

Pension Trust

1000 Mill Street
San Luis Obispo, CA 93408
(805) 781-5465 Phone
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www.SLOPensionTrust.org



AGENDA

PENSION TRUST BOARD OF TRUSTEES

Monday, November 28, 2022 9:30 AM

Board of Supervisors Chambers
County Government Center
San Luis Obispo, CA 93408

MEETING MATERIALS

Materials for the meeting may be found at

<http://www.slocounty.ca.gov/Departments/Pension-Trust/Board-of-Trustees>

Any supporting documentation that relates to an agenda item for open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available at this location.

AMERICANS WITH DISABILITIES ACT (Government Code §54953.2)

Disabled individuals who need special assistance to listen to and/or participate in any meeting of the Board of Trustees may request assistance by calling 805/781-5465 or sending an email to SLOCPT@co.slo.ca.us. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting materials and access available in alternative formats. Requests for assistance should be made at least two days in advance of a meeting whenever possible.

IN-PERSON MEETING

This meeting of the Board of Trustees will be held as an in-person meeting at the place shown above. The meeting may be available for online viewing by accessing -

<https://us06web.zoom.us/j/86882307248?pwd=NWFHLY9YVUYrY2k4cmg2dFY5b2MzQT09>

Webinar ID: 868 8230 7248

Passcode: 801513

If you wish to listen via phone to the meeting, please dial 669/900-6833. If you have any questions or require additional service, please contact SLOOPT at 805/781-5465.

A) PUBLIC COMMENT

1. Public Comment: Members of the public wishing to address the Board on matters other than scheduled items may do so when recognized by the Chair. Presentations are limited to three minutes per individual.

B) ORGANIZATIONAL

None

C) CONSENT

2. Minutes of the Regular Meeting of September 26, 2022 (Approve Without Correction).
3. Reports of Deposits and Contributions for the months of September and October 2022 (Receive and File).
4. Reports of Service Retirements, Disability Retirements and DROP Participants for the months of September and October 2022 (Receive, Approve and File).
5. Monthly Investment Report for September 2022 (Receive and File).
6. Resolution Modifying and Affirming Investment and Banking authority - Resolution 2022-05 (Recommend Approval).
7. Annual Pensionable Compensation Limit for 2023 pursuant to the Public Employees Pension Reform Act (Tier 3) (Recommend Approval).
8. *reserved*

D) APPLICATIONS FOR DISABILITY RETIREMENT

9. Application for Industrial Disability Retirement – Case 2022-05 (Recommend Approval).
10. Application for Industrial Disability Retirement – Case 2022-08 (Recommend Approval).
11. *reserved*

E) OLD BUSINESS

None

F) NEW BUSINESS

12. Resolution Number 2022-06: A Resolution Establishing the Rate of Interest to be Paid on the Normal Contributions of Members (Recommend Approval).
13. Resolution Number 2022-07: A Resolution Establishing the Rate of Interest to be Paid on the Additional Contributions of Members (Recommend Approval).
14. Resolution Recommending Plan Amendments – SLO Court DROP Eligibility - Resolution 2022-08 (Recommend Approval).
15. Executive Director and Assistant Director Compensation—Off-Cycle Review—Personnel Committee Recommendation to Add a Step 6 to Salary Ranges of Executive Director and Deputy Director (Recommend Approval)

G) INVESTMENTS

16. Asset Allocation – Implementation – Interim 2023 Policy Targets (Review, Discuss, and Recommend Approval).
17. Private Markets Program Review - Verus (Review, Discuss).
18. HarbourVest SLO Fund – Update - (Review, Discuss).
19. Quarterly Investment Report for the 3rd Quarter of 2022 – Verus (Receive and File).
20. Monthly Investment Report for October 2022 (Receive and File).
21. Asset Allocation - (Review, Discuss, and Direct Staff as necessary)

H) OPERATIONS

22. Staff Reports
23. General Counsel Reports
24. Committee Reports:
 - i. Audit Committee No Report
 - ii. Personnel Committee Report
 - iii. Private Markets Investments No Report
25. Upcoming Board Topics (subject to change)
 - i. December 19, 2022 – planned as a non-meeting month

- ii. January 23, 2023
 - a. Election of Officers
 - b. Committee Appointments
 - c. Annual Policies Review
 - d. Annual Cashflow Analysis
 - e. TBD

- iii. February 27, 2023
 - a. 2023 Retiree COLA
 - b. Quarterly Investment Report
 - c. Capital Market Assumptions / Asset Allocation Review
 - d. Investment Policy Statement review
 - e. TBD

- iv. March 27, 2023
 - a. 2023 Actuarial Valuation Planning
 - b. Employer Prefunding
 - c. SLOCPT Administrative Budget FY23-24 proposed
 - d. Executive Director search process
 - e. TBD

20. Trustee Comments

I) CLOSED SESSION

None

J) ADJOURNMENT

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BOARD OF TRUSTEES**

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MINUTES

**PENSION TRUST
BOARD OF TRUSTEES**

Monday, September 26, 2022
Regular Meeting of the Pension Trust
Board of Trustees

Board Members Present: Jeff Hamm
Jim Hamilton
David Grim
Lisa Howe
Geoff O’Quest
Michelle Shoresman
Gere Sibbach

Board Members Absent: –

Pension Trust Staff: Carl Nelson Executive Director
Amy Burke Deputy Director
Jennifer Alderete Accountant

General Counsel: Chris Waddell Olson | Remcho
Kristen Rogers Olson | Remcho (virtual)

Consultants: Scott Whalen Verus

Presenters: Melissa Boardman County of San Luis Obispo, HR

Others: Tami Douglas-Schatz HR Director, County of San Luis Obispo
Taj D’Entremont County of San Luis Obispo, HR
Jenna Morton County of San Luis Obispo, County Counsel
Shannon Matuszewicz County of San Luis Obispo, County Counsel
Lisa Winter SLOCPT staff
Anna Bastidos SLOCPT staff
Suzette Lopez SLOCPT staff
Joe Ebisa Journalist – With Intelligence
2 other unidentified parties attending online

Call to Order: 9:41 AM by President Hamm

A) PUBLIC COMMENT

1. None

B) ORGANIZATIONAL

None

C) CONSENT

2. Minutes of the Regular Meeting of August 22, 2022 (Approve Without Correction).
3. Reports of Deposits and Contributions for the month of August 2022 (Receive and File).
4. Reports of Service Retirements, Disability Retirements and DROP Participants for the month of August 2022 (Receive, Approve and File).
5. *reserved*

Motion: Approve the Consent items

Discussion: -

Public Comment: None

Motion Made: Mr. Hamilton

Motion Seconded: Mr. O’Quest

Carried: Unanimous

D) APPLICATIONS FOR DISABILITY RETIREMENT

6. Disability Retirements – Plan Provisions, Process Briefing

Discussion: Melissa Boardman, County of San Luis Obispo Human Resources, presented information about the County’s worker’s comp and disability process. Carl Nelson, Executive Director, SLOCPT, presented the transition from the Employer’s disability process to SLOCPT’s process. Amy Burke, Deputy Director, SLOCPT, presented the disability medical recommendation process. Trustees asked numerous questions. In particular, Trustees expressed concern over the low utilization of the disability benefits pursuant to Section 10.06 of the Retirement Plan – Transfer in Lieu of Disability Retirement.

Public Comment: None

No Action Necessary

7. Application for Industrial Disability Retirement – Case 2022-04

Motion: Approve Staff recommendation to approve Industrial Disability Retirement case 2022-04.

Discussion: Deputy Director Burke presented the Staff recommendation.

Public Comment: None

Motion Made: Mr. Grim

Motion Seconded: Mr. O'Quest

Carried: Unanimous

8. Application for Industrial Disability Retirement – Case 2022-07

Motion: Approve Staff recommendation to approve Industrial Disability Retirement case 2022-07.

Discussion: Deputy Director Burke presented the Staff recommendation.

Public Comment: None

Motion Made: Mr. Hamm

Motion Seconded: Mr. Sibbach

Carried: Unanimous

9. Application for Industrial Disability Retirement – Case 2022-06

Motion: Approve Staff recommendation to approve Industrial Disability Retirement case 2022-06.

Discussion: Deputy Director Burke presented the Staff recommendation. Trustees asked a clarifying question about the blended Miscellaneous/Safety service in this case (no impact on IDR eligibility).

Public Comment: None

Motion Made: Ms. Howe

Motion Seconded: Ms. Shoresman

Carried: Unanimous

10. Application for Industrial Disability Retirement – Case 2022-03

Motion: Approve Staff recommendation to approve Industrial Disability Retirement case 2022-03.

Discussion: Deputy Director Burke presented the Staff recommendation. Trustees asked a clarifying question about date of injury on various reports.

Public Comment: None

Motion Made: Mr. Sibbach

Motion Seconded: Mr. Grim

Carried: Unanimous

11. *reserved*

12. *reserved*

11:15 AM - President Hamm called for a 10-minute break.

11:26 AM – Back in session

E) OLD BUSINESS

None

F) NEW BUSINESS

13. Trustee Education

Discussion: Executive Director Nelson introduced the item regarding a possible subscription to the Board Smart training service from Funston Advisory. Chris Waddell, General Counsel, is familiar with Board Smart as a program to help Trustees stay current on their education requirements. Trustees discussed the program and requested Staff pursue a subscription to Board Smart for just the four more experienced Trustees.

Public Comment: None

No Action Necessary

G) INVESTMENTS

14. Monthly Investment Report for August 2022

Motion: To Receive and File the Monthly Investment Report.

Discussion: Executive Director Nelson presented the report.

Public Comment: None

Motion Made: Mr. Grim

Motion Seconded: Mr. O’Quest

Carried: Unanimous

15. Alternative Investments Fee Disclosure – CA Code 7514.7

Motion: To Receive and File the Fee Disclosure.

Discussion: Executive Director Nelson presented the 2021 Fee Disclosure as required by California Code Section 7514.7.

Public Comment: None

Motion Made: Mr. Hamm

Motion Seconded: Ms. Shoresman

Carried: Unanimous

16. Asset Allocation

Discussion: Routine item included should asset allocation changes be necessary.

Public Comment: None

No Action Necessary

H) OPERATIONS

17. Staff Reports

- i. Deputy Director Burke presented an update on the Memorandum of Understanding between the County of San Luis Obispo and SLOCEA.
- ii. Deputy Director Burke provided a status update regarding the benefit overpayments first reported at the March 28, 2022 Board of Trustees meeting. SLOCPT’s counsel in Nevada has submitted a demand letter to the Retirees’ estate requesting repayment.
- iii. Deputy Director Burke informed the Board that she would be attending the LRS PensionGold Teaming Conference in early October. As part of her attendance, Burke will be speaking as a panelist.
- iv. Executive Director Nelson provided an update regarding the Brookfield Infrastructure Core Fund. Fund documents that were in the process of being finalized for signature and implementation.

18. General Counsel Reports

General Counsel Waddell reported that the Governor signed bill AB2449 that allows Trustees to participate in Board meetings remotely under certain limited circumstances.

19. Committee Reports:

- i. Audit Committee No Report
- ii. Personnel Committee Report – Covered in Agenda Item #22
- iii. Private Markets Investments (ad hoc) No Report

20. Upcoming Board Topics – published on meeting agenda

21. Trustee Comments

None

I) CLOSED SESSION

11:57 AM – entered Closed Session

22. PUBLIC EMPLOYEE EVALUATION. The Board convened in closed session pursuant to Gov. Code section 54957(b)(1) to conduct the annual employee evaluation of the Executive Director.

12:30 PM – exited Closed Session

Report – President Hamm returned the meeting to open session and announced that the Trustees completed the Executive Director’s annual review.

J) STRATEGIC PLANNING SESSION

23. Funding Policy Update – Revised Forecasts

Discussion: Executive Director Nelson presented forecasts from the actuary regarding funding of the plan based on different investment earnings scenarios for the fiscal year ending 12/31/22.

Public Comment: None

No Action Necessary

24. Strategic Plan – 5-Year Outlook

Discussion: Executive Director Nelson presented the Strategic Plan for the operations of SLOCPT over the next five years. Main areas of discussion included governance, finances and funding, investments, organizational issues, consulting partnerships, and key resources.

Public Comment: None

No Action Necessary

25. Staff Continuity Planning

Discussion: Executive Director Nelson informed the Board of his intent to retire at the end of 2023. He strongly recommended that the Board initiate whatever process they decide upon to search for internal and external candidates for his replacement early in 2023.

Public Comment: None

No Action Necessary

26. Fiduciary Refresher Briefing – ESG Criteria in Investments

Discussion: General Counsel Chris Waddell and Investment Consultant Scott Whalen, Verus, gave a joint presentation. Mr. Waddell provided a refresher on fiduciary duties of loyalty and care, what ESG investing is, and is ESG investing compatible with those fiduciary duties. Mr. Whalen provided a review of ESG considerations when making investment policy decisions. Trustees asked numerous questions. The topic of ESG as it is included in the SLOCPT Investment Policy Statement is planned to be addressed at the February 2023 Board of Trustees meeting.

Public Comment: None

No Action Necessary

27. Retirement Plan / Deferred Compensation Plan Coordination

Discussion: Executive Director Nelson presented an overview of SLOCPT's administration of the SLO County Deferred Compensation Plan on behalf of SLO County. He reported on the recent RFP for a DC Plan Provider leading to a reappointment of Nationwide, but at lower fee levels. Nelson and Lisa Winter of the SLOCPT staff discussed the integration of the Defined Benefit (SLOCPT) and Defined Contribution (Employer-sponsored) plans when counselling members during the retirement process.

Public Comment: None

No Action Necessary

K) ADJOURNMENT

There being no further business, the meeting was adjourned at 3:02 PM. The next Regular Meeting was set for November 28, 2022, at 9:30 AM, in the Board of Supervisors chambers, County Government Center, San Luis Obispo, California 93408.

Respectfully submitted,

Carl Nelson
Executive Director

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**REPORT OF DEPOSITS AND CONTRIBUTIONS FOR THE MONTH OF
SEPTEMBER 2022**

PP 18 9/9/2022	Pensionable Salary	Employer Contributions	Employer Rate	Employee Contributions	Employer for		Employee Rate	Combined Rate	Additional Contributions	Service Purchases	TOTAL Contributions
					Employee Contributions	Employee Rate					
By Employer and Tier:											
County Tier 1	2,718,619.43	885,912.95	32.59%	391,201.58	231,506.57	22.91%	55.49%	2,487.50	1,365.43		1,512,474.03
County Tier 2	960,947.67	326,443.12	33.97%	68,118.11	81,293.88	15.55%	49.52%	-	-		475,855.11
County Tier 3	4,446,504.04	1,429,964.47	32.16%	642,805.30	-	14.46%	46.62%	-	602.72		2,073,372.49
Superior Court Tier 1	225,298.00	70,006.85	31.07%	48,609.92	-	21.58%	52.65%	-	-		118,616.77
Superior Court Tier 3	160,618.94	47,975.36	29.87%	26,741.22	-	16.65%	46.52%	-	-		74,716.58
APCD Tier 1	45,970.64	12,823.35	27.89%	7,643.96	3,680.21	24.63%	52.53%	-	-		24,147.52
APCD Tier 2	3,644.80	986.28	27.06%	505.89	209.58	19.63%	46.69%	-	-		1,701.75
APCD Tier 3	33,847.21	9,051.50	26.74%	5,519.02	-	16.31%	43.05%	-	-		14,570.52
SLOCPT Tier 1	8,101.67	2,522.86	31.14%	1,229.83	752.65	24.47%	55.61%	-	-		4,505.34
SLOCPT Tier 2	9,979.20	3,107.53	31.14%	563.83	927.06	14.94%	46.08%	-	-		4,598.42
SLOCPT Tier 3	13,521.05	4,341.62	32.11%	1,807.90	-	13.37%	45.48%	250.00	-		6,399.52
LAFCO Tier 3	10,614.28	3,411.43	32.14%	1,551.38	-	14.62%	46.76%	-	-		4,962.81
RTA Tier 2	29,710.40	9,373.62	31.55%	607.39	3,862.35	15.04%	46.59%	-	-		13,843.36
RTA Tier 3	13,600.80	4,384.73	32.24%	1,818.05	-	13.37%	45.61%	-	-		6,202.78
	8,680,978.13	2,810,305.67	32.37%	1,198,723.38	322,232.30	17.52%	49.89%	2,737.50	1,968.15		\$ 4,335,967.00
PP 19 9/23/2022											
By Employer and Tier:											
County Tier 1	2,707,330.53	881,916.99	32.58%	389,466.01	230,608.40	22.90%	55.48%	2,487.50	1,365.43		1,505,844.33
County Tier 2	963,064.44	326,531.91	33.91%	68,935.20	81,568.39	15.63%	49.53%	-	-		477,035.50
County Tier 3	4,468,710.95	1,439,065.27	32.20%	645,147.22	-	14.44%	46.64%	-	605.86		2,084,818.35
Superior Court Tier 1	226,096.29	70,261.15	31.08%	48,792.59	-	21.58%	52.66%	-	-		119,053.74
Superior Court Tier 3	162,539.27	48,684.41	29.95%	26,957.76	-	16.59%	46.54%	-	-		75,642.17
APCD Tier 1	45,970.63	12,823.37	27.89%	7,643.98	3,680.19	24.63%	52.53%	-	-		24,147.54
APCD Tier 2	3,644.80	986.28	27.06%	505.89	209.58	19.63%	46.69%	-	-		1,701.75
APCD Tier 3	33,847.21	9,051.51	26.74%	5,519.02	-	16.31%	43.05%	-	-		14,570.53
SLOCPT Tier 1	8,101.67	2,522.86	31.14%	1,229.83	752.65	24.47%	55.61%	-	-		4,505.34
SLOCPT Tier 2	9,979.20	3,107.53	31.14%	563.83	927.06	14.94%	46.08%	-	-		4,598.42
SLOCPT Tier 3	13,521.04	4,341.62	32.11%	1,807.90	-	13.37%	45.48%	250.00	-		6,399.52
LAFCO Tier 3	10,614.28	3,411.43	32.14%	1,551.38	-	14.62%	46.76%	-	-		4,962.81
RTA Tier 2	29,710.40	9,373.62	31.55%	607.39	3,862.35	15.04%	46.59%	-	-		13,843.36
RTA Tier 3	13,600.80	4,384.73	32.24%	1,818.05	-	13.37%	45.61%	-	-		6,202.78
	8,696,731.51	2,816,462.68	32.39%	1,200,546.05	321,608.62	17.50%	49.89%	2,737.50	1,971.29		\$ 4,343,326.14
TOTAL FOR THE MONTH	17,377,709.64	5,626,768.35	32.38%	2,399,269.43	643,840.92	17.51%	49.89%	5,475.00	3,939.44		\$ 8,679,293.14
TOTAL YEAR TO DATE	162,720,767.66	50,595,421.17	31.09%	21,928,429.27	6,210,095.68	17.29%	48.39%	49,412.50	130,344.44		\$ 78,913,703.06

**REPORT OF DEPOSITS AND CONTRIBUTIONS FOR THE MONTH OF
OCTOBER 2022**

PP 20 10/7/2022	Pensionable Salary	Employer Contributions	Employer Rate	Employee Contributions	Employer for	Employee Rate	Combined Rate	Additional Contributions	Service Purchases	TOTAL Contributions
					Employee Contributions					
By Employer and Tier:										
County Tier 1	2,695,660.72	878,013.75	32.57%	387,839.74	229,601.03	22.90%	55.48%	2,487.50	9,667.06	1,507,609.08
County Tier 2	962,272.86	326,036.20	33.88%	68,882.34	81,521.28	15.63%	49.51%	-	-	476,439.82
County Tier 3	4,521,115.80	1,455,656.91	32.20%	650,857.17	-	14.40%	46.59%	-	829.14	2,107,343.22
Superior Court Tier 1	236,420.13	73,591.28	31.13%	51,009.64	-	21.58%	52.70%	-	-	124,600.92
Superior Court Tier 3	178,170.53	53,264.69	29.90%	29,562.70	-	16.59%	46.49%	-	-	82,827.39
APCD Tier 1	45,970.63	12,823.36	27.89%	7,643.97	3,680.20	24.63%	52.53%	-	-	24,147.53
APCD Tier 2	3,644.80	986.28	27.06%	505.89	209.58	19.63%	46.69%	-	-	1,701.75
APCD Tier 3	33,847.21	9,051.51	26.74%	5,519.02	-	16.31%	43.05%	-	-	14,570.53
SLOCPT Tier 1	8,101.67	2,522.86	31.14%	1,229.83	752.65	24.47%	55.61%	-	-	4,505.34
SLOCPT Tier 2	9,979.20	3,107.53	31.14%	563.83	927.06	14.94%	46.08%	-	-	4,598.42
SLOCPT Tier 3	13,521.05	4,341.62	32.11%	1,807.90	-	13.37%	45.48%	250.00	-	6,399.52
LAFCO Tier 3	10,614.28	3,411.43	32.14%	1,551.38	-	14.62%	46.76%	-	-	4,962.81
RTA Tier 2	29,710.40	9,373.62	31.55%	607.39	3,862.35	15.04%	46.59%	-	-	13,843.36
RTA Tier 3	13,600.80	4,384.73	32.24%	1,818.05	-	13.37%	45.61%	-	-	6,202.78
	8,762,630.08	2,836,565.77	32.37%	1,209,398.85	320,554.15	17.46%	49.83%	2,737.50	10,496.20	\$ 4,379,752.47

PP 21 10/21/2022	Pensionable Salary	Employer Contributions	Employer Rate	Employee Contributions	Employer for	Employee Rate	Combined Rate	Additional Contributions	Service Purchases	TOTAL Contributions
					Employee Contributions					
By Employer and Tier:										
County Tier 1	2,691,423.88	878,427.93	32.64%	387,221.67	229,823.27	22.93%	55.56%	2,487.50	1,365.43	1,499,325.80
County Tier 2	958,402.02	324,524.26	33.86%	68,671.17	81,196.77	15.64%	49.50%	-	-	474,392.20
County Tier 3	4,548,285.00	1,459,644.59	32.09%	656,918.58	-	14.44%	46.54%	-	1,751.30	2,118,314.47
Superior Court Tier 1	236,242.20	73,606.82	31.16%	51,013.54	-	21.59%	52.75%	-	-	124,620.36
Superior Court Tier 3	177,460.50	53,064.43	29.90%	29,461.04	-	16.60%	46.50%	-	-	82,525.47
APCD Tier 1	45,970.61	12,823.35	27.89%	7,643.97	3,680.19	24.63%	52.53%	-	-	24,147.51
APCD Tier 2	3,644.80	986.28	27.06%	505.89	209.58	19.63%	46.69%	-	-	1,701.75
APCD Tier 3	33,847.22	9,051.51	26.74%	5,519.03	-	16.31%	43.05%	-	-	14,570.54
SLOCPT Tier 1	8,101.67	2,522.86	31.14%	1,229.83	752.65	24.47%	55.61%	-	-	4,505.34
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RTA Tier 2	29,710.40	9,373.62	31.55%	607.39	3,862.35	15.04%	46.59%	-	-	13,843.36
RTA Tier 3	14,699.20	4,725.89	32.15%	1,979.19	-	13.46%	45.62%	-	-	6,705.08
	8,781,902.02	2,839,612.12	32.33%	1,214,694.41	320,451.87	17.48%	49.82%	2,737.50	3,116.73	\$ 4,380,612.63

TOTAL FOR THE MONTH	17,544,532.10	5,676,177.89	32.35%	2,424,093.26	641,006.02	17.47%	49.82%	5,475.00	13,612.93	\$ 8,760,365.10
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TOTAL YEAR TO DATE	180,265,299.76	56,271,599.06	31.22%	24,352,522.53	6,851,101.70	17.31%	48.53%	54,887.50	143,957.37	\$ 87,674,068.16
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REPORT OF RETIREMENTS

September 2022

RETIREE NAME	DEPARTMENT	BENEFIT TYPE *	EFFECTIVE DATE	MONTHLY BENEFIT	SS TEMP ANNUITY**
Barnard, Matthew B	Golf Courses	Service Retirement	09/03/2022	4,100.53	False
Barnard, Matthew B	Golf Courses	Additional Annuity	09/03/2022	2.92	False
Brown, Judith	Library	Service Retirement	09/01/2022	1,475.91	False
CARDWELL, SONDRAS	Superior Court	Service Retirement	09/16/2022	2,441.71	False
Cunningham, Marcia A	Library	Service Retirement	09/03/2022	8,735.22	False
Cunningham, Marcia A	Library	Additional Annuity	09/03/2022	13.66	False
Hall, Gregory L	Probation	Service Retirement	09/10/2022	456.01	False
Hall, Gregory L	Probation	Additional Annuity	09/10/2022	4.44	False
Heussen, Victoria B	Library	Service Retirement	09/04/2022	1,345.79	False
MORAIS, LISA L	Superior Court	Service Retirement	09/17/2022	2,530.58	False
Pinto, Gina M	Behavioral Health	Service Retirement	08/19/2022	5,805.15	True
Pinto, Gina M	Behavioral Health	Additional Annuity	08/19/2022	12.68	False
Rabbon, Corey	Public Works ISF	Service Retirement	09/14/2022	4,202.01	False

* Additional Annuity Benefits are calculated based on the Additional Contribution and associated Interest balance of the Retiree at the point of retirement (per Sections 5.07, 27.12, 28.12, 29.12, 30.12, and 31.12 of the Plan)

** If "True" Retiree has elected an optional Social Security Coordinated Temporary Annuity (per Section 13.06 of the Plan), actual monthly allowance will be increased until age 62 and then actuarially reduced going forward

REPORT OF RETIREMENTS**October 2022**

RETIREE NAME	DEPARTMENT	BENEFIT TYPE *	EFFECTIVE DATE	MONTHLY BENEFIT	SS TEMP ANNUITY**
Bodine, Rainer	Sheriff-Coroner	Duty Disability Retirement	09/07/2022	4,959.51	False
Daschian, Mari	District Attorney	DROP	10/01/2022	3,988.93	False
DePew, Matthew Tobias	Sheriff-Coroner	Duty Disability Retirement	10/04/2022	4,356.57	False
Harper, Karen L	ITD	Service Retirement	10/04/2022	8,695.80	False
Holley, Shane A	Sheriff-Coroner	Service Retirement	10/13/2022	3,302.05	True
Michels, David Victor	Public Health Department	Service Retirement	09/01/2022	584.86	False
Perez, Courtney Lynn	Sheriff-Coroner	Duty Disability Retirement	08/09/2022	3,104.25	False
Rechtfertig, Brent Ronald	Sheriff-Coroner	Service Retirement	09/13/2022	1,975.92	False

* Additional Annuity Benefits are calculated based on the Additional Contribution and associated Interest balance of the Retiree at the point of retirement (per Sections 5.07, 27.12, 28.12, 29.12, 30.12, and 31.12 of the Plan)

** If "True" Retiree has elected an optional Social Security Coordinated Temporary Annuity (per Section 13.06 of the Plan), actual monthly allowance will be increased until age 62 and then actuarially reduced going forward

Board of Trustees

1000 Mill Street
San Luis Obispo, CA 93408
Phone: (805) 781-5465
Fax: (805) 781-5697
www.SLOPensionTrust.org

San Luis Obispo County Pension Trust *SLOCPT*

Date: October 24, 2022

To: Board of Trustees

From: Carl Nelson – Executive Director
Amy Burke – Deputy Director

Agenda Item 5: Monthly Investment Report for September 2022

	September	Year to Date 2022	2021	2020	2019	2018	2017
Total Trust Investments (\$ millions)	\$1,561		\$1,775	\$1,552 year end	\$1,446 year end	\$1,285 year end	\$1,351 year end
Total Fund Return	-4.5% Gross	-11.6% Gross	15.2% Gross	8.9 % Gross	16.3 % Gross	-3.2 % Gross	15.5 % Gross
Policy Index Return (r)	-5.1%	-14.2%	12.8%	10.0 %	16.4 %	-3.2 %	13.4 %

- (r) Policy index as of Nov. 2021 Strategic Asset Allocation Policy with 2022 Interim targets:
- Public Mkt Equity- 24% Russell 3000, 17% MSCI ACWI ex-US
 - Public Mkt Debt- 11% Barclays US Aggregate,
 - Risk Diversifying 8% Barclays US Aggregate, 4% Barclays 7-10yr Treasury, 3% Barclays 5-10yr US TIPS
 - Real Estate & Infrastructure- 13% NCREIF Index (inc. Infrastructure)
 - Private Equity- 7% actual private equity returns
 - Private Credit- 4% actual private credit returns
 - Liquidity- 6% 90 day T-Bills
- Pending annual updates to interim targets.

SLOCPT Investment Returns:

The attached report from Verus covers the preliminary investment returns of the SLOCPT portfolio and general market conditions through the end of September. The attached market commentary from Verus details market conditions in September, but subsequent activity in October is not yet factored into these numbers. As of October 17th, the month has had volatile returns day by day with equities positive while bonds negative.

The Economy and Capital Markets:

- **Investment Markets**

- **Equity and Fixed Income Markets** – Boston Partners is a public market equity investment manager used by the SLOCPT. In their September portfolio report they summarized the month’s market action succinctly –

“September lived up to its reputation as the “cruellest month” with the S&P 500 Index falling by -9.21%, marking the worst monthly performance for the Index since March 2020, when the pandemic took the world by storm. The bond market, as measured by the BofA/ICE Investment Grade Bond Index, offered little relief with a loss of -4.47%. Markets were hampered by a third consecutive 75-basis point rate hike by the Federal Reserve, the most aggressive tightening since Paul Volcker’s chairmanship in 1980. At the post-decision press conference, current Fed Chairman Jerome Powell reiterated his pledge to squelch inflation by stating, “We have got to get inflation behind us. I wish there were a painless way to do that. There isn’t.”

A record 75-basis point rate hike by the European Central Bank, a jump in U.S. core inflation, conflicting – if not haphazard – monetary and fiscal policies out of the U.K., and Russia illegally annexing four Ukrainian territories, only added to the market turmoil during the month.

This quarter alone, the S&P posted a loss of -4.88%. The S&P has now fallen for three quarters in a row, the first time that has happened since the Global Financial Crisis in 2008.”

- **Markets Outlook** – JP Morgan Asset Management in its 4Q22 Global Asset Allocation Views report included the following summary points –
 - “Our base case sees sub-trend global growth in 2023, with recession in Europe and the UK. The U.S. may yet narrowly avoid recession next year; nevertheless, we expect sharp falls in goods markets, inventories and earnings.
 - Inflation is sticky in most regions, prompting rapid tightening in monetary policy. Global central banks look set to keep financial conditions restrictive in 2023 even as growth slows.
 - We are neutral duration and overweight cash in our multi-asset portfolios. U.S. bond yields may be nearing the top of their range, but other G4 yields have further to go, while cash rates in all regions are increasingly attractive.
 - We are underweight equities, as we expect meaningful downgrades to earnings globally, with our underweights broadly spread. In credit, we are neutral overall, but with a clear preference for investment grade over high yield.”

- **The Economy**

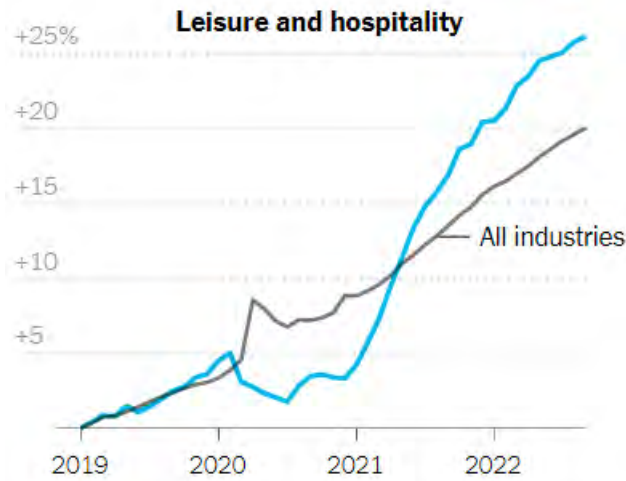
- **Inflation** – The September US CPI inflation report came in above expectations with an 8.2% year-over-year increase. Core inflation with volatile food and energy prices removed still increased with a 6.6% rise. The stubbornly persistent high rate of inflation keeps up pressure on the Fed to continue to tighten monetary policy in pursuit of its target inflation rate of 2%. This in turn put pressure on capital markets and corporate earnings expectations.

Social Security benefits that are indexed annually to CPI-W inflation rates, based on the September year-over-year increase, will increase 8.7% at the start of 2023. This will be the largest SS benefit COLA in over 40 years.

- **Economic Growth** – the International Monetary Fund (IMF) in its closely watched World Economic Outlook report on October 11th predicted “stormy waters” for the world economy as it downgraded its global growth projections. The October IMF report compared to IMF projections from January for global growth are –

IMF Global projections	<u>Jan. 2022</u>	<u>Oct. 2022</u>
Growth 2022	4.4%	3.2%
Growth 2023	3.8%	2.7%
Inflation 2022		8.8%
Inflation 2023		6.5%

- **New Jobs and Unemployment** - The September jobs report from the BLS on nonfarm employment continues to show an economy still in growth with a gain of 263k new jobs. The unemployment rate in September fell slightly to 3.5% equaling its 5-year low. The BLS report on job openings decreased in August from 11.2 million to 10.1 million possibly presaging a cooling of hiring.
- **Labor Force Participation** - The Labor Force participation rate fell slightly to 62.3% - about 1.1% below its pre-pandemic level. However, most of the decline in labor force participation is in the age 54 and up group. Labor force participation in the prime working age groups below age 54 has recovered to close to its pre-pandemic level. This belies some of the popular perception that “no one wants to work anymore” as a superficial explanation for labor shortages.
- **Wages** - Wage growth has subsided somewhat with average hourly earnings for September coming in at 5.0% above one-year ago. The pattern of wage growth has varied by economic sector as one would expect. The example of the Leisure and Hospitality industry relative to all industries non-manager wage growth from the BLS shown below is informative.



- Monetary Policy** – At the September 21st meeting the Fed boosted its policy interest rate by 0.75% to the range of 3.00% to 3.25%. As recently as last March, the Fed Funds rate was set at a near-zero rate highlighting the fastest Fed policy adjustment since the 1980s. In its announcement the Fed Open Market Committee stated –

“The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. In support of these goals, the Committee decided to raise the target range for the federal funds rate to 3 to 3-1/4 percent and anticipates that ongoing increases in the target range will be appropriate. In addition, the Committee will continue reducing its holdings of Treasury securities and agency debt and agency mortgage-backed securities, as described in the Plans for Reducing the Size of the Federal Reserve’s Balance Sheet that were issued in May. The Committee is strongly committed to returning inflation to its 2 percent objective.”

Notably, the Fed predicted that the Fed Funds rate could rise to 4.4% by year end and forecast markedly higher interest rates in the next several years. Fed Chair Powell stated that curbing growth to contain price increases was essential.

JP Morgan Asset Management in its 4Q22 Global Asset Allocation Views report included the following comments on Fed policy -

“As the projections from the September Federal Open Market Committee (FOMC) meeting make clear, policymakers are fully committed to reducing inflation even if it takes a toll on growth, and rates will remain elevated throughout next year. Should asset markets begin to discount a premature pause in rate hikes, threatening to undo policymakers’ efforts to tighten financial conditions, it would simply force central banks to double down. Realistically, the only way this hiking cycle ends or reverses early is with a sharp collapse into recession – hardly a reassuring backdrop for contrarian bulls.”

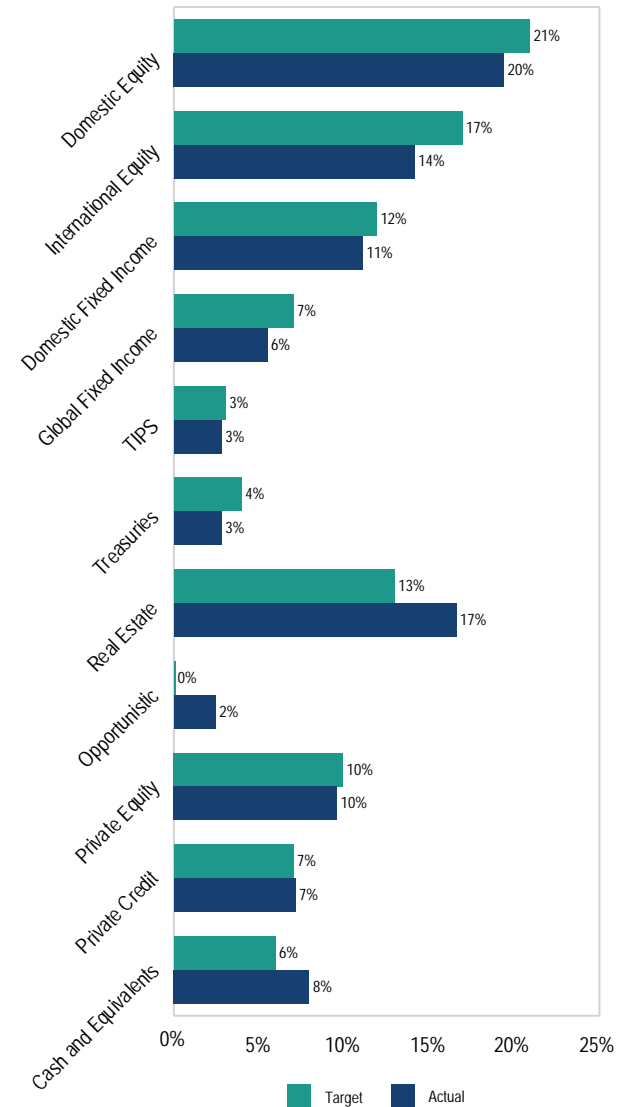
Respectfully Submitted,

Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	1 Mo	YTD
Total Fund	1,561,234,423	100.0	-4.5	-11.6
Interim Policy Index			-5.1	-14.2
FFP SAA Index			-3.6	-8.5
Total Growth	1,049,373,680	67.2	-5.0	-11.7
Custom Growth Benchmark			-5.3	-14.8
Total Public Equity	526,344,597	33.7	-8.8	-23.3
Russell 3000 Index			-9.3	-24.6
Total Domestic Equity	304,916,759	19.5	-8.4	-19.7
Russell 3000 Index			-9.3	-24.6
PIMCO RAE US	88,366,345	5.7	-8.4	-15.3
S&P 500 Index			-9.2	-23.9
Loomis Sayles Large Cap Growth	66,341,192	4.2	-9.4	-31.5
Russell 1000 Growth Index			-9.7	-30.7
Boston Partners Large Cap Value	82,309,838	5.3	-8.0	-14.6
Russell 1000 Value Index			-8.8	-17.8
Atlanta Capital Mgmt	67,899,384	4.3	-7.8	-17.5
Russell 2500 Index			-9.5	-24.0
Total International Equity	221,427,839	14.2	-9.5	-27.8
MSCI AC World ex USA Index			-9.9	-26.2
Dodge & Cox Intl Stock	117,980,857	7.6	-9.0	-19.3
MSCI AC World ex USA Value			-9.3	-20.5
WCM International Growth	103,446,982	6.6	-10.0	-36.2
MSCI AC World ex USA Growth			-10.6	-31.6
Total Private Equity	151,054,226	9.7		
Harbourvest Partners IX Buyout Fund L.P.	15,960,280	1.0		
Pathway Private Equity Fund Investors 9 L.P.	82,492,322	5.3		
Harbourvest 2018 Global Fund L.P.	21,680,844	1.4		
Harbourvest SLO Fund Private Equity	18,600,000	1.2		
Pathway Private Equity Fund Investors 10 L.P.	12,320,780	0.8		
Total Private Credit	112,051,474	7.2		
Sixth Street Partners DCP	74,593,620	4.8		
Harbourvest SLO Credit Fund	37,457,854	2.4		

Actual vs. Target Allocation (%)



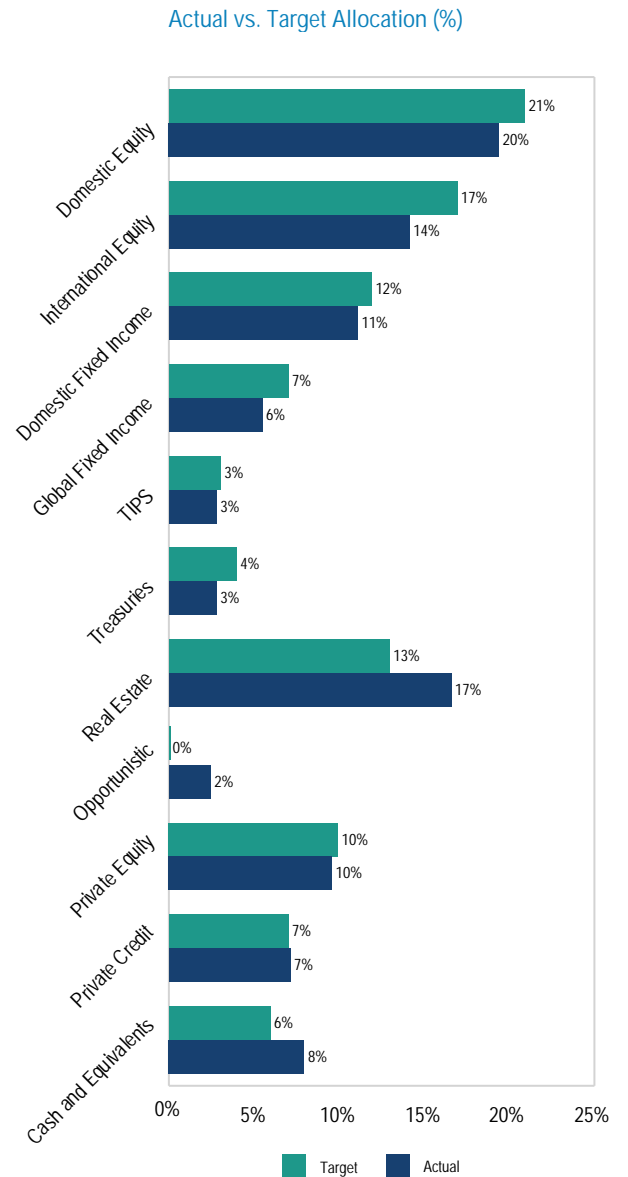
NNew Policy Index as of 1/1/2022 24% Russell 3000, 17% MSCI ACWI ex-US (Gross), 15% Bloomberg U.S. Aggregate, 7% FTSE WGBI, 4% Bloomberg US Treasury 7-10 yr, 3% Bloomberg US TIPS, 11% NCREIF Property Index, 7% Actual Private Equity Return, 4% Actual Private Credit Return, 6% 91 day T-Bills. 2% allocation to Infrastructure is to NCREIF Property, until a more appropriate benchmark is established. Private Equity, Private Credit and Opportunistic composite returns are lagged by one quarter. All returns are (G) Gross of fees. Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation. (e) To avoid unnecessary and possibly misleading Tracking Error, the Total Fund Policy Benchmark uses actual time-weighted private markets returns applied to actual private market asset class weights rounded to the nearest whole percentage point. The difference in actual weight versus target is allocated to the private market investment's public market "equivalent" (e.g., private equity to public equity; private credit to public fixed income, private real estate to public real estate). All data is preliminary



Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	1 Mo	YTD
Total Real Estate	259,923,382	16.6	-0.8	11.3
<i>NCREIF Property Index</i>			<i>3.2</i>	<i>12.3</i>
JP Morgan Core Real Estate	179,415,843	11.5	-1.1	9.8
<i>NCREIF-ODCE</i>			<i>0.5</i>	<i>13.1</i>
<i>NCREIF Property Index</i>			<i>3.2</i>	<i>12.3</i>
ARA American Strategic Value Realty	80,507,539	5.2	0.0	18.5
<i>NCREIF-ODCE</i>			<i>0.5</i>	<i>13.1</i>
<i>NCREIF Property Index</i>			<i>3.2</i>	<i>12.3</i>
Total Risk Diversifying	349,948,025	22.4	-4.8	-15.1
<i>Custom Risk Diversifying Benchmark</i>			<i>-4.6</i>	<i>-12.9</i>
Total Domestic Fixed Income	262,927,553	16.8	-4.1	-11.7
<i>Blmbg. U.S. Aggregate Index</i>			<i>-4.3</i>	<i>-14.6</i>
BlackRock Core Bond	55,672,348	3.6	-4.3	-16.7
<i>Blmbg. U.S. Aggregate Index</i>			<i>-4.3</i>	<i>-14.6</i>
Dodge & Cox Income Fund	52,694,726	3.4	-4.2	-13.0
<i>Blmbg. U.S. Aggregate Index</i>			<i>-4.3</i>	<i>-14.6</i>
Pacific Asset Corporate Loan	66,541,979	4.3	-2.7	-3.0
<i>Morningstar LSTA US Leveraged Loan</i>			<i>-2.3</i>	<i>-3.3</i>
SSGA U.S. Govt Bond Index	43,879,417	2.8	-3.4	-13.0
<i>Blmbg. U.S. Treasury: 7-10 Year</i>			<i>-4.7</i>	<i>-15.7</i>
BlackRock TIPS	44,139,082	2.8	-6.6	-13.6
<i>Blmbg. U.S. TIPS</i>			<i>-6.6</i>	<i>-13.6</i>
Total Global Fixed	87,020,473	5.6	-6.9	-24.0
<i>FTSE World Government Bond Index</i>			<i>-5.1</i>	<i>-21.3</i>
Brandywine Global Fixed Income	38,490,197	2.5	-6.5	-20.0
<i>FTSE Non-U.S. World Government Bond</i>			<i>-6.4</i>	<i>-26.8</i>
Ashmore EM Blended Debt Fund	48,530,276	3.1	-7.2	-27.5
<i>50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMI+</i>			<i>-5.2</i>	<i>-20.0</i>

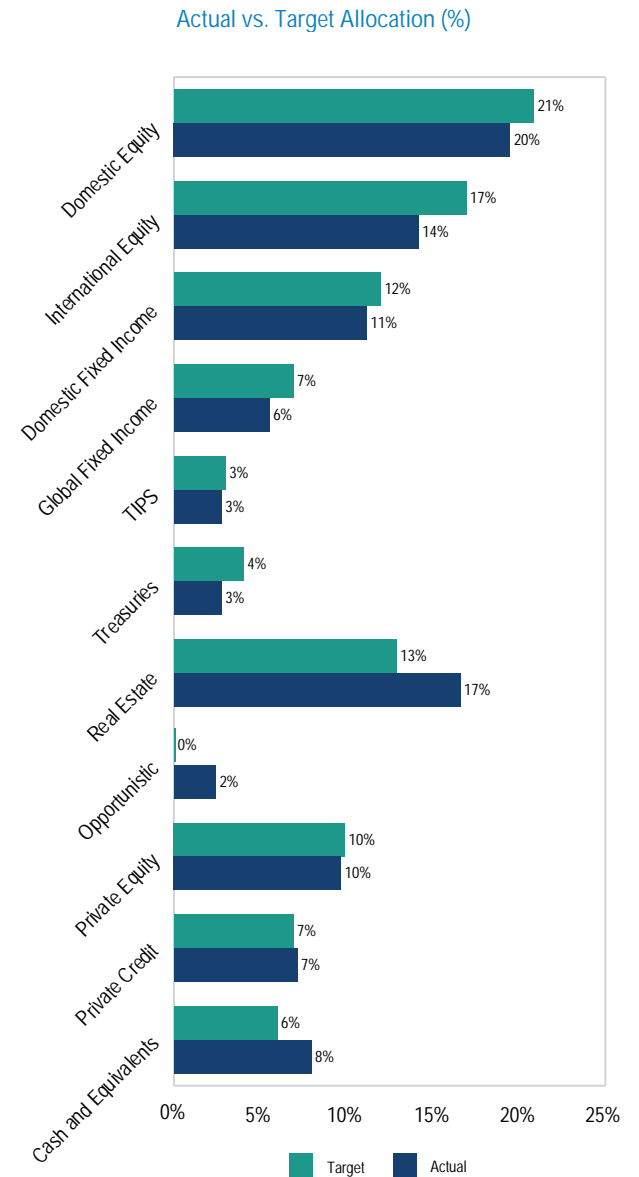


New Policy Index as of 1/1/2022 24% Russell 3000, 17% MSCI ACWI ex-US (Gross), 15% Bloomberg U.S. Aggregate, 7% FTSE WGBI, 4% Bloomberg US Treasury 7-10 yr, 3% Bloomberg US TIPS, 11% NCREIF Property Index, 7% Actual Private Equity Return, 4% Actual Private Credit Return, 6% 91 day T-Bills. 2% allocation to Infrastructure is to NCREIF Property, until a more appropriate benchmark is established. Private Equity, Private Credit and Opportunistic composite returns are lagged by one quarter. All returns are (G) Gross of fees. Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation. (e) To avoid unnecessary and possibly misleading Tracking Error, the Total Fund Policy Benchmark uses actual time-weighted private markets returns applied to actual private market asset class weights rounded to the nearest whole percentage point. The difference in actual weight versus target is allocated to the private market investment's public market "equivalent" (e.g., private equity to public equity; private credit to public fixed income, private real estate to public real estate). All data is preliminary

Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	1 Mo	YTD
Total Liquidity	161,912,718	10.4	-0.2	-1.4
<i>90 Day U.S. Treasury Bill</i>			<i>0.2</i>	<i>0.6</i>
Total Cash	123,885,707	7.9	-0.3	-1.5
<i>90 Day U.S. Treasury Bill</i>			<i>0.2</i>	<i>0.6</i>
PIMCO Short Duration Fund	32,970,365	2.1	-1.3	-5.1
<i>Bimbg. 1-3 Year Gov/Credit index</i>			<i>-1.2</i>	<i>-4.5</i>
Cash Account	73,575,351	4.7	0.0	0.2
<i>90 Day U.S. Treasury Bill</i>			<i>0.2</i>	<i>0.6</i>
Investment Cash	17,339,991	1.1	0.0	0.0
<i>90 Day U.S. Treasury Bill</i>			<i>0.2</i>	<i>0.6</i>
Total Opportunistic	38,027,011	2.4		
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	4,243,395	0.3		
Sixth Street Partners TAO	33,783,616	2.2		



New Policy Index as of 1/1/2022 24% Russell 3000, 17% MSCI ACWI ex-US (Gross), 15% Bloomberg U.S. Aggregate, 7% FTSE WGBI, 4% Bloomberg US Treasury 7-10 yr, 3% Bloomberg US TIPS, 11% NCREIF Property Index, 7% Actual Private Equity Return, 4% Actual Private Credit Return, 6% 91 day T-Bills. 2% allocation to Infrastructure is to NCREIF Property, until a more appropriate benchmark is established. Private Equity, Private Credit and Opportunistic composite returns are lagged by one quarter. All returns are (G) Gross of fees. Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation. (e) To avoid unnecessary and possibly misleading Tracking Error, the Total Fund Policy Benchmark uses actual time-weighted private markets returns applied to actual private market asset class weights rounded to the nearest whole percentage point. The difference in actual weight versus target is allocated to the private market investment's public market "equivalent" (e.g., private equity to public equity; private credit to public fixed income, private real estate to public real estate). All data is preliminary

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**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**

SEPTEMBER 2022
Capital Markets Update

Market commentary

U.S. ECONOMICS

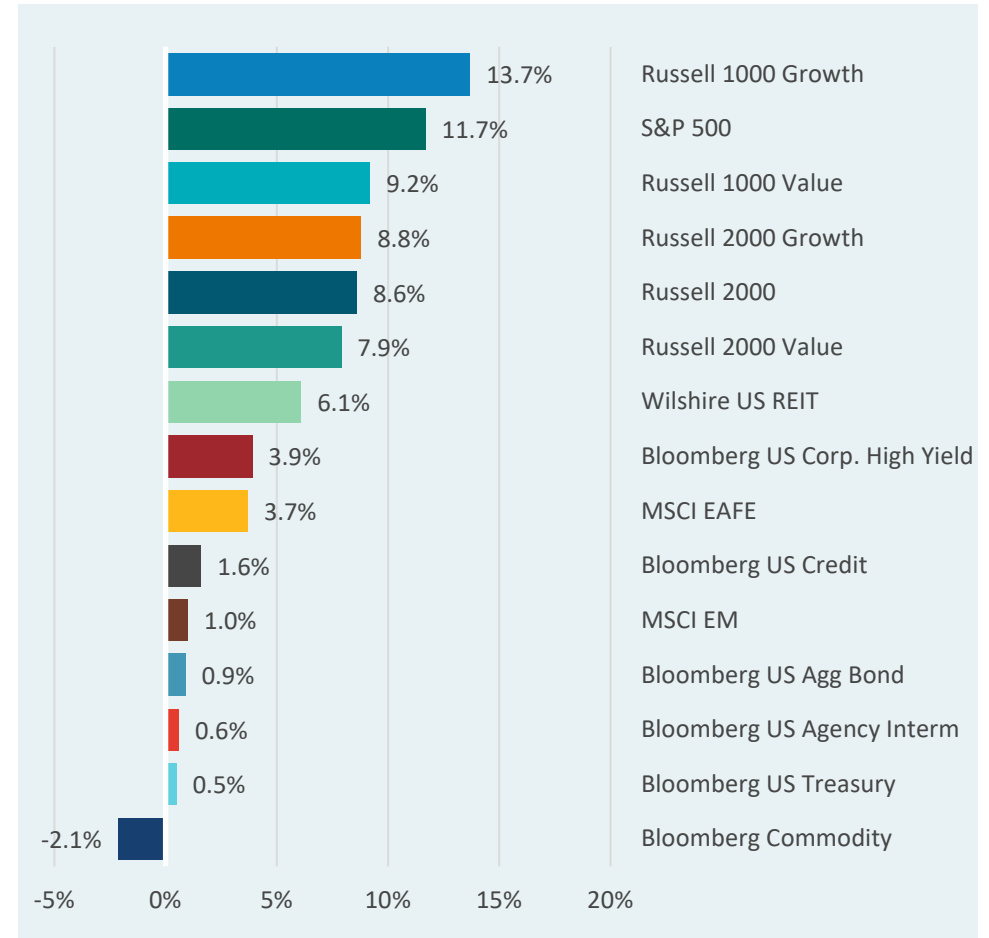
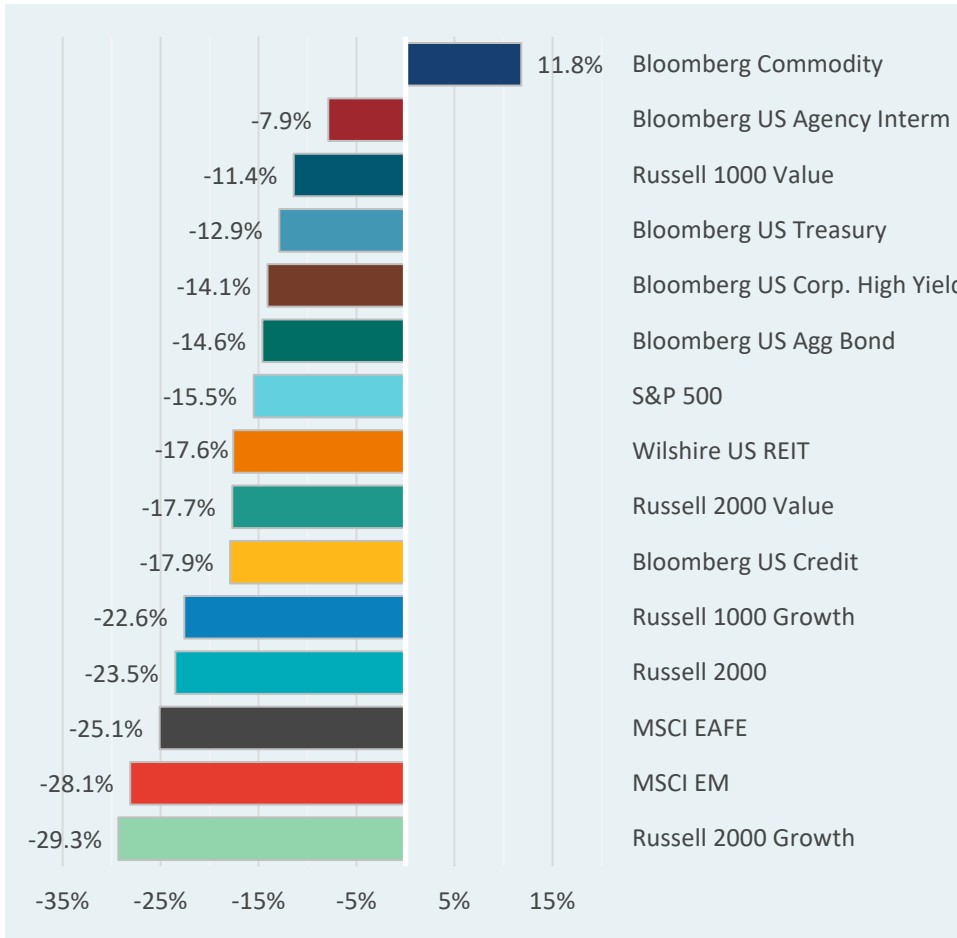
- The labor market remained strong in September. Non-farm payrolls increased by 263,000 and the unemployment rate fell to 3.5%, down from the month prior and below the expected 3.7% rate. The decline in unemployment was driven in part by a lower labor force participation rate (62.3%) which came in below expectations (62.4%).
- The ISM manufacturing index totaled 50.9 in September, down from 52.8 a month ago. Decreases in backlogs and new orders contributed to the month-over-month decline as companies adjusted to a potential drop in future demand.
- At month end, the Atlanta Fed GDP Now Forecast for Q3 quarter-over-quarter U.S. GDP growth measured +2.4%, down -20 basis points from the +2.6% reading at the beginning of the month.

U.S. EQUITIES

- The S&P 500 Index closed September -9.2% lower. The year-to-date return at month end (-23.9%) marked the largest three-quarter descent for the index since 2002.
- Expectations for the Q3 S&P 500 earnings growth rate fell -6.9% over the duration of the quarter. As of September 30th, the estimated earnings growth rate for the index measured +2.9%, down from +9.8% on June 30th, per FactSet. This marked the largest revision of quarterly earnings growth estimates since Q2 2020.
- Continued U.S. Dollar strength has weighed on the earnings outlook of S&P 500 companies with a majority exposure to international revenues. Per FactSet, index constituents with 50% or more domestic revenue are expected to see Q3 earnings growth of +4.5% compared to -1.0% for companies with 50% or more international revenue.

Major asset class returns

ONE YEAR ENDING SEPTEMBER



U.S. large cap equities

- The S&P 500 Index fell -9.2% in September despite gains early in the month. Investor sentiment reversed dramatically upon release of a hotter-than-expected August inflation print and remained negative after a third consecutive 75-basis point hike enacted by the Fed toward month end.
- Monthly declines were broad as all 11 S&P 500 GICS Sectors ended the month lower. Real Estate (-13.2%), Communication Services (-12.2%), and Information Technology (-12.0%) were the worst performers while Health Care (-2.6%), Financials (-7.8%), and Consumer Staples (-8.0%) fell the least.
- Expected volatility remained high throughout September. The Cboe VIX Volatility Index, a measure of implied volatility on the S&P 500, ended the month 5.8 points higher. The month-end close of 31.6 exceeded year-to-date and 1-year daily averages and measured 1.8x higher than the 10-year daily average of 17.7.
- At month end, the forward price-to-earnings ratio for the S&P 500 (15.2x) measured -29.0% lower than the beginning of the year (21.4x). The forward-looking multiple stands below its 5-year (18.6x) and 10-year (17.1x) averages.

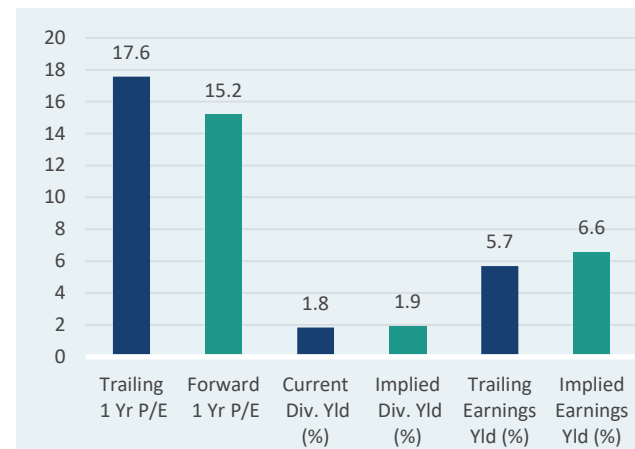
S&P 500 PRICE INDEX



IMPLIED VOLATILITY (VIX INDEX)



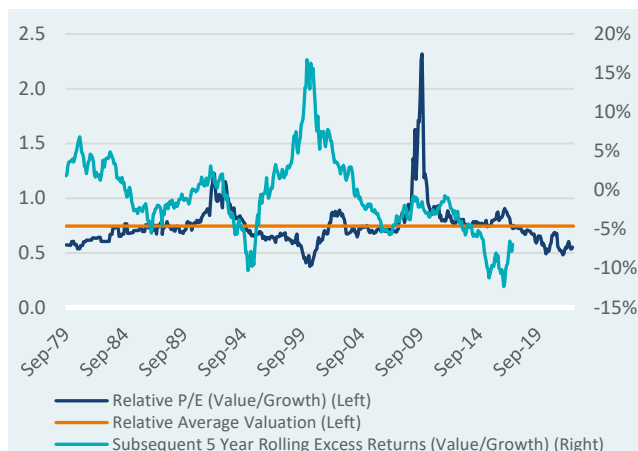
S&P 500 VALUATION SNAPSHOT



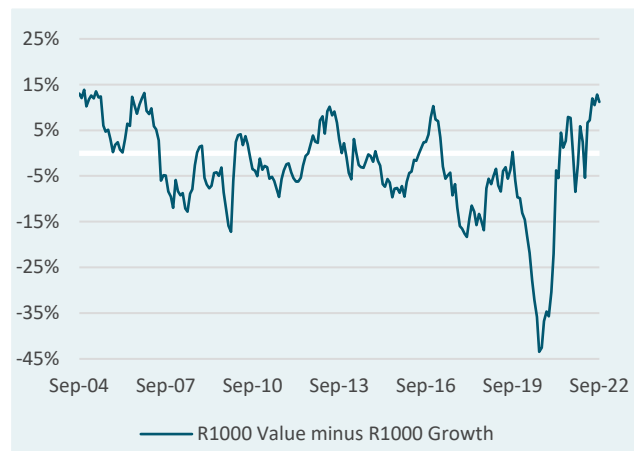
Domestic equity size and style

- September declines were similar across equity sizes as large-cap equities (Russell 1000 Index -9.3%) narrowly outperformed small-cap equities (Russell 2000 Index -9.6%) and performed in-line with mid-cap equities (Russell MidCap Index -9.3%).
- Style performance was mixed across size classifications. Large-cap growth (Russell 1000 Growth Index -9.7%) fell more than value (Russell 1000 Value Index -8.8%) while small-cap growth (Russell 2000 Growth Index -9.0%) outperformed small-cap value (Russell 2000 Value Index -10.2%).
- Negative moves remained broad across S&P 500 Index constituents in September – 94.6% of members ended lower. Individual declines were steep over the month as negative movers dropped by an average of -10.3%.
- In the third quarter, small-cap growth (Russell 2000 Growth Index) returned +0.2% and was the top performer among domestic style indices. Contrary to trends in large-cap equities, small-cap growth has outperformed small-cap value for four consecutive months.

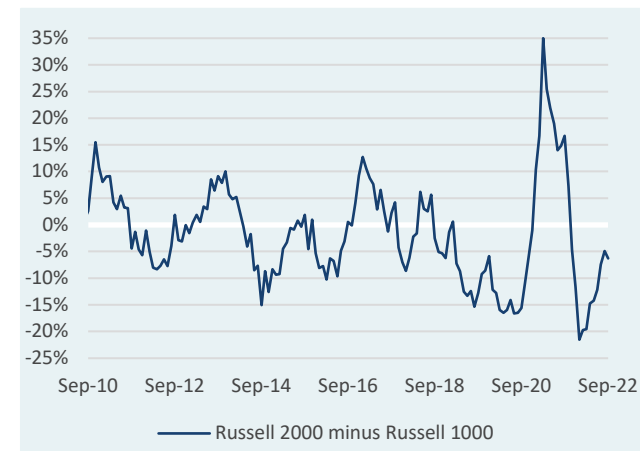
VALUE VS. GROWTH RELATIVE VALUATIONS



VALUE VS. GROWTH 1-YR ROLLING RELATIVE PERFORMANCE

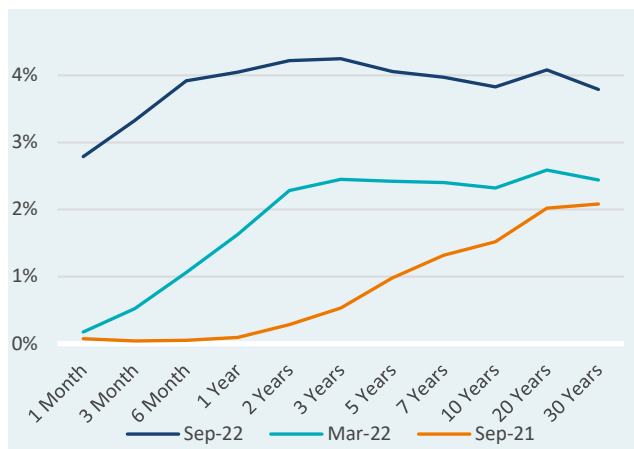


SMALL VS. LARGE 1-YR ROLLING RELATIVE PERFORMANCE

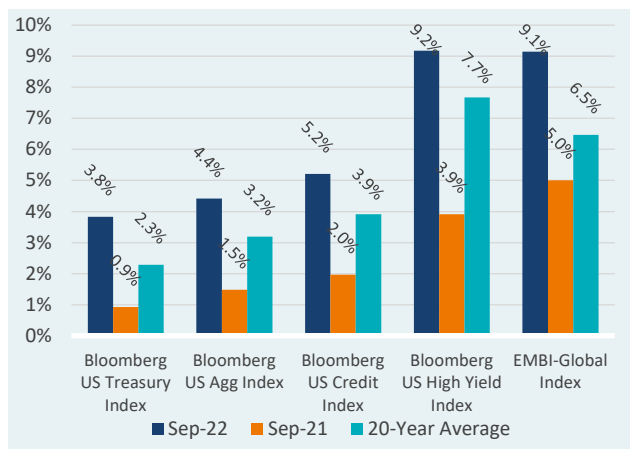


Fixed income

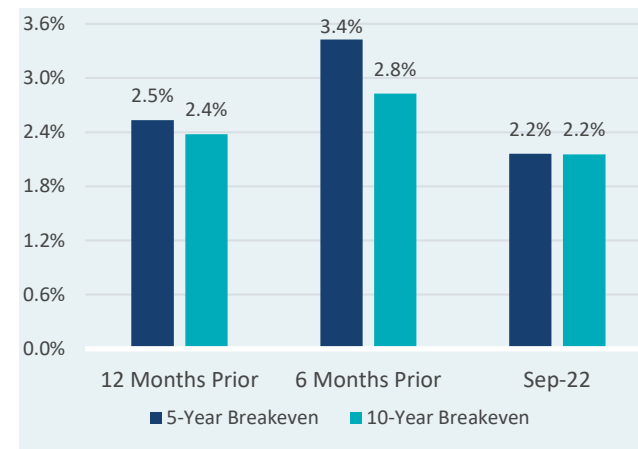
U.S. TREASURY YIELD CURVE



NOMINAL YIELDS



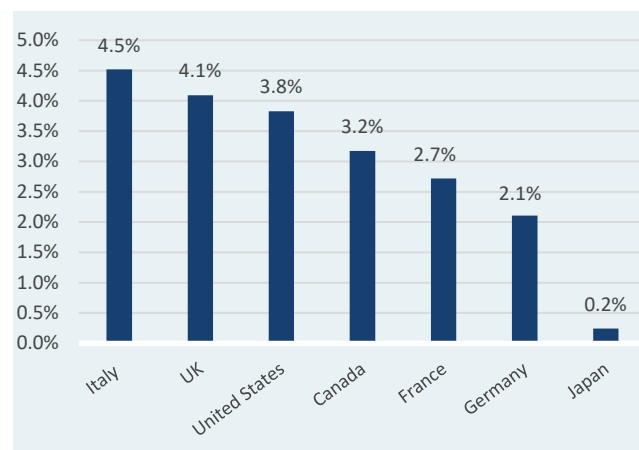
BREAKEVEN INFLATION RATES



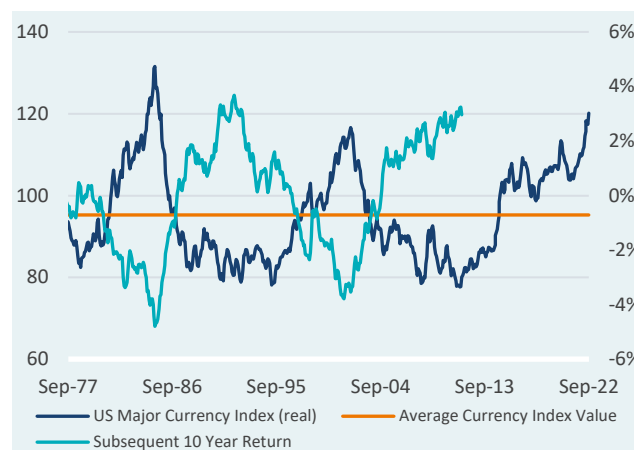
Global markets

- Global equities (MSCI ACWI Index -9.6%) fell sharply over the month and declines were broad across regional indices. Developed market equities (MSCI EAFE Index -9.4%) outperformed emerging market equities (MSCI EM -11.7%) due largely to weakness in emerging Asian countries (MSCI EM Asia -13.7%).
- Japanese equities (MSCI Japan Index -10.4%) fared worse than international developed peers in September as the Yen continued its decline against the Dollar. In an effort to protect the currency against greater weakness, the Bank of Japan intervened in foreign exchange markets for the first time since 1998.
- The MSCI China Index fell -14.6% over the month as the country's zero-Covid policy has allowed lockdowns to continue. Chinese Information Technology names (-19.6%) were hit especially hard in September as the U.S. Government instituted a new license requirement for domestic companies exporting microchips to China that support technologies such as AI.
- Latin American equities (MSCI EM Latin America Index -3.3%) widely outperformed emerging market peers. The index was supported by Brazil's (MSCI Brazil Index -3.3%) continued outperformance along with sustained strength in the Mexican Peso (+0.0%).

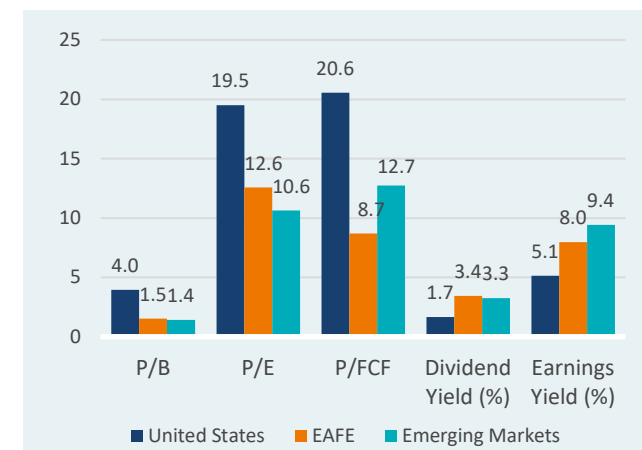
GLOBAL SOVEREIGN 10-YEAR YIELDS



U.S. DOLLAR MAJOR CURRENCY INDEX



MSCI VALUATION METRICS (3-MONTH AVG)



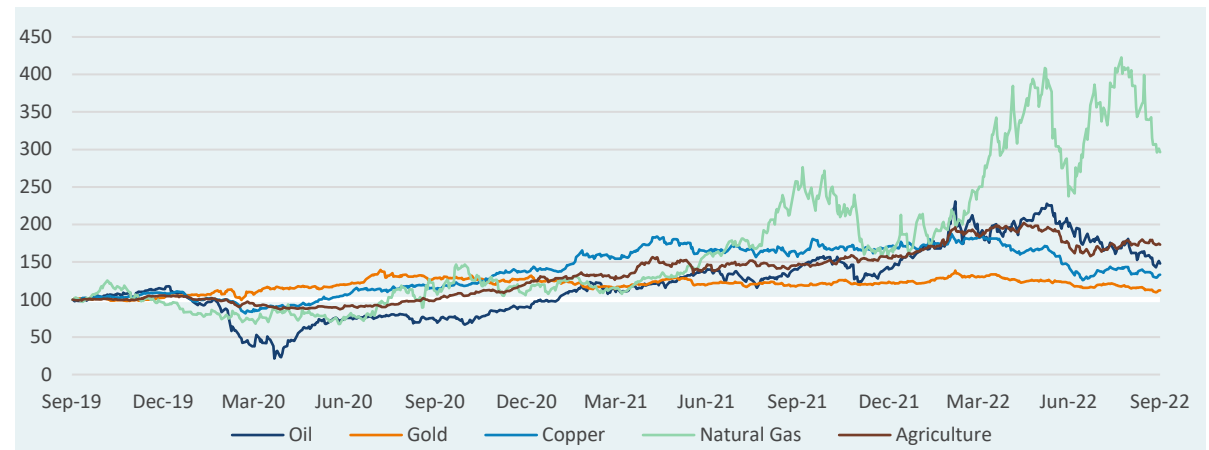
Commodities

- The Bloomberg Commodity Index dropped -8.1%, its largest decline since June. The index fell alongside large pullbacks in energy (Bloomberg Energy Subindex -16.6%) and petroleum prices (Bloomberg Petroleum Subindex -9.6%) which weighed on overall performance.
- The Bloomberg Grains Subindex (+2.2%) advanced marginally in September despite easing tensions in global supply. Soft Red Winter wheat (+10.8%) and Hard Red Winter wheat (+8.7%) prices jumped over the month. Corn prices (+1.0%) moved slightly higher due to prolonged droughts that have led to trimmed global harvest expectations.

- Energy performance was broadly negative in September. Natural gas prices (-25.9%) fell on stronger than expected output. Lower projected demand contributed to the price move as E.U. natural gas storage reached 91% of capacity, above the 80% target by November 1st. Brent Crude also declined (-11.0%) from \$95.64 to \$85.14 per barrel.
- The Bloomberg Industrial Metals Subindex (-6.3%) fell for a second consecutive month as zinc (-14.5%), aluminum (-8.5%), and copper (-3.0%) all declined amid expectations of a global slowdown and weaker demand. Industrial Metals has been the worst performing BCOM subindex year-to-date, falling -16.2% over the period.

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Bloomberg Commodity	(8.1)	(4.1)	13.6	11.8	13.5	7.0	(2.1)
Bloomberg Agriculture	(1.6)	(0.2)	12.8	19.9	21.3	8.2	(2.1)
Bloomberg Energy	(16.6)	(5.4)	49.8	30.3	11.4	6.8	(6.3)
Bloomberg Grains	2.2	2.0	18.4	26.4	20.9	8.7	(3.3)
Bloomberg Industrial Metals	(6.3)	(7.3)	(16.2)	(9.0)	8.2	3.9	(0.4)
Bloomberg Livestock	(2.4)	2.5	(1.0)	0.9	(6.2)	(4.7)	(3.5)
Bloomberg Petroleum	(9.4)	(17.2)	35.4	38.4	14.3	10.6	(4.2)
Bloomberg Precious Metals	(0.9)	(7.6)	(11.7)	(7.8)	2.6	3.5	(2.9)
Bloomberg Softs	(7.0)	(3.9)	(0.7)	4.9	18.8	4.6	(3.2)

COMMODITY PERFORMANCE



Appendix

Periodic table of returns

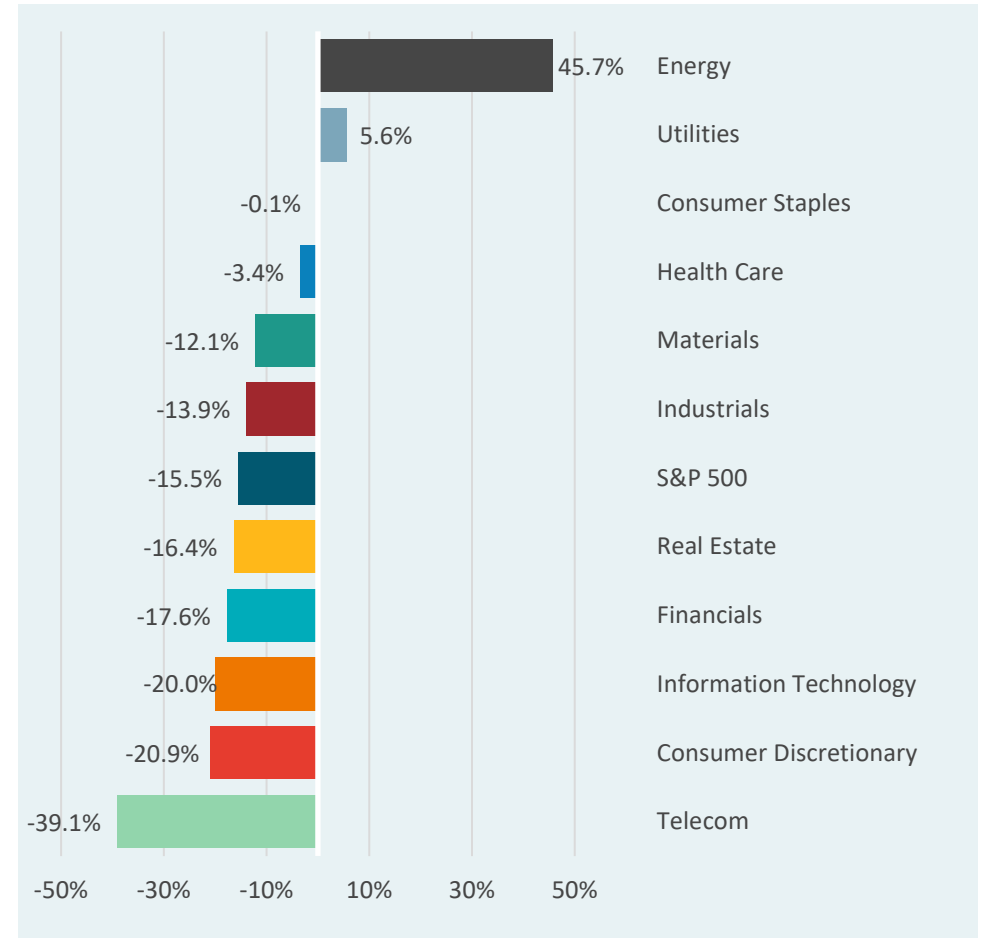
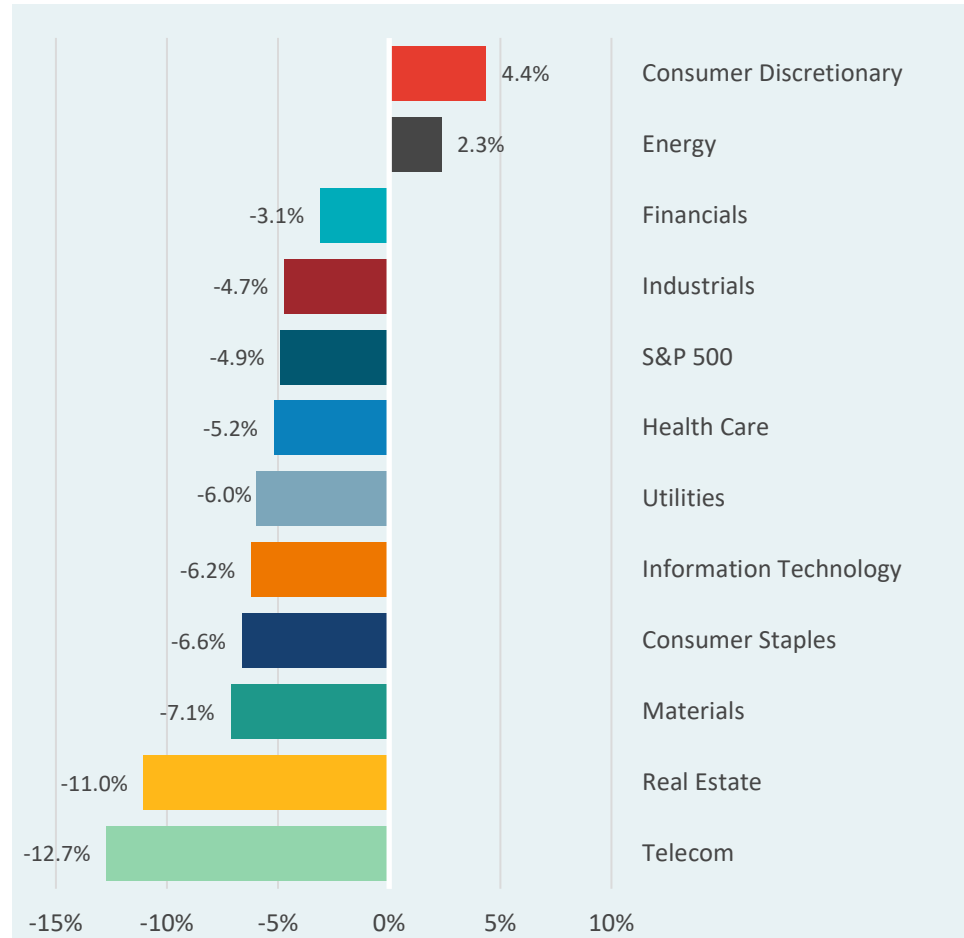
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	5-Year	10-Year
Commodities	31.8	14.0	25.9	56.3	26.0	34.5	32.6	39.8	5.2	79.0	29.1	14.3	18.6	43.3	13.5	13.3	31.7	37.3	6.7	36.4	38.5	28.3	13.6	12.2	13.7
Real Estate	22.8	8.4	10.3	48.5	22.2	21.4	26.9	16.2	1.4	37.2	26.9	7.8	18.1	38.8	13.2	5.7	21.3	30.2	1.9	31.4	34.6	27.6	8.7	9.0	11.6
Cash	12.2	7.3	6.7	47.3	20.7	20.1	23.5	15.8	-6.5	34.5	24.5	2.6	17.9	34.5	13.0	0.9	17.3	25.0	0.0	28.5	21.0	27.1	0.6	8.9	9.7
Hedge Funds of Funds	11.6	3.3	1.6	46.0	18.3	14.0	22.2	11.8	-21.4	32.5	19.2	1.5	17.5	33.5	11.8	0.6	12.1	22.2	-1.5	26.5	20.0	26.5	-5.9	7.0	9.2
Large Cap Value	7.0	2.8	1.0	39.2	16.5	7.5	18.4	11.6	-25.9	28.4	16.8	0.4	16.4	33.1	6.0	0.0	11.8	21.7	-3.5	25.5	18.3	25.2	-14.6	5.3	8.8
US Bonds	4.1	-2.4	-6.0	29.9	14.3	6.3	15.5	10.3	-33.8	23.3	16.1	-2.1	15.3	23.3	4.9	-0.8	11.2	14.6	-6.0	22.4	14.0	17.7	-17.8	3.6	8.6
Small Cap Value	6.0	2.5	-5.9	30.0	14.5	7.1	16.6	10.9	-28.9	27.2	16.7	0.1	16.3	32.5	5.6	-0.4	11.3	17.1	-4.8	22.0	10.3	14.8	-21.1	3.6	7.9
60/40 Global Portfolio	-3.0	-5.6	-11.4	29.7	12.9	5.3	15.1	7.0	-35.6	20.6	15.5	-2.9	14.6	12.1	4.2	-1.4	8.0	13.7	-8.3	18.6	7.8	11.3	-23.3	3.3	4.1
Large Cap Equity	-7.3	-9.1	-15.5	25.2	11.4	4.7	13.3	7.0	-36.8	19.7	13.1	-4.2	11.5	11.0	3.4	-2.5	7.1	7.8	-9.3	18.4	7.5	8.9	-24.6	2.9	3.7
Small Cap Equity	-7.8	-9.2	-15.7	23.9	9.1	4.6	10.4	5.8	-37.6	18.9	10.2	-5.5	10.5	9.0	2.8	-3.8	5.7	7.7	-11.0	8.7	4.6	6.5	-25.1	2.0	3.6
Emerging Markets Equity	-14.0	-12.4	-20.5	11.6	6.9	4.6	9.1	4.4	-38.4	11.5	8.2	-5.7	4.8	0.1	0.0	-4.4	2.6	7.0	-11.2	7.8	2.8	2.8	-27.1	1.1	1.0
International Equity	-22.4	-19.5	-21.7	9.0	6.3	4.2	4.8	-0.2	-38.5	5.9	6.5	-11.7	4.2	-2.0	-1.8	-7.5	1.0	3.5	-12.9	7.7	0.5	0.0	-27.2	-0.3	0.9
Small Cap Growth	-22.4	-20.4	-27.9	4.1	4.3	3.2	4.3	-1.6	-43.1	0.2	5.7	-13.3	0.1	-2.3	-4.5	-14.9	0.5	1.7	-13.8	6.4	0.5	-1.5	-29.3	-0.8	0.6
Large Cap Growth	-30.6	-21.2	-30.3	1.0	1.4	2.4	2.1	-9.8	-53.2	-16.9	0.1	-18.2	-1.1	-9.5	-17.0	-24.7	0.3	0.9	-14.6	2.1	-3.1	-2.5	-30.7	-1.8	-2.1

WORST

 Large Cap Equity	 Small Cap Growth	 Commodities
 Large Cap Value	 International Equity	 Real Estate
 Large Cap Growth	 Emerging Markets Equity	 Hedge Funds of Funds
 Small Cap Equity	 US Bonds	 60% MSCI ACWI/40% Bloomberg Global Bond
 Small Cap Value	 Cash	

S&P 500 sector returns

QTD



Detailed index returns

DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Core Index							
S&P 500	(9.2)	(4.9)	(23.9)	(15.5)	8.2	9.2	11.7
S&P 500 Equal Weighted	(9.2)	(4.8)	(20.7)	(13.5)	7.7	8.0	11.5
DJ Industrial Average	(8.8)	(6.2)	(19.7)	(13.4)	4.4	7.4	10.5
Russell Top 200	(9.2)	(5.0)	(24.7)	(16.4)	9.0	10.0	12.1
Russell 1000	(9.3)	(4.6)	(24.6)	(17.2)	7.9	9.0	11.6
Russell 2000	(9.6)	(2.2)	(25.1)	(23.5)	4.3	3.6	8.6
Russell 3000	(9.3)	(4.5)	(24.6)	(17.6)	7.7	8.6	11.4
Russell Mid Cap	(9.3)	(3.4)	(24.3)	(19.4)	5.2	6.5	10.3
Style Index							
Russell 1000 Growth	(9.7)	(3.6)	(30.7)	(22.6)	10.7	12.2	13.7
Russell 1000 Value	(8.8)	(5.6)	(17.8)	(11.4)	4.4	5.3	9.2
Russell 2000 Growth	(9.0)	0.2	(29.3)	(29.3)	2.9	3.6	8.8
Russell 2000 Value	(10.2)	(4.6)	(21.1)	(17.7)	4.7	2.9	7.9

INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
MSCI ACWI	(9.6)	(6.8)	(25.6)	(20.7)	3.7	4.4	7.3
MSCI ACWI ex US	(10.0)	(9.9)	(26.5)	(25.2)	(1.5)	(0.8)	3.0
MSCI EAFE	(9.4)	(9.4)	(27.1)	(25.1)	(1.8)	(0.8)	3.7
MSCI EM	(11.7)	(11.6)	(27.2)	(28.1)	(2.1)	(1.8)	1.0
MSCI EAFE Small Cap	(11.5)	(9.8)	(32.1)	(32.1)	(2.2)	(1.8)	5.3
Style Index							
MSCI EAFE Growth	(9.7)	(8.5)	(33.0)	(30.3)	(1.5)	0.7	4.7
MSCI EAFE Value	(9.0)	(10.2)	(21.1)	(20.2)	(2.8)	(2.7)	2.4
Regional Index							
MSCI UK	(8.8)	(10.8)	(18.7)	(14.1)	(1.7)	(1.1)	1.9
MSCI Japan	(10.4)	(7.7)	(26.4)	(29.3)	(2.6)	(0.6)	4.8
MSCI Euro	(8.4)	(10.0)	(32.7)	(30.0)	(3.8)	(3.2)	3.2
MSCI EM Asia	(13.2)	(14.0)	(28.8)	(29.5)	(0.8)	(1.1)	3.1
MSCI EM Latin American	(3.3)	3.6	3.0	0.2	(3.4)	(2.6)	(2.3)

FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
Bloomberg US TIPS	(6.6)	(5.1)	(13.6)	(11.6)	0.8	2.0	1.0
Bloomberg US Treasury Bills	0.2	0.4	0.4	0.4	0.6	1.1	0.7
Bloomberg US Agg Bond	(4.3)	(4.8)	(14.6)	(14.6)	(3.3)	(0.3)	0.9
Bloomberg US Universal	(4.3)	(4.5)	(14.9)	(14.9)	(3.1)	(0.2)	1.2
Duration							
Bloomberg US Treasury 1-3 Yr	(1.2)	(1.5)	(4.5)	(5.1)	(0.5)	0.5	0.6
Bloomberg US Treasury Long	(7.9)	(9.6)	(28.8)	(26.6)	(8.5)	(1.6)	0.6
Bloomberg US Treasury	(3.5)	(4.3)	(13.1)	(12.9)	(3.1)	(0.2)	0.5
Issuer							
Bloomberg US MBS	(5.1)	(5.3)	(13.7)	(14.0)	(3.7)	(0.9)	0.5
Bloomberg US Corp. High Yield	(4.0)	(0.6)	(14.7)	(14.1)	(0.5)	1.6	3.9
Bloomberg US Agency Interm	(1.8)	(2.4)	(7.2)	(7.9)	(1.4)	0.2	0.6
Bloomberg US Credit	(5.1)	(4.9)	(18.1)	(17.9)	(3.6)	(0.0)	1.6

OTHER

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
Bloomberg Commodity	(8.1)	(4.1)	13.6	11.8	13.5	7.0	(2.1)
Wilshire US REIT	(12.3)	(10.2)	(29.7)	(17.6)	(2.2)	2.9	6.1
CS Leveraged Loans	(2.2)	1.2	(3.3)	(2.6)	2.1	3.0	3.7
S&P Global Infrastructure	(11.8)	(9.6)	(10.1)	(6.0)	(0.1)	2.1	5.7
Alerian MLP	(7.5)	8.4	19.0	20.0	3.1	1.2	1.7
Regional Index							
JPM EMBI Global Div	(6.4)	(4.6)	(23.9)	(24.3)	(7.2)	(2.6)	1.1
JPM GBI-EM Global Div	(4.9)	(4.7)	(18.6)	(20.6)	(7.1)	(3.9)	(2.4)
Hedge Funds							
HFRI Composite	(2.3)	(0.6)	(6.2)	(5.8)	6.2	4.5	4.6
HFRI FOF Composite	(0.6)	0.7	(5.9)	(5.5)	4.5	3.3	3.6
Currency (Spot)							
Euro	(2.6)	(3.9)	(13.9)	(15.5)	(3.5)	(3.7)	(2.7)
Pound Sterling	(4.1)	(8.3)	(17.6)	(17.2)	(3.2)	(3.6)	(3.6)
Yen	(4.2)	(7.7)	(20.4)	(22.9)	(9.3)	(4.9)	(6.0)

Detailed private market returns

Comparison to public market index returns

Private Equity Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Global Private Equity FoFs & Secondary Funds	25.6	25.5	20.2	14.4
Global Private Equity Direct Funds *	22.6	26.4	22.3	16.8
U.S. Private Equity Direct Funds *	27.2	29.3	24.1	18.5
Europe Private Equity Direct Funds *	24.0	25.3	23.1	15.0
Asia Private Equity Direct Funds *	2.3	15.5	14.9	13.9

Public Index Time-weighted Returns				
MSCI World	10.1	15.0	12.4	10.9
S&P 500	15.6	18.9	16.0	14.6
MSCI Europe	3.5	8.2	6.9	6.3
MSCI AC Asia Pacific	(9.5)	6.5	6.6	6.1

Private Real Estate Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Real Estate	33.1	14.4	12.5	13.3

Public Index Time-weighted Returns				
FTSE NAREIT Equity REIT	26.4	11.1	9.6	9.8

Private Credit Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Debt **	25.8	16.4	13.7	12.2

Public Index Time-weighted Returns				
S&P / LSTA U.S. Leveraged Loan 100 Index	2.3	3.8	3.7	3.9

Private Real Assets Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Global Nature Resources ***	33.7	4.5	4.0	2.9
Global Infrastructure	17.3	12.5	12.5	11.3

Public Index Time-weighted Returns				
S&P Global Natural Resources	30.8	15.4	12.5	5.5
S&P Global Infrastructure	16.7	8.0	7.7	7.8

Source: Pooled IRRs are from Thompson Reuters CJA and Time-weighted Returns are from Investment Metrics, as of March 31st, 2022. All returns in U.S. dollars.

