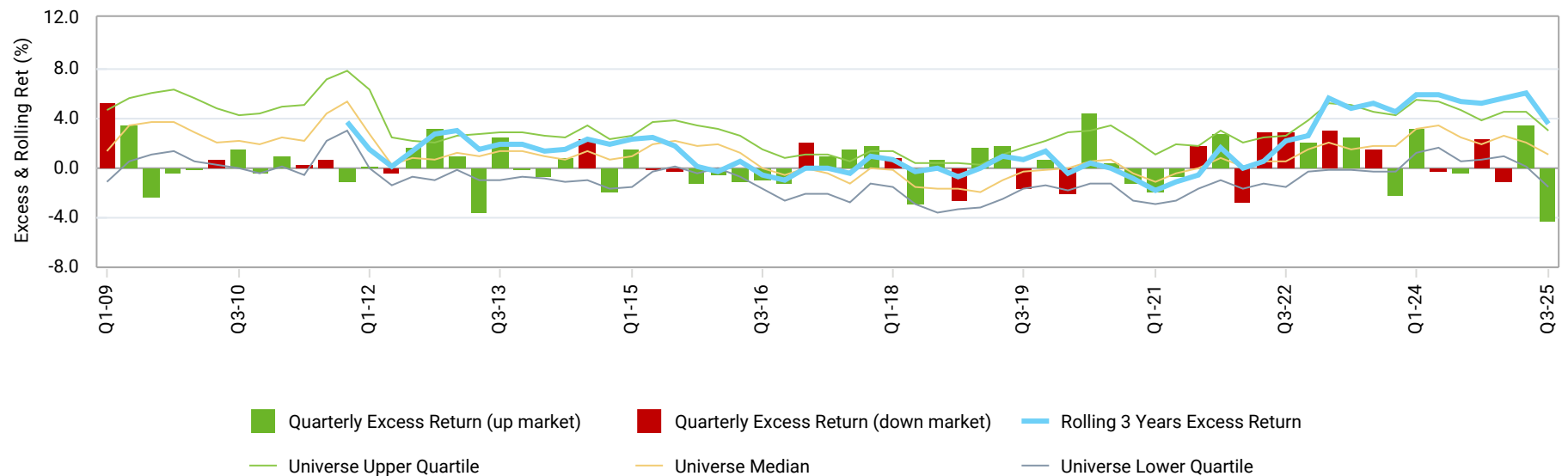
	Return	Standard Deviation	Sharpe Ratio
Dodge & Cox-Equity	17.1 (18)	17.1 (81)	0.8 (24)
Russell 1000 Value Index	13.9 (61)	15.8 (52)	0.7 (62)
eV US Large Cap Value Equity Median	14.5	15.6	0.8
Population	351	351	351

ATTUCKS SMALL CAP

eV US Small Cap Value Equity (net of fees)

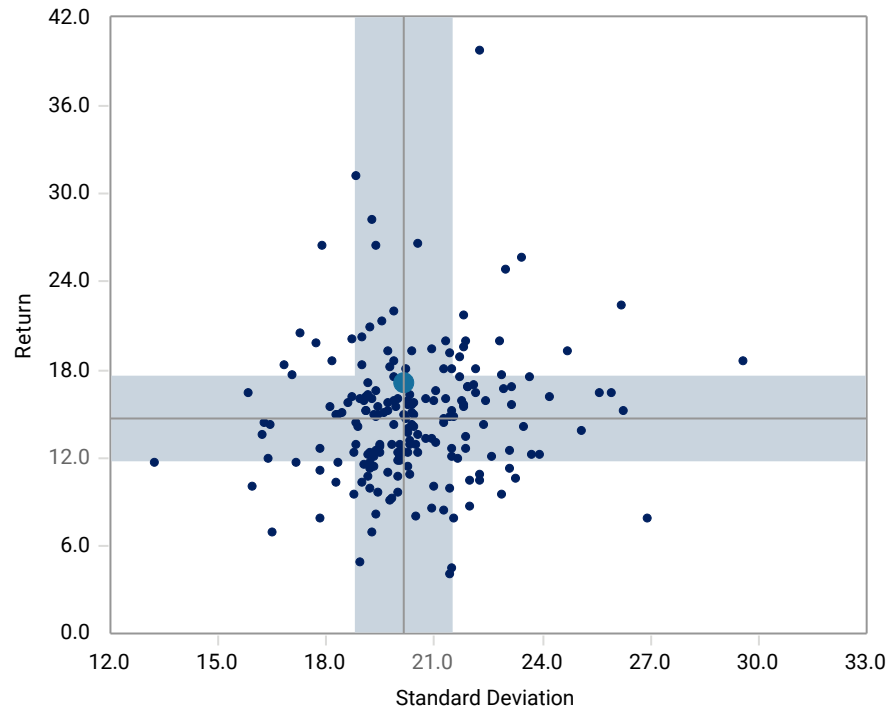


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025

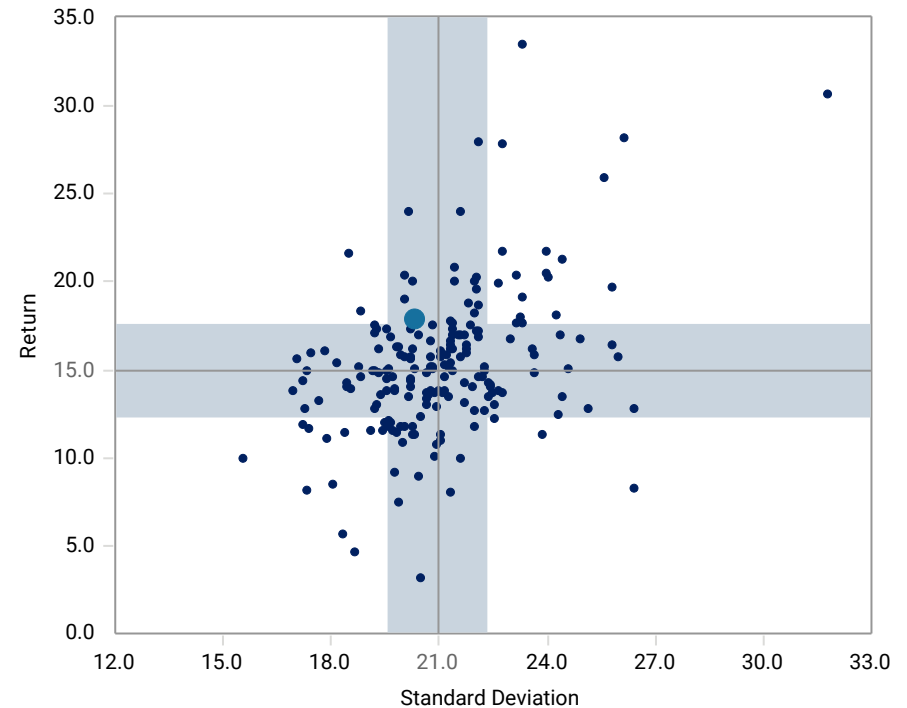


RISK VS. RETURN

3 Years Ending September 30, 2025



5 Years Ending September 30, 2025



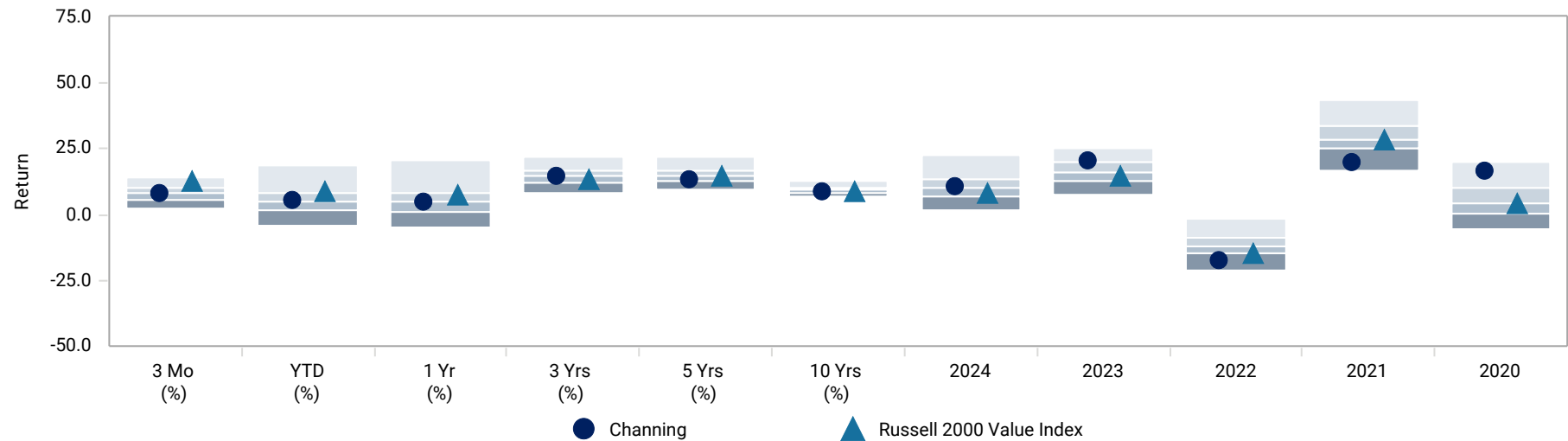
3 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Attucks Small Cap	17.2 (22)	20.2 (49)	0.7 (20)
Russell 2000 Value Index	13.6 (59)	21.7 (77)	0.5 (62)
eV US Small Cap Value Equity Median	14.7	20.2	0.5
Population	197	197	197

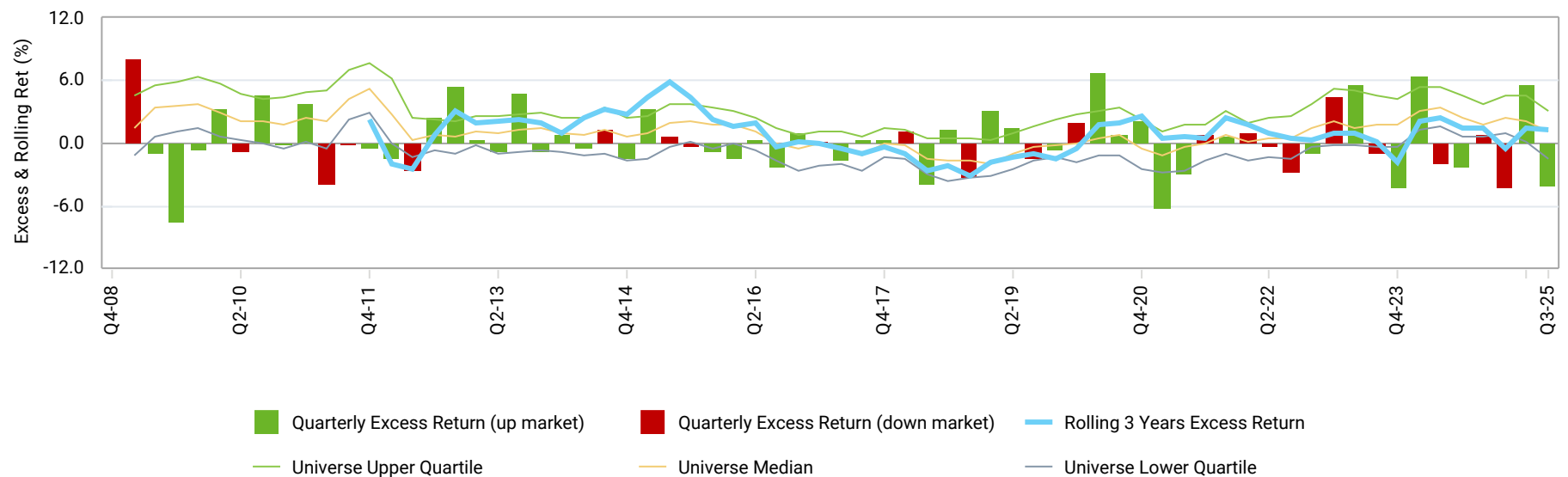
5 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Attucks Small Cap	17.9 (17)	20.3 (39)	0.8 (16)
Russell 2000 Value Index	14.6 (56)	22.1 (76)	0.6 (63)
eV US Small Cap Value Equity Median	15.0	21.0	0.6
Population	194	194	194

eV US Small Cap Value Equity (net of fees)

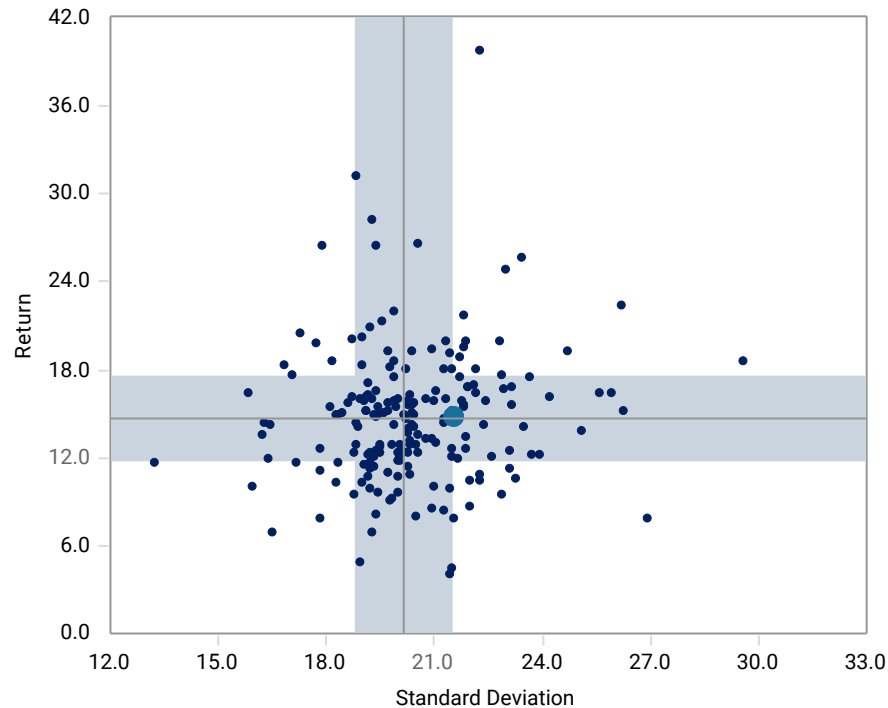


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



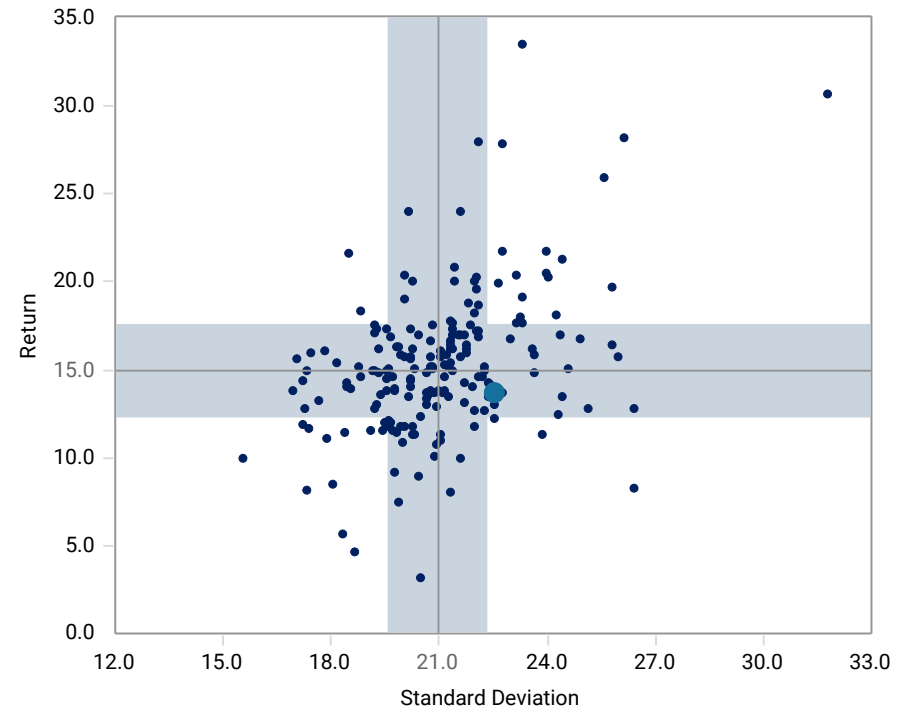
RISK VS. RETURN

3 Years Ending September 30, 2025



● eV US Small Cap Value Equity ● Channing

5 Years Ending September 30, 2025



● eV US Small Cap Value Equity ● Channing

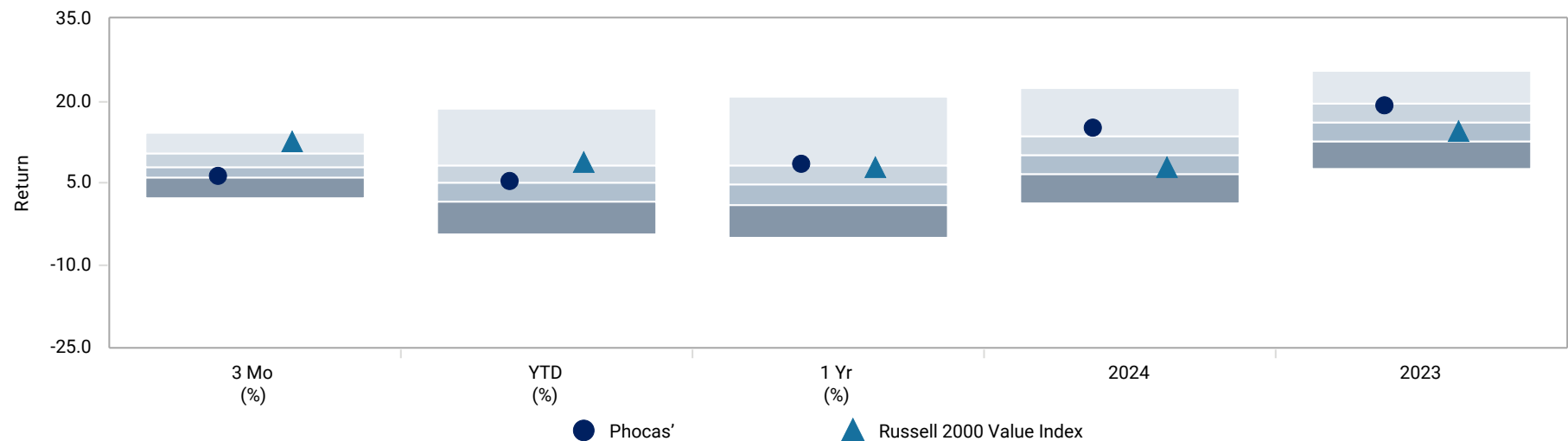
3 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Channing	14.8 (50)	21.5 (75)	0.5 (54)
Russell 2000 Value Index	13.6 (59)	21.7 (77)	0.5 (62)
eV US Small Cap Value Equity Median	14.7	20.2	0.5
Population	197	197	197

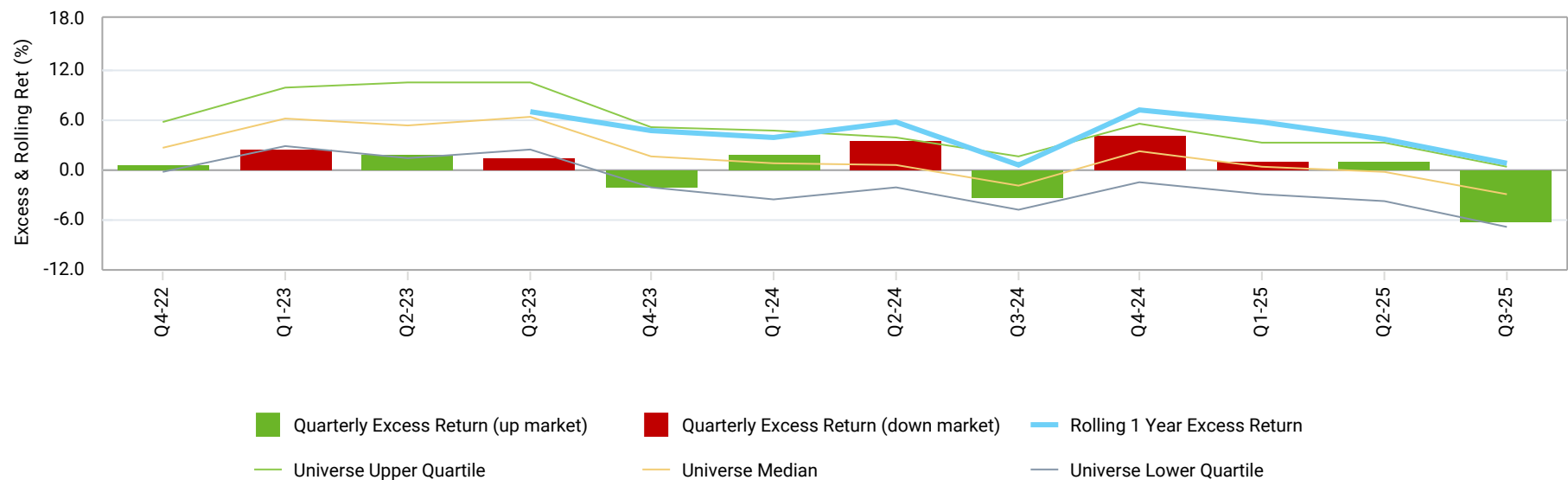
5 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Channing	13.7 (69)	22.5 (81)	0.5 (76)
Russell 2000 Value Index	14.6 (56)	22.1 (76)	0.6 (63)
eV US Small Cap Value Equity Median	15.0	21.0	0.6
Population	194	194	194

eV US Small Cap Value Equity (net of fees)

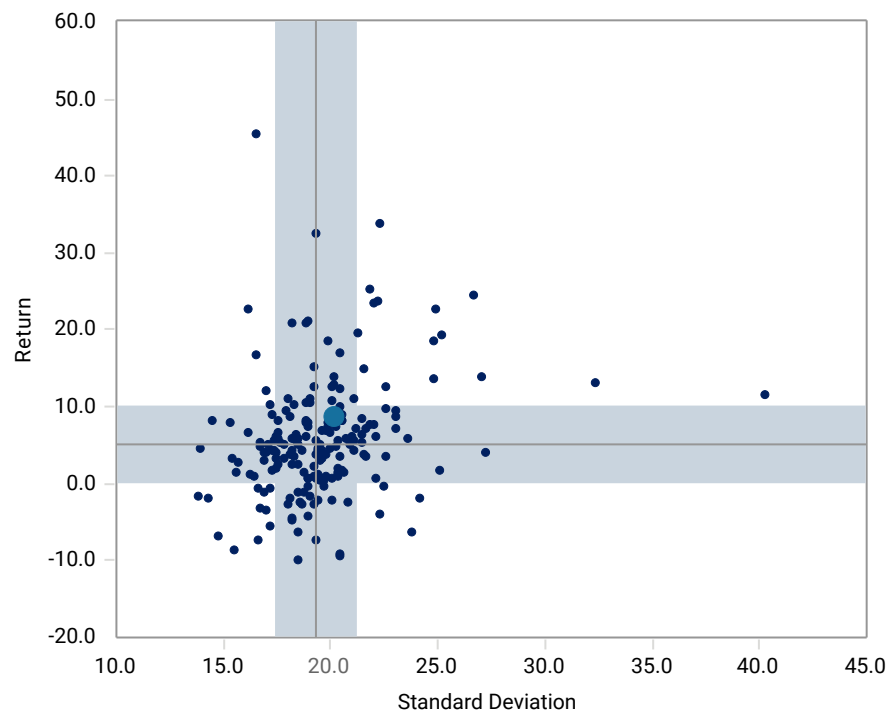


Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending September 30, 2025



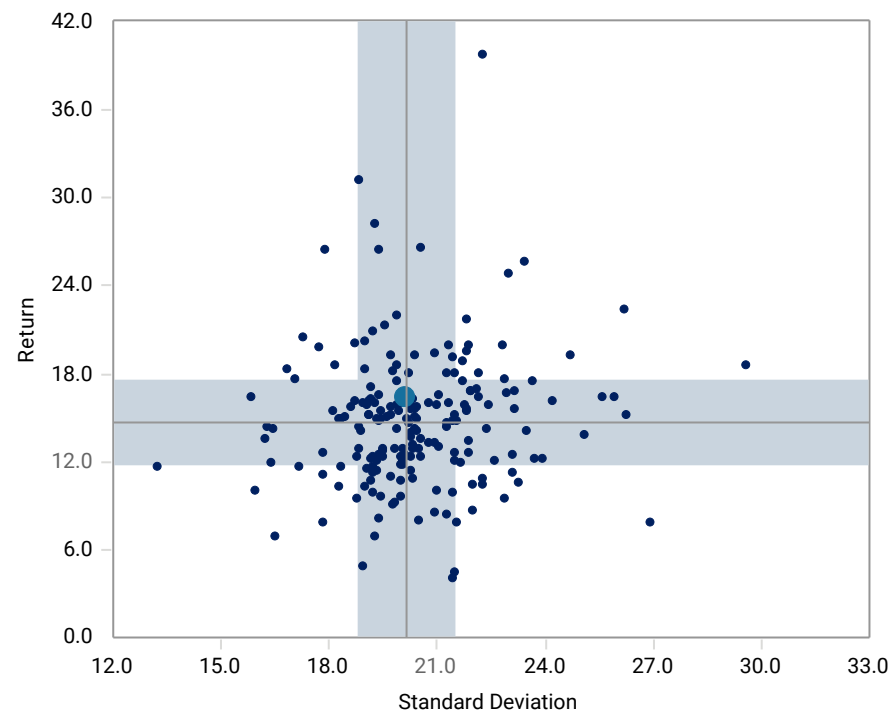
RISK VS. RETURN

1 Year Ending September 30, 2025



● eV US Small Cap Value Equity ● Phocas'

Since Inception Ending September 30, 2025



● eV US Small Cap Value Equity ● Phocas'

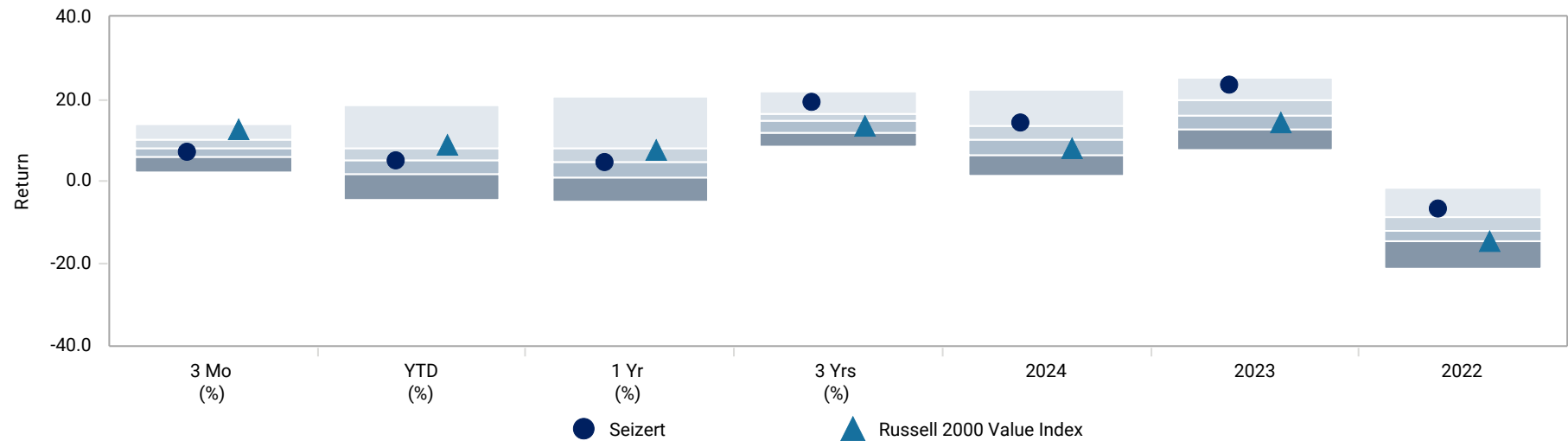
1 Year Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Phocas'	8.7 (25)	20.1 (65)	0.3 (25)
Russell 2000 Value Index	7.9 (29)	19.5 (55)	0.3 (30)
eV US Small Cap Value Equity Median	5.0	19.3	0.1
Population	197	197	197

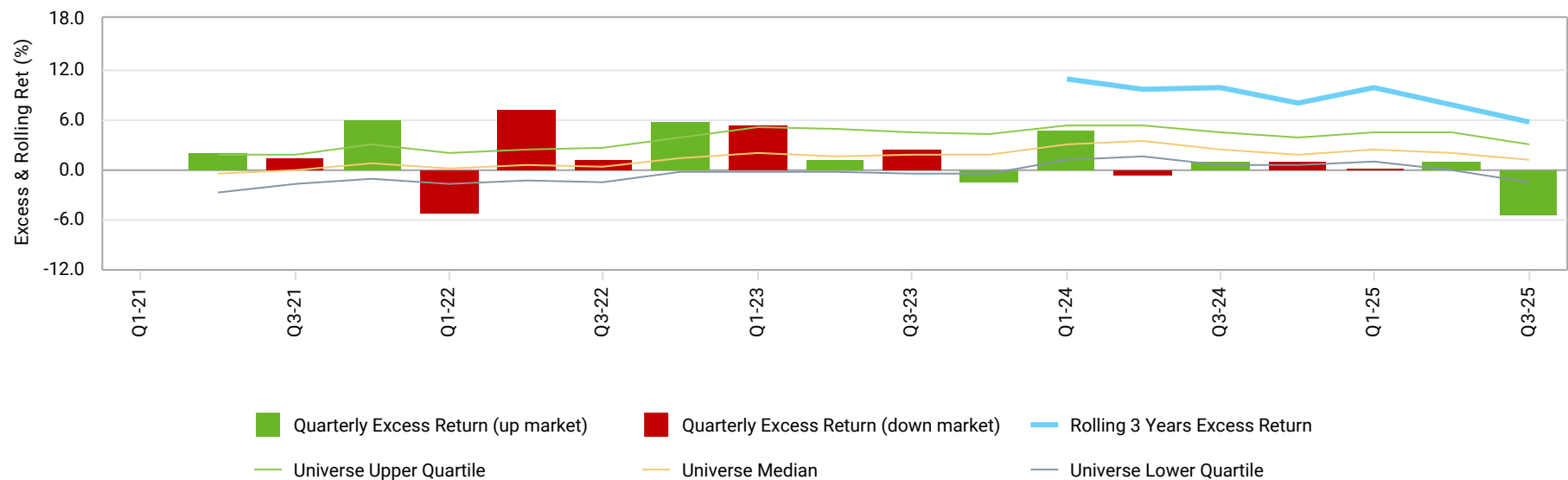
Since Inception Ending September 30, 2025

	Return	Standard Deviation	Return
Phocas'	16.4 (27)	20.1 (49)	16.4 (27)
Russell 2000 Value Index	13.6 (59)	21.7 (77)	13.6 (59)
eV US Small Cap Value Equity Median	14.7	20.2	14.7
Population	197	197	197

eV US Small Cap Value Equity (net of fees)

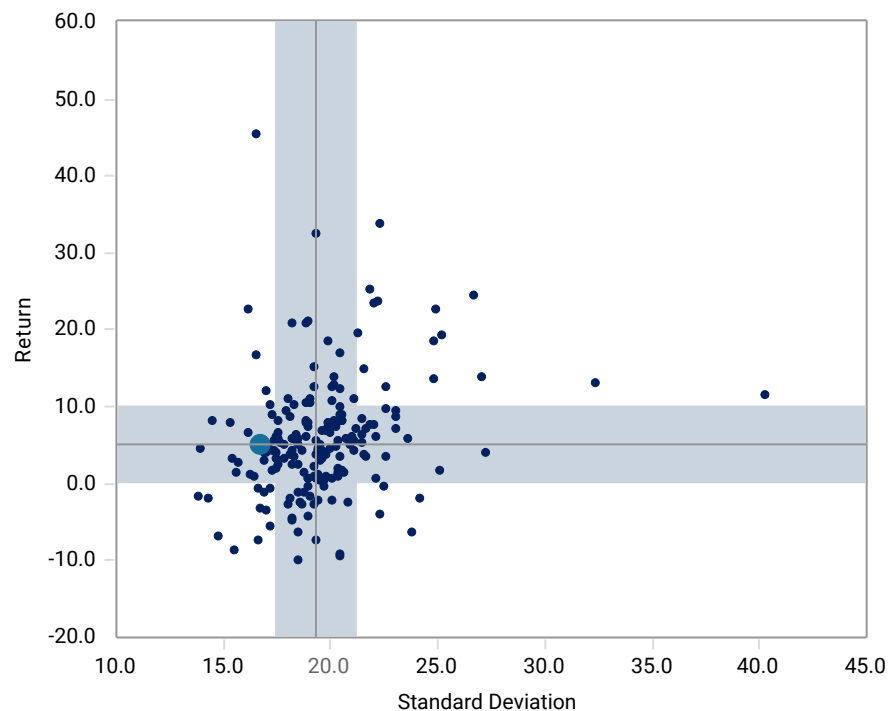


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



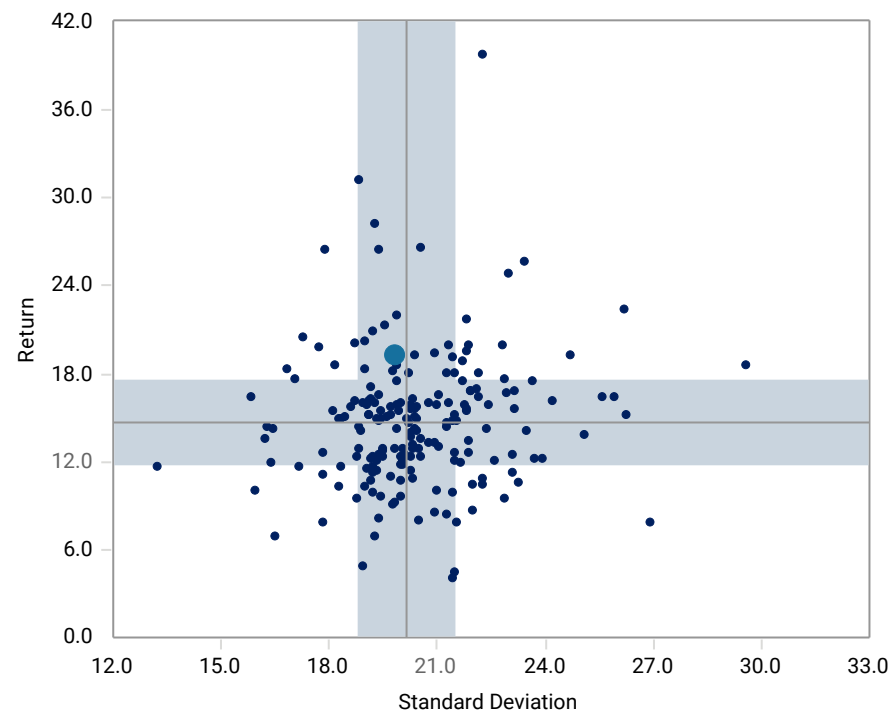
RISK VS. RETURN

1 Year Ending September 30, 2025



● eV US Small Cap Value Equity ● Seizert

3 Years Ending September 30, 2025



● eV US Small Cap Value Equity ● Seizert

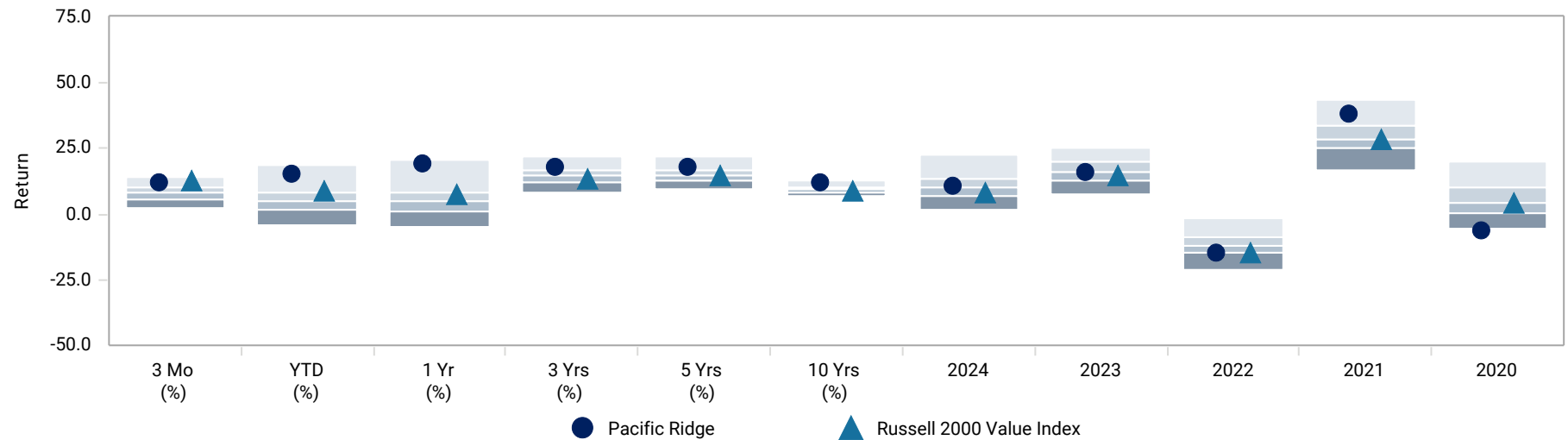
1 Year Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Seizert	5.0 (50)	16.7 (9)	0.1 (52)
Russell 2000 Value Index	7.9 (29)	19.5 (55)	0.3 (30)
eV US Small Cap Value Equity Median	5.0	19.3	0.1
Population	197	197	197

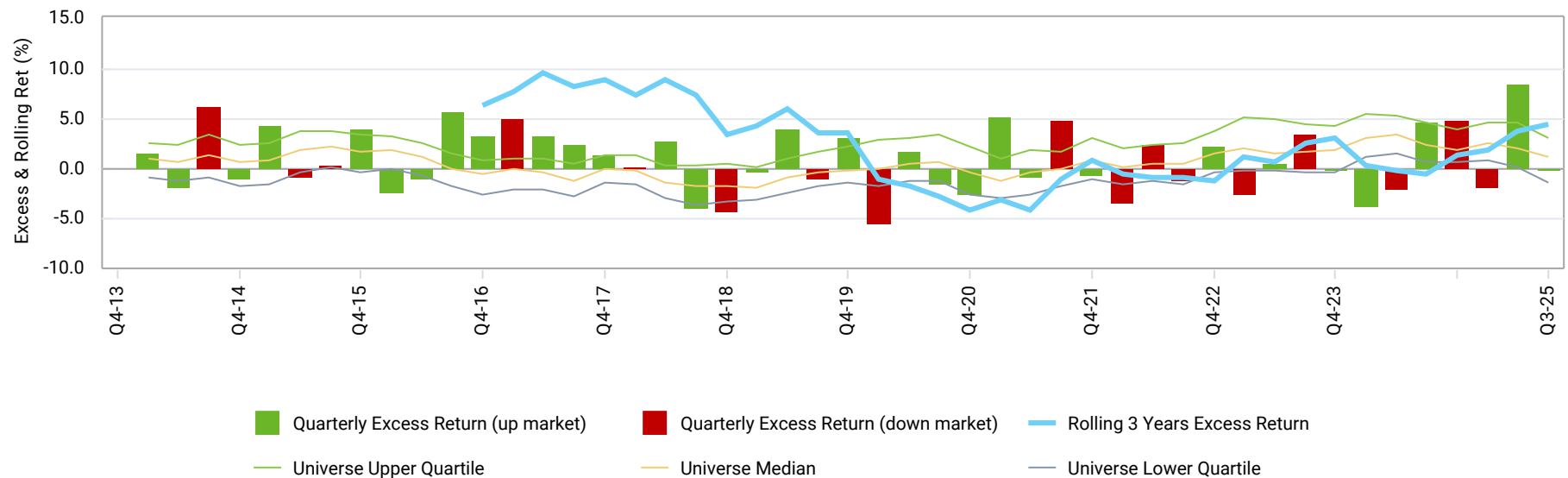
3 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Seizert	19.4 (12)	19.8 (40)	0.8 (10)
Russell 2000 Value Index	13.6 (59)	21.7 (77)	0.5 (62)
eV US Small Cap Value Equity Median	14.7	20.2	0.5
Population	197	197	197

eV US Small Cap Value Equity (net of fees)

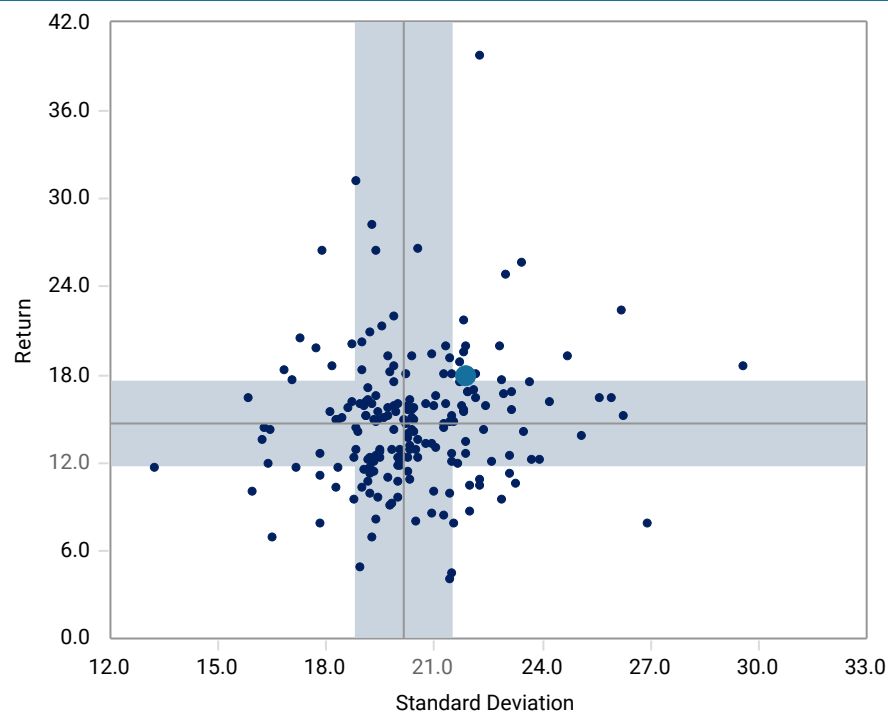


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



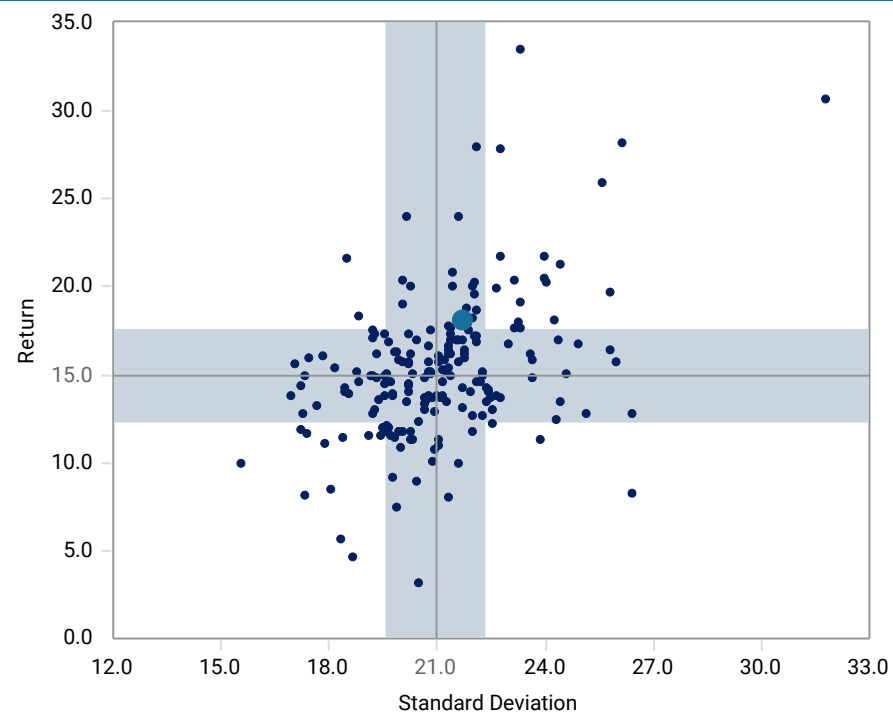
RISK VS. RETURN

3 Years Ending September 30, 2025



● eV US Small Cap Value Equity ● Pacific Ridge

5 Years Ending September 30, 2025



● eV US Small Cap Value Equity ● Pacific Ridge

3 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Pacific Ridge	18.0 (19)	21.9 (81)	0.7 (20)
Russell 2000 Value Index	13.6 (59)	21.7 (77)	0.5 (62)
eV US Small Cap Value Equity Median	14.7	20.2	0.5
Population	197	197	197

5 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Pacific Ridge	18.1 (16)	21.7 (66)	0.7 (20)
Russell 2000 Value Index	14.6 (56)	22.1 (76)	0.6 (63)
eV US Small Cap Value Equity Median	15.0	21.0	0.6
Population	194	194	194



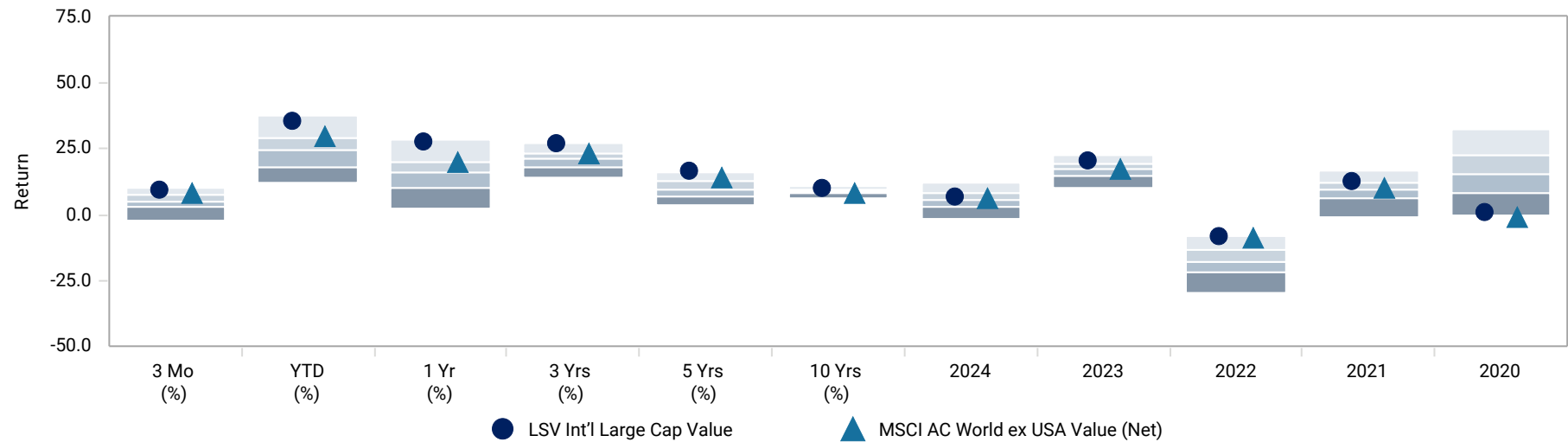
INTERNATIONAL EQUITY



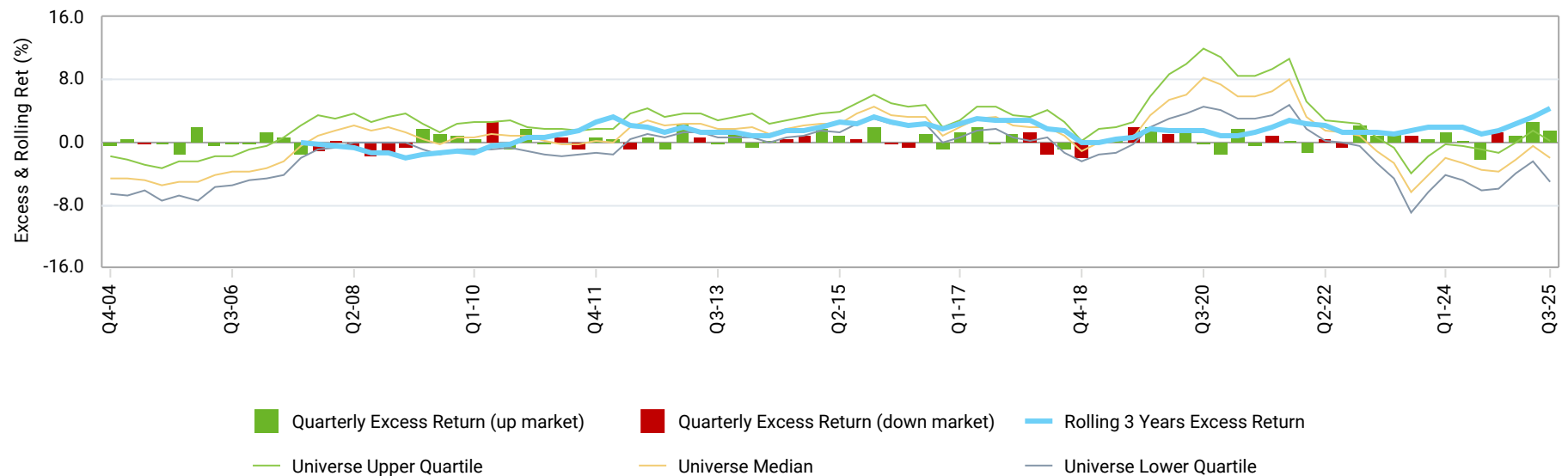
PROPRIETARY & CONFIDENTIAL

LSV INT'L LARGE CAP VALUE

eV ACWI ex-US Large Cap Equity (net of fees)

