



March 24, 2026
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
- 5) Public Comment
- 6) Emergency Declaration
- 7) Consent Items:
 - (a) Approval of February 24, 2026 Meeting Minutes [View](#)
 - (b) Application for Service Retirement(s)
Government Code Section 31499.17, 31670, 31662.2 & 31810 See
attached for details [View](#)
 - (c) Application for Service-Connected Reciprocal Disability Retirement –
Government Code Section 31837
 - i. Selvera, Gregory – Stanislaus County – Effective 03-12-2024
 - (d) Investment Matrix [View](#)
 - (e) Strategic Plan Update
Agenda Item [View](#) Attachment [View](#)
 - (f) Conference Summary [View](#)
- 8) Investment:
 - (a) Investment Consultant - February Flash Report - NEPC [View](#)
 - (b) Manager Fee Peer Analysis Report [View](#)
 - (c) The Rise of the Wealth Channel in Private Markets [View](#)
- 9) Administrative
 - (a) Professional Development Pay – Discussion and Action
Agenda Item [View](#) Attachment [View](#)
- 10) Closed Session:

No closed session items
- 11) Members' Forum (Information and Future Agenda Requests Only)
- 12) Adjournment



February 24, 2026
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

Donna Riley
Doris Foster
Delilah Vasquez
Darin Gharat
Mike Lynch
Terry Withrow
Joshua Clayton
Rhonda Bieseimeier
Samuel Sharpe

Trustees Absent

Jeff Grover

Others Present

Tom Stadelmaier - Executive Director
Stan Conwell - Retirement Investment Officer
Donna Wood - Retirement Benefits Manager
Alaine Taa - Administrative Services Officer
Deanne Corbiser – Retirement Accountant
Fred Silva - General Legal Counsel
Maya Ortiz de Montellano – Private Markets Consultant, Meketa
Scott Maynard – Real Estate Consultant, Meketa
Kimberly Adams – Managing Director, Clarion Partners
Reza Basharzad – Managing Director, Clarion Partners
Daniel Hennessy – Investment Consultant, NEPC

4) Announcements

Deanne Corbiser announced a summary of the mid-year budget review

Alaine Taa announced the upcoming CALAPRS General Assembly and Spring SACRS Conference

5) Public Comment - None

6) Emergency Declaration - None

7) Consent Items:

(a) Approval of January 27, 2026 Meeting Minutes

(b) Application for Service Retirement(s)

Government Code Section 31499.17, 31670, 31662.2 & 31810

See attached for details

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

i. Ruiz, Magdalena – Stanislaus County – Effective 12-04-2025

(d) Investment Matrix

(e) Fiscal Year 2025-2026 Mid-Year Budget Review

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

Motion passed unanimously.

8) Investment:

(a) Meketa Introduction and Overview - Discussion and Action - Agenda Item

Attachment 1 - Introduction and Overview

Attachment 2 - Real Estate Portfolio Review

Attachment 3 - Clarion Alternative Sectors Fund Overview

(b) Private Markets Program: 3Q 2025 Update – Meketa

Motion was made by Trustee Gharat and seconded by Trustee Bieseimer to initiate a rebalance of the real estate program and allocate up to 1.5% (approximately \$50 million) of plan assets to the Clarion Alternative Sectors Fund and authorize staff to negotiate and execute the investment agreements.

Motion passed unanimously.

(b) Private Markets Program: 3Q 2025 Update – Meketa

(c) Investment Consultant – January Flash Report – NEPC

(d) 2026 Market Themes and Opportunities - NEPC

(e) Q4 - Quarterly Performance Report - NEPC

9) Administrative

(a) General Counsel Request for Proposal (Discussion and Action)

Trustee Withrow and Fred Silva recused themselves from the meeting at 3:12 p.m. and left the Boardroom. Reason for recusal: Trustee Withrow has a family member (son-in-law) who works at Berliner Cohen and Fred Silva works at Berliner Cohen.

Motion was made by Trustee Gharat and seconded by Trustee Lynch to approve the extension of the agreement with Berliner Cohen to act as General Counsel for the Stanislaus County Employees' Retirement Association subject to agreement of the final contract terms.

Motion passed unanimously.

Trustee Withrow and Fred Silva returned to the meeting at 3:14 p.m.

Motion was made by Trustee Gharat and seconded by Trustee Biesemeier to enter into closed session.

Motion passed unanimously.

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

Motion was made by Trustee Gharat and seconded by Trustee Clayton to enter into open session.

Motion passed unanimously.

No reportable action taken in closed session.

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

12) Adjournment 3:22 p.m.

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***

03/24/2026 Item 7.b

Alaniz, Leonardo - Stanislaus County - Effective 03/07/2026
Azevedo, Anthony - Stanislaus County - Effective 03/03/2026
BARBER, RONALD - Stanislaus County - Effective 03/11/2026
Beets, Sandy - Stanislaus County - Effective 03/27/2026
Blanco, Maria - Stanislaus County - Effective 03/07/2026
Boddie, Roxanne - Stanislaus County - Effective 03/07/2026
Cunningham, Ramona - Stanislaus County - Effective 03/21/2026
Delucchi, Kim - Stanislaus County - Effective 03/31/2026
Dodd, Gary - Stanislaus County - Effective 03/31/2026
Ernest, Brett - Stanislaus County - Effective 03/27/2026
Esparza, Pamela - Stanislaus County - Effective 03/28/2026
Estrada, Theresa - Stanislaus County - Effective 03/21/2026
Festejo, Carol - Stanislaus County - Effective 03/23/2026
Filgas, Todd - Stanislaus County - Effective 03/28/2026
Fogle, Heidi - Stanislaus County - Effective 03/21/2026
Graver, Tina - Stanislaus County - Effective 03/31/2026
Hernandez, Kimberly - Stanislaus County - Effective 03/13/2026
Israel, Sherly - Stanislaus County - Effective 03/28/2026
Johnson, Emilie - Stanislaus County - Effective 03/07/2026
Kumar, Harjeet - Stanislaus County - Effective 03/07/2026
LeBlanc, Silvia - Stanislaus County - Effective 03/07/2026
Marchman, Vickie - Stanislaus County - Effective 03/07/2026
Martinez, Marylou - Stanislaus County - Effective 03/07/2026
Martinez, Susan - Stanislaus County - Effective 03/07/2026
Mc Clurg, Kit - Stanislaus County - Effective 03/20/2026
Nakahara, Maria - Stanislaus County - Effective 03/21/2026
Oliveira, Marco - Stanislaus County - Effective 03/21/2026
Olson, Cari - Stanislaus County - Effective 03/21/2026
Pierce, Martha - Stanislaus County - Effective 03/07/2026
Porter, Denise - Stanislaus County - Effective 03/21/2026
Ramirez, Magda - Stanislaus County - Effective 03/07/2026
Randolph, Marie - Stanislaus County - Effective 03/21/2026
Rinehart, Kathleen - Stanislaus County - Effective 03/07/2026

Rodriguez, Adan - Stanislaus County - Effective 03/05/2026
Rosas, Daniel - Stanislaus County - Effective 03/07/2026
Sprague, Tabitha - Stanislaus County - Effective 03/21/2026
Torres, Alma - Stanislaus County - Effective 03/07/2026
Villarreal, David - Stanislaus County - Effective 03/07/2026
Walden, La Tosha - Stanislaus County - Effective 03/07/2026
Wright, Amber - Stanislaus County - Effective 03/21/2026

March 24, 2026

Retirement Board Agenda Item

TO: Retirement Board

FROM: Stan Conwell, Retirement Investment Officer

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

a) *Investment Program Activities:*

Following a successful internship through the County's internship program, StanCERA issued and filled a part-time confidential assistant II position primarily focused on supporting the investment activities of the plan. The role remains temporary and is intended to provide analyst-level support for investment operations, manager monitoring, and reporting functions. In addition to assisting with routine policy compliance and reporting tasks, the position will support several internal projects, including the development of a manager risk score framework, the creation of a functional CRM tool utilizing existing software applications, and portfolio company level exposure monitoring within the private markets program.

Staff also continued ongoing investment education and research efforts, including a review of the high yield bond market with a NEPC specialist and an evaluation of potential ways to enhance the public market proxies used by the plan to manage liquidity and asset class exposure. During the month, Staff also held meetings with seven existing or prospective investment managers across multiple asset classes and strategies as part of StanCERA's ongoing manager monitoring and sourcing activities.

b) Education and Training

CalAPRS General Assembly - March 8-11, 2026

Senior Staff attended the annual CalAPRS General Assembly held this year in Carlsbad, CA. The conference brings together California public retirement system trustees, senior staff, and industry partners for educational sessions and networking opportunities. A highlight of the event was the investment roundtable, which was well attended and featured discussions on Strategic Asset Allocation and the Total Portfolio Approach, as well as an overview of emerging AI tools being utilized by large asset managers. The sessions provided useful perspective on evolving portfolio

management approaches and emerging technology tools that will likely influence investment management practices across the industry.

The CEO and CIO of CalPERS, who recently adopted a Total Portfolio Approach governance model, also delivered a keynote session discussing the rationale behind the change and how the organization plans to implement the new framework.

While in Carlsbad, Staff also visited Meketa’s offices for a regularly scheduled bi-monthly meeting and onsite visit as part of ongoing engagement with the StanCERA’s private markets consultant.

c) *Money Transfer Report:*

February 2026						
		From		To		
Transaction Type	Manager	Asset Class	Amount	Manager	Asset Class	Amount
Capital Call	NT STIF Fund	Cash	-\$1,312,308.77	Ares Senior Direct Lending Fund III	Private Credit	\$1,312,308.77
Capital Call	NT STIF Fund	Cash	-\$1,005,632.65	Gryphon Partners VI	Private Equity	\$1,005,632.65

d) *Manager Monitor:*

Manager Monitor February 2026				
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	Stable	Performing	N	
Growth Sub-Portfolio				
BlackRock Russell 1000 Growth	Stable	Performing	N	
BlackRock Russell 1000 Value	Stable	Performing	N	
Dodge & Cox-Equity	Stable	Performing	N	

Attucks Small Cap	Stable	Performing	N	
LSV International Value	Stable	Performing	N	
Fidelity International Growth	Stable	Performing	N	Sub-strategy Co-Portfolio Manager departed.
MS Prime Property Fund	Stable	Performing	N	
PGIM Real Estate US Debt Fund	Stable	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	Watch	Performing	N	Acquired by Artisan Partners; Impact on team and strategy expected to be minimal.
Grandview Property Partners I	Watch	Performing	N	Acquired by Artisan Partners; Impact on team and strategy expected to be minimal.
Grandview Property Partners II	Watch	Performing	N	Acquired by Artisan Partners; Impact on team and strategy expected to be minimal.
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 (North Haven) 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	N	
IFM Global Infrastructure Fund	Stable	Performing	N	

Carlyle Renewable and Sustainable Energy Fund II	Stable	Too Soon To Tell	N	
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	Final distribution received.
White Oak Pinnacle Fund	Watch	Not Performing	N	Delayed exits pressuring IRR. Enhanced oversight in place; actively engaging with GP and LPs to prioritize realizations
Raven Opportunity Fund III	Watch	Not Performing	N	Recent Ownership and Senior Leadership change. Enhanced oversight in place; actively engaging with GP and LPs to prioritize realizations.
Blue Owl First Lien Fund	Stable	Under Review	N	Distributions tracking expectations; Monitoring remaining portfolio for trends.
Monroe Capital Private Credit Fund IV	Stable	Performing	N	
Monroe Capital Private Credit Fund V	Stable	Too Soon To Tell	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. Monitoring portfolio companies for trends.
CD&R XI	Stable	Performing	N	

Genstar Capital Partners X	Stable	Too Soon To Tell	N	Elevated entry valuations due to vintage year; No firm-specific execution issues identified.
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	Y	Small fine from foreign regulator; Unrelated to strategy
Northern Trust Long Term Gov't Bond	Stable	Performing	Y	Small fine from foreign regulator; Unrelated to strategy
Northern Trust US TIPS	Stable	Performing	Y	Small fine from foreign regulator; Unrelated to strategy
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

March 24, 2026

Retirement Board Agenda Item

TO: Retirement Board

FROM: Tom Stadelmaier, Executive Director
Carmen Gusman, Deputy Executive Director

I. SUBJECT: StanCERA Strategic Goals Action Items Update

II. ITEM NUMBER: 7.e

III. ITEM TYPE: Consent

IV. STAFF RECOMMENDATION: None

V. ANALYSIS:

Please see the attached updated strategic goals action items as of March 2026. Staff have met to review the current strategic plan, which the Board approved in May 2023. Working with the Board of Retirement and the Strategic Planning Committee, staff traditionally has conducted a review of the strategic plan every three years.

Staff is now planning to begin discussions with the Strategic Planning Committee to review the current plan, provide feedback and ideas, and seek input from the Committee for updates.

The action items document reflects multiple accomplishments and several items still in progress under the core objectives. Staff believes the plan is serving StanCERA well to support the organization's needs, but that some streamlining of ongoing projects would likely be beneficial.

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 3-24-2026



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.)

Aministrative 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
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Custom investment reporting database retired after 6/30/2024 data Develop investment manager due-diligence dashboard June 2025 	<ul style="list-style-type: none"> 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 Workiva Live 3Q 2025 	<ul style="list-style-type: none"> 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

Formatted: Font: 10 pt

Formatted: Font: 10 pt, Not Highlight

Formatted: Font: 10 pt, Not Highlight

Formatted: Font: 10 pt





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	TBD, 2026	<ul style="list-style-type: none"> Internal Audit plan with areas of focus drafted and team meeting monthly to refine and review progress 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.
Sustainability	Create succession management plan for all staff positions	Stan	Prepare	TBD	<ul style="list-style-type: none"> Discussions with County and Board started in 1Q 2024 Meeting held with County HR to review proposed organizational changes





2023-2025 Strategic Goals Action Items

Strategic Objective	Action Item	Champion	Phase	Target Date	Team Members and Current Update
					<p>to support succession planning. Three classification reviews requested and in progress.</p> <ul style="list-style-type: none">• Succession Planning Policy created and approved by BOR on 06-24-25.• New positions and updated organizational structure approved at 12-02-25 BOR meeting.





