

Pension Trust

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



AGENDA

PENSION TRUST BOARD OF TRUSTEES

Monday, May 22, 2023 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/86306795430?pwd=MHpQM3dKNDRqYVdRdDQwWkdORTNmUT09>

Webinar ID: [863 0679 5430](#)

Passcode: [545944](#)

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

See closed session below

C) CONSENT

2. Minutes of the Regular Meeting of March 27, 2023 (Approve Without Correction).
3. Reports of Deposits and Contributions for the months of March and April 2023 (Receive and File).
4. Reports of Service Retirements, Disability Retirements and DROP Participants for the months of March and April 2023 (Receive, Approve and File).
5. Monthly Investment Report for March 2023 (Receive and File).
6. Resolution Modifying and Affirming Investment and Banking authority - Resolution 2023-01 (Recommend Approval).
7. *reserved*

D) APPLICATIONS FOR DISABILITY RETIREMENT

8. Application for Industrial Disability Retirement – Case 2023-03 (Recommend Approval)
9. Disability Application and Evaluation Process Update (Review, Discuss, and Direct Staff as necessary)
10. *Reserved*

E) OLD BUSINESS

None

F) NEW BUSINESS

- 11. Administrative Budget for Fiscal Year 2023-2024 - Approval – (Recommend Approval)
- 12. *Reserved*

G) INVESTMENTS

- 13. Quarterly Investment Report for the 1st Quarter of 2023 – Verus (Receive and File)
- 14. Monthly Investment Report for April 2023 (Receive and File)
- 15. Private Markets Commitments – Additional Private Equity Commitment Deferral - (Review, Discuss, and Direct Staff as necessary)
- 16. Asset Allocation - (Review, Discuss, and Direct Staff as necessary)

H) OPERATIONS

- 17. Staff Reports
- 18. General Counsel Reports
- 19. Committee Reports:
 - i. Audit Committee No Report
 - ii. Personnel Committee No Report
- 20. Upcoming Board Topics (subject to change)
 - a. Audit Committee Meeting – May 24, 2023
 - b. Personnel Committee Meeting – May 30, 2023
 - ii. June 26, 2023
 - a. Disabilities
 - b. 2022 Annual Financial Audit and ACFR
 - c. 2023 Actuarial Valuation and Contribution Rates Approval
 - d. Employer Prefunding
 - e. Executive Director recruitment

- iii. July 24, 2023 – planned as a non-meeting month
 - a. Personnel Committee meeting(s) - TBS
 - b. Audit Committee – Auditor RFP - TBS

- iv. August 28, 2023
 - a. Disabilities
 - b. Mid-Year Financial Statements and Budget Status
 - c. Financial Auditor RFP
 - d. Quarterly Investment Report
 - e. Fiduciary Refresher Briefing
 - f. ESG Practices – Peer systems
 - g. Executive Director recruitment

 - h. Personnel Committee meetings – TBS
 - i. Audit Committee – Auditor RFP - TBS

- v. September 25, 2023
 - a. Financial Auditor RFP
 - b. Executive Director Annual Evaluation
 - c. Executive Director Compensation
 - d. Funding Policy projections
 - e. Executive Director recruitment
 - f. Executive Director – Finalist interviews – closed session (tentative)

 - g. Personnel Committee meeting - TBS
 - h. Audit Committee – Auditor RFP - TBS

- vi. October, 2023 – TBS special meeting
 - a. Executive Director – Finalist interviews – closed session (tentative)

21. Trustee Comments

I) CLOSED SESSION

22. PUBLIC EMPLOYEE EMPLOYMENT. The Board will convene in closed session pursuant to Gov. Code section 54957(b)(1) to discuss the recruitment of a successor Executive Director.

J) ADJOURNMENT

**PENSION TRUST
BOARD OF TRUSTEES**

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MINUTES

Monday, March 27, 2023 9:30 AM
Regular Meeting of the Pension Trust
Board of Trustees

**PENSION TRUST
BOARD OF TRUSTEES**

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

Board Members Absent: Jeff Hamm
David Grim

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

General Counsel: Chris Waddell (online) Olson | Remcho

Consultants: Anne Harper Cheiron
Alice Alsberghe (online) Cheiron

Others: Larry Batchelder (online) SLOCREA
Brenda Dye (online) Member
Jim Fellows (online) Member
Joshua Peet (online) Member
Lisa Winter (online) SLOOPT staff

Call to Order: 9:40 AM by Vice President Hamilton

A) PUBLIC COMMENT

1. None

B) ORGANIZATIONAL

None

C) CONSENT

2. Minutes of the Regular Meeting of February 27, 2023 (Approve Without Correction)
3. Reports of Deposits and Contributions for the month of February 2023 (Receive and File)
4. Reports of Service Retirements, Disability Retirements and DROP Participants for the month of February 2023 (Receive, Approve and File)
5. *reserved*

Motion: Approve the Consent items

Discussion: None

Public Comment: None

Motion Made: Shoresman

Motion Seconded: O’Quest

Carried: Unanimous

D) APPLICATIONS FOR DISABILITY RETIREMENT

6. Application for Industrial Disability Retirement – Case 2022-09 (Recommend Approval)

Motion: Approve Staff recommendation of approval for Industrial Disability Retirement case 2022-09.

Discussion: Deputy Director Burke presented the Staff recommendation and commented on; the medical recommendation, the interactive process followed by the County employer as a prerequisite regarding disability payments potentially under Section 10.06 of the Retirement Plan, and the inapplicability of future periodic review in this case.

Public Comment: None

Motion Made: O’Quest

Motion Seconded: Howe

Carried: Unanimous

7. Application for Industrial Disability Retirement – Case 2022-10 (Recommend Approval)

Motion: Approve Staff recommendation of approval for Industrial Disability Retirement case 2022-10.

Discussion: Deputy Director Burke presented the Staff recommendation and commented on; the medical recommendation, the interactive process followed by the County employer as a prerequisite regarding disability payments potentially under Section 10.06 of the Retirement Plan, and the possibility of future periodic review in this case.

Public Comment: None

Motion Made: Sibbach

Motion Seconded: O’Quest

Carried: Unanimous

8. *reserved*

E) OLD BUSINESS

None

9:58 AM – Vice President Hamilton called for a 10-minute break

10:00 AM – Back in session

F) NEW BUSINESS

9. 2023 Actuarial Overview - Presentation by Anne Harper and Alice Alsberghe, Cheiron - Plan Actuary - (Discuss, Direct Actuary and Staff as necessary)

Motion: None – no action recommended and no specific Board direction given

Discussion: Anne Harper and Alice Alsberghe, the Plan Actuaries with Cheiron presented an extensive discussion about the upcoming 2023 Annual Actuarial Valuation. Trustees and staff asked a number of clarifying questions.

Public Comment: None

No Action Necessary

10. Actuarial Valuation – 2023 Actuarial Assumptions Approval - (Discuss, Direct Actuary and Staff as necessary – Recommend Approval)

Motion: Approve Staff recommendation of actuarial assumptions for the Plan Actuary to utilize in the 2023 Annual Actuarial Valuation.

Discussion: The Board of Trustees discussed the Staff and Actuary recommendation for no change to actuarial assumptions to be used in the 2023 Annual Actuarial Valuation from those used in 2022. It was noted that no changes to actuarial assumptions does not mean there will be no change to pension contribution rates; rather, actual economic and demographic experience from 2022 may lead to changes to the required pension contribution rates. Trustees and staff asked a number of clarifying questions.

Public Comment: None

Motion Made: Sibbach

Motion Seconded: Shoresman

Carried: Unanimous

11. Employer Contributions Prefunding and Discount Rate (Discuss, Direct Staff as necessary)

Motion: Approve Staff recommendation of allowing Employer prefunding of contributions for FY23-24 at a discount rate of 4.25%.

Discussion: The Board of Trustees and Staff discussed this annual item for approval of prefunding. Jim Hamilton, speaking in his role as County Treasurer, commented that it was yet to be determined if SLO County wished to prefund pension contributions for FY23-24. The approved action only makes such prefunding possible, but does not require it.

Public Comment: None

Motion Made: Shoresman

Motion Seconded: O'Quest

Carried: Unanimous

12. Administrative Budget for Fiscal Year 2023-2024 - Proposed – (Review, Discuss, and Direct Staff as necessary)

Motion: None – no action recommended and no specific Board direction given

Discussion: Deputy Director Burke presented the proposed SLOCPT Administrative Budget for FY23-24. Trustees and staff asked a number of clarifying questions. The FY23-24 budget will be presented in final form for Board approval at the May 22, 2023 meeting.

Public Comment: None

No Action Necessary

13. *Reserved*

G) INVESTMENTS

14. Monthly Investment Report for February 2023 (Receive and File

Motion: Receive and File the monthly investment report

Discussion: Executive Director Nelson presented the report.

Public Comment: None

Motion Made: Howe

Motion Seconded: O'Quest

15. *Reserved*

16. Asset Allocation

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

Public Comment: None

No Action Necessary

H) ORGANIZATIONAL

None

I) OPERATIONS

17. Staff Reports

- i. Executive Director Nelson reported the executive recruitment plan to select his successor following his December 31, 2023 retirement was under discussion with Board President Hamm and would be presented at the May 22, 2023 Board of Trustees meeting.

18. General Counsel Reports

None

19. Committee Reports:

- i. Audit Committee No Report
- ii. Personnel Committee No Report

20. Upcoming Board Topics – published on meeting agenda

21. Trustee Comments

Trustee Sibbach commented and shared insights from his attendance at the CALAPRS 2023 General Assembly in March.

J) CLOSED SESSION

None

K) ADJOURNMENT

There being no further business, the meeting was adjourned at 11:30 AM. The next Regular Meeting was set for May 22, 2023, at 9:30 AM, in the Board of Supervisors room, County Government Center, San Luis Obispo, California 93408.

Respectfully submitted,

Carl Nelson
Executive Director

**REPORT OF DEPOSITS AND CONTRIBUTIONS FOR THE MONTH OF
MARCH 2023**

PP 5	3/10/2023	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	2,687,904.02	890,083.03	33.11%	371,976.39	228,971.78	22.36%	55.47%	2,487.50	1,365.43	1,494,884.13
	County Tier 2	980,839.66	337,422.35	34.40%	65,098.30	83,081.56	15.11%	49.51%	-	-	485,602.21
	County Tier 3	5,005,342.15	1,638,463.95	32.73%	686,200.83	-	13.71%	46.44%	-	1,442.30	2,326,107.08
	Superior Court Tier 1	226,259.80	75,903.58	33.55%	48,815.12	-	21.57%	55.12%	-	-	124,718.70
	Superior Court Tier 3	204,426.99	65,777.54	32.18%	33,764.38	-	16.52%	48.69%	-	-	99,541.92
	APCD Tier 1	47,813.68	14,910.57	31.18%	7,485.07	3,827.78	23.66%	54.85%	-	-	26,223.42
	APCD Tier 2	3,791.21	1,150.63	30.35%	488.31	217.99	18.63%	48.98%	-	-	1,856.93
	APCD Tier 3	36,658.44	11,428.44	31.18%	5,300.73	-	14.46%	45.64%	-	-	16,729.17
	SLOCPT Tier 1	8,506.26	2,648.85	31.14%	1,291.25	790.23	24.47%	55.61%	-	-	4,730.33
	SLOCPT Tier 2	10,478.40	3,262.97	31.14%	592.03	973.45	14.94%	46.08%	-	-	4,828.45
	SLOCPT Tier 3	13,920.04	4,469.73	32.11%	1,859.29	-	13.36%	45.47%	250.00	-	6,579.02
	LAFCO Tier 3	11,039.88	3,548.22	32.14%	1,617.39	-	14.65%	46.79%	-	-	5,165.61
	RTA Tier 2	29,840.00	9,414.52	31.55%	612.26	3,879.20	15.05%	46.60%	-	-	13,905.98
	RTA Tier 3	17,340.45	5,546.27	31.98%	2,308.80	-	13.31%	45.30%	-	-	7,855.07
		9,284,160.98	3,064,030.65	33.00%	1,227,410.15	321,741.99	16.69%	49.69%	2,737.50	2,807.73	\$ 4,618,728.02
PP 6	3/24/2023	Pensionable Salary	Employer Contributions	Employer Rate	Employee Contributions	Employer for Employee Contributions	Employee Rate	Combined Rate	Additional Contributions	Service Purchases	TOTAL Contributions
By Employer and Tier:											
	County Tier 1	2,713,717.35	896,725.59	33.04%	375,226.74	231,484.63	22.36%	55.40%	2,487.50	1,365.43	1,507,289.89
	County Tier 2	977,000.31	335,891.89	34.38%	64,802.37	82,772.98	15.10%	49.48%	-	-	483,467.24
	County Tier 3	4,988,765.04	1,632,375.31	32.72%	682,841.87	-	13.69%	46.41%	-	1,127.93	2,316,345.11
	Superior Court Tier 1	226,105.94	75,873.53	33.56%	48,801.77	-	21.58%	55.14%	-	-	124,675.30
	Superior Court Tier 3	201,080.37	64,813.09	32.23%	33,260.24	-	16.54%	48.77%	-	167.85	98,241.18
	APCD Tier 1	47,521.63	14,818.10	31.18%	7,444.07	3,800.65	23.66%	54.84%	-	-	26,062.82
	APCD Tier 2	3,791.20	1,150.63	30.35%	488.31	217.99	18.63%	48.98%	-	-	1,856.93
	APCD Tier 3	37,272.83	11,618.05	31.17%	5,381.47	-	14.44%	45.61%	-	-	16,999.52
	SLOCPT Tier 1	8,506.26	2,648.85	31.14%	1,291.25	790.23	24.47%	55.61%	-	-	4,730.33
	SLOCPT Tier 2	10,478.40	3,262.97	31.14%	592.03	973.45	14.94%	46.08%	-	-	4,828.45
	SLOCPT Tier 3	14,210.89	4,563.11	32.11%	1,900.50	-	13.37%	45.48%	250.00	-	6,713.61
	LAFCO Tier 3	11,039.88	3,548.22	32.14%	1,617.39	-	14.65%	46.79%	-	-	5,165.61
	RTA Tier 2	29,840.00	9,414.52	31.55%	612.26	3,879.20	15.05%	46.60%	-	-	13,905.98
	RTA Tier 3	17,366.60	5,554.39	31.98%	2,311.65	-	13.31%	45.29%	-	-	7,866.04
		9,286,696.70	3,062,258.25	32.97%	1,226,571.92	323,919.13	16.70%	49.67%	2,737.50	2,661.21	\$ 4,618,148.01
TOTAL FOR THE MONTH		18,570,857.68	6,126,288.90	32.99%	2,453,982.07	645,661.12	16.69%	49.68%	5,475.00	5,468.94	\$ 9,236,876.03
TOTAL YEAR TO DATE		55,359,015.55	18,262,005.57	32.99%	7,316,114.26	1,936,572.15	16.71%	49.70%	16,226.66	16,440.33	\$ 27,547,358.97

**REPORT OF DEPOSITS AND CONTRIBUTIONS FOR THE MONTH OF
APRIL 2023**

PP 7 4/7/2023	Pensionable Salary	Employer Contributions	Employer Rate	Employee Contributions	Employer for		Combined Rate	Additional Contributions	Service Purchases	TOTAL Contributions
					Employee Contributions	Employee Rate				
By Employer and Tier:										
County Tier 1	2,667,778.76	881,964.57	33.06%	369,225.64	227,339.85	22.36%	55.42%	2,487.50	1,365.43	1,482,382.99
County Tier 2	976,179.12	335,585.75	34.38%	64,859.13	82,721.92	15.12%	49.50%	-	-	483,166.80
County Tier 3	5,013,179.84	1,640,321.12	32.72%	686,887.90	-	13.70%	46.42%	-	1,198.34	2,328,407.36
Superior Court Tier 1	224,504.59	75,403.07	33.59%	48,533.46	-	21.62%	55.20%	-	-	123,936.53
Superior Court Tier 3	208,919.72	67,293.42	32.21%	34,735.03	-	16.63%	48.84%	-	167.85	102,196.30
APCD Tier 1	47,813.70	14,910.57	31.18%	7,485.07	3,827.78	23.66%	54.84%	-	-	26,223.42
APCD Tier 2	4,170.40	1,265.71	30.35%	537.13	239.81	18.63%	48.98%	-	-	2,042.65
APCD Tier 3	35,958.42	11,212.42	31.18%	5,289.50	-	14.71%	45.89%	-	-	16,501.92
SLOCPT Tier 1	8,506.26	2,648.85	31.14%	1,291.25	790.23	24.47%	55.61%	-	-	4,730.33
SLOCPT Tier 2	10,478.40	3,262.97	31.14%	592.03	973.45	14.94%	46.08%	-	-	4,828.45
SLOCPT Tier 3	14,329.28	4,601.13	32.11%	1,913.78	-	13.36%	45.47%	250.00	-	6,764.91
LAFCO Tier 3	11,039.88	3,548.22	32.14%	1,617.39	-	14.65%	46.79%	-	-	5,165.61
RTA Tier 2	29,840.00	9,414.51	31.55%	612.26	3,879.20	15.05%	46.60%	-	-	13,905.97
RTA Tier 3	17,366.60	5,554.39	31.98%	2,311.65	-	13.31%	45.29%	-	-	7,866.04
	9,270,064.97	3,056,986.70	32.98%	1,225,891.22	319,772.24	16.67%	49.65%	2,737.50	2,731.62	\$ 4,608,119.28

PP 8 4/21/2023	Pensionable Salary	Employer Contributions	Employer Rate	Employee Contributions	Employer for		Combined Rate	Additional Contributions	Service Purchases	TOTAL Contributions
					Employee Contributions	Employee Rate				
By Employer and Tier:										
County Tier 1	2,673,212.79	882,829.23	33.03%	369,879.66	228,019.23	22.37%	55.39%	2,487.50	1,365.43	1,484,581.05
County Tier 2	971,571.53	334,497.94	34.43%	64,743.48	82,199.52	15.12%	49.55%	-	-	481,440.94
County Tier 3	5,033,576.74	1,648,777.65	32.76%	687,330.22	-	13.65%	46.41%	-	1,198.34	2,337,306.21
Superior Court Tier 1	221,399.09	74,411.35	33.61%	47,847.63	-	21.61%	55.22%	-	-	122,258.98
Superior Court Tier 3	205,325.13	66,205.25	32.24%	34,107.80	-	16.61%	48.86%	-	167.85	100,480.90
APCD Tier 1	47,813.69	14,910.57	31.18%	7,485.08	3,827.78	23.66%	54.85%	-	-	26,223.43
APCD Tier 2	3,980.80	1,208.17	30.35%	512.72	228.90	18.63%	48.98%	-	-	1,949.79
APCD Tier 3	31,728.72	9,852.56	31.05%	4,496.16	-	14.17%	45.22%	-	-	14,348.72
SLOCPT Tier 1	8,506.26	2,648.85	31.14%	1,291.25	790.23	24.47%	55.61%	-	-	4,730.33
SLOCPT Tier 2	10,478.40	3,262.97	31.14%	592.03	973.45	14.94%	46.08%	-	-	4,828.45
SLOCPT Tier 3	14,329.29	4,601.14	32.11%	1,913.79	-	13.36%	45.47%	250.00	-	6,764.93
LAFCO Tier 3	8,301.81	2,668.17	32.14%	1,192.69	-	14.37%	46.51%	-	-	3,860.86
RTA Tier 2	29,840.00	9,414.51	31.55%	612.26	3,879.20	15.05%	46.60%	-	-	13,905.97
RTA Tier 3	17,353.53	5,550.33	31.98%	2,310.23	-	13.31%	45.30%	-	-	7,860.56
	9,277,417.78	3,060,838.69	32.99%	1,224,315.00	319,918.31	16.65%	49.64%	2,737.50	2,731.62	\$ 4,610,541.12

TOTAL FOR THE MONTH **18,547,482.75** **6,117,825.39** **32.98%** **2,450,206.22** **639,690.55** **16.66%** **49.64%** **5,475.00** **5,463.24** **\$ 9,218,660.40**

TOTAL YEAR TO DATE **73,906,498.30** **24,379,830.96** **32.99%** **9,766,320.48** **2,576,262.70** **16.70%** **49.69%** **21,701.66** **21,903.57** **\$ 36,766,019.37**

REPORT OF RETIREMENTS**March 2023**

RETIREE NAME	DEPARTMENT	BENEFIT TYPE *	EFFECTIVE DATE	MONTHLY BENEFIT	SS TEMP ANNUITY**
Houseman, Brian Scott	Facilities Management	Service Retirement	02/01/2023	410.37	False
Janes, Patricia A	SLOCPT	Service Retirement	02/08/2023	1,301.46	False
Jones, Shirley M	Public Works ISF	Service Retirement	03/11/2023	2,767.98	False
Miller, Brian K	General Services	Service Retirement	02/08/2023	889.66	False
Reading, Edward Michael	Public Works ISF	Service Retirement	03/15/2023	1,510.55	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**April 2023**

RETIREE NAME	DEPARTMENT	BENEFIT TYPE *	EFFECTIVE DATE	MONTHLY BENEFIT	SS TEMP ANNUITY**
Biniskiewicz, Joseph Steph	ITD	Service Retirement	04/04/2023	1,354.62	False
Boone-Brechwald, Jane An	Public Health Department	Service Retirement	03/31/2023	740.44	False
Cannon, Julie A	Superior Court	Service Retirement	04/01/2023	1,930.23	False
Degnan, Robert P	Sheriff-Coroner	DROP	04/01/2023	6,404.09	False
Fellows, James Earl	Sheriff-Coroner	Duty Disability Retirement	03/28/2023	4,144.07	False
Gallegos, Elena G	Department of Social Services	Service Retirement	03/04/2023	536.24	False
Mesker, Michael D	Human Resources	DROP	04/01/2023	4,678.87	False
Mesker, Michael D	Human Resources	Additional Annuity	04/01/2023	63.54	False
Myers, Randy P	Air Pollution Control District	Service Retirement	04/04/2023	1,030.45	False
Peet, Joshua E	Sheriff-Coroner	Duty Disability Retirement	04/01/2023	4,237.39	False
Rempe, Cheryl	District Attorney	Service Retirement	04/01/2023	4,677.18	False
Rhoderick, Cindie	Personnel	Service Retirement	01/31/2023	570.80	False
Rhoderick, Cindie	Personnel	Additional Annuity	01/31/2023	77.25	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: April 24, 2023

To: Board of Trustees

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

Agenda Item 5: Monthly Investment Report for March 2023

	March	Year to Date 2023	2022	2021	2020	2019	2018
Total Trust Investments (\$ millions)	\$1,637		\$1,614 year end	\$1,775 year end	\$1,552 year end	\$1,446 year end	\$1,285 year end
Total Fund Return	1.1% Gross	2.9% Gross	-8.0% Gross	15.2% Gross	8.9 % Gross	16.3 % Gross	-3.2 % Gross
Policy Index Return (r)	1.8%	3.6%	-9.7%	12.8%	10.0 %	16.4 %	-3.2 %

- (r) Policy index as of Nov. 2021 Strategic Asset Allocation Policy with 2023 Interim targets:
- Public Mkt Equity- 21% Russell 3000, 17% MSCI ACWI ex-US
 - Public Mkt Debt- 10% Barclays US Aggregate,
 - Risk Diversifying 4% Barclays US Aggregate, 5% Barclays 7-10yr Treasury, 4% Barclays 5-10yr US TIPS
 - Real Estate & Infrastructure- 15% NCREIF Index (inc. Infrastructure)
 - Private Equity- 10% actual private equity returns
 - Private Credit- 8% 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 March. The attached market commentary from Verus details market conditions in March, but subsequent activity in April is not yet factored into these numbers. As of April 20th, the month has had small positive returns for equities and small negative returns for bonds.

SLOCPT Investments:

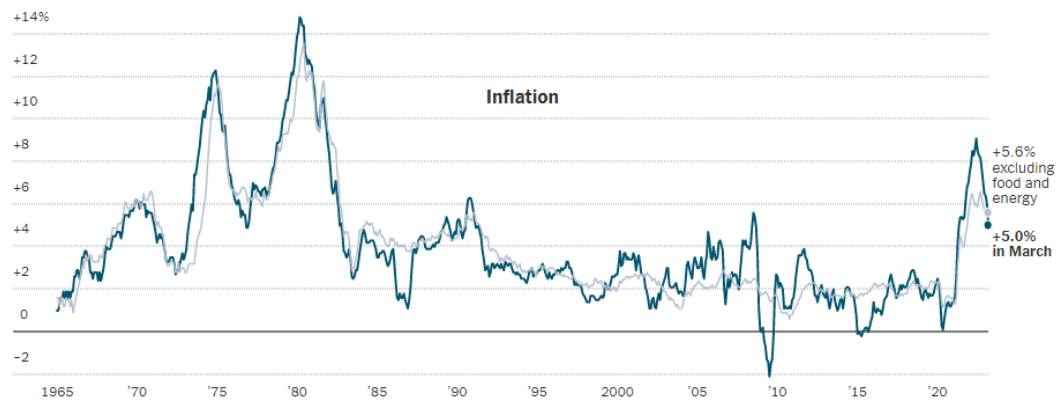
The attached Verus Capital Markets Update details the investment results for the month and Verus' capital market commentary.

Capital Markets:

- **Investment Markets** - March saw a return to positive returns after a negative February. For March, equity markets rose – both US stocks (S&P 500 +3.7% and International stocks (MSCI ACWI ex-US +2.5%). Bonds also rallied (Bloomberg US Aggregate bonds +2.5%).

The Economy:

- **Inflation** –
 - The March US CPI inflation report, as expected, showed a sharp slowdown in the trailing 12-month rate of CPI inflation. The inflation rate fell to a 5.0% year-over-year increase and a 0.1% monthly increase.



- PIMCO, in their April 4th Cyclical Outlook report commented on the outlook for inflation -

“Previously, we’ve said that going from 8% to 4% inflation in the U.S. should be relatively easy, but going from 4% to 2% would require more time, as “stickier” categories related to wage inflation were likely to moderate more slowly and in response to weakening labor markets. We continue to expect core U.S. consumer price index (CPI) inflation to end 2023 at around 3%, still above the 2% inflation target of the U.S. Federal Reserve (Fed), while European inflation is still likely to end the year higher.”

- **Economic Growth –**

- GDP Growth – The 1Q23 measure of U.S. Real GDP growth is still pending, but economists for the most part have been expecting a ~2% rate of GDP increase for the 1st quarter.
- The Fed’s push on inflation reduction combined with turmoil in the banking sector and falling demand for credit together add to a sharp drop off in bank loans. This is a possible harbinger of recession – possibly more than just a mild one. The Fed’s projection for year end 2023 unemployment is 4.5%. However, a more significant recession than expected could push unemployment closer to the 6% range in the estimate of some economists.
- PIMCO, in their April 4th Cyclical Outlook report commented on the banking crisis and its effect on the economy -

“The recent U.S. bank failures set off a wave of deposit outflows and a response from regulators to stem the contagion. In Europe, the stress led to the demise of Credit Suisse and a seismic shock to the broader European banking system. These shocks are likely to slow credit growth by making banks less eager to lend, pull forward any recession, and raise the risk of a somewhat deeper downturn.”

“..., the run on Silicon Valley Bank (SVB) in the U.S. and Credit Suisse in Europe cast a new shadow over the outlook. While these banks’ situations were unique, their problems were also symptomatic of broader fragilities in the sector stemming from tight monetary policy. The magnitude of the ultimate macroeconomic impact of these events remains uncertain, but the impetus is clearly negative.”

“Recent events will likely lead to a mild recession, in the case of the U.S., and act as yet another headwind that could very well pull Europe into recession as well. Since banks – even large, so-called national champion banks with substantial [top tier] capital buffers – could suffer from a crisis of confidence, we believe the risk of a deeper recession has surely gone up.”

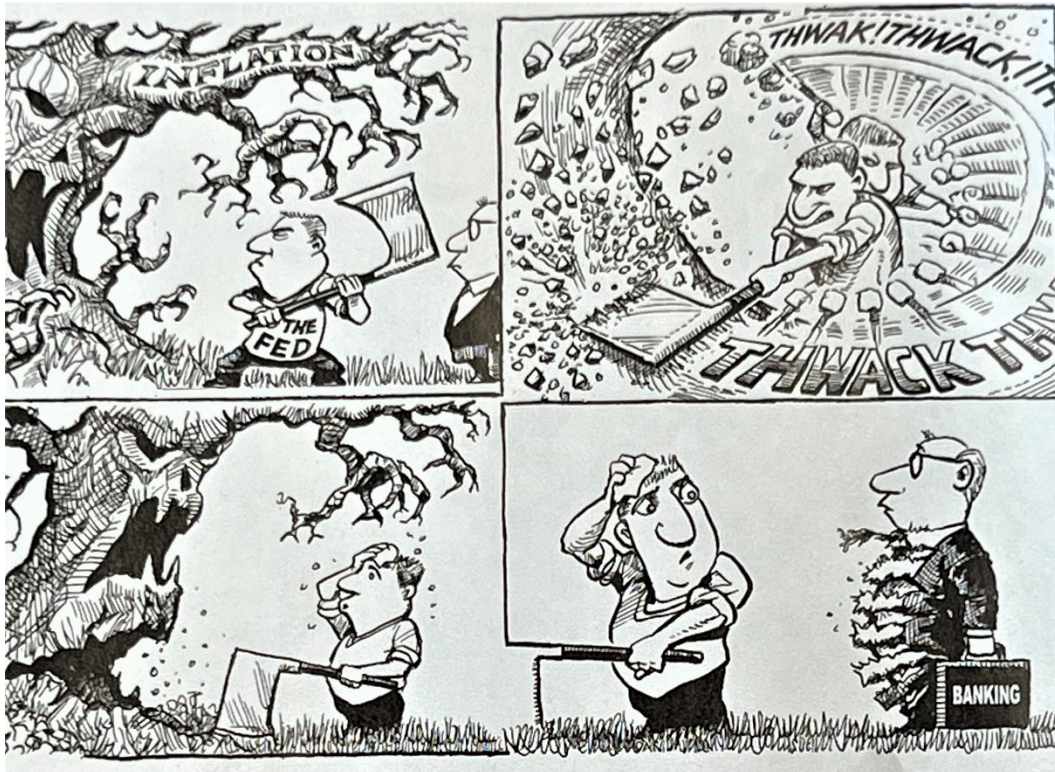
“Still, there are good reasons to believe that this is not 2008. Households still have excess savings, aggregate corporate debt-to-GDP ratios appear manageable with interest-to-income ratios still low, and so far, bank losses generally have emanated from rising interest rates, which reduce the value of long-duration assets, not from risky lending or credit defaults. The largest U.S. systemically important banks, which are subject to regular liquidity and capital stress tests, are still financially sound and have been the beneficiary of deposit outflows at smaller banks.”

- **New Jobs, Unemployment, Wages –**

- The March jobs report from the BLS on nonfarm employment showed a moderating pace of hiring in the economy with a gain of 236k new jobs. A

gradually slowing rate of job growth was hailed as a positive sign that the Fed's efforts to reign in economic excesses and inflation were taking effect.

- **The unemployment rate in March decreased slightly to 3.5%.**
 - The San Luis Obispo County unemployment rate in February was 3.5% - the lowest in the tri-county area.
 - The Labor Department Job Opening and Labor Turnover Survey (JOLTS) for February indicated –
 - a slowing but still healthy labor market with 9.9 million open jobs, down from 10.6 million open jobs in January.
 - **There were 1.7 jobs open for every unemployed worker** (down from 1.9 in January). This ratio is closely watched by the Fed as an indicator of how its efforts to slow economic activity and inflation are working.
 - The last 6 months trend in the JOLTS data has been a gradual shift towards more normal labor market conditions after the post-pandemic rush to hire workers ballooned.
 - In February voluntary job “quits” rose slightly to 4 million – a sign of worker confidence in labor market conditions.
 - The Labor Force Participation rate increased slightly to 62.6% - still about 1% below its pre-pandemic level in 2020. However, **the Labor Force Participation rate of those in the prime working ages of 25-54 is at 80.7% - the highest since 2001.**
 - Wage growth in March from the BLS report showed a moderating year-over-year increase of 4.2%. A decreasing rate of wage growth is a positive indicator of easing inflationary pressures.
- **Monetary Policy –**
 - **The Fed's next meeting is scheduled for May 5th.** Capital markets are of mixed opinion about the next Fed action. Given the reduction in the inflation rate and the economic chilling effect of the banking crisis, an argument can be made for the Fed to pause and not increase short-term interest rates in May. Also plausible is the argument that the Fed is determined to push through one more small increase to further its credibility on inflation fighting.
 - The Fed's rapid increase in interest rates to fight inflation has caused a sharp drop in market value for bonds, including safe Treasury bonds often held by banks. The Economist magazine for March 18th to 24th, 2023 has an apt cartoon illustrating this –



- PIMCO, in their April 4th Cyclical Outlook report commented on Fed policy -

“History suggests the lagged economic effects of tighter central bank policy are arriving on schedule, but any eventual normalizing or even easing of policy will still likely require inflation to decline further.”

“Volatility in the banking sector has raised the prospect of a significant tightening of credit conditions, particularly in the U.S., and therefore the risk of a sooner and deeper recession.”

“Central banks’ efforts to fight inflation by sharply raising interest rates have contributed to recent volatility across the financial sector, as the effects of tighter monetary policy filter into markets and the economy with a lag. Peak policy rates are now likely to be lower than markets previously were pricing. But normalizing monetary policy, and then eventually easing, will take more time and need inflation to decline closer to target levels. In the meantime, unemployment is likely to rise.”

SLOCPT Asset Allocation:

April is a non-meeting month for the Board of Trustees. As a result the normal reporting to the Board on the Pension Trust's asset allocation would be delayed until May. Because March is a quarter end, it is more timely if we include the typical table reporting on asset allocation in this document.

FFP Asset Mix	Est. Market Value (\$000s)	% Allocation	SAA Target Allocation	Variance	Strategic Asset Allocation
	03/31/23		2023 Revised Interim		Long Term
Bank (operating)	1,785	0.1%	0.1%	0.0%	0.1%
SLOC Treasury	33,053	2.0%	1.9%	0.1%	1.7%
JPM short term	17,867	1.1%	1.5%	-0.4%	2.3%
Short Duration	33,753	2.1%	2.5%	-0.4%	6.0%
LIQUIDITY	86,458	5.3%	6.0%	-0.7%	10.0%
Equity- Public Mkt US	332,683	20.4%	21.0%	-0.6%	16.0%
Equity- Public Mkt Intl	268,890	16.5%	17.0%	-0.5%	14.0%
Equity- Public Mkt Global	-	0.0%		0.0%	
Bank Loans	65,863	4.0%	4.0%	0.0%	
Bonds- Intl.	37,872	2.3%	3.0%	-0.7%	
Bonds- Emerging Mkts	49,486	3.0%	3.0%	0.0%	
Real Estate- Core	160,661	9.8%	9.0%	0.8%	5.0%
Real Estate- Value Add	83,901	5.1%	4.0%	1.1%	5.0%
Infrastructure	-	0.0%	2.0%	-2.0%	5.0%
Private Equity	159,019	9.7%	10.0%	-0.3%	18.0%
Private Credit	135,201	8.3%	8.0%	0.3%	12.0%
Opportunistic	37,130	2.3%	0.0%	2.3%	
GROWTH	1,330,708	81.4%	81.0%	0.4%	75.0%
Bonds- Core	99,239	6.1%	4.0%	2.1%	
Treasuries - Intermediate	65,844	4.0%	5.0%	-1.0%	8.0%
TIPS	51,598	3.2%	4.0%	-0.8%	7.0%
RISK DIVERSIFYING	216,681	13.3%	13.0%	0.3%	15.0%
TOTAL	1,633,847	100.0%	100.0%		100.0%
Liquidity + Risk Diversifying		18.6%	19.0%	-0.4%	25.0%

Respectfully Submitted,

A decorative geometric pattern of overlapping triangles in shades of blue and green is overlaid on the left side of the image. A large white triangle is positioned to the left of the main title text.

**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**

MARCH 2023
Capital Markets Update

Market commentary

U.S. ECONOMICS

- Nonfarm payrolls grew by 236,000 on a seasonally adjusted basis, the lowest monthly figure since December 2020, while wage growth slowed to +4.2% year-over-year. Although these measures showed signs of cooling in the job market, unemployment ticked lower to 3.5% and the labor force participation rate rose from 62.5% to 62.6%.
- The Univ. of Michigan Consumer Sentiment Index dropped abruptly after three straight months of improvement, falling to 62.0 from 67.0 in the month prior. All index components fell, with the largest reversal coming from lowered expectations for business conditions in the year ahead (61.5 to 59.2).
- The ISM Manufacturing PMI (46.3) reversed and fell to its lowest level since May 2020. Companies across industries have likely reduced activity in recent months to avoid further instances of oversupply.

U.S. EQUITIES

- All major equity indices ended higher despite extensive mid-month volatility. The S&P 500 Index rose +3.7% as investors assessed a greater likelihood of a Fed pivot due to the increasingly apparent stress the brisk pace of rate hikes has placed on the financial system.
- The collapse of Silicon Valley Bank along with crypto-focused lenders Signature Bank and Silvergate Bank sparked fear among regional bank depositors and investors alike. The S&P Regional Banks Select Equity Index fell -28.2% in what was a tumultuous month for the broader Financials sector.
- While the S&P 500 rallied +7.5% in the first quarter, analysts largely trimmed-back Q1 EPS estimates over the last three months. Per FactSet, analysts have reduced Q1 EPS estimates by -6.3% since December 30th, a greater downward adjustment than average.

U.S. FIXED INCOME

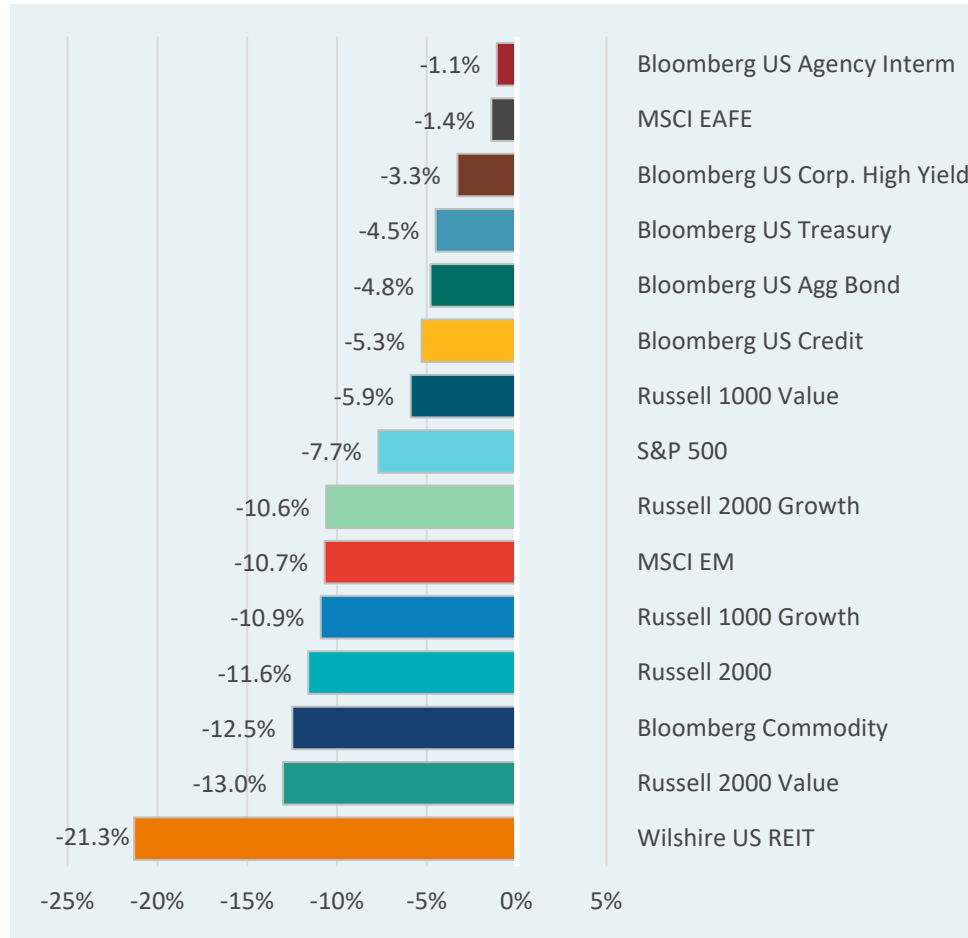
- News of the SVB collapse accelerated market expectations for rate cuts into the current year. Prior to the collapse, expectations for the Fed's terminal rate had peaked at a new high of 5.5% - 5.75%, but the ensuing risk-off sentiment quickly brought expectations back just below 5% ahead of the FOMC Meeting.
- The Fed enacted a 25-bps rate hike and reiterated its commitment to fighting inflation despite recent turmoil in the banking sector. With respect to the banking system, Fed Chairman Powell noted that "it is too soon to determine the extent of these effects, and therefore too soon to tell how monetary policy should respond."
- Bonds rallied on recent market volatility – the Bloomberg US Aggregate Index climbed +2.5% and nearly erased prior month losses.

INTERNATIONAL MARKETS

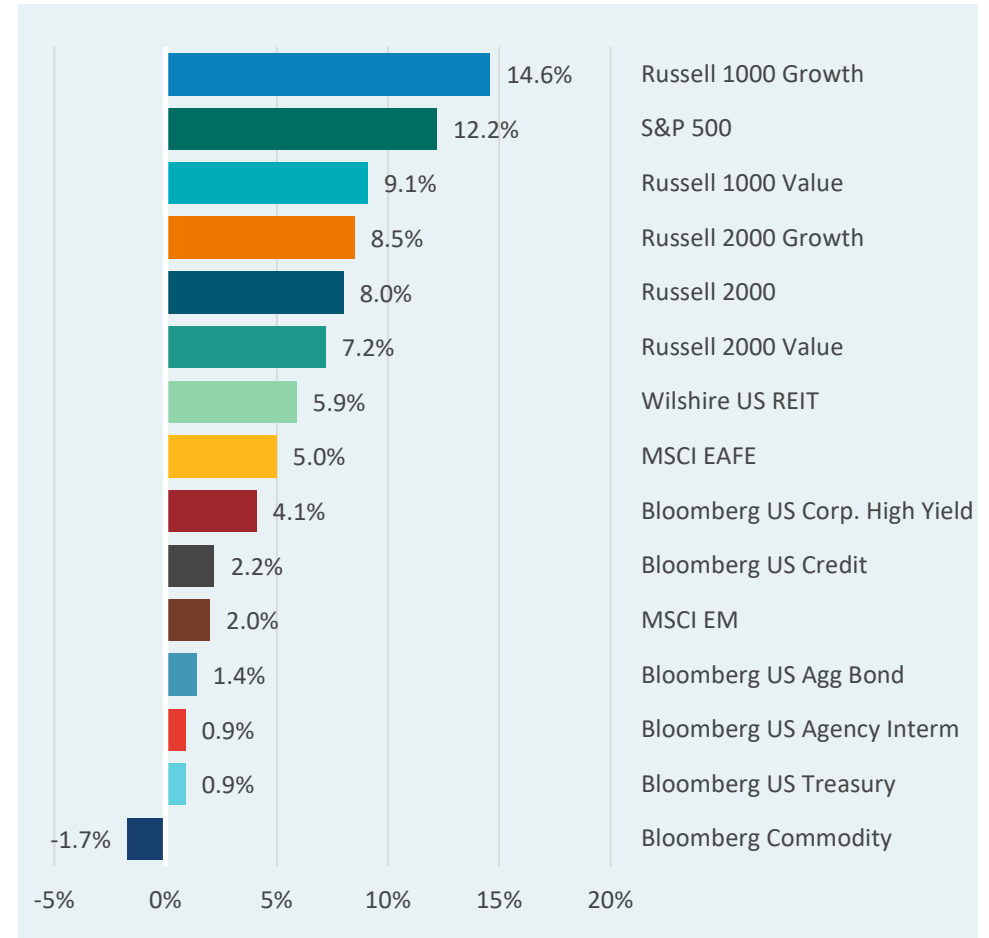
- Global equities (+3.1%) clawed back February losses as investors became increasingly optimistic about less restrictive central bank policies. All regional indices moved higher aside from the MSCI UK Index (-0.6%).
- Economic activity in Europe surprised to the upside throughout the month. The euro-area composite PMI rose to a 10-month high of 54.1. A resilient services sector coupled with the continued fall of energy prices contributed to the MSCI Euro Index posting a +4.1% return.
- Japan performed in line with other regional indices. Easing rate expectations and a stronger Yen (+2.4%) contributed in part to a +4.0% return for the MSCI Japan Index.

Major asset class returns

ONE YEAR ENDING MARCH



TEN YEARS ENDING MARCH



*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 3/31/23

Source: Morningstar, as of 3/31/23

U.S. large cap equities

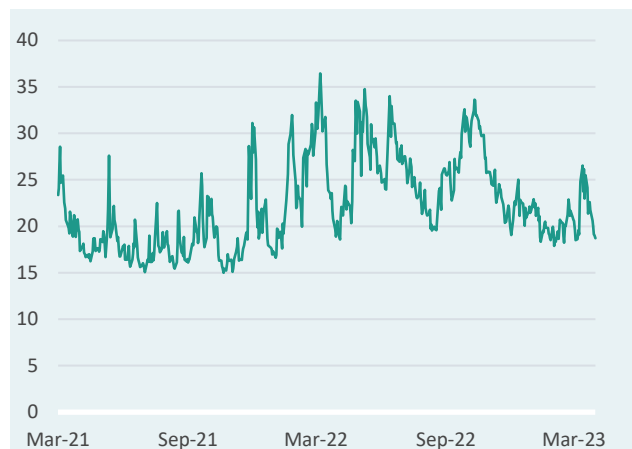
- The S&P 500 Index rose +3.7% as investors looked beyond stress in the banking system and turned their sights toward a potential Fed pause. Swift government intervention in the wake of the SVB collapse likely helped quell some fears of systemic bank failure.
- Seven of the 11 S&P GICS sectors ended the month higher. Technology stocks (+10.7%) continued to lead index performance, followed by Communication Services (+10.4%) and Utilities (+4.9%). The Financials sector was the largest detractor, falling -9.6%. Real Estate (-1.4%), and Materials (-1.0%) were the next worst performers.
- The Dow Jones Industrial Average (+2.1%) lagged the S&P 500 and NASDAQ for a third consecutive month. Performance has suffered recently due to the Dow's heavier allocation to defensive sectors including Financials and Health Care, and lighter allocation to Technology and Communication Services.
- On March 13th, the Cboe VIX Index of implied volatility closed at its highest level (26.5) since October following investors' fearful response to sudden U.S. banking stress. Volatility retreated during the back half of the month and the VIX closed at 18.7, -2 points below February levels.

S&P 500 PRICE INDEX



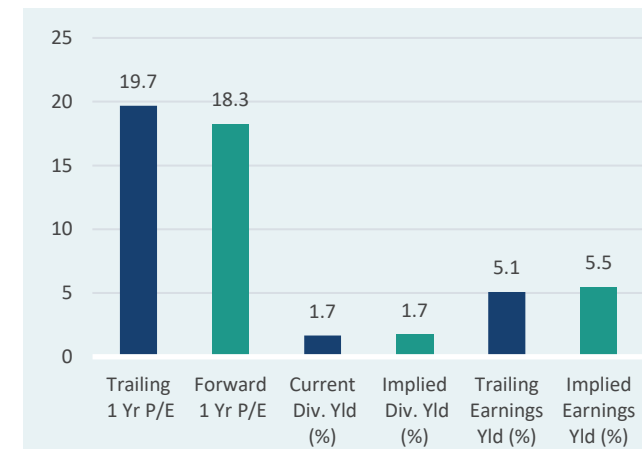
Source: Bloomberg, as of 3/31/23

IMPLIED VOLATILITY (VIX INDEX)



Source: Cboe, as of 3/31/23

S&P 500 VALUATION SNAPSHOT

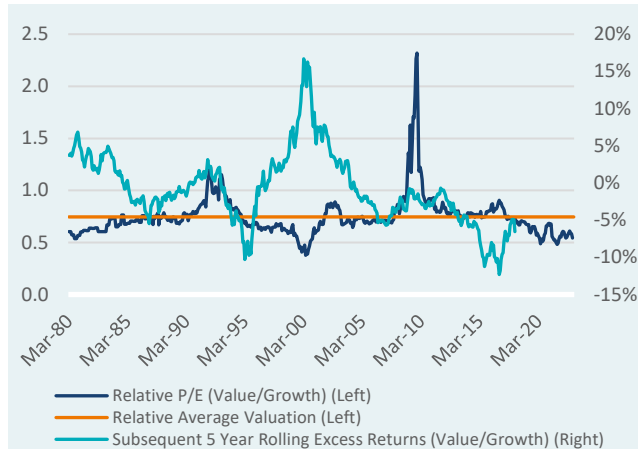


Source: Bloomberg, as of 3/31/23

Domestic equity size and style

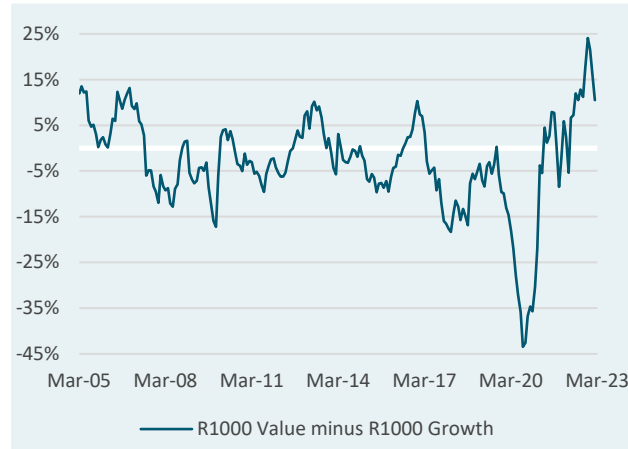
- Large-cap growth equities (Russell 1000 Growth +6.8%) continued to dominate the equity landscape. A quick and drastic shift in rate expectations helped support the continued ascent of growth equities while steep declines in the Financials sector pulled value stocks lower (Russell 1000 Value -0.5%).
- Small-cap stocks (-4.8%) suffered a strong sell-off and lagged large-caps (+3.2%), partly driven by heavy exposure to regional banks. The Regional Banks sub-industry represents the largest portion (10.3%) of the Russell 2000 and accounted for roughly one-third of the benchmark's decline.
- The outsized decline in small-caps ended a recent stint of small-cap overperformance and gave way to the largest monthly disparity (+8.0%) between large and small company performance since March 2020.
- The S&P 500 Equal Weighted Index fell -0.9% and now trails the cap-weighted index by -4.6% year-to-date. The recent recovery in growth sectors – which occupy a smaller percentage of the equal-weighted index – along with recent banking turmoil weighed on performance.

VALUE VS. GROWTH RELATIVE VALUATIONS



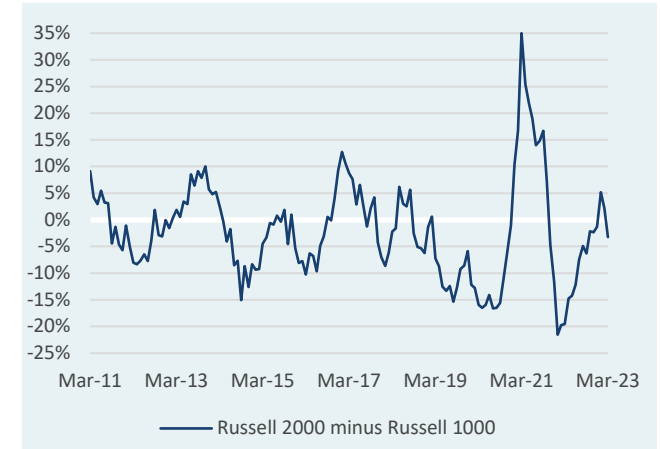
Source: FTSE, Bloomberg, as of 3/31/23

VALUE VS. GROWTH 1-YR ROLLING RELATIVE PERFORMANCE



Source: FTSE, Bloomberg, as of 3/31/23

SMALL VS. LARGE 1-YR ROLLING RELATIVE PERFORMANCE

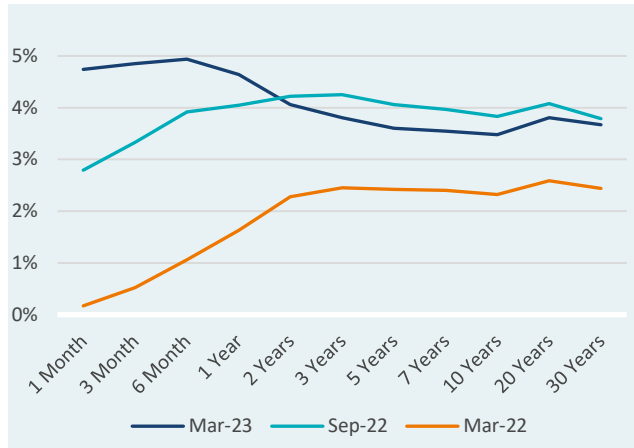


Source: FTSE, Bloomberg, as of 3/31/23

Fixed income

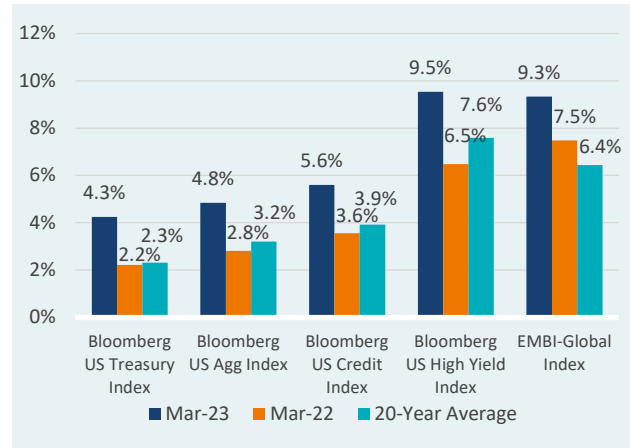
- In a month marked by volatility, the Bloomberg US Treasury Long Index (4.7%) outperformed the Bloomberg US Treasury (2.9%) and Bloomberg US Treasury 1-3 Year (1.6%) indices as investors moved towards the long end of the yield curve.
- Yields on 2-year Treasuries peaked at 5.05% then quickly fell more than 100 bps between March 8th and March 13th, marking the largest three-trading-day decline for the tenor since the market crash of 1987. After bottoming at 3.76%, the 2-year rallied in the second half of the month to finish at 4.06%.
- The dollar reversed course and gave up its February gains. The DXY finished -2.3% on the month, now down -1.4% year-to-date and -10.5% from its peak in late September. The dollar has seen losses in five of the last six months.
- Volatility throughout March resulted in widening credit spreads. Riskier segments lagged but still posted positive returns – the Bloomberg US Corporate High Yield Index (+1.1%) was among the worst performers.

U.S. TREASURY YIELD CURVE



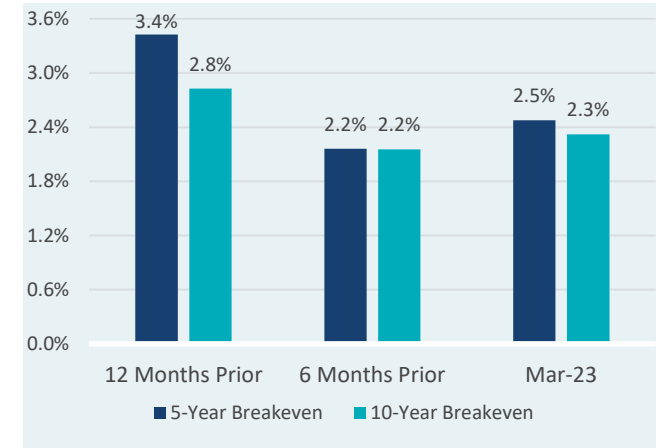
Source: Bloomberg, as of 3/31/23

NOMINAL YIELDS



Source: Morningstar, as of 3/31/23

BREAKEVEN INFLATION RATES

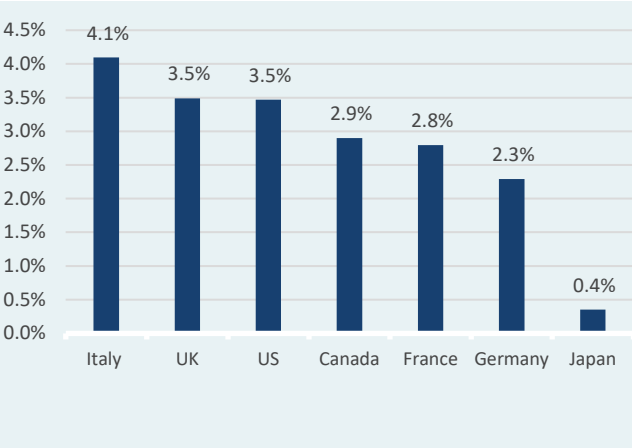


Source: Bloomberg, as of 3/31/23

Global markets

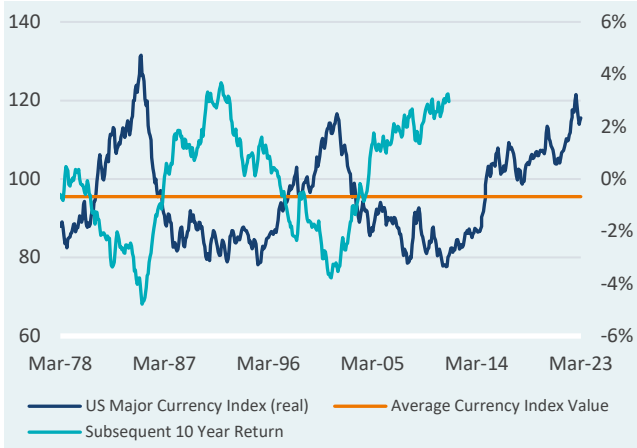
- Global equities (MSCI ACWI Index +3.1%) moved higher alongside falling yields across major markets. Gains were broad, with both developed market equities (+2.5%) and emerging market equities (+3.0%) ending in the green.
- Style trends within international equities have largely mirrored domestic equities to start the year. The MSCI EAFE Growth Index rallied +5.3% while EAFE Value fell -0.3%. This trend likely reflects the rising prospect of a slowdown in rate hikes from major central banks, which would be supportive of growth stock valuations.
- British equities (MSCI UK Index -0.6%) saw the only declines among major equity markets in March. UK-listed equities have faced notably worsening sentiment among English pension funds which transferred liabilities to insurance companies in record volumes in the first quarter of 2023.
- Locally-denominated emerging market debt (JPM GBI-EM Global Diversified +4.1%) jumped as abrupt signals of a closer-than-anticipated pause in U.S. rate hikes helped support global currencies. The index is up +5.2% year-to-date, ahead of all major fixed income indices.