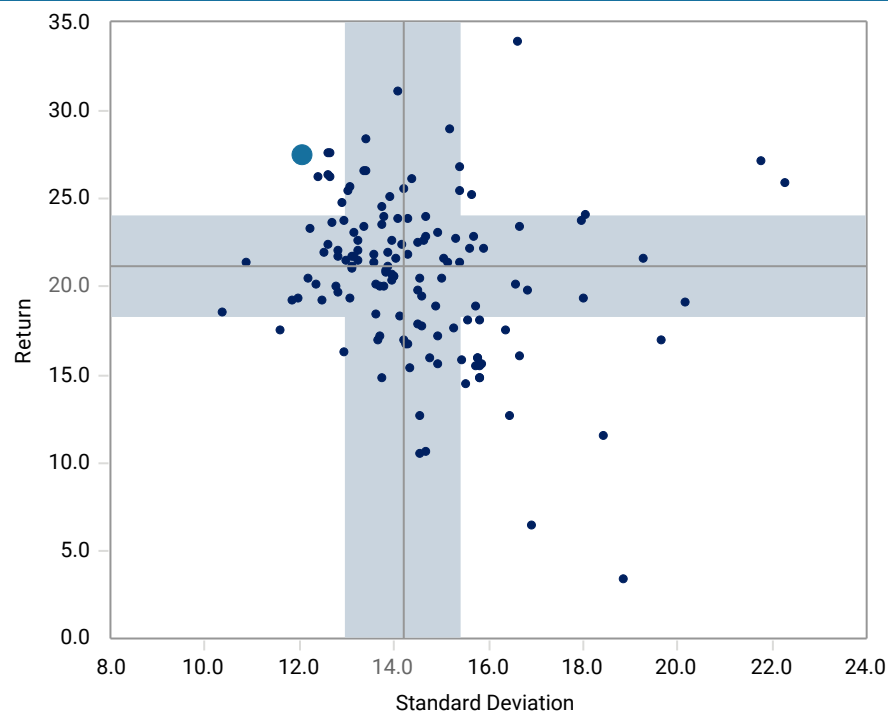


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



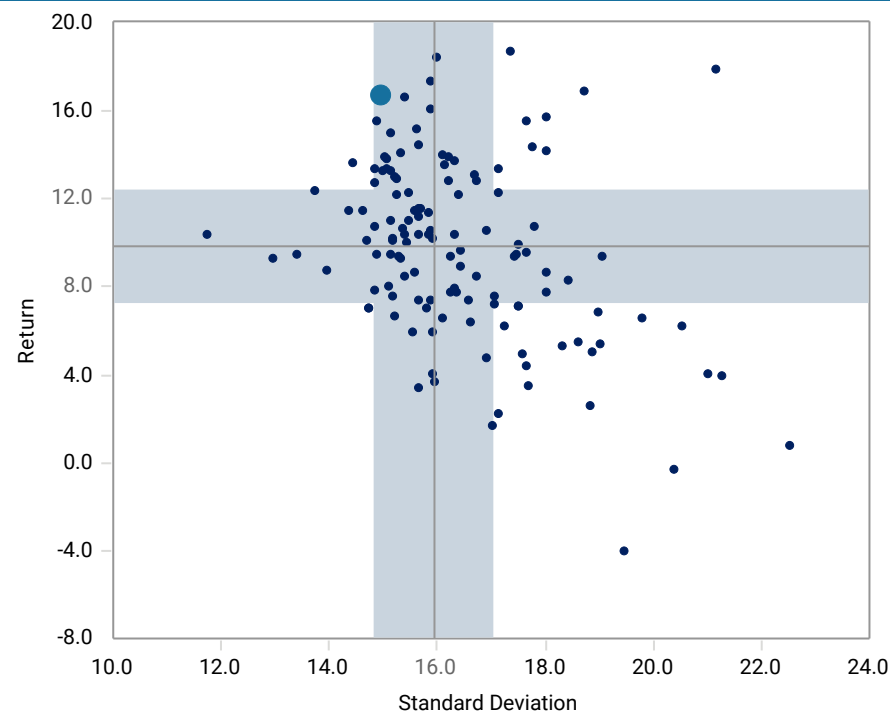
RISK VS. RETURN

3 Years Ending September 30, 2025



● eV ACWI ex-US Large Cap Equity ● LSV Int'l Large Cap Value

5 Years Ending September 30, 2025



● eV ACWI ex-US Large Cap Equity ● LSV Int'l Large Cap Value

3 Years Ending September 30, 2025

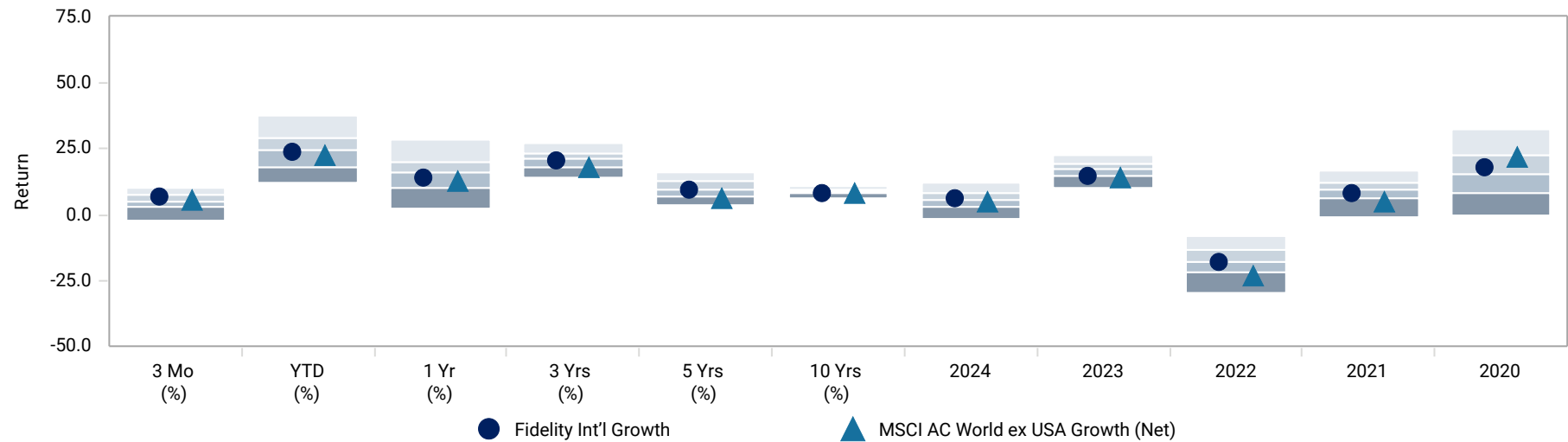
	Return	Standard Deviation	Sharpe Ratio
LSV Int'l Large Cap Value	27.5 (4)	12.1 (3)	1.7 (1)
MSCI AC World ex USA Value (Net)	23.1 (27)	12.6 (8)	1.4 (16)
eV ACWI ex-US Large Cap Equity Median	21.2	14.2	1.1
Population	135	135	135

5 Years Ending September 30, 2025

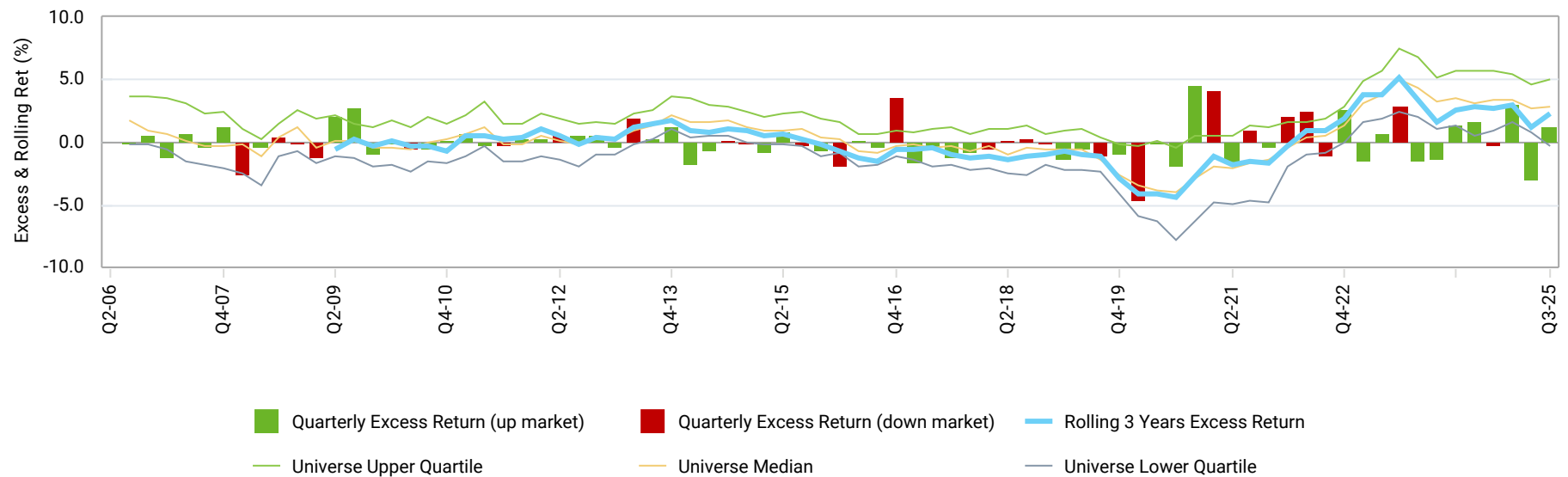
	Return	Standard Deviation	Sharpe Ratio
LSV Int'l Large Cap Value	16.7 (4)	15.0 (13)	0.9 (1)
MSCI AC World ex USA Value (Net)	14.4 (11)	15.3 (26)	0.8 (7)
eV ACWI ex-US Large Cap Equity Median	9.8	15.9	0.5
Population	128	128	128

FIDELITY INT'L GROWTH

eV ACWI ex-US Large Cap Equity (net of fees)

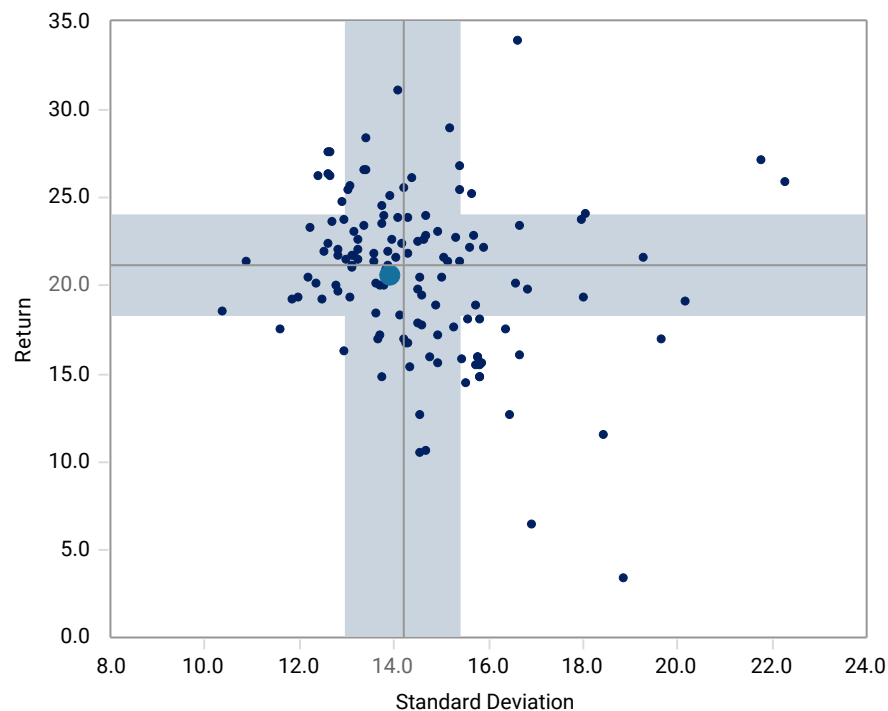


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



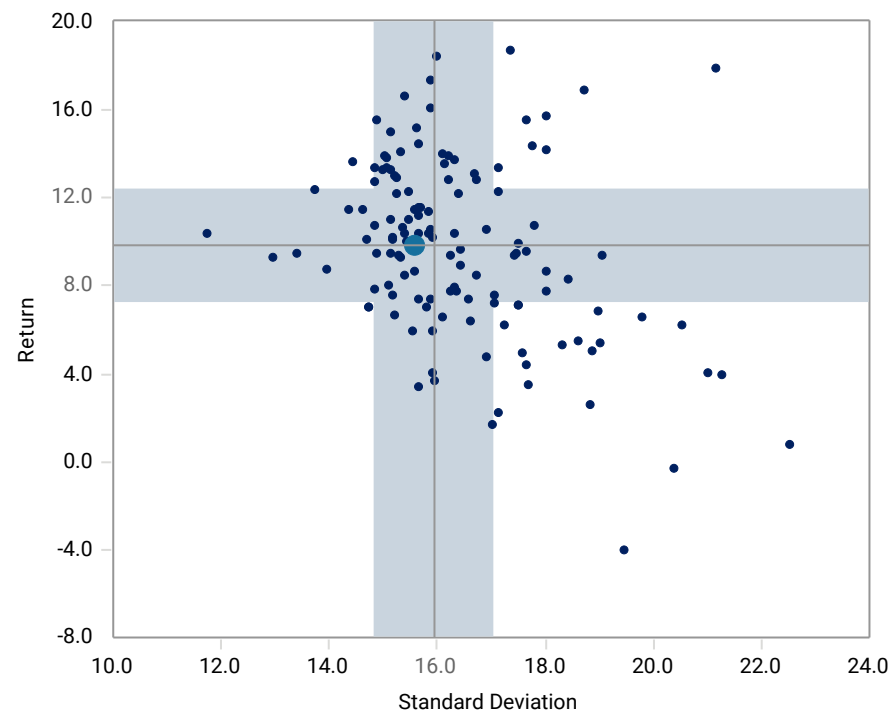
RISK VS. RETURN

3 Years Ending September 30, 2025



● eV ACWI ex-US Large Cap Equity ● Fidelity Int'l Growth

5 Years Ending September 30, 2025



● eV ACWI ex-US Large Cap Equity ● Fidelity Int'l Growth

3 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Fidelity Int'l Growth	20.6 (54)	13.9 (41)	1.1 (52)
MSCI AC World ex USA Growth (Net)	18.3 (73)	14.5 (58)	0.9 (71)
eV ACWI ex-US Large Cap Equity Median	21.2	14.2	1.1
Population	135	135	135

5 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Fidelity Int'l Growth	9.9 (50)	15.6 (35)	0.5 (51)
MSCI AC World ex USA Growth (Net)	6.2 (83)	15.9 (47)	0.3 (82)
eV ACWI ex-US Large Cap Equity Median	9.8	15.9	0.5
Population	128	128	128

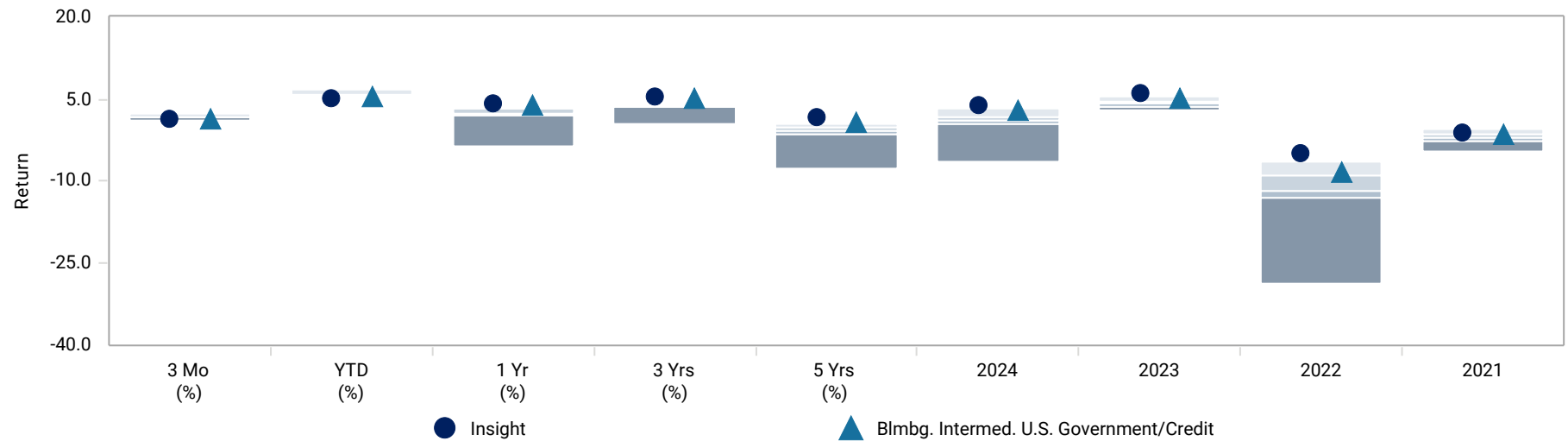


DOMESTIC FIXED INCOME

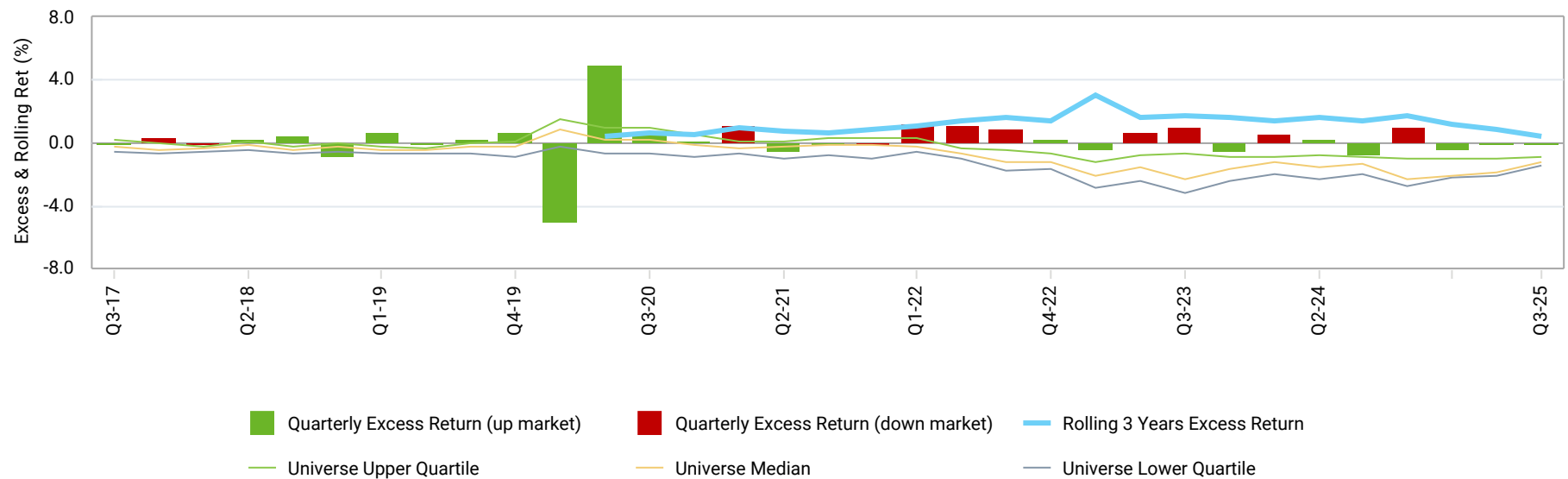


PROPRIETARY & CONFIDENTIAL

eV US Government Fixed Inc (net of fees)

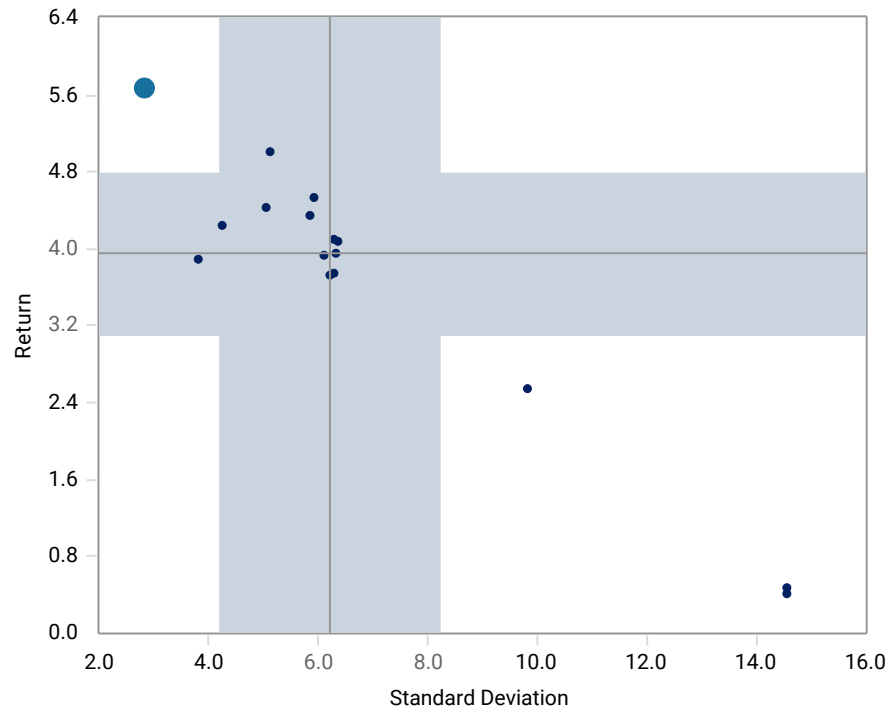


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025

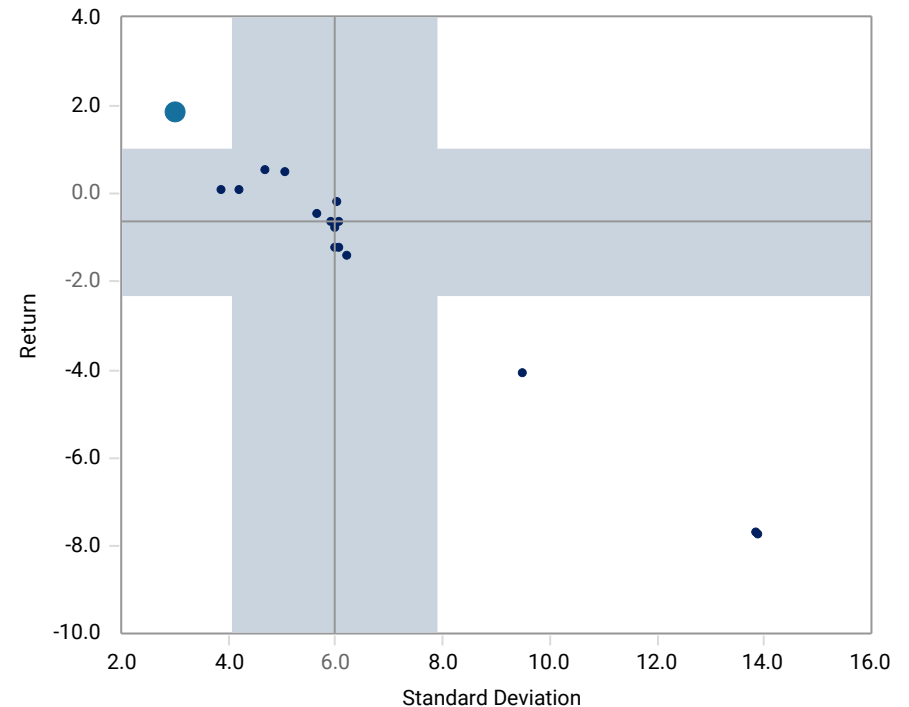


RISK VS. RETURN

3 Years Ending September 30, 2025



5 Years Ending September 30, 2025



3 Years Ending September 30, 2025

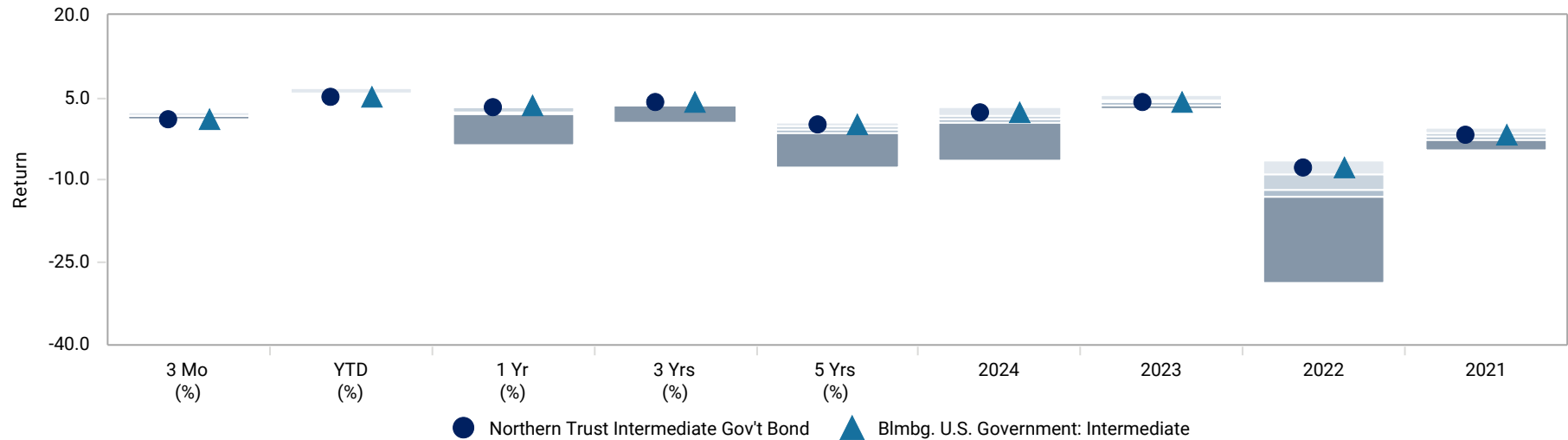
	Return	Standard Deviation	Sharpe Ratio
Insight	5.7 (1)	2.8 (1)	0.3 (1)
Blmbg. Intermed. U.S. Government/Credit	5.2 (1)	4.0 (2)	0.1 (1)
eV US Government Fixed Inc Median	4.0	6.2	-0.1
Population	15	15	15

5 Years Ending September 30, 2025

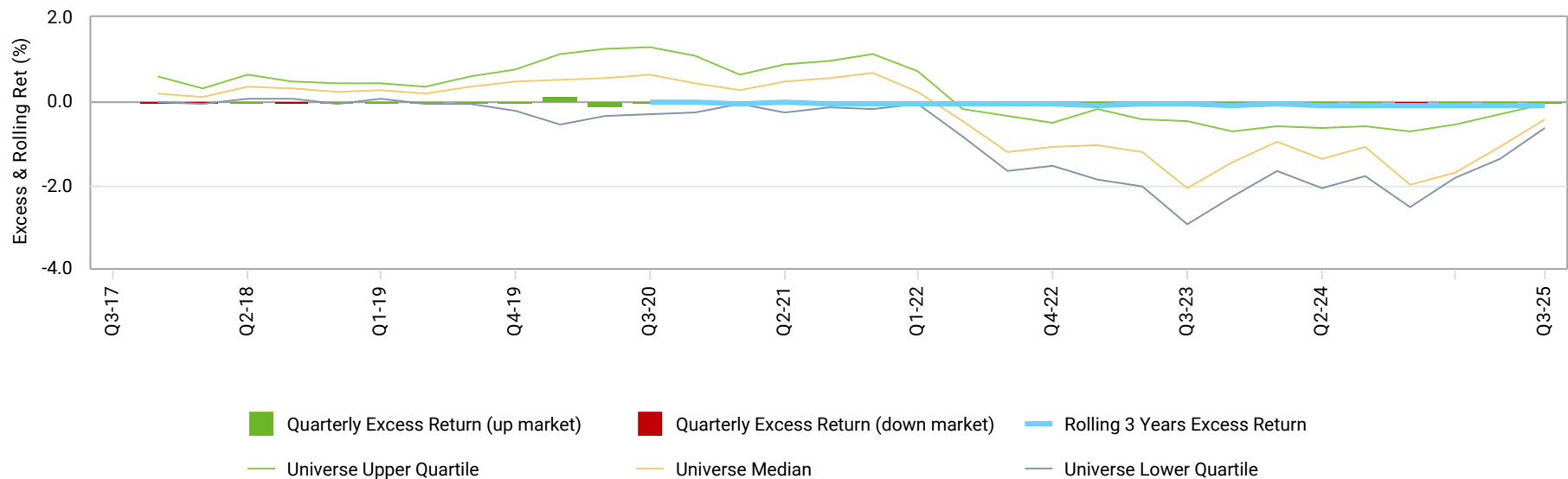
	Return	Standard Deviation	Sharpe Ratio
Insight	1.9 (1)	3.0 (1)	-0.4 (1)
Blmbg. Intermed. U.S. Government/Credit	0.8 (1)	4.1 (6)	-0.5 (16)
eV US Government Fixed Inc Median	-0.6	6.0	-0.7
Population	15	15	15

NORTHERN TRUST INTERMEDIATE GOV'T BOND

eV US Government Fixed Inc (net of fees)

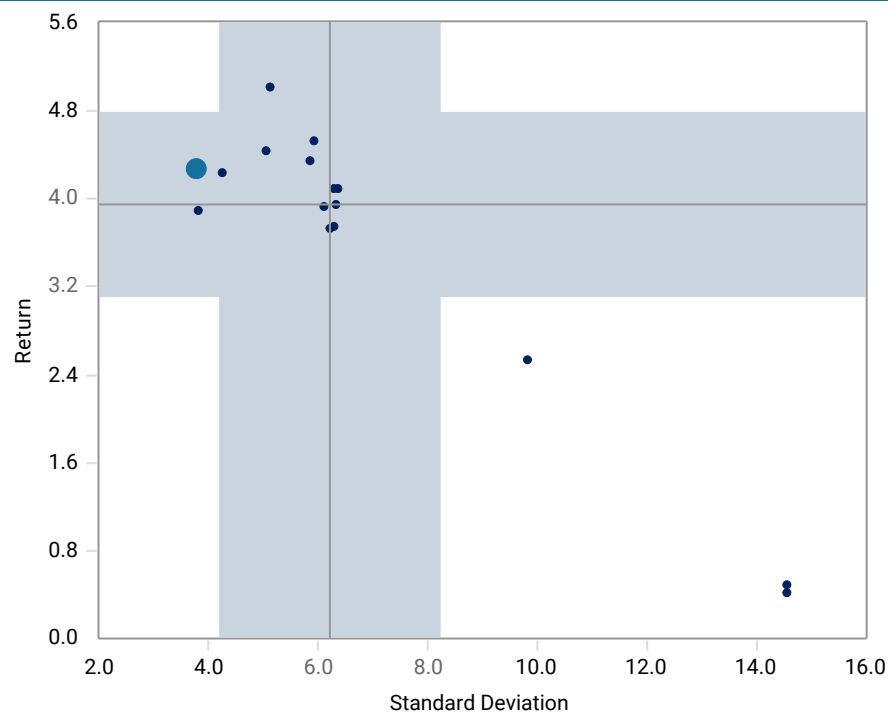


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



RISK VS. RETURN

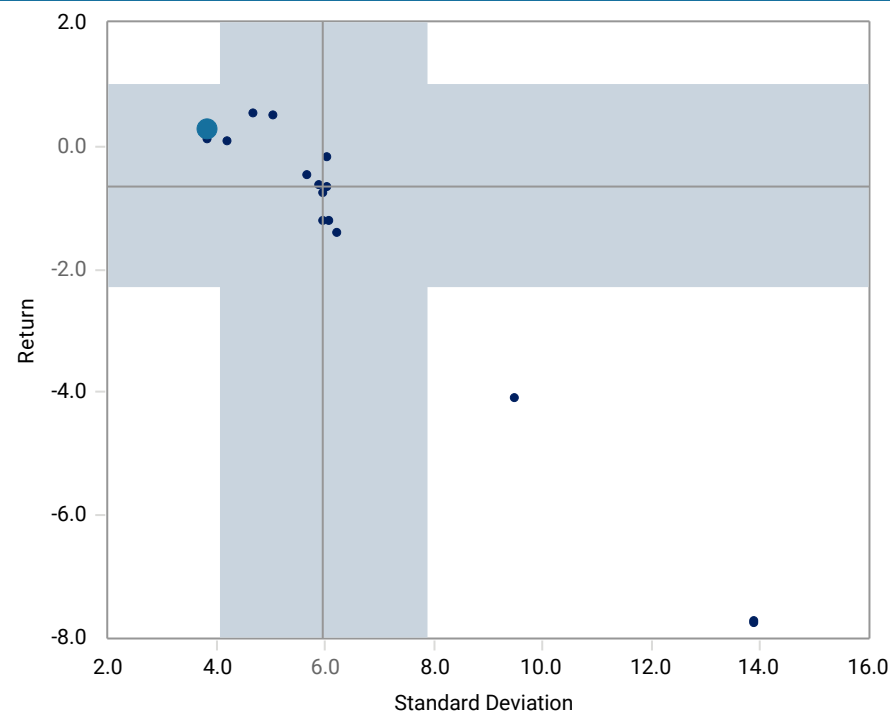
3 Years Ending September 30, 2025



● eV US Government Fixed Inc

● Northern Trust Intermediate Gov't Bond

5 Years Ending September 30, 2025



● eV US Government Fixed Inc

● Northern Trust Intermediate Gov't Bond

3 Years Ending September 30, 2025

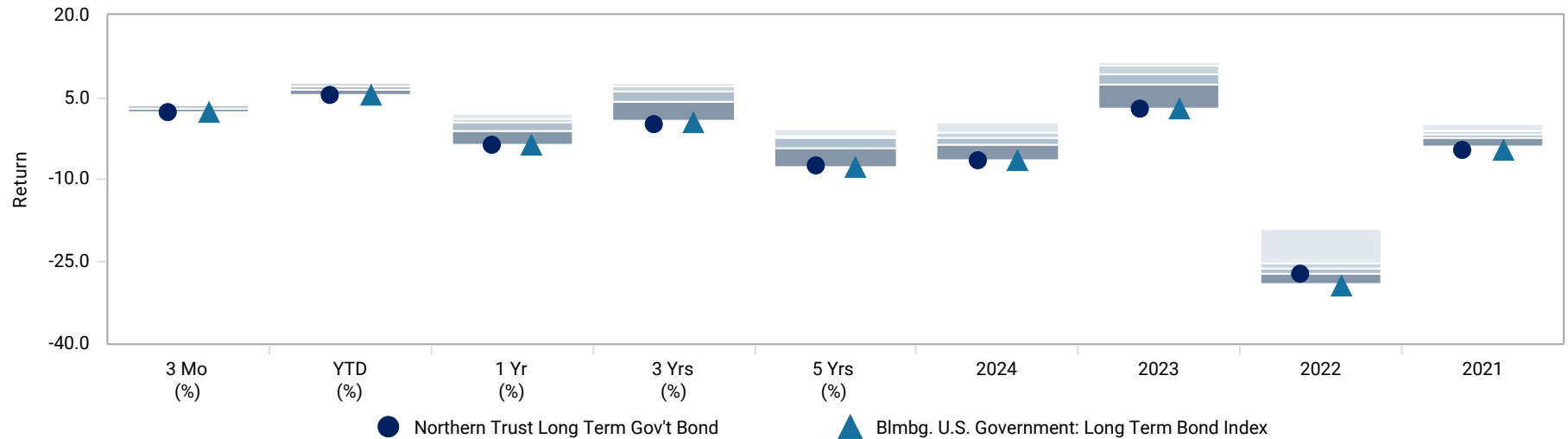
	Return	Standard Deviation	Sharpe Ratio
Northern Trust Intermediate Gov't Bond	4.3 (28)	3.8 (1)	-0.1 (59)
Blmbg. U.S. Government: Intermediate	4.4 (22)	3.8 (1)	-0.1 (41)
eV US Government Fixed Inc Median	4.0	6.2	-0.1
Population	15	15	15

5 Years Ending September 30, 2025

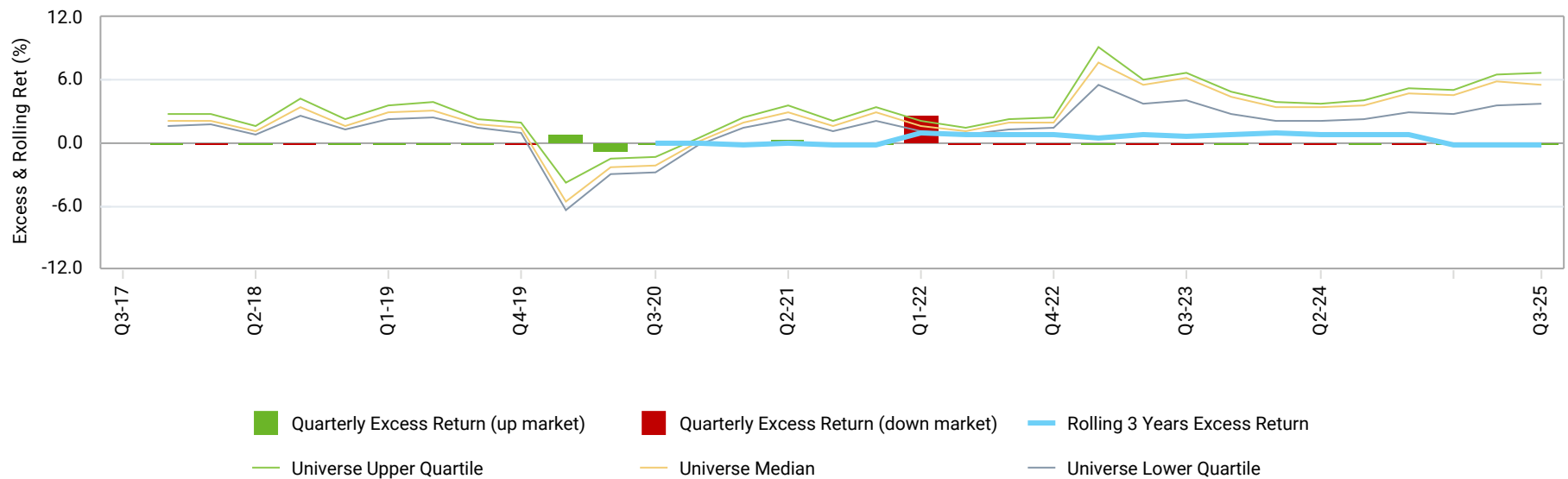
	Return	Standard Deviation	Sharpe Ratio
Northern Trust Intermediate Gov't Bond	0.3 (12)	3.8 (1)	-0.7 (75)
Blmbg. U.S. Government: Intermediate	0.4 (10)	3.9 (1)	-0.7 (57)
eV US Government Fixed Inc Median	-0.6	6.0	-0.7
Population	15	15	15

NORTHERN TRUST LONG TERM GOV'T BOND

eV US Long Duration Fixed Inc (net of fees)

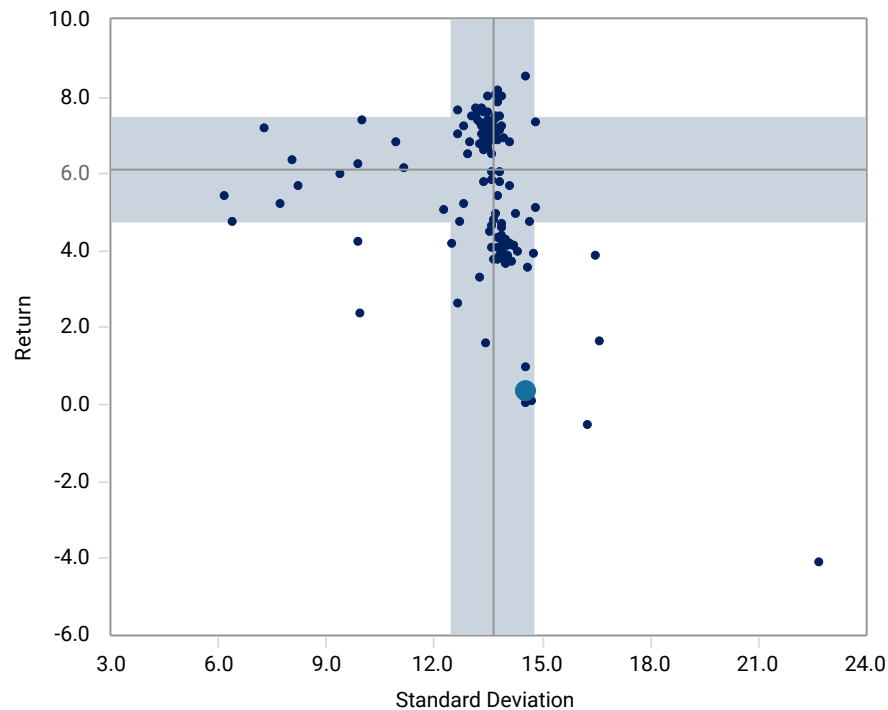


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



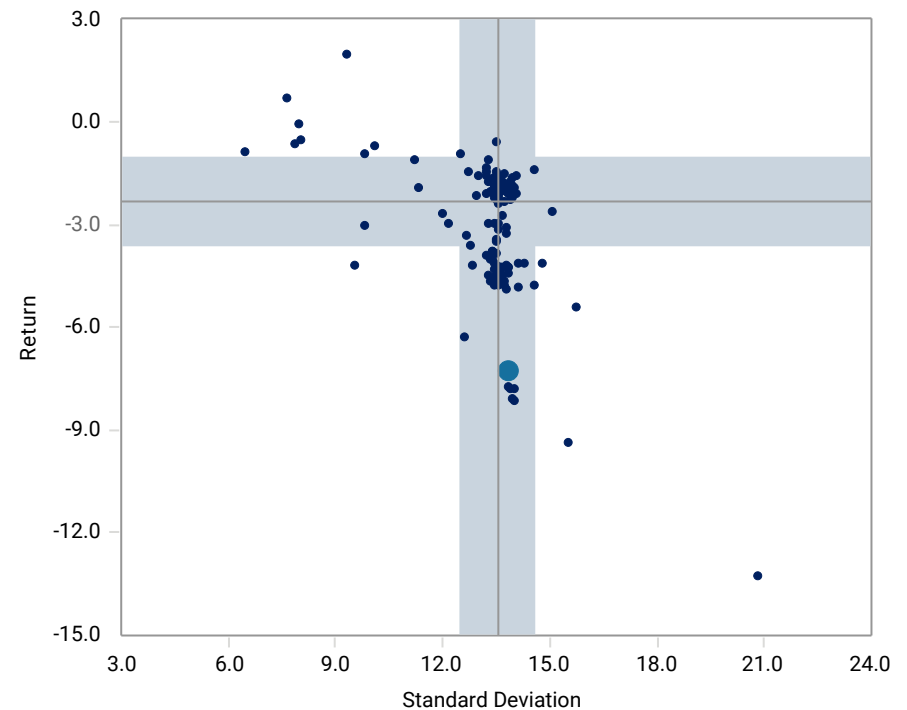
RISK VS. RETURN

3 Years Ending September 30, 2025



● eV US Long Duration Fixed Inc ● Northern Trust Long Term Gov't Bond

5 Years Ending September 30, 2025



● eV US Long Duration Fixed Inc ● Northern Trust Long Term Gov't Bond

3 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Northern Trust Long Term Gov't Bond	0.4 (97)	14.5 (89)	-0.2 (98)
<i>Blmbg. U.S. Government: Long Term Bond Index</i>	0.5 (96)	14.5 (90)	-0.2 (96)
<i>eV US Long Duration Fixed Inc Median</i>	6.1	13.6	0.2
Population	136	136	136

5 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
Northern Trust Long Term Gov't Bond	-7.3 (95)	13.8 (76)	-0.7 (94)
<i>Blmbg. U.S. Government: Long Term Bond Index</i>	-7.7 (96)	13.9 (81)	-0.7 (98)
<i>eV US Long Duration Fixed Inc Median</i>	-2.3	13.5	-0.4
Population	129	129	129