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	3Q 2026	<ul style="list-style-type: none"> • 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





2023-2025 Strategic Goals Action Items

Strategic Objective	Action Item	Champion	Phase	Target Date	Team Members and Current Update
Reporting	Develop a dashboard report of organizational operational activities and metrics	Tom	Prepare	2Q 2026	<ul style="list-style-type: none"> Initial discussions have focused on reviewing available system data; next step will involve creating prototype report and then developing system reports as needed Tracking categories identified and under review
Efficiency	Electronic Voting for Board members through the Member Portal	Carmen/Alaine	Prepare	3Q 2026	<ul style="list-style-type: none"> 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 completed 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. Board member elections under development.
Customer	Explore providing more services to support long-term financial wellness for members	





2023-2025 Strategic Goals Action Items

Strategic Objective	Action Item	Notes/Updates
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	<ul style="list-style-type: none"> • StanCERA has implemented TrustLink and NT service for capital calls as well • Further automation of investment accounting with NT has been discussed but nothing implemented
Efficiency	Modify frequency of tax reconciliation and error review in order to improve year-end processing timeline	<ul style="list-style-type: none"> • 2024 year-end completed early for: 1099s, 945 and IRS file delivery • Additional opportunities for improvement under review
Efficiency	Streamline Workflow Processing	<ul style="list-style-type: none"> • 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





2023-2025 Strategic Goals Action Items

Strategic Objective	Action Item	Notes/Updates
		training and development for team members. <ul style="list-style-type: none"> • Additional workflows updated for more efficient processing with more under review • Working on modifications to death workflows. • Termination workflow process streamlined October 2025.
Sustainability	Conduct review of data security including Tegrity systems, County-supported systems and other technology	
Sustainability	Review IT infrastructure and identify areas for clean-up and improvement	
Sustainability	Update and formalize business continuity and disaster recovery planning	Policy to be developed





CONFERENCE SUMMARY

1. **Attendee Name:** Rhonda Bieseimeier
2. **Event Name:** CALAPRS GENERAL ASSEMBLY
3. **Event Date:** 03.08 - 03.11.2026
4. **Event Location:** Westin Carlsbad Resort & Spa
5. **Describe what was good about the event:** There were several good sessions that I found interesting, such as:
 - a) The session on the SEC was somewhat depressing, but interesting.
 - b) The cyber crime session was a good warning that we, as retirement systems, could be targets for some of the more sophisticated cyber criminals due to our cash funds.
 - c) The "Shift Happens" session was especially interesting to me, as the presenter stressed the importance of onboarding new trustees. I think this is imperative and should include refreshers and/or check-ins with newer trustees at a minimum of every 6 months.
6. **Would you recommend this event to other trustees/staff:** Yes
8. **Number of Education Credits:** 10



CONFERENCE SUMMARY

1. **Attendee Name:** Tom Stadelmaier
2. **Event Name:** CALAPRS General Assembly
3. **Event Date:** March 8-11
4. **Event Location:** Carlsbad

5. Describe what was good about the event:

Meeting with colleagues and industry partners make this event worthwhile. CALAPRS also does a great job with educational material focused on administrative aspects of our work.

Highlights include a couple of very good sessions on CalPERS including a discussion on their investment policy change, TPA. The session that highlighted the role of the Board Member was excellent as well. I enjoyed the reminder that being a life-longer learner is key to progress and improvement.

I was also able to connect with other attendees to discuss some specific challenges and how other systems and vendors have addressed those challenges. And I was able to get insights and perspectives from other attendees on research I am conducting on administrative expenses. The successes, pitfalls and initiatives shared by other attendees offer a lot of value. And the strengthening of existing relationships lead to a better understanding of many complex processes and problems. In once instance I spoke with a colleague at a firm I previously worked at and gained a lot of information on the current state of that business and how StanCERA can potentially benefit from it.

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

7. Number of Education Credits: 10



CONFERENCE SUMMARY

- 1. Attendee Name:** Tom Stadelmaier
- 2. Event Name:** Morgan Stanley Real Assets Investor Conference
- 3. Event Date:** March 17-19
- 4. Event Location:** Los Angeles
- 5. Describe what was good about the event:**

StanCERA has multiple investments with Morgan Stanley including a large investment in the Prime Property Fund and a smaller investment with Morgan Stanley Infrastructure Partners. I was able to meet key leaders from both of these investments and get detailed updates on the state of the investments.

The agenda and speakers were excellent, all industry experts. Outside presenters included economist Mohamed A El-Erian and developer Rick Caruso. Discussions included an update on deglobalization and ongoing world fragmentation and the likely impact on investments in the US and abroad. These trends define insights that lead to a better understanding of likely possible outcomes and pitfalls. AI was also discussed at length including the concept of augmentation vs. automation.

The Prime Property team covered the fund update in detail and the current state of the real estate market including the struggles experienced in recent years and the techniques employed by fund management to take advantage of market inefficiencies.

These events are a great opportunity to better understand culture at the investment firms that play a critical role in growth and protection of the StanCERA portfolio. They regularly reveal unique opportunities and risks which are discussed internally and with our consultants leading to more educated decisions.

The conference also featured a tour of a Morgan Stanley AMLI property at Marina Del Rey and a good discussion regarding real estate conditions in the LA area. Seeing the operating models used have applications to other investment decisions as well.

After the meetings I was also able to meet with Ares at their local office. Ares is a private credit manager in the StanCERA lineup and has unique information to share about the state of the asset class overall and in our portfolio.

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

7. Number of Education Credits: 8



MONTHLY PERFORMANCE FLASH REPORT

STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

FEBRUARY 28, 2026

Dan Hennessy, CFA, CAIA, Senior Consultant

Sam Austin, Partner

John Tolar, CFA, Senior Consulting Analyst



CALENDAR YEAR INDEX PERFORMANCE

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Feb	YTD
S&P 500	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%	-18.1%	26.3%	25.0%	17.9%	-0.8%	0.7%
Russell 1000	12.1%	21.7%	-4.8%	31.4%	21.0%	26.5%	-19.1%	26.5%	24.5%	17.4%	-0.5%	0.8%
Russell 2000	21.3%	14.6%	-11.0%	25.5%	20.0%	14.8%	-20.4%	16.9%	11.5%	12.8%	0.8%	6.2%
Russell 2500	17.6%	16.8%	-10.0%	27.8%	20.0%	18.2%	-18.4%	17.4%	12.0%	11.9%	2.5%	7.6%
MSCI EAFE	1.0%	25.0%	-13.8%	22.0%	7.8%	11.3%	-14.5%	18.2%	3.8%	31.2%	4.6%	10.1%
MSCI EM	11.2%	37.3%	-14.6%	18.4%	18.3%	-2.5%	-20.1%	9.8%	7.5%	33.6%	5.5%	14.8%
MSCI ACWI	7.9%	24.0%	-9.4%	26.6%	16.3%	18.5%	-18.4%	22.2%	17.5%	22.3%	1.3%	4.3%
Private Equity	12.6%	9.9%	9.0%	21.0%	11.1%	17.6%	32.9%	39.4%	-9.1%	5.8%	-	-
BBG TIPS	4.7%	3.0%	-1.3%	8.4%	11.0%	6.0%	-11.8%	3.9%	1.8%	7.0%	1.3%	1.6%
BBG Municipal	0.2%	5.4%	1.3%	7.5%	5.2%	1.5%	-8.5%	6.4%	1.1%	4.2%	1.2%	2.2%
BBG Muni High Yield	3.0%	9.7%	4.8%	10.7%	4.9%	7.8%	-13.1%	9.2%	6.3%	2.5%	1.7%	2.7%
BBG US Corporate HY	17.1%	7.5%	-2.1%	14.3%	7.1%	5.3%	-11.2%	13.4%	8.2%	8.6%	0.2%	0.7%
BBG US Agg Bond	2.6%	3.5%	0.0%	8.7%	7.5%	-1.5%	-13.0%	5.5%	1.3%	7.3%	1.6%	1.7%
BBG Global Agg	2.1%	7.4%	-1.2%	6.8%	9.2%	-4.7%	-16.2%	5.7%	-1.7%	8.2%	1.1%	2.1%
BBG Long Treasuries	1.3%	8.5%	-1.8%	14.8%	17.7%	-4.6%	-29.3%	3.1%	-6.4%	5.6%	4.2%	3.7%
BBG US Long Credit	10.2%	12.2%	-6.8%	23.4%	13.3%	-1.2%	-25.3%	10.7%	-2.0%	7.8%	2.1%	2.2%
BBG US STRIPS 20+ Yr	1.4%	13.7%	-4.1%	20.9%	24.0%	-5.2%	-39.6%	1.1%	-13.8%	0.9%	6.8%	5.6%
JPM GBI-EM Global Div	9.9%	15.2%	-6.2%	13.5%	2.7%	-8.7%	-11.7%	12.7%	-2.4%	19.3%	1.3%	3.5%
JPM EMBI Glob Div	10.2%	10.3%	-4.3%	15.0%	5.3%	-1.8%	-17.8%	11.1%	6.5%	14.3%	1.4%	2.1%
CS Hedge Fund	1.2%	7.1%	-3.2%	9.3%	6.4%	8.2%	1.1%	5.8%	9.8%	10.5%	-	1.6%
BBG Commodity	11.8%	1.7%	-11.2%	7.7%	-3.1%	27.1%	16.1%	-7.9%	5.4%	15.8%	1.1%	11.6%
Alerian Midstream	33.8%	-2.4%	-13.3%	24.0%	-23.4%	38.4%	21.5%	14.0%	44.5%	5.0%	9.5%	18.3%
FTSE NAREIT Equity REITs	8.5%	5.2%	-4.6%	26.0%	-8.0%	43.2%	-24.4%	13.7%	8.7%	2.9%	7.9%	11.2%

*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

Asset Allocation vs. Target

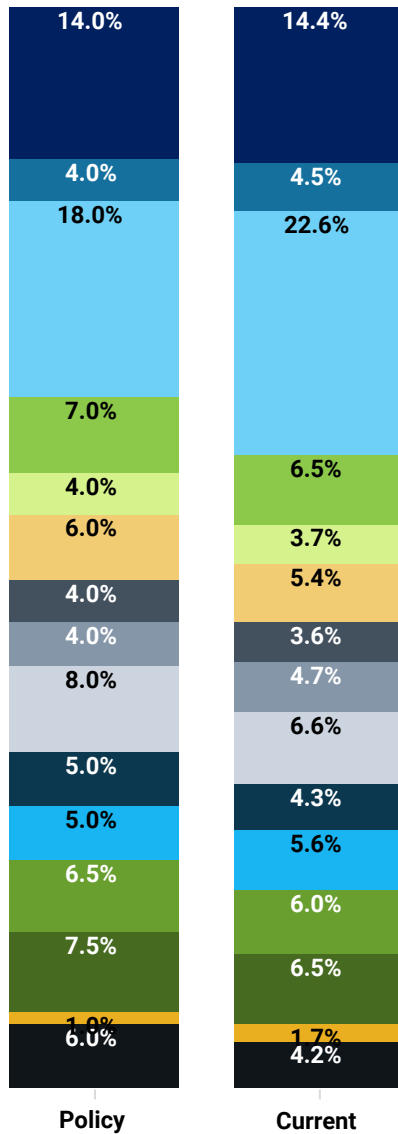


	Current (\$)	Current (%)	Policy \$	Policy (%)	Policy Range (%)	Within Range
■ Liquidity Sub-Portfolio	279,220,457	8.1	274,726,907	8.0	4.0 - 14.0	Yes
■ Growth Sub-Portfolio	2,537,804,813	73.9	2,506,883,028	73.0	60.0 - 80.0	Yes
■ Risk-Diversifying Sub-Portfolio	617,061,070	18.0	652,476,404	19.0	15.0 - 24.0	Yes
Total Fund	3,434,086,339	100.0	3,434,086,339	100.0		

*Difference between Policy and Current Allocation

ASSET ALLOCATION VS. POLICY

Asset Allocation vs. Target



	Current (\$)	Current (%)	Policy (%)	Differences* (%)	Policy Range (%)	Within Range
Large Cap Equity	493,878,549	14.4	14.0	0.4	10.0 - 18.0	Yes
Small Cap Equity	153,965,179	4.5	4.0	0.5	0.0 - 7.0	Yes
International Equity	774,669,476	22.6	18.0	4.6	12.0 - 24.0	Yes
Intermediate	222,072,204	6.5	7.0	-0.5	4.0 - 10.0	Yes
Credit	128,284,289	3.7	4.0	-0.3	0.0 - 6.0	Yes
Treasury	184,111,127	5.4	6.0	-0.6	4.0 - 8.0	Yes
TIPS	123,580,985	3.6	4.0	-0.4	2.0 - 6.0	Yes
Risk Parity	162,067,726	4.7	4.0	0.7	0.0 - 8.0	Yes
Private Credit	225,641,975	6.6	8.0	-1.4	4.0 - 10.0	Yes
Absolute Return	147,301,232	4.3	5.0	-0.7	0.0 - 7.0	Yes
Private Equity	190,848,382	5.6	5.0	0.6	2.0 - 8.0	Yes
Real Estate - Core	204,789,796	6.0	6.5	-0.5	3.0 - 10.0	Yes
Infrastructure	222,021,666	6.5	7.5	-1.0	3.0 - 12.0	Yes
Cash	57,148,253	1.7	1.0	0.7	0.0 - 4.0	Yes
Non-Core Real Estate	143,705,500	4.2	6.0	-1.8	2.0 - 10.0	Yes
Total	3,434,086,339	100.0	100.0	0.0		