GLOBAL SOVEREIGN 10-YEAR YIELDS



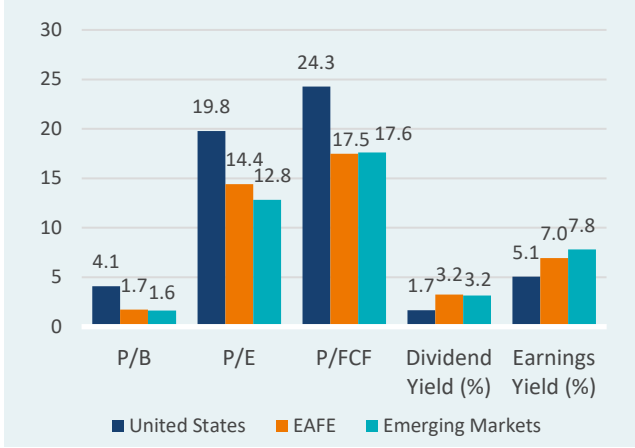
Source: Bloomberg, as of 3/31/23

U.S. DOLLAR MAJOR CURRENCY INDEX



Source: Federal Reserve, as of 3/31/23

MSCI VALUATION METRICS (3-MONTH AVG)



Source: Bloomberg, as of 3/31/23

Commodities

- A continued decline in energy prices drove the Bloomberg Commodity Index (-0.2%) lower for a fourth consecutive month. Noteworthy gains in precious metals (+9.2%) prices helped buoy index performance as market volatility and falling interest rates increased investor appetite for gold and silver.
- Within Softs (+0.2%), sugar (+10.9%) was the only positive performer as coffee (-8.5%) and cotton (-1.5%) were laggards. India's cut in sugar exports was a primary factor in the sharp rise which pushed refined sugar prices to a decade high.

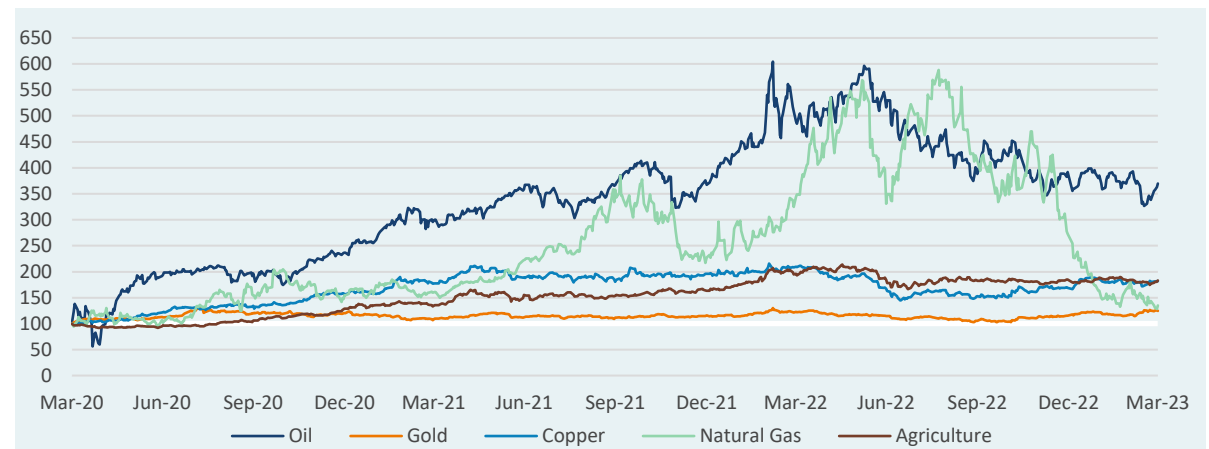
- The Bloomberg Energy Sub-Index fell -6.9% on the month. OPEC+ unexpectedly announced production cuts in excess of 1 million barrels per day at month end. Brent crude erased some of the losses from early in the month to finish at -4.8%. Natural gas continued its fall (-19.3%) and is now down -50.5% year-to-date.
- The Bloomberg Precious Metals sub-index (+9.2%) was the best performer for the month. Prompted by banking stress-induced volatility and a weaker dollar, demand for gold (+8.1%) and silver (+14.6%) as safe-haven assets pushed composite prices higher.

INDEX AND SECTOR PERFORMANCE

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Bloomberg Commodity	(0.2)	(5.4)	(5.4)	(12.5)	20.8	5.4	(1.7)
Bloomberg Agriculture	1.0	0.0	0.0	(3.6)	23.7	8.4	(0.5)
Bloomberg Energy	(6.9)	(18.7)	(18.7)	(25.1)	25.4	(1.5)	(9.2)
Bloomberg Grains	3.3	(2.4)	(2.4)	(7.8)	21.5	7.7	(2.0)
Bloomberg Industrial Metals	(0.3)	(2.1)	(2.1)	(22.1)	21.1	5.9	2.1
Bloomberg Livestock	(2.3)	(4.3)	(4.3)	(2.8)	6.0	(2.6)	(3.0)
Bloomberg Petroleum	(2.5)	(5.9)	(5.9)	(4.8)	49.4	6.6	(4.3)
Bloomberg Precious Metals	9.2	6.3	6.3	(0.4)	8.3	7.1	0.3
Bloomberg Softs	0.2	9.3	9.3	(2.3)	23.4	7.1	(1.6)

Source: Morningstar, as of 3/31/23

COMMODITY PERFORMANCE



Source: Bloomberg, as of 3/31/23

Appendix

Periodic table of returns

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD	5-Year	10-Year
Large Cap Growth	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	16.1	14.4	13.7	14.6
International Equity	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	9.4	8.5	10.9	12.0
Large Cap Equity	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	1.5	7.5	7.5	9.1
Small Cap Growth	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	-4.7	6.1	7.5	8.8
60/40 Global Portfolio	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	-7.5	5.6	5.4	8.5
Emerging Markets Equity	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	22.4	14.0	17.7	-13.0	4.0	4.7	8.0
US Bonds	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	22.0	10.3	14.8	-14.5	3.0	4.5	7.2
Small Cap Equity	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	-14.5	2.7	4.3	5.0
Hedge Funds of Funds	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	-17.3	1.6	3.9	5.0
Cash	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	-19.1	1.1	3.5	3.3
Large Cap Value	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	-20.1	1.0	3.3	2.0
Real Estate	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	-20.4	0.0	1.3	1.4
Small Cap Value	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	-26.4	-0.7	0.9	0.8
Commodities	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	-29.1	-5.4	-0.9	-1.7

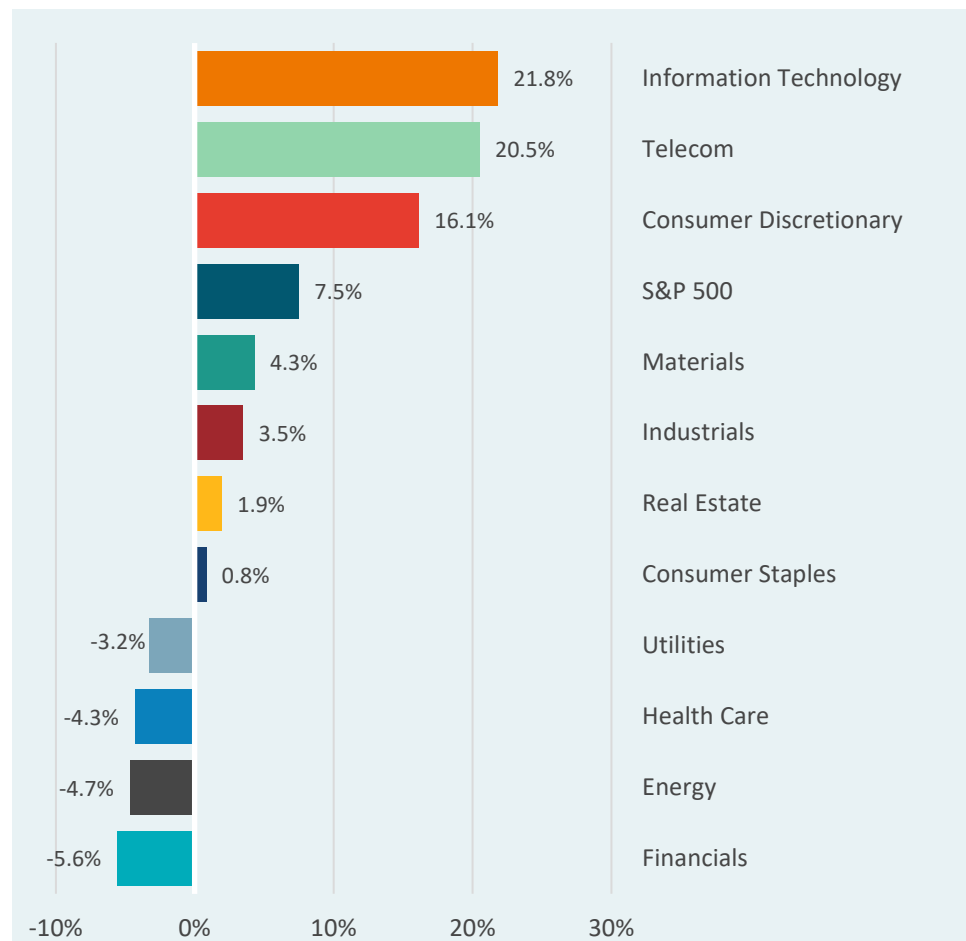
BEST
↑
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WORST

 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	

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 12/31/22.

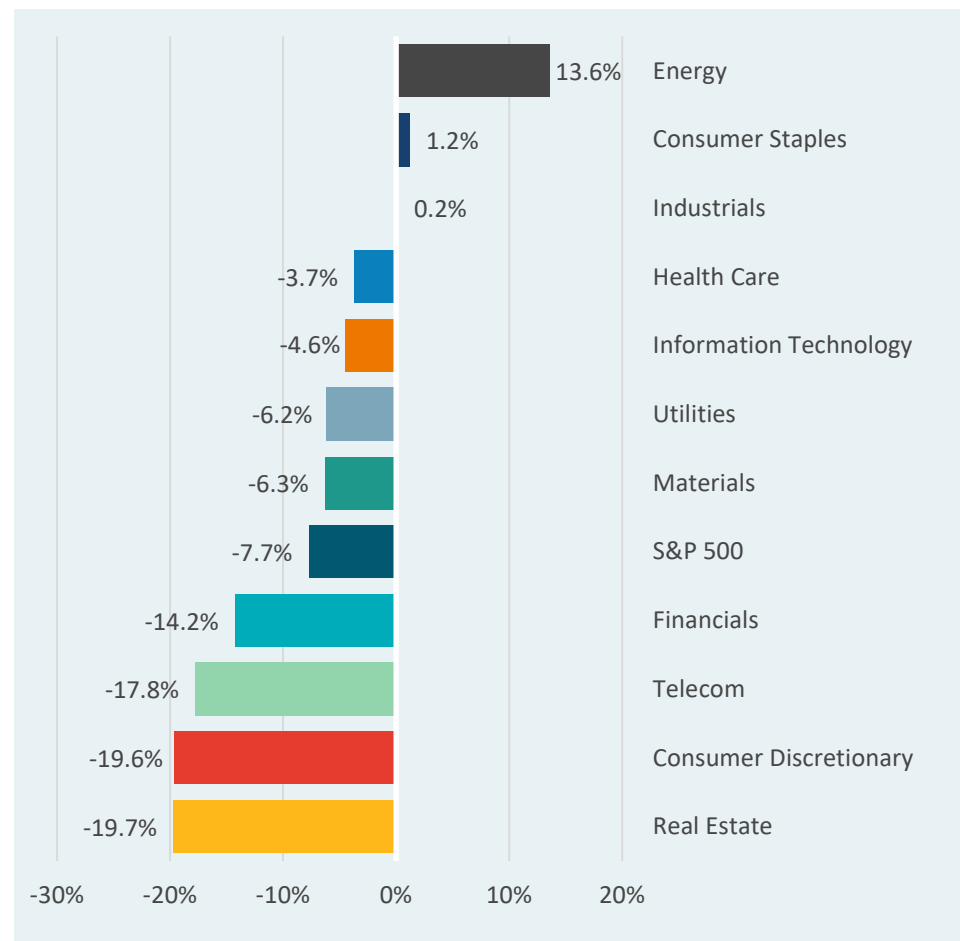
S&P 500 sector returns

QTD



Source: Morningstar, as of 3/31/23

ONE YEAR ENDING MARCH



Source: Morningstar, as of 3/31/23

Detailed index returns

DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Core Index							
S&P 500	3.7	7.5	7.5	(7.7)	18.6	11.2	12.2
S&P 500 Equal Weighted	(0.9)	2.9	2.9	(6.3)	22.1	10.0	11.4
DJ Industrial Average	2.1	0.9	0.9	(2.0)	17.3	9.0	11.1
Russell Top 200	4.9	8.7	8.7	(8.3)	18.4	11.9	12.8
Russell 1000	3.2	7.5	7.5	(8.4)	18.6	10.9	12.0
Russell 2000	(4.8)	2.7	2.7	(11.6)	17.5	4.7	8.0
Russell 3000	2.7	7.2	7.2	(8.6)	18.5	10.5	11.7
Russell Mid Cap	(1.5)	4.1	4.1	(8.8)	19.2	8.1	10.1
Style Index							
Russell 1000 Growth	6.8	14.4	14.4	(10.9)	18.6	13.7	14.6
Russell 1000 Value	(0.5)	1.0	1.0	(5.9)	17.9	7.5	9.1
Russell 2000 Growth	(2.5)	6.1	6.1	(10.6)	13.4	4.3	8.5
Russell 2000 Value	(7.2)	(0.7)	(0.7)	(13.0)	21.0	4.5	7.2

INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
MSCI ACWI	3.1	7.3	7.3	(7.4)	15.4	6.9	8.1
MSCI ACWI ex US	2.4	6.9	6.9	(5.1)	11.8	2.5	4.2
MSCI EAFE	2.5	8.5	8.5	(1.4)	13.0	3.5	5.0
MSCI EM	3.0	4.0	4.0	(10.7)	7.8	(0.9)	2.0
MSCI EAFE Small Cap	(0.2)	4.9	4.9	(9.8)	12.1	0.9	5.9
Style Index							
MSCI EAFE Growth	5.3	11.1	11.1	(2.8)	10.9	4.9	6.0
MSCI EAFE Value	(0.3)	5.9	5.9	(0.3)	14.6	1.7	3.7
Regional Index							
MSCI UK	(0.6)	6.1	6.1	(0.8)	14.6	3.0	3.4
MSCI Japan	4.0	6.2	6.2	(5.2)	7.4	1.3	5.0
MSCI Euro	4.1	15.6	15.6	7.7	17.1	3.9	6.0
MSCI EM Asia	3.6	4.8	4.8	(9.4)	7.1	0.1	4.2
MSCI EM Latin American	0.8	3.9	3.9	(11.1)	18.1	(1.8)	(1.9)

FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
Bloomberg US TIPS	2.9	3.3	3.3	(6.1)	1.8	2.9	1.5
Bloomberg US Treasury Bills	0.4	1.1	1.1	2.5	0.8	1.4	0.9
Bloomberg US Agg Bond	2.5	3.0	3.0	(4.8)	(2.8)	0.9	1.4
Bloomberg US Universal	2.3	2.9	2.9	(4.6)	(2.0)	1.0	1.6
Duration							
Bloomberg US Treasury 1-3 Yr	1.6	1.6	1.6	0.2	(0.8)	1.1	0.8
Bloomberg US Treasury Long	4.7	6.2	6.2	(16.0)	(11.3)	(0.4)	1.5
Bloomberg US Treasury	2.9	3.0	3.0	(4.5)	(4.2)	0.7	0.9
Issuer							
Bloomberg US MBS	1.9	2.5	2.5	(4.9)	(3.3)	0.2	1.0
Bloomberg US Corp. High Yield	1.1	3.6	3.6	(3.3)	5.9	3.2	4.1
Bloomberg US Agency Interm	1.8	1.9	1.9	(1.1)	(1.6)	0.9	0.9
Bloomberg US Credit	2.7	3.5	3.5	(5.3)	(0.7)	1.5	2.2
OTHER							
Index							
Bloomberg Commodity	(0.2)	(5.4)	(5.4)	(12.5)	20.8	5.4	(1.7)
Wilshire US REIT	(2.6)	3.2	3.2	(21.3)	11.0	5.7	5.9
CS Leveraged Loans	(0.1)	3.1	3.1	2.1	8.4	3.5	3.9
S&P Global Infrastructure	2.4	3.9	3.9	(3.5)	15.6	5.9	6.4
Alerian MLP	(0.7)	3.4	3.4	13.9	46.3	6.9	0.6
Regional Index							
JPM EMBI Global Div	1.0	1.9	1.9	(6.9)	(0.0)	(0.6)	2.0
JPM GBI-EM Global Div	4.1	5.2	5.2	(0.7)	0.9	(2.4)	(1.5)
Hedge Funds							
HFRI Composite	(0.8)	1.2	1.2	(2.1)	10.5	4.7	4.4
HFRI FOF Composite	0.1	1.6	1.6	(1.1)	7.5	3.3	3.3
Currency (Spot)							
Euro	2.5	1.8	1.8	(2.4)	(0.3)	(2.5)	(1.7)
Pound Sterling	2.1	2.8	2.8	(6.1)	(0.1)	(2.5)	(2.0)
Yen	2.4	(0.9)	(0.9)	(8.8)	(6.7)	(4.4)	(3.4)

Source: Morningstar, HFRI, as of 3/31/23.

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	(1.6)	21.3	17.3	14.0
Global Private Equity Direct Funds *	(5.0)	21.1	18.3	16.2
U.S. Private Equity Direct Funds *	(2.3)	24.2	20.9	17.9
Europe Private Equity Direct Funds *	(11.4)	17.3	15.2	14.1
Asia Private Equity Direct Funds *	(9.5)	11.9	11.2	12.9

Public Index Time-weighted Returns				
MSCI World	(19.6)	4.6	5.3	8.1
S&P 500	(15.5)	8.2	9.2	11.7
MSCI Europe	(24.8)	(1.7)	(1.2)	3.4
MSCI AC Asia Pacific	(27.7)	(1.7)	(0.6)	3.7

Private Real Estate Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Real Estate	15.7	13.5	11.9	13.3

Public Index Time-weighted Returns				
FTSE NAREIT Equity REIT	(16.4)	(2.0)	2.9	6.3

Private Credit Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Debt **	9.9	15.3	12.4	11.6

Public Index Time-weighted Returns				
S&P / LSTA U.S. Leveraged Loan 100 Index	(3.9)	1.4	2.5	3.0

Private Real Assets Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Global Nature Resources ***	25.2	8.7	5.1	3.6
Global Infrastructure	9.4	10.8	10.3	10.7

Public Index Time-weighted Returns				
S&P Global Natural Resources	1.0	9.1	5.7	3.4
S&P Global Infrastructure	(6.0)	(0.1)	2.1	5.7

Source: Pooled IRRs are from Thompson Reuters CJA and Time-weighted Returns are from Investment Metrics, as of September 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.

Verus – also known as Verus Advisory™.

San Luis Obispo County

Investment Performance Review

Period Ending: March 31, 2023



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

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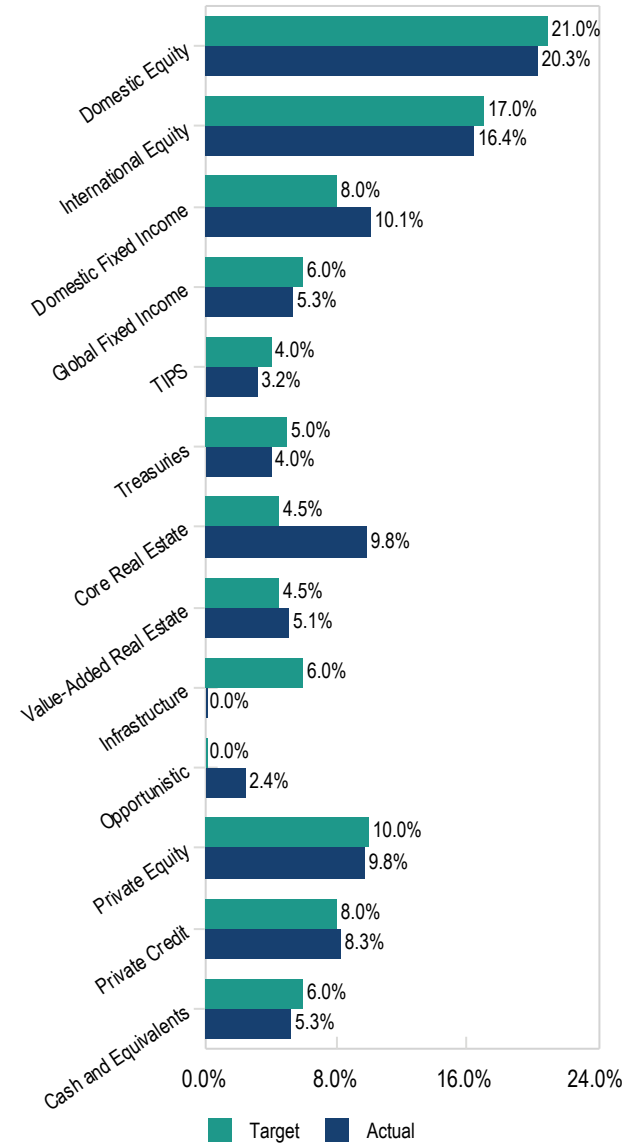
LOS ANGELES 310.297.1777

SAN FRANCISCO 415.362.3484

Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	Market Value	% of Portfolio	1 Mo	YTD
Total Fund	1,637,112,659	100.0	1.1	2.9
Interim Policy Index			1.8	3.6
FFP SAA Index			1.5	2.9
Total Growth	1,141,137,213	69.7	0.9	3.1
Custom Growth Benchmark			1.5	4.0
Total Public Equity	601,574,516	36.7	2.0	6.8
Public Equity Benchmark			2.6	7.1
Total Domestic Equity	332,684,001	20.3	1.7	5.6
Russell 3000 Index			2.7	7.2
PIMCO RAE US	93,565,237	5.7	1.3	2.6
S&P 500 Index			3.7	7.5
Loomis Sayles Large Cap Growth	85,406,313	5.2	8.9	21.3
Russell 1000 Growth Index			6.8	14.4
Boston Partners Large Cap Value	77,022,724	4.7	-1.7	-0.3
Russell 1000 Value Index			-0.5	1.0
Atlanta Capital Mgmt	76,689,727	4.7	-1.2	1.2
Russell 2500 Index			-3.7	3.4
Total International Equity	268,890,515	16.4	2.4	8.3
MSCI AC World ex USA Index			2.5	7.0
Dodge & Cox Intl Stock	140,382,380	8.6	0.9	6.3
MSCI AC World ex USA Value			0.5	5.3
WCM International Growth	128,508,135	7.8	4.1	10.6
MSCI AC World ex USA Growth			4.7	8.7
Total Private Equity	159,799,355	9.8		
Harbourvest Partners IX Buyout Fund L.P.	12,685,578	0.8		
Pathway Private Equity Fund Investors 9 L.P.	82,165,638	5.0		
Harbourvest 2018 Global Fund L.P.	20,679,928	1.3		
Harbourvest SLO Fund Private Equity	29,958,330	1.8		
Pathway Private Equity Fund Investors 10 L.P.	14,309,881	0.9		
Total Private Credit	135,201,001	8.3		
Sixth Street Partners DCP	81,580,905	5.0		
Harbourvest SLO Credit Fund	53,620,096	3.3		

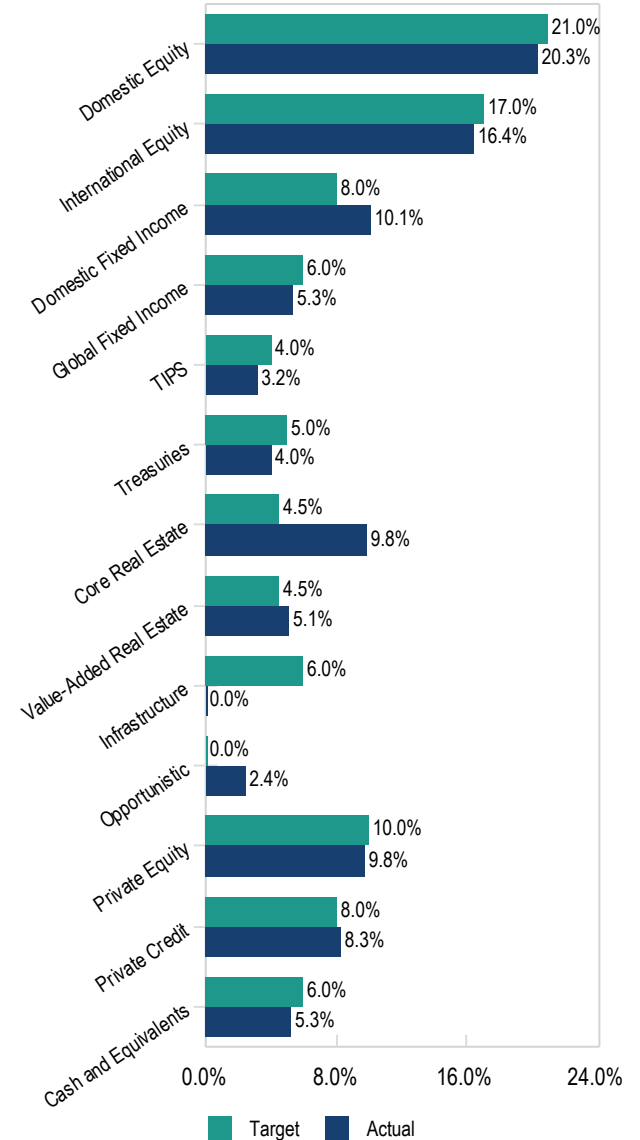


Interim Policy Index as of 1/1/2023: 21% Russell 3000, 17% MSCI ACWI ex-US (Gross), 8% Bloomberg U.S. Aggregate, 5% Bloomberg US Treasury 7-10 yr, 4% Bloomberg US TIPS 5+ Year, 6% FTSE World Govt Bond Index, 9% NCREIF Property Index, 10% Actual Private Equity Return, 8% Actual Private Credit Return, 6% 90-day T-Bills, 6% ARA American Strategic Value Realty. HarbourVest funds as of 9/30/22. ARA Strategic Value Realty, Sixth Street Partners DCP and TAO as of 12/31/22. All data is preliminary.

Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	Market Value	% of Portfolio	1 Mo	YTD
Total Real Estate	244,562,341	14.9	-0.9	-2.0
NCREIF Property Index			0.0	0.0
JP Morgan Core Real Estate	160,660,898	9.8	-1.3	-3.0
NCREIF-ODCE			-3.2	-3.2
NCREIF Property Index			0.0	0.0
ARA American Strategic Value Realty	83,901,442	5.1	0.0	0.0
NCREIF-ODCE			-3.2	-3.2
NCREIF Property Index			0.0	0.0
Total Risk Diversifying	369,933,521	22.6	2.0	3.2
Total Risk Diversifying Benchmark			3.1	3.2
Total Domestic Fixed Income	282,575,400	17.3	2.0	3.4
Blmbg. U.S. Aggregate Index			2.5	3.0
BlackRock Core Bond	48,402,985	3.0	2.4	2.8
Blmbg. U.S. Aggregate Index			2.5	3.0
Dodge & Cox Income Fund	50,866,651	3.1	1.8	3.2
Blmbg. U.S. Aggregate Index			2.5	3.0
Pacific Asset Corporate Loan	65,863,968	4.0	0.3	3.7
Morningstar LSTA US Leveraged Loan			0.0	3.2
SSGA U.S. Govt Bond Index	65,843,607	4.0	2.9	3.2
Blmbg. U.S. Government			2.9	3.0
BlackRock TIPS	51,598,190	3.2	2.9	3.5
Blmbg. U.S. TIPS			2.9	3.3
Total Global Fixed	87,358,121	5.3	1.9	2.8
FTSE World Government Bond Index			3.8	3.5
Brandywine Global Fixed Income	37,872,424	2.3	3.7	3.5
FTSE Non-U.S. World Government Bond			4.5	3.7
Ashmore EM Blended Debt Fund	49,485,697	3.0	0.5	2.2
50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMH+			2.0	3.0

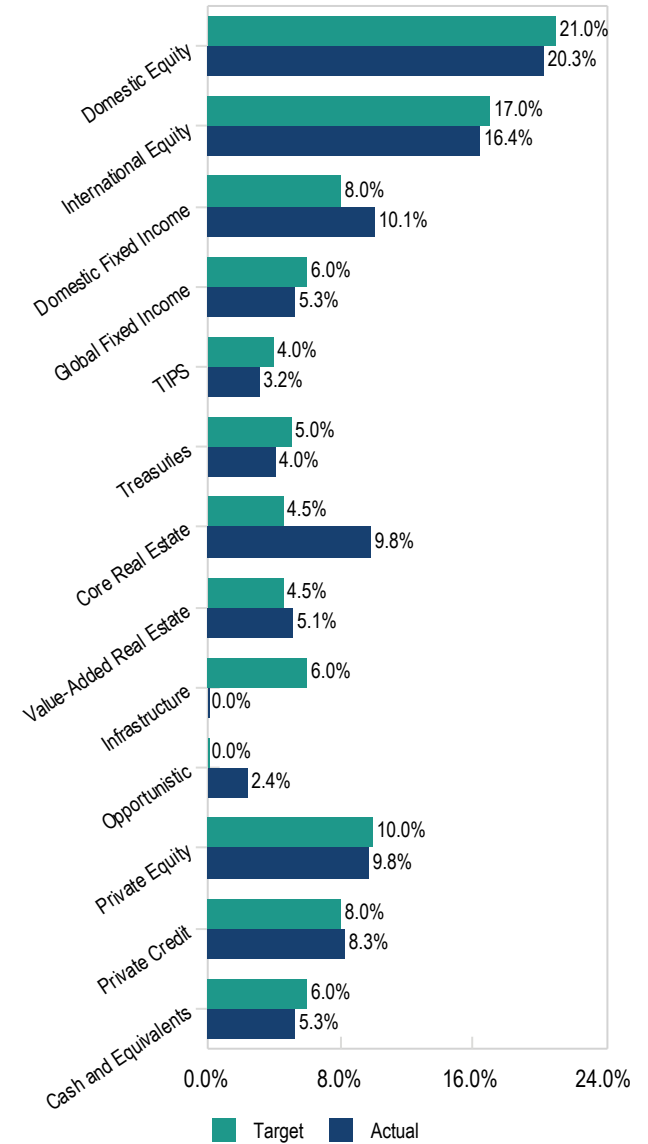


Interim Policy Index as of 1/1/2023: 21% Russell 3000, 17% MSCI ACWI ex-US (Gross), 8% Bloomberg U.S. Aggregate, 5% Bloomberg US Treasury 7-10 yr, 4% Bloomberg US TIPS 5+ Year, 6% FTSE World Govt Bond Index, 9% NCREIF Property Index, 10% Actual Private Equity Return, 8% Actual Private Credit Return, 6% 90-day T-Bills, 6% ARA American Strategic Value Realty. HarbourVest funds as of 9/30/22. ARA Strategic Value Realty, Sixth Street Partners DCP and TAO as of 12/31/22. All data is preliminary.

Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	Market Value	% of Portfolio	1 Mo	YTD
Total Liquidity	86,458,034	5.3	0.7	1.1
90 Day U.S. Treasury Bill			0.4	1.1
Total Cash	86,458,034	5.3	0.7	1.1
90 Day U.S. Treasury Bill			0.4	1.1
PIMCO Short Duration Fund	33,752,800	2.1	1.4	1.7
Blmbg. 1-3 Year Gov/Credit index			1.5	1.5
Cash Account	34,838,325	2.1	0.0	0.5
90 Day U.S. Treasury Bill			0.4	1.1
Investment Cash	17,866,910	1.1	0.5	0.9
90 Day U.S. Treasury Bill			0.4	1.1
Total Opportunistic	39,583,891	2.4		
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	2,745,404	0.2		
Sixth Street Partners TAO	36,838,487	2.3		



Interim Policy Index as of 1/1/2023: 21% Russell 3000, 17% MSCI ACWI ex-US (Gross), 8% Bloomberg U.S. Aggregate, 5% Bloomberg US Treasury 7-10 yr, 4% Bloomberg US TIPS 5+ Year, 6% FTSE World Govt Bond Index, 9% NCREIF Property Index, 10% Actual Private Equity Return, 8% Actual Private Credit Return, 6% 90-day T-Bills, 6% ARA American Strategic Value Realty. HarbourVest funds as of 9/30/22. ARA Strategic Value Realty, Sixth Street Partners DCP and TAO as of 12/31/22. All data is preliminary.

Board of Trustees

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



Date: May 22, 2023

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 2023-01 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 2023-01 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. 2023-01

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 May 22, 2023, is hereby approved.

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

ADOPTED: May 22, 2023

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
Fax: (805) 781-5697
www.SLOPensionTrust.org



Investment and Banking Authority Incumbency Certificate

Effective Date: May 22, 2023
Date of Certification: May 22, 2023

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

Pension Trust

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Date: May 22, 2023

To: Board of Trustees

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

Agenda Item 11: Administrative and Capital Expenditures Budget for Fiscal Year 2023-2024

Recommendation:

It is recommended that the Board of Trustees approve the Proposed Administrative Budget and Capital Expenditures Budget for the Fiscal Year 2023-2024 (“FY23/24”) (Attachments A, B, C, and D).

Discussion:

Minor revisions have been incorporated in the Proposed Administrative budget based on updated projections affecting insurance, building maintenance, and postage expenses. Additionally, the projected Capital Expenditure amount has been revised based on updated cost estimates.

The expense categories presented in the attached **Proposed Administrative Budget** for the FY23/24 have been updated based upon varied assumptions, prior year experiences and staff’s best estimates of future events. **Overall staff believes a 10.3% increase in the total budgeted amount when compared to the Fiscal Year 2022-2023 Administrative Budget is appropriate. This represents a \$329,000 increase compared to the prior year from \$3.182 million to \$3.511 million including a 5% contingency.**

Staff’s basis for components of this change are further detailed in the sections below. This proposed amount represents 0.22% of the total unaudited Net Position of SLOCPT as of December 31, 2022.

- **Investment Expense (discretionary)** – Expense includes Investment Consultant (Verus – a flat rate contract) and Custodian Bank (JP Morgan – contract and market value dependent) fees (does not include Investment Management fees). The calculation of total predicted expenses uses assumptions based on the unaudited market value of investment assets as of 12/31/2022 where appropriate and adds a 7.2% investment return that was taken from Verus’ Capital Market Expectations report presented earlier this year.

- **Personnel Services** – (see Attachment B) Includes all expenses related to SLOCPT’s staff. Assumes the following:
 - a) 2.5% increase in salaries for FY23-24 (based on the County’s 2022 resolution approving wage increase for the SLOCPT benchmarked positions),
 - b) payroll tax rates will stay consistent with 2023 rates currently in place,
 - c) cafeteria benefit of \$11,700 (employee only), \$14,100 (employee +1) and \$17,780 (family) annually per eligible employee (benchmarked to County positions in Bargaining Units 7 & 11 and pro-rated for part-time employees),
 - d) employer pension rate increase of 2.38% effective with the pay period that includes 7/1/23,
 - e) applicable salary step increases and promotions for staff members determined to be eligible (note all current staff will reach step 6 in this budget cycle),
 - f) \$500 matched contribution to employees’ deferred compensation account (benchmarked to County positions in Bargaining Units 7 & 11),
 - g) \$500 Wellness and Development/Tuition reimbursement (benchmarked to County positions in Bargaining Units 7 & 11),
 - h) successor Executive Director hired at step 2 with a Tier 2 pension,
 - i) additional Executive Director salary expenses for a one-month transition period added in consideration of the incumbent Executive Director’s retirement and an assumed overlap with a successor.

Note: Salary ranges presented in Attachment B do not include the estimated 2.5% prevailing wage increase. However, the 2.5% increase is included in the overall Administrative Budget presented in Attachment A.

- **Professional Services** –
 - Accounting & Auditing: Based on the current contract with Brown Armstrong (SLOCPT’s annual financial statement audit firm). The 2022 Audit is the fifth of the current 5-year engagement letter with Brown Armstrong. The Board will be making a decision later in the year whether to re-engage Brown Armstrong or go out for RFP to entertain a new Auditor relationship.
 - Actuarial: Based on 2021 contract with Cheiron (SLOCPT’s Actuary). Also includes estimate of expected costs relating to additional Actuarial services performed throughout the year. The increase in expense is attributable to the addition of the biennial Experience Study costs that are to be performed in the upcoming fiscal year.

- Legal: Based on General Counsel Retainer and legal consultation relating to investment contracts, tax qualification and disability hearings. Future unforeseen legal expenses will be handled with either a Board-approved budget amendment or the use of contingency funds.
 - Medical Evaluations – Disabilities: Assumes costs associated with medical review services to be performed by MMRO and other Independent Medical Examiners (IMEs) or Independent Psychiatric Examiners (IPEs) as necessary. The increase this year is due to the increased disability applications experience in the current year as well as the possible increased costs associated with more extensive disability review procedures being added to MMRO’s current duties.
 - Human Resources Consulting: Based on estimated costs associated with services provided by the County’s Human Resources Department.
 - Information Technology Services: Includes expenses related to PensionGold software system maintenance (per contract) and IT services provided by the County of San Luis Obispo. The increase in budgeted expense is related to the contracted escalator of fees incurred to support SLOCPT’s pension administration software, PensionGold.
 - Banking & Payroll: Includes estimated banking fees for SLOCPT’s two banking relationships (Union Bank and Pacific Premier) and fees associated with payroll services provided by Paychex.
 - Other Professional Services: Based on estimated expense for professional services not related to categories listed above. Additionally, this year, a one-time cost of \$35,000 has been added in anticipation of recruitment costs for a successor Executive Director including the retention of an Executive Recruitment firm (subject to Board approval).
- **Other Expenses –**
 - Trustee Election Expenses: County Clerk Recorder fees related to annual Trustee elections. Actual costs will be lower if there is an uncontested candidacy.
 - Insurance: Includes Fiduciary, General, Property, and Cyber liability coverages. The estimate is based on current year expense plus 5%. The increased costs experienced in FY22/23 were attributed to a steep inflation in Cyber Liability coverage which was an industry wide event after the global pandemic.
 - Building & Maintenance: Estimate based on current year expenses. Totals include operating expenses such as janitorial services, building utilities and landscape maintenance. Costs associated with parking lot resurfacing have been rolled from the current year into FY23-24 and are reflected in the proposed

total. Additional costs for building repairs planned in the near term (which include water damage for an exterior closet and gutter repair) have also been incorporated.

- Office Expense: Expense includes general office supplies and printing and mailing services provided by ASAP Reprographics. Increase is related to printing costs associated with the expected release of 2 Fiduciary publications in this budget cycle.
- Memberships & Publications: Includes industry specific memberships and publications.
- Postage: Estimate based on current year expenses as well as the expectation that two Fiduciary newsletters will be mailed out.
- Communications: Includes costs associated with telephone services provided by County IT. Estimate is based on County-supplied budget document.
- Training & Travel: (see Attachment C).
- Information Technology: Expense includes all purchases relating to tangible IT equipment. Assumes staggered four-year replacement cycle for office computers.
- Equipment: Includes expenses associated with copier and office furniture purchases.
- Bad Debt Expense: This category will not be budgeted for but may see an expense from time to time. It is directly tied to benefit overpayments relating to late death notifications that we were not able to collect. Such payments are sometimes due to the SLOCPT paying retirement benefits in advance instead of in arrears (Social Security pays benefits in arrears for comparison).

- **Contingencies** – 5% of total budget to be used for unexpected expenses.
- **Capital Expenditures** – (see Attachment D) To plan for and obtain approval for costs that would be capitalized. These costs will be directly related to elective software upgrades or improvements, building improvements and large equipment purchases. Since these costs are typically depreciated over their useful lives on SLOCPT’s income statement, Staff has chosen to present these on a different schedule and account for them using the balance sheet totals rather than the annual depreciation that is expensed. This year Staff has included in the budget to re-roof 1000 Mill Street. A 5% contingency has been included.

Attachments:

Attachment A – Proposed Administrative Budget for Fiscal Year 2023-2024

Attachment B – Proposed Staffing

Attachment C – Proposed Training & Travel

Attachment D – Proposed Capital Expenditures

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San Luis Obispo County Pension Trust
PROPOSED ADMINISTRATIVE BUDGET:
Fiscal Year 2023-2024

	FY21-22 Actual Expenses	FY22-23 Estimated Expenses	FY22-23 Adopted Budget	FY23-24 Proposed Budget	Increase/ Decrease From PY
INVESTMENT EXPENSE:					
Invest. Exp. (Custody, Consultant)	\$ 660,475	\$ 627,000	\$ 634,000	\$ 637,000	\$ 3,000
ADMINISTRATIVE EXPENSE:					
Personnel Services	\$ 1,159,854	\$ 1,354,000	\$ 1,356,500	\$ 1,452,000	\$ 95,500
Professional Service					
Accounting & Auditing	59,800	60,000	60,000	66,000	6,000
Actuarial	142,031	96,000	96,000	139,000	43,000
Legal	187,188	227,000	220,000	220,000	-
Medical Evaluations - Disabilities	22,225	93,000	30,000	100,000	70,000
Human Resources Consulting	5,000	5,000	5,000	5,000	-
Information Technology Services	351,193	254,000	249,000	255,000	6,000
Banking and Payroll	16,604	13,000	21,000	18,000	(3,000)
Other Professional Services	9,212	2,000	2,000	37,000	35,000
Total Professional Services	\$ 793,253	\$ 750,000	\$ 683,000	\$ 840,000	\$ 157,000
Other Expenses					
Trustee Election Expenses	-	6,000	6,000	6,000	-
Insurance	130,804	165,000	136,000	172,000	36,000
Building Maintenance	78,505	51,000	58,000	77,000	19,000
Office Expense	16,295	25,000	25,000	29,000	4,000
Memberships & Publications	5,152	7,000	6,500	6,500	-
Postage	30,312	35,000	32,000	39,000	7,000
Communications	2,579	3,000	3,000	3,000	-
Training & Travel	9,041	47,000	56,000	47,500	(8,500)
Information Technology	12,690	16,000	31,000	33,000	2,000
Equipment	4,508	2,000	3,000	2,000	(1,000)
Bad Debt	5,740	5,000	-	-	-
Total Other Expenses	\$ 295,626	\$ 362,000	\$ 356,500	\$ 415,000	\$ 58,500
Contingencies	\$ -	\$ -	\$ 152,000	\$ 167,000	\$ 15,000
TOTAL ADMINISTRATIVE	\$ 2,248,733	\$ 2,466,000	\$ 2,548,000	\$ 2,874,000	\$ 326,000
ADMIN. + INVESTMENT	\$ 2,909,208	\$ 3,093,000	\$ 3,182,000	\$ 3,511,000	\$ 329,000

Increase from Prior Year Budget

10.3%

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San Luis Obispo County Pension Trust PROPOSED STAFFING:	FY21-22	FY22-23	FY22-23	FY23-24	Increase /	Projected	Projected	Projected	Projected
	Actual	Amended Budget	Actual	Proposed Budget	(Decrease) From PY	FY24-25	FY25-26	FY26-27	FY27-28
Positions (FTEs):									
Executive Director	1.00	1.00	1.00	1.00	-	1.00	1.00	1.00	1.00
Deputy Directory	1.00	1.00	1.00	1.00	-	1.00	1.00	1.00	1.00
Retirement Programs Spec. III	2.00	2.00	2.00	2.00	-	2.00	2.00	2.00	2.00
Retirement Programs Spec. II	-	-	-	-	-	-	-	-	-
Retirement Programs Spec. I	-	-	-	-	-	-	-	-	-
Retirement Technician	1.75	1.75	1.80	1.80	0.05	1.80	1.80	1.80	1.80
Accountant IV	0.80	0.80	0.80	0.80	-	0.80	0.80	0.80	0.80
Accountant III	-	-	-	-	-	-	-	-	-
Accountant II	-	-	-	-	-	-	-	-	-
Accountant I	-	-	-	-	-	-	-	-	-
Administrative Asst. III	1.00	1.00	1.00	1.00	-	1.00	1.00	1.00	1.00
Administrative Asst. II	-	-	-	-	-	-	-	-	-
Part-Time Temporary Office Asst.	-	0.50	-	0.50	-	0.50	0.50	0.50	0.50
TOTAL POSITIONS	7.55	8.05	7.60	8.10	0.05	8.10	8.10	8.10	8.10

PROPOSED SALARY & BENEFIT BENCHMARKS:

****Note: SLOCPT compensation benchmarks would be updated in concurrence with any County enacted wage adjustments (i.e. prevailing wage etc.).**

FY 22-23	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Benefits: (health, pension, other)
Executive Director <i>Subject to change per Contract Approval</i>	76.25	80.03	84.05	88.26	92.66	97.29	Benchmarked to County BU 7 + \$450/month auto allowance (not pensionable)
Deputy Director <i>80% of Executive Director</i>	61.00	64.02	67.24	70.61	74.13	77.84	Benchmarked to County BU 7
Retirement Programs Spec. III <i>#9663 Risk Mgmt. Analyst III</i>	43.71	45.90	48.20	50.61	53.14	55.80	Benchmarked to County BU 7

PROPOSED SALARY & BENEFIT BENCHMARKS: (continued)

FY 22-23	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Benefits: (health, pension, other)
Retirement Programs Spec. II <i>#9658 Risk Mgmt. Analyst II</i>	38.01	39.91	41.91	44.01	46.21	48.52	Benchmarked to County BU 7
Retirement Programs Spec. I <i>#9657 Risk Mgmt. Analyst I</i>	32.31	33.93	35.63	37.41	39.28	41.24	Benchmarked to County BU 7
Accountant IV <i>#2055 Auditor-Analyst III</i>	43.20	45.36	47.63	50.01	52.51	55.14	Benchmarked to County BU 7
Accountant III <i>#907 Accountant III</i>	38.44	40.36	42.38	44.50	46.73	49.07	Benchmarked to County BU 7
Accountant II <i>#906 Accountant II</i>	33.40	35.07	36.82	38.66	40.59	42.62	Benchmarked to County BU 7
Accountant I <i>#905 Accountant I</i>	28.40	29.82	31.31	32.88	34.52	36.25	Benchmarked to County BU 7
Retirement Technician <i>#913 Accounting Technician - Conf.</i>	25.63	26.91	28.26	29.67	31.15	32.71	Benchmarked to County BU 11
Administrative Asst. III <i>#2223 Administrative Asst. III - Conf.</i>	21.92	23.02	24.17	25.38	26.65	27.98	Benchmarked to County BU 11
Administrative Asst. II <i>#2222 Administrative Asst. II - Conf.</i>	19.93	20.93	21.98	23.09	24.23	25.44	Benchmarked to County BU 11
Administrative Asst. I <i>#2221 Administrative Asst. I - Conf.</i>	17.94	18.84	19.78	20.77	21.81	22.90	Benchmarked to County BU 11
Part-Time Temporary Office Assistant <i>#911 Account Clerk</i>	20.26	21.27	22.33	23.46	24.62	25.85	N/A

**San Luis Obispo County Pension Trust
PROPOSED TRAINING & TRAVEL:**

	FY21-22 Actual	Current FY22-23 YTD	FY22-23 Amended Budget	FY23-24 Proposed Budget	Increase / (Decrease) From PY Budget
<i>CALAPRS General Assembly</i>					
Attendees - Board	2	-	3	3	-
Attendees - Staff	1	-	2	2	-
Total Expense	4,046	-	7,250	7,250	-
<i>CALAPRS Advanced Trustee Institute (UCLA)</i>					
Attendees - Board	-	-	2	1	(1)
Attendees - Staff	-	-	-	-	-
Total Expense	-	-	6,900	3,450	(3,450)
<i>CALAPRS Principles for Trustees</i>					
Attendees - Board	2	1	3	2	(1)
Attendees - Staff	-	-	-	-	-
Total Expense	1,000	6,321	9,900	6,600	(3,300)
<i>SACRS Trustees Training- Berkeley</i>					
Attendees - Board	-	1	3	3	-
Attendees - Staff	1	-	1	-	(1)
Total Expense	500	5,045	15,000	14,250	(750)
<i>SACRS Semi-Annual Conferences</i>					
Attendees - Board	-	-	1	-	(1)
Attendees - Staff	-	-	-	-	-
Total Expense	-	-	1,550	-	(1,550)
<i>Nossaman Fiduciaries Forum</i>					
Attendees - Board	-	-	-	-	-
Attendees - Staff	-	-	1	1	-
Total Expense	-	-	1,025	1,025	-
<i>CALAPRS Administrators Institute</i>					
Attendees - Board	-	-	-	-	-
Attendees - Staff	2	-	1	2	1
Total Expense	1,000	-	1,600	3,200	1,600
<i>CALAPRS Management Academy</i>					
Attendees - Board	-	-	-	-	-
Attendees - Staff	-	-	1	1	-
Total Expense	-	-	3,350	3,350	-

**San Luis Obispo County Pension Trust
PROPOSED TRAINING & TRAVEL:**

	FY21-22 Actual	Current FY22-23 YTD	FY22-23 Amended Budget	FY23-24 Proposed Budget	Increase / (Decrease) From PY Budget
<i>CALAPRS Trustees Roundtables (2/yr)</i>					
Attendees - Board	4	2	2	2	-
Attendees - Staff	-	-	-	-	-
Total Expense	200	100	100	100	-
<i>CALAPRS Administrators Roundtables (2/yr)</i>					
Attendees - Board	-	-	-	-	-
Attendees - Staff	4	1	4	4	-
Total Expense	200	50	200	200	-
<i>CALAPRS Attorneys Roundtables (3/yr)</i>					
Attendees - Board	-	2	-	3	3
Attendees - Staff	1	-	3	-	(3)
Total Expense	50	100	150	150	-
<i>CALAPRS Operations Roundtables (4/yr)</i>					
Attendees - Board	-	-	-	-	-
Attendees - Staff	2	1	6	6	-
Total Expense	100	50	300	300	-
<i>CALAPRS - Board, Faculty, and related travel</i>					
Attendees - Board	-	-	-	-	-
Attendees - Staff	-	2	3	1	(2)
Total Expense	-	1,273	1,550	700	(850)
<i>NCPERS Trustee Educational Seminar</i>					
Attendees - Board	4	-	-	-	-
Attendees - Staff	1	-	-	-	-
Total Expense	1,500	-	-	-	-
<i>Investment Seminars</i>					
Attendees - Board	-	-	-	-	-
Attendees - Staff	-	-	1	1	-
Total Expense	-	-	1,600	1,600	-
<i>Leadership SLO</i>					
Attendees - Board	-	-	-	-	-
Attendees - Staff	-	-	-	1	1
Total Expense	-	-	-	1,800	1,800

**San Luis Obispo County Pension Trust
PROPOSED TRAINING & TRAVEL:**

	FY21-22 Actual	Current FY22-23 YTD	FY22-23 Amended Budget	FY23-24 Proposed Budget	Increase / (Decrease) From PY Budget
<i>Software Training</i>					
Attendees - Board	-	-	-	-	-
Attendees - Staff	-	1	2	1	(1)
Total Expense	-	1,217	4,000	2,000	(2,000)
<i>Public Pension Financial Forum</i>					
Attendees - Board	-	-	-	-	-
Attendees - Staff	-	1	-	-	-
Total Expense	-	758	-	-	-
<i>Misc. Board and Staff Training</i>					
Total Expense	447	78	1,525	1,525	-
Subtotal Training and Travel					
Training	5,747	9,528	32,370	26,700	(5,670)
Travel (air, hotel, food)	3,121	4,098	16,950	15,725	(1,225)
Mileage Reimb.	21	1,206	6,150	4,300	(1,850)
Misc. Travel	153	159	530	775	245
Total Training and Travel	9,042	14,991	56,000	47,500	(8,500)

San Luis Obispo County Pension Trust
PROPOSED CAPITAL EXPENDITURES BUDGET:
Fiscal Year 2023-2024

	FY21-22 Actual Expenditures	FY22-23 Estimated Expenditures	FY22-23 Adopted Budget	FY23-24 Proposed Budget	Increase/ Decrease From PY
BUILDING EXPENDITURES:					
Exterior					
Roof	-	-	-	45,000	45,000
Windows	-	-	-	-	-
Paint	-	-	-	-	-
Parking Lot	-	-	-	-	-
Landscape	-	-	-	-	-
Total Exterior	\$ -	\$ -	\$ -	\$ 45,000	\$ 45,000
Interior					
HVAC	-	-	-	-	-
Paint	-	-	-	-	-
Flooring	-	-	-	-	-
Plumbing	-	-	-	-	-
Elevator	-	150,000	150,000	-	(150,000)
Security System	-	-	-	-	-
Total Interior	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ (150,000)
SOFTWARE EXPEDITURES:					
Software Purchases ***	\$ -	\$ -	\$ -	\$ -	\$ -
Software Upgrades and Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
EQUIPMENT EXPEDITURES:					
Capitalized Equipment Purchases	\$ -	\$ -	\$ -	\$ -	\$ -
CONTINGENCIES	\$ -	\$ -	\$ 7,500	\$ 2,250	\$ (5,250)
TOTAL CAPITAL EXPENDITURES	\$ -	\$ 150,000	\$ 157,500	\$ 47,250	\$ (110,250)

Board of Trustees

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



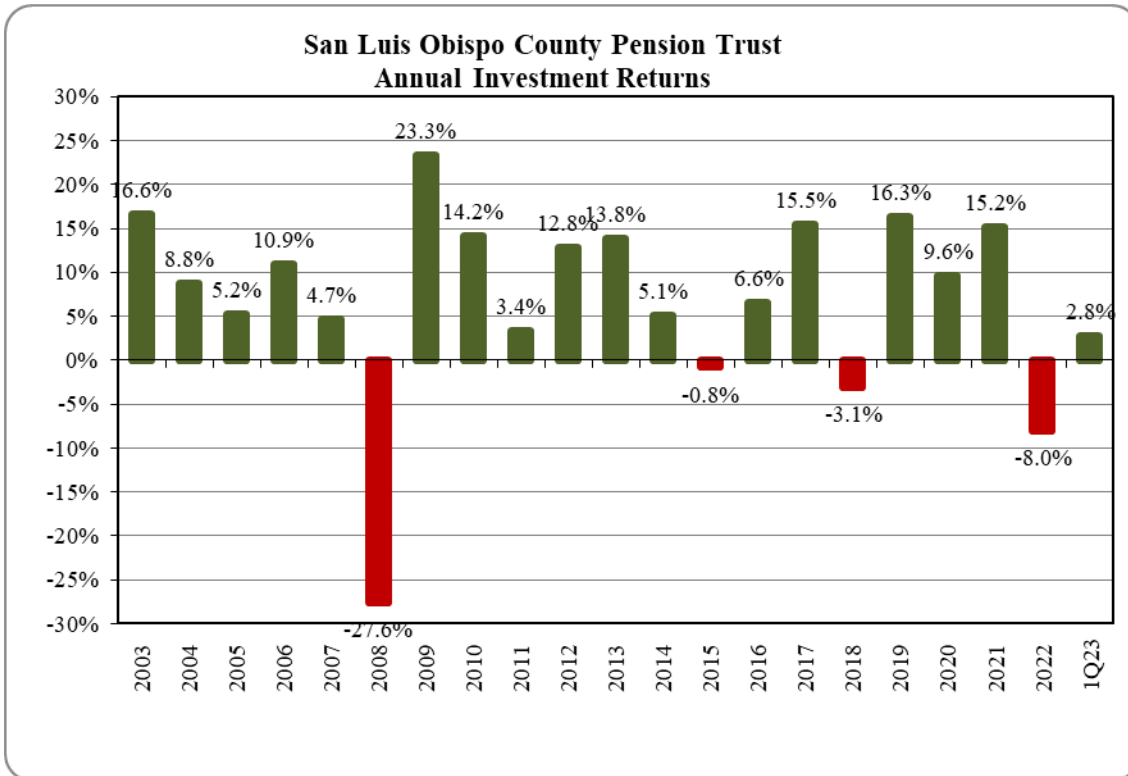
Date: May 22, 2023

To: Board of Trustees

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

Agenda Item 13: Quarterly Investment Report for the 1st Quarter of 2023

Attached is the 1Q23 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: MARCH 31, 2023

Investment Performance Review for

San Luis Obispo County Pension Trust

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Investment Landscape

TAB I

Investment Performance
Review

TAB II

A decorative geometric pattern of overlapping triangles in shades of blue and green is overlaid on the left side of the image. A prominent white triangle with a blue border is positioned to the left of the main title text.

**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**

**2ND QUARTER 2023
Investment Landscape**

Verus business update

Since our last Investment Landscape webinar:

- Verus hired three employees:
 - **Philip Schmitt**, Director | Public Markets
 - **Christian Reed**, Private Markets Performance Analyst
 - **Jonathan Powell**, Performance Analyst
- Three employees recently passed various levels of the CFA exam. Verus currently has a total of 34 CFA charterholders
- Jonathan Henderson, Director | Operations received the 2022 Verus North Star Award for championing client success
- Verus launched a newly designed website in February, making it easier to find our thought leadership and markets updates
- At the end of March, Verus met with 40 emerging or diverse managers at its Emerging & Diverse Manager Diligence Days event
- Recent research, found at verusinvestments.com/research
 - ***U.S. Equity Index Concentration (short video)***
 - ***2023 Active Management Environment***
 - ***Verus Viewpoints on SVB & Broad Market Stress***
 - ***2023: The Return of Simplicity***
 - ***The Importance of Emerging & Diverse Managers***

Recent Verus research

Visit: verusinvestments.com/research

Sound thinking

2023: THE RETURN OF SIMPLICITY

Each January, we assess the suggestions that we made the previous year to see what we called correctly and where we got things wrong. We also suggest topics that we believe should be on the agenda for the balance of the coming year:

1. Inflation: Down, bumpily
2. A landing: But what kind?
3. Rates: Lower but slower
4. Zero makes heroes: Funded foolishness failing
5. More office pain: The slow recognition of reality
6. International markets of mystery: Or opportunity?
7. Active opportunities: Decision-making matters
8. Private pain: A drag for a while
9. ESG: Louder not quieter
10. Simple beats complex: With a twist

Thought leadership

SVB & BROAD MARKET STRESS

Given recent events around Silicon Valley Bank's failure, heightened market volatility, and broad uncertainty in the banking sector, Verus shared our perspectives, focusing on asset-owner impacts.