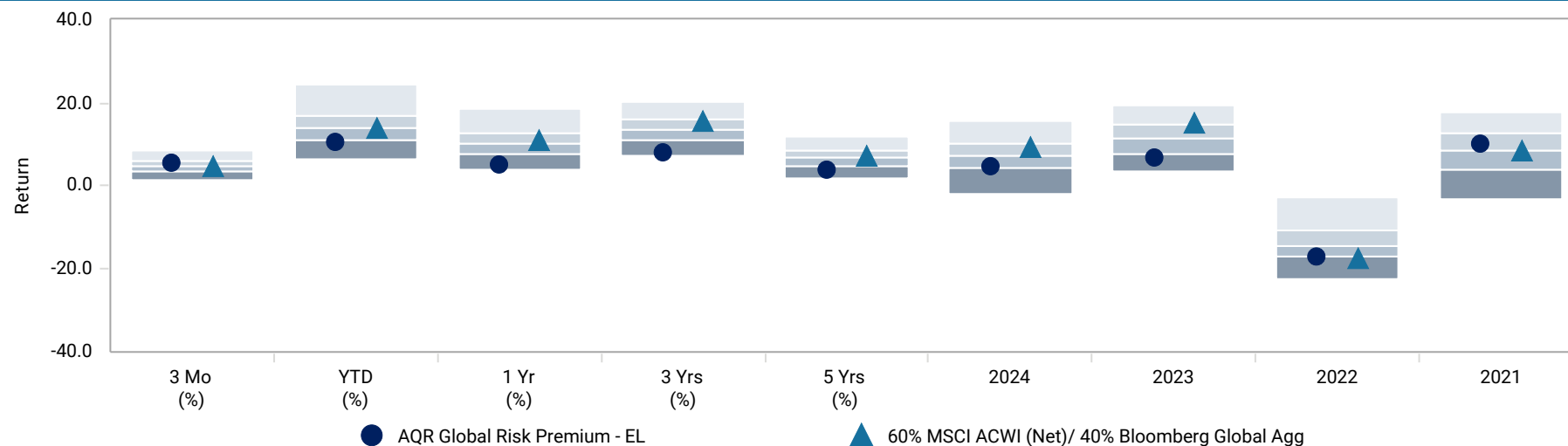
RISK PARITY



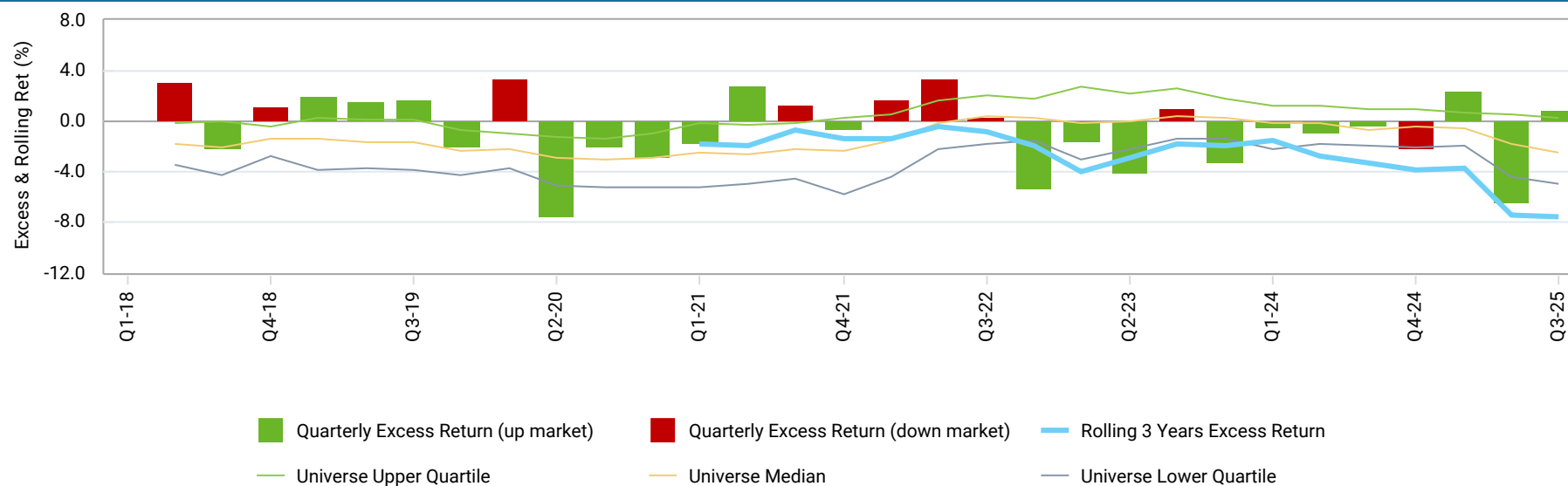
PROPRIETARY & CONFIDENTIAL

AQR GLOBAL RISK PREMIUM - EL

eV Global TAA (net of fees)

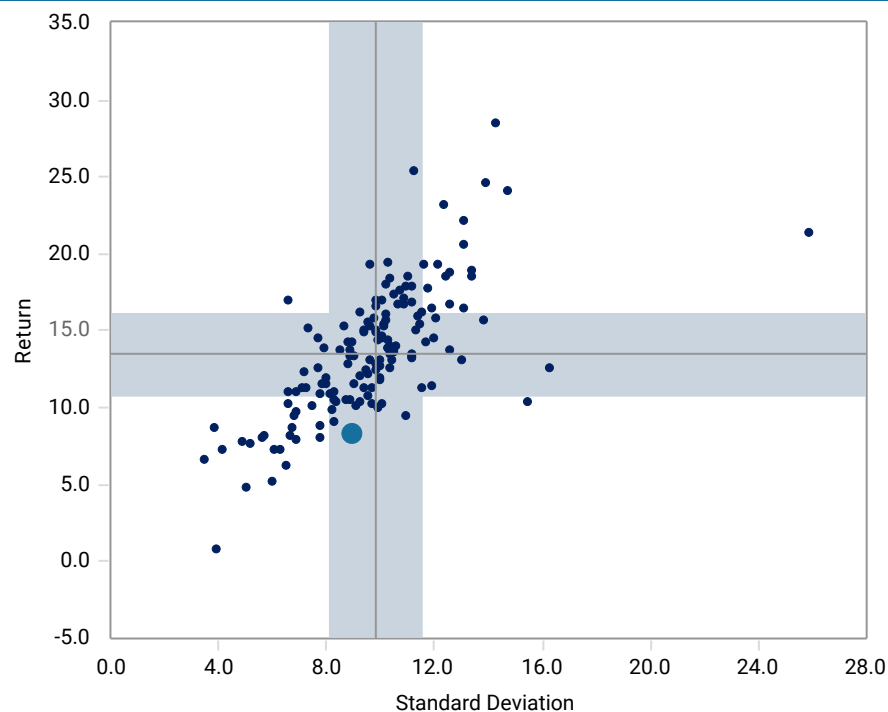


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



RISK VS. RETURN

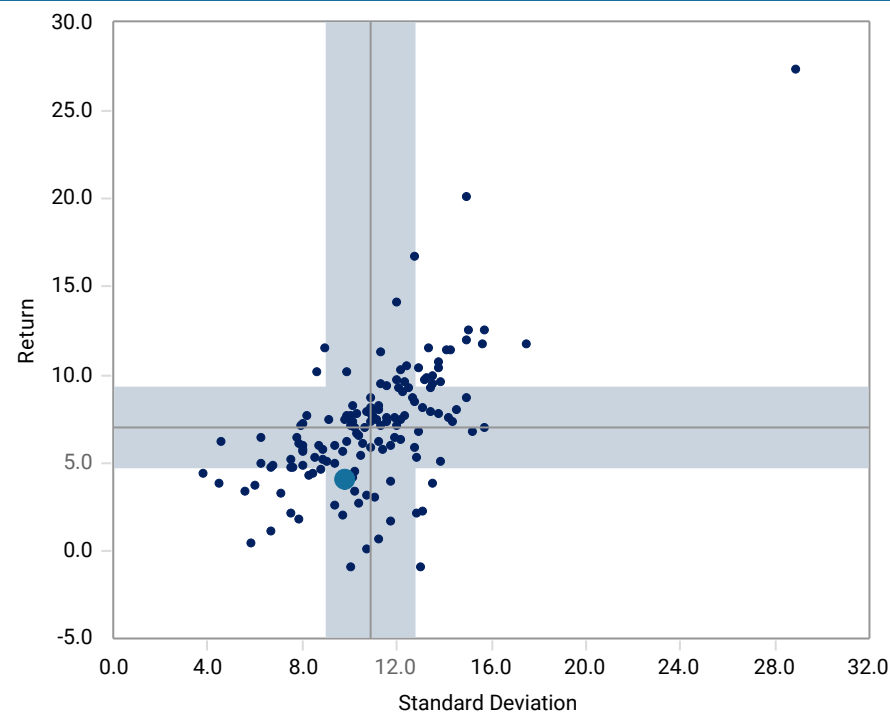
3 Years Ending September 30, 2025



● eV Global TAA

● AQR Global Risk Premium - EL

5 Years Ending September 30, 2025



● eV Global TAA

● AQR Global Risk Premium - EL

3 Years Ending September 30, 2025

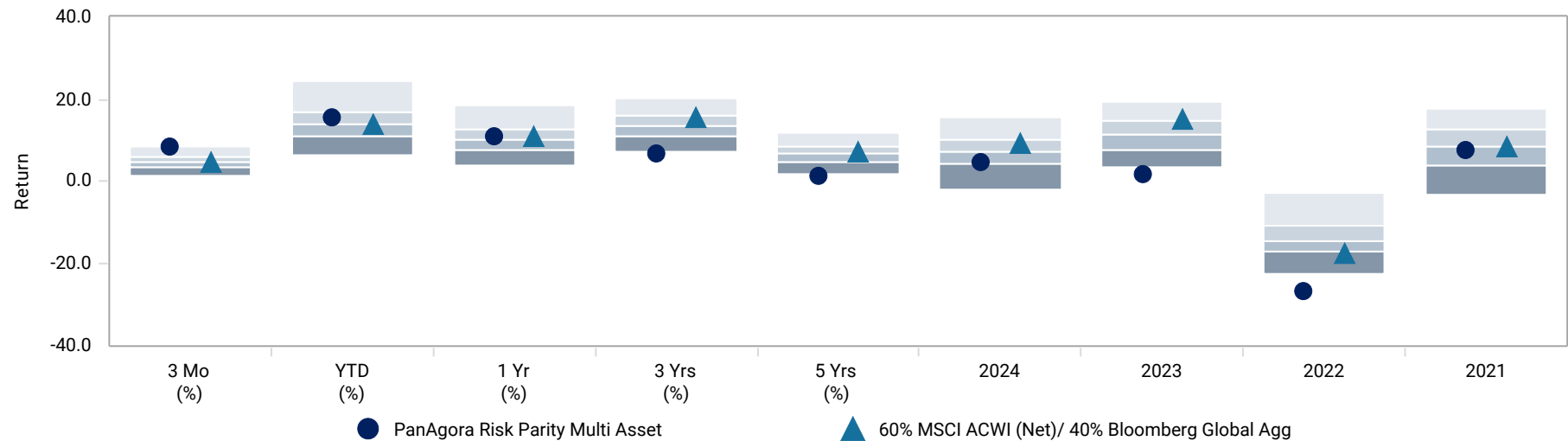
	Return	Standard Deviation	Sharpe Ratio
AQR Global Risk Premium - EL	8.4 (91)	8.9 (34)	0.4 (97)
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg	15.9 (27)	9.8 (48)	1.1 (19)
eV Global TAA Median	13.5	9.8	0.9
Population	149	149	149

5 Years Ending September 30, 2025

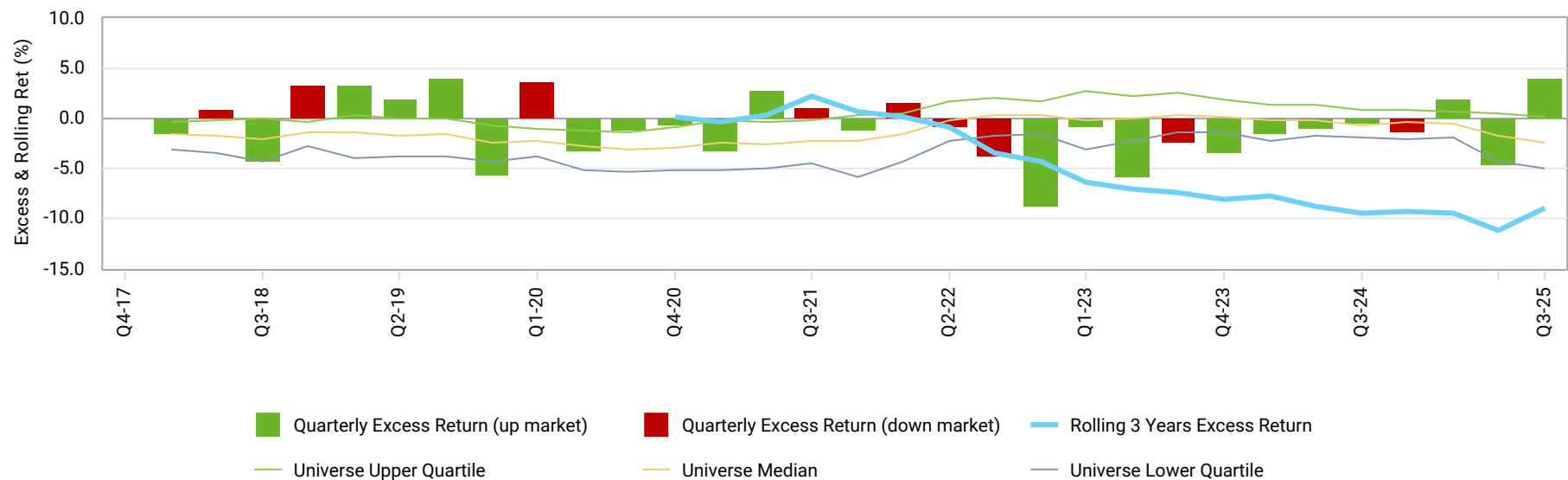
	Return	Standard Deviation	Sharpe Ratio
AQR Global Risk Premium - EL	4.1 (84)	9.8 (29)	0.2 (84)
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg	7.4 (44)	11.4 (59)	0.4 (45)
eV Global TAA Median	7.0	10.9	0.4
Population	145	145	145

PANAGORA RISK PARITY MULTI ASSET

eV Global TAA (net of fees)

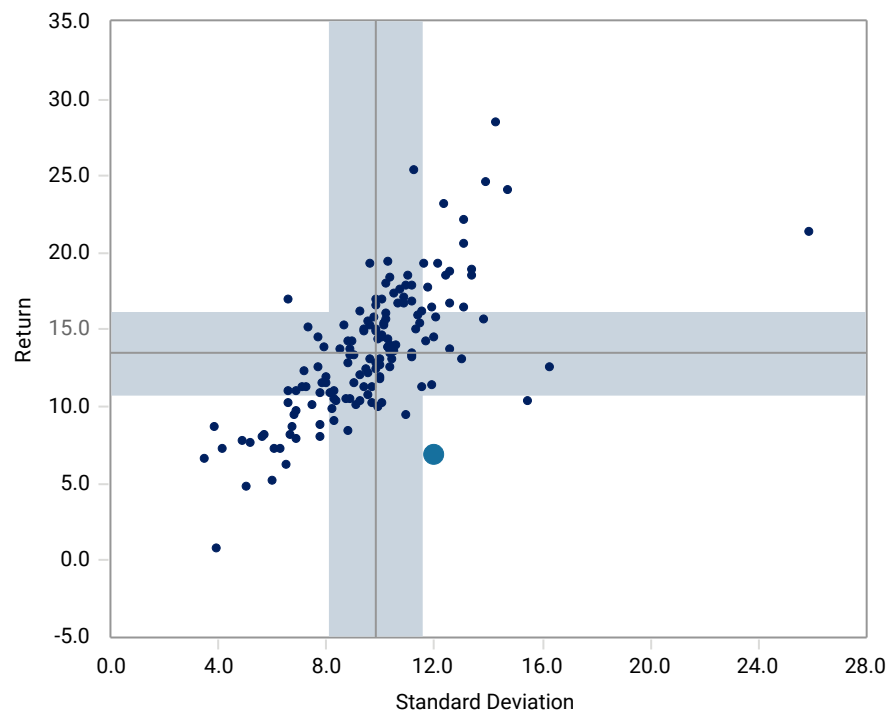


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2025



RISK VS. RETURN

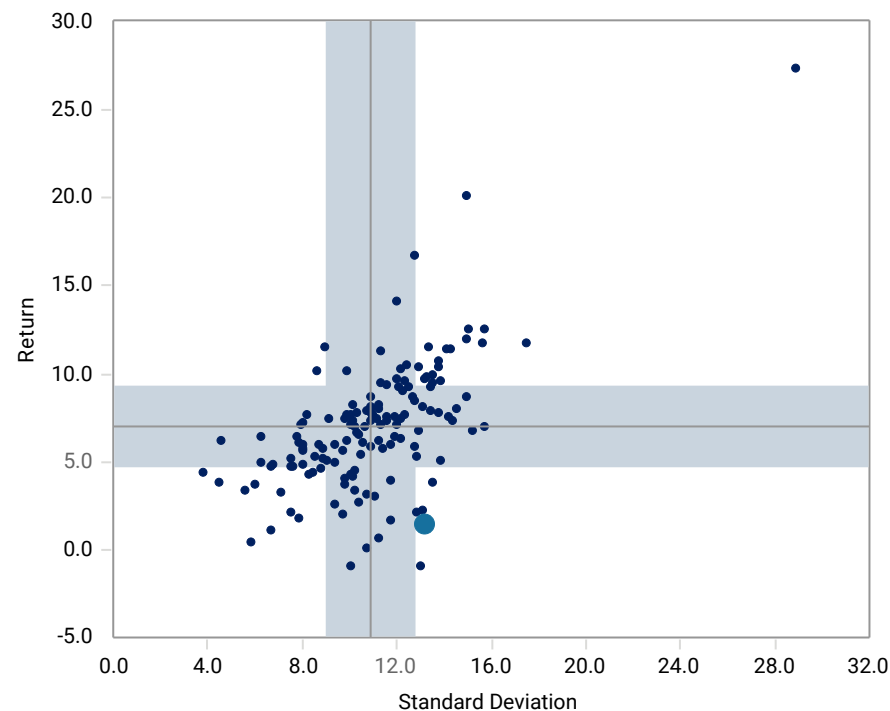
3 Years Ending September 30, 2025



● eV Global TAA

● PanAgora Risk Parity Multi Asset

5 Years Ending September 30, 2025



● eV Global TAA

● PanAgora Risk Parity Multi Asset

3 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
PanAgora Risk Parity Multi Asset	6.9 (97)	12.0 (86)	0.2 (99)
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg	15.9 (27)	9.8 (48)	1.1 (19)
eV Global TAA Median	13.5	9.8	0.9
Population	149	149	149

5 Years Ending September 30, 2025

	Return	Standard Deviation	Sharpe Ratio
PanAgora Risk Parity Multi Asset	1.4 (97)	13.2 (80)	-0.1 (95)
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg	7.4 (44)	11.4 (59)	0.4 (45)
eV Global TAA Median	7.0	10.9	0.4
Population	145	145	145

NOTES

- All performance is shown net of investment management fees. Fiscal year end date is June 30th. Prime, PGIM, and KSL are stated as of 6/30/2025.

- Performance history is provided by Verus through June 2020. As of July 1, 2020 performance is calculated and reported by NEPC.

- Policy Index history:

- **Inception - 6/30/2017:** 14.4% Russell 1000 Value, 11.3% Russell 1000 Growth, 4.8% S&P 500, 4% Russell 2000 Value, 3.7% Russell 2000 Growth, 18% MSCI ACWI ex USA Gross, 29.8%Bloomberg US Aggregate TR, 3.5% DJ US Select RESI TR USD, 7.5% 9% Annual, 3% CPI + 4%
- **7/1/2017 - 8/31/2018:** 18.5% Russell 1000, 5.5% Russell 2000, 24% MSCI ACWI ex USA Gross, 19% Bloomberg US Govt/Credit 1-3 Yr. TR, 1% FTSE T-Bill 1 Month TR, 3% Bloomberg US Treasury 7-10 Yr TR, 7.7% NCREIF Property Index, 1.7% NCREIF Property Index +2%, 0.6% CPI + 5%, 5% Bloomberg US High Yield + 2%, 14% 60% MSCI ACWI Net/40% Bloomberg Global Aggregate
- **9/1/2018 - 5/30/2019:** 10% Russell 1000, 3% Russell 2000, 6% Russell 3000 +3%, 27% MSCI ACWI ex USA Gross, 20% Bloomberg US Govt/Credit 1-3 Yr. TR, 1% FTSE T-Bill 1 Month TR, 3%Bloomberg US Treasury 7-10 Yr TR, 5% NCREIF Property Index, 5% NCREIF Property Index +2%, 1% CPI + 5%, 6% S&P/LSTA Leveraged Loan Index+2%, 13% 60% MSCI ACWI Net/40% Bloomberg Global Aggregate
- **6/1/2019 - 6/30/2020:** 14% Russell 1000, 3% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 19% Bloomberg US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 3% Bloomberg US Treasury 7-10 Yr, 5% NCREIF Property, 5% NCREIF Property +2%, 2% CPI +5%, 6% S&P/LSTA Leveraged Loan Index + 2%, 13% 60% MSCI ACWI / 40% Bloomberg Global Aggregate
- **7/1/2020 - 12/31/2020:** 14% Russell 1000, 3% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 8% Bloomberg US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 3% Bloomberg US Treasury 7-10 Yr, 5% NCREIF Property, 5% NCREIF Property +2%, 2% CPI +5%, 6% S&P/LSTA Leveraged Loan Index + 2%, 13% 60% MSCI ACWI / 40% Bloomberg Global Aggregate, 11%Bloomberg US Intermediate.
- **1/1/2021 - 06/30/2021:** 16% Russell 1000, 3.5% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 8% Bloomberg US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 5% Bloomberg US Treasury 7-10 Yr, 6% NCREIF Property, 5% NCREIF Property +2%, 2% CPI +5%, 4.5% S&P/LSTA Leveraged Loan Index + 2%, 13%60% MSCI ACWI / 40% Bloomberg Global Aggregate, 7%Bloomberg US Intermediate.
- **7/1/2021 - 6/30/2023:** 16% Russell 1000, 4% Russell 2000, 5% Russell 3000 + 3%, 20% MSCI ACWI ex USA Gross, 6.5% NCREIF Property Index, 6% NCREIF Property Index + 2%, 7.5% CPI + 5% (Unadjusted), 8% S&P/LSTA Leveraged Loan Index +2%, 6% Bloomberg US Treasury 7-10 Yr TR, 10% 60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg, 3% 30 Day T-Bill + 4%, 1% FTSE T-Bill 1 Month TR, 7% Bloomberg US Govt/Credit Int TR.
- **7/1/2023 - Present:** 16% Russell 1000, 4% Russell 2000, 5% Russell 3000 + 3%, 20% MSCI ACWI ex USA Gross, 6.5% NCREIF Property Index, 6% NCREIF Property Index + 2%, 7.5% CPI + 5% 1 Qtr Lag (Unadjusted), 8% S&P/LSTA Leveraged Loan Index +2%, 6% Bloomberg US Treasury 7-10 Yr TR, 10% 60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg, 3% 30 Day T-Bill + 4%, 1% FTSE T-Bill 1 Month TR, 7% Bloomberg US Govt/Credit Int TR.
- **5/1/2024 - Present:** 14% Russell 1000, 4% Russell 2000, 5% Russell 3000 + 3%, 18% MSCI ACWI ex USA Gross, 6.5% NCREIF Property Index, 6% NCREIF Property Index + 2%, 7.5% CPI + 5% 1 Qtr Lag (Unadjusted), 8% S&P/LSTA Leveraged Loan Index +2%, 4% Public Credit Custom Benchmark (50% Bloomberg US Corp Investment Grade Index/25% Bloomberg US HY 2% Cap/25% Morningstar LTSA US Leveraged Loan Index), 6% Bloomberg US Treasury 7-10 Yr TR, 4% Bloomberg US TIPS 0-5 Yr, 4% S&P Risk Parity Index 10% Target Volatility, 1% FTSE T-Bill 1 Month TR, 7% Bloomberg US Govt/Credit Int TR.
- **4/1/2025 - Present:** 14% Russell 1000, 4% Russell 2000, 5% CJA Global Credit, 18% MSCI ACWI ex USA Gross, 6.5% NCREIF ODCE, 6% CJA Global Real Estate, 7.5% CJA Global Infrastructure, 8% CJA Global Credit, 4% Public Credit Custom Benchmark (50% Bloomberg US Corp Investment Grade Index/25% Bloomberg US HY 2% Cap/25% Morningstar LTSA US Leveraged Loan Index), 6% Bloomberg US Treasury 7-10 Yr TR, 4% Bloomberg US TIPS 0-5 Yr, 4% 60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg, 5% 30 Day T-Bill + 4%, 1% FTSE T-Bill 1 Month TR, 7% Bloomberg US Govt/Credit Int TR.

- As of July 1, 2020, the small Capital Prospects transition cash balance is moved from the Cash composite to the Capital Prospects account. Historical performance for Capital Prospects, US Small, US Equities, Growth Sub-Portfolio, Cash, and Liquidity Sub-Portfolio prior to July 1, 2020 reflects performance of these composites before this change.

- Private Equity and Private Credit investments are valued one quarter lagged and adjusted for capital calls and distributions between quarter-end months. As of July 1, 2023, Infrastructure funds and NT Infrastructure benchmark are valued one quarter lagged and adjusted for capital calls and distributions between quarter-end months. Value-Add Real Estate managers are valued quarterly adjusted for current cash flows.



DISCLAIMERS & DISCLOSURES

DISCLAIMERS & DISCLOSURES

Past performance is no guarantee of future results.

Returns for pooled funds, e.g. mutual funds and collective investment trusts, are collected from third parties; they are not generally calculated by NEPC. Returns for separate accounts, with some exceptions, are calculated by NEPC. Returns are reported net of manager fees unless otherwise noted.

A “since inception” return, if reported, begins with the first full month after funding, although actual inception dates (e.g. the middle of a month) and the timing of cash flows are taken into account in Composite return calculations.

NEPC’s preferred data source is the plan’s custodian bank or record-keeper. If data cannot be obtained from one of the preferred data sources, data provided by investment managers may be used. Information on market indices and security characteristics is received from additional providers. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within. In addition, some index returns displayed in this report or used in calculation of a policy index, allocation index or other custom benchmark may be preliminary and subject to change.

All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.

The opinions presented herein represent the good faith views of NEPC as of the date of this presentation and are subject to change at any time. Neither fund performance nor universe rankings contained in this report should be considered a recommendation by NEPC.

This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

Source of private fund performance benchmark data: Cambridge Associates, via Refinitiv





QUARTERLY PERFORMANCE REPORT

STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

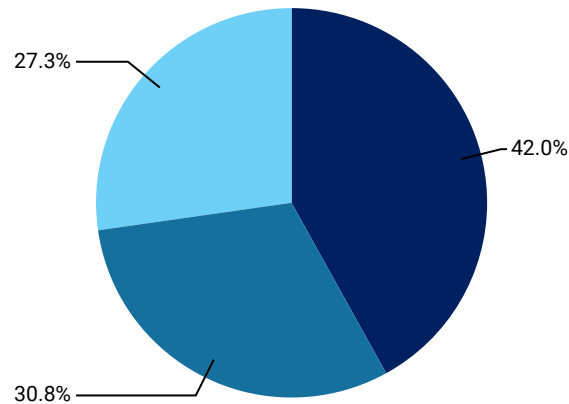
JUNE 30, 2025

Dan Hennessy, CFA, CAIA, Senior Consultant
Sam Austin, Partner
John Tolar, CFA, Senior Consulting Analyst



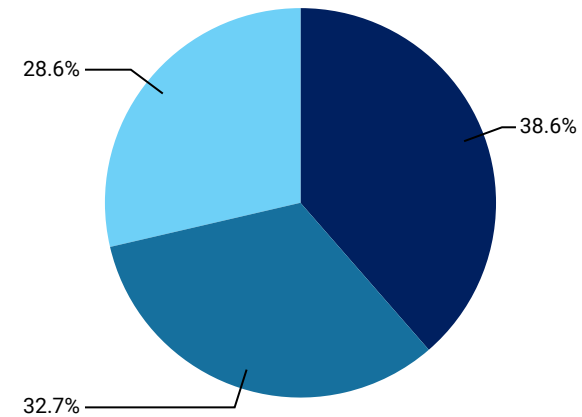
ANALYSIS BY STRATEGY

Valuation by Strategy



Core Real Estate Infrastructure Value-Add Real Estate

Fund Exposure by Strategy

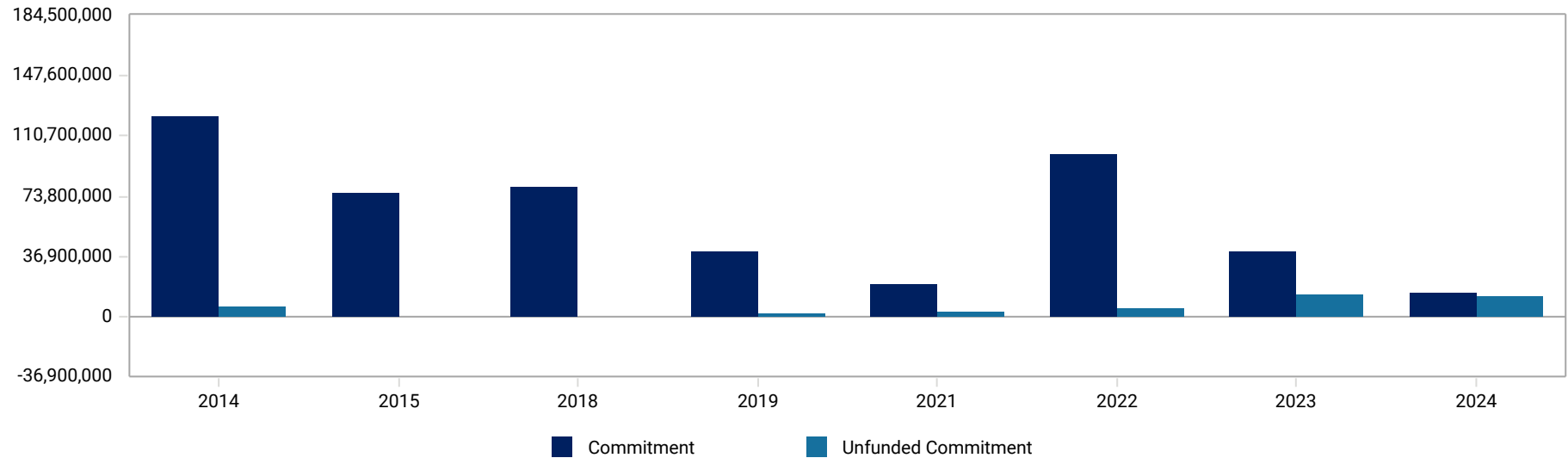


Core Real Estate Infrastructure Value-Add Real Estate

Investment Strategy	Commitments		Contributions & Distributions				Valuations				Performance		
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Fund Exposure	DPI	TVPI	SI IRR
Core Real Estate	\$171,000,000	\$664,016	1.00	\$170,335,984	-\$135,428	\$31,768,202	\$202,386,500	\$234,154,703	\$63,954,147	\$203,050,516	0.19	1.38	5.79
Infrastructure	\$170,000,000	\$23,709,891	0.86	\$146,290,109	\$722,965	\$52,384,658	\$148,443,782	\$200,828,440	\$53,815,366	\$172,153,673	0.36	1.37	9.67
Value-Add Real Estate	\$153,000,000	\$19,138,305	0.87	\$133,861,695	-\$3,229	\$46,676,744	\$131,476,233	\$178,152,977	\$44,294,512	\$150,614,539	0.35	1.33	6.65
Total	\$494,000,000	\$43,512,213	0.91	\$450,487,787	\$584,308	\$130,829,604	\$482,306,515	\$613,136,119	\$162,064,024	\$525,818,728	0.29	1.36	6.94

ANALYSIS BY VINTAGE YEAR

Commitments by Vintage Year



Vintage Year	Commitments		Contributions & Distributions				Valuations			Performance		
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Additional Fees	Valuation	Total Value	Net Benefit	DPI	TVPI	SI IRR
2014	\$123,000,000	\$6,426,126	0.95	\$116,573,874	\$78,727,597	-\$135,428	\$92,303,394	\$171,030,991	\$54,592,545	0.68	1.47	7.10
2015	\$76,000,000	\$0	1.00	\$76,000,000	\$7,454,991	\$0	\$91,005,741	\$98,460,732	\$22,460,732	0.10	1.30	4.24
2018	\$80,000,000	\$0	1.00	\$80,000,000	\$0	\$0	\$110,690,146	\$110,690,146	\$30,690,146	0.00	1.38	5.97
2019	\$40,000,000	\$2,235,262	0.95	\$37,764,738	\$42,021,600	\$70,472	\$15,311,546	\$57,333,146	\$19,497,936	1.11	1.52	16.75
2021	\$20,000,000	\$3,018,466	0.85	\$16,981,534	\$0	-\$73,701	\$18,811,768	\$18,811,768	\$1,903,935	0.00	1.11	3.54
2022	\$100,000,000	\$5,142,326	0.95	\$94,857,674	\$0	\$577,720	\$124,603,415	\$124,603,415	\$29,168,021	0.00	1.31	9.26
2023	\$40,000,000	\$14,155,455	0.65	\$25,844,545	\$2,625,416	\$145,245	\$26,972,169	\$29,597,585	\$3,607,795	0.10	1.14	15.76
2024	\$15,000,000	\$12,534,577	0.16	\$2,465,423	\$0	\$0	\$2,608,337	\$2,608,337	\$142,914	0.00	1.06	9.56
Total	\$494,000,000	\$43,512,213	0.91	\$450,487,787	\$130,829,604	\$584,308	\$482,306,515	\$613,136,119	\$162,064,024	0.29	1.36	6.94

RETURN SUMMARY

Investment Name	Vintage Year	Commitment	(QTR)	(YTD)	(1 YR)	(3 YRS)	(5 YRS)	(10 YRS)	SI IRR	Direct Alpha	KS-PME	PME Benchmark Name
Real Assets												
Carlyle Renewable and Sustainable Energy Fund II, LP	2023	\$20,000,000	2.23	13.00	22.40				30.84	4.45	1.04	S&P Global Infrastructure
IFM Global Infrastructure (US), L.P.	2022	\$50,000,000	2.64	5.99	12.51				8.78	-2.23	0.94	S&P Global Infrastructure
JP Morgan IIF Hedged LP	2022	\$30,000,000	2.21	4.59	10.09	12.01			10.31	1.39	1.05	S&P Global Infrastructure
North Haven Infrastructure Partners II, L.P.	2014	\$50,000,000	9.45	12.47	29.25	5.73	9.27	22.08	9.68	3.93	1.18	S&P Global Infrastructure
Palistar Communications Infrastructure Fund II, L.P.	2022	\$20,000,000	1.86	3.86	10.12	8.59			8.43	-4.08	0.89	S&P Global Infrastructure
Sub Total		\$170,000,000	3.04	6.32	13.51	9.59	9.55	14.81	9.67	1.36	1.04	
Real Estate												
American Strategic Value Realty Fund, L.P.	2014	\$58,000,000	-0.13	0.53	0.62	-5.20	2.48	4.31	4.43	-1.31	0.91	FTSE NAREIT Equity REIT Index
Grandview I-A, L.P.	2019	\$40,000,000	-6.20	-6.72	-3.55	-2.02	15.22		16.75	9.18	1.28	FTSE NAREIT Equity REIT Index
Grandview II, L.P.	2021	\$20,000,000	-1.01	7.76	8.02	4.09			3.54	1.36	1.04	FTSE NAREIT Equity REIT Index
Greenfield Acquisition Partners VII, L.P.	2014	\$15,000,000	-11.16	-11.54	-7.78	-1.65	17.82	13.12	13.05	5.77	1.28	FTSE NAREIT Equity REIT Index
KSL Credit Opportunities IV, L.P.	2024	\$15,000,000	1.80	4.48	9.58				9.56	1.40	1.01	FTSE NAREIT Equity REIT Index
PGIM Real Estate U.S. Debt Fund, L.P.	2018	\$80,000,000	1.75	3.60	6.93	6.57	6.12		5.97	0.62	1.04	FTSE NAREIT Equity REIT Index
Prime Property Fund, LLC	2015	\$76,000,000	0.30	1.52	2.28	-3.06	3.58		4.24	-0.49	0.97	FTSE NAREIT Equity REIT Index
TA Associates Realty Fund XIII, L.P.	2023	\$20,000,000	0.01	0.65	0.41				9.71	-1.46	0.99	FTSE NAREIT Equity REIT Index
Sub Total		\$324,000,000	0.25	1.82	3.29	-0.12	5.10	6.04	6.11	0.63	1.03	
Total		\$494,000,000	1.09	3.17	6.23	2.46	6.16	7.66	6.94	0.81	1.04	

ANALYSIS BY INVESTMENT STRATEGY

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Cumulative Contributions	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	SI IRR
Core Real Estate												
Greenfield Acquisition Partners VII, L.P.	2014	\$15,000,000	\$664,016	\$14,335,984	-\$135,428	\$24,313,211	\$690,614	\$25,003,825	\$10,803,269	1.71	1.76	13.05
PGIM Real Estate U.S. Debt Fund, L.P.	2018	\$80,000,000	\$0	\$80,000,000	\$0	\$0	\$110,690,146	\$110,690,146	\$30,690,146	0.00	1.38	5.97
Prime Property Fund, LLC	2015	\$76,000,000	\$0	\$76,000,000	\$0	\$7,454,991	\$91,005,741	\$98,460,732	\$22,460,732	0.10	1.30	4.24
Sub Total		\$171,000,000	\$664,016	\$170,335,984	-\$135,428	\$31,768,202	\$202,386,500	\$234,154,703	\$63,954,147	0.19	1.38	5.79
Infrastructure												
Carlyle Renewable and Sustainable Energy Fund II, LP	2023	\$20,000,000	\$12,805,455	\$7,194,545	\$145,245	\$0	\$9,373,034	\$9,373,034	\$2,033,244	0.00	1.28	30.84
IFM Global Infrastructure (US), L.P.	2022	\$50,000,000	\$0	\$50,000,000	\$0	\$0	\$63,906,372	\$63,906,372	\$13,906,372	0.00	1.28	8.78
JP Morgan IIF Hedged LP	2022	\$30,000,000	\$0	\$30,000,000	\$0	\$0	\$41,263,094	\$41,263,094	\$11,263,094	0.00	1.38	10.31
North Haven Infrastructure Partners II, L.P.	2014	\$50,000,000	\$5,762,110	\$44,237,890	\$0	\$52,384,658	\$14,467,333	\$66,851,991	\$22,614,101	1.18	1.51	9.68
Palistar Communications Infrastructure Fund II, L.P.	2022	\$20,000,000	\$5,142,326	\$14,857,674	\$577,720	\$0	\$19,433,949	\$19,433,949	\$3,998,556	0.00	1.26	8.43
Sub Total		\$170,000,000	\$23,709,891	\$146,290,109	\$722,965	\$52,384,658	\$148,443,782	\$200,828,440	\$53,815,366	0.36	1.37	9.67
Value-Add Real Estate												
American Strategic Value Realty Fund, L.P.	2014	\$58,000,000	\$0	\$58,000,000	\$0	\$2,029,728	\$77,145,447	\$79,175,175	\$21,175,175	0.03	1.37	4.43
Grandview I-A, L.P.	2019	\$40,000,000	\$2,235,262	\$37,764,738	\$70,472	\$42,021,600	\$15,311,546	\$57,333,146	\$19,497,936	1.11	1.52	16.75
Grandview II, L.P.	2021	\$20,000,000	\$3,018,466	\$16,981,534	-\$73,701	\$0	\$18,811,768	\$18,811,768	\$1,903,935	0.00	1.11	3.54
KSL Credit Opportunities IV, L.P.	2024	\$15,000,000	\$12,534,577	\$2,465,423	\$0	\$0	\$2,608,337	\$2,608,337	\$142,914	0.00	1.06	9.56
TA Associates Realty Fund XIII, L.P.	2023	\$20,000,000	\$1,350,000	\$18,650,000	\$0	\$2,625,416	\$17,599,135	\$20,224,551	\$1,574,551	0.14	1.08	9.71
Sub Total		\$153,000,000	\$19,138,305	\$133,861,695	-\$3,229	\$46,676,744	\$131,476,233	\$178,152,977	\$44,294,512	0.35	1.33	6.65
Total		\$494,000,000	\$43,512,213	\$450,487,787	\$584,308	\$130,829,604	\$482,306,515	\$613,136,119	\$162,064,024	0.29	1.36	6.94



APPENDIX

GLOSSARY OF TERMS

- **Commitment Amount** – The amount an investor has committed to invest with the General Partner
- **Paid In Capital** – The amount an investor has contributed for investments and management fees
- **Capital to be Funded** – The remaining amount an investor contractually has left to fund its commitments
- **Additional Fees** – Fees that are outside the capital commitment, also includes interest paid/received due from subsequent closings of the fund
- **Cumulative Distributions** – The amount an investor has received from realized and partially realized investments
- **Valuation** – Sum of the fair market value of all investments plus cash
- **Call Ratio** – Calculated by dividing Amount Funded by Capital Committed
- **DPI Ratio** - Calculated by dividing Amount Distributed by Amount Funded
- **Market Exposure** – Calculated by adding Reported Value plus Unfunded Commitments
- **Total Value** – Calculated by adding Amount Distributed and Reported Value. Represents the total amount an investor should expect to receive from their investments
- **Net Benefit** – Calculated by subtracting Total Value by Capital to be Funded plus Additional Fees
- **Total Value to Paid In Capital Ratio** – Calculated by dividing Total Value by Amount Funded. Represents the multiple of the overall cash invested that an investor is expected to receive
- **IRR** - The calculation of the IRR (Internal Rate of Return) takes into consideration the timing of cash contributions and distributions to and from the partnerships, the length of time the investments have been held and the sum of the Reported Value
- **Index Comparison Method (ICM)** – represents the hypothetical IRR of a private investment program that is computed by assuming the fund flows were invested in and out of a publicly traded index. The resulting hypothetical market value of the program is then used with the program's actual cash flows to compute a hypothetical IRR. This hypothetical IRR can be compared with the actual IRR to determine whether the private investment program outperformed the publicly traded index
- **Valuation ICM** – The valuation equivalent that ICM calculates for the public market is called valuation ICM
- **KS PME** – The Kaplan Schoar Public Markets Equivalent is a ratio of the future value of all distributions divided by the future value of all contributions using the index return as the discount rate. The ending valuation is treated as a distribution in this method
- **IRR ICM** – The IRR equivalent that ICM calculates for the public market is called IRR ICM



Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodian bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may be preliminary and subject to change.
- This report is provided as a management aid for the client's internal use only. Information contained in this report does not constitute a recommendation by NEPC.
- This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC generally reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.



December 2, 2025

Retirement Board Agenda Item

TO: Retirement Board

FROM: Due Diligence Committee

- I. SUBJECT: Due Diligence Committee Report
- II. ITEM NUMBER: 9.a
- III. ITEM TYPE: Information Only
- IV. STAFF RECOMMENDATION: N/A
- V. ANALYSIS:

This year's due diligence committee included the following members: Mike Lynch, Jeff Grover, Tom Stadelmaier, Stan Conwell and Dan Hennessey. In accordance with StanCERA's bylaws and directive #4 of the Investment Policy, the committee selected three investment managers and one vendor for review. The committee reviewed PanAgora Diversified Risk Multi-Asset Fund, Graham Global Investment Fund I Proprietary Matrix, Raven Asset-Based Opportunity Fund III, and StanCERA's General Investment Consultant NEPC. In addition to the manager reviews, staff attended a couple annual general meetings of current managers to of the time spent in the area. An onsite meeting was conducted at each of the manager's offices located in either Boston or New York City.

Directive # 4 of the investment policy provides guidance on how the manager/vendor reviews should be conducted. The review process for each manager is split into two parts. First, a comprehensive due diligence questionnaire is sent to each manager and returned ahead of any meetings. Second, a meeting with each manager is arranged to address any follow up questions or areas of concern related to the questionnaire. While all the follow up meetings were physically onsite this year, meetings can be conducted virtually, depending on the nature of the follow up questions. The purpose of the committee is to monitor each manager/vendor for organizational changes that could negatively impact the fund. This year, the committee identified no material items as a result of the review, but near the end of the review, Raven did report a significant ownership and leadership change. Meketa with staff are requesting further details on the transaction to determine the best course of action. Any of the due diligence committee's materials are available for Trustees to review upon request. A brief summary of the meetings is provided below:

PanAgora Diversified Risk Multi-Asset Fund

PanAgora is one of two risk parity funds in StanCERA's portfolio. As part of the diversifying sub-portfolio, risk parity is intended to play a diversifying and stabilizing role in the portfolio. Risk parity is directional in nature meaning it depends on the direction of broad market returns. In contrast, non-directional or market neutral strategies also play a stabilizing role but are much less dependent on the direction of markets. The 2022 inflation shock, was a particularly bad market environment for risk parity as both bonds and stocks sold off

together. As result of the historic drawdown, PanAgora adjusted their strategy to reduce drawdowns in similar future scenarios. These changes and the length of the current drawdown were the primary driver behind the committee's review. PanAgora added diversification and flexibility to the strategy and detailed their likely impact on drawdown risk. PanAgora did have some minor personnel and ownership changes that were discussed. The committee did also note a drop in PanAgora's Risk Parity AUM, but AUM at the firm level remains at good levels. While the committee was comfortable with the current AUM levels, it will be an area to monitor going forward. PanAgora, provided great responses to the operational questions and the firm ranks above peers in operational and compliance risk management. NEPC currently ranks the PanAgora strategy as a top manager within the risk parity category.

Graham Global Investment Fund I Proprietary Matrix

Graham is headquartered in Connecticut but recently opened a New York City office which was the office location visited by the committee. Graham is one of two liquid absolute return managers in the diversifying sub-portfolio. Like risk parity, liquid absolute return strategies are intended to play a diversifying and stabilizing role in the portfolio. As an absolute return strategy, Graham seeks to produce a steady return profile regardless of market direction and can be described as a market neutral strategy. The meeting covered a wide range of investment and operational topics, and the committee had an opportunity to meet senior members of the Graham team covering both the discretionary and systematic strategies used by the fund. Some time was also spent covering the multi-year succession plan underway that will see the founder and president transition into an executive oversight role. The quantitative strategy was also modified recently, and a review of those changes was provided. Recent implementations of AI were discussed as well as strategies used to attract and retain talent. Graham provided excellent responses to the questionnaire and demonstrated a good ability to adopt their strategy to market dynamics and are executing on a thoughtful succession management plan.

Raven Asset-Based Opportunity Fund III

Raven III is a legacy private credit fund in the tail end portion of its fund life. Due to under performance and organizational changes, Raven is currently under enhanced oversight by staff and Meketa/Verus to prioritize liquidity while preserving value. During the committee's review Raven announced a change in ownership and leadership of the firm. Josh Green, Raven's founder will be stepping down and Gary Summers, a seasoned private markets investment professional will be assuming Josh's ownership stake and role as president. As part of the transition, Josh alongside the existing Raven team will manage the assets in fund III to full liquidation. The transaction will require approval by a majority of LPs. Staff with Meketa are conducting a full review of the transaction and have requested additional information to determine the best course of action. As is typical in a tail-end fund, no management fees are being charged during the liquidation stage. Staff was able to virtually meet Gary Summers during the onsite meeting in New York. Beyond the recently announced ownership change, a significant amount of time was spent reviewing remaining asset exit plans and suggesting potential improvements to their valuation policy and governance practices.

NEPC

NEPC has served as the general investment consultant to StanCERA going back to mid-2020. NEPC has played a valuable role in support of staff functions and also providing critical communications and education to the Retirement Board. Board feedback regarding NEPC has generally been very positive and it has been noted by multiple Board members that NEPC has provided elevated service to the Board in their role as general consultant and assisted the Board in helping trustees better understand complex investment concepts. In addition to meeting with StanCERA's primary consultant Dan Hennessy, the committee met with Kevin Leonard who oversees Public Funds consulting at NEPC and Kellie Kane, COO for the firm. Kevin provided an update on the firm's acquisition from wealth management firm Hightower which was announced in late 2024. Kevin communicated that NEPC remains relatively independent from Hightower in terms of the public funds consulting services that NEPC provides to StanCERA. He also communicated that NEPC is helping Hightower create private markets investment vehicles that Hightower RIAs (registered investment advisors) could eventually offer to Hightower clients. NEPC is wholly-owned by Hightower and the NEPC CEO sits on the Hightower Board as well. Hightower is owned primarily by the private equity firm TH Lee and Hightower Holdings is a single-asset vehicle and not part of another TH Lee fund. Mr. Leonard communicated that all NEPC associates benefited financially from the acquisition and that NEPC associates also retain some financial interest in Hightower. Some associates have benefits that will vest over time and it is possible some talent could leave the firm after that time period expires over the next few years.