* Includes Buyout, Growth Equity and Venture Capital.

** Includes Control-Oriented Distressed, Credit Opportunities, Senior Debt and Subordinated Capital.

*** Includes Private Equity Energy, Timber and Upstream Energy & Royalties.

Notices & disclosures

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

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Board of Trustees

1000 Mill Street
San Luis Obispo, CA 93408
Phone: (805) 781-5465
Fax: (805) 781-5697
www.SLOPensionTrust.org



Date: November 28, 2022

To: Board of Trustees

From: Carl Nelson – Executive Director
Amy Burke – Deputy Director

Agenda Item 6: Investment and Banking Authority

Recommendation:

Staff recommends that the Board approve and adopt the attached Resolution 2022-05 and accompanying Incumbency Certificate designating authorized signers for various investment and banking relationships.

Discussion:

SLOCPT updates the designated authorized signers for various investment and banking relationships approximately every six months so that recent documentation of such authorizations by the Board of Trustees is available if needed to execute documents of various sorts. These designations are necessary to the everyday operations of the SLOCPT.

Resolution 2022-05 and its referenced Incumbency Certificate are attached. The approval of a resolution of this type is anticipated to be a routine item before the Board of Trustees biannually or whenever authorized signers are changed.

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**SAN LUIS OBISPO COUNTY
PENSION TRUST**

RESOLUTION NO. 2022-05

A Resolution Affirming Investment and Banking Authority

Whereas, the San Luis Obispo County Pension Trust conducts investment and banking activities as part of its normal course of business and finds it necessary to affirm and/or appoint which of its officers and employees are authorized signers for such activities.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED AS FOLLOWS:

The attached San Luis Obispo County Pension Trust Investment and Banking Authority Incumbency Certificate dated November 28, 2022, is hereby approved.

Aye Votes: -
No Votes: -
Abstentions: -
Absent: -

ADOPTED: November 28, 2022

Approved as to Form and Legal Effect

Chris Waddell
General Counsel

SIGNED: _____
Jeff Hamm, President
Board of Trustees
San Luis Obispo County Pension Trust

ATTEST: _____
Carl Nelson
Executive Director

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Board of Trustees

1000 Mill Street
San Luis Obispo, CA 93408
Phone: (805) 781-5465
Fax: (805) 781-5697
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Investment and Banking Authority Incumbency Certificate

Effective Date: November 28, 2022
Date of Certification: November 28, 2022

The undersigned, being an officer of the Board of Trustees of the San Luis Obispo County Pension Trust ("SLOCPT"), organized under the laws of the State of California does hereby certify on behalf of SLOCPT that the persons named below are officers or other designated staff members of SLOCPT and that the title and signature at the right of said name, respectively, are the true title and genuine signature of said person and that the persons listed below are each an authorized signatory for the SLOCPT for **any and all investment and banking related matters**. In addition, Carl A. Nelson as the Executive Director is designated as the Bank Contracting Officer.

<u>Name</u>	<u>Title</u>	<u>Signature</u>
Carl A. Nelson	Executive Director	_____
Amy Burke	Deputy Director	_____
Lisa Winter	Retirement Program Specialist	_____
Anna Bastidos	Retirement Program Specialist	_____

Furthermore, the undersigned does certify that the SLOCPT's Board of Trustees as of the date noted above are:

Gere Sibbach	Jeff Hamm
James Hamilton	Lisa Howe
Michelle Shoresman	Geoff O'Quest
David Grim	

Signed: _____

Date: _____

Jeff Hamm, President
San Luis Obispo County Pension Trust
Board of Trustees

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Board of Trustees

1000 Mill Street
San Luis Obispo, CA 93408
Phone: (805) 781-5465
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www.SLOPensionTrust.org



Date: November 28, 2022

To: Board of Trustees

From: Carl Nelson – Executive Director
Amy Burke – Deputy Director

Agenda Item 7: Annual Pensionable Compensation Limit for 2023 pursuant to the Public Employees Pension Reform Act (Tier 3)

Recommendation:

It is recommended that the Board receive and file this report on the Tier 3 AB-340 Pensionable Compensation limit effective January 1, 2023, as calculated by the California Actuarial Advisory Panel for those included in the Federal Social Security system. The annual Tier 3 Compensation limit for 2023 is **\$146,042**.

Discussion:

The Public Employees Pension Reform Act of 2012 established a pensionable compensation limit that applies to Tier 3 membership. This amount was specified by PEPRA to equal the January 1, 2013, Social Security maximum wage base of \$113,700. PEPRA also specified that this pensionable compensation limit be adjusted annually based on changes in the Consumer Price Index for All Urban Consumers (CPI-U).

The standardized calculation of this PEPRA Compensation Limit is provided each year by the California Actuarial Advisory Panel (CAAP) (under the State Controller's Office). This report is an annual consent agenda item.

The approved CAAP calculation of the 2023 PEPRA compensation limits for employees who participate in Social Security is shown on the attached CAAP letter. **For 2023 this limit is \$146,042 or \$70.21/hour.**

The 10-year history of PEPR compensation limits for employees who participate in Social Security is shown below –

2014	\$115,064	+1.200%
2015	\$117,020	+1.700%
2016	\$117,020	0.000%
2017	\$118,775	+1.500%
2018	\$121,388	+2.200%
2019	\$124,180	+2.300%
2020	\$126,291	+1.017%
2021	\$128,059	+1.014%
2022	\$134,974	+5.401%
2023	\$146,042	+8.200%

Respectfully Submitted

California Actuarial Advisory Panel



Paul Angelo
Senior Vice President
and Actuary
Segal
Chairperson

John Bartel
Vice Chairperson
Retired

David Driscoll
Principal and Consulting
Actuary
Buck Consultants, LLC

Anne Harper
Principal Consulting
Actuary
Cheiron, Inc.

David Lamoureux
Deputy System Actuary
California State Teachers'
Retirement System

Graham Schmidt
Consulting Actuary
Cheiron, Inc.

Todd Tauzer
Vice President and
Consulting Actuary
Segal

Scott Terando
Chief Actuary
CalPERS

October 28, 2022

**SUBJECT: PEPRA Compensation Limit for 2023
(Code Section 7522.10)**

To Whom It May Concern:

Pursuant to a request from a Public Agency, the California Actuarial Advisory Panel (the Panel) is publishing this letter to provide a calculation of the Pension Compensation Limits for the Calendar Year 2023.

Background

Pursuant to Government Code section 7507.2(b), the responsibilities of the Panel include "Replying to policy questions from public retirement systems in California" and "Providing comment upon request by public agencies." In 2013, members of the Panel received a request from a public retirement system (the San Joaquin County Employees' Retirement Association) to compute and publish the annual compensation limit prescribed by the California Public Employees' Pension Reform Act of 2013 (PEPRA), as amended by Senate Bill No. 13 (SB 13). This request was made to address a concern that minor calculation or rounding differences could result in different systems calculating slightly different pension compensation limits.

The Panel agreed to calculate the dollar amounts of the pension compensation limits for 2014 and future years, as we believe that the use of a uniform compensation limit will provide administrative benefits to California's public retirement systems. However, as the Panel is an advisory body only (Government Code section 7507.2(e) states that "The opinions of the California Actuarial Advisory Panel are nonbinding and advisory only"), the Panel encourages each system to independently review the calculation of the pension compensation limits contained in this letter.

Analysis

Section 7522.10 of the Government Code is as follows:

7522.10. (a) On and after January 1, 2013, each public retirement system shall modify its plan or plans to comply with the requirements of this section for each public employer that participates in the system.

(b) Whenever pensionable compensation, as defined in Section 7522.34, is used in the calculation of a benefit, the pensionable compensation shall be subject to the limitations set forth in subdivision (c).

(c) The pensionable compensation used to calculate the defined benefit paid to a new member who retires from the system shall not exceed the following applicable percentage of the contribution and benefit base specified in Section 430(b) of Title 42 of the United States Code on January 1, 2013:

(1) One hundred percent for a member whose service is included in the federal system.

(2) One hundred twenty percent for a member whose service is not included in the federal system.

(d) (1) The retirement system shall adjust the pensionable compensation described in subdivision (c) based on the annual changes to the Consumer Price Index for All Urban Consumers: U.S. City Average, calculated by dividing the Consumer Price Index for All Urban Consumers: U.S. City Average, for the month of September in the calendar year preceding the adjustment by the Consumer Price Index for All Urban Consumers: U.S. City Average, for the month of September of the previous year rounded to the nearest thousandth. The adjustment shall be effective annually on January 1, beginning in 2014.

The annual pensionable compensation limit computed by the Panel for 2022 was \$134,974 for those included in the federal Social Security system and \$161,969 for those not included.

The Consumer Price Indices for All Urban Consumers (CPI-U) U.S. City Average for the months of September 2021 and 2022 are as follows¹:

- September, 2022: 296.808
- September, 2021: 274.310

The annual change, computed by dividing the 2022 Index by the 2021 Index, rounded to the nearest thousandth is as follows:

- $296.808 \div 274.310 = 1.082$

¹ <http://data.bls.gov/timeseries/CUUR0000SA0>

To Whom It May Concern

October 28, 2022

Page 3

Applying this annual adjustment to the 2022 limits yields the following limits for calendar year 2023:

- $\$134,974 \times 1.082 = \$146,042$ (included in federal system)
- $\$161,969 \times 1.082 = \$175,250$ (not included in federal system)

The indexation of the maximum compensation to be used by CalSTRS using the February CPI-U, based on AB 1381 passed by the legislature in 2013, is not addressed in this letter.

Conclusion

The calculations described above indicate the compensation limit for PEPRA members for Calendar Year 2023 will increase to \$146,042 for members participating in the federal system (7522.10(c)(1) limit) and \$175,250 for members not participating in the federal system (7522.10(c)(2) limit). The Panel intends to provide similar calculations in future years. The contents of this letter are nonbinding and advisory only, and we encourage each public retirement system to independently evaluate these calculations.

Sincerely,



Paul Angelo
Chair, California Actuarial Advisory Panel

cc: Panel members
John Bartel, Vice Chair
David Driscoll
Anne Harper
David Lamoureux
Graham Schmidt
Todd Tauzer
Scott Terando

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Board of Trustees

1000 Mill Street
San Luis Obispo, CA 93408
Phone: (805) 781-5465
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www.SLOPensionTrust.org



Date: November 28, 2022

To: Board of Trustees

From: Carl Nelson – Executive Director
Amy Burke – Deputy Director

Agenda Item 12: Resolution No. 2022-06 – Establishing the Rate of Interest to be paid on the Normal Contributions of Members

Recommendation:

It is recommended that the Board approve the attached Resolution 2022-06. This resolution establishes the rate of interest to be paid on Normal Contributions of Members for the period beginning December 25, 2022 and ending December 23, 2023 at **5.75%**. This rate can be changed at the discretion of the Board of Trustees at any time.

Discussion:

With respect to the establishment of the interest crediting rate for Normal Contribution Accounts, action is taken annually by the Board pursuant to Retirement Plan Section 5.06: Accounting for Contributions. Section 5.06 Accounting For Contributions reads as follows:

The Normal Contributions of Members will be accounted for separately and will be credited with interest as of the last day of each pay period at an annual rate to be determined by the Board of Trustees.

The Retirement Plan is silent as to the method the Trustees use to determine the rate of interest to be credited to a Member's Normal Contribution Account. The practices of other retirement systems in setting a crediting rate for normal contributions vary widely. In the normal case where a Member proceeds to receive a service retirement benefit, the crediting rate for Normal contributions has minimal significance. This is because the retirement benefit is funded by a blending of the Member's Normal Contribution Account and the other reserves (i.e., employer contributions and investment earnings) within the Plan.

If a Member separates service and elects to take a Termination Refund of their Normal Contributions, the interest credited to that account is also paid out to the Member. The Plan loss attributable to the interest payment is at least partially offset by the reduction in actuarial accrued liability.

It has been the past practice of the Board to use the Plan’s current Actuarial Assumed Rate of Return less 1.00% when assigning interest rates for Normal Contributions. Based on the same rationale, Staff’s recommendation is to maintain the current interest rate to be credited to the Member Normal Contribution Accounts at **5.75%** for 2023. **Alternative amounts for setting this rate of interest are also possible and within the discretion of the Board.**

	<u>2022</u> <u>Adopted</u>	<u>2023</u> <u>Recommended</u>
Assumed Rate of Return	6.750%	6.750%
Less	<u>1.000%</u>	<u>1.000%</u>
Interest Rate on Member Normal Contributions	5.750%	5.750%

This rate can be changed at the discretion of the Board at any point which allows for further adjustments in conjunction with future considerations of actuarial assumptions to be used.

Note that the attached resolution contains an automatic setting of the rate to 4.50% starting December 24, 2023. The intent of this provision is to establish that the rate can be reduced at the discretion of the Board. This does not bind whatever decision the Board of Trustees may make in establishing the rate of interest being paid on Member Normal Contribution Accounts for periods after 2023.

The history of approved Normal Contribution Rates for the past 10 years is shown below:

2013	6.750%
2014	6.750%
2015	6.750%
2016	6.750%
2017	6.625%
2018	6.125%
2019	6.000%
2020	6.000%
2021	5.875%
2022	5.750%

Respectfully Submitted,

**SAN LUIS OBISPO COUNTY
PENSION TRUST**

RESOLUTION 2022-06

**A RESOLUTION ESTABLISHING THE RATE
OF INTEREST TO BE PAID ON THE
NORMAL CONTRIBUTIONS OF MEMBERS FOR THE PERIOD
BEGINNING DECEMBER 25, 2022 AND ENDING DECEMBER 23, 2023**

WHEREAS, Plan Section 5.06 provides for the crediting of interest on Member's Normal Contributions at an annual rate to be determined by this Board of Trustees; and

WHEREAS, the duties of this Board of Trustees under Plan Section 16.02 require the Board to interpret, construe and apply all provisions of the Plan, and to approve interest rates; and

WHEREAS, pursuant to the above-mentioned Plan Sections, this Board of Trustees, at the Regular Meeting of November 15, 2021, adopted Resolution 2021-04, fixing the rate of interest to be paid on Normal Contribution Accounts at five and three quarters percent (5.750%); and

WHEREAS, this Board of Trustees has determined that for the period beginning December 25, 2022, maintaining the current rate of interest at five and three quarters percent (5.750%) would be a reasonable and prudent discharge of the above-mentioned duties and a prudent application of funds; and

WHEREAS, uncertainty as to current economic conditions, and volatility of interest rates constitute sufficient cause for the Board of Trustees to limit an increase in said current rate to the period specified above, by returning said rate to four and one-half percent (4.50%), commencing December 23, 2023.

NOW THEREFORE, BE IT RESOLVED by the Board of Trustees of the San Luis Obispo County Pension Trust as follows:

1. That, for the period beginning December 25, 2022, and ending December 23, 2023, the annual rate of interest to be credited to the normal contributions of Members, under Plan Section 5.06 is hereby fixed at five and three quarters percent (5.750%);
2. That commencing December 24, 2023, and thereafter, the annual rate of interest to be credited to the normal contributions of Members under Plan Section 5.06 is hereby fixed at four and one-half percent (4.50%);
3. That implementation of this Resolution is hereby assigned to the Executive Director of this Pension Trust.

Aye Votes: -
No Votes: -
Abstentions: -
Absent: -

ADOPTED: November 28, 2022

Approved as to Form and Legal Effect

Chris Waddell
General Counsel

SIGNED: _____
Jeff Hamm, President
Board of Trustees
San Luis Obispo County Pension Trust

ATTEST: _____
Carl Nelson
Executive Director

Board of Trustees

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Date: November 28, 2022
To: Board of Trustees
From: Carl Nelson – Executive Director
Amy Burke – Deputy Director

Agenda Item 13: Resolution No. 2022-07 – Establishing the Rate of Interest to be paid on the Additional Contributions of Members

Recommendation:

It is recommended that the Board approve the attached Resolution 2022-07. This resolution reaffirms the following policy of the rate of interest to be paid on Member Additional Contributions for the period beginning December 22, 2022 and ending December 23, 2023 at **4.06%**.

Discussion:

Section 5.07 of the Retirement Plan sets forth the provisions governing the Additional Contribution Accounts. The section provides that this account is designed to provide additional benefits.

Historically, there have been three sources of Additional Contributions. These are as follows:

1. Voluntary Contributions made by members.
2. “Spill-over” contributions as a result of Employer Paid for Employee Normal Contributions (also known as the “pick up”) in excess of the Member’s required contribution rate. This source of additional contributions has become obsolete due to contribution rate increases and how these have been allocated between Employees and Employers.
3. Distributions of excess earnings from SLOCPT.

In 2018, the Board of Trustees approved a benchmark using the yield on Five Year Treasury Bonds as of September 30th of each year. Based on this, Staff recommends for 2023 the interest to be paid on Additional Contribution Accounts be set at the September 30th yield on Five Year Treasury Bonds which is **4.06%**.

Staff further recommends as a new addition to this benchmark of the Five Year Treasury Bond rate for setting the Additional Contributions Rate, - that it's maximum shall be the current interest crediting rate for Normal Contributions (currently 5.75%).

The history of approved Additional Contribution Rates for the past 10 years is shown below:

2013	2.30%
2014	1.95%
2015	1.60%
2016	1.50%
2017	1.35%
2018	1.92%
2019	2.94%
2020	1.55%
2021	0.28%
2022	0.98%

This proposed change is estimated to increase SLOCPT's current bi-weekly interest crediting on Additional Contribution balances from \$650 per payroll cycle (\$16,900 per year) to \$2,600 per payroll cycle (\$67,600 per year). However, Additional Contribution balances have steadily been decreasing so the actual impact is expected to be less than estimated. There are currently a total of about 360 individuals with Additional Contributions with the average balance of about \$4,700. Additional Contribution balances for the prior 10 years are shown below:

2013	5,942,500
2014	5,295,316
2015	4,362,000
2016	3,966,614
2017	3,267,574
2018	2,784,819
2019	2,445,099
2020	2,265,799
2021	1,869,784
2022 YTD	1,700,422

This action is taken annually by the Board pursuant to Retirement Plan Section 5.07: Additional Contributions.

Respectfully Submitted,

**SAN LUIS OBISPO COUNTY
PENSION TRUST**

RESOLUTION NO. 2022-07

**A RESOLUTION ESTABLISHING THE RATE
OF INTEREST TO BE PAID ON THE
ADDITIONAL CONTRIBUTIONS OF MEMBERS FOR THE PERIOD
BEGINNING DECEMBER 25, 2022 AND ENDING DECEMBER 23, 2023**

WHEREAS, Plan Section 5.07 provides for the crediting of interest to Member Additional Contributions at an annual rate to be determined by this Board of Trustees; and

WHEREAS, the duties of this Board of Trustees under Plan Section 16.02 require the Board to interpret, construe and apply all provisions of the Plan, and to approve interest rates; and

WHEREAS, at the Regular Meeting of the Board of Trustees held November 23, 2009, the Board of Trustees reviewed the matter of crediting Additional Contribution Accounts with appropriate rates of interest, such that participants in said Additional Contribution Accounts receive a rate of return that is consistent with the funding requirements of the Trust; and

WHEREAS, the Board of Trustees finds that portfolio performance on a year-over-year basis is potentially volatile, and that such volatility in the determination of the interest crediting rate is not desirable and, therefore a more stable and objective benchmark to determine the rate of interest credited to the Additional Contribution Accounts is preferable, and

WHEREAS, the Board of Trustees affirms the policy recommendation that the rate of interest to be determined and applied to the Additional Contribution Account be established in a range of not less than 0% and not greater than the established interest crediting rate for Normal Contributions for the same period; and

WHEREAS, said policy will ensure the principal amount of a Member's contributions be preserved; and

WHEREAS, the staff recommends and the Board of Trustees finds that the yield on Five Year Treasury Bonds as of September 30th of each year provides a reasonable and objective benchmark for the determination of the appropriate interest crediting rate for Additional Contribution Accounts; and

WHEREAS, based on the foregoing, the rate of interest to be credited to the Employee Additional Contribution Accounts be established for 2023 at a rate of 4.06%.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Trustees of the San Luis Obispo County Pension Trust as follows:

1. That, for the period beginning December 25, 2022, and ending December 23, 2023, the annual rate of interest to be credited to the Member Additional Contribution Accounts, under Plan Section 5.07 is hereby fixed at 4.06%.
2. That commencing December 24, 2023, and thereafter, the annual rate of interest to be credited to the Member Additional Contributions Account under Plan Section 5.07 shall be determined annually by action of the Board of Trustees and may be based on the yield on Five Year Treasury Bonds as of September 30th of each year or a comparable investment.
3. That implementation of this Resolution is hereby assigned to the Executive Director of this Pension Trust.

Aye Votes: -
No Votes: -
Abstentions: -
Absent: -

ADOPTED: November 28, 2022

Approved as to Form and Legal Effect

Chris Waddell
General Counsel

SIGNED: _____
Jeff Hamm, President
Board of Trustees
San Luis Obispo County Pension Trust

ATTEST: _____
Carl Nelson
Executive Director

Board of Trustees

1000 Mill Street
San Luis Obispo, CA 93408
Phone: (805) 781-5465
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www.SLOPensionTrust.org



Date: November 28, 2022

To: Board of Trustees

From: Carl Nelson – Executive Director
Amy Burke – Deputy Director

Agenda Item 14: Resolution No. 2022-08 – Recommending Plan Amendments Related to the DROP Eligibility for Court Employees in Tier 1

Recommendation:

To approve Resolution 2022-08 recommending to the Board of Supervisors amendments to Section 26 of the San Luis Obispo County Employees Retirement Plan.

Authority:

The Board of Trustees may, by resolution or other action, recommend to the Board of Supervisors amendments to the San Luis Obispo County Employees Retirement Plan (the “Plan”).

DROP Background:

The Deferred Retirement Option Program (DROP) is a provision of the Retirement Plan covered in Section 26. The DROP is an alternative method by which a Service Retirement Allowance is paid to Retirees. The DROP is intended to be cost-neutral to the Plan and the Pension Trust. The DROP is allowed by the Plan only for Members eligible for Tier 1 pension benefit formulas. Plan Sections 27-31 define the Tier 2 and Tier 3 pension benefit formulas and they explicitly prohibit DROP participation. DROP eligibility for Tier 1 Members is defined in Section 26.04 of the Plan for specific bargaining units. Prior to this time, the list of DROP eligible units has not included any for Members employed by the San Luis Obispo County Superior Court.

SLO Court DROP Eligibility Request:

Through the collective bargaining process with Court employees, the SLO Court management has agreed to pursue making the DROP available to all Court employees already in the Tier 1 pension benefit formula. Court employed Members of the Plan are either in Tier 1 or Tier 3. Due to the timing of various collective bargaining agreements, the Court was never included in the 2011-2012 time period for Tier 2 benefits. The Court membership in the Plan as of 12/31/21 was –

Tier 1	70	potentially DROP eligible
Tier 3	<u>56</u>	not DROP eligible
Total	126	

Making Court Tier 1 Members eligible for the DROP is identical to the DROP provisions already in effect for numerous SLO County and APCD members. Because the DROP is merely an alternative method of paying a Service Retirement that is earned by each Tier 1 Member, it is not a direct cost to the Plan.

The DROP was designed to be most applicable to long serving, actively working Members who were nearing their maximum pension benefit accrual – e.g., 90% of final pay – but who wished to work up to 5 additional years. In cases such as this, the impact of DROP participants on the SLOCPT is essentially none. Such Members would be highly likely to retire at that point with the same retirement benefit anyway.

Potentially, the DROP provisions may influence Members short of that maximum pension accrual to enter DROP earlier than they would otherwise retire. This leads to their pension benefit being set at that lower level, but it is paid for a longer period of time. This impact on pension costs through earlier retirements has been part of numerous actuarial experience studies for the larger pool of all SLOCPT Members and is already factored into pension costs.

More importantly, the DROP design used in the SLOCPT Plan transmits DROP payments into a segregated defined contribution account where the participant selects their investments. As a result, potential unintended costs of paying a set rate on DROP accounts - as some other retirement systems do - is avoided making the SLO County DROP largely cost-neutral.

The attached letter from Cheiron as the Plan Actuary discusses the de minimis cost impacts of adding the Court Tier 1 Members to DROP eligibility.

The eligibility for Court Tier 1 Members for the DROP is defined in the proposed Section 26.04(e) as shown in the attached redline exhibit.

DROP eligibility clarification:

An additional provision of this amendment is included in the proposed Section 26.04(f). Because the Court never implemented Tier 2, it is theoretically possible that a Member of the Plan employed by SLO County in Tier 2 (e.g., hired in 2011-2012), could change jobs to the Court in 2013 or later, remaining in the Plan as designed, and become a member in the Court Tier 1. Therefore, the proposed Section 26.04(f) specifies that eligibility for DROP participation depends on being in an eligible Tier 1 class at the time of entering DROP. This would be irrespective of prior Tier 2 service. This has a low probability of occurrence, and it does not alter the actual Service Retirement calculated on a blended basis in any way.

Respectfully Submitted,

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**SAN LUIS OBISPO COUNTY
PENSION TRUST**

RESOLUTION NO. 2022-08

**A RESOLUTION RECOMMENDING TO THE BOARD OF SUPERVISORS
AMENDMENTS TO THE RETIREMENT PLAN RELATING TO DEFERRED
RETIREMENT OPTION PLAN ELIGIBILITY FOR EMPLOYEES OF THE SAN LUIS
OBISPO COUNTY SUPERIOR COURT OTHERWISE ELIGIBLE FOR TIER 1 PENSION
BENEFITS**

Whereas, the Board of Trustees and Staff have received a request from the San Luis Obispo County Superior Court (“Court”) to amend the San Luis Obispo County Employees Retirement Plan (“Plan”) to make specified Court Bargaining Unit members covered under the Tier 1 pension benefit formula eligible for the Deferred Retirement Option Program (“DROP”); and

Whereas, Staff has evaluated the request and found that DROP eligibility for Court Members of the Plan already eligible for Tier 1 benefits conforms to similar DROP eligibility for various other Bargaining Group members in the Plan; and

Whereas, by this Resolution, the Board of Trustees recommends to the Board of Supervisors that the following amendments be made to the Plan.

Now Therefore Be It Resolved and Ordered as follows:

1. It is recommended by the Board of Trustees of the San Luis Obispo County Pension Trust that Section 26 of the San Luis Obispo County Employees Retirement Plan be amended as shown on Attachment A to this resolution.

Aye Votes: -
No Votes: -
Abstentions: -
Absent: -

ADOPTED: November 28, 2022

Approved as to Form and Legal Effect

Chris Waddell

General Counsel

SIGNED: _____

Jeff Hamm, President
Board of Trustees
San Luis Obispo County Pension Trust

ATTEST: _____

Carl Nelson
Executive Director

ARTICLE 26: DEFERRED RETIREMENT OPTION PROGRAM (DROP)

Section 26.01: Deferred Retirement Option Program. It is the intent of this Article to provide a voluntary Deferred Retirement Option Program (“DROP”) for Miscellaneous Members employed in County Bargaining Units 01, 02, 04, 05, 07, 08, 09, 10, 11, 12, 13, 14, 17, 21 or 22 or by the Pension Trust or the Air Pollution Control District, and for Safety Members employed in County Bargaining Units 03, 06, 07, 10, 14, 15, 16, 27 or 28 and for Probation Officer Members employed in County Bargaining Units 07,08 or 09 and for Superior Court of San Luis Obispo County Bargaining Units 17, 18, 19, 20, 24, 25, 26, 27, and 28. (07-25-2006)(10-03-2006)(12-5-06)(~~[12-13-2022]~~)

- (a) DROP is an alternative method by which a Service Retirement Allowance is paid to a Retired Participant.
- (b) DROP is intended to be cost-neutral to the Pension Trust and to the Pension Trust Fund. All costs and expenses incurred in the administration and operation of DROP shall not be paid from the Pension Trust Fund, but, instead shall be paid, in equal shares, by the County Employer and the participants in DROP. To this end (i) the share of said costs and expenses to be paid or reimbursed by the County Employer shall be included in County Appropriations pursuant to Section 16.05 of the Retirement Plan, and (ii) the share of said costs and expenses to be paid or reimbursed by the participants in DROP shall be deducted, from time to time, from the DROP Account of each DROP participant on a proportional basis based upon such DROP participant’s DROP account balance.

Section 26.02: Conformance with the Internal Revenue Code. DROP shall conform to those parts of the Internal Revenue Code and Regulations which provide for the tax qualified status of governmental pension trusts and retirement plans, including those provisions reflected in Section 4.02(b) and Articles 21 and 22. DROP shall not jeopardize, in any way, the tax qualified status of the Pension Trust or this Retirement Plan under the Internal Revenue Code. Notwithstanding any other provision of the Retirement Plan, the provisions of this Article 26 shall at any time be modified, with such modifications being given retroactive effect, if necessary to maintain the tax qualified status of the Pension Trust or the Retirement Plan.

Section 26.03: Severability. If any provision of this Article or the application thereof to any person or circumstance is held to be invalid, that invalidity will not affect other provisions of this Article or of this Retirement Plan that can be given effect without the invalid provisions or application, and to this end the provisions of this Article are severable.

Section 26.04: Eligibility.

- (a) On and after July 25, 2006 a Miscellaneous Member currently employed in County Bargaining Units 01, 04, 05, 07, 08, 09, 10, 11, 12, 13, 14, 17, 21 or 22 or by the Pension Trust of the Air Pollution Control District, and a Safety Member employed in County Bargaining Units 03, 07, 10, 14, 15, 16, 27 or 28 and a Probation Officer Member employed in County Bargaining Units 07, 08 or 09, and who has attained age 50 and who is credited with five years of Pension Trust Service Credit, shall be eligible to participate in DROP.

- (b) On and after October 3, 2006 a Miscellaneous Member currently employed in County Bargaining Unit 2 who has attained age 50 and who is credited with five years of Pension Trust Service Credit shall be eligible to participate in DROP.
 - (c) On and after December 5, 2006 a Safety Member employed in County Bargaining Unit 6 who has attained age 50 and who is credited with five years of Pension Trust Service Credit shall be eligible to participate in DROP. (10-03-06)(12-05-06).
 - (d) For purposes of this Section, service credit accrued with a retirement system, which service is recognized by this Retirement Plan for purposes of Article 20: Reciprocity, shall be recognized for purposes of establishing eligibility to participate in DROP. A Retired Participant who previously participated in DROP and who reinstates from retirement shall not be eligible to participate in DROP.
 - (e) On and after January 1, 2023 a Miscellaneous Member currently employed in Superior Court of San Luis Obispo County Bargaining Units 17, 18, 19, 20, 24, 25, 26, 27, and 28 who has attained age 50 and who is credited with five years of Pension Trust Service Credit shall be eligible to participate in DROP. ([12-13-2022]).
 - (f) For purposes of this section any Members previously subject to the terms of Sections 27,-28, 29, 30, and 31 of this Retirement Plan who, through transfer to a different Bargaining Unit become a Member in a Tier 1 Bargaining Unit identified in this Section 26.04, shall be deemed eligible for DROP if they meet the eligibility requirements herein at the time of their Election to Participate in DROP pursuant to Section 26.05 ([12-13-2022]).
-

Via Electronic Mail

November 17, 2022

Mr. Carl Nelson, Executive Director
San Luis Obispo County Pension Trust
1000 Mill Street
San Luis Obispo, California 93408

***Re: Granting Eligibility for the Deferred Retirement Option Program (DROP)
to Tier 1 Court Members***

Dear Carl,

As requested, we have reviewed the impact of allowing Tier 1 Court Members to participate in the San Luis Obispo County Pension Trust's (SLOCPT) DROP, effective on or after January 1, 2023, and determined that the proposed plan change is expected to have an immaterial impact on the cost of SLOCPT.

The cost of a DROP primarily depends on two factors 1) the specific DROP plan provisions and 2) changes in members' retirement behavior as a result of being eligible for DROP.

Analysis of DROP Plan Provisions

Essentially, a DROP participant's cost to the Pension Trust is the same as if they instead retired on their DROP entry date. The monthly benefits paid from the Pension Trust are identical, and employer and employee contributions cease when a member enters DROP. The decisions the DROP participant must make regarding benefit options and the length of time they participate in DROP (not to exceed five years) is made when they enter DROP and not at the time they cease active employment. These provisions minimize any adverse selection when making these choices. Lastly and most importantly, the monthly DROP benefits are directed to and accumulate in an individual investment account held by a third-party administrator outside of the Pension Trust, so there is no investment risk for guaranteed earnings on the DROP account balances.

Analysis of Retirement Behavior

To the extent that adding a DROP changes member retirement behavior, a DROP has the potential to change plan costs. For SLOCPT, participants in DROP are considered to be retired participants in the actuarial valuation and experience study processes, with their dates of retirement equal to their DROP entry dates. If, for example, members enter DROP at earlier ages than they otherwise would have retired, prior to the implementation of DROP, the retirement patterns have changed even if their actual dates of retirement are the same. Entering DROP or retiring at earlier ages tends to increase plan costs since the benefits are being paid for longer periods of time and the early retirement benefits are typically highly subsidized in public sector pension plans.

However, SLOCPT's DROP was implemented in 2006 for all members except those employed by the Court. Any changes in retirement patterns after 2006 have already been accounted for in the results and recommended retirement assumptions from the bi-annual actuarial experience studies covering the last 15 years. The assumed Miscellaneous retirement rates are determined from both Court and Non-Court member experience, which is mostly non-Court members comprising over 92% of the Tier 1 Miscellaneous active membership as of the January 1, 2022 valuation. In short, the retirement rates used to value the Court members' expected benefits already incorporate the impact of retirement behavior changes from DROP, exhibited by the Miscellaneous Non-Court members.

In addition, we conducted sensitivity testing on the assumed retirement rates for the Tier 1 Court Members and found that even large variances in the actual incidence of DROP participation for the Court Members is expected to be de minimis to SLOCPT.

If you have any questions or need additional information, please feel free to e-mail me at aharper@cheiron.us or call me at 1-877-243-4766, ext. 1107.

Sincerely,
Cheiron



Anne D. Harper, FSA, EA, MAAA
Principal Consulting Actuary

Attachment – Summary of San Luis Obispo Pension Trust DROP Provisions

- A member must be eligible for service retirement to enter DROP; Age 50 with 5 or more years of service.
- The member elects how long they will remain in DROP before they retire, with a maximum participation period of five years. The member must retire on the predetermined date.
- The DROP benefit is calculated based on the age, service, and final compensation at DROP entry. The member must elect the form of benefit at this time.
- Monthly DROP benefits increase for cost-of-living adjustments, as if the member were retired, but do not increase with future service accruals or compensation increases.
- Monthly DROP benefits are directed to and accumulate in an investment account held for that individual by a third-party administrator.
- All employee and employer contributions on behalf of the member cease when a member enters DROP.
- When the member retires from DROP, they can receive their DROP account balance as a lump sum distribution, transfer to an IRA or monthly payments. They also receive their monthly retirement allowance directly; it cannot be deposited into the DROP account.

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**PENSION TRUST
BOARD OF TRUSTEES**

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Agenda Item 15: Executive Director and Assistant Director Compensation—Off-Cycle Review—Personnel Committee Recommendation to Add a Step 6 to Salary Ranges of Executive Director and Deputy Director (Recommend Approval)

Recommendation:

The Personnel Committee recommends that the Board of Trustees review, discuss and approve an “off-cycle” adjustment to the salary ranges of the Executive Director (and, by extension, the Deputy Director) be made by the addition of a Step 6 to their respective salary ranges effective with the first day of the first pay period in January 2023.

Discussion:

Pursuant to the Personnel Committee’s prior recommendation, the Board, at its August 28, 2017 meeting adopted an Executive Compensation Policy incorporating the following key elements:

- Primary benchmarking to chief executive positions at comparable (asset size; staffing levels; geographic proximity) California public retirement systems;
- Consideration of general economic factors, including public and private sector wage environment;
- Biennial salary review commencing in July, 2017, aligned with the release of the biennial CALAPRS salary survey;
- Provision for “off cycle” reviews where deemed appropriate in order to consider internal salary relationships in the event that other Pension Trust staff whose compensation is benchmarked to County positions receive salary increases based upon such benchmarks;

As the Board will recall, the most recent biennial compensation review took place last year. As a result of this review, the Committee recommended and the Board of Trustees approved a 5% increase in the salary range of the Executive Director. As the Deputy Director’s salary range is benchmarked to 80% of the Executive Director’s salary range, her salary range was increased by 5% as well. Both the Executive Director and the Deputy Director are at the top step (Step 5) of their respective salary ranges.

On October 21, 2022, I received an inquiry from the Deputy Director regarding how to raise appropriately her concerns regarding her salary to the Board for their consideration. Following my research of the situation and discussions with the Executive Director (who has not expressed

similar concerns), I e-mailed the Board President and suggested that referral to the Personnel Committee might be appropriate. He concurred, and the Committee met to address this issue on Monday, November 21.

One of the concerns expressed by the Deputy Director largely can be described as a result of the addition of a Step 6 to the salary ranges of other Pension Trust staff effective June 30, 2022. Although the other more-highly compensated staff are not yet at Step 6, when other salary adjustments received by all other Pension Trust staff since the Executive Director and Deputy Director both received their aforementioned 5% increases are factored some incremental compaction of the salary ranges between the non-executive and executive staff of the Pension Trust has resulted, as described below.

The salary ranges of the three most-highly compensated Pension Trust staff other than the executives and those of the executives were as follows on May 14, 2021 (monthly amounts):

Accountant	\$7269.60-\$8,836.53
Retirement Program Specialist III	\$7,269.60 – \$8,836.53
Deputy Director	\$10,070.67 - \$12,237.33
Executive Director	\$12,587.47 - \$15,296.66

On June 30, 2021, the salary ranges were as follows:

Accountant	\$7,269.60 – \$9,278.53
Retirement Program Specialist III	\$7,269.60 - \$9,278.53
Deputy Director	\$10,070.67 - \$12.237.33
Executive Director	\$12,587.47 - \$15,296.66

Finally, on July 22, 2022, the salary ranges were as follows:

Accountant	\$7,488.00 - \$9,557.60
Retirement Program Specialist III	\$7,576.40 - \$9,672.00
Deputy Director	\$10,573.33 - \$12,849.20
Executive Director	\$13,216.66 - \$16,061.07

As can be seen from the above, the addition of the sixth step has created a marginal amount of compaction between the top steps of the salary range of the Retirement Specialist III’s (Step 6) and the Deputy Director (Step 5). In evaluating whether to recommend an off-cycle salary adjustment to address this situation, the Committee considered the Board of Trustees’ policy, as noted above, and determined that it was appropriate to recommend to the Board the addition of a Step 6 to the salary ranges of both the Executive Director and Deputy Director. In its view, this recommendation is consistent with its prior practice of recommending an “off-cycle” salary adjustment to its executive positions when other Pension Trust staff have realized an adjustment to their salary ranges based on their County position benchmarks.

Both the Executive Director and the Deputy Director have been at Step 5 of their salary ranges for a few years, and if the Board of Trustees adopts the Committee’s recommendation this would have the effect of increasing the salaries for both positions by 5% on the effective date of said action. The Deputy Director’s monthly salary would increase to \$13,491.66, while the Executive Director’s monthly salary would increase to \$16,864.12, and the salary ranges for the Pension Trust positions noted above would be as follows:

Accountant	\$7,488.00 - \$9,557.60
Retirement Program Specialist III	\$7,576.40 - \$9,672.00
Deputy Director	\$10,573.33 - \$13,491.66
Executive Director	\$13,216.66 - \$16,864.12

Based on her review of the CALAPRS survey data, the Deputy Director has also expressed concern about the competitiveness of her compensation as compared that for similar positions at other California public retirement systems. While it has been the prior practice of the Committee to focus on the Executive Director’s compensation vis a vis that of other California systems, the Committee felt that it would be appropriate, after the next biennial CALAPRS survey, to expand their focus to the Deputy Director position when it meets in September 2023.

The Committee members and I look forward to discussing any additional questions or issues that you wish to raise at the meeting.

Respectfully Submitted,

Chris Waddell
 General Counsel

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Board of Trustees

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Date: November 28, 2022

To: Board of Trustees

From: Carl Nelson – Executive Director
Amy Burke – Deputy Director
Scott Whalen – Verus – Investment Consultant

Agenda Item 16: Asset Allocation – Implementation – Interim 2023 Policy Targets

Recommendation:

1. Approve the Interim 2023 Asset Allocation Policy Targets discussed below. This is the next step in the approximately four years of the implementation glidepath to the approved Strategic Asset Allocation (SAA) Policy. Note that this action is not a change to the adopted SAA Policy – rather it is a recognition that a transition of this type is best completed over multiple years.

Background:

The Pension Trust adopted a revised Investment Policy and amended the Strategic Asset Allocation (SAA) policy September 28, 2020. The amended SAA includes, among other changes, a target allocation to the Growth Sub-Portfolio of 75%. Included in the Growth Portfolio is a large increase in the allocation to Private Market assets – Private Equity and Private Credit – from the 2020 target of 10% to the new SAA Policy of 30%. In addition, a portion of the Real Assets allocation (5% Core Real Estate, 5% Value-Add Real Estate, 5% Infrastructure) is made changed from the pre-2020 policy. Given the illiquid nature of private market assets and the importance of vintage-year diversification, any realistic implementation plan should extend over 3-5 years and perhaps longer.

In November of 2020 and 2021 the Board approved a set of 2021 and 2022 Interim Asset Allocation Policy Targets. This action updates that decision on interim asset mix targets for 2023.

The recommendation for the Board of Trustees is to approve the 2023 Interim Asset Allocation Policy Targets shown below.

Strategic Asset Allocation Policy Adopted Policy Mar. 22, 2021		2023 Interim	SAA TARGET	Limits		
				Min.	Max.	
LIQUIDITY						
Total Liquidity Allocation		(a)	6%	10%	5%	20%
Cash Equivalents			4%	4%	1%	15%
Short Duration Govt/ IG Credit		(c)	2%	6%	0%	15%
GROWTH						
Total Growth Allocation		(b)	79%	75%	25%	95%
Equities - Public Market			37%	30%	15%	85%
US Equities - Growth/Value, Lg./SMID			20%			
Intl. Developed/Emerging Market			17%			
Global				30%	15%	70%
Debt - Public Market			9%	0%	0%	30%
US Core + Bonds IG		(c)				
Global Bonds & Emerging Mkt Debt			5%			
Bank Loans			4%			
Real Assets			14%	15%	10%	30%
Real Estate - Core			7%	5%	5%	15%
Real Estate Value Add			5%	5%	0%	15%
Infrastructure - Global			2%	5%	0%	15%
Private Markets		(e)	19%	30%	5%	45%
Private Equity			11%	18%	5%	30%
Diversified PE strategies		(d)				
Private Credit			8%	12%	5%	25%
Diversified PC strategies		(d)				
Other Growth Strategies					0%	10%
Opportunistic			Varies	Varies		
RISK DIVERSIFYING						
Total Risk Diversifying Allocation			15%	15%	5%	30%
Core Bonds - domestic			6%			
US Treasury - Intermediate/Long			5%	8%	4%	15%
US Treasury - Inflation Protected - TIPS			4%	7%	3%	15%
TOTAL			100%	100%		

The above table is formatted like the SAA policy in the adopted IPS. It is abbreviated for clarity and omits the relevant performance benchmarks.

The Verus recommendation for the 2023 Interim is shown below and it includes the relevant performance benchmarks.

2023 interim benchmark

Benchmark will adjust annually to reflect expected end of year glidepath position for public markets

Asset Class	EOY 2022 Target	Implementation Benchmark
Domestic Equity	20%	Russell 3000
International Equity	17%	MSCI ACWI ex US
Private Equity*	11%	Actual Return
Domestic Fixed Income (Bank Loans and Core+ Fixed)	10%	Bloomberg Agg
Global Fixed Income	5%	FTSE WGBI
US Treasuries	5%	Bloomberg Treasury 7-10
US TIPS	4%	Bloomberg US TIPS 5-10
Private Credit*	8%	Actual Return
Core/VA Real Estate	12%	NCREIF Property Index
Infrastructure*	2%	Actual Return
Cash/Liquidity	6%	91 Day T-Bill

**Private markets benchmarks will equal current allocation during glidepath implementation with remaining allocated to public markets holding place.*

Verus⁷⁷

SLOCPT Implementation Glidepath

Respectfully Submitted,

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Board of Trustees

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Date: November 28, 2022

To: Board of Trustees

From: Carl Nelson – Executive Director
Amy Burke – Deputy Director
Scott Whalen – Verus

Agenda Item 17: Private Markets Program Review - Verus

Recommendation:

Receive a presentation on the existing private markets program from Scott Whalen, Verus, the Pension Trust's investment consultant.

Background:

Private market assets are investments that are not traded on public exchanges or markets such as stocks and bonds. Private market assets are expected to have greater returns than public market assets, but with far less liquidity. The private markets investments program for the SLOCPT began in 2011 and currently makes up over 19% of the total fund in Private Equity and Private Credit. Real Estate is also a private market asset (excluding publicly traded REITS) but is not included in this report. SLOCPT's Real Estate investments are currently in two open-end funds making up over 16% of the total fund and are better considered separately.

This report is on the Private Equity and Private Credit programs already in existence. As such they deserve a closer review with the Board of Trustees. The Verus presentation points out the actual performance of the SLOCPT's private markets program through 2Q221.

Future SLOCPT private market investments in the expanded allocations to Private Equity, Private Credit, and Infrastructure will be managed by HarbourVest in the fund-of-one structure previously approved by the Board.

Respectfully submitted,



**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**



NOVEMBER 2022

Private markets program review

San Luis Obispo County Pension Trust

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SAN FRANCISCO 415-362-3484

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

Executive summary

Program Update

- A custom private market platform managed by HarbourVest was added in February 2022 with a total commitment of \$770 million over 5-years. First year commitment is estimated at \$180 million.
- This is a multi-strategy program investing in private equity, private credit and infrastructure.
- This program has kicked off with capital calls for the private equity and private credit tranches.
- Capital calls for the infrastructure tranche are expected before year end.
- Based on the addition of the HarbourVest SMA platform, a commitment schedule is in place to progress towards the long-term target allocation for both private equity and private credit.

Private Equity

- SLOCPT's private equity allocation accounts for 9.5% of the total fund relative to its 18% long-term target.
- Historically, the PE program has utilized two managers (HarbourVest and Pathway) in a multi-series, global fund-of-funds structure to gain sector, geographic, and vintage year diversification.
- The program has exceeded performance expectations since inception.

Private Credit

- SLOCPT's private credit allocation accounts for 6.9% of the total fund relative to its 12% long-term target.
- The private credit program was initiated through Sixth Street Partners' (SSP) single-platform, multi-fund structure.
- The SSP program began with a \$75 million commitment to three separate funds in 2016. An additional commitment of \$38.75 million was added in 2019, \$18.75 million in 2020 and \$20 million in 2021 to bring the total private credit commitment for SSP to \$152.5 million.
- The program has exceeded performance expectations since inception.

I. Overview

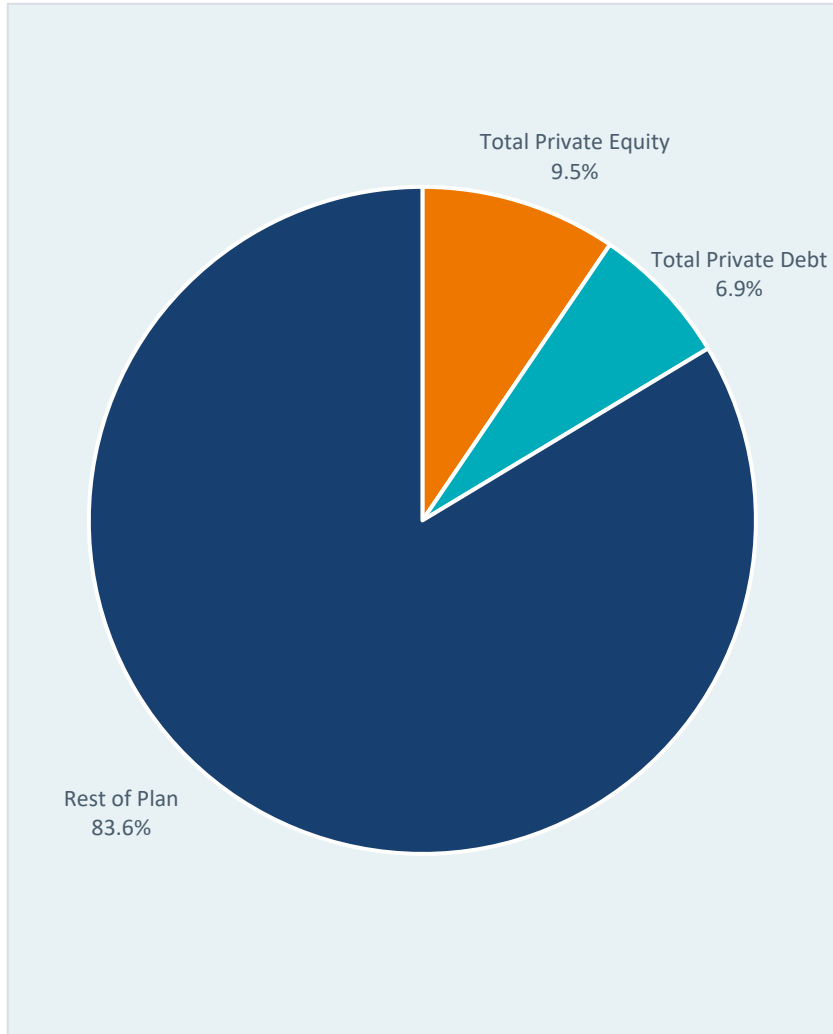
Portfolio allocation (as of 6/30/22)

Asset Class	Long-Term FFP Targets	Current
Public Market Equity	30%	35.8%
Private Equity	18%	9.5%
Public Market Debt	15%	23.5%
Private Credit	12%	6.9%
Open-end Real Estate	5%	16.8%
Private Real Estate & Infrastructure	10%	0%
Cash & Equivalents	10%	5.2%
Opportunistic ¹	0%	2.3%

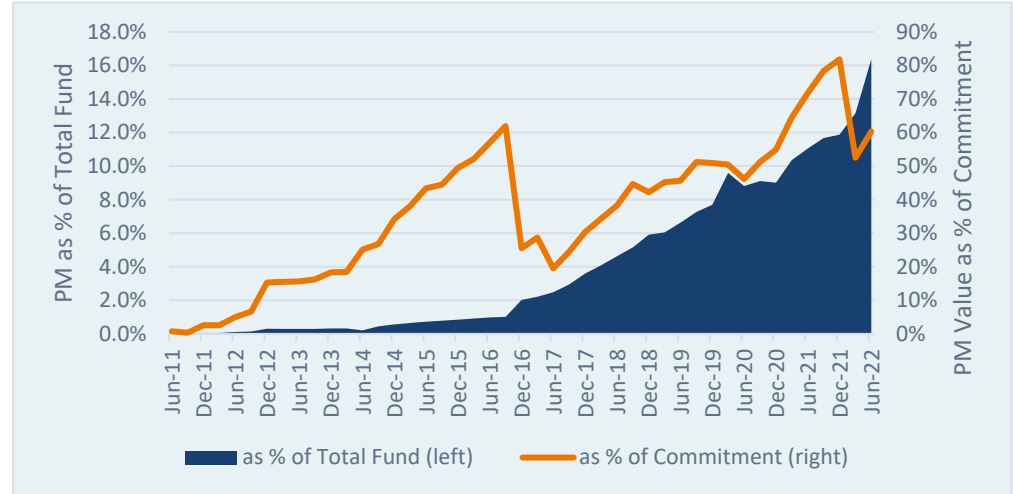
¹Opportunistic is composed of KKR Mezzanine and TAO Contingent. KKR is winding down and TAO was funded in April 2020.

Private markets program at a glance

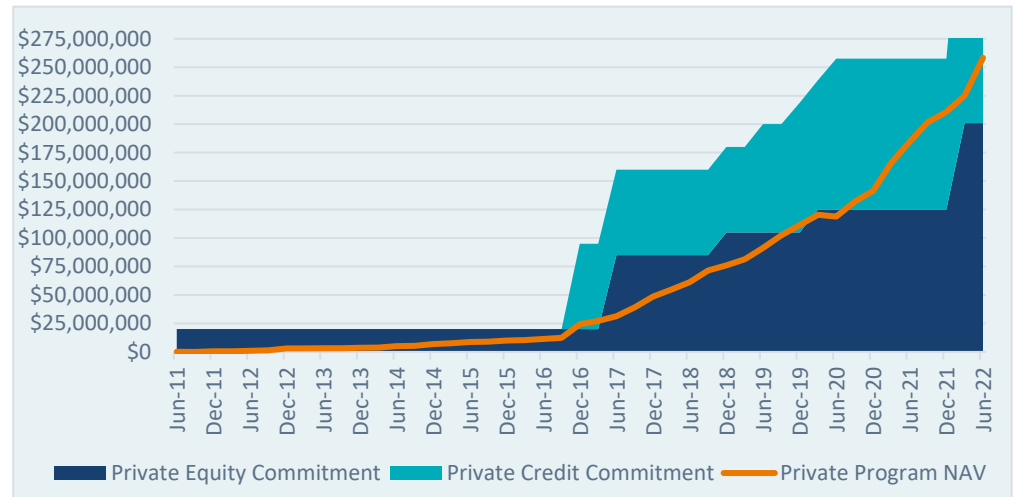
PRIVATE MARKETS AS % OF TOTAL FUND



PRIVATE MARKETS VALUE AS % OF COMMITMENT AND TOTAL FUND



PRIVATE MARKETS TOTAL COMMITMENT AND CURRENT VALUE



All data is as of 6/30/22 and includes HarbourVest separate account program minus infrastructure

Current private market holdings

Vintage	Manager & Fund Name	Estimated 6/30 Market Value ³	Total Commitment	Capital Called	% Called	Remaining Commitment	Capital Returned	Distrib/ Paid-In (DPI) ¹	Tot. Value/ Paid-In (TVPI) ²	Net IRR Since Inception ⁴	IRR Date
2011	HarbourVest Partners IX-Buyout Fund L.P.	\$15,960,280	\$20,000,000	\$17,050,000	85%	\$2,950,000	\$24,104,085	141.4%	235.0%	18.6%	6/30/2022
2018	HarbourVest Partners 2018 Global Fund L.P.	\$21,680,844	\$20,000,000	\$13,000,000	65%	\$7,000,000	\$148,339	1.1%	167.9%	31.3%	6/30/2022
2022	HarbourVest SLO Fund Private Equity ⁶	\$12,400,000	\$76,000,000	\$12,400,000	16%	\$63,600,000		0.0%	100.0%	-	-
2017	Pathway Private Equity Fund Investors 9 L.P.	\$88,315,813	\$65,000,000	\$52,145,796	80%	\$12,854,204	\$12,290,037	23.6%	192.9%	29.8%	6/30/2022
2020	Pathway Private Equity Fund Investors 10 L.P.	\$11,637,218	\$20,000,000	\$7,511,288	38%	\$12,488,712	\$0	0.0%	154.9%	-	-
2016	Sixth Street Partners Diversified Credit Program ⁵	\$82,151,595	\$152,500,000	\$91,546,054	60%	\$60,953,946	\$38,339,072	41.9%	131.6%	11.0%	3/31/2022
2022	HarbourVest SLO Fund Private Credit ⁶	\$26,207,854	\$95,000,000	\$26,250,000	28%	\$68,750,000		0.0%	99.8%	-	-
Total Alternative Illiquids		\$258,353,604	\$448,500,000	\$219,903,138	49%	\$228,596,862	\$74,881,533	34.1%	151.5%		
% of Portfolio (Market value)		16.4%									

¹(DPI) is equal to (capital returned / capital called)

² (TVPI) is equal to (market value + capital returned) / capital called

³Last known market value + capital calls – distributions

⁴ Net IRR is calculated on the cash flows of the underlying investments of the fund and is net of the underlying fund fees and carried interest

⁵ Sixth Street Partners was previously known as TSSP

⁶Commitment amount from HarbourVest separate account tactical plan for year 1

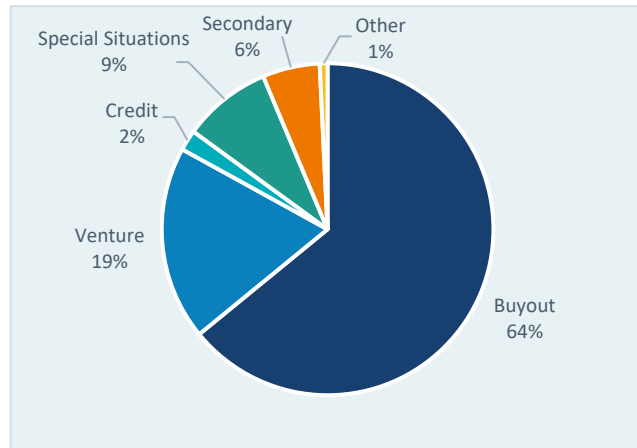
Excerpt from SLOCPT'S 6/30/22 performance report. Private equity holdings data are reported on a lagged cycle and are reflective of the last known values at the time of the report.

II. Private equity

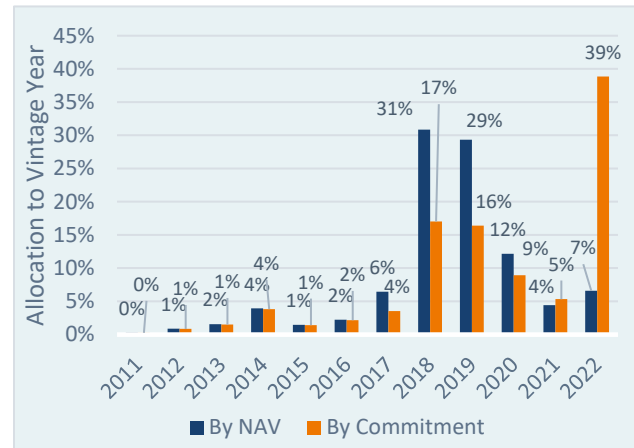
Diversification within the PE sleeve

- The program is diversified across five funds, three managed by HarbourVest and two by Pathway.
- The most recent allocation was to HarbourVest San Luis Obispo separate account which started on February 25, 2022. It's a 5-year program with a total commitment of \$770 million across private equity, private credit and infrastructure.
- The largest allocation is to HarbourVest 2022 program where the private equity sleeve accounts for an estimated year-1 commitment of \$76 million. Next largest is Pathway at \$65 million with the others at \$20million each.
- The program currently spans 12 vintage years with the highest concentration in years 2018 and 2019 (a function of both managers deploying a large allocation into funds). The 39% commitment to 2022 is a function of categorizing 100% of the new HarbourVest fund to 2022.
- Leveraged Buyouts make up most of the program with a caveat. Underlying secondary investments can be categorized as buyout, venture, credit, etc. We include secondaries as a strategy/stage type because fund managers will allocate to secondary deals to mitigate the j-curve or to pick up an undervalued asset with high upside potential.

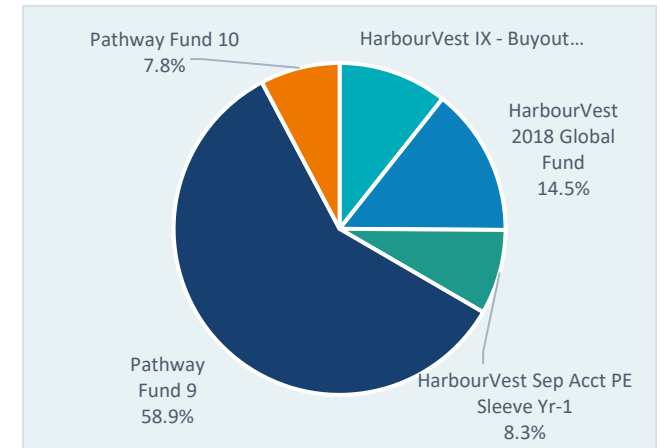
STRATEGY/STAGE DIVERSIFICATION



VINTAGE YEAR DIVERSIFICATION



MANAGER DIVERSIFICATION



Based on market values as of 6/30/22
Other includes energy and infrastructure

Capital call pace



Projected figures based on capital call projections as of 6/30/22

Program fees

	HarbourVest Fund IX Buyout	Pathway 9	HarbourVest 2018 Global Fund	Pathway 10	HarbourVest SLO SMA
Commitment	\$20,000,000	\$65,000,000	\$20,000,000	\$20,000,000	\$350,000,000 ¹
Vintage Year	2011	2017	2018	2020	2022
Year 1	0.25%	0.21%	0.45%	0.20%	0.17%
Year 2	0.50%	0.43%	0.66%	0.41%	0.17%
Year 3	0.75%	0.64%	0.88%	0.61%	0.17%
Year 4	1.00%	0.86%	0.88%	0.81%	0.17%
Year 5	1.00%	0.86%	0.88%	0.81%	0.17%
Year 6	1.00%	0.86%	0.88%	0.81%	0.17%
Year 7	1.00%	0.86%	0.88%	0.81%	0.17%
Year 8	1.00%	0.86%	0.88%	0.81%	0.17%
Year 9	1.00%	0.77%	0.66%	0.73%	0.17%
Year 10	1.00%	0.68%	0.45%	0.65%	0.17%
Year 11	0.90%	0.60%	0.22%	0.57%	0.17%
Year 12	0.81%	0.51%	0.13%	0.49%	0.17%
Average	0.85%	0.68%	0.65%	0.64%	0.17%

Total lifetime private equity program costs average to about 30 bps²

1-Represents total commitment for 5-year period including only private equity portion of Global Tranche, excluding infrastructure and primary credit

2-Calculation is cap-weighted based on commitment amounts of current funds.

Private equity performance as of 6/30/22

Fund	Net IRR	Unlevered IRR	PME Return	PME Benchmark
HarbourVest Fund IX – Buyout	18.6%	18.1%	13.1%	S&P 500
			10.0%	Russell 2000
HarbourVest 2018 Global	31.3%	24.2%	2.8%	MSCI World ex-US
Pathway Fund 9	24.2%	NA	10.7%	S&P 500
			7.6%	MSCI World
Pathway Fund 10 ¹	NM	NM	NM	NM

See Appendix for PME calculation notes

Source: Harbourvest, Pathway

NA – Not applicable

NM – Not meaningful

1 - IRR metrics for PPEF I-10 are considered not meaningful until after the third anniversary of the Fund's first cash flow; therefore, performance information will not be available for PPEF I-10 until after 1Q2023.

Private equity pacing projections

Fund	Vintage Year	Commitment	Remaining Commitment	Cumulative thru 12/31/21	(Contributions) / Distributions									
					2022	2023	2024	2025	2026	2027	2028	2029	2030	
HarbourVest IX Buyout	2011	\$20.0	\$2.9											
Net Cash Flow					\$4.9	\$6.2	\$5.8	\$4.6	\$1.7	\$0.5				
NAV				\$18.6	\$15.4	\$10.7	\$6.0	\$2.0	\$0.5	\$0.0				
HarbourVest 2018 Global Fund	2018	\$20.0	\$7.0											
Net Cash Flow					\$0.3	\$4.2	\$5.5	\$6.8	\$4.5	\$3.6	\$2.7	\$2.2	\$0.9	
NAV				\$18.6	\$20.6	\$18.9	\$15.7	\$10.8	\$7.5	\$4.8	\$2.7	\$0.8	\$0.0	
HarbourVest SLO SMA	2022	\$350.0	\$350.0											
Net Cash Flow					(\$22.1)	(\$30.6)	(\$44.2)	(\$45.3)	(\$39.7)	(\$3.5)	\$48.5	\$63.4	\$74.7	
NAV				\$0.0	\$22.1	\$54.3	\$102.3	\$154.9	\$205.5	\$223.6	\$191.0	\$141.1	\$76.3	
Pathway 9	2017	\$65.0	\$11.9											
Net Cash Flow					\$2.7	\$10.3	\$16.0	\$20.6	\$18.6	\$17.4	\$13.7	\$10.3	\$7.4	
NAV				\$86.4	\$89.1	\$84.5	\$73.8	\$57.9	\$42.9	\$28.2	\$16.2	\$6.9	\$0.0	
Pathway 10	2020	\$20.0	\$10.3											
Net Cash Flow					(\$4.3)	(\$2.2)	(\$1.4)	\$0.7	\$3.5	\$6.5	\$4.8	\$3.4	\$3.0	
NAV				\$8.8	\$13.5	\$16.3	\$18.5	\$18.6	\$16.0	\$10.3	\$6.0	\$2.9	\$0.0	
PE Balance		\$475.0	\$382.2	\$132.3	\$160.8	\$184.6	\$216.2	\$244.1	\$272.4	\$267.0	\$215.9	\$151.7	\$76.3	
% of Total Assets				7.5%	8.6%	9.3%	10.3%	10.9%	11.5%	10.6%	8.1%	5.3%	2.5%	
Total Plan Assets				\$1,775	\$1,877	\$1,985	\$2,105	\$2,233	\$2,374	\$2,523	\$2,682	\$2,851	\$3,031	

Total Plan Assets growth rate is based on the forecasted expected return from the 2022 CMA review.

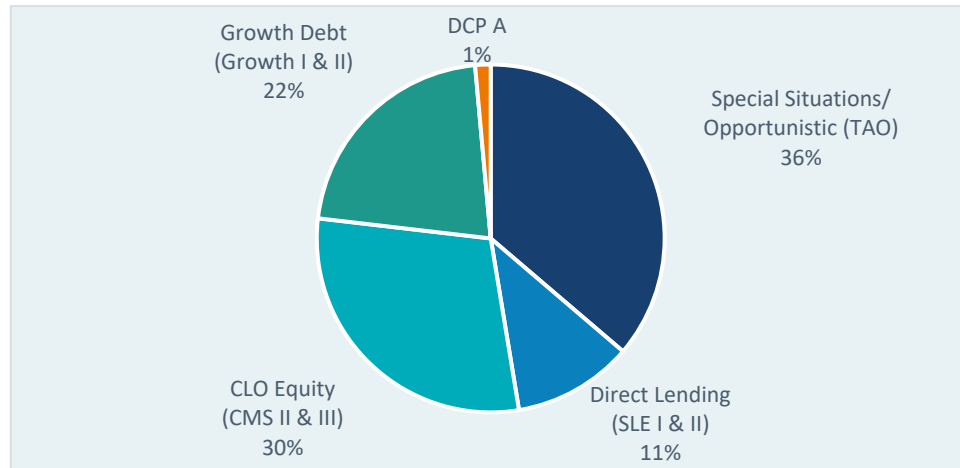
Please see appendix for list of assumptions

III. Private credit

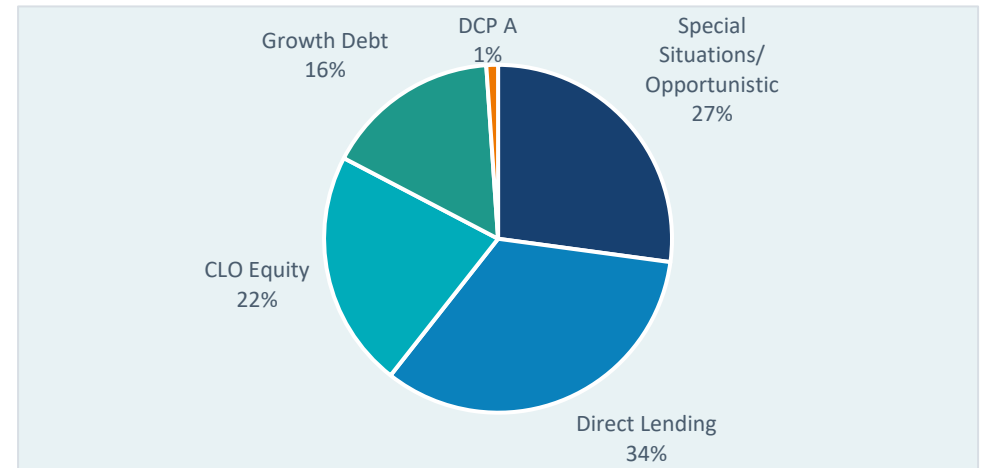
Diversification within the PC program

- The current private credit program includes 2 managers: Sixth Street Partners and HarbourVest.
- The private credit program was implemented in December 2016 through the Sixth Street Diversified Credit Program (DCP), which includes four funds: TAO (broad special situation), SLE (European lending), CMS (CLO Equity) and Growth (Growth Debt). The progression of investments is as follows:
 - 2016 - \$75 million to DCP
 - April 2019 - \$20 million to Growth I
 - December 2019 - \$18.75 million to CMS III
 - April 2020 - \$18.75 million to SLE II
 - October 2021 - \$20 million to Growth II
- The DCP program is structured such that SLOCPT will automatically roll its commitment forward into the next series of each fund listed above, unless it chooses to “opt out”.
- The HarbourVest private credit includes 2 sleeves of the broader San Luis Obispo Separately Managed Account which was initiated in February 2022.
- The 2 sleeves include Primary Credit and Senior Credit Tranche at a total commitment of \$375 million over the 5-year program with 1st year’s commitment estimated at \$95 million.

SIXTH STREET DCP

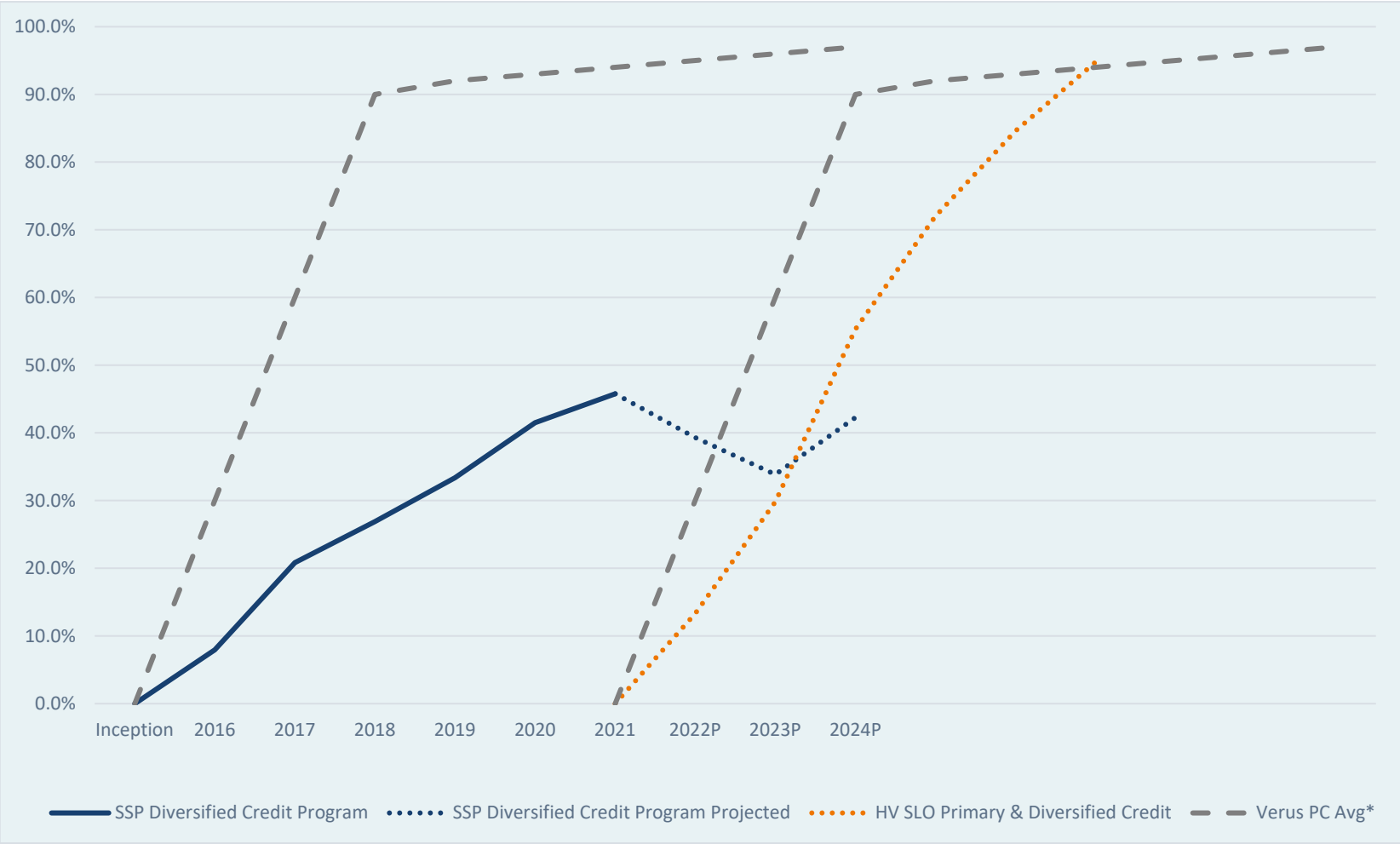


PRIVATE CREDIT PROGRAM WITH HARBOURVEST PC SLEEVE



Based on capital account balance as of 6/30/22

Capital call pace



The dip in SSP DCP projected pacing is due to anticipated net distributions

Projected figures based on net capital call projections as of 6/30/22 including contributions and distributions.

Sixth Street Partners fund descriptions

TAO

Focuses on the entire set of credit opportunities generated across the TSSP platform. It is TSSP's most flexible investment vehicle and can house any investment that meets the firm's broad investment criteria.

SLE *(previously TSLE)*

Focuses on direct loans to middle-market companies, primarily in Europe.

CMS *(previously TICP)*

Focuses on investments in the floating-rate leveraged loan and structured credit markets.

Growth *(previously TCS)*

Focuses on providing flexible financing solutions to growth companies (i.e., companies growing faster than the economy that require a high level of investment capital for continued expansion).

SSP private credit program fees

	Total SSP DCP		SLE ^{3,4}		TAO 3.0 ¹		CMS II ²		Growth I ^{5,9}		CMS III ⁷		SLE II ³		Growth II ^{3,8}	
Commitment	\$152,500,000		\$18,750,000		\$37,500,000		\$18,750,000		\$20,000,000		\$18,750,000		\$18,750,000		\$20,000,000	
Vintage Year			2015		2016		2016		2018		2020		2020		2021	
	Unused/ Committed ⁶		Committed ⁶		Unused		Invested		Unused		Invested		Committed ⁷		Invested ⁷	
	Committed ⁶	Invested	Committed ⁶	Invested ⁶	Unused	Invested	Unused	Invested	Unused	Invested	Unused	Invested	Committed ⁷	Invested ⁷	Unused	Invested
Year 1	0.65%	1.14%	1.50%	1.50%	0.65%	1.35%	0.00%	0.30%	0.85%	1.50%	0.00%	0.30%	0.25%	1.25%	1.25%	1.50%
Year 2	0.65%	1.14%	1.50%	1.50%	0.65%	1.35%	0.00%	0.30%	0.85%	1.50%	0.00%	0.30%	0.25%	1.25%	1.25%	1.50%
Year 3	0.65%	1.14%	1.50%	1.50%	0.65%	1.35%	0.00%	0.30%	0.85%	1.50%	0.00%	0.30%	0.25%	1.25%	1.25%	1.50%
Year 4	0.65%	1.14%	1.50%	1.50%	0.65%	1.35%	0.00%	0.30%	0.85%	1.50%	0.00%	0.30%	0.25%	1.25%	1.25%	1.50%
Year 5	0.43%	1.11%	0.85%	1.25%	0.65%	1.35%	0.00%	0.30%	0.00%	1.50%	0.00%	0.30%	0.00%	1.25%	1.25%	1.50%
Year 6	0.16%	1.11%	0.00%	1.25%	0.65%	1.35%	0.00%	0.30%	0.00%	1.50%	0.00%	0.30%	0.00%	1.25%	0.00%	1.50%
Year 7	0.00%	1.11%	0.00%	1.25%	0.00%	1.35%	0.00%	0.30%	0.00%	1.50%	0.00%	0.30%	0.00%	1.25%	0.00%	1.50%
Year 8	0.00%	1.11%	0.00%	1.25%	0.00%	1.35%	0.00%	0.30%	0.00%	1.50%	0.00%	0.30%	0.00%	1.25%	0.00%	1.50%
Year 9	0.00%	1.11%	0.00%	1.25%	0.00%	1.35%	0.00%	0.30%	0.00%	1.50%	0.00%	0.30%	0.00%	1.25%	0.00%	1.50%
Year 10	0.00%	0.95%	0.00%	1.25%	0.00%	1.35%	0.00%	0.30%	0.00%	1.50%	0.00%	0.30%			0.00%	1.50%
Year 11	0.00%	0.33%			0.00%	1.35%										
Average	0.29%	1.03%	0.69%	1.35%	0.35%	1.35%	0.00%	0.30%	0.34%	1.50%	0.00%	0.30%	0.11%	1.25%	0.63%	1.50%

Note: For illustrative purposes only. Commitment periods are based on Sixth Street's views and are subject to change. Furthermore, the above table is a simplification. Please refer to fund documentation for the complete terms and definitions.

1. Assumes termination of TAO 3.0 after Minimum Commitment Period of 5.5 years, with subsequent wind down of portfolio lasting 5 years.
2. Assumes 10 year fund life for CMS II.
3. Assumes wind down of portfolio lasts 5 years.
4. SLE Year 5 includes adjustment for one year commitment period extension.
5. DCP commitment to Growth I was made in April 2019, analysis above shows all fund commitments beginning in "Year 1".
6. During SLE commitment period (before 1 year extension), management fees are calculated based on LP fund commitments. To accurately represent fees for DCP, we have included them in Total Sixth Street for both the unused/committed and invested columns.
7. Assumes 10 year fund life for CMS III.
8. DCP commitment to Growth II was made in October 2021, analysis above shows all fund commitments beginning in "Year 1".
9. Commitment period ended 03/31/22

SSP private credit performance

SSP Vehicle	Net IRR	PME Return	PME Benchmark ¹
TAO 3.0	10.1%	2.1%	S&P/LSTA Lev Loan ²
		2.1%	Credit Suisse Lev Loan ³
CMS II	6.3%	2.4%	S&P/LSTA Lev Loan
		2.4%	Credit Suisse Lev Loan
CMS III	10.2%	-0.1%	S&P/LSTA Lev Loan
		0.0%	Credit Suisse Lev Loan
SLE I ⁴	11.8%	3.2%	S&P/LSTA Lev Loan
		3.3%	Credit Suisse Lev Loan
SLE II ⁵	5.5%	-2.3%	S&P/LSTA Lev Loan
		-2.2%	Credit Suisse Lev Loan
Growth I	15.1%	1.2%	S&P/LSTA Lev Loan
		1.2%	Credit Suisse Lev Loan
Growth II	NM	NM	S&P/LSTA Lev Loan
		NM	Credit Suisse Lev Loan
DCP	9.2%	2.9%	S&P/LSTA Lev Loan
		2.9%	Credit Suisse Lev Loan

Note: All performance numbers are as of 6/30/22. Past performance does not guarantee future results, which may vary.

1. The benchmark numbers above are presented as a Public Market Equivalent (“PME”) analysis based on the actual timing of net cash flows in the Sixth Street vehicles. For all funds, the investor’s individual net cash flows were used. Index performance has been adjusted to include 75bps impact from management fees, as these indices cannot be accessed directly. Please refer to the disclaimers at the beginning of this presentation for additional disclosure regarding the use of benchmark indices.

2. S&P/LSTA Leveraged Loan Total Return Index (Bloomberg Finance).

3. Credit Suisse Leveraged Loan Total Return Index (Bloomberg Finance).

4. As of 6/30/22, the SLE I Main Fund had returned a levered net IRR of 9.9% and an unlevered net IRR of 9.1%. SLOCPT is invested in the SLE I USD feeder fund. The net return shown here reflects SLOCPT’s actual net IRR based on their investor-specific cash flows.

5. As of 6/30/22, the SLE II Main Fund had returned a levered net IRR of 8.6% and an unlevered net IRR of 6.0%. SLOCPT is invested in the SLE II USD feeder fund. The net return shown here reflects SLOCPT’s actual net IRR based on their investor-specific cash flows.

Source: Sixth Street Partners

Total private credit program projections

(Contributions) / Distributions

Fund	Vintage Year	Commitment	Remaining Commitment	Cumulative thru 12/31/21	2022	2023	2024	2025
SLE ²	2015	\$18.75						
Net Contributions/Distributions					20.0%	10.0%	5.0%	5.0%
TAO 3.0 ¹	2016	\$37.50						
Net Contributions/Distributions					(0.5)%	1.0%	1.0%	1.0%
CMS II ²	2016	\$18.75						
Net Contributions/Distributions					10.0%	15.0%	15.0%	15.0%
Growth I ¹	2018	\$20.00						
Net Contributions/Distributions					(5.0)%	0.0%	5.0%	10.0%
CMS III ¹	2020	\$18.75						
Net Contributions/Distributions					(35.0)%	(30.0)%	15.0%	15.0%
SLE II ¹	2020	\$18.75						
Net Contributions/Distributions					(20.0)%	(20.0)%	5.0%	10.0%
Growth II ¹	2021	\$20.00						
Net Contributions/Distributions					(20.0)%	(20.0)%	5.0%	10.0%
SSP DCP Total Fund Level		\$152.50	\$63.5					
Net Cash Flow					(\$9.88)	(\$8.31)	\$9.88	\$12.81
NAV				\$78.42	\$80.47	\$80.76	\$62.83	\$43.75
HarbourVest SLO - Primary & Direct Credit	2022	\$375.00	\$375.00					
Net Cash Flow					(\$48.2)	(\$52.1)	(\$71.5)	(\$17.5)
NAV				\$0.0	\$48.2	\$103.2	\$180.9	\$209.2
PC Balance		\$527.50	\$438.5	\$78.42	\$128.65	\$183.92	\$243.70	\$252.91
% of Total Assets				4.4%	6.9%	9.3%	11.6%	11.3%
Total Plan Assets				\$1,775	\$1,877	\$1,985	\$2,105	\$2,233

Note: For illustrative purposes only. The information is being provided to Verus and SLOCPT at its specific request and is strictly private and confidential. The information is shown on a net of fees and expenses basis. Actual capital calls and distributions may differ when accounting for recycling. The estimated net cash flows shown above are for illustrative purposes only and represent Sixth Street's subjective view and current market conditions at the time of this presentation, which may vary and is subject to change. No assurance can be given that actual cash flows will not differ from these estimates. Past performance does not guarantee future results, which may vary.

Total Plan Assets growth rate is based on the forecasted expected return from the 2022 CMA review. See Appendix for additional assumptions.

Appendix

HarbourVest SLO SMA schedule of commitments

San Luis Obispo separate account tactical plan - \$770 million

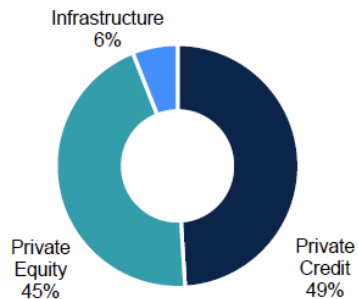


Program Year	Annual Commitment (\$m)	Global Tranche - \$620 (\$m)										Senior Credit Tranche - \$150 (\$m)
		Secondary	Co-investment	Primary Buyout			Primary Venture			Primary Infrastructure	Primary Credit	Senior Credit Deals
		Global	Global	North America	Europe	Asia	North America	Europe	Asia	North America and Europe	North America and Europe	Global
Year 1	\$180	\$12	\$14	\$19	\$9	\$4	\$8	\$4	\$6	\$9	\$45	\$50
Year 2	\$178	\$12	\$14	\$19	\$8	\$4	\$8	\$3	\$6	\$9	\$45	\$50
Year 3	\$179	\$11	\$14	\$19	\$9	\$4	\$8	\$4	\$6	\$9	\$45	\$50
Year 4	\$116	\$0	\$14	\$19	\$8	\$4	\$8	\$3	\$6	\$9	\$45	\$0
Year 5	\$117	\$0	\$14	\$19	\$9	\$4	\$8	\$4	\$5	\$9	\$45	\$0
Total	\$770	\$35	\$70	\$95	\$43	\$20	\$40	\$18	\$29	\$45	\$225	\$150

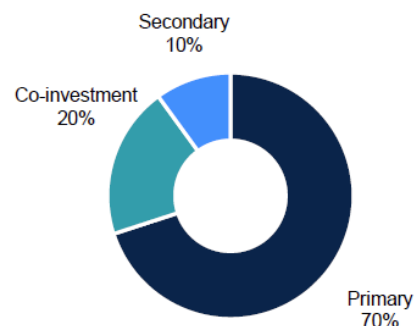
Note: Totals might not foot due to rounding.

Portfolio Construction

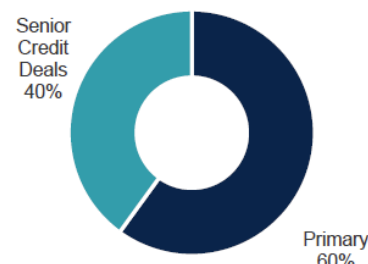
Total Portfolio



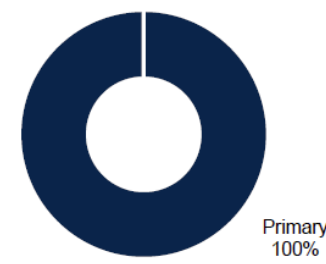
Private Equity



Private Credit



Infrastructure



These amounts reflect the current expectations for the allocation of the account. The ultimate allocation may differ based upon market conditions and available investment opportunities over the life of the account and subject to further discussion with San Luis Obispo

Public Market Equivalent (PME)

- PME information represents adjusted model performance of each index as if the respective index had been purchased and sold at the time of the limited partners' capital calls and distributions, with the remainder held at the date noted. Dividends are not reinvested.
- Under this methodology, the capital calls for the purchase of the public market index are the same as the capital calls for the Fund(s). The distributions for the sales of the public market index are scaled to represent the same proportion of the Fund's NAV at the time of the distribution.
 - For example, if the Fund distributes 5% of NAV, then 5% of the index NAV is distributed. Thus, the index returns presented are not actual index returns, but adjusted model returns.
- In certain instances, the comparison is based on the PME+ (public market equivalent) method as described in an article titled, "Beating the Public Market," by Christophe Rouvinez, as published in the Private Equity International in December 2003 / January 2004. When using this methodology, both the Fund and the adjusted index are assumed to have the same ending NAV. The ending NAV for the adjusted index is derived by scaling the distributions by a constant scaling factor, while preserving the overall cash flow pattern.

Private equity projections - expanded

Fund	Vintage Year	Commitment	Remaining Commitment	Cumulative thru 12/31/21	(Contributions) / Distributions									
					2022	2023	2024	2025	2026	2027	2028	2029	2030	
HarbourVest IX Buyout	2011	\$20.0	\$2.9											
Contributions (%)				(85%)	(4%)	(4%)	0%	0%	0%	0%				
Distributions (%)				106%	29%	35%	29%	23%	9%	2%				
Contributions (\$)				(\$17.1)	(\$0.8)	(\$0.8)	\$0.0	\$0.0	\$0.0	\$0.0				
Distributions (\$)				\$21.2	\$5.7	\$7.0	\$5.8	\$4.6	\$1.7	\$0.5				
Net Cash Flow					\$4.9	\$6.2	\$5.8	\$4.6	\$1.7	\$0.5				
NAV				\$18.6	\$15.4	\$10.7	\$6.0	\$2.0	\$0.5	\$0.0				
HarbourVest 2018 Global Fund	2018	\$20.0	\$7.0											
Contributions (%)				(65.0%)	(13.5%)	(8.9%)	(7.6%)	(5.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Distributions (%)				12%	14.7%	29.7%	35.1%	39.0%	22.7%	17.8%	13.7%	10.9%	4.7%	
Contributions (\$)				(\$13.0)	(\$2.7)	(\$1.8)	(\$1.5)	(\$1.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Distributions (\$)				\$2.4	\$2.9	\$5.9	\$7.0	\$7.8	\$4.5	\$3.6	\$2.7	\$2.2	\$0.9	\$0.9
Net Cash Flow					\$0.3	\$4.2	\$5.5	\$6.8	\$4.5	\$3.6	\$2.7	\$2.2	\$0.9	\$0.9
NAV				\$18.6	\$20.6	\$18.9	\$15.7	\$10.8	\$7.5	\$4.8	\$2.7	\$0.8	\$0.0	\$0.0
HarbourVest SLO SMA	2022	\$350.0	\$350.0											
Contributions (%)				0.0%	(6.3%)	(9.0%)	(13.7%)	(16.0%)	(17.1%)	(14.6%)	(9.1%)	(5.9%)	(3.7%)	
Distributions (%)				0%	0.0%	0.3%	1.1%	3.1%	5.8%	13.6%	23.0%	24.0%	25.1%	
Contributions (\$)				\$0.0	(\$22.1)	(\$31.6)	(\$47.9)	(\$56.1)	(\$60.0)	(\$51.0)	(\$31.9)	(\$20.6)	(\$13.1)	
Distributions (\$)				\$0.0	\$0.0	\$1.0	\$3.7	\$10.8	\$20.3	\$47.5	\$80.4	\$84.0	\$87.8	
Net Cash Flow					(\$22.1)	(\$30.6)	(\$44.2)	(\$45.3)	(\$39.7)	(\$3.5)	\$48.5	\$63.4	\$74.7	
NAV				\$0.0	\$22.1	\$54.3	\$102.3	\$154.9	\$205.5	\$223.6	\$191.0	\$141.1	\$76.3	
Pathway 9	2017	\$65.0	\$11.9											
Contributions (%)				(78.8%)	(6.5%)	(5.4%)	(4.0%)	(2.6%)	(1.4%)	(0.7%)	(0.5%)	0.0%	0.0%	
Distributions (%)				14.3%	10.7%	21.3%	28.6%	34.3%	30.1%	27.5%	21.7%	15.9%	11.3%	
Contributions (\$)				(\$51.2)	(\$4.2)	(\$3.5)	(\$2.6)	(\$1.7)	(\$0.9)	(\$0.5)	(\$0.3)	\$0.0	\$0.0	
Distributions (\$)				\$9.3	\$7.0	\$13.8	\$18.6	\$22.3	\$19.6	\$17.9	\$14.1	\$10.3	\$7.4	
Net Cash Flow					\$2.7	\$10.3	\$16.0	\$20.6	\$18.6	\$17.4	\$13.7	\$10.3	\$7.4	
NAV				\$86.4	\$89.1	\$84.5	\$73.8	\$57.9	\$42.9	\$28.2	\$16.2	\$6.9	\$0.0	
Pathway 10	2020	\$20.0	\$10.3											
Contributions (%)				(26.7%)	(21.7%)	(12.6%)	(12.0%)	(9.5%)	(7.2%)	(5.7%)	(3.5%)	(1.3%)	(0.5%)	
Distributions (%)				0.2%	0.2%	1.7%	4.8%	13.2%	24.5%	38.0%	27.5%	18.4%	15.5%	
Contributions (\$)				(\$5.3)	(\$4.3)	(\$2.5)	(\$2.4)	(\$1.9)	(\$1.4)	(\$1.1)	(\$0.7)	(\$0.3)	(\$0.1)	
Distributions (\$)				\$0.0	\$0.0	\$0.3	\$1.0	\$2.6	\$4.9	\$7.6	\$5.5	\$3.7	\$3.1	
Net Cash Flow					(\$4.3)	(\$2.2)	(\$1.4)	\$0.7	\$3.5	\$6.5	\$4.8	\$3.4	\$3.0	
NAV				\$8.8	\$13.5	\$16.3	\$18.5	\$18.6	\$16.0	\$10.3	\$6.0	\$2.9	\$0.0	
PE Balance		\$475.0	\$382.2	\$132.3	\$160.8	\$184.6	\$216.2	\$244.1	\$272.4	\$267.0	\$215.9	\$151.7	\$76.3	
% of Total Assets				7.5%	8.6%	9.3%	10.3%	10.9%	11.5%	10.6%	8.1%	5.3%	2.5%	
Total Plan Assets				\$1,775	\$1,877	\$1,985	\$2,105	\$2,233	\$2,374	\$2,523	\$2,682	\$2,851	\$3,031	

Total Plan Assets growth rate is based on the forecasted expected return from the 2022 CMA review. See assumptions for detail

Assumptions for PE cash flow model

- Asset Values are represented in millions.
- This is a hypothetical model based on reasonable assumptions and does not reflect actual timing and should not be interpreted as predicting the future.
- IRR over each fund's entire life will be different
- Pathway's proprietary projection model is based upon the following assumptions:
 - PPEF I-9 is fully committed
 - PPEF I-10 assumes \$300mm committed over a 3-year period
 - Where applicable, June 30, 2022, exchange rates are used. These exchange rates are assumed to remain constant
 - Expected annual contributions are based on the ratio of pooled paid-in capital to commitment, using historical vintage year data captured by Pathway and data provided by Thomson Reuters.
 - Expected annual distributions are based on the ratio of pooled distributions to paid-in capital, using historical vintage year data captured by Pathway and data provided by Thomson Reuters.
 - Each partnership has a 14-year life (including extensions).
 - Cash flow projections include the underlying partnerships' fees and expenses, as well as the fund of funds' management fees and expenses.
- Total Plan assets are assumed to grow on the following schedule based on the February 2021 Asset Allocation study of the annual transition to long term policy:
 - 2022 – 5.7%
 - 2023 – 5.8%
 - 2024 – 6.0%
 - 2025 – 6.1%
 - 2026 and thereafter – 6.3%
- Actual NAV is based on known balance on 12/31/21.
- NAV at future dates are estimated based on cash flows and implied remaining life IRR.
- Cash flows occur at year end.