*Difference between Policy and Current Allocation

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)									
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	3,434,086,339	100.0	1.5	3.8	11.1	15.2	11.1	7.5	8.4	8.8	8.8	Jan-95
Policy Index			1.4	3.1	10.0	14.4	12.0	7.8	8.8	9.0	8.2	
Allocation Index			1.8	3.9	11.6	15.8	11.6	7.1				
Liquidity Sub-Portfolio	279,220,457	8.1	0.7	1.0	3.5	5.6	5.7	2.8	3.7	3.0	2.7	Aug-14
StanCERA Liquidity Blended BM			1.0	1.1	3.8	5.9	5.4	1.7	3.0	2.5	2.3	
Cash	57,148,253	1.7	0.3	0.7	3.2	5.1	5.5	4.5	3.6	2.9	2.6	Aug-14
FTSE 1 Month T-Bill			0.3	0.6	2.7	4.2	4.9	3.4	2.7	2.2	1.9	
Cashflow-Matched Bonds	222,072,204	6.5	0.7	1.0	3.6	5.7	5.7	2.3	3.5		3.2	Jul-17
Blmbg. Intermed. U.S. Government/Credit			1.1	1.2	4.0	6.2	5.5	1.4	2.6		2.3	
Insight	222,072,204	6.5	0.7	1.0	3.6	5.7	5.7	2.3	3.5		3.2	Jul-17
Blmbg. Intermed. U.S. Government/Credit			1.1	1.2	4.0	6.2	5.5	1.4	2.6		2.3	
Growth Sub-Portfolio	2,537,804,813	73.9	1.6	4.2	13.0	18.2	13.0	9.3	10.3	10.9	8.6	Jan-04
StanCERA Growth Blended BM			1.3	3.8	12.7	19.4	14.6	10.3	11.4	11.5		
US Equities	647,843,728	18.9	-0.5	1.4	11.3	15.1	19.1	12.7	14.4	14.5	10.7	Jan-04
Russell 3000 Index			-0.5	1.1	12.0	17.0	20.9	12.8	14.9	15.1	10.6	
US Large Equity	493,878,549	14.4	-0.6	0.0	9.8	14.5	20.7	13.2	15.3	15.3	13.0	Jan-95
Russell 1000 Index			-0.5	0.8	11.5	16.7	21.4	13.3	15.3	15.3	11.1	
BlackRock Russell 1000 Growth	246,187,012	7.2	-3.4	-4.8	6.4	14.8	26.1	14.3	18.3	18.2	16.8	Aug-10
Russell 1000 Growth Index			-3.4	-4.8	6.4	14.8	26.1	14.4	18.3	18.2	16.8	
BlackRock Russell 1000 Value	126,135,560	3.7	2.6	7.3	17.3	18.3	16.0	11.8	11.5	11.9	12.1	Aug-09
Russell 1000 Value Index			2.6	7.3	17.3	18.4	16.0	11.8	11.5	11.9	12.0	
Dodge & Cox-Equity	121,555,977	3.5	2.0	3.4	9.4	10.0	15.6	12.3	12.8	13.8	12.1	Jan-95
Russell 1000 Value Index			2.6	7.3	17.3	18.4	16.0	11.8	11.5	11.9	10.2	
US Small Equity	153,965,179	4.5	0.0	6.2	16.8	17.2	12.9	10.4	11.0	11.6	12.2	Jan-09
Russell 2000 Index			0.8	6.2	22.0	23.3	13.1	5.0	9.1	11.3	11.7	
Attucks Small Cap	153,965,179	4.5	0.0	6.2	16.8	17.2	12.9	10.4	11.0	12.1	12.4	Jan-09
Russell 2000 Value Index			1.9	8.9	26.6	24.9	12.4	7.7	9.2	10.9	10.7	
International Equity	774,669,476	22.6	5.8	13.5	30.7	48.0	23.6	13.0	12.7	12.0	8.3	Oct-04
MSCI AC World ex USA (Net)			5.0	11.3	25.0	39.7	19.9	9.8	10.4	10.5	7.3	
LSV Int'l Large Cap Value	392,591,812	11.4	6.9	14.6	35.5	56.7	27.3	16.5	14.0	13.1	8.6	Oct-04
MSCI AC World ex USA Value (Net)			6.0	12.8	31.3	47.6	23.2	13.7	11.1	11.0	7.1	
Fidelity Int'l Growth	382,077,664	11.1	4.7	12.4	26.0	39.6	19.7	9.3	11.2	10.7	6.1	May-06
MSCI AC World ex USA Growth (Net)			4.0	9.7	18.9	32.1	16.7	5.9	9.4	9.8	5.6	

- Cash Composite includes the Transaction Account Value.

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)									
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Core Real Estate	204,789,796	6.0	0.0	0.0	0.1	2.7	1.8	4.8	4.4	4.7	2.9	Apr-08
<i>NCREIF ODCE</i>			0.0	0.0	1.7	3.8	-3.4	3.4	3.4	4.8	4.5	
Prime Property Fund	90,067,141	2.6	0.0	0.0	0.9	2.5	-1.4	4.3	4.1	5.5	5.5	Oct-15
<i>NCREIF ODCE</i>			0.0	0.0	1.7	3.8	-3.4	3.4	3.4	4.8	4.9	
PGIM Real Estate US Debt Fund	114,722,655	3.3	0.0	0.0	3.6	7.4	6.7	6.1	5.9		5.7	Sep-18
<i>Blmbg. U.S. Investment Grade: CMBS Index</i>			1.3	1.6	4.8	7.1	6.3	1.5	3.0		3.1	
Value-Add Real Estate	143,705,500	4.2	0.0	0.0	0.6	1.2	-2.6	3.9	5.7	7.3	7.6	Aug-14
<i>CJA Global Real Estate</i>			0.0	0.0	-0.9	1.4	-1.4	4.4	4.6	6.0	6.7	
American Strategic Value Realty	78,253,832	2.3	0.0	0.0	1.4	2.0	-4.1	2.4	3.3	5.4	6.4	Jan-15
<i>CJA Global Real Estate</i>			0.0	0.0	-0.9	1.4	-1.4	4.4	4.6	6.0	6.3	
Greenfield Acquisition Partners VII	511,233	0.0	0.0	0.0	-0.1	-11.1	0.6	8.5	9.8	10.7	10.5	Aug-14
<i>CJA Global Real Estate</i>			0.0	0.0	-0.9	1.4	-1.4	4.4	4.6	6.0	6.7	
Grandview Property Partners I	12,772,100	0.4	0.0	0.0	-0.5	-7.2	0.0	8.2	12.0		13.3	Apr-18
<i>CJA Global Real Estate</i>			0.0	0.0	-0.9	1.4	-1.4	4.4	4.6		4.6	
Grandview Property Partners II	18,270,443	0.5	0.0	0.0	-0.4	7.4	-0.4				1.0	Dec-21
<i>CJA Global Real Estate</i>			0.0	0.0	-0.9	1.4	-1.4				1.4	
TA Realty Value Fund XIII	18,251,244	0.5	0.0	0.0	0.1	0.8					-1.9	Dec-23
<i>CJA Global Real Estate</i>			0.0	0.0	-0.9	1.4					-1.0	
KSL Credit Opportunities IV	2,753,565	0.1	0.0	0.0	0.0	1.6					4.0	Apr-24
<i>CJA Global Real Estate</i>			0.0	0.0	-0.9	1.4					-0.3	
Graceada PR Fund IV	8,534,009	0.2	0.0	0.0							0.0	Sep-25
<i>CJA Global Real Estate</i>			0.0	0.0							-0.9	
Brookfield Strategic RE Partners V	4,359,074	0.1	0.0	0.0							-2.6	Oct-25
<i>CJA Global Real Estate</i>			0.0	0.0							0.0	

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)									
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Infrastructure	222,021,666	6.5	0.0	0.0	6.1	10.3	8.3	5.0	5.4	7.3	5.8	Jun-15
<i>CJA Global Infrastructure</i>			0.0	0.0	7.6	8.8	10.1	11.2				
<i>CPI + 5% 1 Qtr Lag (Unadjusted)</i>			0.0	0.6	4.7	7.9	8.0	9.7	8.8	8.3	8.2	
MS Infrastructure Partners II	5,044,738	0.1	0.0	0.0	9.9	21.4	6.1	8.8	8.1	9.3	7.6	Jun-15
<i>CPI + 5% 1 Qtr Lag (Unadjusted)</i>			0.0	0.6	4.7	7.9	8.0	9.7	8.8	8.3	8.2	
<i>CJA Global Infrastructure</i>			0.0	0.0	7.6	8.8	10.1	11.2				
Palistar Communications Infrastructure Fund II	21,072,631	0.6	0.0	0.0	4.0	10.4	6.8				7.7	Feb-22
<i>CJA Global Infrastructure</i>			0.0	0.0	7.6	8.8	10.1				9.8	
JP Morgan IIF Hedged LP	42,407,286	1.2	0.0	0.0	5.0	10.5	9.7				9.7	Apr-22
<i>CJA Global Infrastructure</i>			0.0	0.0	7.6	8.8	10.1				8.7	
Northern Trust Infrastructure Fund	75,986,592	2.2	0.0	0.0	8.4	7.6	8.8				3.6	Jul-21
<i>67% STOXX Global Broad Infra/33% Blmbg. US TIPS 1 Qtr Lag</i>			0.0	0.0	5.7	5.1	7.4				2.9	
IFM Global Infrastructure Fund	63,906,372	1.9	0.0	0.0	2.6	8.6	6.8				7.1	Aug-22
<i>CJA Global Infrastructure</i>			0.0	0.0	7.6	8.8	10.1				8.5	
Carlyle Renewable and Sustainable Energy Fund II	11,978,495	0.3	0.0	0.0	12.2	25.3					26.1	Feb-24
<i>CJA Global Infrastructure</i>			0.0	0.0	7.6	8.8					9.8	
PIMCO Euro Data Centre Opp Fund	1,625,552	0.0	0.0	0.0							0.0	Sep-25
<i>CJA Global Infrastructure</i>			0.0	0.0							7.6	
Private Equity	190,848,382	5.6	0.0	0.1	7.3	8.7	7.7	7.1	10.7		11.3	Dec-18
<i>CJA Global All PE</i>			0.0	0.0	6.9	9.7	7.2	12.1	11.9		12.0	
<i>Russell 3000 + 3% QTR Lagged</i>			0.5	2.9	25.4	17.0	23.4	17.6	18.5		17.0	
Private Equity	181,042,328	5.3	0.0	0.0	6.8	8.2	4.0	10.2			10.8	Apr-20
<i>CJA Global All PE</i>			0.0	0.0	6.9	9.7	7.2	12.1			11.9	
Private Equity Proxy	9,806,054	0.3	-0.5	1.1	11.9	17.0	20.9	12.8	14.9	15.5	10.9	Dec-03
<i>CJA Global All PE</i>			0.0	0.0	6.9	9.7	7.2	12.1	11.9	12.4	13.2	
Private Credit	225,641,975	6.6	0.0	0.2	4.0	-0.7	-0.3	1.5	-0.6	0.3	1.6	Jun-13
<i>CJA Global Credit</i>			0.0	0.0	3.9	5.6	7.1	10.6	8.4	9.0	9.1	
<i>S&P/LSTA Leveraged Loan Index +2% Qtr Lag</i>			0.5	0.9	6.1	7.9	11.5	8.7	7.9	7.8	7.0	
Private Credit	162,613,411	4.7	0.0	0.0	3.8	-4.4	-5.3	1.0	-1.0	0.1	1.4	Jun-13
<i>CJA Global Credit</i>			0.0	0.0	3.9	5.6	7.1	10.6	8.4	9.0	9.1	
Private Credit Proxy	63,028,564	1.8	0.2	0.6	4.5	7.0	9.2				4.0	Jul-21
<i>CJA Global Credit</i>			0.0	0.0	3.9	5.6	7.1				8.2	

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)									
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Public Credit	128,284,289	3.7	-0.1	0.6	5.3						6.6	Apr-25
Public Credit Benchmark			0.5	0.6	4.1						6.6	
NIS Opportuntistic Credit	128,284,289	3.7	-0.1	0.6	5.3						6.6	Apr-25
NIS Blend			0.6	0.9	4.3						6.7	
Risk-Diversifying Sub-Portfolio	617,061,070	18.0	1.7	3.4	7.2	8.2	6.4	2.5	2.9	3.0	4.2	Dec-03
StanCERA Risk-Diversifying Blended BM			1.5	2.6	8.0	12.8	10.3	4.5	4.8	3.6		
Risk Parity	162,067,726	4.7	4.5	8.8	20.3	22.8	11.5	4.0	5.8		5.0	Dec-17
S&P Risk Parity Index - 10% Target Volatility (TR)			5.2	9.4	18.5	22.5	14.8	7.9	9.6		8.5	
AQR Global Risk Premium - EL	79,225,150	2.3	4.8	8.9	17.9	18.9	11.3	5.2	6.3		5.8	Apr-18
S&P Risk Parity Index - 10% Target Volatility (TR)			5.2	9.4	18.5	22.5	14.8	7.9	9.6		9.1	
PanAgora Risk Parity Multi Asset	82,842,576	2.4	4.2	8.8	22.6	26.8	11.4	2.6	5.2		4.4	Dec-17
S&P Risk Parity Index - 10% Target Volatility (TR)			5.2	9.4	18.5	22.5	14.8	7.9	9.6		8.5	
US Treasury Bonds	184,111,127	5.4	2.1	2.0	4.4	5.0	3.8	-0.5	1.3	1.9	3.7	Dec-03
Blmbg. U.S. Treasury: 7-10 Year			2.5	2.1	5.0	6.9	4.5	-0.6	1.6	1.1	3.5	
Northern Trust Intermediate Gov't Bond	123,970,041	3.6	1.2	1.2	3.6	5.6	4.8	1.1	2.1		1.8	Aug-17
Blmbg. U.S. Government: Intermediate			1.2	1.2	3.7	5.7	4.9	1.1	2.1		1.9	
Northern Trust Long Term Gov't Bond	60,141,086	1.8	4.2	3.7	6.2	3.6	1.3	-4.0	-0.1		0.0	Aug-17
Blmbg. U.S. Government: Long Term Bond Index			4.2	3.7	6.2	3.7	1.4	-4.7	-0.5		-0.2	
Liquid Absolute Return	147,301,232	4.3	-0.8	1.6	2.0	1.5	4.8				8.0	Oct-21
30 Day T-Bill + 4%			0.6	1.3	5.5	8.4	9.1				8.0	
Graham Proprietary Matrix	87,885,181	2.6	0.6	3.7	7.0	7.6	7.9				12.1	Nov-21
HFRI Macro (Total) Index			3.0	7.3	16.3	15.1	6.4				6.2	
Wellington Global Macro	59,416,051	1.7	-2.9	-1.3	-4.5	-6.3					0.2	Oct-24
HFRI Macro (Total) Index			3.0	7.3	16.3	15.1					10.8	
US Short Duration TIPS	123,580,985	3.6	0.4	0.9	2.8	4.8					5.7	Jun-24
Blmbg. U.S. TIPS 0-5 Year			0.4	0.9	2.8	4.8					5.7	
Northern Trust US TIPS	123,580,985	3.6	0.4	0.9	2.8	4.8					5.7	Jun-24
Blmbg. U.S. TIPS 0-5 Year			0.4	0.9	2.8	4.8					5.7	

CASH FLOW SUMMARY BY MANAGER

	1 Month Ending February 28, 2026				
	Beginning Market Value	Contributions	Withdrawals	Ending Market Value	Net Investment Change
Abry Senior Equity VI, L.P.	\$12,989,935	-	-\$475,627	\$12,514,308	-
American Strategic Value Realty	\$78,253,832	-	-	\$78,253,832	-
AQR Global Risk Premium - EL	\$75,569,651	-	-	\$79,225,150	\$3,655,499
Ares Sr Direct Lending Fund III	\$7,775,607	\$1,312,309	-\$223,643	\$8,864,272	-
Audax Private Equity VII	\$11,832,527	-	-	\$11,832,527	-
Blackrock High Yield Fund	\$62,924,951	-	-	\$63,028,564	\$103,613
BlackRock Russell 1000 Growth	\$254,738,369	-	-	\$246,187,012	-\$8,551,357
BlackRock Russell 1000 Value	\$122,935,524	-	-	\$126,135,560	\$3,200,036
Blue Wolf Capital Fund V-A, L.P.	\$20,653,353	-	-	\$20,653,353	-
Brookfield Strategic RE Partners V	\$4,359,074	-	-	\$4,359,074	-
Callodine Loan Fund II LP	\$15,349,845	-	-\$398,910	\$14,950,935	-
Cash Account	\$54,128,785	\$22,138,052	-\$19,320,998	\$57,098,432	\$152,593
Carlyle Renewable and Sustainable Energy Fund II	\$11,978,495	-	-	\$11,978,495	-
Channing	\$41,806,343	-	-\$73,991	\$41,732,352	-
Clayton, Dublier, & Rice	\$20,403,887	-	-	\$20,403,887	-
Comvest Credit Partners VII	\$15,307,234	-	-	\$15,307,234	-
Crayhill Principal Strategies Fund III	\$12,908,317	-	-	\$12,908,317	-
Crestline Opportunity Fund IV	\$13,891,074	-	-	\$13,891,074	-
Dodge & Cox-Equity	\$119,124,415	-	-	\$121,555,977	\$2,431,562
Eclipse Fund V	\$3,163,832	-	-	\$3,163,832	-
Fidelity Int'l Growth	\$364,984,063	-	-	\$382,077,664	\$17,093,601
Genstar Capital Partners X	\$16,319,606	-	-	\$16,319,606	-
Graceada PR Fund IV	\$8,591,521	-	-\$57,512	\$8,534,009	-
Graham Proprietary Matrix	\$87,334,970	-	-	\$87,885,181	\$550,210
Grandview Property Partners I	\$12,772,100	-	-	\$12,772,100	-
Grandview Property Partners II	\$18,270,443	-	-	\$18,270,443	-
Great Hill EP VIII	\$14,881,496	-	-	\$14,881,496	-
Greenfield Acquisition Partners VII	\$511,233	-	-	\$511,233	-
Gridiron Capital Fund V	\$10,044,214	-	-	\$10,044,214	-