Kellie Kane spoke on a number of topics including the operational support structure and investment in technology to serve NEPC and the client base. The committee discussed a desire for more reporting on investment-related fees and metrics and leveraging NEPC data across a wide array of public plan clients. NEPC also brought in expertise from the research team (Raj Palekar and Brian Malone) specific to Risk Parity and Global Tactical Asset Allocation. They provided some more detailed information on PanAgora and an overview of the investment space as it relates to the StanCERA portfolio and an upcoming asset allocation study. NEPC continually demonstrates a deep team of resources that are available to support Dan, StanCERA staff and the Retirement Board on a range of general investment consulting topics.

- VI. RISK: None
- VII. STRATEGIC PLAN: N/A
- VIII. ADMINISTRATIVE BUDGET IMPACT: NONE

December 02, 2025

Retirement Board Agenda Item

TO: Retirement Board

FROM: Samuel Sharpe, Internal Governance Chair

- I. SUBJECT: Internal Governance Committee – Approval of the Annual Comprehensive Financial Report and Statements for the Fiscal Years ended June 30, 2025 and 2024.
- II. ITEM NUMBER: 9.b
- III. ITEM TYPE: Discussion and Action
- IV. STAFF RECOMMENDATION: Accept Committee's Recommendation for Receipt of the Annual Comprehensive Financial Report for the Fiscal Years. (Attachment 1)
- V. ANALYSIS:

The Internal Governance Committee met on November 21, 2025, with StanCERA staff and Audit Partner and Audit Engagement Manager from the Brown Armstrong Accountancy Corporation regarding the independent audit of StanCERA's financial statements.

Brown Armstrong conducted its audit in accordance with generally accepted auditing standards. StanCERA received an unqualified opinion that the basic financial statements (beginning on page 20) present fairly the fiduciary net position of StanCERA in accordance with generally accepted accounting principles. Brown Armstrong did not provide any opinion regarding internal controls; however, it was noted that no internal control weaknesses were identified during the audit.

Additionally, the report to the Internal Governance Committee highlighted that no material weaknesses or deficiencies were found for Fiscal Year 2024-2025. The letter to management, noted no agreed-upon conditions or recommendations for the current year.

- VI. RISK: None
- VII. STRATEGIC PLAN: N/A
- VIII. ADMINISTRATIVE BUDGET IMPACT: None



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEARS ENDED
JUNE 30 2025 and 2024



A PENSION TRUST FUND AND COMPONENT UNIT
OF THE COUNTY OF STANISLAUS, CALIFORNIA AND PARTICIPATING EMPLOYERS

Stanislaus County Employees' Retirement Association

**(A Pension Trust Fund and Component Unit of the County of
Stanislaus, California and Participating Employers)**

Annual Comprehensive Financial Report

**For the Fiscal Years Ended
June 30, 2025 and 2024**

Issued By

**Thomas Stadelmaier
Executive Director**

**Produced by
StanCERA
Staff**

Table of Contents

Introduction Section

Letter of Transmittal	1
Board of Retirement	5
Organizational Chart	6
Professional Consultants	7
GFOA Certificate of Achievement for Excellence in Financial Reporting	9
Public Pension Standards Award for Funding and Administration	10

Financial Section

Independent Auditor's Report	11
Management's Discussion and Analysis	14

Basic Financial Statements

Statements of Fiduciary Net Position	20
Statements of Changes in Fiduciary Net Position	21
Notes to Basic Financial Statements	22

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios	48
Schedule of Employer Contributions	49
Schedule of Investment Returns	49
Notes to Required Supplementary Information	50

Other Supplemental Information

Schedule of Administrative Expenses	51
Schedule of Investment Management Fees and Other Investment Expenses	52
Schedule of Payments to Consultants	53

Table of Contents *(continued)*

Investment Section

Investment Consultant's Report	54
Asset Allocation	57
Schedule of Investment Returns	58
Schedule of Investments by Asset Class and Manager	60
Largest Bond Holdings	61
Largest Stock Holdings	61
Schedule of Investment Management Fees	62
Schedule of Investment Broker Commissions	64

Actuarial Section

Actuarial Certification Letter	65
Summary of Assumptions and Funding Methods	69
Schedule of Active Member Valuation Data	76
Schedule of Funding Progress	77
Retirees and Beneficiaries Added to and Removed from Retiree Payroll	77
Schedule of Funded Liabilities by Type (Solvency Test)	78
Actuarial Analysis of Financial Experience	78

Statistical Section

Changes in Fiduciary Net Position	79
Additions by Source	80
Deductions by Type	80
Benefit Expense by Type	81
Average Monthly Retirement Benefits	81
Retired Members by Benefit Type	82
Average Benefit Payments	83
Membership History (Retired)	84
Membership History (Active & Deferred)	84
Participating Employers and Active Members with Percentage of Total System	85

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INTRODUCTION SECTION



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LETTER OF TRANSMITTAL

November 11, 2025

Stanislaus County Employees' Retirement Association
Modesto, CA 95354

Dear Board Trustees and Members:

Please find enclosed the Annual Comprehensive Financial Report (ACFR) of the Stanislaus County Employees' Retirement Association (StanCERA or the Plan) for the fiscal years ended June 30, 2025 and 2024. As of June 30, 2025, it is StanCERA's 77th year of operations.

The ACFR is a detailed financial report established by the Government Finance Officers Association of the United States and Canada (GFOA) for publicly disclosing the viability of a defined benefit public retirement system. The ACFR is intended to provide users with extensive, reliable information for making management decisions, determining compliance with legal provisions, and demonstrating the responsible management and stewardship of StanCERA. StanCERA management is responsible for both the accuracy of the data and the completeness and fairness of the presentation of financial information within this ACFR, including all disclosures.

StanCERA is a multiple employer public employees' retirement system established by Stanislaus County on July 1, 1948. StanCERA is operated and administered by the Board of Retirement (the Board) to provide retirement, disability, death, and survivor benefits for its members under the California State Government Code, Section 31450 et seq. known as the County Employees Retirement Law of 1937 (CERL) and the Public Employees' Pension Reform Act (PEPRA).

StanCERA and Its Services

Stanislaus County established StanCERA to provide retirement allowances and other benefits to general and safety members employed by Stanislaus County. Currently, Stanislaus County and eight participating agencies are members of StanCERA. The participating agencies are:

City of Ceres
Stanislaus Council of Governments
Stanislaus County Superior Court
East Side Mosquito Abatement District
Hills Ferry Cemetery District
Keyes Community Services District
Salida Sanitary District
Stanislaus Regional Transit Authority

StanCERA and Its Services (continued)

StanCERA is governed by the County Employees Retirement Law of 1937 (CERL) and the Public Employees' Pension Reform Act (PEPRA). In addition, these legislations are complimented by the bylaws, regulations, policies, and procedures adopted by the Board of Retirement. The Stanislaus County Board of Supervisors may also adopt resolutions, as permitted by the CERL, which may affect benefits to Stanislaus County members.

The Board of Retirement is responsible for the management of StanCERA. It is comprised of nine members and two alternate members, one of whom is a safety alternate and the other is a retiree alternate. The safety alternate seat is not currently filled. The Stanislaus County Board of Supervisors appoints four members; the safety members elect one member and the alternate safety member; two members are elected by the general members, while the retired members elect the retiree and alternate retiree members. In addition, the Stanislaus County Treasurer serves as an ex-officio member. Except for the Stanislaus County Treasurer, members serve three-year terms with no term limits.

Financial Information

The accompanying financial statements are prepared using the accrual basis of accounting. Contributions from employers and members are recognized when received or when due pursuant to legal requirements. Benefits are recognized when due and payable in accordance with the terms of the Plan. Expenses are recorded when corresponding liabilities are incurred, regardless of when payment is due or made. Investments are recorded at the fair value of the asset.

An overview of StanCERA's fiscal operations for the years ended June 30, 2025 and 2024, is presented in the Management's Discussion and Analysis (MD&A) located in the financial section of the ACFR. This transmittal letter, together with the MD&A, provides an expanded view of the activities of StanCERA.

Brown Armstrong Accountancy Corporation, StanCERA's independent auditor, has audited the accompanying financial statements. Management believes an adequate system of internal controls is in place and the accompanying statements, schedules, and tables are fairly presented and free from material misstatement. The concept of reasonable assurance recognizes that first, the cost of a control should not exceed the benefits likely to be derived and that second, the valuation of the cost and benefits requires estimates and judgments by management.

Internal controls over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of their inherent limitations. Internal controls over financial reporting are processes that involve human diligence and compliance and are subject to lapses in judgment and breakdowns resulting from human failures. Internal controls over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected, timely, by internal controls over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design safeguards into the process to reduce, but not eliminate, this risk.

Net Pension Liability and Actuarial Funding

StanCERA's funding objective is to meet long-term benefit obligations by maintaining a well-funded Plan status and obtaining optimum investment returns with a reasonable risk profile. Pursuant to the CERL, StanCERA engages an independent actuary to perform an actuarial valuation of the Plan annually. Economic assumptions are normally reviewed every three years. Additionally, a triennial experience study is conducted every three years, at which time non-economic assumptions are also updated.

Net Pension Liability and Actuarial Funding (continued)

Cheiron, Inc. conducted the most recent valuation and triennial experience study and incorporated updated assumptions into the valuation for the period ending June 30, 2024. The Plan's Fiduciary Net Position, as a Percentage of the Total Pension Liability, is 80.6%.

Investments

The Board of Retirement has exclusive control of all StanCERA investments and is responsible for establishing investment objectives, strategies, and policies. The California Constitution and Government Code Sections 31594 and 31595 authorize the Board of Retirement to invest in any investment deemed prudent in the Board's informed opinion.

The Board has adopted an Investment Policy, which provides a framework for managing StanCERA's investments. This policy establishes StanCERA's investment objectives and defines the duties of the Board of Retirement, investment managers, and custodial bank. The asset allocation is an integral part of the Investment Policy. It is designed to provide an optimum mix of asset classes with return expectations to ensure the growth of assets to meet future liabilities, minimize employer contributions, and defray reasonable administrative costs. StanCERA engages an Investment Consultant to analyze the Investment Policy and strategy and to conduct periodic asset allocation and asset/liability studies on behalf of StanCERA. For the fiscal years ended June 30, 2025 and 2024, the Plan's investments provided a 9.1% and 9.6% rate of return, respectively. A summary of the asset allocation can be found in the Investment Section of this report.

Awards

StanCERA is the recipient of several awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to StanCERA for its ACFR for the fiscal year ended June 30, 2024. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparing state and local government financial reports. StanCERA has achieved this prestigious award for twenty consecutive years.

To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, the contents of which meet or exceed program standards. In addition, the ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for only one year. Our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA for evaluation.

StanCERA also received the Public Pension Coordinating Council's Public Pension Standards 2024 Award in recognition of meeting professional standards for plan design and administration as set forth in the Public Pension Standards.

The Public Pension Coordinating Council (PPCC) is a coalition of the following associations that represent public pension funds that cover a vast majority of public employees in the U.S.:

- National Association of State Retirement Administrators (NASRA)
- National Council on Teacher Retirement (NCTR)
- National Conference on Public Employee Retirement Systems (NCPERS)

Awards (continued)

The Public Pension Standards are intended to reflect minimum expectations for public retirement systems management and administration and serve as a benchmark by which all defined benefit public plans should be measured.

Service Efforts and Accomplishments

StanCERA remains actively engaged in ongoing efforts to educate the membership about the use of the online member portal and to promote efficient and ready access to valuable information that it provides. Member portal functionality, security and adoption are ongoing efforts aimed to improve both the quality and efficiency of service to members.

Plan financials for the fiscal year ended June 30, 2025, reflect a 6.8% reduction in overall administrative expenses. Staff continues to identify opportunities and implement initiatives to improve on the current service delivery.

The strategic plan, StanCERA CARES, focuses on the following key objectives: Customer engagement, Administrative excellence, Reporting and transparency, Efficiency and innovation. More information on this and access to tools to assist in retirement planning are available at www.stancera.org.

Acknowledgement

The compilation of this report reflects the combined efforts of many people on StanCERA's staff. It is intended to provide reliable information as the basis for making management decisions, as a means for determining compliance with legal provisions, and as a means of determining responsible stewardship of the funds of StanCERA. Both the accuracy of the data presented and the completeness and fairness of the presentation of the ACFR are the responsibility of the management of StanCERA.

I congratulate the Board, staff, and service providers of StanCERA for their commitment and diligent work to ensure the continued successful operation of StanCERA.

Sincerely,

A handwritten signature in black ink that reads "Thomas Stadelmaier". The signature is written in a cursive style with a large, stylized 'T' at the beginning.

Thomas Stadelmaier
Executive Director

**BOARD OF RETIREMENT
JUNE 30, 2025**



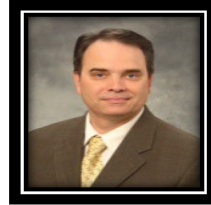
Seat # 1 Donna Riley
Ex-Officio, Treasurer/Tax Collector



Seat # 2 Mandip Dhillon
Chair, Elected by Active General Membership



Seat # 3 Delilah Vasquez
Trustee, Elected by Active General Membership



Seat # 4 Darin Gharat
Vice-Chair, Appointed by the Board of Supervisors



Seat # 5 Mike Lynch
Trustee, Appointed by the Board of Supervisors



Seat # 6 Terry Withrow
Trustee, Appointed by the Board of Supervisors



Seat # 7 Joshua Clayton
Trustee, Elected by Active Safety Membership



Seat # 7a Vacant
Alternate Trustee, Elected by Active Safety Membership



Seat # 8 Rhonda Biesemeier
Trustee, Elected by Retired Membership

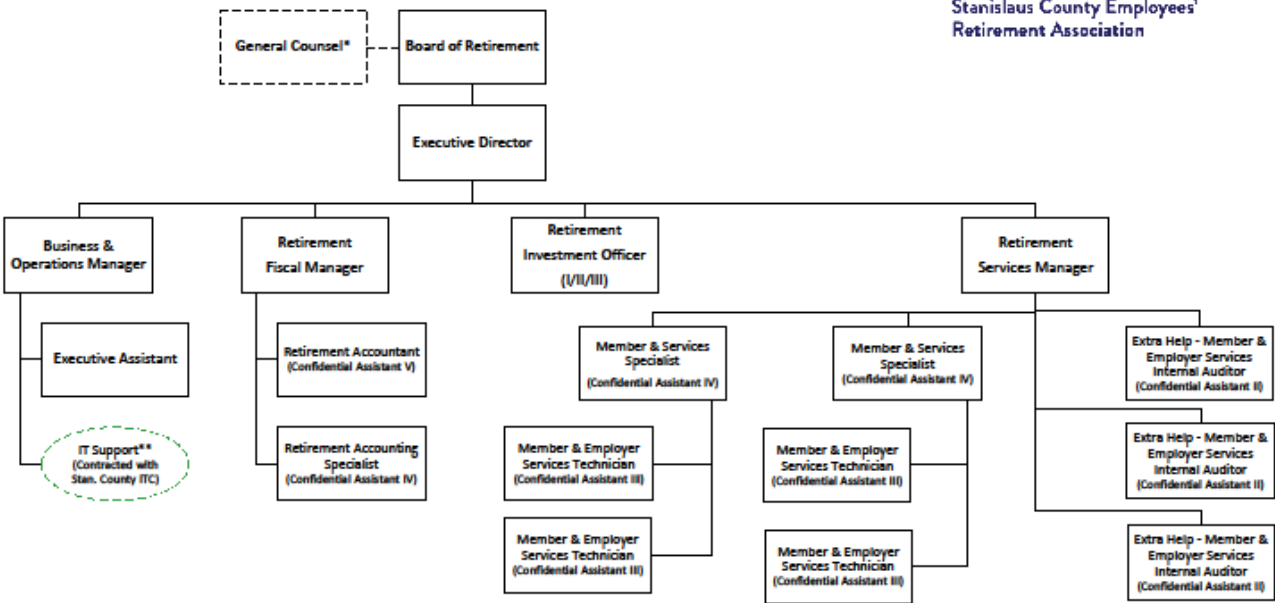


Seat # 8a Samuel Sharpe
Alternate Trustee, Elected by Retired Membership



Seat # 9 Jeff Grover
Trustee, Appointed by the Board of Supervisors

StanCERA ORGANIZATIONAL CHART



* General Counsel: Position is allocated in administrative budget; position remains vacant.
** IT Support: Position is allocated in administrative budget; position remains vacant. StanCERA contracts with Stanislaus County ITC for onsite support.

Revised: July 12, 2023

PROFESSIONAL CONSULTANTS
JUNE 30, 2025

Consulting Services

Actuary

Cheiron, Inc.

Auditors

Brown Armstrong Accountancy Corporation

Investment Custodian

Northern Trust

Investment Consultant

NEPC

Verus, Inc.

Legal Counsel

Berliner Cohen (General Legal Counsel)

Hanson Bridgett LLP

Law Office of Ted M Cabral

Nossaman LLP

Reed Smith LLP

Technical & Data Services

Tegrit

SBT, County of Stanislaus

Workiva

Investment Management Services*

Fixed Income

Insight

NIS Opportunistic Credit

Northern Trust Intermediate Bond

Northern Trust Long Term Bond

NTAM US Tips

Large Cap Value Equity

BlackRock R1000 Value

Dodge & Cox

Large Cap Growth Equity

BlackRock R1000 Growth

Small Cap Value Equity

Attucks Asset Management

International Equity

Fidelity Asset Management (Growth)

LSV Asset Management (Value)

Investment Management Services*

Real Estate Securities

Black Rock US Real Estate Index

Private Credit

Abry VI

Ares Sr. Direct Lending III

Black Rock High Yield

Callodine Loan Fund II

Comvest Credit Partners VII

Crayhill Principal Strategies Fund III

Crestline Opp Fund V

Monroe Fund IV

Owl Rock First Lien

Raven Capital Management, LLC

Special Situations Fund V

Upwelling (MOF II)

White Oak Global Advisors, LLC

Private Equity

Audax Fund VII

Blue Wolf V

Clayton, Dubilier & Rice XI

Eclipse Fund V

Genstar Capital Partners X

Great Hill VIII

Gryphon Partners VI

Insight Partners XI

Northern Trust Russell 3000

Sole Source Partners II

Vista Foundation IV Fund

Gridiron Fund V

Private Real Estate

American Realty Advisors

Brookfield Strategic Real Estate Partners V

Greenfield Acquisition Partners

Grandview Partners

KSL Opportunity Fund IV

Morgan Stanley Prime Property

PGIM Real Estate U.S. Debt

TA Realty Value Fund XIII

Infrastructure

Carlyle Renewable & Sustainable Energy Fund II

IFM Global Infrastructure

JP Morgan IIF

North Haven Partners II LP

PROFESSIONAL CONSULTANTS (continued)

Investment Management Services*

Infrastructure (continued)

NTAM Infrastructure

Palistar Infrastructure II

Risk Parity

AQR

PanAgora

Liquid Absolute Return

Graham Proprietary Matrix

Invesco

Wellington Global Macro

*Refer to the Investment Section for the Schedule of Investment Management Fees (Page [62](#) and 63) and Schedule of Investment Broker Commissions (Page [64](#)).



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Stanislaus County Employees' Retirement Association
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO



Public Pension Coordinating Council

***Public Pension Standards Award
For Funding and Administration
2024***

Presented to

Stanislaus County Employees' Retirement Association

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

A handwritten signature in dark ink, reading 'Alan H. Winkle'. The signature is fluid and cursive, with the first name 'Alan' being more prominent.

Alan H. Winkle
Program Administrator



FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

To the Board of Retirement and Internal Governance Committee of
Stanislaus County Employees' Retirement Association
Modesto, California

Report on the Audit of the Basic Financial Statements

Opinions

We have audited the accompanying Statements of Fiduciary Net Position of the Stanislaus County Employees' Retirement Association (StanCERA), a fiduciary component unit of the County of Stanislaus (the County), reported as a pension trust fund of the County, as of June 30, 2025 and 2024, the related Statements of Changes in Fiduciary Net Position for the fiscal years then ended, and the related notes to the basic financial statements, which collectively comprise StanCERA's basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the fiduciary net position of StanCERA as of June 30, 2025 and 2024, and the changes in fiduciary net position for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Basic Financial Statements section of our report. We are required to be independent of StanCERA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Basic Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the basic financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about StanCERA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

BAKERSFIELD
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309
661-324-4971

FRESNO
10 River Park Place East, Suite 208
Fresno, CA 93720
559-476-3592

STOCKTON
2423 West March Lane, Suite 202
Stockton, CA 95207
209-451-4833

REGISTERED with the Public Company Accounting Oversight Board and MEMBER of the American Institute of Certified Public Accountants

Management is also responsible for maintaining a current plan instrument, including all StanCERA plan amendments; administering StanCERA; and determining that StanCERA's transactions that are presented and disclosed in the basic financial statements are in conformity with StanCERA's plan provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Basic Financial Statements

Our objectives are to obtain reasonable assurance about whether the basic financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the basic financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) and required supplementary information (RSI), as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the MD&A and RSI in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise StanCERA's basic financial statements. The accompanying other supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplemental information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory, investment, actuarial, and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2025, on our consideration of StanCERA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of StanCERA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering StanCERA's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Stockton, California
November 11, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the Stanislaus County Employees' Retirement Association's (StanCERA or the Plan) financial performance provides an overview of the financial activities and funding conditions for the fiscal years ended June 30, 2025 and 2024. Please review information presented here in conjunction with the Letter of Transmittal and additional information provided.

Financial Highlights

- Fiduciary Net Position increased by \$247.8 million (or 8.6%) during fiscal year 2025 as a result of the fiscal year's activities.
- Contributions (employer and member), in total, increased by \$12.7 million (or 8.4%) during fiscal year 2025.
- Net investment income (including Net Appreciation in Fair Value of Investments) increased by \$32.8 million (or 13.4%) during fiscal year 2025.
- Benefit payments increased by \$10.7 million (or 6.0%) during fiscal year 2025.

Plan Highlights

- Effective March 9, 2022, benefit plans for Tiers 2 and 3 were closed to new hires; Tiers 4 and 5 were adopted to provide retirement formulas commonly known as 2% at age 55 for active general members and 3% at age 50 for active safety members. One participating agency did not implement the new benefit plans. Additionally, members in Tier 3 were allowed to transfer into a contributory plan.
- Beginning January 1, 2011, Tier 5 was closed. Tier 2 was re-opened for all new hires for Stanislaus County with the reduced benefit formulas of 2% at age 61 for most general members and 2% at 50 for safety members.
- On January 1, 2013, Tier 2 was closed, and Tier 6 was adopted for all new hires providing the retirement of 2% at 62 for general members and 2.7% at age 57 for safety members.
- In April 2025 and 2024 a 3.0% annual cost-of-living increase was given to all retired, disabled, and beneficiary members receiving a recurring allowance except recent retirees who received a slightly lower increase and those retirees receiving pensions for service as a Tier 3 non-contributory member.
- In September 2025 StanCERA received confirmation the requested abatement of a penalty assessed under Internal Revenue Code ("Code") Section 6721 for failure to timely file Forms 1099-R for the 2021 tax year due to reasonable cause under the Internal Revenue Manual ("IRM") Section 20.1.7.12.1 was approved, and is no longer a potential liability.

Using the Annual Report

The financial statements reflect the activities of StanCERA. They are composed of the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. These statements are presented on an accrual basis of accounting and reflect all trust activities as incurred.

Overview of the Basic Financial Statements

This Management's Discussion and Analysis is intended to serve as an introduction to StanCERA's basic financial statements, which are comprised of the following three components:

Overview of the Basic Financial Statements (Continued)

1. Statements of Fiduciary Net Position
2. Statements of Changes in Fiduciary Net Position
3. Notes to the Basic Financial Statements

StanCERA's basic financial statements and the note disclosures to the basic financial statements comply with accounting principles generally accepted for governments (GAAP) within the United States as established by the Governmental Accounting Standards Board.

Financial Analysis

Statements of Fiduciary Net Position

The Statements of Fiduciary Net Position show the assets available for future payments to retirees and liabilities as of the fiscal year-end. The following condensed comparative summary of Fiduciary Net Position demonstrates that the pension trust primarily focuses on cash and investments and the restricted net position. This statement is also a good indicator of the financial strength of StanCERA.

Fiduciary Net Position, as of June 30, 2025, 2024, and 2023 (in thousands)

	2025	2024	2023	\$ Change 2025-2024	\$ Change 2024-2023
Current Assets	\$ 81,475	\$ 79,190	\$ 80,916	\$ 2,285	\$ (1,726)
Investments	3,145,462	2,889,155	2,670,590	256,307	218,565
Capital Assets, Net	9,091	9,557	10,196	(466)	(639)
Total Assets	3,236,028	2,977,902	2,761,702	258,126	216,200
Total Liabilities	113,921	103,617	99,860	10,304	3,757
Total Fiduciary Net Position Restricted for Pension Benefits	\$ 3,122,107	\$ 2,874,285	\$ 2,661,842	\$ 247,822	\$ 212,443

Financial Analysis (continued)

Statements of Changes in Fiduciary Net Position

The Statements of Changes in Fiduciary Net Position provide an account of the fiscal years' additions to and deductions from Fiduciary Net Position.

Additions To Fiduciary Net Position For The Fiscal Years Ended

June 30, 2025, 2024, and 2023

(in thousands)

	2025	2024	2023	\$ Change 2025-2024	\$ Change 2024-2023
Employer Contributions	\$ 126,382	\$ 116,285	\$ 105,090	\$ 10,097	\$ 11,195
Plan Member Contributions	37,834	35,189	33,053	2,645	2,136
Net Investment Income	278,957	246,160	173,419	32,797	72,741
<i>Total Additions</i>	\$ 443,173	\$ 397,634	\$ 311,562	\$ 45,539	\$ 86,072

Deductions From Fiduciary Net Position For The Fiscal Years Ended

June 30, 2025, 2024, and 2023

Benefit Payments	\$ 188,963	\$ 178,235	\$ 168,769	\$ 10,728	\$ 9,466
Member Refunds - Termination	1,989	2,250	2,613	(261)	(363)
Member Refunds/Payouts - Death	389	404	401	(15)	3
Administrative Expenses	4,010	4,302	4,362	(292)	(60)
<i>Total Deductions</i>	\$ 195,351	\$ 185,191	\$ 176,145	\$ 10,160	\$ 9,046

Change in Fiduciary Net
Position Restricted for
Pension Benefits

\$ 247,822	\$ 212,443	\$ 135,417	\$ 35,379	\$ 77,026
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Fiduciary Net Position Restricted
for Pension Benefits

Beginning of Year	2,874,285	2,661,842	2,526,425	212,443	135,417
End of Year	\$ 3,122,107	\$ 2,874,285	\$ 2,661,842	\$ 247,822	\$ 212,443

Additions to Fiduciary Net Position

A review of the Statement of Fiduciary Net Position shows that June 30, 2025, closed with assets exceeding liabilities by \$3.1 billion, with the Fiduciary Net Position restricted for StanCERA's ongoing obligations to plan participants and their beneficiaries. The fiscal year ended June 30, 2024, closed with assets exceeding liabilities by \$2.9 billion. The \$247.8 million and \$212.4 million increase, respectively, in the Fiduciary Net Position is a direct result of the changes in the financial market and investment performance. StanCERA remains in good financial condition.

Financial Analysis (continued)

Additions to Fiduciary Net Position (continued)

The primary sources to finance the benefits StanCERA provides are accumulated through return on investments and the collection of member and employer contributions. The total for these income sources for fiscal year ended June 30, 2025 resulted in an increase of \$45.5 million, whereas the fiscal year ended June 30, 2024 resulted in an increase of \$86.1 million. The increase is primarily a result of activity in the broad market, as discussed in the Investment Analysis below. Employer and member contributions increased by \$12.7 million (or 8.4%) from the contributions made in the fiscal year that ended June 30, 2025 due to salary increases for active members.

Deductions from Fiduciary Net Position

The primary uses of StanCERA's assets are the payment of benefits to retirees and their beneficiaries, refunds of contributions to terminated employees, and the costs of administering the Plan. These expenses for the fiscal year that ended June 30, 2025 were \$195.4 million, an increase of \$10.2 million from prior year. This increase is due to the increased number of retirees and an increase in the average benefit payment received. For the fiscal year ended June 30, 2024, the expenses were \$185.2 million, an increase of \$9.0 million from prior year due to the increase in the number of retirees and the average amount they are paid. For the fiscal year ended June 30, 2025, administrative expense decreased by \$292.0 thousand (or -6.8%) from the prior year. This decrease is a result of reduced personnel expense derived from efficiency gains and re-allocation of administrative expense to investment expense. As a result, total administrative expense represented 0.0824% of the accrued actuarial liability (funding basis) for the fiscal year ended June 30, 2025 and 0.0937% for the fiscal year ended June 30, 2024.

Overall Financial Condition

Investment Analysis

StanCERA's investment activity is a function of the underlying marketplace for the period measured and the Investment Policy's asset allocation. For the fiscal year ended June 30, 2025, StanCERA's investments were reported by the three functional portfolios per the Investment Policy restated and approved by the Board of Retirement on December 12, 2023.

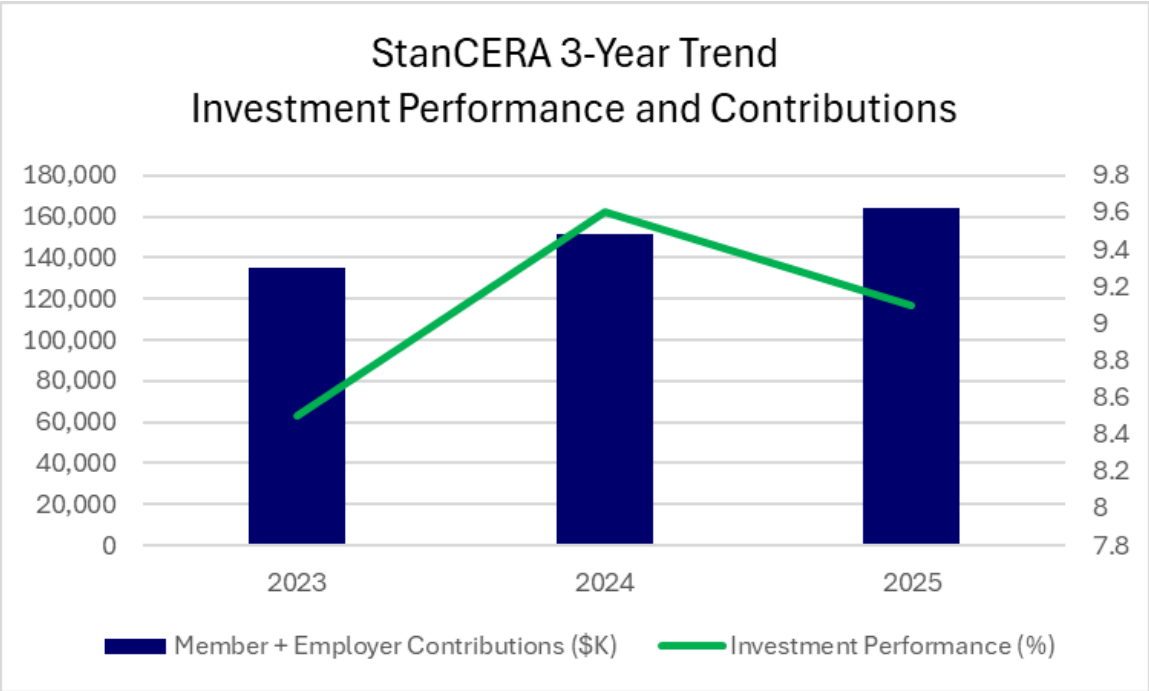
The Plan's domestic equity returns for the fiscal year ended June 30, 2025, underperformed their benchmark by 110 basis points and international equity outperformed their benchmark by 220 basis points. Domestic equity returns for the fiscal year ended June 30, 2024, underperformed their benchmark by 220 basis points and international equity outperformed their benchmark by 93 basis points.

For the fiscal year ended June 30, 2025, StanCERA's total portfolio underperformed its policy benchmark by 10 basis points with an overall return of 9.1%. For the fiscal year ended June 30, 2024, StanCERA's total portfolio underperformed its policy benchmark by 20 basis points with an overall return of 9.6%. As a result, management believes the Plan remains in a very strong financial position to meet its obligations to Plan participants and beneficiaries, with an emphasis on long-term growth.

Overall Financial Condition (continued)

Investment Analysis (continued)

The following chart shows the investment performance and member contributions for 2023 through 2025.



Net Pension Liability

The primary concern to most pension plan participants is the amount of resources available to pay benefits. Historically, pension plans have been under-funded when the employer fails to make actuarially determined contributions. All StanCERA employers have traditionally contributed the actuarially determined contribution as determined by the Plan’s actuary.

An indicator of funding status is the ratio of the Fiduciary Net Position to the Total Pension Liability (TPL). An increase in the percentage over time usually indicates a plan is becoming financially stronger; however, a decrease will not necessarily indicate a plan is in financial decline. Changes in actuarial assumptions can significantly impact the Net Pension Liability (NPL). In addition, performance in the stock and bond markets can have a material impact on the fair value of assets and Fiduciary Net Position.

As of June 30, 2024, the NPL rolled forward to StanCERA’s fiscal year ended June 30, 2025, was \$752.7 million using the entry age normal cost method. The Board of Retirement approves the assumptions used by the actuary to perform their calculation. As of the most recent actuarial valuation dated June 30, 2024, rolled forward to June 30, 2025, StanCERA’s Fiduciary Net Position was 80.6% of the TPL. The next actuarial valuation is scheduled for June 30, 2025 to be rolled forward to the fiscal year ended June 30, 2026.

The total pension liability was determined using a 6.75% discount rate for both fiscal years ended June 30, 2025 and 2024. This rate reflects the long-term expected return on plan investments, based on the assumption that member and employer contributions will continue at current actuarially determined levels. Mortality assumptions are based on CalPERS 2021 tables, with adjustments by member classification and gender, and include generational improvements projected from 2017 using 80% of SOA Scale MP-2020. Additional details on these assumptions can be found in the Actuarial Section of this report.

StanCERA's Fiduciary Responsibilities

StanCERA's Board of Retirement and management staff are fiduciaries of the pension trust fund. Under the California Constitution, the Fiduciary Net Position can only be used for the exclusive benefit of plan participants and their beneficiaries.

Requests for Information

This financial report is designed to provide the Board of Retirement, Plan participants, taxpayers, investment professionals and creditors with a general overview of StanCERA's financial condition and to demonstrate StanCERA's accountability for the funds under its stewardship.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Thomas Stadelmaier
Executive Director
Stanislaus County Employees' Retirement Association
832 12th Street, Suite 600
Modesto, CA 95354

STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENTS OF FIDUCIARY NET POSITION
As of June 30, 2025 and 2024
(in thousands)

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
ASSETS		
Cash and Cash Equivalents (Note 4):	\$ 59,441	\$ 61,697
Receivables:		
Interest and Dividends	9,449	7,744
Securities Transactions	5,589	3,658
Contributions (Note 3)	6,847	6,037
Overpayments	91	—
Total Receivables	<u>21,976</u>	<u>17,439</u>
Prepaid Items	58	54
Capital Assets, Net (Note 2):	9,091	9,557
Investments at Fair Value (Note 4):		
U.S. Government and Agency Obligations	321,076	293,830
Corporate Bonds	284,726	153,399
Emerging Market / Non-U.S. Bonds	33,601	30,193
Domestic Stocks	236,794	251,543
Domestic Equity Index Fund	344,541	397,075
International Equity	605,632	567,084
Private Credit	209,818	218,722
Private Real Estate	333,505	323,935
Private Equity	181,328	166,907
Infrastructure	225,658	204,005
Risk Parity	279,103	202,811
Securities Lending Collateral	89,680	79,651
Total Investments	<u>3,145,462</u>	<u>2,889,155</u>
Total Assets	<u>3,236,028</u>	<u>2,977,902</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	19,805	18,216
Securities Transactions	4,041	5,355
Securities Lending Obligation (Note 4)	89,680	79,651
Total Current Liabilities	<u>113,526</u>	<u>103,222</u>
Long Term Liabilities:		
Grant Deed Extension Fee	<u>395</u>	<u>395</u>
Total Liabilities	<u>113,921</u>	<u>103,617</u>
Fiduciary Net Position Restricted For Pension Benefits (Note 6)	<u>\$ 3,122,107</u>	<u>\$ 2,874,285</u>

The accompanying notes are an integral part of these financial statements.

STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
For the Fiscal Years Ended June 30, 2025 and 2024
(in thousands)

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
ADDITIONS		
Contributions (Note 5):		
Employer	\$ 126,382	\$ 116,285
Plan Members	37,834	35,189
Total Contributions	<u>164,216</u>	<u>151,474</u>
Investment Income:		
Net Appreciation in Fair Value of Investments	237,907	214,918
Interest and Dividends	72,839	62,197
Total Investment Gain	<u>310,746</u>	<u>277,115</u>
Net Income from Commission Recapture	20	3
Less: Investment Expense (Note 4)	<u>(33,237)</u>	<u>(32,352)</u>
Net Investment Income	<u>277,529</u>	<u>244,766</u>
Other Investment Income:		
Net Litigation Recovery Income	135	444
Rental Income	123	113
Other Investment Income	913	595
Net Other Investment Income	<u>1,171</u>	<u>1,152</u>
Securities Lending Activities (Note 4):		
Securities Lending Income	367	345
Less: Securities Lending Expense	<u>(110)</u>	<u>(103)</u>
Net Securities Lending Income	<u>257</u>	<u>242</u>
Total Investment Income	<u>278,957</u>	<u>246,160</u>
Total Additions	<u>443,173</u>	<u>397,634</u>
DEDUCTIONS		
Benefit Payments and Subsidies	188,963	178,235
Member Refunds - Termination	1,989	2,250
Member Refunds - Death	389	404
Administrative Expenses (Note 2)	4,010	4,302
Total Deductions	<u>195,351</u>	<u>185,191</u>
Net Change in Fiduciary Net Position	<u>247,822</u>	<u>212,443</u>
Fiduciary Net Position Restricted for Pension Benefits (Note 6)		
Beginning of Year	2,874,285	2,661,842
End of Year	<u>\$ 3,122,107</u>	<u>\$ 2,874,285</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1 - DESCRIPTION OF PLAN

Description of System and Applicable Provisions of the Law

The Stanislaus County Employees' Retirement Association (StanCERA or the Plan) is an integrated public employee retirement system established under and subject to the legislative authority of the State of California as enacted and amended in the County Employees Retirement Law of 1937 (Chapter 677 Statutes of 1937) (CERL) and the Public Employees' Pension Reform Act. It is a cost-sharing multiple-employer pension plan. StanCERA was established by the County of Stanislaus Board of Supervisors on July 1, 1948, and was integrated with Social Security on January 1, 1956.

Membership

StanCERA consists of employees from the County of Stanislaus, East Side Mosquito Abatement District, Hills Ferry Cemetery District, Keyes Community Service District, City of Ceres, Salida Sanitary District, Stanislaus County Superior Court, Stanislaus Regional Transit Authority, and Stanislaus Council of Governments. Each person entering employment full-time or permanent part-time (50% or more of the regular hours) becomes a member on the first day of employment. The structure of the Membership with StanCERA is as follows:

	June 30, 2025			June 30, 2024		
	General	Safety	Total	General	Safety	Total
Active Members:						
Vested and Non-vested	3,917	785	4,702	3,881	777	4,658
Total Active	3,917	785	4,702	3,881	777	4,658
Inactive Members:						
Deferred Members	778	177	955	751	177	928
Unclaimed Contributions	1,073	157	1,230	1,026	154	1,180
Total Inactive	1,851	334	2,185	1,777	331	2,108
Retired Members:						
Service Retirements	3,550	656	4,206	3,444	630	4,074
Disability Retirements	195	183	378	200	178	378
Survivor Payments	42	11	53	45	10	55
Total Retired	3,787	850	4,637	3,689	818	4,507
Total	9,555	1,969	11,524	9,347	1,926	11,273

Active

StanCERA has Tiers 1, 2, 3, 4, 5, and 6 for General Members and Tiers 2, 4, 5, and 6 for Safety Members. All tiers are closed, except for Tier 6 for General and Safety Members. Members of the Plan receive a 100% vested interest in the Plan after 5 years of service, except Tier 3, which requires 10 years of service.

NOTE 1 – DESCRIPTION OF PLAN (continued)

Benefits

StanCERA provides for retirement, disability, death, beneficiary, cost-of-living, and ad-hoc retirement benefits.

Service Retirement Benefit

Members of Tiers 1, 2, 4, and 5 with 10 years of service, who have attained the age of 50, are eligible to retire. Tier 3 members are eligible to retire with 10 years of service at age 55. Tier 6 members are eligible to retire with 5 years of service at age 50 for Safety members and age 52 for General members. Members of Tiers 1, 2, 4, and 5 with 30 years of service (20 years for safety), regardless of age, are eligible to retire. The benefit is a percentage of monthly final average salary (FAS) per year of service, depending on age at retirement, and is illustrated below for representative ages. Government Code Section 31462 of the CERL defines the FAS as a member's average monthly compensation earned during any consecutive 12 months (applicable to members of Tiers 1, 4, and 5). Government Code Sections 31462.1 and 7522.32 use the member's average monthly compensation earned during any 36 consecutive months (applicable to members of Tiers 2, 3, and 6). For members integrated with Social Security, the benefit is reduced by 1/3 of the percentage shown below times the first \$350 of the monthly FAS per year of service credited after January 1, 1956. Tier 6 is not integrated with Social Security.

Percentage of FAS:

Age	General						Safety		
	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Tiers 1&2	Tiers 4&5	Tier 6
50	1.34	1.18	N/A	1.48	1.48	N/A	2.00	3.00	2.00
55	1.77	1.49	0.68*	1.95	1.95	1.30	2.62	3.00	2.50
60	2.37	1.92	1.14*	2.44	2.44	1.80	2.62	3.00	2.70
65	2.62	2.43	2.00*	2.62	2.62	2.30	N/A	N/A	2.70

* 1% of FAS for each year of service over 35 reduced by 1/35 of Social Security Benefits at age 65 not to exceed 35 years

Retiring members may choose from four (4) different beneficiary retirement allowances. Most retirees elect to receive an unmodified allowance, which includes a continuation of 60% of the allowance to the retirees' surviving spouse or registered domestic partner.

Death Benefit-Before Retirement

Employed Less Than 5 Years

In addition to the return of contributions, a death benefit is payable to the member's beneficiary or estate equal to 1 month of salary for each completed year of service under the retirement system, based on the final year's average salary, not to exceed 6 months of salary (except Tier 3 members).

NOTE 1 – DESCRIPTION OF PLAN (continued)

Death Benefit-Before Retirement (continued)

Employed More than 5 Years

If a member dies while eligible for service retirement or non-service connected disability, the spouse or registered domestic partner receives 60% of the allowance that the member would have received for retirement benefits on the day of his or her death (except Tier 3 members).

If a member dies in the performance of duty, the spouse or registered domestic partner receives a monthly benefit of 50% of the member's FAS (except Tier 3 members).

Death Benefit-After Retirement

If a member dies after retirement, a burial allowance of \$5,000 is paid to the beneficiary or estate (except Tier 3 members).

Suppose the retirement benefit is for service connected disability. In that case, 100% of the member's allowance as it was at death is continued to the surviving spouse or registered domestic partner for Tiers 1, 2, 4, 5, and 6. However, Tier 3 Members have no allowance continued to the surviving spouse or registered domestic partner.

If the retirement benefit is for other than service connected disability, 60% of the member's allowance is continued to the surviving spouse or registered domestic partner for Tiers 1, 2, 4, 5, and 6, and 60% of the member's allowance is continued to the surviving spouse or registered domestic partner if the unmodified option is chosen at time of retirement.

Disability Benefit

Regardless of age, members with 5 years of service are eligible for non-service connected disability (except Tier 3 members). The benefit may be up to 1/3 of FAS. If the disability is service connected, the member may retire regardless of length of service, and the benefit is 50% of FAS (except Tier 3 members).

Cost-of-Living Benefit

The current Cost-of-Living maximum increase for retirees is 3% per year (except Tier 3). The increases are based on the change in the Bureau of Labor Statistics Consumer Price Index (CPI) in the San Francisco Bay area from January 1 to December 31, effective the following April 1.

Ad-hoc Benefits

Ad-hoc benefits are non-vested benefits determined by the Board of Retirement (Board) and are subject to funding availability. No ad-hoc benefits are currently being paid (effective since January 1, 2010). Changes in the excess earnings policy, approved by the Board on May 25, 2012, placed additional restrictions on the Board's ability to grant these benefits. The greatest restriction currently is the Plan must be 100% funded on a market basis prior to funding any ad-hoc benefit.

NOTE 1 – DESCRIPTION OF PLAN (continued)

Contribution Rates

The CERL establishes the basic obligations for employer and member contributions to the retirement system. The actual employer and member contribution rates in effect each year are based on recommendations made by an independent actuary and adopted by the Board.

StanCERA's policy for contributions states actuarially determined rates, expressed as a percentage of annual covered payroll, are required to finance the costs of benefits earned by Plan members during the year, with an additional amount to finance any unfunded liability. The level percentage of payroll employer contribution rates are determined using the entry age actuarial cost method. For funding purposes, StanCERA also uses the level entry age normal cost method with the Unfunded Actuarial Accrued Liability (UAAL) to amortize the unfunded liability. StanCERA's actuarially determined composite employer contribution rates for the fiscal years ended June 30, 2025 and June 30, 2024 were 33.24% and 32.91%, respectively, of annual payroll. Employee contribution rates are based on age of entry for Tiers 1, 2, 4, and 5 and range between 3.45% and 18.04% for the fiscal years ended June 30, 2025 and June 30, 2024. Tier 6 employer rates are based on 50% of the total normal cost. Tier 6 employee contribution rates are not based on age of entry and are a flat rate ranging between 8.53% and 14.73% for fiscal years ended June 30, 2025 and June 30, 2024.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

StanCERA is governed by the Board and is considered an independent legal entity. StanCERA is a component unit of Stanislaus County (the County) and is being reported as a Pension Trust Fund in the County's Financial Report in accordance with Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units – an Amendment of GASB Statement No. 14*.

Basis of Accounting

StanCERA follows GASB accounting principles and reporting guidelines. The financial statements are prepared on a full accrual basis of accounting, which recognizes income when earned and expenses when incurred. Contributions from employers and members are recognized when received or when due pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Cash and Cash Equivalents

Cash equivalents include deposits in a treasury account at The Northern Trust Company (Northern Trust), the Plan's Custodian bank (Northern Trust), residual deposit in the County Treasurer's commingled cash pool and other investment managers. Cash equivalents are highly liquid investments with three months or less maturity when purchased. Short-term investments with the custodian bank include foreign currencies, cash held in short-term investment funds, and other short-term and highly liquid investments. Short-term investments considered cash equivalents are recorded at cost, which approximates fair value. Pooled cash is reported at amortized cost, which approximates fair value. Income on pooled cash is allocated on StanCERA's average daily balance in relation to total pooled assets.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

The Board has exclusive control of StanCERA investments. Statutes authorize the Board to invest, or to delegate the authority to invest, in any investment allowed by statute and considered prudent in the informed opinion of the Board.