Private credit projections - expanded

(Contributions) / Distributions

Fund	Vintage Year	Commitment	Remaining Commitment	Cumulative thru 12/31/21	2022	2023	2024	2025
SLE ²	2015	\$18.75						
Net Contributions/Distributions					20.0%	10.0%	5.0%	5.0%
High					22.5%	12.5%	7.5%	7.5%
Low					17.5%	7.5%	2.5%	2.5%
TAO 3.0 ¹	2016	\$37.50						
Net Contributions/Distributions					(0.5)%	1.0%	1.0%	1.0%
High					0.0%	2.5%	2.5%	2.5%
Low					(5.0%)	0.0%	0.0%	0.0%
CMS II ²	2016	\$18.75						
Net Contributions/Distributions					10.0%	15.0%	15.0%	15.0%
High					12.5%	17.5%	17.5%	17.5%
Low					7.5%	12.5%	12.5%	12.5%
Growth I ¹	2018	\$20.00						
Net Contributions/Distributions					(5.0)%	0.0%	5.0%	10.0%
High					(7.5)%	2.5%	12.5%	12.5%
Low					(12.5)%	(2.5)%	7.5%	7.5%
CMS III ¹	2020	\$18.75						
Net Contributions/Distributions					(35.0)%	(30.0)%	15.0%	15.0%
High					(32.5)%	(27.5)%	17.5%	17.5%
Low					(37.5)%	(32.5)%	12.5%	12.5%
SLE II ¹	2020	\$18.75						
Net Contributions/Distributions					(20.0)%	(20.0)%	5.0%	10.0%
High					(17.5)%	(17.5)%	12.5%	12.5%
Low					(22.5)%	(22.5)%	7.5%	7.5%
Growth II ¹	2021	\$20.00						
Net Contributions/Distributions					(20.0)%	(20.0)%	5.0%	10.0%
High					(17.5)%	(17.5)%	12.5%	12.5%
Low					(22.5)%	(22.5)%	7.5%	7.5%
SSP DCP Total Fund Level		\$152.50	\$63.5					
Net Contributions/Distributions (%)				(35%)				
Net Contributions/Distributions (\$)				(\$53.23)				
Net Cash Flow					(\$9.88)	(\$8.31)	\$9.88	\$12.81
NAV				\$78.42	\$80.47	\$80.76	\$62.83	\$43.75
HarbourVest SLO - Primary & Direct Credit	2022	\$375.00	\$375.00					
Contributions (%)				0.0%	(13.3)%	(16.5)%	(25.5)%	(16.7)%
Distributions (%)				0.0%	0.5%	2.6%	6.4%	12.1%
Contributions (\$)				\$0.0	(\$50.0)	(\$61.8)	(\$95.6)	(\$62.8)
Distributions (\$)				\$0.0	\$1.8	\$9.7	\$24.0	\$45.3
Net Cash Flow					(\$48.2)	(\$52.1)	(\$71.5)	(\$17.5)
NAV				\$0.0	\$48.2	\$103.2	\$180.9	\$209.2
PC Balance		\$527.50	\$438.5	\$78.42	\$128.65	\$183.92	\$243.70	\$252.91
% of Total Assets				4.4%	6.9%	9.3%	11.6%	11.3%
Total Plan Assets				\$1,775	\$1,877	\$1,985	\$2,105	\$2,233

Total Plan Assets growth rate is based on the forecasted expected return from the 2022 CMA review. See assumptions for more detail.

Assumptions for PC cash flow model

- Asset Values are represented in millions.
- This is a hypothetical model based on reasonable assumptions and does not reflect actual timing and should not be interpreted as predicting the future.
- Contribution and distribution forecasts are provided by managers at the request of Verus. Hypothetical assumptions are based on experience of prior funds, current market conditions, and current fund expectations. Actual pace and timing of cash flows is likely to be different.
- Drawdowns and distributions will continue beyond the final year (2025) shown in this exercise.
- Total Plan assets are assumed to grow on the following schedule based on the February 2022 asset allocation study of the annual transition to long term policy:
 - 2022 – 5.7%
 - 2023 – 5.8%
 - 2024 – 6.0%
 - 2025 – 6.1%
- Actual NAV is based on known balance on 12/31/21.
- SSP fund sleeve NAV at future dates are estimated based on net cash flow projections provided by Sixth Street Partners and extrapolated an additional 3 years (through 2028) using an implied remaining life IRR to estimate the evergreen nature of the Diversified Credit Program.
- HarbourVest NAV at future dates are estimated based on cash flows and implied remaining life IRR.
- Footnotes:
 - ¹Represents % of committed capital.
 - ²No incremental capital to be called.

Board of Trustees

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www.SLOPensionTrust.org



Date: November 28, 2022

To: Board of Trustees

From: Carl Nelson – Executive Director
Amy Burke – Deputy Director

Agenda Item 18: HarbourVest SLO Fund Update

Recommendation:

1. Review and discuss the materials providing an update on the HarbourVest SLO Fund and its tactical plan for deploying private market investments.

Background:

The SLOCPT implemented a large, 5+ year program to significantly increase its Private Market investments (Private Equity, Private Credit, and Infrastructure) with the September 2021 hiring of HarbourVest. This was an important step in implementing the Functionally Focused Portfolio revisions to the SLOCPT's long term Strategic Asset Allocation Policy (SAA). The 2020 revisions to the SAA include large increases in allocation to Private Market assets to improve expected risk-adjusted returns.

The resulting discretionary advisor structure implemented is a "Fund-of-One" Limited Partnership managed by HarbourVest. The SLOCPT is the only LP in this large, diversified pool of various private market investments - Private Equity, Private Credit, and Infrastructure. The HarbourVest SLO Fund will invest in primary LP funds, secondary market acquired LP funds, and direct co-investments alongside the other LP funds. The HarbourVest SLO Fund will also have direct, senior credit investments as part of the Private Credit allocation. The initial commitment to invest in the HarbourVest SLO Funds is \$770 million to be called over multiple years. Eventually, this fund may constitute approximately 30% or more of the entire SLOCPT fund.

The HarbourVest Tactical Plan for investing the SLO Fund has been presented to the Board of Trustees earlier this year. The attached exhibit details the HarbourVest Tactical Plan.

As of November, 2022, the initial capital calls from the HarbourVest SLO Fund have been –

Global Tranche	
Private Equity	\$18,600,000
Private Credit	pending
Infrastructure	pending
Senior Credit Tranche	
Senior Credit Direct Investments	<u>\$37,500,000</u>
Total	\$56,100,000

Ed Powers, Managing Director at HarbourVest and the primary coordinator of strategy for the HarbourVest SLO Fund will attend the meeting virtually and comment on the program, its pacing and private market conditions.

Respectfully Submitted,

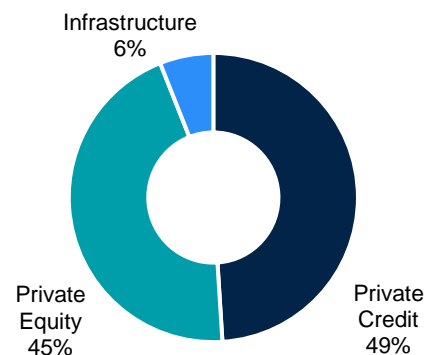
San Luis Obispo separate account tactical plan - \$770 million

Program Year	Annual Commitment (\$m)	Global Tranche - \$620 (\$m)										Senior Credit Tranche - \$150 (\$m)
		Secondary	Co-investment	Primary Buyout			Primary Venture			Primary Infrastructure	Primary Credit	Senior Credit Deals
		Global	Global	North America	Europe	Asia	North America	Europe	Asia	North America and Europe	North America and Europe	Global
Year 1	\$180	\$12	\$14	\$19	\$9	\$4	\$8	\$4	\$6	\$9	\$45	\$50
Year 2	\$178	\$12	\$14	\$19	\$8	\$4	\$8	\$3	\$6	\$9	\$45	\$50
Year 3	\$179	\$11	\$14	\$19	\$9	\$4	\$8	\$4	\$6	\$9	\$45	\$50
Year 4	\$116	\$0	\$14	\$19	\$8	\$4	\$8	\$3	\$6	\$9	\$45	\$0
Year 5	\$117	\$0	\$14	\$19	\$9	\$4	\$8	\$4	\$5	\$9	\$45	\$0
Total	\$770	\$35	\$70	\$95	\$43	\$20	\$40	\$18	\$29	\$45	\$225	\$150

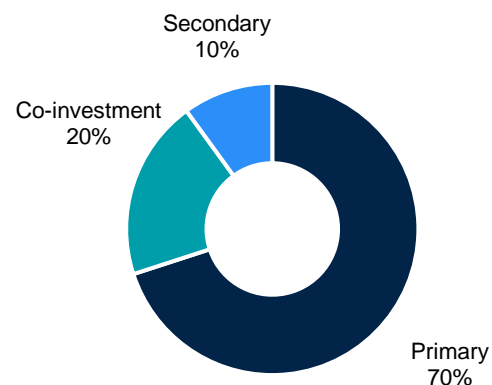
Note: Totals might not foot due to rounding.

Portfolio Construction

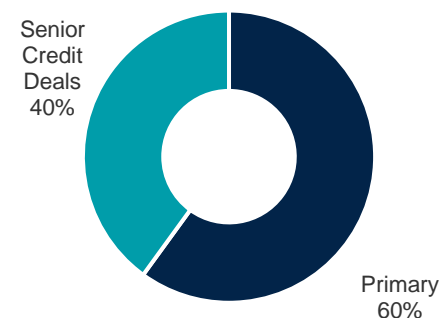
Total Portfolio



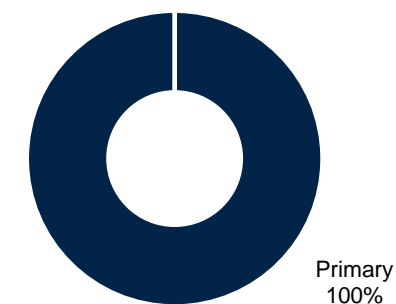
Private Equity



Private Credit



Infrastructure



These amounts reflect the current expectations for the allocation of the account. The ultimate allocation may differ based upon market conditions and available investment opportunities over the life of the account and subject to further discussion with San Luis Obispo **Agenda Item 18**

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Board of Trustees

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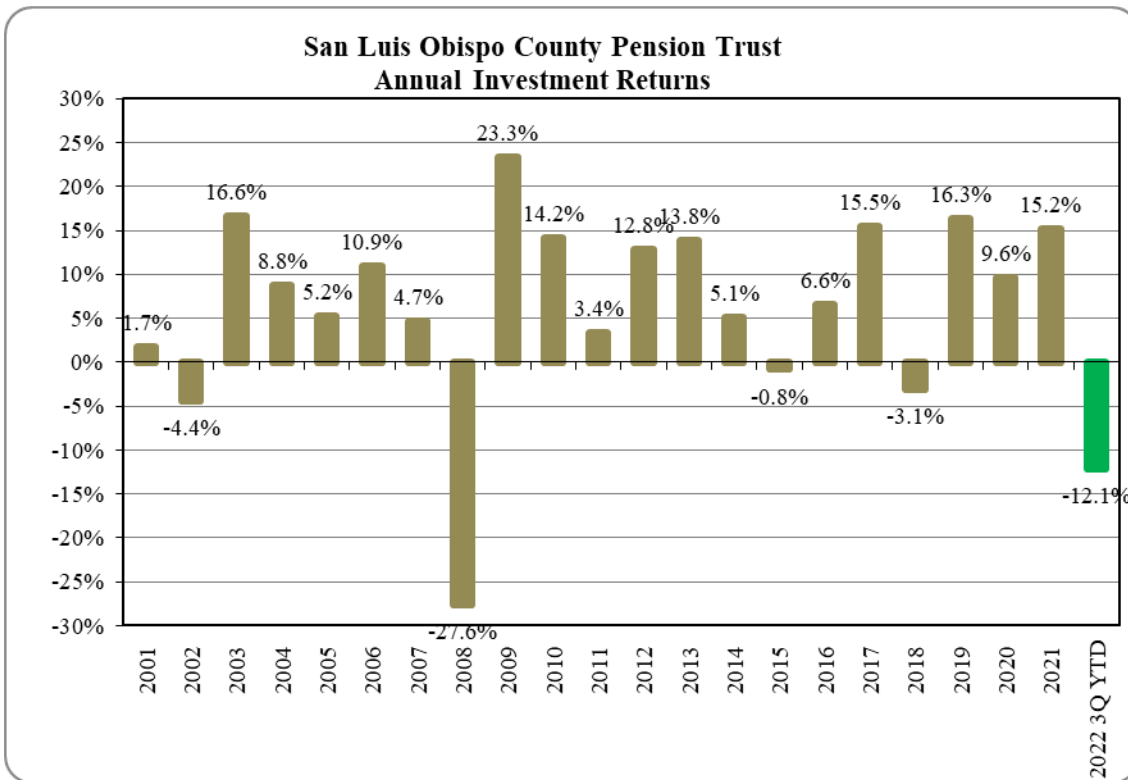
Date: November 28, 2022

To: Board of Trustees

From: Carl Nelson – Executive Director
Amy Burke – Deputy Director
Scott Whalen - Verus

Agenda Item 19: Quarterly Investment Report for the 3rd Quarter of 2022

Attached is the 3Q22 quarterly investment report from the Trust’s investment consultant - Verus. Scott Whalen of Verus will present and discuss the quarterly report. The history of SLOCPT investment returns, gross of fees, is shown below.



Respectfully submitted

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**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**



PERIOD ENDING: SEPTEMBER 30, 2022

Investment Performance Review for

San Luis Obispo County Pension Trust

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

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Investment Landscape

TAB I

Investment Performance
Review

TAB II



**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**

4TH QUARTER 2022
Investment Landscape

Verus business update

Since our last Investment Landscape webinar:

- *Chief Investment Officer* has nominated Verus for its **2022 Innovation Awards** in the Diversity category, recognizing Verus President, Shelly Heier's work to progress the [Institutional Investing Diversity Cooperative \(iidcoop.org\)](https://iidcoop.org) mission promote greater diversity in the institutional asset management industry.
- The firm continues to grow with two new clients, located on the West Coast and in the Midwest.
- Verus has hired several new employees. **Colleen Flannery**, Associate Director | Public Markets; **Jason Fajardo**, Performance Analyst; **Sam Geschickter**, Portfolio Management Associate; **Linda Wu, CFA**, Senior Consulting Associate; and **Amanda Schroeder**, Director of Marketing.
- Recent research, found at verusinvestments.com/insights
 - In August, we put out a short video on our *Perspectives on the recession and the economy*
 - In September, we released a whitepaper on *Opportunities in small caps*
 - *This month, we shared our 2022 Private Equity Outlook* and a paper called, *Minding the gap: Insights into actuarial assumed rate of return*

Recent Verus research

Visit: <https://www.verusinvestments.com/insights/>

Topics of interest papers

OPPORTUNITIES IN SMALL CAPS

In this Topic of Interest white paper, we first briefly walk through the original small cap premium thesis and research that led to its industry-wide recognition. Forty years have passed since much of this analysis was conducted, so in this section we take a look at whether the small cap effect has remained statistically significant. Next, we discuss active management opportunities in small caps, as these businesses are smaller and less covered by analysts. Last, many U.S. companies are staying private for longer. We cover this trend and its implications for the small cap market, which is directly impacted by the private/public decisions of younger businesses.

MINDING THE GAP: INSIGHTS INTO ACTUARIAL ASSUMED RATE OF RETURN

As consultants, we are often asked “how can we support a strategic asset allocation with an expected return (ER) that is different from the actuarial assumed rate of return (AARR)?” We believe Plan sponsors with a gap between these two metrics should work to bring the ER and AARR in line. Boards may face modest differences for three distinct reasons – each have countervailing reasons for closing the gap they cause. First, it might be argued that these forecasts are built for different purposes. Second, there is variability in ER forecasts as markets fluctuate year-to-year. Third, the timeframe over which the forecasts are used differs. In this paper, we further explain this reasoning and conclude by offering approaches for Plans to reduce any mismatch between ER and AARR to a reasonable level, which we generally believe to be less than 0.5%.

Annual research

2022 PRIVATE EQUITY OUTLOOK

In the 2022 Private Equity Outlook, we focus attention on the rise of GP-led continuation funds and what investors should consider when evaluating such opportunities. The outlook also addresses the following observations:

- Late-stage venture valuations have increased, and involvement of nontraditional investors has shifted
- Private equity deal activity has slowed in the face of rising interest rates and falling public markets
- Venture capital activity has slowed while fundraising remains strong
- Direct lending continues to drive investor interest while distressed debt and special situations credit have received more attention
- As many factors continue to impact the public markets and create volatility, the secondary market continues to grow

New Verus manager rating system

- Ratings are applied to products across all public and private market asset classes based on their distinguishing qualities around five key evaluation areas. 1) Alignment with client interests 2) Investment edge 3) Implementation approach 4) Optimal use of risk 5) Understandable performance
- Our “IQ Ratings” considers the institutional quality of the product plus the conviction of our research teams:
 - **Institutional Quality Rating:** Investment products are rated based on insight gained from using five evaluation criteria: Alignment, Investment Edge, Implementation, Optimal Use of Risk, and Understandable Performance. Products that meet or exceed standards of fiduciary care required by institutional investors are indicated with an IQ symbol.
 - **Conviction Rating:** This second component represents the conviction of our research teams in the distinguishing qualities of the product relative to its peers, with 1 as the highest rating and 5 the lowest.
- Importantly, our due diligence process has not changed, just how we communicate our relative conviction in products.

- The following table shows the ratings that may be assigned to an investment product, including their respective characteristics and Verus recommendations:

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

- Please reach out to your consultant for further details regarding your portfolio.

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Economic environment 8

Fixed income rates & credit 21

Equity 28

Other assets 37

Appendix 40

3rd quarter summary

THE ECONOMIC CLIMATE

- U.S. real GDP fell in Q2 for a second consecutive quarter, down -0.6% annualized (+1.6% over the past full year). Forecasts suggest a potential growth turnaround in the third quarter; the Atlanta Fed GDPNow forecast indicated a growth rate of 2.8% and economists expected 0.9% as of October 14th.
- The U.S. dollar delivered an impressive rally year-to-date, appreciating approximately 15% relative to major currencies. A stronger dollar may result in slowing U.S. exports as domestic goods become more expensive to foreign buyers, and lower inflation as American businesses and households are able to purchase foreign goods at cheaper prices.

PORTFOLIO IMPACTS

- September inflation figures conveyed two stories: first, U.S. core CPI (excludes food & energy) remained elevated, rising 0.6% during the month to a new 40-year high of 6.6% year-over-year; second, headline inflation (includes all prices) continued to show another more moderate monthly print of 0.4% but remained high at 8.2% year-over-year.
- Credit performance was mixed during Q3, with lower duration exposures faring better than higher duration. Fears of a looming recession remained as the Fed's 75 basis point rate hikes in both July and September reinforced its intention to fight inflation until the "job is done."

THE INVESTMENT CLIMATE

- The Russia Ukraine war may be taking a turn, as Ukraine's counteroffensive gains steam. In a rare admission, Russia's Defense Ministry spokesman Igor Konashenkov acknowledged recent defeats: "With numerically superior tank units in the direction of Zolota Balka and Oleksandrivka, the enemy managed to forge deep into our defenses."
- The broad market selloff increased in intensity as global central banks hiked interest rates, effectively withdrawing liquidity from the financial system. Higher interest rates and central bank balance sheet winddowns mark a major change from the liquidity-driven environment of the past decade.

ASSET ALLOCATION ISSUES

- Markets year-to-date have delivered sharp losses across nearly every asset class, including double digit losses of core fixed income (Bloomberg US Aggregate Bond -10.8%). Historically speaking, these moves have been highly unusual and reflect an environment where diversification has not served investors well.
- Growth stocks outperformed value stocks during the quarter (Russell 1000 Growth -3.6% vs Russell 1000 Value -5.6%), and small capitalization stocks outperformed large capitalization stocks (Russell 2000 -2.2%, Russell 1000 -4.7%).

The broad market selloff has increased in severity, as central banks remove liquidity from the global financial system

What drove the market in Q3?

“U.S. Consumer Prices Rise Sharply Despite Fed Rate Increases”

HEADLINE CONSUMER PRICE INFLATION (YEAR-OVER-YEAR)

Apr	May	Jun	Jul	Aug	Sep
8.3%	8.6%	9.1%	8.5%	8.3%	8.2%

Article Source: Financial Times, October 13th, 2022

“U.S. Job Growth Eases, but Is Too Strong to Suit Investors”

CHANGE IN NON-FARM PAYROLLS

Apr	May	Jun	Jul	Aug	Sep
+368k	+386k	+293k	+526k	+315k	+263k

Article Source: New York Times, October 7th, 2022

“Dollar’s Rise Spells Trouble for Global Economies”

U.S. DOLLAR INDEX PRICE LEVEL

Apr	May	Jun	Jul	Aug	Sep
103.0	101.8	104.7	105.9	108.8	112.1

Article Source: Wall Street Journal, September 19th, 2022

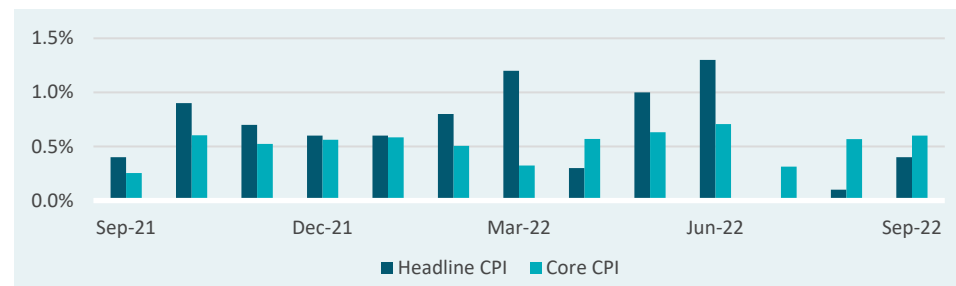
“Mortgage Demand Drops as Rates Top 6%”

FREDDIE MAC U.S. 30-YEAR FIXED RATE MORTGAGE RATE

Sep 2021	May	Jun	Jul	Aug	Sep
3.01%	5.10%	5.70%	5.30%	5.66%	6.70%

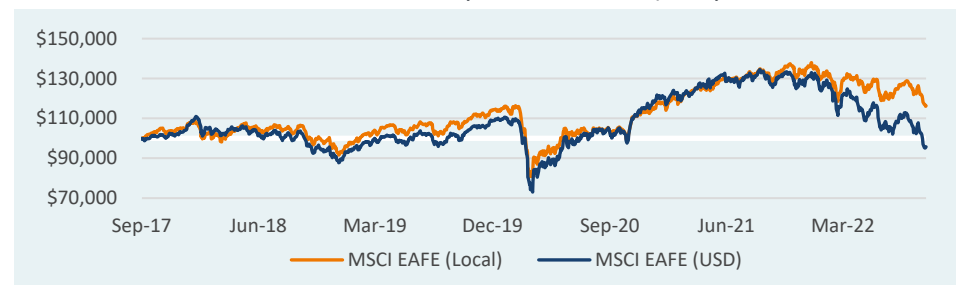
Article Source: CNBC, September 14th, 2022

U.S. HEADLINE & CORE CPI (MONTH-OVER-MONTH)



Source: Bureau of Labor Statistics, as of 9/30/22

MSCI EAFE LOCAL VS USD RETURNS, GROWTH OF \$100,000



Source: MSCI, Bloomberg, as of 9/30/22

U.S. EXISTING HOME SALES (YEAR-OVER-YEAR % CHANGE)



Source: National Association of Realtors, as of 8/31/22

Economic environment

U.S. economics summary

- U.S. real GDP fell in Q2 for a second consecutive quarter, down -0.6% annualized (+1.6% over the past full year). Forecasts suggest a potential growth turnaround in the third quarter; the Atlanta Fed GDPNow forecast indicated a growth rate of 2.8% and economists expected 0.9% as of October 14th.
- U.S. core CPI remained elevated in September, rising 0.6% during the month to a new 40-year high of 6.6% year-over-year. Headline inflation continued to show another more moderate monthly print of 0.4% but remained high at 8.2% year-over-year.
- Unemployment fell slightly from 3.6% in June to 3.5% in September, which did not reflect an increase in employment but rather the departure of some Americans from the job market altogether. Weekly initial jobless claims—a measure of the number of workers who filed for unemployment during any given week—moved higher during Q2 to 244,000 in early July but has since fallen to 193,000 in late September.
- The U.S. dollar has appreciated roughly 15% relative to major currencies. A stronger dollar may result in slowing U.S. exports as domestic goods become more expensive to foreign buyers, and lower inflation as American businesses and households are able to purchase foreign goods at cheaper prices.
- Coverage of COVID-19 has tended to focus on the health impacts in a binary way: either the infected individual recovers (and lives) or does not recover (and is deceased). There is a growing body of research by medical experts that suggests a significant portion of survivors face longer-term, often severe, health problems. These issues are known as “long COVID” and may be the primary cause for a severe shrinking of the U.S. labor force.

	Most Recent	12 Months Prior
Real GDP (YoY)	1.6% 6/30/22	12.5% 6/30/21
Inflation (CPI YoY, Core)	6.6% 9/30/22	4.0% 9/30/21
Expected Inflation (5yr-5yr forward)	2.1% 9/30/22	2.2% 9/30/21
Fed Funds Target Range	3.00% – 3.25% 9/30/22	0.00% – 0.25% 9/30/21
10-Year Rate	3.83% 9/30/22	1.49% 9/30/21
U-3 Unemployment	3.5% 9/30/22	4.7% 9/30/21
U-6 Unemployment	6.7% 9/30/22	8.5% 9/30/21

GDP growth

U.S. real GDP fell in Q2 for a second consecutive quarter, down -0.6% annualized (+1.6% over the past full year). Most aspects of economic activity showed decline, including private investment (-2.7%), government spending (-0.3%), and imports (-0.5%). Forecasts suggest a potential growth turnaround in the third quarter; the Atlanta Fed GDPNow forecast indicated a growth rate of 2.8% and economists expected 0.9% as of October 14th.

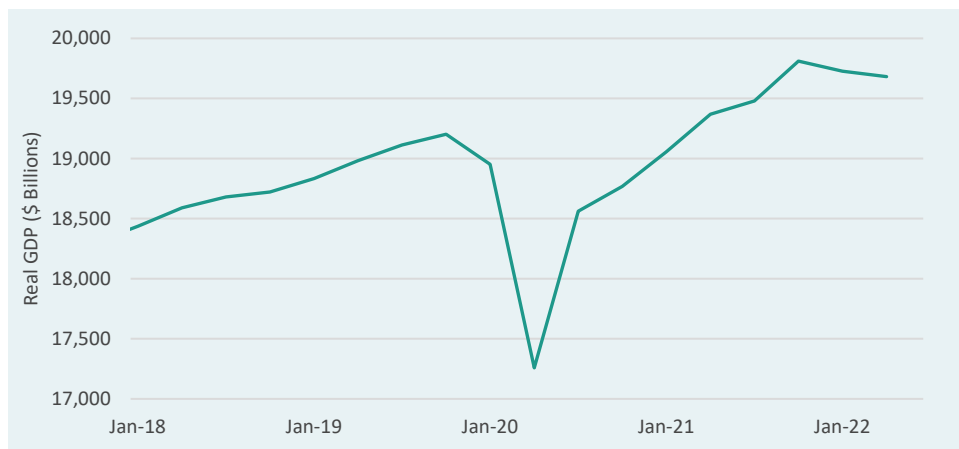
It is possible that the U.S. has avoided technical recession, for now, especially if third quarter GDP growth shows a positive figure. Pundits remain primarily focused on the relatively strong labor market to justify their claims that the U.S. is not in fact

experiencing recession, and slightly positive consumer spending growth during 2022 also adds to their argument.

The U.S. dollar has delivered an impressive rally year-to-date, appreciating approximately 15% relative to other major currencies. Two expected economic impacts of a rising U.S. dollar, all else equal, include: a slowdown in U.S. exports as domestic goods become more expensive to foreign buyers; and lower inflation as American businesses and households are able to purchase foreign goods at cheaper prices. Other countries such as the U.K. may be seeing the opposite of these effects as their domestic currencies fall in value.

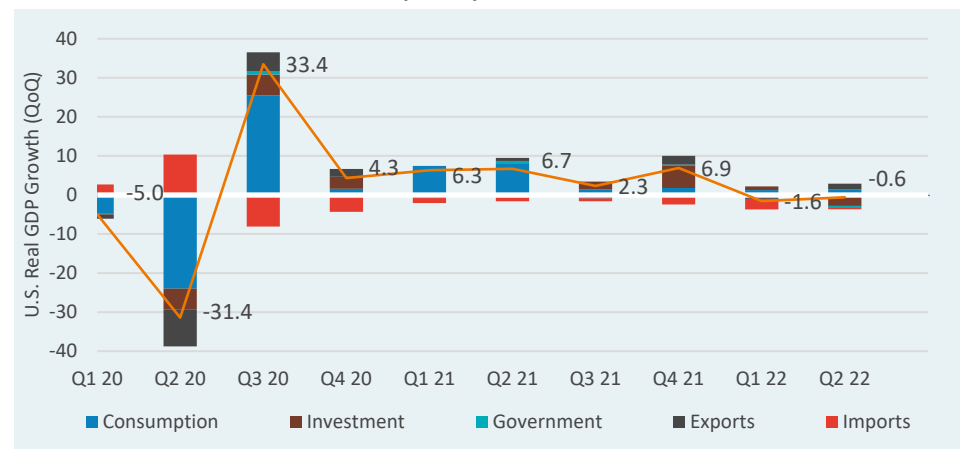
It remains unclear whether the U.S. has entered recession

U.S. REAL GROSS DOMESTIC PRODUCT



Source: FRED, as of 6/30/22

U.S. REAL GDP COMPONENTS (QOQ)



Source: FRED, as of 6/30/22

Inflation

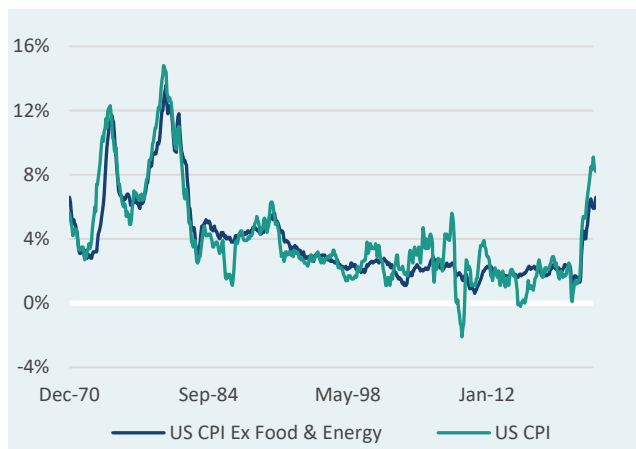
The September inflation print conveyed two separate stories: first, that U.S. core CPI (excludes food & energy) remained elevated, rising 0.6% during the month to a new 40-year high of 6.6% year-over-year; second, headline inflation (includes all prices) continued to show another more moderate monthly print of 0.4%, but remains high at 8.2% year-over-year.

We see a variety of economic developments that suggest inflation is abating, although the level of inflation may not fall to pre-pandemic levels due to the breadth of price movement. These developments include: lower commodity prices,

dramatically lower international shipping costs, and the general slowdown of economic activity on the back of Federal Reserve tightening.

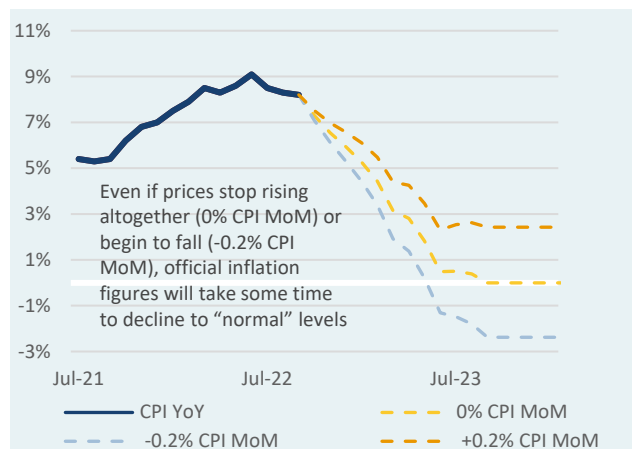
Inflation will take some time to fall back to normal levels, even if *monthly* inflation is 0% in the future. Below we illustrate a few scenarios of *monthly* future price movement. Even if prices stop rising completely (a monthly inflation rate of 0%), the U.S. inflation rate will still likely take until spring of 2023 to fall back to 2%.

U.S. CPI (YOY)



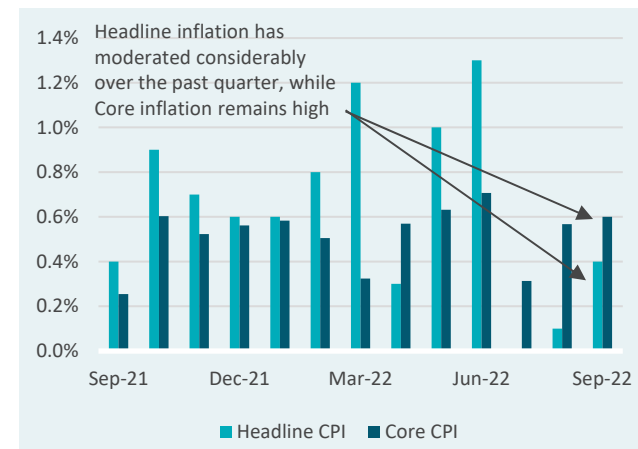
Source: BLS, as of 9/30/22

INFLATION IS A SLOW-MOVING METRIC



Source: Verus, BLS, as of 9/30/22

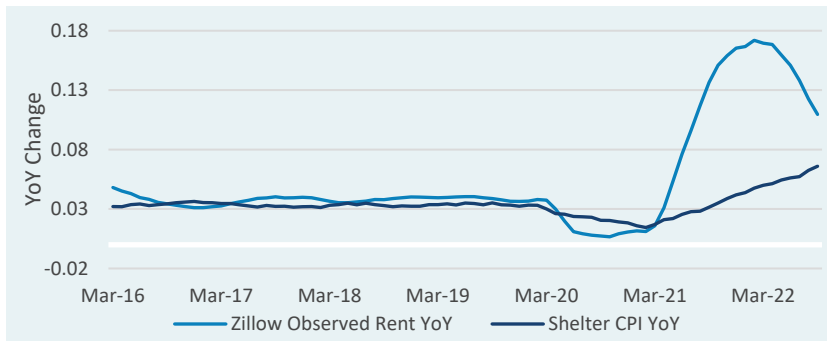
MONTHLY PRICE MOVEMENT



Source: BLS, as of 9/30/22

How are inflation conditions evolving?

CPI SHELTER COSTS (YEAR-OVER-YEAR)



Shelter costs account for approx. 32% of the CPI gauge and have moved considerably higher along with the broader real estate boom. However, only a small portion of these costs have been captured in official data, so far. While there is evidence that home prices and rents have stopped rising, it is not yet clear whether/when the jump in costs of recent years will flow into official CPI data.

BLOOMBERG COMMODITY SPOT INDEX



Fears of recession and its impact on commodity demand, as well as some potential easing of uncertainty around Ukraine, have likely contributed to a sharp drop in commodity prices. If weaker conditions persist, the reversal in commodity markets should have a deflationary impact on broader consumer prices, though this effect may take time to flow through to broader goods and services prices.

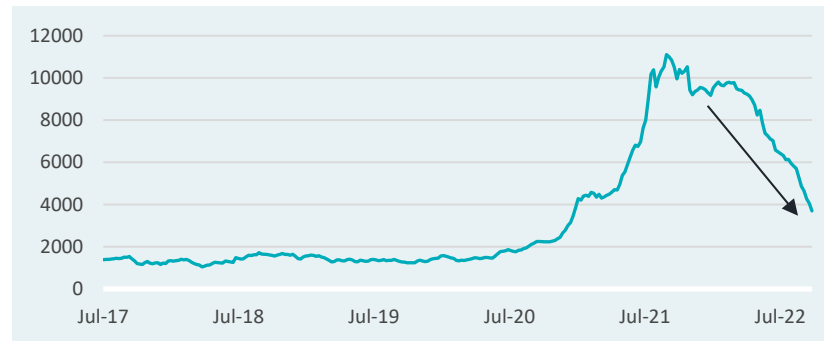
Source: Zillow, FRED, as of 9/30/22 (upper), Bloomberg, as of 9/30/22 (lower)

CPI USED CAR & TRUCK PRICES



Used auto prices have been dropping materially according to the Mannheim Used Auto Value Index, down more than 13% from highs. If falling prices soon are reflected in official CPI statistics, this would place downward pressure on official inflation figures.

FREIGHTOS SHIPPING CONTAINER COST INDEX



Pandemic-related supply and demand complexities initially contributed to many supply shortages and price spikes. These shipping costs are quickly falling back towards pre-pandemic levels. We would expect the mitigation of shipping problems to have a deflationary effect on prices, assuming businesses begin to pass these cost savings on to customers.

Source: FRED, as of 9/30/22 (upper), Freightos, as of 10/7/22 (lower)

Inflation dynamics are complex. This slide shows a few potentially *inflationary* forces and *deflationary* forces

Labor market

The U.S. labor market continues to be strong, which is arguably the biggest factor empowering the Federal Reserve’s aggressive policy stance. However, while employment is strong, high inflation has eaten away at household purchasing power, as demonstrated by the consistent decline in inflation-adjusted weekly earnings since mid-2020.

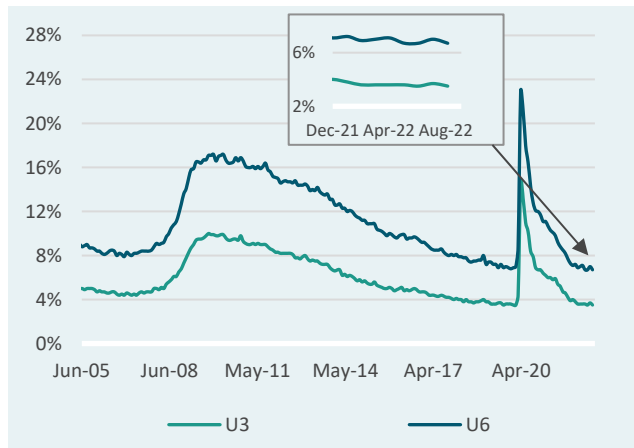
Unemployment fell slightly from 3.6% in June to 3.5% in September, which did not reflect an increase in employment but rather the departure of some Americans from the job market altogether. Weekly *initial jobless claims*—a measure of

the number of workers who filed for unemployment on any given week—moved higher during Q2 to 244,000 in early July but has since fallen to 193,000 in late September.

The gap in labor force participation rates across different age cohorts remains notable, with the age 55+ cohort failing to recover. Previously we had assumed that abnormally early retirements of older workers during the pandemic was likely the main cause for this effect. However, as we propose on the next page, the apparently very widespread health effects of “Long COVID” may be playing a role in this story.

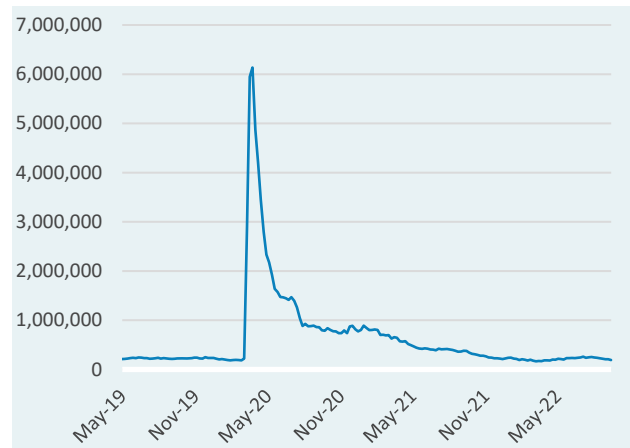
The labor market appears tight according to most metrics, but workers’ wages are falling on an inflation-adjusted basis

U.S. UNEMPLOYMENT



Source: FRED, as of 9/30/22

INITIAL JOBLESS CLAIMS



Source: FRED, as of 9/25/22

U.S. AVERAGE WEEKLY REAL WAGES

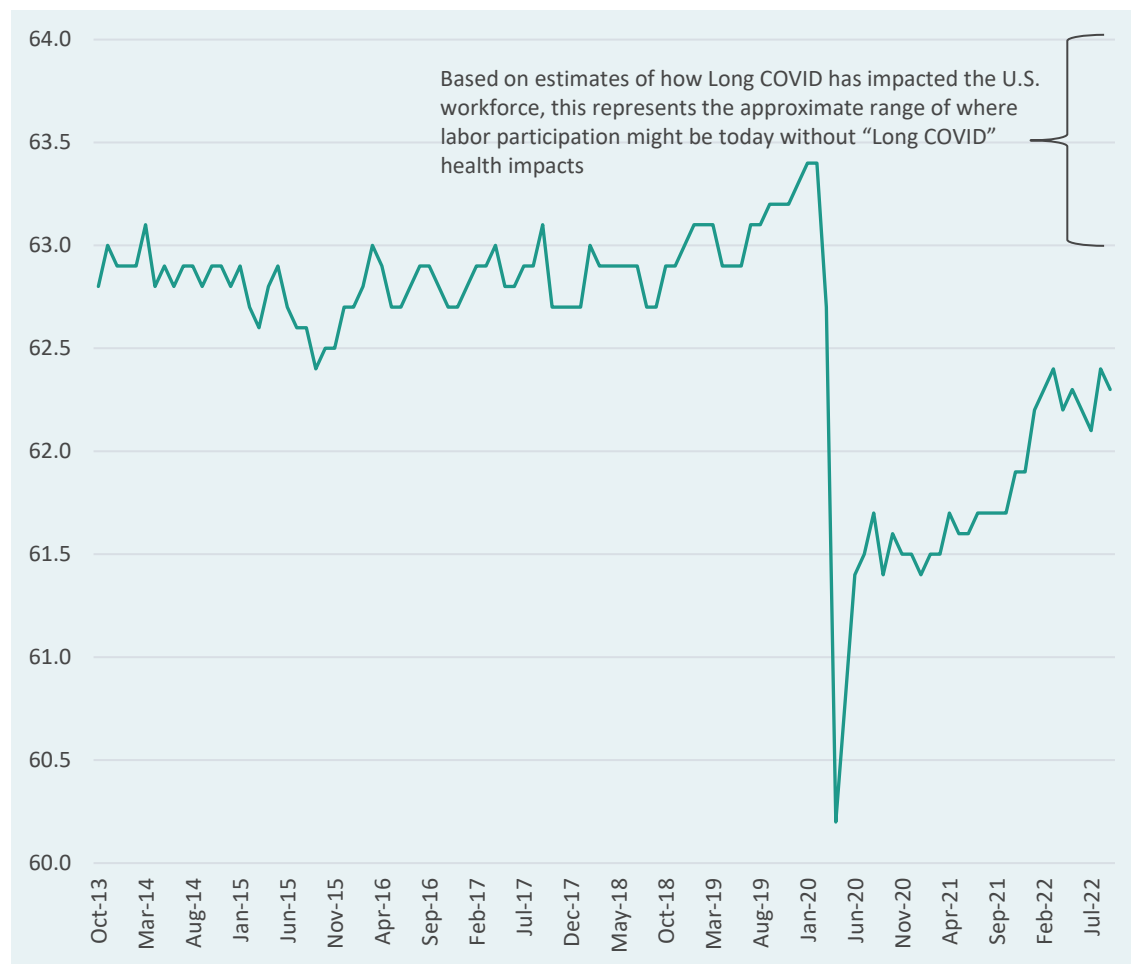


Source: FRED, as of 6/30/22

Labor dynamics: Long COVID-19

- Most coverage of COVID-19 has focused on the health impacts of COVID-19 in a binary way: either the infected individual recovers (and lives) or they do not recover (and is deceased). There is a growing body of research by medical experts that suggests a significant portion of COVID-19 survivors face longer-term, often severe, health problems. These issues are known as “Long COVID”.
- COVID-19 is broadly thought of as a virus that affects the lungs. However, it can severely impact the brain and heart as well. Studies vary in their projections regarding the number of Americans who are unable to work due to Long COVID health issues. We have observed estimates between half a million and 4 million workers. This chart illustrates that Long COVID could in fact be the primary reason for a shrunken American workforce and the unusual number of unfilled job openings.
- This topic should be seen as important to investors, because: a) the size of the U.S. labor force determines the productive capacity of the country and therefore the rate of economic growth, the direction of wage pressures, and likely also the actions of the Federal Reserve (as decided by metrics such as labor market tightness and household income/spending).
- We are continuing to closely follow these dynamics. Depending on the persistence of Long COVID, future expectations could vary from *permanently reduced U.S. workforce and commensurately reduced U.S. growth prospects* to *continued inflow of previously ill workers back into the workforce*.

LABOR PARTICIPATION RATE (%)



Source: FRED, Verus, as of 9/30/22

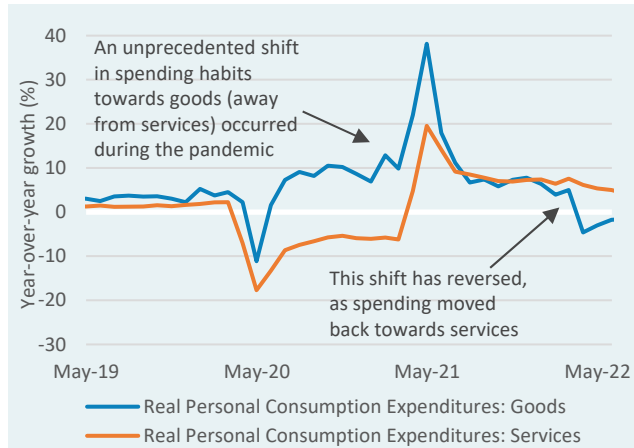
The consumer

U.S. real (inflation-adjusted) personal consumption expenditures slowed further to 1.8% year-over-year in August. The purchases of goods have fallen as consumers move back towards pre-pandemic spending habits (sales of goods have been consistently falling year-to-date, after adjusting for inflation). A moderation of goods purchased means less shipping volume and has likely helped mitigate overburdened supply chains and high international shipping costs, which have been easing materially.

Spending has slowed while savings rates have dropped to 3.5%—a level not seen since 2008—which seems to imply that household budgets are being hit hard by inflation and higher living costs.

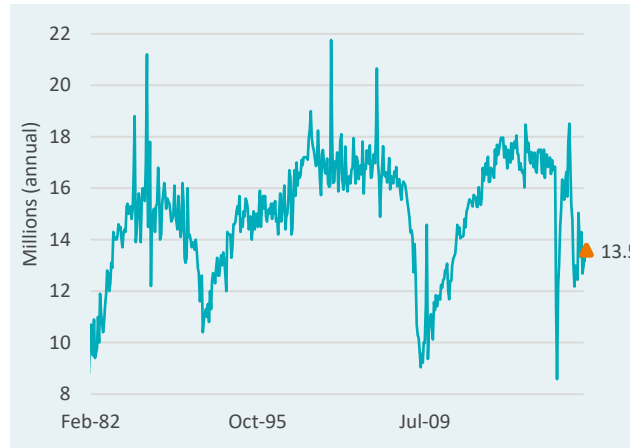
Auto sales activity remains very weak, although automakers have reported improvements in computer chip supplies that will allow production to rise. On the other hand, higher interest rates, diminished household budgets, and high car prices may constrain a recovery in auto sales activity despite new inventory coming online.

REAL PERSONAL CONSUMPTION EXPENDITURES



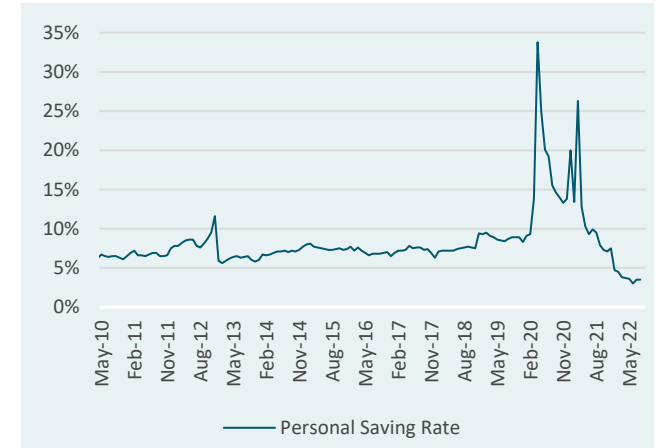
Source: FRED, as of 8/31/22

AUTO SALES



Source: Federal Reserve, as of 9/30/22

PERSONAL SAVINGS RATE



Source: FRED, as of 8/31/22

Sentiment

Consumer sentiment improved slightly from extremely depressed levels, according to the University of Michigan survey. In this survey, respondents mentioned better buying conditions for durable goods and a more optimistic one-year outlook, though this brighter sentiment was generally offset by a deteriorating outlook for business conditions.

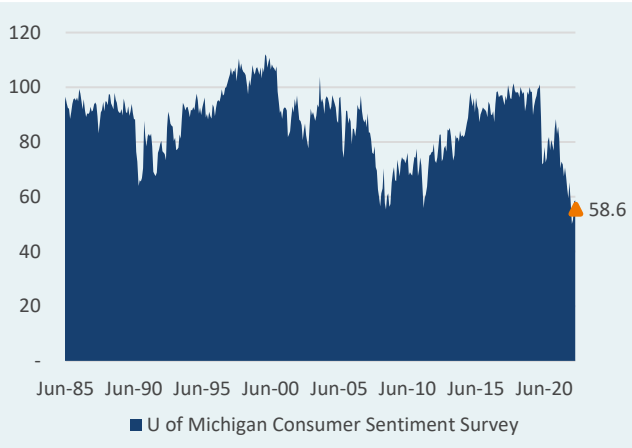
Consumer confidence measured by the Conference Board ticked up in the third quarter, as inflation expectations lessened, and more specifically as households saw prices at the pump materially contract. Consumers' assessments of current conditions and the short-term outlook improved, although

recession risks remain material. While improved confidence could bode well for spending in the fourth quarter of 2022, continued higher prices and global economic slowdowns will likely act as major headwinds.

The NFIB Small Business Optimism index improved slightly from very depressed levels. According to NFIB's Chief Economist Bill Dunkelberg, "inflation and worker shortages continue to be the hardest challenges facing small business owners". Slightly more businesses expect healthier business conditions six months in the future (though overall sentiment is very negative on this topic), and more expect difficulties in filling open job postings.

Sentiment, by most measures, is extremely poor

CONSUMER SENTIMENT



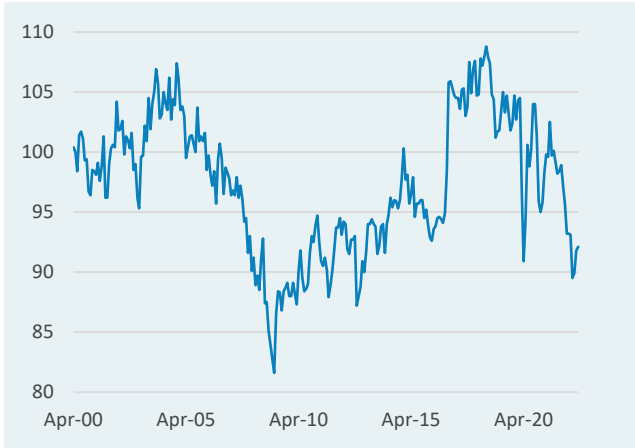
Source: University of Michigan, as of 9/30/22

CONFERENCE BOARD CONSUMER CONFIDENCE



Source: Conference Board, as of 9/30/22

NFIB SMALL BUSINESS SENTIMENT



Source: NFIB, as of 9/30/22

Housing

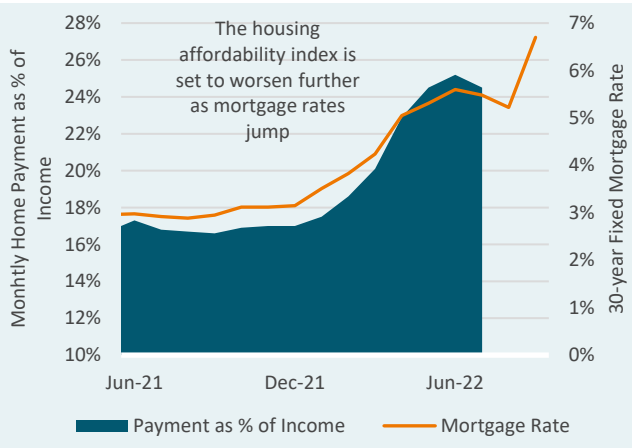
U.S. home prices fell -0.3% from June to July, according to the S&P CoreLogic Case-Shiller U.S. National Index, which might signal a reversal of the remarkable upward march in real estate values. The index suggested home prices were 15.8% higher over the past full year. Sales volumes have dropped precipitously since the beginning of 2022 which has coincided with a notable jump in monthly inventory levels.

Higher home prices and much higher mortgage interest rates have translated to the average monthly home payment rising from 16% of an average family's income to more than 24% in July, according to the National Association of Realtors. Further

increases in mortgage rates since July suggest that affordability has likely deteriorated further.

The housing market may be in the midst of a material slowdown as mortgage rates have more than doubled during 2022, from 3.1% at the beginning of the year to 6.7% at the end of the third quarter. Spiking mortgage rates in the past have coincided with a softening of the real estate market and placed downward pressure on home values. In recent years, low home inventories have been a support to markets, but this may be receding as inventories are now above average.

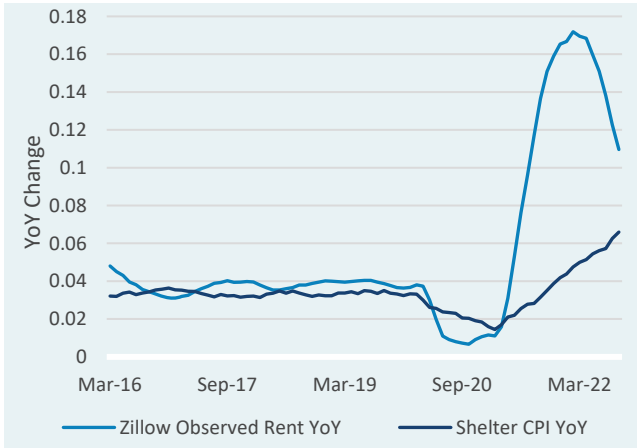
CHANGE IN HOUSING AFFORDABILITY



Source: NAR, as of 7/31/22, FRED as of 9/30/22

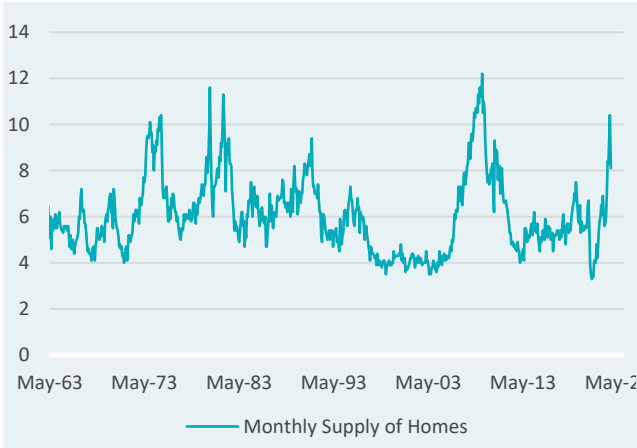
Census Bureau median family income is compared here to the monthly cost (principal + interest) of an average priced home

HOUSING & RENT COSTS



Source: Zillow, FRED, as of 9/30/22

SUPPLY OF HOMES



Source: FRED, as of 8/31/22

International economics summary

- Economic growth expectations continue to weaken around the world, and recession appears possible in some developed countries. High inflation has placed central banks in a corner, requiring a choice between tightening (lower inflation with possible recession) or accommodation (stronger economic activity with possibly continued high inflation).
 - Multi-decade high inflation continues to spread across Europe, as consumer prices in September rose 10% from the prior year. Food and energy were major drivers, although the core inflation number is also elevated at 4.8%. Inflation remains a challenge in Europe and the U.S., as prices have been relatively stable in the Asia-pacific region.
 - Unemployment rates have been stable and tight in most markets, though this may now be seen as a problem as central bankers work to
- slow economies and weaken labor markets in order to fight inflation.
- The Russia Ukraine war may be taking a turn, as Ukraine’s counteroffensive gains steam. In a rare admission, Russia’s Defense Ministry spokesman Igor Konashenkov acknowledged recent defeats: “With numerically superior tank units in the direction of Zolata Balka and Oleksandrivka, the enemy managed to forge deep into our defenses.”
 - Still dealing with the highest inflation seen in four-decades, the U.K. economy continues to struggle, especially as the Bank of England tightens economic conditions in the face of a recession. The situation worsened following newly elected Prime Minister Liz Truss’ new growth plan announcement, which introduced a large tax cut initiatives without additional funding sources secured.

Area	GDP (Real, YoY)	Inflation (CPI, YoY)	Unemployment
United States	1.8% 6/30/22	8.2% 9/30/22	3.5% 9/30/22
Eurozone	4.1% 6/30/22	10.0% 9/30/22	6.6% 8/31/22
Japan	1.6% 6/30/22	2.8% 9/30/22	2.5% 8/31/22
BRICS Nations	1.9% 6/30/22	4.5% 9/30/22	5.2% 12/31/21
Brazil	3.2% 6/30/22	7.2% 9/30/22	8.9% 8/31/22
Russia	(4.1)% 6/30/22	13.7% 9/30/22	3.8% 8/31/22
India	13.5% 6/30/22	7.4% 9/30/22	6.4% 9/30/22
China	0.4% 6/30/22	2.8% 9/30/22	5.3% 8/31/22

NOTE: India lacks reliable government unemployment data. Unemployment rate shown above is estimated from the Centre for Monitoring Indian Economy. The Chinese unemployment rate represents the monthly surveyed urban unemployment rate in China.

International economics

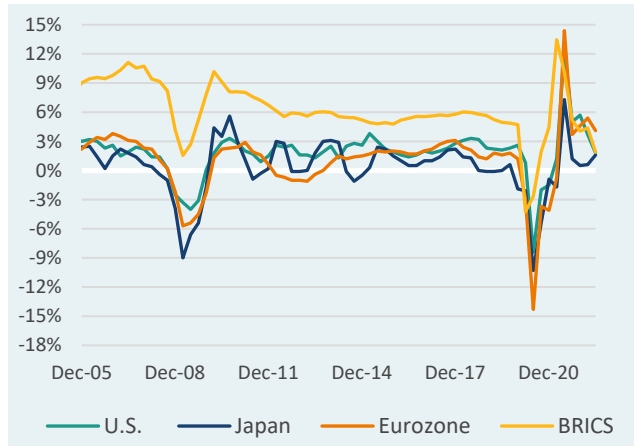
Growth expectations have further weakened around the world, and recession appears possible in some developed countries. Throughout 2022, headline inflation remained stubbornly high in many places such as the United States and Europe. Other areas, such as Japan, had avoided the initial wave of inflation but are now seeing larger price rises in recent months.

Many central banks are walking a tightrope in their fight against inflation since overly aggressive monetary policy could quickly send an economy into recession. Inflation has

become a lightning rod for political leaders, as rising prices squeeze household budgets and standards of living. This is perhaps evident most recently in the U.K., where Prime Minister Liz Truss came under harsh scrutiny for a proposal to cut tax rates and spend which seemed to conflict with Bank of England efforts to combat inflation.

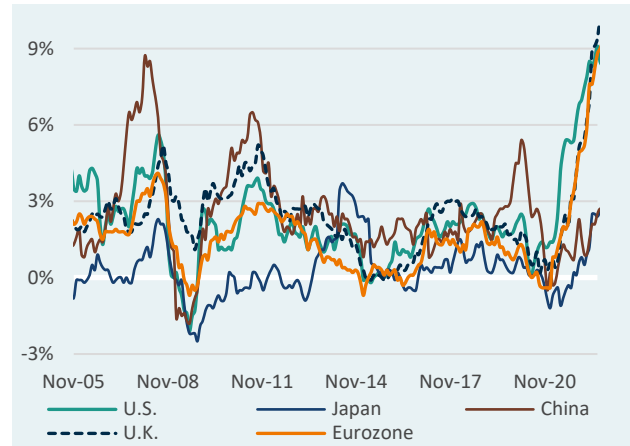
Unemployment rates are stable and tight in most markets, though central bankers may now see this as a problem standing in the way of efforts to slow economies and fight rising prices.

REAL GDP GROWTH (YOY)



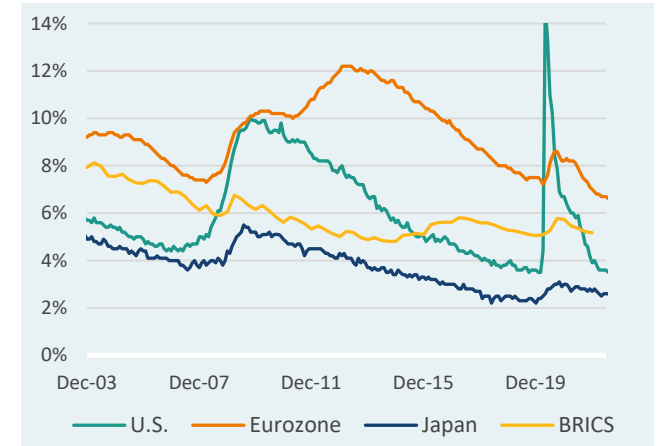
Source: Bloomberg, as of 6/30/22

INFLATION (CPI YOY)



Source: Bloomberg, as of 9/30/22 – or most recent release

UNEMPLOYMENT



Source: Bloomberg, as of 9/30/22 – or most recent release

U.K. flash crash

Inflationary pressures have continued within the broader European complex, as a dependence on imported energy has pushed up local energy prices dramatically. Within the U.K., the Bank of England has been forced into a difficult position. The central bank increased rates at every meeting since December 2021, but headline inflation still sits at 9.9% year-over-year.

More recently, newly elected Prime Minister Liz Truss and the Chancellor of the Exchequer Kwasi Kwarteng unveiled a plan with to reignite growth and spur economic productivity through tax cuts, guarantees regarding household energy prices, and supply side reforms including infrastructure projects.

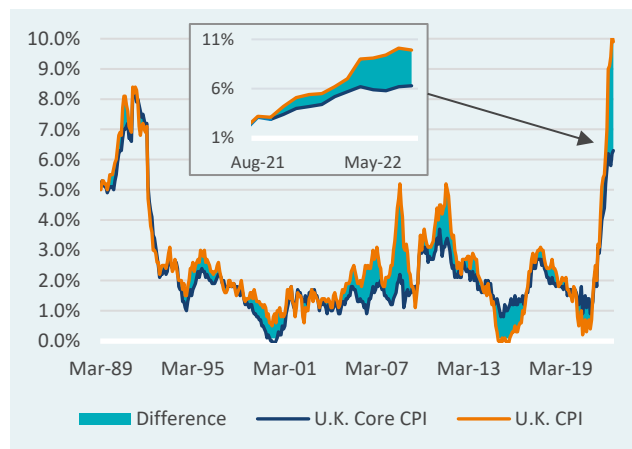
Markets reacted very poorly to the announcement. U.K. Gilt (U.K. treasury bond) yields soared, and the British pound sold off to its lowest level against the dollar in history. Markets stabilized following a commitment from the Bank of England to purchase long-dated bonds, given that many U.K. pension funds were facing margin calls on their liability-driven investment (LDI) derivative positions. The Bank of England also suspended its plans to reduce the balance sheet by selling Gilt holdings. The U.K. government then announced it would scrap its original plan to cut the top income tax rate, leading to increased volatility for the pound and U.K. sovereign debt.

U.K. BASELOAD ELECTRICITY FORWARD PRICES



Source: Bloomberg, as of 10/4/22

U.K. INFLATION (CPI YOY)



Source: U.K. Office for National Statistics, as of 8/31/22

VALUE OF 1 GBP IN USD



Source: Bloomberg, as of 9/30/22

Fixed income rates & credit

Fixed income environment

- The 10-year U.S. Treasury yield rose materially from 2.89% to 3.83% as the Federal Reserve reaffirmed its aggressive stance and markets questioned whether interest rates might be held at higher levels for longer than previously anticipated.
- Credit performance was mixed over Q3 with lower duration exposures faring better than higher duration exposures. Fears of a looming recession remained as the Fed’s 75 basis point rate hikes in July and September reinforced its intention to fight inflation until the “job is done.” Leveraged loans performed the best, returning 1.2%, followed by high yield credit and investment grade credit which returned -0.6% and -4.9%, respectively.
- Default activity continued to pick up in the third quarter with seven companies defaulting on loans and bonds totaling \$16.5 billion. This was the highest quarterly total seen since the second quarter of 2020.

Activity represented a significant jump from the \$1.6 billion and \$10.4 billion shown in Q1 and Q2, respectively.

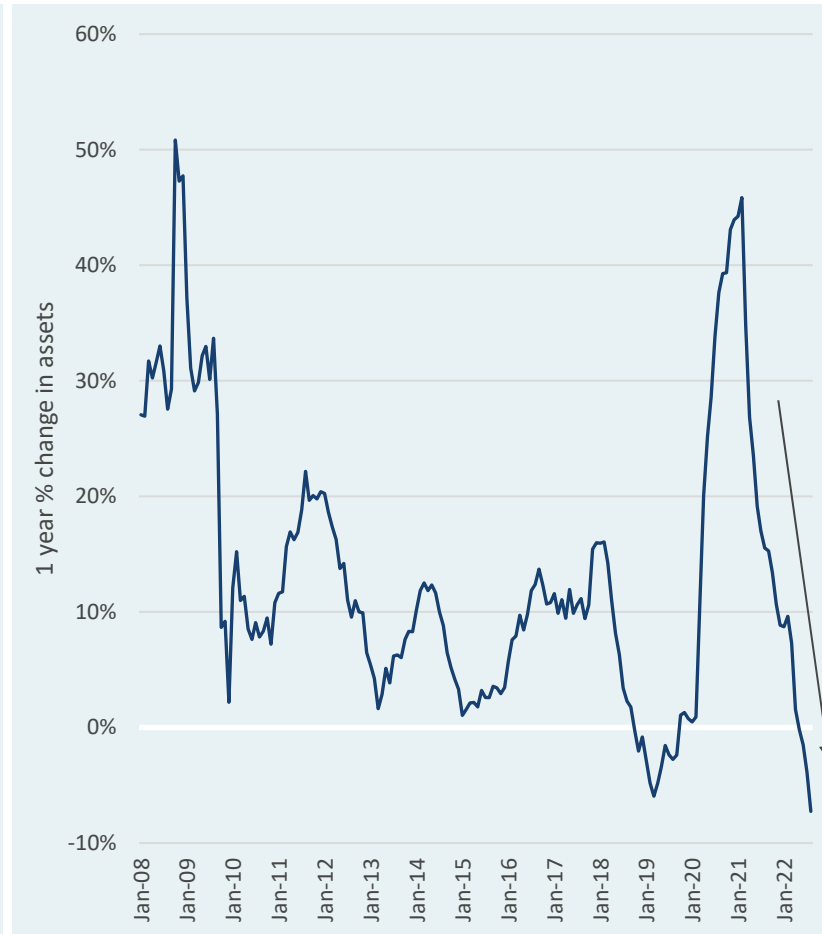
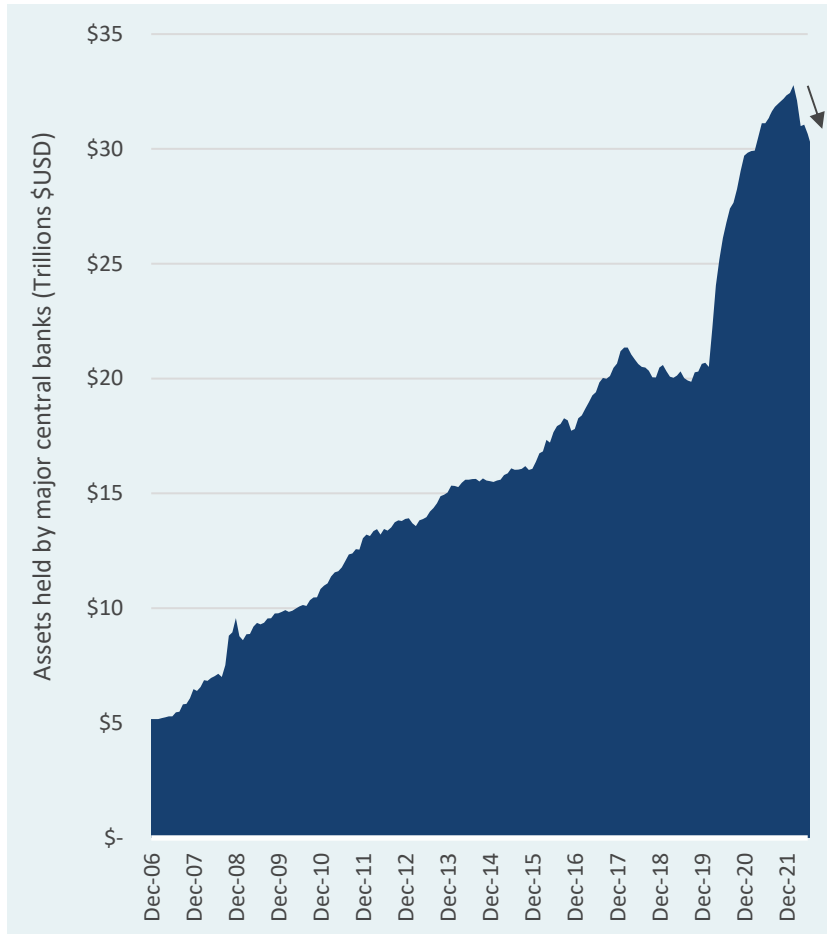
- The U.S. Yield Curve inverted during the quarter, with the 10-year 2-year spread falling from 0.1% to -0.4%. An inverted curve has historically suggested recession within two years or so.
- Throughout the third quarter, the Federal Reserve continued its path to reduce the balance sheet, beginning in June with the paced redemption of maturing securities. The initial June monthly redemption caps of \$30 billion for Treasuries and \$17.5 billion for agency MBS were increased to \$60 billion and \$35 billion in September. Markets have seemingly digested the reduction well, although the total drawdown has been relatively small so far, around \$200 billion against the peak size of \$8.97 trillion in April 2022.

	QTD Total Return	1 Year Total Return
Core Fixed Income (Bloomberg U.S. Aggregate)	(4.8%)	(14.6%)
Core Plus Fixed Income (Bloomberg U.S. Universal)	(4.5%)	(14.9%)
U.S. Treasuries (Bloomberg U.S. Treasury)	(4.3%)	(12.9%)
U.S. High Yield (Bloomberg U.S. Corporate HY)	(0.6%)	(14.1%)
Bank Loans (S&P/LSTA Leveraged Loan)	(1.4%)	(2.5%)
Emerging Market Debt Local (JPM GBI-EM Global Diversified)	(4.7%)	(20.6%)
Emerging Market Debt Hard (JPM EMBI Global Diversified)	(4.6%)	(24.3%)
Mortgage-Backed Securities (Bloomberg MBS)	(5.3%)	(9.0%)

Source: Bloomberg, as of 9/30/22

The great liquidity withdrawal

Central banks are planning to remove substantial liquidity from the global financial system



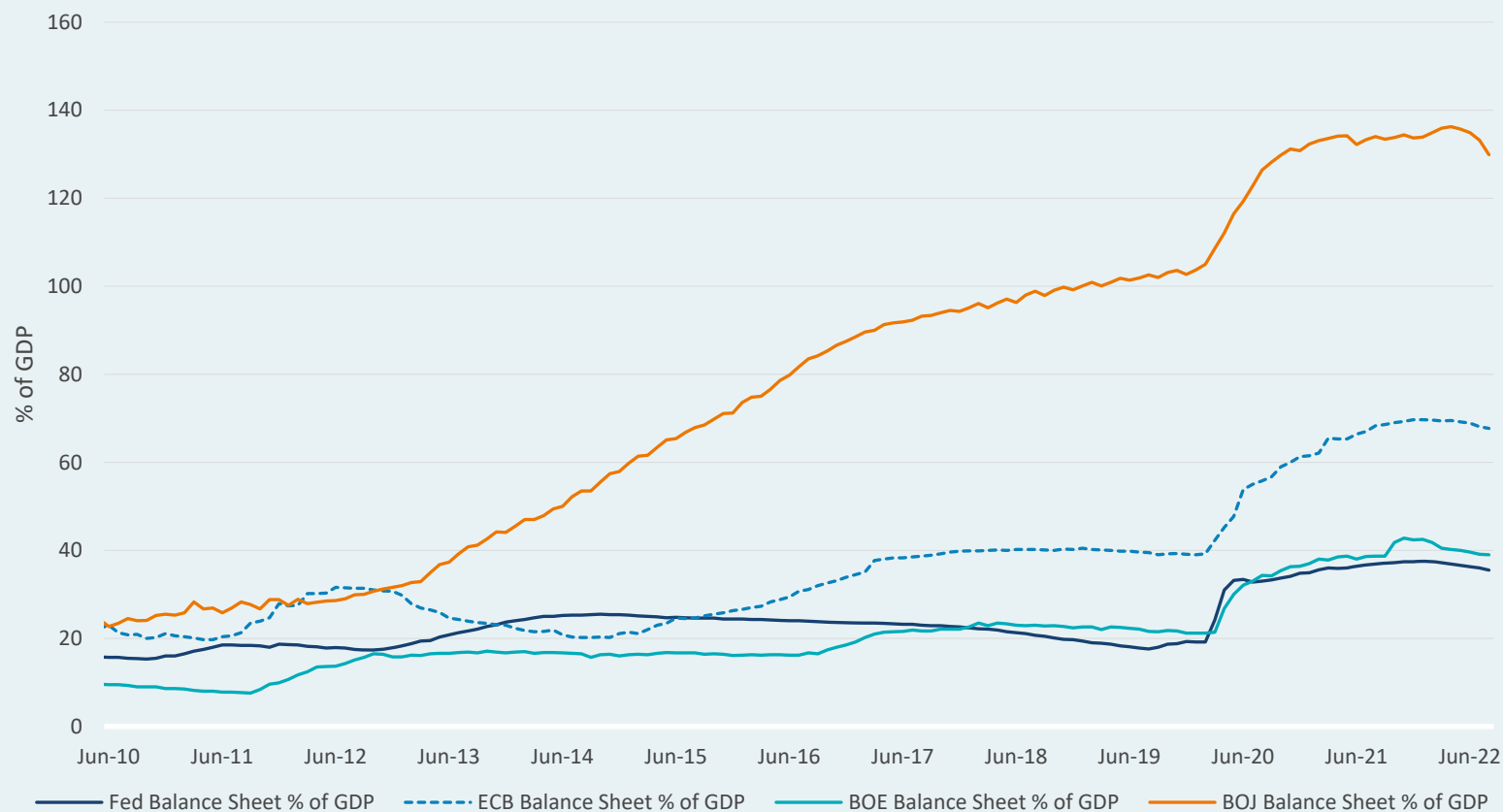
Markets are entering an unusual time of mass central bank asset roll-off

Source: Bloomberg, Verus, as of 9/30/22 – includes Fed, BOE, ECB, BoJ, PBOC

The great liquidity withdrawal (continued)

CENTRAL BANK ASSETS AS % OF GDP

U.S. DOLLAR DENOMINATED



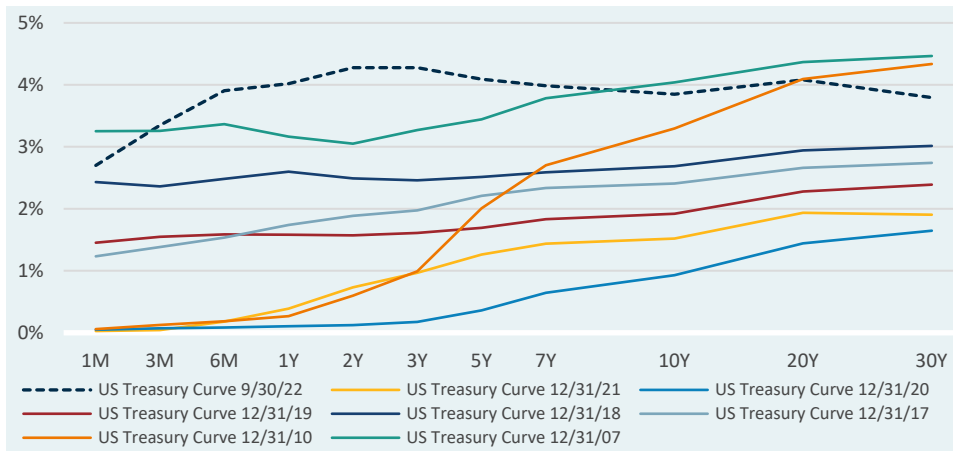
Central banks have accumulated very large balance sheets

Surprisingly, the U.S. Federal Reserve balance sheet is more moderate in size, relative to GDP

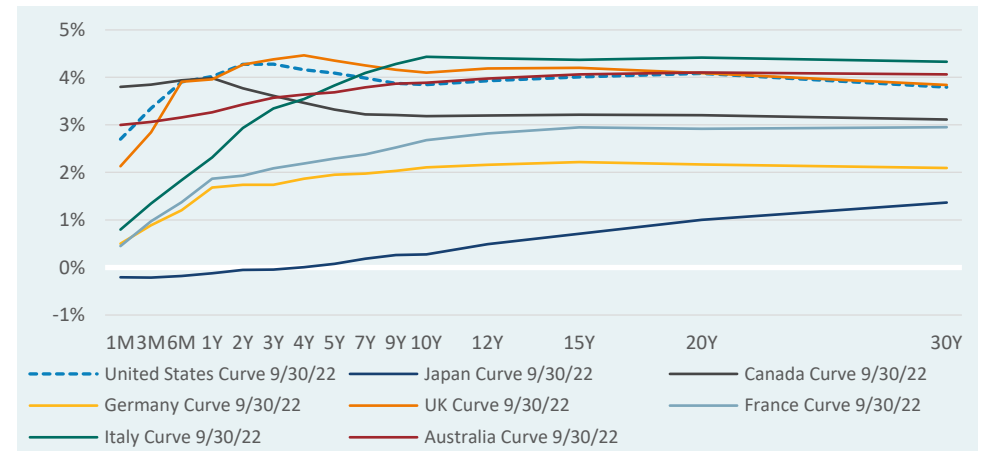
Source: Bloomberg, Verus, as of 9/30/22

Yield environment

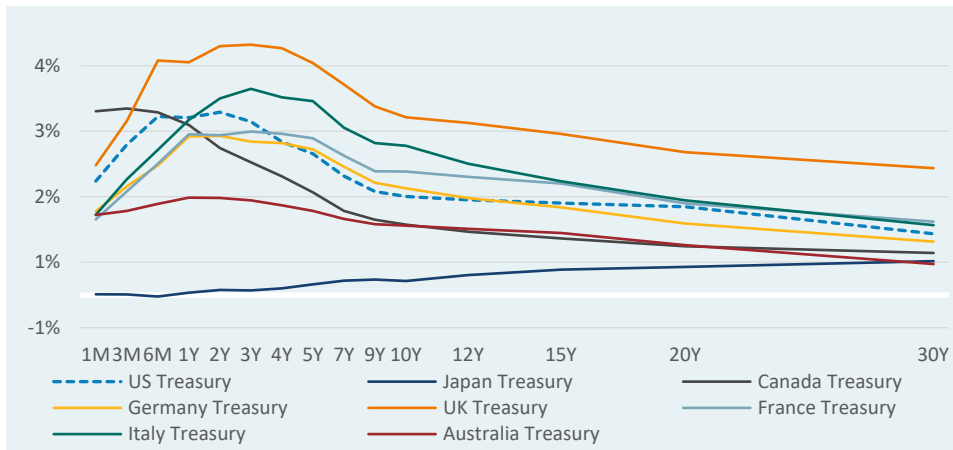
U.S. YIELD CURVE



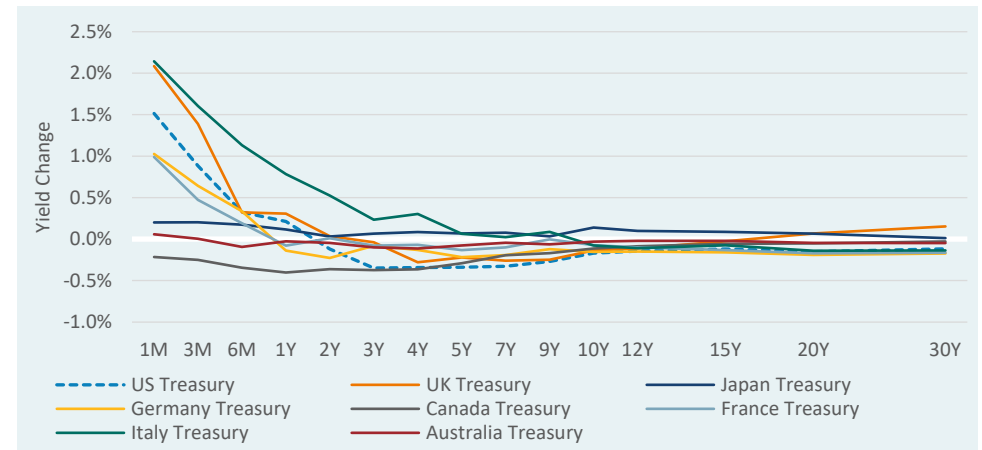
GLOBAL GOVERNMENT YIELD CURVES



YIELD CURVE CHANGES OVER LAST FIVE YEARS



IMPLIED CHANGES OVER NEXT YEAR



Source: Bloomberg, as of 9/30/22

Credit environment

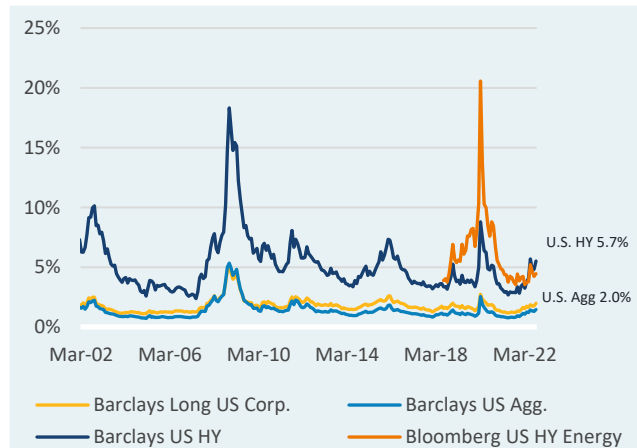
Credit market performance was mixed over the third quarter, with lower duration exposures faring better than higher duration exposures. Fears of a looming recession remained as the Fed's 75 basis point rate hikes in July and September reinforced its intention to fight inflation until the "job is done." Leveraged loans performed the best, returning 1.2%, followed by high yield corporate credit and investment grade credit which returned -0.6% and -4.9%, respectively.

Volatility and outflows contributed to investment grade credit spreads widening during the quarter. After reaching a 2022 high of 164 basis points in mid-September, investment grade credit spreads finished the third quarter at 159 basis points, an increase of 4 basis points from the

previous quarter's end. High yield spreads decreased by 17 basis points throughout the quarter to 552 basis points, though remaining above the long term non-recessionary average of 454 bps. Despite this recent decline, high yield spreads remain up 269 basis points year-to-date.

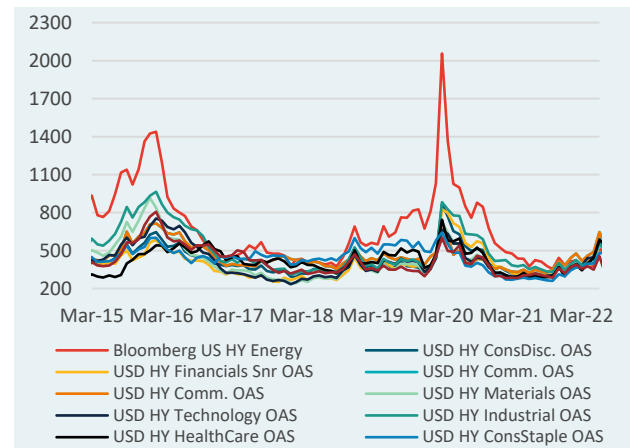
Over the course of the year, total yields have risen significantly within credit markets with the Bloomberg US High Yield Index now at 9.7%—almost double the levels of 4.9% seen at the start the year. Similarly, the yield of the Bloomberg US Corporate Investment Grade Index was 5.7%, up from 2.4% at the start of the year.

SPREADS



Source: Barclays, Bloomberg, as of 9/30/22

HIGH YIELD SECTOR SPREADS (BPS)



Source: Bloomberg, as of 9/30/22

Market	Credit Spread (OAS)	
	9/30/22	9/30/21
Long U.S. Corp	2.0%	1.2%
U.S. Inv Grade Corp	1.6%	0.8%
U.S. High Yield	5.5%	2.9%
U.S. Bank Loans*	6.0%	4.3%

Source: Barclays, Credit Suisse, Bloomberg, as of 9/30/22

*Discount margin (4-year life)

Default & issuance

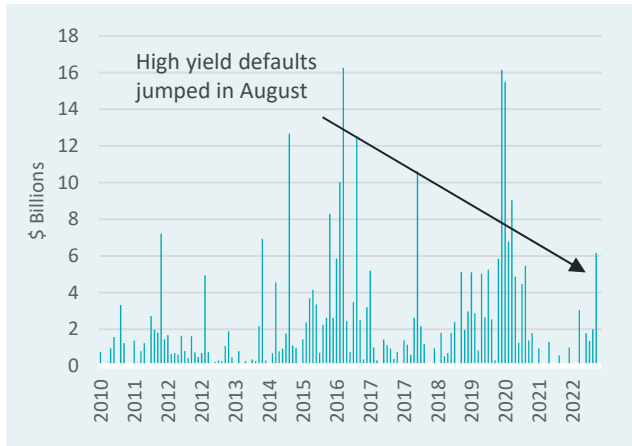
Default activity continued to pick up in the third quarter with seven companies defaulting on loans and bonds totaling \$16.5 billion. This was the highest quarterly total seen since the second quarter of 2020. Activity represented a significant jump from the \$1.6 billion and \$10.4 billion shown in Q1 and Q2, respectively.

Default rates for par-weighted US high yield and bank loans ended the quarter at 0.8% and 1.0%, respectively. While default rates reached a 15-month high, both values were well below the long-term historical averages of 3.2% and 3.1% for the high yield and loan markets. Given the prospects of tighter financial conditions and lower growth, default rates are expected to rise over the remainder of the year and into 2023 while

remaining well below the previously stated long-term historical averages.

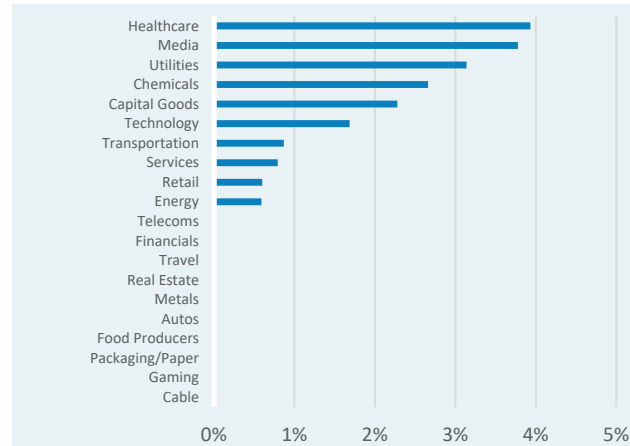
Leveraged credit issuance remained very light, which was consistent with the weaker trend of 2022. The third quarter total of \$18.9 billion issued in high yield bonds marked the lightest issuance since the first quarter of 2009. A similar effect was observed in the bank loans market, which totaled \$24 billion over the third quarter, down from \$120.5 billion and \$60.6 billion in the first and second quarters of this year. Additionally, the 2022 year-to-date loan issuance total of \$205.0 billion was down 69% on a year-over-year basis.