U.S. EQUITY INDEX CONCENTRATION

Does the rising concentration of the U.S. equity market have implications for investors? In a short video, we examined the causes of index concentration, the levels of concentration relative to global markets, and how this environment affects the success of active managers. We answered the following questions:

- What causes index concentration?
- How concentrated has the U.S. equity market become? How does this index concentration compare to other equity markets?
- What are the implications of concentration for active managers?

Annual research

2023 ACTIVE MANAGEMENT ENVIRONMENT

Changing market conditions in recent years continue to suggest a more attractive environment for active managers to demonstrate skill and add value for investors.

- Greater economic uncertainty around the world, aggressive central bank actions, and rising bond yields have created an environment of greater dispersion in active manager performance.
- Higher dispersion is apparent in the most recent 3-year dataset within the document, which also reflects a larger proportion of active managers outperforming the benchmark relative to prior periods.
- Our analysis continues to illustrate stark differences regarding the relationship between risk and return across asset class universes. In many asset classes, there has been a negative relationship between risk-taking relative to the benchmark and total return. These characteristics may provide helpful context to investors when discussing active management.

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Equity 27

Other assets 36

Appendix 39

1st quarter summary

THE ECONOMIC CLIMATE

- Real GDP increased at a 2.7% rate in the fourth quarter (0.9% growth year-over-year). The U.S. economy was supported by mild but positive growth across most aspects of activity. **p. 9**
- Unemployment continued to suggest a strong labor market, unchanged at 3.5% in March. Widespread layoffs in the technology sector have captured headlines, though the sector makes up a rather small segment of overall jobs. The labor participation rate is showing positive signs as workers who had left the job market during the pandemic are once again seeking employment. **p. 12**

PORTFOLIO IMPACTS

- The U.S. inflation picture continued to improve. March headline CPI came in at 5.0% year-over-year—the lowest since Q2 2021. Core inflation remained stubbornly high at 5.6% year-over-year. Many of the goods and services that initially contributed to high inflation, such as used cars, food, and energy, have moderated in price. **p. 10**
- U.S. real (inflation-adjusted) personal consumption expenditures were modest in February at 2.5% growth year-over-year. Household purchases of services continued to climb, while goods purchases remained flat. During the pandemic, an unprecedented surge in spending on goods occurred to the detriment of services. It appears that trend has now normalized. **p. 13**

THE INVESTMENT CLIMATE

- U.S. yield curve inversion reached even more extreme levels during Q1. The 10-year 2-year yield spread (short-term interest rates being higher than long-term interest rates) reached ~107 bps on March 8th. Inversion has historically preceded recession. **p. 19**
- Silicon Valley Bank (SVB) failed and was transitioned to government ownership on March 10th. SVB is among the top 20 largest banks in the United States with approximately 1% of all U.S. domestic bank deposits. In the near-term, sentiment seems to have been shored up by backstops from the Federal Reserve, Treasury, and FDIC, though we are watching conditions closely. **p. 20 & 21**

ASSET ALLOCATION ISSUES

- Global equities delivered another strong quarter in Q1 (MSCI ACWI +7.3%). A variety of risks are stacking up that could weigh on additional gains, including potential recession in many markets, persistent inflation problems, and tightening credit conditions. **p. 26**
- U.S. growth stocks delivered strong outperformance in the first quarter (Russell 1000 Growth +14.4% vs. Russell 1000 Value +1.0%), effectively reversing value's rally in Q4 2022. This divergence in style behavior appears to be, once again, mostly a result of relative sector returns. Information technology led the index +21.8% over the quarter, while energy (-4.7%) and financials (-5.6%) were laggards. **p. 28**

Markets performed well in Q1, further recovering from the losses of 2022

Recession risk, banking stress, and stubborn inflation may create difficulties going forward

What drove the market in Q1?

“U.S. Inflation Eases but Stays High, Putting Fed in a Tough Spot”

HEADLINE CONSUMER PRICE INFLATION (YEAR-OVER-YEAR)

Oct	Nov	Dec	Jan	Feb	Mar
7.7%	7.1%	6.5%	6.4%	6.0%	5.0%

Article Source: AP, March 14th, 2023

“U.S. Bank Failures Pose Risk to Global Growth”

FDIC UNREALIZED GAINS (LOSSES) ON BANK’S INVESTMENT SECURITIES

Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22
\$29.4B	(\$7.9B)	(\$293.7B)	(\$469.7B)	(\$689.9B)	(\$620.4B)

Article Source: Wall Street Journal, March 26th, 2023

“Federal Reserve’s Path is Murkier After Bank Blowup”

FED FUNDS FUTURES PEAK IMPLIED RATE (MONTH END)

Oct	Nov	Dec	Jan	Feb	Mar
4.98%	4.92%	4.97%	4.92%	5.42%	4.95%

Article Source: The New York Times, March 13th, 2023

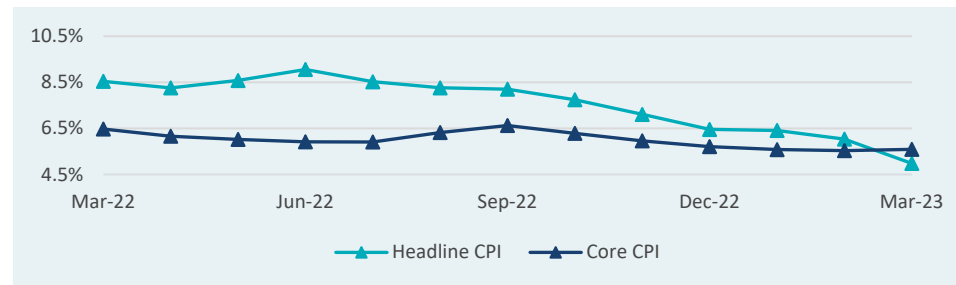
“Fed Hikes Interest Rates 25 Basis Points in March 2023”

FED FUNDS TARGET RATE – UPPER BOUND

Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23
0.25%	0.50%	1.75%	3.25%	4.50%	5.00%

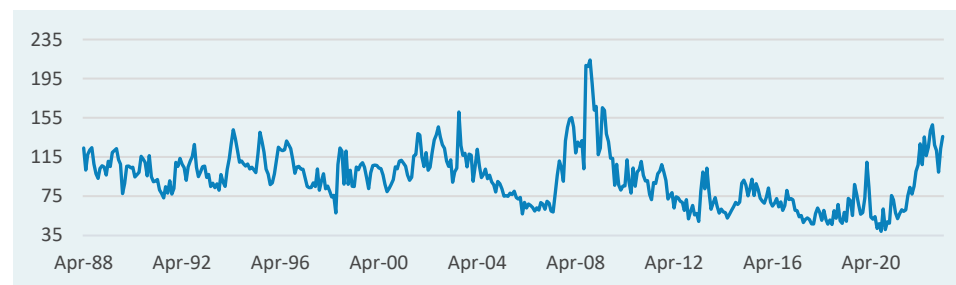
Article Source: Bloomberg, March 22nd, 2023

U.S. HEADLINE VS. CORE INFLATION (YEAR-OVER-YEAR)



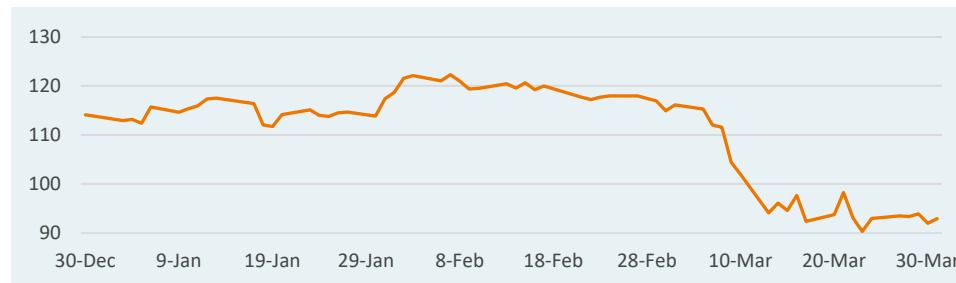
Source: BLS, as of 3/31/23

U.S. TREASURIES IMPLIED VOLATILITY (ICE BOFA MOVE INDEX)



Source: Bloomberg, as of 3/31/23

KBW REGIONAL BANKING INDEX



Source: Bloomberg, as of 3/31/23

Economic environment

U.S. economics summary

- Real GDP increased at a 2.7% rate in the fourth quarter (0.9% year-over-year). The U.S. economy in Q4 was supported by mild but positive growth across most aspects of activity. First quarter GDP is expected to come in at 2.2%, according to the Atlanta Fed GDPNow forecast, as of April 10th.
- The inflation picture improved further. March headline inflation came in at 5.0% year-over-year—the lowest since Q2 2021. Core inflation has remained stubbornly high at 5.6% year-over-year. Many of the goods and services prices that initially contributed to high inflation have moderated or fallen.
- U.S. real personal consumption expenditures were modest in February at 2.5% year-over-year. Household purchases of services continued to climb, while goods purchases were flat. Purchasing trends around goods and services appear to have normalized for the first time since the pandemic.
- Although hiring activity may be slowing and layoffs are occurring in places, the labor participation rate is rebounding as workers who had left the job market during the pandemic are once again seeking employment.
- Consumer sentiment remained weak in Q1. According to the University of Michigan, households increasingly expect a recession in the near-term, especially lower income and younger Americans. Inflation fears have reportedly subsided, with expectations for 3.6% inflation over the next year.
- The U.S. housing market has faced a harsh winter season, as high prices and a significant jump in mortgage interest rates severely crimped demand. Existing home sales are as weak as during the lows of 2009-2011 following the U.S. housing bubble.

	Most Recent	12 Months Prior
Real GDP (YoY)	0.9% 12/31/22	5.7% 12/31/21
Inflation (CPI YoY, Core)	5.6% 3/31/23	8.5% 3/31/22
Expected Inflation (5yr-5yr forward)	2.2% 3/31/23	2.4% 3/31/22
Fed Funds Target Range	4.75% – 5.00% 3/31/23	0.25% – 0.50% 3/31/22
10-Year Rate	3.47% 3/31/23	2.34% 3/31/22
U-3 Unemployment	3.5% 3/31/23	3.6% 3/31/22
U-6 Unemployment	6.7% 3/31/23	6.9% 3/31/22

GDP growth

Real GDP increased at a 2.7% rate in the fourth quarter (0.9% growth year-over-year). The U.S. economy was supported by mild but positive growth across most aspects of activity. First quarter GDP is expected to come in at 2.2%, according to the Atlanta Fed GDPNow forecast, as of April 10th.

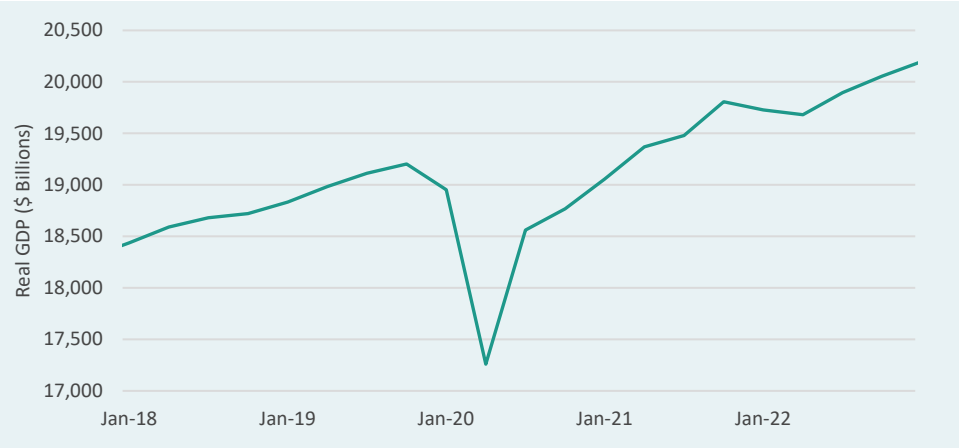
Consumer spending increased at a 2.1% annualized rate, boosted by spending on services but dragged lower by fewer goods purchases. Within services, healthcare and housing saw the largest gains. Private investment spending was fueled by manufacturing—primarily in traditional energy products, mining, utilities, and construction. With regard to government spending, increases were reportedly due to higher compensation of government employees

rather than on new projects or initiatives.

Investors remain undecided regarding whether the U.S. economy will enter recession in 2023. Economist forecasts suggest near-zero growth for most quarters this year, but with no recession. Either way, it is reasonable to assume very weak economic growth for the near-term. Furthermore, the failure of Silicon Valley Bank and ensuing stress on the financial sector has created new risks, as this stress will likely lead to a slowdown in traditional bank lending activity. If many banks reduce lending activity and increase lending standards, this may result in a material tightening of economic activity that compounds the existing effects of higher interest rates.

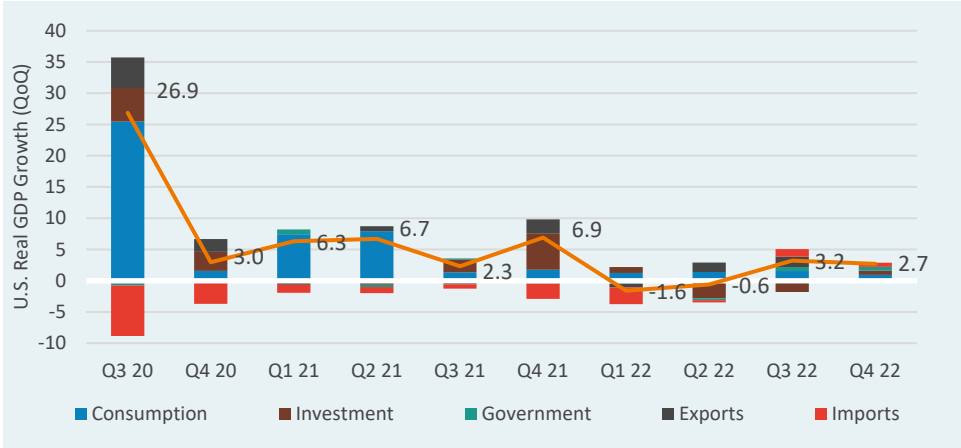
A tightening of bank lending raises the risks of an economic slowdown

U.S. REAL GROSS DOMESTIC PRODUCT



Source: FRED, as of 12/31/22

U.S. REAL GDP COMPONENTS (QOQ)



Source: FRED, as of 12/31/22

Inflation

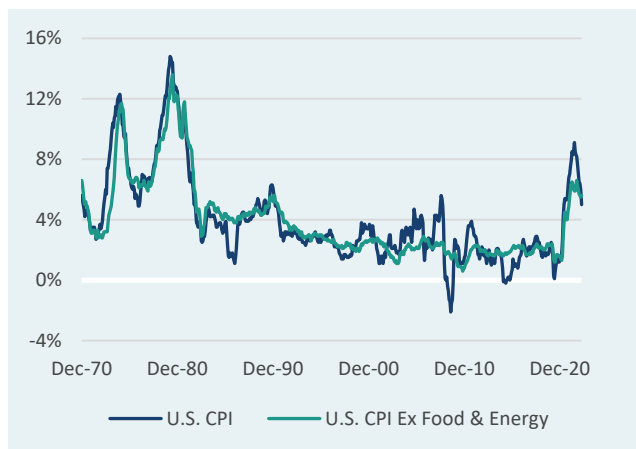
The inflation picture further improved in the United States, as both headline and core inflation figures declined further. March headline inflation came in at 5.0% year-over-year—the lowest since Q2 of 2021. Core inflation has remained stubbornly high at 5.6% year-over-year in March. Many of the goods and services that initially contributed to high inflation, such as used cars, food, and energy, have moderated or are falling in price. Shelter costs remain the largest single driver of inflation. Recent output cuts in oil production by OPEC+ members could reignite some inflation in energy and transportation costs—these effects will be important to watch in the coming months.

U.S. hourly wage gains continued to decelerate during the quarter—now at only a 4.2% year-over-year growth rate. The possibility of persistently high wage increases has been a risk to the inflation story, as accelerating wages can sustain higher spending and therefore higher ongoing inflation. Now that wage growth has slowed, this risk is subsiding.

Overall, inflation (CPI) is very likely to fall to around 4% in Q2, for the technical reasons illustrated below. However, certain persistent monthly price pressures suggest that inflation may stabilize at this level rather than at the 1-2% inflation experienced throughout much of the 2010s.

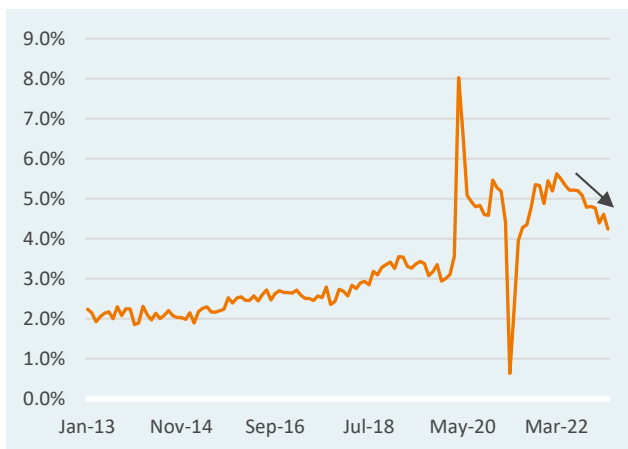
Persistent monthly Core CPI figures suggest inflation may stabilize at a level higher than the Fed's target

U.S. CPI (YOY)



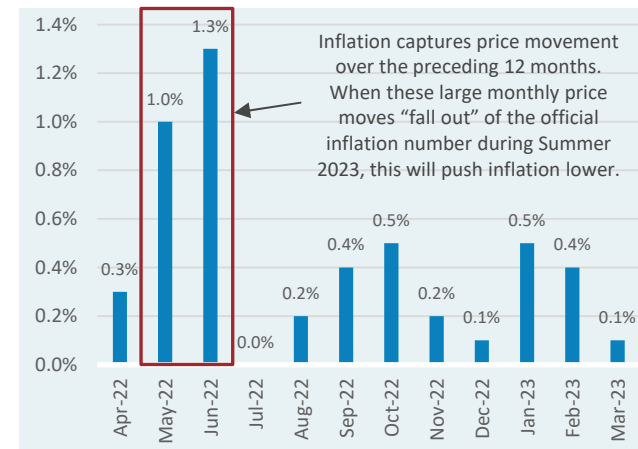
Source: BLS, as of 3/31/23

AVERAGE HOURLY EARNINGS



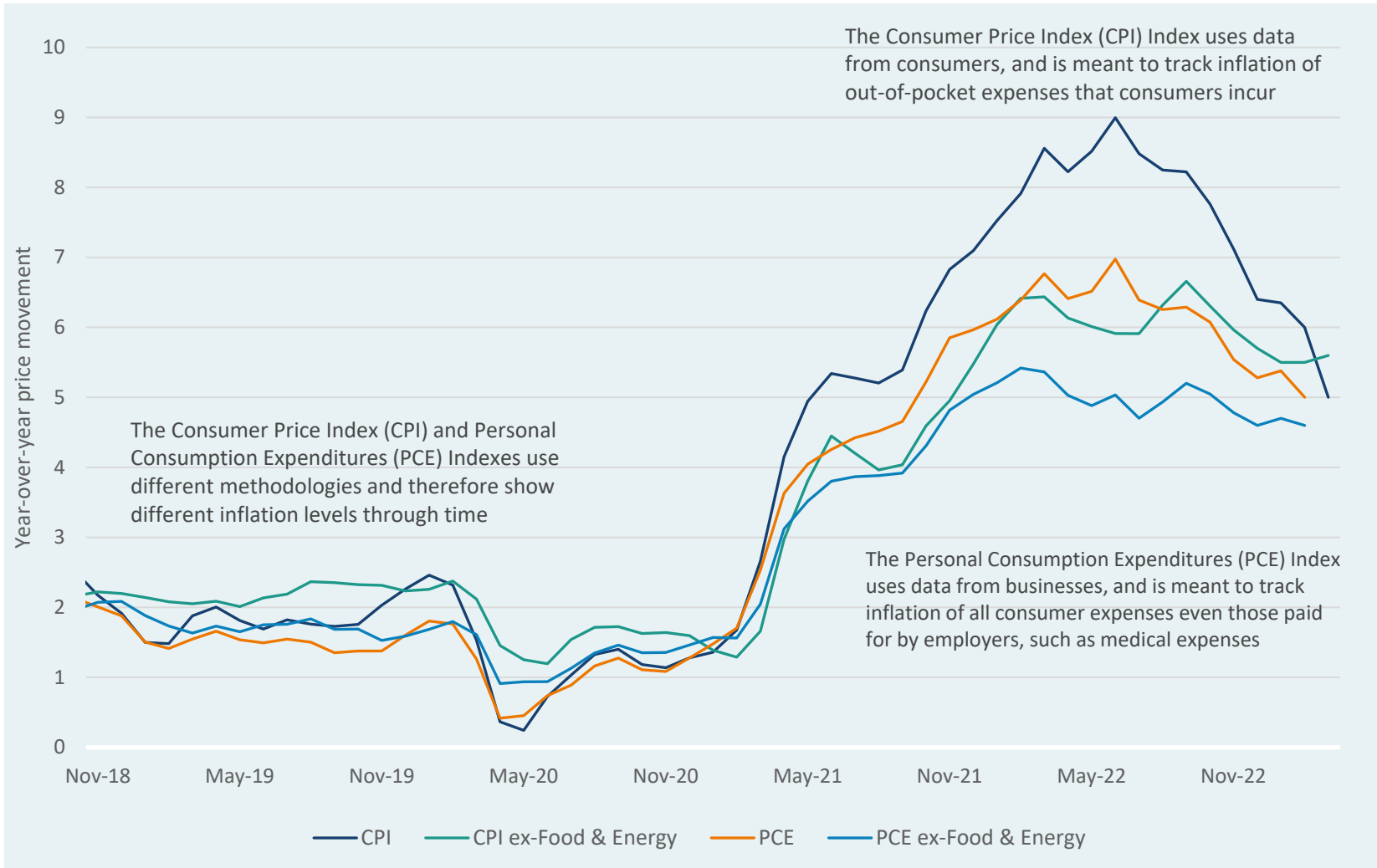
Source: BLS, as of 3/31/23

MONTHLY PRICE MOVEMENT



Source: BLS, as of 3/31/23

How are inflation conditions evolving?



Official inflation figures continue to fall, though persistent monthly Core CPI figures suggest inflation may stabilize at a level higher than the Fed's target

Source: FRED, Verus, PCE data as of 2/28/23, CPI data as of 3/31/23

Labor market

Unemployment continues to suggest a strong labor market, unchanged at 3.5% in March. Widespread layoffs in the technology sector have captured headlines in recent months, though it is important to remember that this sector makes up a rather small segment of overall jobs in the country, and the job market remains broadly strong by most measures.

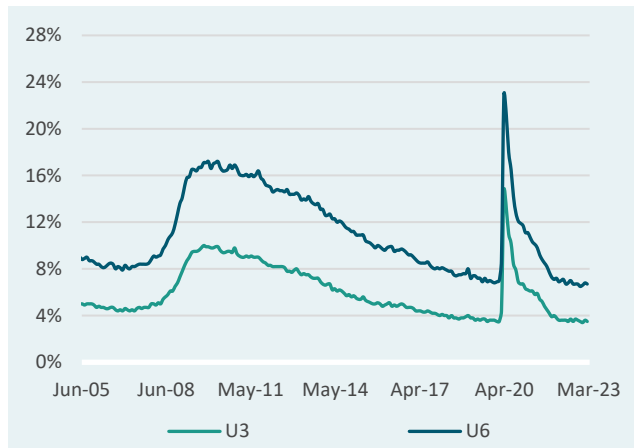
Although hiring activity may be slowing and layoffs are occurring in some places, the labor participation rate is now showing positive signs as workers who had left the job market during the pandemic are once again seeking

employment. Labor data suggests that this recovery has occurred mostly in the age 25 to 55-year cohort, and that older workers are not yet returning to the labor market.

A recovery in total workforce size is a good sign for future economic growth and may take some pressure off wages. This trend also helps relieve the historically large mismatch regarding the number of jobs available and the number of workers available to fill those jobs. An increase in total workforce size while the number of job postings are declining helps to rebalance the labor market.

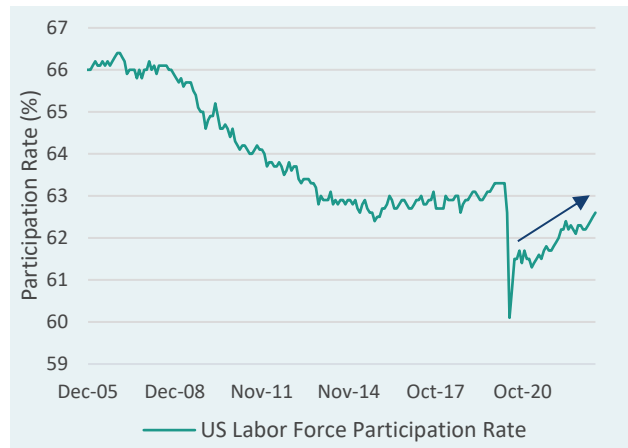
Workers that left the labor force during the pandemic are slowly returning to the job market

U.S. UNEMPLOYMENT



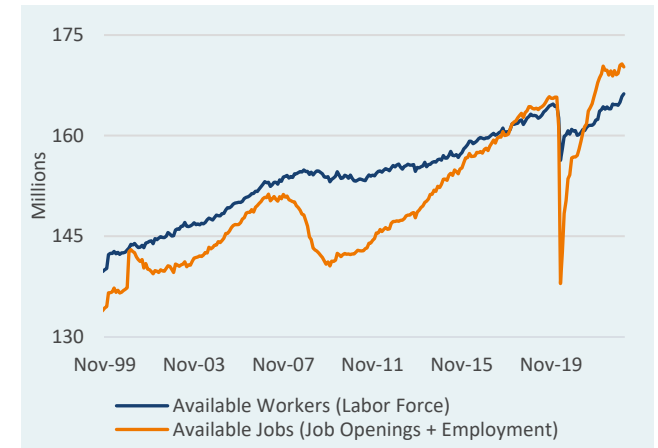
Source: FRED, as of 3/31/23

LABOR FORCE PARTICIPATION RATE



Source: FRED, as of 3/31/23

WORKERS AVAILABLE VS. AVAILABLE JOBS



Source: BLS, as of 2/28/23

The consumer

U.S. real (inflation-adjusted) personal consumption expenditure growth has been modest, at 2.5% year-over-year in February. Household purchases of services continued to climb, while goods purchases remained flat. During the pandemic, an unprecedented surge in spending on goods occurred, to the detriment of services. It appears that trend has now normalized.

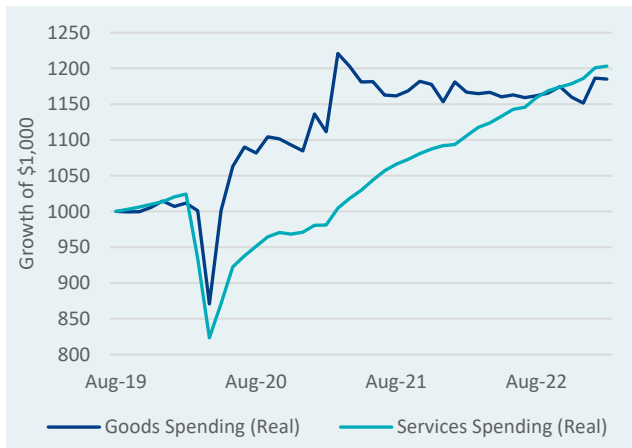
Personal savings rates have improved from extremely low levels. More household savings may be partly a reflection of consumer expectations for recession, as well as weaker job

prospects (these sentiments are discussed on the next slide).

Big ticket items such as automobiles and homes have seen slowing sales activity as higher interest rates make purchases less affordable and budgets come under strain. The average size of a car payment in America over time illustrates the significance of this effect, as monthly payments have outstripped the overall rate of inflation—by a significant margin in the case of used vehicles.

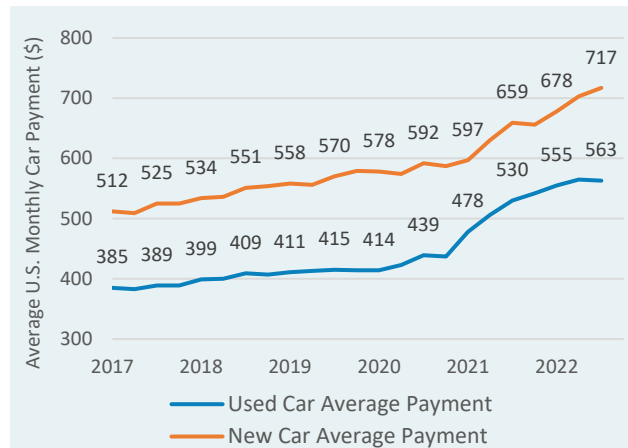
Much of the increase in consumer spending has been due to rising prices rather than more goods purchased

SPENDING TRENDS: GOODS VS. SERVICES



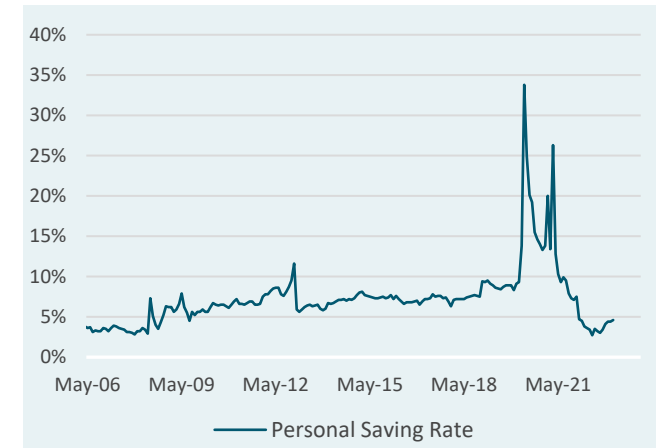
Source: FRED, as of 2/28/23

AVERAGE SIZE OF CAR PAYMENT



Source: Irina Ivanova, Edmunds, as of 9/30/22

PERSONAL SAVINGS RATE



Source: FRED, as of 2/28/23

Sentiment

Consumer sentiment was unchanged in the first quarter by most measures but remains depressed. According to the University of Michigan, households increasingly fear a recession in the near-term, especially among lower income and younger Americans. Inflation concerns have subsided, with households expecting 3.6% inflation over the next full year—only moderately higher than the 2.3-3.0% assumed rate of pre-pandemic times.

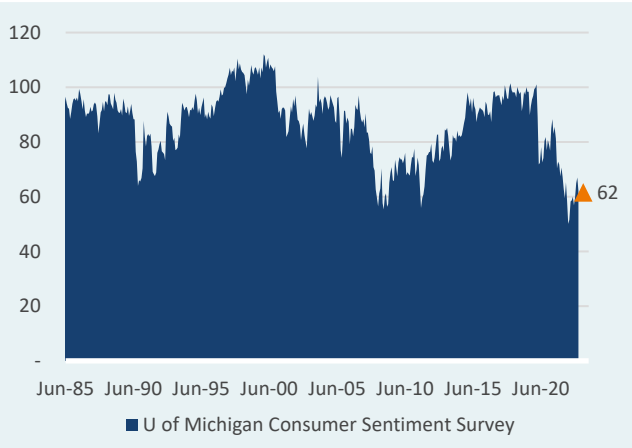
Consumer confidence measured by the Conference Board was also stable. According to the Conference Board survey,

available jobs are ‘not so plentiful’, discretionary spending plans have been cut back, but spending plans for items such as health care and home repairs increased.

The NFIB Small Business Optimism index remains very depressed, reflecting a poor business outlook. Fewer business owners reported inflation as their top concern for business operations, at twenty-four percent in March. During the quarter, a greater number of business owners expected inflation-adjusted sales to fall in the future.

Sentiment, by most measures, remains very poor

CONSUMER SENTIMENT



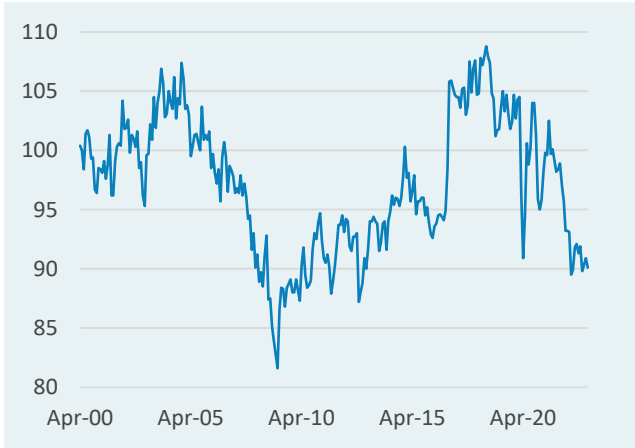
Source: University of Michigan, as of 3/31/23

CONFERENCE BOARD CONSUMER CONFIDENCE



Source: Conference Board, as of 3/31/23

NFIB SMALL BUSINESS SENTIMENT



Source: NFIB, as of 3/31/23

Housing

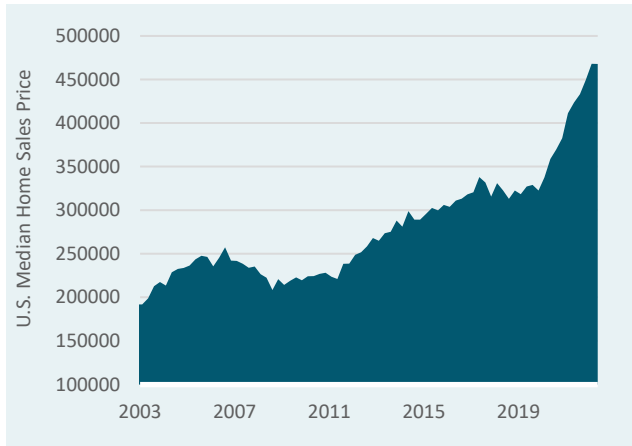
The U.S. housing market has faced a harsh winter season, as high prices and a significant jump in mortgage interest rates severely crimped demand. Existing home sales are as weak as during the lows of 2009-2011 following the housing bubble. However, monthly sales activity surged 14.5% in February, according to the National Association of Realtors, as potential buyers took advantage of a dip in mortgage rates.

By most measures available, average home prices appear to have plateaued over the latter half of 2022. Price movement has varied significantly by marketplace, with larger markets such as San Francisco experiencing double digit losses in home

values, while certain smaller markets—mostly in the southern U.S.—such as Sarasota, Florida seeing some of the largest gains in the nation.

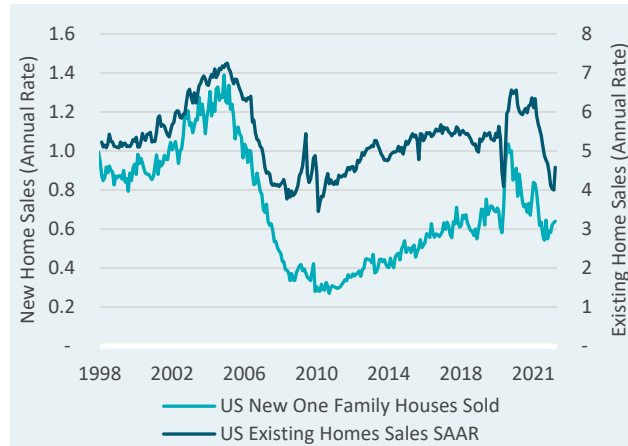
The monthly supply of homes remains high, due to a combination of depressed sales activity and modest increases in inventory levels over the past year. Inventories could stay soft as potential sellers wish to avoid listing their homes and giving up their existing low interest rate mortgage. Additionally, potential sellers who have recently seen the value of their home decline may not wish to sell at lower prices—especially those sellers who may be underwater on a loan.

U.S. MEDIAN HOME SALES PRICE



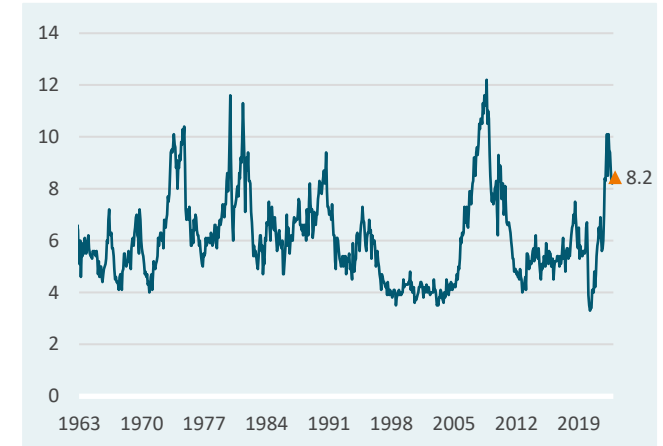
Source: FRED, as of 12/31/22

HOME SALES: NEW & EXISTING (MILLIONS)



Source: FRED, as of 2/28/23

MONTHLY SUPPLY OF HOMES



Source: FRED, as of 2/28/23

International economics summary

- Developed economies have experienced a sharp slowdown in growth. The IMF forecasts developed economy GDP to fall from 2.7% in 2022 to 1.3% in 2023. The deteriorating outlook was attributed to monetary tightening by central banks, as well as Russia’s invasion of Ukraine. Meanwhile, emerging market economic growth is expected to accelerate in 2023, rising from 3.9% to 4.0%.
- Inflation trends varied by country during the quarter but seem to suggest broad moderation. European nations continue to cope with very high inflation rates—much of which have been driven by surging energy costs. In many countries, higher energy prices are contributing to half of official inflation figures.
- Developed central banks, in response to inflation, have carried on with their tightening cycles. Both the European Central Bank and Bank of England raised rates in March, with the ECB increasing their Deposit Facility Rate by 50 bps to 3.00%, while the BOE implemented a 25 bps hike, bringing their policy rate to 4.25%.
- February 24th marked the one-year anniversary of Russia’s invasion of Ukraine. The war has created much uncertainty around Europe’s economic outlook, and led Finland to apply, and to be accepted as, a NATO member.
- China made progress on its reopening in Q1, as the country aims to ramp up economic activity following nearly three-years of lockdowns. Mobility data has picked up, while gauges of manufacturing and non-manufacturing activity have moved into expansionary territory. March non-manufacturing PMIs came in at 58.2—the highest level since 2011.

Area	GDP (Real, YoY)	Inflation (CPI, YoY)	Unemployment
United States	0.9% 12/31/22	5.0% 3/31/23	3.5% 3/31/23
Eurozone	1.8% 12/31/22	6.9% 3/31/23	6.6% 2/28/23
Japan	0.4% 12/31/22	3.3% 3/31/23	2.5% 2/28/23
BRICS Nations	2.5% 12/31/22	2.9% 3/31/23	5.2% 12/31/21
Brazil	1.9% 12/31/22	4.7% 3/31/23	8.5% 3/31/23
Russia	(2.7%) 12/31/22	3.5% 3/31/23	3.5% 2/28/23
India	4.4% 12/31/22	5.7% 3/31/23	7.8% 3/31/23
China	2.9% 12/31/22	0.7% 3/31/23	5.6% 2/28/23

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

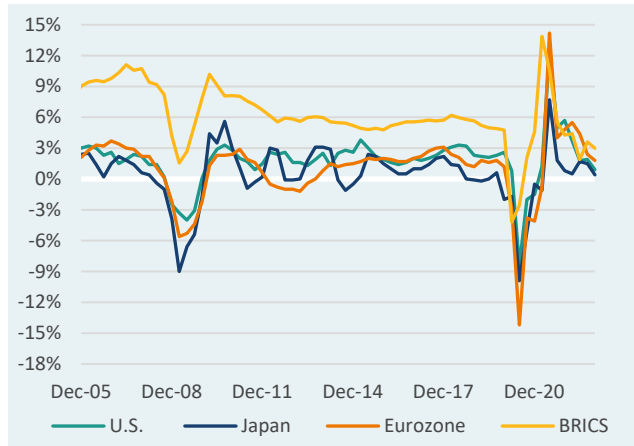
Many developed economies have experienced a sharp slowdown in growth, which is expected to continue in 2023. Near-zero growth or recession is likely in the near-term for the U.S. and many other developed markets. The IMF forecasts developed economy growth to fall from 2.7% in 2022 to 1.3% in 2023. The deteriorating outlook was partly attributed to monetary tightening of central banks, as well as Russia's invasion of Ukraine.

A rosier outlook exists for emerging markets. The IMF forecasts economic growth of 4.0% in 2022 and 3.9% in 2023. Growth

expectations continue to suggest a widening divide between emerging and developed economies, with emerging markets exhibiting a 1.3% *growth premium* over developed markets in 2022, a 2.6% premium in 2023, and a 2.8% premium in 2024.

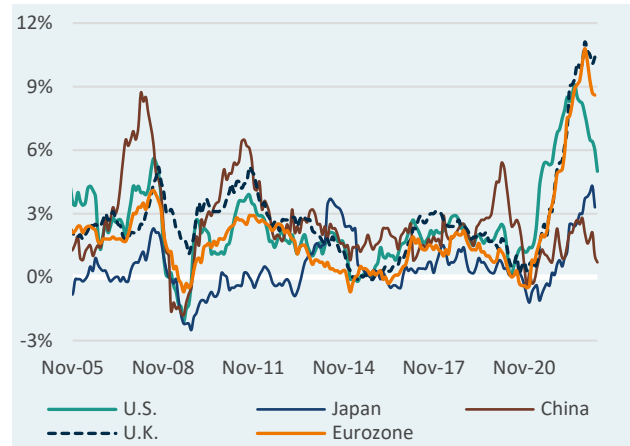
Inflation trends varied by country during the quarter but seem to suggest broad moderation. European countries continue to cope with higher inflation rates—much of which have been driven by surging energy costs. In many areas, higher energy prices are contributing as much as one half of official inflation figures.

REAL GDP GROWTH (YOY)



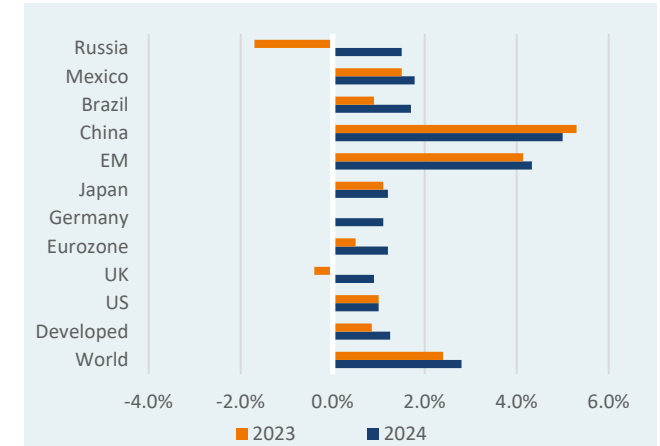
Source: Bloomberg, as of 12/31/22

INFLATION (CPI YOY)



Source: Bloomberg, as of 3/31/23 – or most recent release

ECONOMIC GROWTH FORECASTS



Source: Bloomberg, as of 3/31/23 – or most recent release

Fixed income rates & credit

Fixed income environment

- The 10-year U.S. Treasury yield fell during the quarter from 3.88% to 3.47%. It appears increasingly likely that the U.S. has already reached, and is beyond, *peak interest rates*. The looming possibility of recession, effects of banking stress, and implications from the Federal Reserve that only one interest rate hike may remain, suggests that bond yields may have more room to fall than to rise.
- Silicon Valley Bank (SVB) failed and was transitioned to government ownership on March 10th. SVB is among the top 20 largest banks in the United States, with approximately 1% of all U.S. domestic bank deposits. New York regulators closed Signature Bank shortly thereafter, and more failures may follow. Banking stress has implications for the future actions of the Federal Reserve and for the economy.
- During the first quarter, fixed income markets delivered strong

positive returns despite concerns related to the banking sector and the potential for additional Fed rate hikes. High yield credit performance led the way at 3.6%, followed by 3.5% from investment grade credit and 3.3% from bank loans.

- U.S. yield curve inversion reached even more extreme levels during Q1. The 10-year 2-year yield spread (short-term interest rates being higher than long-term interest rates) reached ~107 bps on March 8th, suggesting an incoming recession.
- Uncertainty around the path of Federal Reserve rate hikes and whether inflation is under control has contributed to considerable volatility in bond markets. As indicated by the ICE BofA “MOVE” Index, which measures the volatility priced into U.S. Treasury bonds, domestic and international banking stress further added to fixed income market choppiness in the first quarter.

	QTD Total Return	1 Year Total Return
Core Fixed Income (Bloomberg U.S. Aggregate)	3.0%	(4.8%)
Core Plus Fixed Income (Bloomberg U.S. Universal)	2.9%	(4.6%)
U.S. Treasuries (Bloomberg U.S. Treasury)	3.0%	(4.5%)
U.S. High Yield (Bloomberg U.S. Corporate HY)	3.6%	(3.3%)
Bank Loans (S&P/LSTA Leveraged Loan)	3.3%	2.5%
Emerging Market Debt Local (JPM GBI-EM Global Diversified)	5.2%	(0.7%)
Emerging Market Debt Hard (JPM EMBI Global Diversified)	1.9%	(6.9%)
Mortgage-Backed Securities (Bloomberg MBS)	2.5%	(4.9%)

Source: Bloomberg, as of 3/31/23

Banking stress

Markets saw significant volatility in March, largely driven by failures within the banking system. We believe these bank failures were widely due to two factors:

First, the bank depositor base was very concentrated in certain lines of business. Silvergate and Signature Bank were both involved in the crypto-currency space (although neither of these banks held crypto-currency directly on their balance sheet). This space came under significant pressure after the crypto-currency exchange FTX and some other smaller firms declared bankruptcy. Silicon Valley Bank had a large exposure to the technology and U.S. venture space, where clients had a greater need to withdraw their cash deposits due to slowing

venture capital deployment and tighter economic conditions.

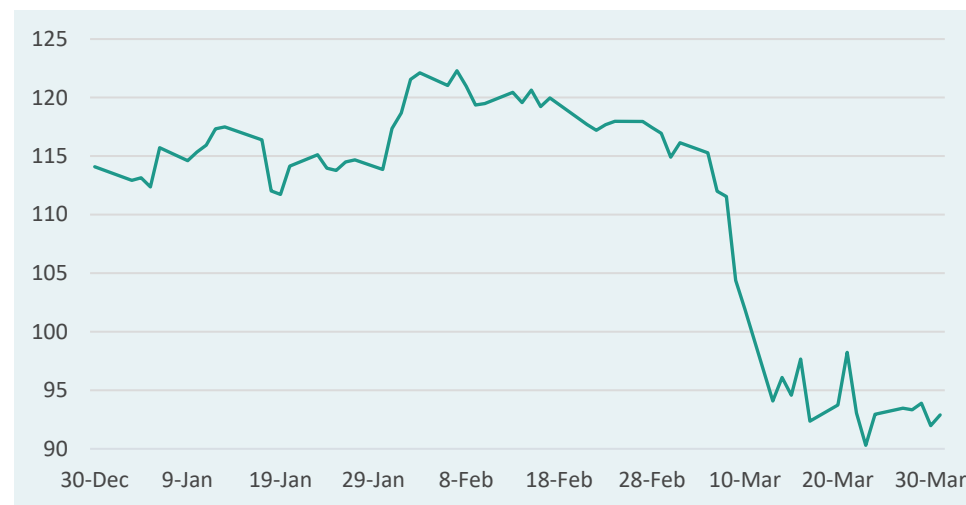
Second, bank assets were sharply devalued as interest rates rose quickly. The rapid rise in interest rates impacted assets such as Treasuries and mortgage-backed securities. In many cases, interest rate duration mismatch between bank assets and liabilities could arguably be attributed to a lack of risk management oversight. It is important to note that although these assets lost value very quickly, most assets are high quality with low default risk. This is a key differentiator from banking stress that occurred during the 2008-2009 Global Financial Crisis when banks held complex securitized assets—many of which turned out to be very low quality with high default risk.

TIMELINE

Date	Event
March 8 th	Silvergate Bank announces it will be winding down operations
March 10 th	Silicon Valley Bank falls into FDIC receivership after a failed attempt to raise equity following large losses associated with a substantial sale of its Available-For-Sale securities portfolio
March 12 th	Signature Bank fails. The bank had a similar deposit base to Silvergate Bank, who rapidly pulled cash after previous failures
March 16 th	Eleven large banks deposit \$30B at First Republic Bank to shore up liquidity and improve confidence. First Republic's shares had tanked as investors feared contagion risks spreading to First Republic
March 19 th	The Swiss government announced the acquisition of Credit Suisse by rival UBS. The acquisition was in order to prevent CS from collapsing

Source: Verus, Bloomberg, as of 3/31/23

KBW REGIONAL BANKING INDEX



Impacts outside the financial sector

Expectations for the Fed’s hiking cycle has weakened dramatically alongside bond yields, as markets began to doubt the Federal Reserve’s willingness to hike rates in the face of financial stress. Banking issues will likely translate to a lower risk tolerance for many banks, as well as the offloading of many existing loans, and reduced overall lending activity. These effects would create an additional tightening of financial conditions regardless of future Federal Reserve actions.

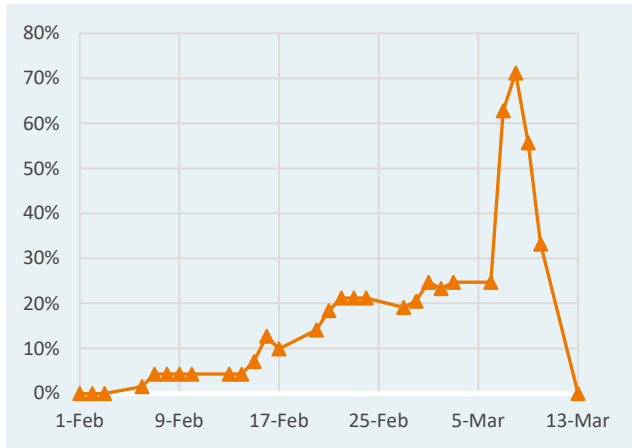
Money market funds have seen very large inflows, as cash is transferred from traditional bank deposits to much higher

yielding, and in many instances safer (if bank deposits were not FDIC insured), vehicles.

It will take time for all implications and effects to be clear. In the near term, sentiment seems to have been largely shored up by backstops from the Federal Reserve, Treasury, and the FDIC. In addition to the Federal Reserve’s discount lending window, the Bank Term Funding Program (BTFP) was created to increase liquidity for banks which hold high quality assets. This has increased the Fed’s balance sheet, counteracting recent efforts to reduce the size of the balance sheet.

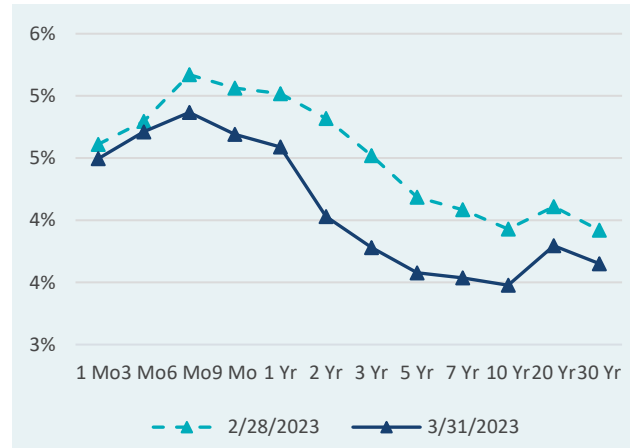
Repricing for a softer FOMC tightening cycle has arguably had the largest impact from a macroeconomic perspective

IMPLIED PROBABILITY: 50 BP RATE HIKE BY FED



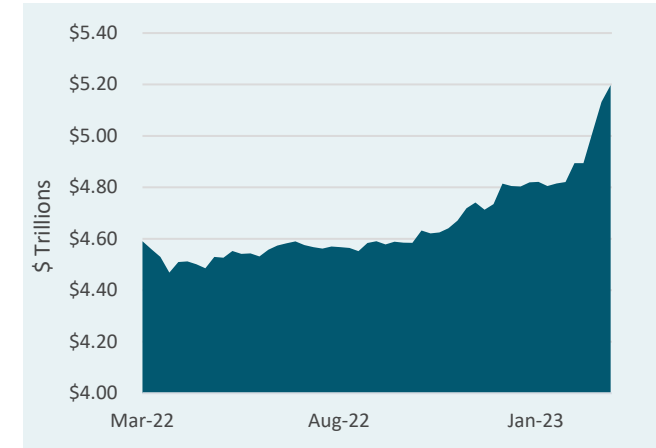
Source: Bloomberg, as of 3/13/23

U.S. YIELD CURVE



Source: Bloomberg, as of 3/31/23

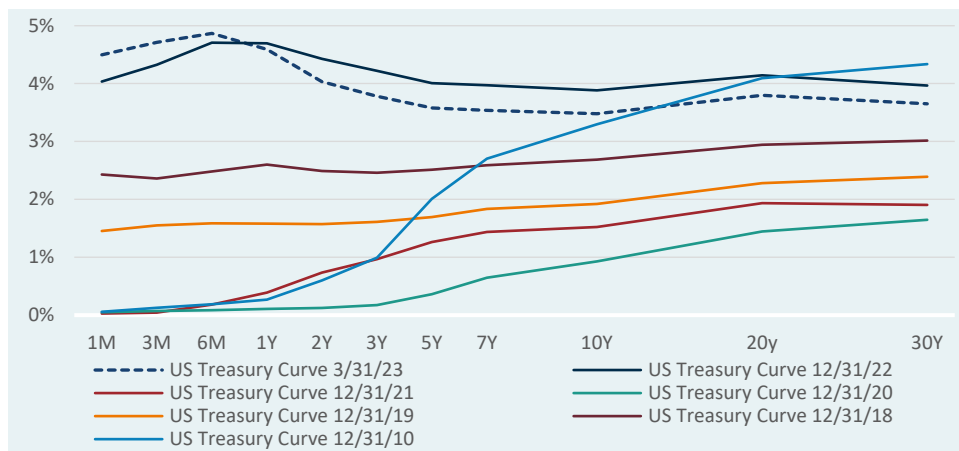
ICI MONEY MARKET FUNDS ASSETS



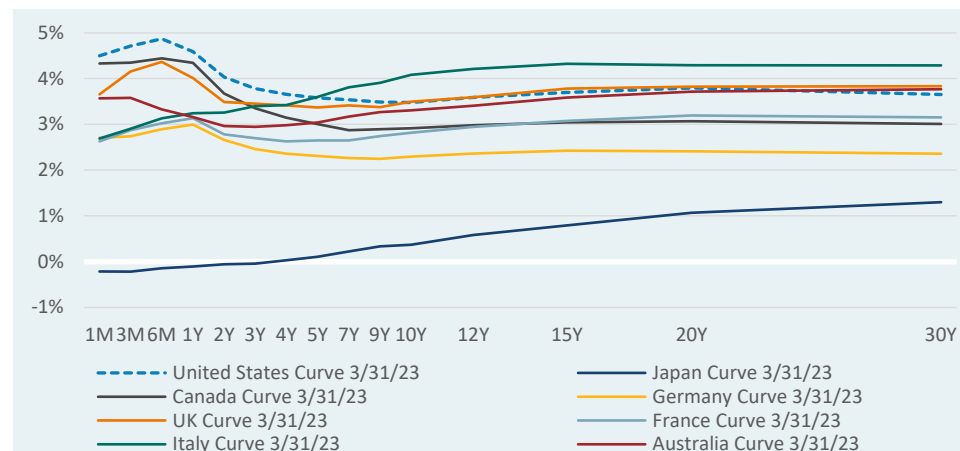
Source: ICI, Bloomberg, as of 3/29/23

Yield environment

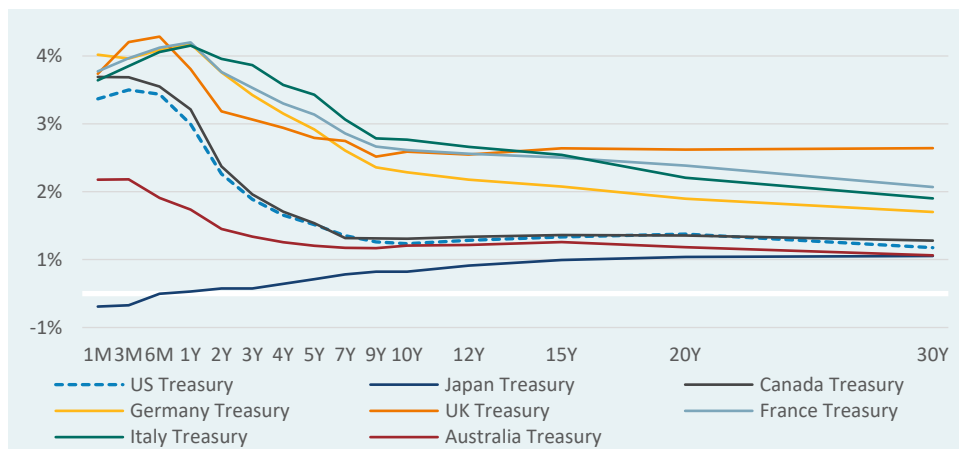
U.S. YIELD CURVE



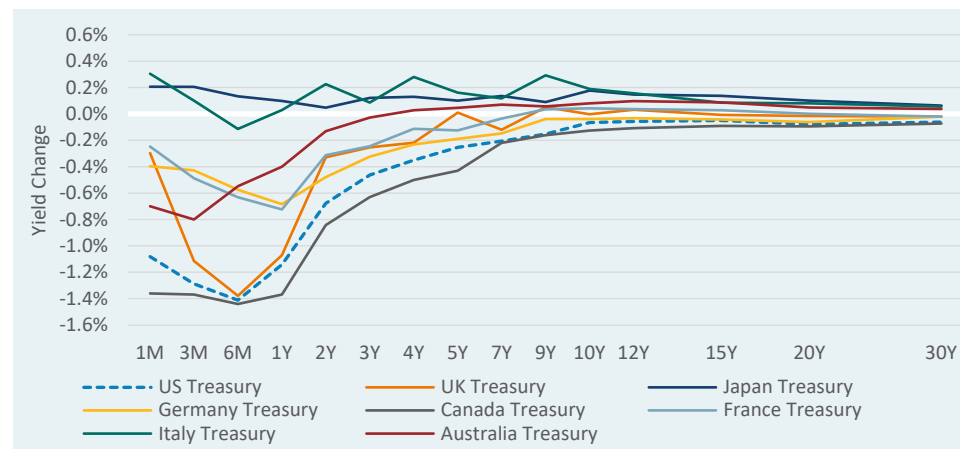
GLOBAL GOVERNMENT YIELD CURVES



YIELD CURVE CHANGES OVER LAST FIVE YEARS



IMPLIED CHANGES OVER NEXT YEAR



Source: Bloomberg, as of 3/31/23

Credit environment

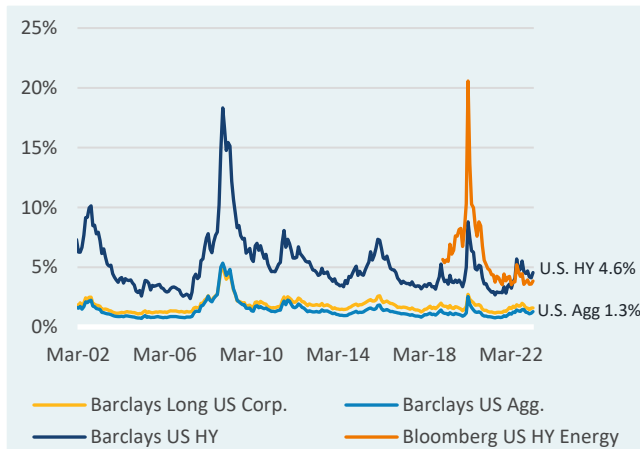
During the first quarter, fixed income markets delivered strong, positive returns despite concerns related to the banking sector and the potential for additional Fed rate hikes. High yield credit returns led the way with 3.6%, followed by 3.5% from investment grade credit and 3.3% from bank loans.