CASH FLOW SUMMARY BY MANAGER

	Beginning Market Value	Contributions	Withdrawals	Ending Market Value	Net Investment Change
Gryphon Partners VI LP	\$19,497,617	\$1,005,633	-\$1,271,455	\$19,231,795	-
IFM Global Infrastructure Fund	\$63,906,372	-	-	\$63,906,372	-
Insight	\$223,900,477	-	-\$3,501,790	\$222,072,204	\$1,673,516
Insight Partners XI	\$24,034,686	-	-	\$24,034,686	-
JP Morgan IIF Hedged LP	\$42,407,286	-	-	\$42,407,286	-
KSL Credit Opportunities IV	\$4,154,299	-	-\$1,400,734	\$2,753,565	-
LSV Int'l Large Cap Value	\$367,837,036	-	-	\$392,591,812	\$24,754,776
Upwelling Capital	\$36,738	-	-\$32,393	\$4,345	-
Monroe Capital Fund V	\$13,768,870	-	-\$196,287	\$13,572,583	-
Monroe Private Credit IV	\$15,745,952	-	-	\$15,745,952	-
MS Infrastructure Partners II	\$5,044,738	-	-	\$5,044,738	-
NIS Opportuntistic Credit	\$128,284,289	\$127,452	-	\$128,284,289	-\$127,452
Northern Trust Infrastructure Fund	\$75,986,592	-	-	\$75,986,592	-
Northern Trust Intermediate Gov't Bond	\$122,508,402	\$12,534	-	\$123,970,041	\$1,449,105
Northern Trust Long Term Gov't Bond	\$57,720,978	\$6,004	-	\$60,141,086	\$2,414,103
Northern Trust Russell 3000	\$9,852,849	\$474	-	\$9,806,054	-\$47,268
Northern Trust US TIPS	\$123,098,490	-	-	\$123,580,985	\$482,495
Owl Rock First Lien Fund	\$3,961,095	-	-\$365,204	\$3,595,891	-
Pacific Ridge	\$27,434,538	-	-\$63,984	\$27,370,554	-
Palistar Communications Infrastructure Fund II	\$21,072,631	-	-	\$21,072,631	-
PanAgora Risk Parity Multi Asset	\$79,492,086	-	-	\$82,842,576	\$3,350,490
PIMCO Euro Data Centre Opp Fund	\$1,625,552	-	-	\$1,625,552	-
PGIM Real Estate US Debt Fund	\$114,722,655	-	-	\$114,722,655	-
Phocas	\$36,720,995	-	-\$60,855	\$36,660,141	-
Prime Property Fund	\$90,067,141	-	-	\$90,067,141	-
Raven Opportunity III	\$14,695,979	-	-	\$14,695,979	-
Seizert	\$48,271,605	-	-\$69,473	\$48,202,132	-
Sole Source Capital Partners II	\$19,975,794	-	-	\$19,975,794	-
Sole Source Capital Partners III	\$294,798	-	-	\$294,798	-
Strategic Values Special Situations Fund V, L.P.	\$12,311,878	-	-	\$12,311,878	-

CASH FLOW SUMMARY BY MANAGER

	Beginning Market Value	Contributions	Withdrawals	Ending Market Value	Net Investment Change
TA Realty Value Fund XIII	\$18,917,810	-	-\$666,566	\$18,251,244	-
Transition Account	\$49,683	-	-	\$49,821	\$138
Vista Foundation Fund IV	\$20,206,341	-	-	\$20,206,341	-
Wellington Global Macro	\$61,190,578	-	-	\$59,416,051	-\$1,774,527
White Oak Pinnacle	\$24,250,642	-	-	\$24,250,642	-
Total	\$3,386,852,169	\$24,602,457	-\$28,179,421	\$3,434,086,339	\$50,811,134

NOTES

- All performance is shown net of investment management fees. Fiscal year end date is June 30th.
- 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 All PE Qtr Lag, 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.
- Channing, Pacific Ridge, Phocas, Seizert, Northern Trust Russell 3000, Northern Trust Intermediate Gov't Bond, Northern Trust Long Term Gov't Bond, Graham Proprietary Matrix, Wellington Global Macro, and Northern Trust US TIPS are preliminary as of February 28, 2026 and are subject to change once finalized.

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





MANAGER FEE REVIEW

STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

MARCH 24, 2026

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



EXECUTIVE SUMMARY

- **Nearly all StanCERA's public markets strategies charge fees that are below the median for their institutional peer groups**
- **Based on December 2025 fund values, StanCERA is paying 39% less than median fees, amounting to \$8.9m in annualized savings across both public and private markets**
- **47% of StanCERA's public markets strategies are in the cheapest 5% of their institutional peer groups**
- **48% of StanCERA's private markets strategies are below the median management fee for their respective asset class**

CURRENT FEE SCHEDULE – PUBLIC MARKETS

PERIOD ENDING: DECEMBER 31, 2025

Fund	Fee Schedule	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Cash	0.10 % of Assets	0.10	\$ 55,079
Insight	0.12 % of Assets	0.12	\$ 272,103
BlackRock Russell 1000 Growth	0.02 % of Assets	0.02	\$ 51,730
BlackRock Russell 1000 Value	0.02 % of Assets	0.02	\$ 23,514
Dodge & Cox-Equity	0.40 % of First \$10 M 0.20 % of Next \$90 M 0.15 % Thereafter	0.21	\$ 246,017
Channing	0.75 % of Assets	0.75	\$ 285,491
Pacific Ridge	0.75 % of Assets	0.75	\$ 193,711
Seizert	0.75 % of Assets	0.75	\$ 349,201
Phocas'	0.75 % of Assets	0.75	\$ 260,368
LSV Int'l Large Cap Value*	0.25 % of Assets	0.25	\$ 857,644
Fidelity Int'l Growth*	0.25 % of Assets	0.25	\$ 849,979
NIS Opportunistic Credit	0.40 % of Assets	0.40	\$ 509,808
AQR Global Risk Premium - EL	0.38 % of Assets	0.38	\$ 276,549
PanAgora Risk Parity Multi Asset	0.35 % of Assets	0.35	\$ 266,563
Northern Trust Intermediate Gov't Bond	0.05 % of First \$25 M 0.04 % Thereafter	0.04	\$ 51,667
Northern Trust Long Term Gov't Bond	0.05 % of First \$25 M 0.04 % Thereafter	0.04	\$ 25,840
Graham Proprietary Matrix*	1.85 % of Assets	1.85	\$ 1,568,010
Wellington Global Macro*	Management Fee of 0.50 % and 22.25% Incentive Allocation over 3-Month US Treasury Bill	0.50	\$ 301,098
Northern Trust US TIPS	0.04 % of Assets Minimum Fee: \$40,000	0.04	\$ 48,993
Total			\$ 6,493,366

*Manager has performance fees in addition to management fees

Fee analysis reflects base fees for investment managers, which excludes performance based and fees paid to closed-end real estate managers and private equity funds. Closed-end real estate and private equity fees have other components which cannot be captured in a simplified format.



CURRENT FEE SCHEDULE – PRIVATE MARKETS

PERIOD ENDING: DECEMBER 31, 2025

Fund	Fee Schedule	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Prime Property Fund	0.84 % of Assets	0.84	\$ 756,564
PGIM Real Estate US Debt Fund	0.80 % of First \$50 M 0.70 % of Next \$50 M 0.75 % Thereafter	0.75	\$ 860,420
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	0.65	\$ 506,876
Greenfield Acquisition Partners VII	1.50 % of Assets	1.50	\$ 7,668
Grandview Property Partners I	1.25 % of Assets	1.25	\$ 159,651
Grandview Property Partners II	1.50 % of Assets	1.50	\$ 274,057
TA Realty Value Fund XIII	0.85 % of Assets	0.85	\$ 161,189
KSL Credit Opportunities IV	1.50 % of Assets	1.50	\$ 62,314
Graceada PR Fund IV	1.50 % of Assets	1.50	\$ 103,107
Brookfield Strategic RE Partners V	1.50 % of Assets	1.50	\$ 67,009
MS Infrastructure Partners II	1.50 % of Assets	1.50	\$ 75,671
Palistar Communications Infrastructure F	1.50 % of Assets	1.50	\$ 291,829
JP Morgan IIF Hedged LP	0.95 % of Assets	0.95	\$ 402,869
Northern Trust Infrastructure Fund	0.47 % of Assets	0.47	\$ 357,137
IFM Global Infrastructure Fund	0.77 % of Assets	0.77	\$ 492,079
Carlyle Renewable and Sustainable Ener	1.00 % of Assets	1.00	\$ 119,785
PIMCO Euro Data Centre Opp Fund	1.40% of Assers	1.40	\$ 22,758
Vista Foundation Fund IV	2.00 % of Assets	2.00	\$ 400,768
Insight Partners XI	1.65 % of Assets	1.65	\$ 396,572
Gryphon Partners VI LP	1.00 % of Assets	1.00	\$ 194,976
Clayton, Dublier, & Rice	0.90 % of Assets	0.90	\$ 183,635
Genstar Capital Partners X	1.75 % of Assets	1.75	\$ 284,617
Sole Source Capital Partners II	2.00 % of Assets	2.00	\$ 396,670
Sole Source Capital Partners III	1.80 % of Assets	1.80	\$ 5,306
Great Hill EP VIII	1.60 % of Assets	1.60	\$ 238,104
Blue Wolf Capital Fund V-A, L.P.	2.00 % of Assets	2.00	\$ 413,067
Audax Private Equity VII	1.00 % of Assets	1.00	\$ 118,325
Gridiron Capital Fund V	2.00 % of Assets	2.00	\$ 200,884
Eclipse Fund V	2.50 % of Assets	2.50	\$ 63,277
Northern Trust Russell 3000	0.02 % of Assets	0.02	\$ 1,941

Fee analysis reflects base fees for investment managers, which excludes performance based and fees paid to closed-end real estate managers and private equity funds. Closed-end real estate and private equity fees have other components which cannot be captured in a simplified format.



CURRENT FEE SCHEDULE – PRIVATE MARKETS CONT'D

PERIOD ENDING: DECEMBER 31, 2025

Fund	Fee Schedule	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Medley Capital	0.00 % of Assets	0.00	\$ -
Owl Rock First Lien Fund	0.70 % of Assets	0.70	\$ 27,728
Raven Opportunity III	1.00 % of Assets	1.00	\$ 146,960
White Oak Pinnacle	1.50 % of Assets	1.50	\$ 363,760
Abry Senior Equity VI, L.P.	1.50 % of Assets	1.50	\$ 194,849
Strategic Values Special Situations Fund	1.75 % of Assets	1.75	\$ 215,502
Monroe Private Credit IV	1.00 % of Assets	1.00	\$ 157,460
Monroe Capital Fund V	1.00 % of Assets	1.00	\$ 137,701
Callodine Loan Fund II LP	1.50 % of Assets	1.50	\$ 230,248
Crestline Opportunity Fund IV	1.75 % of Assets	1.75	\$ 254,582
Comvest Credit Partners VII	1.00 % of Assets	1.00	\$ 153,072
Ares Sr Direct Lending Fund III	0.75 % of Assets	0.75	\$ 58,317
Crayhill Principal Strategies Fund III	1.50 % of Assets	1.50	\$ 178,514
Blackrock High Yield Fund	0.12 % of Assets	0.12	\$ 75,144
Total			\$ 9,812,963

Fee analysis reflects base fees for investment managers, which excludes performance based and fees paid to closed-end real estate managers and private equity funds. Closed-end real estate and private equity fees have other components which cannot be captured in a simplified format.