U.S. HY MONTHLY DEFAULTS (PAR WEIGHTED)



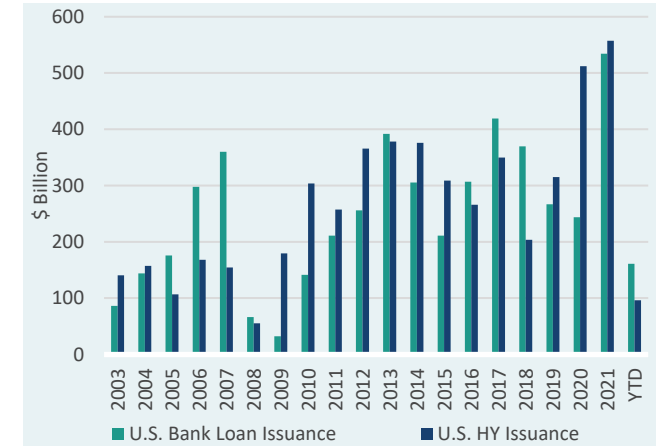
Source: BofA Merrill Lynch, as of 9/30/22

U.S. HY SECTOR DEFAULTS (LAST 12 MONTHS)



Source: BofA Merrill Lynch, as of 9/30/22 – par weighted

U.S. ISSUANCE (\$ BILLIONS)



Source: BofA Merrill Lynch, as of 9/30/22

Equity

Equity environment

— Equity markets saw further losses during Q3, extending the selloff deeper into bear market territory. Emerging market equities (MSCI Emerging Markets -11.6%) experienced the greatest drawdown, on an unhedged currency basis, followed by international developed (MSCI EAFE -9.4%) and domestic equities (S&P 500 -4.9%).

— Many markets now trade at valuation levels below their historical average. According to FactSet, the S&P 500 sat at a forward price/earnings of 15.4 as of September 30th, below the five-year average of 18.6 and 10-year average of 17.1. Interestingly, earnings expectations have been fairly resilient at 7.4% for calendar year 2022 and 7.9% for 2023.

— Investors with unhedged foreign currency exposure have seen extreme losses recently. A U.S. investor with an international developed equity investment

(MSCI EAFE) suffered a loss of -15.7% over the past year from currency movements. Investors in non-US equity (MSCI ACWI ex-US) saw a -12.0% loss. Currency risk is typically the second largest risk in institutional portfolios and is not expected to be compensated over the long term. We continue to believe that more forward-thinking currency solutions can materially improve portfolio outcomes.

— Value stocks underperformed growth stocks mildly during the quarter (Russell 1000 Value -5.6% vs Russell 1000 Growth -3.6%), and small capitalization stocks outperformed large capitalization stocks (Russell 2000 -2.2%, Russell 1000 -4.7%).

— Volatility remained elevated as the Cboe VIX Index rose further from 28.7% to 31.6%. Risk assets sold-off on concerns of Federal Reserve tightening and liquidity being broadly removed from the global financial system.

	QTD TOTAL RETURN		1 YEAR TOTAL RETURN	
	(unhedged)	(hedged)	(unhedged)	(hedged)
U.S. Large Cap (S&P 500)	(4.9%)		(15.5%)	
U.S. Small Cap (Russell 2000)	(2.2%)		(23.5%)	
U.S. Equity (Russell 3000)	(4.5%)		(17.6%)	
U.S. Large Value (Russell 1000 Value)	(5.6%)		(11.4%)	
US Large Growth (Russell 1000 Growth)	(3.6%)		(22.6%)	
Global Equity (MSCI ACWI)	(6.8%)	(4.6%)	(20.7%)	(15.9%)
International Large (MSCI EAFE)	(9.4%)	(2.8%)	(25.1%)	(9.4%)
Eurozone (Euro Stoxx 50)	(9.8%)	(3.1%)	(28.9%)	(14.1%)
U.K. (FTSE 100)	(10.6%)	(2.3%)	(16.5%)	1.8%
Japan (NIKKEI 225)	(7.2%)	0.2%	(31.0%)	(8.5%)
Emerging Markets (MSCI Emerging Markets)	(11.6%)	(8.2%)	(28.1%)	(22.5%)

Source: Russell Investments, MSCI, STOXX, FTSE, Nikkei, as of 9/30/22

Domestic equity

U.S. equities experienced further losses during the quarter (S&P 500 -4.9%), while outperforming international (MSCI EAFE -9.4%) and emerging markets (MSCI Emerging Markets -11.6%).

Earnings expectations have been fairly resilient at 7.4% for calendar year 2022 and 7.9% for 2023, though these forecasts have been consistently revised lower for three consecutive quarters. The energy sector continues to lift the earnings growth of the S&P 500, as overall growth would have been negative in recent quarters if energy sector profits were excluded. According to corporate earnings calls, an increasing number of

businesses reported labor costs & shortages as a significant issue, followed by supply chain disruptions & costs, and FX movement. During Q2, businesses with more than 50% of revenues from outside of the U.S. generated 13.3% earnings growth, while those with less than 50% of revenues from outside the U.S. saw only a 2.1% growth rate.

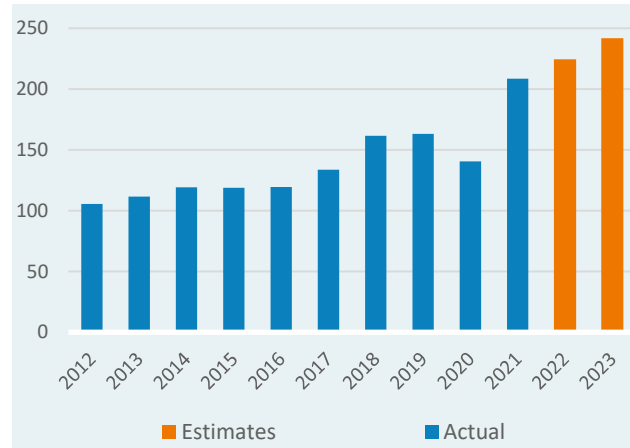
Sector performance during Q3 was disparate. Consumer discretionary (4.4%) and energy (2.3%) sectors lifted the overall index while all other sectors were in the red.

S&P 500 PRICE INDEX



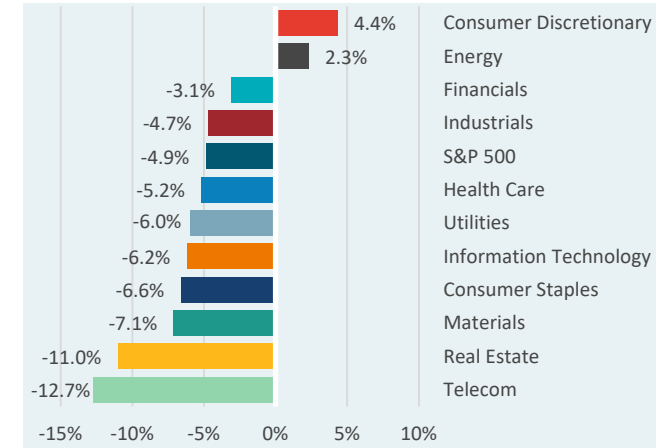
Source: Standard & Poor's, as of 9/30/22

S&P BOTTOM-UP EARNINGS & ESTIMATES



Source: FactSet, as of 9/30/22

Q3 SECTOR PERFORMANCE



Source: Morningstar, as of 9/30/22

Domestic equity size & style

Reversing the trend from last quarter, growth stocks outperformed value stocks, although the divergence was relatively mild (Russell 1000 Growth -3.6% vs. Russell 1000 Value -5.6%). Growth outperformed despite struggles within the Telecommunications and Information Technology sectors (-12.7% and -6.2%), fueled by positive returns from Consumer Discretionary +4.4% (with Amazon and Tesla being the largest weights).

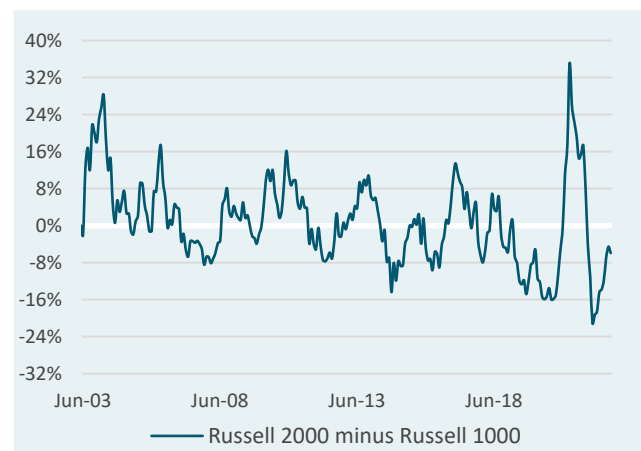
Despite this quarter, value has outperformed significantly over the past year. The Russell 1000 Value Index is down -17.8%, while the growth equivalent has lost -30.7%. With the Federal

Reserve continuing to tighten conditions and hike rates, companies with cash flows further out in the future (those with higher durations) have seen larger negative impacts to their multiples.

Looking at size, small capitalization stocks outperformed large capitalization stocks (Russell 2000 -2.2%, Russell 1000 -4.7%), diverging from the trend seen in the second quarter of 2022.

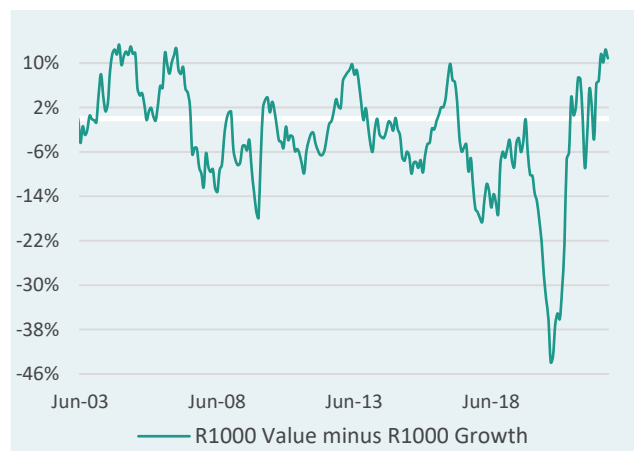
Domestic equities have continued to be challenged regardless of size and style, as investors weigh the impacts of a tighter economic environment on company earnings.

SMALL CAP VS LARGE CAP (YOY)



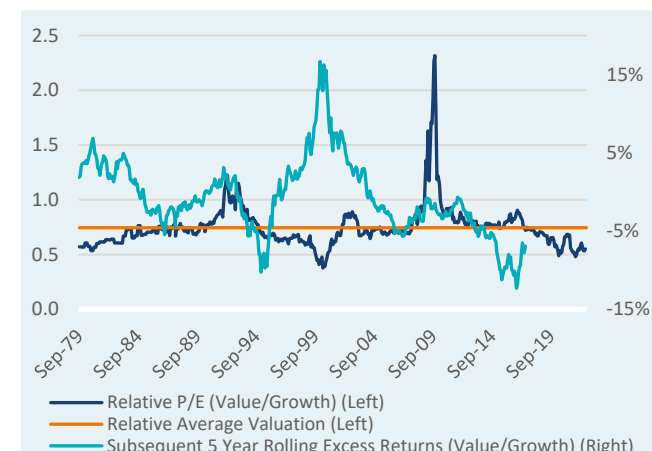
Source: FTSE, as of 9/30/22

VALUE VS GROWTH (YOY)



Source: FTSE, as of 9/30/22

VALUE VS. GROWTH RELATIVE VALUATIONS



Source: Standard & Poor's, as of 9/30/22

International developed equity

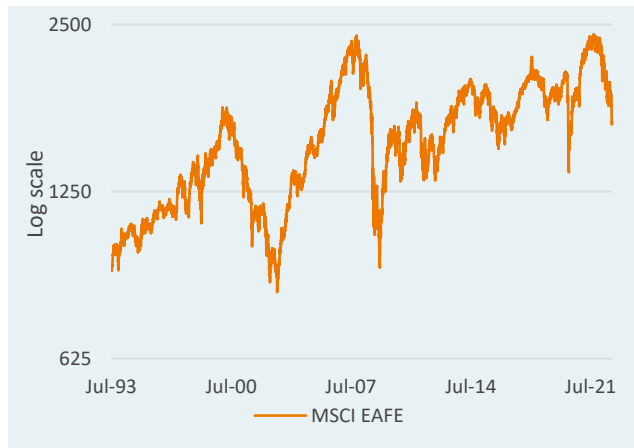
International developed equities fell alongside the global opportunity set in the third quarter. The MSCI EAFE Index dropped -9.4% in U.S. dollar terms, although most of those losses can be attributed to currency impacts, with hedged returns only experiencing a -2.8% loss. The Federal Reserve continues to set the tone for global central bank rate hikes, which has pushed the dollar higher.

Looking at sub-regional performance, Japanese equities were the best performing markets in local terms, being one of the few asset classes with positive Q3 return (+0.2%). Despite strong local returns, diverging rate policy between the BOJ

and Federal Reserve has crushed the Japanese yen, resulting in a seven percent spread between hedged and unhedged equity outcomes.

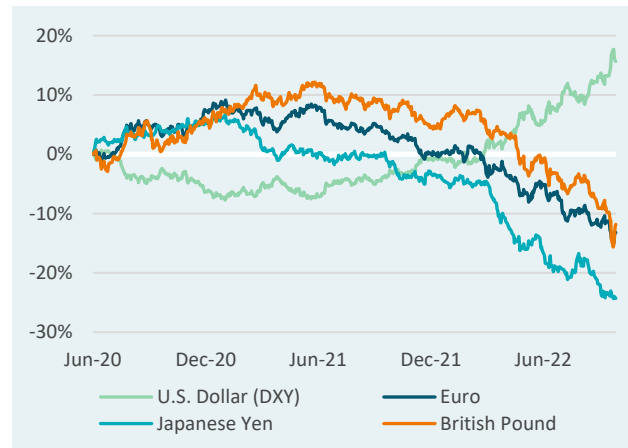
European equities also saw losses over the quarter, although local returns were strong relative to U.S. and Emerging market equities. The flash crash of the British pound had a material impact on FTSE 100 performance in U.S. dollar terms, with U.K. equities closing the quarter down -10.6%, lagging the broader European benchmark (Euro Stoxx 50 - 9.8%)

INTERNATIONAL DEVELOPED EQUITY



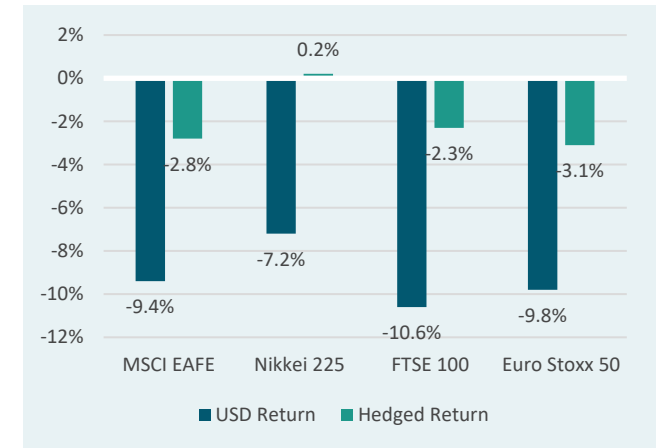
Source: MSCI, as of 9/30/22

FX MOVEMENTS RELATIVE TO THE U.S. DOLLAR



Source: Bloomberg, as of 9/30/22

Q3 2022 SUBREGIONAL INDEX RETURNS



Source: MSCI, STOXX, FTSE, Nikkei, as of 9/30/22

Emerging market equity

Emerging market equities fell during the third quarter, dragged lower by a steep Chinese equity bear market (-22.5%). The MSCI EM index ended the quarter down -11.6% in U.S. dollar terms, bringing one-year total losses to -28.1%. A strong dollar had a -3.4% impact in the third quarter; significant, but not to the same extent seen in the International developed space.

Growing risks of a global recession hit equities across the board, though emerging markets have suffered more than their developed counterparts. China faces its own set of

unique problems, including the continuation of its zero-COVID policy, a property crisis, and geopolitical risks with Taiwan (though we view an invasion as highly unlikely). Despite these headwinds, the People's Bank of China is one of the few central banks implementing accommodative policy, which should provide a tailwind to the local economy.

Performance variability has significantly changed some country weights. China's weight in the index fell by 3.7%, while India moved up 2.6%, replacing Taiwan as the second largest weight.

EMERGING MARKET EQUITY



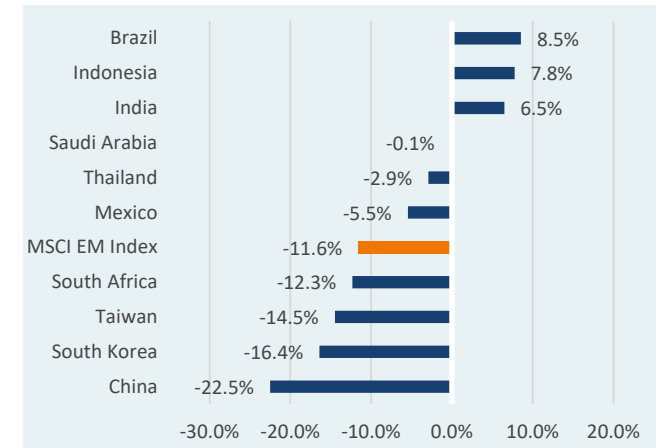
Source: MSCI, as of 9/30/22

MSCI EM INDEX TOP 10 COUNTRY WEIGHTS

Country	9/30/2022	6/30/2022	Rank Change
1. China	29.5%	33.2%	
2. India	15.3%	12.7%	↑
3. Taiwan	13.7%	14.3%	↓
4. South Korea	10.6%	11.3%	
5. Brazil	5.8%	4.9%	
6. Saudi Arabia	4.8%	4.3%	
7. South Africa	3.4%	3.5%	
8. Mexico	2.2%	2.1%	
9. Indonesia	2.2%	1.8%	
10. Thailand	2.1%	1.9%	

Source: Bloomberg, MSCI as of 9/30/22

Q3 2022 MSCI COUNTRY RETURNS (USD)



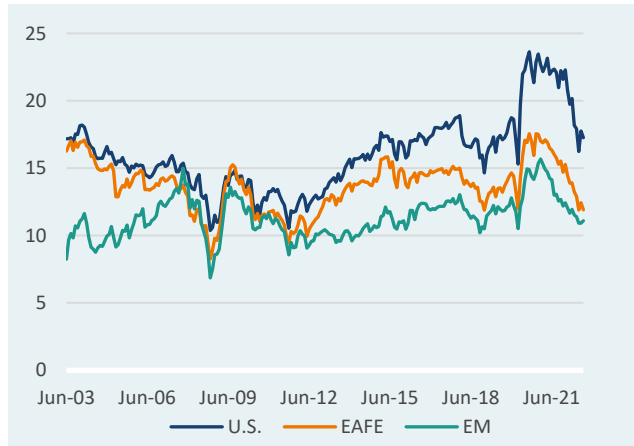
Source: Bloomberg, MSCI as of 9/30/22, performance in USD terms

Equity valuations

Many markets now trade at valuation levels below their historical average as inflation and rising rate concerns have translated to more attractive pricing. According to FactSet, the S&P 500 traded at a forward price/earnings of 15.4 as of September 30th, which was below the five-year average of 18.6 and 10-year average of 17.1. Valuations have continued to drop within the International and Emerging market space as well, although we believe International developed equities may have further to fall, given more acute inflation and energy issues in Europe. Emerging market valuations have reached very low levels, which may act as a floor to further losses, assuming healthy earnings.

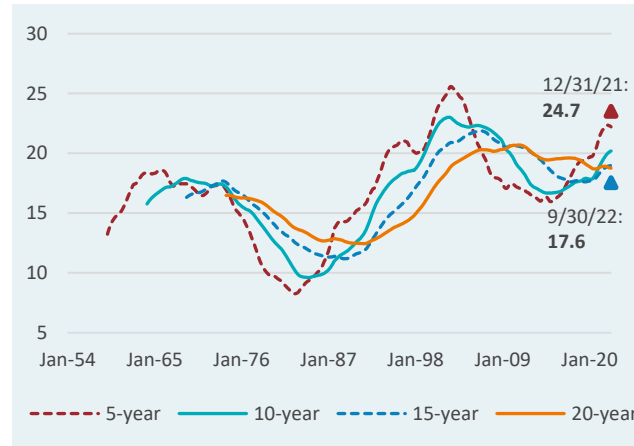
Domestic earnings were challenged in the second quarter. Businesses faced higher costs, large currency impacts, and a more budget-constrained consumer. While blended earnings grew at a 6.7% clip from the previous year, excluding the energy sector would bring that earnings figure down to -3.7%, per FactSet. While valuations have moved more in line with historical averages, all eyes are on third quarter earnings, which will likely help determine the market's direction from this point.

FORWARD P/E RATIOS



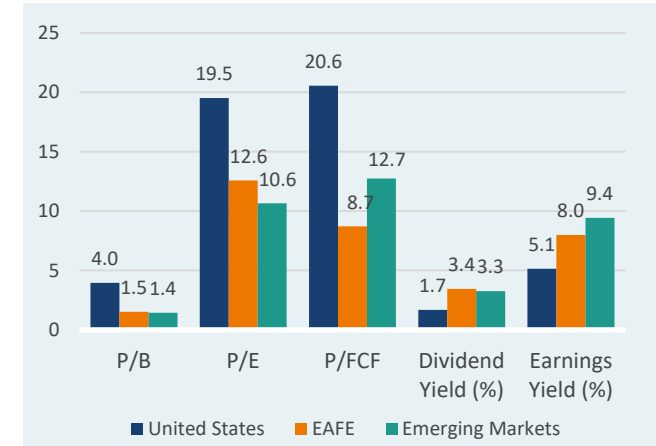
Source: MSCI, 12m forward P/E, as of 8/31/22

S&P 500 AVERAGE TRAILING P/E RATIOS



Source: Bloomberg, as of 9/30/22

VALUATION METRICS (3-MONTH AVERAGE)



Source: Bloomberg, MSCI as of 9/30/22 - trailing P/E

Equity volatility

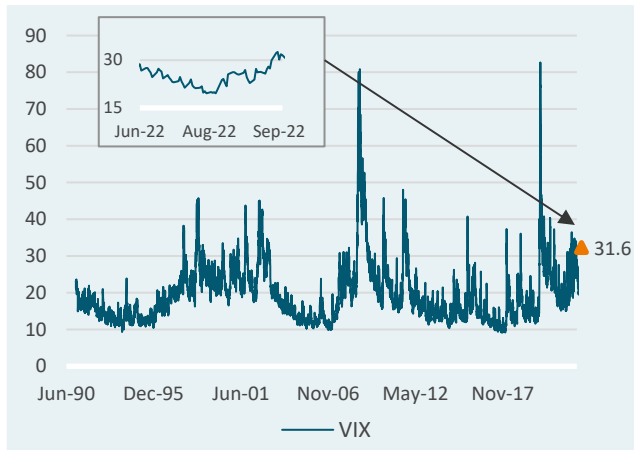
Volatility remained elevated through the quarter as the Cboe VIX Index rose further from 28.7% to 31.6%. Risk assets sold-off into a deeper bear market and concerns focused on Federal Reserve tightening and liquidity being removed from the global financial system. Inflation and Fed actions seem to exist as the greatest risk to markets, although potential for recession or a corporate earnings drawdown are also likely contributing to choppiness.

Realized volatility of equity markets over the past year has picked up from low levels. U.S. markets have shown

materially more volatility than developed or emerging markets, which has been rare historically.

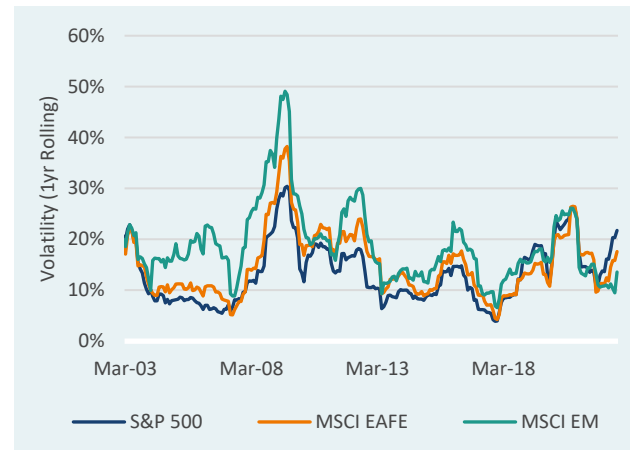
The current bear market has been particularly painful given the broadness of the selloff across equity fixed income, and real assets. Currency markets also moved against investors, with U.S. dollar appreciation delivering large losses for those with unhedged international asset exposure. Commodities remain a lone bright spot regarding 2022 year-to-date performance.

U.S. IMPLIED VOLATILITY (VIX)



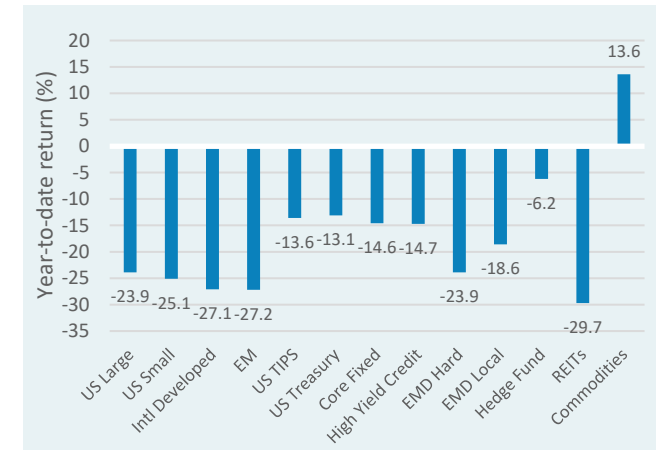
Source: Cboe, as of 9/30/22

REALIZED VOLATILITY



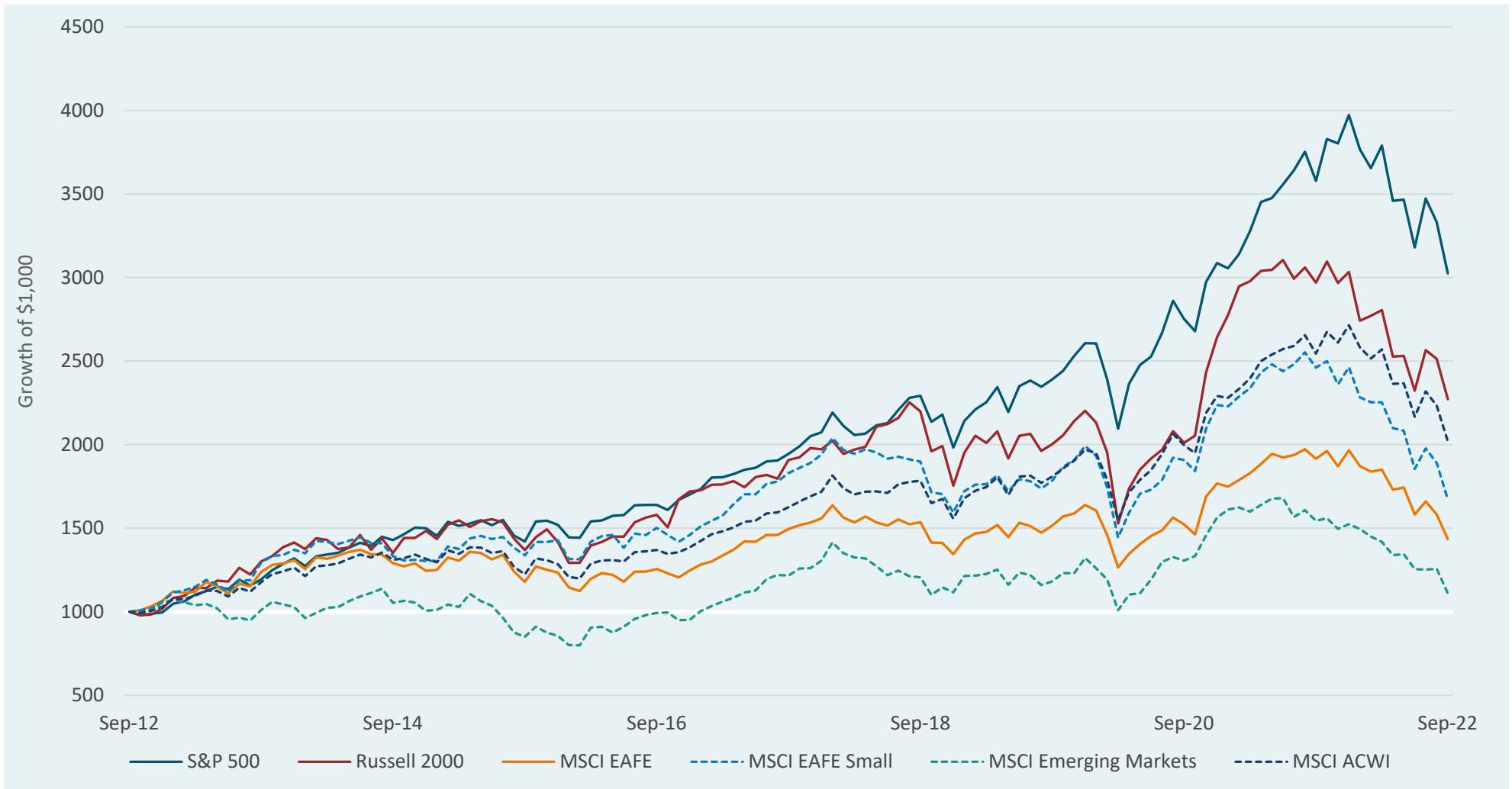
Source: Standard & Poor's, MSCI, as of 9/30/22

BROAD SELLOFF



Source: MPI, as of 9/30/22

Long-term equity performance



Source: Morningstar, as of 9/30/22

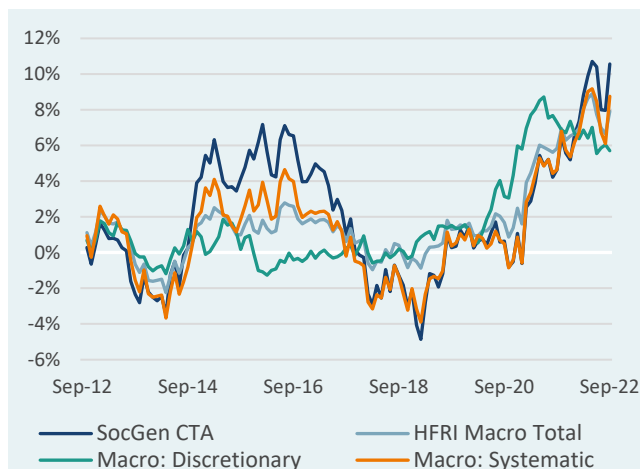
Other assets

Asymmetric macro strategies

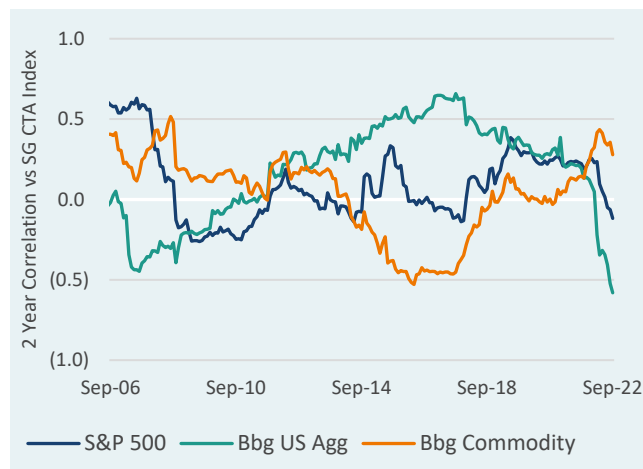
Macro strategies have been the top performing hedge fund strategy since 2021. Both parts of the Macro universe—Discretionary and Systematic—have done extremely well over the last 12-18 months. Systematic strategies have benefitted from strong trend following performance, which has returned to favor after a period of mediocre returns from 2016 to 2020. This periodicity is typical of trend following/CTA type strategies. Discretionary macro strategies have done well to capture the move in interest rates by shorting bonds as central banks reacted to high inflation by consistently hiking interest rates from ultra-low post-COVID levels.

Trend following funds can and have offered significant diversification from traditional asset classes due to their ability to go long or short markets depending on the current trends. As evidenced in the middle chart below, CTA funds had maintained long bond, short commodity positions for several years following the global financial crisis, though that changed significantly over the past year. Discretionary funds struggled when interest rates were zero-bound in the mid-2010s but have shown once again that they can perform well when central banks are taking action—either hiking or cutting rates—by taking positions based on fundamental economic data.

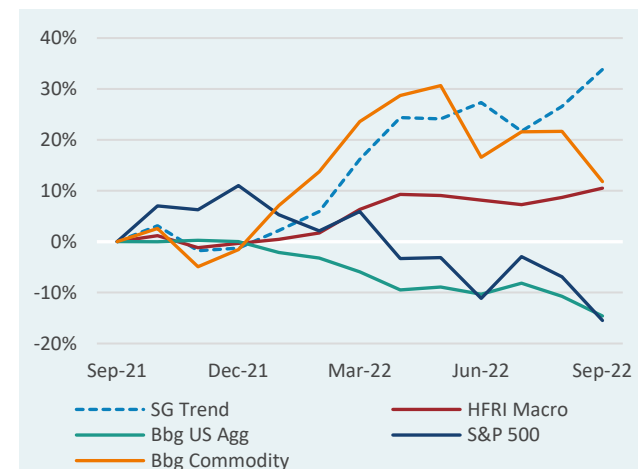
3 YEAR ROLLING RETURN FOR MACRO FUNDS



CTA FUNDS CORRELATION TO MARKETS



CUMULATIVE RETURN LAST 12 MONTHS



Source: HFR, MPI, Morningstar, SocGen, data as of 9/30/22

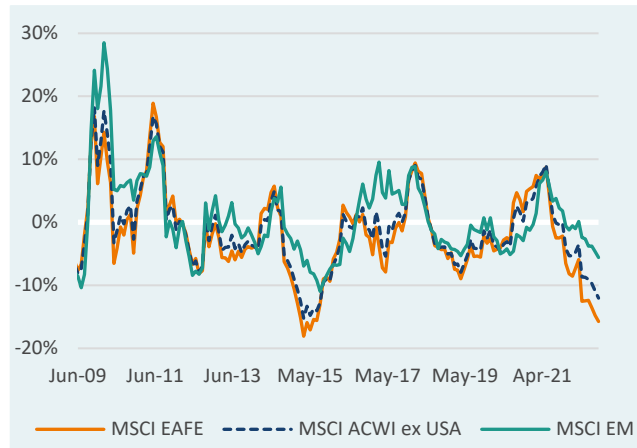
Currency

Investors with unhedged foreign currency exposure have seen extreme losses over recent periods. For example, a U.S. investor with an international developed equity investment (MSCI EAFE) suffered a loss of -15.7% over the past year *just from currency movements*. An investor in non-US equity (MSCI ACWI ex-US) would have seen a -12.0% loss. Currency risk is typically the second largest risk in institutional portfolios, and is not expected to be compensated over the long term.

We continue to believe that forward-thinking currency solutions can materially improve portfolio outcomes. Specifically, a currency program may allow an investor to reduce their portfolio risk while also increasing the

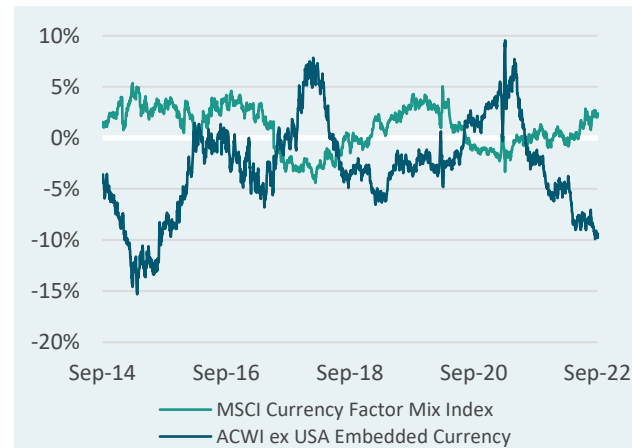
expected return of the portfolio. These characteristics are demonstrated below by comparing the unhedged currency exposure that most investors own (we refer to this as “embedded” currency) to the MSCI Currency Factor Mix Index which represents a passive investment in the currency market. This program aims to systematically capture the *return premia* within currency markets. Over the past 10 years, an unhedged exposure to foreign currencies has resulted in 5.8% portfolio volatility and a return of -4.4% per year. Meanwhile, a passive allocation the MSCI Currency Factor Mix Index has resulted in less than half of that volatility (2.5%) and with an average return of +1.2% per year.

EFFECT OF CURRENCY (1-YEAR ROLLING)



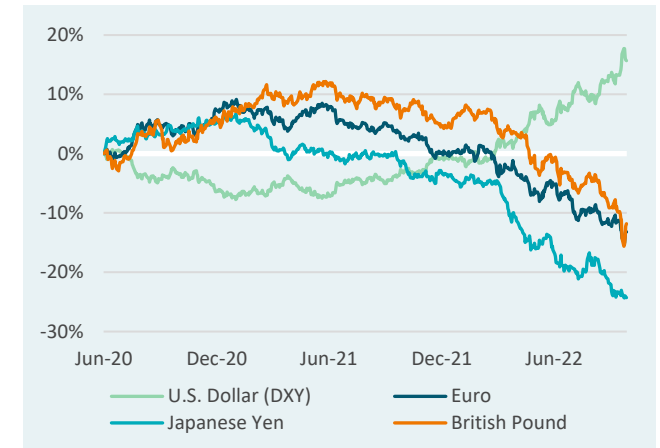
Source: MSCI, as of 9/30/22

UNHEDGED CURRENCY VS CURRENCY FACTOR MIX



Source: MSCI, as of 9/30/22

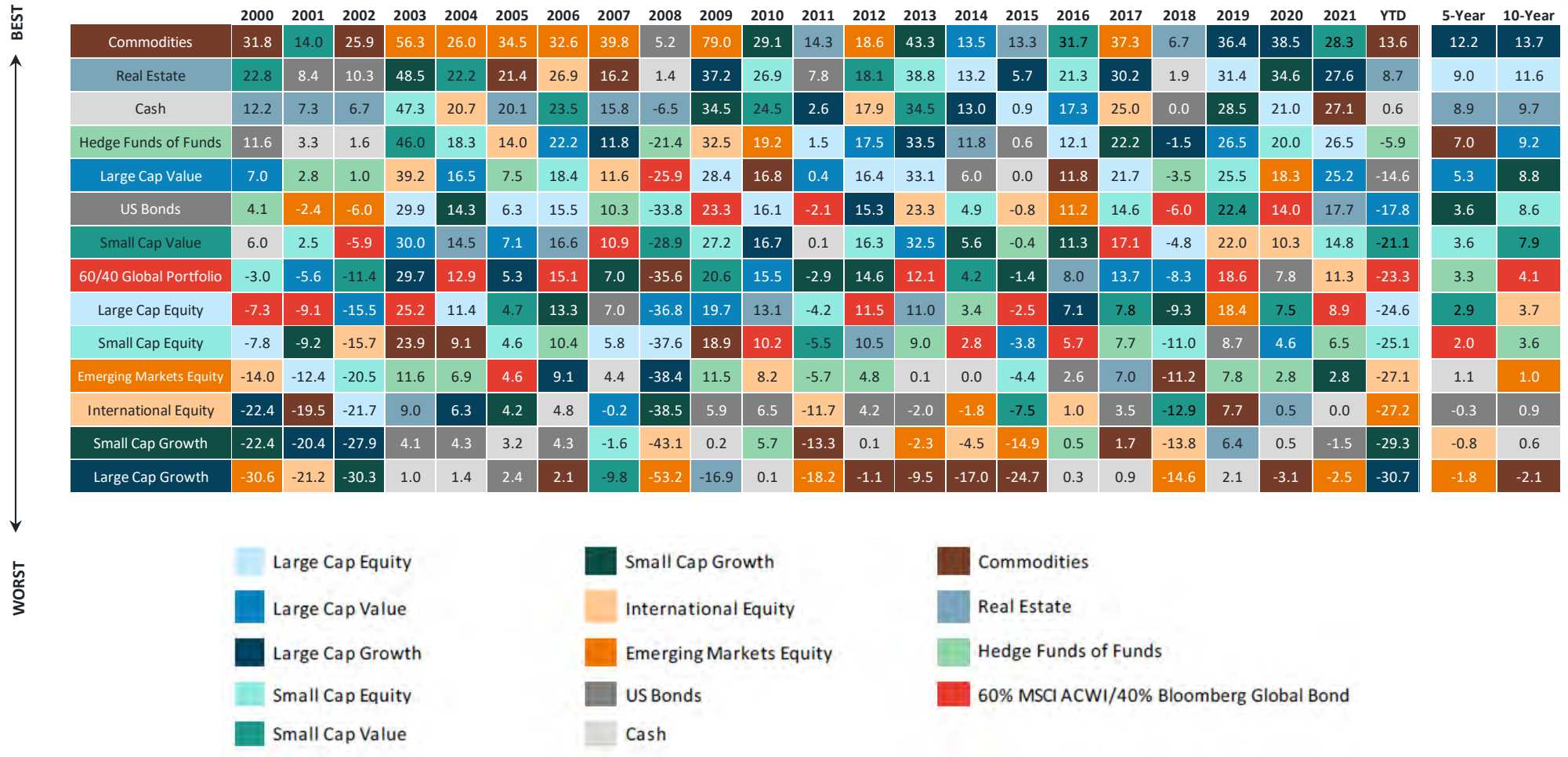
FOREIGN CURRENCY MOVEMENT



Source: Bloomberg, as of 9/30/22

Appendix

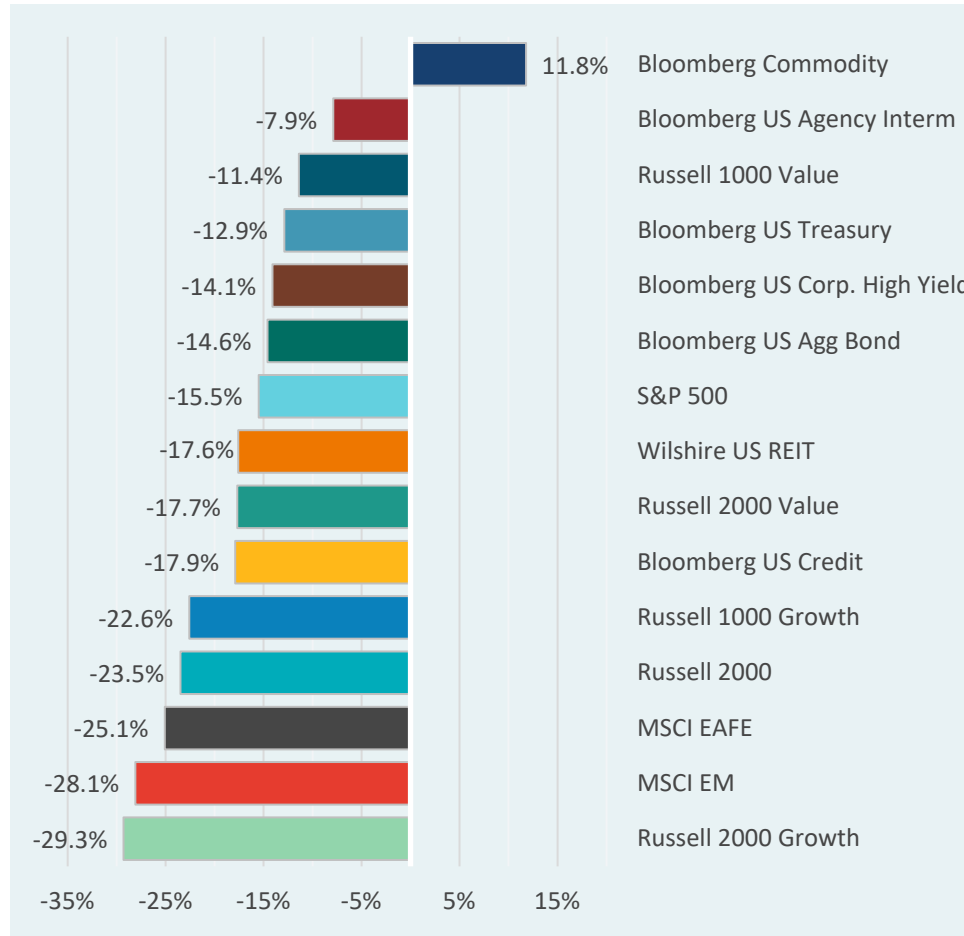
Periodic table of returns



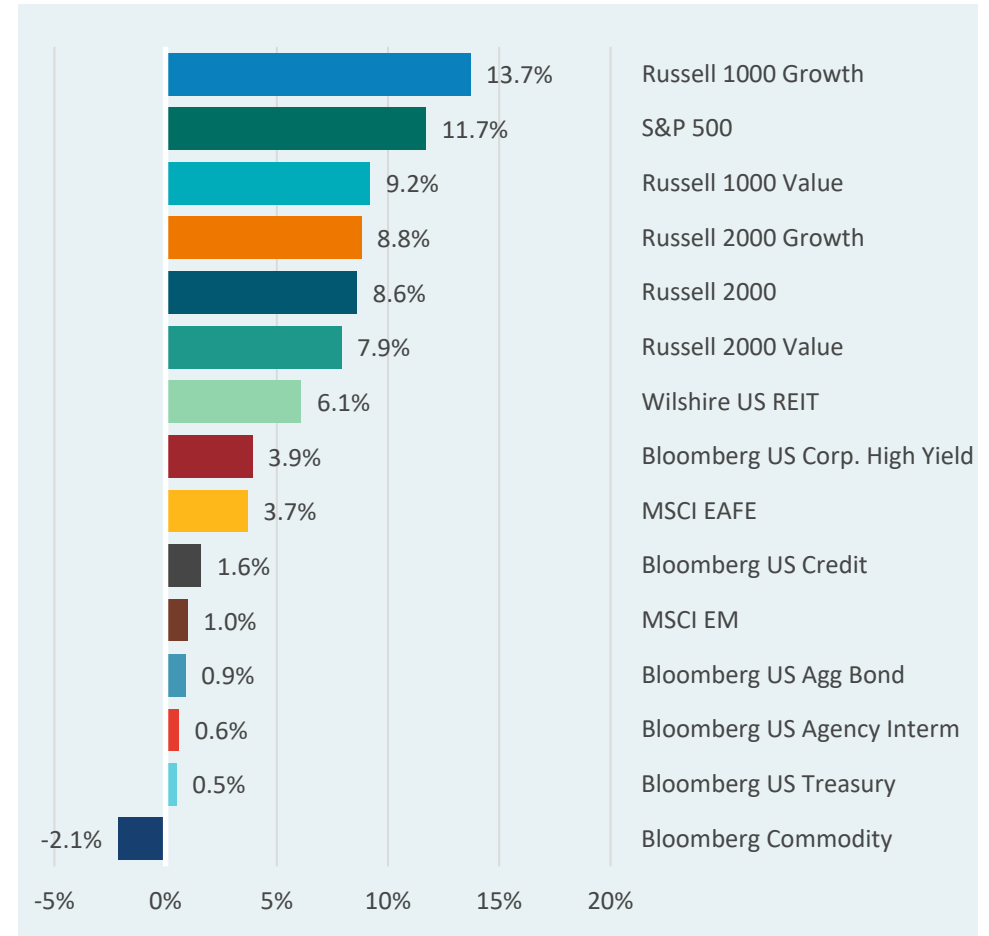
Source Data: Morningstar, Inc., Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF). Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Growth, Russell 2000, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, Bloomberg US Aggregate, T-Bill 90 Day, Bloomberg Commodity, NCREIF Property, HFRI FOF, MSCI ACWI, Bloomberg Global Bond. NCREIF Property Index performance data as of 6/30/22.

Major asset class returns

ONE YEAR ENDING SEPTEMBER



TEN YEARS ENDING SEPTEMBER



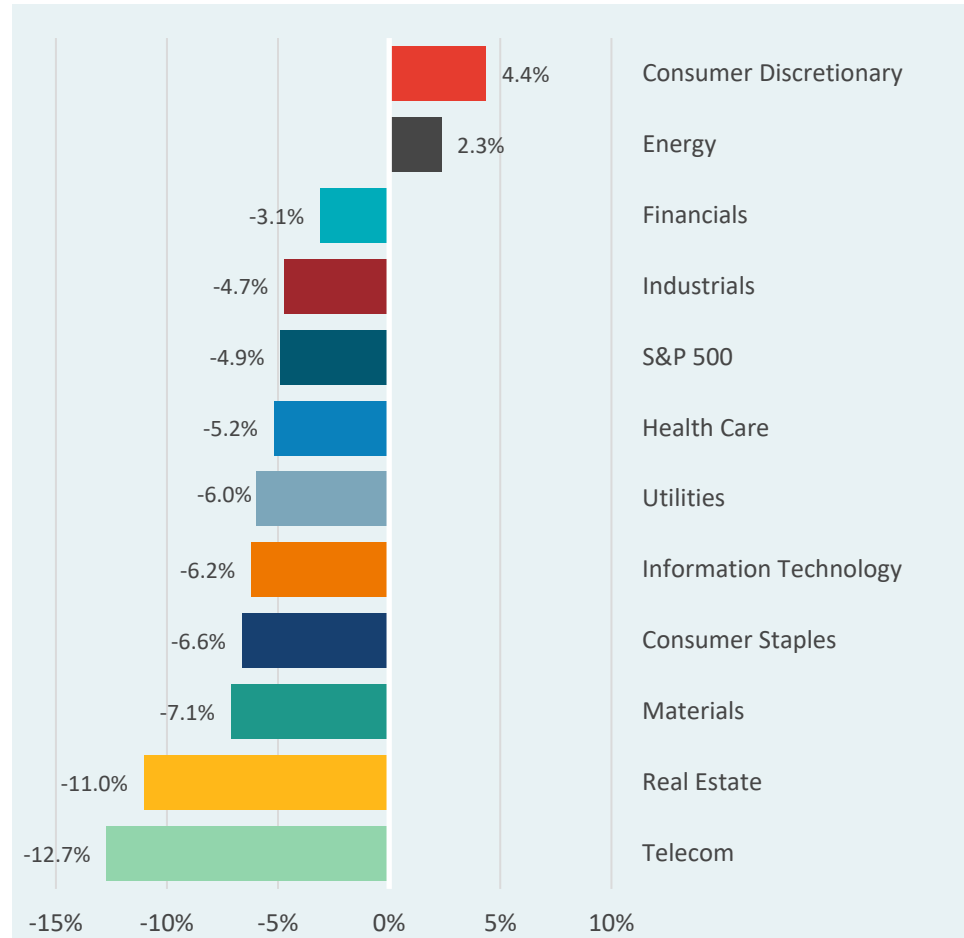
*Only publicly traded asset performance is shown here. Performance of private assets is typically released with a 3- to 6-month delay.

Source: Morningstar, as of 9/30/22

Source: Morningstar, as of 9/30/22

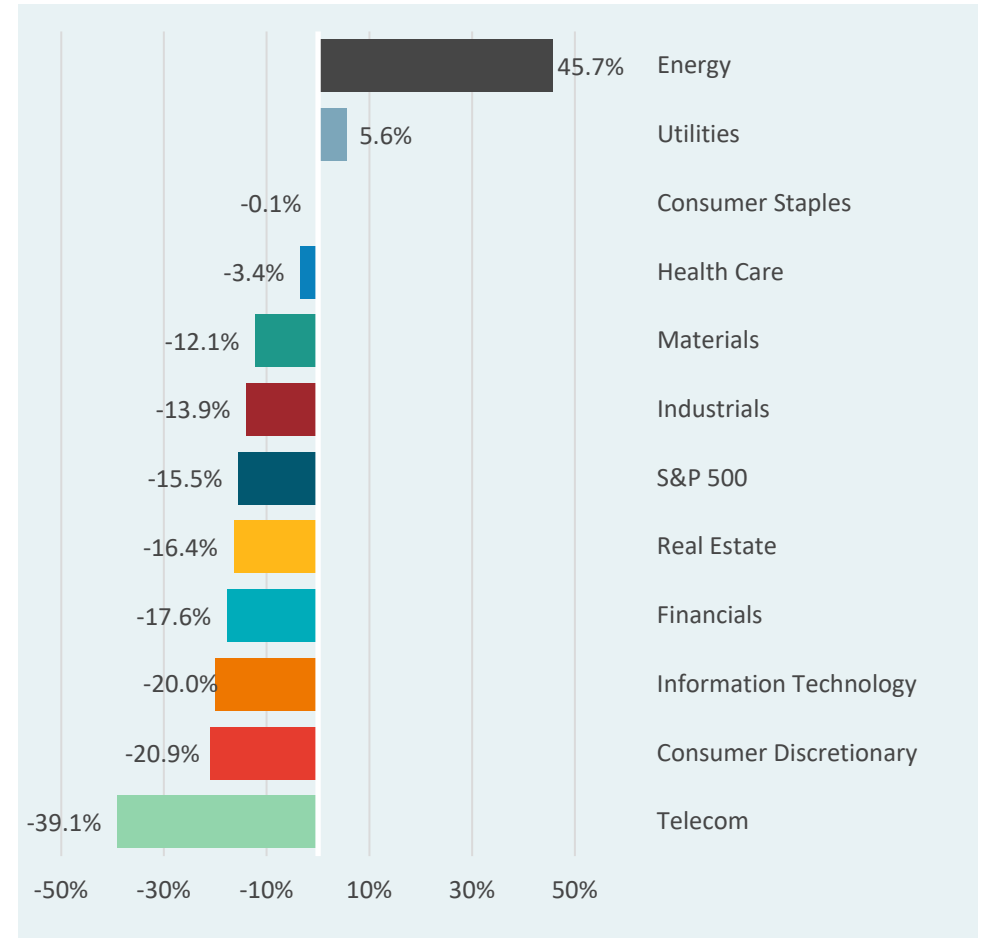
S&P 500 sector returns

QTD



Source: Morningstar, as of 9/30/22

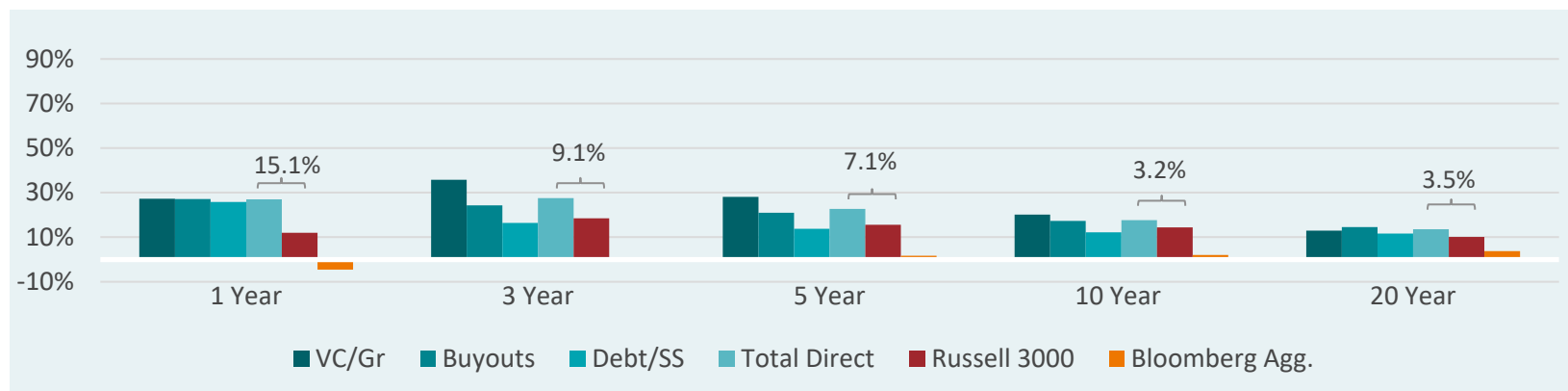
ONE YEAR ENDING SEPTEMBER



Source: Morningstar, as of 9/30/22

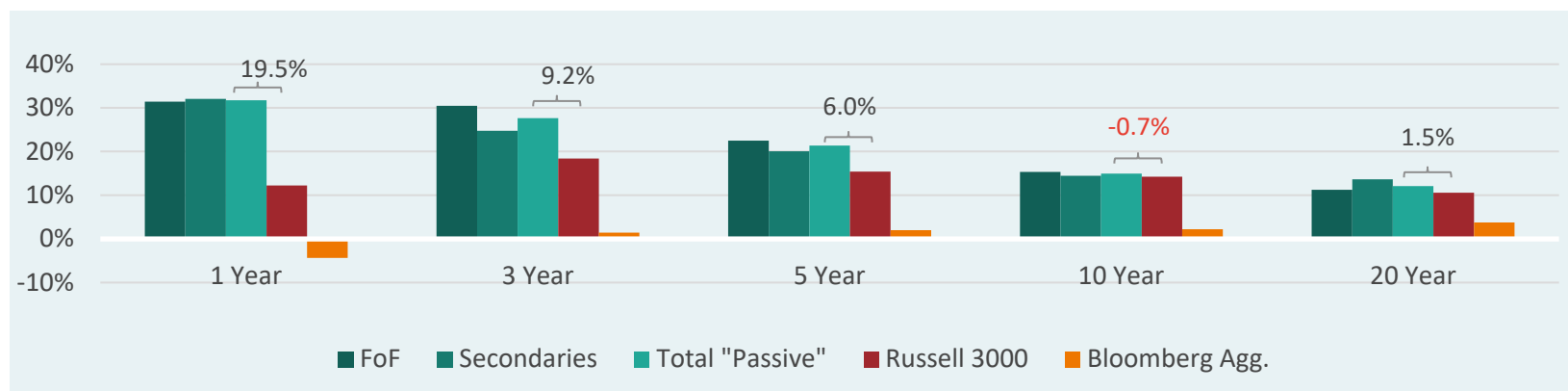
Private equity vs. traditional assets performance

DIRECT PRIVATE EQUITY FUND INVESTMENTS



Direct P.E Fund Investments outperformed comparable public equities across all time periods.

“PASSIVE” STRATEGIES

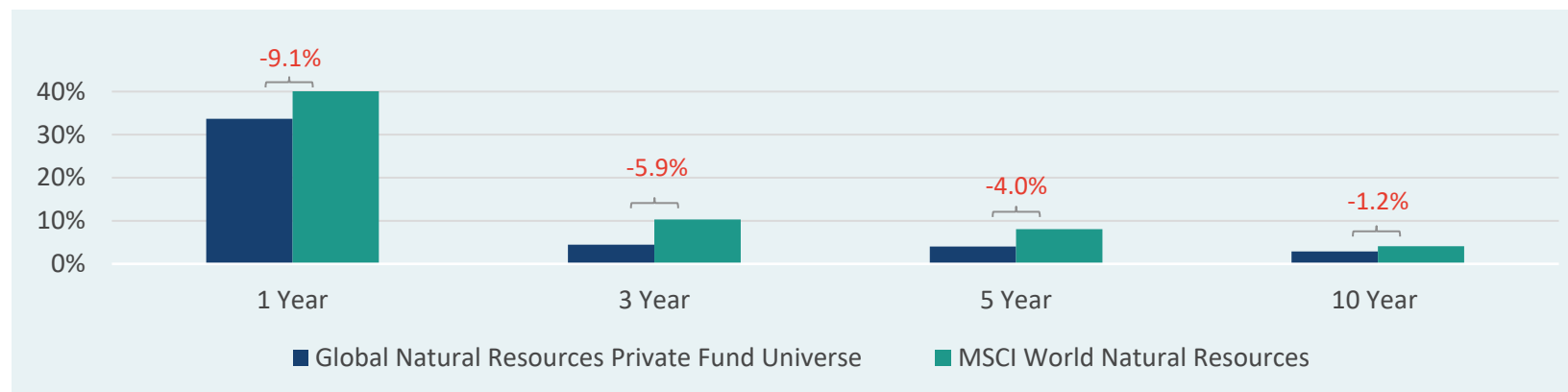


“Passive” strategies outperformed comparable public equities across all time periods, aside from the 10-year basis.

Sources: Refinitiv PME: U.S. Private Equity Funds sub asset classes as of March 31, 2022. Public Market Equivalent returns resulted from “Total Passive” and Total Direct’s identical cash flows invested into and distributed from respective traditional asset comparable.

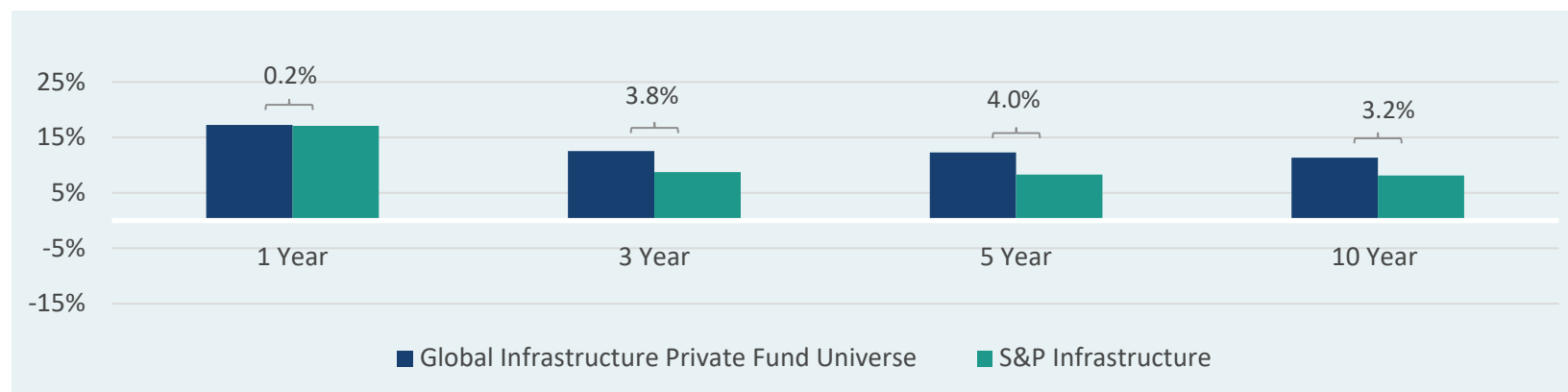
Private vs. liquid real assets performance

GLOBAL NATURAL RESOURCES FUNDS (N.R.)



N.R. funds underperformed the MSCI World Natural Resources benchmark across all time periods.

GLOBAL INFRASTRUCTURE FUNDS

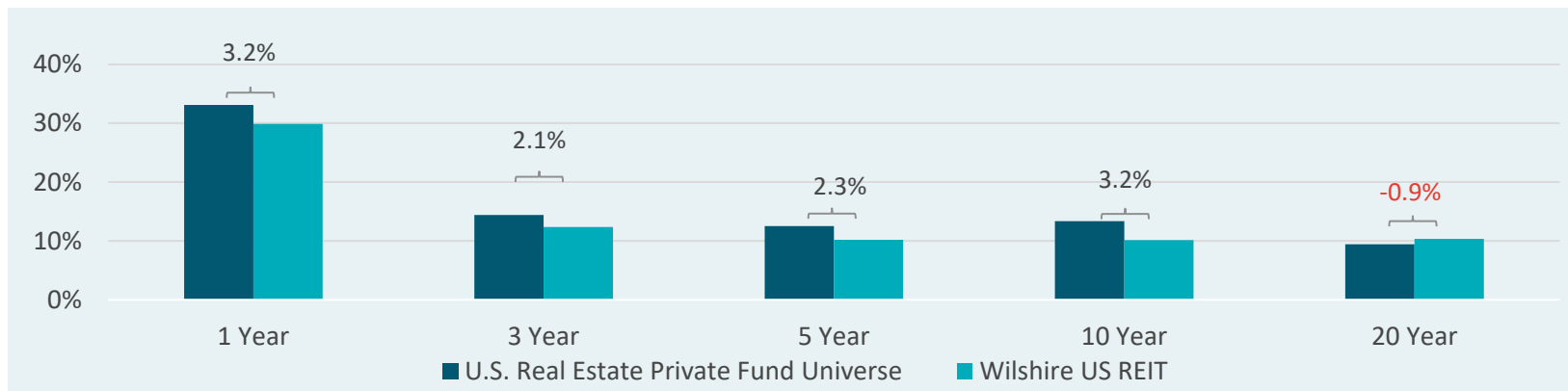


Infra. funds outperformed the S&P Infra. across all periods.

Sources: Refinitiv PME: Global Natural Resources (vintage 1999 and later, inception of MSCI World Natural Resources benchmark) and Global Infrastructure (vintage 2002 and later, inception of S&P Infrastructure benchmark) universes as of March 31, 2022. Public Market Equivalent returns resulted from identical cash flows invested into and distributed from respective liquid real assets universes.

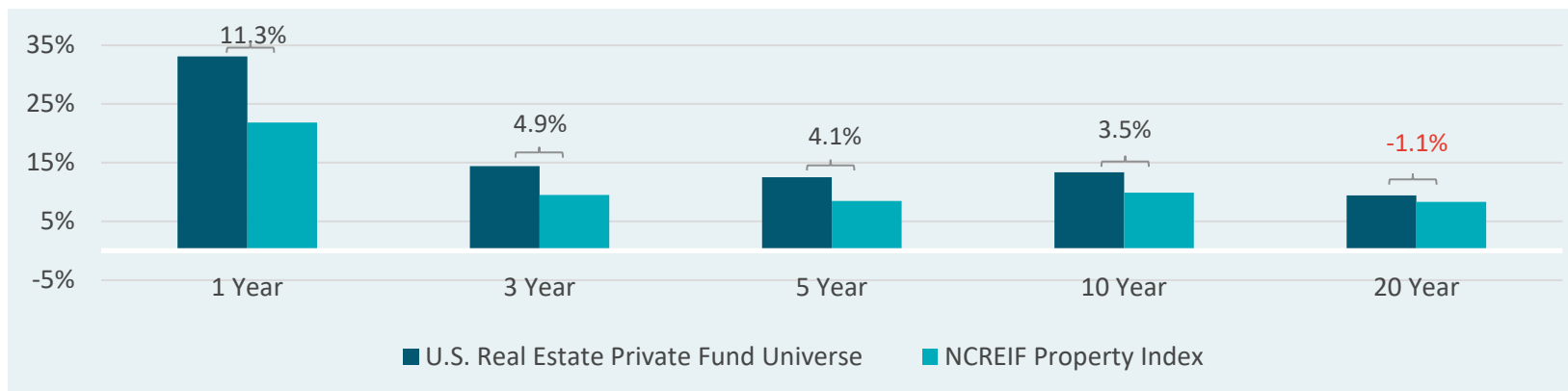
Private vs. liquid and core real estate performance

U.S. PRIVATE REAL ESTATE FUNDS VS. LIQUID UNIVERSE



U.S. Private R.E. funds underperformed the Wilshire U.S. REIT Index across all time periods, aside on a 20-year basis.

U.S. PRIVATE REAL ESTATE FUNDS VS. CORE FUNDS



U.S. Private R.E. Funds outperformed the NCREIF Property Index across all time periods, aside a 20-year basis.

Sources: Refinitiv PME: U.S. Real Estate universes as of March 31, 2022. Public Market Equivalent returns resulted from identical cash flows invested into and distributed from respective liquid real estate universes.

Detailed index returns

DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Core Index							
S&P 500	(9.2)	(4.9)	(23.9)	(15.5)	8.2	9.2	11.7
S&P 500 Equal Weighted	(9.2)	(4.8)	(20.7)	(13.5)	7.7	8.0	11.5
DJ Industrial Average	(8.8)	(6.2)	(19.7)	(13.4)	4.4	7.4	10.5
Russell Top 200	(9.2)	(5.0)	(24.7)	(16.4)	9.0	10.0	12.1
Russell 1000	(9.3)	(4.6)	(24.6)	(17.2)	7.9	9.0	11.6
Russell 2000	(9.6)	(2.2)	(25.1)	(23.5)	4.3	3.6	8.6
Russell 3000	(9.3)	(4.5)	(24.6)	(17.6)	7.7	8.6	11.4
Russell Mid Cap	(9.3)	(3.4)	(24.3)	(19.4)	5.2	6.5	10.3
Style Index							
Russell 1000 Growth	(9.7)	(3.6)	(30.7)	(22.6)	10.7	12.2	13.7
Russell 1000 Value	(8.8)	(5.6)	(17.8)	(11.4)	4.4	5.3	9.2
Russell 2000 Growth	(9.0)	0.2	(29.3)	(29.3)	2.9	3.6	8.8
Russell 2000 Value	(10.2)	(4.6)	(21.1)	(17.7)	4.7	2.9	7.9

INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
MSCI ACWI	(9.6)	(6.8)	(25.6)	(20.7)	3.7	4.4	7.3
MSCI ACWI ex US	(10.0)	(9.9)	(26.5)	(25.2)	(1.5)	(0.8)	3.0
MSCI EAFE	(9.4)	(9.4)	(27.1)	(25.1)	(1.8)	(0.8)	3.7
MSCI EM	(11.7)	(11.6)	(27.2)	(28.1)	(2.1)	(1.8)	1.0
MSCI EAFE Small Cap	(11.5)	(9.8)	(32.1)	(32.1)	(2.2)	(1.8)	5.3
Style Index							
MSCI EAFE Growth	(9.7)	(8.5)	(33.0)	(30.3)	(1.5)	0.7	4.7
MSCI EAFE Value	(9.0)	(10.2)	(21.1)	(20.2)	(2.8)	(2.7)	2.4
Regional Index							
MSCI UK	(8.8)	(10.8)	(18.7)	(14.1)	(1.7)	(1.1)	1.9
MSCI Japan	(10.4)	(7.7)	(26.4)	(29.3)	(2.6)	(0.6)	4.8
MSCI Euro	(8.4)	(10.0)	(32.7)	(30.0)	(3.8)	(3.2)	3.2
MSCI EM Asia	(13.2)	(14.0)	(28.8)	(29.5)	(0.8)	(1.1)	3.1
MSCI EM Latin American	(3.3)	3.6	3.0	0.2	(3.4)	(2.6)	(2.3)

FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
Bloomberg US TIPS	(6.6)	(5.1)	(13.6)	(11.6)	0.8	2.0	1.0
Bloomberg US Treasury Bills	0.2	0.4	0.4	0.4	0.6	1.1	0.7
Bloomberg US Agg Bond	(4.3)	(4.8)	(14.6)	(14.6)	(3.3)	(0.3)	0.9
Bloomberg US Universal	(4.3)	(4.5)	(14.9)	(14.9)	(3.1)	(0.2)	1.2
Duration							
Bloomberg US Treasury 1-3 Yr	(1.2)	(1.5)	(4.5)	(5.1)	(0.5)	0.5	0.6
Bloomberg US Treasury Long	(7.9)	(9.6)	(28.8)	(26.6)	(8.5)	(1.6)	0.6
Bloomberg US Treasury	(3.5)	(4.3)	(13.1)	(12.9)	(3.1)	(0.2)	0.5
Issuer							
Bloomberg US MBS	(5.1)	(5.3)	(13.7)	(14.0)	(3.7)	(0.9)	0.5
Bloomberg US Corp. High Yield	(4.0)	(0.6)	(14.7)	(14.1)	(0.5)	1.6	3.9
Bloomberg US Agency Interm	(1.8)	(2.4)	(7.2)	(7.9)	(1.4)	0.2	0.6
Bloomberg US Credit	(5.1)	(4.9)	(18.1)	(17.9)	(3.6)	(0.0)	1.6

OTHER

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
Bloomberg Commodity	(8.1)	(4.1)	13.6	11.8	13.5	7.0	(2.1)
Wilshire US REIT	(12.3)	(10.2)	(29.7)	(17.6)	(2.2)	2.9	6.1
CS Leveraged Loans	(2.2)	1.2	(3.3)	(2.6)	2.1	3.0	3.7
S&P Global Infrastructure	(11.8)	(9.6)	(10.1)	(6.0)	(0.1)	2.1	5.7
Alerian MLP	(7.5)	8.4	19.0	20.0	3.1	1.2	1.7
Regional Index							
JPM EMBI Global Div	(6.4)	(4.6)	(23.9)	(24.3)	(7.2)	(2.6)	1.1
JPM GBI-EM Global Div	(4.9)	(4.7)	(18.6)	(20.6)	(7.1)	(3.9)	(2.4)
Hedge Funds							
HFRI Composite	(2.3)	(0.6)	(6.2)	(5.8)	6.2	4.5	4.6
HFRI FOF Composite	(0.6)	0.7	(5.9)	(5.5)	4.5	3.3	3.6
Currency (Spot)							
Euro	(2.6)	(3.9)	(13.9)	(15.5)	(3.5)	(3.7)	(2.7)
Pound Sterling	(4.1)	(8.3)	(17.6)	(17.2)	(3.2)	(3.6)	(3.6)
Yen	(4.2)	(7.7)	(20.4)	(22.9)	(9.3)	(4.9)	(6.0)

Source: Morningstar, HFRI, as of 9/30/22.

Definitions

Bloomberg US Weekly Consumer Comfort Index - tracks the public's economic attitudes each week, providing a high-frequency read on consumer sentiment. The index, based on cell and landline telephone interviews with a random, representative national sample of U.S. adults, tracks Americans' ratings of the national economy, their personal finances and the buying climate on a weekly basis, with views of the economy's direction measured separately each month. (www.lanqerresearch.com)

University of Michigan Consumer Sentiment Index - A survey of consumer attitudes concerning both the present situation as well as expectations regarding economic conditions conducted by the University of Michigan. For the preliminary release approximately three hundred consumers are surveyed while five hundred are interviewed for the final figure. The level of consumer sentiment is related to the strength of consumer spending. (www.Bloomberg.com)

NFIB Small Business Outlook - Small Business Economic Trends (SBET) is a monthly assessment of the U.S. small-business economy and its near-term prospects. Its data are collected through mail surveys to random samples of the National Federal of Independent Business (NFIB) membership. The survey contains three broad question types: recent performance, near-term forecasts, and demographics. The topics addressed include: outlook, sales, earnings, employment, employee compensation, investment, inventories, credit conditions, and single most important problem. (<http://www.nfib-sbet.org/about/>)

NAHB Housing Market Index - the housing market index is a weighted average of separate diffusion indices for three key single-family indices: market conditions for the sale of new homes at the present time, market conditions for the sale of new homes in the next six months, and the traffic of prospective buyers of new homes. The first two series are rated on a scale of Good, Fair, and Poor and the last is rated on a scale of High/Very High, Average, and Low/Very Low. A diffusion index is calculated for each series by applying the formula $(\text{Good-Poor} + 100)/2$ to the present and future sales series and $(\text{High/Very High-Low/Very Low} + 100)/2$ to the traffic series. Each resulting index is then seasonally adjusted and weighted to produce the HMI. Based on this calculation, the HMI can range between 0 and 100.

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San Luis Obispo County Pension Trust

Investment Performance Review
Period Ending: September 30, 2022



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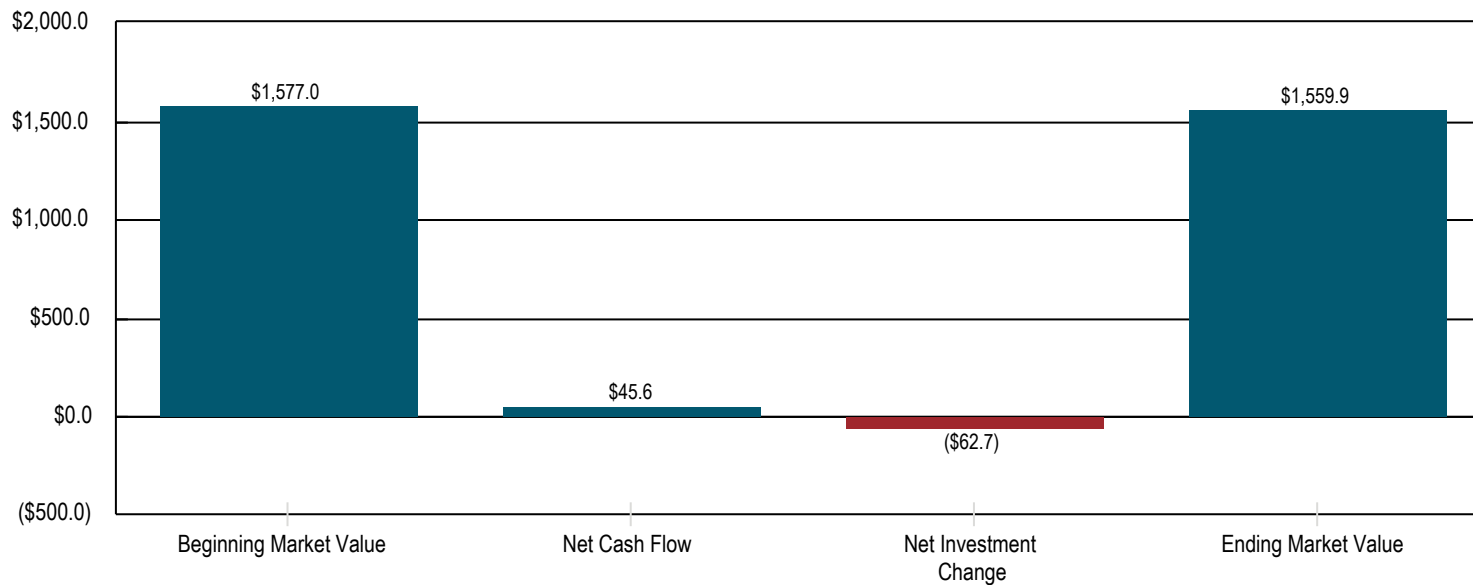
SAN FRANCISCO 415.362.3484

Total Fund
Portfolio Reconciliation

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

Portfolio Reconciliation

	Last Three Months	One Year
Beginning Market Value	1,576,995,970	1,728,214,693
Net Cash Flow	45,553,601	-27,162,579
Net Investment Change	-62,695,424	-140,548,473
Ending Market Value	1,559,854,147	1,559,854,147

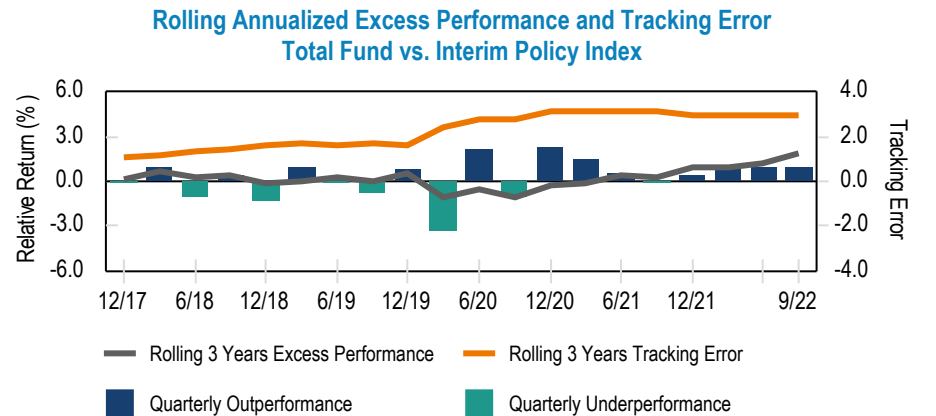
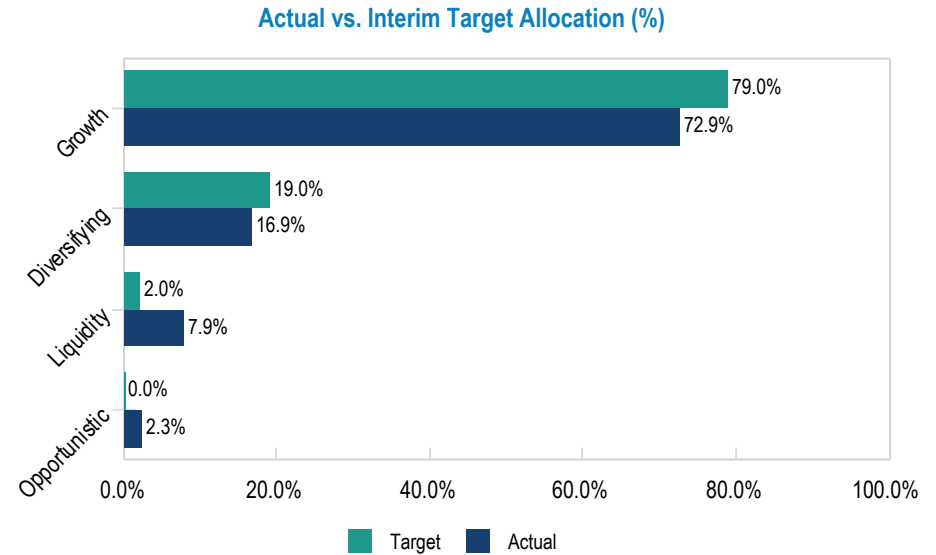


Contributions and withdrawals may include intra-account transfers between managers/funds.

Total Fund Executive Summary (Gross of Fees)

San Luis Obispo County Pension Trust Period Ending: September 30, 2022

	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs
Total Fund	-3.7	-12.1	-8.3	5.3	5.3
Interim Policy Index	-4.7	-14.6	-11.3	3.5	4.4
FFP SAA Index	-4.0	-9.4	-5.1	8.2	7.9
Total Growth	-4.0	-12.1	-6.2	8.9	7.9
Custom Growth Benchmark	-3.6	-14.8	-10.7	5.5	5.7
Total Public Equity	-6.0	-23.3	-18.2	5.5	6.0
Russell 3000 Index	-4.5	-24.6	-17.6	7.7	8.6
Total Domestic Equity	-3.7	-19.7	-12.7	7.2	8.5
Russell 3000 Index	-4.5	-24.6	-17.6	7.7	8.6
Total International Equity	-9.0	-27.8	-24.9	3.1	3.2
MSCI AC World ex USA Index	-9.8	-26.2	-24.8	-1.1	-0.3
Total Private Equity	-5.3	-1.0	7.2	26.1	20.8
Private Equity Benchmark	-5.3	-1.0	7.2	-	-
Total Private Credit	-3.1	0.3	1.8	7.5	8.3
Private Credit Benchmark	-3.1	0.3	1.8	-	-
Total Real Estate	0.3	11.7	20.0	10.9	8.9
NCREIF Property Index	0.6	9.4	16.1	9.9	8.6
Total Risk Diversifying	-4.2	-15.1	-15.6	-3.0	-0.9
Total Risk Diversifying Benchmark	-5.7	-16.5	-16.7	-4.5	-1.0
Total Domestic Fixed Income	-3.0	-11.7	-11.5	-1.0	1.4
Blmbg. U.S. Aggregate Index	-4.8	-14.6	-14.6	-3.3	-0.3
Total Global Fixed	-7.7	-24.0	-25.9	-7.7	-5.0
FTSE World Government Bond Index	-7.6	-21.3	-22.1	-7.0	-3.1
Total Liquidity	-2.7	-3.7	-3.8	-0.5	0.4
90 Day U.S. Treasury Bill	0.5	0.6	0.6	0.6	1.1
Total Cash	-0.3	-1.5	-1.6	0.3	0.8
90 Day U.S. Treasury Bill	0.5	0.6	0.6	0.6	1.1
Total Opportunistic	-8.0	-6.0	-1.9	5.1	6.7
Russell 3000 + 3%	-3.8	-22.9	-15.2	10.9	11.9

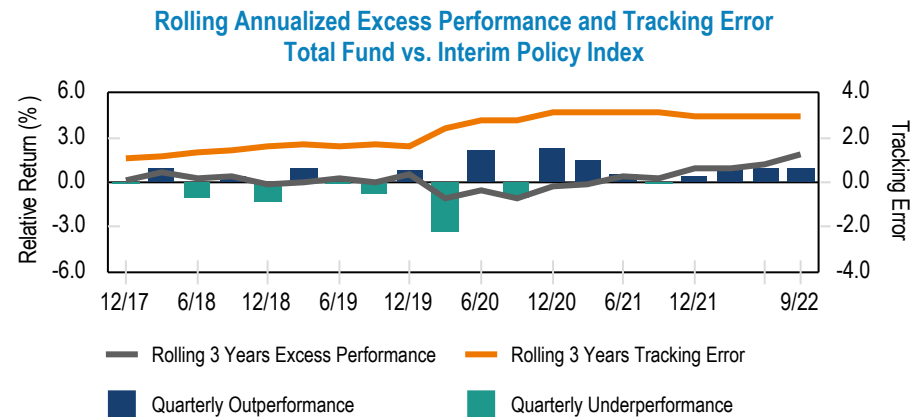
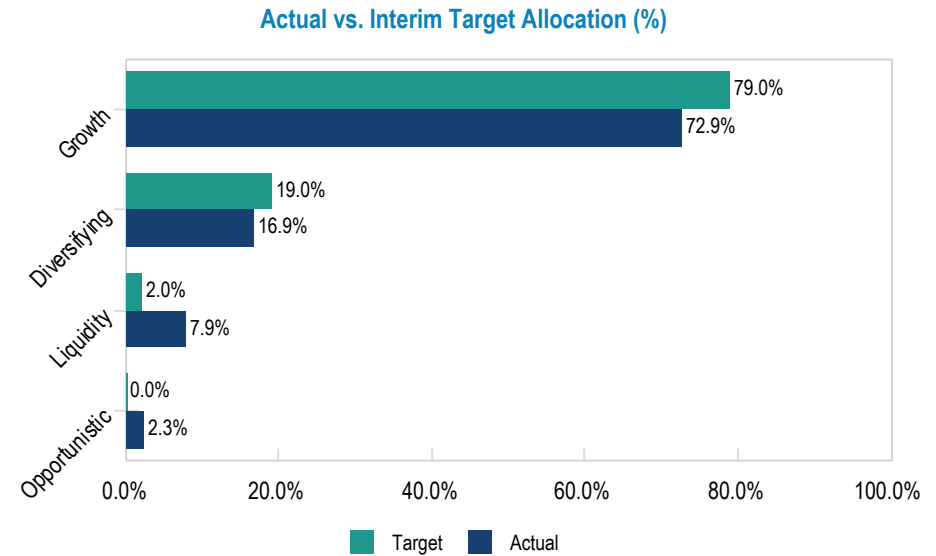


Interim Policy Index as of 1/1/2022: 24% Russell 3000, 17% MSCI ACWI ex-US (Gross), 15% Bloomberg U.S. Aggregate, 4% Bloomberg US Treasury 7-10 yr, 3% Bloomberg US TIPS, 7% FTSE World Govt Bond Index, 11% NCREIF Property Index, 7% Actual Private Equity Return, 4% Actual Private Credit Bench Return, 6% 90-day T-Bills, 2% Bloomberg 1-3 yr Gov/Credit. FFP SAA Index as of 1/1/2021: 30% MSCI ACWI, 8% Bloomberg U.S. Treasury 7-10 yr, 7% Bloomberg U.S. TIPS, 4% 91 day T-Bills, 6% Bloomberg U.S. Govt/Credit 1-3 yr, 18% Actual Private Equity Return, 12% Actual Private Credit Return, 15% NCREIF Property Index. Private Equity, Private Credit and Opportunistic composite returns are lagged by one quarter.

Total Fund Executive Summary (Net of Fees)

San Luis Obispo County Pension Trust Period Ending: September 30, 2022

	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs
Total Fund	-3.8	-12.3	-8.6	4.9	4.9
Interim Policy Index	-4.7	-14.6	-11.3	3.5	4.4
FFP SAA Index	-4.0	-9.4	-5.1	8.2	7.9
Total Growth	-4.1	-12.3	-6.5	8.5	7.5
Custom Growth Benchmark	-3.6	-14.8	-10.7	5.5	5.7
Total Public Equity	-6.1	-23.6	-18.6	4.9	5.4
Russell 3000 Index	-4.5	-24.6	-17.6	7.7	8.6
Total Domestic Equity	-3.8	-20.0	-13.1	6.7	8.0
Russell 3000 Index	-4.5	-24.6	-17.6	7.7	8.6
Total International Equity	-9.1	-28.2	-25.3	2.4	2.5
MSCI AC World ex USA Index	-9.8	-26.2	-24.8	-1.1	-0.3
Total Private Equity	-5.3	-1.0	7.2	26.1	20.8
Private Equity Benchmark	-5.3	-1.0	7.2	-	-
Total Private Credit	-3.1	0.3	1.8	7.5	8.3
Private Credit Benchmark	-3.1	0.3	1.8	-	-
Total Real Estate	0.3	11.7	20.0	10.9	8.9
NCREIF Property Index	0.6	9.4	16.1	9.9	8.6
Total Risk Diversifying	-4.3	-15.4	-16.0	-3.5	-1.3
Total Risk Diversifying Benchmark	-5.7	-16.5	-16.7	-4.5	-1.0
Total Domestic Fixed Income	-3.1	-11.9	-11.8	-1.3	1.0
Blmbg. U.S. Aggregate Index	-4.8	-14.6	-14.6	-3.3	-0.3
Total Global Fixed	-7.9	-24.5	-26.5	-8.3	-5.5
FTSE World Government Bond Index	-7.6	-21.3	-22.1	-7.0	-3.1
Total Liquidity	-2.7	-3.7	-3.8	-0.5	0.4
90 Day U.S. Treasury Bill	0.5	0.6	0.6	0.6	1.1
Total Cash	-0.3	-1.5	-1.6	0.3	0.8
90 Day U.S. Treasury Bill	0.5	0.6	0.6	0.6	1.1
Total Opportunistic	-8.0	-6.0	-1.9	5.1	6.7
Russell 3000 + 3%	-3.8	-22.9	-15.2	10.9	11.9

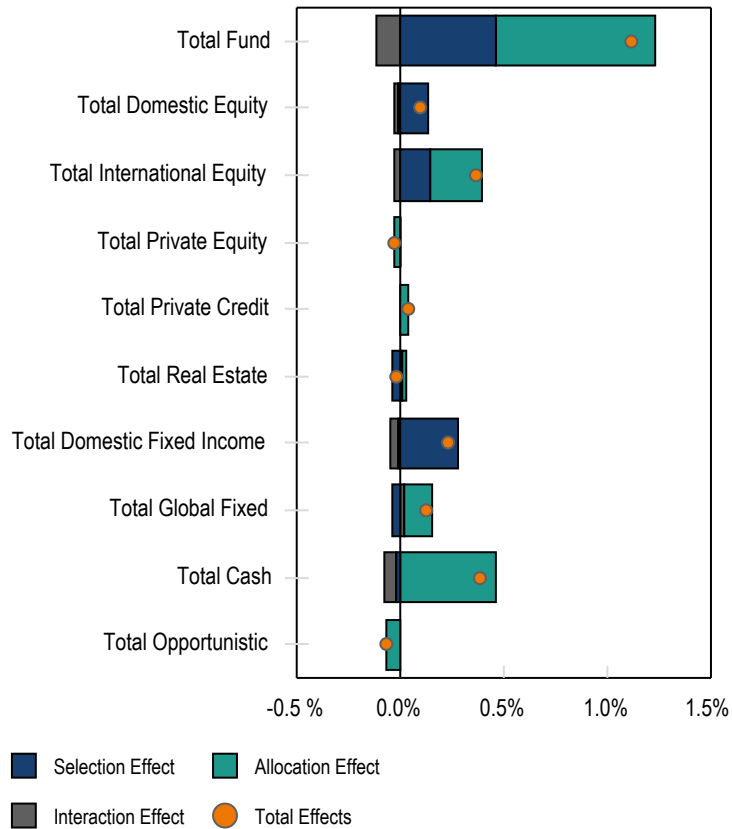


Interim Policy Index as of 1/1/2022: 24% Russell 3000, 17% MSCI ACWI ex-US (Gross), 15% Bloomberg U.S. Aggregate, 4% Bloomberg US Treasury 7-10 yr, 3% Bloomberg US TIPS, 7% FTSE World Govt Bond Index, 11% NCREIF Property Index, 7% Actual Private Equity Return, 4% Actual Private Credit Bench Return, 6% 90-day T-Bills, 2% Bloomberg 1-3 yr Gov/Credit. FFP SAA Index as of 1/1/2021: 30% MSCI ACWI, 8% Bloomberg U.S. Treasury 7-10 yr, 7% Bloomberg U.S. TIPS, 4% 91 day T-Bills, 6% Bloomberg U.S. Govt/Credit 1-3 yr, 18% Actual Private Equity Return, 12% Actual Private Credit Return, 15% NCREIF Property Index. Private Equity, Private Credit and Opportunistic composite returns are lagged by one quarter.