Within high yield bonds, unlike the performance witnessed during the fourth quarter where higher quality credit outperformed, performance was driven primarily by lower quality CCC-rated bonds. These bonds returned 5.1% during the quarter compared to 3.4% and 3.8% for B-rated and BB-rated bonds, respectively. Bank loan performance was

driven primarily by continued strong demand from CLOs.

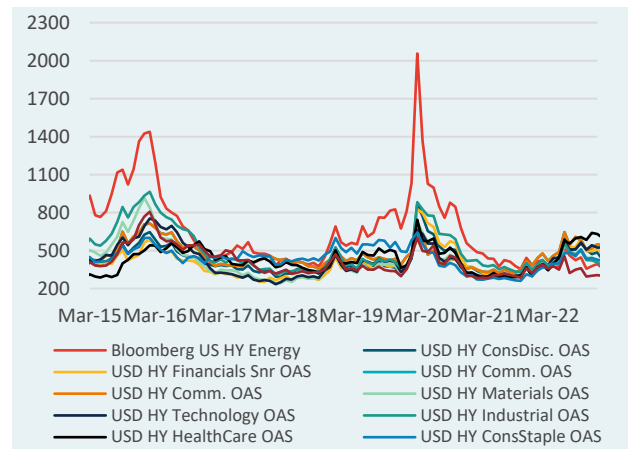
Credit spreads widened with investment grade spreads rising 0.10% to 1.4% while high yield spreads rose by 0.30% to 4.6%. Despite the jump, credit spreads remain below their long-term averages, which suggests that investors remain positive on the health of the market. However, should the economy begin to slow, credit spreads could move wider from here.

SPREADS



Source: Barclays, Bloomberg, as of 3/31/23

HIGH YIELD SECTOR SPREADS (BPS)



Source: Bloomberg, as of 3/31/23

Market	Credit Spread (OAS)	
	3/31/23	3/31/22
Long U.S. Corp	1.6%	1.6%
U.S. Inv Grade Corp	1.4%	1.2%
U.S. High Yield	4.6%	3.3%
U.S. Bank Loans*	5.6%	4.3%

Source: Barclays, Credit Suisse, Bloomberg, as of 3/31/23

*Discount margin (4-year life)

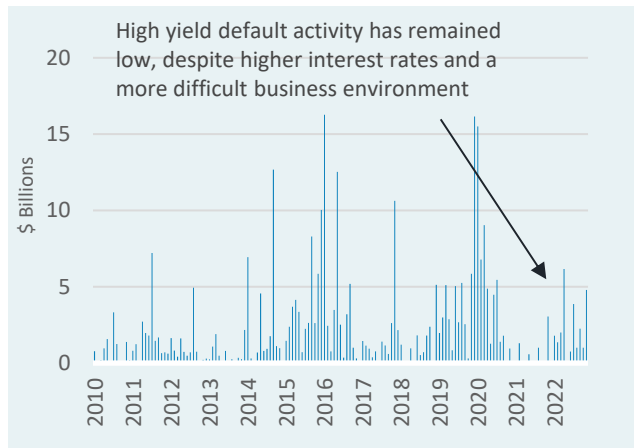
Default & issuance

Default activity remained below the long-term trend in Q1. During the quarter, 17 companies defaulted totaling \$20.6 billion, with large defaults concentrated in the Media, Technology, and Consumer-related sectors. Combined defaults during the quarter were the highest since the beginning of the pandemic in 2Q 2020.

Past twelve-month default rates for both high yield bonds and bank loans decreased to 1.9% and 2.2%, respectively. This compares favorably to the long-term average of roughly 3.2% for bonds and 3.1% for loans. High yield recovery rates ended the quarter at 47.4%, down roughly 7.9% from the end of last year. Similarly, the recovery rate of bank loans ended the quarter at roughly 45.7%, down from 51.8% in 2022.

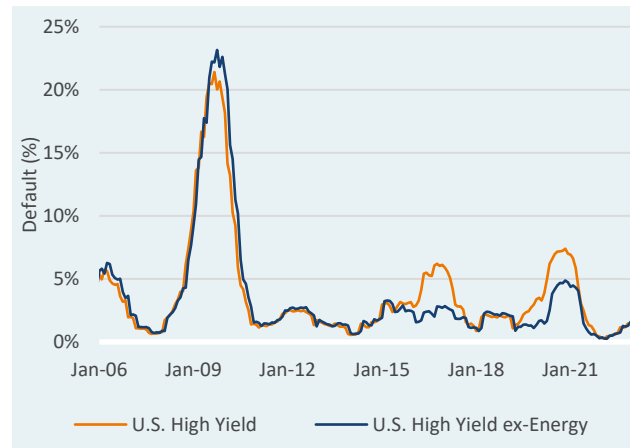
The pace of investment grade credit issuance accelerated in the first quarter with \$404.2 billion of issuance compared with \$200.2 billion in Q4 2022. The story was very different in levered credit which saw high yield bond and bank loan issuance decline to roughly \$40.2 and \$48.3 billion, respectively, during the period. For context, the level of high yield issuance ranked as the second lowest since the Global Financial Crisis in 2008-2009.

U.S. HY MONTHLY DEFAULTS (PAR WEIGHTED)



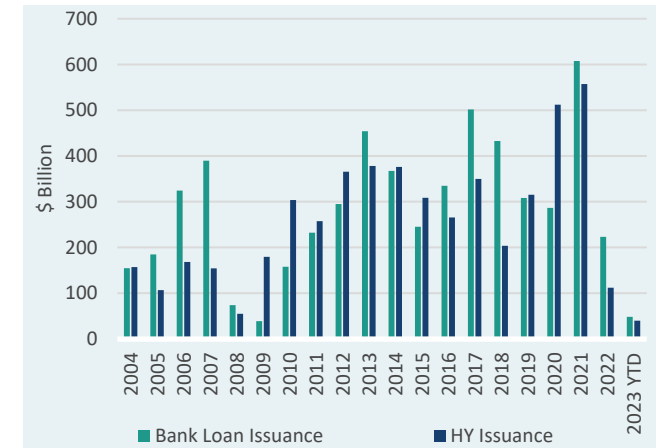
Source: BofA Merrill Lynch, as of 3/31/23

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



Source: BofA Merrill Lynch, as of 3/31/23 – par weighted

DEVELOPED MARKET ISSUANCE (\$ BILLIONS)



Source: BofA Merrill Lynch, all developed markets, as of 3/31/23

Equity

Equity environment

- Global equities delivered another strong quarter in Q1 (MSCI ACWI +7.3%). A variety of risks are stacking up that could weigh on additional gains, including potential recession in many markets, persistent inflation problems, and tightening credit conditions.
- The outlook for domestic stocks remains challenged, especially against the backdrop of high inflation and expectations for slowing economic growth. Earnings growth has started to decline, with year-over-year S&P 500 earnings falling -4.9% in Q4 2022, the first decline seen since Q2 2020.
- The effects of currency volatility on portfolio performance was mixed during the first quarter. Over the past full year, currency movement led to a -8.5% loss for investors with unhedged exposure to international developed equity (MSCI EAFE unhedged -1.4%, MSCI EAFE hedged +7.1%), led by a -12.6% loss in Japanese equities (TOPIX unhedged -3.1%, TOPIX hedged +9.5%). We continue to believe that a thoughtful currency program may allow investors to reduce their total portfolio risk while also increasing long-term expected returns.
- Growth stocks delivered strong outperformance in the first quarter (Russell 1000 Growth +14.4% vs. Russell 1000 Value +1.0%), effectively reversing value's rally in Q4 2022. This divergence in style behavior appears to be, once again, mostly a result of relative sector returns.
- The Cboe VIX implied volatility index surged in March on the news of Silicon Valley Bank's failure, and the possibility of contagion across the financial sector, but ended the quarter at 18.7%—near the longer-term average.

	QTD TOTAL RETURN		1 YEAR TOTAL RETURN	
	(unhedged)	(hedged)	(unhedged)	(hedged)
U.S. Large Cap (S&P 500)	7.5%		(7.7%)	
U.S. Small Cap (Russell 2000)	2.7%		(11.6%)	
U.S. Equity (Russell 3000)	7.2%		(8.6%)	
U.S. Large Value (Russell 1000 Value)	1.0%		(5.9%)	
US Large Growth (Russell 1000 Growth)	14.4%		(10.9%)	
Global Equity (MSCI ACWI)	7.3%	7.3%	(7.4%)	(4.8%)
International Large (MSCI EAFE)	8.5%	8.3%	(1.4%)	7.1%
Eurozone (EURO STOXX 50)	16.2%	15.0%	10.8%	17.1%
U.K. (FTSE 100)	6.4%	3.8%	(1.1%)	6.9%
Japan (TOPIX)	5.8%	8.5%	(3.1%)	9.5%
Emerging Markets (MSCI Emerging Markets)	4.0%	3.8%	(10.7%)	(6.6%)

Source: Russell Investments, MSCI, STOXX, FTSE, Nikkei, as of 3/31/23

Domestic equity

U.S. equities finished the first quarter up 7.5%, marking another positive quarter as the S&P 500 recovers from the losses of 2022. Much volatility persisted through recent months, with shares moving higher in January, before falling sharply in line with expectations for a more hawkish Federal Reserve. The fallout in the banking system challenged the financial sector, but ultimately proved to be a significant tailwind to the broader index, as investor expectations for the Federal Reserve’s rate path were significantly cut down. This boosts equity market valuations because lower interest rates increase the present value of equities through the discounting of cash flows. Growth stocks tend to benefit the most from this effect, as businesses with larger earnings expected further into the future are more sensitive to interest rate changes.

Despite recent gains, the outlook for domestic stocks remains challenged, given the backdrop of high inflation and expectations for slowing economic growth. Corporate earnings have been weakening, with year-over-year S&P 500 earnings falling -4.9% in Q4 2022—the first decline seen since Q2 2020. Analysts believe this trend will continue—FactSet expects Q1 2023 earnings to slide -6.6%.

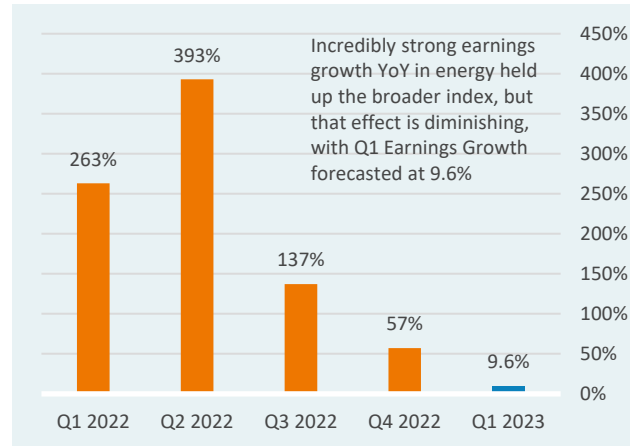
Domestic companies continue to face margin compression due to higher input prices and wages, although many companies are now implementing cost cutting measures—most visibly within the technology and financial sectors—to help retain earnings. The normalization of earnings growth within the energy sector, which had previously provided a large tailwind to broad earnings, has also been a drag.

S&P 500 PRICE INDEX



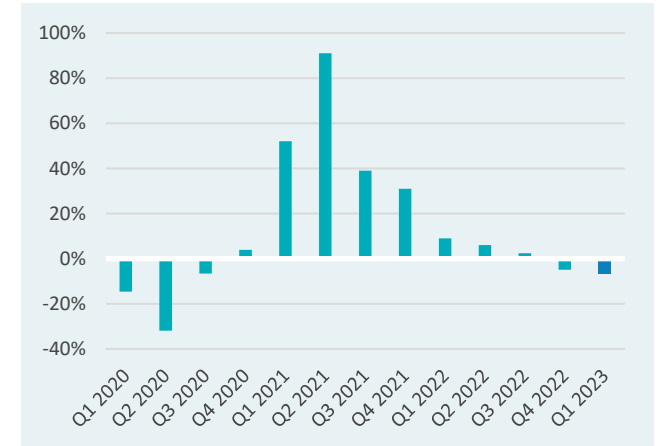
Source: Standard & Poor’s, as of 3/31/23

ENERGY EARNINGS GROWTH (YEAR-OVER-YEAR)



Source: FactSet, as of 3/31/23

S&P 500 EARNINGS GROWTH (YEAR-OVER-YEAR)



Source: FactSet, as of 3/31/23

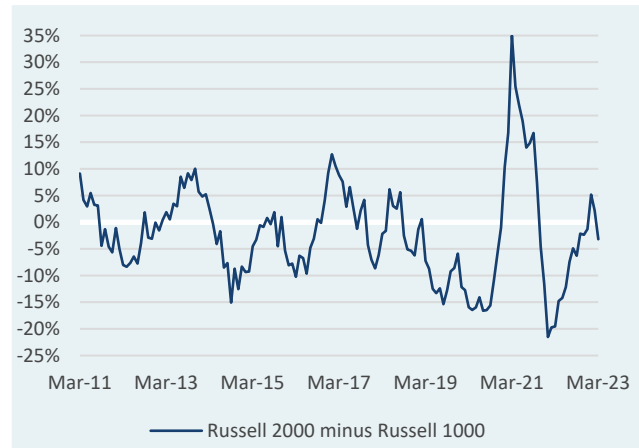
Domestic equity size & style

Growth stocks delivered strong outperformance in the first quarter (Russell 1000 Growth +14.4% vs. Russell 1000 Value +1.0%), effectively reversing the value rally of Q4 2022. This divergence in style behavior appears to be, once again, mostly a result of relative sector returns. Information technology led the index at +21.8% over the quarter, while energy (-4.7%) and financials (-5.6%) were laggards.

Small capitalization stocks underperformed large capitalization stocks during Q1 (Russell 2000 +2.7%, Russell 1000 +7.5%) and have also lagged over the past year (Russell 2000 -11.6%, Russell 1000 -8.4%).

Large disparities in sector performance and the significant impact of this ongoing volatility on style factors supports our view that factor timing should rarely be pursued for most investors. There are occasions when market mispricing offers a compelling case to tilt into a style factor, though these occasions come along perhaps every few decades rather than every few years. We believe that style investing is most appropriately pursued in a strategic manner based on each individual investor's market beliefs and long-term goals.

SMALL CAP VS LARGE CAP (YOY)



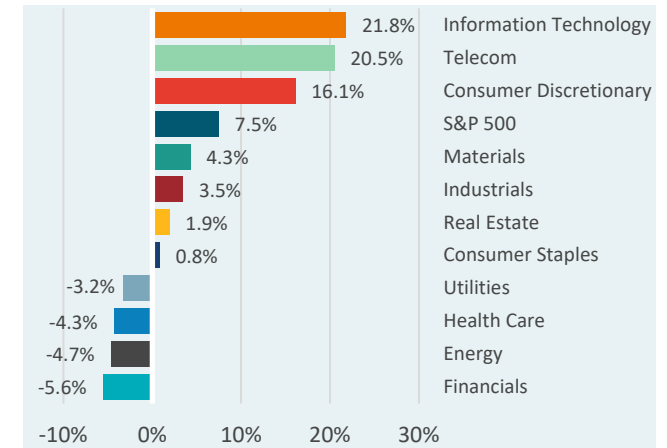
Source: FTSE, as of 3/31/23

VALUE VS GROWTH (YOY)



Source: FTSE, as of 3/31/23

Q1 2023 SECTOR PERFORMANCE



Source: Morningstar, as of 3/31/23

International developed equity

International developed equities outperformed global peers for a consecutive quarter, with the MSCI EAFE Index finishing up 8.3% in unhedged currency terms. Currency market movement was more muted, leading to a smaller 0.2% difference between currency hedged and unhedged index returns. This was likely a welcome change, given large and painful currency movements of the past year as the U.S. dollar appreciated.

European shares outperformed, due to larger European companies delivering positive earnings despite much economic uncertainty. The larger capitalization STOXX 50

Index returned 16.2%, compared to the broader STOXX 600 Index which finished the quarter up 10.3%. Japanese equities lagged most other markets in Q1.

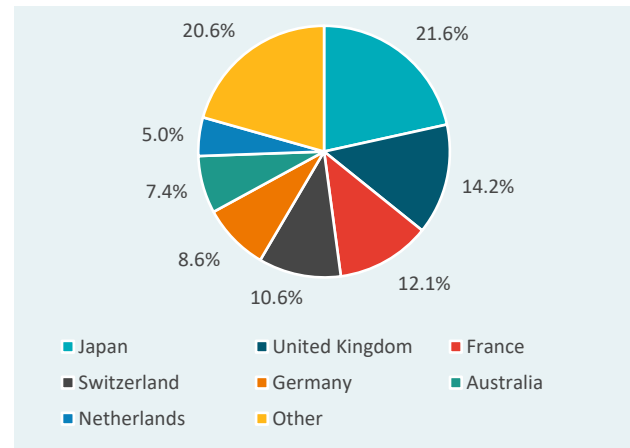
Inflation uncertainty has likely been a key contributor to the cheaper valuations of international developed equities, although inflation pressures have started to show some relief in the Eurozone, driven primarily by moderating energy prices. Despite these positive signs, both the European Central Bank and Bank of England have signaled that additional rate hikes are ahead. The drag presented by central bank hawkishness may be an ongoing theme of 2023.

INTERNATIONAL DEVELOPED EQUITY



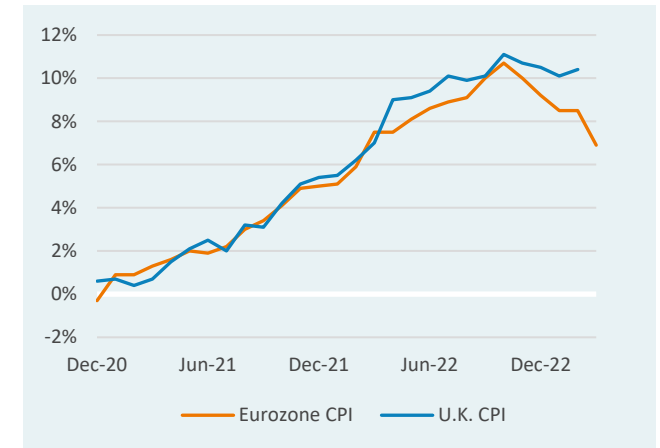
Source: MSCI, as of 3/31/23

MSCI EAFE INDEX COUNTRY DECOMPOSITION



Source: MSCI, as of 3/31/23

EUROPEAN INFLATION



Source: Bloomberg, as of 3/31/23. U.K. CPI as of 2/28/23

Emerging market equity

Emerging market equities lagged the global opportunity set during the quarter. The MSCI EM Index finished up 4.0%, relative to 8.5% from the MSCI EAFE Index and 7.5% from the S&P 500.

Chinese equities—the largest country weight in the index at thirty percent—saw a slowdown in economic momentum from the COVID-19 reopening, yet still finished the quarter +4.7%. China generated a drag on the overall emerging market index despite large gains from markets in Mexico, Taiwan, and South Korea.

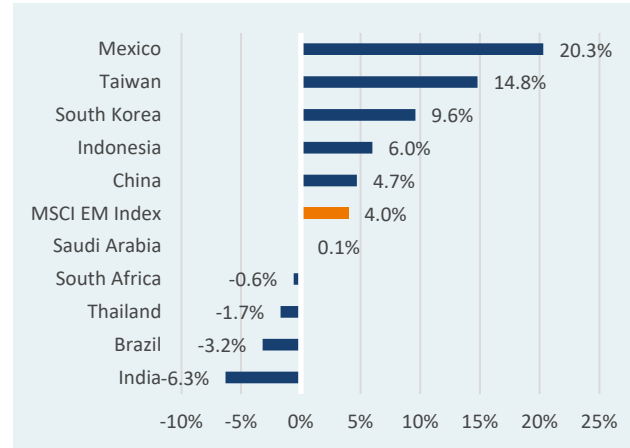
While slowing economic growth amongst developed economies provides a headwind to emerging markets, a lack of inflationary pressures amongst most emerging countries helps paint a more optimistic picture. Fewer inflation problems allows for looser central bank policies, which combined with a continuation of pandemic reopening in China, could allow for higher economic growth in the near-term. The IMF's World Economic Outlook sees emerging & developing economy growth at 3.9% in 2023—much higher than the expected 1.3% for advanced economies.

EMERGING MARKET EQUITY



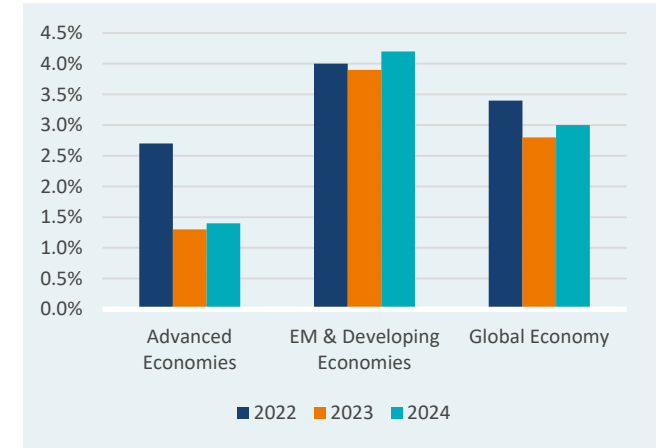
Source: MSCI, as of 3/31/23

Q1 2023 MSCI COUNTRY RETURNS (USD)



Source: Bloomberg, MSCI, as of 3/31/23

IMF'S APRIL REAL GDP GROWTH FORECASTS



Source: IMF April World Economic Outlook

Equity valuations

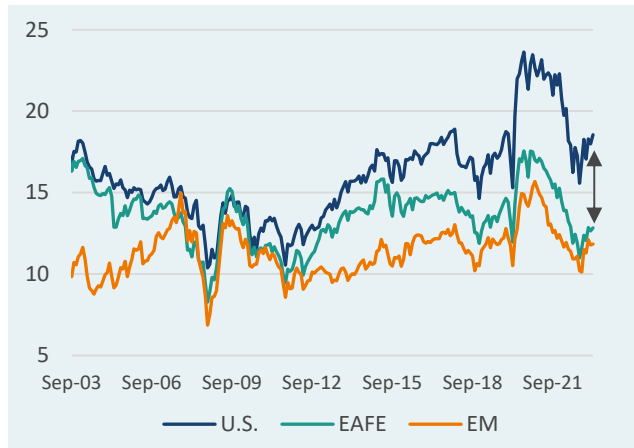
Equity valuations continued to move higher in the first quarter, as global equities advanced and corporate earnings remained relatively flat. Forward price-to-earnings in the U.S. ended March at 18.6x, sliding below the 5-year average, but still higher than the 10-year average of 17.8x. In contrast, international developed (12.8x) and emerging market (11.8x) valuations sit below or at their respective five- and ten-year averages.

U.S. equities led global markets over the past decade largely

due to a boom in corporate earnings and the success of technology-focused mega cap stocks. However, part of that outperformance was due to U.S. equity multiples rising to elevated levels. This is reflected in current U.S. valuations and the near-record divide between U.S. and non-U.S. markets. Lofty multiples may limit further upside of domestic equities without a rebound in earnings, especially given the possibility of U.S. recession, persistent inflation, and recent banking stress. However, an incoming global economic slowdown could support domestic equities as investors tend to prefer high quality markets during times of stress.

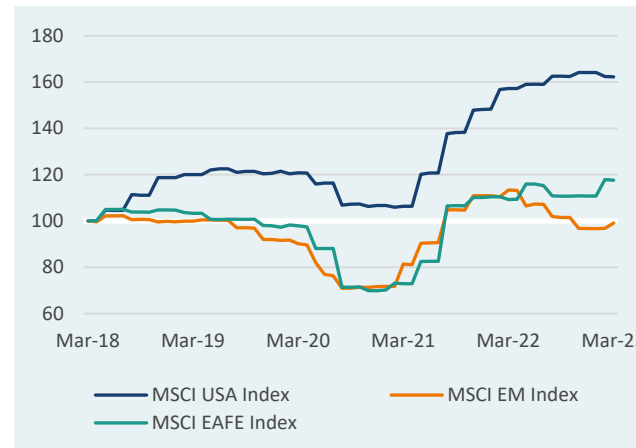
U.S. markets remain relatively expensive, despite potential recession, inflation, banking, and other risks

FORWARD P/E RATIOS



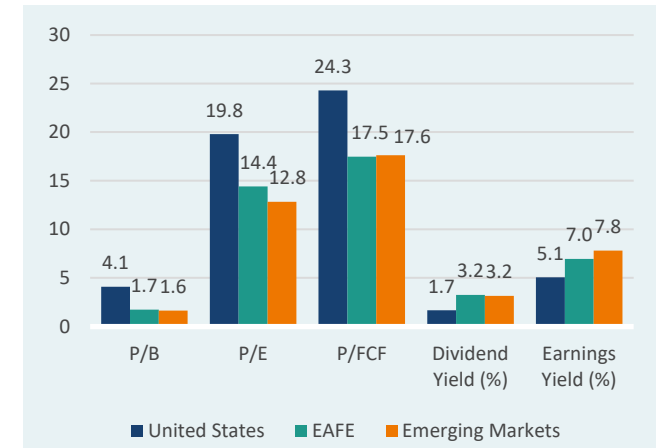
Source: MSCI, 12m forward P/E, as of 3/31/23

TRAILING 12M EPS (INDEX 100)



Source: Bloomberg, MSCI, as of 3/31/23

VALUATION METRICS (3-MONTH AVERAGE)



Source: Bloomberg, MSCI, as of 3/31/23 - trailing P/E

Equity volatility

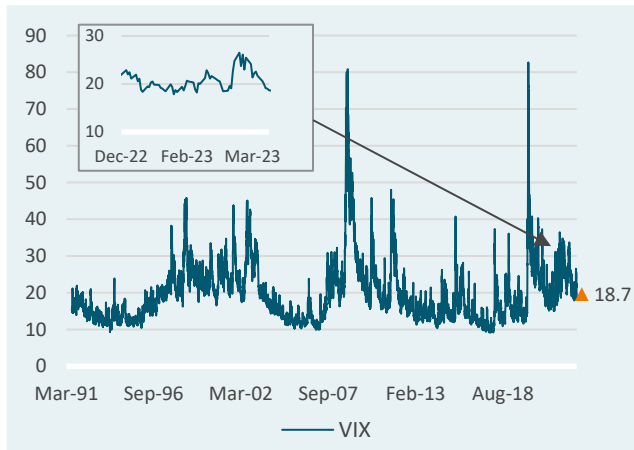
The Cboe VIX implied volatility index surged in March on the news of Silicon Valley Bank’s failure, and the possibility of contagion across the financial sector, but ended the quarter at 18.7%—near the longer-term average. Markets have faced an ongoing drumbeat of risks in recent years, from the global pandemic, to ensuing inflation shock and aggressive response from central banks, now to banking/credit stress and possible recession.

Realized volatility of global equity markets remains above average, while emerging market volatility continues to be in

line with developed markets—a trend that has been uncommon historically.

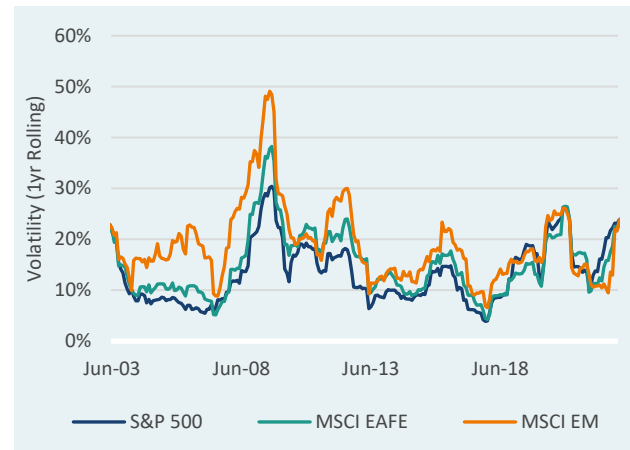
Many market stories of the past year have related to Federal Reserve tightening and the path of interest rates. These stories have contributed to considerable volatility in bond markets. As indicated by the ICE BofA “MOVE” Index, which measures the volatility priced into U.S. Treasury bonds, domestic and international banking stress in the first quarter further added to market choppiness.

U.S. IMPLIED VOLATILITY (VIX)



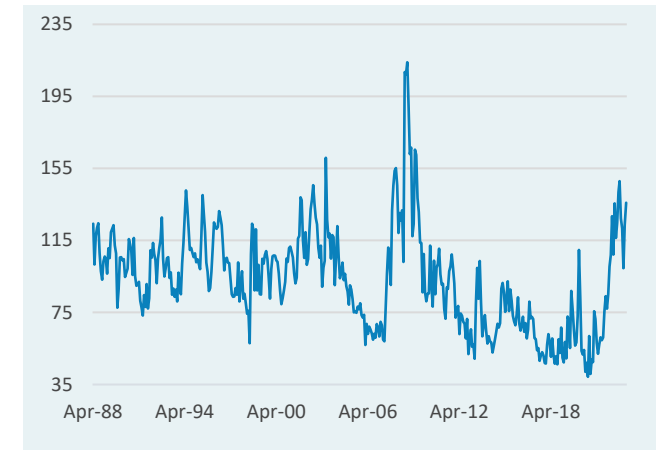
Source: Cboe, as of 3/31/23

REALIZED VOLATILITY



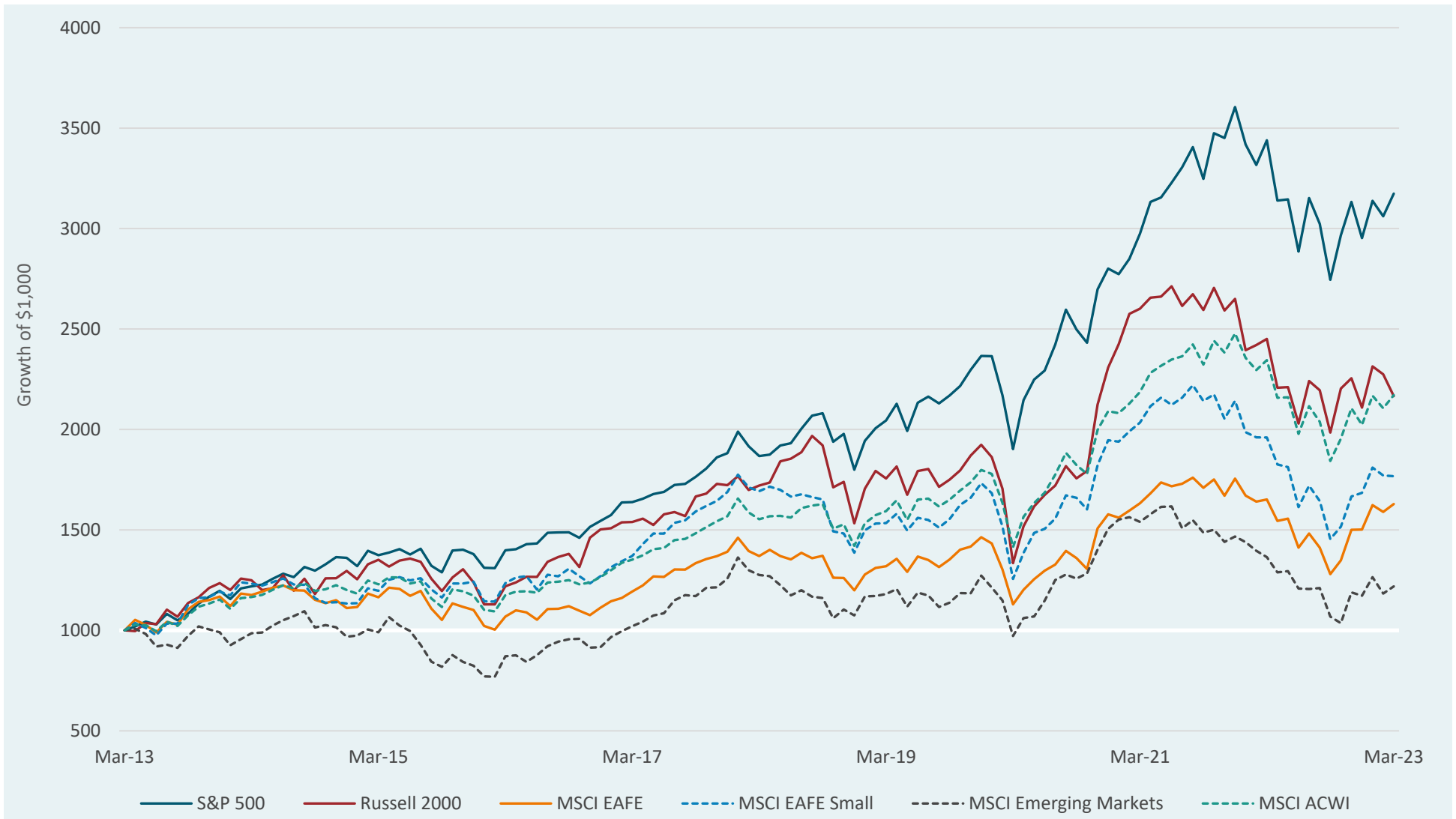
Source: S&P, MSCI, as of 3/31/23

U.S. TREASURY IMPLIED VOL (“MOVE” INDEX)



Source: Bloomberg, as of 3/31/23

Long-term equity performance



Source: MPI, as of 3/31/23

Other assets

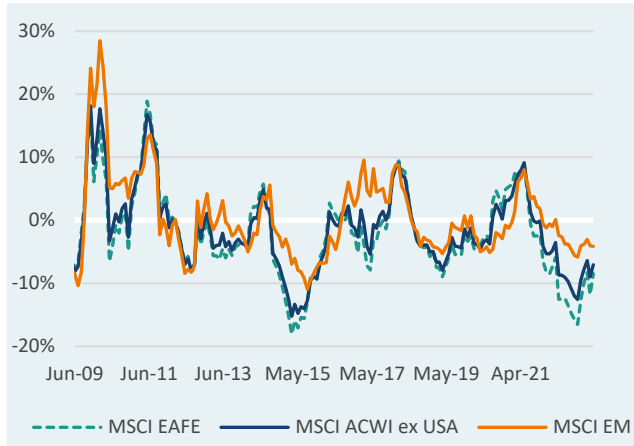
Currency

The effects of currency volatility on portfolio performance was mixed during the first quarter. Over the past full year, currency movement led to a -8.5% loss for investors with unhedged exposure to international developed equity (MSCI EAFE unhedged -1.4%, MSCI EAFE hedged +7.1%), fueled by a -12.6% currency loss from Japanese equities (TOPIX unhedged -3.1%, TOPIX hedged +9.5%). The U.S. dollar depreciated -1.6% during the quarter, according to the U.S. Trade Weighted Dollar Index, providing a tailwind to most unhedged international investments.

A thoughtful currency program may allow investors to reduce their total portfolio risk while also increasing long-term expected returns. The MSCI

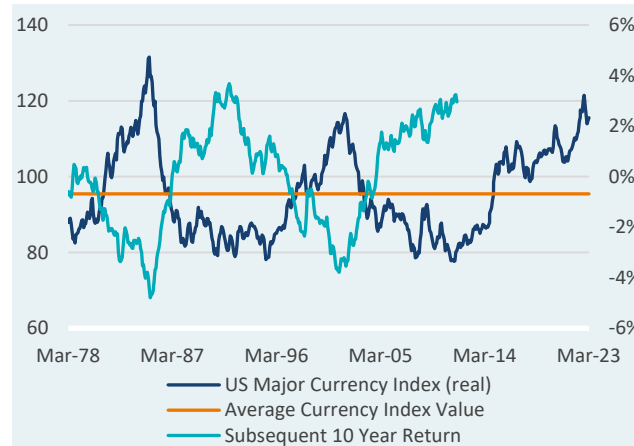
Currency Factor Mix Index—a representation of a passive investment in the currency market—has shown a positive one-year rolling return over most periods with very low volatility. This contrasts to the unhedged currency exposure (what we refer to as “embedded currency”) that most investors own, which has demonstrated high volatility and frequent losses. This currency program would have delivered cumulative outperformance of +22.5% over the past five years for an international developed equity portfolio, and +52.0% cumulative outperformance over the past ten years, while also reducing total risk in the portfolio.

EFFECT OF CURRENCY (1-YEAR ROLLING)



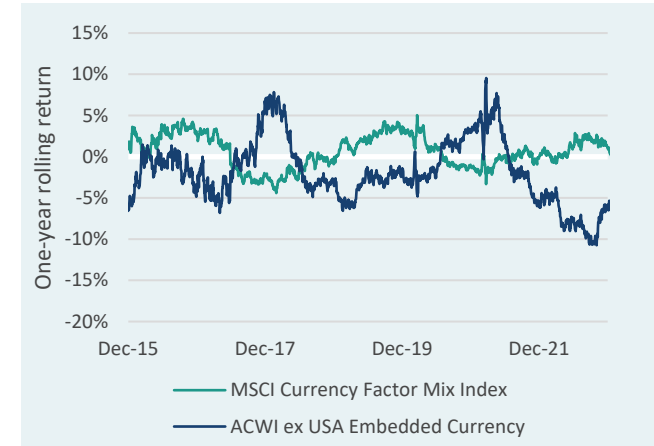
Source: MSCI, as of 3/31/23

BLOOMBERG DOLLAR SPOT INDEX



Source: Federal Reserve, as of 3/31/23

EMBEDDED CURRENCY VS CURRENCY FACTORS



Source: Bloomberg, MSCI, as of 3/31/23

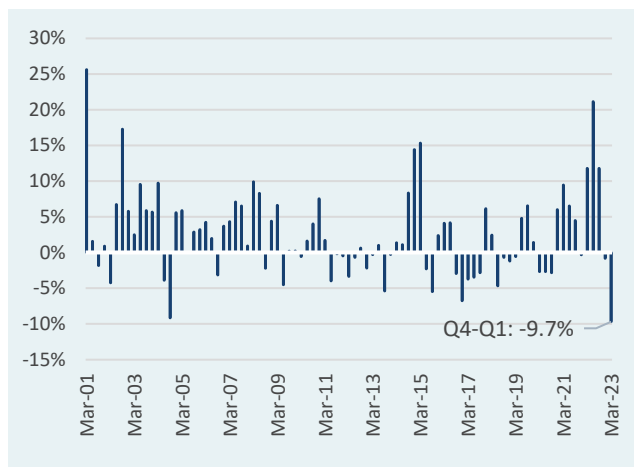
A reversal in CTA strategy performance

In 2021 and for most of 2022, systematic CTA strategies were the top performing hedge fund strategy. Trend following was paying off after several years of mediocre returns from 2016-2020. This periodicity is typical of trend following/CTA type strategies, and the end of 2022 and first quarter of 2023 served as examples of weak runs for these strategies. CTA strategies, as proxied by the SocGen CTA Index, had their worst ever consecutive quarters from Q4 '22 through Q1 '23, looking back to the year 2000.

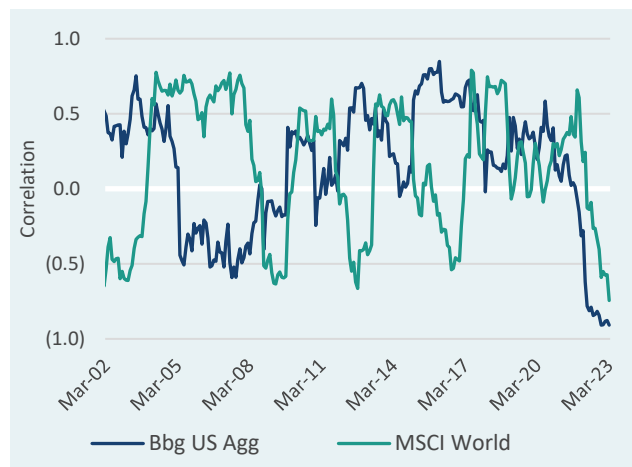
at their all time most-negative levels. Rolling 3-year performance of CTAs relative to other strategy types has reversed after COVID-19 drawdowns begin to roll off and as CTAs have suffered from the recent reversals in both stocks and bonds. As intermediate (6-12 month) trends in markets begin to flatten out and the first half of 2022 rolls off, we believe CTA positioning may level out and potentially support a rebound in performance.

A key driver of underperformance is apparent when examining one-year correlations of these strategies to stocks and bonds, which were recently

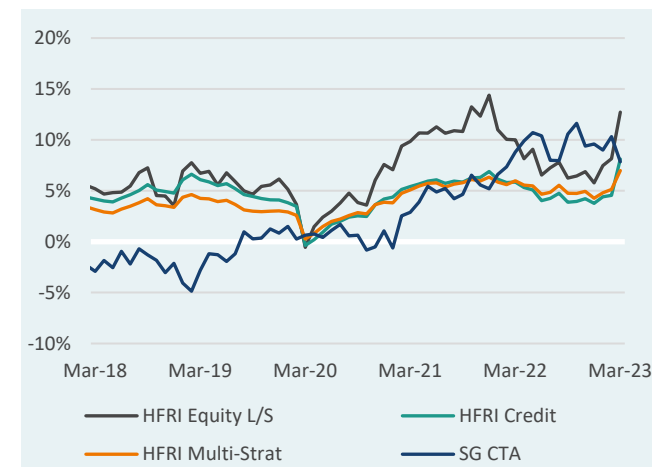
ROLLING 6-MONTH RETURNS FOR CTA INDEX



12-MONTH CORRELATION VS CTA INDEX



CUMULATIVE RETURN LAST 12 MONTHS



Source: HFR, MPI, Morningstar. SocGen, Data as of 3/31/23

Appendix

Periodic table of returns

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD	5-Year	10-Year
Large Cap Growth	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	16.1	14.4	13.7	14.6
International Equity	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	9.4	8.5	10.9	12.0
Large Cap Equity	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	1.5	7.5	7.5	9.1
Small Cap Growth	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	-4.7	6.1	7.5	8.8
60/40 Global Portfolio	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	-7.5	5.6	5.4	8.5
Emerging Markets Equity	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	22.4	14.0	17.7	-13.0	4.0	4.7	8.0
US Bonds	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	22.0	10.3	14.8	-14.5	3.0	4.5	7.2
Small Cap Equity	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	-14.5	2.7	4.3	5.0
Hedge Funds of Funds	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	-17.3	1.6	3.9	5.0
Cash	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	-19.1	1.1	3.5	3.3
Large Cap Value	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	-20.1	1.0	3.3	2.0
Real Estate	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	-20.4	0.0	1.3	1.4
Small Cap Value	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	-26.4	-0.7	0.9	0.8
Commodities	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	-29.1	-5.4	-0.9	-1.7

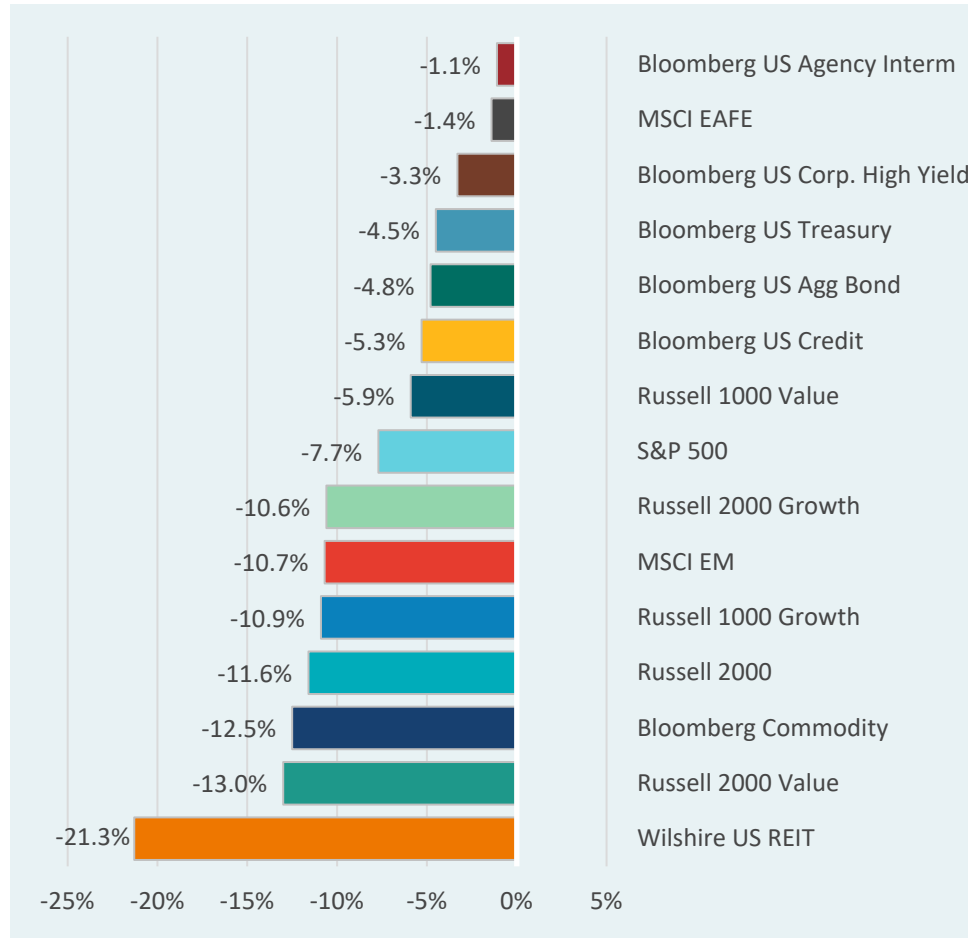
BEST
↑
↓
WORST

 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	

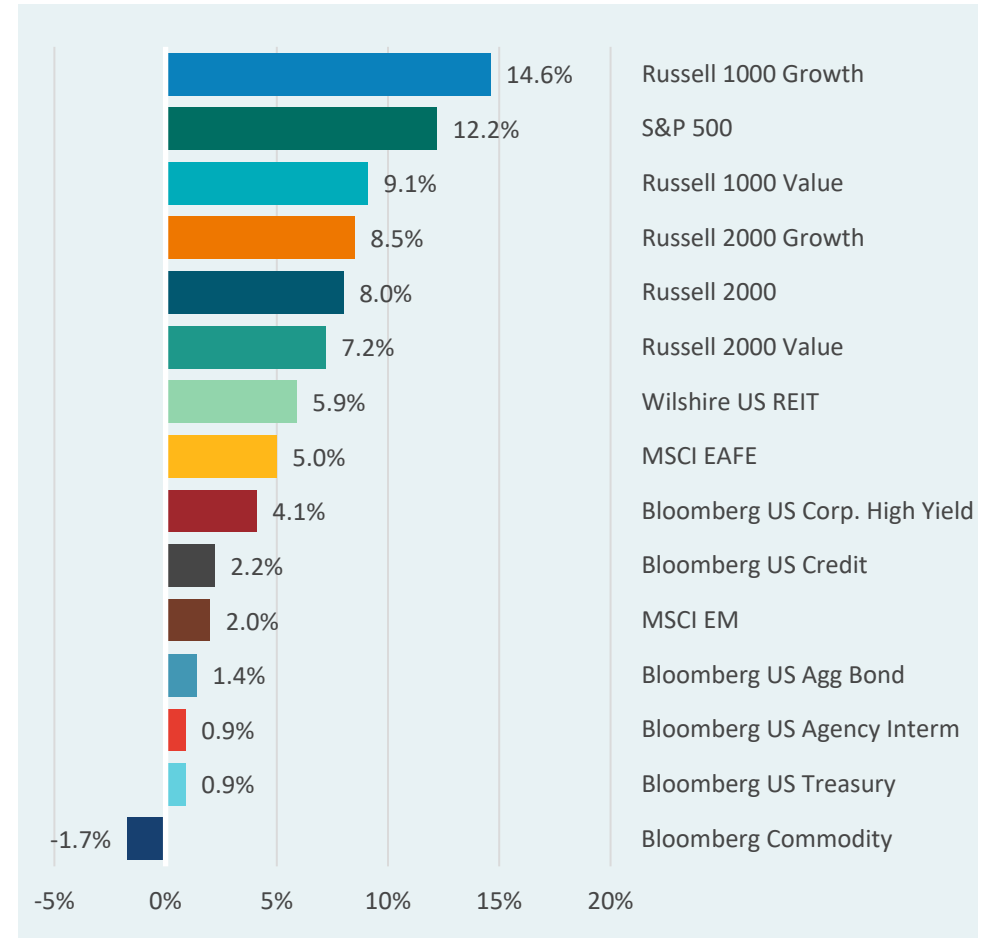
Source Data: Morningstar, Inc., Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF). Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Growth, Russell 2000, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, Bloomberg US Aggregate, T-Bill 90 Day, Bloomberg Commodity, NCREIF Property, HFRI FOF, MSCI ACWI, Bloomberg Global Bond. NCREIF Property Index performance data as of 12/31/22.

Major asset class returns

ONE YEAR ENDING MARCH



TEN YEARS ENDING MARCH



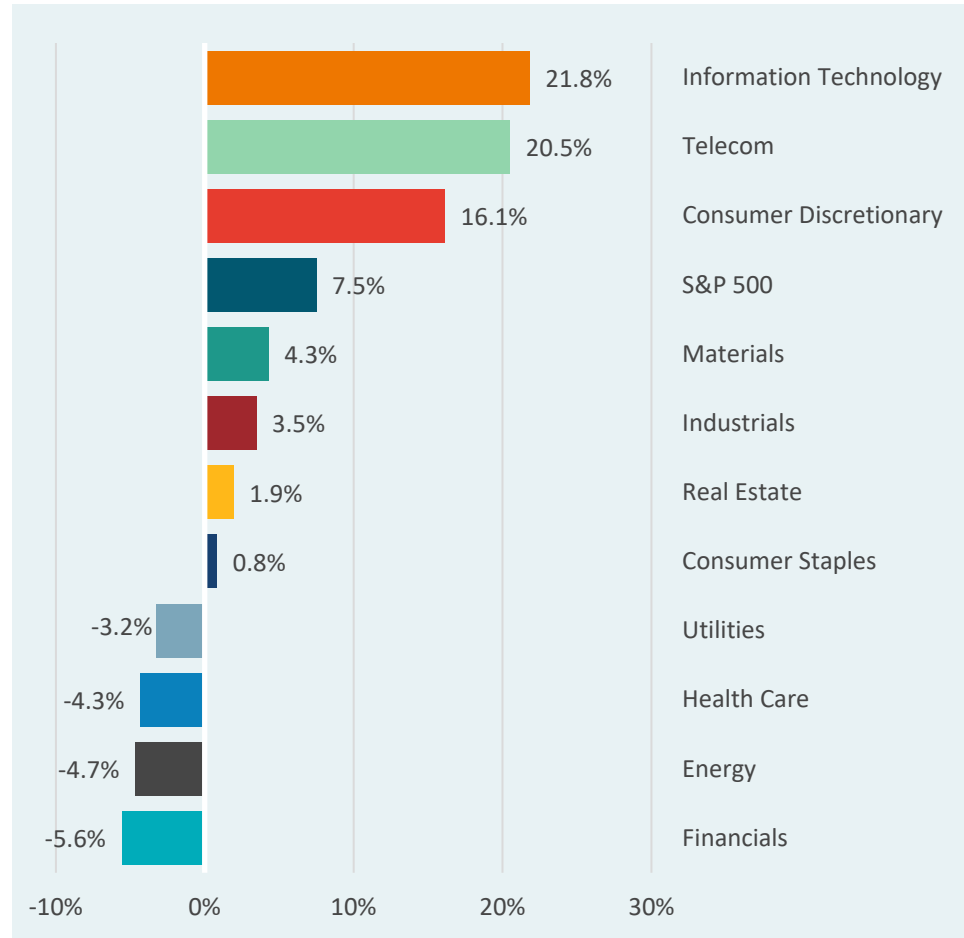
*Only publicly traded asset performance is shown here. Performance of private assets is typically released with a 3- to 6-month delay.