INVESTMENT FUND FEE ANALYSIS – PUBLIC

STANISLAUS COUNTY EMPLOYEES’ RETIREMENT ASSOCIATION

Fund	eVestment Universe	Market Value of Plan Assets as of 12/31/2025	% of Plan	Client Fee		eVestment Median Fee		Difference		Below Median Fee Avg.	Top 5th Percentile
				%	\$	%	\$	%	\$		
Cash	N/A	\$ 55,079,319	1.7%	0.10%	\$ 55,079	0.00%	\$ -	-	-	-	-
Insight	eVestment US Government Fixed Income	\$ 226,752,854	6.8%	0.12%	\$ 272,103	0.18%	\$ 408,155	-0.06%	\$ (136,052)	✓	x
BlackRock Russell 1000 Growth	eVestment US Large Cap Growth Equity	\$ 258,652,324	7.8%	0.02%	\$ 51,730	0.47%	\$ 1,215,666	-0.45%	\$ (1,163,935)	✓	✓
BlackRock Russell 1000 Value	eVestment US Large Cap Value Equity	\$ 117,570,366	3.5%	0.02%	\$ 23,514	0.50%	\$ 587,852	-0.48%	\$ (564,338)	✓	✓
Dodge & Cox-Equity	eVestment US Large Cap Value Equity	\$ 117,507,841	3.5%	0.21%	\$ 246,017	0.48%	\$ 564,038	-0.27%	\$ (318,021)	✓	✓
Channing	eVestment US Small Cap Value Equity	\$ 38,065,484	1.1%	0.75%	\$ 285,491	0.85%	\$ 323,557	-0.10%	\$ (38,065)	✓	x
Pacific Ridge	eVestment US Small Cap Value Equity	\$ 25,828,089	0.8%	0.75%	\$ 193,711	0.89%	\$ 229,870	-0.14%	\$ (36,159)	✓	x
Seizert	eVestment US Small Cap Value Equity	\$ 46,560,107	1.4%	0.75%	\$ 349,201	0.85%	\$ 395,761	-0.10%	\$ (46,560)	✓	x
Phocas'	eVestment US Small Cap Value Equity	\$ 34,715,695	1.0%	0.75%	\$ 260,368	0.86%	\$ 298,555	-0.11%	\$ (38,187)	✓	x
LSV Int'l Large Cap Value	eVestment ACWI ex-US Large Cap Equity	\$ 343,057,547	10.3%	0.25%	\$ 857,644	0.58%	\$ 1,989,734	-0.33%	\$ (1,132,090)	✓	✓
Fidelity Int'l Growth	eVestment ACWI ex-US Large Cap Equity	\$ 339,991,487	10.3%	0.25%	\$ 849,979	0.55%	\$ 1,869,953	-0.30%	\$ (1,019,974)	✓	✓
NIS Opportunistic Credit	eVestment US Multi-Sector Fixed Income	\$ 127,452,053	3.8%		\$ -	0.39%	\$ 497,063	-0.39%	\$ (497,063)	✓	x
AQR Global Risk Premium - EL	eVestment Global TAA	\$ 72,776,079	2.2%	0.38%	\$ 276,549	0.69%	\$ 502,155	-0.31%	\$ (225,606)	✓	x
PanAgora Risk Parity Multi Asset	eVestment Global TAA	\$ 76,160,960	2.3%	0.35%	\$ 266,563	0.69%	\$ 525,511	-0.34%	\$ (258,947)	✓	✓
Northern Trust Intermediate Gov't Bond	eVestment US Government Fixed Income	\$ 122,511,899	3.7%	0.04%	\$ 51,667	0.21%	\$ 257,275	-0.17%	\$ (205,608)	✓	✓
Northern Trust Long Term Gov't Bond	eVestment US Long Duration Fixed Income	\$ 57,999,516	1.7%	0.04%	\$ 25,840	0.28%	\$ 162,399	-0.24%	\$ (136,559)	✓	✓
Graham Proprietary Matrix	eVestment Alt Absolute Return	\$ 84,757,319	2.6%	1.85%	\$ 1,568,010	1.00%	\$ 847,573	0.85%	\$ 720,437	x	x
Wellington Global Macro	eVestment Alt Absolute Return	\$ 60,219,565	1.8%	0.50%	\$ 301,098	1.00%	\$ 602,196	-0.50%	\$ (301,098)	✓	x
Northern Trust US TIPS	eVestment US TIPS / Inflation Fixed Income	\$ 122,483,444	3.7%	0.04%	\$ 48,993	0.24%	\$ 293,960	-0.20%	\$ (244,967)	✓	✓
Total		\$ 2,328,141,947			\$ 3,721,386		\$ 8,882,358		\$ (5,216,051)		



Source: Evestment

INVESTMENT FUND FEE ANALYSIS – REAL ESTATE

STANISLAUS COUNTY EMPLOYEES’ RETIREMENT ASSOCIATION

Fund	Market Value of Plan Assets as of 12/31/2025	% of Plan	Client Fee		Median Management Fee		Difference		Below Median Fee Avg.
			%	\$	%	\$	%	\$	
Prime Property Fund	\$ 90,067,141	2.7%	0.84%	\$ 756,564	1.50%	\$ 1,351,007	-0.66%	\$ (594,443)	✓
PGIM Real Estate US Debt Fund	\$ 114,722,655	3.5%	0.75%	\$ 860,420	1.50%	\$ 1,720,840	-0.75%	\$ (860,420)	✓
American Strategic Value Realty	\$ 78,253,932	2.4%	0.65%	\$ 506,876	1.50%	\$ 1,173,809	-0.85%	\$ (666,933)	✓
Greenfield Acquisition Partners VII	\$ 511,233	0.0%	1.50%	\$ 7,668	1.50%	\$ 7,668	0.00%	\$ -	-
Grandview Property Partners I	\$ 12,772,100	0.4%	1.25%	\$ 159,651	1.50%	\$ 191,582	-0.25%	\$ (31,930)	✓
Grandview Property Partners II	\$ 18,270,443	0.6%	1.50%	\$ 274,057	1.50%	\$ 274,057	0.00%	\$ -	-
TA Realty Value Fund XIII	\$ 18,963,404	0.6%	0.85%	\$ 161,189	1.50%	\$ 284,451	-0.65%	\$ (123,262)	✓
KSL Credit Opportunities IV	\$ 4,154,299	0.1%	1.50%	\$ 62,314	1.50%	\$ 62,314	0.00%	\$ -	-
Graceada PR Fund IV	\$ 8,592,238	0.3%	1.20%	\$ 103,107	1.50%	\$ 128,884	-0.30%	\$ (25,777)	✓
Brookfield Strategic RE Partners V	\$ 4,467,287	0.1%	1.50%	\$ 67,009	1.50%	\$ 67,009	0.00%	\$ -	-
Total	\$ 350,774,732			\$ 2,958,856		\$ 5,261,621		\$ (2,302,765)	

Median Carried Interest and Median Hurdle are 20% and 8%, respectively.

Source: Pitchbook



INVESTMENT FUND FEE ANALYSIS – INFRASTRUCTURE

STANISLAUS COUNTY EMPLOYEES’ RETIREMENT ASSOCIATION

Fund	Market Value of Plan Assets as of 12/31/2025	% of Plan	Client Fee		Median Management Fee		Difference		Below Median Fee Avg.
			%	\$	%	\$	%	\$	
MS Infrastructure Partners II	\$ 5,044,738	0.2%	1.50%	\$ 75,671	1.50%	\$ 75,671	0.00%	\$ -	-
Palistar Communications Infrastructure I	\$ 19,455,299	0.6%	1.50%	\$ 291,829	1.50%	\$ 291,829	0.00%	\$ -	-
JP Morgan IIF Hedged LP	\$ 42,407,286	1.3%	0.95%	\$ 402,869	1.50%	\$ 636,109	-0.55%	\$ (233,240)	✓
Northern Trust Infrastructure Fund	\$ 75,986,592	2.3%	0.47%	\$ 357,137	0.85%	\$ 645,886	-0.38%	\$ (288,749)	✓
IFM Global Infrastructure Fund	\$ 63,906,372	1.9%	0.77%	\$ 492,079	1.50%	\$ 958,596	-0.73%	\$ (466,517)	✓
Carlyle Renewable and Sustainable Energy	\$ 11,978,495	0.4%	1.00%	\$ 119,785	1.50%	\$ 179,677	-0.50%	\$ (59,892)	✓
PIMCO Euro Data Centre Opp Fund	\$ 1,625,552	0.0%	2.00%	\$ 32,511	1.63%	\$ 26,496	0.37%	\$ 6,015	x
Total	\$ 220,404,334			\$ 1,771,882		\$ 2,814,265		\$ (1,042,384)	

Median Carried Interest and Median Hurdle are 20% and 8%, respectively.

Source: Pitchbook



INVESTMENT FUND FEE ANALYSIS – PRIVATE EQUITY

STANISLAUS COUNTY EMPLOYEES’ RETIREMENT ASSOCIATION

Fund	Market Value of Plan Assets as of 12/31/2025	% of Plan	Client Fee		Median Management Fee		Difference		Below Median Fee Avg.
			%	\$	%	\$	%	\$	
Vista Foundation Fund IV	\$ 20,038,399	0.6%	2.00%	\$ 400,768	1.63%	\$ 326,626	0.37%	\$ 74,142	x
Insight Partners XI	\$ 24,034,686	0.7%	1.65%	\$ 396,572	1.63%	\$ 391,765	0.02%	\$ 4,807	x
Gryphon Partners VI LP	\$ 19,497,617	0.6%	1.00%	\$ 194,976	1.63%	\$ 317,811	-0.63%	\$ (122,835)	✓
Clayton, Dublier, & Rice	\$ 20,403,887	0.6%	0.90%	\$ 183,635	1.63%	\$ 332,583	-0.73%	\$ (148,948)	✓
Genstar Capital Partners X	\$ 16,263,817	0.5%	1.75%	\$ 284,617	1.63%	\$ 265,100	0.12%	\$ 19,517	x
Sole Source Capital Partners II	\$ 19,833,523	0.6%	2.00%	\$ 396,670	1.63%	\$ 323,286	0.37%	\$ 73,384	x
Sole Source Capital Partners III	\$ 294,798	0.0%	1.80%	\$ 5,306	1.63%	\$ 4,805	0.17%	\$ 501	x
Great Hill EP VIII	\$ 14,881,496	0.4%	1.60%	\$ 238,104	1.63%	\$ 242,568	-0.03%	\$ (4,464)	✓
Blue Wolf Capital Fund V-A, L.P.	\$ 20,653,353	0.6%	2.00%	\$ 413,067	1.63%	\$ 336,650	0.37%	\$ 76,417	x
Audax Private Equity VII	\$ 11,832,527	0.4%	1.00%	\$ 118,325	1.63%	\$ 192,870	-0.63%	\$ (74,545)	✓
Gridiron Capital Fund V	\$ 10,044,214	0.3%	2.00%	\$ 200,884	1.63%	\$ 163,721	0.37%	\$ 37,164	x
Eclipse Fund V	\$ 3,163,832	0.1%	2.00%	\$ 63,277	1.63%	\$ 51,570	0.37%	\$ 11,706	x
Northern Trust Russell 3000	\$ 9,702,528	0.3%	0.02%	\$ 1,941	NA	\$ -			-
Total	\$ 190,644,676			\$ 2,898,143		\$ 2,949,357		\$ (53,155)	

Median Carried Interest and Median Hurdle are 17.5% and 8%, respectively.

Source: Pitchbook



INVESTMENT FUND FEE ANALYSIS – PRIVATE CREDIT

STANISLAUS COUNTY EMPLOYEES’ RETIREMENT ASSOCIATION

Fund	Market Value of Plan Assets as of 12/31/2025	% of Plan	Client Fee		Median Management Fee		Difference		Below Median Fee Avg.
			%	\$	%	\$	%	\$	
Medley Capital	\$ 36,738	0.0%	0.00%	\$ -	1.50%	\$ 551	-1.50%	\$ (551)	✓
Owl Rock First Lien Fund	\$ 3,961,095	0.1%	0.70%	\$ 27,728	1.50%	\$ 59,416	-0.80%	\$ (31,689)	✓
Raven Opportunity III	\$ 14,695,979	0.4%	1.00%	\$ 146,960	1.50%	\$ 220,440	-0.50%	\$ (73,480)	✓
White Oak Pinnacle	\$ 24,250,642	0.7%	1.50%	\$ 363,760	1.50%	\$ 363,760	0.00%	\$ -	-
Abry Senior Equity VI, L.P.	\$ 12,989,935	0.4%	1.50%	\$ 194,849	1.50%	\$ 194,849	0.00%	\$ -	-
Strategic Values Special Situations Fund	\$ 12,314,378	0.4%	1.75%	\$ 215,502	1.50%	\$ 184,716	0.25%	\$ 30,786	x
Monroe Private Credit IV	\$ 15,745,952	0.5%	1.00%	\$ 157,460	1.50%	\$ 236,189	-0.50%	\$ (78,730)	✓
Monroe Capital Fund V	\$ 13,770,109	0.4%	1.00%	\$ 137,701	1.50%	\$ 206,552	-0.50%	\$ (68,851)	✓
Callodine Loan Fund II LP	\$ 15,349,845	0.5%	1.50%	\$ 230,248	1.50%	\$ 230,248	0.00%	\$ -	-
Crestline Opportunity Fund IV	\$ 14,547,552	0.4%	1.75%	\$ 254,582	1.50%	\$ 218,213	0.25%	\$ 36,369	x
Comvest Credit Partners VII	\$ 15,307,234	0.5%	1.00%	\$ 153,072	1.50%	\$ 229,609	-0.50%	\$ (76,536)	✓
Ares Sr Direct Lending Fund III	\$ 7,775,607	0.2%	0.75%	\$ 58,317	1.50%	\$ 116,634	-0.75%	\$ (58,317)	✓
Crayhill Principal Strategies Fund III	\$ 11,900,936	0.4%	1.50%	\$ 178,514	1.50%	\$ 178,514	0.00%	\$ -	-
Blackrock High Yield Fund	\$ 62,620,267	1.9%	0.12%	\$ 75,144	NA	\$ -			-
Total	\$ 225,266,269			\$ 2,193,836		\$ 2,439,690		\$ (320,998)	

Median Carried Interest and Median Hurdle are 20% and 7.75%, respectively.

Source: Pitchbook



MEDIAN PRODUCT TYPE FEE COMPARISON - PUBLIC

SEPARATE ACCOUNT, COMMINGLED FUND & MUTUAL FUND

Fund	eVestment Universe	Market Value of Plan Assets as of 12/31/2025	Client Fee	Median Separate Account	Median Commingled Fund	Median Mutual Fund
			%	%	%	%
Cash	N/A	\$ 55,079,319	0.10%			
Insight	eVestment US Government Fixed Income	\$ 226,752,854	0.12%	0.18%	0.60%	0.42%
BlackRock Russell 1000 Growth	eVestment US Large Cap Growth Equity	\$ 258,652,324	0.02%	0.45%	0.47%	0.70%
BlackRock Russell 1000 Value	eVestment US Large Cap Value Equity	\$ 117,570,366	0.02%	0.48%	0.50%	0.70%
Dodge & Cox-Equity	eVestment US Large Cap Value Equity	\$ 117,507,841	0.21%	0.48%	0.50%	0.70%
Channing	eVestment US Small Cap Value Equity	\$ 38,065,484	0.75%	0.85%	0.80%	0.95%
Pacific Ridge	eVestment US Small Cap Value Equity	\$ 25,828,089	0.75%	0.89%	0.84%	0.95%
Seizert	eVestment US Small Cap Value Equity	\$ 46,560,107	0.75%	0.85%	0.80%	0.95%
Phocas'	eVestment US Small Cap Value Equity	\$ 34,715,695	0.75%	0.86%	0.80%	0.95%
LSV Int'l Large Cap Value	eVestment ACWI ex-US Large Cap Equity	\$ 343,057,547	0.25%	0.55%	0.58%	0.80%
Fidelity Int'l Growth	eVestment ACWI ex-US Large Cap Equity	\$ 339,991,487	0.25%	0.55%	0.58%	0.80%
NIS Opportunistic Credit	eVestment US Multi-Sector Fixed Income	\$ 127,452,053	0.40%	0.39%	0.36%	0.61%
AQR Global Risk Premium - EL	eVestment Global TAA	\$ 72,776,079	0.38%	0.57%	0.69%	0.79%
PanAgora Risk Parity Multi Asset	eVestment Global TAA	\$ 76,160,960	0.35%	0.57%	0.69%	0.79%
Northern Trust Intermediate Gov't Bond	eVestment US Government Fixed Income	\$ 122,511,899	0.04%	0.21%	0.60%	0.42%
Northern Trust Long Term Gov't Bond	eVestment US Long Duration Fixed Income	\$ 57,999,516	0.04%	0.28%	0.25%	0.50%
Graham Proprietary Matrix	eVestment Alt Absolute Return	\$ 84,757,319	1.85%	0.84%	1.00%	1.98%
Wellington Global Macro	eVestment Alt Absolute Return	\$ 60,219,565	0.50%	0.85%	1.00%	1.98%
Northern Trust US TIPS	eVestment US TIPS / Inflation Fixed Income	\$ 122,483,444	0.04%	0.16%	0.24%	0.40%