Total Fund
Attribution Analysis (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

Attribution Effects
3 Months Ending September 30, 2022



Performance Attribution
3 Months Ending September 30, 2022

	3 Mo
Wtd. Actual Return	-3.8
Wtd. Index Return	-4.9
Excess Return	1.1
Selection Effect	0.5
Allocation Effect	0.8
Interaction Effect	-0.1

Attribution Summary
3 Months Ending September 30, 2022

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Total Domestic Equity	-3.8	-4.5	0.7	0.1	0.0	0.0	0.1
Total International Equity	-9.1	-9.8	0.7	0.1	0.2	0.0	0.4
Total Private Equity	-5.3	-5.3	0.0	0.0	0.0	0.0	0.0
Total Private Credit	-3.1	-3.1	0.0	0.0	0.0	0.0	0.0
Total Real Estate	0.3	0.6	-0.2	0.0	0.0	0.0	0.0
Total Domestic Fixed Income	-3.1	-4.6	1.5	0.3	0.0	0.0	0.2
Total Global Fixed	-7.9	-7.6	-0.3	0.0	0.1	0.0	0.1
Total Cash	-0.4	0.5	-0.8	0.0	0.5	-0.1	0.4
Total Opportunistic	-8.0	-3.8	-4.3	0.0	-0.1	0.0	-0.1
Total Fund	-3.8	-4.9	1.1	0.5	0.8	-0.1	1.1

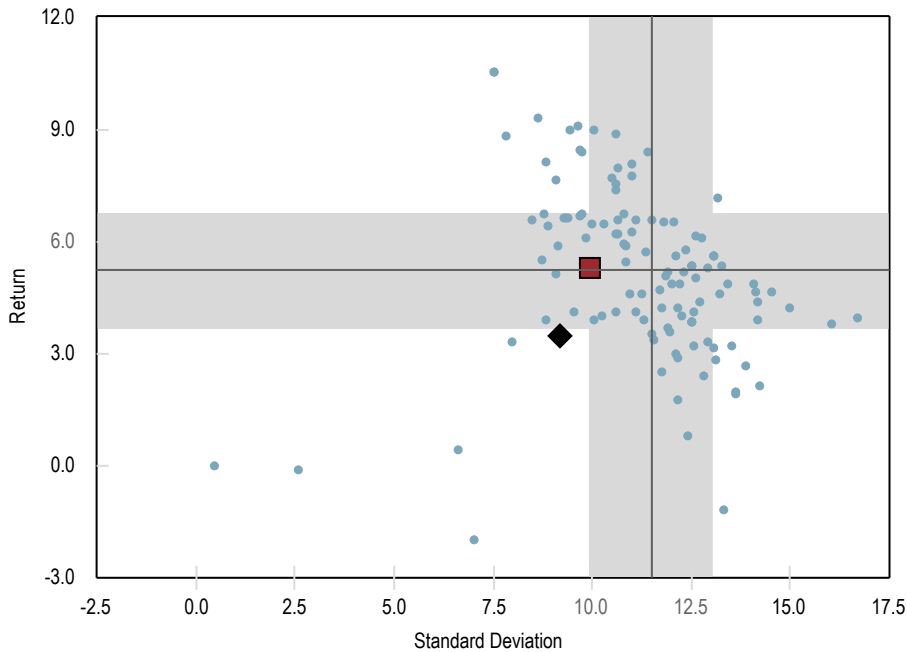
Attribution does not account for effects of overlay program. Weighted returns shown in attribution analysis may differ from actual returns. Wtd. Actual Return is the sum of the products of each group's return and its respective weight at the beginning of the period.

Total Fund
Risk Analysis - 5 Years (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Anlzd Ret	Ann Excess BM Return	Anlzd Std Dev	Anlzd Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Info Ratio	Up Mkt Cap Ratio	Down Mkt Cap Ratio
Total Fund	5.26	0.87	8.80	0.60	1.07	2.48	0.92	0.49	0.37	112.26	108.27

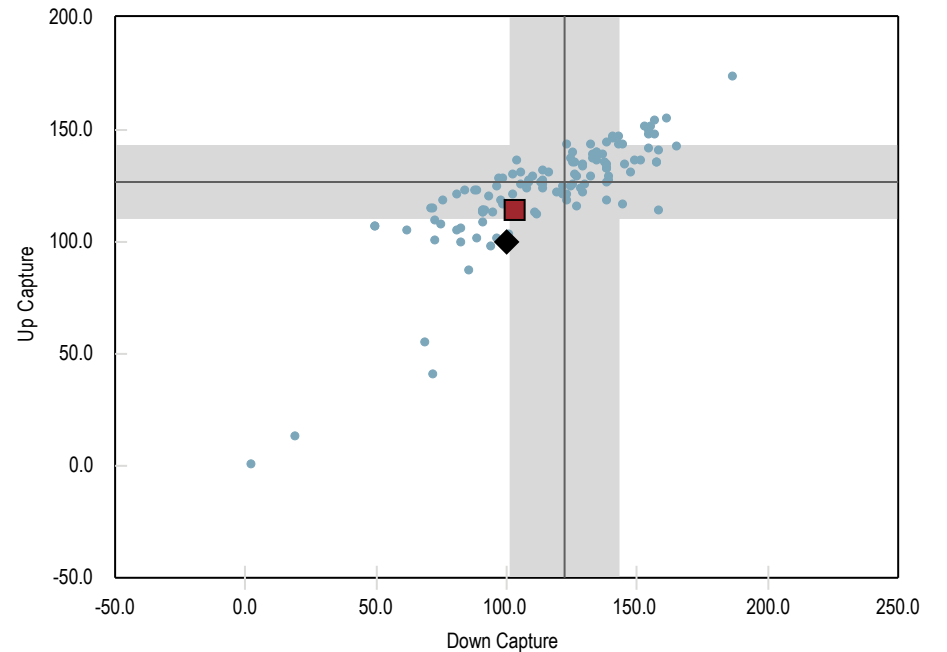
Annualized Return vs. Annualized Standard Deviation



All Public Plans > \$1B-Total Fund

	Return	Standard Deviation
■ Total Fund	5.32	9.95
◆ Interim Policy Index	3.49	9.20
— Median	5.24	11.50
Population	120	120

Up Capture vs. Down Capture



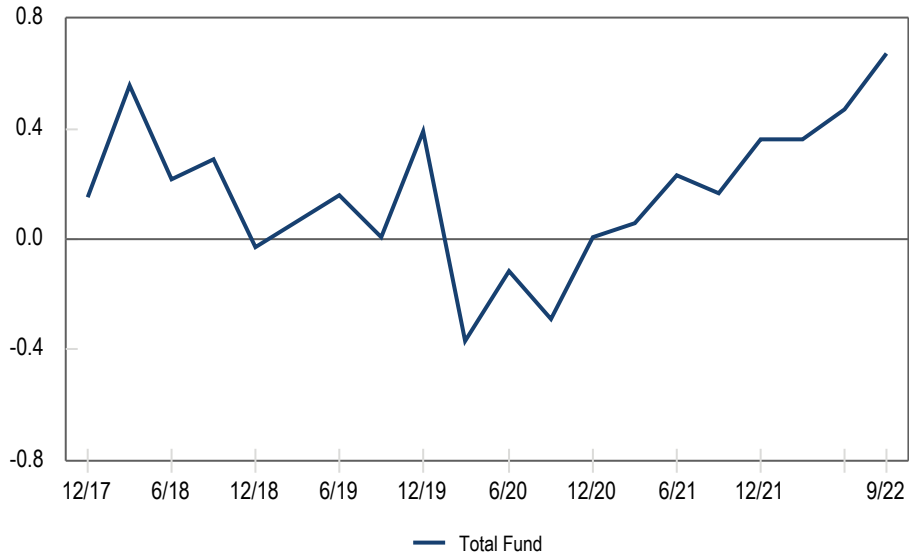
All Public Plans > \$1B-Total Fund

	Up Capture	Down Capture
■ Total Fund	114.72	103.05
◆ Interim Policy Index	100.00	100.00
— Median	126.85	122.17
Population	120	120

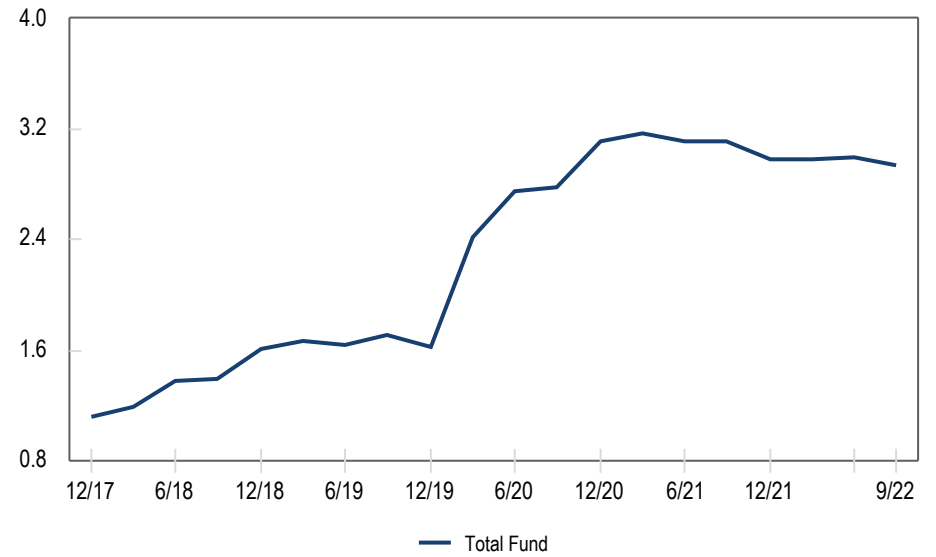
Total Fund
Rolling Risk Statistics (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

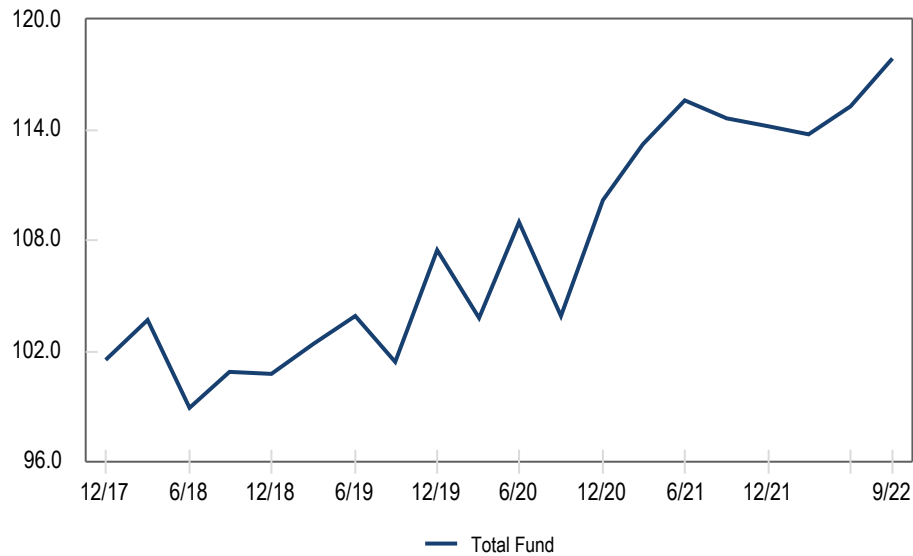
Rolling 3 Years Information Ratio



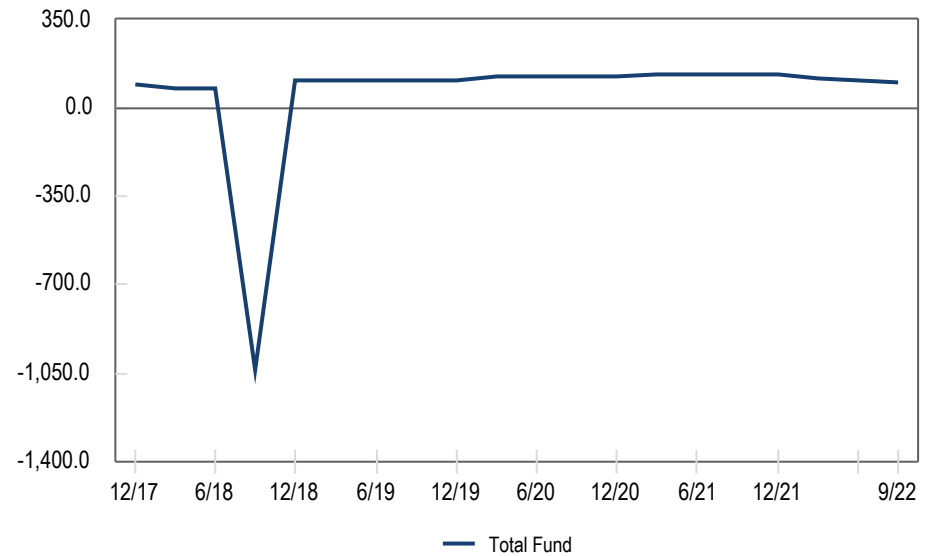
Rolling 3 Years Tracking Error



Rolling 3 Years Up Capture



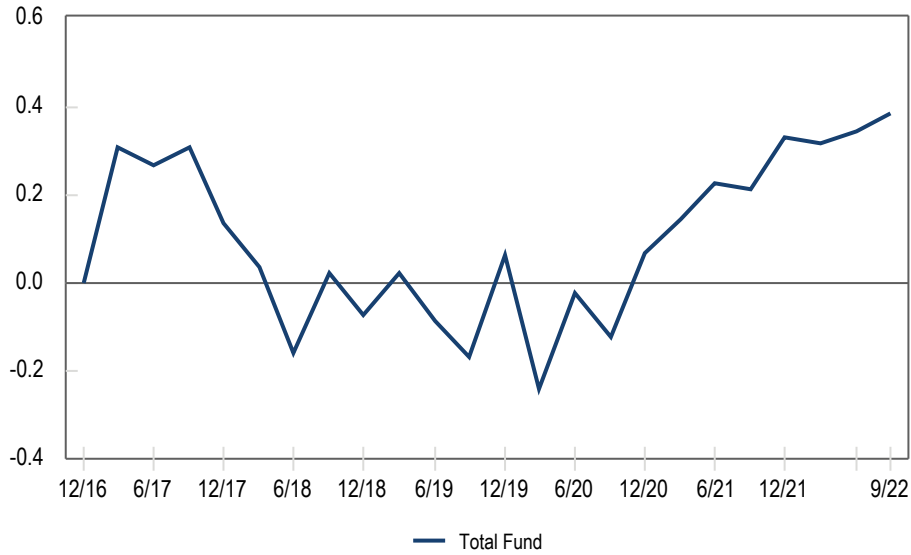
Rolling 3 Years Down Capture



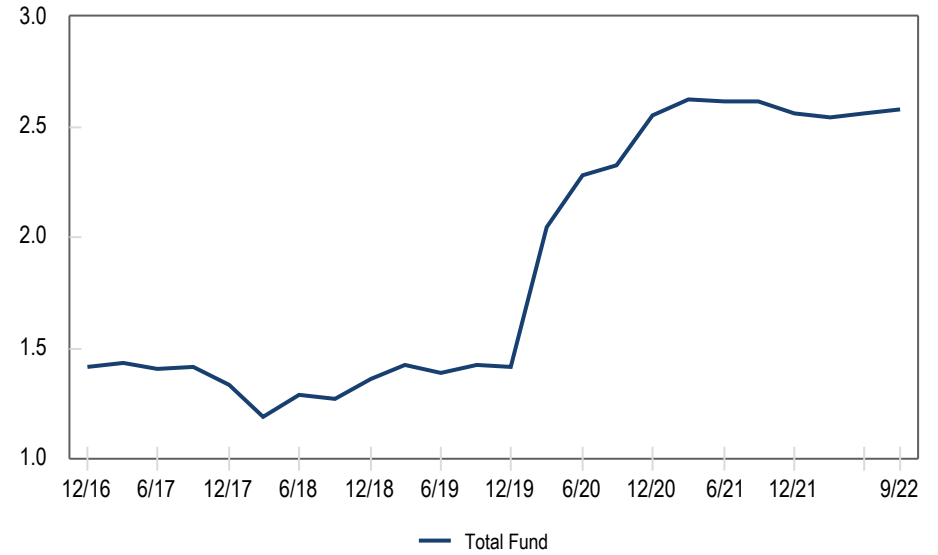
Total Fund
Rolling Risk Statistics (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

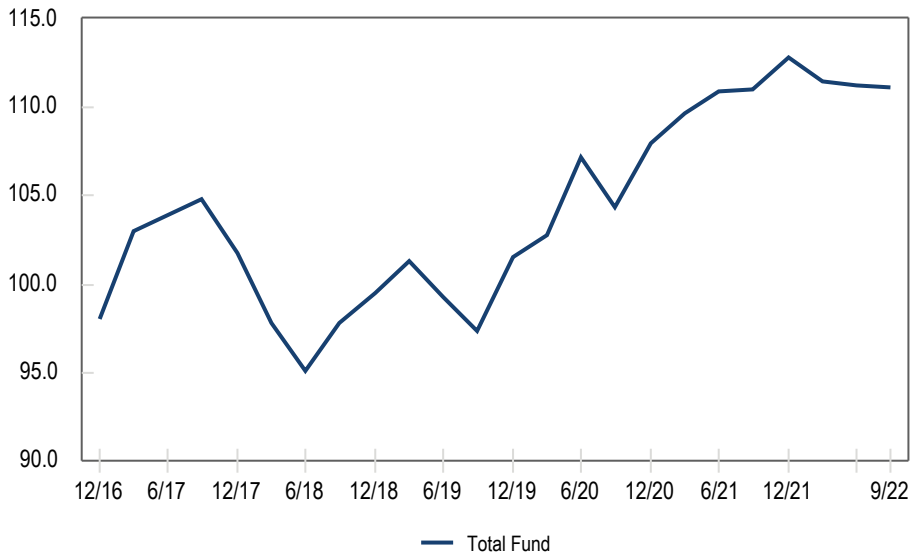
Rolling 5 Years Information Ratio



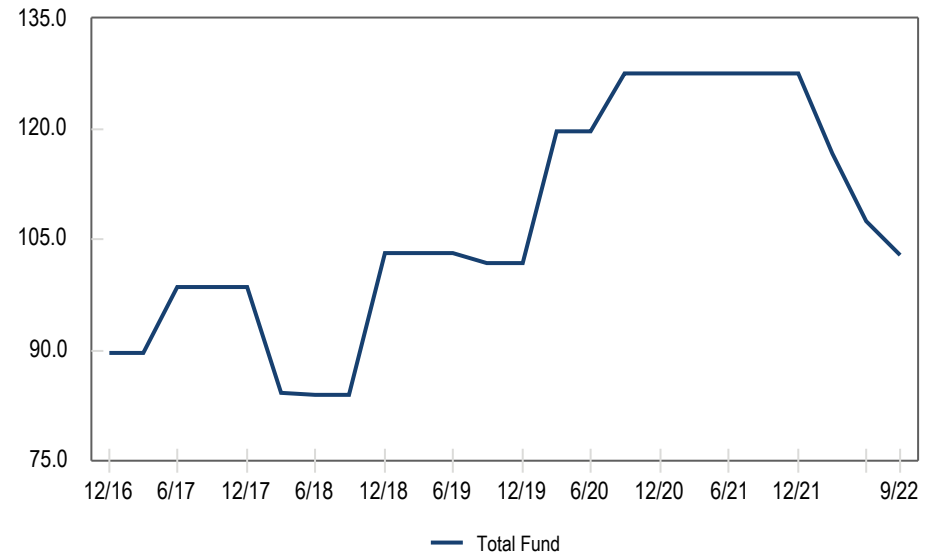
Rolling 5 Years Tracking Error



Rolling 5 Years Up Capture



Rolling 5 Years Down Capture



Total Fund
Performance Summary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017	Inception	Inception Date
Total Fund	1,559,854,147	100.0	-3.7	-12.1	-8.3	5.3	5.3	6.5	15.4	9.6	16.3	-3.1	15.5	-	Feb-07
Interim Policy Index			-4.7	-14.6	-11.3	3.5	4.4	5.8	12.9	10.3	15.3	-2.1	13.3	5.0	
FFP SAA Index			-4.0	-9.4	-5.1	8.2	7.9	-	21.4	11.5	12.6	3.0	11.9	-	
InvMetrics Public DB > \$1B Rank			32	18	16	41	54	78	53	77	74	43	61	-	
Total Growth	1,049,412,610	67.3	-4.0	-12.1	-6.2	8.9	7.9	9.3	23.7	11.2	20.3	-4.0	20.2	10.6	Jan-09
Custom Growth Benchmark			-3.6	-14.8	-10.7	5.5	5.7	7.1	16.7	12.3	16.6	-2.8	16.4	-	
Total Public Equity	526,344,597	33.7	-6.0	-23.3	-18.2	5.5	6.0	8.9	20.3	16.5	29.8	-9.0	25.9	-	Jan-09
Russell 3000 Index			-4.5	-24.6	-17.6	7.7	8.6	11.4	25.7	20.9	31.0	-5.2	21.1	13.5	
InvMetrics Public DB Total Equity Rank			17	5	2	1	1	1	4	31	14	42	20	-	
Total Domestic Equity	304,916,759	19.5	-3.7	-19.7	-12.7	7.2	8.5	11.6	25.3	13.7	29.4	-5.2	25.1	-	Dec-03
Russell 3000 Index			-4.5	-24.6	-17.6	7.7	8.6	11.4	25.7	20.9	31.0	-5.2	21.1	8.6	
InvMetrics Public DB US Equity Rank			1	5	6	47	38	30	56	93	75	34	2	-	
PIMCO RAE US	88,366,345	5.7	-3.2	-15.3	-7.4	7.1	7.4	10.6	28.3	4.4	25.5	-6.6	17.0	7.8	Dec-07
S&P 500 Index			-4.9	-23.9	-15.5	8.2	9.2	11.7	28.7	18.4	31.5	-4.4	21.8	8.3	
eV US Large Cap Core Equity Rank			12	7	10	63	80	76	47	97	85	77	89	78	
Loomis Sayles Large Cap Growth	66,341,192	4.3	-4.1	-31.5	-26.8	6.1	8.6	-	19.4	32.8	32.7	-1.7	-	12.0	Jan-17
Russell 1000 Growth Index			-3.6	-30.7	-22.6	10.7	12.2	-	27.6	38.5	36.4	-1.5	30.2	13.7	
eV US Large Cap Growth Equity Rank			49	50	60	78	84	-	81	60	68	60	-	66	
Boston Partners Large Cap Value	82,309,838	5.3	-4.7	-14.6	-6.5	7.4	6.9	-	30.9	2.4	24.3	-8.5	-	8.0	Feb-17
Russell 1000 Value Index			-5.6	-17.8	-11.4	4.4	5.3	-	25.2	2.8	26.5	-8.3	-	5.9	
eV US Large Cap Value Equity Rank			33	32	24	32	52	-	19	66	78	55	-	45	
Atlanta Capital Mgmt	67,899,384	4.4	-2.4	-17.5	-9.5	5.5	9.8	13.3	23.0	11.4	35.1	-4.5	26.6	14.9	Sep-10
Russell 2500 Index			-2.8	-24.0	-21.1	5.4	5.5	9.6	18.2	20.0	27.8	-10.0	16.8	11.1	
eV US Small-Mid Cap Equity Rank			35	15	9	65	17	6	58	62	13	25	15	5	
Total International Equity	221,427,839	14.2	-9.0	-27.8	-24.9	3.1	3.2	6.0	15.2	19.4	30.2	-12.2	26.6	3.7	Jun-07
MSCI AC World ex USA Index			-9.8	-26.2	-24.8	-1.1	-0.3	3.5	8.3	11.1	22.1	-13.8	27.8	1.3	
InvMetrics Public DB Global ex-US Equity Rank			24	59	34	1	1	3	8	5	1	17	86	-	
Dodge & Cox Intl Stock	117,980,857	7.6	-10.5	-19.3	-17.2	0.9	-0.8	4.8	11.7	2.8	23.6	-17.5	24.7	1.9	Dec-07
MSCI AC World ex USA Value			-10.3	-20.5	-19.5	-1.5	-1.5	2.5	11.1	-0.2	16.5	-13.4	23.3	0.2	
eV ACWI ex-US All Cap Value Eq Rank			35	10	2	20	33	24	36	45	32	92	60	32	
WCM International Growth	103,446,982	6.6	-7.2	-36.2	-32.6	3.7	6.4	-	18.5	34.0	36.7	-6.7	-	8.8	Feb-17
MSCI AC World ex USA Growth			-9.3	-31.6	-30.0	-1.1	0.5	-	5.4	22.6	27.8	-14.1	-	3.4	
eV ACWI ex-US All Cap Growth Eq Rank			18	56	32	23	7	-	7	37	14	1	-	9	

Since Inception ranking is from the beginning of the first complete month of performance. Stone Harbor Local Markets terminated 3/22/2019. Ashmore EM Blended Debt funded 3/31/2019. Direct RE liquidated as of 12/19/2019. Pathway Private Equity Fund Investors 10 L.P. funded 3/25/2020. Sixth Street Partners TAO funded 4/16/2020. Gresham liquidated as of 9/30/2020. PIMCO Short Duration funded 7/14/2021. SSGA U.S. Govt Bond Index funded 7/16/2021. BlackRock TIPS funded 9/1/2021.

Total Fund
Performance Summary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017	Inception	Inception Date
Total Private Equity	149,852,430	9.6													
Harbourvest Partners IX Buyout Fund L.P.	15,331,924	1.0													
Pathway Private Equity Fund Investors 9 L.P.	82,492,322	5.3													
Harbourvest 2018 Global Fund L.P.	21,350,933	1.4													
Harbourvest SLO Fund Private Equity	18,356,471	1.2													
Pathway Private Equity Fund Investors 10 L.P.	12,320,780	0.8													
Total Private Credit	112,112,000	7.2													
Harbourvest SLO Credit Fund	37,518,380	2.4													
Sixth Street Partners DCP	74,593,620	4.8													
Total Real Estate	261,103,583	16.7	0.3	11.7	20.0	10.9	8.9	10.2	18.5	1.1	4.3	7.5	7.8	-	Sep-06
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	9.5	17.7	1.6	6.4	6.7	7.0	7.6	
JP Morgan Core Real Estate	179,415,843	11.5	-1.3	9.8	18.5	10.6	8.3	9.9	20.2	0.5	3.4	7.0	6.1	6.5	Mar-08
<i>NCREIF-ODCE</i>			0.5	13.1	22.1	12.4	10.2	10.9	22.2	1.2	5.3	8.3	7.6	6.7	
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	9.5	17.7	1.6	6.4	6.7	7.0	6.9	
ARA American Strategic Value Realty	81,687,740	5.2	4.3	16.4	23.3	11.9	10.5	-	14.0	3.8	7.3	9.1	7.4	10.1	Jul-16
<i>NCREIF-ODCE</i>			0.5	13.1	22.1	12.4	10.2	-	22.2	1.2	5.3	8.3	7.6	9.8	
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	-	17.7	1.6	6.4	6.7	7.0	8.3	
Total Risk Diversifying	349,957,394	22.4	-4.2	-15.1	-15.6	-3.0	-0.9	0.6	-1.6	6.6	8.8	-1.8	7.9	-	Oct-08
<i>Total Risk Diversifying Benchmark</i>			-5.7	-16.5	-16.7	-4.5	-1.0	0.5	-3.2	7.5	8.7	0.0	3.5	2.6	
Total Domestic Fixed Income	262,936,921	16.9	-3.0	-11.7	-11.5	-1.0	1.4	1.9	0.9	8.1	9.9	0.4	4.3	3.0	Jun-07
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	0.9	-1.5	7.5	8.7	0.0	3.5	2.9	
<i>InvMetrics Public DB US Fixed Income Rank</i>			23	13	4	13	9	44	20	68	27	36	77	-	
BlackRock Core Bond	55,681,450	3.6	-4.4	-16.7	-17.1	-3.5	0.0	-	-1.6	9.4	10.2	0.3	-	0.4	Feb-17
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	-	-1.5	7.5	8.7	0.0	-	0.3	
<i>eV US Core Fixed Inc Rank</i>			37	98	98	98	84	-	77	25	10	25	-	92	
Dodge & Cox Income Fund	52,694,993	3.4	-3.9	-13.0	-13.3	-1.3	1.1	-	-0.5	9.9	10.2	0.1	5.1	1.7	Jan-17
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	-	-1.5	7.5	8.7	0.0	3.5	0.3	
<i>eV US Core Fixed Inc Rank</i>			15	15	16	6	4	-	20	14	10	41	7	5	
Pacific Asset Corporate Loan	66,541,979	4.3	1.3	-3.0	-2.0	2.3	3.3	-	5.6	3.0	9.1	1.0	4.9	3.8	Sep-14
<i>Morningstar LSTA US Leveraged Loan</i>			1.4	-3.3	-2.5	2.2	3.0	-	5.2	3.1	8.6	0.4	4.1	3.3	
<i>eV US Float-Rate Bank Loan Fixed Inc Rank</i>			42	25	22	37	19	-	41	46	42	37	36	15	
SSGA U.S. Govt Bond Index	43,879,417	2.8	-4.3	-13.0	-12.8	-	-	-	-	-	-	-	-	-11.4	Jul-21
<i>Blmbg. U.S. Treasury: 7-10 Year</i>			-5.5	-15.7	-15.4	-	-	-	-	-	-	-	-	-13.9	
<i>eV Global Government Fixed Inc Rank</i>			19	20	18	-	-	-	-	-	-	-	-	22	

Since Inception ranking is from the beginning of the first complete month of performance. Stone Harbor Local Markets terminated 3/22/2019. Ashmore EM Blended Debt funded 3/31/2019. Direct RE liquidated as of 12/19/2019. Pathway Private Equity Fund Investors 10 L.P. funded 3/25/2020. Sixth Street Partners TAO funded 4/16/2020. Gresham liquidated as of 9/30/2020. PIMCO Short Duration funded 7/14/2021. SSGA U.S. Govt Bond Index funded 7/16/2021. BlackRock TIPS funded 9/1/2021.

Total Fund
Performance Summary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017	Inception	Inception Date
BlackRock TIPS	44,139,082	2.8	-5.1	-13.6	-11.5	-	-	-	-	-	-	-	-	-11.3	Sep-21
<i>Blmbg. U.S. TIPS</i>			-5.1	-13.6	-11.6	-	-	-	-	-	-	-	-	-11.3	
<i>eV US TIPS / Inflation Fixed Inc Rank</i>			62	68	66	-	-	-	-	-	-	-	-	71	
Total Global Fixed	87,020,473	5.6	-7.7	-24.0	-25.9	-7.7	-5.0	-2.3	-7.0	6.7	7.4	-4.3	13.8	-	Dec-07
<i>FTSE World Government Bond Index</i>			-7.6	-21.3	-22.1	-7.0	-3.1	-1.8	-7.0	10.1	5.9	-0.8	7.5	0.7	
Brandywine Global Fixed Income	38,490,197	2.5	-8.5	-20.0	-20.1	-	-	-	-4.0	-	-	-	-	-6.0	Jul-20
<i>FTSE Non-U.S. World Government Bond</i>			-10.0	-26.8	-28.3	-	-	-	-9.7	-	-	-	-	-13.3	
<i>eV All Global Fixed Inc Rank</i>			86	67	64	-	-	-	70	-	-	-	-	58	
Ashmore EM Blended Debt Fund	48,530,276	3.1	-7.0	-27.5	-30.8	-11.2	-	-	-9.5	3.2	-	-	-	-9.2	Apr-19
<i>50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMI+</i>			-4.4	-20.0	-20.9	-6.3	-	-	-3.9	3.9	-	-	-	-4.3	
<i>eV All Emg Mkts Fixed Inc Rank</i>			96	96	97	100	-	-	96	86	-	-	-	100	
Total Liquidity	160,484,143	10.3	-2.7	-3.7	-3.8	-0.5	0.4	1.2	0.2	1.5	2.1	1.6	8.4	1.6	Dec-05
<i>90 Day U.S. Treasury Bill</i>			0.5	0.6	0.6	0.6	1.1	0.7	0.0	0.7	2.3	1.9	0.9	1.1	
Total Cash	123,885,707	7.9	-0.3	-1.5	-1.6	0.3	0.8	1.4	0.2	1.5	2.1	1.6	8.4	1.7	Jan-06
<i>90 Day U.S. Treasury Bill</i>			0.5	0.6	0.6	0.6	1.1	0.7	0.0	0.7	2.3	1.9	0.9	1.1	
PIMCO Short Duration Fund	32,970,365	2.1	-1.6	-5.1	-5.8	-	-	-	-	-	-	-	-	-4.7	Jul-21
<i>Blmbg. 1-3 Year Gov/Credit index</i>			-1.5	-4.5	-5.1	-	-	-	-	-	-	-	-	-4.1	
<i>Short-Term Bond Rank</i>			61	35	43	-	-	-	-	-	-	-	-	54	
Cash Account	73,575,351	4.7	0.0	0.2	0.3	1.2	1.4	0.9	0.8	1.9	2.2	1.5	1.0	-	Sep-05
<i>90 Day U.S. Treasury Bill</i>			0.5	0.6	0.6	0.6	1.1	0.7	0.0	0.7	2.3	1.9	0.9	1.2	
Investment Cash	17,339,991	1.1	0.0	0.0	0.1	-	-	-	-	-	-	-	-	0.1	Jun-21
<i>90 Day U.S. Treasury Bill</i>			0.5	0.6	0.6	-	-	-	-	-	-	-	-	0.5	
Total Opportunistic	36,598,436	2.3													
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	2,814,820	0.2													
Sixth Street Partners TAO	33,783,616	2.2													

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Total Fund
Performance Summary (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017	Inception	Inception Date
Total Fund	1,559,854,147	100.0	-3.8	-12.3	-8.6	4.9	4.9	6.0	14.9	9.2	15.8	-3.5	15.0	-	Feb-07
Interim Policy Index			-4.7	-14.6	-11.3	3.5	4.4	5.8	12.9	10.3	15.3	-2.1	13.3	5.0	
FFP SAA Index			-4.0	-9.4	-5.1	8.2	7.9	-	21.4	11.5	12.6	3.0	11.9	-	
Total Growth	1,049,412,610	67.3	-4.1	-12.3	-6.5	8.5	7.5	8.8	23.3	10.8	19.9	-4.4	19.7	10.1	Jan-09
Custom Growth Benchmark			-3.6	-14.8	-10.7	5.5	5.7	7.1	16.7	12.3	16.6	-2.8	16.4	-	
Total Public Equity	526,344,597	33.7	-6.1	-23.6	-18.6	4.9	5.4	8.3	19.6	15.9	29.1	-9.5	25.2	-	Jan-09
Russell 3000 Index			-4.5	-24.6	-17.6	7.7	8.6	11.4	25.7	20.9	31.0	-5.2	21.1	13.5	
Total Domestic Equity	304,916,759	19.5	-3.8	-20.0	-13.1	6.7	8.0	11.1	24.6	13.1	28.7	-5.7	24.5	-	Dec-03
Russell 3000 Index			-4.5	-24.6	-17.6	7.7	8.6	11.4	25.7	20.9	31.0	-5.2	21.1	8.6	
PIMCO RAE US	88,366,345	5.7	-3.3	-15.5	-7.8	6.7	6.9	10.2	27.8	3.9	25.0	-7.0	16.5	7.4	Dec-07
S&P 500 Index			-4.9	-23.9	-15.5	8.2	9.2	11.7	28.7	18.4	31.5	-4.4	21.8	8.4	
Loomis Sayles Large Cap Growth	66,341,192	4.3	-4.2	-31.7	-27.1	5.6	8.1	-	18.9	32.3	32.1	-2.1	-	11.5	Jan-17
Russell 1000 Growth Index			-3.6	-30.7	-22.6	10.7	12.2	-	27.6	38.5	36.4	-1.5	30.2	13.7	
Boston Partners Large Cap Value	82,309,838	5.3	-4.8	-14.9	-6.9	7.0	6.4	-	30.4	2.0	23.8	-8.9	-	7.6	Feb-17
Russell 1000 Value Index			-5.6	-17.8	-11.4	4.4	5.3	-	25.2	2.8	26.5	-8.3	-	5.9	
Atlanta Capital Mgmt	67,899,384	4.4	-2.6	-18.0	-10.2	4.7	9.0	12.4	22.0	10.5	34.1	-5.3	25.6	14.1	Sep-10
Russell 2500 Index			-2.8	-24.0	-21.1	5.4	5.5	9.6	18.2	20.0	27.8	-10.0	16.8	11.1	
Total International Equity	221,427,839	14.2	-9.1	-28.2	-25.3	2.4	2.5	5.3	14.4	18.6	29.3	-12.8	25.8	-	Jun-07
MSCI AC World ex USA Index			-9.8	-26.2	-24.8	-1.1	-0.3	3.5	8.3	11.1	22.1	-13.8	27.8	1.3	
Dodge & Cox Intl Stock	117,980,857	7.6	-10.7	-19.6	-17.7	0.2	-1.5	4.2	11.0	2.1	22.8	-18.0	23.9	1.4	Dec-07
MSCI AC World ex USA Value			-10.3	-20.5	-19.5	-1.5	-1.5	2.5	11.1	-0.2	16.5	-13.4	23.3	0.3	
WCM International Growth	103,446,982	6.6	-7.3	-36.5	-33.0	3.0	5.7	-	17.7	33.1	35.8	-7.4	-	8.1	Feb-17
MSCI AC World ex USA Growth			-9.3	-31.6	-30.0	-1.1	0.5	-	5.4	22.6	27.8	-14.1	-	3.4	

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Total Fund
Performance Summary (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017	Inception	Inception Date
Total Private Equity	149,852,430	9.6													
Harbourvest Partners IX Buyout Fund L.P.	15,331,924	1.0													
Pathway Private Equity Fund Investors 9 L.P.	82,492,322	5.3													
Harbourvest 2018 Global Fund L.P.	21,350,933	1.4													
Harbourvest SLO Fund Private Equity	18,356,471	1.2													
Pathway Private Equity Fund Investors 10 L.P.	12,320,780	0.8													
Total Private Credit	112,112,000	7.2													
Harbourvest SLO Credit Fund	37,518,380	2.4													
Sixth Street Partners DCP	74,593,620	4.8													
Total Real Estate	261,103,583	16.7	0.3	11.7	20.0	10.9	8.9	9.8	18.5	1.1	4.3	7.5	7.8	-	Sep-06
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	9.5	17.7	1.6	6.4	6.7	7.0	7.6	
JP Morgan Core Real Estate	179,415,843	11.5	-1.3	9.8	18.5	10.6	8.3	9.5	20.2	0.5	3.4	7.0	6.1	6.0	Mar-08
<i>NCREIF-ODCE</i>			0.5	13.1	22.1	12.4	10.2	10.9	22.2	1.2	5.3	8.3	7.6	6.7	
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	9.5	17.7	1.6	6.4	6.7	7.0	6.9	
ARA American Strategic Value Realty	81,687,740	5.2	4.3	16.4	23.3	11.9	10.5	-	14.0	3.8	7.3	9.1	7.4	10.0	Jul-16
<i>NCREIF-ODCE</i>			0.5	13.1	22.1	12.4	10.2	-	22.2	1.2	5.3	8.3	7.6	9.8	
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	-	17.7	1.6	6.4	6.7	7.0	8.3	
Total Risk Diversifying	349,957,394	22.4	-4.3	-15.4	-16.0	-3.5	-1.3	0.3	-2.0	6.1	8.4	-2.2	7.5	2.7	Oct-08
<i>Total Risk Diversifying Benchmark</i>			-5.7	-16.5	-16.7	-4.5	-1.0	0.5	-3.2	7.5	8.7	0.0	3.5	2.6	
Total Domestic Fixed Income	262,936,921	16.9	-3.1	-11.9	-11.8	-1.3	1.0	1.5	0.5	7.7	9.5	0.0	3.9	-	Jun-07
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	0.9	-1.5	7.5	8.7	0.0	3.5	2.9	
BlackRock Core Bond	55,681,450	3.6	-4.4	-16.8	-17.4	-3.7	-0.3	-	-1.8	9.1	9.9	0.1	-	0.1	Feb-17
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	-	-1.5	7.5	8.7	0.0	-	0.3	
Dodge & Cox Income Fund	52,694,993	3.4	-4.0	-13.3	-13.6	-1.7	0.7	-	-0.9	9.4	9.7	-0.3	-	1.2	Feb-17
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	-	-1.5	7.5	8.7	0.0	-	0.3	
Pacific Asset Corporate Loan	66,541,979	4.3	1.2	-3.3	-2.4	2.0	3.0	-	5.2	2.6	8.7	0.7	4.6	3.4	Sep-14
<i>Morningstar LSTA US Leveraged Loan</i>			1.4	-3.3	-2.5	2.2	3.0	-	5.2	3.1	8.6	0.4	4.1	3.3	
SSGA U.S. Govt Bond Index	43,879,417	2.8	-4.3	-13.0	-12.9	-	-	-	-	-	-	-	-	-11.4	Jul-21
<i>Blmbg. U.S. Treasury: 7-10 Year</i>			-5.5	-15.7	-15.4	-	-	-	-	-	-	-	-	-13.9	

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Total Fund
Performance Summary (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017	Inception	Inception Date
BlackRock TIPS	44,139,082	2.8	-5.1	-13.6	-11.6	-	-	-	-	-	-	-	-	-11.3	Sep-21
<i>Blmbg. U.S. TIPS</i>			-5.1	-13.6	-11.6	-	-	-	-	-	-	-	-	-11.3	
Total Global Fixed	87,020,473	5.6	-7.9	-24.5	-26.5	-8.3	-5.5	-2.8	-7.7	6.0	6.9	-4.7	13.3	-	Dec-07
<i>FTSE World Government Bond Index</i>			-7.6	-21.3	-22.1	-7.0	-3.1	-1.8	-7.0	10.1	5.9	-0.8	7.5	0.7	
Brandywine Global Fixed Income	38,490,197	2.5	-8.8	-20.3	-20.5	-	-	-	-4.4	-	-	-	-	-6.4	Jul-20
<i>FTSE Non-U.S. World Government Bond</i>			-10.0	-26.8	-28.3	-	-	-	-9.7	-	-	-	-	-13.3	
Ashmore EM Blended Debt Fund	48,530,276	3.1	-7.2	-28.1	-31.5	-12.1	-	-	-10.4	2.1	-	-	-	-10.1	Apr-19
<i>50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMH+</i>			-4.4	-20.0	-20.9	-6.3	-	-	-3.9	3.9	-	-	-	-4.3	
Total Liquidity	160,484,143	10.3	-2.7	-3.8	-3.9	-0.5	0.4	1.2	0.2	1.5	2.1	1.6	8.4	1.6	Dec-05
<i>90 Day U.S. Treasury Bill</i>			0.5	0.6	0.6	0.6	1.1	0.7	0.0	0.7	2.3	1.9	0.9	1.1	
Total Cash	123,885,707	7.9	-0.4	-1.7	-1.8	0.2	0.8	1.4	0.2	1.5	2.1	1.6	8.4	1.7	Jan-06
<i>90 Day U.S. Treasury Bill</i>			0.5	0.6	0.6	0.6	1.1	0.7	0.0	0.7	2.3	1.9	0.9	1.1	
PIMCO Short Duration Fund	32,970,365	2.1	-1.8	-5.5	-6.3	-	-	-	-	-	-	-	-	-5.2	Jul-21
<i>Blmbg. 1-3 Year Gov/Credit index</i>			-1.5	-4.5	-5.1	-	-	-	-	-	-	-	-	-4.1	
Cash Account	73,575,351	4.7	0.0	0.2	0.3	1.2	1.4	0.9	0.8	1.9	2.2	1.5	1.0	-	Sep-05
<i>90 Day U.S. Treasury Bill</i>			0.5	0.6	0.6	0.6	1.1	0.7	0.0	0.7	2.3	1.9	0.9	1.2	
Investment Cash	17,339,991	1.1	0.0	0.0	0.1	-	-	-	-	-	-	-	-	0.1	Jun-21
<i>90 Day U.S. Treasury Bill</i>			0.5	0.6	0.6	-	-	-	-	-	-	-	-	0.5	
Total Opportunistic	36,598,436	2.3													
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	2,814,820	0.2													
Sixth Street Partners TAO	33,783,616	2.2													

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Investment Manager
Performance Analysis - 3 & 5 Years (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

3 Years

	Anlzd Ret	Ann Excess BM Return	Anlzd Std Dev	Anlzd Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Info Ratio	Up Mkt Cap Ratio	Down Mkt Cap Ratio
PIMCO RAE US	6.67	-1.49	24.95	-0.90	1.02	9.08	0.87	0.37	-0.08	95.29	96.77
Loomis Sayles Large Cap Growth	5.63	-5.04	23.80	-3.82	0.90	4.55	0.98	0.33	-1.16	80.25	96.51
Boston Partners Large Cap Value	6.96	2.60	25.56	2.46	1.09	3.34	0.99	0.38	0.93	113.67	99.91
Atlanta Capital Mgmt	4.66	-0.70	25.68	-0.26	0.81	7.58	0.96	0.29	-0.28	81.59	83.02
Dodge & Cox Intl Stock	0.24	1.78	27.29	2.37	1.11	4.23	0.99	0.13	0.60	115.77	102.81
WCM International Growth	2.98	4.07	26.70	4.79	1.13	6.31	0.96	0.22	0.78	124.24	100.57
BlackRock Core Bond	-3.73	-0.47	7.22	-0.02	1.12	2.82	0.86	-0.56	-0.14	112.77	112.80
Dodge & Cox Income Fund	-1.75	1.51	6.30	1.33	0.92	3.11	0.76	-0.34	0.50	124.87	87.54
Pacific Asset Corporate Loan	1.95	-0.26	7.80	0.20	0.75	2.78	0.99	0.21	-0.18	79.92	79.04
JP Morgan Core Real Estate	10.64	-1.73	6.13	-1.73	1.01	1.40	0.95	1.56	-1.13	89.19	143.39
ARA American Strategic Value Realty	11.93	-0.44	6.38	3.20	0.71	5.14	0.42	1.72	-0.07	89.60	-77.92
Ashmore EM Blended Debt Fund	-12.12	-5.86	19.87	-1.99	1.55	7.58	0.98	-0.56	-0.67	149.78	166.34

5 Years

	Anlzd Ret	Ann Excess BM Return	Anlzd Std Dev	Anlzd Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Info Ratio	Up Mkt Cap Ratio	Down Mkt Cap Ratio
PIMCO RAE US	6.94	-2.30	21.36	-1.82	1.00	7.15	0.89	0.37	-0.25	92.12	99.78
Loomis Sayles Large Cap Growth	8.10	-4.06	20.72	-2.58	0.88	4.54	0.97	0.43	-0.94	79.86	90.79
Boston Partners Large Cap Value	6.43	1.14	21.65	0.92	1.08	3.45	0.98	0.35	0.44	108.64	101.39
Atlanta Capital Mgmt	8.96	3.51	22.94	3.97	0.84	7.18	0.94	0.45	0.34	95.80	77.75
Dodge & Cox Intl Stock	-1.48	0.03	22.53	0.47	1.11	3.96	0.98	0.00	0.14	109.76	106.40
WCM International Growth	5.69	5.18	22.58	5.47	1.12	5.44	0.95	0.31	1.04	124.24	89.44
BlackRock Core Bond	-0.31	-0.04	6.33	0.03	1.12	2.24	0.88	-0.20	0.01	110.82	110.08
Dodge & Cox Income Fund	0.67	0.94	5.43	0.93	0.90	2.57	0.79	-0.06	0.37	110.08	86.62
Pacific Asset Corporate Loan	2.98	0.00	6.51	0.63	0.77	2.18	0.98	0.30	-0.07	87.84	81.76
JP Morgan Core Real Estate	8.31	-1.94	5.01	-2.01	1.02	1.20	0.94	1.34	-1.50	83.81	143.39
ARA American Strategic Value Realty	10.48	0.24	5.05	3.25	0.70	4.05	0.44	1.76	0.06	96.87	-77.92

Private Markets
Non Marketable Securities Overview

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

Vintage	Manager & Fund Name	Estimated 9/30 Market Value ³	Total Commitment	Capital Called	% Called	Remaining Commitment	Capital Returned	Market Value as of IRR date	Distrib./ Paid-In (DPI) ¹	Tot. Value/ Paid-In (TVPI) ²	Net IRR Since Inception ⁵	IRR Date
2011	HarbourVest Partners IX-Buyout Fund L.P.	\$13,920,273	\$20,000,000	\$17,050,000	85%	\$2,950,000	\$23,804,645	\$15,331,924	139.6%	221.3%	19.2%	6/30/22
2018	HarbourVest Partners 2018 Global Fund L.P.	\$21,350,933	\$20,000,000	\$14,400,000	72%	\$5,600,000	\$4,707,452	\$21,350,933	32.7%	181.0%	31.4%	6/30/22
2010	KKR Mezzanine Partners I L.P. ⁴	\$2,814,820	\$20,000,000	\$26,893,560	134%	-\$6,893,560	\$26,885,443	\$2,973,642	100.0%	110.4%	5.6%	6/30/22
2016	Sixth Street Partners DCP	\$74,593,620	\$152,500,000	\$91,546,054	60%	\$60,953,946	\$41,661,296	\$75,811,941	45.5%	127.0%	15.1%	6/30/22
2017	Pathway Private Equity Fund Investors 9 L.P.	\$82,492,322	\$65,000,000	\$52,145,796	80%	\$12,854,204	\$12,290,037	\$88,315,813	23.6%	181.8%	29.8%	6/30/22
2020	Pathway Private Equity Fund Investors 10 L.P.	\$12,320,780	\$20,000,000	\$8,537,309	43%	\$11,462,691	\$0	-	0.0%	144.3%	-	-
2020	Sixth Street Partners TAO	\$33,783,616	\$60,000,000	\$41,902,713	70%	\$18,097,287	\$14,106,974	\$33,017,118	33.7%	114.3%	10.1%	6/30/22
2022	HarbourVest SLO Fund Private Equity ⁷	\$18,356,471	\$76,000,000	\$18,600,000	24%	\$57,400,000	\$0	-	0.0%	98.7%	-	-
2022	HarbourVest SLO Fund Private Credit ⁷	\$37,518,380	\$95,000,000	\$37,500,000	39%	\$57,500,000	\$0	-	0.0%	100.0%	-	-
2022	HarbourVest SLO Fund Infrastructure ⁷	\$0	\$9,000,000	\$0	0%	\$9,000,000	\$0	-	-	-	-	-

Total Alternative Illiquids \$297,151,215 \$537,500,000 \$308,575,432 57% \$228,924,568 \$123,455,847 \$236,801,371 76.7% 116.7%

% of Portfolio (Market Value) 19.0%

	Management Fee	Admin Fee	Interest Expense	Other Expense	Total Expense ⁶
HarbourVest Partners IX-Buyout Fund L.P.	\$44,873	\$0	\$0	\$1,308	\$46,181
HarbourVest Partners 2018 Global Fund L.P.	\$45,974	\$0	\$0	\$14,425	\$60,399
KKR Mezzanine Partners I L.P.	\$6,682	\$0	\$0	4,443.00	\$11,125
Sixth Street Partners DCP	\$0	\$0	\$0	\$132,543	\$132,543
Pathway Private Equity Fund Investors 9 L.P.	\$0	\$0	\$0	\$0	\$0
Pathway Private Equity Fund Investors 10 L.P.	\$0	\$0	\$0	\$0	\$0
Sixth Street Partners TAO	\$165,166	\$0	\$6,134	\$12	\$171,312
HarbourVest SLO Fund Private Credit	\$56,096	\$0	\$0	\$28,311	\$84,407
HarbourVest SLO Fund Private Equity	\$255,049	\$0	\$0	\$117,347	\$372,396
HarbourVest SLO Fund Infrastructure	\$0	\$0	\$0	\$0	\$0
	\$573,840	\$0	\$6,134	\$298,389	\$878,363

¹(DPI) is equal to (capital returned / capital called)

²(TVPI) is equal to (market value + capital returned) / capital called

³Last known market value + capital calls - distributions

⁴Investment period ended, capital called includes recycled capital. Liquidated as of June 2020.

⁵Net IRR is calculated on the cash flows of the underlying investments of the fund and is net of the underlying fund fees and carried interest.

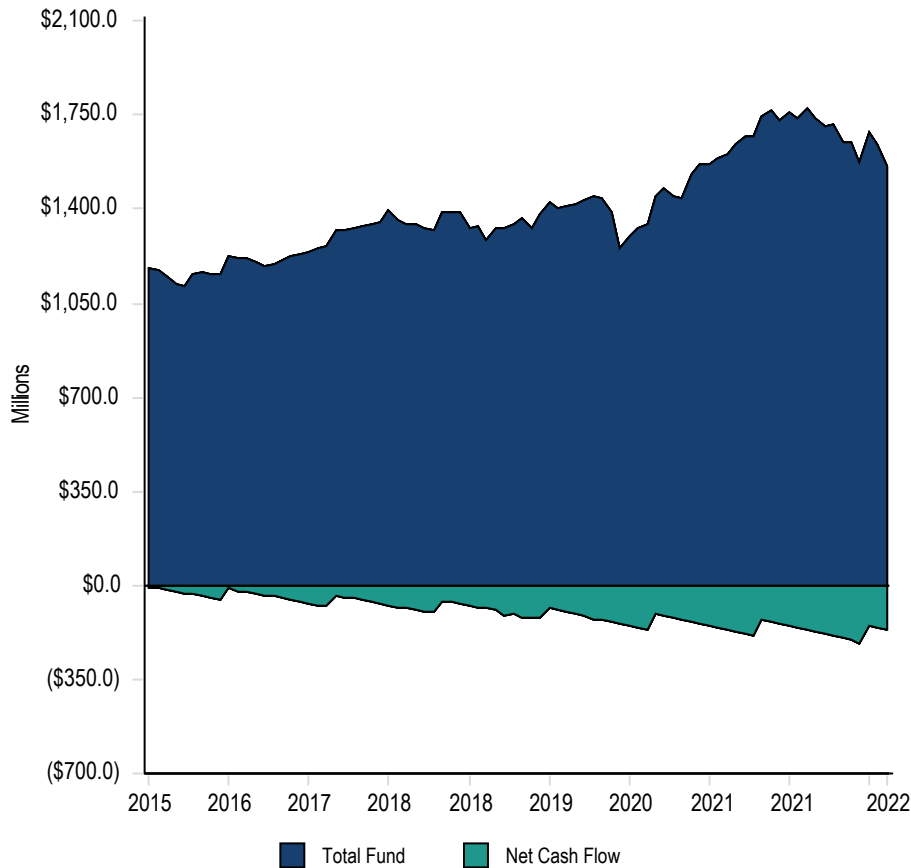
⁶All fees and expenses are for 2Q 2022.

⁷HarbourVest SLO Fund sleeve reflects the 1st year's commitment estimate as scheduled in HarbourVest's tactical plan for the \$770m private markets program.

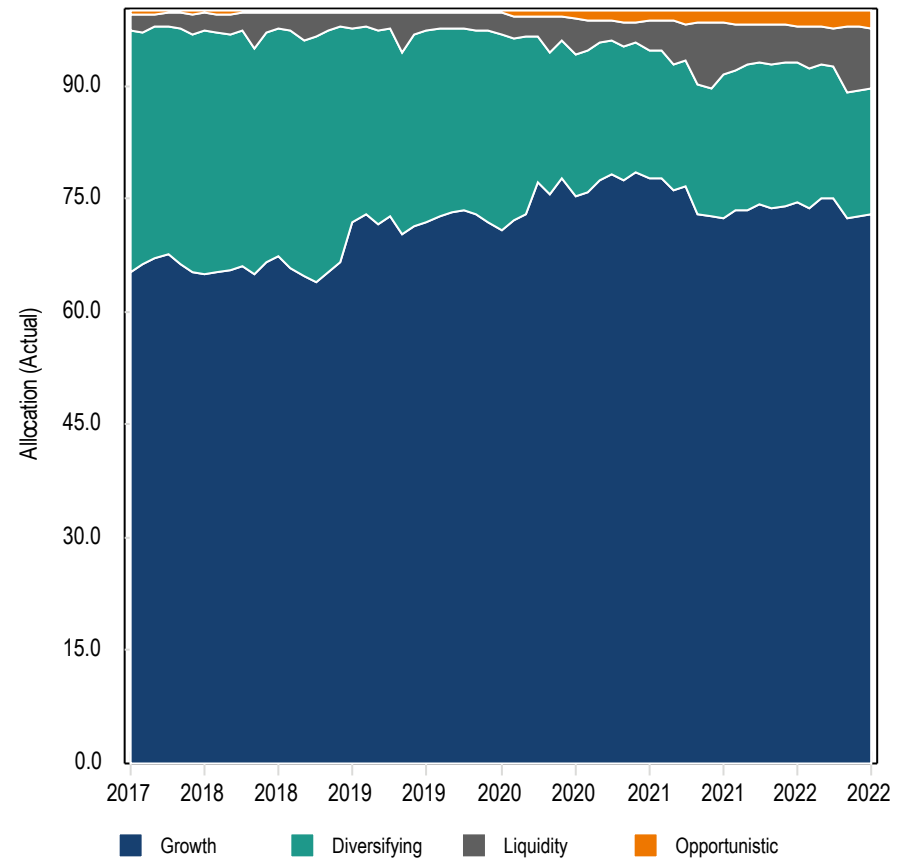
Total Fund
Asset Allocation History

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

Market Value History

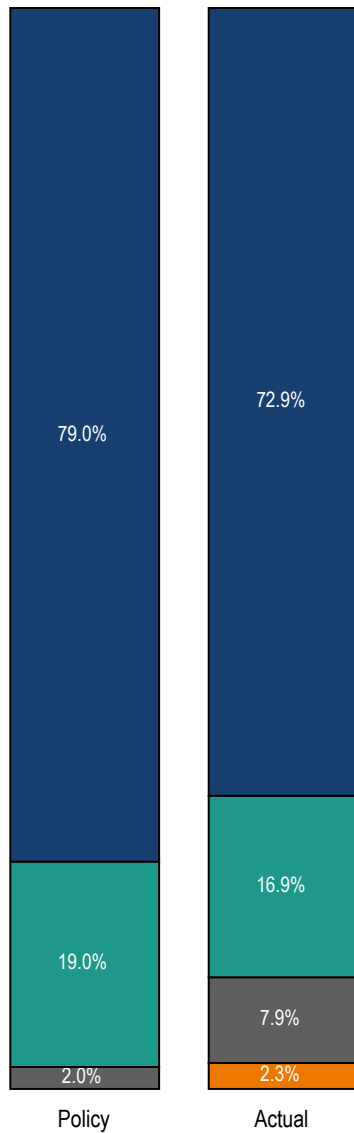


Asset Allocation History



Total Fund
Asset Allocation vs. Policy

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022



	Current Balance (\$)	Current Allocation (%)	Policy Allocation (%)	Excess Allocation (\$)	Policy Range (%)	Within IPS Range?
■ Growth	1,136,433,083	72.9	79.0	-95,851,693	0.0 - 100.0	Yes
■ Diversifying	262,936,921	16.9	19.0	-33,435,367	10.0 - 30.0	Yes
■ Liquidity	123,885,707	7.9	2.0	92,688,624	0.0 - 5.0	No
■ Opportunistic	36,598,436	2.3	0.0	36,598,436	0.0 - 10.0	Yes
Total	1,559,854,147	100.0	100.0			

Total Fund
Investment Fund Fee Analysis

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

Account	Fee Schedule	Market Value As of September 30, 2022	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
ARA American Strategic Value Realty	1.25 % of First \$10 M 1.20 % of Next \$15 M 1.10 % of Next \$25 M 1.00 % Thereafter	81,687,740	5.24	896,877	1.10
Ashmore EM Blended Debt Fund	1.00 % of Assets	48,530,276	3.11	485,303	1.00
Atlanta Capital Mgmt	0.80 % of First \$50 M 0.70 % of Next \$100 M 0.60 % Thereafter	67,899,384	4.35	525,296	0.77
BlackRock Core Bond	0.28 % of First \$100 M 0.26 % Thereafter	55,681,450	3.57	155,908	0.28
BlackRock TIPS	0.02 % of First \$100 M 0.02 % of Next \$300 M 0.01 % Thereafter	44,139,082	2.83	9,931	0.02
Boston Partners Large Cap Value	0.40 % of Assets	82,309,838	5.28	329,239	0.40
Brandywine Global Fixed Income	0.45 % of First \$50 M 0.40 % of Next \$50 M 0.35 % Thereafter	38,490,197	2.47	173,206	0.45
Cash Account		73,575,351	4.72	-	-
Dodge & Cox Income Fund	0.41 % of Assets	52,694,993	3.38	216,049	0.41
Dodge & Cox Intl Stock	0.62 % of Assets	117,980,857	7.56	731,481	0.62
Harbourvest 2018 Global Fund L.P.	Minimum Fee: \$282,000	21,350,933	1.37	282,000	1.32
Harbourvest Partners IX Buyout Fund L.P.	Minimum Fee: \$200,000	15,331,924	0.98	200,000	1.30
Harbourvest SLO Credit Fund		37,518,380	2.41	-	-
Harbourvest SLO Fund Private Equity		18,356,471	1.18	-	-

HarbourVest, KKR and PIMCO Distressed Credit fees are estimated gross management fees only and do not include incentive allocations or offsetting cash flows received by the fund. Pathway fee steps up and down over time, with an effective average of 0.71% up to \$25m, 0.67% up to \$50m, 0.63% up to \$75m, and 0.40% above \$75m. TAO 65bps on unfunded commitments and 1.35% on remaining capital contributions (long-term designation) (2) TSLE 1.5% on commitments, 1.25% on remaining capital contributions post commitment period (3) TICIP 30bps on remaining capital contributions (4) TCS 1.0% on unfunded commitments, 1.5% on remaining capital contributions.

Total Fund
Investment Fund Fee Analysis

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

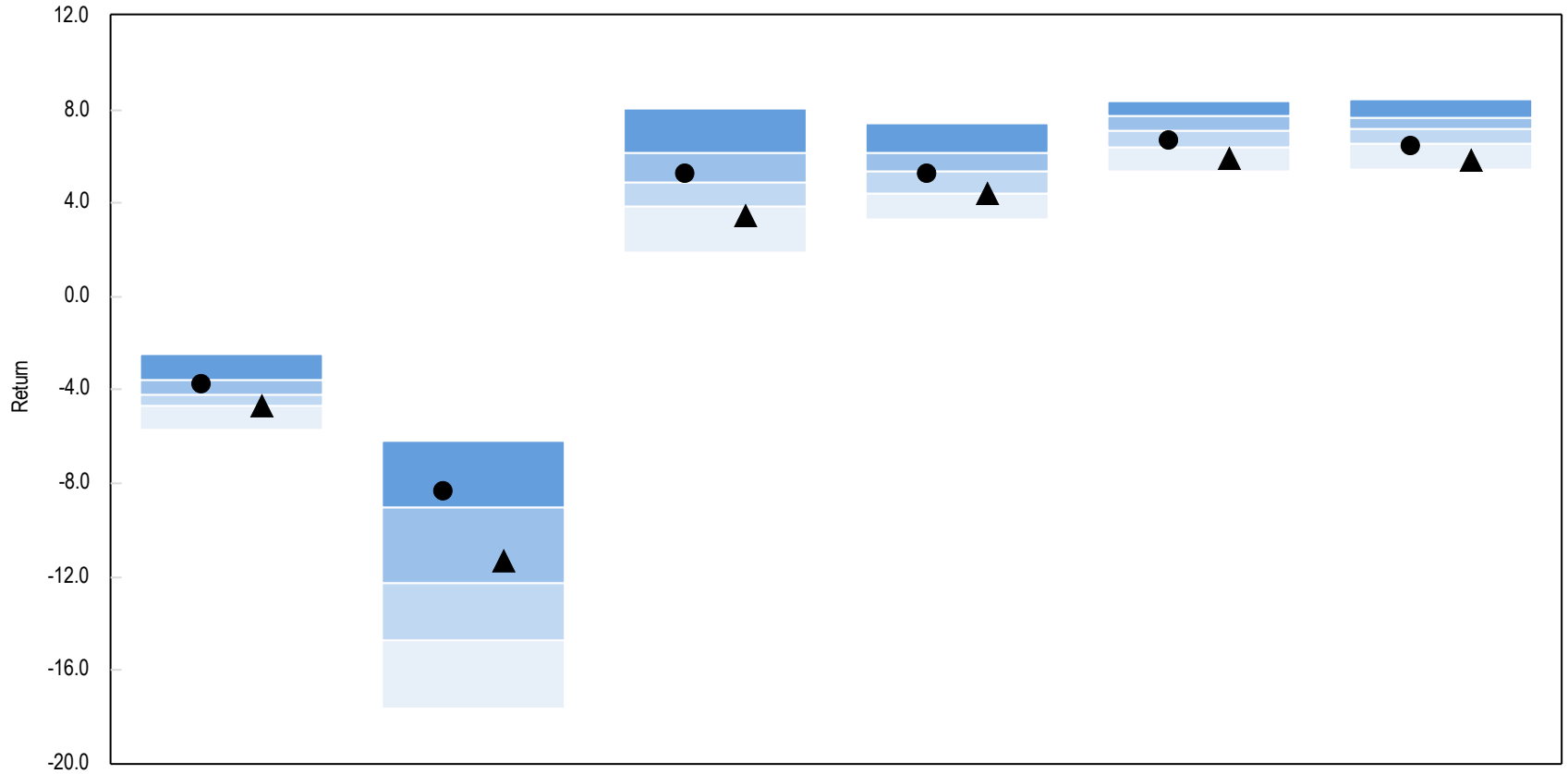
Account	Fee Schedule	Market Value As of September 30, 2022	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Investment Cash		17,339,991	1.11	-	-
JP Morgan Core Real Estate	0.92 % of First \$100 M 0.80 % of Next \$150 M 0.70 % of Next \$250 M 0.50 % Thereafter	179,415,843	11.50	1,555,327	0.87
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	Minimum Fee: \$300,000	2,814,820	0.18	300,000	10.66
Loomis Sayles Large Cap Growth	0.45 % of First \$100 M 0.40 % Thereafter	66,341,192	4.25	298,535	0.45
Pacific Asset Corporate Loan	0.37 % of Assets	66,541,979	4.27	246,205	0.37
Pathway Private Equity Fund Investors 10 L.P.		12,320,780	0.79	-	-
Pathway Private Equity Fund Investors 9 L.P.		82,492,322	5.29	-	-
PIMCO RAE US	0.40 % of Assets	88,366,345	5.67	353,465	0.40
PIMCO Short Duration Fund	0.50 % of Assets	32,970,365	2.11	164,852	0.50
Sixth Street Partners DCP		74,593,620	4.78	-	-
Sixth Street Partners TAO		33,783,616	2.17	-	-
SSGA U.S. Govt Bond Index	0.04 % of First \$50 M 0.03 % Thereafter	43,879,417	2.81	17,552	0.04
WCM International Growth	0.70 % of Assets	103,446,982	6.63	724,129	0.70
Investment Management Fee		1,559,854,147	100.00	7,665,356	0.49

HarbourVest, KKR and PIMCO Distressed Credit fees are estimated gross management fees only and do not include incentive allocations or offsetting cash flows received by the fund. Pathway fee steps up and down over time, with an effective average of 0.71% up to \$25m, 0.67% up to \$50m, 0.63% up to \$75m, and 0.40% above \$75m. TAO 65bps on unfunded commitments and 1.35% on remaining capital contributions (long-term designation) (2) TSLE 1.5% on commitments, 1.25% on remaining capital contributions post commitment period (3) TICP 30bps on remaining capital contributions (4) TCS 1.0% on unfunded commitments, 1.5% on remaining capital contributions.

Total Fund
Peer Universe Comparison: Cumulative Perf (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

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

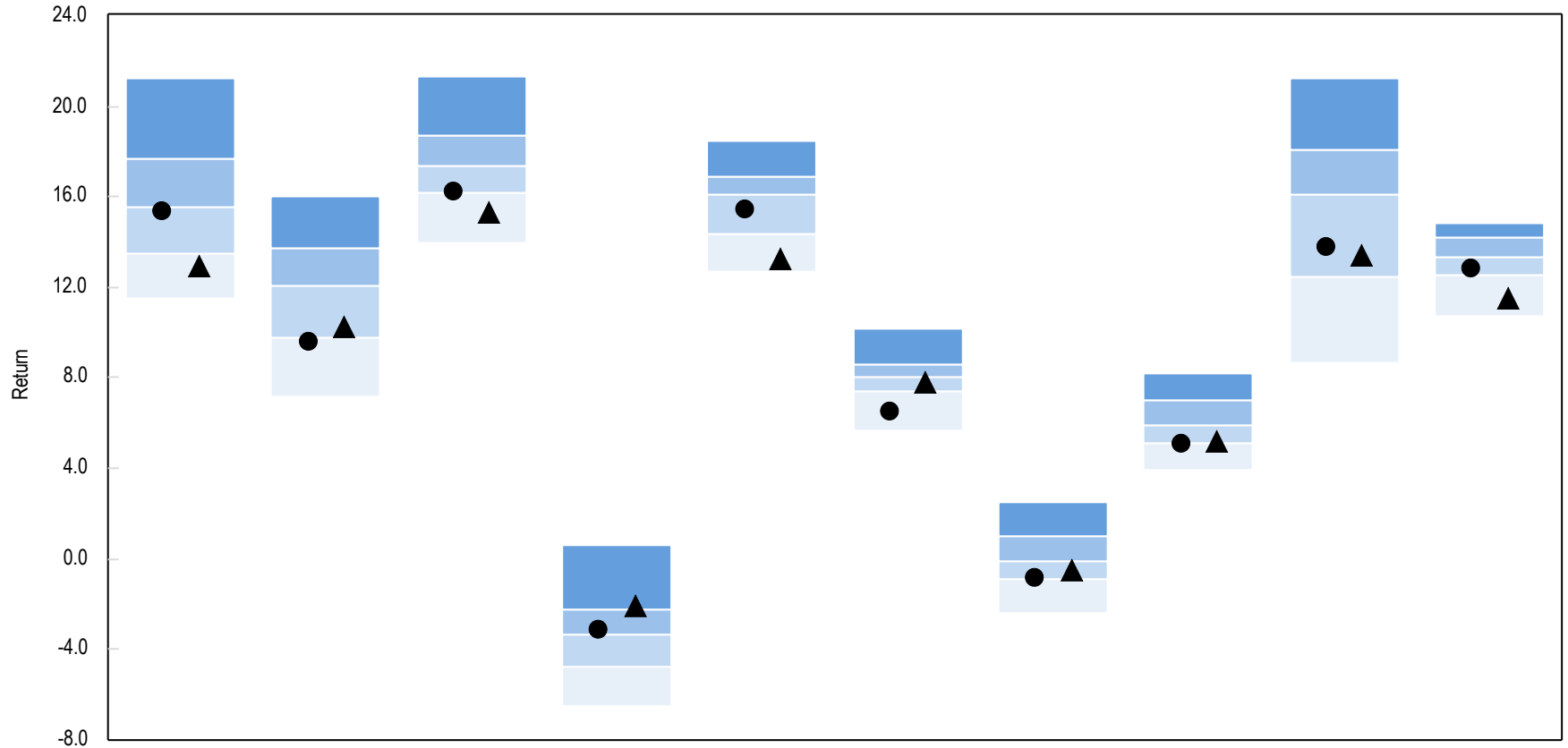


	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Total Fund	-3.73 (32)	-8.34 (16)	5.32 (41)	5.26 (54)	6.70 (62)	6.49 (78)
▲ Interim Policy Index	-4.69 (75)	-11.34 (46)	3.49 (80)	4.39 (76)	5.93 (86)	5.84 (86)
5th Percentile	-2.50	-6.20	8.04	7.44	8.35	8.44
1st Quartile	-3.55	-9.04	6.18	6.17	7.71	7.67
Median	-4.21	-12.27	4.86	5.38	7.07	7.17
3rd Quartile	-4.70	-14.68	3.89	4.39	6.41	6.57
95th Percentile	-5.68	-17.64	1.86	3.32	5.33	5.47
Population	75	69	68	67	66	64

Total Fund
Peer Universe Comparison: Consecutive Periods (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

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

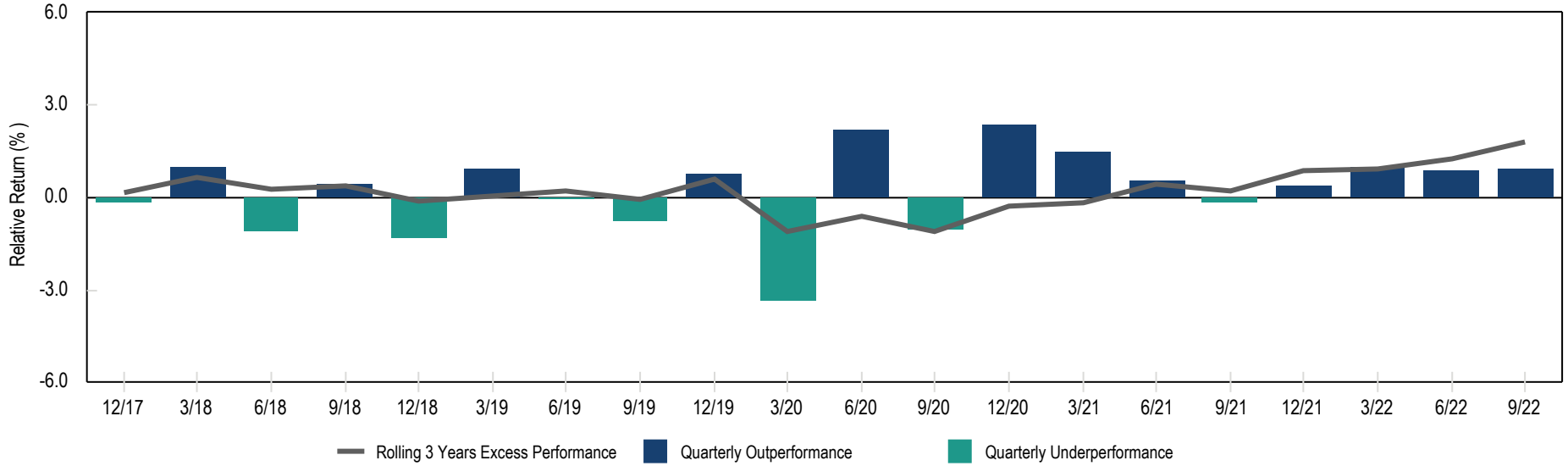


	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● Total Fund	15.37 (53)	9.63 (77)	16.29 (74)	-3.12 (43)	15.47 (61)	6.55 (92)	-0.81 (71)	5.15 (73)	13.85 (73)	12.83 (63)
▲ Interim Policy Index	12.93 (84)	10.26 (71)	15.33 (89)	-2.09 (24)	13.29 (93)	7.78 (64)	-0.52 (61)	5.23 (71)	13.39 (73)	11.55 (92)
5th Percentile	21.20	16.06	21.35	0.65	18.50	10.21	2.48	8.22	21.20	14.84
1st Quartile	17.71	13.75	18.72	-2.26	16.88	8.63	1.00	6.98	18.07	14.17
Median	15.53	12.10	17.36	-3.37	16.10	8.06	-0.07	5.94	16.07	13.29
3rd Quartile	13.49	9.76	16.17	-4.75	14.37	7.37	-0.89	5.09	12.50	12.51
95th Percentile	11.54	7.16	13.93	-6.53	12.69	5.66	-2.43	3.91	8.66	10.69
Population	149	169	139	119	131	137	129	129	119	106

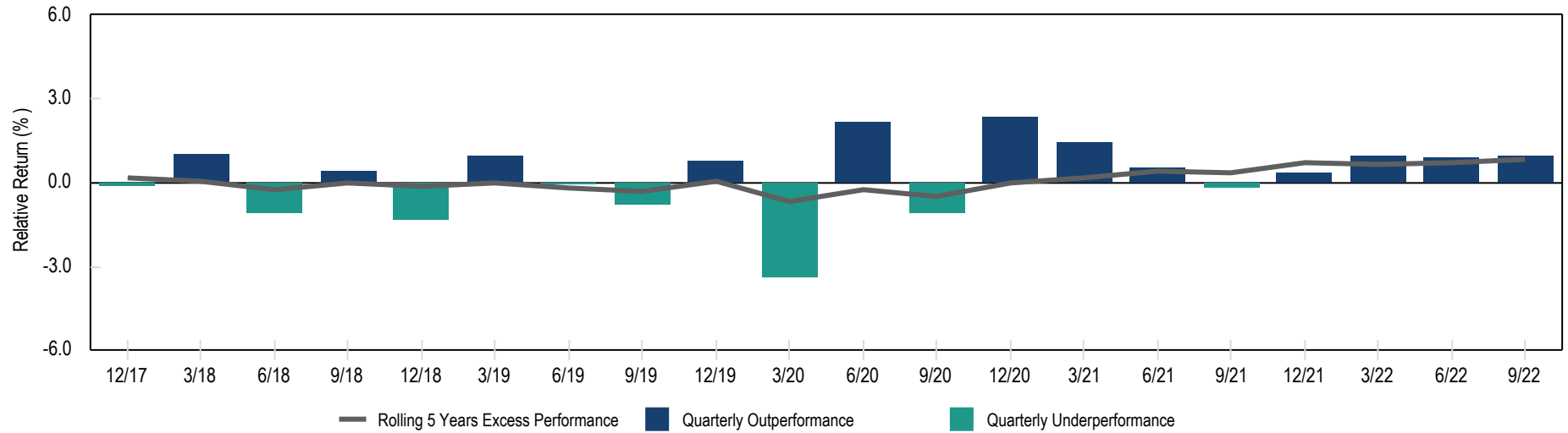
Total Fund
Rolling Return Analysis (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

Rolling 3 Year Annualized Excess Performance



Rolling 5 Year Annualized Excess Performance



Domestic Equity

Total Domestic Equity
Asset Class Overview (Gross of Fees)

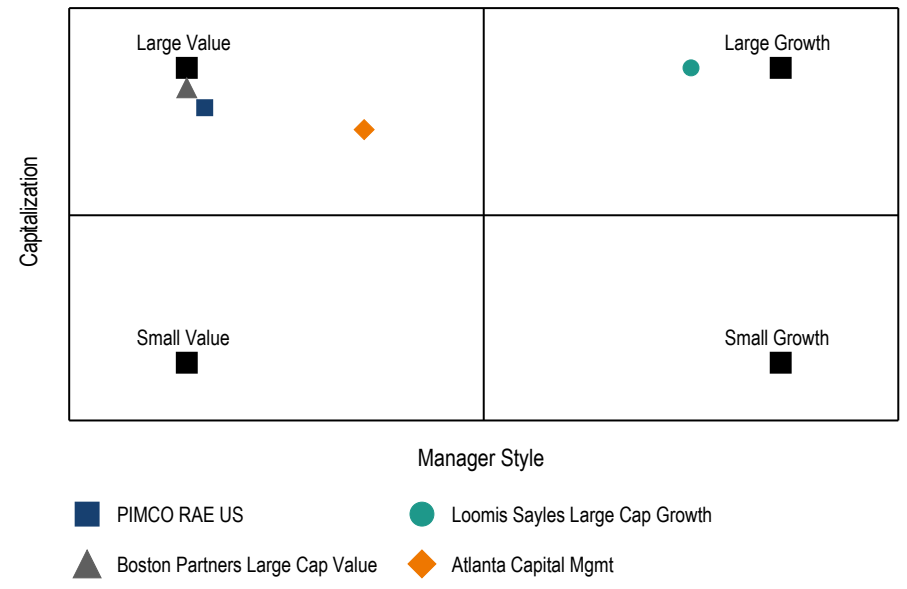
San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017
Total Domestic Equity	304,916,759	-3.7	-19.7	-12.7	7.2	8.5	11.6	25.3	13.7	29.4	-5.2	25.1
<i>Russell 3000 Index</i>		-4.5	-24.6	-17.6	7.7	8.6	11.4	25.7	20.9	31.0	-5.2	21.1
<i>InvMetrics Public DB US Equity Rank</i>		1	5	6	47	38	30	56	93	75	34	2
PIMCO RAE US	88,366,345	-3.2	-15.3	-7.4	7.1	7.4	10.6	28.3	4.4	25.5	-6.6	17.0
<i>S&P 500 Index</i>		-4.9	-23.9	-15.5	8.2	9.2	11.7	28.7	18.4	31.5	-4.4	21.8
<i>eV US Large Cap Core Equity Rank</i>		12	7	10	63	80	76	47	97	85	77	89
Loomis Sayles Large Cap Growth	66,341,192	-4.1	-31.5	-26.8	6.1	8.6	-	19.4	32.8	32.7	-1.7	34.1
<i>Russell 1000 Growth Index</i>		-3.6	-30.7	-22.6	10.7	12.2	-	27.6	38.5	36.4	-1.5	30.2
<i>eV US Large Cap Growth Equity Rank</i>		49	50	60	78	84	-	81	60	68	60	16
Boston Partners Large Cap Value	82,309,838	-4.7	-14.6	-6.5	7.4	6.9	-	30.9	2.4	24.3	-8.5	-
<i>Russell 1000 Value Index</i>		-5.6	-17.8	-11.4	4.4	5.3	-	25.2	2.8	26.5	-8.3	13.7
<i>eV US Large Cap Equity Rank</i>		46	14	12	49	77	-	17	88	88	78	-
Atlanta Capital Mgmt	67,899,384	-2.4	-17.5	-9.5	5.5	9.8	13.3	23.0	11.4	35.1	-4.5	26.6
<i>Russell 2500 Index</i>		-2.8	-24.0	-21.1	5.4	5.5	9.6	18.2	20.0	27.8	-10.0	16.8
<i>eV US Small-Mid Cap Equity Rank</i>		35	15	9	65	17	6	58	62	13	25	15

U.S. Effective Style Map
3 Years Ending September 30, 2022



U.S. Effective Style Map
5 Years Ending September 30, 2022



Total Domestic Equity
Asset Class Overview (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017
Total Domestic Equity	304,916,759	-3.8	-20.0	-13.1	6.7	8.0	11.1	24.6	13.1	28.7	-5.7	24.5
<i>Russell 3000 Index</i>		-4.5	-24.6	-17.6	7.7	8.6	11.4	25.7	20.9	31.0	-5.2	21.1
PIMCO RAE US	88,366,345	-3.3	-15.5	-7.8	6.7	6.9	10.2	27.8	3.9	25.0	-7.0	16.5
<i>S&P 500 Index</i>		-4.9	-23.9	-15.5	8.2	9.2	11.7	28.7	18.4	31.5	-4.4	21.8
Loomis Sayles Large Cap Growth	66,341,192	-4.2	-31.7	-27.1	5.6	8.1	-	18.9	32.3	32.1	-2.1	33.5
<i>Russell 1000 Growth Index</i>		-3.6	-30.7	-22.6	10.7	12.2	-	27.6	38.5	36.4	-1.5	30.2
Boston Partners Large Cap Value	82,309,838	-4.8	-14.9	-6.9	7.0	6.4	-	30.4	2.0	23.8	-8.9	-
<i>Russell 1000 Value Index</i>		-5.6	-17.8	-11.4	4.4	5.3	-	25.2	2.8	26.5	-8.3	13.7
Atlanta Capital Mgmt	67,899,384	-2.6	-18.0	-10.2	4.7	9.0	12.4	22.0	10.5	34.1	-5.3	25.6
<i>Russell 2500 Index</i>		-2.8	-24.0	-21.1	5.4	5.5	9.6	18.2	20.0	27.8	-10.0	16.8

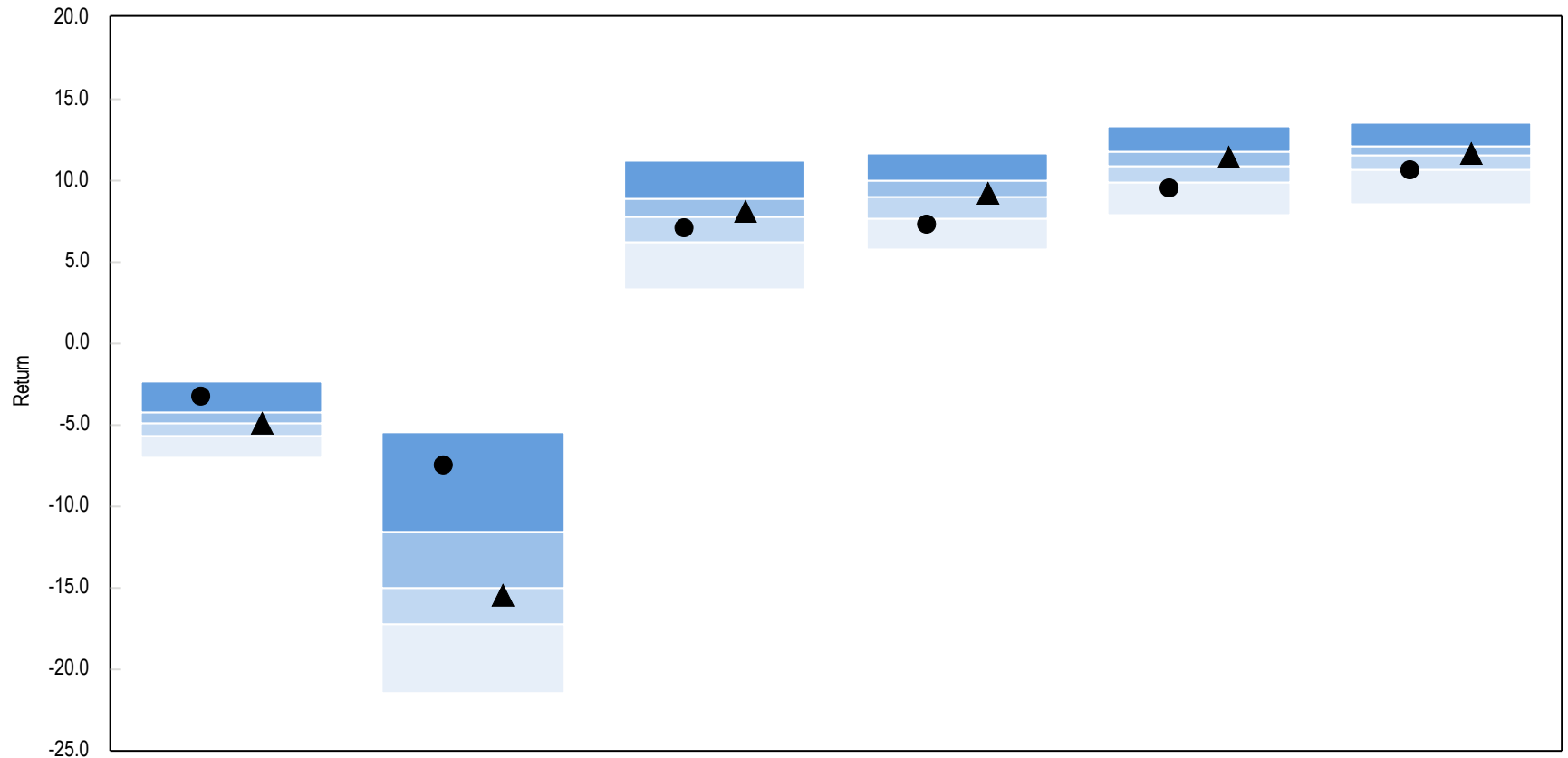
Total Domestic Equity
Correlation Matrix

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

Correlation Matrix
1 Year Ending September 30, 2022

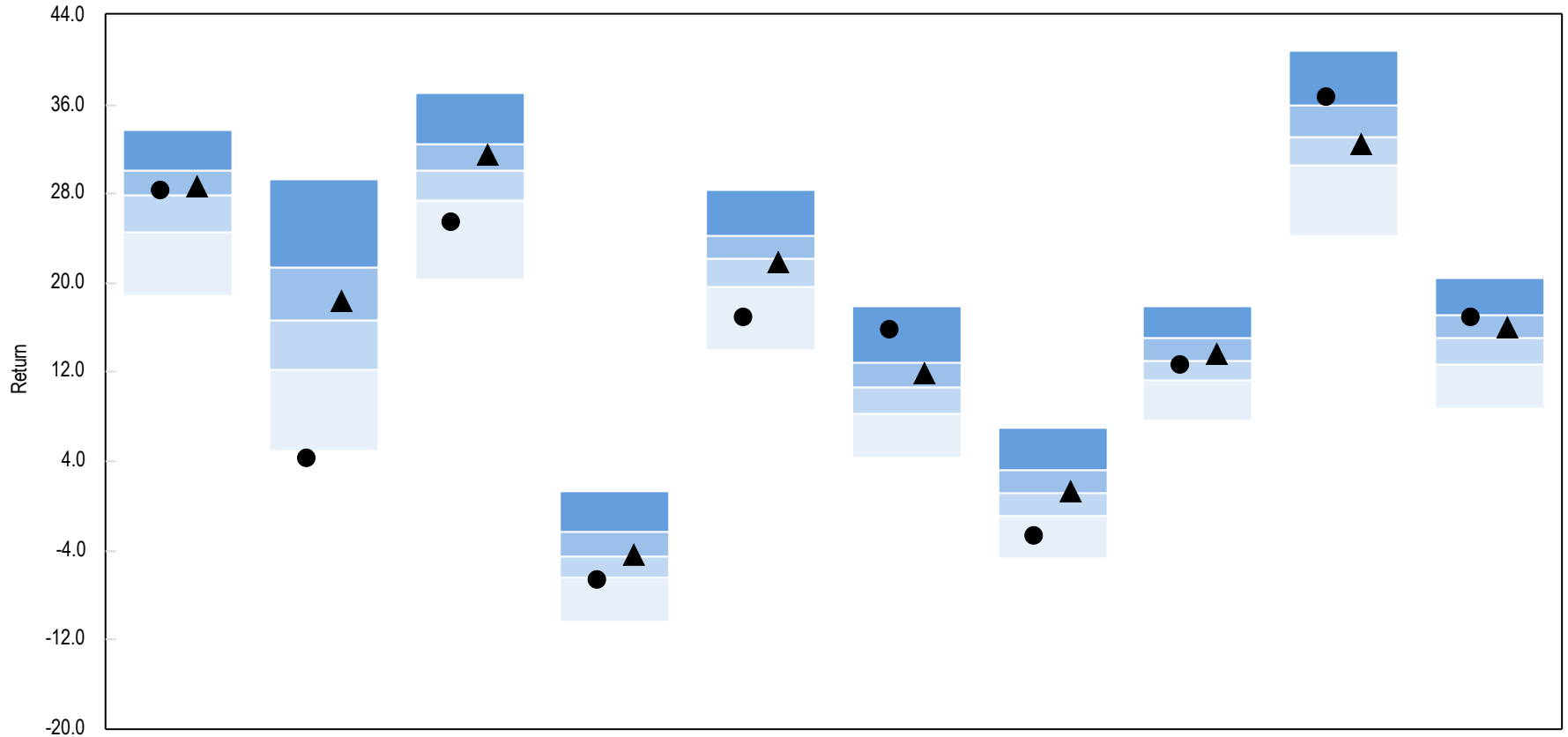
	Total Domestic Equity	PIMCO RAE US	Loomis Sayles Large Cap Growth	Boston Partners Large Cap Value	Atlanta Capital Mgmt	Russell 3000 Index
Total Domestic Equity	1.00					
PIMCO RAE US	0.99	1.00				
Loomis Sayles Large Cap Growth	0.98	0.95	1.00			
Boston Partners Large Cap Value	0.98	0.99	0.91	1.00		
Atlanta Capital Mgmt	0.98	0.94	0.96	0.93	1.00	
Russell 3000 Index	1.00	0.97	0.98	0.96	0.99	1.00