Source: Morningstar, as of 3/31/23

Source: Morningstar, as of 3/31/23

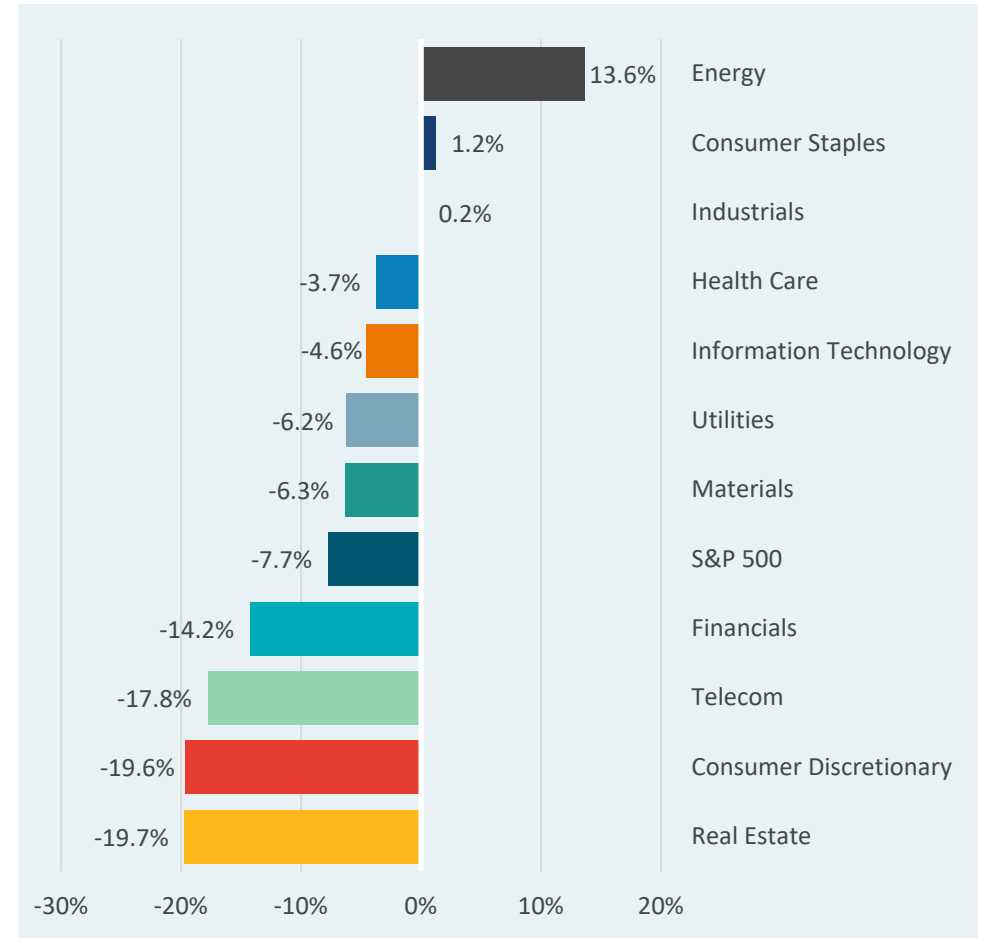
S&P 500 sector returns

QTD



Source: Morningstar, as of 3/31/23

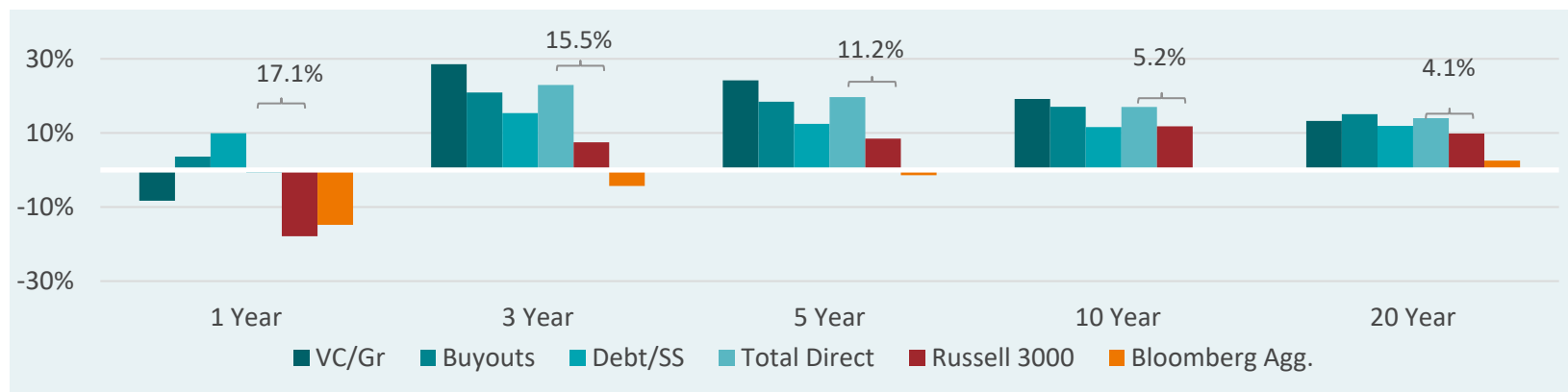
ONE YEAR ENDING MARCH



Source: Morningstar, as of 3/31/23

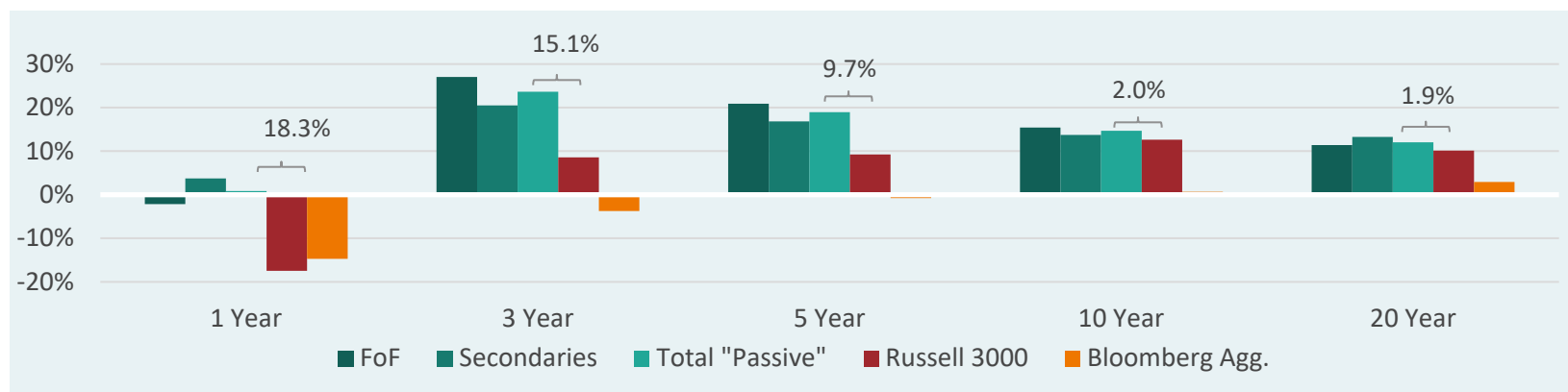
Private equity vs. traditional assets performance

DIRECT PRIVATE EQUITY FUND INVESTMENTS



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

"PASSIVE" STRATEGIES

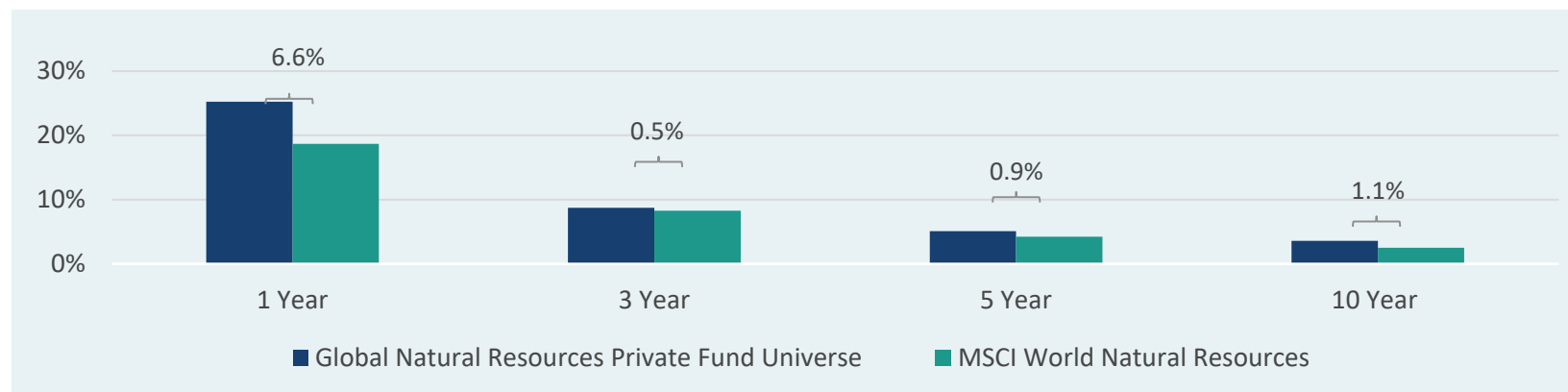


"Passive" strategies outperformed comparable public equities across all time periods

Sources: Refinitiv PME: U.S. Private Equity Funds sub asset classes as of September 30, 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.

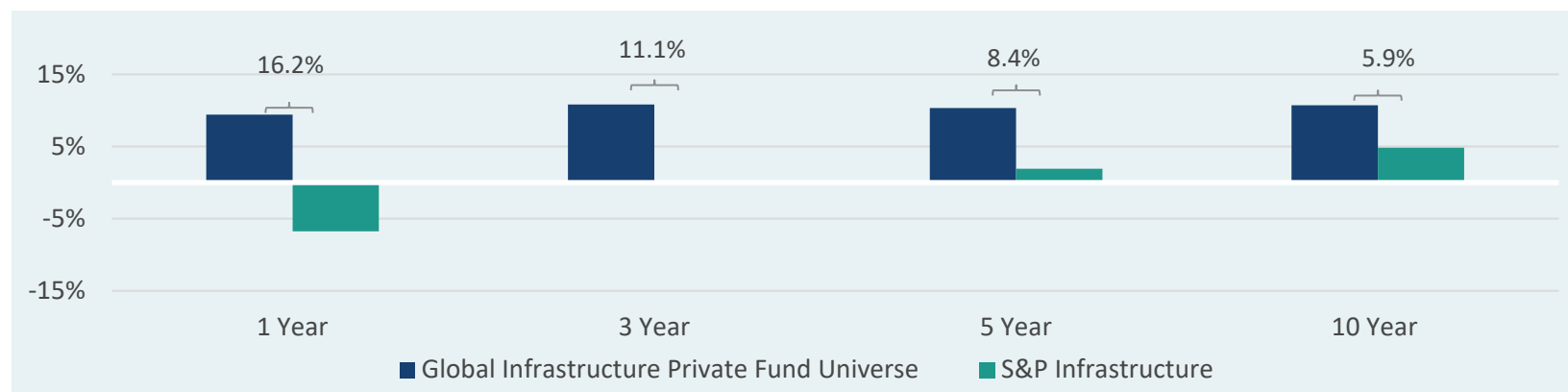
Private vs. liquid real assets performance

GLOBAL NATURAL RESOURCES FUNDS



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

GLOBAL INFRASTRUCTURE FUNDS

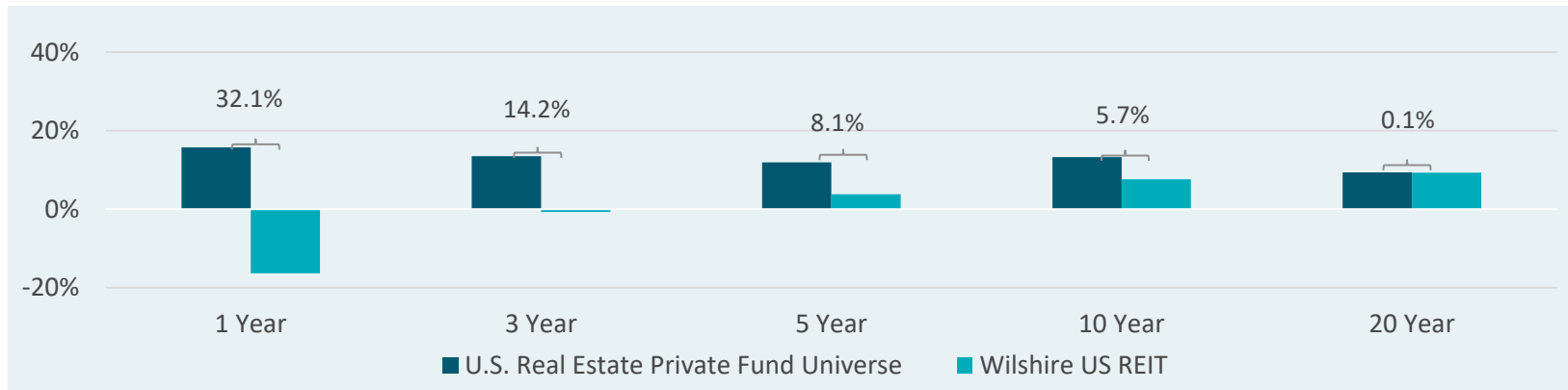


Infra. funds outperformed the S&P Infra. across all periods

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 September 30, 2022. Public Market Equivalent returns resulted from identical cash flows invested into and distributed from respective liquid real assets universes.

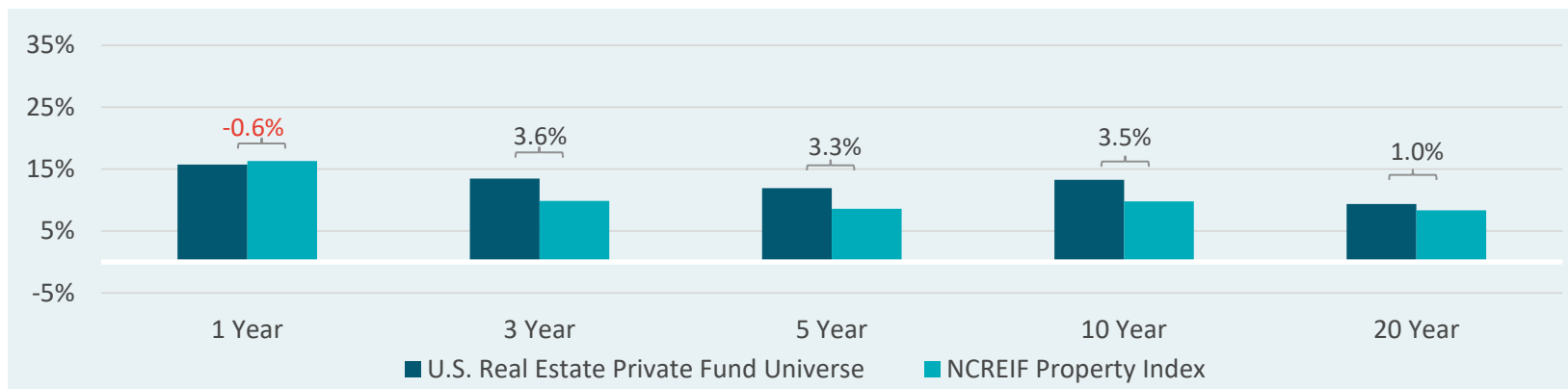
Private vs. liquid and core real estate performance

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



U.S. Private R.E. funds outperformed the Wilshire U.S. REIT Index across all time periods

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 from the 1-year

Sources: Refinitiv PME: U.S. Real Estate universes as of September 30, 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	3.7	7.5	7.5	(7.7)	18.6	11.2	12.2
S&P 500 Equal Weighted	(0.9)	2.9	2.9	(6.3)	22.1	10.0	11.4
DJ Industrial Average	2.1	0.9	0.9	(2.0)	17.3	9.0	11.1
Russell Top 200	4.9	8.7	8.7	(8.3)	18.4	11.9	12.8
Russell 1000	3.2	7.5	7.5	(8.4)	18.6	10.9	12.0
Russell 2000	(4.8)	2.7	2.7	(11.6)	17.5	4.7	8.0
Russell 3000	2.7	7.2	7.2	(8.6)	18.5	10.5	11.7
Russell Mid Cap	(1.5)	4.1	4.1	(8.8)	19.2	8.1	10.1
Style Index							
Russell 1000 Growth	6.8	14.4	14.4	(10.9)	18.6	13.7	14.6
Russell 1000 Value	(0.5)	1.0	1.0	(5.9)	17.9	7.5	9.1
Russell 2000 Growth	(2.5)	6.1	6.1	(10.6)	13.4	4.3	8.5
Russell 2000 Value	(7.2)	(0.7)	(0.7)	(13.0)	21.0	4.5	7.2

INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
MSCI ACWI	3.1	7.3	7.3	(7.4)	15.4	6.9	8.1
MSCI ACWI ex US	2.4	6.9	6.9	(5.1)	11.8	2.5	4.2
MSCI EAFE	2.5	8.5	8.5	(1.4)	13.0	3.5	5.0
MSCI EM	3.0	4.0	4.0	(10.7)	7.8	(0.9)	2.0
MSCI EAFE Small Cap	(0.2)	4.9	4.9	(9.8)	12.1	0.9	5.9
Style Index							
MSCI EAFE Growth	5.3	11.1	11.1	(2.8)	10.9	4.9	6.0
MSCI EAFE Value	(0.3)	5.9	5.9	(0.3)	14.6	1.7	3.7
Regional Index							
MSCI UK	(0.6)	6.1	6.1	(0.8)	14.6	3.0	3.4
MSCI Japan	4.0	6.2	6.2	(5.2)	7.4	1.3	5.0
MSCI Euro	4.1	15.6	15.6	7.7	17.1	3.9	6.0
MSCI EM Asia	3.6	4.8	4.8	(9.4)	7.1	0.1	4.2
MSCI EM Latin American	0.8	3.9	3.9	(11.1)	18.1	(1.8)	(1.9)

FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
Bloomberg US TIPS	2.9	3.3	3.3	(6.1)	1.8	2.9	1.5
Bloomberg US Treasury Bills	0.4	1.1	1.1	2.5	0.8	1.4	0.9
Bloomberg US Agg Bond	2.5	3.0	3.0	(4.8)	(2.8)	0.9	1.4
Bloomberg US Universal	2.3	2.9	2.9	(4.6)	(2.0)	1.0	1.6
Duration							
Bloomberg US Treasury 1-3 Yr	1.6	1.6	1.6	0.2	(0.8)	1.1	0.8
Bloomberg US Treasury Long	4.7	6.2	6.2	(16.0)	(11.3)	(0.4)	1.5
Bloomberg US Treasury	2.9	3.0	3.0	(4.5)	(4.2)	0.7	0.9
Issuer							
Bloomberg US MBS	1.9	2.5	2.5	(4.9)	(3.3)	0.2	1.0
Bloomberg US Corp. High Yield	1.1	3.6	3.6	(3.3)	5.9	3.2	4.1
Bloomberg US Agency Interm	1.8	1.9	1.9	(1.1)	(1.6)	0.9	0.9
Bloomberg US Credit	2.7	3.5	3.5	(5.3)	(0.7)	1.5	2.2

OTHER

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
Bloomberg Commodity	(0.2)	(5.4)	(5.4)	(12.5)	20.8	5.4	(1.7)
Wilshire US REIT	(2.6)	3.2	3.2	(21.3)	11.0	5.7	5.9
CS Leveraged Loans	(0.1)	3.1	3.1	2.1	8.4	3.5	3.9
S&P Global Infrastructure	2.4	3.9	3.9	(3.5)	15.6	5.9	6.4
Alerian MLP	(0.7)	3.4	3.4	13.9	46.3	6.9	0.6
Regional Index							
JPM EMBI Global Div	1.0	1.9	1.9	(6.9)	(0.0)	(0.6)	2.0
JPM GBI-EM Global Div	4.1	5.2	5.2	(0.7)	0.9	(2.4)	(1.5)
Hedge Funds							
HFRI Composite	(0.8)	1.2	1.2	(2.1)	10.5	4.7	4.4
HFRI FOF Composite	0.1	1.6	1.6	(1.1)	7.5	3.3	3.3
Currency (Spot)							
Euro	2.5	1.8	1.8	(2.4)	(0.3)	(2.5)	(1.7)
Pound Sterling	2.1	2.8	2.8	(6.1)	(0.1)	(2.5)	(2.0)
Yen	2.4	(0.9)	(0.9)	(8.8)	(6.7)	(4.4)	(3.4)

Source: Morningstar, HFRI, as of 3/31/23.

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: March 31, 2023



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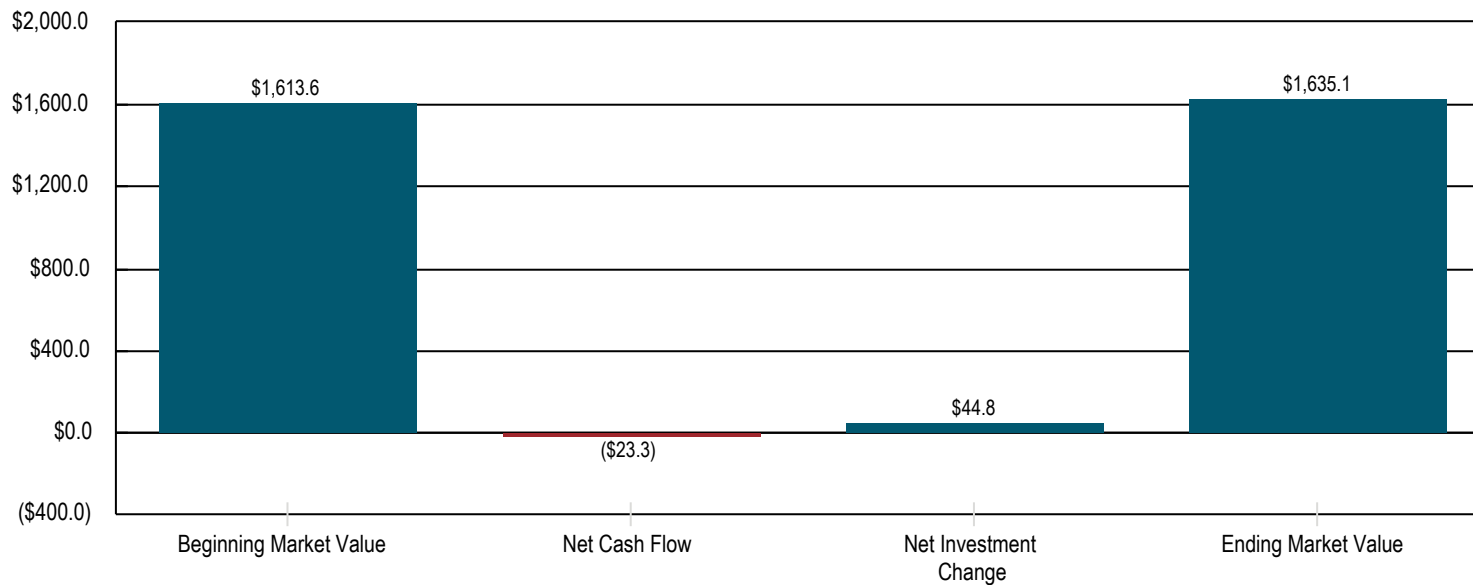
SAN FRANCISCO 415.362.3484

Total Fund
Portfolio Reconciliation

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

Portfolio Reconciliation

	Last Three Months	One Year
Beginning Market Value	1,613,641,529	1,714,775,225
Net Cash Flow	-23,345,260	-21,482,282
Net Investment Change	44,819,924	-58,097,529
Ending Market Value	1,635,138,315	1,635,138,315

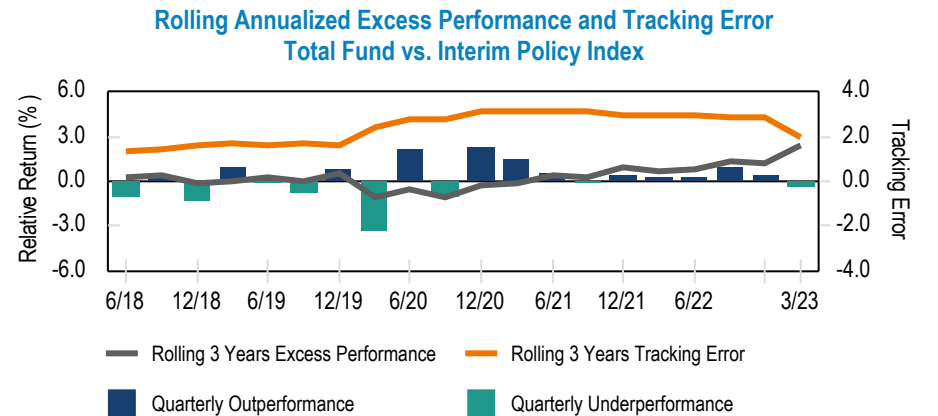
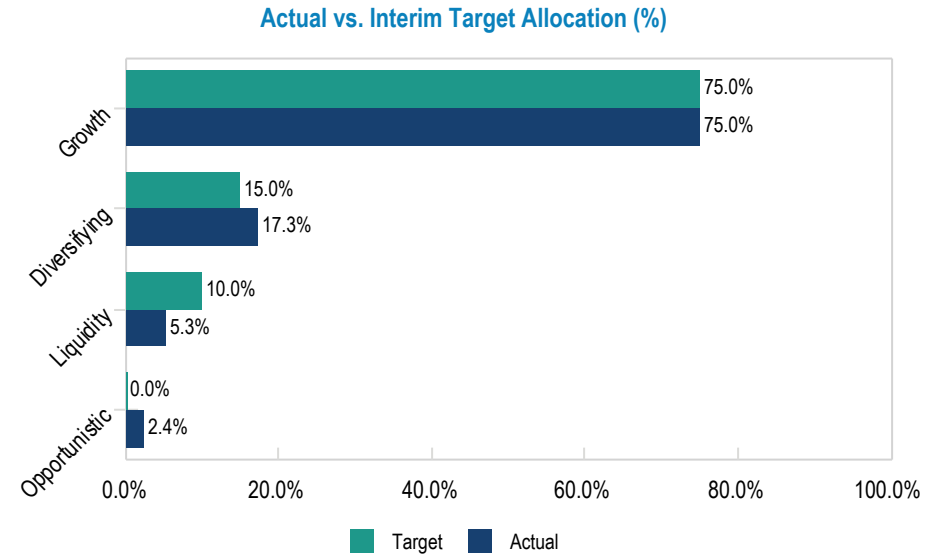


Contributions and withdrawals may include intra-account transfers between managers/funds.

Total Fund Executive Summary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

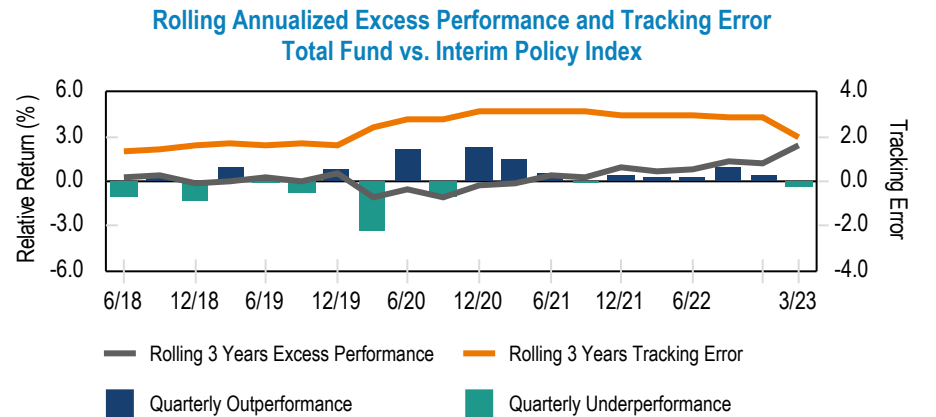
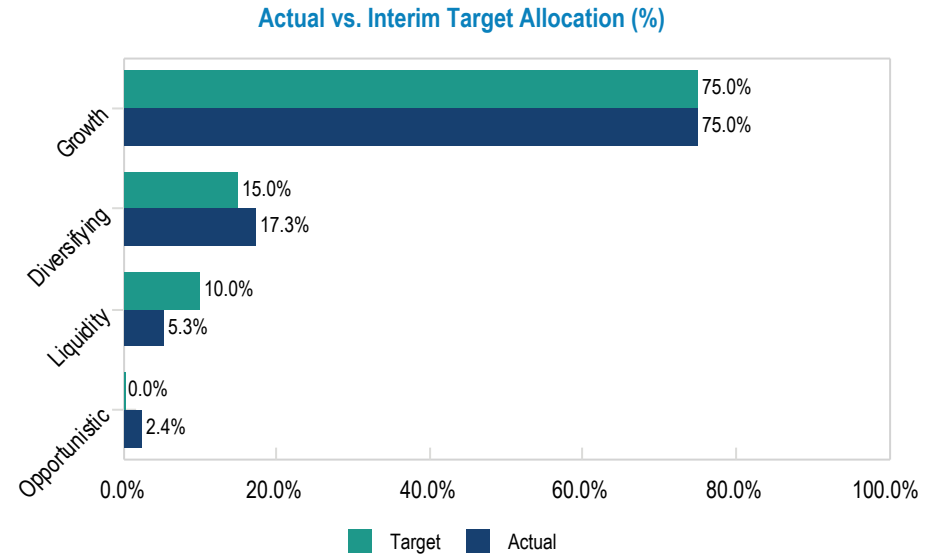
	3 Mo	1 Yr	3 Yrs	5 Yrs
Total Fund	2.8	-3.5	10.9	6.0
Interim Policy Index	3.3	-4.6	8.4	5.6
FFP SAA Index	2.6	-3.8	10.5	8.2
Total Growth	2.9	-3.4	15.5	8.6
Custom Growth Benchmark	3.6	-4.3	14.0	8.3
Total Public Equity	6.8	-2.6	19.0	8.9
Russell 3000 Index	7.2	-8.6	18.5	10.5
Total Domestic Equity	5.6	-3.0	20.6	10.6
Russell 3000 Index	7.2	-8.6	18.5	10.5
Total International Equity	8.3	-2.2	16.9	7.1
MSCI AC World ex USA Index	7.0	-4.6	12.3	3.0
Total Private Equity	0.0	-4.9	23.1	19.0
Private Equity Benchmark	0.0	-4.9	-	-
Total Private Credit	0.0	-1.1	6.1	7.5
Private Credit Benchmark	0.0	-1.1	-	-
Total Real Estate	-2.8	-3.7	7.0	6.5
NCREIF Property Index	-1.8	-1.6	7.2	6.7
Total Risk Diversifying	3.2	-4.7	1.3	-0.1
Total Risk Diversifying Benchmark	3.2	-6.3	-3.8	0.3
Total Domestic Fixed Income	3.4	-2.9	1.4	2.4
Blmbg. U.S. Aggregate Index	3.0	-4.8	-2.8	0.9
Total Global Fixed	2.8	-9.2	0.1	-3.9
FTSE World Government Bond Index	3.5	-9.6	-5.3	-2.4
Total Liquidity	1.1	0.9	0.4	1.0
90 Day U.S. Treasury Bill	1.1	2.5	0.9	1.4
Total Cash	1.1	0.9	0.4	1.0
90 Day U.S. Treasury Bill	1.1	2.5	0.9	1.4
Total Opportunistic	1.4	-4.7	5.5	7.0
Russell 3000 + 3%	8.0	-5.8	22.0	13.8



Total Fund
Executive Summary (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	3 Mo	1 Yr	3 Yrs	5 Yrs
Total Fund	2.7	-3.8	10.5	5.6
Interim Policy Index	3.3	-4.6	8.4	5.6
FFP SAA Index	2.6	-3.8	10.5	8.2
Total Growth	2.8	-3.7	15.1	8.2
Custom Growth Benchmark	3.6	-4.3	14.0	8.3
Total Public Equity	6.6	-3.1	18.3	8.3
Russell 3000 Index	7.2	-8.6	18.5	10.5
Total Domestic Equity	5.4	-3.5	20.0	10.0
Russell 3000 Index	7.2	-8.6	18.5	10.5
Total International Equity	8.2	-2.8	16.2	6.4
MSCI AC World ex USA Index	7.0	-4.6	12.3	3.0
Total Private Equity	0.0	-4.9	23.1	19.0
Private Equity Benchmark	0.0	-4.9	-	-
Total Private Credit	0.0	-1.1	6.1	7.5
Private Credit Benchmark	0.0	-1.1	-	-
Total Real Estate	-2.8	-3.7	7.0	6.5
NCREIF Property Index	-1.8	-1.6	7.2	6.7
Total Risk Diversifying	3.1	-5.0	0.9	-0.5
Total Risk Diversifying Benchmark	3.2	-6.3	-3.8	0.3
Total Domestic Fixed Income	3.3	-3.2	1.1	2.1
Blmbg. U.S. Aggregate Index	3.0	-4.8	-2.8	0.9
Total Global Fixed	2.6	-10.0	-0.7	-4.5
FTSE World Government Bond Index	3.5	-9.6	-5.3	-2.4
Total Liquidity	1.1	0.9	0.4	1.0
90 Day U.S. Treasury Bill	1.1	2.5	0.9	1.4
Total Cash	1.1	0.9	0.4	1.0
90 Day U.S. Treasury Bill	1.1	2.5	0.9	1.4
Total Opportunistic	1.4	-4.7	5.5	7.0
Russell 3000 + 3%	8.0	-5.8	22.0	13.8

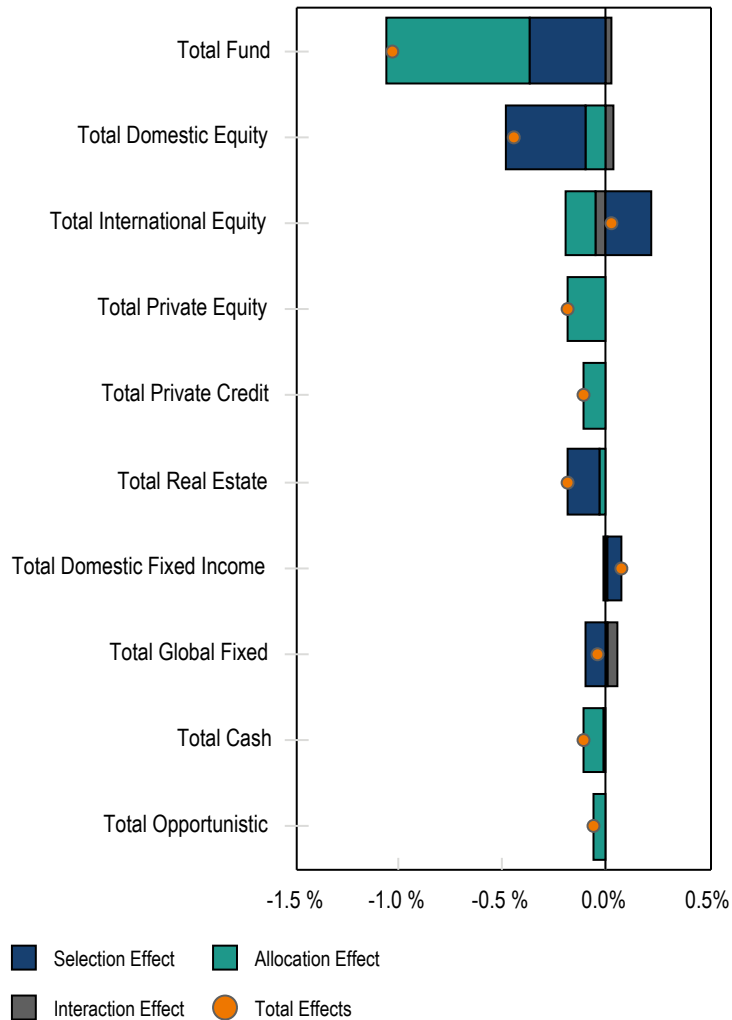


Interim Policy Index as of 1/1/2022: 21% Russell 3000, 17% MSCI ACWI ex-US (Gross), 12% Bloomberg U.S. Aggregate, 4% Bloomberg US Treasury 7-10 yr, 3% Bloomberg US TIPS 5+ Year, 7% FTSE World Govt Bond Index, 11% NCREIF Property Index, 10% Actual Private Equity Return, 7% Actual Private Credit Return, 6% 90-day T-Bills, 2% ARA American Strategic Value Realty. 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: March 31, 2023

Attribution Effects
3 Months Ending March 31, 2023



Performance Attribution
3 Months Ending March 31, 2023

	3 Mo
Wtd. Actual Return	2.7
Wtd. Index Return	3.8
Excess Return	-1.0
Selection Effect	-0.4
Allocation Effect	-0.7
Interaction Effect	0.0

Attribution Summary
3 Months Ending March 31, 2023

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Total Domestic Equity	5.4	7.2	-1.7	-0.4	-0.1	0.0	-0.4
Total International Equity	8.2	7.0	1.2	0.2	-0.1	0.0	0.0
Total Private Equity	0.0	0.0	0.0	0.0	-0.2	0.0	-0.2
Total Private Credit	0.0	0.0	0.0	0.0	-0.1	0.0	-0.1
Total Real Estate	-2.8	-1.8	-1.0	-0.2	0.0	0.0	-0.2
Total Domestic Fixed Income	3.3	2.9	0.4	0.1	0.0	0.0	0.1
Total Global Fixed	2.6	3.5	-0.9	-0.1	0.0	0.0	0.0
Total Cash	1.0	1.1	-0.1	0.0	-0.1	0.0	-0.1
Total Opportunistic	1.4	8.0	-6.6	0.0	-0.1	0.0	-0.1
Total Fund	2.7	3.8	-1.0	-0.4	-0.7	0.0	-1.0

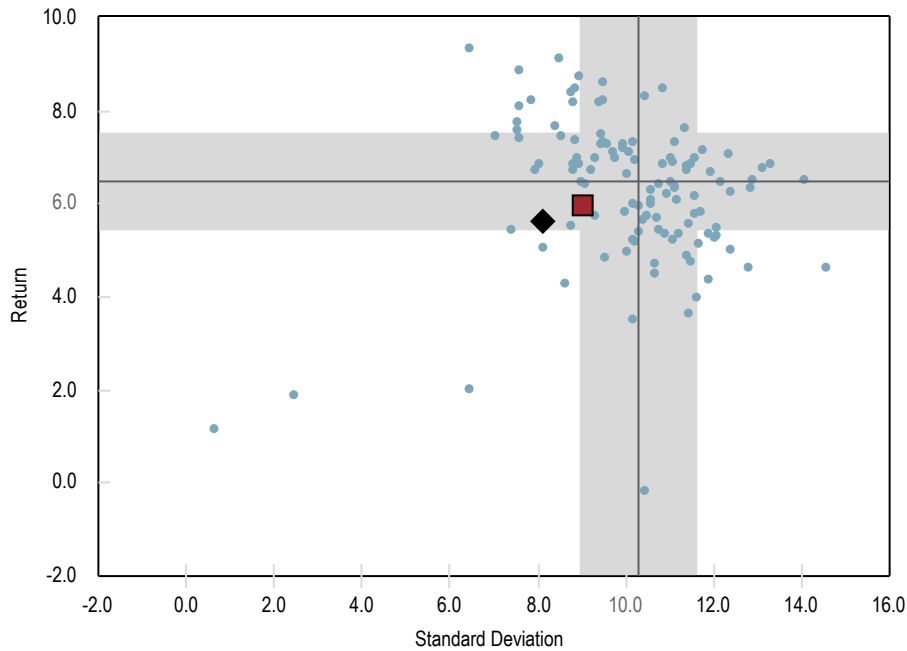
Attribution does not account for effects of overlay program. Weighted returns shown in attribution analysis may differ from actual returns. Wtd. Actual Return is the sum of the products of each group's return and its respective weight at the beginning of the period.

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

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	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	5.99	0.38	9.00	0.00	1.08	2.34	0.94	0.53	0.19	109.53	110.81

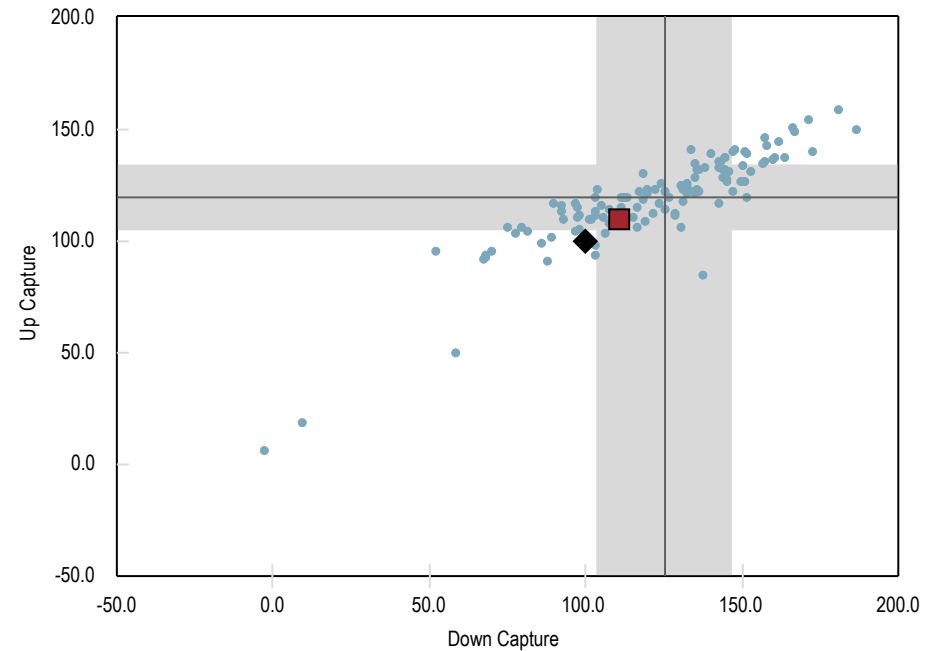
Annualized Return vs. Annualized Standard Deviation



All Public Plans > \$1B-Total Fund

	Return	Standard Deviation
■ Total Fund	5.99	9.00
◆ Interim Policy Index	5.61	8.10
— Median	6.48	10.27
Population	119	119

Up Capture vs. Down Capture



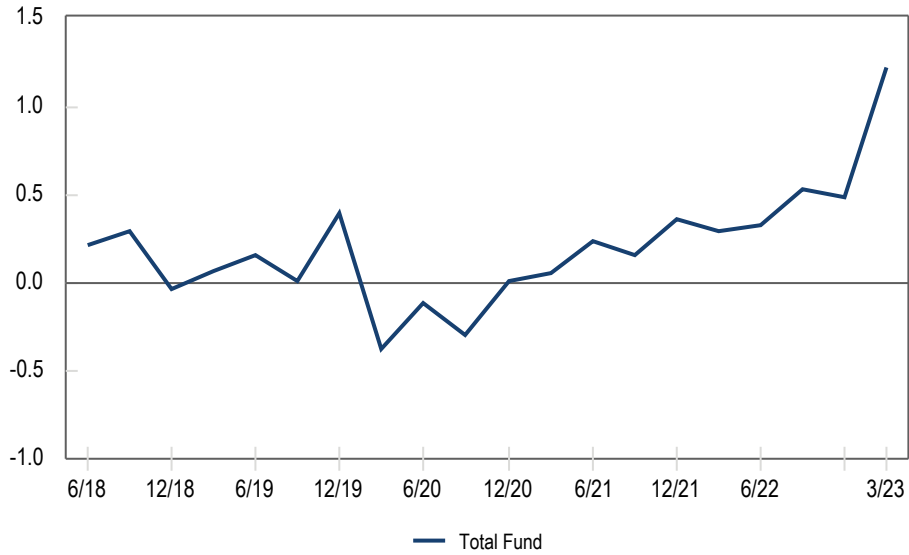
All Public Plans > \$1B-Total Fund

	Up Capture	Down Capture
■ Total Fund	109.53	110.81
◆ Interim Policy Index	100.00	100.00
— Median	119.90	125.15
Population	119	119

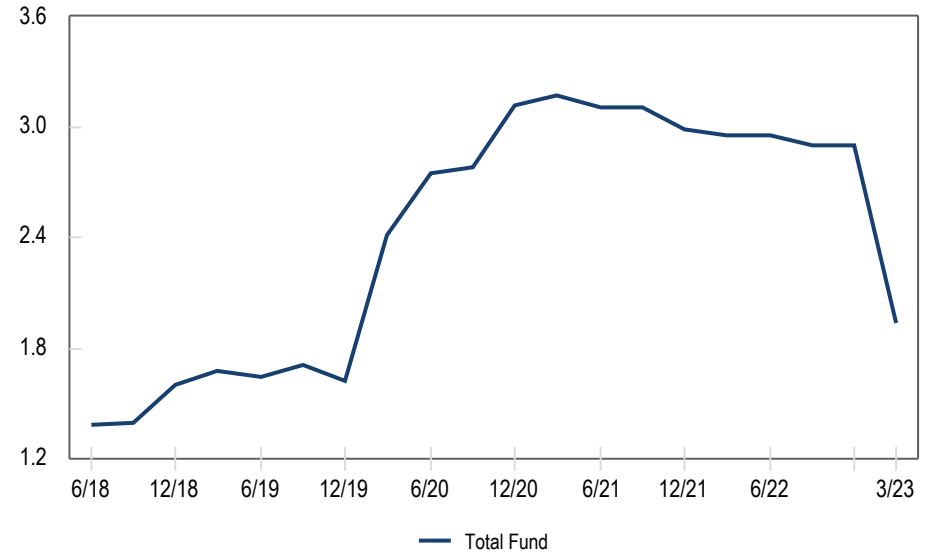
Total Fund
Rolling Risk Statistics (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

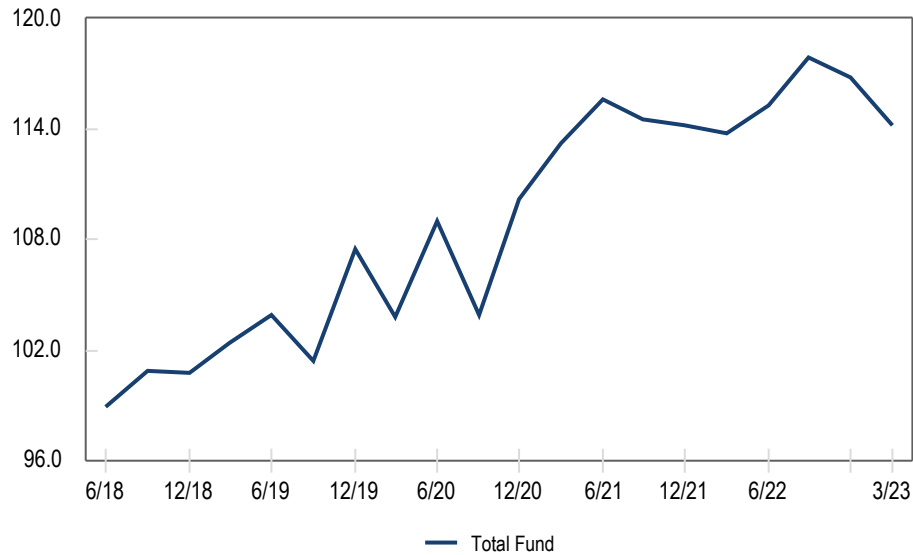
Rolling 3 Years Information Ratio



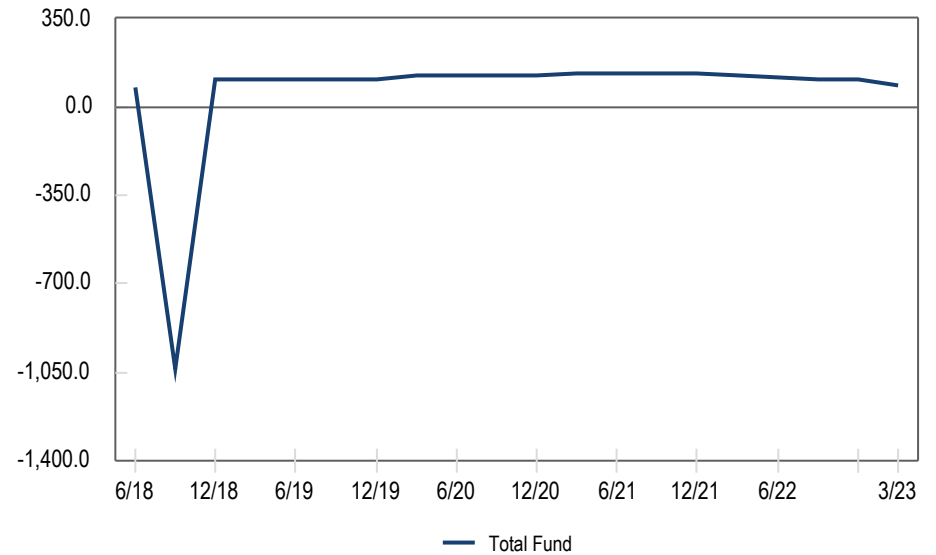
Rolling 3 Years Tracking Error



Rolling 3 Years Up Capture

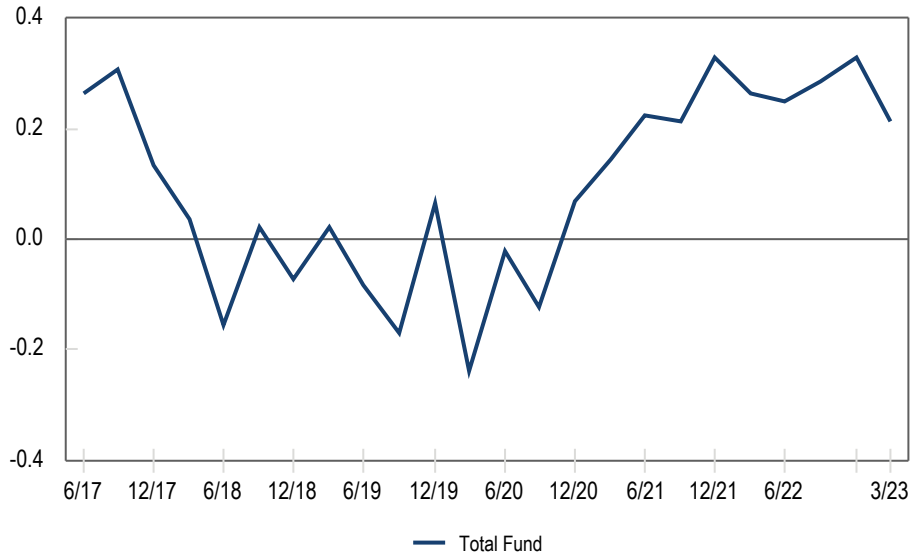


Rolling 3 Years Down Capture

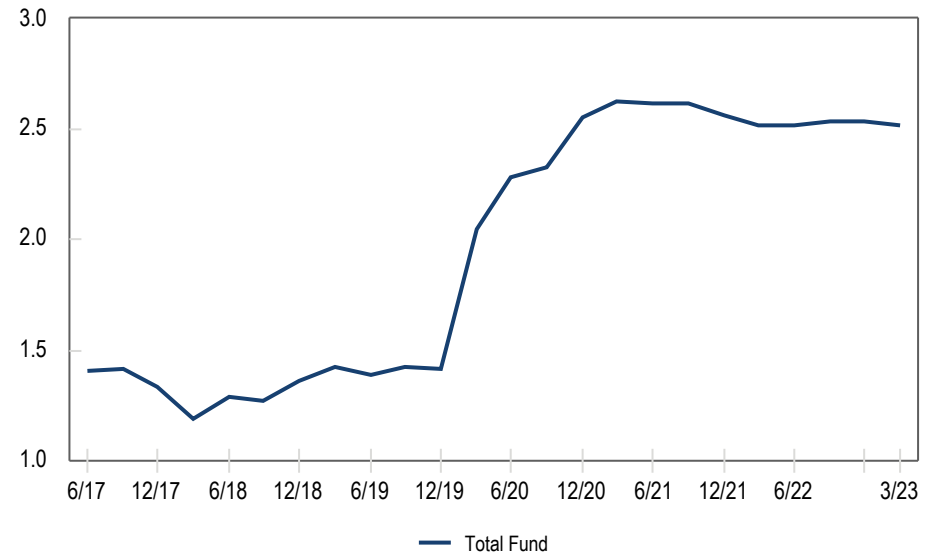


Total Fund
Rolling Risk Statistics (Gross of Fees)

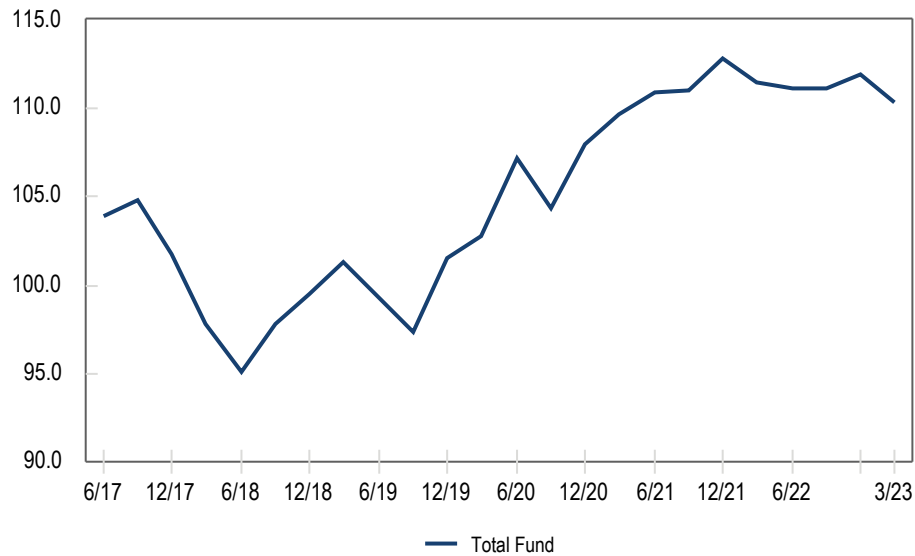
Rolling 5 Years Information Ratio



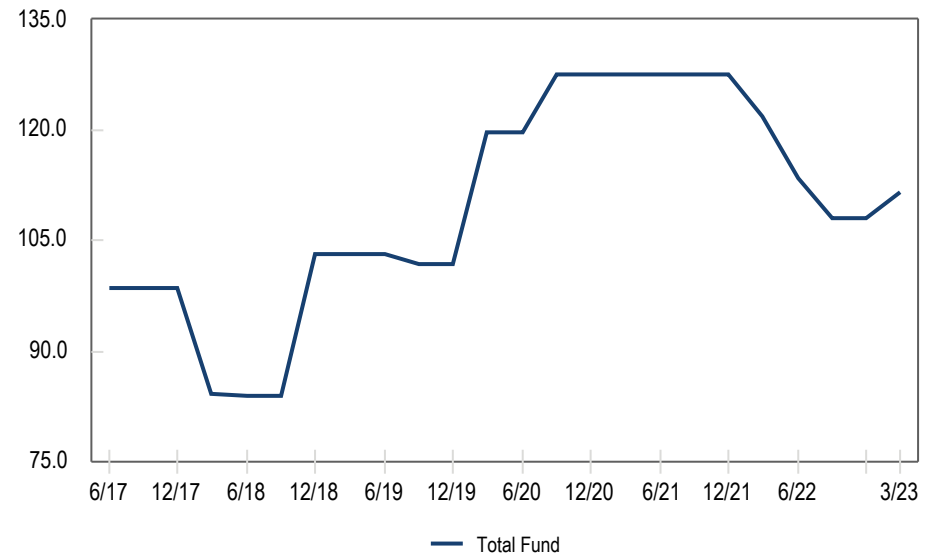
Rolling 5 Years Tracking Error



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: March 31, 2023

	Market Value	% of Portfolio	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018	Inception	Inception Date
Total Fund	1,635,138,315	100.0	2.8	-3.5	10.9	6.0	6.4	-7.8	15.4	9.6	16.3	-3.1		Feb-07
Interim Policy Index			3.3	-4.6	8.4	5.6	6.2	-9.6	12.9	10.3	15.3	-2.1		
FFP SAA Index			2.6	-3.8	10.5	8.2	-	-6.7	21.4	11.5	12.6	3.0		
InvMetrics Public DB > \$1B Rank			92	27	59	55	67	22	52	76	73	43		
Total Growth	1,139,162,869	69.7	2.9	-3.4	15.5	8.6	8.9	-7.2	23.6	11.2	20.3	-4.0		
Custom Growth Benchmark			3.6	-4.3	14.0	8.3	8.6	-8.4	19.6	13.4	19.5	-2.8		
Total Public Equity	601,574,516	36.8	6.8	-2.6	19.0	8.9	9.5	-13.4	20.3	16.5	29.8	-9.0		
Russell 3000 Index			7.2	-8.6	18.5	10.5	11.7	-19.2	25.7	20.9	31.0	-5.2		
InvMetrics Public DB Total Equity Rank			75	1	1	1	1	3	4	34	15	37		
Total Domestic Equity	332,684,001	20.3	5.6	-3.0	20.6	10.6	11.8	-10.4	25.3	13.7	29.4	-5.2		
Russell 3000 Index			7.2	-8.6	18.5	10.5	11.7	-19.2	25.7	20.9	31.0	-5.2		
InvMetrics Public DB US Equity Rank			74	4	7	25	32	5	58	92	73	40		
PIMCO RAE US	93,565,237	5.7	2.6	-1.3	22.7	9.6	10.9	-3.0	28.3	4.4	25.5	-6.6	8.7	Dec-07
S&P 500 Index			7.5	-7.7	18.6	11.2	12.2	-18.1	28.7	18.4	31.5	-4.4	9.1	
eV US Large Cap Core Equity Rank			82	7	7	70	79	4	46	97	85	77	74	
Loomis Sayles Large Cap Growth	85,406,313	5.2	21.3	-4.1	16.5	12.6	-	-27.0	19.4	32.8	32.7	-1.7	15.7	Jan-17
Russell 1000 Growth Index			14.4	-10.9	18.6	13.7	-	-29.1	27.6	38.5	36.4	-1.5	15.4	
eV US Large Cap Growth Equity Rank			1	9	47	34	-	40	81	60	67	60	24	
Boston Partners Large Cap Value	77,022,724	4.7	-0.3	-4.8	21.9	8.2	-	-3.8	30.9	2.4	24.3	-8.5	9.4	Feb-17
Russell 1000 Value Index			1.0	-5.9	17.9	7.5	-	-7.5	25.2	2.8	26.5	-8.3	7.6	
eV US Large Cap Value Equity Rank			71	58	29	63	-	36	20	66	79	57	53	
Atlanta Capital Mgmt	76,689,727	4.7	1.2	-2.3	20.6	10.2	12.8	-7.9	23.0	11.4	35.1	-4.5	15.4	Sep-10
Russell 2500 Index			3.4	-10.4	19.4	6.6	9.1	-18.4	18.2	20.0	27.8	-10.0	11.5	
eV US Small-Mid Cap Equity Rank			91	19	59	26	7	14	58	62	13	25	5	
Total International Equity	268,890,515	16.4	8.3	-2.2	16.9	7.1	7.1	-17.4	15.1	19.4	30.2	-12.2		
MSCI AC World ex USA Index			7.0	-4.6	12.3	3.0	4.7	-15.6	8.3	11.1	22.1	-13.8		
InvMetrics Public DB Global ex-US Equity Rank			31	23	10	1	7	53	7	7	1	26		
Dodge & Cox Intl Stock	140,382,380	8.6	6.3	0.2	18.0	3.6	5.7	-6.2	11.7	2.8	23.6	-17.5	3.3	Dec-07
MSCI AC World ex USA Value			5.3	-3.3	14.5	1.9	3.7	-8.0	11.1	-0.2	16.5	-13.4	1.6	
eV ACWI ex-US All Cap Value Eq Rank			73	51	26	22	30	13	38	45	28	92	28	
WCM International Growth	128,508,135	7.9	10.6	-4.9	14.7	9.7	-	-28.2	18.5	34.0	36.7	-6.7	12.1	Feb-17
MSCI AC World ex USA Growth			8.7	-6.0	9.8	3.7	-	-22.8	5.4	22.6	27.8	-14.1	6.7	
eV ACWI ex-US All Cap Growth Eq Rank			45	36	14	6	-	57	7	38	14	1	10	

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. Effective 1/01/2017, only traditional asset classes (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation. Agenda Item 13