Source: Evestment



40 *Years*

THE RISE OF THE WEALTH CHANNEL IN PRIVATE MARKETS

STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

MARCH 2026

NEPC Research

SETTING THE STAGE

WEALTH INVESTOR TYPES & SEMI-LIQUID PRIVATE FUNDS

- **Types of Wealth Investors**

- Qualified Purchaser: \$5m+ investable assets (excl primary residence), can invest in traditional private market funds
- Accredited Investor: \$1m+ investable assets (excl primary residence) or individuals with income over \$200k (\$300k with spouse) can access certain types of private offerings

- **Types of Semi-Liquid Funds**

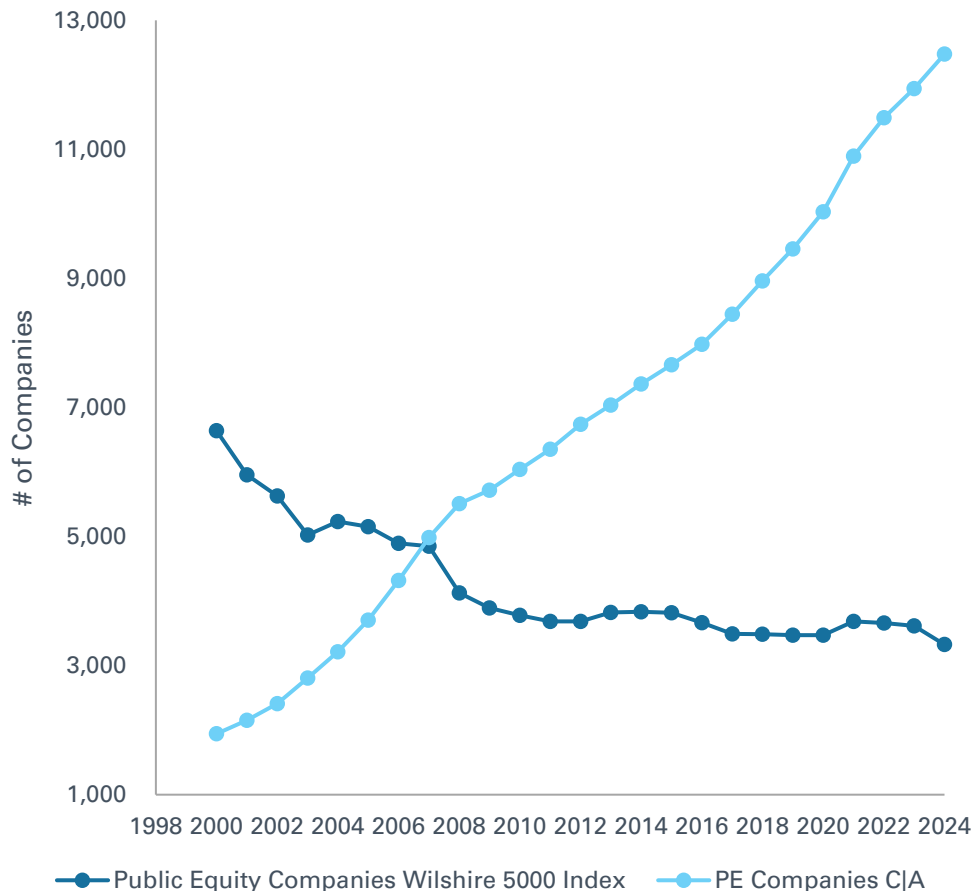
- Interval Fund: closed-end fund required to offer periodic liquidity (repurchase shares at NAV) in range of 5-25% at predetermined intervals. Low minimums, 1099 instead of K-1, registered with SEC.
- Tender Offer Fund: closed-end fund that may offer periodic liquidity (repurchase shares at NAV) at Board's discretion. Low minimums, 1099 instead of K-1, registered with SEC.

BDCs and REITs outside scope of today's presentation but increasing use in our clients' discussions



WEALTH CHANNEL SEEKS MORE PRIVATE MARKETS

WHILE PUBLIC MARKETS SHRINKING



- The # of publicly traded companies in the U.S. has halved in the last 25 years
- Total U.S. public equity market cap has been steadily increasing, driven by meaningful concentration in stock leadership (Mag 7)
- The private market universe has been growing rapidly

Sources: Wilshire, Pitchbook, T. Rowe Price (<https://www.troweprice.com/en/es/insights/finding-winners-in-the-new-small-cap-landscape>), NEPC (<https://www.nepc.com/is-private-equity-the-new-small-cap-understanding-the-overlap-and-the-divide/>)



BLURRING OF INVESTMENT LINES

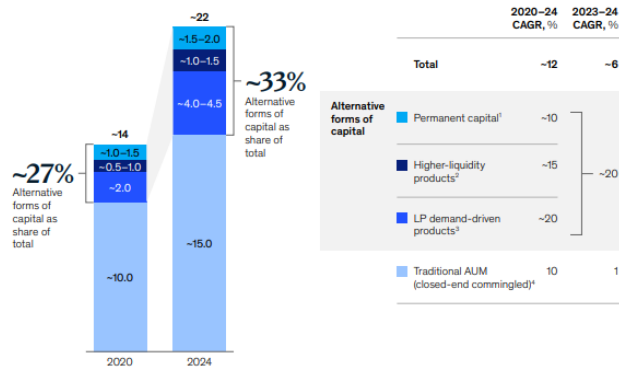
MARKET RESPONSE WITH SEMI-LIQUID FUND STRUCTURES

- \$15 trillion in traditional private fund AUM, \$7 trillion in additional private AUM in non-traditional structures
- Total private AUM forecasted to grow to \$32 trillion in by 2030 and \$60 trillion by 2034
- Public/private market firm partnerships proliferating

Exhibit 1

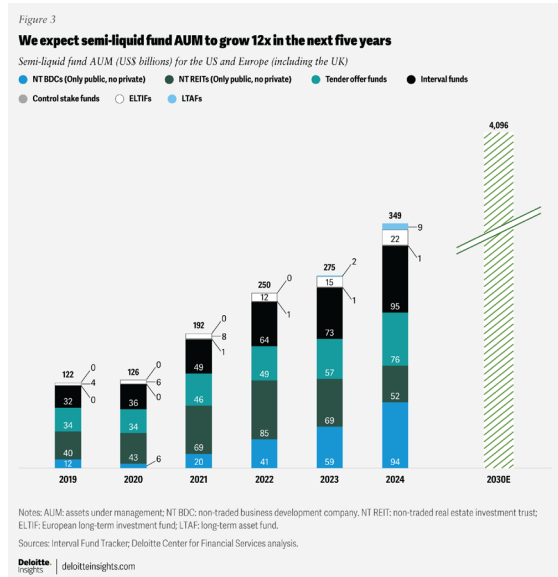
Alternative forms of capital represented nearly 33 percent of total private market assets under management in 2024.

Estimated private capital assets under management (AUM) in 2020–24, \$ trillion

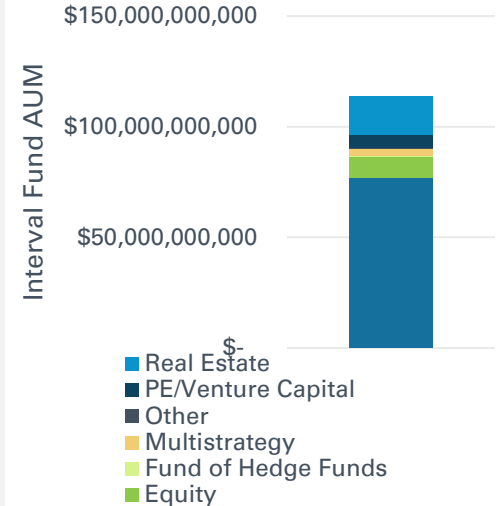


Note: Figures may not sum, because of rounding.
¹Insurance capital held on balance sheets.
²Includes evergreen products, intermittent-liquidity products, and private and perpetual-life business development companies.
³Includes separately managed accounts and co-investments.
⁴As of June 30, 2024.
 Source: CBM Benchmarking; Canulli; Henry H. McVay et al., No turning back: KKR 2024 Insurance Survey, Kohlberg Kravis Roberts, April 2024; Projici; StepStone; Sovereign Wealth Fund Institute; McKinsey analysis

McKinsey & Company



Interval Fund AUM



Source: McKinsey Global Private Markets Report 2025 (<https://www.mckinsey.com/industries/private-capital/our-insights/global-private-markets-report/>), Interval Fund Tracker as of 9/30/25, Deloitte (<https://www.deloitte.com/us/en/insights/industry/financial-services/semi-liquid-funds.html>)



THE BLUE OWL 'SPEED BUMP'

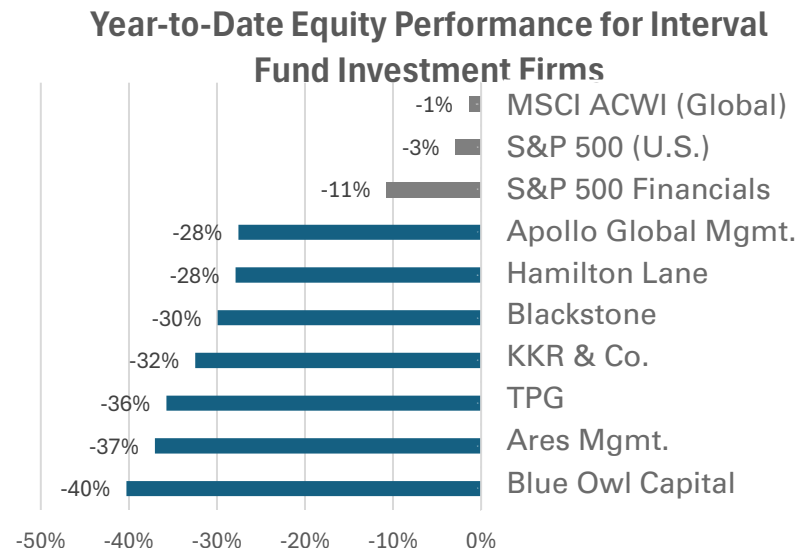
WILL THIS UGLY NEWS CYCLE CHANGE THE TREND?

- **Recent liquidity stress has tested – but not broken – the wealth channel**

Blue Owl Capital Corp II ceased regular redemptions and entered wind-down mode, while Blackstone Private Credit Fund increased its normal redemptions to meet investor demands

- **Likely net effect: recalibration, not reversal**

Expect slower near-term inflows and sharper scrutiny around liquidity, valuations and portfolio construction with capital consolidating further with the largest and best-capitalized managers



Source: NEPC, Bloomberg, Yahoo Finance, 3/15/2026



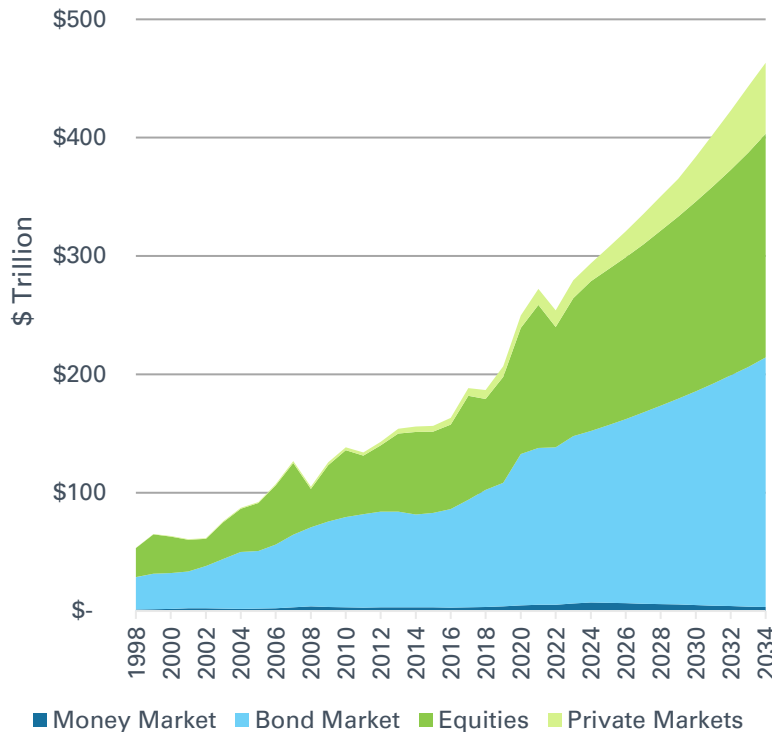
IMPLICATIONS FOR INSTITUTIONAL INVESTORS

- **Crowded Capital at the top:** Retail flows concentrate in large, evergreen vehicles, increasing competition for deals and pressuring returns in larger vanilla direct lending and bulge bracket private equity / infrastructure
- **Liquidity as a feature but not a free option:** The current semi-liquid stress reinforces that liquidity has a cost, and future changes to evergreen fund construction may require additional performance trade-offs
- **Greater dispersion ahead:** Investors who focus on skilled managers with access to less trafficked segments (lower-middle-market buyouts, niche credit, specialist real assets) may benefit as retail capital remains skewed toward more scalable strategies

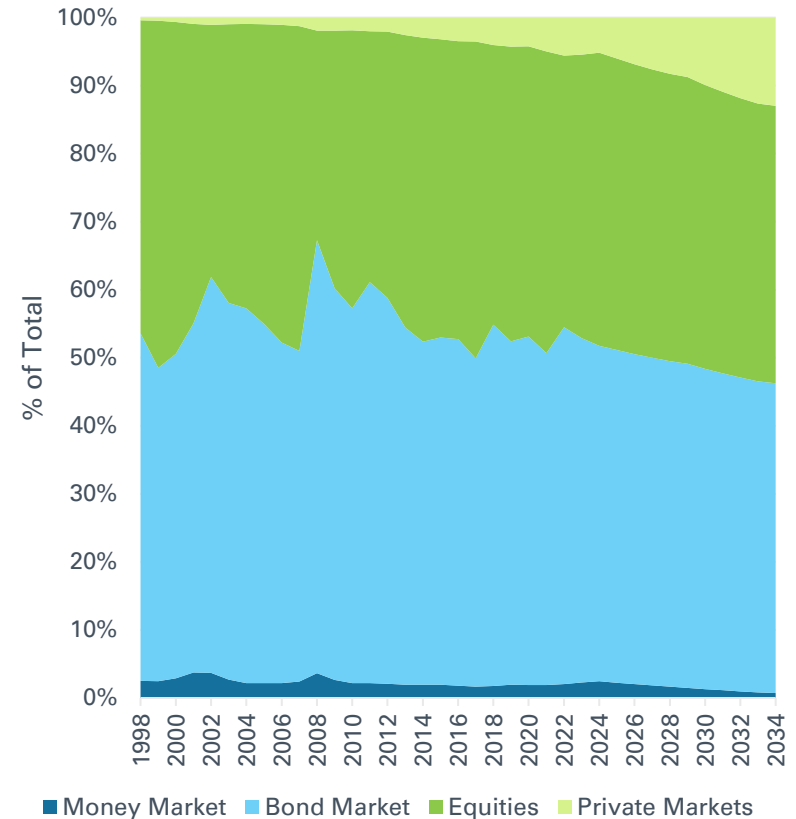
POTENTIAL SIGNIFICANCE OF WEALTH & PRIVATE MARKETS CONVERGENCE

WHAT MIGHT HAPPEN IN NEXT 10 YEARS IF 50/30/20 IS THE NEW 60/40?