PIMCO RAE US vs. eV US Large Cap Core Equity Gross Universe



	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● PIMCO RAE US	-3.20 (12)	-7.42 (10)	7.10 (63)	7.37 (80)	9.55 (81)	10.63 (76)
▲ S&P 500 Index	-4.88 (52)	-15.47 (55)	8.16 (40)	9.24 (41)	11.40 (36)	11.70 (43)
5th Percentile	-2.33	-5.48	11.18	11.68	13.32	13.53
1st Quartile	-4.17	-11.51	8.88	10.04	11.77	12.07
Median	-4.84	-15.01	7.73	8.97	10.92	11.54
3rd Quartile	-5.64	-17.22	6.27	7.66	9.88	10.66
95th Percentile	-6.99	-21.41	3.36	5.83	7.90	8.56
Population	364	364	353	336	305	264

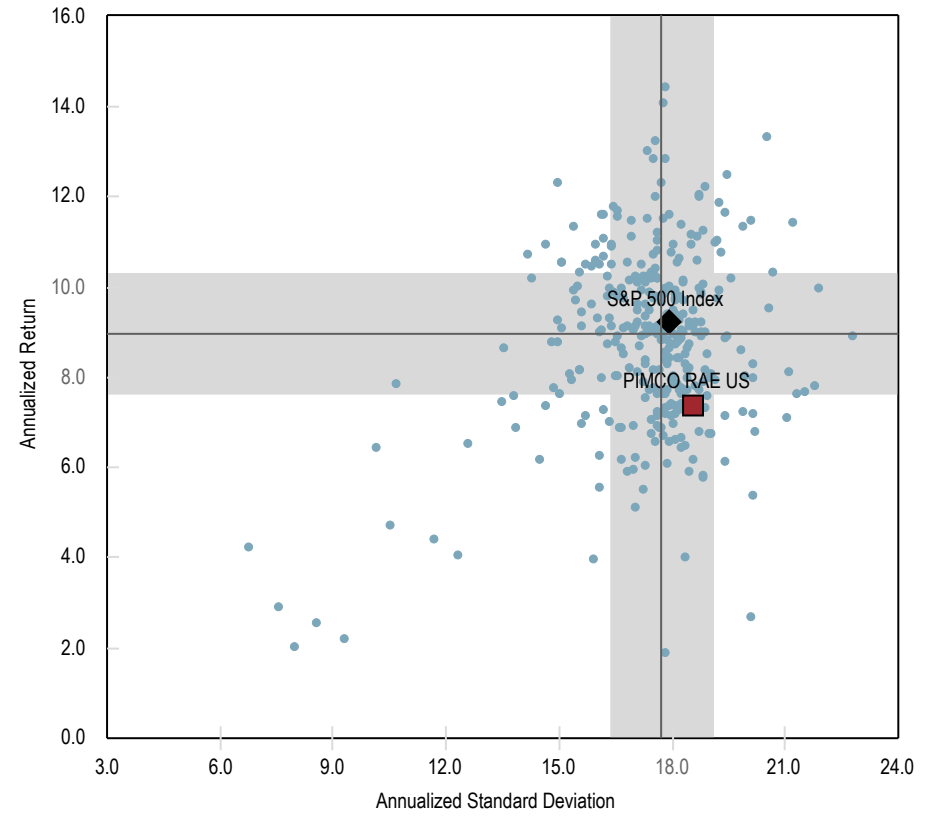
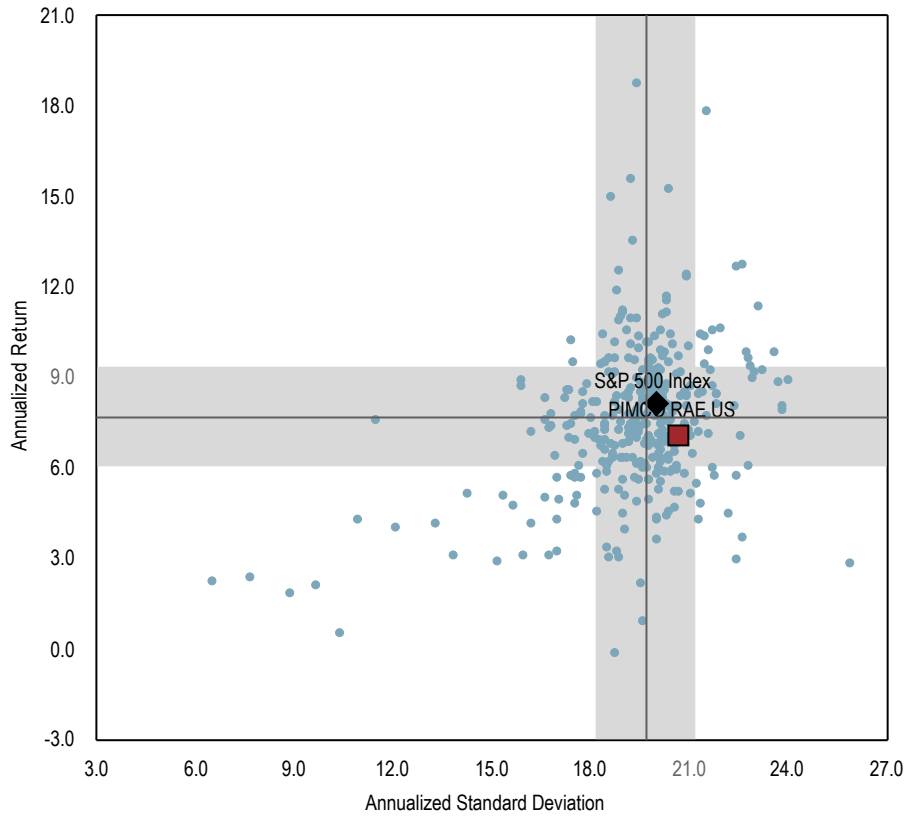
PIMCO RAE US vs. eV US Large Cap Core Equity Gross Universe



	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● PIMCO RAE US	28.29 (47)	4.35 (97)	25.52 (85)	-6.64 (77)	17.01 (89)	15.87 (10)	-2.65 (87)	12.67 (56)	36.69 (20)	17.05 (27)
▲ S&P 500 Index	28.71 (41)	18.40 (44)	31.49 (36)	-4.38 (48)	21.83 (54)	11.96 (36)	1.38 (49)	13.69 (41)	32.39 (57)	16.00 (39)
5th Percentile	33.73	29.28	37.02	1.27	28.41	17.89	6.95	17.93	40.91	20.44
1st Quartile	30.16	21.45	32.54	-2.35	24.33	12.82	3.21	15.06	35.99	17.19
Median	27.89	16.68	30.06	-4.54	22.15	10.63	1.24	13.06	33.02	15.16
3rd Quartile	24.61	12.28	27.38	-6.39	19.72	8.24	-0.81	11.29	30.52	12.69
95th Percentile	18.82	4.98	20.34	-10.40	13.94	4.37	-4.65	7.61	24.25	8.70
Population	399	427	452	470	483	488	500	509	513	514

3 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Large Cap Core Equity

5 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Large Cap Core Equity



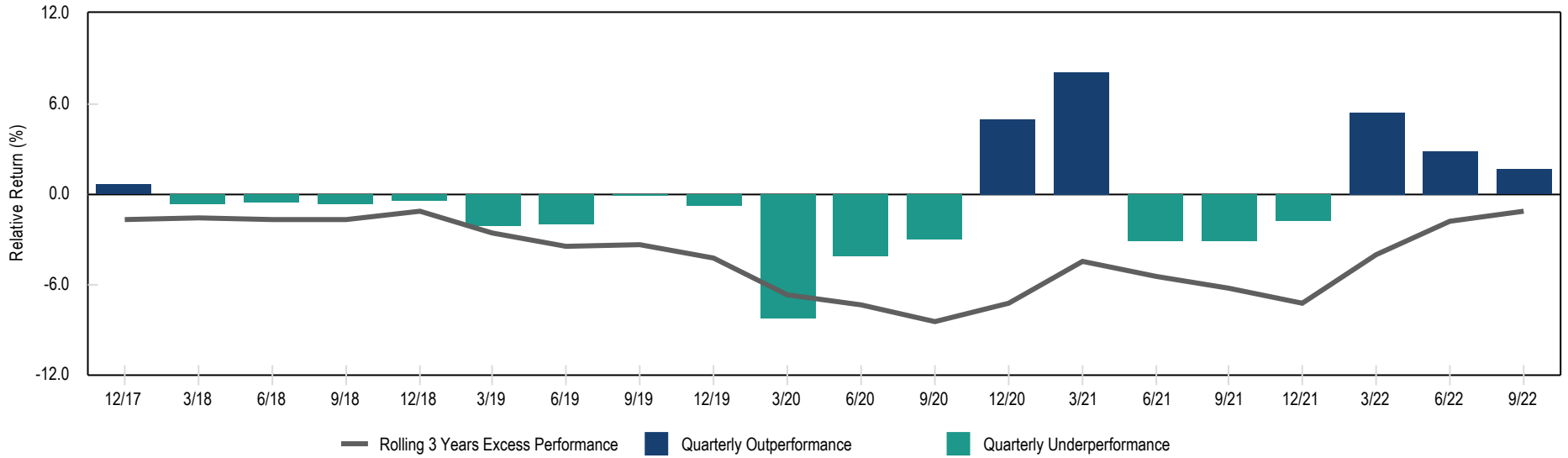
3 Years

	Return	Standard Deviation	Sharpe Ratio
PIMCO RAE US	7.10	20.68	0.41
S&P 500 Index	8.16	20.02	0.46

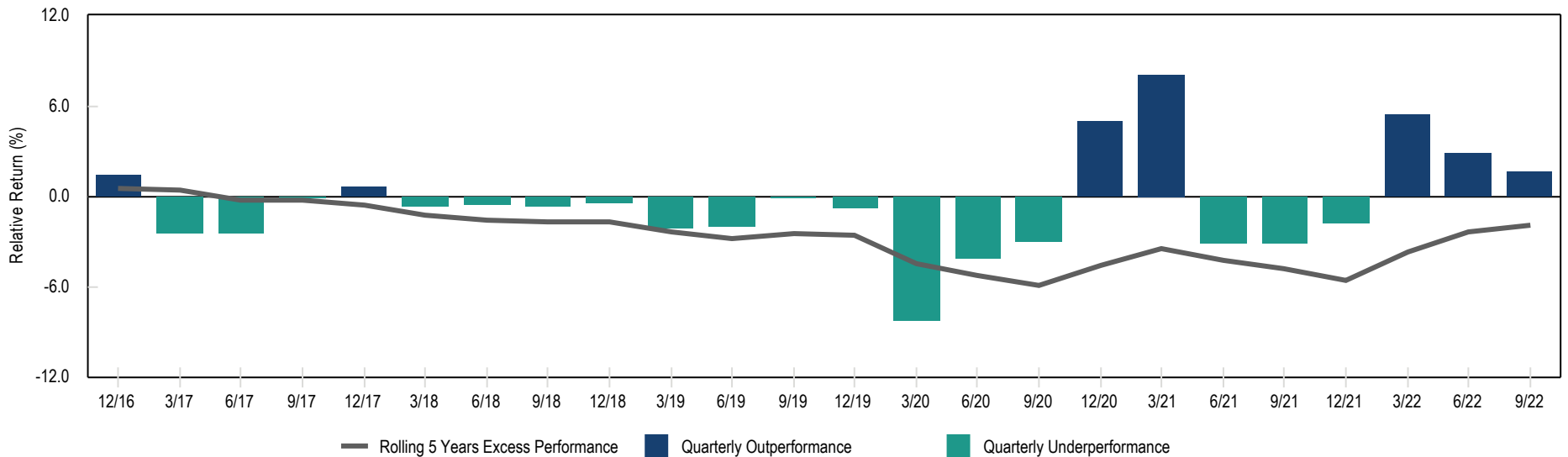
5 Years

	Return	Standard Deviation	Sharpe Ratio
PIMCO RAE US	7.37	18.56	0.42
S&P 500 Index	9.24	17.92	0.52

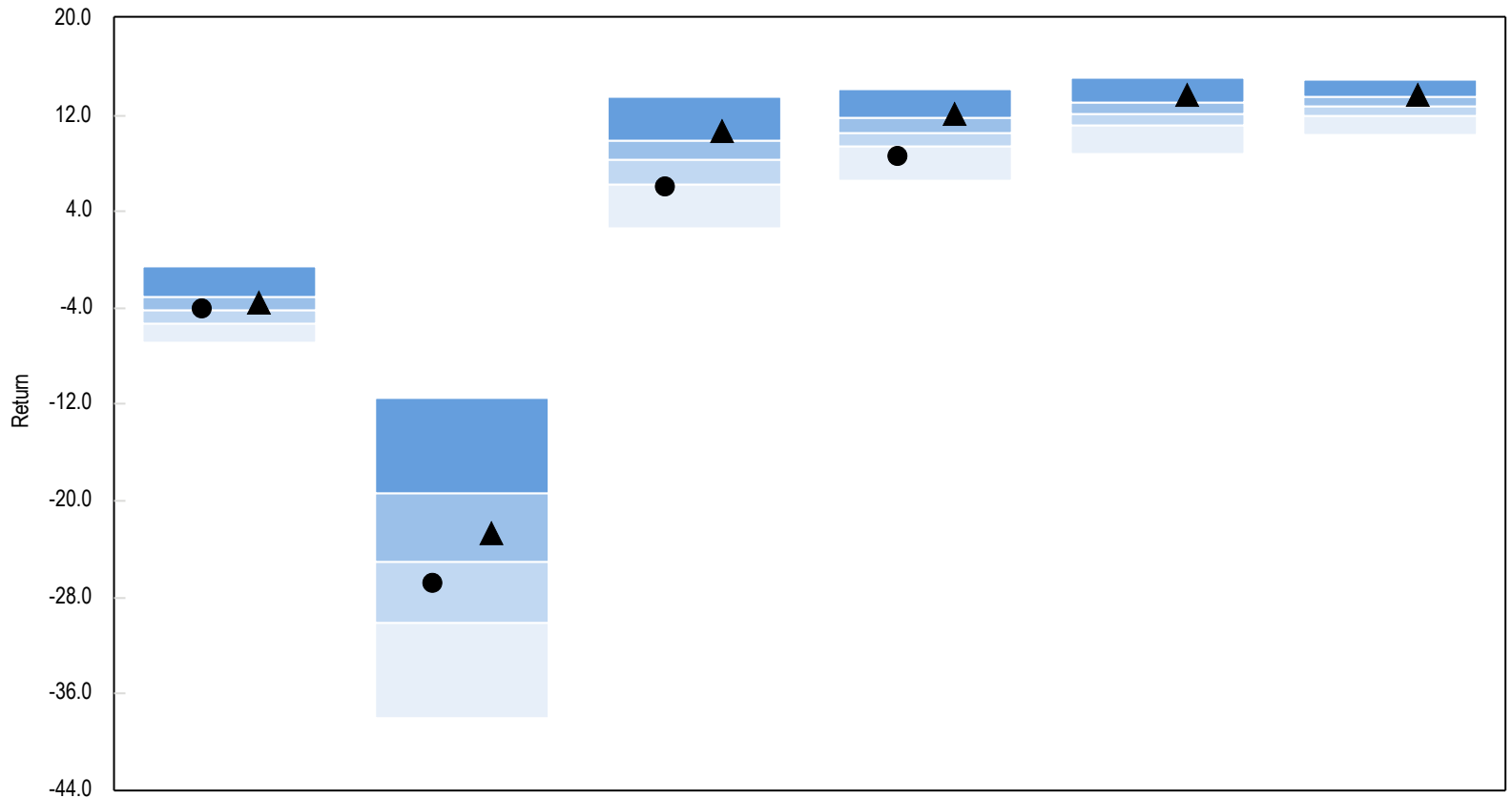
Rolling 3 Years Annualized Excess Performance



Rolling 5 Years Annualized Excess Performance



Loomis Sayles Large Cap Growth vs. eV US Large Cap Growth Equity Gross Universe

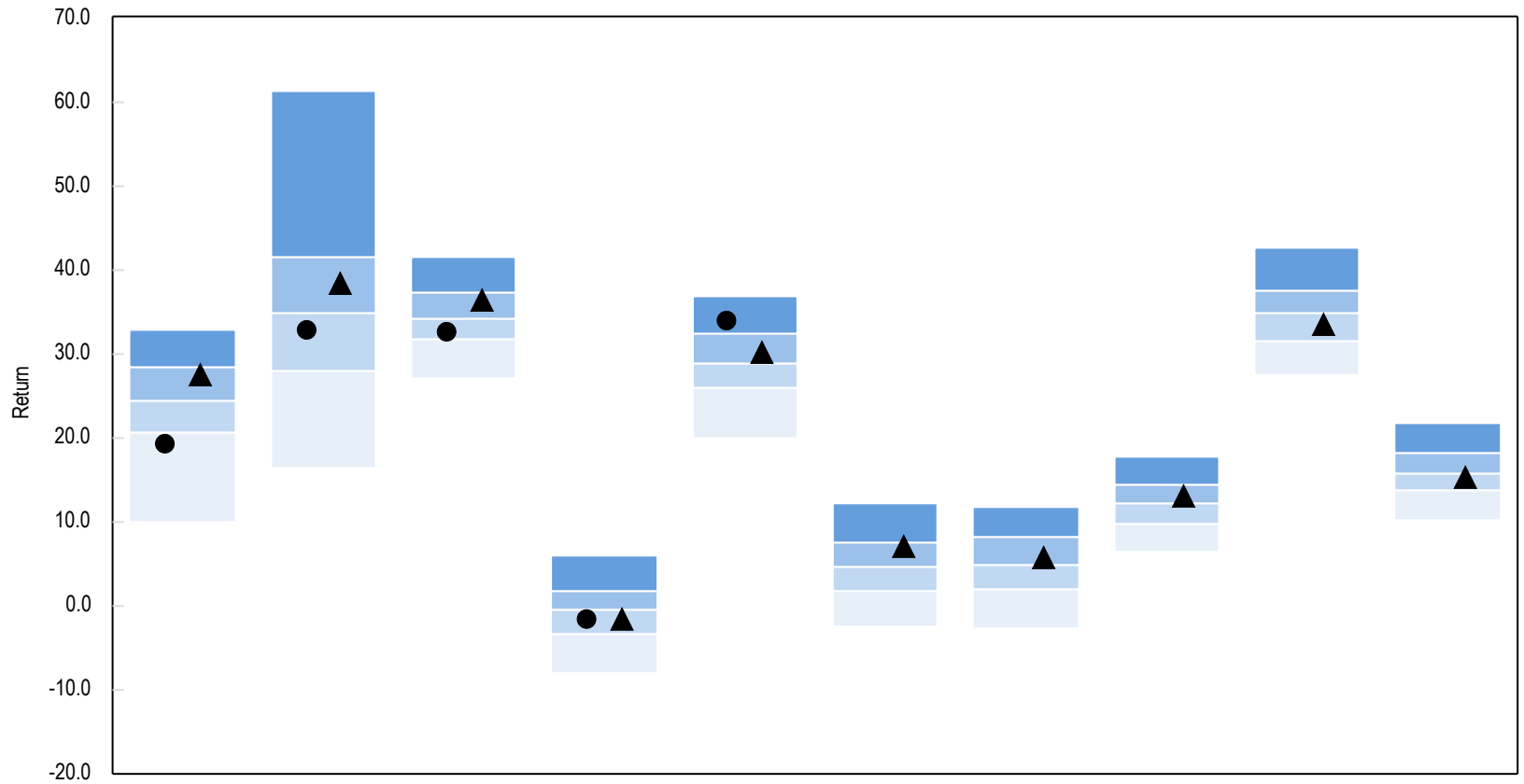


	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Loomis Sayles Large Cap Growth	-4.09 (49)	-26.79 (60)	6.11 (78)	8.59 (84)	-	-
▲ Russell 1000 Growth Index	-3.60 (36)	-22.59 (41)	10.67 (18)	12.16 (19)	13.74 (16)	13.70 (18)
5th Percentile	-0.48	-11.52	13.58	14.22	15.04	14.91
1st Quartile	-3.08	-19.36	9.84	11.72	12.99	13.51
Median	-4.16	-25.01	8.29	10.52	12.15	12.71
3rd Quartile	-5.29	-30.10	6.33	9.37	11.14	11.94
95th Percentile	-6.94	-38.01	2.61	6.51	8.80	10.37
Population	278	278	272	260	241	225

Loomis Sayles Large Cap Growth
 Consecutive Performance Comparison (Gross of Fees)

San Luis Obispo County Pension Trust
 Period Ending: September 30, 2022

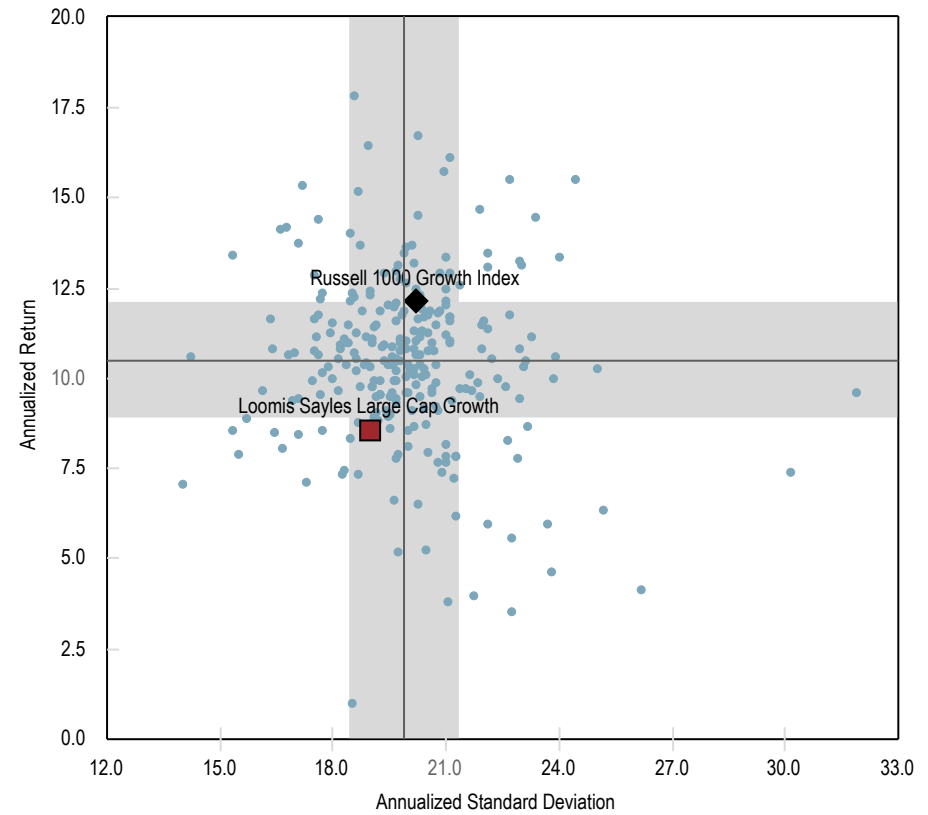
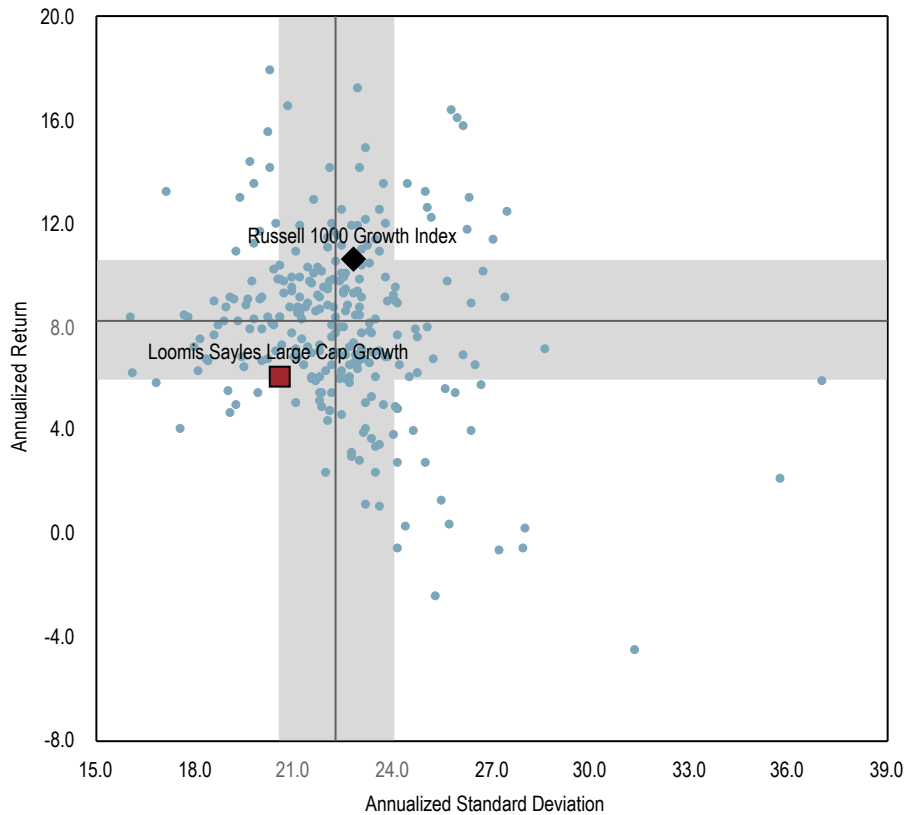
Loomis Sayles Large Cap Growth vs. eV US Large Cap Growth Equity Gross Universe



	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● Loomis Sayles Large Cap Growth	19.38 (81)	32.85 (60)	32.69 (68)	-1.66 (60)	34.07 (16)	-	-	-	-	-
▲ Russell 1000 Growth Index	27.60 (30)	38.49 (34)	36.39 (32)	-1.51 (59)	30.21 (42)	7.08 (28)	5.67 (46)	13.05 (41)	33.48 (62)	15.26 (57)
5th Percentile	32.79	61.34	41.49	6.10	37.00	12.32	11.87	17.87	42.69	21.79
1st Quartile	28.39	41.57	37.25	1.81	32.54	7.54	8.16	14.42	37.63	18.29
Median	24.56	34.89	34.24	-0.54	28.83	4.62	4.97	12.22	34.85	15.80
3rd Quartile	20.77	27.97	31.70	-3.37	25.95	1.79	2.07	9.73	31.52	13.71
95th Percentile	9.98	16.49	27.02	-7.91	20.09	-2.49	-2.68	6.38	27.58	10.21
Population	291	307	318	327	332	351	367	385	393	409

3 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Large Cap Growth Equity

5 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Large Cap Growth Equity



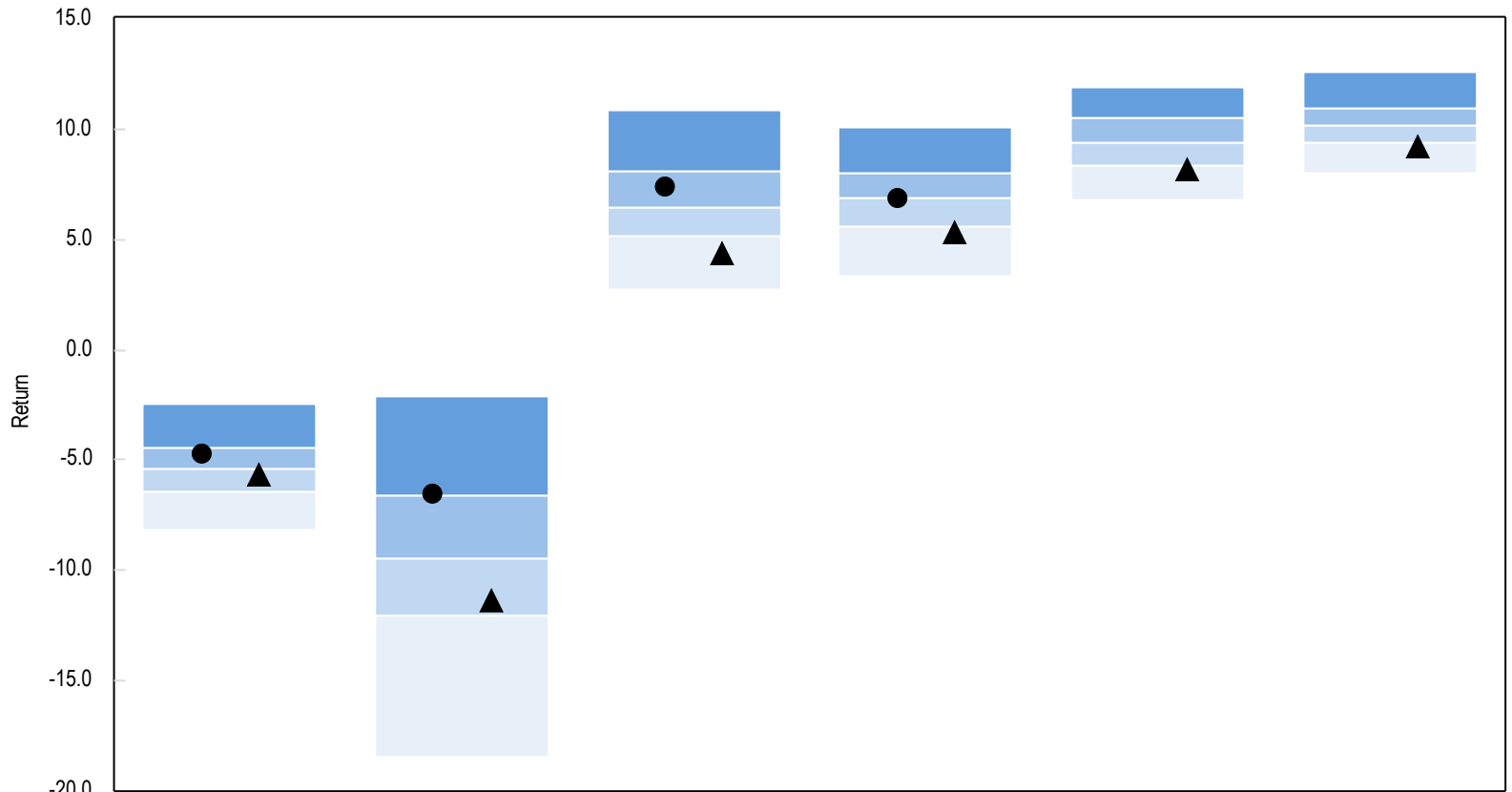
3 Years

	Return	Standard Deviation	Sharpe Ratio
Loomis Sayles Large Cap Growth	6.11	20.55	0.36
Russell 1000 Growth Index	10.67	22.81	0.53

5 Years

	Return	Standard Deviation	Sharpe Ratio
Loomis Sayles Large Cap Growth	8.59	18.97	0.47
Russell 1000 Growth Index	12.16	20.21	0.61

Boston Partners Large Cap Value vs. eV US Large Cap Value Equity Gross Universe

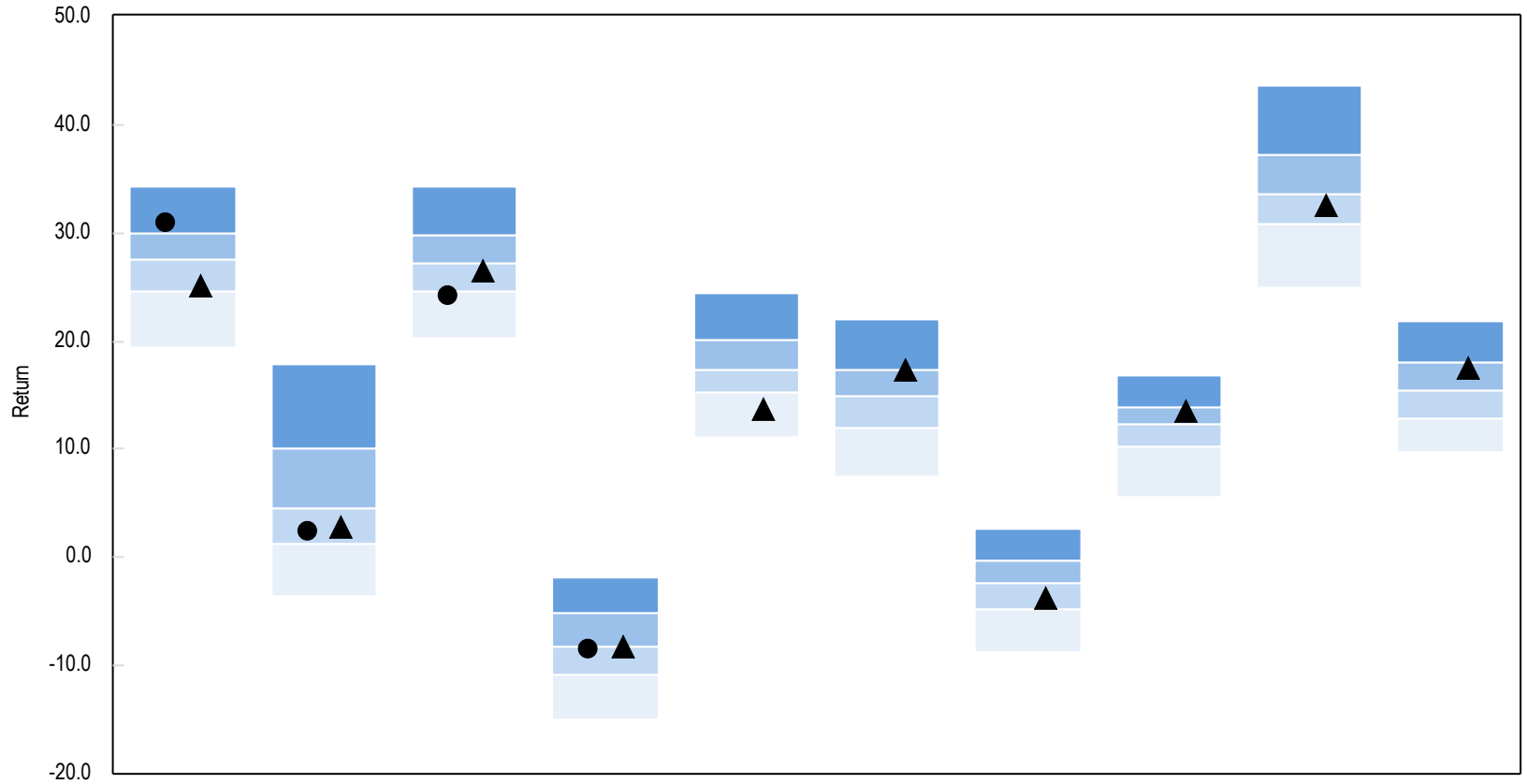


	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Boston Partners Large Cap Value	-4.74 (33)	-6.52 (24)	7.39 (32)	6.86 (52)	-	-
▲ Russell 1000 Value Index	-5.62 (55)	-11.36 (68)	4.36 (85)	5.29 (80)	8.15 (79)	9.17 (81)
5th Percentile	-2.42	-2.13	10.84	10.09	11.90	12.58
1st Quartile	-4.43	-6.62	8.08	7.98	10.49	10.97
Median	-5.43	-9.45	6.45	6.91	9.37	10.16
3rd Quartile	-6.45	-12.09	5.12	5.58	8.38	9.37
95th Percentile	-8.18	-18.43	2.74	3.36	6.77	7.98
Population	369	369	358	346	330	314

Boston Partners Large Cap Value
Consecutive Performance Comparison (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

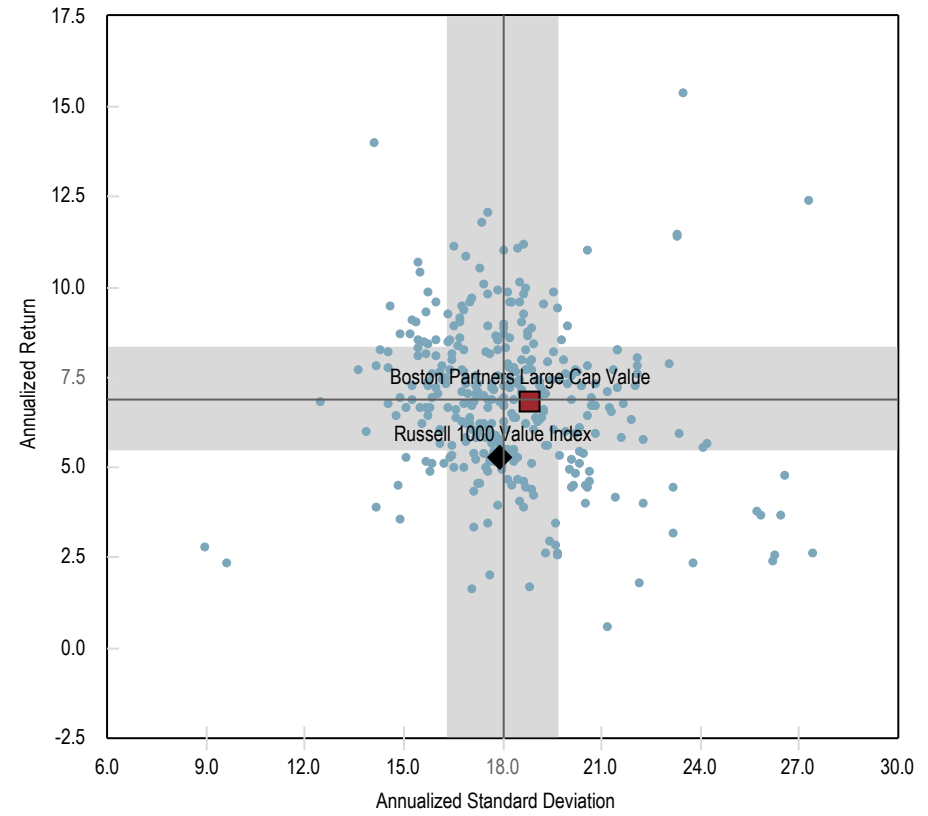
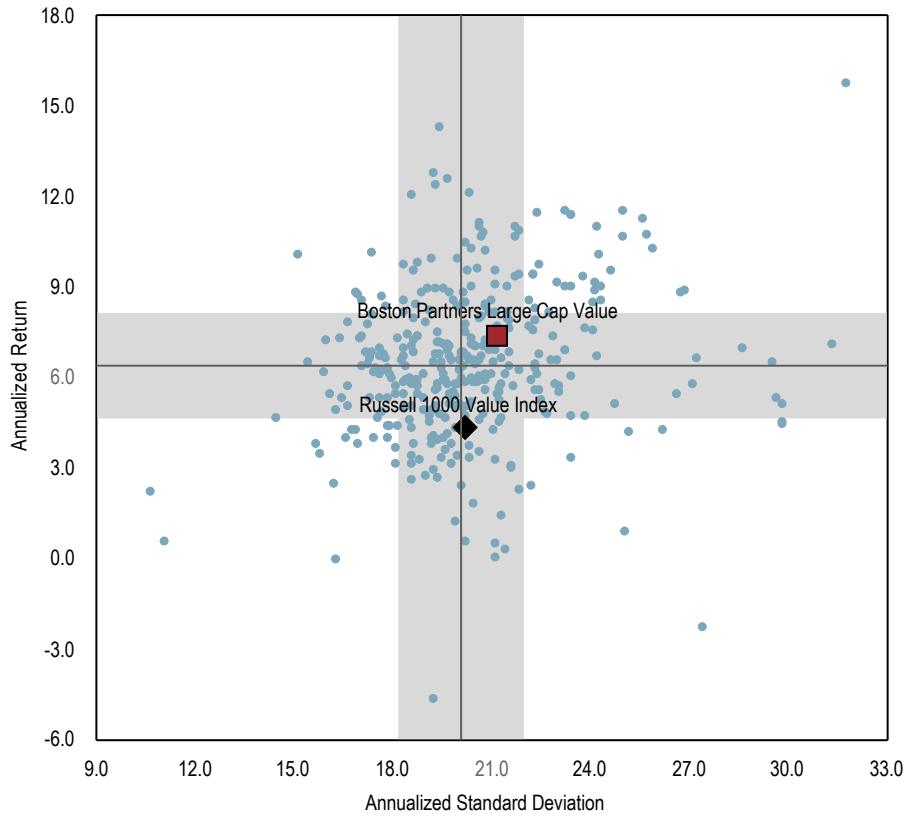
Boston Partners Large Cap Value vs. eV US Large Cap Value Equity Gross Universe



	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● Boston Partners Large Cap Value	30.92 (19)	2.42 (66)	24.28 (78)	-8.50 (55)	-	-	-	-	-	-
▲ Russell 1000 Value Index	25.16 (73)	2.80 (63)	26.54 (55)	-8.27 (52)	13.66 (88)	17.34 (26)	-3.83 (69)	13.45 (34)	32.53 (59)	17.51 (29)
5th Percentile	34.34	17.86	34.27	-1.78	24.40	22.00	2.65	16.77	43.66	21.82
1st Quartile	30.01	10.03	29.77	-5.22	20.04	17.36	-0.23	13.88	37.18	17.96
Median	27.57	4.57	27.13	-8.20	17.37	14.92	-2.28	12.24	33.56	15.42
3rd Quartile	24.64	1.30	24.65	-10.84	15.32	11.89	-4.74	10.25	30.78	12.92
95th Percentile	19.44	-3.59	20.35	-14.95	11.17	7.50	-8.73	5.67	24.99	9.65
Population	387	395	426	449	461	475	497	496	503	502

3 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Large Cap Value Equity

5 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Large Cap Value Equity



3 Years

	Return	Standard Deviation	Sharpe Ratio
Boston Partners Large Cap Value	7.39	21.14	0.42
Russell 1000 Value Index	4.36	20.17	0.28

5 Years

	Return	Standard Deviation	Sharpe Ratio
Boston Partners Large Cap Value	6.86	18.82	0.39
Russell 1000 Value Index	5.29	17.94	0.31

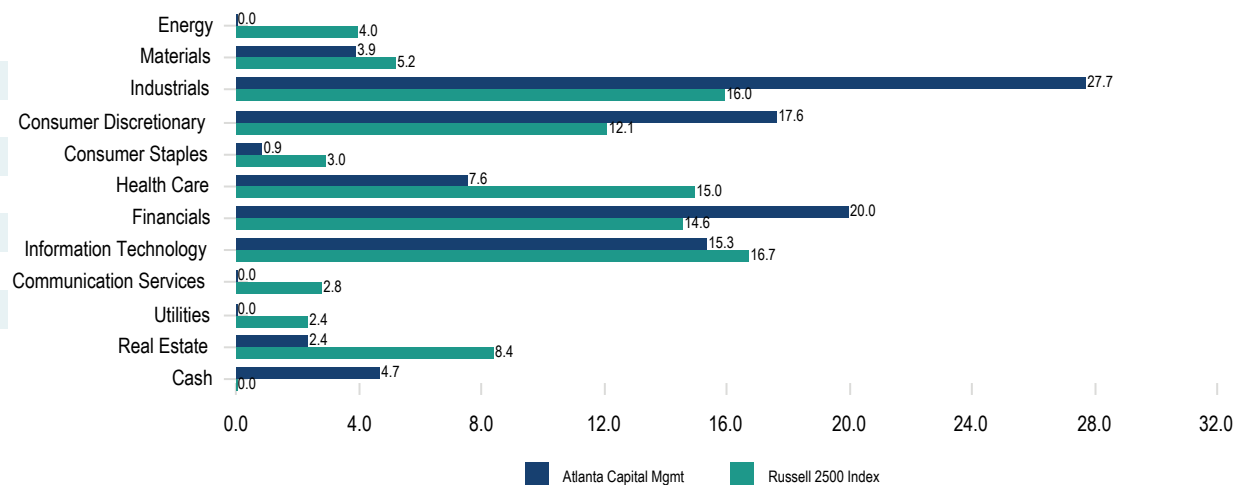
Atlanta Capital Mgmt Manager Portfolio Overview

San Luis Obispo County Pension Trust Period Ending: September 30, 2022

Characteristics

	Portfolio	Benchmark
Number of Stocks	57	2,524
Wtd. Avg. Mkt. Cap \$B	11.4	7.9
Median Mkt. Cap \$B	11.1	1.8
Price/Earnings ratio	24.93	18.17
Price/Book ratio	3.85	3.11
Return on Equity (%)	7.95	5.53
Current Yield (%)	0.66	1.10
Beta (5 Years, Monthly)	0.85	1.00
R-Squared (5 Years, Monthly)	0.88	1.00

Sector Allocation (%)



Largest Equity Holdings

	Wgt (%)	Return (%)
Berkley (W.R.) Corp	4.67	8.99
Carlisle Cos Inc	4.40	10.51
J.B. Hunt Transport Services Inc.	3.78	17.27
Aramark	3.19	4.18
Gartner Inc	2.74	25.38
Envista Holdings Corp	2.72	-9.24
SEI Investments Co	2.57	3.68
Brown & Brown Inc	2.49	16.21
Terminix Global Holdings Inc	2.45	-22.90
Affiliated Managers Group Inc.	2.43	5.96

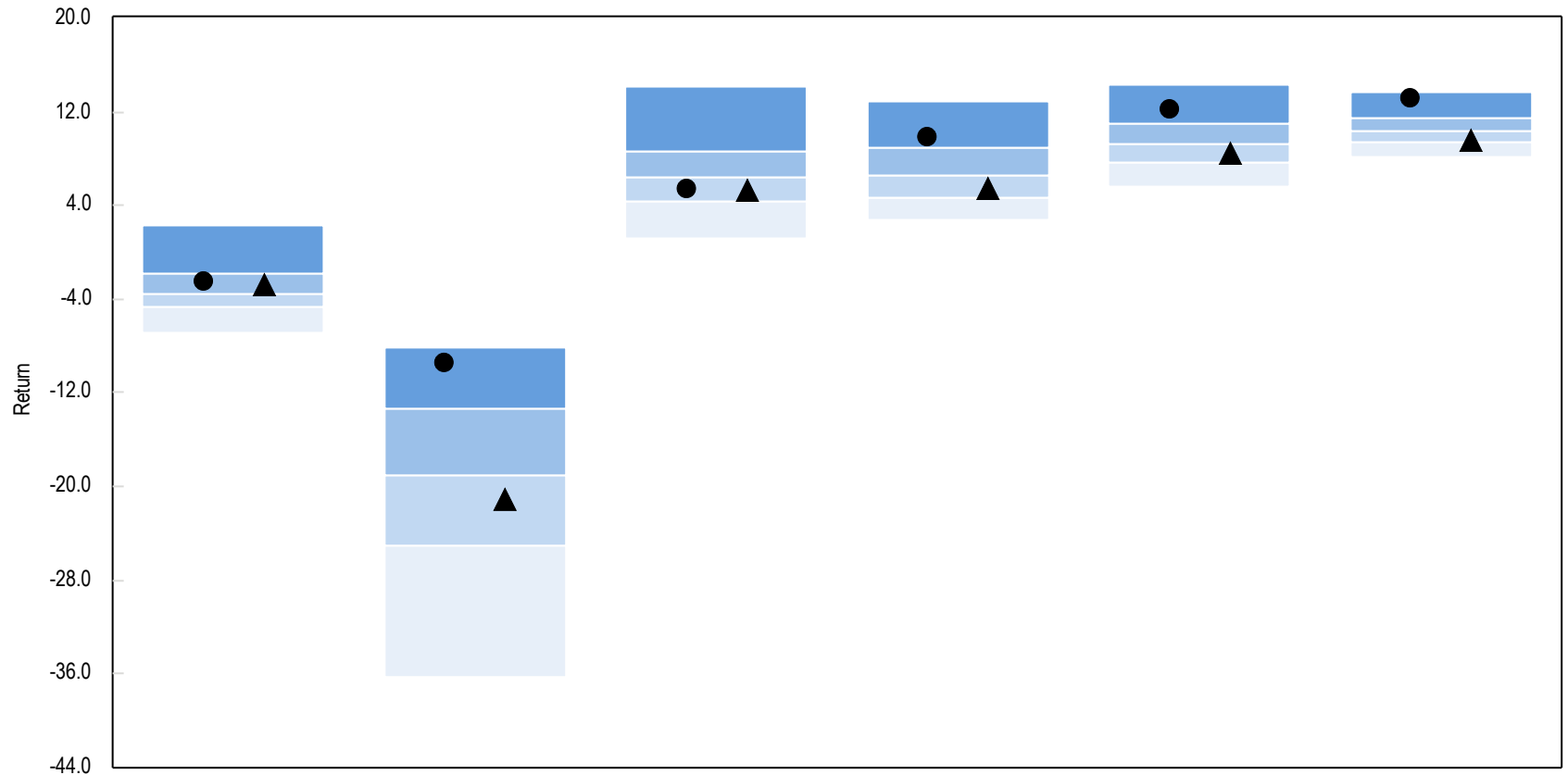
Top Contributors

	Wgt (%)	Return (%)	Contr (%)
J.B. Hunt Transport Services Inc.	3.32	17.27	0.57
Gartner Inc	2.25	25.38	0.57
Morningstar Inc	1.98	25.52	0.51
Carlisle Cos Inc	4.11	10.51	0.43
Berkley (W.R.) Corp	4.42	8.99	0.40
Brown & Brown Inc	2.21	16.21	0.36
Choice Hotels International Inc.	1.91	17.48	0.33
Jones Lang LaSalle Inc	2.08	16.02	0.33
Manhattan Associates Inc	2.05	13.73	0.28
Acuity Brands Inc.	1.53	17.21	0.26

Bottom Contributors

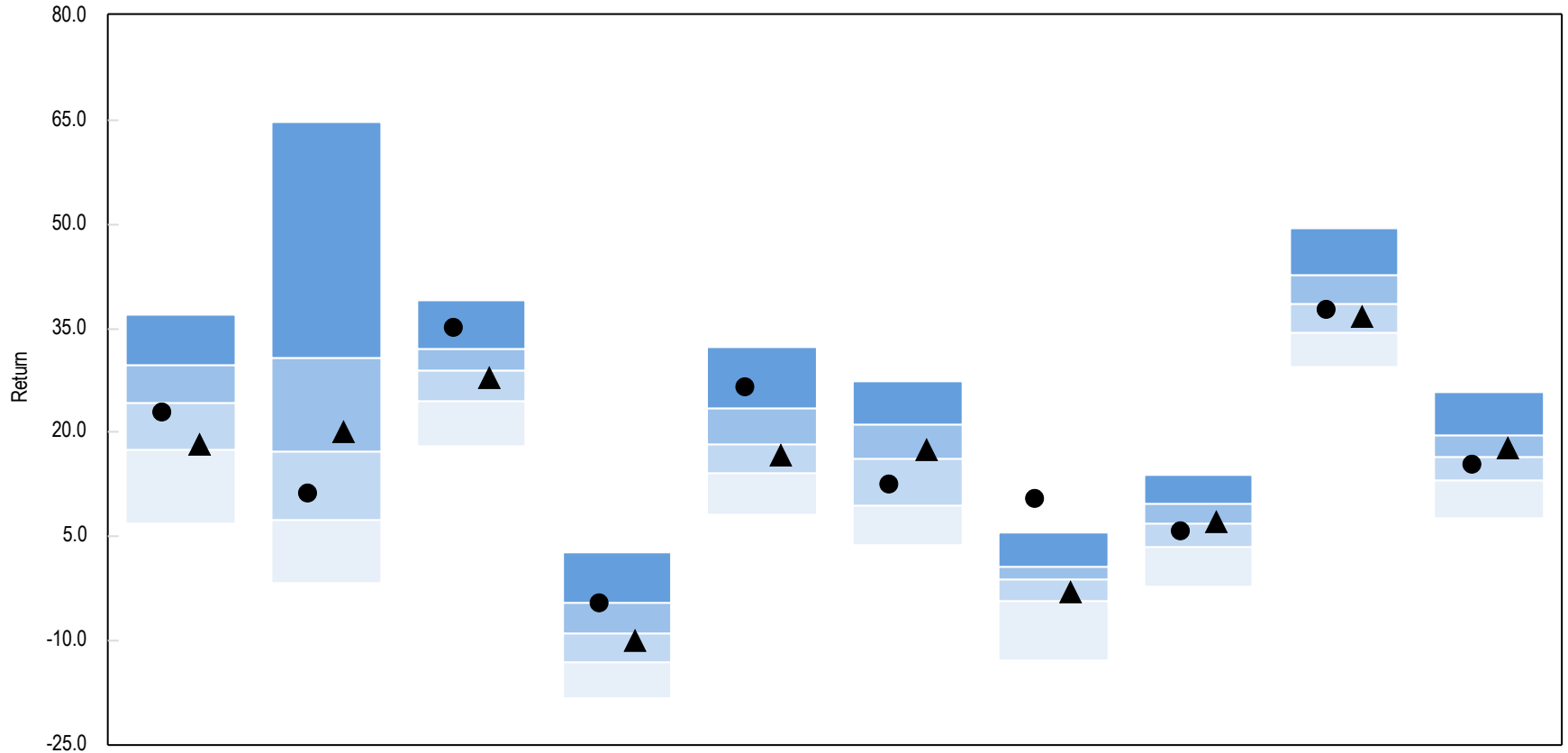
	Wgt (%)	Return (%)	Contr (%)
Terminix Global Holdings Inc	3.27	-22.90	-0.75
WEX Inc	2.94	-21.10	-0.62
DENTSPLY SIRONA Inc	2.33	-13.21	-0.31
Envista Holdings Corp	3.09	-9.24	-0.29
Black Knight Inc	1.41	-15.34	-0.22
Frontdoor Inc	0.80	-23.82	-0.19
Burlington Stores Inc	1.02	-17.48	-0.18
Lennox International Inc.	1.94	-8.88	-0.17
Dolby Laboratories Inc	1.91	-8.80	-0.17
AptarGroup Inc.	2.33	-5.76	-0.13

Atlanta Capital Mgmt vs. eV US Small-Mid Cap Equity Gross Universe



	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Atlanta Capital Mgmt	-2.41 (35)	-9.47 (9)	5.48 (65)	9.81 (17)	12.19 (13)	13.26 (6)
▲ Russell 2500 Index	-2.82 (41)	-21.11 (59)	5.36 (67)	5.45 (68)	8.39 (65)	9.58 (72)
5th Percentile	2.34	-8.07	14.09	12.94	14.35	13.68
1st Quartile	-1.86	-13.39	8.65	8.90	10.93	11.52
Median	-3.49	-18.96	6.44	6.63	9.31	10.43
3rd Quartile	-4.73	-25.09	4.32	4.64	7.62	9.37
95th Percentile	-6.94	-36.23	1.20	2.74	5.65	8.07
Population	257	257	242	225	196	160

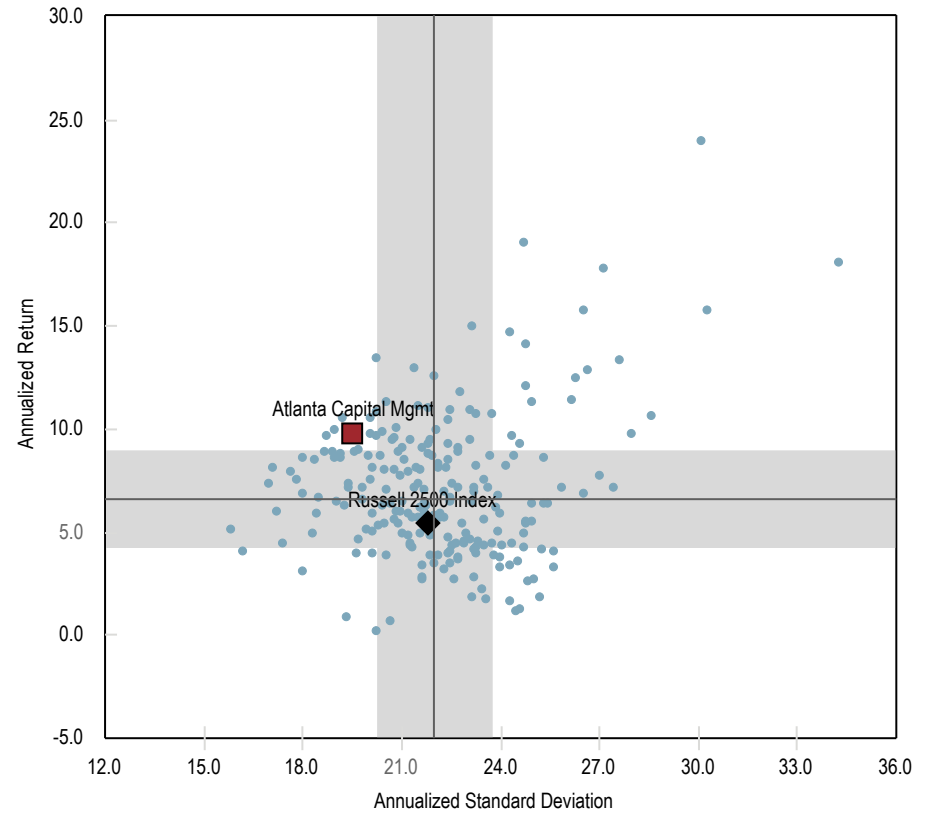
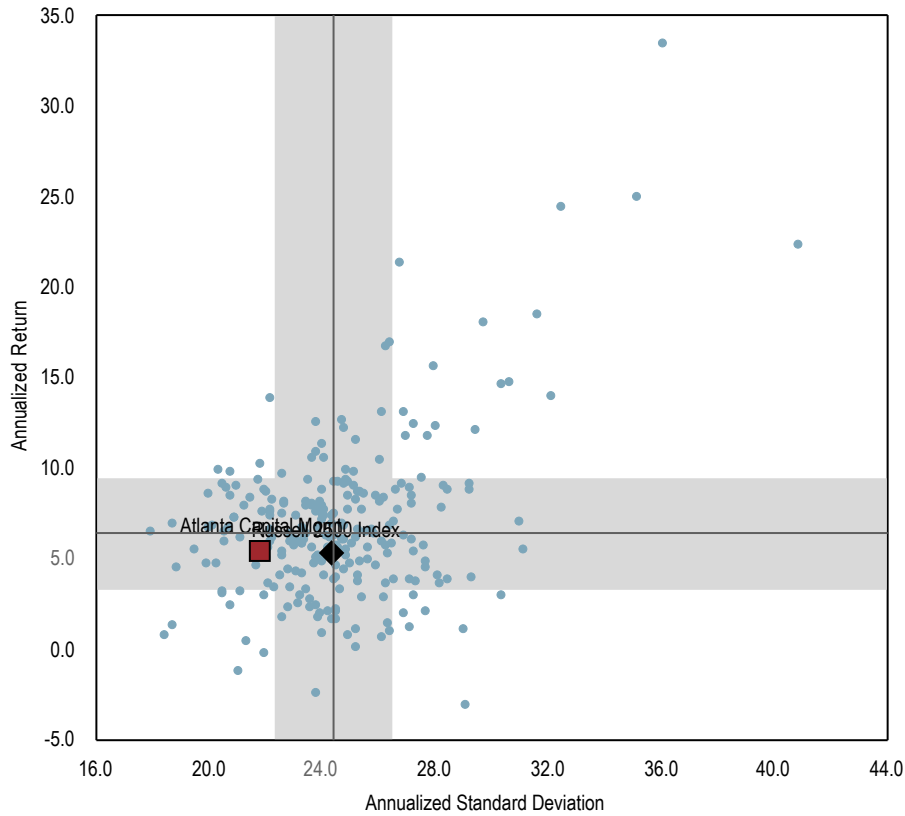
Atlanta Capital Mgmt vs. eV US Small-Mid Cap Equity Gross Universe



	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● Atlanta Capital Mgmt	22.96 (58)	11.41 (62)	35.12 (13)	-4.52 (25)	26.58 (15)	12.58 (65)	10.44 (1)	5.83 (59)	37.85 (55)	15.55 (56)
▲ Russell 2500 Index	18.18 (74)	19.99 (45)	27.77 (57)	-10.00 (56)	16.81 (60)	17.59 (41)	-2.90 (67)	7.07 (48)	36.80 (60)	17.88 (40)
5th Percentile	36.89	64.63	39.09	2.83	32.34	27.44	5.67	13.91	49.52	25.79
1st Quartile	29.68	30.76	32.08	-4.62	23.56	21.21	0.73	9.78	42.70	19.49
Median	24.34	17.22	28.90	-8.96	18.24	16.33	-1.21	6.80	38.49	16.49
3rd Quartile	17.58	7.39	24.45	-13.00	14.13	9.49	-4.28	3.63	34.49	13.08
95th Percentile	6.96	-1.54	18.06	-18.32	8.28	3.70	-12.76	-2.12	29.34	7.59
Population	264	272	279	293	284	288	290	288	293	293

3 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Small-Mid Cap Equity

5 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Small-Mid Cap Equity



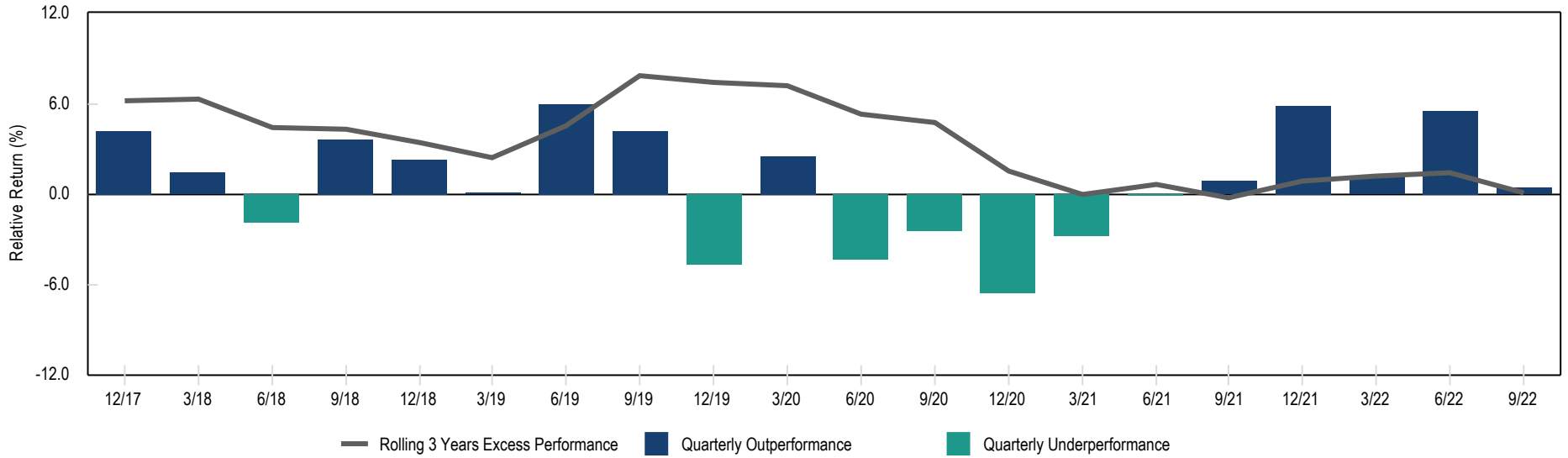
3 Years

	Return	Standard Deviation	Sharpe Ratio
Atlanta Capital Mgmt	5.48	21.79	0.33
Russell 2500 Index	5.36	24.36	0.31

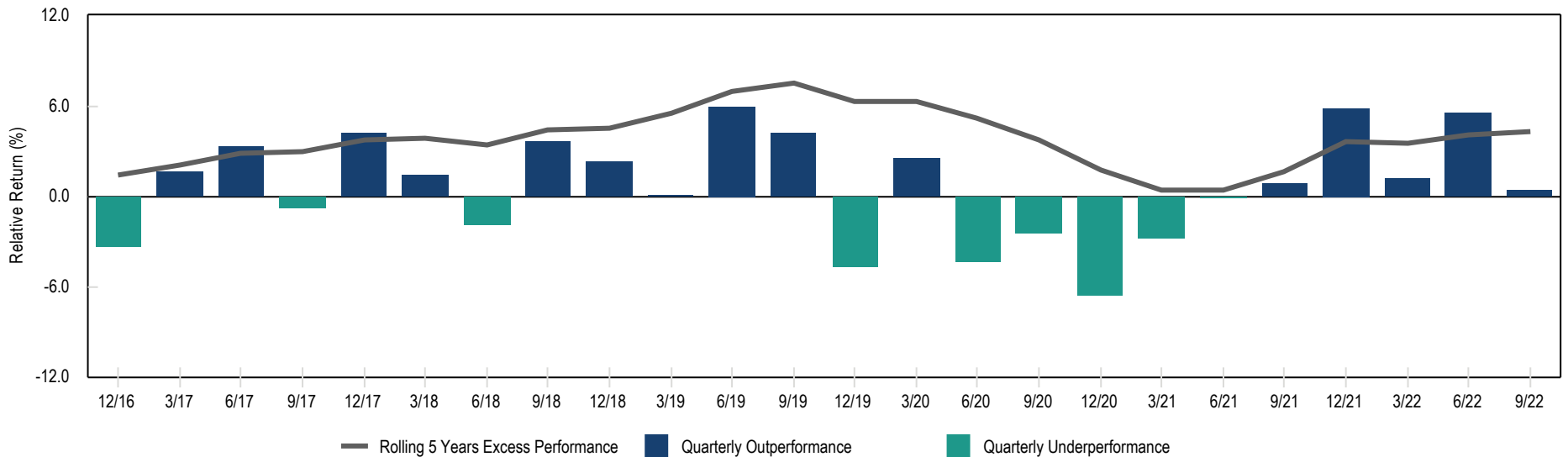
5 Years

	Return	Standard Deviation	Sharpe Ratio
Atlanta Capital Mgmt	9.81	19.49	0.52
Russell 2500 Index	5.45	21.80	0.30

Rolling 3 Years Annualized Excess Performance



Rolling 5 Years Annualized Excess Performance



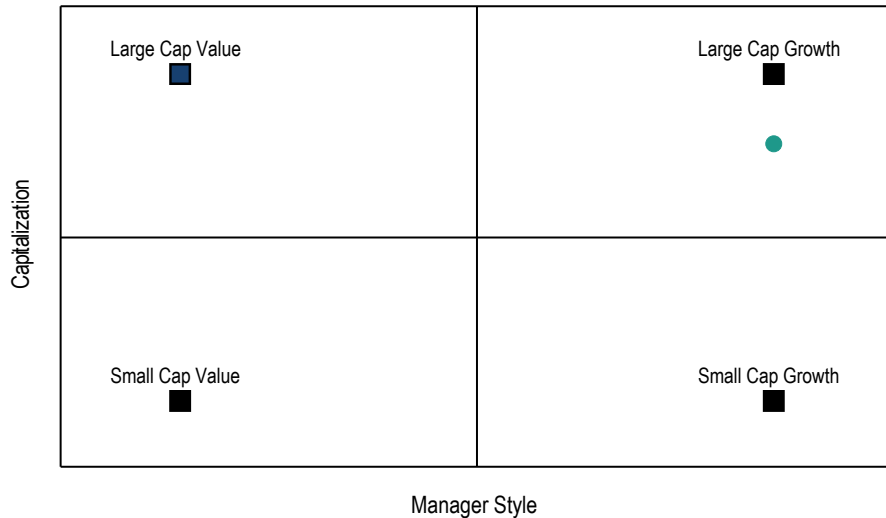
International Equity

Total International Equity
Asset Class Overview (Gross of Fees)

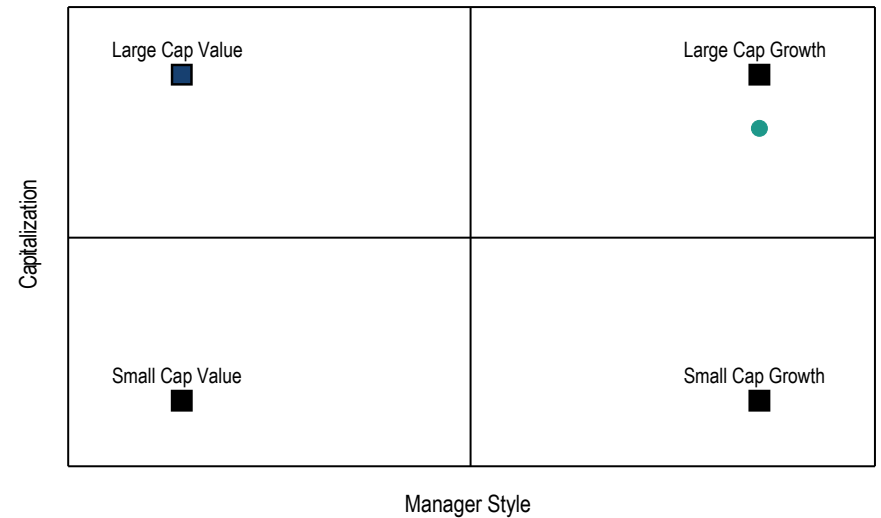
San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017
Total International Equity	221,427,839	-9.0	-27.8	-24.9	3.1	3.2	6.0	15.2	19.4	30.2	-12.2	26.6
MSCI AC World ex USA Index		-9.8	-26.2	-24.8	-1.1	-0.3	3.5	8.3	11.1	22.1	-13.8	27.8
InvMetrics Public DB Global ex-US Equity Rank		24	59	34	1	1	3	8	5	1	17	86
Dodge & Cox Intl Stock	117,980,857	-10.5	-19.3	-17.2	0.9	-0.8	4.8	11.7	2.8	23.6	-17.5	24.7
MSCI AC World ex USA Value		-10.3	-20.5	-19.5	-1.5	-1.5	2.5	11.1	-0.2	16.5	-13.4	23.3
eV ACWI ex-US All Cap Value Eq Rank		35	10	2	20	33	24	36	45	32	92	60
WCM International Growth	103,446,982	-7.2	-36.2	-32.6	3.7	6.4	-	18.5	34.0	36.7	-6.7	-
MSCI AC World ex USA Growth		-9.3	-31.6	-30.0	-1.1	0.5	-	5.4	22.6	27.8	-14.1	-
eV ACWI ex-US All Cap Growth Eq Rank		18	56	32	23	7	-	7	37	14	1	-

EAFE Effective Style Map
3 Years Ending September 30, 2022



EAFE Effective Style Map
5 Years Ending September 30, 2022



■ Dodge & Cox Intl Stock ● WCM International Growth

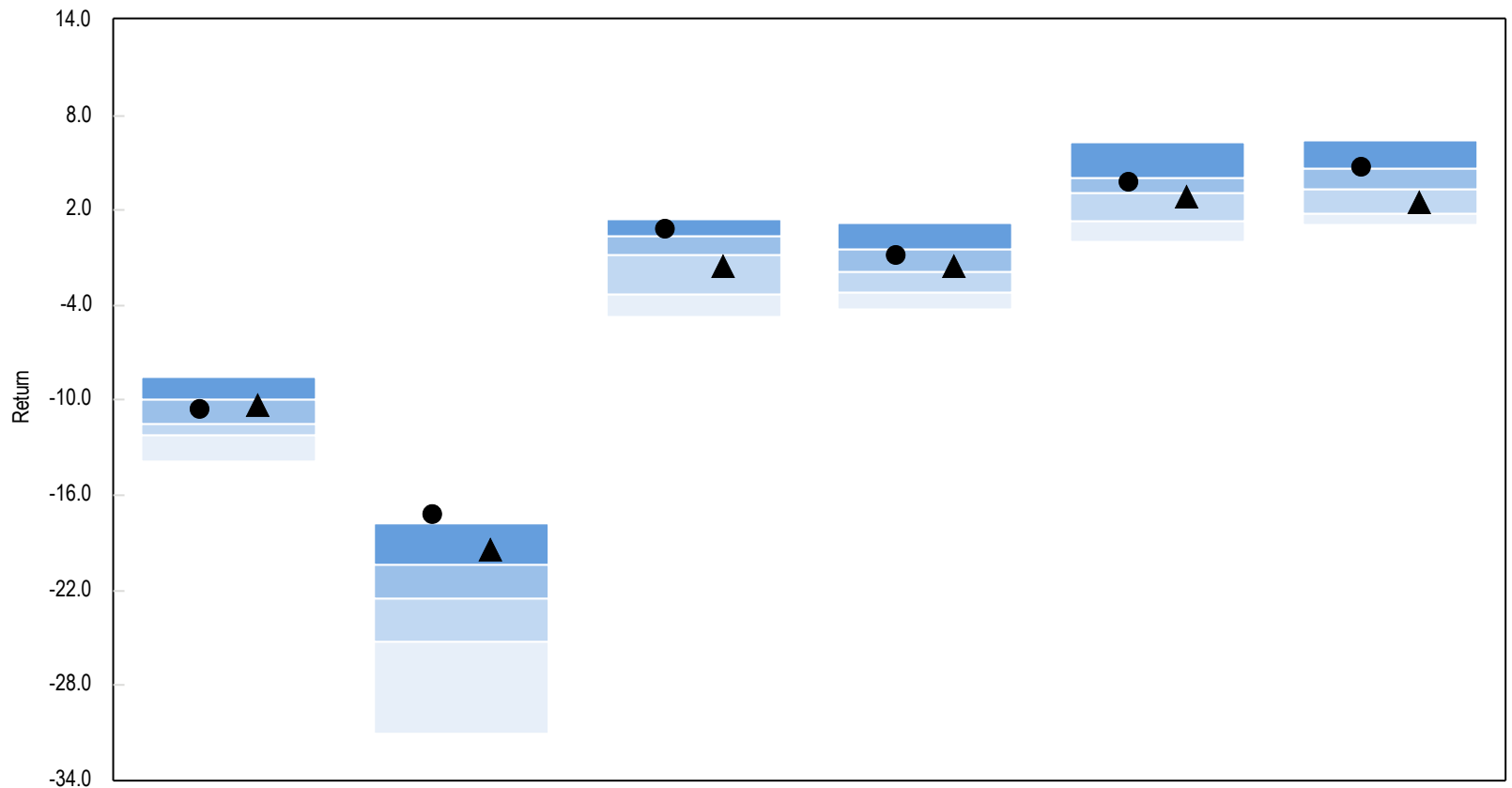
■ Dodge & Cox Intl Stock ● WCM International Growth

Total International Equity
 Asset Class Overview(Net of Fees)

San Luis Obispo County Pension Trust
 Period Ending: September 30, 2022

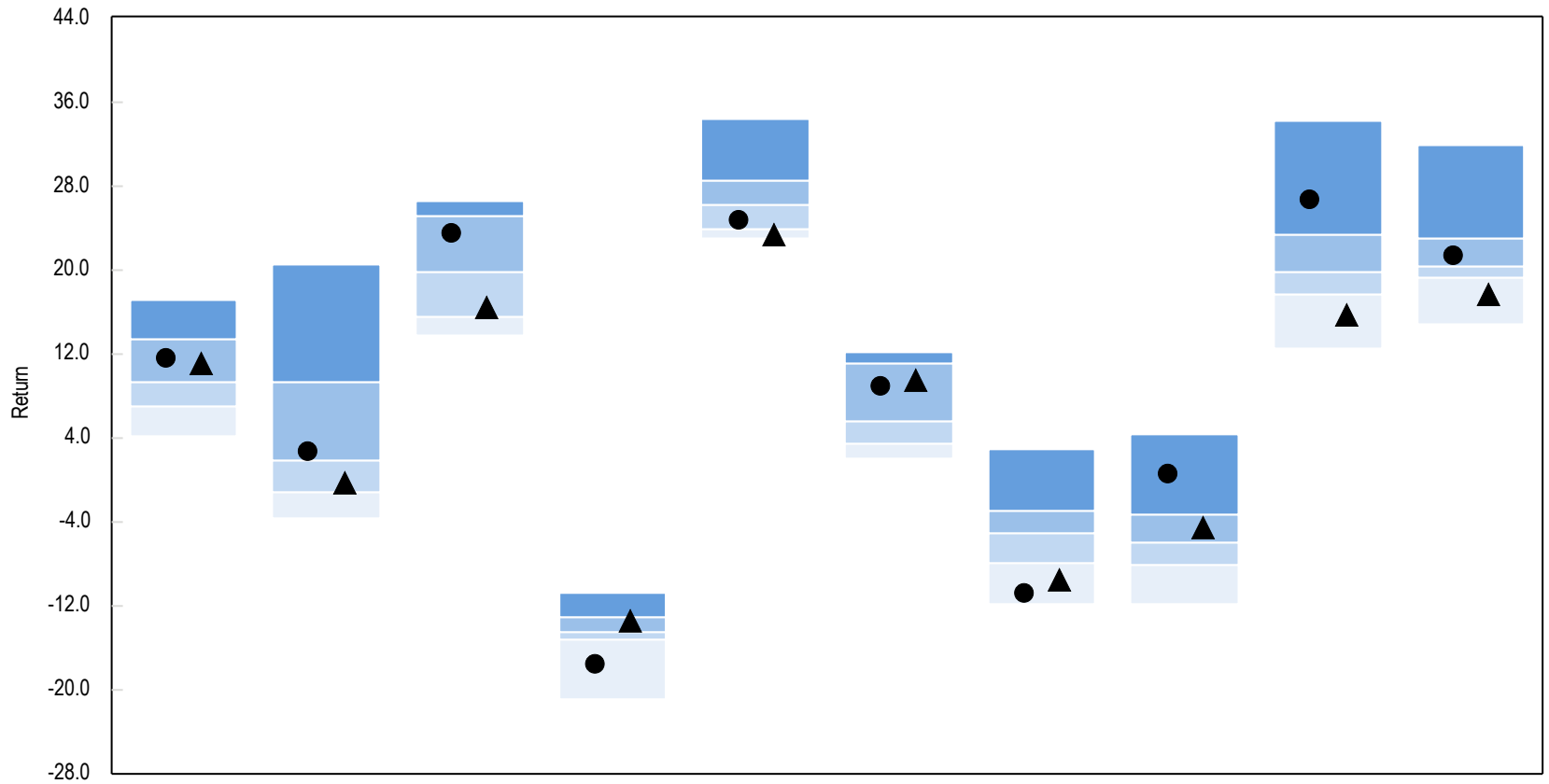
	Market Value	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017
Total International Equity	221,427,839	-9.1	-28.2	-25.3	2.4	2.5	5.3	14.4	18.6	29.3	-12.8	25.8
<i>MSCI AC World ex USA Index</i>		-9.8	-26.2	-24.8	-1.1	-0.3	3.5	8.3	11.1	22.1	-13.8	27.8
Dodge & Cox Intl Stock	117,980,857	-10.7	-19.6	-17.7	0.2	-1.5	4.2	11.0	2.1	22.8	-18.0	23.9
<i>MSCI AC World ex USA Value</i>		-10.3	-20.5	-19.5	-1.5	-1.5	2.5	11.1	-0.2	16.5	-13.4	23.3
WCM International Growth	103,446,982	-7.3	-36.5	-33.0	3.0	5.7	-	17.7	33.1	35.8	-7.4	-
<i>MSCI AC World ex USA Growth</i>		-9.3	-31.6	-30.0	-1.1	0.5	-	5.4	22.6	27.8	-14.1	-

Dodge & Cox Intl Stock vs. eV ACWI ex-US All Cap Value Eq Gross Universe



	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Dodge & Cox Intl Stock	-10.55 (35)	-17.18 (2)	0.88 (20)	-0.85 (33)	3.79 (34)	4.77 (24)
▲ MSCI AC World ex USA Value	-10.29 (33)	-19.46 (13)	-1.54 (58)	-1.51 (43)	2.87 (55)	2.47 (67)
5th Percentile	-8.52	-17.75	1.40	1.22	6.33	6.46
1st Quartile	-9.88	-20.43	0.36	-0.49	4.07	4.61
Median	-11.44	-22.53	-0.87	-1.86	3.08	3.34
3rd Quartile	-12.24	-25.22	-3.25	-3.19	1.32	1.73
95th Percentile	-13.84	-31.03	-4.76	-4.27	0.07	1.07
Population	21	21	21	19	17	15

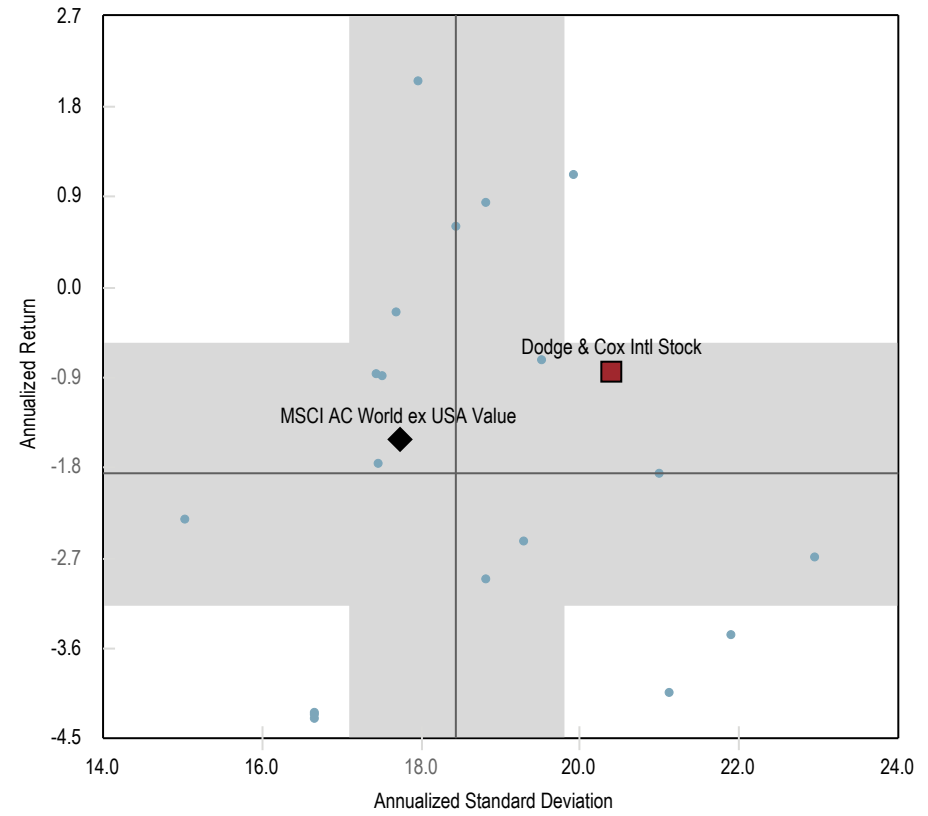
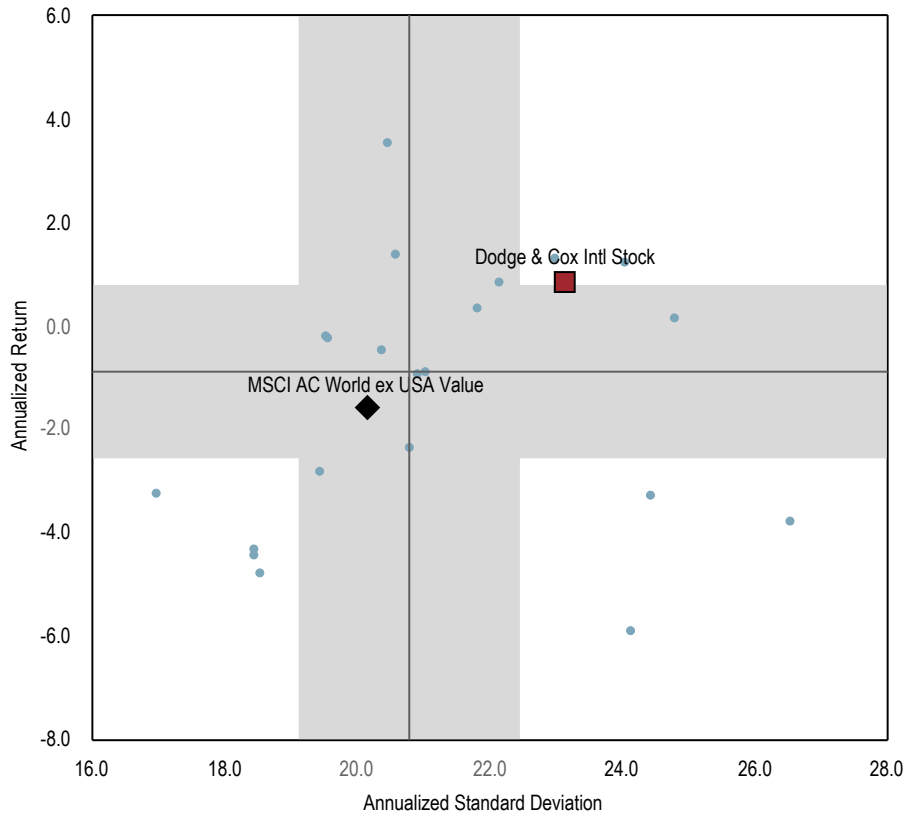
Dodge & Cox Intl Stock vs. eV ACWI ex-US All Cap Value Eq Gross Universe



	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● Dodge & Cox Intl Stock	11.70 (36)	2.75 (45)	23.58 (32)	-17.46 (92)	24.74 (60)	8.96 (37)	-10.78 (88)	0.56 (17)	26.72 (16)	21.42 (45)
▲ MSCI AC World ex USA Value	11.13 (41)	-0.21 (64)	16.45 (73)	-13.45 (29)	23.35 (83)	9.59 (36)	-9.59 (85)	-4.60 (41)	15.65 (85)	17.69 (86)
5th Percentile	17.10	20.50	26.60	-10.67	34.42	12.21	2.89	4.28	34.24	31.93
1st Quartile	13.49	9.38	25.19	-13.03	28.48	11.03	-2.98	-3.23	23.42	22.94
Median	9.41	1.89	19.88	-14.50	26.22	5.52	-5.01	-5.89	19.84	20.34
3rd Quartile	6.99	-1.18	15.48	-15.27	23.97	3.49	-7.84	-8.15	17.71	19.33
95th Percentile	4.24	-3.59	13.81	-20.81	22.99	2.06	-11.90	-11.89	12.46	14.84
Population	23	25	25	23	22	21	20	21	21	20

3 Years Annualized Return vs. Annualized Standard Deviation
 vs. eV ACWI ex-US All Cap Value Eq

5 Years Annualized Return vs. Annualized Standard Deviation
 vs. eV ACWI ex-US All Cap Value Eq



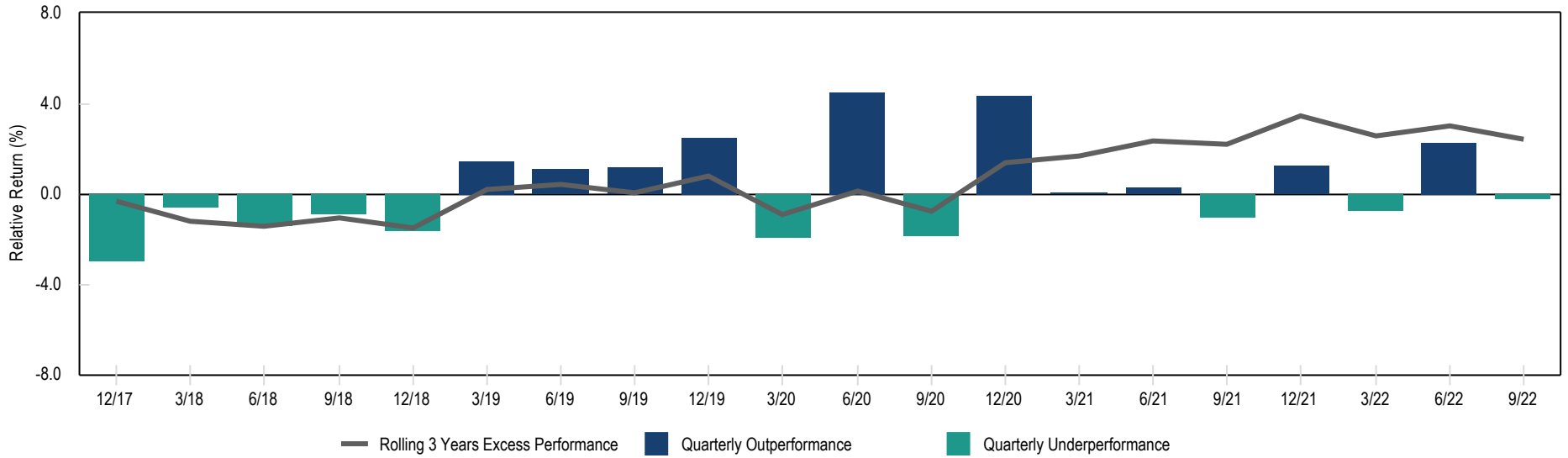
3 Years

	Return	Standard Deviation	Sharpe Ratio
Dodge & Cox Intl Stock	0.88	23.14	0.13
MSCI AC World ex USA Value	-1.54	20.16	0.00

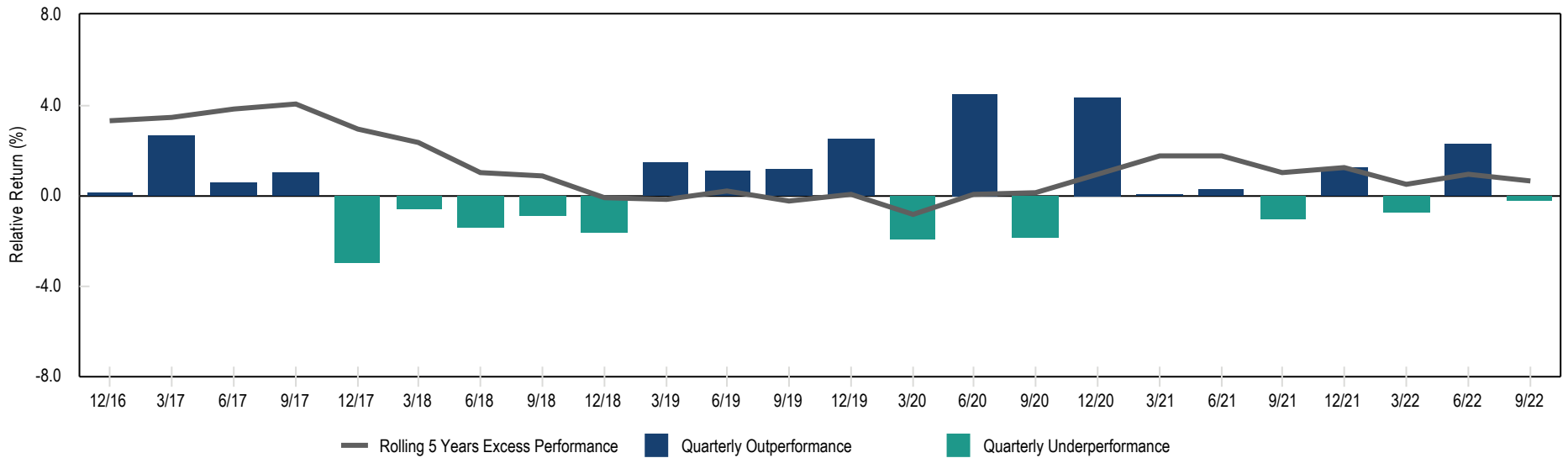
5 Years

	Return	Standard Deviation	Sharpe Ratio
Dodge & Cox Intl Stock	-0.85	20.39	0.00
MSCI AC World ex USA Value	-1.51	17.73	-0.06