Total Fund
Performance Summary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	Market Value	% of Portfolio	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018	Inception	Inception Date
Total Private Equity	159,855,389	9.8												
Harbourvest Partners IX Buyout Fund L.P.	12,741,612	0.8												
Pathway Private Equity Fund Investors 9 L.P.	82,165,638	5.0												
Harbourvest 2018 Global Fund L.P.	20,679,928	1.3												
Harbourvest SLO Fund Private Equity	29,958,330	1.8												
Pathway Private Equity Fund Investors 10 L.P.	14,309,881	0.9												
Total Private Credit	135,201,001	8.3												
Harbourvest SLO Credit Fund	53,620,096	3.3												
Sixth Street Partners DCP	81,580,905	5.0												
Total Real Estate	242,531,962	14.8	-2.8	-3.7	7.0	6.5	8.8	6.7	18.7	1.1	4.3	7.5		
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	8.3	5.5	17.7	1.6	6.4	6.7		
JP Morgan Core Real Estate	160,660,898	9.8	-3.0	-4.8	6.5	5.8	8.4	4.3	20.2	0.5	3.4	7.0	5.7	Mar-08
<i>NCREIF-ODCE</i>			-3.2	-3.1	8.4	7.5	9.5	7.5	22.2	1.2	5.3	8.3	5.9	
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	8.3	5.5	17.7	1.6	6.4	6.7		
ARA American Strategic Value Realty	81,871,064	5.0	-2.4	-1.8	8.2	8.3	-	12.3	14.0	3.8	7.3	9.1	8.4	Jul-16
<i>NCREIF-ODCE</i>			-3.2	-3.1	8.4	7.5	-	7.5	22.2	1.2	5.3	8.3	7.7	
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	-	5.5	17.7	1.6	6.4	6.7		
Total Risk Diversifying	369,933,521	22.6	3.2	-4.7	1.3	-0.1	1.2	-11.6	-1.5	6.6	8.8	-1.8		
<i>Total Risk Diversifying Benchmark</i>			3.2	-6.3	-3.8	0.3	1.0	-14.6	-3.2	7.5	8.7	0.0		
Total Domestic Fixed Income	282,575,400	17.3	3.4	-2.9	1.4	2.4	2.3	-9.6	0.9	8.1	9.9	0.4		
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	1.4	-13.0	-1.5	7.5	8.7	0.0		
<i>InvMetrics Public DB US Fixed Income Rank</i>			27	13	17	18	42	16	15	69	23	34		
BlackRock Core Bond	48,402,985	3.0	2.8	-6.5	-1.8	1.3	-	-14.1	-1.6	9.4	10.2	0.3	1.3	Feb-17
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	-	-13.0	-1.5	7.5	8.7	0.0	1.0	
<i>eV US Core Fixed Inc Rank</i>			88	100	64	68	-	95	77	25	10	25	82	
Dodge & Cox Income Fund	50,866,651	3.1	3.2	-2.6	0.5	2.4	-	-10.5	-0.5	9.9	10.2	0.1	2.6	Jan-17
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	-	-13.0	-1.5	7.5	8.7	0.0	1.0	
<i>eV US Core Fixed Inc Rank</i>			34	8	2	2	-	10	20	14	11	41	2	
Pacific Asset Corporate Loan	65,863,968	4.0	3.7	3.3	7.5	4.1	-	-0.2	5.6	3.0	9.1	1.0	4.4	Sep-14
<i>Morningstar LSTA US Leveraged Loan</i>			3.2	2.5	8.5	3.6	-	-0.8	5.2	3.1	8.6	0.4	3.8	
<i>eV US Float-Rate Bank Loan Fixed Inc Rank</i>			12	23	67	16	-	26	42	47	42	37	14	
SSGA U.S. Govt Bond Index	65,843,607	4.0	3.2	-4.4	-	-	-	-12.5	-	-	-	-	-6.2	Jul-21
<i>Blmbg. U.S. Treasury: 7-10 Year</i>			3.5	-5.7	-	-	-	-14.9	-	-	-	-	-7.7	
<i>eV Global Government Fixed Inc Rank</i>			40	17	-	-	-	27	-	-	-	-	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. Effective 1/01/2017, only traditional asset classes (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation. Agenda Item 13

Total Fund
Performance Summary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	Market Value	% of Portfolio	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018	Inception	Inception Date
BlackRock TIPS	51,598,190	3.2	3.5	-6.0	-	-	-	-11.9	-	-	-	-	-4.7	Sep-21
<i>Blmbg. U.S. TIPS</i>			3.3	-6.1	-	-	-	-11.8	-	-	-	-	-4.8	
<i>eV US TIPS / Inflation Fixed Inc Rank</i>			21	67	-	-	-	81	-	-	-	-	81	
Total Global Fixed	87,358,121	5.3	2.8	-9.2	0.1	-3.9	-1.3	-16.8	-7.0	6.7	7.4	-4.3		
<i>FTSE World Government Bond Index</i>			3.5	-9.6	-5.3	-2.4	-0.6	-18.3	-7.0	10.1	5.9	-0.8		
Brandywine Global Fixed Income	37,872,424	2.3	3.5	-9.0	-	-	-	-13.5	-4.0	-	-	-	-1.0	Jul-20
<i>FTSE Non-U.S. World Government Bond</i>			3.7	-13.0	-	-	-	-22.1	-9.7	-	-	-	-7.8	
<i>eV All Global Fixed Inc Rank</i>			27	79	-	-	-	55	70	-	-	-	48	
Ashmore EM Blended Debt Fund	49,485,697	3.0	2.2	-9.5	-0.9	-	-	-19.9	-9.5	3.2	-	-	-5.3	Apr-19
<i>50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMII+</i>			3.0	-3.3	0.5	-	-	-13.6	-3.9	3.9	-	-	-1.2	
<i>eV All Emg Mkts Fixed Inc Rank</i>			54	96	97	-	-	95	97	86	-	-	100	
Total Liquidity	86,458,034	5.3	1.1	0.9	0.4	1.0	1.7	-1.0	0.3	1.5	2.1	1.6		
<i>90 Day U.S. Treasury Bill</i>			1.1	2.5	0.9	1.4	0.9	1.5	0.0	0.7	2.3	1.9		
Total Cash	86,458,034	5.3	1.1	0.9	0.4	1.0	1.6	-1.0	0.3	1.5	2.1	1.6		
<i>90 Day U.S. Treasury Bill</i>			1.1	2.5	0.9	1.4	0.9	1.5	0.0	0.7	2.3	1.9		
PIMCO Short Duration Fund	33,752,800	2.1	1.7	0.1	-	-	-	-4.3	-	-	-	-	-1.9	Jul-21
<i>Blmbg. 1-3 Year Gov/Credit index</i>			1.5	0.3	-	-	-	-3.7	-	-	-	-	-1.6	
<i>Short-Term Bond Rank</i>			68	50	-	-	-	48	-	-	-	-	64	
Cash Account	34,838,325	2.1	0.5	0.8	1.0	1.4	1.0	0.4	0.8	1.9	2.2	1.5		
<i>90 Day U.S. Treasury Bill</i>			1.1	2.5	0.9	1.4	0.9	1.5	0.0	0.7	2.3	1.9		
Investment Cash	17,866,910	1.1	0.9	1.7	-	-	-	0.9	-	-	-	-	1.0	Jun-21
<i>90 Day U.S. Treasury Bill</i>			1.1	2.5	-	-	-	1.5	-	-	-	-	1.4	
Total Opportunistic	39,583,891	2.4												
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	2,745,404	0.2												
Sixth Street Partners TAO	36,838,487	2.3												

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Total Fund
Performance Summary (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	Market Value	% of Portfolio	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018	Inception	Inception Date
Total Fund	1,635,138,315	100.0	2.7	-3.8	10.5	5.6	6.0	-8.1	14.9	9.2	15.8	-3.5		Feb-07
<i>Interim Policy Index</i>			3.3	-4.6	8.4	5.6	6.2	-9.6	12.9	10.3	15.3	-2.1		
<i>FFP SAA Index</i>			2.6	-3.8	10.5	8.2	-	-6.7	21.4	11.5	12.6	3.0		
Total Growth	1,139,162,869	69.7	2.8	-3.7	15.1	8.2	8.4	-7.5	23.1	10.8	19.9	-4.4		
<i>Custom Growth Benchmark</i>			3.6	-4.3	14.0	8.3	8.6	-8.4	19.6	13.4	19.5	-2.8		
Total Public Equity	601,574,516	36.8	6.6	-3.1	18.3	8.3	8.9	-13.9	19.6	15.9	29.1	-9.5		
<i>Russell 3000 Index</i>			7.2	-8.6	18.5	10.5	11.7	-19.2	25.7	20.9	31.0	-5.2		
Total Domestic Equity	332,684,001	20.3	5.4	-3.5	20.0	10.0	11.3	-10.8	24.6	13.1	28.7	-5.7		
<i>Russell 3000 Index</i>			7.2	-8.6	18.5	10.5	11.7	-19.2	25.7	20.9	31.0	-5.2		
PIMCO RAE US	93,565,237	5.7	2.5	-1.7	22.2	9.2	10.4	-3.4	27.8	3.9	25.0	-7.0	8.3	Dec-07
<i>S&P 500 Index</i>			7.5	-7.7	18.6	11.2	12.2	-18.1	28.7	18.4	31.5	-4.4	9.1	
Loomis Sayles Large Cap Growth	85,406,313	5.2	21.2	-4.6	16.0	12.1	-	-27.4	18.9	32.3	32.1	-2.1	15.2	Jan-17
<i>Russell 1000 Growth Index</i>			14.4	-10.9	18.6	13.7	-	-29.1	27.6	38.5	36.4	-1.5	15.4	
Boston Partners Large Cap Value	77,022,724	4.7	-0.4	-5.2	21.4	7.8	-	-4.2	30.4	2.0	23.8	-8.9	9.0	Feb-17
<i>Russell 1000 Value Index</i>			1.0	-5.9	17.9	7.5	-	-7.5	25.2	2.8	26.5	-8.3	7.6	
Atlanta Capital Mgmt	76,689,727	4.7	1.0	-3.1	19.6	9.4	11.9	-8.7	22.0	10.5	34.1	-5.3	14.6	Sep-10
<i>Russell 2500 Index</i>			3.4	-10.4	19.4	6.6	9.1	-18.4	18.2	20.0	27.8	-10.0	11.5	
Total International Equity	268,890,515	16.4	8.2	-2.8	16.2	6.4	6.4	-17.9	14.4	18.6	29.3	-12.8		
<i>MSCI AC World ex USA Index</i>			7.0	-4.6	12.3	3.0	4.7	-15.6	8.3	11.1	22.1	-13.8		
Dodge & Cox Intl Stock	140,382,380	8.6	6.1	-0.5	17.3	2.9	5.1	-6.8	11.0	2.1	22.8	-18.0	2.8	Dec-07
<i>MSCI AC World ex USA Value</i>			5.3	-3.3	14.5	1.9	3.7	-8.0	11.1	-0.2	16.5	-13.4	1.6	
WCM International Growth	128,508,135	7.9	10.4	-5.4	14.0	8.9	-	-28.6	17.7	33.1	35.8	-7.4	11.3	Feb-17
<i>MSCI AC World ex USA Growth</i>			8.7	-6.0	9.8	3.7	-	-22.8	5.4	22.6	27.8	-14.1	6.7	

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 (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	Market Value	% of Portfolio	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018	Inception	Inception Date
Total Private Equity	159,855,389	9.8												
Harbourvest Partners IX Buyout Fund L.P.	12,741,612	0.8												
Pathway Private Equity Fund Investors 9 L.P.	82,165,638	5.0												
Harbourvest 2018 Global Fund L.P.	20,679,928	1.3												
Harbourvest SLO Fund Private Equity	29,958,330	1.8												
Pathway Private Equity Fund Investors 10 L.P.	14,309,881	0.9												
Total Private Credit	135,201,001	8.3												
Harbourvest SLO Credit Fund	53,620,096	3.3												
Sixth Street Partners DCP	81,580,905	5.0												
Total Real Estate	242,531,962	14.8	-2.8	-3.7	7.0	6.5	8.4	6.7	18.7	1.1	4.3	7.5		
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	8.3	5.5	17.7	1.6	6.4	6.7		
JP Morgan Core Real Estate	160,660,898	9.8	-3.0	-4.8	6.5	5.8	8.0	4.3	20.2	0.5	3.4	7.0	5.2	Mar-08
<i>NCREIF-ODCE</i>			-3.2	-3.1	8.4	7.5	9.5	7.5	22.2	1.2	5.3	8.3	5.9	
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	8.3	5.5	17.7	1.6	6.4	6.7	6.3	
ARA American Strategic Value Realty	81,871,064	5.0	-2.4	-1.8	8.2	8.3	-	12.3	14.0	3.8	7.3	9.1	8.3	Jul-16
<i>NCREIF-ODCE</i>			-3.2	-3.1	8.4	7.5	-	7.5	22.2	1.2	5.3	8.3	7.7	
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	-	5.5	17.7	1.6	6.4	6.7	6.8	
Total Risk Diversifying	369,933,521	22.6	3.1	-5.0	0.9	-0.5	0.9	-12.0	-2.0	6.1	8.4	-2.2		
<i>Total Risk Diversifying Benchmark</i>			3.2	-6.3	-3.8	0.3	1.0	-14.6	-3.2	7.5	8.7	0.0		
Total Domestic Fixed Income	282,575,400	17.3	3.3	-3.2	1.1	2.1	2.0	-9.9	0.5	7.7	9.5	0.0		
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	1.4	-13.0	-1.5	7.5	8.7	0.0		
BlackRock Core Bond	48,402,985	3.0	2.7	-6.8	-2.1	1.0	-	-14.4	-1.8	9.1	9.9	0.1	1.0	Feb-17
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	-	-13.0	-1.5	7.5	8.7	0.0	1.0	
Dodge & Cox Income Fund	50,866,651	3.1	3.1	-3.1	0.1	1.9	-	-10.9	-0.9	9.4	9.7	-0.3	2.1	Feb-17
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	-	-13.0	-1.5	7.5	8.7	0.0	1.0	
Pacific Asset Corporate Loan	65,863,968	4.0	3.6	2.9	7.1	3.8	-	-0.5	5.2	2.6	8.7	0.7	4.0	Sep-14
<i>Morningstar LSTA US Leveraged Loan</i>			3.2	2.5	8.5	3.6	-	-0.8	5.2	3.1	8.6	0.4	3.8	
SSGA U.S. Govt Bond Index	65,843,607	4.0	3.2	-4.5	-	-	-	-12.5	-	-	-	-	-6.2	Jul-21
<i>Blmbg. U.S. Treasury: 7-10 Year</i>			3.5	-5.7	-	-	-	-14.9	-	-	-	-	-7.7	

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 (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	Market Value	% of Portfolio	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018	Inception	Inception Date
BlackRock TIPS	51,598,190	3.2	3.5	-6.0	-	-	-	-11.9	-	-	-	-	-4.7	Sep-21
<i>Blmbg. U.S. TIPS</i>			3.3	-6.1	-	-	-	-11.8	-	-	-	-	-4.8	
Total Global Fixed	87,358,121	5.3	2.6	-10.0	-0.7	-4.5	-1.9	-17.5	-7.7	6.0	6.9	-4.7		
<i>FTSE World Government Bond Index</i>			3.5	-9.6	-5.3	-2.4	-0.6	-18.3	-7.0	10.1	5.9	-0.8		
Brandywine Global Fixed Income	37,872,424	2.3	3.4	-9.5	-	-	-	-14.0	-4.4	-	-	-	-1.4	Jul-20
<i>FTSE Non-U.S. World Government Bond</i>			3.7	-13.0	-	-	-	-22.1	-9.7	-	-	-	-7.8	
Ashmore EM Blended Debt Fund	49,485,697	3.0	2.0	-10.4	-1.9	-	-	-20.7	-10.4	2.1	-	-	-6.2	Apr-19
<i>50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMI+</i>			3.0	-3.3	0.5	-	-	-13.6	-3.9	3.9	-	-	-1.2	
Total Liquidity	86,458,034	5.3	1.0	0.7	0.3	1.0	1.6	-1.2	0.2	1.5	2.1	1.6		
<i>90 Day U.S. Treasury Bill</i>			1.1	2.5	0.9	1.4	0.9	1.5	0.0	0.7	2.3	1.9		
Total Cash	86,458,034	5.3	1.0	0.7	0.3	1.0	1.6	-1.2	0.2	1.5	2.1	1.6		
<i>90 Day U.S. Treasury Bill</i>			1.1	2.5	0.9	1.4	0.9	1.5	0.0	0.7	2.3	1.9		
PIMCO Short Duration Fund	33,752,800	2.1	1.6	-0.4	-	-	-	-4.7	-	-	-	-	-2.4	Jul-21
<i>Blmbg. 1-3 Year Gov/Credit index</i>			1.5	0.3	-	-	-	-3.7	-	-	-	-	-1.6	
Cash Account	34,838,325	2.1	0.5	0.8	1.0	1.4	1.0	0.4	0.8	1.9	2.2	1.5		
<i>90 Day U.S. Treasury Bill</i>			1.1	2.5	0.9	1.4	0.9	1.5	0.0	0.7	2.3	1.9		
Investment Cash	17,866,910	1.1	0.9	1.7	-	-	-	0.9	-	-	-	-	1.0	Jun-21
<i>90 Day U.S. Treasury Bill</i>			1.1	2.5	-	-	-	1.5	-	-	-	-	1.4	
Total Opportunistic	39,583,891	2.4												
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	2,745,404	0.2												
Sixth Street Partners TAO	36,838,487	2.3												

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.

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

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

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	22.16	3.56	17.75	6.08	0.84	9.02	0.77	1.19	0.32	98.86	61.96
Loomis Sayles Large Cap Growth	15.96	-2.62	24.31	-1.42	0.96	6.69	0.93	0.71	-0.34	93.92	103.41
Boston Partners Large Cap Value	21.39	3.46	17.77	1.94	1.07	3.11	0.97	1.14	1.04	109.96	87.94
Atlanta Capital Mgmt	19.63	0.21	19.13	4.08	0.77	7.45	0.93	1.00	-0.11	89.21	73.81
Dodge & Cox Intl Stock	17.29	2.74	20.41	1.33	1.09	3.82	0.97	0.85	0.73	111.02	97.61
WCM International Growth	13.99	4.18	24.92	2.92	1.16	6.36	0.95	0.63	0.75	121.84	104.91
BlackRock Core Bond	-2.11	0.66	7.40	1.20	1.17	2.34	0.92	-0.38	0.33	135.02	108.23
Dodge & Cox Income Fund	0.12	2.90	6.76	3.20	1.07	1.81	0.93	-0.08	1.64	160.17	87.54
Pacific Asset Corporate Loan	7.11	-1.41	5.11	0.37	0.79	1.76	0.95	1.23	-0.80	85.60	97.45
JP Morgan Core Real Estate	6.47	-1.93	7.94	-1.69	0.98	1.27	0.97	0.68	-1.44	85.77	105.17
ARA American Strategic Value Realty	8.21	-0.19	7.79	1.78	0.77	5.17	0.62	0.90	-0.04	84.12	48.75
Ashmore EM Blended Debt Fund	-1.88	-2.41	17.33	-2.15	1.46	6.15	0.97	-0.07	-0.26	141.64	163.77

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	9.20	-1.99	21.83	-1.48	1.01	8.10	0.86	0.46	-0.17	93.65	98.48
Loomis Sayles Large Cap Growth	12.14	-1.52	22.24	-0.33	0.92	6.06	0.93	0.57	-0.28	90.02	90.79
Boston Partners Large Cap Value	7.80	0.30	22.00	-0.05	1.08	3.45	0.98	0.40	0.20	105.29	103.55
Atlanta Capital Mgmt	9.37	2.72	23.07	3.37	0.84	7.27	0.94	0.45	0.23	94.06	79.37
Dodge & Cox Intl Stock	2.90	1.00	23.61	1.08	1.10	3.65	0.98	0.19	0.42	112.47	105.41
WCM International Growth	8.94	5.23	23.26	5.08	1.10	5.44	0.95	0.43	1.03	122.16	92.27
BlackRock Core Bond	1.02	0.12	6.28	0.09	1.07	2.24	0.88	-0.03	0.07	108.30	106.33
Dodge & Cox Income Fund	1.93	1.02	5.64	1.11	0.92	2.58	0.80	0.12	0.40	112.15	88.57
Pacific Asset Corporate Loan	3.75	0.12	6.68	0.86	0.78	2.18	0.97	0.37	-0.01	90.19	81.73
JP Morgan Core Real Estate	5.82	-1.69	6.22	-1.46	0.98	1.24	0.96	0.68	-1.30	84.00	105.17
ARA American Strategic Value Realty	8.27	0.76	6.06	2.54	0.76	4.10	0.60	1.07	0.17	96.92	48.75

Private Markets
Non Marketable Securities Overview

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

Vintage	Manager & Fund Name	Estimated 3/31 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.	\$12,741,612	\$20,000,000	\$17,050,000	85%	\$2,950,000	\$24,506,192	\$12,685,578	143.7%	218.5%	18.4%	12/31/22
2018	HarbourVest Partners 2018 Global Fund L.P.	\$20,679,928	\$20,000,000	\$14,400,000	72%	\$5,600,000	\$4,199,227	\$21,583,354	29.2%	172.8%	28.6%	9/30/22
2010	KKR Mezzanine Partners I L.P. ⁴	\$2,745,404	\$20,000,000	\$21,593,388	108%	-\$1,593,388	\$25,959,476	\$2,683,632	120.2%	132.9%	5.5%	12/31/22
2016	Sixth Street Partners DCP	\$81,580,905	\$152,500,000	\$99,218,371	65%	\$53,281,629	\$45,527,949	\$80,538,930	45.9%	128.1%	8.7%	12/31/22
2017	Pathway Private Equity Fund Investors 9 L.P.	\$82,165,638	\$65,000,000	\$52,410,796	81%	\$12,589,204	\$12,290,037	\$88,315,813	23.4%	180.2%	24.5%	6/30/22
2020	Pathway Private Equity Fund Investors 10 L.P.	\$14,309,881	\$20,000,000	\$10,572,655	53%	\$9,427,345	\$0	-	0.0%	135.3%	-	-
2020	Sixth Street Partners TAO	\$36,838,487	\$60,000,000	\$44,547,414	74%	\$15,452,586	\$15,225,989	\$36,838,487	34.2%	116.9%	9.5%	12/31/22
2022	HarbourVest SLO Fund Private Equity ⁷	\$29,958,330	\$76,000,000	\$31,000,000	41%	\$45,000,000	\$0	-	0.0%	96.6%	-	-
2022	HarbourVest SLO Fund Private Credit ⁷	\$53,620,096	\$95,000,000	\$51,064,200	54%	\$43,935,800	\$0	-	0.0%	105.0%	-	-
2022	HarbourVest SLO Fund Infrastructure ⁷	\$0	\$9,000,000	\$0	0%	\$9,000,000	\$0	-	-	-	-	-

Total Alternative Illiquids \$334,640,281 \$537,500,000 \$341,856,825 64% \$195,643,175 \$127,708,870 \$242,645,794 71.0% 108.3%

% of Portfolio (Market Value) 20.7%

	Management Fee	Admin Fee	Interest Expense	Expense	Total Expense ⁶
HarbourVest Partners IX-Buyout Fund L.P.	\$44,863	\$0	\$0	\$11,684	\$56,547
HarbourVest Partners 2018 Global Fund L.P.	\$46,591	\$0	\$0	\$27,832	\$74,423
KKR Mezzanine Partners I L.P.	\$6,261	\$0	\$0	\$769	\$7,030
Sixth Street Partners DCP	\$0	\$0	\$0	\$106,763	\$106,763
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	\$150,610	\$0	\$0	\$74,852	\$177,774
HarbourVest SLO Fund Private Credit	\$56,712	\$0	\$0	\$18,183	\$74,895
HarbourVest SLO Fund Private Equity	\$257,852	\$0	\$0	\$311,073	\$568,925
HarbourVest SLO Fund Infrastructure	\$0	\$0	\$0	\$0	\$0
	\$562,889	\$0	\$0	\$551,156	\$1,066,357

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.

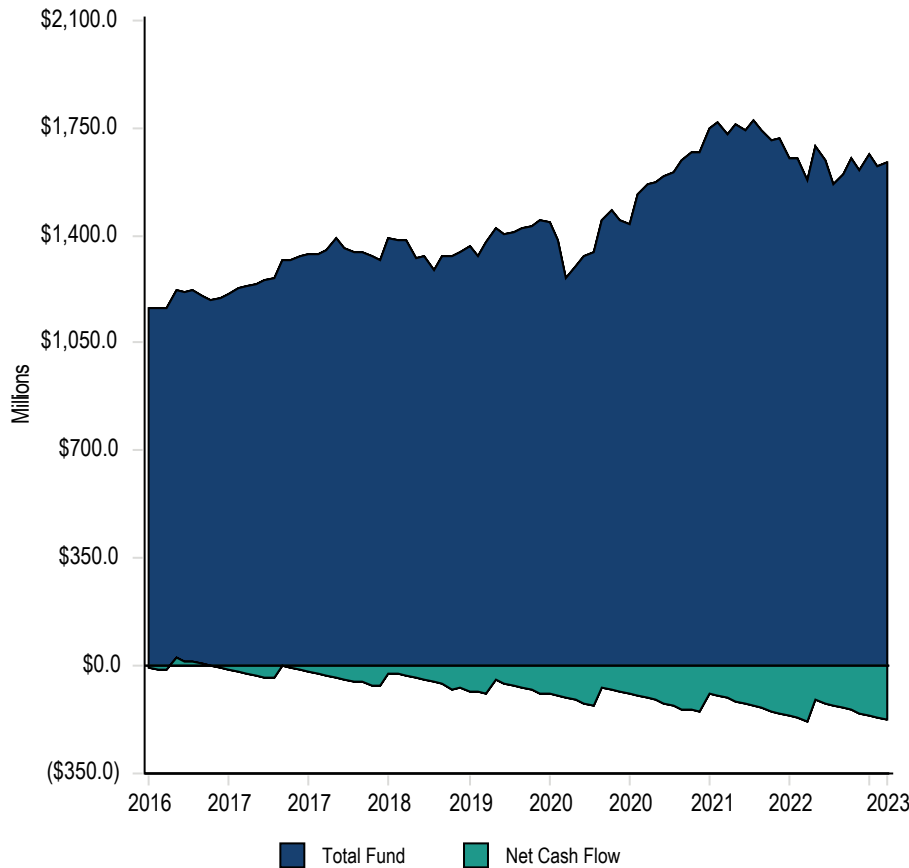
⁶All fees and expenses are for 4Q 2022.

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

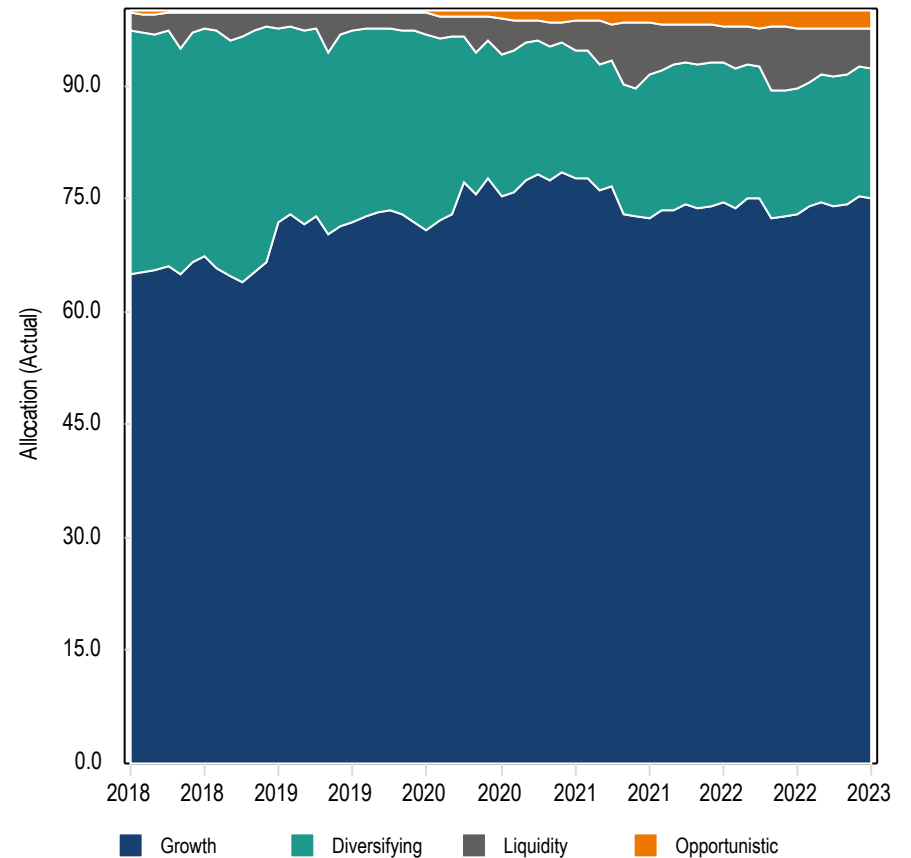
Total Fund
Asset Allocation History

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

Market Value History

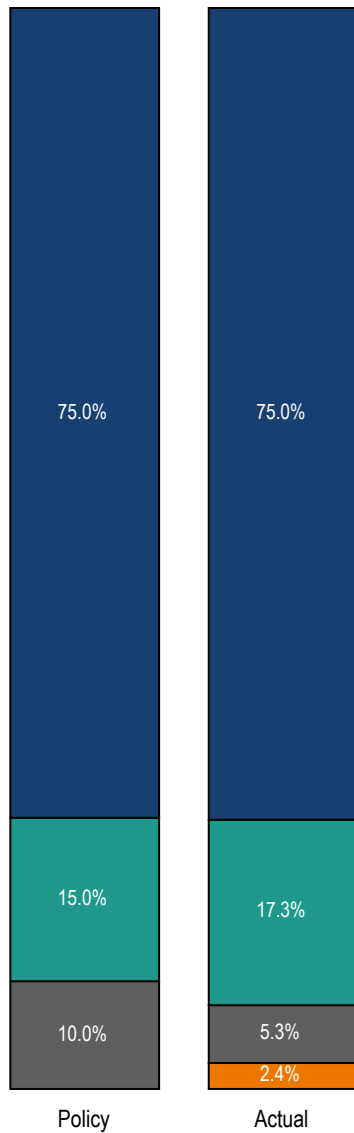


Asset Allocation History



Total Fund
Asset Allocation vs. Policy

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023



	Current Balance (\$)	Current Allocation (%)	Policy Allocation (%)	Excess Allocation (\$)	Policy Range (%)	Within IPS Range?
■ Growth	1,226,520,990	75.0	75.0	167,253	25.0 - 95.0	Yes
■ Diversifying	282,575,400	17.3	15.0	37,304,653	5.0 - 30.0	Yes
■ Liquidity	86,458,034	5.3	10.0	-77,055,797	5.0 - 20.0	Yes
■ Opportunistic	39,583,891	2.4	0.0	39,583,891	0.0 - 10.0	Yes
Total	1,635,138,315	100.0	100.0			

Total Fund
Investment Fund Fee Analysis

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

Account	Fee Schedule	Market Value As of March 31, 2023	% 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	81,871,064	5.01	898,711	1.10
Ashmore EM Blended Debt Fund	1.00 % of Assets	49,485,697	3.03	494,857	1.00
Atlanta Capital Mgmt	0.80 % of First \$50 M 0.70 % of Next \$100 M 0.60 % Thereafter	76,689,727	4.69	586,828	0.77
BlackRock Core Bond	0.28 % of First \$100 M 0.26 % Thereafter	48,402,985	2.96	135,528	0.28
BlackRock TIPS	0.02 % of First \$100 M 0.02 % of Next \$300 M 0.01 % Thereafter	51,598,190	3.16	11,610	0.02
Boston Partners Large Cap Value	0.40 % of Assets	77,022,724	4.71	308,091	0.40
Brandywine Global Fixed Income	0.45 % of First \$50 M 0.40 % of Next \$50 M 0.35 % Thereafter	37,872,424	2.32	170,426	0.45
Cash Account		34,838,325	2.13	-	-
Dodge & Cox Income Fund	0.41 % of Assets	50,866,651	3.11	208,553	0.41
Dodge & Cox Intl Stock	0.62 % of Assets	140,382,380	8.59	870,371	0.62
Harbourvest 2018 Global Fund L.P.	Minimum Fee: \$282,000	20,679,928	1.26	282,000	1.36
Harbourvest Partners IX Buyout Fund L.P.	Minimum Fee: \$200,000	12,741,612	0.78	200,000	1.57
Harbourvest SLO Credit Fund		53,620,096	3.28	-	-
Harbourvest SLO Fund Private Equity		29,958,330	1.83	-	-

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: March 31, 2023

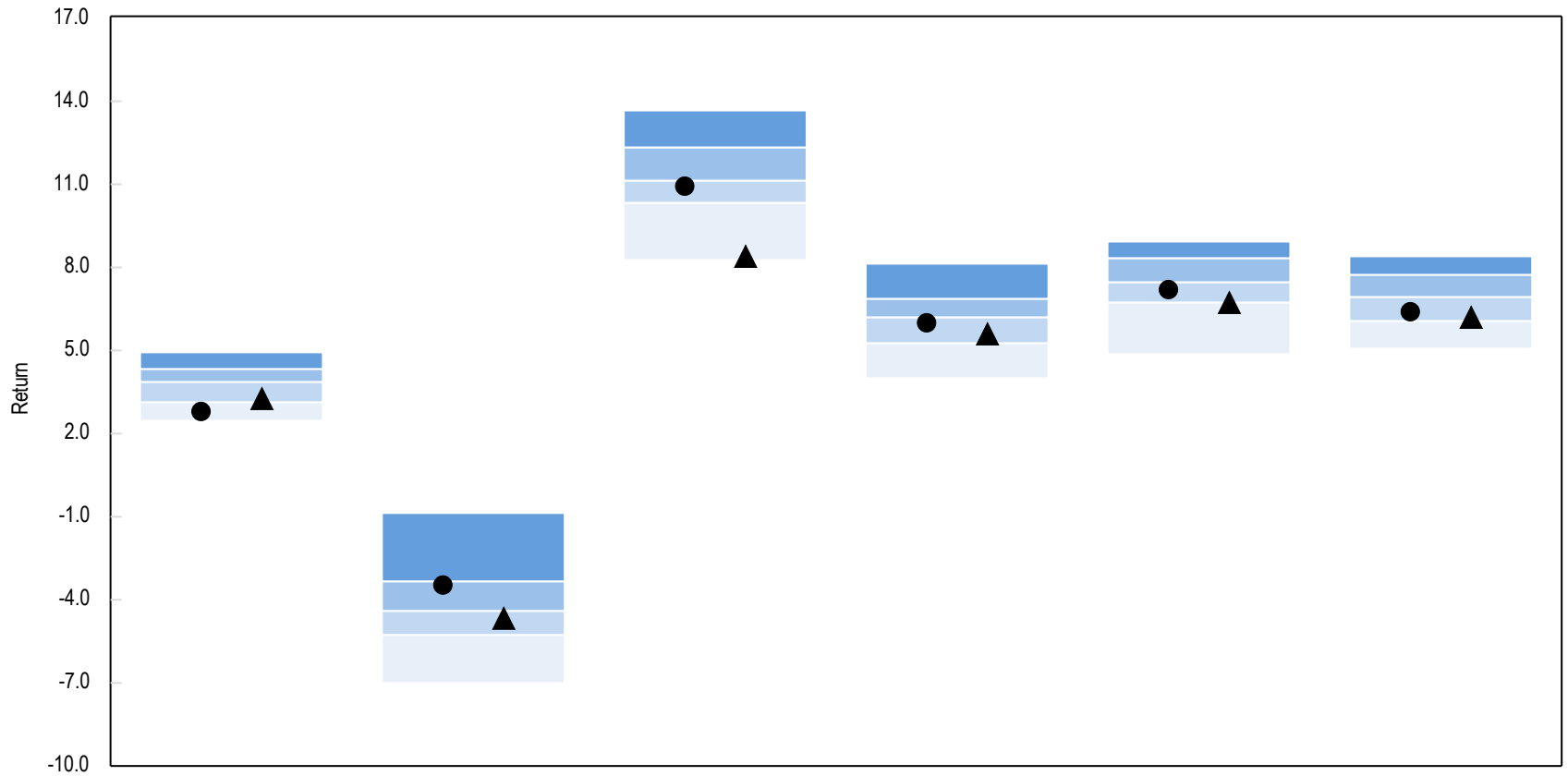
Account	Fee Schedule	Market Value As of March 31, 2023	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Investment Cash		17,866,910	1.09	-	-
JP Morgan Core Real Estate	0.92 % of First \$100 M 0.80 % of Next \$150 M 0.70 % of Next \$250 M 0.50 % Thereafter	160,660,898	9.83	1,405,287	0.87
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	Minimum Fee: \$300,000	2,745,404	0.17	300,000	10.93
Loomis Sayles Large Cap Growth	0.45 % of First \$100 M 0.40 % Thereafter	85,406,313	5.22	384,328	0.45
Pacific Asset Corporate Loan	0.37 % of Assets	65,863,968	4.03	243,697	0.37
Pathway Private Equity Fund Investors 10 L.P.		14,309,881	0.88	-	-
Pathway Private Equity Fund Investors 9 L.P.		82,165,638	5.02	-	-
PIMCO RAE US	0.40 % of Assets	93,565,237	5.72	374,261	0.40
PIMCO Short Duration Fund	0.50 % of Assets	33,752,800	2.06	168,764	0.50
Sixth Street Partners DCP		81,580,905	4.99	-	-
Sixth Street Partners TAO		36,838,487	2.25	-	-
SSGA U.S. Govt Bond Index	0.04 % of First \$50 M 0.03 % Thereafter	65,843,607	4.03	24,753	0.04
WCM International Growth	0.70 % of Assets	128,508,135	7.86	899,557	0.70
Investment Management Fee		1,635,138,315	100.00	7,967,622	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: March 31, 2023

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

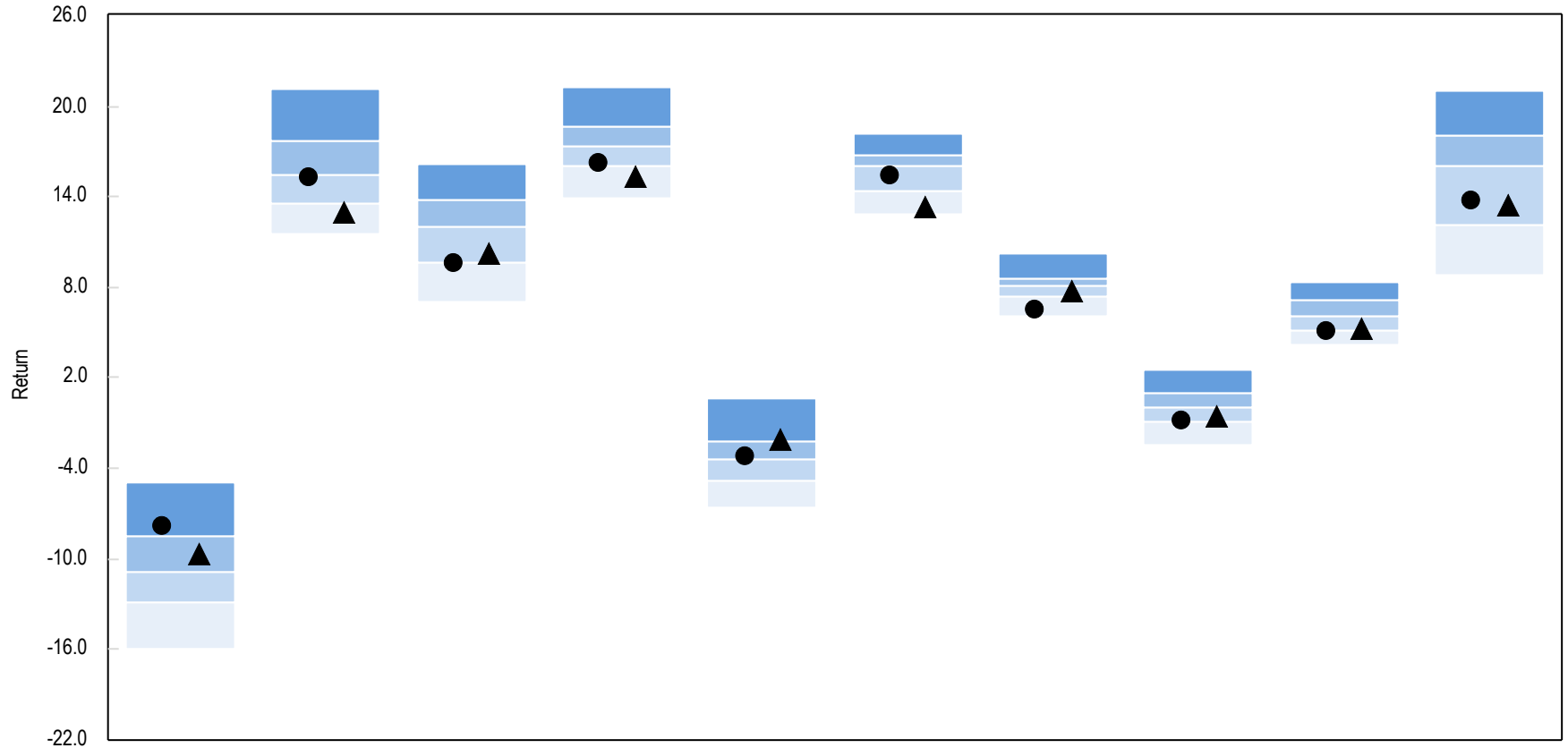


	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Total Fund	2.81 (92)	-3.48 (27)	10.91 (59)	5.99 (55)	7.19 (63)	6.40 (67)
▲ Interim Policy Index	3.28 (73)	-4.64 (56)	8.42 (95)	5.61 (63)	6.72 (76)	6.19 (73)
5th Percentile	4.96	-0.88	13.70	8.14	8.94	8.37
1st Quartile	4.35	-3.36	12.36	6.90	8.36	7.72
Median	3.89	-4.38	11.10	6.21	7.45	6.90
3rd Quartile	3.12	-5.27	10.31	5.30	6.75	6.05
95th Percentile	2.44	-6.98	8.28	4.02	4.87	5.05
Population	72	65	64	63	62	58

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

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

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

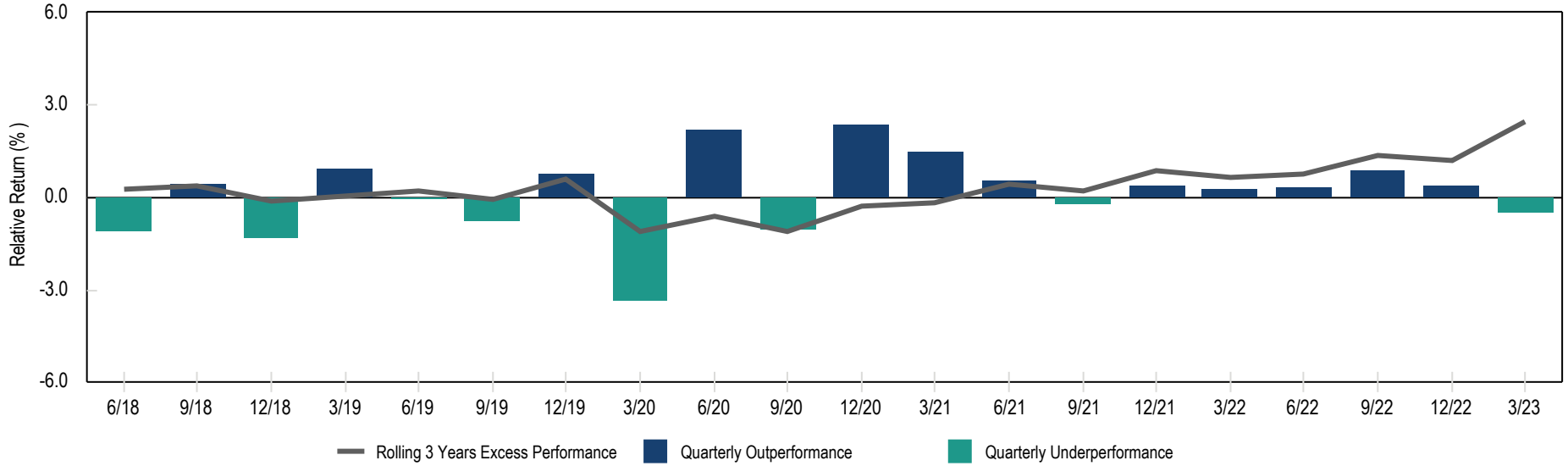


	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● Total Fund	-7.84 (22)	15.35 (52)	9.63 (76)	16.29 (73)	-3.12 (43)	15.47 (60)	6.55 (94)	-0.81 (74)	5.15 (75)	13.85 (72)
▲ Interim Policy Index	-9.62 (37)	12.93 (85)	10.26 (70)	15.33 (88)	-2.09 (25)	13.29 (94)	7.78 (66)	-0.52 (64)	5.23 (72)	13.39 (72)
5th Percentile	-4.95	21.18	16.11	21.27	0.69	18.14	10.18	2.50	8.28	20.99
1st Quartile	-8.47	17.69	13.75	18.69	-2.24	16.81	8.63	1.00	7.10	18.04
Median	-10.84	15.48	12.06	17.32	-3.40	16.04	8.08	0.00	6.12	16.02
3rd Quartile	-12.86	13.50	9.63	16.00	-4.77	14.36	7.38	-0.89	5.13	12.14
95th Percentile	-15.93	11.54	7.00	13.93	-6.61	12.79	6.04	-2.43	4.19	8.83
Population	115	150	165	129	110	120	124	120	118	108

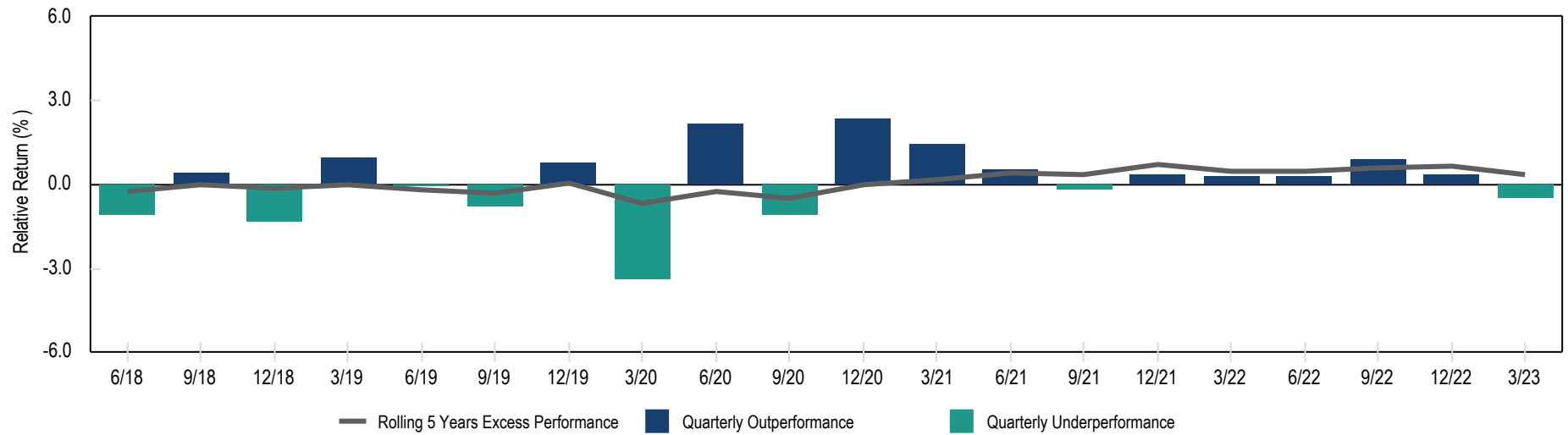
Total Fund
Rolling Return Analysis (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

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: March 31, 2023

	Market Value	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018
Total Domestic Equity	332,684,001	5.6	-3.0	20.6	10.6	11.8	-10.4	25.3	13.7	29.4	-5.2
<i>Russell 3000 Index</i>		7.2	-8.6	18.5	10.5	11.7	-19.2	25.7	20.9	31.0	-5.2
<i>InvMetrics Public DB US Equity Rank</i>		74	4	7	25	32	5	58	92	73	40
PIMCO RAE US	93,565,237	2.6	-1.3	22.7	9.6	10.9	-3.0	28.3	4.4	25.5	-6.6
<i>S&P 500 Index</i>		7.5	-7.7	18.6	11.2	12.2	-18.1	28.7	18.4	31.5	-4.4
<i>eV US Large Cap Core Equity Rank</i>		82	7	7	70	79	4	46	97	85	77
Loomis Sayles Large Cap Growth	85,406,313	21.3	-4.1	16.5	12.6	-	-27.0	19.4	32.8	32.7	-1.7
<i>Russell 1000 Growth Index</i>		14.4	-10.9	18.6	13.7	-	-29.1	27.6	38.5	36.4	-1.5
<i>eV US Large Cap Growth Equity Rank</i>		1	9	47	34	-	40	81	60	67	60
Boston Partners Large Cap Value	77,022,724	-0.3	-4.8	21.9	8.2	-	-3.8	30.9	2.4	24.3	-8.5
<i>Russell 1000 Value Index</i>		1.0	-5.9	17.9	7.5	-	-7.5	25.2	2.8	26.5	-8.3
<i>eV US Large Cap Equity Rank</i>		88	36	15	81	-	16	18	87	88	79
Atlanta Capital Mgmt	76,689,727	1.2	-2.3	20.6	10.2	12.8	-7.9	23.0	11.4	35.1	-4.5
<i>Russell 2500 Index</i>		3.4	-10.4	19.4	6.6	9.1	-18.4	18.2	20.0	27.8	-10.0
<i>eV US Small-Mid Cap Equity Rank</i>		91	19	59	26	7	14	58	62	13	25

U.S. Effective Style Map
3 Years Ending March 31, 2023



- PIMCO RAE US
- ▲ Boston Partners Large Cap Value
- Loomis Sayles Large Cap Growth
- ◆ Atlanta Capital Mgmt

U.S. Effective Style Map
5 Years Ending March 31, 2023



- PIMCO RAE US
- ▲ Boston Partners Large Cap Value
- Loomis Sayles Large Cap Growth
- ◆ Atlanta Capital Mgmt

Total Domestic Equity
Asset Class Overview (Net of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	Market Value	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018
Total Domestic Equity	332,684,001	5.4	-3.5	20.0	10.0	11.3	-10.8	24.6	13.1	28.7	-5.7
<i>Russell 3000 Index</i>		7.2	-8.6	18.5	10.5	11.7	-19.2	25.7	20.9	31.0	-5.2
PIMCO RAE US	93,565,237	2.5	-1.7	22.2	9.2	10.4	-3.4	27.8	3.9	25.0	-7.0
<i>S&P 500 Index</i>		7.5	-7.7	18.6	11.2	12.2	-18.1	28.7	18.4	31.5	-4.4
Loomis Sayles Large Cap Growth	85,406,313	21.2	-4.6	16.0	12.1	-	-27.4	18.9	32.3	32.1	-2.1
<i>Russell 1000 Growth Index</i>		14.4	-10.9	18.6	13.7	-	-29.1	27.6	38.5	36.4	-1.5
Boston Partners Large Cap Value	77,022,724	-0.4	-5.2	21.4	7.8	-	-4.2	30.4	2.0	23.8	-8.9
<i>Russell 1000 Value Index</i>		1.0	-5.9	17.9	7.5	-	-7.5	25.2	2.8	26.5	-8.3
Atlanta Capital Mgmt	76,689,727	1.0	-3.1	19.6	9.4	11.9	-8.7	22.0	10.5	34.1	-5.3
<i>Russell 2500 Index</i>		3.4	-10.4	19.4	6.6	9.1	-18.4	18.2	20.0	27.8	-10.0

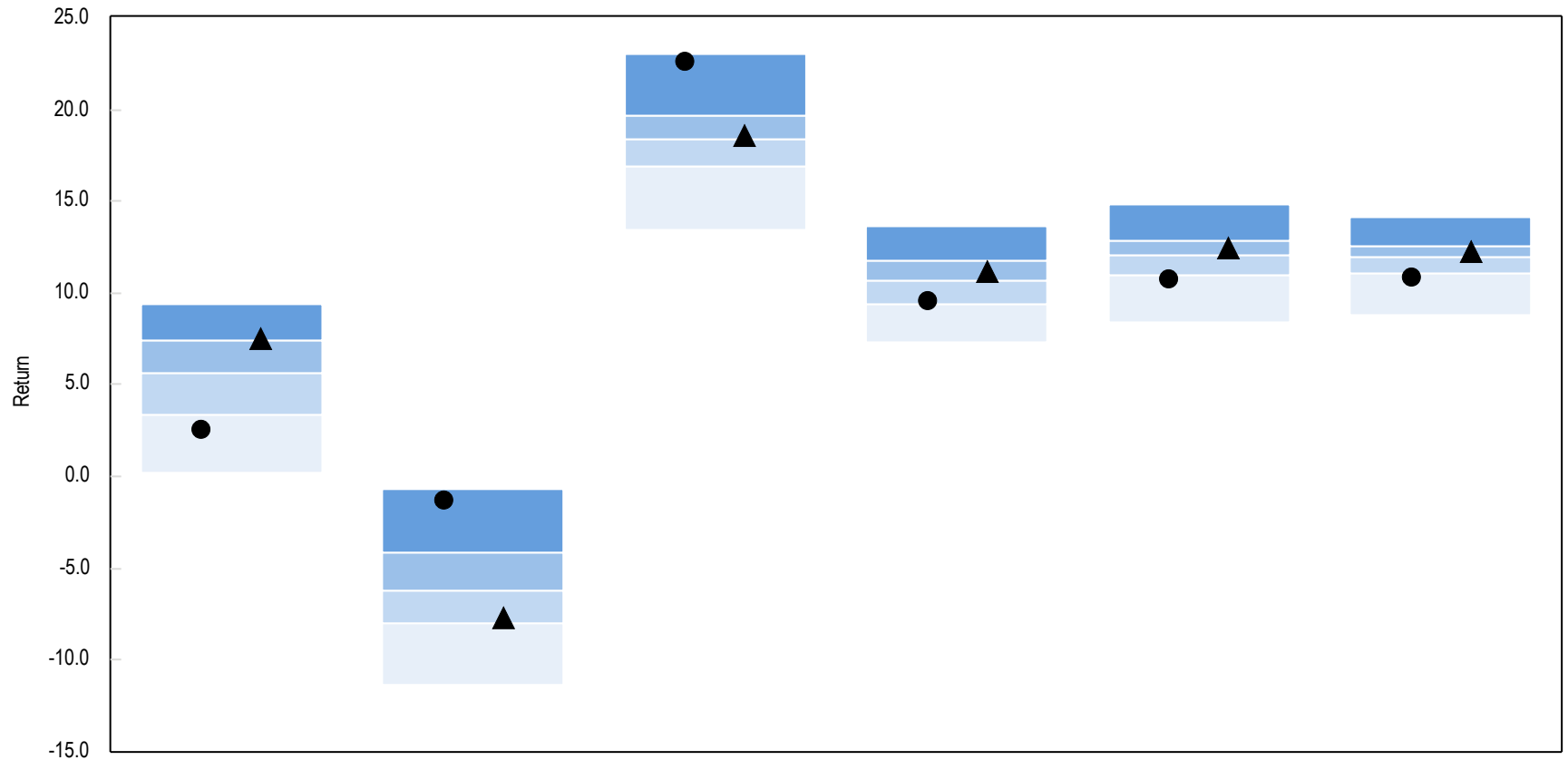
Total Domestic Equity
Correlation Matrix

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

Correlation Matrix
1 Year Ending March 31, 2023

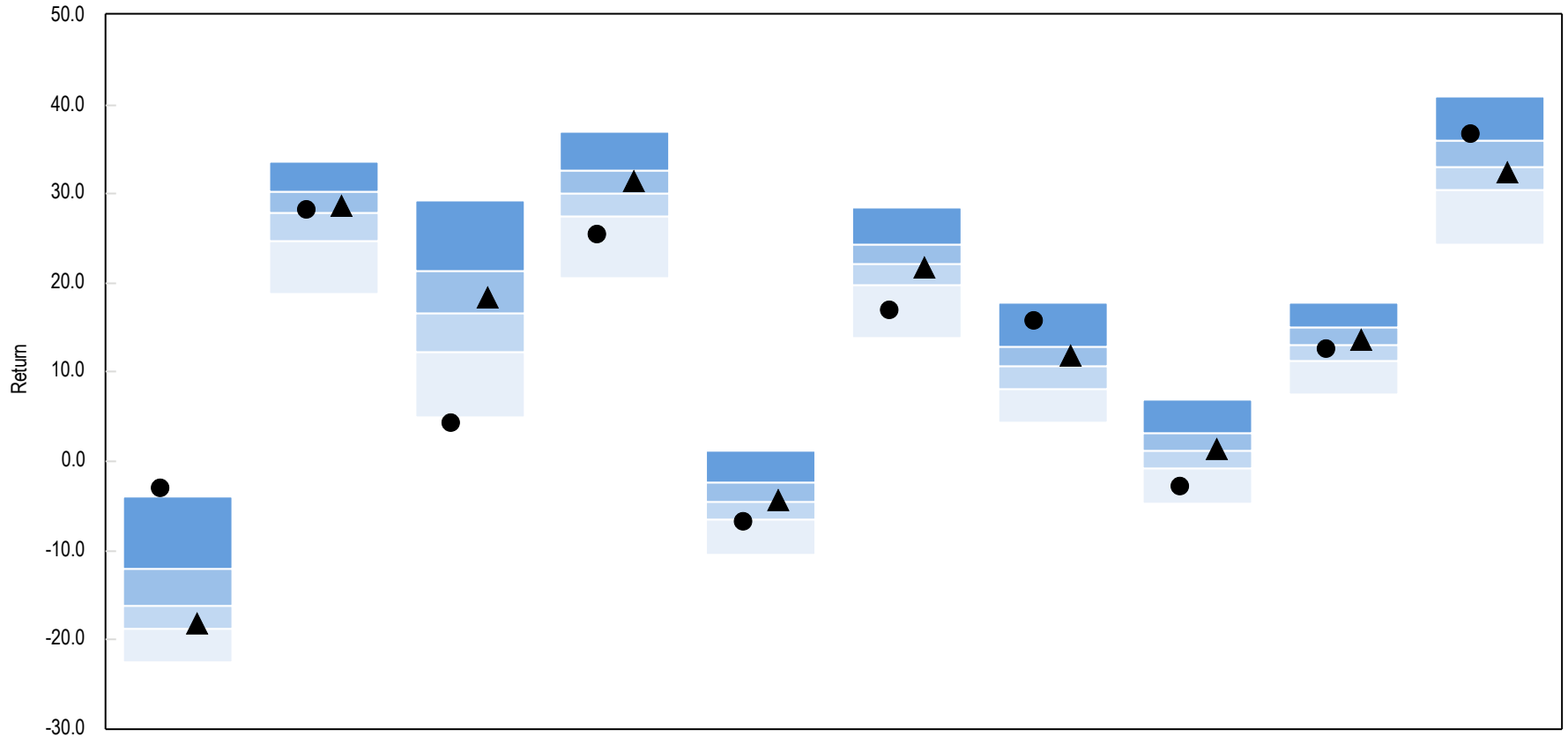
	Total Domestic Equity	PIMCO RAE US	Loomis Sayles Large Cap Growth	Boston Partners Large Cap Value	Atlanta Capital Mgmt	Russell 3000 Index
Total Domestic Equity	1.00					
PIMCO RAE US	0.98	1.00				
Loomis Sayles Large Cap Growth	0.85	0.72	1.00			
Boston Partners Large Cap Value	0.94	0.99	0.62	1.00		
Atlanta Capital Mgmt	0.97	1.00	0.70	0.99	1.00	
Russell 3000 Index	0.98	0.91	0.94	0.84	0.90	1.00