Global Investable Assets



Global Investable Assets



Sources: NEPC, CJA, Federal Reserve System, BIS, FactSet, Sage Rock, <https://fortune.com/2025/10/26/what-is-private-capital-credit-22-trillion-industry-equity-debt/>



CRYSTAL BALL

WHAT MIGHT HAPPEN IN NEXT 10 YEARS?

• Asset Flows

- Exponential semi-liquid fund growth – need to put capital to work immediately rather than issuing capital calls to match opportunities. Expect very large evergreen funds with heavy/surprising public exposure and pressure to pay up for deals
- Semi-liquid demand for co-investments may limit deal flow available to institutional LPs, raise the cost of co-investments, and lower the average deal quality
- Most of the semi-liquid capital will be at the larger end of the market
 - Bulge bracket General Partners
 - Vanilla private credit (U.S. direct lending)
- More sophisticated QP investors—those who built their wealth in private equity or sold companies to PE—will likely seek access to the lower end of the market via traditional private funds
- GP's draw the line on Co-investment opportunities as market grows and fees decline
- Institutional investments in private markets decline, public markets increase

CRYSTAL BALL (CONT.)

WHAT MIGHT HAPPEN IN NEXT 10 YEARS?

• Regulation / Market Structure

- Private markets become regulated, both traditional closed-end funds and registered interval funds. Private markets will have quarterly rankings a la Morningstar style boxes. Pitchbook/Morningstar have already begun benchmarking evergreen funds.
- Private markets move from OTC to exchanged traded
- Regulatory view on private markets shifts with different administrations
- Partnerships between private market GPs, public market asset managers and distributors continue to rise

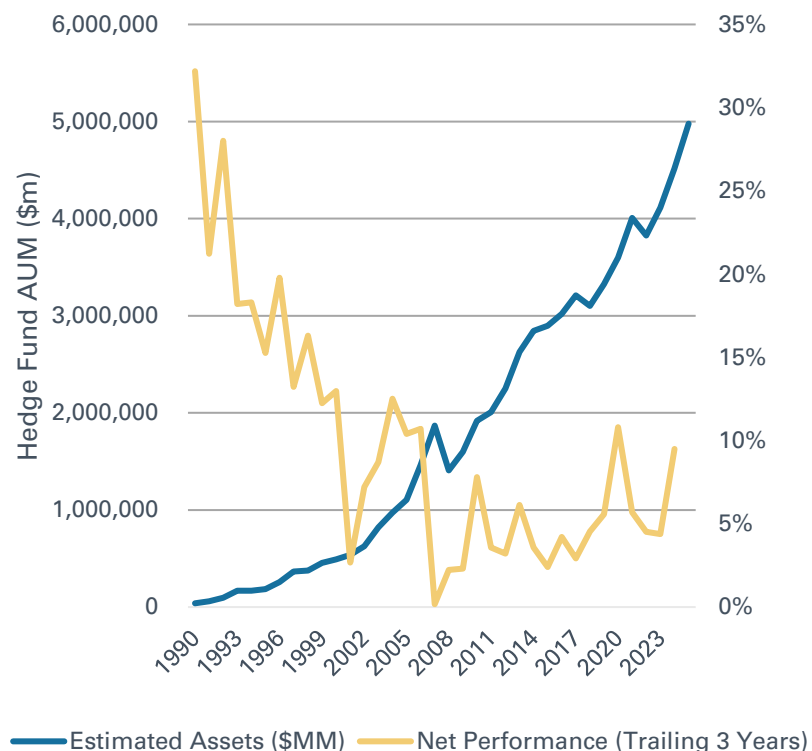
• Performance Implications

- Increase in semi-liquid registered private funds dampens average returns but leads to greater dispersion. Haves and have-nots divergence intensifies.
- Traditional funds raised alongside semi-liquid funds by same GP – watch out for distraction and total funds managed
- Divergence between semi-liquid interval funds and illiquid closed-end fund performance is material
 - Liquid interval funds lag due to cash drag and other liquidity driven factors
- Lower middle market and middle market buyout GPs may hesitate to accept retail capital and may continue to offer good investment opportunities (70%+ of NEPC's 2025 buyout commitments in LMM/MM)

HEDGE FUNDS OFFER POTENTIAL ROADMAP

FLOWS, LIQUIDITY, REGULATION & LOW RATES

Hedge Fund Growth & Performance



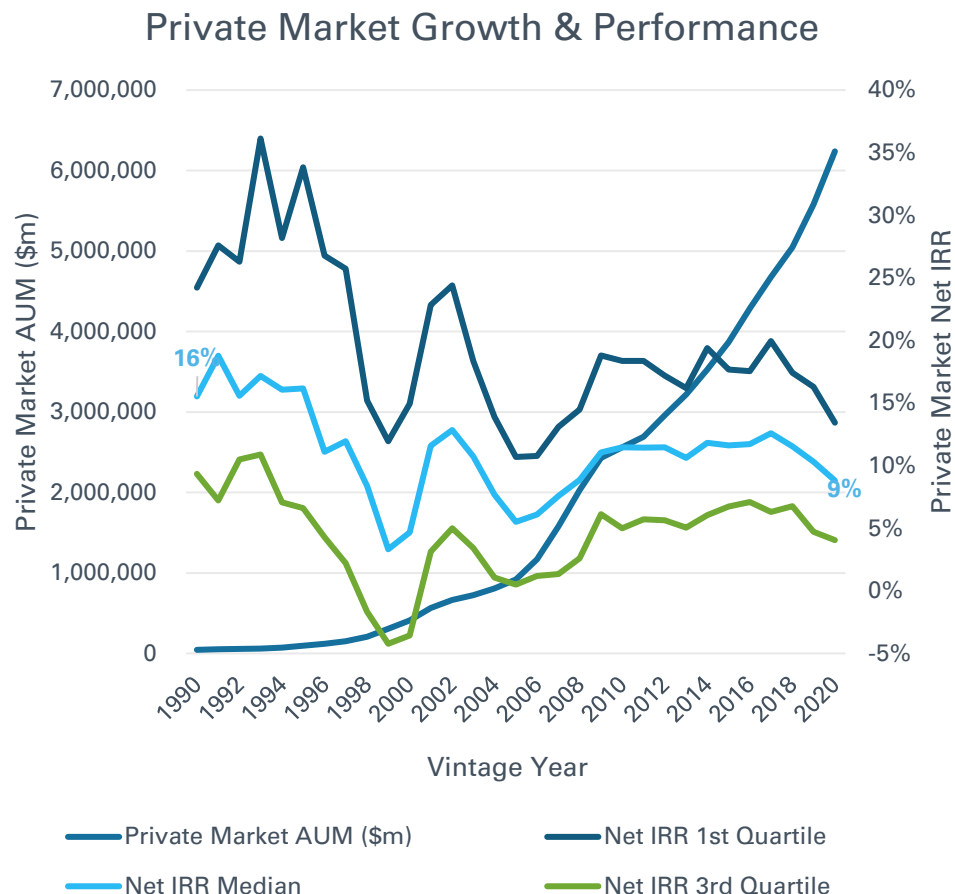
- Hedge funds are semi-liquid allowing LPs to redeem
- Hedge funds relatively unregulated historically
- SEC pushed regulation in 2004 to enhance valuation, risk management and transparency, but regulation short-lived
- Dodd Frank Act (DFA) in 2010
 - Higher compliance standards
 - SEC registration, valuation policies requiring lower valuations, gov't inspections)
 - Fewer funds formed
 - Capital formation didn't slow
 - Risk taking unchanged
 - Harvard Law study found returns fell following DFA (could also be low rates)

Sources: HFRI, eVestment index returns as of 12/31/24 and represent HFRI Fund Weighted Composite Index, Restrepo, Fernan, The economic consequences of hedge fund regulation: An analysis of the effect of the Dodd-Frank Act (June 15, 2022). Journal of Legal Studies [Forthcoming], Available at SSRN: <https://ssrn.com/abstract=3541916> or <http://dx.doi.org/10.2139/ssrn.3541916>



PRIVATE MARKETS FUTURE-CASTING

EVALUATING POTENTIAL FUTURE OUTCOMES



- Private markets fund terms historically illiquid and unregulated
- Today's rise of semi-liquid (registered) private funds bear similarities to hedge fund history
- Strong returns attract capital formation
- NEPC's Forecast
 - Untapped private deal pool is large
 - Future aggregate returns lower, particularly large beta names
 - Future dispersion wider
 - Manager selection will matter more than ever

Sources: CJA, Preqin Private Markets 2030 Report, Sage Road research,





APPENDIX



2025 PRIVATE MARKETS IN REVIEW

NEW MAINSTAYS OF DEAL-MAKING

2025 NEPC Theme Forecasts

2025 Outcomes

1 GP-Led Secondaries & Continuation Funds

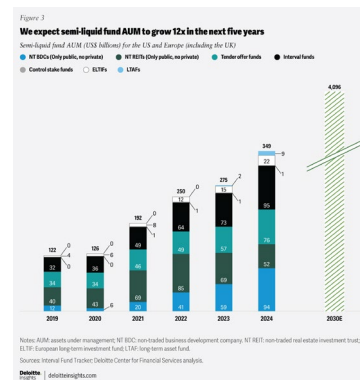
\$51 bn raised across 39 CV deals in 1H25. NEPC clients were involved in 16 deals involving \$23 bn.

2 Hybrid, Crossover & Evergreen Funds

Semi-liquid funds are growing rapidly

3 Secondaries now a Primary Tool

Secondaries are less stigmatized and are becoming a mainstream portfolio management tool



Source: NEPC, Pitchbook, Ropes & Gray (<https://www.ropesgray.com/en/insights/alerts/2025/09/2-us-pe-market-recap>), PEI (<https://www.secondariesinvestor.com/secondaries-investor-q1-q3-2025-cv-deal-log/#::~:~:text=17%20November%202025,of%20the%20CV%20Deal%20Log.>), Deloitte (<https://www.deloitte.com/us/en/insights/industry/financial-services/semi-liquid-funds.html>)



SECONDARY MARKET IS EVOLVING

SECONDARIES ARE INCREASINGLY A PRIMARY TOOL

- **Moving from a sign of desperation to a portfolio management tool**
LP Volume hit \$56 billion in H12025; 54% of total secondary activity
- **Every LP type is utilizing the secondary market – sign of maturity**

Fig. 2. LP Portfolio Transactions by Seller Type

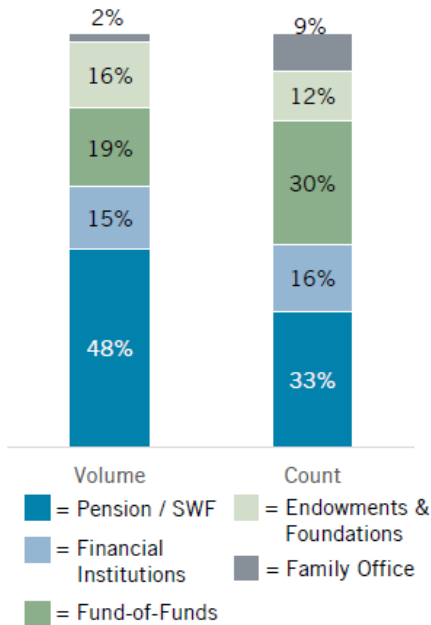
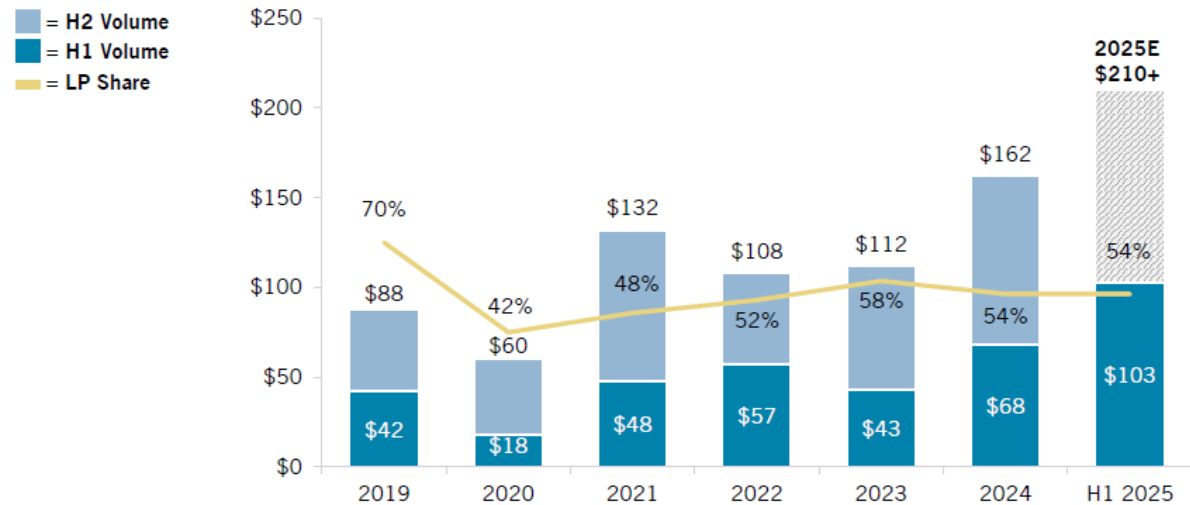


Fig. 1. Annual Transaction Volume (\$B)



Source: Jefferies H1 2025 Global Secondary Market Review

NEPC DISCLOSURES

GENERAL DISCLOSURES

- These materials were prepared by NEPC, LLC, an affiliate of Hightower Advisors, LLC., and are intended for informational and discussion purposes only. The information herein involves views and judgment of NEPC's professionals that cannot be guaranteed and is subject to change without notice. This presentation does not constitute an offer to sell or a solicitation of an offer to buy any securities and may not be relied upon in connection with any offer or sale of securities. The information should not be relied upon to make any investment decision and does not consider the investment objectives, financial situation and particular needs of the recipient. Recipients of the information presented herein should neither treat nor rely on such information as advice relating to legal, taxation or investment matters and are advised to consult their own professional advisors.
- The opinions presented herein represent the good faith views of NEPC as of the date of receipt and are subject to change at any time. There can be no assurance regarding the accuracy of such views, including with respect to any forward-looking information or other commentary that is subject to uncertainty, future contingencies or other market factors. The information is not, and does not purport to be, a complete discussion of all relevant considerations, risks and other applicable factors. The performance information of any indices or strategies represented herein is based on third-party sources, and such performance information does not necessarily represent the performance or experience of any NEPC client. The information in this material has been obtained from sources NEPC believes to be reliable. While NEPC has exercised reasonable professional care in preparing this material, we cannot guarantee the accuracy of all source information contained within. Neither NEPC nor any of its affiliates has any obligation to update the information contained herein.
- Past performance is no guarantee of future results. All investments carry some level of risk. Diversification and other asset allocation techniques do not ensure profit or protect against losses. The performance information of any indices represented herein is based on third-party sources, and such performance information does not necessarily represent the performance or experience of any NEPC client. This presentation identifies potentials benefits relating to NEPC's services to its clients and/or its commentary regarding current market events and investment considerations. Although NEPC believes it and its personnel may have certain competitive advantages regarding investment management, there can be no guarantee that NEPC will be able to maintain such advantages over time, outperform third parties or the financial markets generally, implement its investment strategy or achieve its investment objectives for a client or avoid losses.
- Additional information about NEPC can be found in its form ADV, which includes a discussion of clients, risks, conflicts of interest and fees, among other matters, and is available at the SEC's website www.adviserinfo.sec.gov or upon request to NEPC. Registration with the SEC does not imply a certain level of skill or training. Any references made herein to certain licensures or accreditations including CFA® (Chartered Financial Analyst), and CAIA® (Chartered Alternative Investment Analyst), CPA (Certified Public Accountant) are for informational purposes only. Federal and/or state law or regulation do not require investment advisors to obtain these credentials.