Rolling 3 Years Annualized Excess Performance



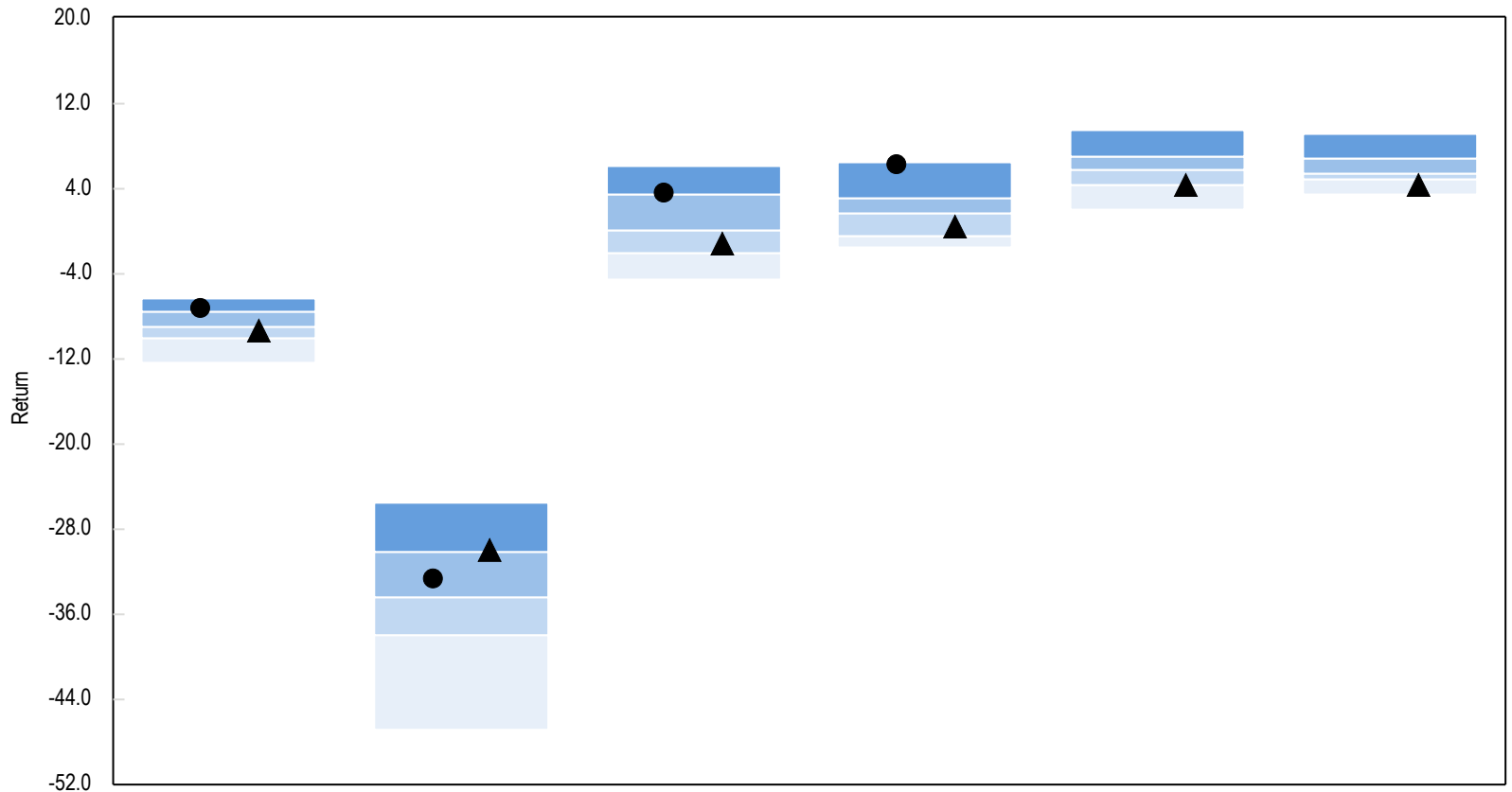
Rolling 5 Years Annualized Excess Performance



WCM International Growth
 Manager Performance Comparisons (Gross of Fees)

San Luis Obispo County Pension Trust
 Period Ending: September 30, 2022

WCM International Growth vs. eV ACWI ex-US All Cap Growth Eq Gross Universe

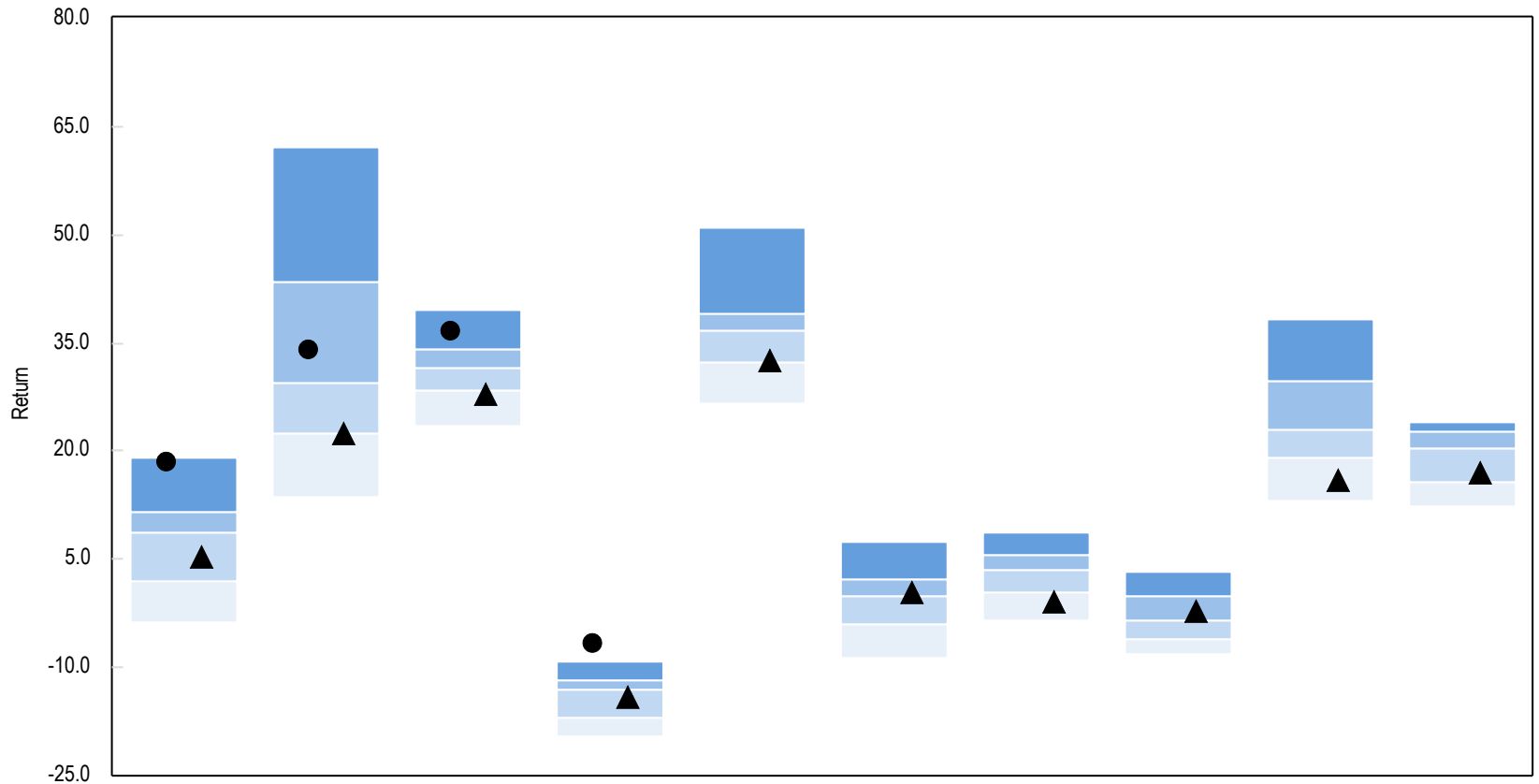


	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● WCM International Growth	-7.16 (18)	-32.62 (32)	3.65 (23)	6.39 (7)	-	-
▲ MSCI AC World ex USA Growth	-9.30 (62)	-30.00 (25)	-1.08 (69)	0.51 (64)	4.44 (71)	4.31 (93)
5th Percentile	-6.37	-25.52	6.12	6.48	9.54	9.14
1st Quartile	-7.54	-30.06	3.47	3.06	6.96	6.91
Median	-8.97	-34.43	0.10	1.77	5.85	5.50
3rd Quartile	-10.09	-37.90	-2.02	-0.43	4.40	4.94
95th Percentile	-12.39	-46.89	-4.48	-1.50	2.05	3.53
Population	33	33	32	31	28	26

WCM International Growth
 Consecutive Performance Comparison (Gross of Fees)

San Luis Obispo County Pension Trust
 Period Ending: September 30, 2022

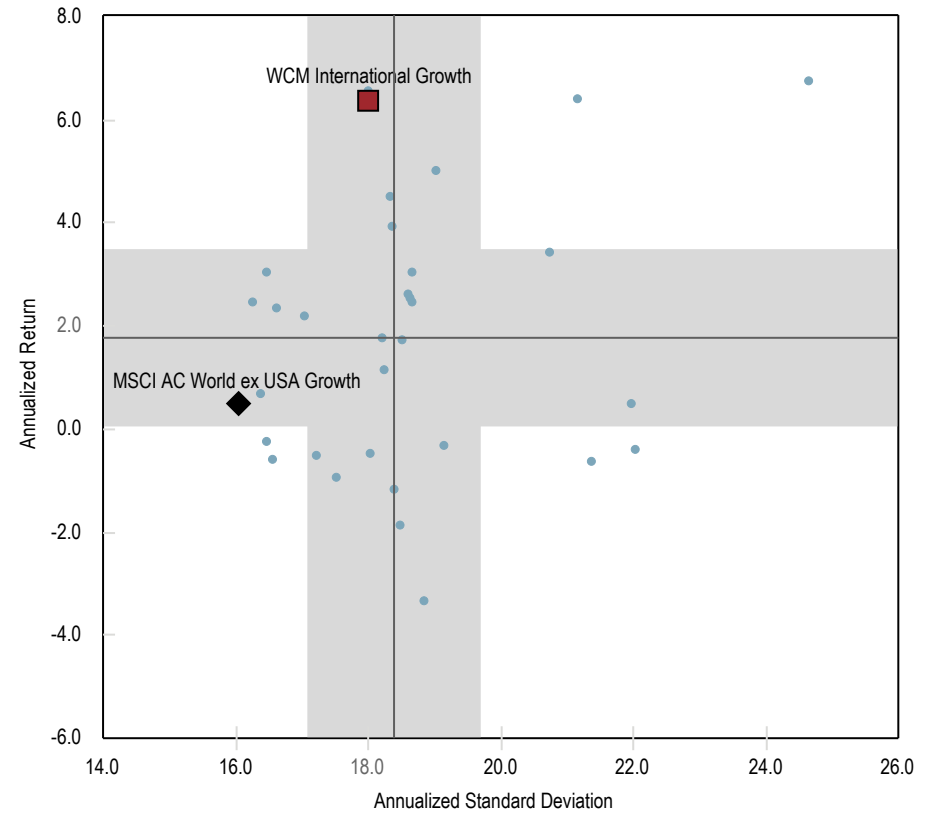
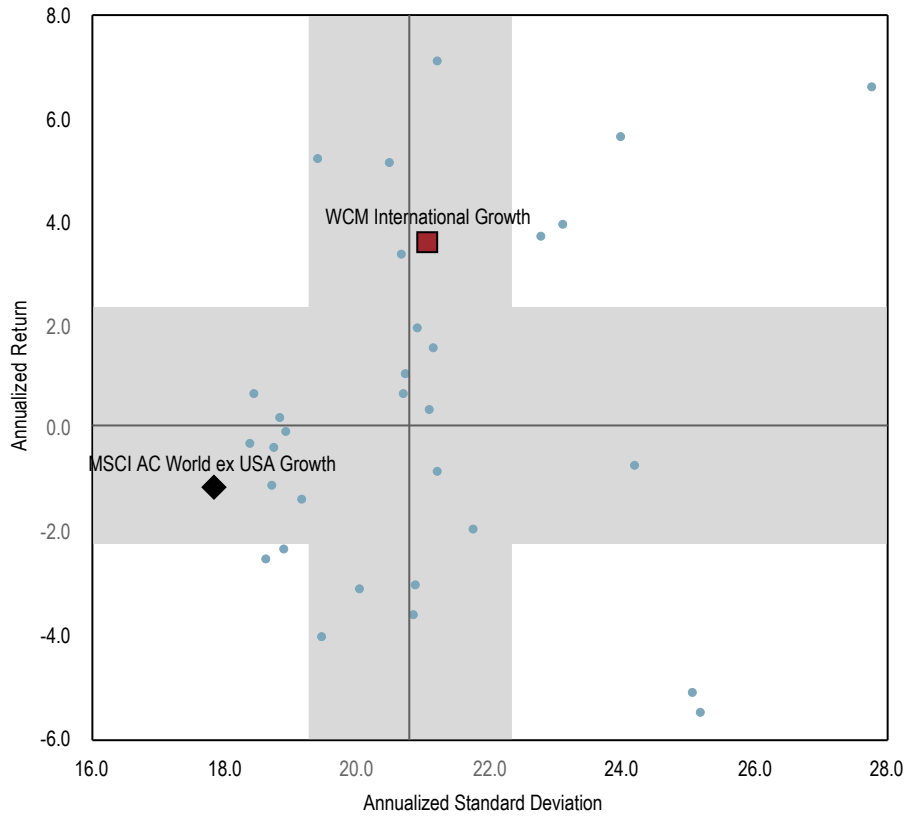
WCM International Growth vs. eV ACWI ex-US All Cap Growth Eq Gross Universe



	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● WCM International Growth	18.49 (7)	34.02 (37)	36.70 (14)	-6.70 (1)	-	-	-	-	-	-
▲ MSCI AC World ex USA Growth	5.37 (67)	22.56 (75)	27.84 (77)	-14.10 (53)	32.47 (73)	0.50 (45)	-0.91 (84)	-2.29 (41)	15.86 (84)	17.07 (73)
5th Percentile	19.16	62.10	39.44	-9.30	51.04	7.32	8.82	3.30	38.17	23.96
1st Quartile	11.67	43.40	34.13	-11.72	39.02	2.12	5.54	-0.20	29.70	22.79
Median	8.62	29.51	31.56	-13.05	36.67	-0.20	3.48	-3.41	23.06	20.33
3rd Quartile	1.94	22.46	28.32	-16.85	32.35	-3.99	0.44	-6.01	19.03	15.76
95th Percentile	-3.61	13.65	23.54	-19.45	26.60	-8.59	-3.55	-8.23	13.03	12.26
Population	34	34	36	34	32	32	33	32	32	38

3 Years Annualized Return vs. Annualized Standard Deviation vs. eV ACWI ex-US All Cap Growth Eq

5 Years Annualized Return vs. Annualized Standard Deviation vs. eV ACWI ex-US All Cap Growth Eq



3 Years

	Return	Standard Deviation	Sharpe Ratio
WCM International Growth	3.65	21.04	0.25
MSCI AC World ex USA Growth	-1.08	17.83	0.00

5 Years

	Return	Standard Deviation	Sharpe Ratio
WCM International Growth	6.39	18.00	0.37
MSCI AC World ex USA Growth	0.51	16.03	0.04

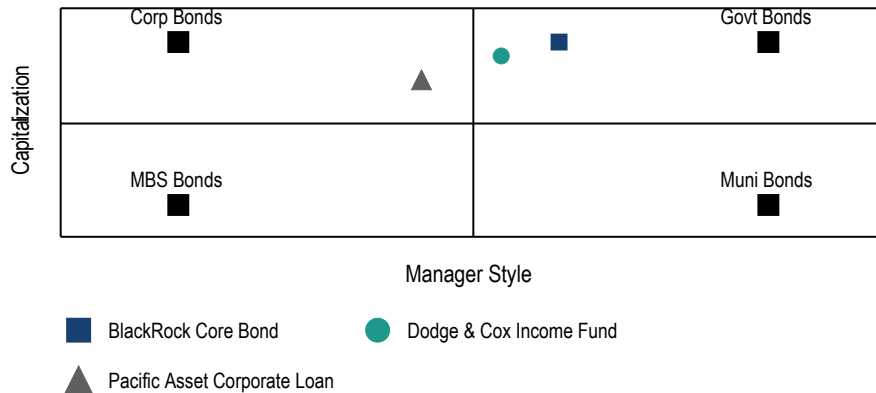
Domestic Fixed Income

Total Domestic Fixed Income Asset Class Overview (Gross of Fees)

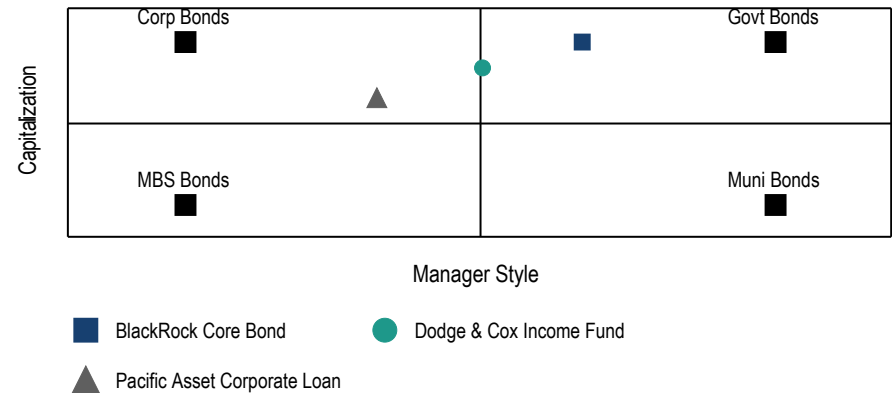
San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017
Total Domestic Fixed Income	262,936,921	100.0	-3.0	-11.7	-11.5	-1.0	1.4	1.9	0.9	8.1	9.9	0.4	4.3
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	0.9	-1.5	7.5	8.7	0.0	3.5
<i>InvMetrics Public DB US Fixed Income Rank</i>			23	13	4	13	9	44	20	68	27	36	77
BlackRock Core Bond	55,681,450	21.2	-4.4	-16.7	-17.1	-3.5	0.0	-	-1.6	9.4	10.2	0.3	-
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	-	-1.5	7.5	8.7	0.0	3.5
<i>eV US Core Fixed Inc Rank</i>			37	98	98	98	84	-	77	25	10	25	-
Dodge & Cox Income Fund	52,694,993	20.0	-3.9	-13.0	-13.3	-1.3	1.1	-	-0.5	9.9	10.2	0.1	5.1
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	-	-1.5	7.5	8.7	0.0	3.5
<i>eV US Core Fixed Inc Rank</i>			15	15	16	6	4	-	20	14	10	41	7
Pacific Asset Corporate Loan	66,541,979	25.3	1.3	-3.0	-2.0	2.3	3.3	-	5.6	3.0	9.1	1.0	4.9
<i>Morningstar LSTA US Leveraged Loan</i>			1.4	-3.3	-2.5	2.2	3.0	-	5.2	3.1	8.6	0.4	4.1
<i>eV US Float-Rate Bank Loan Fixed Inc Rank</i>			42	25	22	37	19	-	41	46	42	37	36
SSGA U.S. Govt Bond Index	43,879,417	16.7	-4.3	-13.0	-12.8	-	-	-	-	-	-	-	-
<i>Blmbg. U.S. Treasury: 7-10 Year</i>			-5.5	-15.7	-15.4	-	-	-	-	-	-	-	-
<i>eV US Government Fixed Inc Rank</i>			50	72	67	-	-	-	-	-	-	-	-
BlackRock TIPS	44,139,082	16.8	-5.1	-13.6	-11.5	-	-	-	-	-	-	-	-
<i>Blmbg. U.S. TIPS</i>			-5.1	-13.6	-11.6	-	-	-	-	-	-	-	-
<i>eV US TIPS / Inflation Fixed Inc Rank</i>			62	68	66	-	-	-	-	-	-	-	-

Fixed Income Effective Style Map
3 Years Ending September 30, 2022



Fixed Income Effective Style Map
5 Years Ending September 30, 2022



Total Domestic Fixed Income
Asset Class Overview (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

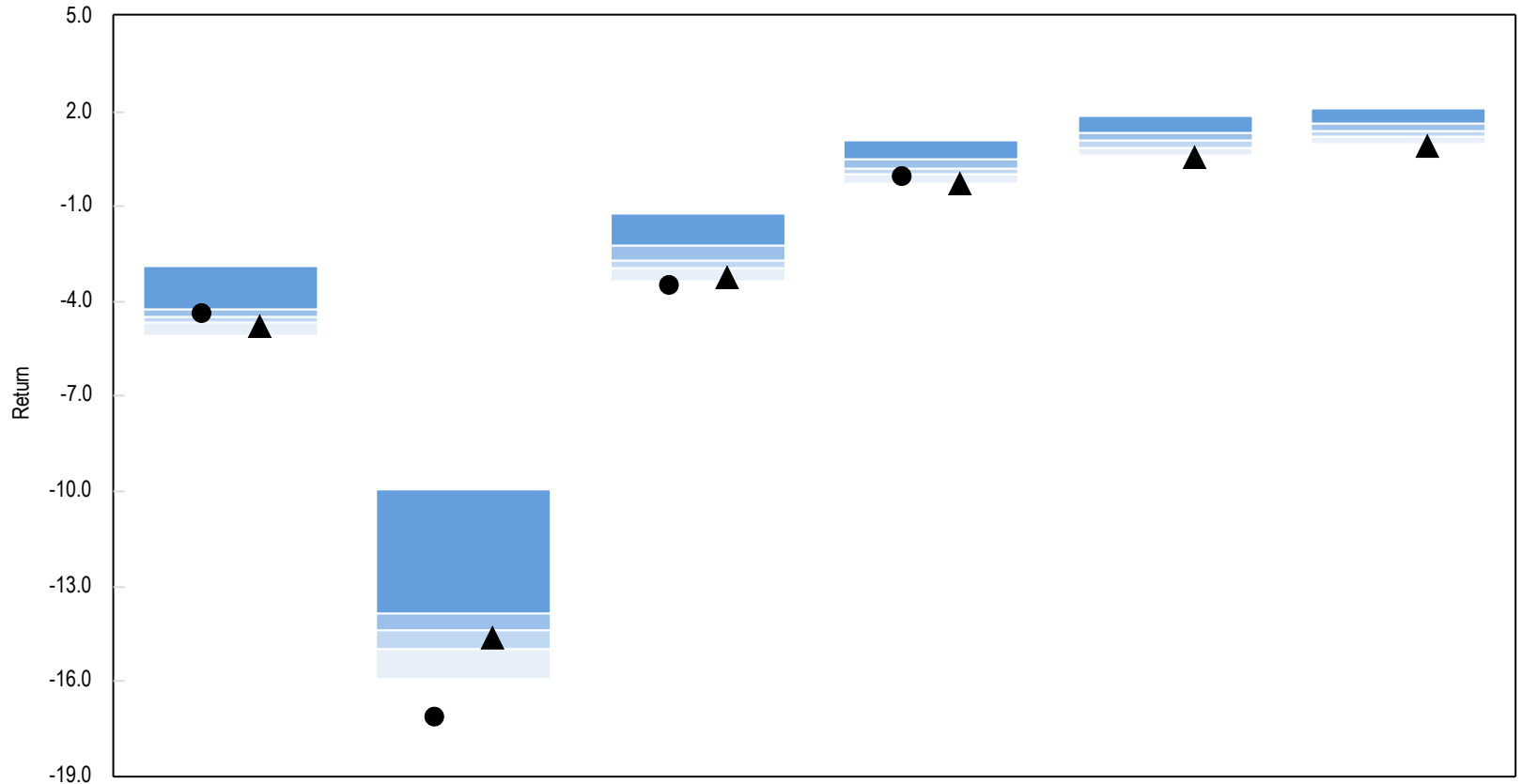
	Market Value	% of Portfolio	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017
Total Domestic Fixed Income	262,936,921	100.0	-3.1	-11.9	-11.8	-1.3	1.0	1.5	0.5	7.7	9.5	0.0	3.9
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	0.9	-1.5	7.5	8.7	0.0	3.5
BlackRock Core Bond	55,681,450	21.2	-4.4	-16.8	-17.4	-3.7	-0.3	-	-1.8	9.1	9.9	0.1	-
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	0.9	-1.5	7.5	8.7	0.0	3.5
Dodge & Cox Income Fund	52,694,993	20.0	-4.0	-13.3	-13.6	-1.7	0.7	-	-0.9	9.4	9.7	-0.3	4.7
<i>Blmbg. U.S. Aggregate Index</i>			-4.8	-14.6	-14.6	-3.3	-0.3	0.9	-1.5	7.5	8.7	0.0	3.5
Pacific Asset Corporate Loan	66,541,979	25.3	1.2	-3.3	-2.4	2.0	3.0	-	5.2	2.6	8.7	0.7	4.6
<i>Morningstar LSTA US Leveraged Loan</i>			1.4	-3.3	-2.5	2.2	3.0	3.5	5.2	3.1	8.6	0.4	4.1
SSGA U.S. Govt Bond Index	43,879,417	16.7	-4.3	-13.0	-12.9	-	-	-	-	-	-	-	-
<i>Blmbg. U.S. Treasury: 7-10 Year</i>			-5.5	-15.7	-15.4	-3.9	-0.4	0.6	-3.1	10.0	8.5	0.9	2.6
BlackRock TIPS	44,139,082	16.8	-5.1	-13.6	-11.6	-	-	-	-	-	-	-	-
<i>Blmbg. U.S. TIPS</i>			-5.1	-13.6	-11.6	0.8	2.0	1.0	6.0	11.0	8.4	-1.3	3.0

1 Year Correlation Matrix

	Total Domestic Fixed Income	BlackRock Core Bond	Dodge & Cox Income Fund	Pacific Asset Corporate Loan	Blmbg. U.S. Aggregate Index
Total Domestic Fixed Income	1.00				
BlackRock Core Bond	0.99	1.00			
Dodge & Cox Income Fund	0.94	0.97	1.00		
Pacific Asset Corporate Loan	0.68	0.61	0.40	1.00	
Blmbg. U.S. Aggregate Index	0.89	0.93	0.99	0.27	1.00

SSGA TIPS liquidated in 12/28/18. Shenkman HY liquidated 3/11/19. PGIM EMD funded 8/26/19. Franklin Templeton Global Bond Plus liquidated 12/28/2021.

BlackRock Core Bond vs. eV US Core Fixed Inc Gross Universe

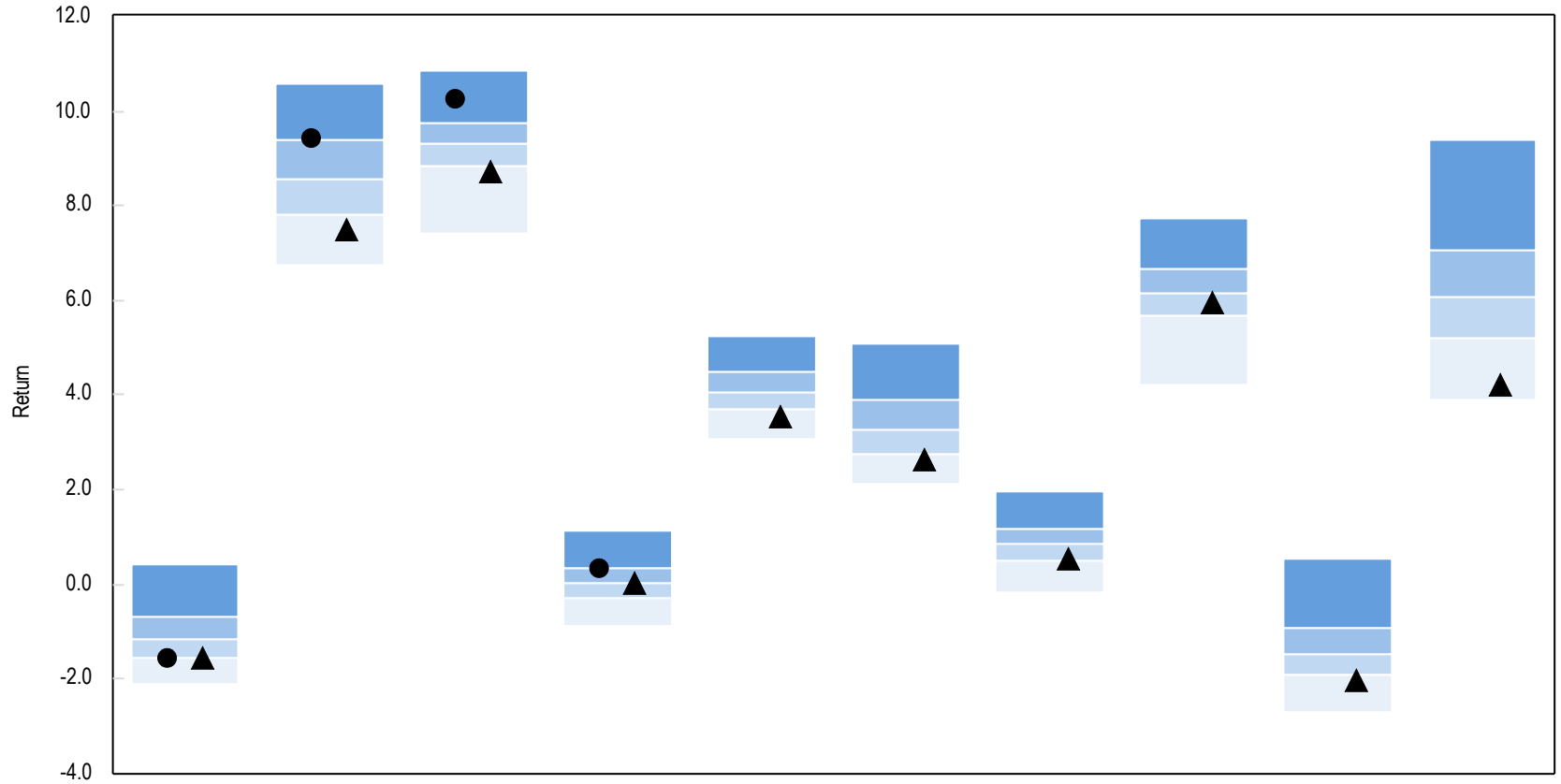


	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● BlackRock Core Bond	-4.37 (37)	-17.12 (98)	-3.46 (98)	-0.03 (84)	-	-
▲ Blmbg. U.S. Aggregate Index	-4.75 (82)	-14.60 (61)	-3.26 (93)	-0.27 (95)	0.54 (97)	0.89 (97)
5th Percentile	-2.90	-9.91	-1.23	1.06	1.85	2.07
1st Quartile	-4.22	-13.85	-2.23	0.50	1.32	1.62
Median	-4.50	-14.37	-2.68	0.22	1.08	1.40
3rd Quartile	-4.69	-14.96	-2.97	0.03	0.86	1.21
95th Percentile	-5.06	-15.92	-3.35	-0.27	0.59	0.95
Population	237	236	227	223	218	211

BlackRock Core Bond
 Consecutive Performance Comparison (Gross of Fees)

San Luis Obispo County Pension Trust
 Period Ending: September 30, 2022

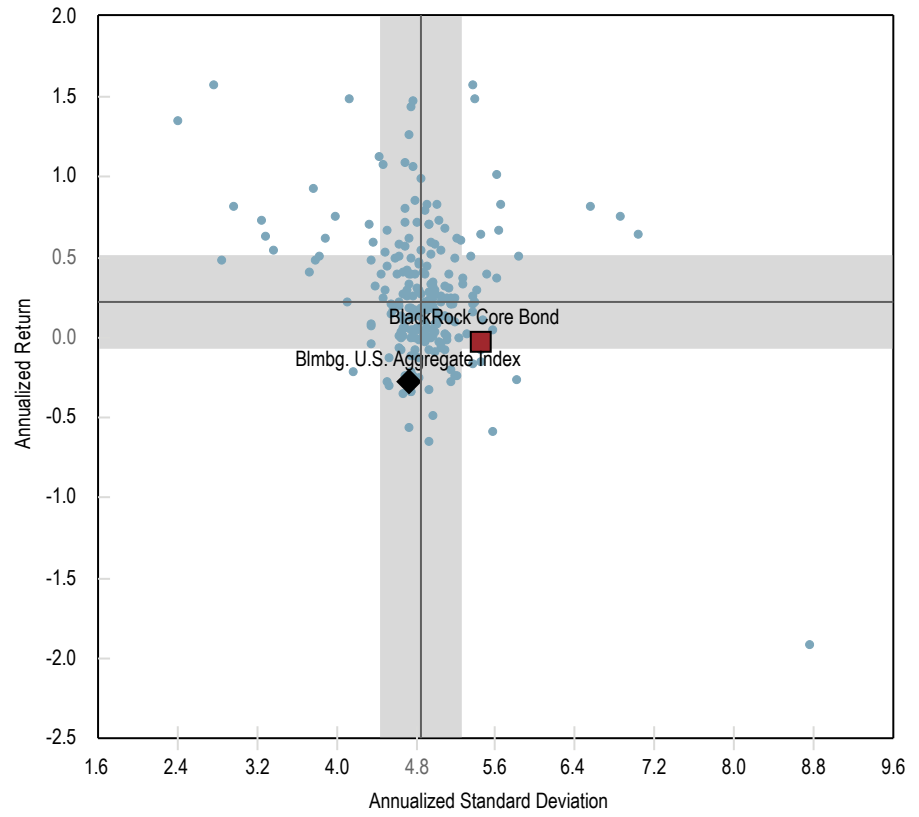
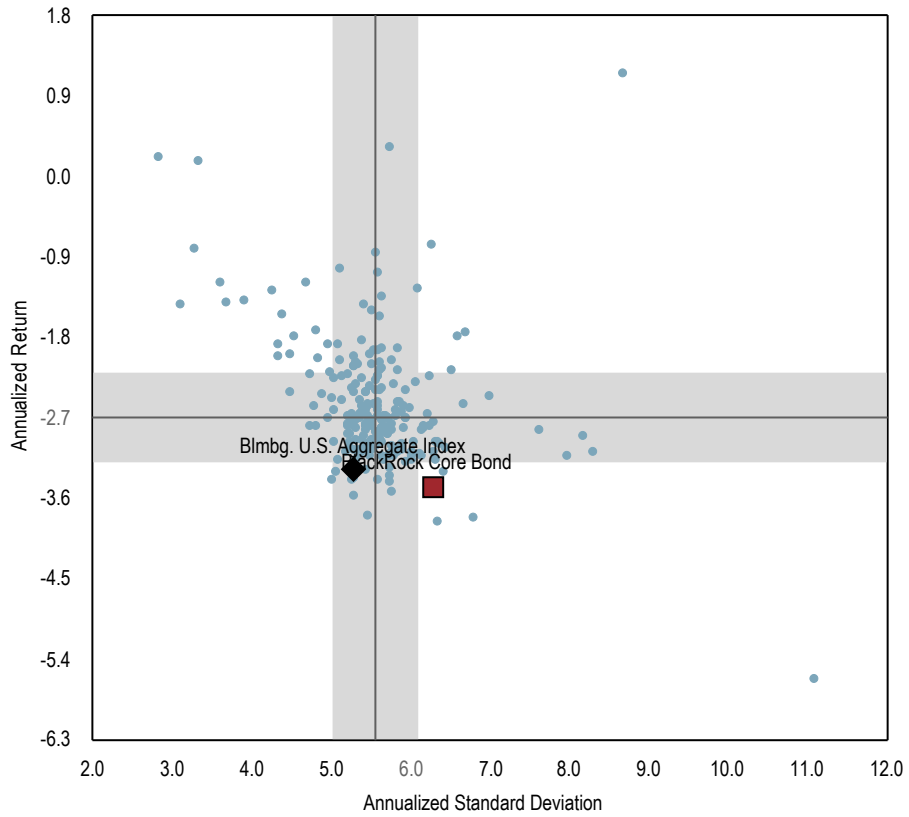
BlackRock Core Bond vs. eV US Core Fixed Inc Gross Universe



	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● BlackRock Core Bond	-1.56 (77)	9.42 (25)	10.24 (10)	0.35 (25)	-	-	-	-	-	-
▲ Blmbg. U.S. Aggregate Index	-1.55 (76)	7.51 (85)	8.72 (79)	0.01 (53)	3.54 (84)	2.65 (80)	0.55 (73)	5.97 (62)	-2.02 (79)	4.21 (93)
5th Percentile	0.43	10.57	10.84	1.12	5.25	5.09	1.97	7.74	0.56	9.40
1st Quartile	-0.67	9.41	9.76	0.33	4.48	3.92	1.17	6.68	-0.91	7.06
Median	-1.16	8.58	9.30	0.03	4.07	3.27	0.84	6.16	-1.47	6.09
3rd Quartile	-1.53	7.81	8.85	-0.28	3.70	2.75	0.52	5.67	-1.92	5.20
95th Percentile	-2.11	6.76	7.43	-0.87	3.06	2.10	-0.17	4.23	-2.68	3.89
Population	248	253	259	267	279	281	286	297	311	319

3 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Core Fixed Inc

5 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Core Fixed Inc



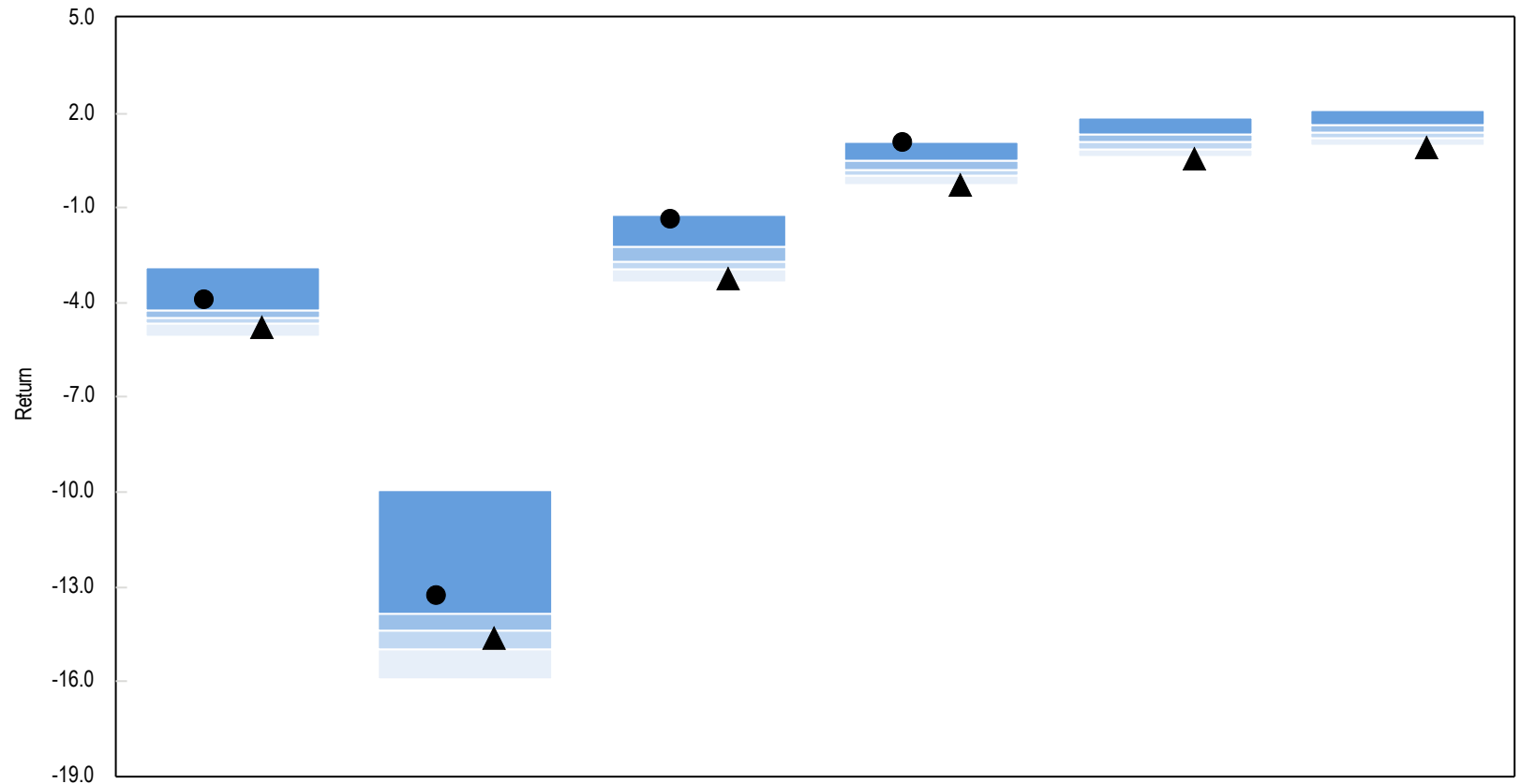
3 Years

	Return	Standard Deviation	Sharpe Ratio
BlackRock Core Bond	-3.46	6.28	-0.61
Blmbg. U.S. Aggregate Index	-3.26	5.29	-0.70

5 Years

	Return	Standard Deviation	Sharpe Ratio
BlackRock Core Bond	-0.03	5.45	-0.19
Blmbg. U.S. Aggregate Index	-0.27	4.73	-0.28

Dodge & Cox Income Fund vs. eV US Core Fixed Inc Gross Universe

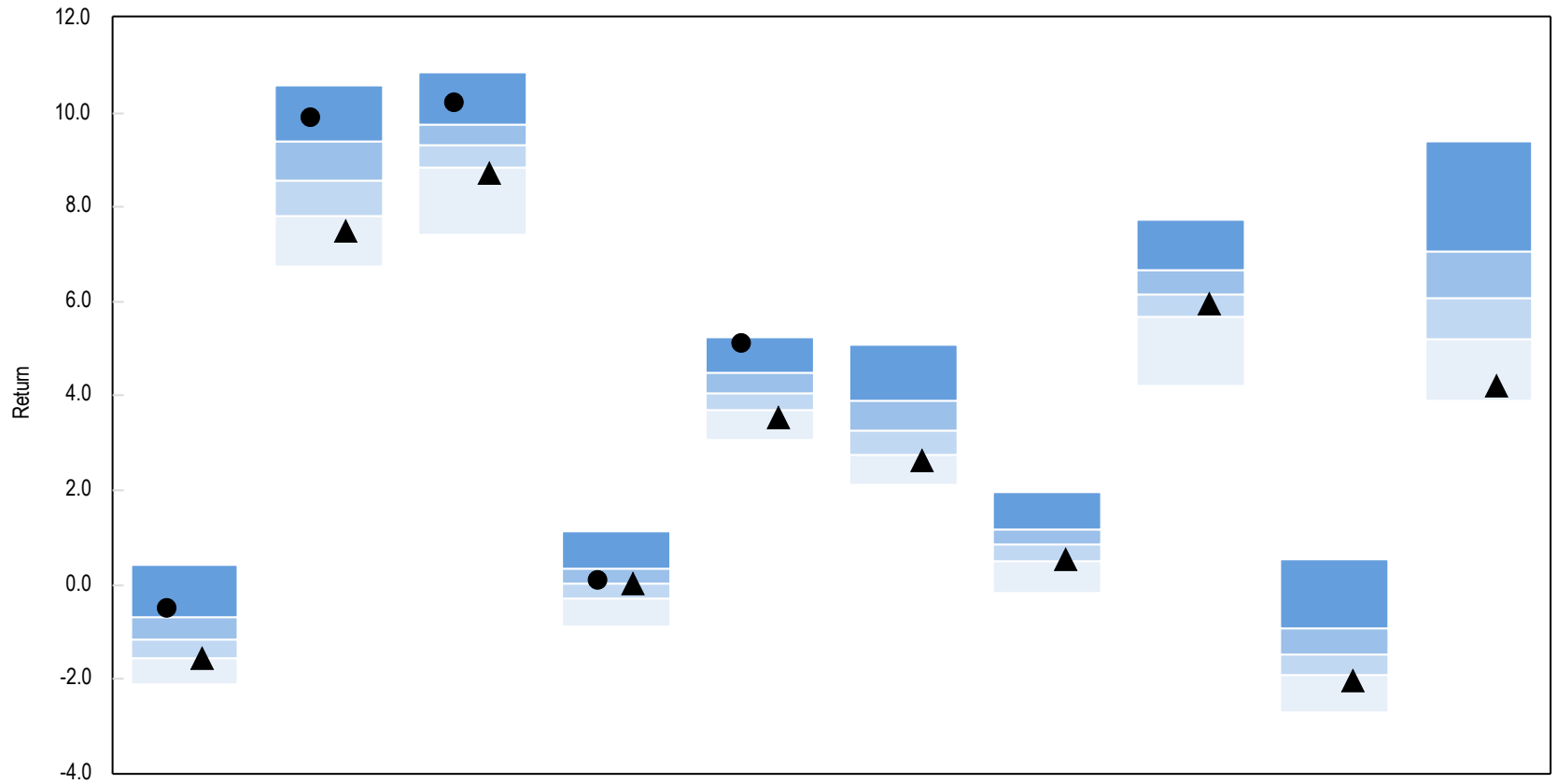


	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Dodge & Cox Income Fund	-3.89 (15)	-13.27 (16)	-1.33 (6)	1.10 (4)	-	-
▲ Blmbg. U.S. Aggregate Index	-4.75 (82)	-14.60 (61)	-3.26 (93)	-0.27 (95)	0.54 (97)	0.89 (97)
5th Percentile	-2.90	-9.91	-1.23	1.06	1.85	2.07
1st Quartile	-4.22	-13.85	-2.23	0.50	1.32	1.62
Median	-4.50	-14.37	-2.68	0.22	1.08	1.40
3rd Quartile	-4.69	-14.96	-2.97	0.03	0.86	1.21
95th Percentile	-5.06	-15.92	-3.35	-0.27	0.59	0.95
Population	237	236	227	223	218	211

Dodge & Cox Income Fund
 Consecutive Performance Comparison (Gross of Fees)

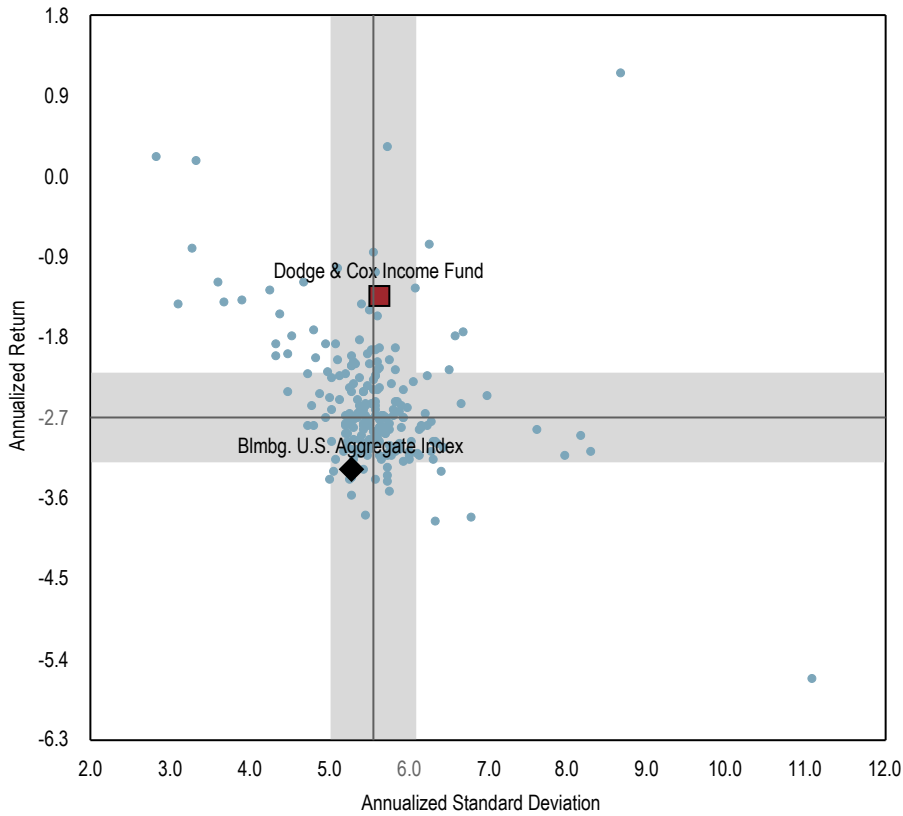
San Luis Obispo County Pension Trust
 Period Ending: September 30, 2022

Dodge & Cox Income Fund vs. eV US Core Fixed Inc Gross Universe

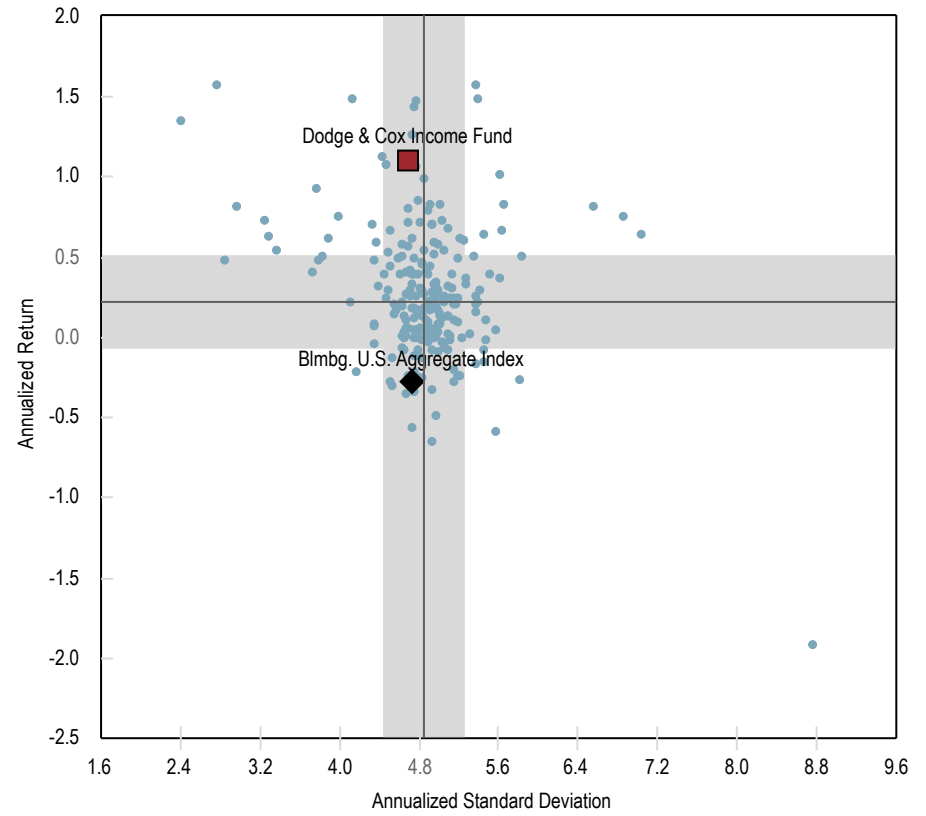


	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● Dodge & Cox Income Fund	-0.49 (20)	9.91 (14)	10.20 (10)	0.12 (41)	5.12 (7)	-	-	-	-	-
▲ Blmbg. U.S. Aggregate Index	-1.55 (76)	7.51 (85)	8.72 (79)	0.01 (53)	3.54 (84)	2.65 (80)	0.55 (73)	5.97 (62)	-2.02 (79)	4.21 (93)
5th Percentile	0.43	10.57	10.84	1.12	5.25	5.09	1.97	7.74	0.56	9.40
1st Quartile	-0.67	9.41	9.76	0.33	4.48	3.92	1.17	6.68	-0.91	7.06
Median	-1.16	8.58	9.30	0.03	4.07	3.27	0.84	6.16	-1.47	6.09
3rd Quartile	-1.53	7.81	8.85	-0.28	3.70	2.75	0.52	5.67	-1.92	5.20
95th Percentile	-2.11	6.76	7.43	-0.87	3.06	2.10	-0.17	4.23	-2.68	3.89
Population	248	253	259	267	279	281	286	297	311	319

3 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Core Fixed Inc



5 Years Annualized Return vs. Annualized Standard Deviation vs. eV US Core Fixed Inc



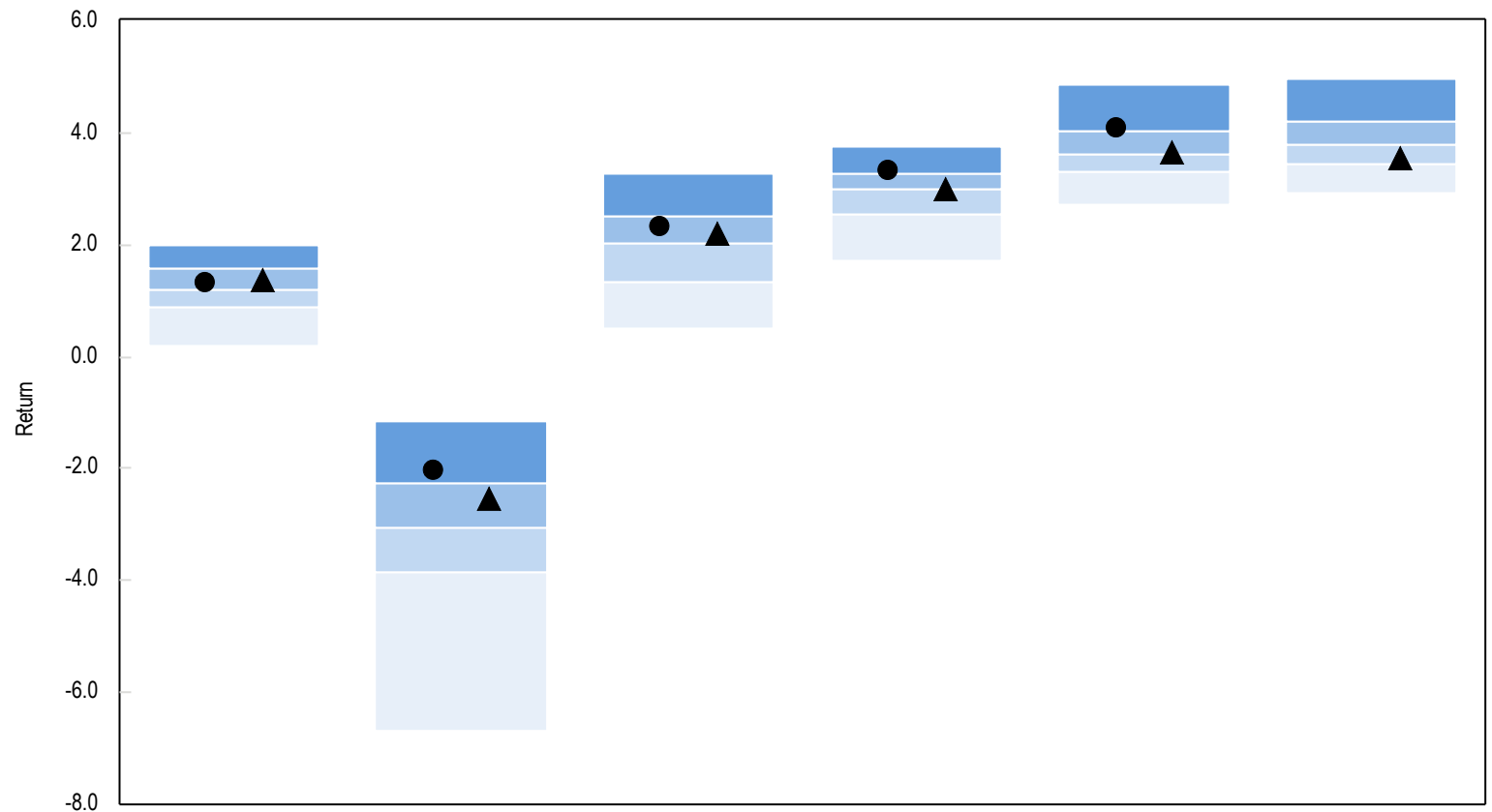
3 Years

	Return	Standard Deviation	Sharpe Ratio
Dodge & Cox Income Fund	-1.33	5.64	-0.31
Blmbg. U.S. Aggregate Index	-3.26	5.29	-0.70

5 Years

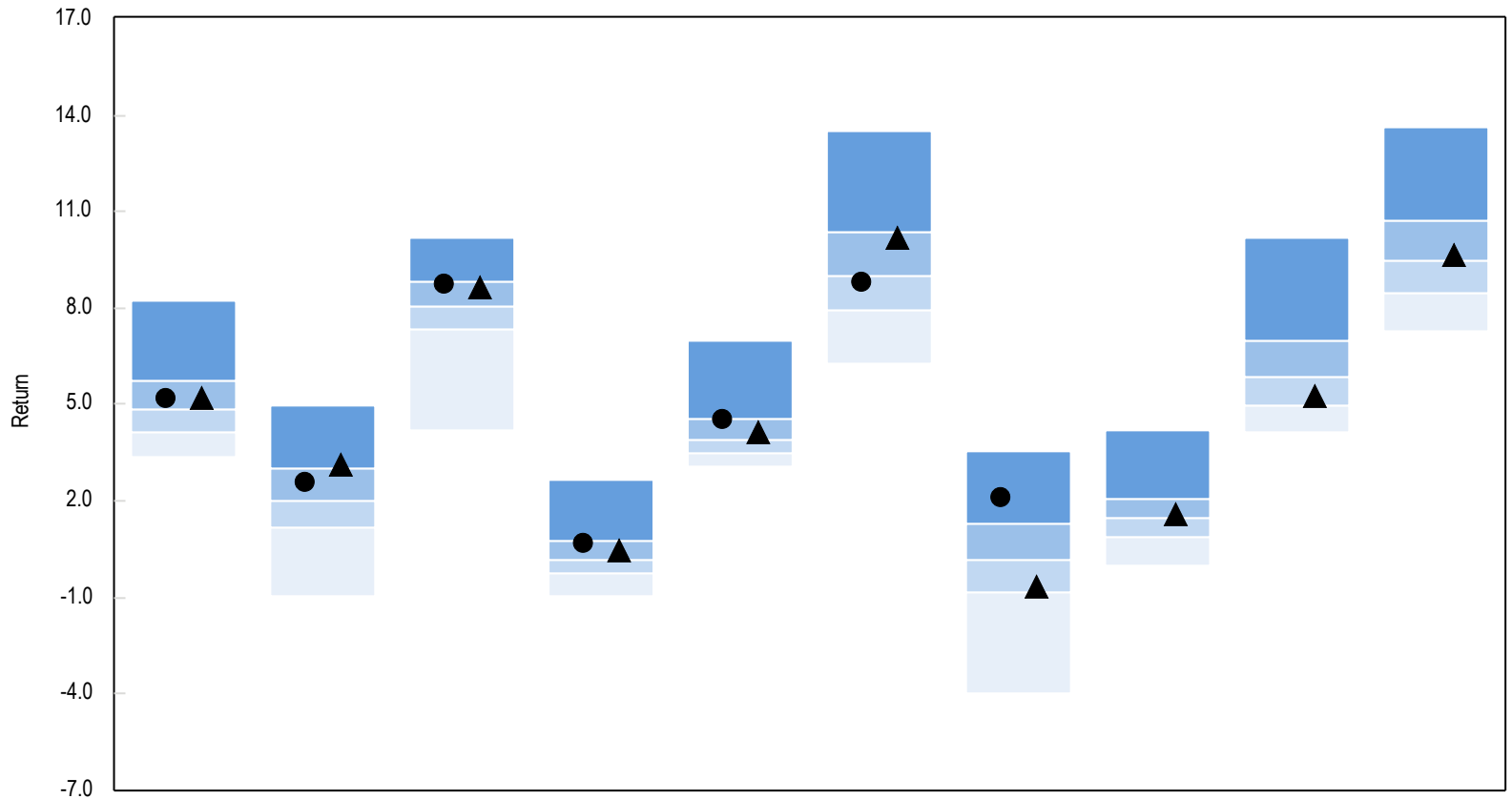
	Return	Standard Deviation	Sharpe Ratio
Dodge & Cox Income Fund	1.10	4.70	0.01
Blmbg. U.S. Aggregate Index	-0.27	4.73	-0.28

Pacific Asset Corporate Loan vs. eV US Float-Rate Bank Loan Fixed Inc Gross Universe



	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Pacific Asset Corporate Loan	1.34 (42)	-2.03 (22)	2.32 (37)	3.34 (19)	4.10 (24)	-
▲ Morningstar LSTA US Leveraged Loan	1.37 (39)	-2.53 (34)	2.21 (42)	2.98 (51)	3.66 (47)	3.54 (67)
5th Percentile	1.98	-1.15	3.26	3.77	4.86	4.95
1st Quartile	1.57	-2.25	2.50	3.25	4.04	4.19
Median	1.19	-3.06	2.02	2.98	3.63	3.77
3rd Quartile	0.89	-3.85	1.35	2.55	3.29	3.45
95th Percentile	0.19	-6.68	0.51	1.71	2.73	2.93
Population	90	90	90	88	83	72

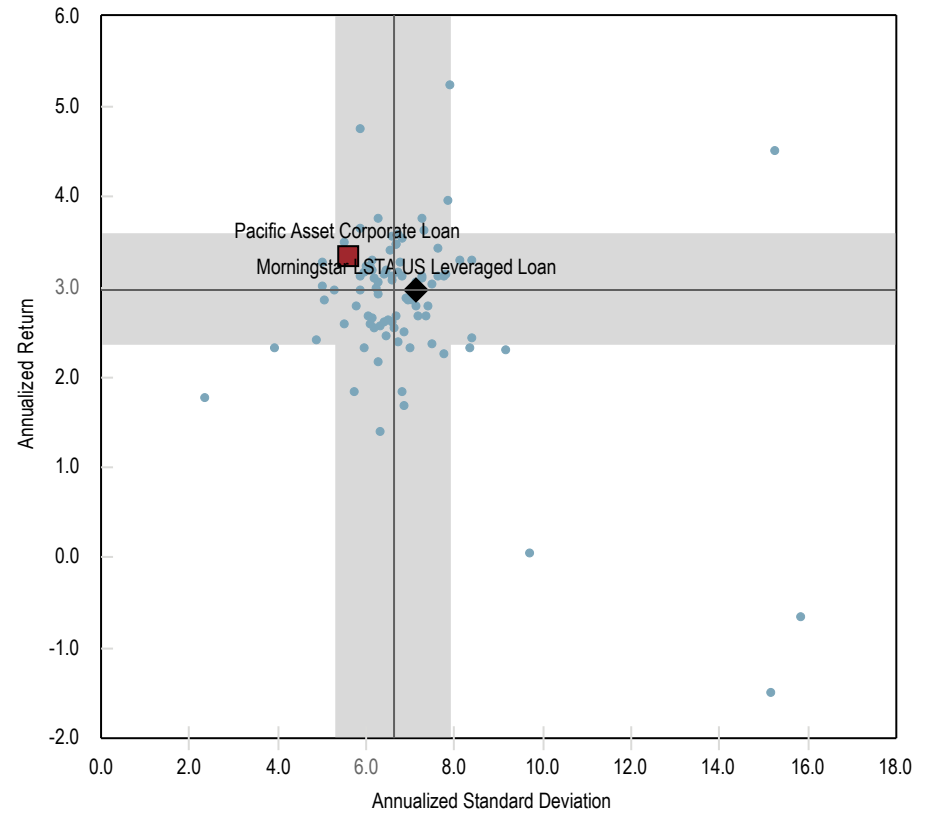
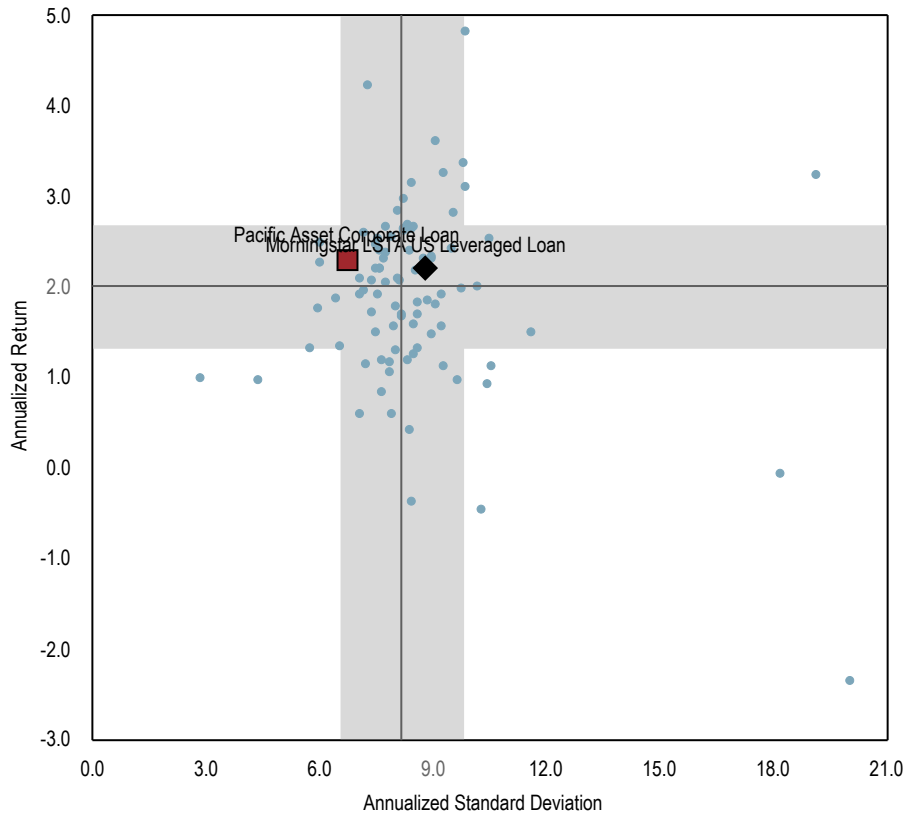
Pacific Asset Corporate Loan vs. eV US Float-Rate Bank Loan Fixed Inc Gross Universe



	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● Pacific Asset Corporate Loan	5.19 (37)	2.61 (36)	8.75 (28)	0.69 (27)	4.56 (27)	8.83 (54)	2.11 (11)	-	-	-
▲ Morningstar LSTA US Leveraged Loan	5.21 (37)	3.12 (23)	8.64 (33)	0.44 (41)	4.12 (44)	10.16 (30)	-0.69 (71)	1.60 (45)	5.29 (69)	9.66 (42)
5th Percentile	8.25	4.99	10.19	2.68	6.98	13.51	3.52	4.20	10.16	13.62
1st Quartile	5.75	3.01	8.84	0.75	4.57	10.38	1.29	2.08	7.00	10.71
Median	4.83	1.99	8.04	0.18	3.89	9.02	0.19	1.45	5.85	9.45
3rd Quartile	4.16	1.18	7.37	-0.27	3.52	7.95	-0.87	0.86	4.99	8.45
95th Percentile	3.36	-0.96	4.21	-0.95	3.07	6.30	-3.97	0.02	4.12	7.27
Population	87	95	98	104	103	105	102	101	87	85

3 Years Annualized Return vs. Annualized Standard Deviation
vs. eV US Float-Rate Bank Loan Fixed Inc

5 Years Annualized Return vs. Annualized Standard Deviation
vs. eV US Float-Rate Bank Loan Fixed Inc



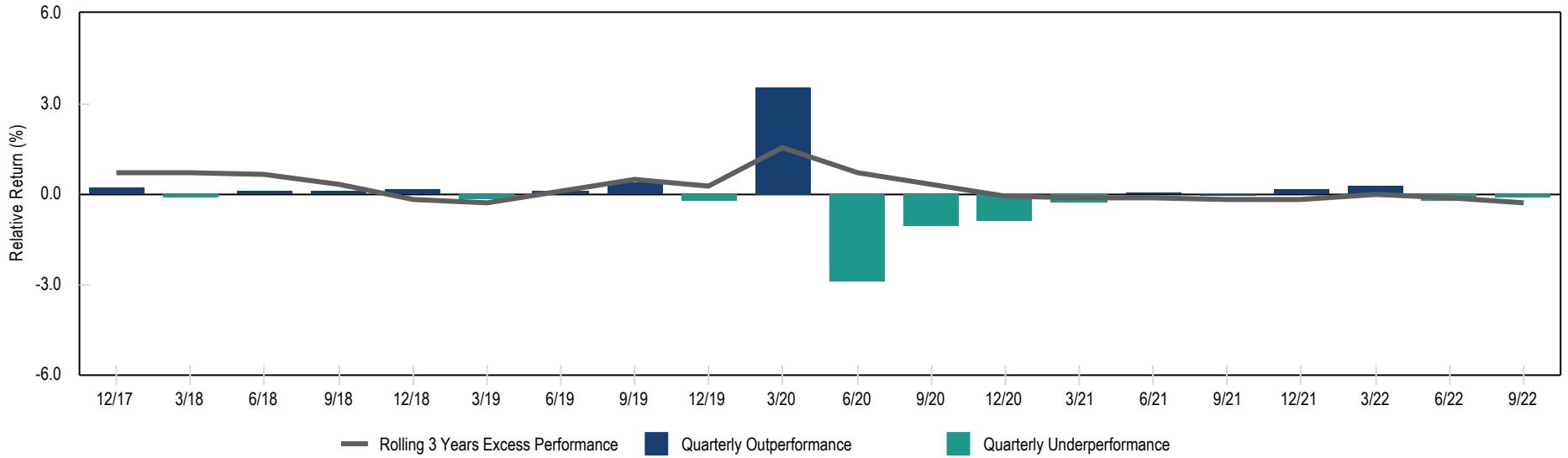
3 Years

	Return	Standard Deviation	Sharpe Ratio
Pacific Asset Corporate Loan	2.32	6.75	0.28
Morningstar LSTA US Leveraged Loan	2.21	8.81	0.22

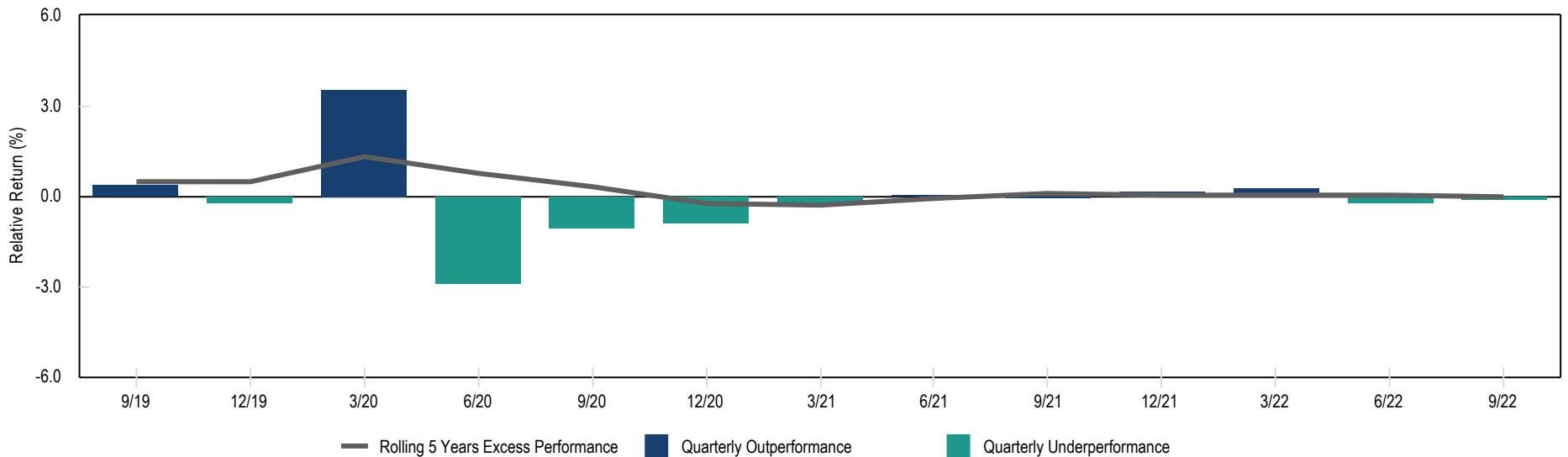
5 Years

	Return	Standard Deviation	Sharpe Ratio
Pacific Asset Corporate Loan	3.34	5.58	0.40
Morningstar LSTA US Leveraged Loan	2.98	7.12	0.28

Rolling 3 Years Annualized Excess Performance



Rolling 5 Years Annualized Excess Performance



Global Fixed Income

Total Global Fixed
Asset Class Overview (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017
Total Global Fixed	87,020,473	-7.7	-24.0	-25.9	-7.7	-5.0	-2.3	-7.0	6.7	7.4	-4.3	13.8
<i>FTSE World Government Bond Index</i>		-7.6	-21.3	-22.1	-7.0	-3.1	-1.8	-7.0	10.1	5.9	-0.8	7.5
Brandywine Global Fixed Income	38,490,197	-8.5	-20.0	-20.1	-	-	-	-4.0	-	-	-	-
<i>FTSE Non-U.S. World Government Bond</i>		-10.0	-26.8	-28.3	-9.9	-5.1	-	-9.7	10.8	5.3	-1.8	10.3
<i>eV All Global Fixed Inc Rank</i>		86	67	64	-	-	-	70	-	-	-	-
Ashmore EM Blended Debt Fund	48,530,276	-7.0	-27.5	-30.8	-11.2	-	-	-9.5	3.2	-	-	-
<i>50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMH+</i>		-4.4	-20.0	-20.9	-6.3	-	-	-3.9	3.9	-	-	-
<i>eV All Emg Mkts Fixed Inc Rank</i>		96	96	98	100	-	-	95	80	-	-	-

SSGA TIPS liquidated in 12/28/18. Shenkman HY liquidated 3/11/19. PGIM EMD funded 8/26/19. Franklin Templeton Global Bond Plus liquidated 12/28/2021.

Total Global Fixed Income
Asset Class Overview (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

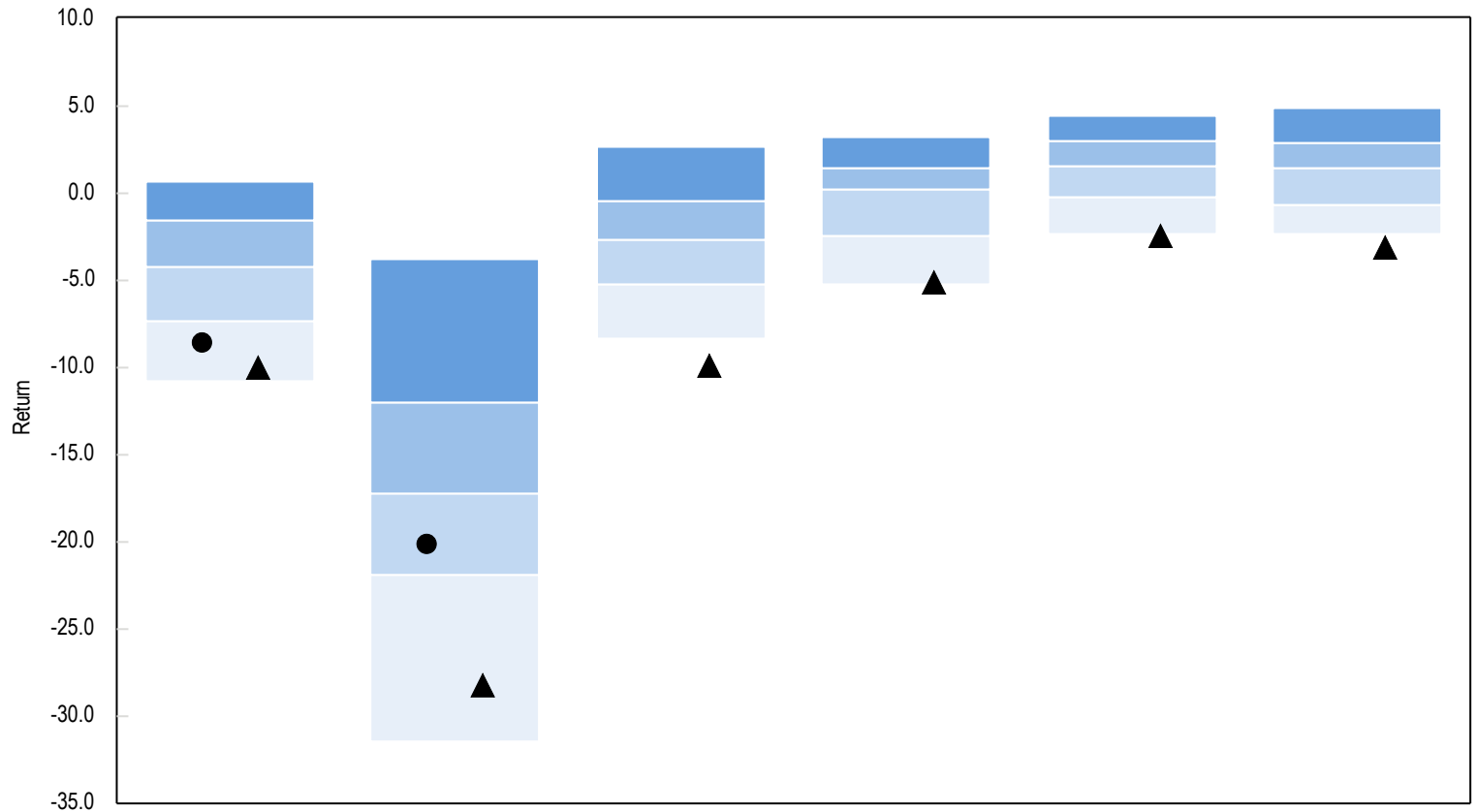
	Market Value	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017
Total Global Fixed	87,020,473	-7.9	-24.5	-26.5	-8.3	-5.5	-2.8	-7.7	6.0	6.9	-4.7	13.3
<i>FTSE World Government Bond Index</i>		-7.6	-21.3	-22.1	-7.0	-3.1	-1.8	-7.0	10.1	5.9	-0.8	7.5
Brandywine Global Fixed Income	38,490,197	-8.8	-20.3	-20.5	-	-	-	-4.4	-	-	-	-
<i>FTSE Non-U.S. World Government Bond</i>		-10.0	-26.8	-28.3	-9.9	-5.1	-	-9.7	10.8	5.3	-1.8	10.3
Ashmore EM Blended Debt Fund	48,530,276	-7.2	-28.1	-31.5	-12.1	-	-	-10.4	2.1	-	-	-
<i>50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELM+</i>		-4.4	-20.0	-20.9	-6.3	-	-	-3.9	3.9	-	-	-

1 Year Correlation Matrix

	Total Global Fixed	Brandywine Global Fixed Income	Ashmore EM Blended Debt Fund	FTSE World Government Bond Index
Total Global Fixed	1.00			
Brandywine Global Fixed Income	0.90	1.00		
Ashmore EM Blended Debt Fund	0.93	0.69	1.00	
FTSE World Government Bond Index	0.76	0.91	0.53	1.00

SSGA TIPS liquidated in 12/28/18. Shenkman HY liquidated 3/11/19. PGIM EMD funded 8/26/19. Franklin Templeton Global Bond Plus liquidated 12/28/2021.