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



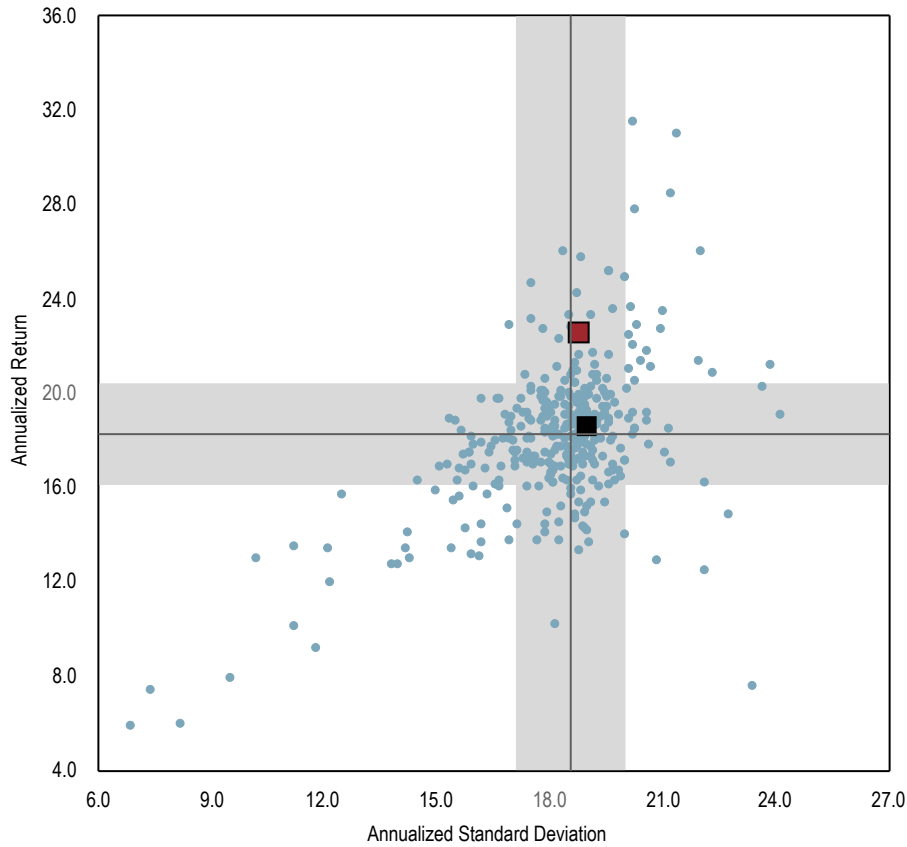
	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● PIMCO RAE US	2.58 (82)	-1.30 (7)	22.66 (7)	9.64 (70)	10.77 (80)	10.87 (79)
▲ S&P 500 Index	7.50 (24)	-7.73 (70)	18.60 (46)	11.19 (39)	12.42 (38)	12.24 (39)
5th Percentile	9.37	-0.66	23.03	13.67	14.80	14.15
1st Quartile	7.38	-4.14	19.63	11.79	12.90	12.60
Median	5.60	-6.24	18.34	10.67	12.05	11.93
3rd Quartile	3.39	-7.99	16.94	9.43	11.02	11.11
95th Percentile	0.19	-11.30	13.46	7.36	8.43	8.80
Population	365	365	355	339	309	272

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

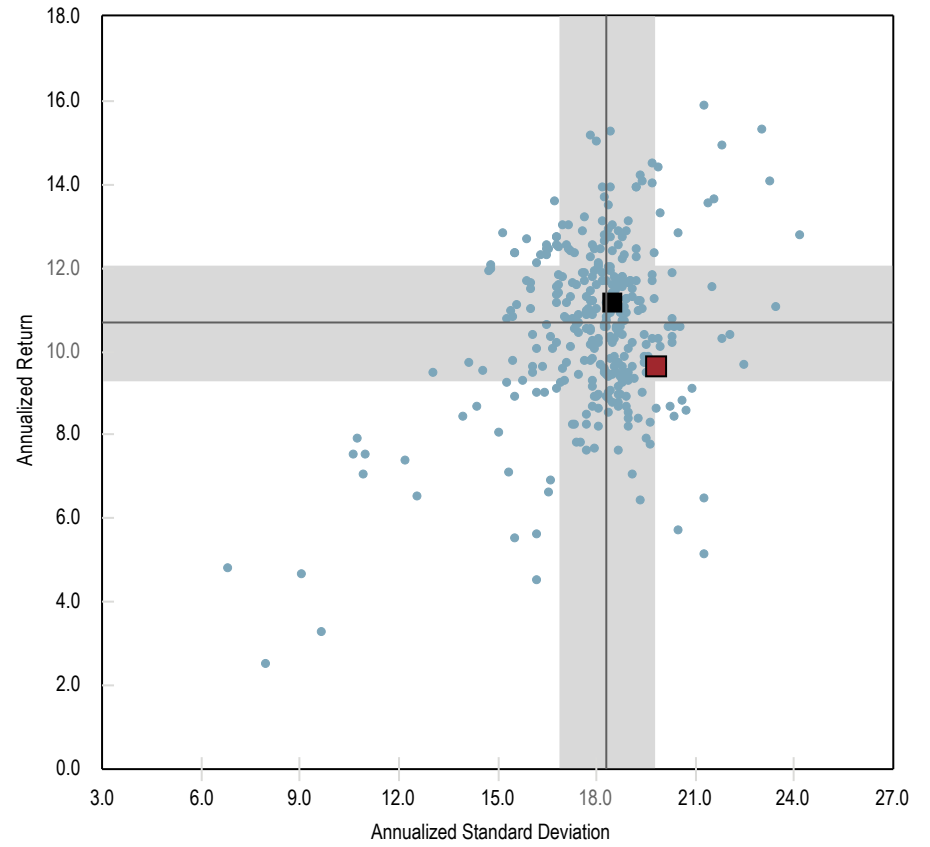


	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● PIMCO RAE US	-2.97 (4)	28.29 (46)	4.35 (97)	25.52 (85)	-6.64 (77)	17.01 (89)	15.87 (9)	-2.65 (87)	12.67 (56)	36.69 (20)
▲ S&P 500 Index	-18.11 (68)	28.71 (40)	18.40 (43)	31.49 (36)	-4.38 (48)	21.83 (54)	11.96 (36)	1.38 (49)	13.69 (41)	32.39 (57)
5th Percentile	-3.98	33.69	29.23	37.01	1.15	28.43	17.86	6.90	17.86	40.92
1st Quartile	-12.03	30.16	21.40	32.57	-2.42	24.33	12.79	3.20	15.06	36.04
Median	-16.15	27.82	16.62	30.06	-4.61	22.15	10.60	1.24	13.07	33.11
3rd Quartile	-18.77	24.65	12.27	27.43	-6.46	19.72	8.21	-0.77	11.27	30.54
95th Percentile	-22.51	18.89	4.98	20.58	-10.37	13.94	4.29	-4.64	7.61	24.25
Population	384	407	429	454	472	483	489	501	509	512

3 Years



5 Years



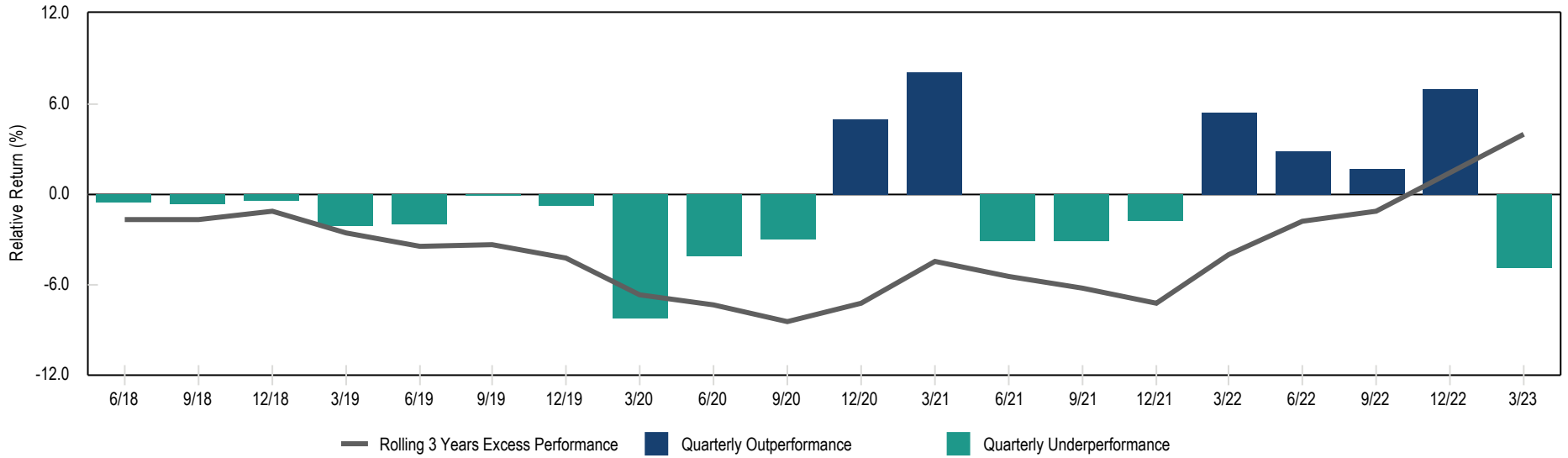
3 Years

	Return	Standard Deviation	Sharpe Ratio
■ PIMCO RAE US	22.66	18.76	1.14
■ S&P 500 Index	18.60	18.96	0.95

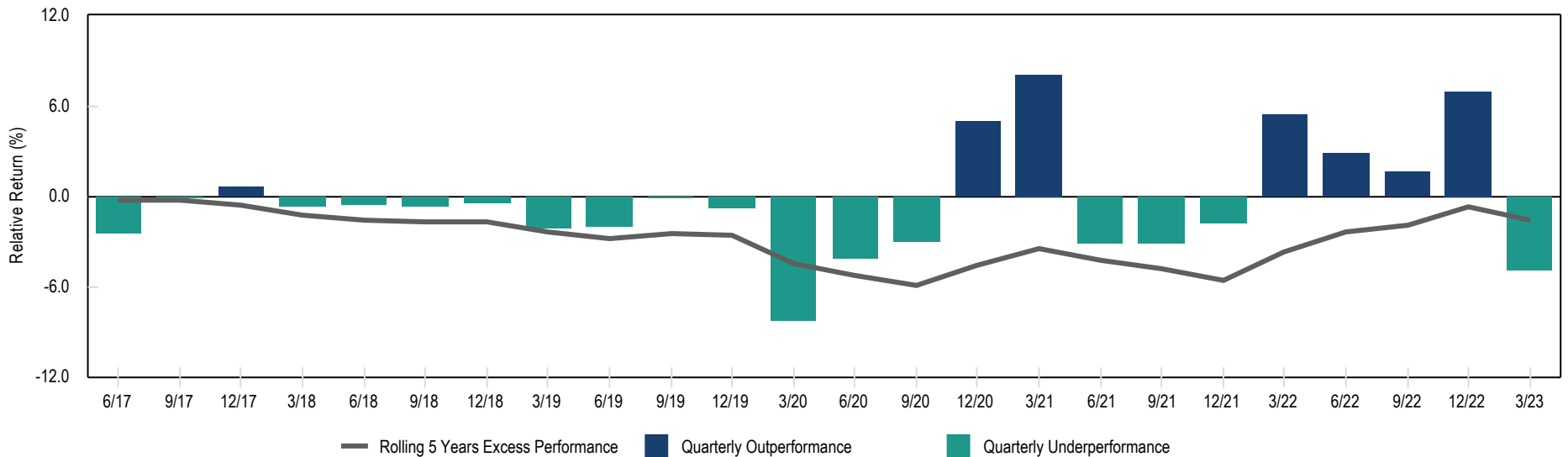
5 Years

	Return	Standard Deviation	Sharpe Ratio
■ PIMCO RAE US	9.64	19.80	0.49
■ S&P 500 Index	11.19	18.48	0.59

Rolling 3 Years Annualized Excess Performance



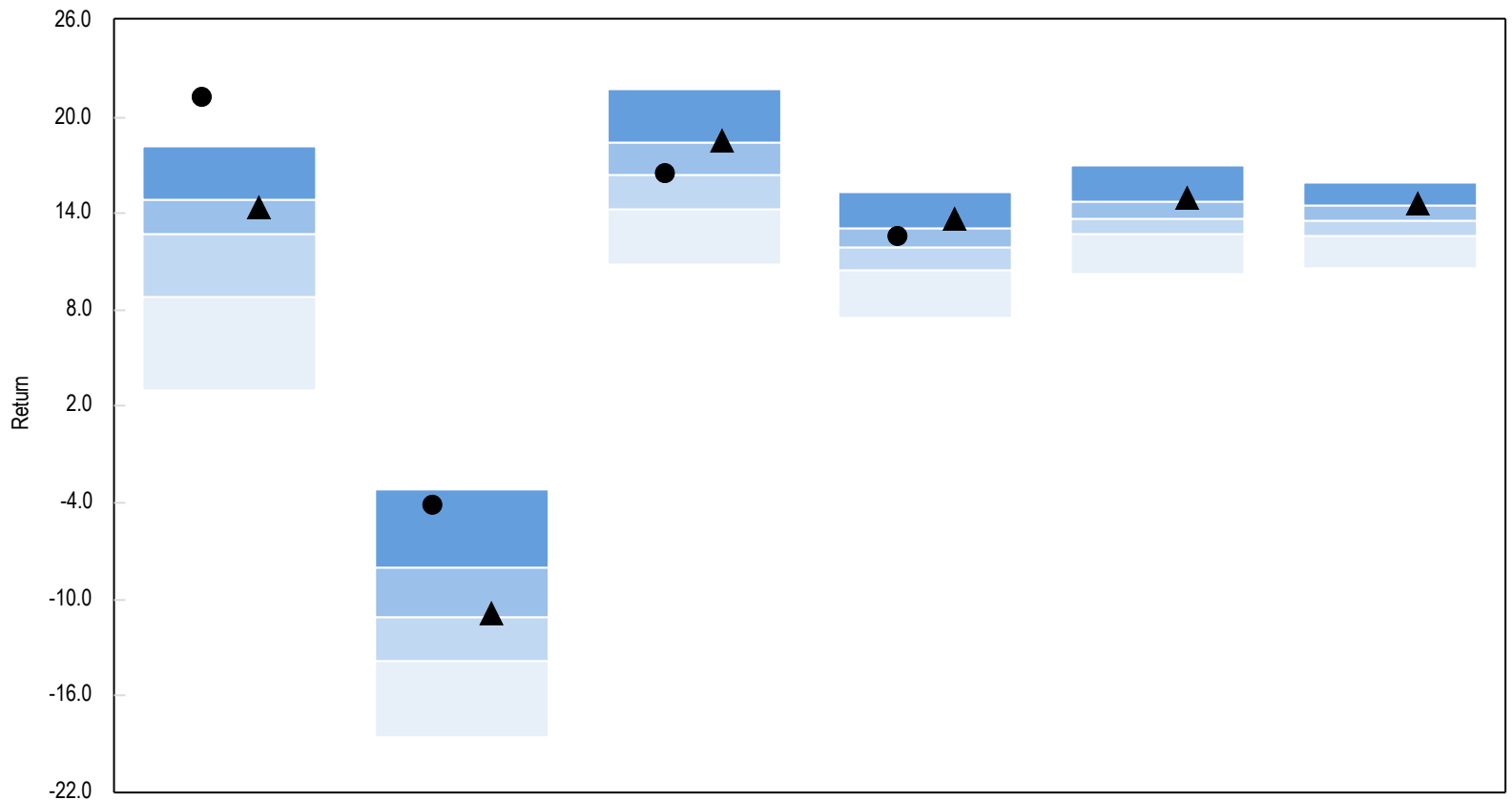
Rolling 5 Years Annualized Excess Performance



Loomis Sayles Large Cap Growth
 Manager Performance Comparisons (Gross of Fees)

San Luis Obispo County Pension Trust
 Period Ending: March 31, 2023

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

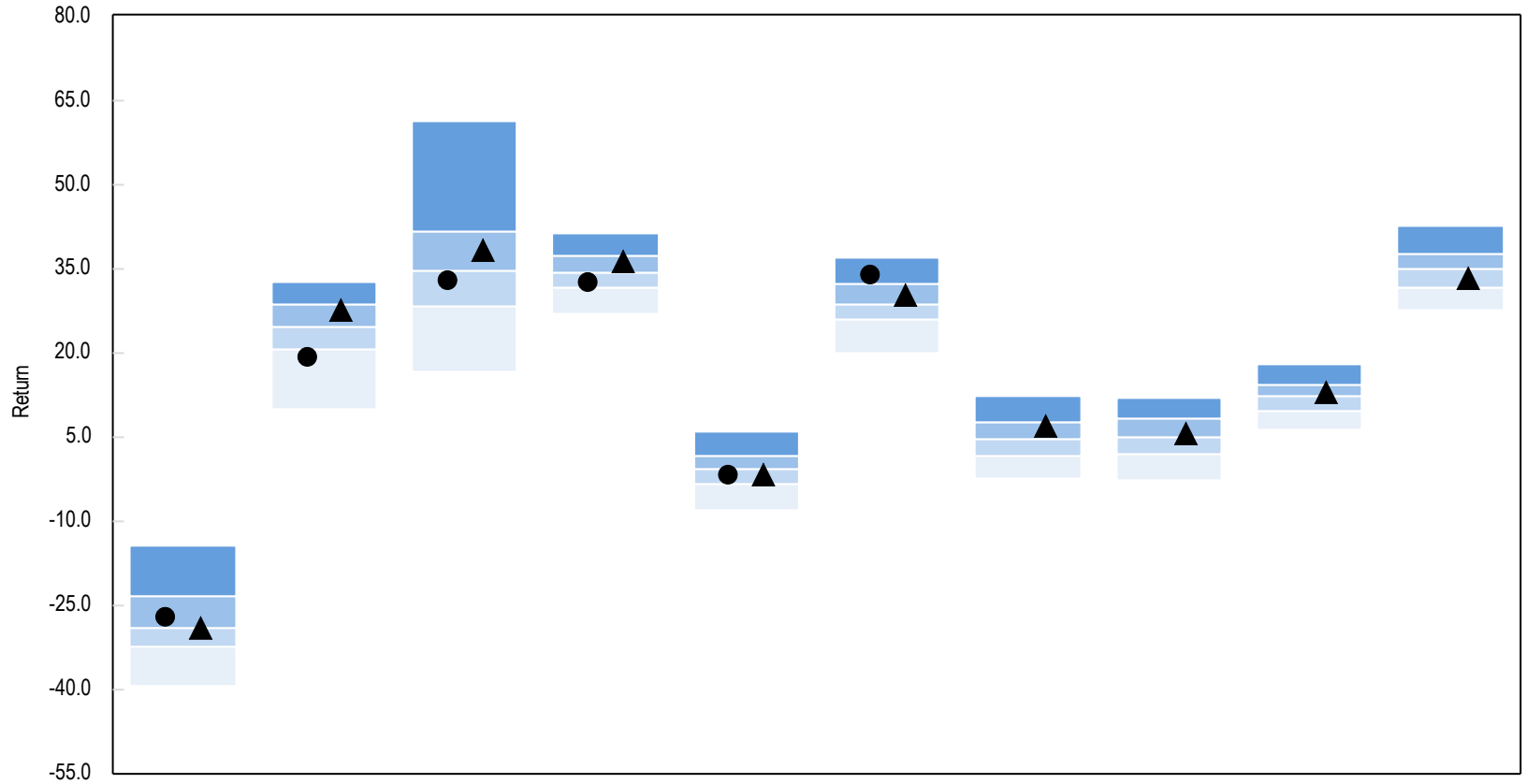


	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Loomis Sayles Large Cap Growth	21.31 (1)	-4.14 (9)	16.48 (47)	12.64 (34)	-	-
▲ Russell 1000 Growth Index	14.37 (31)	-10.90 (49)	18.58 (24)	13.66 (18)	15.01 (21)	14.59 (21)
5th Percentile	18.24	-3.21	21.69	15.38	17.01	15.97
1st Quartile	14.87	-8.00	18.44	13.06	14.72	14.46
Median	12.77	-11.05	16.39	11.89	13.65	13.53
3rd Quartile	8.86	-13.76	14.26	10.52	12.68	12.59
95th Percentile	2.98	-18.61	10.84	7.56	10.19	10.60
Population	275	275	274	263	240	229

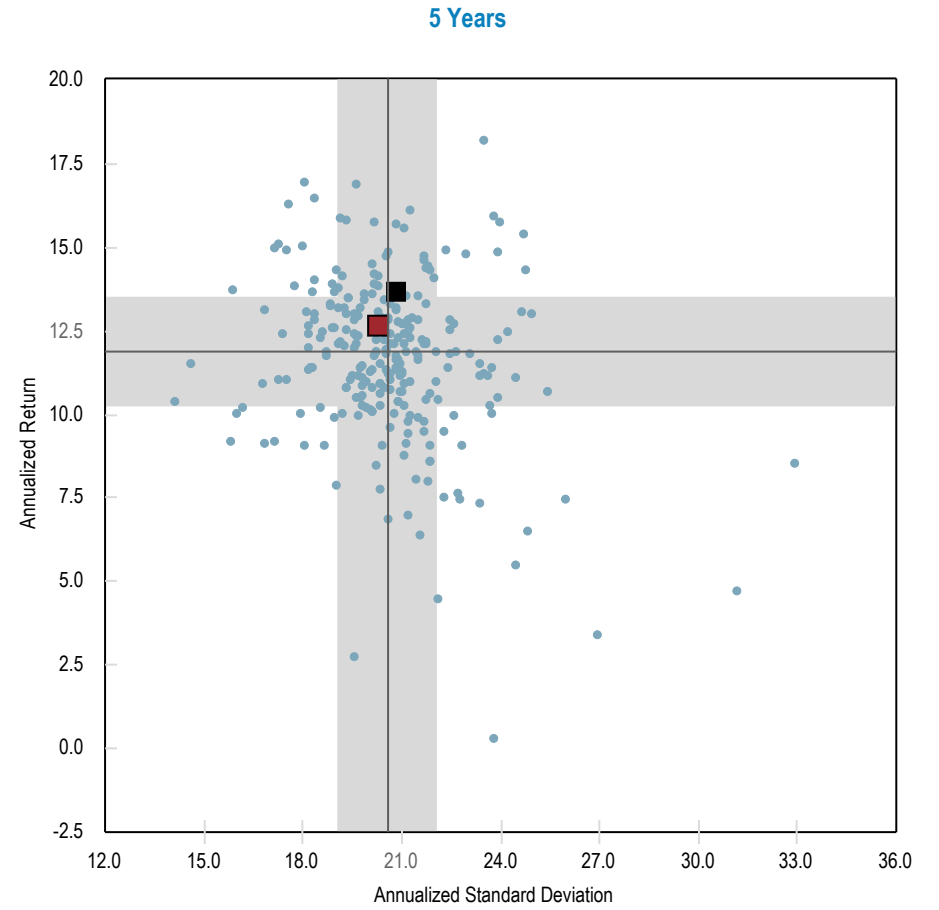
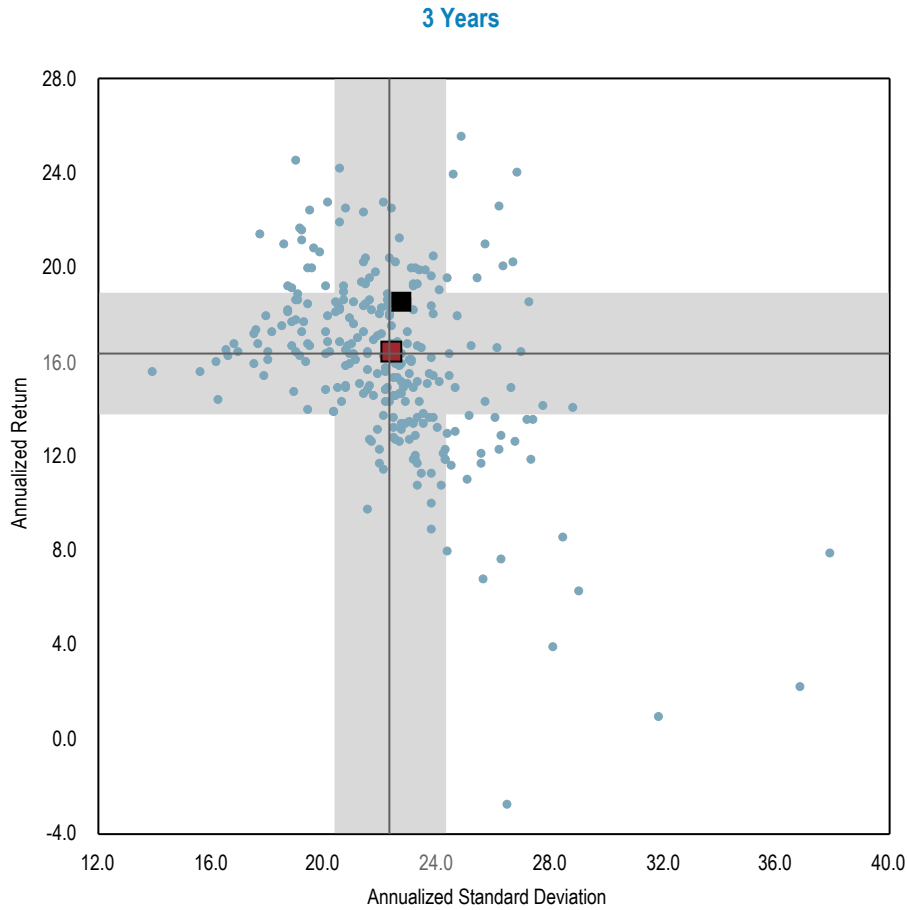
Loomis Sayles Large Cap Growth
Consecutive Performance Comparison (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

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



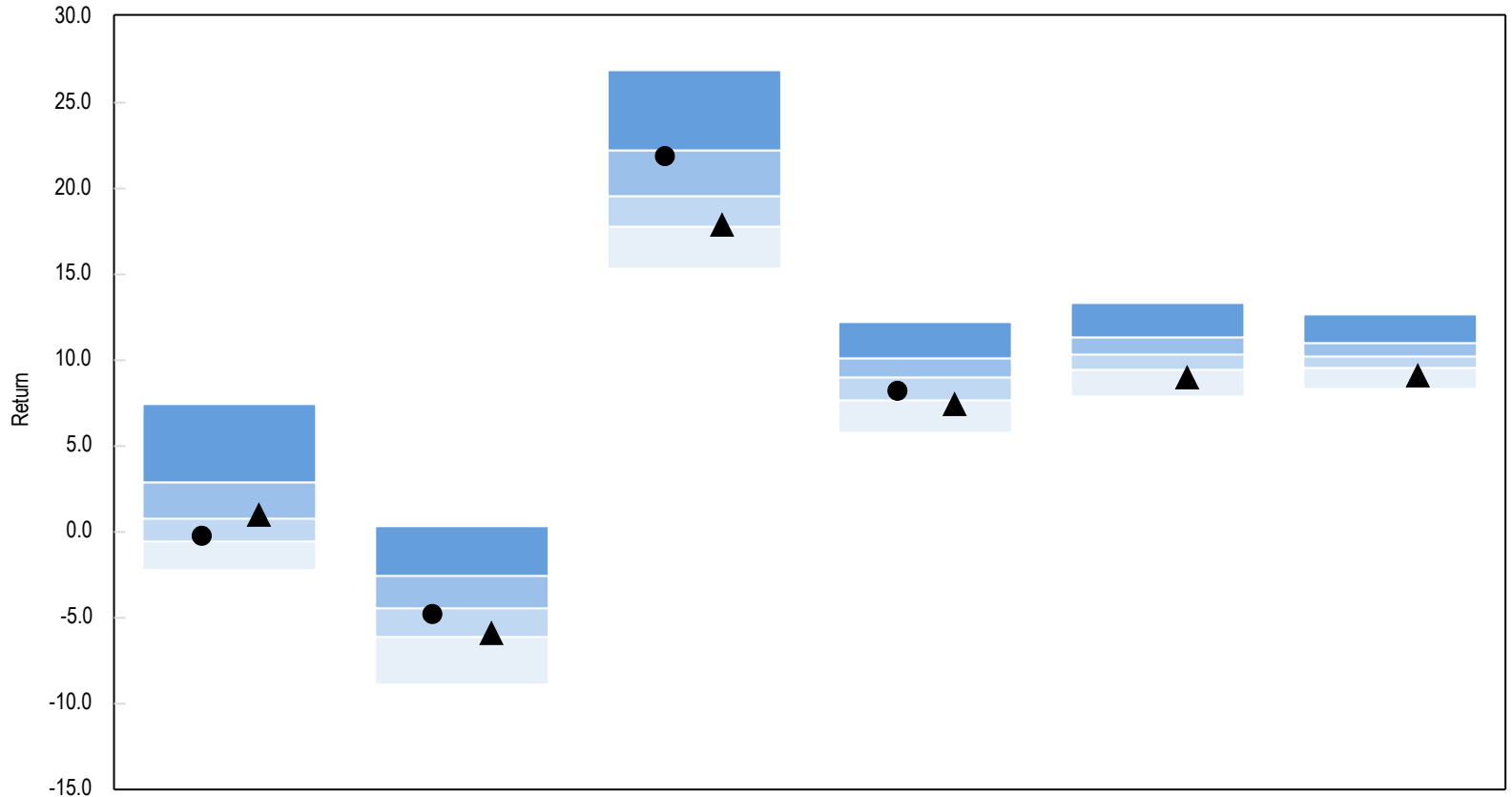
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● Loomis Sayles Large Cap Growth	-27.05 (40)	19.38 (81)	32.85 (60)	32.69 (67)	-1.66 (60)	34.07 (16)	-	-	-	-
▲ Russell 1000 Growth Index	-29.14 (52)	27.60 (31)	38.49 (34)	36.39 (32)	-1.51 (59)	30.21 (42)	7.08 (27)	5.67 (46)	13.05 (41)	33.48 (62)
5th Percentile	-14.18	32.72	61.30	41.49	6.09	36.99	12.32	11.88	17.87	42.69
1st Quartile	-23.47	28.59	41.56	37.17	1.77	32.43	7.52	8.17	14.42	37.63
Median	-29.02	24.56	34.81	34.22	-0.54	28.79	4.63	5.04	12.20	34.86
3rd Quartile	-32.42	20.66	28.21	31.60	-3.39	26.04	1.79	2.06	9.73	31.53
95th Percentile	-39.43	10.12	16.75	27.07	-7.89	20.11	-2.49	-2.68	6.23	27.57
Population	286	295	310	321	330	333	350	366	384	392



	3 Years		
	Return	Standard Deviation	Sharpe Ratio
■ Loomis Sayles Large Cap Growth	16.48	22.37	0.76
■ Russell 1000 Growth Index	18.58	22.73	0.83

	5 Years		
	Return	Standard Deviation	Sharpe Ratio
■ Loomis Sayles Large Cap Growth	12.64	20.27	0.62
■ Russell 1000 Growth Index	13.66	20.82	0.65

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

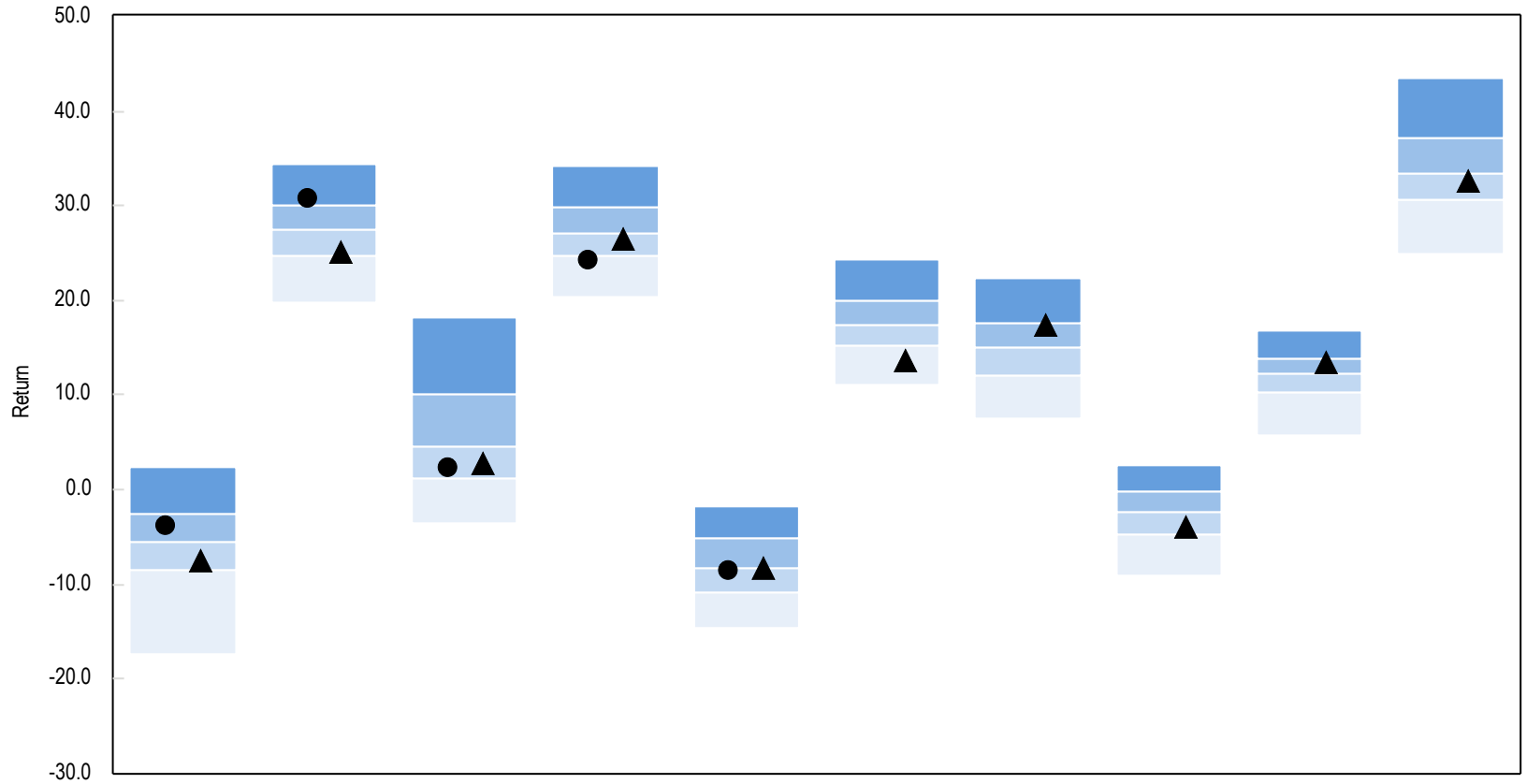


	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Boston Partners Large Cap Value	-0.27 (71)	-4.79 (58)	21.88 (29)	8.24 (63)	-	-
▲ Russell 1000 Value Index	1.01 (47)	-5.91 (75)	17.93 (74)	7.50 (78)	9.02 (83)	9.13 (84)
5th Percentile	7.43	0.36	26.89	12.28	13.39	12.68
1st Quartile	2.92	-2.53	22.24	10.15	11.38	11.01
Median	0.81	-4.39	19.55	9.02	10.38	10.23
3rd Quartile	-0.54	-6.08	17.83	7.65	9.41	9.55
95th Percentile	-2.18	-8.88	15.36	5.77	7.89	8.33
Population	383	383	369	360	344	325

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

San Luis Obispo County Pension Trust
 Period Ending: March 31, 2023

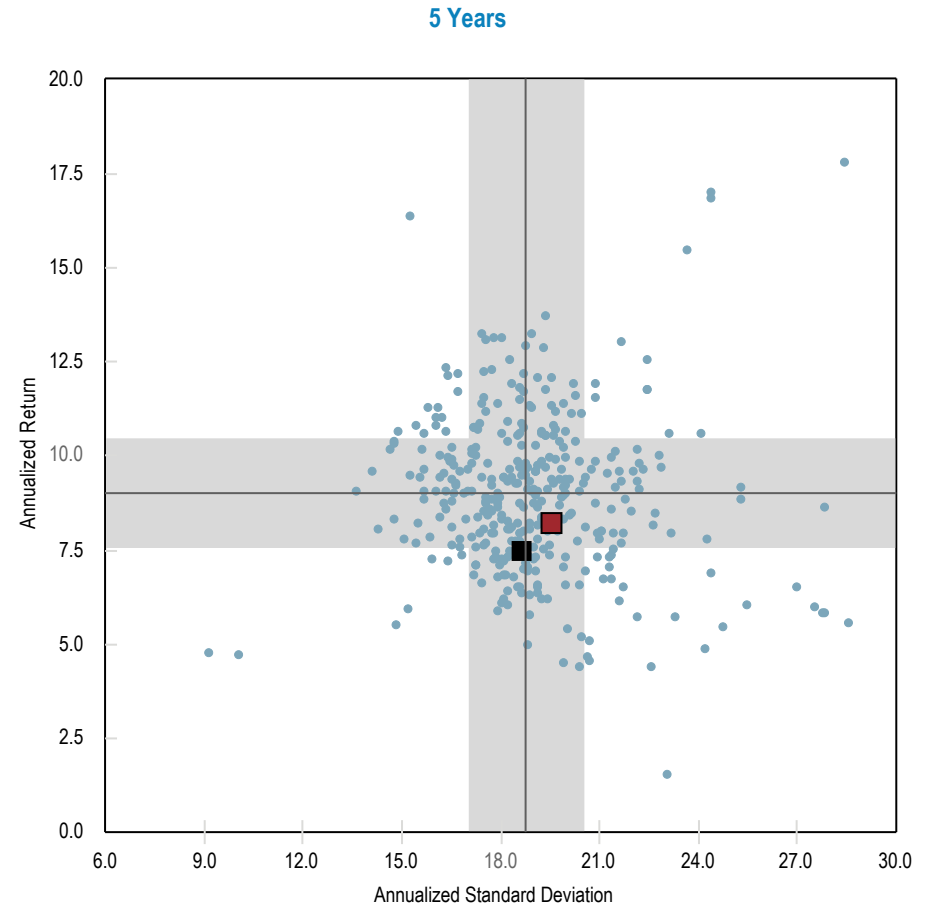
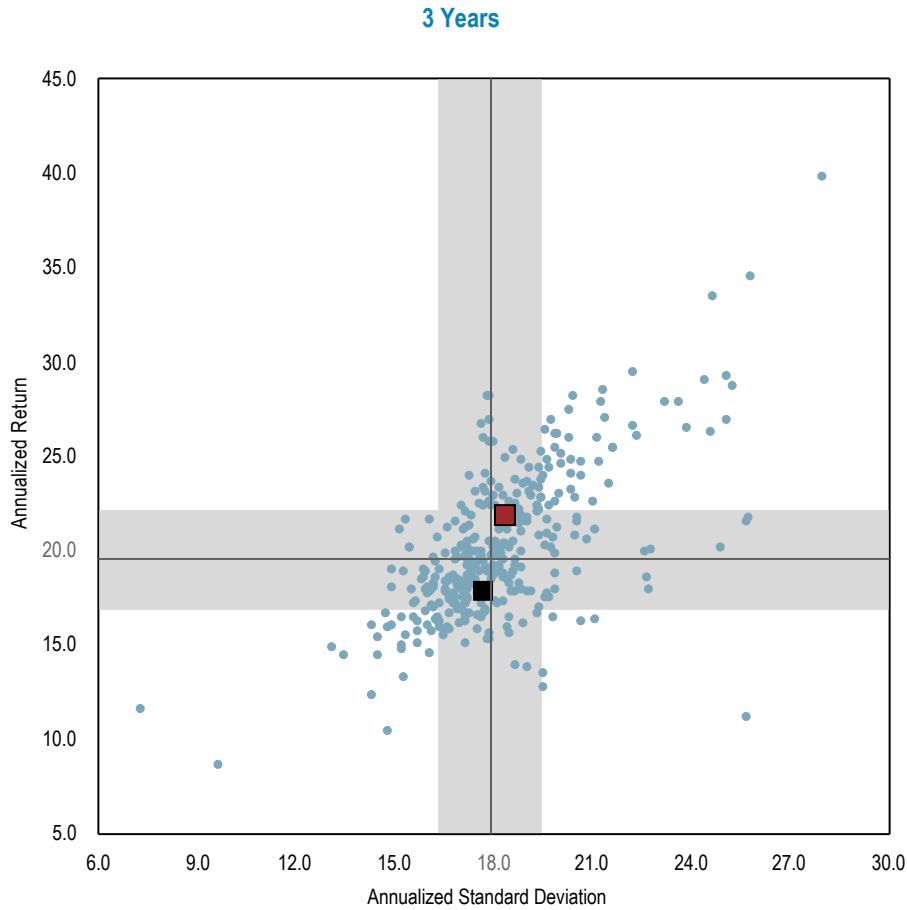
Boston Partners Large Cap Value vs. eV US Large Cap Value Equity Gross Universe



	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● Boston Partners Large Cap Value	-3.81 (36)	30.92 (20)	2.42 (66)	24.28 (79)	-8.50 (57)	-	-	-	-	-
▲ Russell 1000 Value Index	-7.54 (69)	25.16 (73)	2.80 (63)	26.54 (56)	-8.27 (53)	13.66 (88)	17.34 (26)	-3.83 (70)	13.45 (33)	32.53 (58)
5th Percentile	2.40	34.34	18.18	34.28	-1.71	24.29	22.32	2.67	16.91	43.46
1st Quartile	-2.48	30.08	10.06	29.83	-5.16	19.99	17.54	-0.22	13.88	37.12
Median	-5.42	27.56	4.58	27.15	-8.17	17.40	15.01	-2.26	12.24	33.39
3rd Quartile	-8.50	24.70	1.29	24.72	-10.75	15.33	12.03	-4.72	10.25	30.72
95th Percentile	-17.35	19.82	-3.60	20.33	-14.67	11.18	7.57	-8.99	5.70	24.97
Population	392	406	413	442	465	477	491	511	510	517

Boston Partners Large Cap Value
Risk vs. Return (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023



3 Years

	Return	Standard Deviation	Sharpe Ratio
■ Boston Partners Large Cap Value	21.88	18.31	1.13
■ Russell 1000 Value Index	17.93	17.68	0.97

5 Years

	Return	Standard Deviation	Sharpe Ratio
■ Boston Partners Large Cap Value	8.24	19.54	0.43
■ Russell 1000 Value Index	7.50	18.66	0.41

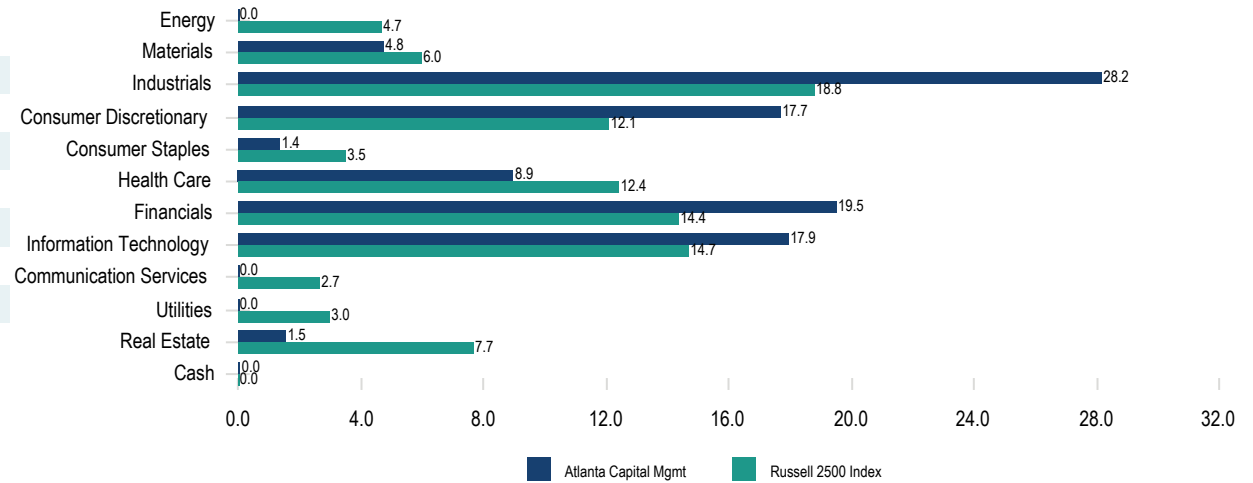
Atlanta Capital Mgmt Manager Portfolio Overview

San Luis Obispo County Pension Trust Period Ending: March 31, 2023

Characteristics

	Portfolio	Benchmark
Number of Stocks	54	2,416
Wtd. Avg. Mkt. Cap \$B	10.8	6.3
Median Mkt. Cap \$B	10.5	1.4
Price/Earnings ratio	21.09	13.34
Price/Book ratio	3.35	2.60
Return on Equity (%)	5.22	-0.24
Current Yield (%)	0.88	1.65
Beta (5 Years, Monthly)	0.84	1.00
R-Squared (5 Years, Monthly)	0.90	1.00

Sector Allocation (%)



Largest Equity Holdings

	Wgt (%)	Return (%)
Berkley (W.R.) Corp	4.56	-13.49
Carlisle Cos Inc	3.59	-3.79
Envista Holdings Corp	3.58	21.41
Aramark	3.42	-13.15
Teleflex Inc	3.37	1.62
Dolby Laboratories Inc	2.87	21.49
Markel Corp	2.78	-3.04
Landstar System Inc	2.77	11.58
SEI Investments Co	2.69	-1.29
CACI International Inc	2.63	-1.43

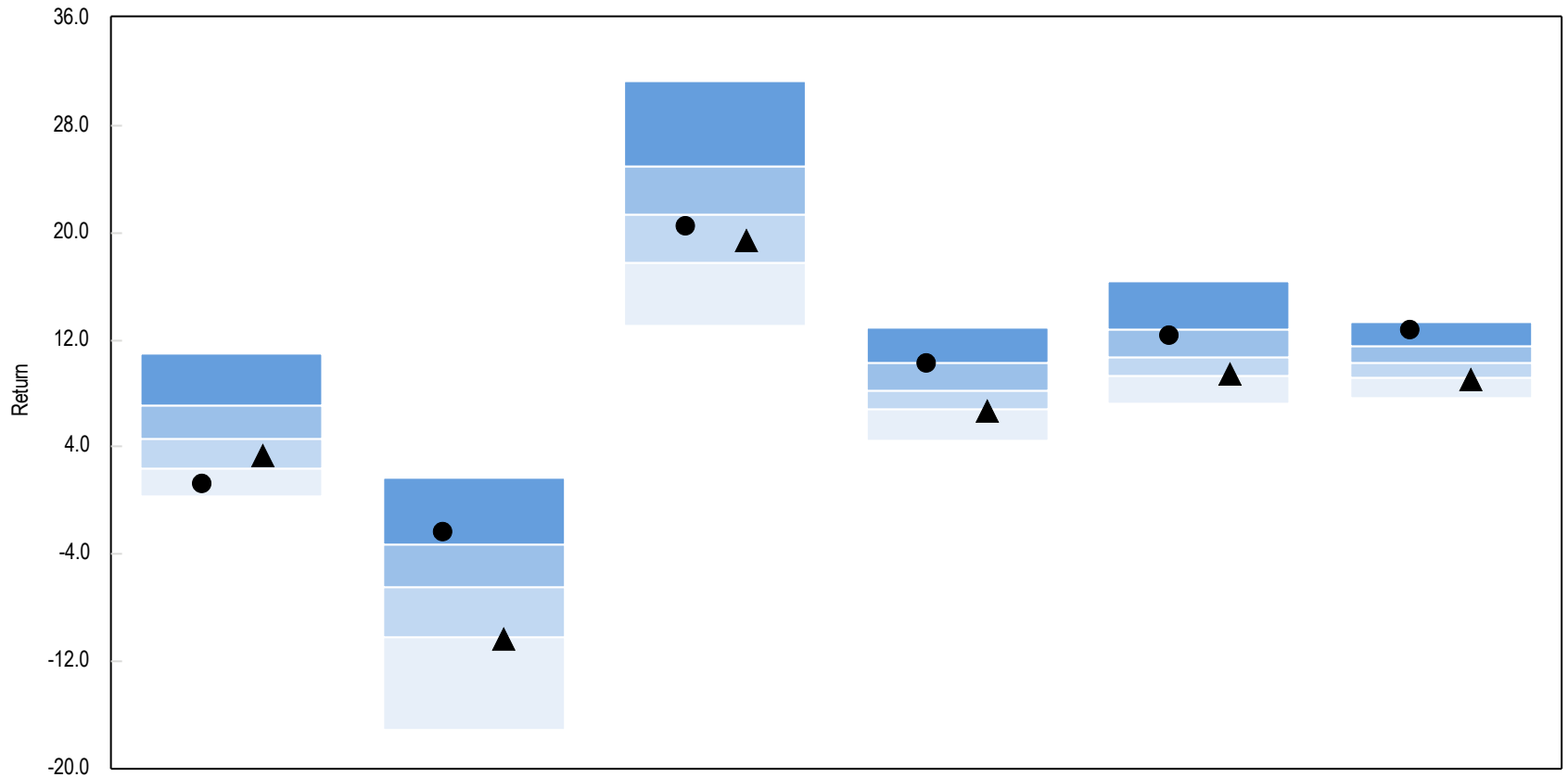
Top Contributors

	Wgt (%)	Return (%)	Contr (%)
Envista Holdings Corp	3.00	21.41	0.64
Dolby Laboratories Inc	2.41	21.49	0.52
FTI Consulting Inc.	1.27	24.28	0.31
Landstar System Inc	2.56	11.58	0.30
WEX Inc	2.13	12.37	0.26
Hexcel Corp	1.57	16.18	0.25
Blackbaud Inc	1.36	17.74	0.24
Manhattan Associates Inc	0.87	27.55	0.24
Ulta Beauty Inc	1.35	16.33	0.22
AptarGroup Inc.	2.26	7.81	0.18

Bottom Contributors

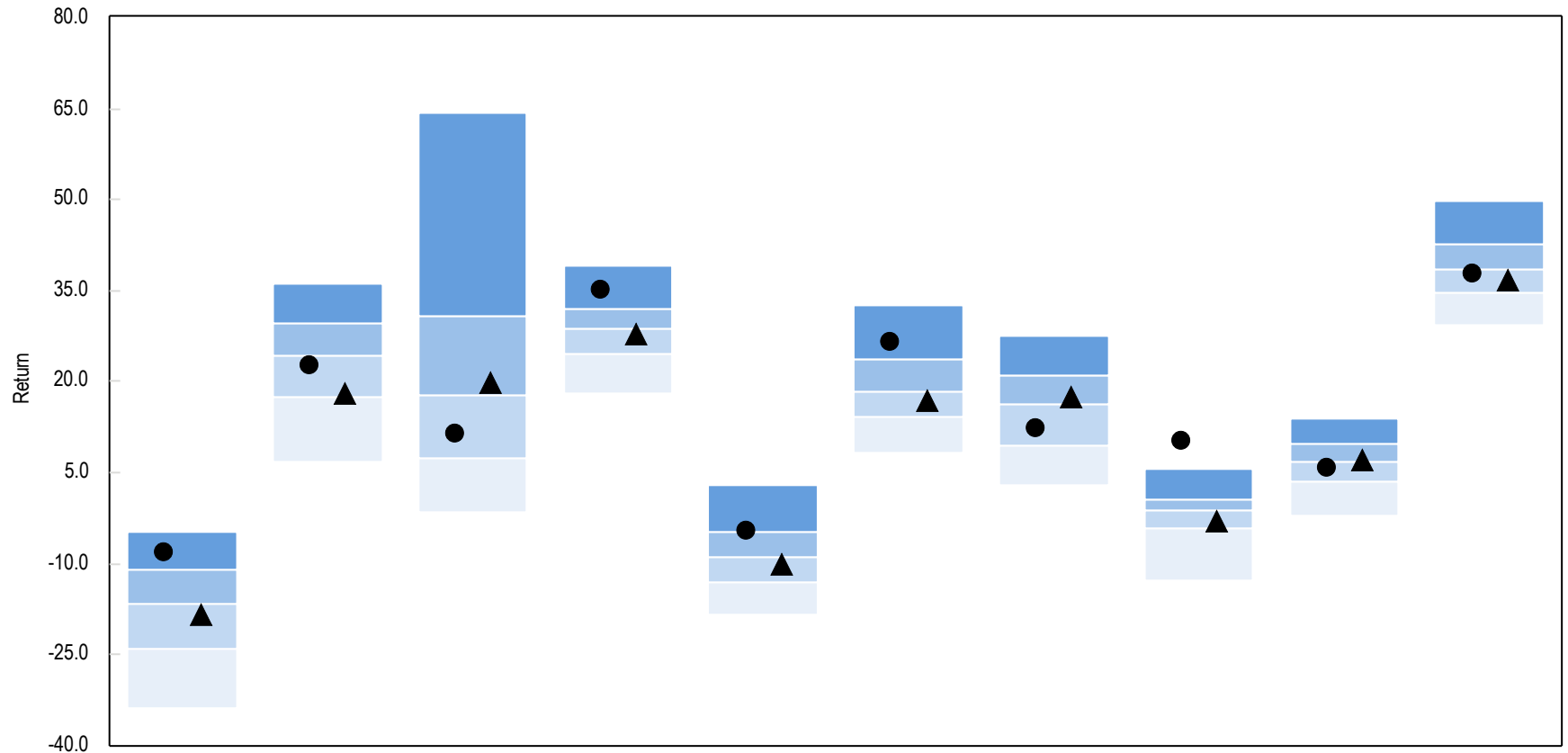
	Wgt (%)	Return (%)	Contr (%)
Berkley (W.R.) Corp	4.77	-13.49	-0.64
Aramark	4.02	-13.15	-0.53
Affiliated Managers Group Inc.	3.48	-10.10	-0.35
Columbia Banking System Inc	1.05	-27.61	-0.29
RPM International Inc	2.68	-10.03	-0.27
Booz Allen Hamilton Holding Corporation	2.46	-10.88	-0.27
Prosperity Bancshares Inc	1.12	-14.61	-0.16
Jones Lang LaSalle Inc	1.70	-8.71	-0.15
Morningstar Inc	2.40	-6.10	-0.15
Bio-Techne Corp	1.37	-10.39	-0.14

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



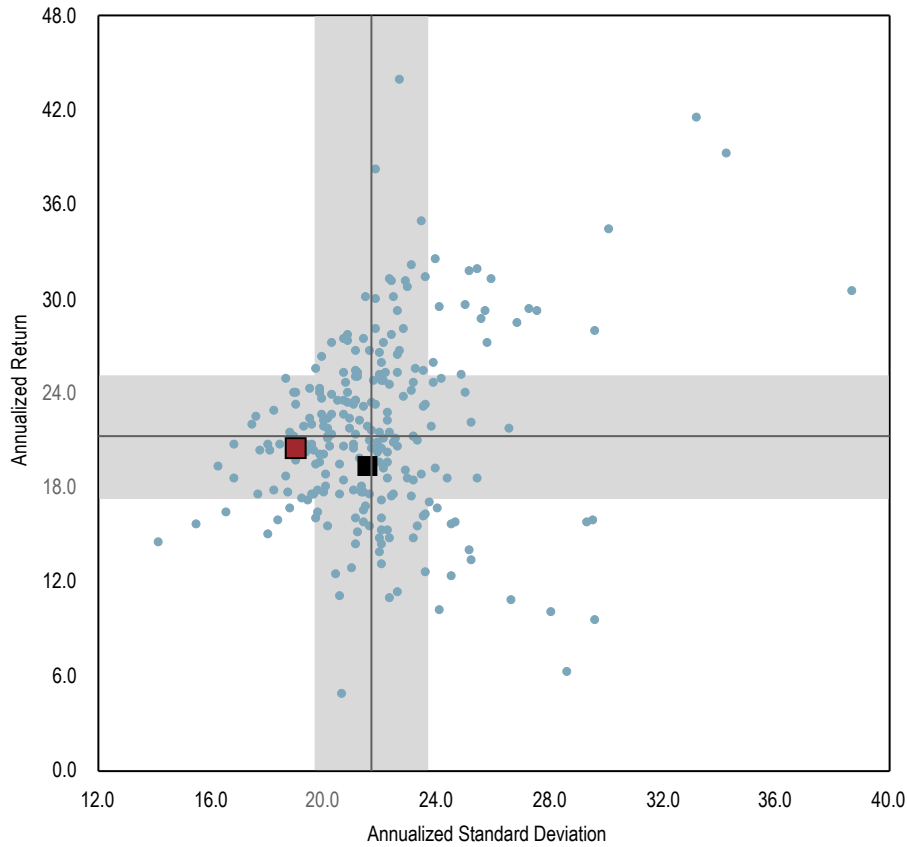
	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Atlanta Capital Mgmt	1.23 (91)	-2.32 (19)	20.56 (59)	10.22 (26)	12.37 (29)	12.77 (7)
▲ Russell 2500 Index	3.39 (65)	-10.39 (77)	19.42 (67)	6.65 (77)	9.46 (73)	9.07 (78)
5th Percentile	11.04	1.73	31.35	12.88	16.38	13.36
1st Quartile	7.16	-3.34	24.97	10.35	12.74	11.57
Median	4.56	-6.45	21.29	8.27	10.64	10.28
3rd Quartile	2.46	-10.13	17.78	6.83	9.33	9.23
95th Percentile	0.28	-17.03	13.02	4.44	7.27	7.60
Population	256	256	246	224	197	166