*This document may contain confidential or proprietary information and is intended only for the designated recipient(s).
If you are not a designated recipient, you may not copy or distribute this document.*





THANK YOU



March 24, 2026

Retirement Board Agenda Item

TO: Retirement Board

FROM: Tom Stadelmaier, Executive Director

- I. SUBJECT: Professional Development Pay
- II. ITEM NUMBER: 9.a
- III. ITEM TYPE: Administrative, Discussion and Action
- IV. STAFF RECOMMENDATION: Continue to designate "Professional Development Pay" as non-pensionable pay for all members and direct staff to document this as part of StanCERA administrative policy.
- V. EXECUTIVE SUMMARY:

After review with counsel, and the County, staff believes that keeping County "Professional Development Pay" as NOT pensionable for all members is supported by the law and will be the best and most practical approach going forward.

In July 2025, the County approved changes to the administration of the Professional Development Allowance offered to county employees. The process previously required eligible employees to submit receipts and be reimbursed for eligible expenses up to the allowance. These reimbursements were clearly not pensionable.

Under the new process the allowance (or "Professional Development Pay") is paid automatically each July as a taxable benefit.

Trustee Clayton raised the question with staff if the change in process would potentially change the eligibility of the pay for pension purposes. The pay was previously NOT pension eligible for all employees.

"Compensation earnable" is defined in CERL under §31461 (see below).

"Professional Development Pay" could previously be excluded because it met the criteria to exclude under 31461(b)(1)(B). Previously the payment was only made to members that submitted eligible receipts. Under the new process the payment is made to all similarly situated members in the member's grade or class.

However, "Professional Development Pay" could still potentially be excluded because it meets the criteria to exclude under 31461(b)(3) "Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise."

While the language in the Government Code could be interpreted in different ways, staff believes that continuing to exclude this pay is a correct interpretation of California law and is confirmed by the County's analysis in the attached memo. .

As a practical matter, the nature of the pay has not been changed, only the manner in which it is distributed to eligible employees. This view is inline with the County view which is outlined in the attached memo.

It is worth noting that "Professional Development Pay" is clearly excluded for PEPRA members (Tier 6) as non-base pay.

- VI. RISK: Limited risk. Staff recommendation is keeping with current practice to exclude this pay.
- VII. STRATEGIC PLAN: Covers reporting and transparency as well as administrative excellence and efficiency objectives
- VIII. ADMINISTRATIVE BUDGET IMPACT: NA. There would be cost to change the pay to eligible for legacy members.

§31461. "Compensation earnable" defined

(a)

(1) "Compensation earnable" by a member means the average compensation as determined by the board, for the period under consideration upon the basis of the average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay. The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence. Compensation, as defined in Section 31460, that has been deferred shall be deemed "compensation earnable" when earned, rather than when paid.

(2)

(A) To the extent a retirement system has not defined "grade," it may define "grade," as described in paragraph (1), to mean a number of employees considered together because they share similarities in job duties, schedules, unit recruitment requirements, work location, collective bargaining unit, or other logical work-related group or class. A single employee shall not constitute a group or class.

(B) Subparagraph (A) shall not be operative in any county until the board of supervisors of that county, by resolution adopted by majority vote, makes that subparagraph applicable in the county. Nothing in subparagraph (A) shall change the holding in *Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association* (2020) 9 Cal.5th 1032, and to the extent that there is any conflict between this section and the holding in that case, the latter shall prevail.

(b)

“Compensation earnable” does not include, in any case, the following:

(1) Any compensation determined by the board to have been paid to enhance a member’s retirement benefit under that system. That compensation may include:

(A) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member, and which was converted to and received by the member in the form of a cash payment in the final average salary period.

(B) Any one-time or ad hoc payment made to a member, but not to all similarly situated members in the member’s grade or class.

(C) Any payment that is made solely due to the termination of the member’s employment, but is received by the member while employed, except those payments that do not exceed what is earned and payable in each 12-month period during the final average salary period regardless of when reported or paid.

(2) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, in an amount that exceeds that which may be earned and payable in each 12-month period during the final average salary period, regardless of when reported or paid.

(3) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.

(4) Payments made at the termination of employment, except those payments that do not exceed what is earned and payable in each 12-month period during the final average salary period, regardless of when reported or paid.

(c)

The terms of subdivision (b) are intended to be consistent with and not in conflict with the holdings in *Salus v. San Diego County Employees Retirement Association* (2004) 117 Cal.App.4th 734 and *In re Retirement Cases* (2003) 110 Cal.App.4th 426.

March 24, 2026

Retirement Board Agenda Item

TO: Retirement Board

FROM: Tom Stadelmaier, Executive Director

- I. SUBJECT: Professional Development Pay
- II. ITEM NUMBER: 9.a
- III. ITEM TYPE: Administrative, Discussion and Action
- IV. STAFF RECOMMENDATION: Continue to designate "Professional Development Pay" as non-pensionable pay for all members and direct staff to document this as part of StanCERA administrative policy.
- V. EXECUTIVE SUMMARY:

After review with counsel, and the County, staff believes that keeping County "Professional Development Pay" as NOT pensionable for all members is supported by the law and will be the best and most practical approach going forward.

In July 2025, the County approved changes to the administration of the Professional Development Allowance offered to county employees. The process previously required eligible employees to submit receipts and be reimbursed for eligible expenses up to the allowance. These reimbursements were clearly not pensionable.

Under the new process the allowance (or "Professional Development Pay") is paid automatically each July as a taxable benefit.

Trustee Clayton raised the question with staff if the change in process would potentially change the eligibility of the pay for pension purposes. The pay was previously NOT pension eligible for all employees.

"Compensation earnable" is defined in CERL under §31461 (see below).

"Professional Development Pay" could previously be excluded because it met the criteria to exclude under 31461(b)(1)(B). Previously the payment was only made to members that submitted eligible receipts. Under the new process the payment is made to all similarly situated members in the member's grade or class.

However, "Professional Development Pay" could still potentially be excluded because it meets the criteria to exclude under 31461(b)(3) "Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise."

While the language in the Government Code could be interpreted in different ways, staff believes that continuing to exclude this pay is a correct interpretation of California law and is confirmed by the County's analysis in the attached memo. .

As a practical matter, the nature of the pay has not been changed, only the manner in which it is distributed to eligible employees. This view is inline with the County view which is outlined in the attached memo.

It is worth noting that "Professional Development Pay" is clearly excluded for PEPRA members (Tier 6) as non-base pay.

- VI. RISK: Limited risk. Staff recommendation is keeping with current practice to exclude this pay.
- VII. STRATEGIC PLAN: Covers reporting and transparency as well as administrative excellence and efficiency objectives
- VIII. ADMINISTRATIVE BUDGET IMPACT: NA. There would be cost to change the pay to eligible for legacy members.

§31461. "Compensation earnable" defined

(a)

(1) "Compensation earnable" by a member means the average compensation as determined by the board, for the period under consideration upon the basis of the average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay. The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence. Compensation, as defined in Section 31460, that has been deferred shall be deemed "compensation earnable" when earned, rather than when paid.

(2)

(A) To the extent a retirement system has not defined "grade," it may define "grade," as described in paragraph (1), to mean a number of employees considered together because they share similarities in job duties, schedules, unit recruitment requirements, work location, collective bargaining unit, or other logical work-related group or class. A single employee shall not constitute a group or class.

(B) Subparagraph (A) shall not be operative in any county until the board of supervisors of that county, by resolution adopted by majority vote, makes that subparagraph applicable in the county. Nothing in subparagraph (A) shall change the holding in *Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association* (2020) 9 Cal.5th 1032, and to the extent that there is any conflict between this section and the holding in that case, the latter shall prevail.

(b)

“Compensation earnable” does not include, in any case, the following:

(1) Any compensation determined by the board to have been paid to enhance a member’s retirement benefit under that system. That compensation may include:

(A) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member, and which was converted to and received by the member in the form of a cash payment in the final average salary period.

(B) Any one-time or ad hoc payment made to a member, but not to all similarly situated members in the member’s grade or class.

(C) Any payment that is made solely due to the termination of the member’s employment, but is received by the member while employed, except those payments that do not exceed what is earned and payable in each 12-month period during the final average salary period regardless of when reported or paid.

(2) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, in an amount that exceeds that which may be earned and payable in each 12-month period during the final average salary period, regardless of when reported or paid.

(3) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.

(4) Payments made at the termination of employment, except those payments that do not exceed what is earned and payable in each 12-month period during the final average salary period, regardless of when reported or paid.

(c)

The terms of subdivision (b) are intended to be consistent with and not in conflict with the holdings in *Salus v. San Diego County Employees Retirement Association* (2004) 117 Cal.App.4th 734 and *In re Retirement Cases* (2003) 110 Cal.App.4th 426.


CHIEF EXECUTIVE OFFICE

Jody L. Hayes
CHIEF EXECUTIVE OFFICER

Tina M. Rocha
ASSISTANT EXECUTIVE OFFICER

Raul L. Mendez
ASSISTANT EXECUTIVE OFFICER

Jewel A. Warr
ASSISTANT EXECUTIVE OFFICER

February 19, 2026

TO: Stanislaus County Employees Retirement Association (StanCERA)

FROM: Jody L. Hayes
Chief Executive Officer

SUBJECT: Application of the Professional Development Allowance as Pensionable Compensation for "Legacy" Members

We write to you concerning information received which states that a recommendation is likely by the Stanislaus County Employees Retirement Association ("StanCERA") to the StanCERA Retirement Board that would include Stanislaus County's Professional Development Allowance as pensionable compensation for legacy pension members (i.e., those members first employed by the County prior to the effective date of the Public Employees' Pension Reform Act (PEPRA)).

In providing for the Professional Development Allowance, it was not the County's intent for the allowance to be included as pension compensation for legacy members. Based on the nature of the Professional Development Allowance, it is excluded from pension compensation under Government Code § 31461(b)(3) as compensation for additional services rendered outside of normal working hours.

Attached to this letter is the Professional Development Allowance Policy adopted by the Board of Supervisors on July 1, 2025, as well as the staff report accompanying that agenda item when it was presented to the Board of Supervisors.

The staff report explains the history behind the development of the Professional Development Allowance Policy. Historically, in order to promote the professional and educational growth of certain identified employees, the County provided a Professional Development Allowance Policy that was based on direct reimbursement. Employees would have to submit receipts for the costs of the professional development activity, and the County would then reimburse the employee for that cost. This involved a multi-step approval process. There is no dispute that professional development costs reimbursed in this manner were not pension compensation.

Due to the inefficiencies in administering such a reimbursement process, on July 1, 2025, the County adopted the current Professional Development Allowance Policy. That policy reflects a transition from a reimbursement structure to a taxable annual allowance.

In transitioning the Professional Development Allowance Policy from a reimbursement structure to a flat taxable annual allowance, the staff report does not state that the Professional Development Allowance would now become included as pension compensation. In fact, the nature of the Professional Development Allowance establishes that it is excluded from pension compensation under Government Code §31461(b)(3) as compensation for additional services rendered outside of normal working hours.

That which is “compensation earnable” for purposes of a pension through StanCERA is addressed in Government Code §31461(b)(3) which specifically excludes from “compensation earnable” the following: “payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.”

The Professional Development Allowance Policy, as well as the staff report accompanying the policy, establish that the payments under that policy qualify under this exemption. **They are payments for voluntary professional development activities that are rendered outside of normal working hours.** In particular:

1. The Staff Report stated that, effective July 1, 2016, “The Professional Development Allowance provided an annual reimbursement allowance to assist eligible employees in achieving professional and educational growth related to their professional position with Stanislaus County. The allowance covers work-related expenditures, such as classes and seminars, professional memberships, registration fees, educational materials, tools, and equipment.”
2. The Staff Report further stated that, in February 2019, student loans were included as being subject to reimbursement under the Professional Development Allowance Policy.
3. The Staff Report also stated, in connection with the current policy adopted on July 1, 2025, “This policy revision is intended . . . to encourage greater participation in skill-building opportunities . . .”
4. The Professional Development Policy specifically states its purpose is to “assist eligible employees with covering expenses related to their professional and educational growth” and “to foster continuous development and skill enhancement by empowering employees to advance their professional growth and excel in their roles.”

These statements establish that the Professional Development Allowance is exempt from pensionable compensation under Government Code §31461(b)(3). Employees are provided a Professional Development Allowance for the purpose of voluntarily spending time outside of normal working hours performing professional development activities, such as attending classes.

In *Alameda County Deputy Sheriff’s Assoc. v. Alameda County Employees Retirement Assoc.*, 9 Cal. 5th 1032 (2020), the California Supreme Court held that this exclusion was lawfully applied to both legacy members and employees hired after the enactment of PEPRA. The California Supreme Court stated:

The long-standing exclusion of overtime from compensation earnable, now embodied in section 31461.6, confirms that an employee's pensionable compensation is generally to be based on pay for work performed during normal working hours. Consistent with this exclusion of overtime, subdivision (b)(3) requires the exclusion of compensation for other services rendered outside normal working hours.

The County requests that StanCERA reconsider the proposal to apply the County's Professional Development Allowance as pensionable compensation for legacy members. In support of this request, the County is willing to amend its policy if doing so would assist StanCERA in clarifying the non-pensionable status of the annual reimbursement payments.

We appreciate StanCERA's attention to this matter.

Attachments:

Professional Development Board Agenda Item and Policy dated July 1, 2025