Investments are stated at fair value in accordance with GASB Statement No. 67, *Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 25*. Values for stocks, publicly traded bonds, issues of the U.S. Government and its agencies, and real estate securities are valued according to sale prices of recognized exchanges as of the fiscal year-end, with international securities reflecting currency exchange rates in effect at June 30, 2025 and 2024. Both domestic and international investments are denominated in U.S. currency. Private Credit Partnerships, Private Real Estate, and Infrastructure investments are valued using their respective Net Asset Value (NAV) and are audited annually. The most significant input into the NAV of such an entity is the fair value of its investment holdings. The partnerships value these holdings quarterly, and the assumptions are based on the nature of the investment and the underlying business. The valuation techniques vary based on investment type and involve a certain degree of expert judgment.

Investment activity income is recorded at time of accrual. This includes, but is not limited to, interest, dividends, and capital calls.

Securities Transactions and Related Investment Income

Securities transactions are accounted for on a trade date basis. Interest income is recognized when earned, and dividend income is recognized on the ex-dividend date. Stock dividends or stock splits are recorded as memo items and do not affect the total value of the securities.

Capital Assets

Capital assets, consisting of software development, the purchase of a condominium interest in one floor of an office building, and office equipment, are presented at historical cost. StanCERA occupies 60% of the 6th floor of the office building, and 40% has been developed as office space currently leased out. The total cost of the capital assets as of June 30, 2025 and June 30, 2024 \$12.2 million and \$13.3 million, respectively. Accumulated depreciation increased from \$3.7 million to \$4.6 million during the fiscal year 2025. Depreciation expense for the fiscal years ending June 30, 2025 and June 30, 2024 totaled \$0.9 million and \$0.8 million, respectively. Depreciation is calculated using the straight-line method with an estimated life of 10 years for the software development, an estimated life of 99 years for the office space, an estimated life of 10 years for the leasehold improvements, and an estimated life of 5 years for office equipment.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets (continued)

	(in thousands)				
	Net Balance at June 30, 2024	Reclassifications & Additions	Reclassifications & Deletions	Less Depreciation	Net Balance at June 30, 2025
Capital Assets, not being depreciated					
Tenant Improvements	\$ 390	\$ —	\$ —	\$ —	\$ 390
Total Capital Assets, not being depreciated	390	—	—	—	390
Capital Assets, being depreciated					
Real Estate Occupied	1,536	—	—	19	1,517
Real Estate Leased	1,024	98	—	16	1,106
Leasehold Improvements	8	—	6	2	—
2022 Office Remodel	556	—	—	31	525
6th Floor Window Tinting	6	—	—	1	5
Pension Administration System	5,521	253	—	656	5,118
Workiva	20	—	—	7	13
Website Upgrade	—	40	—	8	32
Formax Machine FD6104	2	—	—	2	—
Formax Machine FD6306	18	—	—	6	12
VAV Box	9	—	—	1	8
Imaging System	231	—	—	58	173
Board Room Expansion	59	—	—	4	55
Board Room Expansion TI	127	—	—	25	102
Rebranding Cost	27	—	—	4	23
Audio Video System	23	—	—	11	12
Total Capital Assets, being depreciated	9,167	391	6	851	8,701
TOTAL	\$ 9,557	\$ 391	\$ 6	\$ 851	\$ 9,091
	Net Balance at June 30, 2023	Reclassifications & Additions	Reclassifications & Deletions	Less Depreciation	Net Balance at June 30, 2024
Capital Assets, not being depreciated					
Tenant Improvements	\$ 390	\$ —	\$ —	\$ —	\$ 390
Total Capital Assets, not being depreciated	390	—	—	—	390
Capital Assets, being depreciated					
Real Estate Occupied	1,555	—	—	19	1,536
Real Estate Leased	1,037	—	—	13	1,024
Leasehold Improvements	15	—	—	7	8
2022 Office Remodel	583	4	—	31	556
6th Floor Window Tinting	7	—	—	1	6
Pension Administration System	5,982	176	—	637	5,521
Workiva	21	—	—	1	20
Formax Machine FD6104	3	—	—	1	2
Formax Machine FD6306	24	—	—	6	18
VAV Box	10	—	—	1	9
Imaging System	289	—	—	58	231
Board Room Expansion	63	—	—	4	59
Board Room Expansion TI	152	—	—	25	127
Rebranding Cost	31	—	—	4	27
Audio Video System	34	—	—	11	23
Total Capital Assets, being depreciated	9,806	180	—	819	9,167
TOTAL	\$ 10,196	\$ 180	\$ —	\$ 819	\$ 9,557

Administrative Expenses

StanCERA's administrative expense is funded by the investment income and is limited to 0.21% of StanCERA's Actuarial Accrued Liability (AAL) pursuant to Government Code Section 31580.2. The law exempts the limitation for the cost of computer consultation, hardware and software. Total administrative expenses for the fiscal years ending June 30, 2025 and June 30, 2024 were \$4.0 million and \$4.3 million, respectively, of which \$1.1 million and \$1.1 million, respectively, were not subject to the administrative expense limitation.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Administrative Expenses (continued)

Administrative expenses subject to the limitation amounted to 0.0824% of AAL for the fiscal year ended June 30, 2025 and 0.0937% for the fiscal year ended June 30, 2024.

Income Taxes

StanCERA qualifies as a pension trust under Section 401(a) of the Internal Revenue Code. No provision for income taxes has been made in the accompanying financial statements as the Plan is exempt from Federal and State income taxes under the provisions of the Internal Revenue Code Section 501 and the California Revenue and Taxation Code Section 23701, respectively.

Management's Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and liabilities, revenue, and expenses as of the date of the financial statements. Accordingly, actual results could differ from those estimates.

New Accounting Pronouncements

In June 2022, GASB issued Statement No. 101, *Compensated Absences*, which aims to enhance the information available to financial statement users by updating the recognition and measurement guidance for compensated absences. This includes leave types such as vacation, sick leave and paid time off. The statement requires that liabilities for compensated absences be recognized for both unused leave and leave that has been used but not yet paid. The provisions of this statement are effective for fiscal years beginning after December 15, 2023. StanCERA's fiduciary net position has not been affected by the implementation of this statement.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*, which aims to enhance financial reporting for state and local governments by requiring disclosures related to vulnerabilities from certain concentrations and constraints. This statement mandates that governments assess whether these factors could lead to substantial financial impacts, ensuring transparency and informed decision-making for stakeholders. The provisions of this statement are effective for fiscal years beginning after June 15, 2024. StanCERA's fiduciary net position has not been affected by the implementation of this statement.

NOTE 3 – CONTRIBUTIONS RECEIVABLE

Contributions receivable represents withdrawals from employees' salaries and liabilities due by employers for retirement contributions for June that were received in July. Contributions receivable as of June 30, 2025 and June 30, 2024 were \$6.9 million and \$6.0 million, respectively.

NOTE 4 – CASH AND INVESTMENTS

The California State Constitution and the CERL give the Board the exclusive authority to invest the assets of StanCERA. The Board may, at its discretion, invest or delegate the authority to invest such assets through the

NOTE 4 – CASH AND INVESTMENTS (continued)

purchase, holding or sale of any form or type of investment, financial instrument or financial transaction when deemed prudent. StanCERA invests the assets according to a written Investment Policy established by the Board and currently employs external investment managers to manage the assets subject to the guidelines in the policy.

Deposits in Northern Trust

StanCERA cash is held at Northern Trust. The funds held in this account are the resources needed for daily operational purposes. StanCERA is responsible for the control and safekeeping of funds; cash in Northern Trust is managed according to StanCERA's policy and is subject to regulatory oversight by external auditors. StanCERA's cash invested with Northern Trust for operational use totals \$40.8 million and \$41.3 million on June 30, 2025 and 2024, respectively

Investments

Investment Policy – StanCERA's policy regarding the allocation of invested assets is established and may be amended by the Board. The investments of the Plan are trust funds. They are held for the exclusive purpose of providing benefits to the participants in the Plan and their beneficiaries and defraying reasonable expenses of administering the Plan. Therefore, the investments shall be diversified so as to minimize the risk of loss and to maximize the rate of return.

StanCERA's Investment Program employs three functional sub-portfolios to construct the comprehensive asset allocation: the Liquidity Sub-portfolio, the Growth Sub-portfolio, and the Diversifying Sub-portfolio. The Liquidity Sub-portfolio will ensure adequate assets are available to pay benefits over an extended timeframe. The Growth Sub-portfolio will grow the invested assets over the long-term in order to pay future benefits. Finally, the Diversifying Sub-portfolio is to offset the investment risk of the Growth Sub-portfolio. The allocations to the Liquidity, Growth and Diversifying Sub-portfolios will vary over time and will be reviewed annually. The adopted asset allocation for the three Sub-portfolios is:

NOTE 4 – CASH AND INVESTMENTS (continued)

Investments (continued)

Asset Class	June 30, 2025 Target Allocation	June 30, 2024 Target Allocation
Domestic Equities	18.00%	18.00%
International Equities	18.00%	18.00%
Fixed Income	21.00%	21.00%
Real Estate Securities	6.50%	6.50%
Alternatives:		
Private Credit	8.00%	8.00%
Private Equity	5.00%	5.00%
Private Real Estate	6.00%	6.00%
Absolute Return	5.00%	5.00%
Infrastructure	7.50%	7.50%
Risk Parity	4.00%	4.00%
Cash	1.00%	1.00%
	100.00%	100.00%

Rate of Return – For the fiscal years ended June 30, 2025 and June 30, 2024, the annual money-weighted rate of return on StanCERA's investments was 9.13% and 9.64%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Fair Value Measurement

Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. StanCERA follows GASB Statement No. 72 (GASB 72), *Fair Value Measurement and Application*, which addresses accounting and financial reporting issues related to fair value measurement.

StanCERA classifies the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value measurements are classified according to the following hierarchy:

- Level 1 – Unadjusted quoted prices for identical investments in active markets.
- Level 2 – Quoted prices for similar investments in active markets; quoted prices for identical or similar investments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable.
- Level 3 – Investments with valuations derived from valuation techniques in which significant inputs or value drivers are unobservable.

Inputs used to measure fair value might fall in different levels of the fair value hierarchy, in which case, StanCERA defaults to the lowest level input that is significant to the fair value measurement in its entirety. In determining the appropriate levels, a detailed analysis was performed of the assets and liabilities that are subject to GASB 72.

NOTE 4 – CASH AND INVESTMENTS (continued)

Fair Value Measurement (continued)

The following tables present fair value measurements as of June 30, 2025 and June 30, 2024:

Investments Measured at Fair Value

Investments by Fair Value Level (in thousands)	June 30, 2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed Income Securities				
Corporate and Other Credit	\$ 284,726	\$ —	\$ 284,726	\$ —
Emerging Market Non-U.S. Bonds	33,601	—	33,601	—
U.S. Government Agency	297,482	—	297,482	—
U.S. Treasury	23,594	—	23,594	—
Total Fixed Income Securities	639,403	—	639,403	—
Equity Securities				
Non-U.S. Equity	514,724	514,724	—	—
U.S. Equity	236,794	236,794	—	—
Commingled Equity Funds	344,541	—	344,541	—
Emerging Market Equity	90,908	—	90,908	—
Total Equity Securities	1,186,967	751,518	435,448	—
Collateral from Securities Lending	89,680	—	89,680	—
Total Investments by Fair Value Level	\$ 1,916,050	\$ 751,518	\$ 1,164,531	\$ —
Investments Measured at the Net Asset Value (NAV)				
Private Credit	\$ 209,818			
Private Equity	181,328			
Private Real Estate	333,505			
Infrastructure	225,658			
Risk Parity	279,103			
Total Investments Measured at the NAV	1,229,412			
Total Investments	\$ 3,145,462			

NOTE 4 – CASH AND INVESTMENTS (continued)

Fair Value Measurement (continued)

Investments Measured at Fair Value

Investments by Fair Value Level	June 30, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
(in thousands)				
Fixed Income Securities				
Corporate and Other Credit	\$ 153,399	\$ —	\$ 153,399	\$ —
Emerging Market Non-U.S. Bonds	30,193	—	30,193	—
U.S. Government Agency	280,969	—	280,969	—
U.S. Treasury	12,861	—	12,861	—
Total Fixed Income Securities	477,422	—	477,422	—
Equity Securities				
Non-U.S. Equity	491,254	491,254	—	—
U.S. Equity	251,543	251,543	—	—
Commingled Equity Funds	397,075	—	397,075	—
Emerging Market Equity	75,830	—	75,830	—
Total Equity Securities	1,215,702	742,797	472,905	—
Collateral from Securities Lending	79,651	—	79,651	—
Total Investments by Fair Value Level	\$ 1,772,775	\$ 742,797	\$ 1,029,978	\$ —

Investments Measured at the Net Asset Value (NAV)

Private Credit	\$ 218,722
Private Equity	166,907
Private Real Estate	323,935
Infrastructure	204,005
Risk Parity	202,811
Total Investments Measured at the NAV	1,116,380
Total Investments	\$ 2,889,155

NOTE 4 – CASH AND INVESTMENTS (continued)

Fair Value Measurement (continued)

Fixed Income Securities

Asset-Backed Securities, Mortgage-Backed Securities, and Non-U.S. Bonds are valued using the discounted cash flow income and matrix market models. Two proprietary discounted cash flow models are used: non-volatile tranche and volatile tranche. Prepayment speeds are derived from market participant quotes along with terms and conditions of the tranche, and both are entered into the model to determine the evaluated price. Matrices are developed based on trade and quote activity of bonds with similar features, including the issuer, vintage, purpose of the underlying loan, prepayment speeds, and credit ratings in order to identify trades and quotes for similar securities. Corporate and Municipal Bonds are valued using the matrix market model. Model inputs are derived from the market, brokers, dealer, mutual funds, and vendor client base. Model inputs include, but are not limited to, spread benchmark curves, prepayment speeds, inputs to build curves/spreads, comparable trades, bid price or spread, discount rates, quotes, trade reports and financial reports. U.S. Government Agencies and U.S. Treasury Bills are valued using the consensus and matrix evaluation models. These model inputs come from market sources and integrate relative credit information, observed market movements, and sector news.

When available, prices are updated regularly by obtaining dealer quotes and other market information, including live trading levels.

Equity Securities

Equity securities are valued using the NASDAQ Official Closing Price, which determines the market specific closing price for NASDAQ listed issues. For equity securities listed on exchanges, the last trade price is used. The last trade price is the price at which a specific security was last traded on the primary exchange. If the NASDAQ Official Closing Price or the last trade price is not available, a bid, ask/offer quote, is obtained from a third-party vendor.

Commingled funds are valued using the NAV, which is the fair value of all securities owned by the fund, minus its total liabilities, divided by the number of shares issued. Funds valued using the NAV are usually not reported within the fair value hierarchy. However, StanCERA's commingled funds are supported by audited financial statements, which provide observable market data. Commingled funds are legally or contractually required to redeem at the NAV and therefore are classified as Level 2.

NOTE 4 – CASH AND INVESTMENTS (continued)

Investments Measured at the NAV

Investments measured at fair value using the net NAV value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

The following tables present fair value measurements as of June 30, 2025 and June 30, 2024:

Investments Measured at NAV (in thousands)	6/30/2025 Fair Value	Unfunded Commitment	Redemption Frequency If Currently Eligible	Redemption Notice Period
Private Credit	\$ 209,818	\$ 66,988	Not Eligible	Not Applicable
Private Equity	181,328	48,853	Not Eligible	Not Applicable
Private Real Estate	333,505	44,804	Quarterly, Not Eligible	5-90 Days, Not Applicable
Infrastructure	225,658	23,310	Not Eligible	Not Applicable
Risk Parity	279,103	—	Monthly	5-15 Days
Total Investments Measured at NAV	\$ 1,229,412	\$ 183,955		

Investments Measured at NAV (in thousands)	6/30/2024 Fair Value	Unfunded Commitment	Redemption Frequency If Currently Eligible	Redemption Notice Period
Private Credit	\$ 218,722	\$ 78,231	Not Eligible	Not Applicable
Private Equity	166,907	70,676	Not Eligible	Not Applicable
Private Real Estate	323,935	30,186	Quarterly, Not Eligible	5-90 Days, Not Applicable
Infrastructure	204,005	30,052	Not Eligible	Not Applicable
Risk Parity	202,811	—	Monthly	5-15 Days
Total Investments Measured at NAV	\$ 1,116,380	\$ 209,145		

Private Credit Funds consist of investments in thirteen limited partnerships. The types of partnership strategies included in these funds are venture capital, growth equity, buyouts, special situations, mezzanine, and distressed debt. These funds are not eligible for redemption. Distributions are received as the underlying funds are liquidated, which can occur over the span of three to seven years. Total commitments for these funds are \$275.0 million, of which \$67.0 million is unfunded.

Private Equity consists of investments in multiple partnerships. The types of partnership strategies included in these funds are growth equity and buyouts. These funds are not eligible for redemption. Distributions are received as the underlying funds are liquidated, which can occur over the span of ten years. Total commitments for these funds are \$180.0 million, of which \$48.9 million is unfunded.

Private Real Estate Funds consist of investments in seven limited partnerships. These funds are mainly invested in U.S. commercial real estate. Shares of three of these funds can be redeemed at the request of the shareholders after a lockout period of up to two years. Distributions from each of these funds will be received as the underlying investments are liquidated. Three of these funds are open-ended and the distributions are reinvested. Liquidation of the underlying investments for one fund can occur over time up to eight years. Total commitments for these funds are \$349.0 million, of which \$44.8 million is unfunded.

Infrastructure consists of four limited partnerships. These funds are focused on opportunities in the energy, utilities and transportation sectors and target investments in infrastructure assets globally within the Organization for Economic Cooperation and Development countries. The funds are not eligible for redemption.

NOTE 4 – CASH AND INVESTMENTS (continued)

Investments Measured at the NAV (continued)

Distributions from these funds will be received as the underlying investments are liquidated, which can occur over the span of twelve years. Total commitments for this fund are \$170.0 million, of which \$23.3 million is unfunded.

Risk Parity Funds are mutual funds that invest in multiple asset classes represented by equity, fixed income, and commodities strategies in order to generate attractive risk-adjusted returns over time. These are open-ended funds and shares can be redeemed at the end of any given month at the request of the shareholder. Distributions for these funds are reinvested into the fund. Total commitments for this fund are \$445.0 million, and they are fully funded.

Securities Lending Program

The Board permits StanCERA to participate in a securities lending program. StanCERA lends bonds and equities to various brokers for collateral that will be returned for the same securities plus a fee in the future. Transactions are collateralized at 102% of fair value for domestic securities and 105% of fair value for international securities. Collateral received may include cash, letters of credit, or securities. Because the loans were terminable-at-will, their duration did not match the duration of the investments made with cash collateral. Either StanCERA or the borrower can terminate all securities loaned on demand. There are no restrictions on the amount of securities that may be lent.

StanCERA's custodial bank administers its securities lending program. The cash collateral is reported on the financial statements as an asset and as a liability of StanCERA while the non-cash collateral is reported neither as an asset nor a liability in accordance with GASB Statement No. 28. StanCERA cannot pledge or sell collateral securities delivered absent a borrower default. The contract with the securities lending agent requires them to indemnify StanCERA if the borrower fails to return the securities (or if the collateral is not sufficient to replace the securities lent) or if the borrower fails to pay StanCERA for income distributions while the securities are on loan.

Investments made with cash collateral are classified by risk category. The average maturity of the loans is one week, and are rated at least "A1" or "P1" by two nationally recognized statistical rating organizations or, if unrated, are determined by the bank to be of comparable quality. As of June 30, 2025, the fair value of securities on loan was \$87.4 million, with collateral received of \$89.7 million and non-cash collateral of \$41.9 million. As of June 30, 2024, the fair value of the securities on loan was \$77.6 million, with collateral received of \$79.7 million and non-cash collateral of \$13.4 million.

As of June 30, 2025, and 2024, StanCERA had no credit risk exposure to borrowers because the amount StanCERA owes the borrower exceeds the amount the borrower owes StanCERA. StanCERA's pro-rata share of net income derived from the securities lending transactions during fiscal years 2025 and 2024 was \$257 thousand and \$241 thousand, respectively. These are separate investments made on StanCERA's behalf and not StanCERA's share of pooled investments. At June 30, 2025 and 2024, StanCERA had the following securities out on loan:

NOTE 4 – CASH AND INVESTMENTS (continued)

Securities Lending Program (continued)

	June 30, 2025		June 30, 2024	
	Fair Value of Securities on Loan	Collateral Received	Fair Value of Securities on Loan	Collateral Received
(in thousands)				
U.S. Equities	\$ 39,387	\$ 40,355	\$ 23,601	\$ 24,118
U.S. Corporate Fixed	23,983	24,444	35,098	35,854
U.S. Government Fixed	8,997	9,164	9,331	9,543
U.S. Agencies	1,510	1,538	—	—
Non-U.S. Equities	13,479	14,179	9,559	10,136
Total Securities	87,356	89,680	77,589	79,651
Total Non-Cash Collateral	40,425	41,937	12,973	13,372
Total	\$ 127,781	\$ 131,617	\$ 90,562	\$ 93,023

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Duration is a measure of the price sensitivity of a fixed income portfolio to changes in market interest rates. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

Highly sensitive investments are certain debt investments whose terms may cause their fair value to be highly sensitive to market interest rate changes. Terms include such variables as embedded options, coupon multipliers, benchmark indices, and reset dates. StanCERA's fixed income investments have embedded prepayment options that will typically cause prepayments by the obliges of the underlying investments when interest rates fall. Prepayments eliminate the stream of future interest payments and diminish the fair value of the fixed income investment.

The following table shows the effective duration of StanCERA's fixed income investments by investment type.

	June 30, 2025		June 30, 2024	
	Fair Value (in thousands)	Effective Duration (in years)	Fair Value (in thousands)	Effective Duration (in years)
Fixed Income Securities				
Corporate and Other Credit	\$ 284,726	2.5	\$ 153,399	2.5
Emerging Market / Non-U.S. Bonds	33,601	2.3	30,193	2.1
Government Bonds	297,482	0.0	280,969	0.0
Government Agencies	23,594	3.4	12,861	3.4
Total Fixed Income Securities	\$ 639,403		\$ 477,422	

NOTE 4 – CASH AND INVESTMENTS (continued)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. In cases where credit ratings differ among rating agencies, the manager shall use the lowest of the ratings provided. StanCERA's custodial bank provided ratings for Moody's Investor Service (Moody's) and Standard & Poor's (S&P). Should a fixed income security rating fall below investment grade, the manager may continue to hold the security if they believe the security will be upgraded in the future, there is a low risk of default and buyers will continue to be available throughout the anticipated holding period. The manager is responsible of notifying the Board whenever an issue falls below investment grade. Investment grade quality is defined as a Standard & Poor's rating of BBB or higher. The notification should include the manager's assessment of the issue's credit rating and its ongoing role in the portfolio. The Stanislaus County Investment Pool and the short-term investment funds held with fiscal agent are unrated.

The following table shows the quality of StanCERA's investments in fixed income securities.

S&P/Moody's Credit Rating	June 30, 2025		June 30, 2024	
	Percentage of Total Fixed Income	StanCERA's Fixed Income Securities (in thousands)	Percentage of Total Fixed Income	StanCERA's Fixed Income Securities
Aaa / AAA	1.10%	\$ 2,434	—%	\$ —
Aa1 / AA+	—%	—	0.49%	962
Aa2 / AA	—%	—	—%	—
Aa3 / AA-	6.61%	14,571	8.03%	15,806
A1 / A+	4.75%	10,462	3.38%	6,654
A2 / A	13.00%	28,635	8.25%	16,222
A3 / A-	25.54%	56,277	21.30%	41,906
Baa1 / BBB+	18.44%	40,621	27.50%	53,214
Baa2 / BBB	12.95%	28,529	15.27%	30,032
Baa3 / BBB-	1.15%	2,538	1.80%	3,533
Ba1 / BB+	—%	—	—%	—
Ba2 / BB	—%	—	—%	—
N/R	5.75%	12,663	7.90%	15,537
N/A	10.71%	23,594	6.54%	12,861
Total	100.00%	\$ 220,324	100.00%	\$ 196,727

N/R represents securities that are not rated.

N/A represents securities that are not applicable to the rating disclosure requirements.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss due to a large concentration of investments in any one issuer. Investments issued or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools and other pooled investments are exempt from the disclosure requirements. As of June 30, 2025 and 2024, for separately managed investment accounts, StanCERA did not have investments in any one issuer representing 5% or more of the total portfolio.

NOTE 4 – CASH AND INVESTMENTS (continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. StanCERA does not have a formal policy for custodial credit risk for deposits. Under California Government Code, a financial institution is required to secure deposits in excess of \$250,000 made by state or local government units by pledging securities held in the form of an undivided collateral pool. The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure governmental deposits by pledging first deed mortgage notes having a value of 150% of the secure public deposits. Such collateral is held by the pledging financial institutions trust department or agent in StanCERA's name. At fiscal year-end, StanCERA had no custodial credit risk exposure to any depository financial institution. All deposits are placed with a custodial bank. Custodial credit risk for investments is the risk that, in the event of the failure of the counter-party (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. StanCERA does not have a formal policy for custodial credit risk for investments. Investment securities are exposed to custodial credit risk if the securities are uninsured, not registered in the governmental entity's name and held by the counter-party. StanCERA's investment securities are not exposed to custodial credit risk because all securities held by StanCERA's custodial bank are in StanCERA's name.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates may adversely affect the fair value of an investment. StanCERA's external investment managers may invest in international securities and must follow StanCERA's Investment Guidelines pertaining to these types of investments.

American Depositary Receipts (ADR) are included in the U.S. Dollars. ADR represents underlying securities of non-U.S. companies traded on the U.S. stock exchanges. Although the transactions are denominated in U.S. Dollars and not subject to foreign currency risk, these securities are reflected as part of the non-U.S. equities within International Equity Investments reported in the Statements of Fiduciary Net Position.

NOTE 4 – CASH AND INVESTMENTS (continued)

Foreign Currency Risk (continued)

StanCERA's exposure to foreign currency risk in U.S. dollars is as follows:

Currency (in thousands)	June 30, 2025	June 30, 2024
	Fair Value (in U.S. \$)	Fair Value (in U.S. \$)
Australian Dollar	\$20,112	\$15,414
Brazilian Real	2,885	3,298
British Pound	62,499	54,497
Canadian Dollar	44,648	38,217
Chilean Peso	1,130	1,287
Danish Krone	7,398	9,919
Euro Dollars	143,117	128,333
Hong Kong Dollar	33,582	34,037
Hungarian Forint	1,462	1,303
Indonesian Rupiah	1,831	1,644
Japanese Yen	87,709	94,235
Malaysian Ringgit	2,074	1,741
Mexican Peso	4,034	3,617
New Israeli Shekel	2,242	1,805
New Taiwan Dollar	15,093	21,736
Norwegian Krone	4,602	5,128
Singapore Dollar	8,872	7,179
South African Rand	5,321	3,093
South Korean Won	14,546	14,248
Swedish Krona	14,723	10,546
Swiss Franc	31,728	29,520
Thailand Baht	969	550
Turkish Lira	817	4,574
U.S. Dollar	94,238	81,163
TOTAL	\$605,632	\$567,084

Commitments to Private Credit

On June 30, 2025 and June 30, 2024, StanCERA's total capital commitments to private credit partnerships were \$275.0 million and \$255.0 million, respectively. Of this amount, \$67.0 million and \$78.2 million, respectively, remained unfunded and is not recorded on StanCERA's Statements of Fiduciary Net Position.

Commitments to Private Equity

On June 30, 2025 and June 30, 2024, StanCERA's total capital commitments to private equity partnerships were \$180.0 million and \$180.0 million, respectively. Of this amount, \$48.9 million and \$70.7 million, respectively, remained unfunded and is not recorded in StanCERA's Statement of Fiduciary Net Position.

Commitments to Private Real Estate

On June 30, 2025 and June 30, 2024, StanCERA's total capital commitments to private real estate partnerships were \$349.0 million and \$324.0 million, respectively. Of this amount, \$44.8 million and \$30.2 million, respectively, was unfunded and is not recorded in StanCERA's Statement of Fiduciary Net Position.

NOTE 4 – CASH AND INVESTMENTS (continued)

Commitments to Infrastructure

On June 30, 2025 and June 30, 2024, StanCERA's total capital commitments to infrastructure were \$170.0 million and \$170.0 million, respectively. Of this amount, \$23.3 million and \$30.1 million, respectively, was unfunded and is not recorded in StanCERA's Statement of Fiduciary Net Position.

Commitments to Risk Parity

On June 30, 2025 and June 30, 2024, StanCERA's total commitments to risk parity were \$445.0 million and \$385.0 million, respectively. This asset was fully funded for both periods.

Investment Expense

Investment expense includes fees paid for investment consulting services, fund evaluation services and securities custodian services. Fees paid are charged against the StanCERA's investment earnings pursuant to Government Code Sections 31596.1 and 31592.5.

Investment Expense

(in thousands)

	June 30, 2025	June 30, 2024
Investment Managers	\$ 21,402	\$ 22,852
Investment Consultants	558	544
Custodial Fees	422	371
Investment Attorney	155	137
Other Investment Costs	10,509	8,330
Total Other Investment Expenses	33,046	32,234
Actuarial Fees	192	118
Total Investment Expenses	\$ 33,238	\$ 32,352

NOTE 5 – CONTRIBUTIONS

Contribution Rates

The CERL establishes the retirement plan's basic obligations for employer and member contributions. The actual employer and member contribution rates in effect each year are based on recommendations made by an independent actuary and adopted by the Board.

StanCERA's policy for employer contributions states that actuarially determined rates expressed as a percentage of annual covered payroll are required to accumulate sufficient assets to pay benefits when due. The level percentage of payroll employer contribution rates are determined using the entry age actuarial cost method. StanCERA also uses the level entry age normal cost method with an UAAL to amortize any unfunded liability.

Member basic rates are based on a formula reflecting the age at entry into the Plan. For Safety, the rates are such as to provide an average monthly annuity at age 50 equal to 1/100 of the FAS. Tier 1 General Members pay rates that will provide an average annuity at age 60 of 1/100 of the FAS. Tier 4 General Members pay rates that will provide an average annuity at age 55 of 1/120 of the FAS. County (and former County agency) Safety

NOTE 5 – CONTRIBUTIONS (continued)

Contribution Rates (continued)

and General Members in Tiers 1 and 4 pay one-half of the aforementioned rates. General Members in Tier 2 pay rates to provide an average annuity of 1/120 of FAS at age 60. General Members in Tier 3 pay no member contributions. General Members in Tier 5 pay rates to provide an average annuity at age 55 of 1/120 of FAS. Both General and Safety Tier 6 Members pay approximately half of the actuarially determined normal cost rate for the benefit.

Member cost-of-living contributions, expressed as a percentage of their basic rates, are designed to pay for one-half of the cost-of-living liabilities for future service. For members integrated with Social Security, the above contributions are reduced by 1/3 of that portion of such contribution payable with respect to the first \$350 of monthly salary. Member contributions are refundable upon termination from the retirement system.

Contributions as a percentage of covered payroll for the fiscal year ended June 30, 2025, are shown in the following table:

Employer	Employer Contributions	Member Contributions	Employer Contributions as a % of Covered Payroll
	(in thousands)		
Stanislaus County	\$ 113,239	\$ 34,155	29.5760%
City of Ceres	6,350	1,464	1.6586%
Stanislaus Superior Court	5,255	1,598	1.3725%
Stanislaus Council of Governments	591	204	0.1544%
East Side Mosquito Abatement District	251	89	0.0657%
Salida Sanitary District	240	178	0.0626%
Keyes Community Services District	221	70	0.0577%
Hills Ferry Cemetery District	153	52	0.0400%
Stanislaus Regional Transit Authority	82	25	0.0215%
	\$ 126,382	\$ 37,835	0.0330%
Covered Payroll	\$ 382,778		

NOTE 5 – CONTRIBUTIONS (continued)

Contribution Rates (continued)

Contributions as a percentage of covered payroll for the fiscal year ended June 30, 2024, are shown in the following table:

Employer	Employer Contributions	Member Contributions	Employer Contributions as a % of Covered Payroll
	(in thousands)		
Stanislaus County	\$ 104,541	\$ 31,735	29.2688%
City of Ceres	5,445	1,357	1.5245%
Stanislaus Superior Court	4,965	1,536	1.3901%
Stanislaus Council of Governments	508	187	0.1423%
East Side Mosquito Abatement District	219	80	0.0613%
Salida Sanitary District	213	164	0.0597%
Keyes Community Services District	205	67	0.0573%
Hills Ferry Cemetery District	126	44	0.0352%
Stanislaus Regional Transit Authority	63	19	0.0176%
	\$ 116,285	\$ 35,189	32.5569%
Covered Payroll	\$ 357,174		

NOTE 6 – RESERVES

As required by the CERL, or the Board's policies, the following reserves from Fiduciary Net Position Restricted for Pension Benefits must be established and used to account for the members' (employees and retirees) contributions.

Active Members' Reserve

This reserve represents the cumulative contributions made by active members (employees), after deducting refunds to the members, plus the investment earnings credited to the reserve at the assumed rate of return determined by the actuary. For the fiscal years ended June 30, 2025 and 2024, the actuarial assumed rate of return was 6.75 % for both years. Based on Retirement Board policy, when the Plan is below 100% funded on a market basis, the percentage allocated to Active Members' Reserve is capped at the actuarial assumed rate of return and will determine the semi-annual percent of interest to be posted to individual member account balances in the subsequent fiscal year.

Employer Reserve

These reserves represent the cumulative contributions made by Plan sponsors (employers). Interest earnings are credited to these reserves based on StanCERA's excess earnings policy.

Upon the retirement of an active member, an actuarially determined amount of the member's vested interest is transferred from the Employer Advance Reserve to the Retired Members' Pension Reserve.

NOTE 6 – RESERVES (continued)

Retired Members' Pension Reserve

These reserves are established to account for the unpaid retirees' pension benefits. Upon the retirement of an employee, member contributions plus the interest earnings credited to the member's account are transferred from the Active Members' Reserve account to the Retired Members' Annuity and Cost-of-Living Reserve accounts. StanCERA retiree benefits are paid from these reserves computed in accordance with the CERL. Interest earnings are credited to this reserve based on StanCERA's excess earnings policy.

Retiree Burial Allowance Reserve

The burial allowance reserve is a benefit the Board offers, which pays the named beneficiary of a deceased retiree a lump sum death benefit. This benefit is available for all retirees whose last work in a 1937 Act Retirement System, or California Public Employees Retirement System (CalPERS), was with StanCERA. Interest earnings are credited to this reserve based on StanCERA's excess earnings policy.

Contingency Reserve

This optional reserve represents earnings in excess of the total interest credited to contributions of the employer and employee. It is funded at a minimum 1% of total valuation reserves prior to excess earnings distribution (Government Code Section 31592). It is used as a reserve against deficiencies in interest earnings in other years, losses on investments and other contingencies. The Board set this reserve to 1% in May 2012 and it is reviewed and adjusted annually.

Undistributed Earnings/(Losses)

This "designation" account was established on June 30, 2003. It was used to minimize the impact of actuarial smoothing of assets and contains an accumulation of earnings or losses, which have not been distributed to any other reserve. This reserve has undistributed earnings of \$0.0 million and earnings of \$187.7 million as of June 30, 2025 and June 30, 2024, respectively.

NOTE 6 – RESERVES (continued)

Other Reserves

These reserves are for Retirees' Special Cost-of-Living, Tier 3 Disability and Legal Contingencies.

Reserve Account Balances are as follows:

	June 30, 2025	June 30, 2024
	(in thousands)	
Active Members' Reserve	\$ 769,649	\$ 688,509
Employer Advance Reserve	435,024	361,131
Employer Transfer from Non-Valuation Reserve	264,714	221,296
Retired Members' Pension Reserve	1,629,410	1,387,607
Undistributed Earnings/(Losses)	—	187,711
Retiree Burial Allowance Reserve	3,457	3,231
Contingency Reserve	18,952	23,721
Other Reserves		
Legal Contingency Reserve	899	1,077
Tier 3 Disability Reserve	2	2
Total Reserves	\$ 3,122,107	\$ 2,874,285

NOTE 7 – LITIGATION

StanCERA is a defendant in various lawsuits and claims arising in the ordinary course of its operations. StanCERA's management and legal counsel estimate the ultimate outcome of such litigation will not have a material effect on StanCERA's financial statements.

NOTE 8 – NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2021 through June 30, 2024. As of the reporting date, measurements are based on the fair value of assets as of June 30, 2024, and the Total Pension Liability as of the valuation date, June 30, 2024, using update procedures to roll forward to StanCERA's fiscal year-end of June 30, 2025. There were no significant events between the valuation date and the measurement date, so the roll forward procedures only included the addition of service cost offset by actual benefit payments.

The components of the Net Pension Liability of StanCERA at June 30, 2025 and June 30, 2024 were as follows:

	June 30, 2025	June 30, 2024
	(in thousands)	
Total Pension Liability	\$ 3,874,804	\$ 3,662,830
Plan Fiduciary Net Position	(3,122,109)	(2,874,285)
Net Pension Liability	<u>\$ 752,695</u>	<u>\$ 788,545</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.6%	78.5%

NOTE 8 – NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS (continued)

Actuarial Assumptions (continued)

The Total Pension Liability was determined based on the June 30, 2024 and June 30, 2023 actuarial valuations rolled forward to June 30, 2025 and June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

ACTUARIAL VALUATION ASSUMPTIONS

Measurement Date	June 30, 2025	June 30, 2024
Investment Rate of Return	6.75%, net of investment expenses	6.75%, net of investment expenses
Projected Salary Increases	2.75%, per year plus merit component based on employee classification and years of service	2.75%, per year plus merit component based on employee classification and years of service
Attributed to Inflation	2.50%	2.50%
Cost-of-Living Adjustments	100% of Consumer Price Index (CPI) up to 3.0% annually with banking, 2.4% annual increases assumed	100% of Consumer Price Index (CPI) up to 3.0% annually with banking, 2.4% annual increases assumed

Post-retirement mortality rates for active Members are specified by the California Public Employees Retirement System (CalPERS) Pre-Retirement Non-Industrial Mortality table adjusted by 102.2% for males and 110.2% for females with generational mortality improvements projected from 2017 using Scale MP-2020. Duty related mortality rates are only applicable for Safety Active Members and are based on the 2021 CalPERS Pre-Retirement Industrial Death table, adjusted by 102.6% for males and 100.9% for females. These mortality based tables are all projected generationally from 2017 using 80% of Scale MP-2020.

Rates of mortality for retired Members and their beneficiaries are specified by the CalPERS Healthy Annuitant table adjusted by 107.6% for males and 115.3% for females with generational mortality improvements projected from 2017 using Scale MP-2020.

The long-term defined benefit pension plan return expectations were determined using a building-block approach. An inflation forecast is the baseline, and various real return premiums (e.g., bonds, equities, etc.) are added to create nominal return expectations for each asset class. These expectations are combined to produce the long-term expected rate of return by weighting the expected nominal rates of return by the target asset allocation percentages and including an expected return from rebalancing uncorrelated asset classes.

NOTE 8 – NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS (continued)

Actuarial Assumptions (continued)

Best estimates of geometric real rates of return for each major asset class included in the target asset allocation as of June 30, 2025 are summarized in the following table:

Asset Class	2025	
	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equities		
U.S. Large Cap	14.00%	4.27%
U.S. Small Cap	4.00%	4.32%
International Equities		
Int'l Development	13.00%	3.82%
Emerging Market Equity	5.00%	6.06%
U.S. Fixed Income		
Core Bonds	7.00%	3.17%
U.S. Treasury	6.00%	2.04%
U.S. Tips	4.00%	2.26%
Public Credit	4.00%	3.90%
Real Estate		
Core	6.50%	3.70%
Value-add	6.00%	5.33%
Risk Parity	4.00%	4.12%
Absolute Return	5.00%	3.99%
Private Equity	5.00%	6.69%
Private Credit	8.00%	6.16%
Infrastructure	7.50%	4.26%
Cash	1.00%	0.88%
Total Target Allocation	100.00 %	

Discount Rate

The discount rate used to measure the total pension liability for the fiscal years ended June 30, 2025 and June 30, 2024 was 6.75% or both years. The projection of cash flows used to determine the discount rate assumed contributions from Plan members will be made at the current contribution rate and contributions from the employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 8 – NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS (continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of StanCERA calculated using the discount rate of 6.75% for both years, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate for fiscal years ending June 30, 2025 and 2024:

Sensitivity of Net Pension Liability to Changes in Discount Rate

(in thousands)				
		1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
June 30, 2025	Net Pension Liability	\$ 1,270,702	\$ 752,695	\$ 326,702
	Fiduciary Net Position as a Percentage of Total Pension Liability	71.1%	80.6%	90.5%
		1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
June 30, 2024	Net Pension Liability	\$ 1,280,341	\$ 788,545	\$ 384,324
	Fiduciary Net Position as a Percentage of Total Pension Liability	69.2%	78.5%	88.2%

NOTE 9 – SUBSEQUENT EVENTS

StanCERA has evaluated events through November 11, 2025, which is the date the financial statements were issued, and no additional events were noted.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in Net Pension Liability and Related Ratios

Schedule of Changes in Net Pension Liability and Related Ratios
(in thousands)

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Total Pension Liability										
Service cost	\$ 77,893	\$ 73,367	\$ 69,216	\$ 64,359	\$ 63,479	\$ 63,771	\$ 59,957	\$ 58,007	\$ 57,465	\$ 55,352
Interest (includes interest on service cost)	243,475	232,795	216,947	209,932	208,474	198,170	198,461	190,494	179,876	171,939
Changes of benefit terms	—	—	—	—	—	—	—	—	—	—
Differences between expected and actual experience	43,538	35,854	122,844	42,128	7,977	30,766	15,206	(12,172)	28,802	(6,425)
Changes of assumptions (3)	38,409	—	—	(47,905)	8,083	—	(46,048)	—	—	269,752
Benefit payments, including refunds of member contributions	(191,341)	(180,888)	(171,782)	(162,309)	(150,931)	(139,986)	(131,775)	(123,172)	(116,844)	(108,166)
Net change in total pension liability	211,974	161,128	237,225	106,204	137,082	152,722	95,802	113,157	149,299	382,452
Total pension liability - beginning	3,662,830	3,501,702	3,264,477	3,158,274	3,021,191	2,868,469	2,772,667	2,659,511	2,510,212	2,127,760
Total pension liability - ending	\$ 3,874,804	\$ 3,662,830	\$ 3,501,702	\$ 3,264,477	\$ 3,158,274	\$ 3,021,191	\$ 2,868,469	\$ 2,772,667	\$ 2,659,511	\$ 2,510,212
Fiduciary Net Position										
Contributions - employer	\$ 126,382	\$ 116,285	\$ 105,090	\$ 100,768	\$ 93,308	\$ 92,685	\$ 88,589	\$ 76,966	\$ 63,025	\$ 58,196
Contributions - member (1)	37,834	35,189	33,053	29,998	29,553	29,646	27,743	26,746	25,464	23,917
Total investment income (loss)	278,959	246,168	173,410	(169,154)	556,196	18,497	99,281	154,988	252,310	(31,322)
Benefit payments, including refunds of member contributions	(191,341)	(180,889)	(171,782)	(162,309)	(150,931)	(139,986)	(131,775)	(123,172)	(116,844)	(108,166)
Administrative expense	(4,010)	(4,302)	(4,362)	(3,476)	(3,394)	(3,217)	(2,557)	(2,791)	(2,645)	(2,315)
Net change in fiduciary net position	247,824	212,451	135,408	(204,173)	524,732	(2,375)	81,281	132,737	221,310	(59,690)
Fiduciary net position - beginning	2,874,285	2,661,834	2,526,425	2,730,598	2,205,866	2,208,241	2,126,961	1,994,223	1,772,914	1,832,604
Fiduciary net position - ending	\$ 3,122,109	\$ 2,874,285	\$ 2,661,834	\$ 2,526,425	\$ 2,730,598	\$ 2,205,866	\$ 2,208,241	\$ 2,126,961	\$ 1,994,223	\$ 1,772,914
Net pension liability - ending	\$ 752,695	\$ 788,545	\$ 839,868	\$ 738,052	\$ 427,676	\$ 815,325	\$ 660,228	\$ 645,707	\$ 665,288	\$ 737,298
Fiduciary net position as a percentage of the total pension liability										
	80.6%	78.5%	76.0%	77.4%	86.5%	73.0%	77.0%	76.7%	75.0%	70.6%
Covered payroll (2)	\$ 382,778	\$ 357,174	\$ 335,850	\$ 303,574	\$ 298,044	\$ 300,352	\$ 281,980	\$ 268,009	\$ 255,647	\$ 245,752
Net pension liability as a percentage of covered payroll										
	196.6%	220.7%	250.1%	243.1%	143.5%	271.5%	234.1%	240.9%	260.2%	300.0%

Note: Amounts reported for fiscal year ending June 30, 2023 and June 30, 2025, do not agree to Financial Statements due to prior year-end adjustments not reflected in Schedule of Changes in Net Pension Liability and Related Ratios.

(1) In accordance with GASB Statement No. 82, employer-paid member contributions are classified as Member Contributions.

(2) In accordance with GASB Statement No. 82, Covered Payroll is the payroll on which contributions are based.

(3) In 2016, amounts reported as changes of assumptions resulted primarily from changes to the assumed earnings rate from 7.75% to 7.25% and from adjustments to assumed life expectancies as a result of adopting mortality tables with generational improvements. In 2019, amounts reported as changes of assumptions resulted primarily from changes to the assumed earnings rate from 7.25% to 7.00% and from adjustments to mortality rates, disability rates, and retirement rates. In 2021, the earnings rate was adjusted from 7.00% to 6.75%. In 2022, amounts reported are due to changes in economic assumptions. In 2025, amounts reported are due to updates to COLA and certain demographic assumptions.

REQUIRED SUPPLEMENTARY INFORMATION (continued)

Schedule of Employer Contributions

Last 10 Fiscal Years for Fiscal Years Ending June 30

(in thousands)

	2025	2024	2023	2022	2021
Actuarially Determined Contributions	\$ 126,382	\$ 116,285	\$ 105,090	\$ 100,768	\$ 93,308
Contributions in Relation to the					
Actuarially Determined Contributions	126,382	116,285	105,090	100,768	93,308
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered Payroll (1)	\$ 382,778	\$ 357,174	\$ 335,850	\$ 303,574	\$ 298,044
Contributions as a Percentage of					
Covered Payroll	33.02%	32.56%	31.29%	33.19%	31.31%
	2020	2019	2018	2017	2016
Actuarially Determined Contributions	\$ 92,685	\$ 88,589	\$ 76,966	\$ 63,025	\$ 58,196
Contributions in Relation to the					
Actuarially Determined Contributions	92,685	88,589	76,966	63,025	58,196
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered Payroll (1)	\$ 300,352	\$ 281,980	\$ 268,009	\$ 255,647	\$ 245,752
Contributions as a Percentage of					
Covered Payroll	30.86%	31.42%	28.72%	24.65%	23.68%

(1) In accordance with GASB Statement No. 82, Covered Payroll is the payroll on which contributions are based.

Schedule of Investment Returns

Last 10 Fiscal Years for Fiscal Years Ending June 30

	2025	2024	2023	2022	2021
Annual money-weighted rate of					
return, net of investment expense	9.13%	9.64%	6.78%	-6.40%	25.20%
	2020	2019	2018	2017	2016
Annual money-weighted rate of					
return, net of investment expense	1.30%	5.10%	8.10%	14.40%	-1.70%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Changes of benefit terms

There were no changes of benefit terms for the fiscal year ended June 30, 2025.