Brandywine Global Fixed Income vs. eV All Global Fixed Inc Gross Universe

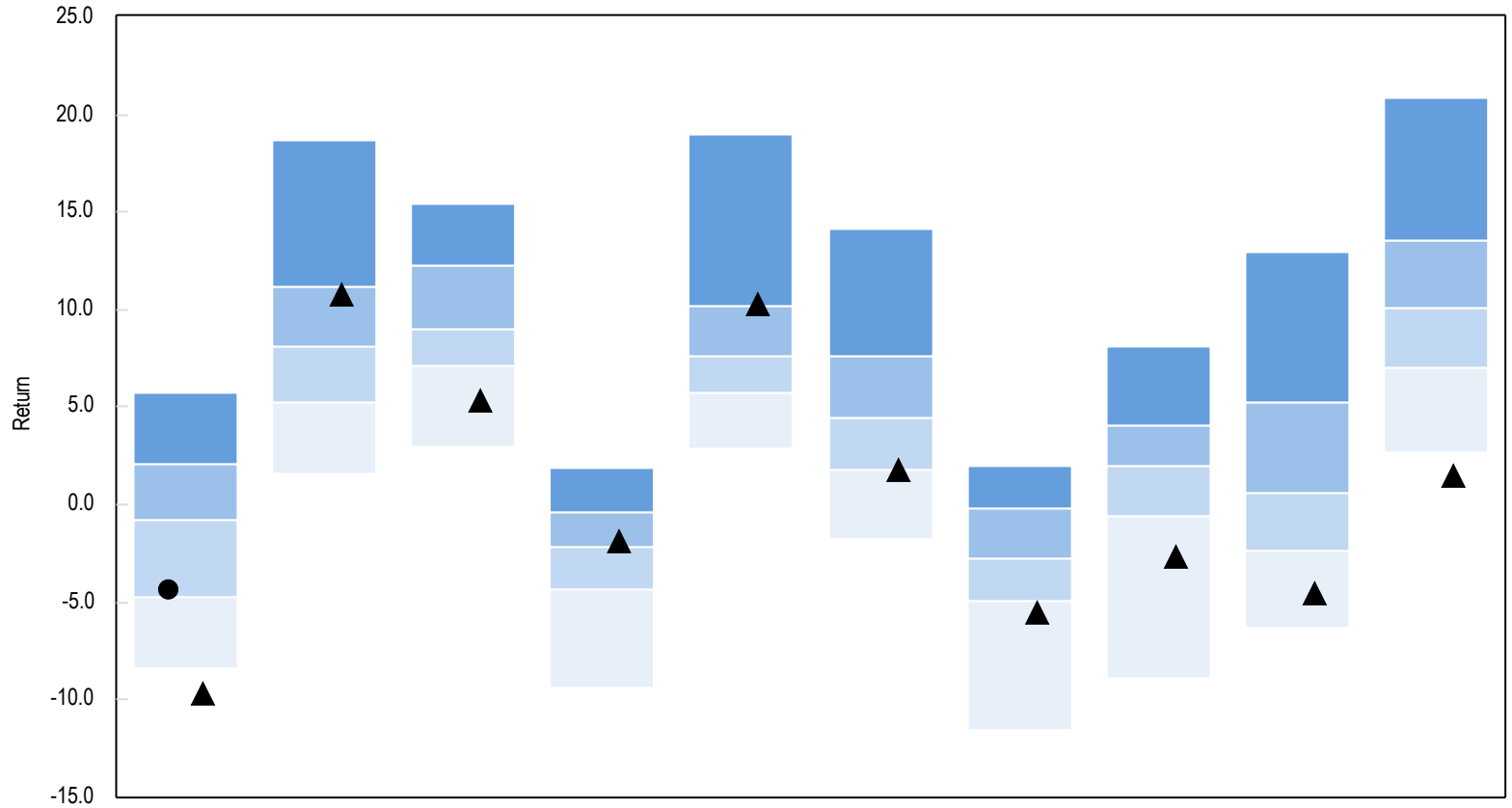


	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Brandywine Global Fixed Income	-8.55 (86)	-20.09 (64)	-	-	-	-
▲ FTSE Non-U.S. World Government Bond	-9.95 (93)	-28.27 (92)	-9.89 (98)	-5.12 (95)	-2.48 (96)	-3.12 (99)
5th Percentile	0.67	-3.82	2.64	3.27	4.50	4.83
1st Quartile	-1.55	-12.05	-0.42	1.48	2.97	2.91
Median	-4.27	-17.26	-2.66	0.20	1.51	1.41
3rd Quartile	-7.35	-21.84	-5.20	-2.49	-0.25	-0.65
95th Percentile	-10.74	-31.47	-8.32	-5.19	-2.37	-2.36
Population	752	749	715	652	581	444

Brandywine Global Fixed Income
 Consecutive Performance Comparison (Gross of Fees)

San Luis Obispo County Pension Trust
 Period Ending: September 30, 2022

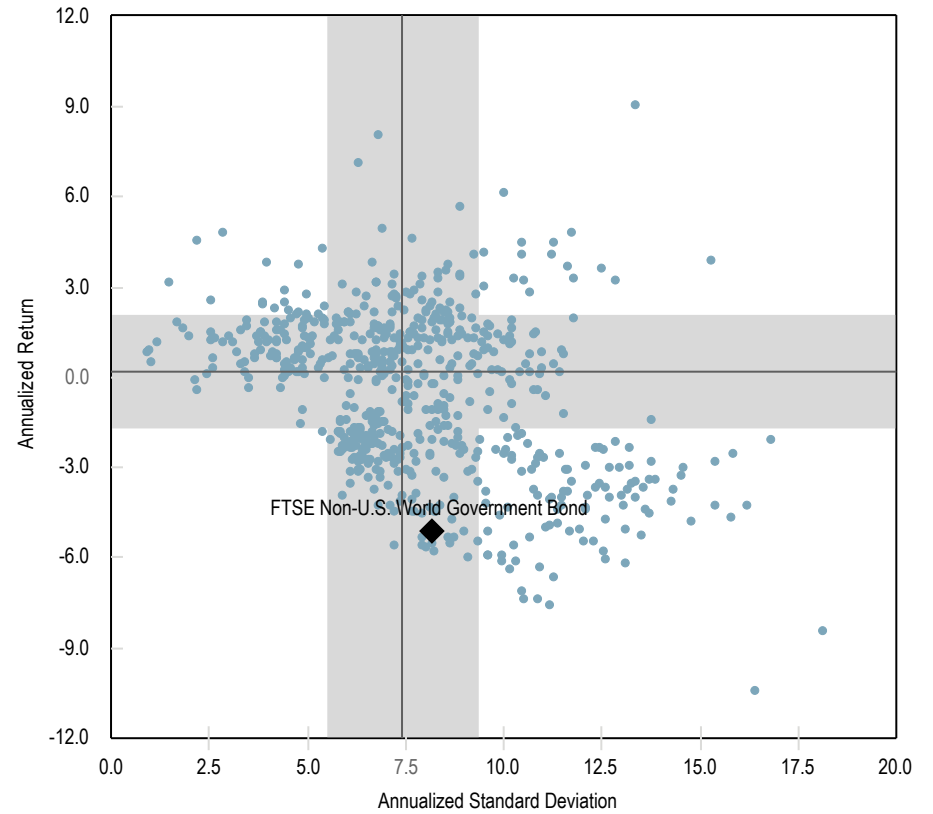
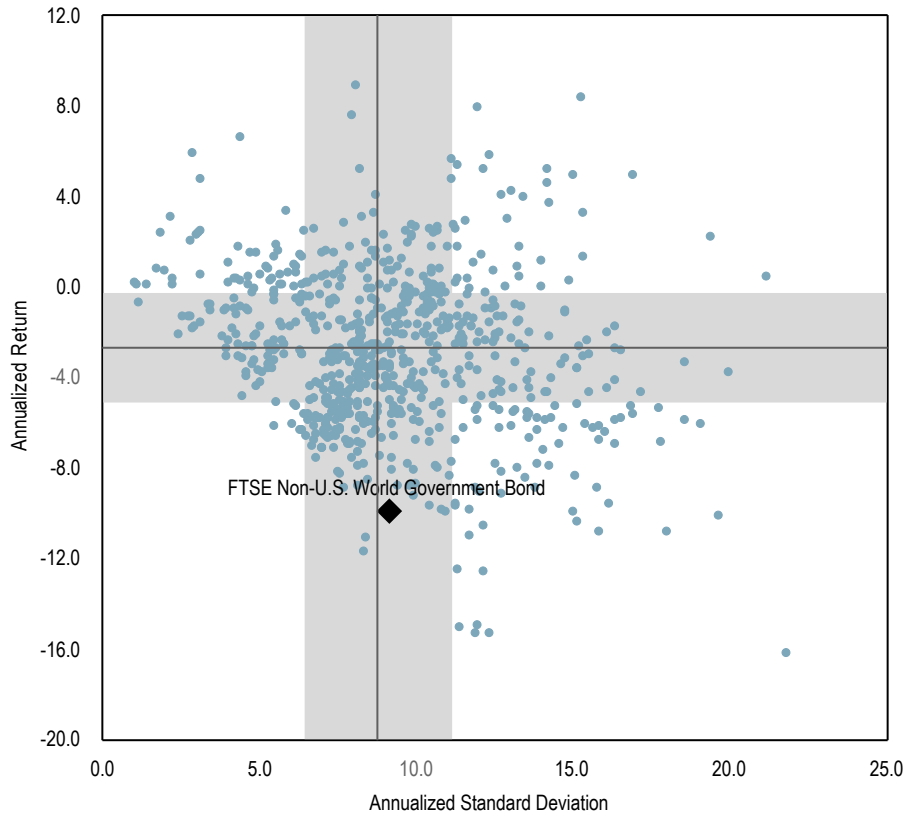
Brandywine Global Fixed Income vs. eV All Global Fixed Inc Gross Universe



	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● Brandywine Global Fixed Income	-4.38 (72)	-	-	-	-	-	-	-	-	-
▲ FTSE Non-U.S. World Government Bond	-9.68 (98)	10.78 (29)	5.32 (87)	-1.82 (45)	10.33 (25)	1.81 (76)	-5.54 (79)	-2.68 (83)	-4.56 (90)	1.50 (98)
5th Percentile	5.76	18.70	15.39	1.90	19.00	14.10	2.02	8.07	12.95	20.80
1st Quartile	2.10	11.19	12.25	-0.39	10.18	7.65	-0.19	4.02	5.28	13.56
Median	-0.76	8.14	8.99	-2.14	7.61	4.49	-2.73	1.95	0.59	10.09
3rd Quartile	-4.70	5.22	7.08	-4.36	5.71	1.83	-4.94	-0.58	-2.39	7.04
95th Percentile	-8.41	1.55	2.93	-9.36	2.88	-1.75	-11.59	-8.91	-6.29	2.67
Population	508	527	525	542	534	529	518	495	452	418

3 Years Annualized Return vs. Annualized Standard Deviation
vs. eV All Global Fixed Inc

5 Years Annualized Return vs. Annualized Standard Deviation
vs. eV All Global Fixed Inc



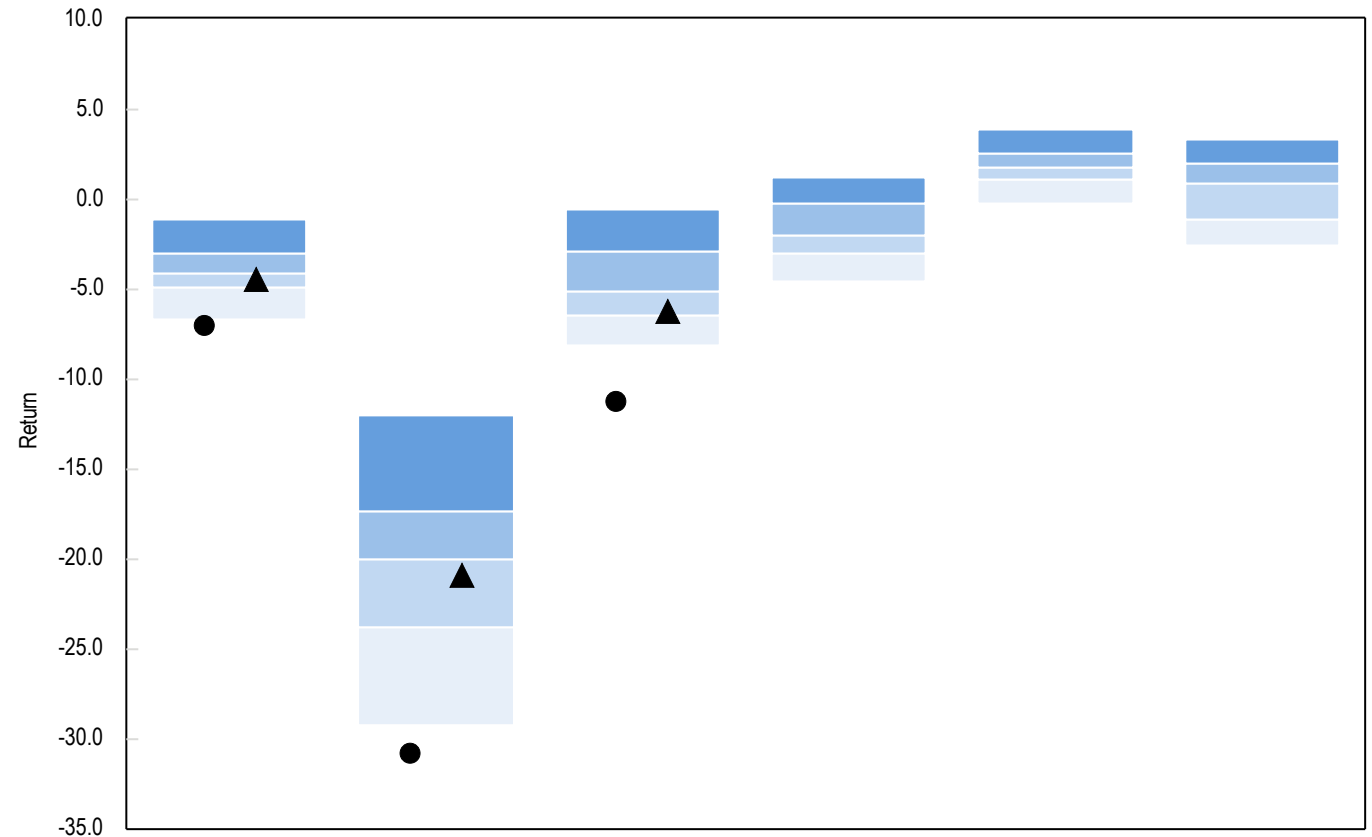
3 Years

	Return	Standard Deviation	Sharpe Ratio
Brandywine Global Fixed Income	-	-	-
FTSE Non-U.S. World Government Bond	-9.89	9.15	-1.14

5 Years

	Return	Standard Deviation	Sharpe Ratio
Brandywine Global Fixed Income	-	-	-
FTSE Non-U.S. World Government Bond	-5.12	8.17	-0.74

Ashmore EM Blended Debt Fund vs. eV All Emg Mkts Fixed Inc Gross Universe

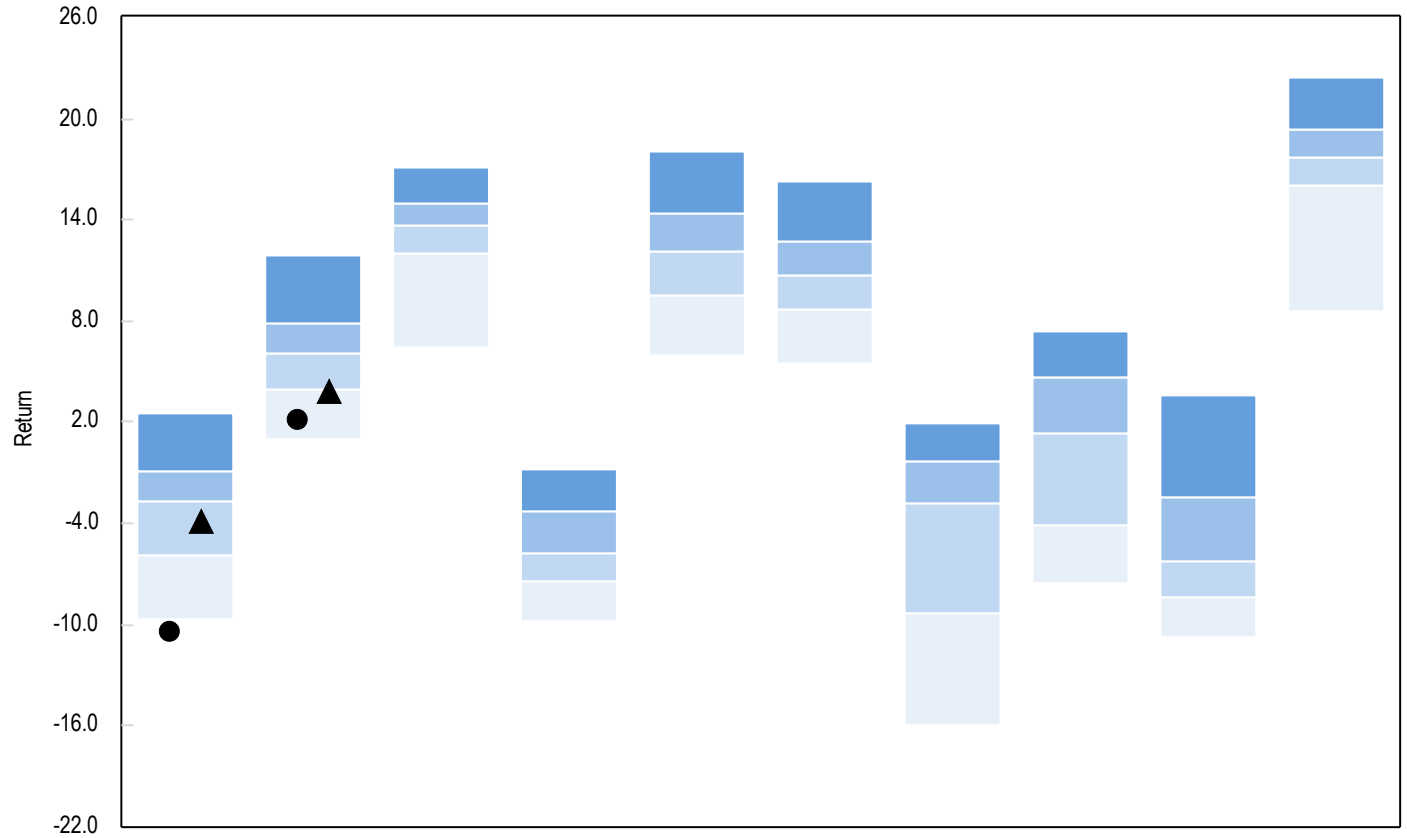


	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Ashmore EM Blended Debt Fund	-7.00 (96)	-30.78 (97)	-11.23 (100)	-	-	-
▲ 50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMI+	-4.44 (62)	-20.89 (58)	-6.27 (72)	-	-	-
5th Percentile	-1.16	-12.00	-0.58	1.22	3.86	3.39
1st Quartile	-2.98	-17.32	-2.92	-0.19	2.57	2.02
Median	-4.10	-20.00	-5.16	-2.03	1.75	0.90
3rd Quartile	-4.87	-23.73	-6.40	-3.05	1.07	-1.07
95th Percentile	-6.71	-29.22	-8.14	-4.57	-0.21	-2.52
Population	381	381	362	326	291	214

Ashmore EM Blended Debt Fund
 Consecutive Performance Comparison (Gross of Fees)

San Luis Obispo County Pension Trust
 Period Ending: September 30, 2022

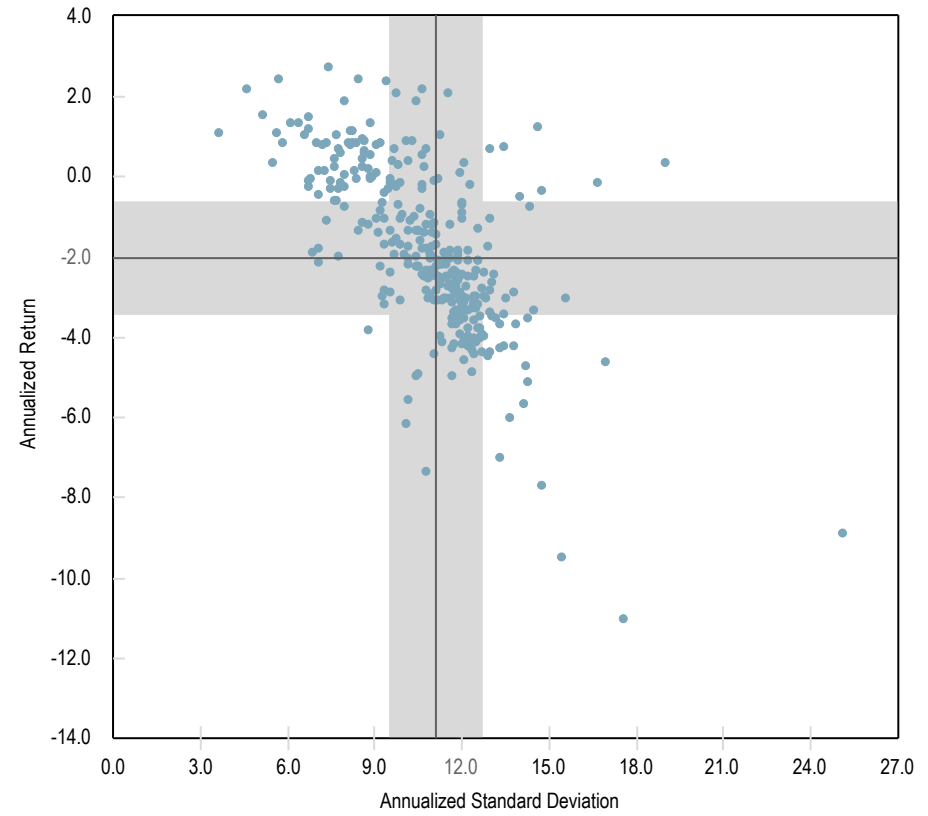
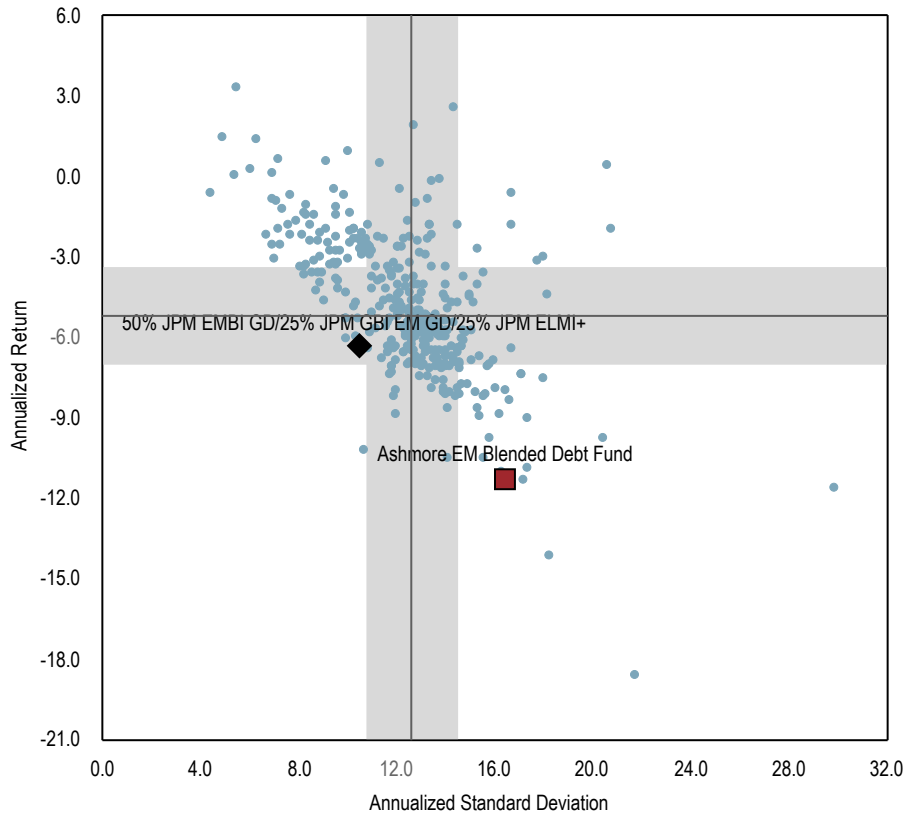
Ashmore EM Blended Debt Fund vs. eV All Emg Mkts Fixed Inc Gross Universe



	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
● Ashmore EM Blended Debt Fund	-10.40 (98)	2.13 (92)	-	-	-	-	-	-	-	-
▲ 50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMI+	-3.88 (62)	3.86 (76)	-	-	-	-	-	-	-	-
5th Percentile	2.48	11.85	17.08	-0.76	18.11	16.24	1.93	7.41	3.58	22.49
1st Quartile	-0.93	7.83	14.93	-3.28	14.34	12.78	-0.36	4.71	-2.39	19.34
Median	-2.69	6.11	13.65	-5.79	12.08	10.70	-2.83	1.31	-6.18	17.67
3rd Quartile	-5.86	3.92	12.01	-7.38	9.56	8.75	-9.29	-4.09	-8.39	16.00
95th Percentile	-9.66	1.05	6.42	-9.81	5.93	5.51	-15.99	-7.59	-10.74	8.57
Population	292	301	298	293	282	268	252	237	202	179

3 Years Annualized Return vs. Annualized Standard Deviation vs. eV All Emg Mkts Fixed Inc

5 Years Annualized Return vs. Annualized Standard Deviation vs. eV All Emg Mkts Fixed Inc



3 Years

5 Years

	Return	Standard Deviation	Sharpe Ratio
Ashmore EM Blended Debt Fund	-11.23	16.42	-0.67
50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMI+	-6.27	10.46	-0.61

	Return	Standard Deviation	Sharpe Ratio
Ashmore EM Blended Debt Fund	-	-	-
50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMI+	-	-	-

Total Real Estate
Asset Class Overview (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017
Total Real Estate	261,103,583	100.0	0.3	11.7	20.0	10.9	8.9	10.2	18.5	1.1	4.3	7.5	7.8
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	9.5	17.7	1.6	6.4	6.7	7.0
JP Morgan Core Real Estate	179,415,843	68.7	-1.3	9.8	18.5	10.6	8.3	9.9	20.2	0.5	3.4	7.0	6.1
<i>NCREIF-ODCE</i>			0.5	13.1	22.1	12.4	10.2	10.9	22.2	1.2	5.3	8.3	7.6
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	9.5	17.7	1.6	6.4	6.7	7.0
ARA American Strategic Value Realty	81,687,740	31.3	4.3	16.4	23.3	11.9	10.5	-	14.0	3.8	7.3	9.1	7.4
<i>NCREIF-ODCE</i>			0.5	13.1	22.1	12.4	10.2	10.9	22.2	1.2	5.3	8.3	7.6
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	9.5	17.7	1.6	6.4	6.7	7.0

ARA American Strategic Value Realty is lagged one quarter

Total Real Estate
Asset Class Overview (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: September 30, 2022

	Market Value	% of Portfolio	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2021	2020	2019	2018	2017
Total Real Estate	261,103,583	100.0	0.3	11.7	20.0	10.9	8.9	9.8	18.5	1.1	4.3	7.5	7.8
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	9.5	17.7	1.6	6.4	6.7	7.0
JP Morgan Core Real Estate	179,415,843	68.7	-1.3	9.8	18.5	10.6	8.3	9.5	20.2	0.5	3.4	7.0	6.1
<i>NCREIF-ODCE</i>			0.5	13.1	22.1	12.4	10.2	10.9	22.2	1.2	5.3	8.3	7.6
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	9.5	17.7	1.6	6.4	6.7	7.0
ARA American Strategic Value Realty	81,687,740	31.3	4.3	16.4	23.3	11.9	10.5	-	14.0	3.8	7.3	9.1	7.4
<i>NCREIF-ODCE</i>			0.5	13.1	22.1	12.4	10.2	10.9	22.2	1.2	5.3	8.3	7.6
<i>NCREIF Property Index</i>			0.6	9.4	16.1	9.9	8.6	9.5	17.7	1.6	6.4	6.7	7.0

ARA American Strategic Value Realty is lagged one quarter

Total Fund Data Sources and Methodology

San Luis Obispo County Pension Trust Period Ending: September 30, 2022

Performance Return Calculations

Performance is calculated using Time Weighted Rates of Return (TWRR) methodologies. Monthly returns are geometrically linked and annualized for periods longer than one year.

Data Source

Verus is an independent third party consulting firm and calculates returns from best source book of record data. Returns calculated by Verus may deviate from those shown by the manager in part, but not limited to, differences in prices and market values reported by the custodian and manager, as well as significant cash flows into or out of an account. It is the responsibility of the manager and custodian to provide insight into the pricing methodologies and any difference in valuation.

Illiquid Alternatives

Due to the inability to receive final valuation prior to report production, closed end funds (including but are not limited to Real Estate, Hedge Funds, Private Equity, and Private Credit) performance is typically reported at a one-quarter lag. Valuation is reported at a one-quarter lag, adjusted for current quarter flow (cash flows are captured real time). Closed end fund performance is calculated using a time-weighted return methodology consistent with all portfolio and total fund performance calculations. For Private Markets, performance reports also include Verus-calculated multiples based on flows and valuations (e.g. DPI and TVPI) and manager-provided IRRs.

Manager Line Up

Manager	Inception Date	Data Source	Manager	Inception Date	Data Source
PIMCO RAE Fundamental PLUS	11/30/2007	J.P. Morgan	JP Morgan Core Real Estate	3/6/2008	J.P. Morgan
Loomis Sayles Large Cap Growth	12/31/2016	J.P. Morgan	Gresham MTAP Commodity	8/31/2013	BNY Mellon
Boston Partners Large Cap Value	1/31/2017	Boston Partners	Cash Account	-	SLOCPT
Atlanta Capital Management	8/31/2010	J.P. Morgan	HarbourVest Partners IX-Buyout	2011 ¹	HarbourVest
Dodge & Cox Intl Stock	12/6/2007	J.P. Morgan	HarbourVest 2018 Global Fund L.P.	-	HarbourVest
WCM International Growth	2/15/2017	WCM	HarbourVest SLO Credit Fund	-	HarbourVest
BlackRock Core Bond	1/19/2017	J.P. Morgan	HarbourVest SLO Private Equity Fund	-	HarbourVest
Dodge & Cox Income	1/19/2017	Deutsche Bank	KKR Mezzanine Partners	2010 ¹	KKR
Pacific Asset Corporate Loan	9/1/2014	Deutsche Bank	PIMCO Distressed Credit Fund	2010 ¹	Brown Brothers Harriman
SSGA U.S. Govt Bond Index	7/16/2021	SSGA	ARA American Strategic Value	6/22/2016	American Realty Adv.
BlackRock TIPS	9/1/2021	BlackRock	Sixth Street Partners DCP	2016 ¹	TPG
Brandywine Global Fixed	6/24/2020	J.P. Morgan	Pathway Private Equity Fund 9	2017 ¹	Pathway
Ashmore EM Blended Debt Fund	3/31/2019	Ashmore	Pathway Private Equity Fund 10	3/25/2020	Pathway
PIMCO Short Duration Fund	7/14/2021	PIMCO	Sixth Street Partners TAO	4/16/2020	TPG

¹ Represents fund vintage year.

Policy & Custom Index Composition

Policy Index (1/1/2022-Current)	24% Russell 3000, 17% MSCI ACWI ex-US (Gross), 15% Bloomberg U.S. Aggregate, 7% FTSE World Govt Bond Index, 4% Bloomberg US Treasury 7-10 yr, 3% Bloomberg US TIPS, 11% NCREIF Property Index, 7% Private Equity Benchmark, 4% Private Credit Benchmark, 2% Bloomberg US Govt/Credit 1-3 yr, 6% 90 Day T-Bill.
Policy Index (1/1/2021-12/31/2021)	23% Russell 3000, 20% MSCI ACWI ex-US (Gross), 12% Bloomberg U.S. Aggregate, 11% FTSE World Govt Bond Index, 3% Bloomberg US Treasury 7-10 yr, 2% Bloomberg US TIPS, 15% NCREIF Property Index, 5% Private Equity Benchmark, 5% Private Credit Benchmark, 2% Bloomberg US Govt/Credit 1-3 yr, 2% 90 Day T-Bill.
Policy Index (10/1/2020-12/31/2020)	21% Russell 3000, 21% MSCI ACWI ex-US (Gross), 31% Bloomberg U.S. Aggregate, 17% NCREIF Property Index, 1% Russell 3000, 4 Private Equity Benchmark, 5% Private Credit Benchmark.
Policy Index (4/1/2020-9/30/2020)	21% Russell 3000, 21% MSCI ACWI ex-US (Gross), 31% Bloomberg U.S. Aggregate, 17% NCREIF Property Index, 5% Russell 3000+ 300 bps (lagged), 5% Bloomberg High Yield +2% (lagged).
Policy Index (1/1/2017-3/31/2020)	20% Russell 3000, 20% MSCI ACWI ex-US (Gross), 30% Bloomberg U.S. Aggregate, 15% NCREIF Property Index, 5% Bloomberg Commodity Index, 5% Russell 3000+ 300 bps (lagged), 5% Bloomberg High Yield +2% (lagged).
Policy Index (10/1/2016-12/31/2016)	20% Russell 3000, 20% MSCI ACWI ex-US (Gross), 30% Bloomberg U.S. Aggregate, 15% NCREIF Property Index, 5% Bloomberg Commodity Index, 5% Russell 3000+ 300 bps, 5% Bloomberg High Yield +2% (lagged).
Policy Index (7/1/2014-9/30/2016)	23% Russell 3000, 22% MSCI ACWI ex-US (Gross), 35% Bloomberg U.S. Aggregate, 10% NCREIF Property Index, 5% Bloomberg Commodity Index, 5% Russell 3000+ 300 bps.
Policy Index (7/1/2013-6/30/2014)	27% Russell 3000, 23% MSCI ACWI ex-US (Gross), 30% Bloomberg U.S. Aggregate, 10% NCREIF Property Index, 5% Bloomberg Commodity Index, 5% Russell 3000+ 300 bps.
Policy Index (4/1/2011-6/30/2013)	27% Russell 3000, 23% MSCI ACWI ex-US (Gross), 20% Bloomberg U.S. Aggregate, 5% Citi World Govt Bond, 5% Barclays US TIPS, 10% NCREIF Property Index, 5% Bloomberg Commodity Index, 5% Russell 3000+ 300 bps.
Private Equity Index (1/1/2017-10/1/2020)	Russell 3000 +3% (Lagged)
Private Equity Index (6/1/2011-12/31/2016)	Russell 3000 +3%
Private Equity Benchmark and Private Credit Benchmarks are equal to the actual private equity and private credit returns, respectively.	
Custom Growth Benchmark (1/1/2021-Present)	29.11% Russell 3000, 25.32% MSCI ACWI Gross, 6.33% Private Equity Benchmark, 6.33% Private Credit Benchmark, 13.92% FTSE World Govt Bond Index, 18.99% NCREIF Property Index.
Custom Risk Diversifying Benchmark (1/1/2021-Present)	63.33% Custom Fixed Income Benchmark, 36.67% FTSE World Govt Bond Index.

Other Disclosures

Glossary

Allocation Effect: An attribution effect that describes the amount attributable to the managers' asset allocation decisions, relative to the benchmark.

Alpha: The excess return of a portfolio after adjusting for market risk. This excess return is attributable to the selection skill of the portfolio manager. Alpha is calculated as: Portfolio Return - [Risk-free Rate + Portfolio Beta x (Market Return - Risk-free Rate)].

Benchmark R-squared: Measures how well the Benchmark return series fits the manager's return series. The higher the Benchmark R-squared, the more appropriate the benchmark is for the manager.

Beta: A measure of systematic, or market risk; the part of risk in a portfolio or security that is attributable to general market movements. Beta is calculated by dividing the covariance of a security by the variance of the market.

Book-to-Market: The ratio of book value per share to market price per share. Growth managers typically have low book-to-market ratios while value managers typically have high book-to-market ratios.

Capture Ratio: A statistical measure of an investment manager's overall performance in up or down markets. The capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen (up market) or fallen (down market). The capture ratio is calculated by dividing the manager's returns by the returns of the index during the up/down market, and multiplying that factor by 100.

Correlation: A measure of the relative movement of returns of one security or asset class relative to another over time. A correlation of 1 means the returns of two securities move in lock step, a correlation of -1 means the returns of two securities move in the exact opposite direction over time. Correlation is used as a measure to help maximize the benefits of diversification when constructing an investment portfolio.

Excess Return: A measure of the difference in appreciation or depreciation in the price of an investment compared to its benchmark, over a given time period. This is usually expressed as a percentage and may be annualized over a number of years or represent a single period.

Information Ratio: A measure of a manager's ability to earn excess return without incurring additional risk. Information ratio is calculated as: excess return divided by tracking error.

Interaction Effect: An attribution effect that describes the portion of active management that is contributable to the cross interaction between the allocation and selection effect. This can also be explained as an effect that cannot be easily traced to a source.

Portfolio Turnover: The percentage of a portfolio that is sold and replaced (turned over) during a given time period. Low portfolio turnover is indicative of a buy and hold strategy while high portfolio turnover implies a more active form of management.

Price-to-Earnings Ratio (P/E): Also called the earnings multiplier, it is calculated by dividing the price of a company's stock into earnings per share. Growth managers typically hold stocks with high price-to-earnings ratios whereas value managers hold stocks with low price-to-earnings ratios.

R-Squared: Also called the coefficient of determination, it measures the amount of variation in one variable explained by variations in another, i.e., the goodness of fit to a benchmark. In the case of investments, the term is used to explain the amount of variation in a security or portfolio explained by movements in the market or the portfolio's benchmark.

Selection Effect: An attribution effect that describes the amount attributable to the managers' stock selection decisions, relative to the benchmark.

Sharpe Ratio: A measure of portfolio efficiency. The Sharpe Ratio indicates excess portfolio return for each unit of risk associated with achieving the excess return. The higher the Sharpe Ratio, the more efficient the portfolio. Sharpe ratio is calculated as: Portfolio Excess Return / Portfolio Standard Deviation.

Sortino Ratio: Measures the risk-adjusted return of an investment, portfolio, or strategy. It is a modification of the Sharpe Ratio, but penalizes only those returns falling below a specified benchmark. The Sortino Ratio uses downside deviation in the denominator rather than standard deviation, like the Sharpe Ratio.

Standard Deviation: A measure of volatility, or risk, inherent in a security or portfolio. The standard deviation of a series is a measure of the extent to which observations in the series differ from the arithmetic mean of the series. For example, if a security has an average annual rate of return of 10% and a standard deviation of 5%, then two-thirds of the time, one would expect to receive an annual rate of return between 5% and 15%.

Style Analysis: A return based analysis designed to identify combinations of passive investments to closely replicate the performance of funds

Style Map: A specialized form or scatter plot chart typically used to show where a Manager lies in relation to a set of style indices on a two-dimensional plane. This is simply a way of viewing the asset loadings in a different context. The coordinates are calculated by rescaling the asset loadings to range from -1 to 1 on each axis and are dependent on the Style Indices comprising the Map.

Disclaimer

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Board of Trustees

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San Luis Obispo County Pension Trust *SLOCPT*

Date: November 28, 2022

To: Board of Trustees

From: Carl Nelson – Executive Director
Amy Burke – Deputy Director

Agenda Item 20: Monthly Investment Report for October 2022

	October	Year to Date 2022	2021	2020	2019	2018	2017
Total Trust Investments (\$ millions)	\$1,602		\$1,775	\$1,552 year end	\$1,446 year end	\$1,285 year end	\$1,351 year end
Total Fund Return	+2.8% Gross	-9.7% Gross	15.2% Gross	8.9 % Gross	16.3 % Gross	-3.2 % Gross	15.5 % Gross
Policy Index Return (r)	+2.3%	-12.7%	12.8%	10.0 %	16.4 %	-3.2 %	13.4 %

- (r) Policy index as of Nov. 2021 Strategic Asset Allocation Policy with 2022 Interim targets:
- Public Mkt Equity- 24% Russell 3000, 17% MSCI ACWI ex-US
 - Public Mkt Debt- 11% Barclays US Aggregate,
 - Risk Diversifying 8% Barclays US Aggregate, 4% Barclays 7-10yr Treasury, 3% Barclays 5-10yr US TIPS
 - Real Estate & Infrastructure- 13% NCREIF Index (inc. Infrastructure)
 - Private Equity- 7% actual private equity returns
 - Private Credit- 4% actual private credit returns
 - Liquidity- 6% 90 day T-Bills
- Pending annual updates to interim targets.

SLOCPT Investment Returns:

The attached report from Verus covers the preliminary investment returns of the SLOCPT portfolio and general market conditions through the end of October. The attached market commentary from Verus details market conditions in October, but subsequent activity in November is not yet factored into these numbers. As of November 18th, the month has had volatile returns day by day with equities and bonds with positive returns.

The Economy and Capital Markets:

- **Investment Markets**

- **Markets Outlook and Rising Interest Rates and Risk** — PIMCO, in their Asset Allocation Outlook publication of November 16th lead off with the following commentary -

“An extreme shift in macroeconomic conditions over the course of 2022 and the corresponding impact on financial markets have significantly altered the relative attractiveness of asset classes.

Markets are moving away from a “TINA” world (where “there is no alternative” to equities) to one in which fixed income is increasingly appealing.

Yet, as we navigate a period of elevated inflation and an economic slowdown, our starting point is one of caution. PIMCO’s business cycle models forecast a recession across Europe, the U.K., and the U.S. in the next year, and the major central banks are pressing ahead with policy tightening despite increasing strain in financial markets. The economy in developed markets is also under growing pressure as monetary policy works with a lag, and we expect this will translate into pressure on corporate profits.”

- **Markets Outlook and Inflation** — The stock and bond markets are inextricably entwined with the persistent bout of high inflation. The Fed’s monetary tightening to combat inflation has been rapid (albeit late) and is expected to continue with higher interest rates. The likelihood that Fed policy may lead to a mild recession hangs over the stock market as a threat to corporate earnings. The Economist Magazine in a November 13th article titled “**Markets are suddenly exuberant. Are they right to be?**” commented -

“With the inflation crisis well into its second year, a few words have cemented their place in the lexicon of investors. There were the subsequently much-derided predictions of a “transitory” problem. There were also the accurate forecasts of interest-rate “front-loading” by central banks and, more recently, grumbling about the belatedly “expeditious” manner in which America’s Federal Reserve has approached tightening. *Attention now is on the concept of the “head fake”: the notion that a rosy batch of data suggestive of receding inflation can fuel a burst of optimism in markets, only for the dreary reality of persistent price pressures to reassert itself.*

- **The Economy**

- **Inflation** – The October US CPI inflation report came in lower than expected with a 7.7% year-over-year increase. Core inflation with volatile food and energy prices removed also turned the corner compared to September’s result with a 6.3% rise. The

report provided some optimism that the early evidence on the Fed’s campaign to slow rapid inflation may be combining with supply chain improvements to ease price pressures. The Fed has lifted interest rates from near zero to nearly 4% this year as it tries to slow consumer and business demand and give supply a chance to catch up.



- **New Jobs and Unemployment** - The October jobs report from the BLS on nonfarm employment continues to show an economy still in growth with a gain of 261k new jobs. The unemployment rate in October increased slightly to 3.7%.
- **Wages** - Wage growth has subsided somewhat with average hourly earnings for October coming in at 4.7% above one-year ago.
- **Monetary Policy** – At the November 2nd meeting the Fed boosted its policy interest rate again by 0.75% to the range of 3.75% to 4.00%. Following the Fed Open Market Committee meeting, Chair Powell comments maintained a hawkish tone as expected –

“There is significant uncertainty around that level of interest rates,” he said. “Even so, we still have some ways to go, and incoming data since our last meeting suggests that the ultimate level of interest rates will be higher than previously expected.”

When asked about the probability of the Fed being able to engineer a “soft-landing” for the economy (lowering inflation without triggering a significant recession), Powell conceded that the window for a soft-landing has narrowed with the persistently high level of inflation.

Former U.S. Treasury Secretary Larry Summers writing in the Washington Post the week before the Fed meeting advocated that the Fed maintain an aggressive stance on rate hikes even if it causes job losses. Summers predicted that the U.S. unemployment rate would rise to above 4.4% from its current 3.5% to get inflation under control. He commented –

“For more than a decade, from 1966 to 1979, policymakers failed to do what was necessary to contain inflation because they shrank from the immediate consequences of restrictive policy. History remembers them poorly.”

Respectfully Submitted,



**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**

OCTOBER 2022
Capital Markets Update

Market commentary

U.S. ECONOMICS

- U.S. GDP grew at a quarterly annualized rate of +2.6% in Q3, higher than expectations (+2.4%) and the -0.6% decline registered in Q2. Net exports, which contributed +2.8% to the headline figure, drove Q3 growth. Changes in consumer spending remained positive (+1.4%) but decelerated compared to Q2.
- The October jobs report showed continued labor market strength as U.S. nonfarm payrolls increased by 261,000 and exceeded expectations. The unemployment rate moved +0.2% higher to 3.7%, and the labor force participation rate (62.2%) declined by just -0.1%.
- Consumer Price Index measures for headline and core inflation each came in -0.2% below expectations. Headline CPI increased +0.4% for the month and +7.7% year-over-year while core CPI, which excludes more volatile energy and food components, climbed +0.3% on the month and +6.3% year-over-year.

U.S. EQUITIES

- The Dow Jones Industrial Average (+14.1%) led major U.S. equity indices and posted its largest October gain on record. The S&P 500 index notched an +8.1% gain with support from widespread Q3 earnings beats.
- Record bottom-line results in the Energy sector continued to drive S&P 500 earnings. Through month end, three energy sub-industries had reported triple-digit year-over-year EPS increases. Gains were led by Oil & Gas Refining & Marketing whose Q3 blended earnings increased +269.0%.
- As of 11/1, the blended Q3 earnings growth rate for the S&P totaled +2.2%, compared to -5.1% when measured on an ex-Energy basis, per FactSet.

U.S. FIXED INCOME

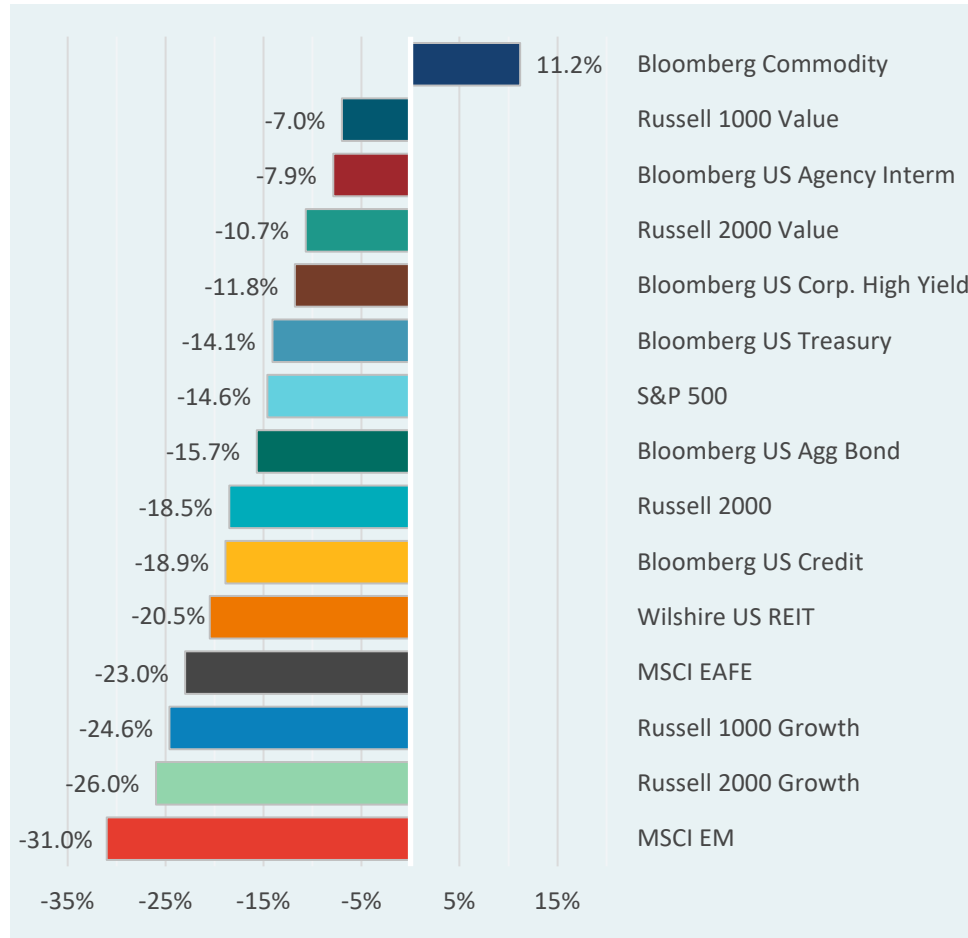
- Minutes from the September FOMC meeting highlighted Fed officials' reiteration that tighter monetary policy will be necessary to contain inflation in the wake of strong economic data. Meeting participants suggested that a restrictive policy rate may need to be maintained to avoid the costs of a premature reversal in its current policy objectives.
- In response to the recent Fed speak, investors fully priced in an additional 75-basis point hike for the November Fed meeting along with subsequent hikes of 50 bps and 25 bps in December and January.
- The Bloomberg U.S. Aggregate Index dropped -1.3% and extended its year-to-date decline to -15.7%. Yields continued to rise, and all Treasury instruments finished the month above 4.0% aside from the 1-month T-bill.

INTERNATIONAL MARKETS

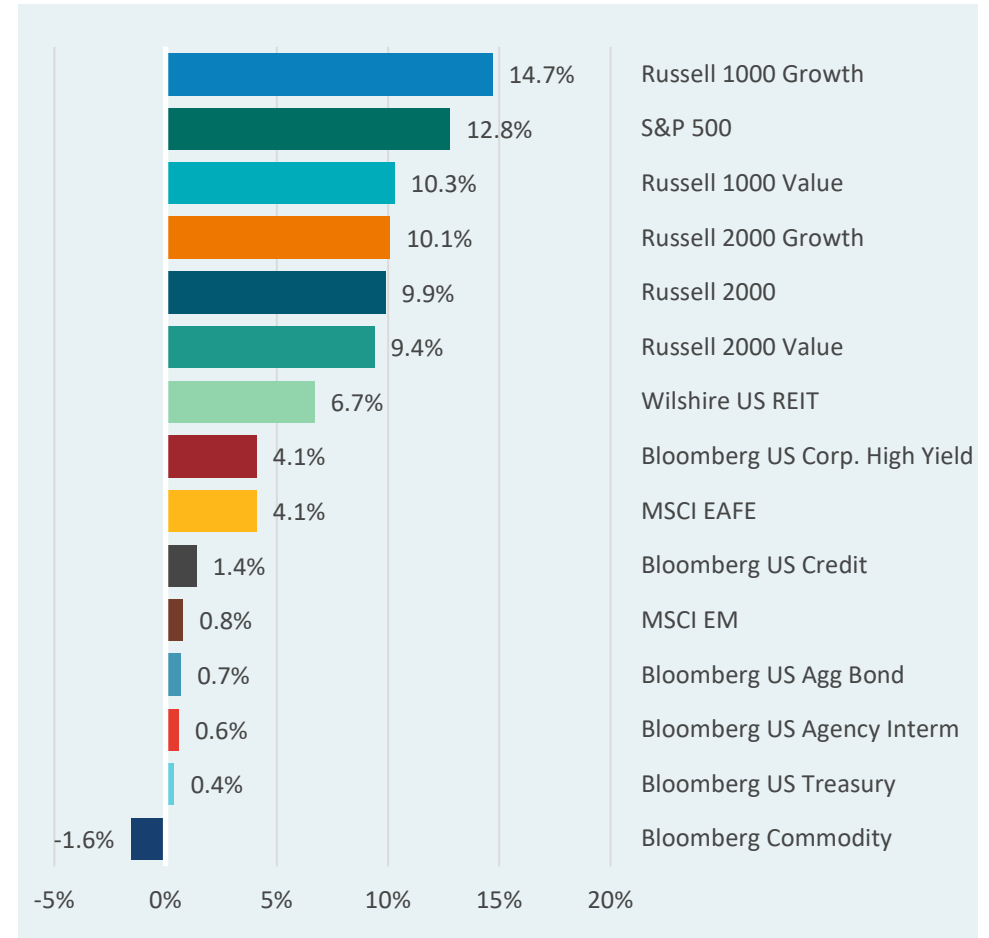
- The ECB delivered a second consecutive set of 75-basis point hikes to its three key interest rates. Members of the Governing Council alluded to additional rate increases in future meetings as the bank attempts to lower eurozone inflation which rose to +10.7%.
- Sovereign bond yield movement was mostly flat in developed markets outside the U.S. and Canada. U.K. gilt yields saw a drastic reversal compared to the prior month, with 10-year gilts falling -60 bps, the largest decline among developed peers.
- Continued volatility in the Japanese Yen (-2.6%) prompted further intervention from the BOJ. The bank purchased 6.3 trillion Yen near month end after the currency sunk to its lowest level against the U.S. Dollar since 1990.

Major asset class returns

ONE YEAR ENDING SEPTEMBER



TEN YEARS ENDING SEPTEMBER



*Only publicly traded asset performance is shown here. Performance of private assets is typically released with a 3- to 6-month delay.

Source: Morningstar, as of 10/31/22

Source: Morningstar, as of 10/31/22

U.S. large cap equities

- The S&P 500 Index reversed course and rallied +8.1% despite hotter-than-expected September CPI and PPI prints. Positive investor sentiment was likely a product of earnings beats among index members. At month end, 276 constituents had reported Q3 results, 69.2% of which exceeded bottom-line expectations.
- All 11 S&P 500 GICS sectors gained in October. Energy (+25.0%) increased the most alongside triple-digit blended Q3 earnings growth. Industrials (+13.9%) and Financials (+12.0%) were the next biggest gainers while Real Estate (+2.0%), Consumer Discretionary (+0.2%), and Communications (+0.1%) gained the least.
- The Dow Jones Industrial Average soared +14.1% and posted its largest monthly gain since January 1976. Of the 30 index members, 28 gained, each by an average of +14.7%. Monthly losses were limited to Verizon (-1.6%) and Microsoft (-0.3%). The Dow has fallen -8.4% year-to-date compared to a -17.7% decline in the S&P.
- The Cboe Index of Implied Volatility retreated -5.7 points to 25.9, below its year-to-date daily average of 26.3%. Despite the fall, the index remains elevated above its 1-year (25.3%), 3-year (22.7%), and 5-year (24.4%) daily averages.

S&P 500 PRICE INDEX



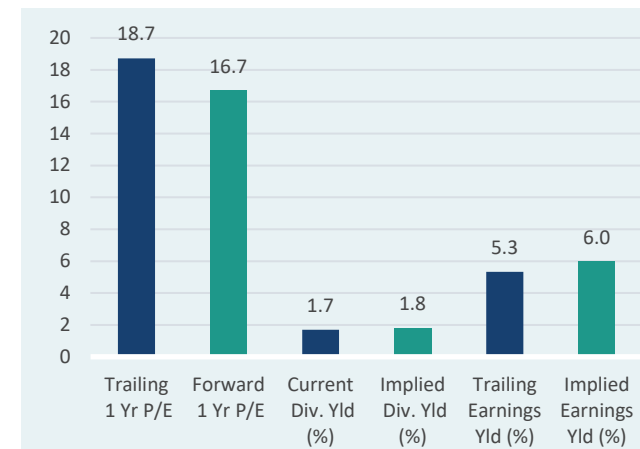
Source: Bloomberg, as of 10/31/22

IMPLIED VOLATILITY (VIX INDEX)



Source: Cboe, as of 10/31/22

S&P 500 VALUATION SNAPSHOT

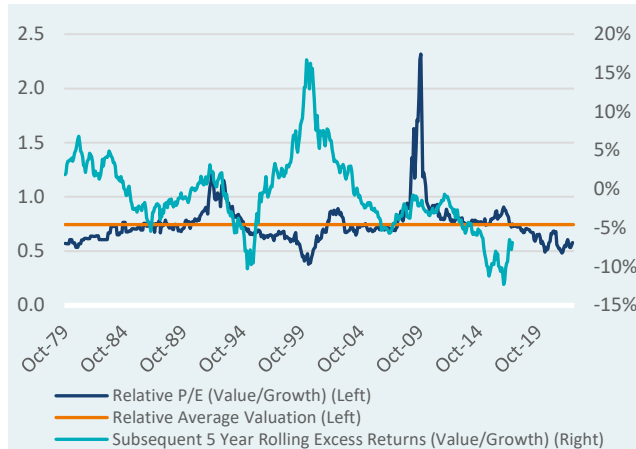


Source: Bloomberg, as of 10/31/22

Domestic equity size and style

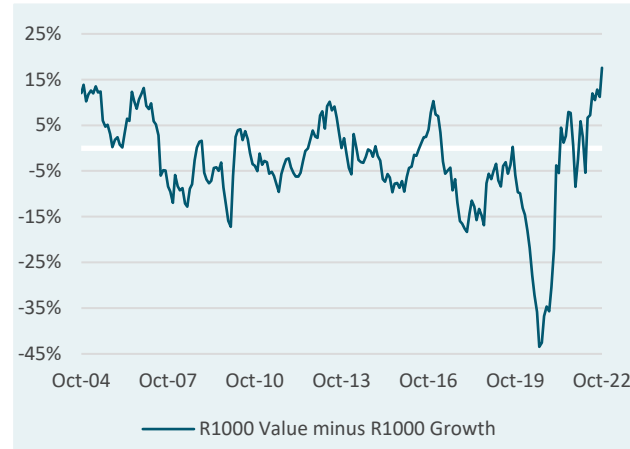
- In a continuation of recent trends, small-cap equities (Russell 2000 Index +11.0%) largely outperformed large-cap equities (Russell 1000 Index +8.0%). Small company overperformance was driven by outsized gains in the Industrials, Basic Materials, and Consumer Discretionary sectors.
- Value stocks (Russell 1000 Value +10.3%) across equity sizes continued to outperform growth stocks (Russell 1000 Growth +5.8%). On a 1-year relative basis, value outperformed growth by +17.3%, its greatest margin of 1-year overperformance since June 2002.
- Gains were wide-spanning across the S&P 500 as 84.9% of index members moved higher. Index breadth was also visible in the S&P 500 Equal Weighted Index which jumped +9.8% and delivered its highest monthly outperformance of the cap-weighted index since April.
- 12-month trailing profit margins for value companies held up better than growth companies on a year-over-year basis. As of Q3, the profit margin for the Russell 1000 Value Index declined to 9.4% from 10.0%, while the Russell 1000 Growth Index profit margin fell to 10.7% from 14.5%.

VALUE VS. GROWTH RELATIVE VALUATIONS



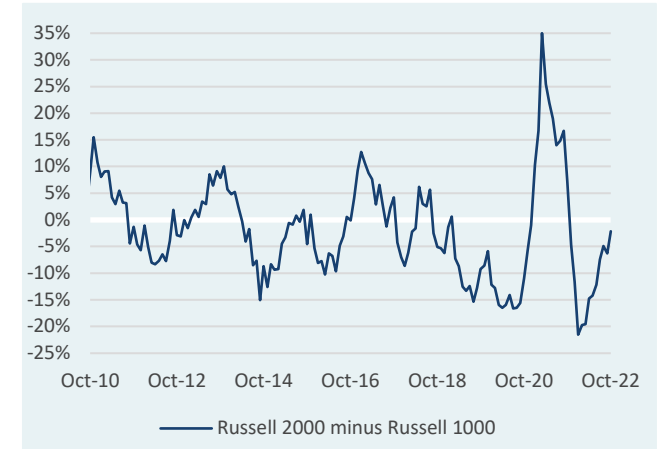
Source: FTSE, Bloomberg, as of 10/31/22

VALUE VS. GROWTH 1-YR ROLLING RELATIVE PERFORMANCE



Source: FTSE, Bloomberg, as of 10/31/22

SMALL VS. LARGE 1-YR ROLLING RELATIVE PERFORMANCE

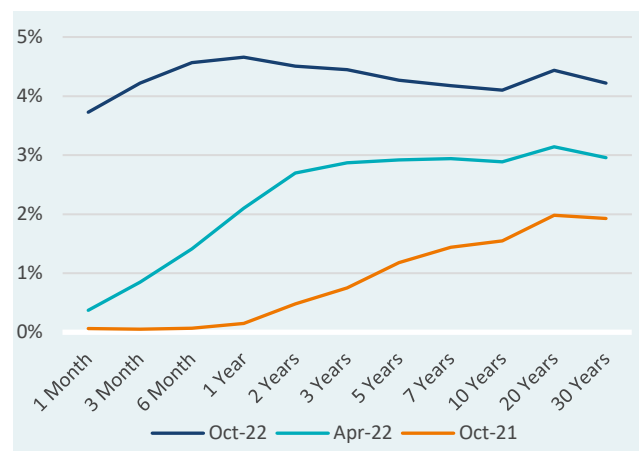


Source: FTSE, Bloomberg, as of 10/31/22

Fixed income

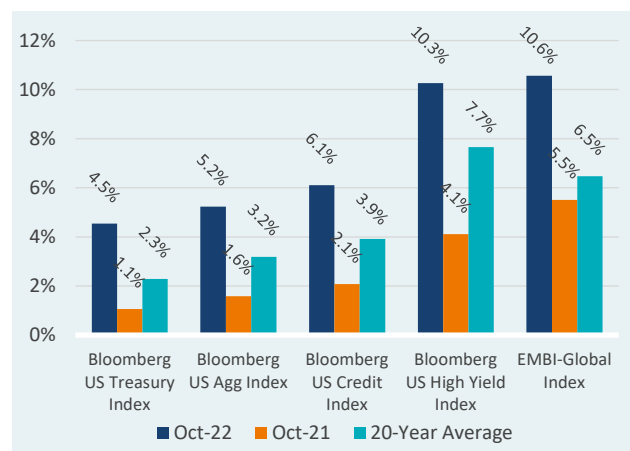
- U.S. Treasury yields rose across the curve alongside a hot September CPI print and expectations of another 75-basis point rate hike at the Fed’s November meeting. Yields on all tenors notched fresh highs on the year with help from a hawkish Fed and new market expectations that the fed funds rate may peak near 5.0%.
- Spreads on U.S. high yield debt narrowed by -80 bps to end the month at 4.6%. High yield spreads have now fallen -136 bps from their year-to-date peaks observed in July. The Bloomberg U.S. Corp High Yield Index (+2.6%) moved higher in a reversal of the prior two-month trend.
- The Bloomberg U.S. Long Treasury Index (-5.5%) declined for a third consecutive month as yields on long-dated Treasuries climbed to levels not seen in more than a decade. 10-year and 30-year yields surpassed 4.0% for the first time since 2008 and 2010, respectively.
- The average U.S. 30-year fixed mortgage rate continued its ascent and closed at 7.1%, the highest since 2002. Similarly, the 15-year hit 6.4%, the highest level since 2007. Amplified rate hike expectations and waning mortgage demand likely pushed rates higher. The Bloomberg MBS Index has declined -14.9% year-to-date.

U.S. TREASURY YIELD CURVE



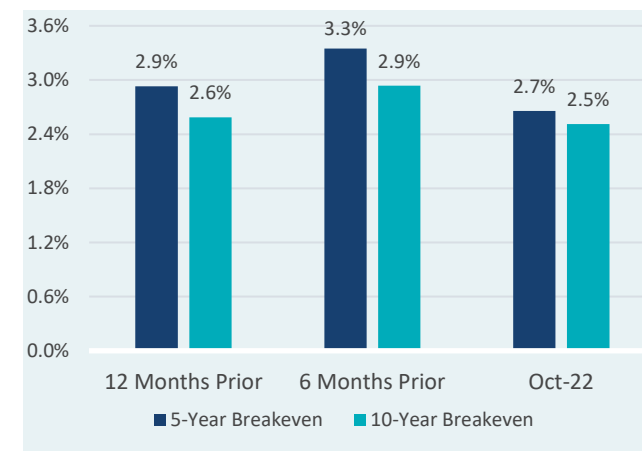
Source: Bloomberg, as of 10/31/22

NOMINAL YIELDS



Source: Morningstar, as of 10/31/22

BREAKEVEN INFLATION RATES

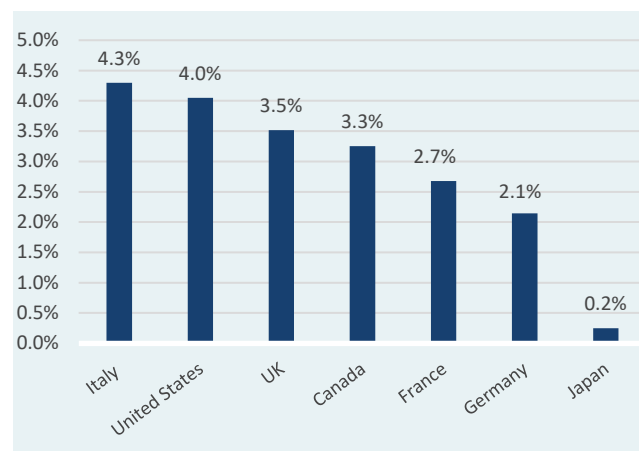


Source: Bloomberg, as of 10/31/22

Global markets

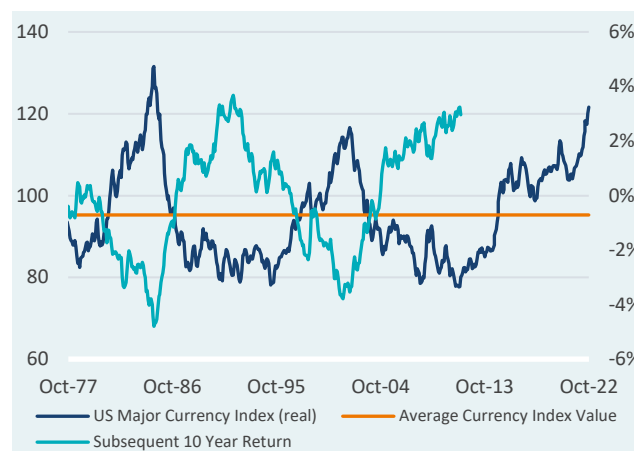
- International equities (MSCI ACWI ex US +3.0%) increased moderately but lagged U.S. counterparts. Gains in developed market equities (MSCI EAFE +5.4%) were offset by declines in emerging Asian equities (MSCI EM Asia -3.9%) which pulled the broader EM index lower (MSCI EM -3.1%).
- Chinese equities (MSCI China Index -16.8%) fell sharply amid fears of slowing economic growth and tightened political control. These factors likely contributed to high volatility and a record single-session sell-off in the Nasdaq Golden Dragon China Index (-14.4%), which closed the month at its lowest level since 2013.
- The MSCI U.K. Index jumped +6.0%, the largest monthly gain for U.K. equities since December. Sentiment turned positive following the termination of Exchequer Chancellor Kwasi Kwarteng and the subsequent resignation of Prime Minister Liz Truss, advocates for the country's short-lived September mini-budget.
- The MSCI EM Latin American Index rallied +9.7% and led regional indices for a third consecutive month. Brazilian stocks, which constitute 60.1% of the index, rose +8.6% alongside the election of former President Lula da Silva while Mexican stocks soared +13.9% on peso strength and outsized Financials performance.

GLOBAL SOVEREIGN 10-YEAR YIELDS



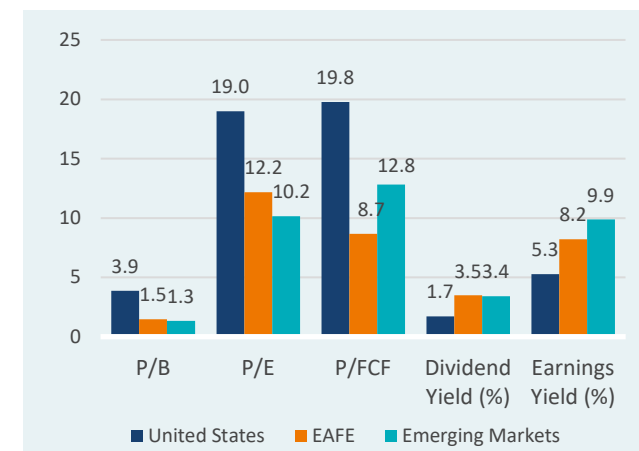
Source: Bloomberg, as of 10/31/22

U.S. DOLLAR MAJOR CURRENCY INDEX



Source: Federal Reserve, as of 10/31/22

MSCI VALUATION METRICS (3-MONTH AVG)



Source: Bloomberg, as of 10/31/22

Commodities

- The Bloomberg Commodity Index (+2.0%) increased marginally as swelling energy prices (Bloomberg Energy Sub-Index +4.4%) were moderated by declines in precious metals (Bloomberg Precious Metals Sub-Index -1.0%) and narrow gains in agriculture (Bloomberg Agriculture Sub-Index +1.1%).
- The Organization of the Petroleum Exporting Countries (OPEC) announced plans to curtail oil output by 2 million barrels per day. The move adds further pressure to global energy prices which have skyrocketed year-to-date as a result of tight supply. The Bloomberg Petroleum Sub-Index gained +13.0%.

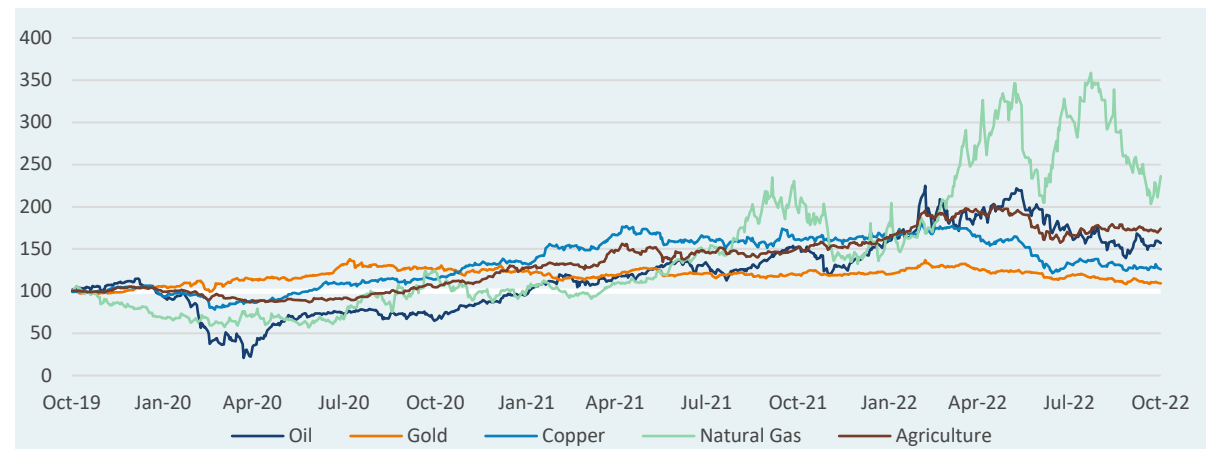
- The Bloomberg Softs Sub-Index (-9.3%) fell on steep downward movement in coffee prices (-19.8%) which declined amid expectations of an increased shift toward at-home consumption due to high inflation. Cotton prices (-15.6%) also contributed to the downturn and sunk after reductions in forward-looking consumption estimates.
- Industrials metals prices (Bloomberg Industrial Metals Sub-Index -0.6%) declined as global recession fears and lower trading volumes on major exchanges hurt prices. Copper prices fell -1.1%, and zinc – which is often used in conjunction with steel – dropped -9.7% largely due to the release of weaker-than-expected Chinese factory data.

INDEX AND SECTOR PERFORMANCE

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Bloomberg Commodity	2.0	2.0	15.8	11.2	13.4	6.9	(1.6)
Bloomberg Agriculture	1.1	1.1	14.0	17.7	21.0	8.6	(1.7)
Bloomberg Energy	4.4	4.4	56.4	33.3	12.4	7.2	(5.6)
Bloomberg Grains	1.1	1.1	19.7	23.1	20.8	9.5	(3.0)
Bloomberg Industrial Metals	(0.6)	(0.6)	(16.6)	(13.4)	7.4	2.6	0.5
Bloomberg Livestock	6.3	6.3	5.3	9.2	(4.5)	(5.4)	(3.2)
Bloomberg Petroleum	13.0	13.0	52.9	43.9	18.5	11.9	(2.6)
Bloomberg Precious Metals	(1.0)	(1.0)	(12.6)	(11.5)	1.0	3.4	(2.6)
Bloomberg Softs	(9.8)	(9.8)	(10.4)	(7.1)	14.5	2.3	(3.6)

Source: Morningstar, as of 10/31/22

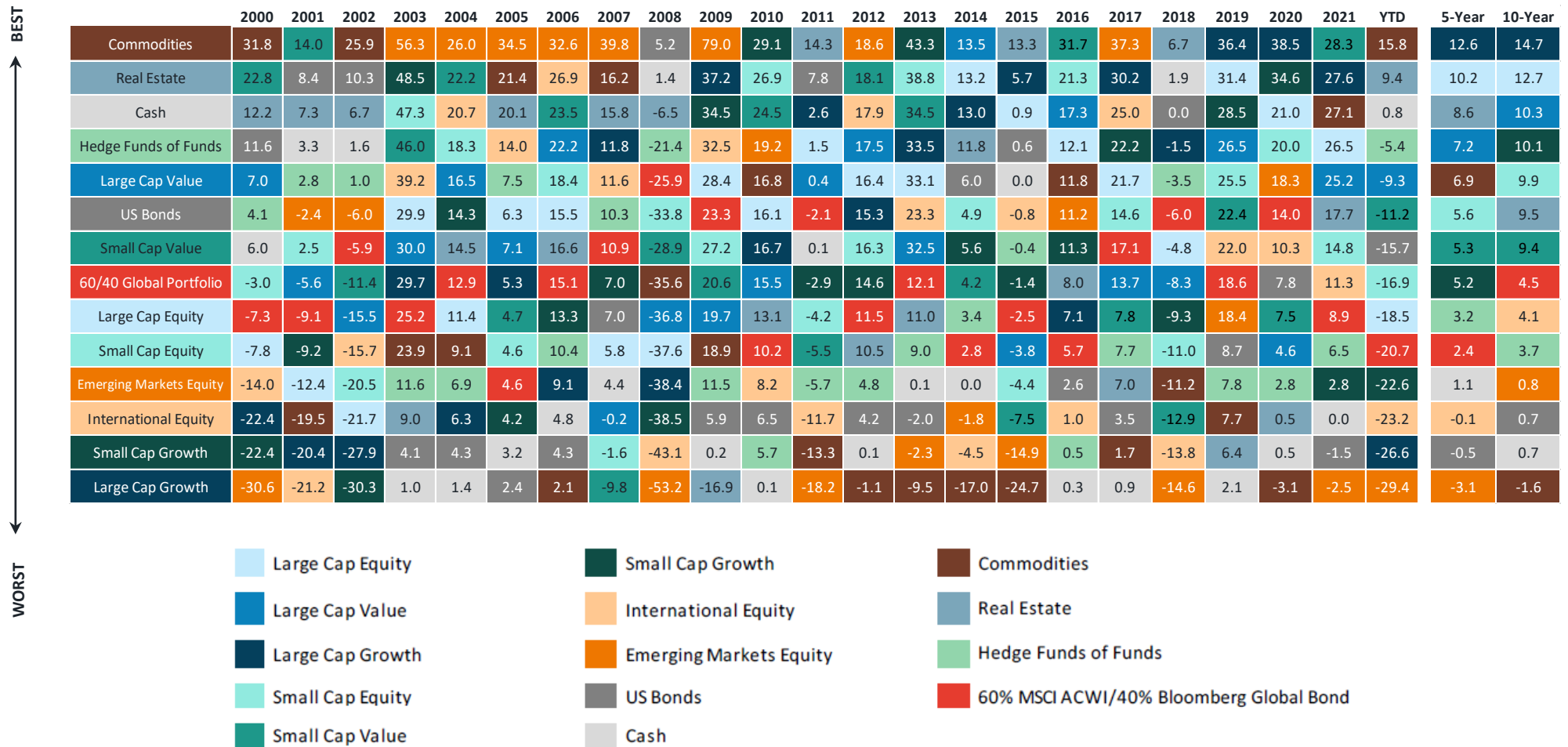
COMMODITY PERFORMANCE



Source: Bloomberg, as of 10/31/22

Appendix

Periodic table of returns



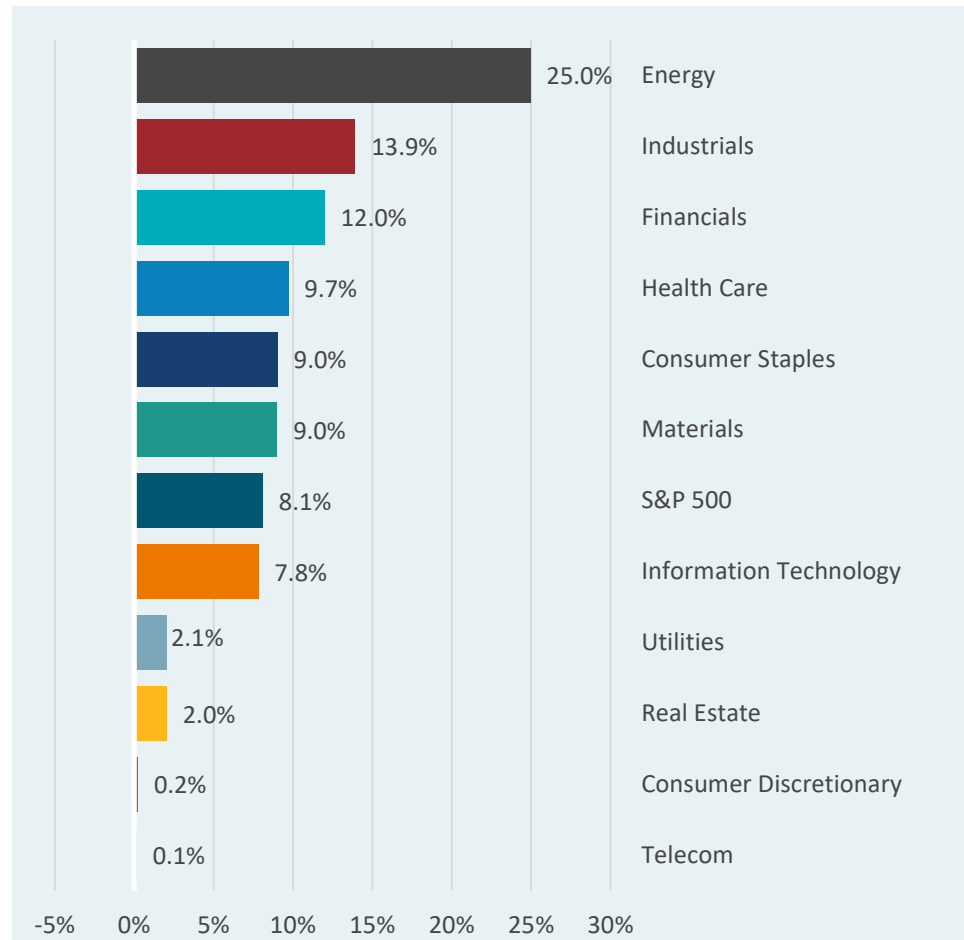
BEST
↑
↓
WORST



Source Data: Morningstar, Inc., Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF). Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Growth, Russell 2000, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, Bloomberg US Aggregate, T-Bill 90 Day, Bloomberg Commodity, NCREIF Property, HFRI FOF, MSCI ACWI, Bloomberg Global Bond. NCREIF Property Index performance data as of 9/30/22.

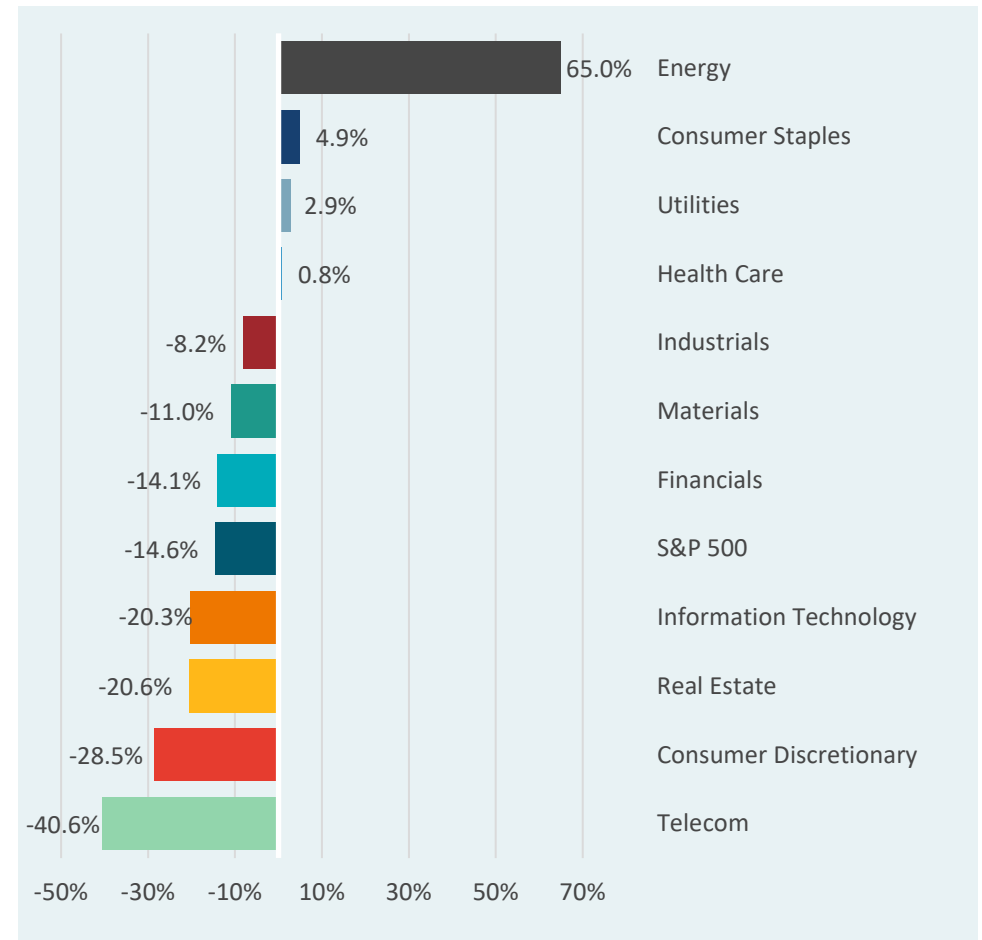
S&P 500 sector returns

QTD



Source: Morningstar, as of 10/31/22

ONE YEAR ENDING SEPTEMBER



Source: Morningstar, as of 10/31/22

Detailed index returns

DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Core Index							
S&P 500	8.1	8.1	(17.7)	(14.6)	10.2	10.4	12.8
S&P 500 Equal Weighted	9.8	9.8	(12.9)	(9.9)	10.6	9.8	12.6
DJ Industrial Average	14.1	14.1	(8.4)	(6.7)	8.8	9.3	12.2
Russell Top 200	7.7	7.7	(18.9)	(16.1)	10.8	11.0	13.1
Russell 1000	8.0	8.0	(18.5)	(16.4)	10.0	10.2	12.7
Russell 2000	11.0	11.0	(16.9)	(18.5)	7.0	5.6	9.9
Russell 3000	8.2	8.2	(18.4)	(16.5)	9.8	9.9	12.5
Russell Mid Cap	8.9	8.9	(17.5)	(17.2)	7.8	7.9	11.4
Style Index							
Russell 1000 Growth	5.8	5.8	(26.6)	(24.6)	11.7	12.6	14.7
Russell 1000 Value	10.3	10.3	(9.3)	(7.0)	7.3	7.2	10.3
Russell 2000 Growth	9.5	9.5	(22.6)	(26.0)	5.1	5.2	10.1
Russell 2000 Value	12.6	12.6	(11.2)	(10.7)	8.1	5.3	9.4

INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
MSCI ACWI	6.0	6.0	(21.1)	(20.0)	4.8	5.2	8.0
MSCI ACWI ex US	3.0	3.0	(24.3)	(24.7)	(1.7)	(0.6)	3.3
MSCI EAFE	5.4	5.4	(23.2)	(23.0)	(1.3)	(0.1)	4.1
MSCI EM	(3.1)	(3.1)	(29.4)	(31.0)	(4.4)	(3.1)	0.8
MSCI EAFE Small Cap	4.2	4.2	(29.2)	(30.3)	(2.3)	(1.3)	5.6
Style Index							
MSCI EAFE Growth	4.3	4.3	(30.1)	(29.6)	(1.3)	1.1	5.1
MSCI EAFE Value	6.5	6.5	(16.0)	(16.3)	(1.9)	(1.7)	2.9
Regional Index							
MSCI UK	6.0	6.0	(13.7)	(12.4)	(0.7)	(0.0)	2.4
MSCI Japan	3.0	3.0	(24.2)	(24.7)	(3.2)	(0.9)	5.3
MSCI Euro	8.9	8.9	(26.7)	(27.1)	(2.2)	(1.7)	3.8
MSCI EM Asia	(5.9)	(5.9)	(33.0)	(34.5)	(4.2)	(3.3)	2.5
MSCI EM Latin American	9.7	9.7	13.0	16.1	(1.8)	(0.1)	(1.3)

FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
Bloomberg US TIPS	1.2	1.2	(12.5)	(11.5)	1.1	2.2	1.0
Bloomberg US Treasury Bills	0.2	0.2	0.6	0.6	0.5	1.1	0.7
Bloomberg US Agg Bond	(1.3)	(1.3)	(15.7)	(15.7)	(3.8)	(0.5)	0.7
Bloomberg US Universal	(4.3)	(4.3)	(14.9)	(14.9)	(3.1)	(0.2)	1.2
Duration							
Bloomberg US Treasury 1-3 Yr	(0.1)	(0.1)	(4.6)	(4.8)	(0.7)	0.5	0.6
Bloomberg US Treasury Long	(5.5)	(5.5)	(32.8)	(32.0)	(10.0)	(2.7)	0.0
Bloomberg US Treasury	(1.4)	(1.4)	(14.3)	(14.1)	(3.6)	(0.5)	0.4
Issuer							
Bloomberg US MBS	(1.4)	(1.4)	(14.9)	(15.0)	(4.2)	(1.2)	0.4
Bloomberg US Corp. High Yield	2.6	2.6	(12.5)	(11.8)	0.3	2.0	4.1
Bloomberg US Agency Interm	(0.5)	(0.5)	(7.7)	(7.9)	(1.7)	0.1	0.6
Bloomberg US Credit	(1.0)	(1.0)	(18.9)	(18.9)	(4.1)	(0.3)	1.4
OTHER							
Index							
Bloomberg Commodity	2.0	2.0	15.8	11.2	13.4	6.9	(1.6)
Wilshire US REIT	4.1	4.1	(26.8)	(20.5)	(1.2)	3.9	6.7
CS Leveraged Loans	0.8	0.8	(2.5)	(2.0)	2.6	3.0	3.7
S&P Global Infrastructure	(11.8)	(11.8)	(10.1)	(6.0)	(0.1)	2.1	5.7
Alerian MLP	14.4	14.4	36.1	30.3	10.3	4.9	2.1
Regional Index							
JPM EMBI Global Div	0.2	0.2	(23.8)	(24.2)	(7.2)	(2.7)	1.0
JPM GBI-EM Global Div	(0.9)	(0.9)	(19.3)	(20.3)	(8.2)	(3.5)	(2.6)
Hedge Funds							
HFRI Composite	2.0	2.0	(4.4)	(5.3)	6.6	4.7	4.8
HFRI FOF Composite	1.5	1.5	(5.4)	(6.5)	4.5	3.2	3.7
Currency (Spot)							
Euro	0.9	0.9	(13.1)	(14.6)	(4.0)	(3.2)	(2.7)
Pound Sterling	3.1	3.1	(15.0)	(16.0)	(3.8)	(2.8)	(3.3)
Yen	(2.6)	(2.6)	(22.5)	(23.3)	(10.1)	(5.2)	(6.0)

Source: Morningstar, HFRI, as of 10/31/22.

Detailed private market returns

Comparison to public market index returns

Private Equity Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Global Private Equity FoFs & Secondary Funds	7.9	22.5	18.7	14.3
Global Private Equity Direct Funds *	2.5	22.2	19.7	16.6
U.S. Private Equity Direct Funds *	5.5	24.9	21.9	18.2
Europe Private Equity Direct Funds *	(0.5)	19.4	18.2	14.9
Asia Private Equity Direct Funds *	(6.9)	13.9	13.3	13.7

Public Index Time-weighted Returns				
MSCI World	(14.3)	7.0	7.7	9.5
S&P 500	(10.6)	10.6	11.3	13.0
MSCI Europe	(17.6)	1.2	2.2	5.4
MSCI AC Asia Pacific	(22.2)	1.8	2.8	5.5

Private Real Estate Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Real Estate	25.7	14.0	12.2	13.4

Public Index Time-weighted Returns				
FTSE NAREIT Equity REIT	(6.3)	4.0	5.3	7.4

Private Credit Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Debt **	15.9	15.6	12.9	12.0

Public Index Time-weighted Returns				
S&P / LSTA U.S. Leveraged Loan 100 Index	(4.2)	1.4	2.4	3.3

Private Real Assets Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Global Nature Resources ***	27.1	6.6	4.9	3.5
Global Infrastructure	12.7	11.4	11.4	11.1

Public Index Time-weighted Returns				
S&P Global Natural Resources	2.9	8.6	8.9	4.6
S&P Global Infrastructure	5.6	3.5	4.8	7.2

Source: Pooled IRRs are from Thompson Reuters CJA and Time-weighted Returns are from Investment Metrics, as of June 30th, 2022. All returns in U.S. dollars.

* Includes Buyout, Growth Equity and Venture Capital.

** Includes Control-Oriented Distressed, Credit Opportunities, Senior Debt and Subordinated Capital.

*** Includes Private Equity Energy, Timber and Upstream Energy & Royalties.

Notices & disclosures

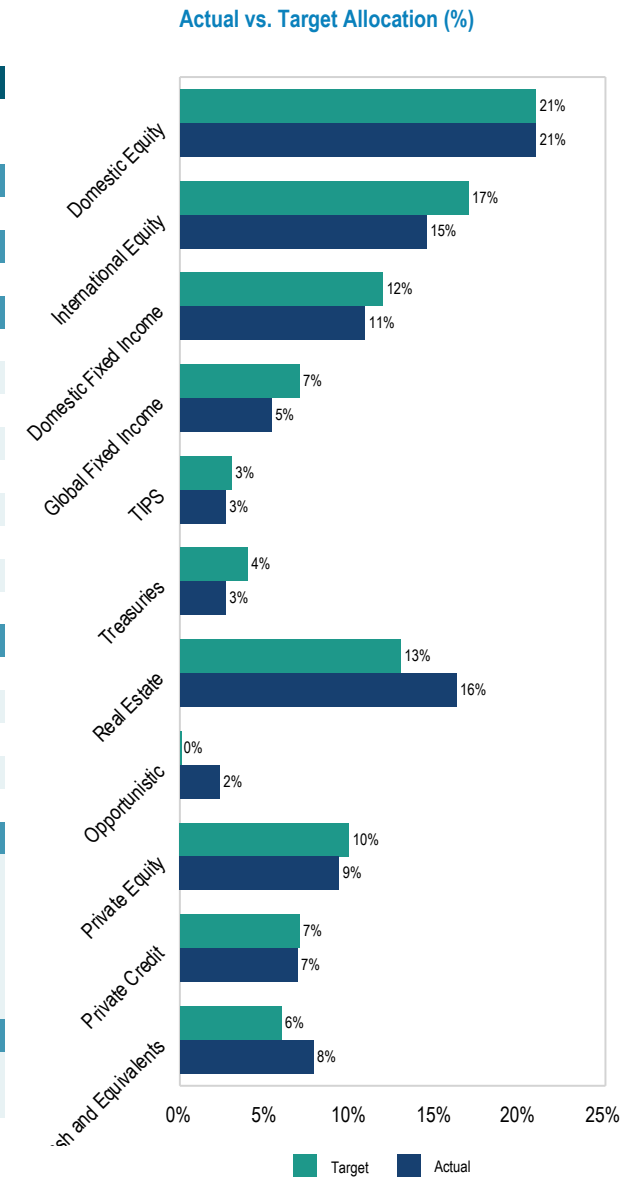
Past performance is no guarantee of future results. This document is provided for informational purposes only and is directed to institutional clients and eligible institutional counterparties only and is not intended for retail investors. Nothing herein constitutes investment, legal, accounting or tax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

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Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: October 31, 2022

	Market Value	% of Portfolio	1 Mo	YTD
Total Fund	1,602,423,590	100.0	2.8	-9.7
Interim Policy Index			2.3	-12.7
FFP SAA Index			1.9	-7.8
Total Growth	1,092,058,444	68.2	4.2	-8.3
Custom Growth Benchmark			3.9	-12.2
Total Public Equity	570,599,795	35.6	8.4	-16.8
Russell 3000 Index			8.2	-18.4
Total Domestic Equity	336,929,787	21.0	10.5	-11.3
Russell 3000 Index			8.2	-18.4
PIMCO RAE US	101,211,190	6.3	14.6	-2.9
S&P 500 Index			8.1	-17.7
Loomis Sayles Large Cap Growth	70,363,783	4.4	6.2	-27.2
Russell 1000 Growth Index			5.8	-26.6
Boston Partners Large Cap Value	91,764,464	5.7	11.5	-4.8
Russell 1000 Value Index			10.3	-9.3
Atlanta Capital Mgmt	73,590,350	4.6	8.4	-10.6
Russell 2500 Index			9.6	-16.7
Total International Equity	233,670,009	14.6	5.6	-23.8
MSCI AC World ex USA Index			3.0	-24.0
Dodge & Cox Intl Stock	124,469,802	7.8	5.6	-14.8
MSCI AC World ex USA Value			4.1	-17.3
WCM International Growth	109,200,207	6.8	5.6	-32.7
MSCI AC World ex USA Growth			2.0	-30.3
Total Private Equity	149,777,514	9.3		
Harbourvest Partners IX Buyout Fund L.P.	13,920,183	0.9		
Pathway Private Equity Fund Investors 9 L.P.	83,087,140	5.2		
Harbourvest 2018 Global Fund L.P.	21,350,933	1.3		
Harbourvest SLO Fund Private Equity	18,356,471	1.1		
Pathway Private Equity Fund Investors 10 L.P.	13,062,787	0.8		
Total Private Credit	110,893,603	6.9		
Sixth Street Partners DCP	73,375,223	4.6		
Harbourvest SLO Credit Fund	37,518,380	2.3		

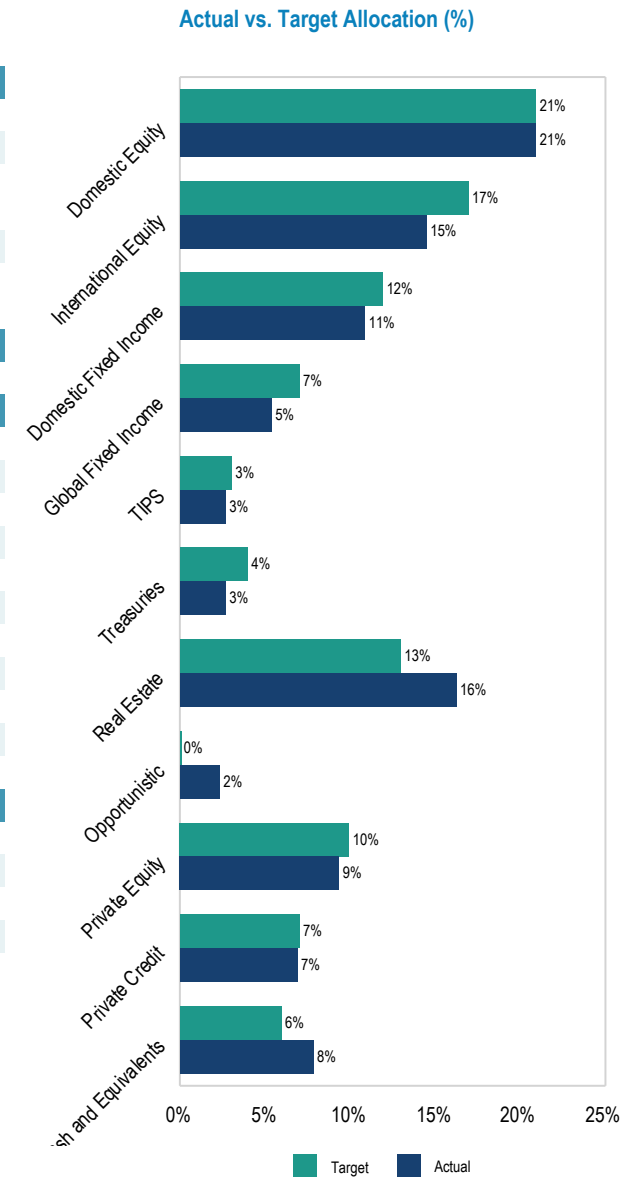


New Policy Index as of 1/1/2022 24% Russell 3000, 17% MSCI ACWI ex-US (Gross), 15% Bloomberg U.S. Aggregate, 7% FTSE WGBI, 4% Bloomberg US Treasury 7-10 yr, 3% Bloomberg US TIPS, 11% NCREIF Property Index, 7% Actual Private Equity Return, 4% Actual Private Credit Return, 6% 91 day T-Bills. 2% allocation to Infrastructure is to NCREIF Property, until a more appropriate benchmark is established. All data is preliminary.

Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: October 31, 2022

	Market Value	% of Portfolio	1 Mo	YTD
Total Real Estate	260,787,531	16.3	-0.2	11.4
NCREIF Property Index			0.0	9.4
JP Morgan Core Real Estate	176,003,791	11.0	-0.4	9.4
NCREIF-ODCE			0.0	13.1
NCREIF Property Index			0.0	9.4
ARA American Strategic Value Realty	84,783,740	5.3	0.1	16.5
NCREIF-ODCE			0.0	13.1
NCREIF Property Index			0.0	9.4
Total Risk Diversifying	347,649,581	21.7	-0.6	-15.7
Custom Risk Diversifying Benchmark			-	-
Total Domestic Fixed Income	261,717,705	16.3	-0.4	-12.1
Blmbg. U.S. Aggregate Index			-1.3	-15.7
BlackRock Core Bond	54,818,202	3.4	-1.5	-17.9
Blmbg. U.S. Aggregate Index			-1.3	-15.7
Dodge & Cox Income Fund	52,166,283	3.3	-1.0	-13.8
Blmbg. U.S. Aggregate Index			-1.3	-15.7
Pacific Asset Corporate Loan	67,321,675	4.2	1.2	-1.8
Morningstar LSTA US Leveraged Loan			1.0	-2.3
SSGA U.S. Govt Bond Index	43,272,463	2.7	-1.4	-14.2
Blmbg. U.S. Treasury: 7-10 Year			-1.4	-16.9
BlackRock TIPS	44,139,082	2.8	0.0	-13.5
Blmbg. U.S. TIPS			1.2	-12.5
Total Global Fixed	85,931,876	5.4	-1.2	-24.9
FTSE World Government Bond Index			-0.5	-21.7
Brandywine Global Fixed Income	37,770,430	2.4	-1.9	-21.5
FTSE Non-U.S. World Government Bond			0.2	-26.7
Ashmore EM Blended Debt Fund	48,161,446	3.0	-0.7	-28.0
50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMI+			0.0	-20.0

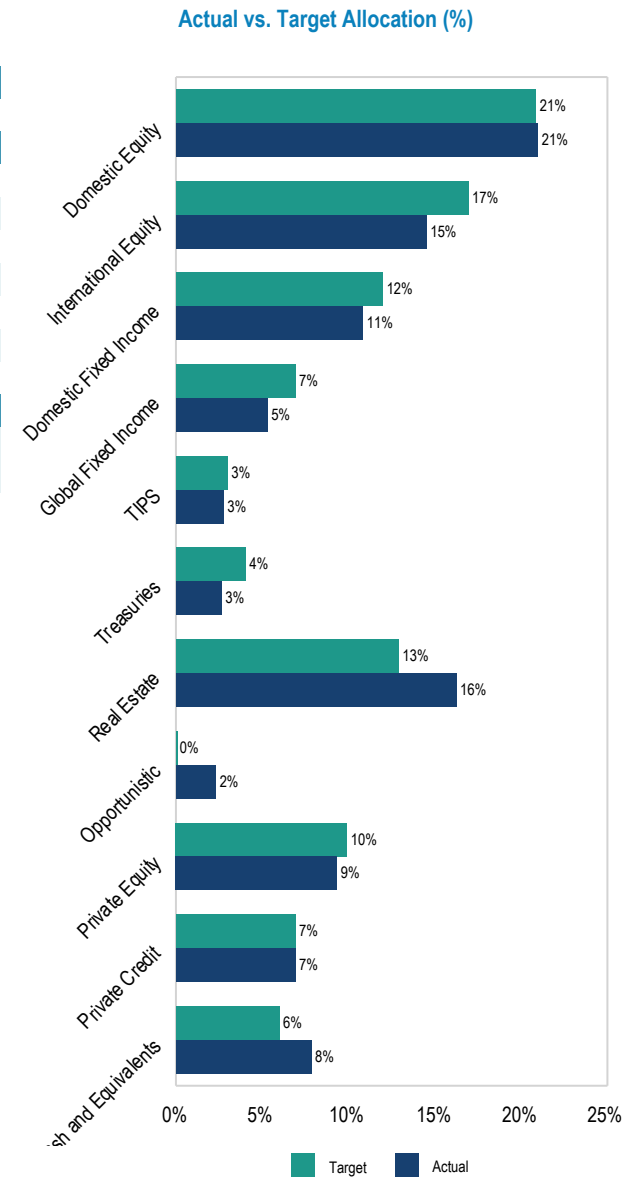


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Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: October 31, 2022

	Market Value	% of Portfolio	1 Mo	YTD
Total Liquidity	162,715,566	10.2	0.6	-3.2
90 Day U.S. Treasury Bill			0.2	0.8
Total Cash	125,194,094	7.8	0.0	-1.6
90 Day U.S. Treasury Bill			0.2	0.8
PIMCO Short Duration Fund	32,855,811	2.1	-0.3	-5.4
Blmbg. 1-3 Year Gov/Credit index			-0.1	-4.7
Cash Account	73,575,351	4.6	0.0	0.2
90 Day U.S. Treasury Bill			0.2	0.8
Investment Cash	18,762,932	1.2	0.4	0.4
90 Day U.S. Treasury Bill			0.2	0.8
Total Opportunistic	37,521,471	2.3		
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	2,683,632	0.2		
Sixth Street Partners TAO	34,837,839	2.2		



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Board of Trustees

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Date: November 28, 2022

To: Board of Trustees

From: Carl Nelson – Executive Director
Amy Burke – Deputy Director

Agenda Item 21: Asset Allocation – October 2022

This item on the agenda provides a properly noticed opportunity for the Board of Trustees to discuss and take action, if necessary, regarding asset allocation and related investment matters.

As a report on current asset allocation relative to the 2022 Interim SAA Target Allocation the following table provides details. Asset values may differ slightly from those shown in the Monthly Investment report due to when the report was run as various market values are finalized for month-end.

Note – asset allocation management is being administered to efficiently incorporate the mid-July prefunding of SLO County employer contributions of approximately \$76 million. This infusion of cash shifted the allocation to Liquidity above its target. The extra liquidity will be used to fund retiree payroll of approximately \$10 million per month over the next few months.

FFP Asset Mix	Est. Market Value (\$000s)	% Allocation	SAA Target Allocation	Variance
	10/31/22		2022 Interim	
Bank (operating)	2,098	0.1%	0.1%	0.0%
SLOC Treasury	63,700	4.0%	2.0%	2.0%
JPM short term	18,730	1.2%	0.9%	0.3%
Short Duration	32,856	2.1%	3.0%	-0.9%
LIQUIDITY	117,384	7.3%	6.0%	1.3%
Equity- Public Mkt US	337,411	21.1%	21.0%	0.1%
Equity- Public Mkt Intl	233,670	14.6%	17.0%	-2.4%
Equity- Public Mkt Global	-	0.0%		0.0%
Bank Loans	67,321	4.2%	4.0%	0.2%
Bonds- Intl.	37,770	2.4%	3.0%	-0.6%
Bonds- Emerging Mkts	48,178	3.0%	4.0%	-1.0%
Real Estate- Core	176,004	11.0%	7.0%	4.0%
Real Estate- Value Add	84,784	5.3%	4.0%	1.3%
Infrastructure	-	0.0%	2.0%	-2.0%
Private Equity	149,778	9.4%	10.0%	-0.6%
Private Credit	116,320	7.3%	7.0%	0.3%
Opportunistic	37,653	2.4%	0.0%	2.4%
GROWTH	1,288,888	80.5%	79.0%	1.5%
Bonds- Core	106,996	6.7%	8.0%	-1.3%
Treasuries - Intermediate	43,272	2.7%	4.0%	-1.3%
TIPS	44,692	2.8%	3.0%	-0.2%
RISK DIVERSIFYING	194,960	12.2%	15.0%	-2.8%
TOTAL	1,601,232	100.0%	100.0%	
Liquidity + Risk Diversifying		19.5%	21.0%	-1.5%

Respectfully submitted,