Changes of assumptions

There were changes to the COLA and certain demographic assumptions for the fiscal year ended June 30, 2025.

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution amounts in the schedule of employer contributions are calculated using the actuarial valuation as of June 30, 2023, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

ACTUARIAL VALUATION METHODS AND ASSUMPTIONS

Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay
Remaining Amortization Period	Closed period - 13 Years
Asset Valuation Method	Actuarial value: Excess earnings smoothed over five years, 80% / 120% corridor around market

Actuarial Assumptions

Investment Rate of Return	6.75%, net of investment expenses
Projected Salary Increases	2.75%, plus service-based rates
Attributed to Inflation	2.50%
Cost-of-Living Adjustments	100% of CPI to 3.0% annually with banking, 2.4% annual increases assumed
Mortality	Rates of ordinary death for active Members are specified by the 2021 CalPERS Pre-Retirement Non-Industrial Mortality table, adjusted by 102.2% for males and 110.2% for females, with generational mortality improvements projected from 2017 using Scale MP-2020. Duty related mortality rates are only applicable for Safety Active Members, and are based on the 2021 CalPERS Pre-Retirement Individual Death table without adjustment or projection. Rates of mortality for healthy retired Members and their beneficiaries are specified by the 2021 CalPERS Healthy Annuitant table, adjusted by 107.6% for males and 115.3% for females, with generational mortality improvements projected from 2017 using Scale MP-2020. Separate mortality assumptions are used for disabled retirees.

A complete description of the methods and assumptions used to determine contribution rates for the year ending June 30, 2025 can be found in the June 30, 2023 actuarial valuation report located on StanCERA's website, www.stancera.org.

OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF ADMINISTRATIVE EXPENSES
For the Fiscal Years Ending June 30
(in thousands)

	2025	2024
Personnel Services:		
Salaries and Employee Benefits	\$ 1,749	\$ 2,084
Total Personnel Services	<u>1,749</u>	<u>2,084</u>
Professional Services:		
Computer and Software Services and Support	346	414
Outside Legal Counsel	398	361
Disability Hearing Officer/Medical Exams and Reviews	5	31
External Audit Fees	49	50
Other Professional Services	24	19
Total Professional Services	<u>822</u>	<u>875</u>
Office Expenses:		
Office Supplies	27	25
Stanislaus County Support Services	248	207
Contract Services	46	41
Minor Equipment and Computer Supplies	19	—
Communications	19	26
Publications	1	—
Total Office Expenses	<u>360</u>	<u>299</u>
Miscellaneous:		
Fiduciary and Staff - Education/Travel	49	54
Memberships	9	9
Fiduciary and Staff - Meetings/Other Travel	5	5
Insurance	160	156
Loss on Asset Disposal	7	—
Uncollected Overpayment Expense	—	1
Depreciation	849	819
Total Miscellaneous	<u>1,079</u>	<u>1,044</u>
TOTAL ADMINISTRATIVE EXPENSES	<u><u>\$ 4,010</u></u>	<u><u>\$ 4,302</u></u>

OTHER SUPPLEMENTAL INFORMATION (continued)
SCHEDULE OF INVESTMENT MANAGEMENT FEES
AND OTHER INVESTMENT EXPENSES
For the Fiscal Years Ending June 30
(in thousands)

	2025	2024
Investment Management Fees:		
Domestic Equity	\$ 1,312	\$ 1,471
International Equity	3,384	4,763
Fixed Income	494	381
Private Credit	3,210	2,275
Private Equity	1,827	3,803
Private Real Estate	4,034	4,557
Infrastructure	3,047	1,438
Real Estate Securities	—	3
Risk Parity	4,093	4,161
Total Investment Management Fees	21,401	22,852
 Investment Consulting Fees	 558	 544
 Investment Custodian Fees	 422	 371
 Investment Legal Fees	 155	 137
 Other Investment Related Expenses	 10,509	 8,330
Total Other Investment Expenses	11,644	9,382
Actuarial Fees	192	118
TOTAL INVESTMENT EXPENSES	\$ 33,237	\$ 32,352

OTHER SUPPLEMENTAL INFORMATION (continued)
SCHEDULE OF PAYMENTS TO CONSULTANTS
For the Fiscal Years Ending June 30
(in thousands)

	2025	2024
Investment Professional Service Fees:		
Investment Consultants	\$ 558	\$ 544
Custodial Fees	422	371
Investment Attorney	155	137
Actuarial Fees	192	118
Total Investment Professional Service Fees	\$ 1,327	\$ 1,170
 Administrative Professional Services Fees:		
Computer and Software Services and Support	\$ 346	\$ 414
Outside Legal Counsel	398	361
Disability Hearing Officer/Medical Exams and Reviews	5	31
External Audit Fees	49	50
Other Professional Services	24	19
Total Administrative Professional Services Fees	\$ 822	\$ 875

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INVESTMENT SECTION



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Daniel Hennessy, CFA, CAIA
Senior Consultant

October 8, 2025

Board of Retirement
Stanislaus County Employees' Retirement System
832 12th Street, Suite 600
Modesto, CA 95354

Dear Board Members:

The overall objective of the Stanislaus County Employees' Retirement System (StanCERA) is to ensure continued access to retirement, disability and survivor benefits for current and future StanCERA participants. To ensure a solid foundation for the future of the Fund, StanCERA carefully plans and implements an investment program designed to produce superior long-term investment returns, while prudently managing the risk in the portfolio. Investment policy and asset allocation are reviewed and revised by the Board of Retirement, at least annually, to reflect the Fund's actuarial assumptions, accrued liabilities, and economic and investment outlook. The following is a report on the performance of the Fund for the year ended June 30, 2025 with background on the underlying capital market environment.

Market Review for the Year Ended June 30, 2025

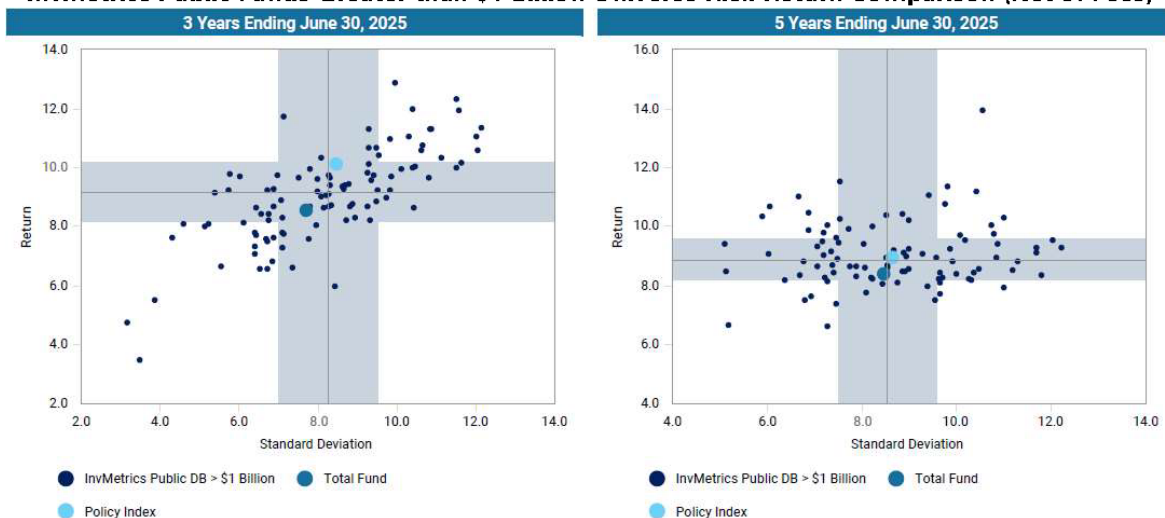
Fiscal Year ('FY') 2025 was characterized by strong returns across global equities while high-quality fixed income rebounded in value. The U.S. economy displayed mixed but resilient growth, posting a strong Q2 2025 recovery that offset a Q1 contraction, while the labor market remained healthy with a 4.1% unemployment rate. The fiscal year ended with inflation decelerating modestly to a year-over-year rate of 2.7% (CPI) from last year's 3.0% increase, though this level still exceeded the Federal Reserve's 2.0% target. In its efforts to manage inflation, the Federal Reserve spent the year on hold, maintaining the Fed Funds rate at a range of 4.25%–4.50% ending FY 2025, having implemented earlier cuts and with more anticipated. With a backdrop of central bank easing and steady economic growth, U.S. stocks posted strong returns of approximately 15.2% as measured by the S&P 500 Index. International stocks, particularly in developed markets, had a very strong year, with a return of approximately 17.7% as measured by the MSCI EAFE Index. Emerging markets stocks performed well, with a robust return of approximately 15.3% as measured by the MSCI Emerging Markets Index. U.S. high-quality fixed income returns rebounded sharply from prior years and posted a solid year-to-date return of 6.1% as measured by the Bloomberg U.S. Aggregate Bond Index.

The StanCERA Investment Portfolio

The StanCERA total investment portfolio return, net of fees was 9.1% for the year ended June 30, 2025 and underperformed its benchmark return by 1.2%. The median fund in the InvMetrics peer group universe of large Public Funds returned 10.3% in the same period. The Fund's five-year return net-of-fees for the period ended June 30, 2025 underperformed its policy benchmark by 0.6% and returned 8.4% while ranking in the 71st percentile in its peer group. That is, in the past five years, StanCERA returns are lower than 71% of its peer group. Over the past 10 years, the Fund's return

of 6.9% outperformed its actuarial rate of return and ranked in the 65th percentile in its peer group. Assessing StanCERA risk profile, the 3-year and 5-year standard deviation ranked in the 39th and 45th percentile in its peer group (less volatile than the median), resulting in risk-adjusted returns (as measured by the Sharpe Ratio) that rank in the 62nd percentile over 5-years.

InvMetrics Public Funds Greater than \$1 Billion Universe Risk-Return Comparison (Net of Fees)



The primary drivers of the plan's underperformance versus its policy benchmark and peer group over the past years was due to its private equity and private credit allocations, partially offset by very strong international equity outperformance. In recent years private equity and private credit have lagged their public analogues, while some early StanCERA commitments have also underperformed. StanCERA's long-term performance remains quite strong, with its 8.6% annualized returns since January 1995 (as far back as we have detailed performance data) outperforming 92% of its peer group.

As strong capital market returns were realized across risky assets like stocks in the past fiscal year, as expected, StanCERA returns trailed plans with a greater allocation to stocks. NEPC continues to be supportive in StanCERA's chosen asset allocation which reduces the Fund's volatility risk to meet its actuarial targets more consistently. Lower public equity exposure and broader diversification can help protect portfolios from significant declines. StanCERA is also steadily increasing its exposure to private market strategies which have often produced superior risk-adjusted returns over the last decade.

NEPC, LLC serves as StanCERA's independent investment consultant and provides StanCERA with asset allocation guidance, quarterly economic and investment market updates, and performance reviews, together with investment manager monitoring and selection advice. Rates of return are represented using a time-weighted rate of return methodology based upon reported market values as of June 30, 2025. At that time a portion of StanCERA's assets were invested in private equity and private credit strategies, which reflected 3/31/2025 valuations.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Daniel Hennessy', with a stylized, flowing script.

Daniel Hennessy, Senior Consultant

ASSET ALLOCATION

June 30, 2025

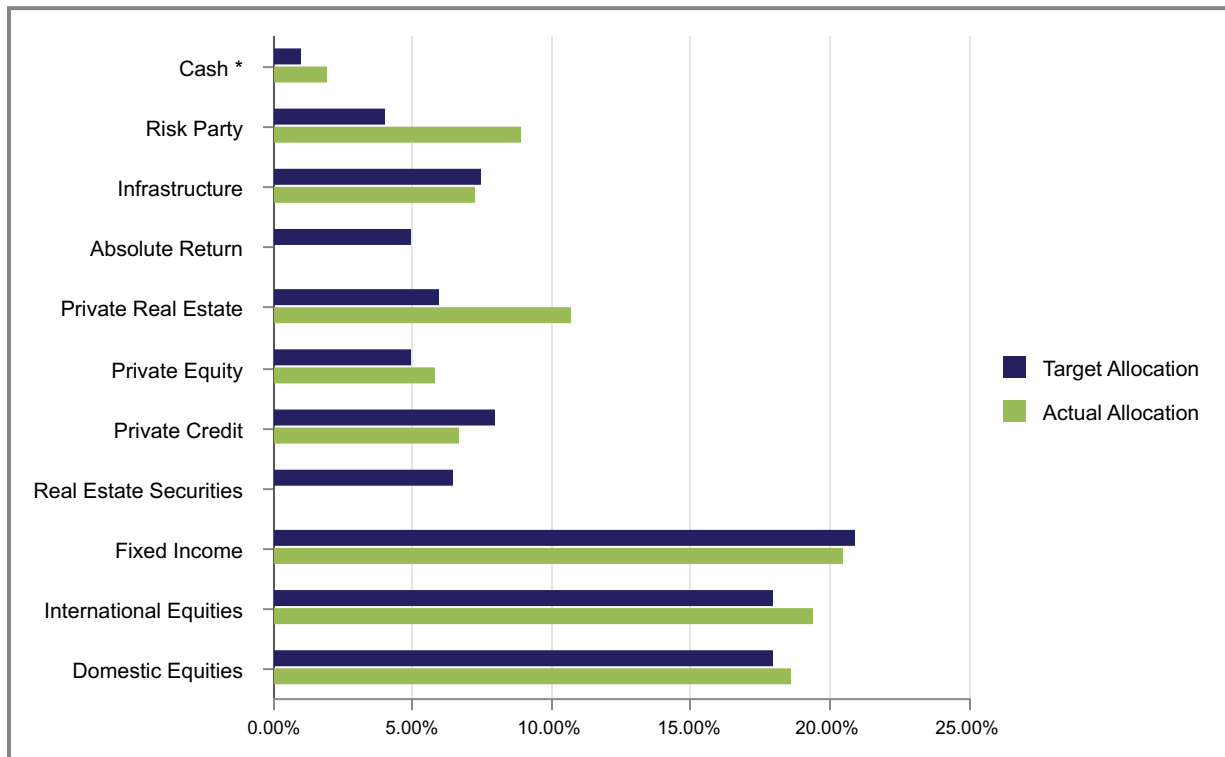
(in thousands)

Asset Class	Fair Value	Actual Allocation	Target Allocation
Domestic Equities	\$ 581,336	18.65%	18.00%
International Equities	605,632	19.44%	18.00%
Fixed Income	639,403	20.52%	21.00%
Real Estate Securities	—	—%	6.50%
Private Credit	209,818	6.73%	8.00%
Private Equity	181,328	5.82%	5.00%
Private Real Estate	333,505	10.70%	6.00%
Absolute Return	—	—%	5.00%
Infrastructure	225,658	7.24%	7.50%
Risk Parity	279,103	8.96%	4.00%
Cash *	60,010	1.93%	1.00%
TOTAL PORTFOLIO**	\$ 3,115,793	100.00%	100.00%

* Excludes Pooled Cash in County Treasury \$(52,333) and Cash in Northern Trust \$(516,688).

* Excludes Securities Lending Cash Collateral.

StanCERA's Asset Allocation



* Excludes Pooled Cash in County Treasury \$(52,333) and Cash in Northern Trust \$(516,688).

SCHEDULE OF INVESTMENT RETURNS

As of June 30, 2025

Investment Managers	One Year	Three Year	Five Year	Ten Year
DOMESTIC EQUITY				
U.S. Equities	14.1%	18.3%	16.7%	12.0%
<i>Russell 3000 Index</i>	15.3%	19.1%	16.0%	13.0%
U.S. Large Equity	15.6%	19.6%	16.9%	13.3%
<i>Russell 1000 Index</i>	15.7%	19.6%	16.3%	13.4%
<i>eV US Large Cap Equity Net Rank</i>	28	34	21	28
BlackRock R1000 Growth	17.2%	25.7%	18.1%	17.0%
<i>Russell 1000 Growth Index</i>	17.2%	25.8%	18.1%	17.0%
<i>eV US Large Cap Growth Equity Net Rank</i>	29	27	11	7
BlackRock R1000 Value	13.7%	12.8%	13.9%	9.6%
<i>Russell 1000 Value Index</i>	13.7%	12.8%	13.9%	9.6%
<i>eV US Large Cap Value Equity Net Rank</i>	14	53	59	64
Dodge & Cox	14.0%	15.2%	17.4%	11.3%
<i>Russell 1000 Value Index</i>	13.7%	12.8%	13.9%	9.2%
<i>eV US Large Cap Value Equity Net Rank</i>	34	27	14	15
U.S. Small Equity	9.7%	13.4%	16.7%	7.7%
<i>Russell 2000 Index</i>	7.7%	10.0%	10.0%	7.1%
<i>eV US Small Cap Value Equity Net Rank</i>	31	17	8	63
Attucks Small Cap	9.7%	13.4%	16.7%	8.6%
<i>Russell 2000 Value Index</i>	5.5%	7.5%	12.5%	6.7%
<i>eV US Small Cap Value Equity Net Rank</i>	20	14	17	22
FIXED INCOME				
Northern Trust Intermediate Gov't Bond	6.2%	2.8%	0.1%	N/A
<i>BBgBarc US Govt Int TR</i>	6.3%	2.8%	0.2%	N/A
Northern Trust Long Term Gov't Bond	1.5%	-3.8%	-7.7%	N/A
<i>BBgBarc US Govt Long TR</i>	1.6%	-3.7%	-8.2%	N/A
INTERNATIONAL EQUITY				
LSV Asset Management	25.1%	19.1%	15.1%	7.6%
<i>MSCI ACWI ex US Index</i>	21.4%	15.6%	13.1%	5.7%
Fidelity Asset Management	15.8%	13.7%	10.1%	6.4%
<i>MSCI ACWI ex US Index</i>	14.1%	12.4%	7.1%	6.4%
PRIVATE CREDIT *				
Abry Senior Equity, VI, L.P.	12.8%	9.9%	N/A	N/A
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	9.0%	9.4%	N/A	N/A
Black Rock High Yield	10.1%	9.7%	N/A	N/A
<i>Bloomberg US High Yield TR</i>	13.3%	11.4%	N/A	N/A
Medley Opportunity Fund II	-66.0%	-28.1%	-21.3%	-13.9%
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	9.0%	9.4%	11.1%	7.1%
Owl Rock First Lien	1.1%	8.2%	11.4%	N/A
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	9.0%	9.4%	11.1%	N/A
Raven Opportunity Fund III	-65.6%	-33.8%	-19.4%	N/A
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	9.0%	9.4%	11.1%	N/A
Strategic Values Special Solutions Fund V, L.P.	16.4%	13.3%	N/A	N/A
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	9.0%	9.4%	N/A	N/A
White Oak Global Advisors	-6.6%	-3.1%	2.7%	2.6%
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	9.0%	9.4%	11.1%	7.1%
Callodine Loan Fund II LP	10.5%	N/A	N/A	N/A
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	9.0%	N/A	N/A	N/A
Crestline Opportunity Fund IV	12.8%	N/A	N/A	N/A
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	9.0%	N/A	N/A	N/A
Comvest Credit Partners VII	—%	N/A	N/A	N/A
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	9.0%	N/A	N/A	N/A
Monroe Private Credit IV	11.8%	16.8%	N/A	N/A
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	9.0%	9.4%	N/A	N/A
Ares Sr Direct Lending Fund III	N/A	N/A	N/A	N/A
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	N/A	N/A	N/A	N/A
Crayhill Principal Strategies Fund III	N/A	N/A	N/A	N/A
<i>S&P/LSTA Leveraged Loan Index + 2%</i>	N/A	N/A	N/A	N/A
PRIVATE EQUITY *				
Blue Wolf Capital Fund V-A, L.P.	21.9%	N/A	N/A	N/A
<i>Russell 3000 + 3</i>	10.4%	11.5%	21.7%	N/A
Clayton, Dublier, & Rice	0.7%	1.7%	N/A	N/A
<i>Russell 3000 + 3</i>	10.4%	11.5%	21.7%	N/A
Genstar Capital Partners X	2.9%	2.0%	N/A	N/A
<i>Russell 3000 + 3</i>	10.4%	11.5%	21.7%	N/A
Gryphon Partners VI LP	-23.7%	-4.5%	N/A	N/A
<i>Russell 3000 + 3</i>	10.4%	11.5%	21.7%	N/A
Insight Partners XI	9.6%	-4.6%	16.3%	N/A
<i>Russell 3000 + 3</i>	10.4%	11.5%	21.7%	N/A
Northern Trust Russell 3000	15.2%	19.1%	15.9%	N/A
<i>Russell 3000</i>	15.3%	19.1%	16.0%	13.0%
Sole Source Capital Partners II	1.9%	14.4%	N/A	N/A
<i>Russell 3000 + 3</i>	10.4%	11.5%	21.7%	N/A
Vista Foundation Fund IV	5.2%	2.2%	-26.0%	N/A
<i>Russell 3000 + 3</i>	10.4%	11.5%	21.7%	N/A
Audax Private Equity VII	11.1%	N/A	N/A	N/A
<i>Russell 3000 + 3</i>	10.4%	N/A	N/A	N/A

SCHEDULE OF INVESTMENT RETURNS (continued)

As of June 30, 2025

Investment Managers	One Year	Year	Five Year	Ten Year
PRIVATE EQUITY * (continued)				
<i>Gridiron Capital Fund V</i>	7.6%	N/A	N/A	N/A
<i>Russell 3000 + 3</i>	10.4%	N/A	N/A	N/A
<i>Eclipse Fund V</i>	28.0%	N/A	N/A	N/A
<i>Russell 3000 + 3</i>	10.4%	N/A	N/A	N/A
<i>Gret Hill EP VIII</i>	1.6%	N/A	N/A	N/A
<i>Russell 3000 + 3</i>	10.4%	N/A	N/A	N/A
PRIVATE REAL ESTATE *				
<i>Prime Property Fund</i>	2.3%	-3.0%	4.6%	N/A
<i>NCREIF ODCE</i>	3.5%	-5.4%	3.4%	N/A
<i>PGIM Real Estate U.S. Debt Fund</i>	6.9%	6.6%	5.9%	N/A
<i>BBgBarc US CMBS Investment Grade</i>	7.8%	3.9%	1.0%	N/A
<i>American Strategic Value Realty</i>	0.6%	-5.2%	2.5%	6.1%
<i>NCREIF Property Index</i>	4.2%	-2.8%	3.7%	5.2%
<i>Greenfield Acquisition Partners VII</i>	-7.3%	-1.2%	11.2%	11.6%
<i>NCREIF ODCE +1%</i>	4.6%	-4.5%	4.5%	6.4%
<i>Grandview Partners I</i>	-4.5%	0.8%	12.5%	N/A
<i>NCREIF ODCE +1%</i>	4.6%	-4.5%	4.5%	N/A
<i>Grandview Partners II</i>	3.3%	2.9%	N/A	N/A
<i>NCREIF ODCE +1%</i>	4.6%	-4.5%	N/A	N/A
<i>TA Realty Value Fund XIII</i>	0.1%	N/A	N/A	N/A
<i>NCREIF ODCE +1%</i>	4.6%	N/A	N/A	N/A
<i>KSL Credit Opportunities IV</i>	5.6%	N/A	N/A	N/A
<i>NCREIF ODCE +1%</i>	4.6%	N/A	N/A	N/A
INFRASTRUCTURE *				
<i>North Haven Partners II</i>	10.2%	7.2%	6.8%	8.5%
<i>CPI + 5%</i>	7.5%	8.8%	9.6%	8.2%
<i>Northern Trust Infrastructure Fund</i>	8.6%	5.2%	N/A	N/A
<i>CPI + 5%</i>	8.2%	5.0%	N/A	N/A
<i>Palistar Infrastructure II</i>	8.5%	7.9%	N/A	N/A
<i>CPI + 5%</i>	7.5%	8.8%	N/A	N/A
<i>JP Morgan IIF Hedged LP</i>	10.2%	10.4%	N/A	N/A
<i>CPI + 5%</i>	7.5%	8.8%	N/A	N/A
<i>IFM Global Infrastructure Fund</i>	10.7%	N/A	N/A	N/A
<i>CPI + 5%</i>	7.5%	N/A	N/A	N/A
<i>Carlyle Renewable & Sustainable Energy Fund II</i>	22.6%	N/A	N/A	N/A
<i>CPI + 5%</i>	7.5%	N/A	N/A	N/A
RISK PARITY				
<i>AQR Global Risk Premium - EL</i>	6.2%	4.0%	3.8%	N/A
<i>60% MSCI ACWI</i>	13.3%	11.4%	7.7%	N/A
<i>PanAgora Risk Parity Multi Asset</i>	8.5%	0.2%	0.7%	N/A
<i>60% MSCI ACWI</i>	13.3%	11.4%	7.7%	N/A
<i>Graham Global Investment Fund I SPC LTD</i>	6.1%	7.8%	N/A	N/A
<i>HFRI Macro Index</i>	1.2%	1.4%	N/A	N/A
<i>Wellington Global Macro</i>	N/A	N/A	N/A	N/A
<i>HFRI Macro Index</i>	N/A	N/A	N/A	N/A
<i>Northern Trust US Tips</i>	6.5%	N/A	N/A	N/A
<i>Blmbrg US Tips 0-5 Year</i>	6.5%	N/A	N/A	N/A
TOTAL FUND	9.6%	3.1%	6.2%	6.3%
<i>Policy Index</i>	10.6%	4.1%	6.2%	6.8%

Note: % taken from NEPC 6/30/25 Quarterly Report

Using time-weighted rate of return based on the market rate of return, net of fees.

Does not include Securities Lending Collateral.

* Investment Rate of Return (IRR) since inception is reported. One, three, five, and ten year returns are not available for these investments.

SCHEDULE OF INVESTMENTS BY ASSET CLASS AND MANAGER

June 30, 2025

(in thousands)

Investment Managers	Asset Class	Assets Under Management	% of Fund
DOMESTIC EQUITY			
Dodge & Cox	Large Cap Value	\$ 107,552	3.45%
BlackRock R1000 Value	Large Cap Value	107,537	3.45%
BlackRock R1000 Growth	Large Cap Growth	237,004	7.61%
Capital Prospects	Small Cap Value	129,242	4.15%
FIXED INCOME			
Insight	Core Bond	220,324	7.07%
NT Intermediate Bond	Core Bond	119,606	3.84%
NT Long Term Bond	Core Bond	56,610	1.82%
NTAM U.S. Tips	Core Bond	119,771	3.84%
NIS Opportunistic Credit Fund	Core Bond	123,090.45	3.95%
INTERNATIONAL EQUITY			
LSV Asset Management	Equity Value	305,457	9.80%
Fidelity Asset Management	Equity Growth	300,175	9.63%
REAL ESTATE SECURITIES			
BlackRock US Real Estate	Real Estate Index	—	—%
PRIVATE CREDIT			
Abry VI	Private Credit	13,746	0.44%
Ares Sr Direct Lending III	Private Credit	5,301	0.17%
BlackRock High Yield	Private Credit	70,298	2.26%
Callodine Loan Fund II	Private Credit	15,505	0.50%
Comvest Private Credit VII	Private Credit	11,442	0.37%
Crayhill Principal Strategies III	Private Credit	8,870	0.28%
Crestline Opp Fund V	Private Credit	11,428	0.37%
Medley Opportunity Fund II	Private Credit	37	—%
Raven Opportunity Fund I	Private Credit	—	—%
Raven Opportunity Fund III	Private Credit	15,459	0.50%
Monroe Fund IV	Private Credit	16,644	0.53%
White Oak Global Advisors	Private Credit	23,281	0.75%
Owl Rock First Lien	Private Credit	5,783	0.19%
Strategic Values Special Solutions Fund V, L.P.	Private Credit	12,025	0.39%
PRIVATE REAL ESTATE			
American Realty Advisors	Private Real Estate	77,145.45	2.48%
Brookfield Strategic Real Estate Partners V	Private Real Estate	(358.92)	-0.01%
Greenfield Acquisition Partners VII LP	Private Real Estate	690.61	0.02%
Grandview I-A	Private Real Estate	15,311.55	0.49%
Grandview II	Private Real Estate	18,811.76	0.60%
KSL Opportunity Fund IV	Private Real Estate	2,608.34	0.08%
PGIM	Private Real Estate	110,691.15	3.55%
Prime Property Fund	Private Real Estate	91,005.74	2.92%
TA Realty Value Fund XIII	Private Real Estate	17,599.13	0.56%
PRIVATE EQUITY			
Audax Fund VII	Private Equity	11,806	0.38%
Blue Wolf V	Private Equity	17,722	0.57%
Clayton, Dubilier & Rice XI	Private Equity	18,696	0.60%
Eclipse Fund V	Private Equity	2,011	0.06%
Genstar Capital Partners X	Private Equity	15,825	0.51%
Great Hill EP VIII	Private Equity	10,928	0.35%
Gryphon Partners VI	Private Equity	18,114	0.58%
Insight Partners XI	Private Equity	23,673	0.76%
Northern Trust Russell 3000	Private Equity	19,408	0.62%
Sole Source Partners II	Private Equity	17,445	0.56%
Vista Foundation IV Fund	Private Equity	18,933	0.61%
Gridiron Fund V	Private Equity	6,768	0.22%
INFRASTRUCTURE			
Carlyle Renewable & Sustainable Energy Fund II	Infrastructure	9,373	0.30%
IFM Global Infrastructure, L.P.	Infrastructure	63,906	2.05%
JP Morgan IIF	Infrastructure	40,727	1.31%
Palistar Fund II	Infrastructure	19,057	0.61%
NTAM Infrastructure	Infrastructure	79,431	2.55%
North Haven Partners II LP	Infrastructure	13,163	0.42%
RISK PARITY			
AQR	Risk Parity	67,197	2.16%
Graham Fund I	Risk Parity	82,123	2.64%
PanAgora	Risk Parity	67,546	2.17%
Wellington	Risk Parity	62,236	2.00%
Total Assets Under Management		3,055,783	
Cash and Short-Term Investments	90 Day T-Bill	60,010	1.93%
Total Fund		\$ 3,115,793	100.00%

Note: Does not include Securities Lending Collateral.
Does not include cash in Treasury Pool.

LARGEST BOND HOLDINGS (BY FAIR VALUE)

June 30, 2025

(in thousands)

Shares	Bond	Fair Value
5,515,000	UNITED STATES OF AMER TREAS NOTES 3.25% DUE 06-30-2029	\$ 5,414
4,250,000	DISNEY WALT CO 2.2% DUE 01-13-2028 REG	4,076
4,000,000	COOPERAT RABOBANK UA/NY 4.494% 10-17-2029	4,043
3,600,000	PVTPL MET TOWER GLOBAL FUNDING 5.25% 04-12-2029	3,705
4,200,000	UNITED STATES OF AMER TREAS NOTES .625% DUE 08-15-2030	3,582
3,500,000	SOUTHWESTERN ELEC PWR CO 4.1% 09-15-2028	3,468
3,420,000	WASTE MGMT INC DEL 3.15% DUE 11-15-2027	3,351
3,250,000	IBM CORP 4.15% DUE 07-27-2027 BEO	3,250
3,300,000	BAKER HUGHES A GE CO LLC/BAKER HUGHES 3.337% 12-15-2027	3,233
3,000,000	CDN IMPERIAL BK COMM TORONTO BRH 5.986% 10-03-2028	3,149
3,200,000	ENTERGY LA LLC 3.25% DUE 04-01-2028	3,125
3,000,000	DEERE JOHN CAP CORP MEDIUM TERM NTS-BOOK4.7% 06-10-2030	3,051
3,240,000	UNITED STATES OF AMERICA TBOND 1.75% 11-15-2029	2,984
3,000,000	PVTPL MASSMUTUAL GLOBAL FUNDIN 1.2% 07-16-2026	2,908
2,885,000	PNC BK N A PITTSBURGH PA MEDIUM TERM SUB4.05% DUE 07-26-2028	2,862
2,860,000	BSTN SCIENTIFIC 4% DUE 03-01-2029	2,842
3,000,000	WEC ENERGY GROUP 1.375% DUE 10-15-2027	2,811
3,000,000	S&P GLOBAL INC 2.5% DUE 12-01-2029	2,789
2,775,000	UNITED STATES TREAS NTS 3.125% DUE 08-31-2029 REG	2,708
2,600,000	PVTPL SCHLUMBERGER HLDGS CORP 3.9% DUE 05-17-2028 BEO	2,574

LARGEST STOCK HOLDINGS (BY FAIR VALUE)

June 30, 2025

(in thousands)

Shares	Stock	Fair Value
55,000	NOVARTIS AG CHF0.49 (REGD)	\$ 6,645
55,200	SCHWAB CHARLES CORP COM NEW	5,036
6,244	ASML HOLDING NV EUR0.09	4,966
14,138	ROCHE HLDGS AG GENUSSSCHEINE NPV	4,590
14,812	SAP SE	4,488
124,800	SHELL PLC ORD EUR0.07	4,367
29,800	RTX CORPORATION COMSTK	4,351
12,530	FAST RETAILING CO LTD NPV	4,296
36,900	JOHNSON CTLS INTL PLC COM USD0.01	3,897
132,590	HITACHI NPV	3,860
60,322	TOTALENERGIES SE	3,689
37,540	NINTENDO CO LTD NPV	3,607
185,800	GSK PLC ORD GBP0.3125	3,539
124,290	UTD O/S BANK NPV	3,513
50,363	NOVO NORDISK A/S SER'B'DKK0.1	3,483
83,300	KON AHOLD DELHAIZE EUR0.01	3,471
24,069	ASTRAZENECA ORD USD0.25	3,338
61,819	RELX PLC ORD GBP0.1444	3,332
19,300	FISERV INC COM	3,328
72,100	DEUTSCHE POST AG NPV(REGD)	3,319

A complete list of portfolio holdings is available on StanCERA's website at www.stancera.org or upon request.

SCHEDULE OF INVESTMENT MANAGEMENT FEES
For the Fiscal Years Ended June 30, 2025 and 2024

(in thousands)

	2025	2024
<u>Domestic Equities</u>		
BlackRock	\$ 70	\$ 89
Capital Prospects	982	1,046
Dodge & Cox	254	325
NT Russell 3000	7	11
Total Domestic Equities	1,313	1,471
<u>International Equities</u>		
LSV Asset Management	2,657	3,967
Fidelity Asset Management	727	796
Total International Equities	3,384	4,763
<u>Fixed Income</u>		
Insight	269	307
NT Intermediate Bond	48	53
NT Long Term	24	21
NTAM U.S. Tips	12	—
NIS Opp Credit Fund	141	—
Total Fixed Income	494	381
<u>Real Estate Securities</u>		
BlackRock US Real Estate Index	—	3
Total Real Estate Securities	—	3
<u>Private Credit</u>		
Abry VI	587	110
Ares III	131	102
BlackRock High Yield	89	125
Callodine Loan Fund II	153	102
Comvest	166	—
Crestline II	529	411
Crayhill Principal Strat III	121	—
Medley Opportunity Fund II	(1)	25
Monroe Fund IV	418	155
Owl Rock First	120	121
Raven Opportunity Fund III	—	366
Strategic Values Special Solutions Fund V, L.P.	567	514
White Oak Global Advisors	330	244
Total Private Credit	3,210	2,275
<u>Private Real Estate</u>		
American Realty Advisors	849	902
Brookfield Strat Real Estate Partners V	583	—
Greenfield Acquisition Partners VII	(1)	(20)
Grandview I-A	312	903
Grandview II	300	301
KSL	112	26
Prime Property Fund	980	1,090
PGIM	865	856
TA Realty	34	499
Total Private Real Estate	4,034	4,557

SCHEDULE OF INVESTMENT MANAGEMENT FEES (continued)
For the Fiscal Years Ended June 30, 2025 and 2024

(in thousands)

	2025	2024
<u>Private Equity</u>		
Audax Fund VII	90	158
Blue Wolf V	64	206
Clayton, Dubilier & Rice XI	119	16
Eclipse V	207	—
Genstar X	227	184
Great Hill VIII	222	120
Gridiron	323	361
Gryphon Partners VI	(247)	15
Insight Partners XI	298	2,149
Sole Source Partners II	124	194
Vista Foundation IV	400	400
Total Private Equity	1,827	3,803
<u>Infrastructure</u>		
Carlyle II	598	501
IFM	764	259
JP Morgan IIF	469	504
Palistar Infrastructure II	982	(7)
NTAM Infrastructure	3	6
North Haven Partners, LP	231	175
Total Infrastructure	3,047	1,438
<u>Risk Parity</u>		
AQR	247	437
Graham Fund I	2,832	3,306
Invesco	—	67
PanAgora	227	351
Wellington	786	—
Total Risk Parity	4,092	4,161
Total Investment Management Fees	21,401	22,852
<u>Other Investment Fees and Expenses</u>		
Consultant Fees	558	544
Custodial Fees	422	371
Investment Attorney	155	137
Other Investment Costs	10,509	8,330
Actuarial Fees	192	118
Total Other Investment Fees and Expenses	11,836	9,500
Total Investment Fees and Expenses	\$33,237	\$32,352

Investment Management Fees includes both Investment Management Fees and Incentive/Performance Fees

Other Investment Costs consists of organizational costs, interest expense, delivery receipt fees, class action distribution fees, tax agent service fees, etc.

Schedule of Investment Broker Commissions

StanCERA participates in a commission recapture program administered by Cowen. The strategic objective of the Commission Recapture Program is to recapture a portion of trade commissions paid to brokers. The primary goal is to ensure that investment managers provide the best effort to optimize use of StanCERA's assets for the benefit of the members and beneficiaries by recapturing commissions paid on a specific percentage of trades sent to correspondent brokers on a timely basis. For the fiscal years ending June 30, 2025 and 2024, Commission Recapture Income was \$20,453 and \$2,567, respectively.

Below are the commissions paid by StanCERA for the fiscal years ended June 30:

	2025		
	(in thousands)		
	# Shares	Commissions	Per Share
<u>Domestic Equities</u>			
Capital Prospects	241,485	\$ 7	\$ 0.027
Total Domestic Equities	241,485	7	0.027
<u>International Equities</u>			
Fidelity Asset Management	6,318,795	94	0.015
Total International Equities	6,318,795	94	—
Total Investment Broker Commissions	6,560,280	\$ 101	\$ 0.015

	2024		
	# Shares	Commissions	Per Share
<u>Domestic Equities</u>			
Capital Prospects	59,487	\$ 2	0.029
Total Domestic Equities	59,487	2	0.029
<u>International Equities</u>			
Fidelity Asset Management	8,648,374	93	0.011
Total International Equities	8,648,374	93	0.011
Total Investment Broker Commissions	8,707,861	\$ 95	\$ 0.011

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ACTUARIAL SECTION



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Via Electronic Mail

September 17, 2025

Actuarial Certification

This is the Actuary's Certification Letter for the Actuarial Section of the Annual Comprehensive Financial Report for the StanCERA Retirement Plan (the Plan) as of June 30, 2025. This letter includes references to two documents produced by Cheiron for the Plan: the Actuarial Valuation Report as of June 30, 2024 (transmitted February 20, 2025) and the GASB 67/68 Report as of June 30, 2025 (transmitted September 30, 2025).

Actuarial Valuation Report as of June 30, 2024

The purpose of the annual Actuarial Valuation Report as of June 30, 2024 is to determine the actuarial funding status of StanCERA on that date and to calculate recommended contribution rates for the participating employers and Plan members for the Fiscal Year 2025-2026. The prior review was conducted as of June 30, 2023, and included recommended contribution rates for the Fiscal Year 2024-2025.

Actuarial funding is based on the Entry Age Normal Cost Method. Under this method, the employer contribution rate provides for current cost (normal cost) plus a level percentage of payroll to amortize the Unfunded Actuarial Accrued Liability (UAAL) plus expected administrative expenses. As of the valuation date (June 30, 2020), the amortization period is 16 years.

Actuarial funding is based on the Entry Age Normal Cost Method. Under this method, the employer contribution rate provides for current cost (normal cost) plus a level percentage of payroll to amortize the Unfunded Actuarial Accrued Liability (UAAL) plus expected administrative expenses. The initial UAAL as of June 30, 2021 is amortized over a closed 15-year period (12 years remaining as of June 30, 2024). Any subsequent unexpected changes in the UAAL after June 30, 2021 from actuarial gains or losses or assumption changes are amortized over fixed closed periods of 20 years as a level percentage of payroll, with new amortization layers established each year. Any subsequent changes in the UAAL after June 30, 2021 due to plan amendments or other plan provision changes are amortized over a shorter period, based on the lesser of 15 years or the average future working lifetime for changes affecting active members, or the lesser of 10 years or the average remaining life expectancy for changes affecting inactive members.

The funding objective of the Plan is to accumulate sufficient assets over each Member's working life to provide for Plan benefits after termination of employment or retirement. For actuarial valuation purposes, Plan assets are valued at actuarial value. Under this method, the assets used to determine employer contribution rates take into account market value by spreading all investment gains and losses (returns above or below expected returns) over a period of five years. The actuarial value is limited to no less than 80% and no more than 120% of market value.

The Board of Retirement is responsible for establishing and maintaining the funding policy of the Plan, subject to the laws of the State of California enacted under the County Employees Retirement Law of 1937 and subsequent legislation.

We prepared the following schedules, which we understand will be included in the Actuarial Section of the Annual Comprehensive Financial Report, based on the June 30, 2024 actuarial valuation. All historical information prior to the June 30, 2008 actuarial valuation shown in these schedules is based on information reported by the prior actuary, Buck Consultants.

- Summary of Current Actuarial Assumptions and Methods
- Membership Information (Active, Deferred, and Retired)
- Schedule of Retirees and Beneficiaries Added to and Removed from Rolls
- Analysis of Financial Experience: Change in Unfunded Actuarial Liability
- Schedule of Funded Liabilities by Type
- Schedule of Funding Progress
- Summary of Plan Provisions

We reviewed the actuarial assumptions shown in the schedules and found them to be reasonably appropriate for use under the Plan. The assumptions used in this report reflect the results of an Experience Study performed by Cheiron covering the period from July 1, 2021 through June 30, 2024 and approved by the Board. The assumptions used in the most recent valuation are intended to produce results that, in the aggregate, reasonably approximate the anticipated future experience of the Plan. The next experience analysis is expected to cover the years through 2027.

We certify that the valuation was performed in accordance with generally accepted actuarial principles and practices. In particular, the assumptions and methods used for funding purposes meet the requirements of the Actuarial Standards of Practice (ASOPs), in particular ASOPs No. 4, 27, 35, and 44.

GASB 67/68 Report as of June 30, 2025

The purpose of GASB 67/68 Report as of June 30, 2025 is to provide accounting and financial reporting information under GASB 67 for StanCERA and under GASB 68 for Stanislaus County and the other participating employers. This report is not appropriate for other purposes, including the measurement of funding requirements for StanCERA.

For financial reporting purposes, the Total Pension Liability is based on the June 30, 2024 actuarial valuation updated to the measurement date of June 30, 2025. There were no significant events of which we were aware between the valuation date and the measurement date, so the update procedures included the addition of service cost and interest cost offset by actual benefit payments.



Please refer to our GASB 67/68 report as of June 30, 2025 for additional information related to the financial reporting of the System. We prepared the following schedules for inclusion in the Financial Section of the Annual Comprehensive Financial Report based on the June 30, 2025 GASB 67/68 report:

- Change in Net Pension Liability
- Sensitivity of Net Pension Liability to Changes in Discount Rate
- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Employer Contributions
- Notes to the Schedule of Employer Contributions

We certify that the report was performed in accordance with generally accepted actuarial principles and practices. In particular, the assumptions and methods used for disclosure purposes have been prepared in accordance with our understanding of generally accepted accounting principles as promulgated by the GASB.

Disclaimers

In preparing our reports, we relied on information (some oral and some written) supplied by StanCERA. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23, Data Quality.

Cheiron utilizes ProVal, an actuarial valuation application leased from Winklevoss Technologies (WinTech), to calculate liabilities and project benefit payments. We have relied on WinTech as the developer of ProVal. We have reviewed ProVal, have a basic understanding of it, and have used it in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this report.

Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; and, changes in plan provisions or applicable law.

Cheiron's reports were prepared solely for StanCERA for the purposes described herein, except that the Plan's auditor may rely on these reports solely for the purpose of completing an audit related to the matters herein. They are not intended to benefit any third party, and Cheiron assumes no duty or liability to any such party.

These reports and their contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional

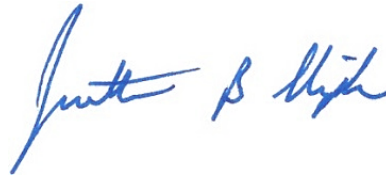


Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinions contained in these reports. These reports do not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Respectfully Submitted,



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SUMMARY OF ASSUMPTIONS AND FUNDING METHODS

The following assumptions, along with the post-retirement and pre-retirement demographic experiences, are based on StanCERA's actuarial experience study from July 1, 2021 through June 30, 2024, approved by the StanCERA Board of Retirement on December 3, 2024. The actuarial valuation for the fiscal year ending June 30, 2024 was approved by the StanCERA Board of Retirement on February 25, 2025, which incorporated the following assumptions. The purpose of the annual actuarial valuation report as of June 30, 2024 is to determine the actuarial funding status of StanCERA on that date and to calculate recommended contribution rates for the participating employers and StanCERA members for the fiscal year ended June 30, 2026. The prior actuarial valuation conducted as of June 30, 2023 included recommended contribution rates for the fiscal year ended June 30, 2025 which was approved by the StanCERA Board of Retirement on February 21, 2024.

Plan Description

A summary of plan provisions can be found in Note 1 of the Notes to Basic Financial Statements.

Actuarial Methods

Actuarial Cost Method

Annual contributions are computed under the Entry Age Normal Actuarial Cost Method, computed to the final decrement. A schedule of actuarially determined contributions compared to actual contributions can be found in the Required Supplementary Information Section following the Notes to the Basic Financial Statements.

The excess of the Actuarial Accrued Liability over Plan assets is the Unfunded Actuarial Accrued Liability. The liability for each valuation group is amortized as a level percentage of payroll over a closed period (15 years as of the current valuation).

Actuarial Value of Plan Assets

The Actuarial Value of Plan Assets is a modified market-related value. The fair value of assets is adjusted to recognize, over a five-year period, differences between actual investment earnings and the assumed investment return. The Actuarial Value of Plan Assets is limited to no less the 80% and no more than 120% of the fair value. As of June 30, 2011, the Actuarial Value was reset to equal fair value.

ACTUARIAL VALUATION METHODS AND ASSUMPTIONS

Valuation Date	June 30, 2024	June 30, 2023
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percent of Pay	Level Percent of Pay
Remaining Amortization Period	12 Years	13 Years
Asset Valuation Method	Modified Market-Related Value smoothed over a five year period	Modified Market-Related Value smoothed over a five year period

Actuarial Assumptions

1. Rate of Return – The annual rate of return is assumed to be 6.75% net of investment expenses.
2. Cost-of-Living (COLA) – The COLA is assumed to be 2.50% per year as measured by the Consumer Price Index.
3. Administrative Expenses – An allowance of \$4.5 million has been included in the annual cost calculation.
4. Interest Credited to Employee Accounts – 4.25% annually.
5. Increases in Pay – Base salary increase is assumed at 2.75%. Assumed pay increases for active Members consist of increases due to salary adjustments (as noted above), plus service-based increases due to longevity and promotion, as shown below.

Longevity & Promotion Increases		
Service	Safety	General
0-2	5.00%	5.00%
3-4	4.50%	5.00%
5	1.50%	3.50%
6	1.50%	2.50%
7-9	1.50%	2.00%
10-14	1.50%	1.25%
15-26	1.50%	0.75%
26+	1.50%	0.50%

6. Public Employees' Pension Reform Act (PEPRA) Compensation Limit – Assumption used for increasing the compensation limit that applies to PEPRA members is 2.50%.
7. Post Retirement COLA – 100% of Consumer Price Index up to 3% annually with banking, 2.4% annual increases assumed.
8. Social Security Wage Base – For projecting the Social Security Benefit, the annual Social Security Wage Base increase is assumed to be 2.75% per year. General Tier 3 members have their benefits offset by an assumed Social Security Benefit.
9. Internal Revenue Code Section 415 Limit – have been applied to the benefits for members currently in pay status, as the limited benefits have been provided by StanCERA for valuation purposes.
10. Internal Revenue Code Section 401(a)(17) – not reflected in the valuation for funding purposes.
11. Family Composition – Spouses of male members are assumed to be three years younger than the member. Spouses of female members are assumed to be two years older than the member.

Percent Married	
Gender	Percentage
Males	80%
Females	60%

Actuarial Assumptions (continued)

12. Accumulated Vacation Time Load – Active members' service retirement and related benefits are loaded by 3.00% for Safety Members and 3.00% for General Members.
13. Rates of Separation – Separate rates of termination are assumed among Safety and General Members. Termination rates do not apply once a member is eligible for retirement.

Termination (all types)		
Service	Safety	General
	All	All
0	16.0%	20.0%
1	8.0%	16.0%
2	7.0%	11.0%
3	6.0%	10.0%
4	6.0%	7.0%
5	6.0%	7.0%
10	5.0%	5.0%
15	2.0%	3.0%
20	—%	3.0%
25	—%	3.0%
30+	—%	—%

14. Withdrawal – Rates of withdrawal apply to active Members who terminate their employment and withdraw their member contributions. 40% of all General Member terminations with less than ten years of service and 15% of those with ten or more years of service are assumed to take a refund of contributions. 35% of all Safety Member terminations with less than ten years of service and 10% of those with ten or more years of service are assumed to take a refund of contributions.
15. Vested Termination – Rates of vested termination apply to active Members who terminate their employment after five years of service and leave their member contributions on deposit with the Plan. Tier 3 General Members are assumed to begin receiving benefits at age 65, and all other General Members at age 58. Safety Members are assumed to begin receiving benefits at age 51. 60% of vested terminated General members are assumed to be reciprocal with less than 10 years of service, and 40% of those with 10 years or more. 75% of vested Safety members are assumed to be reciprocal with less than 10 years of service, and 65% with 10 years or more. Reciprocal members are assumed to receive annual pay increases of 3.25% for General Members and 4.25% for Safety Members.
16. Service Connected Disability – Separate rates are assumed among Safety and General Members. Rates for both sexes for Safety Members are combined.

Service Connected Disability			
Age	Safety	General	
	All	Female	Male
20	—%	0.0020%	0.0035%
25	0.0180%	0.0045%	0.0035%
30	0.1210%	0.0165%	0.0085%
35	0.2070%	0.0325%	0.0175%
40	0.2960%	0.0595%	0.0455%
45	0.4200%	0.0925%	0.0745%
50	0.5780%	0.0965%	0.0770%
55	0.7740%	0.0645%	0.0695%
60	0.9630%	0.0470%	0.0620%
65	1.1050%	0.0415%	0.0545%
70	1.1050%	0.0270%	0.0485%
74+	1.1050%	0.0175%	0.0485%

Actuarial Assumptions (continued)

17. Non-Service Connected Disability - Separate rates are assumed among Safety and General Members. Rates of ordinary disability for Safety Members are assumed to be 0. Rates shown are applied after five years of service.

Non-Service Connected Disability		
Age	General	
	Female	Male
20	0.0020%	0.0035%
25	0.0045%	0.0035%
30	0.0165%	0.0085%
35	0.0325%	0.0175%
40	0.0595%	0.0455%
45	0.0925%	0.0745%
50	0.0965%	0.0770%
55	0.0645%	0.0695%
60	0.0470%	0.0620%
65	0.0415%	0.0545%
70	0.0270%	0.0485%
74+	0.0175%	0.0485%

18. Rates for Mortality for Healthy Lives – Rates of ordinary death are specified by 2021 California Public Employees Retirement System (CalPERS) Preretirement Non-Industrial Mortality Table. For active General Members adjusted by 102.2% for males and 110.2% for females, and for active Safety members adjusted by 102.6% for males and 100.9% for females. Duty related mortality rates are only applicable for Safety Active Members and are based on the 2021 CalPERS Preretirement Industrial Death table. adjusted by 102.6% for males and 100.9% for females. These mortality tables are projected generationally from 2017 using 80% of SOA Scale MP-2020.

Mortality Rates						
Age	Ordinary Death - General		Ordinary Death - General & Safety		Duty Death - General & Safety	
	Female	Male	Female	Male	Female	Male
20	0.0154%	0.0399%	0.0141%	0.0390%	0.0020%	0.0041%
25	0.0143%	0.0337%	0.0182%	0.0349%	0.0020%	0.0041%
30	0.0209%	0.0450%	0.0252%	0.0431%	0.0030%	0.0051%
35	0.0320%	0.0593%	0.0343%	0.0492%	0.0040%	0.0051%
40	0.0430%	0.0767%	0.0424%	0.0564%	0.0050%	0.0062%
45	0.0595%	0.0950%	0.0535%	0.0677%	0.0061%	0.0072%
50	0.0893%	0.1369%	0.0737%	0.0944%	0.0081%	0.0103%
55	0.1355%	0.2024%	0.1070%	0.1416%	0.0121%	0.0154%
60	0.1973%	0.2933%	0.1524%	0.2267%	0.0172%	0.0257%
65	0.2755%	0.4119%	0.1957%	0.3550%	0.0222%	0.0390%
70	0.4452%	0.6071%	0.3612%	0.6218%	0.0404%	0.0687%

Actuarial Assumptions (continued)

19. Disabled Member Mortality – Non-Service Connected Disability Members are specified by the 2021 CalPERS Non-Industrial Disable Annuitant Mortality table with no adjustment for males or females, with generational mortality improvements projected from 2017 using 80% of SOA Scale MP-2020.

Disabled Mortality Rates				
	Non-Service Connected		Service Connected	
Age	Female	Male	Female	Male
45	1.019%	1.120%	0.238%	0.314%
50	1.439%	1.727%	0.326%	0.437%
55	1.734%	2.217%	0.577%	0.623%
60	1.962%	2.681%	0.911%	0.935%
65	2.276%	3.332%	1.250%	1.393%
70	2.910%	4.056%	1.951%	2.189%
75	4.160%	5.465%	3.291%	3.498%
80	6.112%	8.044%	5.442%	5.932%
85	9.385%	11.695%	8.447%	10.244%
90	14.396%	16.770%	13.056%	16.739%

20. Retired Member and Beneficiary Mortality - specified by the CalPERS Healthy Annuitant Mortality table, adjusted by 107.6% for males and 115.3% for females, with generational mortality improvements projected from 2017 using 80% of Scale MP-2020.

Retired Mortality Rates		
Age	Female	Male
45	0.063%	0.101%
50	0.229%	0.291%
55	0.375%	0.421%
60	0.525%	0.618%
65	0.705%	0.922%
70	1.149%	1.442%
75	2.056%	2.582%
80	3.923%	4.713%
85	7.110%	8.902%
90	12.782%	15.644%

21. Mortality Improvement – The mortality assumptions employ a fully generational mortality improvement projection from base year 2017 using 80% of Scale MP-2020.

Actuarial Assumptions (continued)

22. Service Retirement – Assumed to occur among eligible members in accordance with the following table for non-PEPRA Tiers 1 through 5.

Service Retirement - General			
	Years of Service		
Age	0-9	10-29	30+
40-44	—%	—%	—%
45-49	—%	—%	10.00%
50-54	—%	4.00%	10.00%
55	—%	7.00%	10.00%
56	—%	7.00%	15.00%
57	—%	7.00%	15.00%
58	—%	7.00%	15.00%
59	—%	12.50%	15.00%
60	—%	12.50%	22.50%
61	—%	12.50%	30.00%
62	—%	20.00%	30.00%
63	—%	20.00%	30.00%
64	—%	20.00%	30.00%
65	—%	40.00%	30.00%
66	—%	40.00%	30.00%
67	—%	40.00%	30.00%
68	—%	25.00%	30.00%
69	—%	25.00%	30.00%
70	25.00%	25.00%	30.00%
71	25.00%	25.00%	30.00%
72	25.00%	25.00%	30.00%
73	25.00%	25.00%	30.00%
74	25.00%	25.00%	30.00%
75+	100.00%	100.00%	100.00%

Service Retirement - Safety				
	Years of Service			
Age	0-9	10-19	20-24	25+
40-46	—%	—%	5.00%	5.00%
47	—%	—%	10.00%	10.00%
48	—%	—%	10.00%	10.00%
49	—%	—%	10.00%	25.00%
50	—%	10.00%	25.00%	45.00%
51	—%	5.00%	25.00%	45.00%
52	—%	5.00%	25.00%	45.00%
53	—%	5.00%	25.00%	45.00%
54	—%	5.00%	25.00%	45.00%
55	—%	10.00%	25.00%	45.00%
56	—%	10.00%	25.00%	45.00%
57	—%	10.00%	25.00%	45.00%
58	—%	10.00%	25.00%	45.00%
59	—%	10.00%	25.00%	45.00%
60	—%	25.00%	25.00%	45.00%
61	—%	25.00%	25.00%	45.00%
62	—%	25.00%	25.00%	45.00%
63	—%	25.00%	25.00%	45.00%
64	—%	25.00%	25.00%	45.00%
65	—%	100.00%	100.00%	100.00%
66	—%	100.00%	100.00%	100.00%
67	—%	100.00%	100.00%	100.00%
68	—%	100.00%	100.00%	100.00%
69	—%	100.00%	100.00%	100.00%
70+	100.00%	100.00%	100.00%	100.00%

Actuarial Assumptions (continued)

23. PEPRA – Retirement for members in PEPRA, Tier 6, are assumed to occur among eligible members in accordance with the sample rates below, from the full tables 2021 CalPERS Public Agency Miscellaneous 2% @ 62 table for General and the CalPERS Public Agency Safety Police 2.7% @ 57 table for Safety:

Service Retirement - General (PEPRA)				
	Years of Service			
Age	5	10	25	35
50-51	—%	—%	—%	—%
52	0.50%	0.80%	1.90%	3.80%
53	0.70%	1.10%	2.10%	4.80%
54	0.70%	1.10%	2.30%	5.40%
55	1.00%	1.90%	6.10%	15.20%
56	1.40%	2.60%	7.50%	16.70%
57	1.80%	2.90%	7.40%	14.30%
58	2.30%	3.50%	7.30%	13.50%
59	2.50%	3.80%	9.20%	17.50%
60	3.10%	5.10%	11.10%	18.30%
61	3.80%	5.80%	12.10%	23.20%
62	4.40%	7.40%	16.40%	27.10%
63	7.70%	10.50%	19.20%	26.60%
64	7.20%	10.10%	18.70%	27.60%
65	10.80%	14.10%	23.90%	34.80%
66	13.20%	17.20%	29.20%	42.60%
67	13.20%	17.20%	29.20%	40.50%
68	12.00%	15.60%	26.50%	38.70%
69	12.00%	15.60%	26.50%	36.80%
70	12.00%	15.60%	26.50%	38.70%
71	12.00%	15.60%	26.50%	38.70%
72	12.00%	15.60%	26.50%	38.70%
73	12.00%	15.60%	26.50%	38.70%
74	12.00%	15.60%	26.50%	38.70%
75+	100.00%	100.00%	100.00%	100.00%

Service Retirement - Safety (PEPRA)				
	Years of Service			
Age	5	10	25	35
50	5.00%	5.00%	5.00%	11.00%
51	4.00%	4.00%	5.75%	13.92%
52	3.80%	3.80%	5.80%	13.21%
53	3.80%	3.80%	7.74%	28.98%
54	3.80%	3.80%	9.31%	33.25%
55	6.84%	6.84%	13.40%	38.76%
56	6.27%	6.27%	12.28%	34.49%
57	6.00%	6.00%	11.75%	32.00%
58	8.00%	8.00%	13.75%	35.00%
59	8.00%	8.00%	14.00%	40.00%
60	15.00%	15.00%	15.00%	35.00%
61	14.40%	14.40%	14.40%	26.40%
62	15.00%	15.00%	15.00%	33.00%
63	15.00%	15.00%	15.00%	40.00%
64	15.00%	15.00%	15.00%	52.50%
65+	100.00%	100.00%	100.00%	100.00%

24. Changes in Actuarial Assumptions – Details of all assumption changes can be found in the Actuarial Experience Study Report on StanCERA's website at <http://www.stancera.org> for the period covering July 1, 2021 through June 30, 2024. The proposed assumptions were summarized and reviewed with the Board at the December 3, 2024 Board meeting, at which the Board provided direction to proceed with the valuation based on those assumptions.

Participant data on active and inactive Members and their beneficiaries as of the valuation date was supplied by the Plan staff on direction of the Executive Director on electronic media. Member data was neither verified nor audited.

SCHEDULE OF ACTIVE MEMBER VALUATION DATA (FOR FISCAL YEARS ENDED JUNE 30)

Valuation Date	Plan Type	Number	Annual Salary (in thousands)	Average Annual Salary (in thousands)	% Increase (Decrease) in Average Salary	Number of Employers
6/30/2015	General	3,421	\$ 188,551	\$ 55	1.36%	8
	Safety	723	49,167	68	7.91%	
	Total	4,144	\$ 237,718	\$ 57	2.68%	
6/30/2016	General	3,521	\$ 198,457	\$ 56	2.26%	8
	Safety	727	52,021	72	5.22%	
	Total	4,248	\$ 250,478	\$ 59	2.79%	
6/30/2017	General	3,552	\$ 201,758	\$ 57	0.78%	8
	Safety	757	54,385	72	0.40%	
	Total	4,309	\$ 256,143	\$ 59	0.81%	
6/30/2018	General	3,658	\$ 211,920	\$ 58	1.99%	8
	Safety	794	58,835	74	3.14%	
	Total	4,452	\$ 270,755	\$ 61	2.31%	
6/30/2019	General	3,690	\$ 220,393	\$ 60	3.10%	8
	Safety	814	63,615	78	5.47%	
	Total	4,504	\$ 284,008	\$ 63	3.68%	
6/30/2020	General	3,652	\$ 221,653	\$ 61	1.62%	8
	Safety	806	63,674	79	1.09%	
	Total	4,458	\$ 285,327	\$ 64	1.50%	
6/30/2021	General	3,555	\$ 228,145	\$ 64	5.74%	9
	Safety	766	63,505	83	4.94%	
	Total	4,321	\$ 291,650	\$ 67	5.46%	
6/30/2022	General	3,566	\$ 237,279	\$ 67	3.68%	9
	Safety	757	66,315	88	5.67%	
	Total	4,323	\$ 303,594	\$ 70	4.05%	
6/30/2023	General	3,691	\$ 266,799	\$ 72	8.60%	9
	Safety	783	73,534	94	7.20%	
	Total	4,474	\$ 340,333	\$ 76	8.29%	
6/30/2024	General	3,877	\$ 291,108	\$ 75	3.90%	9
	Safety	778	75,428	97	3.23%	
	Total	4,655	\$ 366,536	\$ 79	3.53%	

Note: The annual salary presented here is annualized historical salary. The covered payroll shown in the Notes to the Basic Financial Statements is actual pensionable salaries. Salary shown in the Schedule of Funding Progress is based on projected salary from the actuarial valuation.

Note: The employers participating in the Plan include Stanislaus County, Stanislaus County Superior Court, City of Ceres and six small districts.

SCHEDULE OF FUNDING PROGRESS
(FOR FISCAL YEARS ENDED JUNE 30)
(in thousands)

Actuarial Valuation Date	Valuation Assets	1	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded Ratio	Covered Payroll	Unfunded AAL as a % of Covered Payroll
2015	\$ 1,763,629		\$ 2,391,522	\$ 627,893	73.7%	\$ 237,718	264.1%
2016	1,845,764		2,537,067	691,303	72.8%	250,478	276.0%
2017	1,968,231		2,648,162	679,931	74.3%	256,144	265.4%
2018	2,100,278		2,749,068	648,790	76.4%	270,755	239.6%
2019	2,199,956		2,897,223	697,267	75.9%	284,008	245.5%
2020	2,290,287		3,028,647	738,360	75.6%	285,326	258.8%
2021	2,483,712		3,153,032	669,320	78.8%	291,650	229.5%
2022	2,603,763		3,379,554	775,791	77.0%	303,595	255.5%
2023	2,709,536		3,535,289	825,753	76.6%	340,334	242.6%
2024	2,853,262		3,736,628	883,366	76.4%	366,536	241.0%

1 Excludes value of Non-Valuation Reserves.

**RETIREEES AND BENEFICIARIES ADDED TO
AND REMOVED FROM RETIREE PAYROLL**
(FOR FISCAL YEARS ENDED JUNE 30)
(in thousands)

Actuarial Valuation Date	At Beginning of Year	Added During Year	Allowances Added	Removed During Year	Allowances Removed	At End of Year	Retiree Payroll	% Increase in Retiree Payroll	Average Annual Allowance
2015	3,385	237	\$ 7,779	83	\$ 2,043	3,539	\$ 104,052	7.93%	\$ 29
2016	3,539	211	7,067	99	2,161	3,651	111,260	6.93%	30
2017	3,651	202	6,750	107	2,471	3,746	117,902	5.97%	31
2018	3,746	233	7,556	123	3,109	3,856	124,995	6.02%	32
2019	3,856	242	8,422	97	2,580	4,001	133,602	6.89%	33
2020	4,001	283	11,277	107	3,164	4,177	144,746	8.34%	35
2021	4,177	273	9,938	134	3,803	4,316	153,764	6.23%	36
2022	4,316	279	9,936	119	3,133	4,476	164,415	6.93%	37
2023	4,476	239	9,170	122	3,312	4,593	174,230	5.97%	38
2024	4,593	245	10,637	131	4,304	4,707	184,996	6.18%	39

SCHEDULE OF FUNDED LIABILITIES BY TYPE
SOLVENCY TEST
(FOR FISCAL YEARS ENDED JUNE 30)
(in thousands)

Valuation Date	Actuarial Accrued Liabilities (AAL) for:			Actuarial Accrued Liabilities	Reported Assets	Portion of Accrued Liabilities Covered by Reported Assets		
	1	2	3			1	2	3
	Active Member Contributions	Retirees & Beneficiaries	Active Members Employer Portion					
2015	\$ 196,074	\$ 1,337,781	\$ 857,667	\$ 2,391,522	\$ 1,763,629	100%	100%	27%
2016	200,960	1,427,166	908,941	2,537,067	1,845,764	100%	100%	24%
2017	206,386	1,510,151	931,625	2,648,162	1,968,231	100%	100%	27%
2018	213,223	1,590,078	945,767	2,749,068	2,100,278	100%	100%	31%
2019	219,369	1,695,484	982,369	2,897,222	2,199,956	100%	100%	29%
2020	222,390	1,833,388	972,868	3,028,646	2,290,287	100%	100%	24%
2021	224,594	1,903,558	1,024,880	3,153,032	2,483,712	100%	100%	35%
2022	224,213	2,058,086	1,097,255	3,379,554	2,603,763	100%	100%	29%
2023	236,255	2,170,967	1,128,097	3,535,289	2,709,536	100%	100%	27%
2024	244,894	2,307,856	1,183,878	3,736,628	2,853,262	100%	100%	25%

ACTUARIAL ANALYSIS OF FINANCIAL EXPERIENCE
(FOR FISCAL YEARS ENDED JUNE 30)
(in thousands)

Plan Year Ending	Actuarial (Gains)/Losses			Changes in Plan Provisions	Changes in Assumption/Methods
	Asset Sources	Liability Sources	Total		
2015	\$ (20,600)	\$ (5,600)	\$ (26,200)	\$—	\$ 269,800
2016	16,300	28,900	45,200	—	—
2017	(20,800)	(8,900)	(29,700)	—	—
2018	1 (12,400)	16,800	4,400	—	(37,800)
2019	28,700	30,800	59,500	—	—
2020	42,100	7,400	49,500	—	—
2021	(65,700)	33,000	(32,700)	—	(30,100)
2022	11,400	115,100	126,500	—	—
2023	30,700	33,500	64,200	—	—
2024	4,300	40,700	45,000	—	33,000

1 Changes due to Actuarial Audit included as Liability Loss of \$700,000.

A 10 year schedule of actuarially determined contributions compared to actual contributions can be found in the Required Supplementary Information to the Financial Statements on page [49](#).

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STATISTICAL SECTION



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STATISTICAL INFORMATION

This section provides a multi-year trend of financial and demographic information to facilitate a more comprehensive understanding of this year's financial statements, note disclosures, and supplementary information covering StanCERA's Plan. The financial and operating information provides additional perspective, context, and detail for StanCERA's Fiduciary Net Position, revenues and expenses by source, number of retirees by benefit type, payments made to retirees by benefit type, membership history, and the participating employers. The financial and operating trend information is located below and on the following pages.

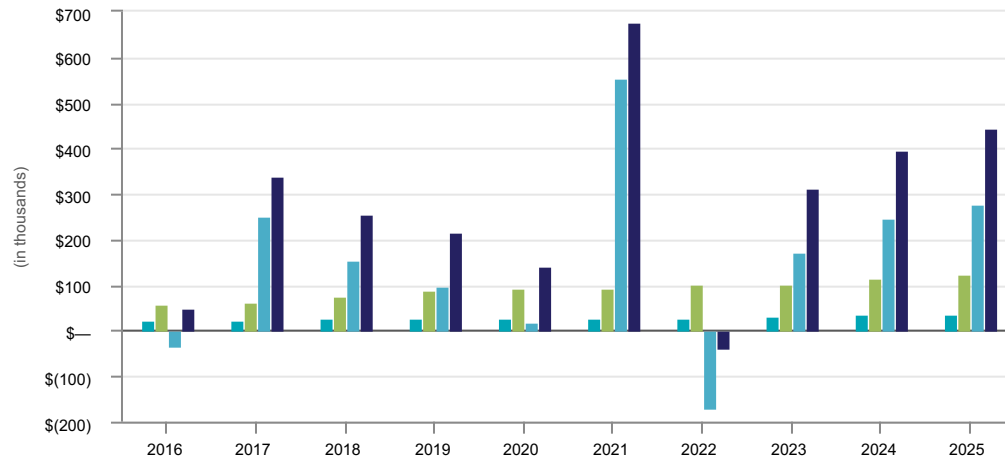
CHANGES IN FIDUCIARY NET POSITION

Last Ten Fiscal Years Ended June 30 (in thousands)

Additions To Fiduciary Net Position	2025	2024	2023	2022	2021
Employer Contributions	\$ 126,382	\$ 116,285	\$ 105,090	\$ 100,768	\$ 92,685
Plan Member Contributions	37,834	35,189	33,053	29,998	29,646
Net Investment Income (Loss)	278,957	246,160	173,419	(169,154)	18,497
<i>Total Additions</i>	<u>\$ 443,173</u>	<u>\$ 397,634</u>	<u>\$ 311,562</u>	<u>\$ (38,388)</u>	<u>\$ 140,827</u>
 Deductions From Fiduciary Net Position					
Pension Benefits	\$ 188,963	\$ 178,235	\$ 167,869	\$ 158,258	\$ 149,015
Refunds	2,378	2,654	3,014	4,051	1,916
Administrative Expense	4,010	4,302	4,362	3,476	3,394
<i>Total Deductions</i>	<u>\$ 195,351</u>	<u>\$ 185,191</u>	<u>\$ 176,145</u>	<u>\$ 165,785</u>	<u>\$ 154,325</u>
 Change in Fiduciary Net Position Restricted for Pension Benefits	 247,822	 212,443	 135,417	 (204,173)	 524,732
 Fiduciary Net Position Restricted for Pension Benefits					
Beginning of Year	\$ 2,874,285	\$ 2,661,842	\$ 2,526,425	\$ 2,730,598	\$ 2,208,241
End of Year	<u>\$ 3,122,107</u>	<u>\$ 2,874,285</u>	<u>\$ 2,661,842</u>	<u>\$ 2,526,425</u>	<u>\$ 2,205,866</u>
 Additions To Fiduciary Net Position	2020	2019	2018	2017	2016
Employer Contributions	\$ 92,685	\$ 88,589	\$ 76,966	\$ 63,025	\$ 58,196
Plan Member Contributions	29,646	27,743	26,746	25,464	23,917
Net Investment Income (Loss)	18,497	99,281	154,988	252,310	(31,322)
<i>Total Additions</i>	<u>\$ 140,827</u>	<u>\$ 215,613</u>	<u>\$ 258,701</u>	<u>\$ 340,798</u>	<u>\$ 50,791</u>
 Deductions From Fiduciary Net Position					
Pension Benefits	\$ 138,224	\$ 129,101	\$ 121,138	\$ 114,291	\$ 106,928
Refunds	1,762	2,674	2,034	2,553	1,238
Administrative Expense	3,217	2,557	2,791	2,645	2,315
<i>Total Deductions</i>	<u>\$ 143,202</u>	<u>\$ 134,332</u>	<u>\$ 125,964</u>	<u>\$ 119,488</u>	<u>\$ 110,481</u>
 Change in Fiduciary Net Position Restricted for Pension Benefits	 (2,375)	 81,281	 132,737	 221,310	 (56,690)
 Fiduciary Net Position Restricted for Pension Benefits					
Beginning of Year	\$ 2,208,241	\$ 2,126,961	\$ 1,994,223	\$ 1,772,914	\$ 1,832,604
End of Year	<u>\$ 2,205,866</u>	<u>\$ 2,208,241</u>	<u>\$ 2,126,961</u>	<u>\$ 1,994,223</u>	<u>\$ 1,772,914</u>

Additions by Source (for fiscal years ending June 30)

(in thousands)

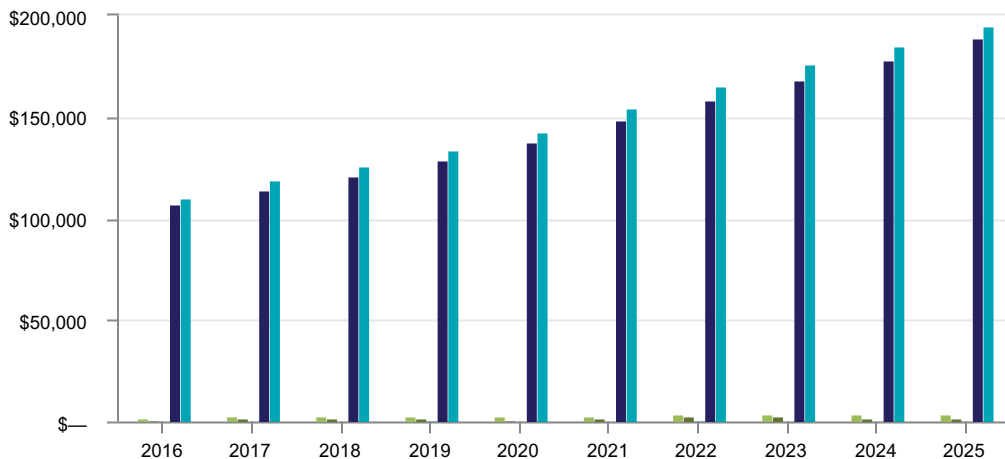


	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Plan Member Contrib.	\$ 23,917	\$ 25,464	\$ 26,747	\$ 27,743	\$ 29,645	\$ 29,553	\$ 29,998	\$ 33,053	\$ 35,189	\$ 37,834
Employer Contrib.	\$ 58,196	\$ 63,024	\$ 76,966	\$ 88,589	\$ 92,685	\$ 93,308	\$ 100,768	\$ 105,090	\$ 116,285	\$ 126,382
Investments	\$ (31,322)	\$ 252,310	\$ 154,988	\$ 99,281	\$ 18,497	\$ 556,195	\$ (169,154)	\$ 173,419	\$ 246,160	\$ 278,957
Total	\$ 50,791	\$ 340,798	\$ 258,701	\$ 215,613	\$ 140,827	\$ 679,056	\$ (38,388)	\$ 311,562	\$ 397,634	\$ 443,173

Data Source: ACFR Financial Section, Statement of Changes in Fiduciary Net Position

Deductions by Type (for fiscal years ending June 30)

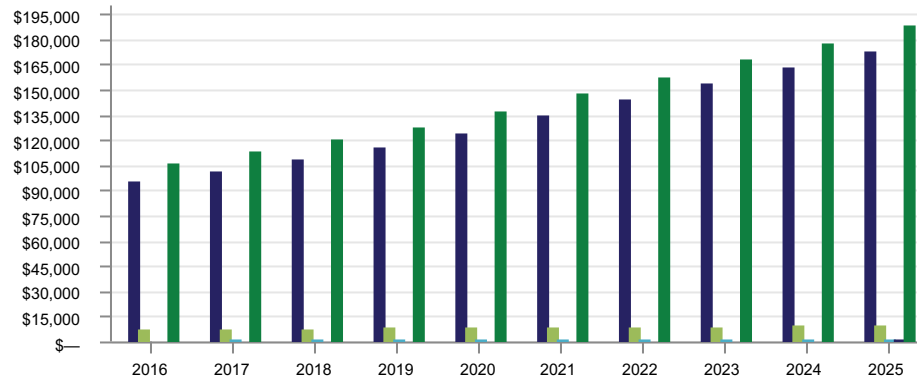
(in thousands)



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Administrative	\$ 2,315	\$ 2,644	\$ 2,792	\$ 2,557	\$ 3,216	\$ 3,394	\$ 3,476	\$ 4,362	\$ 4,302	\$ 4,010
Refunds - Separation	\$ 1,219	\$ 2,298	\$ 1,906	\$ 1,826	\$ 1,352	\$ 1,611	\$ 3,105	\$ 2,613	\$ 2,250	\$ 1,989
Refunds - Death	\$ 19	\$ 255	\$ 128	\$ 848	\$ 410	\$ 305	\$ 946	\$ 401	\$ 404	\$ 389
Benefits	\$ 106,928	\$ 114,291	\$ 121,138	\$ 129,101	\$ 138,224	\$ 149,015	\$ 158,258	\$ 168,769	\$ 178,235	\$ 188,963
Total	\$ 110,481	\$ 119,488	\$ 125,964	\$ 134,332	\$ 143,202	\$ 154,325	\$ 165,785	\$ 176,145	\$ 185,191	\$ 195,351

Data Source: ACFR Financial Section, Statement of Changes in Fiduciary Net Position

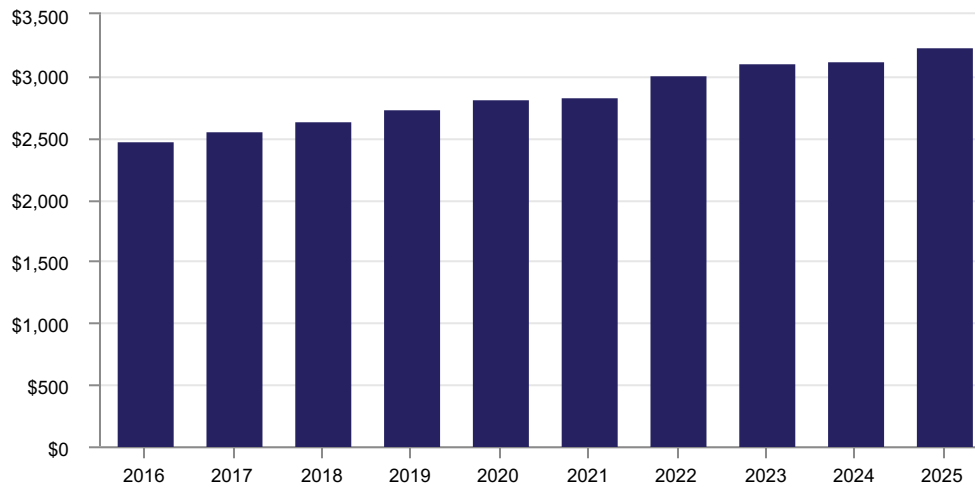
Benefit Expense by Type
(for fiscal years ending June 30)
(in thousands)



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Service	\$ 96,058	\$ 102,484	\$ 109,159	\$ 116,406	\$ 125,521	\$ 135,370	\$ 144,780	\$ 154,840	\$ 163,919	\$ 174,260
Serv. Conn. Dis.	\$ 8,072	\$ 8,591	\$ 8,752	\$ 9,328	\$ 9,061	\$ 9,858	\$ 9,638	\$ 10,092	\$ 10,396	\$ 10,797
Non-Serv. Dis.	\$ 1,631	\$ 1,819	\$ 1,869	\$ 1,934	\$ 2,123	\$ 2,298	\$ 2,221	\$ 2,144	\$ 2,191	\$ 2,117
Surv. Death Ben.	\$ 1,167	\$ 1,397	\$ 1,358	\$ 1,433	\$ 1,519	\$ 1,489	\$ 1,619	\$ 1,693	\$ 1,729	\$ 1,789
Total	\$ 106,928	\$ 114,291	\$ 121,138	\$ 129,101	\$ 138,224	\$ 149,015	\$ 158,258	\$ 168,769	\$ 178,235	\$ 188,963

Data Source: StanCERA Pension Administration System

Average Monthly Retirement Benefits
(for fiscal years ending June 30)
(in thousands)



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Monthly Allowance	\$ 2,478	\$ 2,568	\$ 2,646	\$ 2,731	\$ 2,814	\$ 2,836	\$ 3,013	\$ 3,116	\$ 3,129	\$ 3,239

Data Source: StanCERA Pension Administration System

RETIRED MEMBERS BY BENEFIT TYPE
as of June 30, 2025

<u>Amount Monthly Benefit</u>	<u>Total # Retirees</u>	<u>Service Retirement</u>	<u>Service Connected Disability</u>	<u>Non-Service Connected Disability</u>	<u>Survivors</u>
General Members					
\$0-500	316	308	2	4	2
501-1,000	453	418	0	20	15
1,001-1,500	446	404	4	24	14
1,501-2,000	434	383	17	31	3
2,001-2,500	358	317	28	9	4
2,501-3,000	317	294	19	4	0
3,001-3,500	278	258	15	4	1
3,501-4,000	202	195	4	2	1
4,001-4,500	196	193	3	0	0
4,501-5,000	155	154	0	0	1
over 5,000	632	626	4	1	1
Totals	<u>3,787</u>	<u>3,550</u>	<u>96</u>	<u>99</u>	<u>42</u>
Safety Members					
\$0-500	38	18	19	1	0
501-1,000	31	23	4	2	2
1,001-1,500	28	28	0	0	0
1,501-2,000	42	38	1	3	0
2,001-2,500	37	32	1	3	1
2,501-3,000	48	39	7	1	1
3,001-3,500	49	22	26	0	1
3,501-4,000	84	41	42	1	0
4,001-4,500	78	41	34	0	3
4,501-5,000	51	37	14	0	0
over 5,000	364	337	24	0	3
Totals	<u>850</u>	<u>656</u>	<u>172</u>	<u>11</u>	<u>11</u>
TOTALS	<u>4,637</u>	<u>4,206</u>	<u>268</u>	<u>110</u>	<u>53</u>

Data Source: StanCERA Pension Administration System

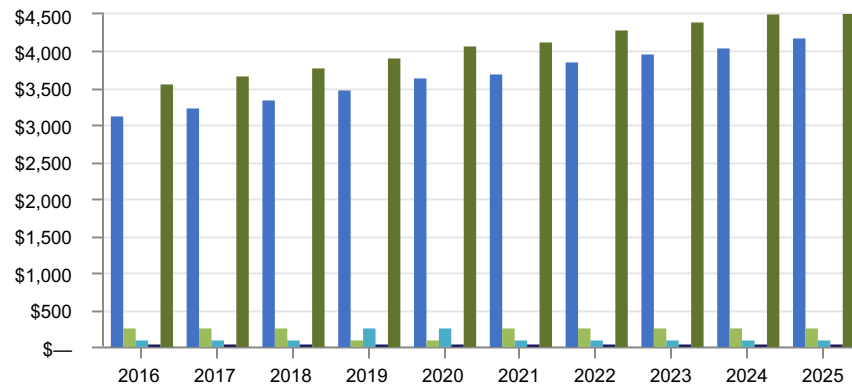
AVERAGE BENEFIT PAYMENTS

As of Fiscal Year-End June 30

	Beneficiaries		Service Years Credited					
	& Dro's	0-5	5-10	10-15	15-20	20-25	25-30	30+
Fiscal Year Ending June 30, 2016								
Average Monthly Benefit	\$1,548	\$652	\$1,186	\$1,462	\$2,231	\$3,034	\$4,342	\$5,669
Avg Final Average Salary	\$2,901	\$5,766	\$4,535	\$4,187	\$4,513	\$4,779	\$5,297	\$6,061
Number of Active Retirees	412	230	420	699	573	525	398	380
Fiscal Year Ending June 30, 2017								
Average Monthly Benefit	\$1,620	\$791	\$1,203	\$1,520	\$2,338	\$3,172	\$4,482	\$5,790
Avg Final Average Salary	\$3,006	\$5,453	\$4,588	\$4,293	\$4,666	\$4,946	\$5,413	\$6,076
Number of Active Retirees	378	274	438	716	593	547	413	384
Fiscal Year Ending June 30, 2018								
Average Monthly Benefit	\$1,768	\$801	\$1,208	\$1,551	\$2,406	\$3,289	\$4,600	\$5,912
Avg Final Average Salary	\$3,617	\$5,738	\$4,679	\$4,379	\$4,776	\$5,123	\$5,512	\$6,102
Number of Active Retirees	333	281	461	732	614	548	430	397
Fiscal Year Ending June 30, 2019								
Average Monthly Benefit	\$1,851	\$891	\$1,222	\$1,616	\$2,503	\$3,493	\$4,713	\$6,057
Avg Final Average Salary	\$3,674	\$6,014	\$4,734	\$4,487	\$4,907	\$5,361	\$5,574	\$6,203
Number of Active Retirees	351	298	470	753	642	572	440	408
Fiscal Year Ending June 30, 2020								
Average Monthly Benefit	\$1,796	\$1,288	\$1,374	\$2,970	\$3,319	\$5,264	\$11,881	\$6,857
Avg Final Average Salary	\$3,422	\$6,235	\$4,843	\$4,592	\$5,039	\$5,495	\$5,775	\$6,290
Number of Active Retirees	445	308	486	771	665	604	464	425
Fiscal Year Ending June 30, 2021								
Average Monthly Benefit	\$1,979	\$1,040	\$1,272	\$1,791	\$2,710	\$3,839	\$5,161	\$6,547
Avg Final Average Salary	\$4,109	\$5,958	\$4,898	\$4,751	\$5,156	\$5,636	\$5,885	\$6,447
Number of Active Retirees	501	284	488	770	669	617	462	435
Fiscal Year Ending June 30, 2022								
Average Monthly Benefit	\$2,021	\$1,076	\$1,292	\$1,843	\$2,799	\$3,984	\$5,310	\$6,772
Avg Final Average Salary	\$3,789	\$5,937	\$5,077	\$4,822	\$5,253	\$5,816	\$6,018	\$6,570
Number of Active Retirees	533	302	514	772	687	647	476	453
Fiscal Year Ending June 30, 2023								
Average Monthly Benefit	\$2,057	\$774	\$1,310	\$1,905	\$2,885	\$4,146	\$5,544	\$6,956
Avg Final Average Salary	\$3,507	\$7,192	\$5,281	\$4,956	\$5,401	\$6,042	\$6,204	\$6,678
Number of Active Retirees	550	284	528	780	712	677	492	477
Fiscal Year Ending June 30, 2024								
Average Monthly Benefit	\$2,149	\$753	\$1,342	\$1,973	\$3,010	\$4,272	\$5,770	\$7,198
Avg Final Average Salary	\$3,339	\$7,477	\$5,431	\$5,081	\$5,582	\$6,157	\$6,447	\$6,836
Number of Active Retirees	555	288	551	770	730	708	518	477
Fiscal Year Ending June 30, 2025								
Average Monthly Benefit	\$2,199	\$742	\$1,373	\$2,039	\$3,097	\$4,396	\$5,981	\$7,436
Avg Final Average Salary	\$3,101	\$7,673	\$5,593	\$5,197	\$5,671	\$6,264	\$6,618	\$7,000
Number of Active Retirees	578	302	579	780	731	738	536	488

Data Source: StanCERA Pension Administration System

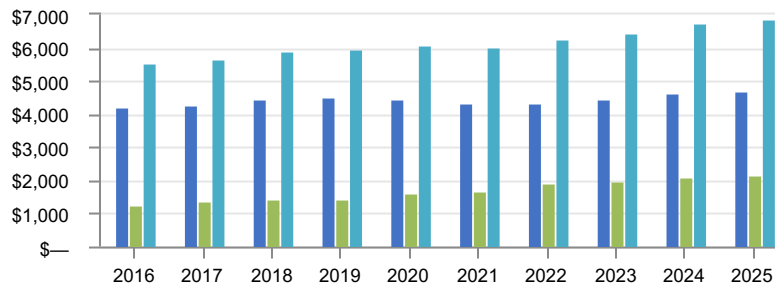
Membership History (Retired)
(for Years Fiscal Ending June 30)



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Service	3,157	3,245	3,359	3,497	3,661	3,723	3,866	3,976	4,074	4,206
Serv. Conn. Dis.	262	264	262	121	117	259	260	266	267	269
Non-Serv. Dis.	114	121	120	261	262	117	120	115	111	109
Surv. Death Ben.	49	53	55	55	53	53	55	54	55	53
Total	3,582	3,683	3,796	3,934	4,093	4,152	4,301	4,411	4,507	4,637

Data Source: StanCERA Pension Administration System

Membership History (Active and Deferred)
(for Fiscal Years Ending June 30)



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Active Members	4,249	4,309	4,452	4,504	4,459	4,345	4,328	4,474	4,658	4,702
Inactive Members	1,289	1,367	1,445	1,476	1,615	1,684	1,933	2,006	2,108	2,185
Total	5,538	5,676	5,897	5,980	6,074	6,029	6,261	6,480	6,766	6,887

Data Source: StanCERA Pension Administration System

PARTICIPATING EMPLOYERS AND ACTIVE MEMBERS WITH PERCENTAGE OF TOTAL SYSTEM
(for years ended June 30)

	<u>2025</u>		<u>2024</u>		<u>2023</u>		<u>2022</u>		<u>2021</u>	
Stanislaus County:										
General Members	3,525	75.0%	3,483	74.8%	3,295	73.6%	3,181	73.5%	3,181	73.2%
Safety Members	<u>746</u>	15.9%	<u>732</u>	15.7%	<u>736</u>	16.5%	<u>706</u>	16.3%	<u>717</u>	16.5%
Total	<u>4,271</u>		<u>4,215</u>		<u>4,031</u>		<u>3,887</u>		<u>3,898</u>	
Participating Agencies:										
Stanislaus County Superior Court	230	4.9%	233	5.0%	223	5.2%	230	5.3%	225	5.2%
City of Ceres	143	3.0%	156	3.3%	160	3.6%	161	3.7%	182	4.2%
East Side Mosquito Abatement District	10	0.2%	10	0.2%	9	0.2%	9	0.2%	9	0.2%
Hills Ferry Cemetery	4	0.1%	3	0.1%	3	0.1%	3	0.1%	3	0.1%
Keyes Community Services District	8	0.2%	8	0.2%	6	0.1%	7	0.2%	7	0.2%
Stanislaus Regional Transit Authority	15	0.3%	15	0.3%	13	0.3%	11	0.3%	—	—%
Salida Sanitary District	7	0.1%	7	0.2%	7	0.2%	7	0.2%	7	0.2%
Stanislaus Council of Governments	<u>14</u>	0.3%	<u>11</u>	0.2%	<u>12</u>	0.3%	<u>13</u>	0.3%	<u>14</u>	0.3%
Total	<u>431</u>		<u>443</u>		<u>443</u>		<u>441</u>		<u>447</u>	
Total Active Membership	<u><u>4,702</u></u>		<u><u>4,658</u></u>		<u><u>4,474</u></u>		<u><u>4,328</u></u>		<u><u>4,345</u></u>	
	<u>2020</u>		<u>2019</u>		<u>2018</u>		<u>2017</u>		<u>2016</u>	
Stanislaus County:										
General Members	3,273	73.4%	3,305	73.4%	3,307	74.3%	3,202	74.3%	3,156	74.3%
Safety Members	<u>726</u>	16.3%	<u>734</u>	16.3%	<u>721</u>	16.2%	<u>676</u>	15.7%	<u>645</u>	15.2%
Total	<u>3,999</u>		<u>4,039</u>		<u>4,028</u>		<u>3,878</u>		<u>3,801</u>	
Participating Agencies:										
Stanislaus County Superior Court	234	5.2%	239	5.3%	219	4.9%	217	5.0%	228	5.4%
City of Ceres	186	4.2%	185	4.1%	171	3.8%	180	4.2%	184	4.3%
East Side Mosquito Abatement District	9	0.2%	10	0.2%	9	0.2%	9	0.2%	10	0.2%
Hills Ferry Cemetery	3	0.1%	3	0.1%	3	0.1%	3	0.1%	3	0.1%
Keyes Community Services District	7	0.2%	7	0.2%	6	0.1%	6	0.1%	6	0.2%
Salida Sanitary District	7	0.2%	7	0.2%	6	0.1%	7	0.2%	7	0.2%
Stanislaus Council of Governments	<u>14</u>	0.3%	<u>14</u>	0.3%	<u>10</u>	0.2%	<u>9</u>	0.2%	<u>10</u>	0.2%
Total	<u>460</u>		<u>465</u>		<u>424</u>		<u>431</u>		<u>448</u>	
Total Active Membership	<u><u>4,459</u></u>		<u><u>4,504</u></u>		<u><u>4,452</u></u>		<u><u>4,309</u></u>		<u><u>4,249</u></u>	

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**STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION**

**REPORT TO THE BOARD OF RETIREMENT AND
INTERNAL GOVERNANCE COMMITTEE**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2025**

**STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION**

TABLE OF CONTENTS

	<u>Page</u>
I. Required Communication to the Members of the Board of Retirement and Internal Governance Committee in Accordance with Professional Standards (SAS 114).....	1
II. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	4

**REQUIRED COMMUNICATION TO THE MEMBERS OF THE
BOARD OF RETIREMENT AND INTERNAL GOVERNANCE COMMITTEE
IN ACCORDANCE WITH PROFESSIONAL STANDARDS (SAS 114)**

To the Board of Retirement and Internal Governance Committee of
Stanislaus County Employees' Retirement Association
Modesto, California

We have audited the financial statements of the Stanislaus County Employees' Retirement Association (StanCERA), a fiduciary component unit of the County of Stanislaus (the County), reported as a pension trust fund of the County, as of and for the fiscal year ended June 30, 2025, and have issued our report dated November 11, 2025. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 14, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by StanCERA are described in Note 2, Summary of Significant Accounting Policies, to the financial statements. As described in Note 2, to the financial statements, StanCERA adopted the following Governmental Accounting Standards Board (GASB) Statements during the fiscal year ended June 30, 2025: GASB Statement No. 101 – *Compensated Absences* and GASB Statement No. 102 – *Certain Risk Disclosures*. There was no effect on the accounting records as a result of implementing these GASB Statements during the year ended June 30, 2025. We noted no transactions entered into by StanCERA during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting StanCERA's financial statements were:

- Management's estimate of the fair value of investments, which was derived by various methods as detailed in the notes to the financial statements. We evaluated the key factors and assumptions used to develop the estimate of the fair value of investments in determining that it is reasonable in relation to the financial statements taken as a whole.

- The contribution amounts and net pension liability as detailed in the notes to the financial statements, which are based on the actuarially presumed interest rate and assumptions. We evaluated the key factors and assumptions used to develop the estimates of contribution amounts and net pension liability in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosures for cash and investments in Notes 2 and 4 to the financial statements, Summary of Significant Accounting Policies and Cash and Investments, respectively, were derived from StanCERA's investment policy. Management's estimate of the fair value of investments was derived by various methods as detailed in the notes to the financial statements.
- Additionally, the disclosures related to the funding policies, net pension liability, and actuarial methods and assumptions in Note 1, Description of Plan; Note 5, Contributions; and Note 8, Net Pension Liability of Participating Employers, were derived from actuarial valuations, which involved estimates of the value of reported amounts and probabilities about the occurrence of future events far into the future.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not identify any misstatements as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 11, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to StanCERA's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as StanCERA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Employer Contributions, Schedule of Investment Returns, and Notes to the Required Supplementary Information (RSI), which are RSI that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Administrative Expenses, Schedule of Investment Management Fees and Other Investment Expenses, and Schedule of Payments to Consultants, which accompany the financial statements but are not RSI. With respect to this other supplemental information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America. The method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the other supplemental information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory, investment, actuarial, and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Retirement, Internal Governance Committee, and management of StanCERA and is not intended to be, and should not be, used by anyone other than these specified parties.

Stockton, California
November 11, 2025

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Retirement and Internal Governance Committee of
Stanislaus County Employees' Retirement Association
Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Stanislaus County Employees' Retirement Association (StanCERA), a fiduciary component unit of the County of Stanislaus (the County), reported as a pension trust fund of the County, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise StanCERA's basic financial statements, and have issued our report thereon dated November 11, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

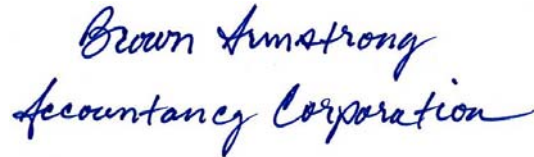
As part of obtaining reasonable assurance about whether StanCERA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an

objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of StanCERA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering StanCERA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Stockton, California
November 11, 2025

December 2, 2025

Retirement Board Agenda Item

TO: Retirement Board

FROM: Tom Stadelmaier, Executive Director

- I. SUBJECT: Classification Review for Three Positions
- II. ITEM NUMBER: 10.a
- III. ITEM TYPE: Discussion and Action
- IV. STAFF RECOMMENDATION: Approve County recommendations for reclassification of three positions and associated updated organizational structure in support of improved efficiency, service delivery and long-term opportunities for growth and development of StanCERA staff.

ANALYSIS: The attached memo from the County CEO Human Relations Department outlines the recommended changes to three positions:

- Reclassify Retirement Fiscal Manager to Deputy Director – Retirement
- Reclassify Member and Employer Services Specialist to Retirement Benefits Manager
- Reclassify Member and Employer Services Specialist to Retirement Projects Administrator

As part of the change no new open positions will be created and two currently open and allocated positions will be eliminated (Retirement Services Manager and Software Administrator). Upon approval, the employees in these roles will receive standard County promotional increases and all existing assignment pay will end.

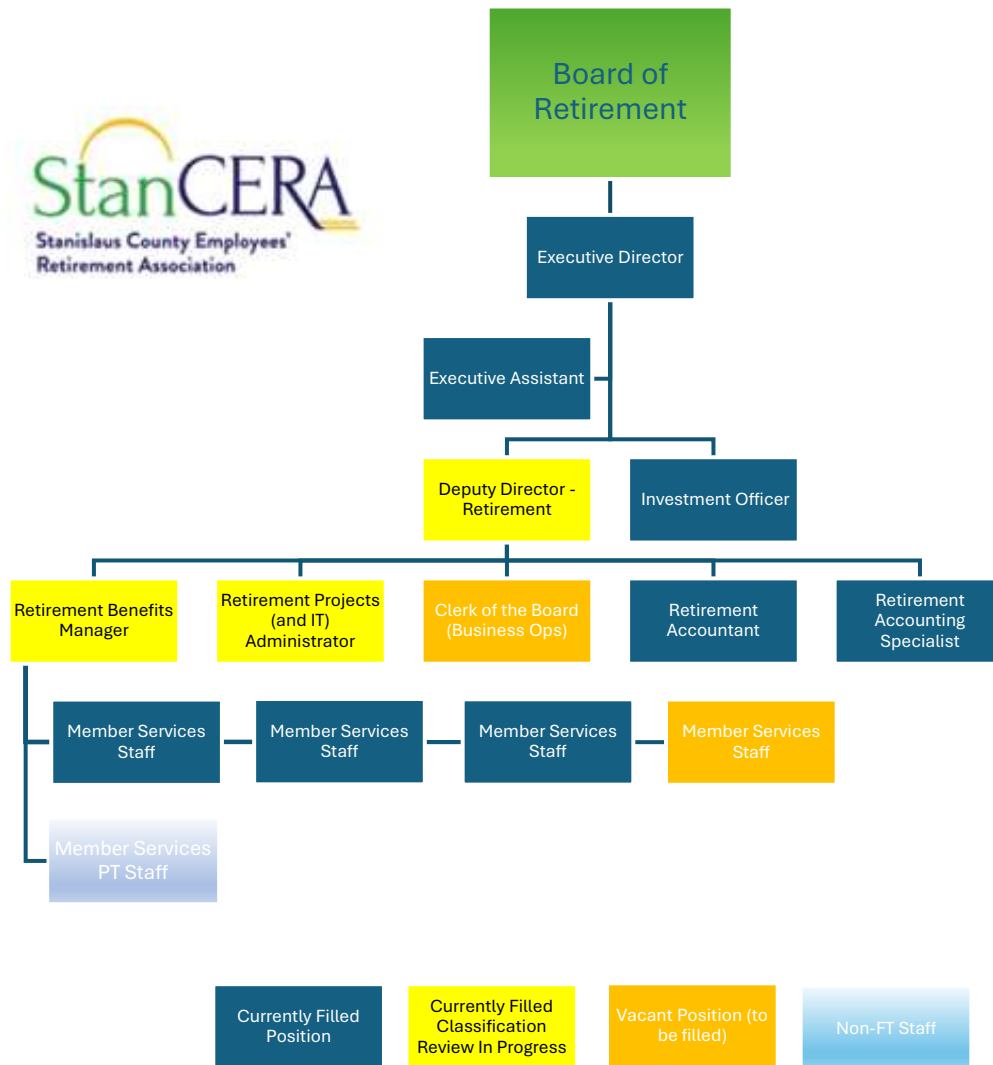
These changes are also subject to approval by the County Board of Supervisors which the County anticipates will be considered on December 9, 2025 as part of the standard quarterly financial report.

Also attached here is a copy of the current StanCERA staff organizational chart which reflects the organization structure with these positions highlighted. Once all anticipated changes are final, staff will publish an updated organizational chart.

- V. RISK: NA. Staff has been operating with the updated model for over one year as we worked with County HR on reclassification review.
- VI. ADMINISTRATIVE BUDGET IMPACT: Staff has already budgeted for this change for the current fiscal year. These changes alone will result in a savings of over 20% for personnel expenses with additional potential savings likely after implementation.

StanCERA Staff Organizational Structure

December 2, 2025



**CHIEF EXECUTIVE OFFICE**

Jody L. Hayes
CHIEF EXECUTIVE OFFICER

Patrice M. Dietrich
ASSISTANT EXECUTIVE OFFICER/
CHIEF OPERATIONS OFFICER

Tina M. Rocha
ASSISTANT EXECUTIVE OFFICER

Raul L. Mendez
ASSISTANT EXECUTIVE OFFICER

November 14, 2025

Thomas Stadelmaier
Executive Director
StanCERA

RE: Classification Study of one Retirement Fiscal Manager, Position Number 10846 and two Confidential Assistant IV's, Position Numbers 1775 and 7606.

Dear Mr. Stadelmaier:

The Chief Executive Office – Human Relations Division has completed the classification studies requested by the Department in April 2025. As a reminder, this study was initiated based on the recommendation outlined in the Department's Strategic Goals Item Update, approved by the StanCERA Board of Retirement on January 28, 2025.

The positions reviewed as part of this study include:

- One Retirement Fiscal Manager position (10846)
- One Confidential Assistant IV position (1775)
- One Confidential Assistant IV position (7606)

StanCERA has one major program responsible for:

- Delivering a defined benefit retirement plan for local jurisdictions;
- Supporting the jurisdictions;
- Supporting active, deferred and retired members; and
- Calculating and ensuring payment of benefits.

In assessing each position, the overall responsibility for management level duties such as strategic planning, budget development and administration, policy development, legislative analysis, decision making and independence, project management, and internal/external contacts were evaluated along with task related activities.

The following is a summary of our findings and recommendations.

Request to reclassify the Retirement Fiscal Manager (10846)

After studying the scope and complexity of the current duties assigned to the Retirement Fiscal Manager position, CEO-HR recommends reclassifying this position to **Deputy Director – Retirement** with a salary range of \$54.73 - \$ 82.09 per hour.

This recommendation is based on the analysis of the organizational structure and incumbent's comprehensive responsibility for StanCERA operations, including:

- Staff management and operational oversight
- Evaluation and improvement of processes
- Strategic planning and implementation
- Budget development, justification, and administration
- Policy and procedure development
- Representation of StanCERA at all organizational levels.

The position functions with a high degree of independence and authority.

Request to reclassify one Confidential Assistant IV (1775)

After studying the scope and complexity of the current duties assigned to this Confidential Assistant IV position, CEO-HR recommends reclassifying this position to **Retirement Benefits Manager** with a salary range of \$38.54 - \$57.80 per hour.

Based on the information provided, this position is primarily responsible for:

- Managing the Benefits Division team
- Overseeing benefits administration and management
- Serving as a communication liaison

Request to reclassify one Confidential Assistant IV (7606)

After studying the scope and complexity of the current duties assigned to this Confidential Assistant IV position, CEO-HR recommends reclassifying this position to **Retirement Projects Administrator** with a salary range of \$38.54 - \$57.80 per hour.

Based on the information provided, this position is primarily responsible for:

- Acting as System Administrator
- Managing organizational IT Functions
- Project management
- Assisting executive leadership

The reclassification of this position reflects the technical and strategic nature of the work being performed.

These recommendations are anticipated to be submitted for Board of Supervisor approval as part of the 2026 First Quarter Financial Report on December 9, 2025. If approved, the positions will be reclassified effective the first full pay period following Board approval.

If the positions are currently filled, your department will need to submit a Personnel Action Form (PAF) to update the status of the impacted employees. CEO-HR will coordinate with StanCERA leadership before proceeding with the reclassifications.

Feel free to contact me if you have any questions.

Sincerely,

Jennifer Jacquez
Senior Management Consultant
CEO – Human Relations

Carmen Alania
Associate Management Consultant
CEO - Human Relations

December 2, 2025

Retirement Board Agenda Item

TO: Retirement Board

FROM: Tom Stadelmaier, Executive Director

- I. SUBJECT: Updated Bylaws and Administrative Policies
- II. ITEM NUMBER: 10.c
- III. ITEM TYPE: Discussion and Action
- IV. STAFF RECOMMENDATION: Approve updated Bylaws based on County feedback prior to submission to County Board of Supervisors for final approval.
- V. ANALYSIS: The Retirement Board approved an updated version of the StanCERA Bylaws earlier this year at the June meeting. Staff shared the updated version with the County before submission to the County Board of Supervisors (BOS). CERL requires BOS approval for Bylaw changes.

The County requested a full review of the changes and meetings were held with StanCERA staff to review the details. The County was good with the majority of the changes but provided feedback on Sections 1.7 and 1.10 in order to provide clarification on Retirement Board and County processes as it relates to executive level classifications for StanCERA staff.

StanCERA staff is comfortable with the suggested edits.

- VI. STRATEGIC PLAN: Moving the changes forward supports objectives of administrative excellence and reporting and transparency.
- VII. ADMINISTRATIVE BUDGET IMPACT: No immediate changes to budget required



Stanislaus County Employees' Retirement Association

BYLAWS

**Amended and Approved by the
Retirement Board June 24, 2025**

ARTICLE 1 – ADMINISTRATION

1.1 NAME

The name of this association is "the "STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION" (hereinafter "StanCERA").

1.2. PURPOSE

StanCERA is established, in accordance with and subject to the County Employees' Retirement Law of 1937 (CERL), section 31450, et seq., of the California Government Code (hereinafter "the 1937 Act"). For the purpose of carrying out the provisions of said law within Stanislaus County, California, StanCERA is governed by the 1937 Act, California Public Employees' Pension Reform Act of 2013 (PEPRA) and other Government Code Sections applicable to CERL Systems as supplemented by these Bylaws.

1.3. DEFINITIONS

- A. "Executive Director" means the StanCERA Retirement Administrator or designee of Executive Director.
- B. "Applicant" means a person, the Retirement Board, or StanCERA claiming benefits, rights, or privileges under the 1937 Act.
- C. "Retirement Board" means the StanCERA Board of Retirement.
- D. "Hearing Officer" means the person designated by the Retirement Board to conduct a hearing and make recommendations pursuant to Government Code section 31533.
- E. "Part-time employee" means an employee of Stanislaus County or a contracting district or other local government who is not employed in a permanent position as established by the Board of Supervisors or other local governing body by budget or ordinance or who regularly works less than fifty-five percent (55%) of the normal workweek.
- F. "Party" means any person disclosed by the records of the retirement system or by the application to have an interest in any subject matter including the applicant and the subject employee.
- G. "Subject employee" means the member of the retirement system on behalf of whom an application is filed.
- H. "Member contributions" means the actuarially determined rate as applied to the member's compensation earnable or pensionable compensation for each pay period.
- I. "It" means "non-person"

- J. "Shall" imposes a duty
- L. "May" creates discretionary authority or grants permission or power
- M. "Must" creates or recognizes a right; and
- N. "May not" imposes a prohibition and is synonymous with shall not.

1.4. POLICY AND ADMINISTRATIVE

Policy directives of the retirement system is vested in the Retirement Board. Day-to-day administration of the retirement system is delegated to the Executive Director. Appointment or election of members of the Retirement Board shall be as provided by Government Code Section 31520.1 and related state law.

1.5. OFFICERS

At the first regular meeting in January, the positions of chair and vice chair will rotate in ascending order by succession by the number assigned to the Retirement Board member and shall be held for a period of one (1) year. If a member has not served at least two (2) years on the Retirement Board, that member shall skip the normal rotation and the next successor shall be appointed to chair or vice-chair. Should any officer fail for any reason to complete his or her term, the normal successor shall perform the balance of the unexpired term. If the unexpired term is for less than nine (9) months, then the successor shall also hold office for their normal term immediately following the completion of the unexpired term. If the unexpired term is for nine (9) months or more, the successor shall only hold office for the completion of the unexpired term. The secretary of the Retirement Board shall be the Executive Director. The alternate safety member shall serve as provided in Government Code Section 31520.1 of the 1937 Act.

Pursuant to Government Code Section 31520.1, the alternate safety member shall sit in place of the seventh member during determinations of retirement benefits of a person from the same service as the alternate safety member.

1.6. RETIREMENT BOARD MEMBER ELECTION PROCEDURES

RETIREMENT BOARD MEMBERS WHO ARE ELECTED by members of StanCERA of the same category of membership (Second and Third seats by General members, Seventh and Alternate seats by Safety members, and Eighth and Alternate Seats by Retired members) shall

be elected according to the procedures set forth in this Section of the StanCERA Bylaws. In all cases where the word "Department" appears in this Section, the meaning shall be construed to include all Stanislaus County Departments, the City of Ceres and contracting Districts (all employers who use StanCERA for administration of retirement benefits). All references to Executive Director in this section may also refer to a designee. The Executive Director shall prepare a NOTICE OF ELECTION, which shall contain the deadlines for the submission of nomination papers, date of distribution of ballots, date of final receipt of ballots and the date for canvassing the ballots.

The distribution of the notice of election to active and/or retired members shall be made no more than sixty (60) calendar days and no less than forty-five (45) calendar days prior to the final date for receipt of ballots.

The Executive Director shall prepare a NOMINATION PAPER, which upon completion will contain the following information:

Name of candidate; candidate's Agency (if General or Safety member) or city and state of residence (if Retired member); a candidate's statement of not more than two hundred (200) words; signatures of the specific membership electorate in support of the candidate (General – at least twenty-five (25); Safety - at least ten (10); Retired - at least fifteen (15)). A prepared statement of willingness to serve on the Retirement Board; the Retirement Board seat number and category (General, Safety or Retired); and final date for filing the paper.

Completed nomination papers must be submitted to the Executive Director by 5:00 p.m. on the date specified in the notice of election and on the nomination paper (no later than thirty (30) days before the final date for receipt of ballots). Candidates shall only be placed on the election ballot if the above nomination papers and procedures are completed. If no valid nominations are received by the deadline, the Executive Director may extend the deadline and the timeline for the election if necessary. If only one (1) nomination paper is received by the Executive Director on or before the deadline specified for receipt, the Executive Director shall declare that the candidate is the new Retirement Board member of the seat for which the candidate sought election (pursuant to Government Code Section 31523) and shall prepare and distribute a declaration of election results.

If two (2) or more nomination papers are received by the Executive Director on or before the deadline for receipt, the Executive Director shall prepare ELECTION BALLOT MATERIALS, which shall consist of: A ballot with the candidates' names, Agency (if General or Safety member) or city and state of residence if Retired member), candidates' statements, final date for receipt of ballots and a listing of candidates' names in alphabetical order by last name with appropriate places to indicate the member's choice of a particular candidate; The ballots must be received back by 5:00 p.m. on the final date indicated on the ballot.

Ballot material may be REISSUED to members who file a notice of non-receipt of election material prepared.

The ballots shall be CANVASSED on the business day following the final date for receipt of ballots by the Executive Director (or his/her designee), one (1) member of the Retirement Board, not associated with the election in any way, and any staff from the Executive Director's office, as may be necessary to expeditiously handle the canvassing of the ballots.

The candidate who receives the HIGHEST NUMBER OF VOTES of the ballots cast shall be declared the WINNER and member of the Retirement Board to assume the seat for which the candidate ran at any Retirement Board meetings following the expiration of the term of the incumbent. The new member will serve three (3) years or for the remaining period of time in which a seat may become vacant for any reason other than the expiration of the incumbent's term of office.

The Executive Director shall prepare a DECLARATION OF ELECTION RESULTS to include the seat of the Retirement Board and the winner of the election. The number of votes for each candidate will be made available upon request.

The Executive Director shall communicate to each candidate with the results of the election and the declaration shall be posted publicly.

If any of the official candidates desires a RECOUNT or REVIEW of the ballots cast, the member must make a written petition to the Executive Director for a recount or review. The petition must be received by the Executive Director no later than fourteen (14) days following the original canvassing of the ballots. The Executive Director shall conduct the recount or review and report the results to the Chair of the Retirement Board.

1.7. COMMITTEES

The Retirement Board has determined that the following are standing committees. The Retirement Board through the Board Chair or Committee Chairs may periodically make changes to committee structures or request administrative staff or legal to support work of the committees as needed.

- A. Due Diligence Committee (DDC). The DDC may consist of the Vice-Chair or Chair as Chair, one (1) other Board member, the Executive Director, the Investment Officer and one (1) staff member appointed by the Executive Director, to act as the recorder. This committee shall insure that Due Diligence reviews are carried out and reports provided to the Retirement Board of investment manager and other vendor business reviews on a schedule as determined by these Bylaws, Policies and the committee.
- B. Internal Governance Committee (IGC). The IGC shall consist of three (3) Retirement Board members. At least one of the Retirement Board members of the committee shall have sufficient background in accounting, financial or managerial matters to understand, relate to and communicate accounting and organizational matters especially as they relate to audit reports. This committee shall have the responsibility for oversight of all financial audits (both external and internal), compliance audits, Bylaw revisions, Policy revisions, Retirement Board member education and training (including ethics) and other internal governance matters.
- C. Strategic Planning Objectives Committee (SPOC). The SPOC shall consist of no less than two (2) Retirement Board members. The committee may request input from administrative staff and attendance for staff at its meetings as the Committee so desires. The committee shall oversee and review staff recommendations of Retirement Board strategic planning objectives

and make recommendations to the full Board. This committee meets at least once every three (3) years.

- D. Performance Review and Compensation Committee (PRCC). The PRCC shall consist of current Chair, past Chair, and current Vice Chair. As needed, the PRCC will meet to discuss the performance and compensation of the position of Executive Director. The PRCC may also consider and provide input-feedback to the Executive Director on the performance and compensation for other staff members that fall under the authority of the Board of other executive level classifications.

The Committee's evaluation process should include but not be limited to the following criteria:

Goals: Whether the subject position's stated goals at the beginning of the evaluation period were effectively and meaningfully carried out.

Added Value: Whether the subject position added value to the retirement process in all areas of administration. Added value can be measured in (but not limited to) areas such as financial, administrative efficiency, member services, internal and external communication, and enhanced governance.

Strategic Plan: Whether the subject position's actions are consistent with the Strategic Plan and whether the Strategic Plan is being meaningfully implemented.

After the Committee meets regarding performance review and compensation, the Committee will draft a memorandum with its recommendation regarding the disposition of the subject position to the full Board of Retirement for approval.

The Retirement Board Chair at his/her discretion may appoint Retirement Board members or staff to any standing or ad hoc committee as the Chair deems necessary. At least annually, staff will prepare an update listing of committee assignments.

1.8. POLICY, PROCEDURE AND PRACTICE

In governing administration matters the following hierarchy is established in order of priority.

- A. Federal Law
- B. State Law
- C. Local ordinances and resolutions when not in conflict with higher laws
- D. StanCERA Bylaws
- E. Policies and procedures formally adopted by the Retirement Board
- F. Staff policies and procedures
- G. Practice

1.9. INDEPENDENT OPERATIONS

StanCERA is a separate legal entity from Stanislaus County and is governed by the Retirement Board. California Constitution provides that the Retirement Board has the full responsibility and authority to invest StanCERA member retirement funds and provide necessary services in administering retirement benefits as provided in the 1937 Act, and as adopted in multiple employer-employee agreements. To fulfill the mission of StanCERA, the Retirement Board hires staff, contracts with investment managers, hires consultants and other service providers, and adopts an administrative budget.

To save the time and effort of establishing its own set of Personnel Policies and tracking labor laws (and in accordance with California State law), the Retirement Board hires staff who are Stanislaus County employees. This means that in general and in most instances, these staff will be treated (hired, paid, promoted, demoted, retired or fired) the same as other Stanislaus County employees in similar classifications. However, given that StanCERA staff provide services to a variety of public agencies and administer retirement benefits, staff are not subject to mandates from the Board of Supervisors or its agents that would interfere with or otherwise supersede the delivery of those services. To that end this Statement of Independent Operation acknowledges that from time to time, the Retirement Board may act to overrule or set aside a personnel decision or action that emanates from Stanislaus County personnel authority involving staff hired by the Retirement Board or its Executive Director. In matters of retirement benefit administration, the Retirement Board shall have final say in its handling of staff. The Retirement Board has and will continue to utilize Stanislaus County Personnel staff to handle recruitments and Stanislaus County payroll with its contingent of payroll-related items such as: extra help, Personal Services Contracts, leave time and termination cash out payments, retirement benefits, Social Security coverage, deferred compensation program, group health insurances, unemployment insurance, long term disability, workers compensation insurance, professional development, employee assistance program, cafeteria plan cash out, auto allowance and mileage reimbursement the same as other Stanislaus County employees.

The Retirement Board has used and will continue to use its hired investment consultants to aid in its decision on specific investment managers to hire, their performance and possible termination, as well as providing education on investments.

The Retirement Board has used and will continue to use a variety of special consultants, service providers, financial institutions and attorneys.

The administrative budget for StanCERA is approved and monitored solely by the Retirement Board. While the budget includes costs for Stanislaus County services through the Stanislaus County's cost allocation plan (CAP), these services are approved for payment since they support the staff in its mission to provide the promised retirement benefits. While StanCERA may choose not to utilize Stanislaus County services, it intends on continuing its use of and payment for services obtained through the Stanislaus County's CAP as needed. StanCERA will not pay for general Stanislaus County costs to the extent that it does not receive services for such costs.

1.10. ADMINISTRATION OF EXECUTIVE DIRECTOR POSITION, INVESTMENT CLASSIFICATION AND OTHER EXECUTIVE LEVEL STAFF

Specifically regarding the position of Executive Director, the Investment Officer Series and ~~the Deputy Director~~ other executive level classifications, the Retirement Board shall have authority full control over the creation, assessment and disposition utilization of these position classificationss, including salary, minimum qualifications, and job descriptions, and will administer this control using the County's classification and compensation process and memorialization ~~personnel matters using the processes currently in place at the County~~ whenever feasible. It is understood that the

processes used to achieve this control should not be limited to the administration of existing executive level County classifications, as StanCERA, from time to time, may need to create and administer other executive level classifications that do not currently exist. The Retirement Board and the Executive Director will continue to work with County Personnel to ensure that any other County classifications used by StanCERA in the administration of the retirement plan are properly structured within the County's salary and position guidelines. The Investment Officer Series and ~~the Deputy Director~~ other executive level classifications will report to the Executive Director.

ARTICLE 2 – MEETINGS

2.1. REGULAR MEETINGS

Regular meetings of the Retirement Board shall typically be held on the fourth Tuesday of each month at 1:30 p.m. There will typically be one summer month with no Board meeting and the November and December meeting will be combined and held the first Tuesday in December. Standard meeting agendas will include Investment and Finance items being heard first, to be followed by Administrative and Member and Employer items. When appropriate, StanCERA staff or the Retirement Chair can adjust the meeting time or alter the agenda if necessary. All regular meetings shall be held at **the Wesley W. Hall Board Room located on the sixth floor of 832 12th Street, Modesto, California**, unless changed by the Chair and proper notice given by the Executive Director or staff.

2.2. SPECIAL MEETINGS

Special meetings and emergency meetings of the Retirement Board may be scheduled at any time by the Chair of the Retirement Board or any five (5) members of the Retirement Board. The Executive Director or staff shall publicly post and give each Retirement Board member the minimum notice required by the Ralph M. Brown Act.

2.3. PERSONS ATTENDING MEETINGS

All meetings of the Retirement Board shall be open to the public, except closed sessions as permitted by law.

2.4. RULES OF ORDER

In general, ROBERT'S RULES OF ORDER shall guide the Retirement Board in its proceedings, except as otherwise provided herein or in the 1937 Act. The Chair shall have a vote on all questions and motions and shall not be required to relinquish the Chair in order to participate in discussions.

The Chair shall not make or second a motion. The order of business shall include:

- A. Roll Call
- B. Announcements
- C. Public Comment
- D. Consent Items (e.g., Approval of minutes, informational items & retirements)

- E. Investment Matters
- F. Administrative and Member and Employer Matters
- G. Committee Reports and Recommendations
- H. Closed Session
- I. Members' Forum (Information and Future Agenda Requests Only)
- J. Adjournment

The Retirement Board Chair may make changes in the above order at his/her discretion.

Requests for Staff Support by the Board

The Board shall request any research, analyses and reports from staff as are necessary for the Board's effective oversight of StanCERA operations. Such requests will be agendaized and considered at regularly scheduled Board meetings. If approved, the Executive Director will be responsible for coordinating the completion of the approved project or report within a reasonable time or by the completion date specified in the Board action.

Requests by Individual Board Members for Staff or External Support

Board members making individual requests for information will be advised to make the request with the full Board during Member's Forum, unless the information is readily available and the Executive Director determines that a response will not require any significant commitment of staff time or other external StanCERA resources.

2.5. QUORUM

Five (5) members of the Retirement Board shall constitute a quorum. No business may be transacted without a quorum. Informational meetings may be held without a quorum but no action can be taken.

No motion may be passed without a majority of the quorum voting affirmatively.

2.6. CORRESPONDENCE

All correspondence to the Retirement Board must be in writing and received by the Executive Director five (5) business days prior to any regularly scheduled Retirement Board meeting to appear on the Retirement Board agenda. Public comment can be submitted in writing or can be provided in-person and is limited to three (3) minutes. The Chair has discretion to limit or extend public comment further as needed.

2.7. MINUTES

The Executive Director shall cause to be recorded in the minutes the time and place of each meeting, the name of each Board member present, a summary of official actions taken by the Retirement Board, and such other information that will concisely reflect each meeting's content. The minutes shall be presented for Retirement Board approval at its next regular meeting.

Such minutes shall be signed by the Executive Director, approved as to form by general legal counsel, and shall become a part of the Retirement Board's permanent record. A record of recent meetings will be posted on StanCERA's website and staff will make efforts to retain an electronic record of the meetings.

2.8. COMPENSATION OF MEMBERS

Pursuant to Government Code Sections 31520.5 and 31521, those members (appointed by the Board of Supervisors and the retiree representatives) shall be eligible to receive the maximum allowance per meeting of the Retirement Board or meeting of a committee for not more than the maximum meetings allowed per month.

ARTICLE 3 - CLAIMS FOR BENEFITS, RIGHTS, OR PRIVILEGES OTHER THAN DISABILITY RETIREMENT

3.1 PURPOSE

The purpose of this article is to provide a procedure for acting upon applications for rights, benefits, and privileges other than applications for disability retirement under the 1937 Act to the end that applications can be expeditiously processed with a minimum lapse of time and that when a hearing is required by law, the Applicant will have notice of the hearing and an opportunity to appear before the Retirement Board and present his/her case.

3.2 FILING AND AMENDMENT OF APPLICATIONS

- A. A claim for rights, benefits, and privileges other than applications for disability retirement shall be made by filing with the Retirement Board staff a claim that clearly states what is requested, together with all facts, information, and documentation supporting such claim and facts. Upon the filing of the claim, the Retirement Board staff shall serve the Applicant with a copy of this article and forward the claim to the Executive Director for the Executive Director's review, investigation, and recommendation, pursuant to the provisions of this article.
- B. If, during the pendency of an request, there is any change in any of the facts or claims set forth, the Applicant shall immediately file with the Retirement Board staff and serve on all interested parties written notice of the change. Upon the filing of such notice with the Retirement Board staff, the claim shall be deemed amended accordingly.
- C. Failure to accurately and fully complete or timely amend a claim may delay its processing or, in the discretion of the Retirement Board or hearing officer, preclude the Applicant from asserting or introducing evidence of the omitted or changed fact(s) or claim(s).

3.3 FURTHER INFORMATION TO BE FURNISHED BY APPLICANT

At any time during the pendency of a claim, the Executive Director, the Retirement Board, or the counsel for StanCERA may, by written notice to the Applicant, request that the Applicant serve, within thirty (30) days or such further time as may be designated, any or all of the following items: copies of all pertinent records and reports, copies of all other documents upon which the Applicant relies in support of the application, and sworn written responses to written inquiries concerning any matter, which is, either relevant to the subject matter of the application or is reasonably calculated to lead to the discovery of evidence, which would be admissible at hearing.

3.4 ADMINISTRATIVE RECOMMENDATION

- A. Upon review of the application and information submitted by the Applicant, and all other relevant material, the Executive Director shall make one of the following recommendations to the Retirement Board:
 - 1. "Grant claim for benefits" where the Executive Director determines, from all available information that there is no substantial conflict with respect to the facts necessary to grant an application for benefits, rights, or privileges.
 - 2. "Refer for hearing:" where the Executive Director is unable to find, from all available information, the necessary conditions to recommend granting a claim for benefits, rights, or privileges. At any time prior to hearing, the Executive Director may, in accordance with the standards set forth in Subsection 5.4, withdraw his recommendation to refer to hearing and recommend that the claim for benefits, rights, or privileges be granted, and the Retirement Board may act, thereon, in the manner prescribed in Section 3.5 of this Article.
 - 3. "Deny claim for benefits" where the Executive Director determines from all available information that there is no substantial evidence to support the facts necessary to grant such a benefit.
- B. The Executive Director's recommendation to the Retirement Board shall be made at a regular meeting of the Retirement Board after placing the matter on the agenda of a Retirement Board meeting.

3.5 PROCEDURE UPON ADMINISTRATIVE RECOMMENDATION

With respect to each claim, for which the Retirement Board has received an administrative recommendation, pursuant to Section 5.4, the Retirement Board shall, at the first meeting where the matter properly appears on its agenda, take the following action or any other action that the Retirement Board may deem appropriate:

- A. If the administrative recommendation is "grant claim for benefits" the Retirement Board may either grant such a claim or refer for hearing.
- B. If the administrative recommendation is "refer for hearing", the Retirement Board may either refer all issues for hearing or remand to the Executive Director for further investigation.

- C. If the administrative recommendation is "deny claim for benefits", the Retirement Board may either deny such benefit, grant such benefit, or refer all issues to hearing.
- D. For items referred for hearing, the Retirement Board can refer the matter to a hearing officer or preside over the matter at a scheduled Board meeting.

3.6 SETTING FOR HEARING

- A. If the Retirement Board determines that a matter is to be set for hearing, the matter shall be heard by a hearing officer unless the Retirement Board moves to hear the matter itself. If the Retirement Board determines that the matter shall be heard by a hearing officer, the Executive Director shall notify counsel, who shall promptly schedule a hearing, taking into consideration the availability of a qualified hearing officer, the availability of witnesses for the parties, and any other matter necessary and appropriate for the hearing. The Executive Director's counsel shall give written notice of the date, time and place of the hearing to all interested parties at least 30 days in advance of the scheduled hearing, unless otherwise stipulated by all interested parties.
- B. The Executive Director shall maintain a list of retired judges or qualified licensed attorneys who are approved by the Retirement Board staff and who are available to serve as hearing officers. The Executive Director shall appoint the hearing officer for each hearing by determining which person on the list served last and selecting the person next in order. In the event the person next in order declines to serve as hearing officer or is unavailable to serve within a reasonable period of time, the Executive Director shall appoint the person on the list next in order. The notice of hearing shall include the identity of the person appointed as hearing officer. Any interested party may promptly object in writing to the appointment of a particular hearing officer. If said written objection is not filed with the Executive Director's office at least ten (10) business days prior to the date first set for hearing, any such objection may be waived. In the event such objection is timely filed, the Executive Director shall appoint as hearing officer the person next in order on the hearing officer list. In any case, the Executive Director may refer the matter to the Board in lieu of using a hearing officer.
- C. Upon stipulation by the interested parties or upon a showing of good cause, the hearing officer or the Retirement Board may continue a hearing to a new date.
- D. The party requesting the continuance shall bear all costs relating to the continuance unless good cause is shown to the hearing officer or to the Retirement Board. Such costs include, but are not limited to, hearing officer fees, court reporter fees, witness fees, and any other costs, fees and expenses incurred by the Retirement Board, by anyone on behalf of StanCERA or by any other interested party as a result of the continuance.

3.7 PRE-HEARING PROCESS

- A. The Executive Director shall schedule a date for the hearing in coordination with counsel. The Retirement Board or hearing officer may, upon stipulation by the interested parties or showing of good cause, continue a hearing to a new date. The party requesting the continuance shall bear all costs relating to the continuance, unless good cause is shown to the Retirement Board.
- B. Within thirty (30) days of the date of the hearing, the Applicant shall provide a copy of all documents and writings, which the Applicant proposes to introduce at the hearing to the Executive Director, and the Executive Director shall provide a copy of documents and writings that the Executive Director intends to introduce at the hearing to the Applicant. Any interested party may request a pre-hearing conference. The Applicant or the Executive Director may set a pre-hearing conference by serving all interested parties with written notice of the conference at least fifteen (15) days in advance. Such conferences shall be attended by all interested parties and their counsel.
- C. Any interested party shall at any time after filing of the claim, be entitled to undertake discovery in the form of requests for admissions, interrogatories or depositions in the manner prescribed by the Code of Civil Procedure, provided that such discovery is limited to the matters set forth in the claim.
- D. Formal discovery shall be limited to those procedures provided in this Article and the 1937 Act, except as otherwise stipulated between the parties or as authorized by the Retirement Board or hearing officer upon a showing of good cause.

3.8 HEARING PROCEDURES

- A. Every hearing before a hearing officer shall be reported by a certified court reporter, and every hearing before the Retirement Board shall be electronically recorded.
- B. At any hearing, any interested party may be represented by legal counsel, at their own cost.
- C. The hearing officer or, with respect to hearings before the Retirement Board, the Chair or the Chair's designee, shall exercise such control over the hearing as is reasonable and necessary including, but not limited to, prescribing the order of proof; ruling upon the admissibility of evidence; ordering medical examinations; requiring that additional relevant evidence be gathered and presented; questioning witnesses; and determining whether the matter shall proceed or be adjourned subject to continuation.
- D. Except as otherwise provided in this Article, any relevant evidence shall be admitted if it is the sort of evidence on which reasonable and responsible persons are accustomed to rely on in the conduct of serious affairs regardless of the existence of any common law or statutory rule, which might make improper the admission of such evidence over objections

in civil actions. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence, but shall not be sufficient in and of itself to support a finding unless it would be admissible over objection in civil actions.

- E. Oral evidence shall be taken only on oath or affirmation.
- F. On any relevant matter, each interested party shall have the right to call and examine witnesses, introduce documentary and other physical evidence, and cross-examine opposing witnesses. Any interested party who does not testify on his own behalf may be called and examined as a witness, as if, under cross-examination.
- G. Refusal of the Applicant or interested party to submit to examination or to answer relevant questions shall be grounds for considering such questions for the purpose of that hearing to be answered in a way unfavorable to the refusing party.
- H. Any interested party may offer, and the Retirement Board or hearing officer shall receive into evidence, the deposition of any witness subject to the objections available under Code of Civil Procedure Section 2025.010 et seq., notwithstanding, that the deponent is not "unavailable as a witness" within the meaning of Section 240 of the Evidence Code and no exceptional circumstances exist if:
 - 1. The deposition was taken in the manner provided for by law or by stipulation of the parties; and
 - 2. At least thirty (30) days prior to the hearing, the proponent of the deposition delivered to all interested parties notice of intention to offer the same into evidence. Any interested party, upon receiving such notice, may subpoena the deponent and, if he does so, at the discretion of the Retirement Board or hearing officer, either the deposition may be excluded from evidence or the deposition may be admitted and the deponent may be further cross-examined by the party who subpoenaed him. These limitations are not applicable to a deposition admissible under the terms of Section 2025.010 of the Code of Civil Procedure.
- I. For the purposes of this Section, "delivery" of a document or notice may be accomplished manually or by mail in the manner provided by Subsection 3.14. If delivery is by mail, the times prescribed in this subsection for delivery of documents and notices shall be increased by five (5) days.

3.9 DECISION OF THE HEARING OFFICER

- A. Where a hearing is held before a hearing officer, the hearing officer shall prepare, in writing, proposed findings of fact and recommended decisions and reasons therefor.
- B. Within forty-five (45) days after the matter is submitted, the hearing officer shall file with the Retirement Board the proposed findings of fact and recommended decision, which shall include those documents received into evidence or rejected and shall serve the same on all interested parties. The hearing officer shall not be entitled to remuneration for his services, until the aforesaid documents have been filed and served.

- C. Within ten (10) days following the service of the hearing officer's proposed findings of fact and recommended decision, any interested party may submit objections, thereto, by filing the same with the Retirement Board staff and serving the same on all interested parties.

3.10 ACTION BY THE RETIREMENT BOARD UPON HEARING OFFICER DECISION

Upon receiving the proposed findings of fact and recommended decision, the Retirement Board may:

- A. Approve and adopt the proposed findings and recommendations of the referee; or
- B. Require a transcript or summary of all the testimony plus all other evidence received by the hearing officer and, thereupon, take such action as in its opinion is indicated by such evidence; or
- C. Refer the matter back with/without instructions to the hearing officer for further proceedings; or
- D. Set the matter for hearing before the Retirement Board on a date within the next forty-five (45) days. At such a hearing, the Retirement Board shall hear and decide the matter as if it had not been referred to a hearing officer.

3.11 HEARINGS BEFORE THE RETIREMENT BOARD

- A. Five (5) members of the Retirement Board constitute a quorum for the making of any decision at a hearing held, pursuant to the provisions of this Article. No findings of fact or decision by the Retirement Board shall be valid unless approved by a majority of all members present
- B. When a hearing is held before the Retirement Board, the Retirement Board shall, no later than the second regular meeting following the meeting at which the matter is submitted, determine all material issues and shall incorporate such determinations in a written decision and findings of fact.
- C. Within ten (10) days following the date the Retirement Board renders its decision and findings of fact the Retirement Board shall serve all interested parties with a copy of the same together with a notice of the right to judicial review of the Retirement Board's decision as set forth in Section 3.14.

3.12 DATE OF FINAL DECISION AND NOTICE THEREOF

The decision of the Retirement Board shall be final on the date notice, thereof, is mailed to the subject employee by US first class mail, postage prepaid, including a copy of the affidavit or certificate of mailing. A copy of the decision along with the affidavit or certificate of mailing shall simultaneously be mailed to the applicant, if other than the subject employee, and to all other interested parties and their respective counsel.

3.13 JUDICIAL REVIEW OF THE RETIREMENT BOARD'S DECISION

All parties including the member applicant shall be entitled to judicial review of Board decisions pursuant to Code of Civil Procedure Section 1094.5 and related statutes. To obtain judicial review of a board decision, a party must file a valid petition for writ of administrative mandamus with the superior court. Judicial review of the final retirement decisions shall be subject to Code of Civil Procedure Section 1094.6. This section has been made applicable by the Retirement Board and the Stanislaus County Board of Supervisors. Following each final decision, the Executive Director shall include in the notice of decision a statement substantially as follows: "The time within which judicial review of this decision must be sought is governed by Code of Civil Procedure section 1094.6, which has been made applicable to StanCERA by the Retirement Board and the Stanislaus County Board of Supervisors. Generally, any petition or other paper seeking judicial review must be filed in the appropriate court not later than the ninetieth (90) day following the date on which this decision becomes final. Judicial review of a final decision is reviewable, pursuant to Code of Civil Procedure section 1094.5 only if the petition for writ of mandate made pursuant to Code of Civil Procedure section 1094.06 is filed within the time limits specified in latter section."

3.14 SERVICE OF NOTICE

- A. Unless otherwise provided by these Bylaws or by statute, where the provisions of this Article require service of a notice, demand, request, or other written communication, service shall be made on the party on whom service is required unless the said party has filed notice of representation by counsel, in which case service shall be made upon counsel of record for that party.
- B. Where the provisions of this article require service on "interested parties," such service shall be made on StanCERA, on all interested parties who have appeared in the subject proceedings, and on all interested parties who have not appeared in such proceedings and who have filed a request to be served with documents, which are served and filed in such proceedings. Pursuant to Government Code section 31532, unless otherwise ordered by a court of competent jurisdiction or necessary for the processing of an application, sworn statements and individual records of members shall not be disclosed by StanCERA.
- C. Unless otherwise provided by these Bylaws or by statute, the service of all notices, orders, requests, and other written communications, which are not personally served, shall be effected by sealing the same in an envelope properly addressed to the party to be served and depositing the envelope in the United States mail with first class postage fully prepaid, and any applicable time limitations shall be extended in the manner prescribed by Code of Civil Procedure Section 1013.
- D. For purposes of determining the effectiveness of service on an Applicant, correspondence shall be deemed "properly addressed" if it bears the address specified on the application,

or, if the application has been amended, the address specified on the most recently filed amended application.

ARTICLE 4 - AMENDMENTS AND REPEALS

4.1 AMENDMENTS

The Retirement Board may, as it deems necessary and desirable, by an affirmative vote of five (5) members, amend these Bylaws to be effective when approved by the Stanislaus County Board of Supervisors.

4.2 REPEALS

All former Bylaws and amendments thereto are hereby repealed. The foregoing Bylaws become effective when approved by the Board of Supervisors as provided by Government Code Section 31525.

4.3 BYLAWS REVIEW

The Bylaws shall be reviewed by a committee appointed by the Chair of the Retirement Board and revisions and/or amendments brought before the Board on or before December 31st at each odd year, or as needed.

ARTICLE 5 - SUBPOENAS

5.1 POWER TO ISSUE SUBPOENAS

The Retirement Board, the Executive Director or a Hearing Officer appointed under these Bylaws may issue subpoenas or subpoenas duces tecum in accordance with the provisions of Government Code Section 31535. Subpoenas shall be signed by the Chair of the Retirement Board, the Clerk of the Retirement Board, the Executive Director, or the Hearing Officer.

5.2 PARTIES ENTITLED TO ISSUANCE OF SUBPOENAS

Any Party to a pending transaction or other proceeding under these Bylaws may request that subpoenas be issued on the party's behalf by the Retirement Board, the Referee, or the Executive Director. The scope of such subpoenas shall be limited to the subject matter of the application or proceeding. The party requesting such subpoenas shall be solely responsible for enforcing them in the same manner found in Government Code section 25170 et seq, as set forth in Government Code section 31535, and shall bear all costs incurred in connection with issuance of such subpoenas.

HISTORICAL NOTES

Approved by the Board of Supervisors on September 27, 1988.

Amendment to Sections 4.4.(A), 4.6.(B), and 4.6.(C) approved by the Board of Supervisors on

April 25, 1989.

Amendment to Sections 4.4.(A), 4.4.(B), 4.6.(B), 4.6.(C) and 4.7.(A) and deletion of Section 4.6.(D) approved by the Board of Supervisors on December 19, 1989.

Amendment to Section 1.5. approved by the Board of Supervisors on March 27, 1990.

Amendment of Section 1.2 by addition of Subsection (J) approved by the Board of Supervisors on October 2, 1990.

Addition of Section 3.11, (A), (B), and (C) approved by the Board of Supervisors on October 2, 1990.

Amendment of Article 1, addition of Section 1.6 approved by the Board of Supervisors on April 27, 1993.

Revision of the Bylaws approved by the Board of Supervisors on August 18, 1998.

Amendment of Article 2 approved by the Board of Supervisors on April 6, 1999

Amendment of Article 1 approved by the Board of Supervisors on August 31, 1999

Amendment of Article 1, Section 1.5, approved by the Board of Supervisors on October 31, 2000

Revision of the Bylaws approved by the Board of Supervisors on July 2, 2002

Revision of the Bylaws approved by the Board of Supervisors on December 11, 2002

Amendment of Article 2, Section 2.1, approved by the Board of Supervisors on December 5, 2006

Revision of the Bylaws approved by the Board of Supervisors on December 4, 2007

Amendment of Article 1, Section 1.7, approved by the Board of Supervisors on March 25, 2008

Revision of the Bylaws approved by the Board of Supervisors on May 24, 2011

Amendment of Articles 1-3, 8-11 approved by the Board of Supervisors on February 25, 2014

Amendment of Article 1.7 approved by the Board of Supervisors on March 15, 2016

Removal of Prior Articles 4 (Member Contributions), 5 (Service Retirement), 6 (Service), 7 (Compensation Earnable) and 14 (Continuing Education and Due Diligence Visitations). Prior articles 4, 5, 6, 7 and 14 reclassified as StanCERA Internal Policies. Prior articles 9 (Claims for Disability Retirement), 10 (Claims for Benefits, Rights, or Privileges Other Than Disability), 8 (Amendments and Repeals) and 11 (Subpoenas) reclassified to articles 4, 5, 6 and 7, respectively. Approved by the Board of Supervisors on 12/4/2018

Removal of Section 3 (Membership) and Section 4 (Claims for Disability). These items have been updated as Board approved policy related to Member Benefits. Additional technical corrections and updates made to remaining sections as well. [Approved by Retirement Board as of June 2025 and now pending approval from Board of Supervisors]