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

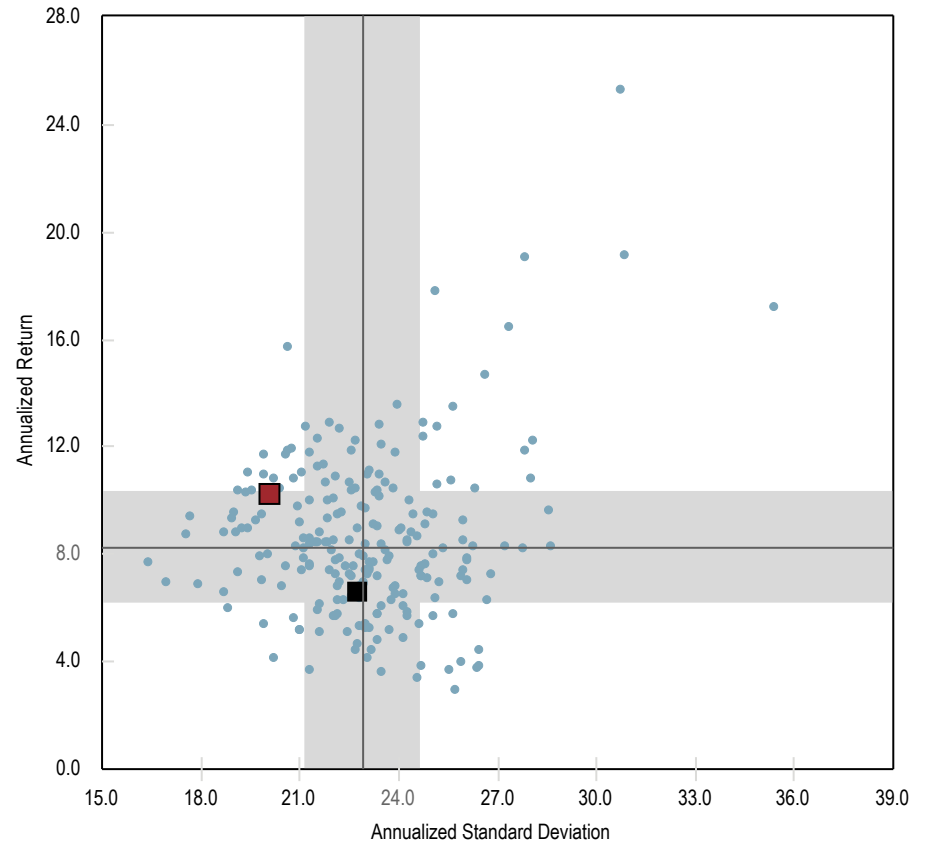


	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● Atlanta Capital Mgmt	-7.95 (14)	22.96 (58)	11.41 (62)	35.12 (13)	-4.52 (25)	26.58 (15)	12.58 (64)	10.44 (1)	5.83 (59)	37.85 (55)
▲ Russell 2500 Index	-18.37 (59)	18.18 (73)	19.99 (46)	27.77 (56)	-10.00 (56)	16.81 (61)	17.59 (40)	-2.90 (67)	7.07 (48)	36.80 (61)
5th Percentile	-4.75	36.12	64.16	39.04	2.93	32.51	27.44	5.65	13.97	49.80
1st Quartile	-11.01	29.64	30.82	32.08	-4.63	23.75	21.15	0.71	9.91	42.70
Median	-16.55	24.24	17.66	28.87	-8.96	18.24	16.25	-1.22	6.84	38.52
3rd Quartile	-23.94	17.54	7.41	24.49	-13.03	14.14	9.43	-4.22	3.63	34.52
95th Percentile	-33.67	6.85	-1.41	18.16	-18.28	8.29	3.00	-12.75	-2.11	29.34
Population	263	272	277	282	295	285	287	291	289	294

3 Years



5 Years



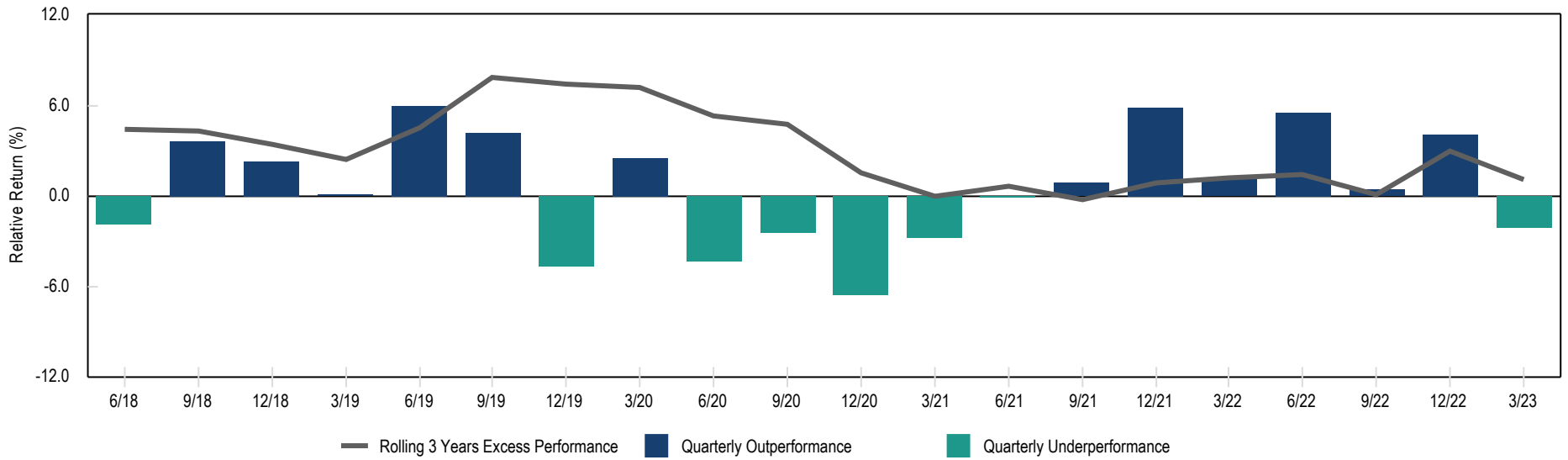
3 Years

	Return	Standard Deviation	Sharpe Ratio
Atlanta Capital Mgmt	20.56	18.95	1.04
Russell 2500 Index	19.42	21.51	0.89

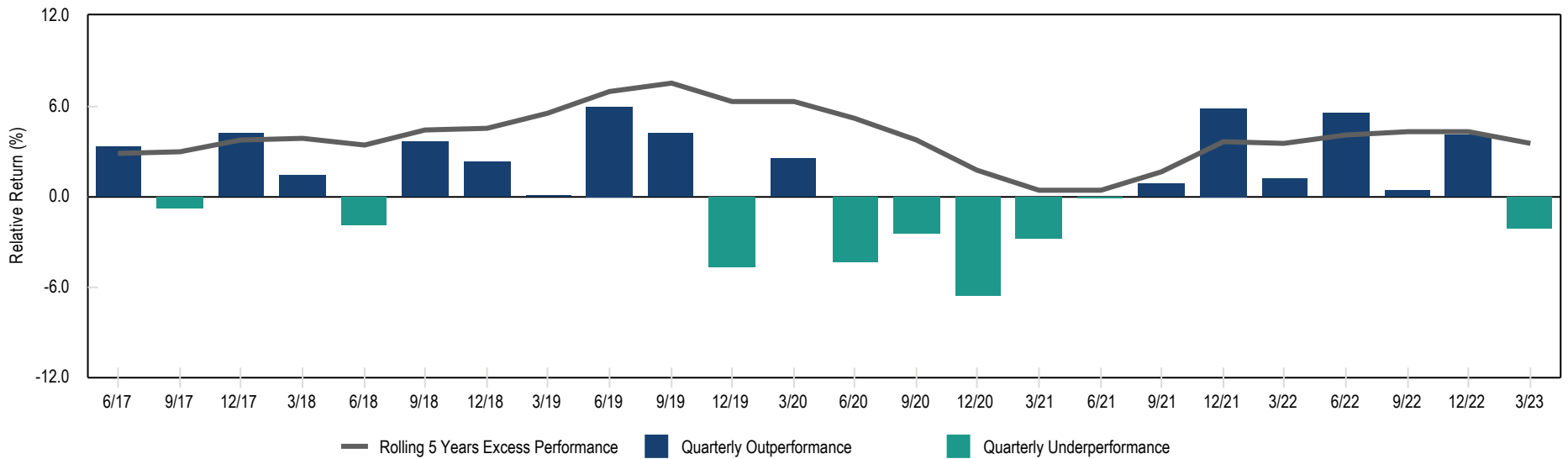
5 Years

	Return	Standard Deviation	Sharpe Ratio
Atlanta Capital Mgmt	10.22	20.05	0.52
Russell 2500 Index	6.65	22.76	0.34

Rolling 3 Years Annualized Excess Performance



Rolling 5 Years Annualized Excess Performance



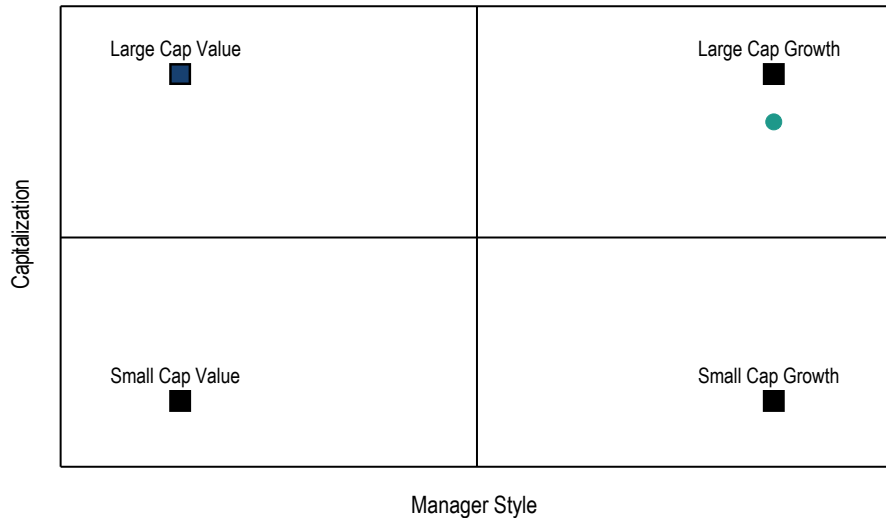
International Equity

Total International Equity Asset Class Overview (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

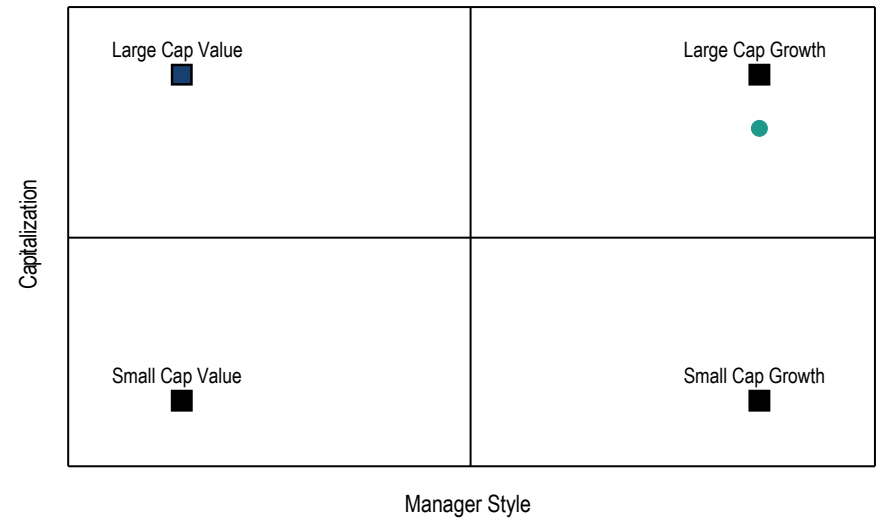
	Market Value	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018
Total International Equity	268,890,515	8.3	-2.2	16.9	7.1	7.1	-17.4	15.1	19.4	30.2	-12.2
<i>MSCI AC World ex USA Index</i>		7.0	-4.6	12.3	3.0	4.7	-15.6	8.3	11.1	22.1	-13.8
<i>InvMetrics Public DB Global ex-US Equity Rank</i>		31	23	10	1	7	53	7	7	1	26
Dodge & Cox Intl Stock	140,382,380	6.3	0.2	18.0	3.6	5.7	-6.2	11.7	2.8	23.6	-17.5
<i>MSCI AC World ex USA Value</i>		5.3	-3.3	14.5	1.9	3.7	-8.0	11.1	-0.2	16.5	-13.4
<i>eV ACWI ex-US All Cap Value Eq Rank</i>		73	51	26	22	30	13	38	45	28	92
WCM International Growth	128,508,135	10.6	-4.9	14.7	9.7	-	-28.2	18.5	34.0	36.7	-6.7
<i>MSCI AC World ex USA Growth</i>		8.7	-6.0	9.8	3.7	-	-22.8	5.4	22.6	27.8	-14.1
<i>eV ACWI ex-US All Cap Growth Eq Rank</i>		45	36	14	6	-	57	7	38	14	1

EAFE Effective Style Map
3 Years Ending March 31, 2023



■ Dodge & Cox Intl Stock ● WCM International Growth

EAFE Effective Style Map
5 Years Ending March 31, 2023



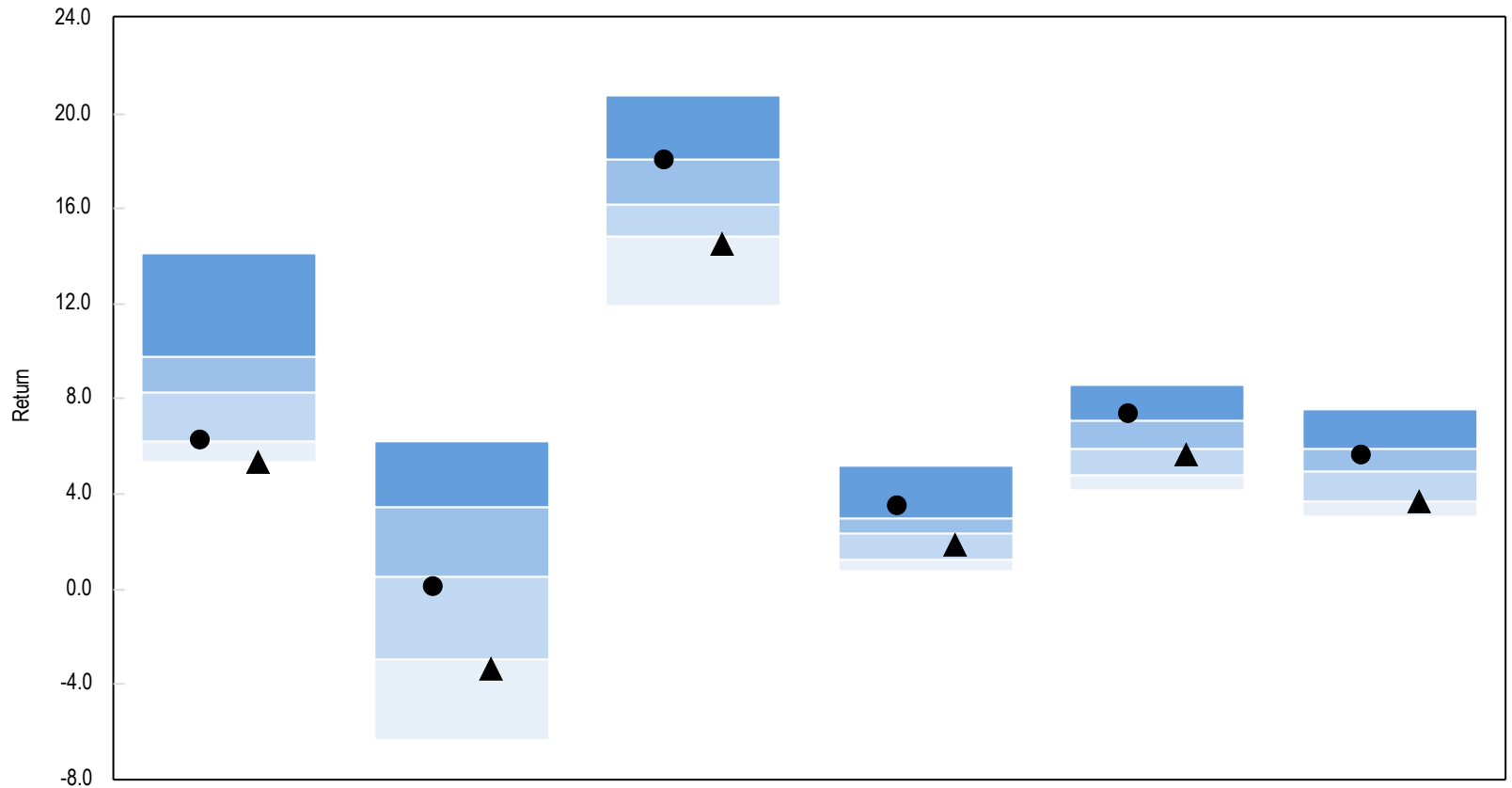
■ Dodge & Cox Intl Stock ● WCM International Growth

Total International Equity
 Asset Class Overview(Net of Fees)

San Luis Obispo County Pension Trust
 Period Ending: March 31, 2023

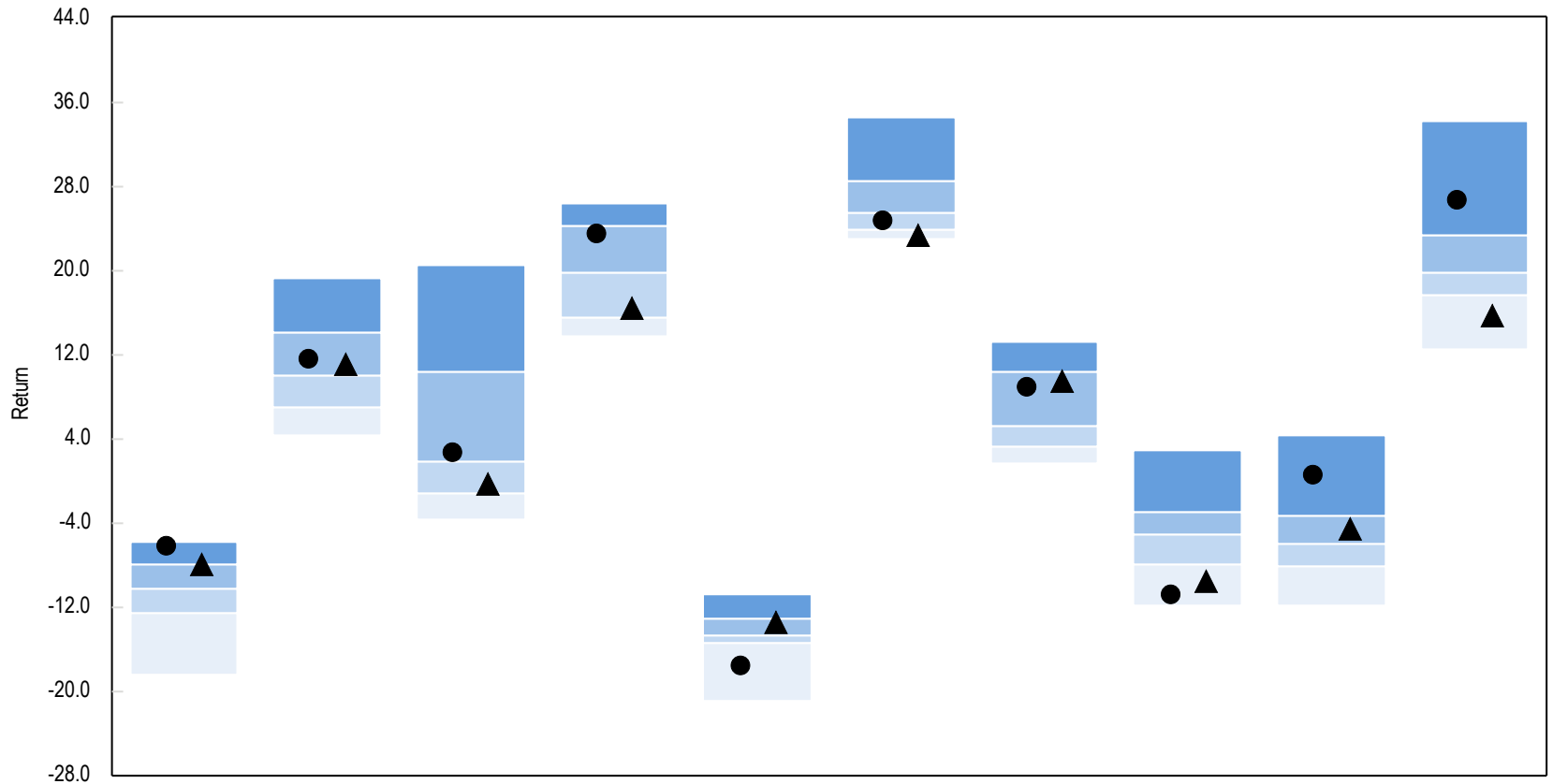
	Market Value	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018
Total International Equity	268,890,515	8.2	-2.8	16.2	6.4	6.4	-17.9	14.4	18.6	29.3	-12.8
<i>MSCI AC World ex USA Index</i>		7.0	-4.6	12.3	3.0	4.7	-15.6	8.3	11.1	22.1	-13.8
Dodge & Cox Intl Stock	140,382,380	6.1	-0.5	17.3	2.9	5.1	-6.8	11.0	2.1	22.8	-18.0
<i>MSCI AC World ex USA Value</i>		5.3	-3.3	14.5	1.9	3.7	-8.0	11.1	-0.2	16.5	-13.4
WCM International Growth	128,508,135	10.4	-5.4	14.0	8.9	-	-28.6	17.7	33.1	35.8	-7.4
<i>MSCI AC World ex USA Growth</i>		8.7	-6.0	9.8	3.7	-	-22.8	5.4	22.6	27.8	-14.1

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

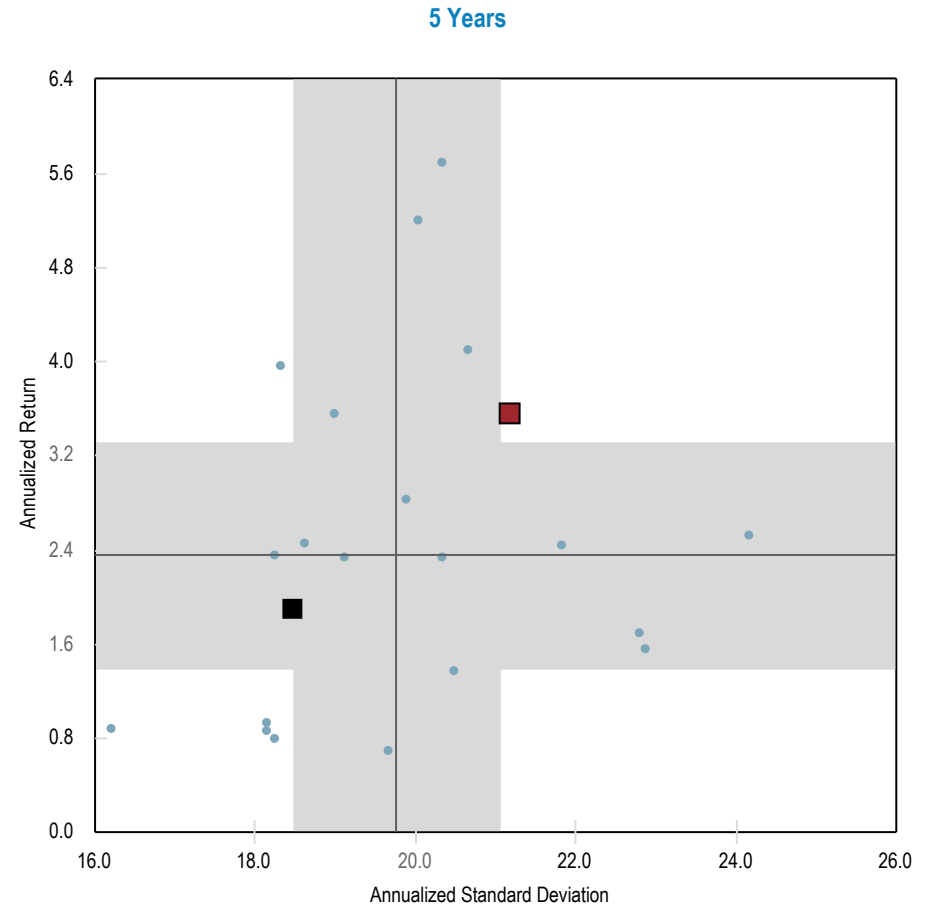
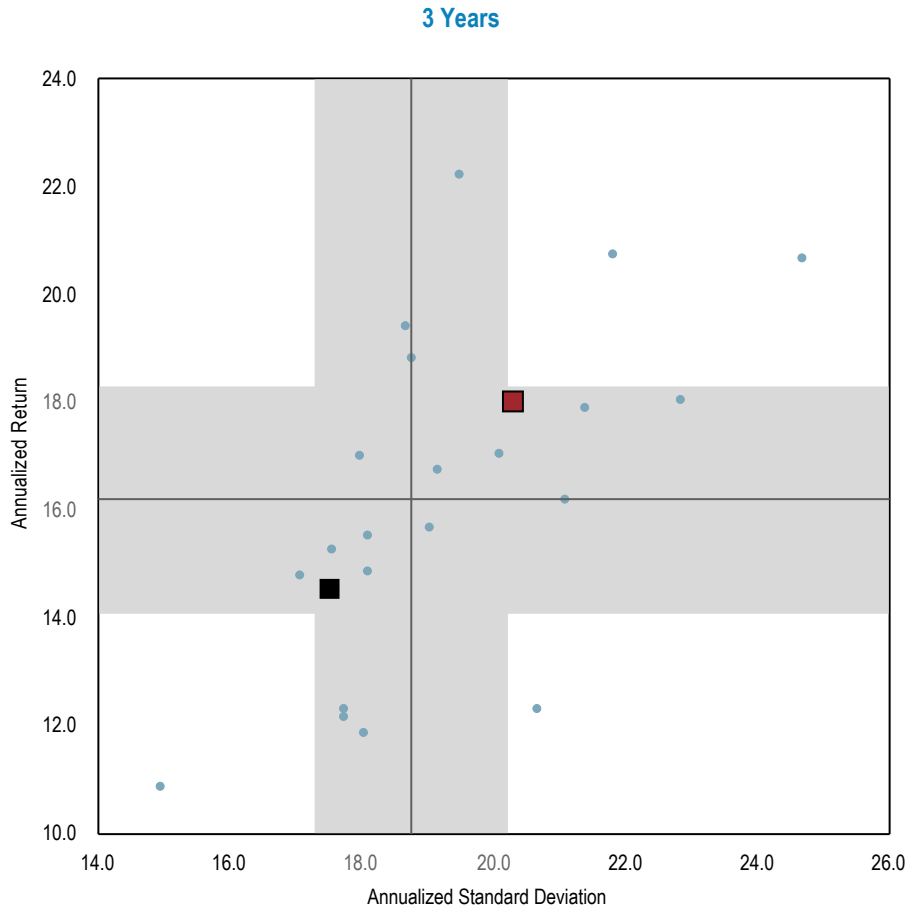


	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Dodge & Cox Intl Stock	6.31 (73)	0.16 (51)	18.03 (26)	3.56 (22)	7.38 (19)	5.69 (30)
▲ MSCI AC World ex USA Value	5.33 (95)	-3.32 (77)	14.54 (76)	1.90 (62)	5.65 (54)	3.67 (75)
5th Percentile	14.16	6.20	20.77	5.23	8.58	7.56
1st Quartile	9.80	3.44	18.06	3.02	7.08	5.94
Median	8.30	0.56	16.20	2.35	5.90	4.98
3rd Quartile	6.19	-2.97	14.83	1.26	4.78	3.66
95th Percentile	5.32	-6.35	11.89	0.79	4.19	3.04
Population	23	22	21	20	17	16

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



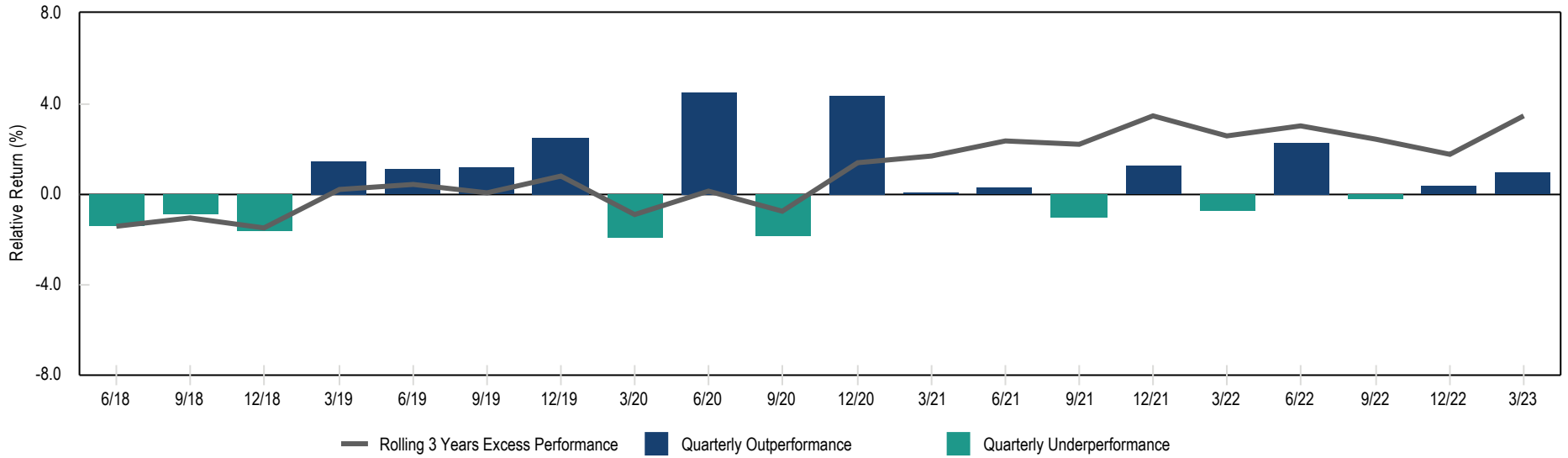
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● Dodge & Cox Intl Stock	-6.19 (13)	11.70 (38)	2.75 (45)	23.58 (28)	-17.46 (92)	24.74 (58)	8.96 (34)	-10.78 (88)	0.56 (17)	26.72 (16)
▲ MSCI AC World ex USA Value	-7.95 (28)	11.13 (43)	-0.21 (64)	16.45 (73)	-13.45 (29)	23.35 (82)	9.59 (33)	-9.59 (85)	-4.60 (41)	15.65 (85)
5th Percentile	-5.75	19.35	20.50	26.40	-10.67	34.66	13.24	2.89	4.28	34.24
1st Quartile	-7.83	14.21	10.48	24.23	-13.03	28.49	10.43	-2.98	-3.23	23.42
Median	-10.26	10.06	1.89	19.88	-14.67	25.43	5.22	-5.01	-5.89	19.84
3rd Quartile	-12.50	7.00	-1.18	15.48	-15.34	23.88	3.36	-7.84	-8.15	17.71
95th Percentile	-18.39	4.32	-3.59	13.81	-20.81	22.99	1.74	-11.90	-11.89	12.46
Population	22	24	25	25	23	21	20	20	21	21



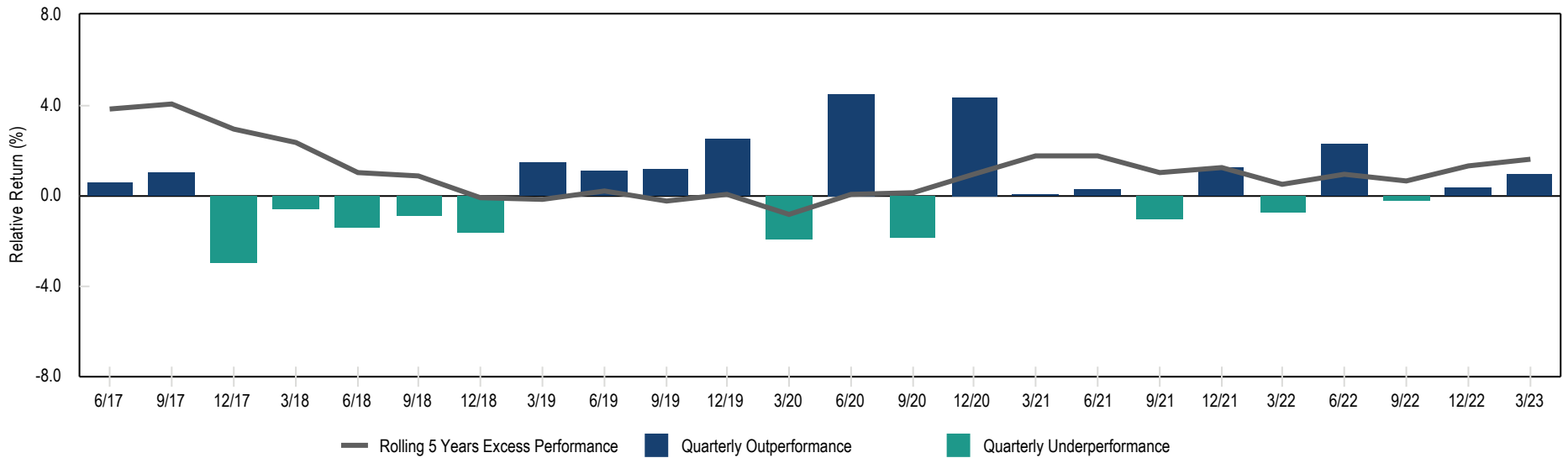
	3 Years		
	Return	Standard Deviation	Sharpe Ratio
■ Dodge & Cox Intl Stock	18.03	20.30	0.88
■ MSCI AC World ex USA Value	14.54	17.49	0.82

	5 Years		
	Return	Standard Deviation	Sharpe Ratio
■ Dodge & Cox Intl Stock	3.56	21.17	0.21
■ MSCI AC World ex USA Value	1.90	18.47	0.12

Rolling 3 Years Annualized Excess Performance



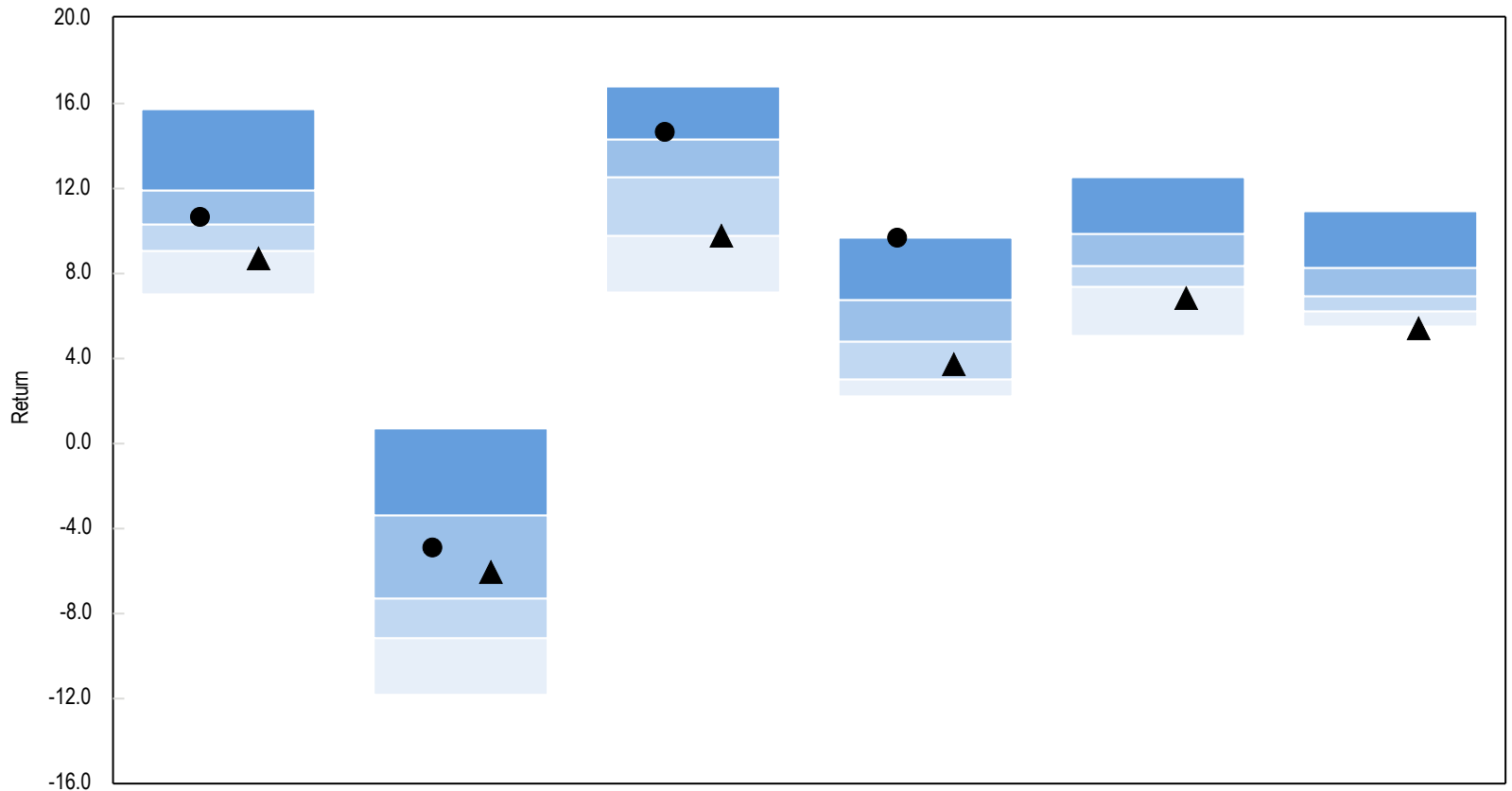
Rolling 5 Years Annualized Excess Performance



WCM International Growth
 Manager Performance Comparisons (Gross of Fees)

San Luis Obispo County Pension Trust
 Period Ending: March 31, 2023

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

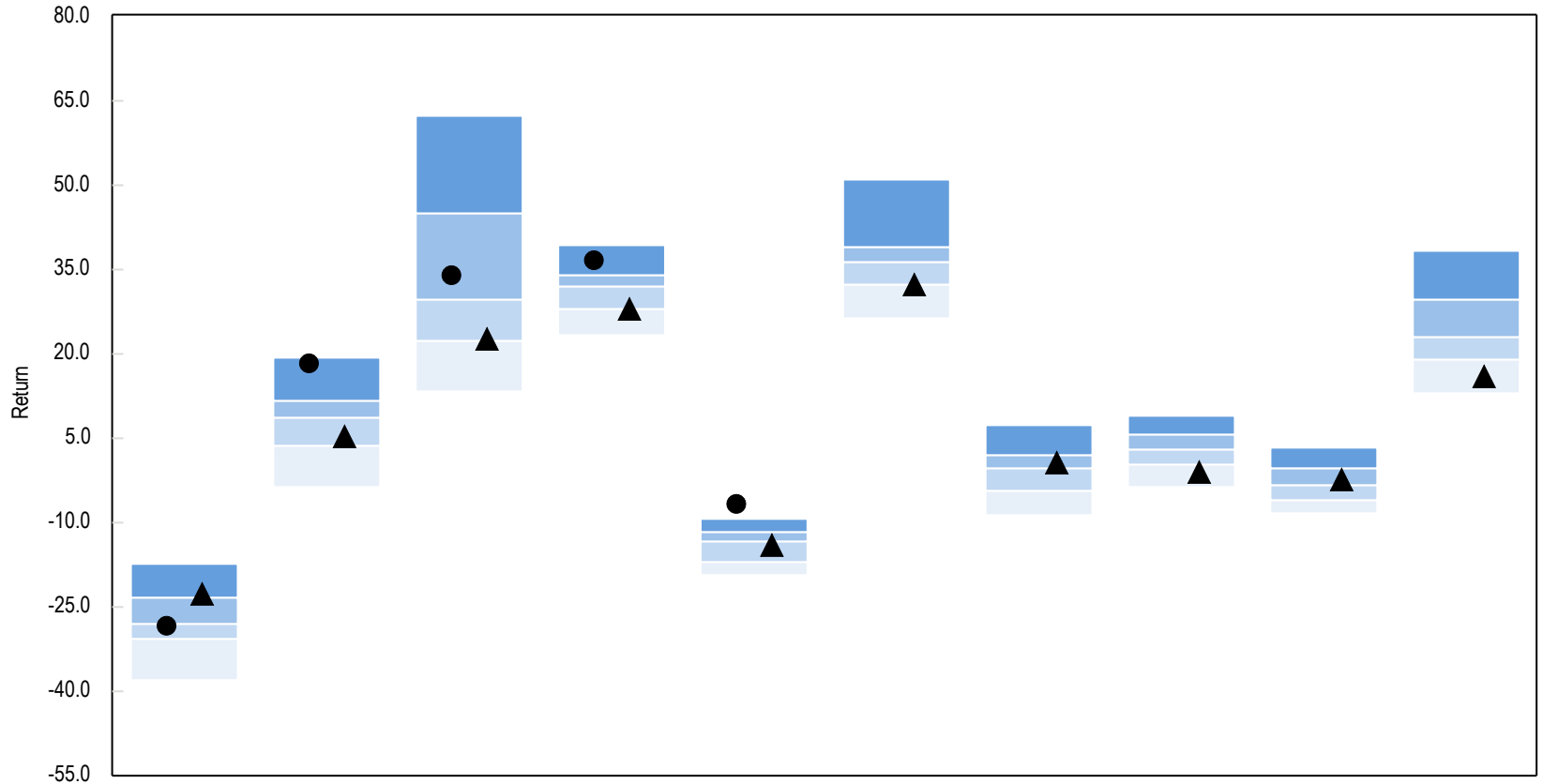


	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● WCM International Growth	10.63 (45)	-4.88 (36)	14.70 (14)	9.65 (6)	-	-
▲ MSCI AC World ex USA Growth	8.69 (86)	-6.03 (39)	9.81 (75)	3.71 (62)	6.83 (86)	5.45 (96)
5th Percentile	15.72	0.70	16.80	9.67	12.56	10.91
1st Quartile	11.88	-3.40	14.35	6.77	9.86	8.30
Median	10.32	-7.31	12.50	4.79	8.35	6.89
3rd Quartile	9.10	-9.20	9.77	3.03	7.34	6.25
95th Percentile	7.05	-11.81	7.12	2.25	5.08	5.52
Population	31	31	30	30	27	25

WCM International Growth
 Consecutive Performance Comparison (Gross of Fees)

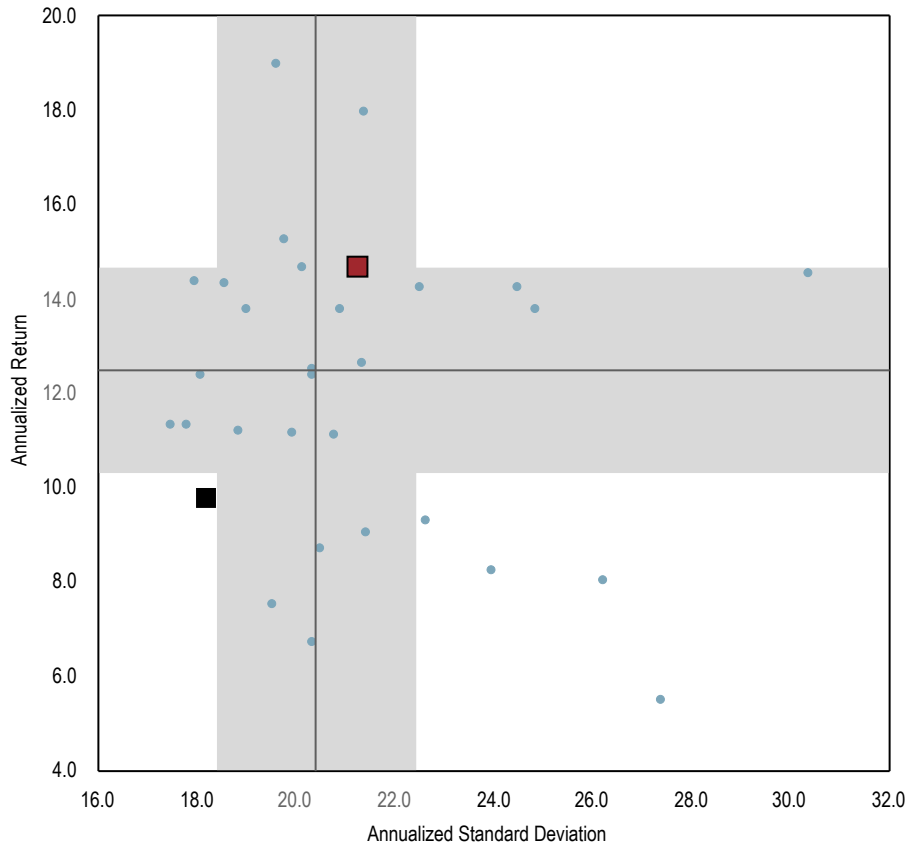
San Luis Obispo County Pension Trust
 Period Ending: March 31, 2023

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

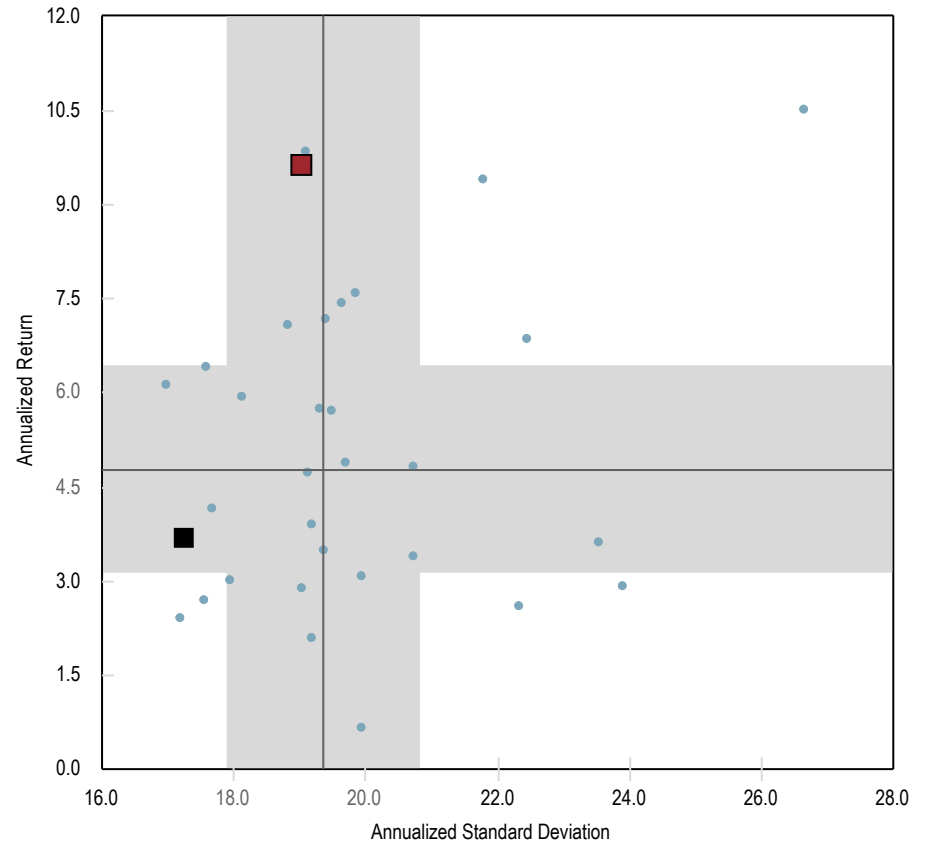


	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● WCM International Growth	-28.19 (57)	18.49 (7)	34.02 (38)	36.70 (14)	-6.70 (1)	-	-	-	-	-
▲ MSCI AC World ex USA Growth	-22.80 (23)	5.37 (70)	22.56 (74)	27.84 (76)	-14.10 (51)	32.47 (72)	0.50 (43)	-0.91 (84)	-2.29 (41)	15.86 (84)
5th Percentile	-17.48	19.24	62.37	39.44	-9.47	51.07	7.48	8.85	3.31	38.17
1st Quartile	-23.37	11.69	44.97	34.14	-11.81	39.15	2.06	5.67	-0.20	29.70
Median	-28.01	8.64	29.80	31.92	-13.46	36.23	-0.30	3.12	-3.41	23.06
3rd Quartile	-30.82	3.57	22.30	28.06	-16.88	32.32	-4.22	0.37	-6.01	19.03
95th Percentile	-38.00	-3.66	13.38	23.48	-19.45	26.48	-8.60	-3.63	-8.23	13.03
Population	31	33	33	35	33	31	31	32	32	32

3 Years



5 Years



3 Years

	Return	Standard Deviation	Sharpe Ratio
■ WCM International Growth	14.70	21.23	0.71
■ MSCI AC World ex USA Growth	9.81	18.17	0.56

5 Years

	Return	Standard Deviation	Sharpe Ratio
■ WCM International Growth	9.65	19.03	0.51
■ MSCI AC World ex USA Growth	3.71	17.25	0.22

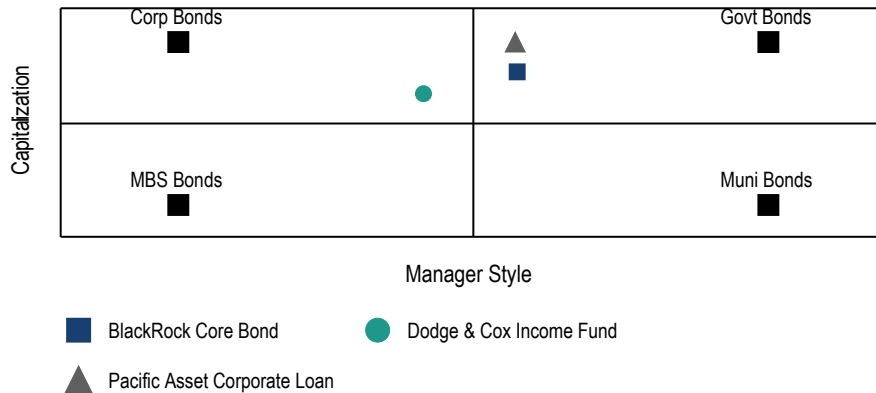
Domestic Fixed Income

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

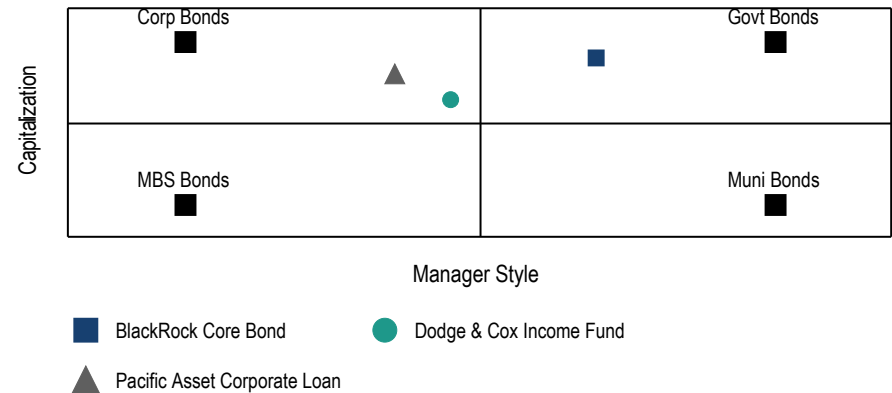
San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	Market Value	% of Portfolio	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018
Total Domestic Fixed Income	282,575,400	100.0	3.4	-2.9	1.4	2.4	2.3	-9.6	0.9	8.1	9.9	0.4
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	1.4	-13.0	-1.5	7.5	8.7	0.0
<i>InvMetrics Public DB US Fixed Income Rank</i>			27	13	17	18	42	16	15	69	23	34
BlackRock Core Bond	48,402,985	17.1	2.8	-6.5	-1.8	1.3	-	-14.1	-1.6	9.4	10.2	0.3
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	-	-13.0	-1.5	7.5	8.7	0.0
<i>eV US Core Fixed Inc Rank</i>			88	100	64	68	-	95	77	25	10	25
Dodge & Cox Income Fund	50,866,651	18.0	3.2	-2.6	0.5	2.4	-	-10.5	-0.5	9.9	10.2	0.1
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	-	-13.0	-1.5	7.5	8.7	0.0
<i>eV US Core Fixed Inc Rank</i>			34	8	2	2	-	10	20	14	11	41
Pacific Asset Corporate Loan	65,863,968	23.3	3.7	3.3	7.5	4.1	-	-0.2	5.6	3.0	9.1	1.0
<i>Morningstar LSTA US Leveraged Loan</i>			3.2	2.5	8.5	3.6	-	-0.8	5.2	3.1	8.6	0.4
<i>eV US Float-Rate Bank Loan Fixed Inc Rank</i>			12	23	67	16	-	26	42	47	42	37
SSGA U.S. Govt Bond Index	65,843,607	23.3	3.2	-4.4	-	-	-	-12.5	-	-	-	-
<i>Blmbg. U.S. Treasury: 7-10 Year</i>			3.5	-5.7	-	-	-	-14.9	-	-	-	-
<i>eV US Government Fixed Inc Rank</i>			19	51	-	-	-	81	-	-	-	-
BlackRock TIPS	51,598,190	18.3	3.5	-6.0	-	-	-	-11.9	-	-	-	-
<i>Blmbg. U.S. TIPS</i>			3.3	-6.1	-	-	-	-11.8	-	-	-	-
<i>eV US TIPS / Inflation Fixed Inc Rank</i>			21	67	-	-	-	81	-	-	-	-

Fixed Income Effective Style Map
3 Years Ending March 31, 2023



Fixed Income Effective Style Map
5 Years Ending March 31, 2023



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

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

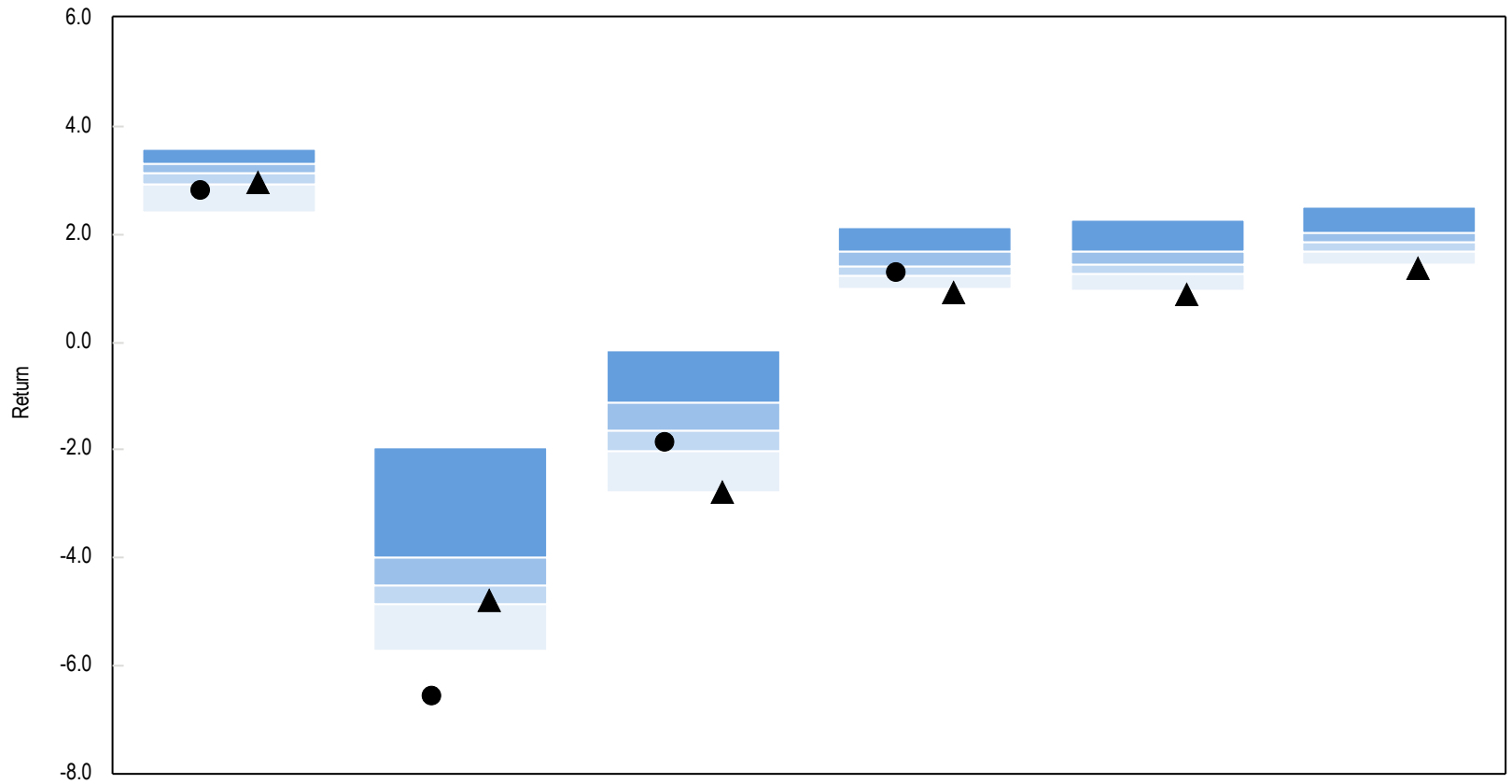
	Market Value	% of Portfolio	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018
Total Domestic Fixed Income	282,575,400	100.0	3.3	-3.2	1.1	2.1	2.0	-9.9	0.5	7.7	9.5	0.0
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	1.4	-13.0	-1.5	7.5	8.7	0.0
BlackRock Core Bond	48,402,985	17.1	2.7	-6.8	-2.1	1.0	-	-14.4	-1.8	9.1	9.9	0.1
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	1.4	-13.0	-1.5	7.5	8.7	0.0
Dodge & Cox Income Fund	50,866,651	18.0	3.1	-3.1	0.1	1.9	-	-10.9	-0.9	9.4	9.7	-0.3
<i>Blmbg. U.S. Aggregate Index</i>			3.0	-4.8	-2.8	0.9	1.4	-13.0	-1.5	7.5	8.7	0.0
Pacific Asset Corporate Loan	65,863,968	23.3	3.6	2.9	7.1	3.8	-	-0.5	5.2	2.6	8.7	0.7
<i>Morningstar LSTA US Leveraged Loan</i>			3.2	2.5	8.5	3.6	3.8	-0.8	5.2	3.1	8.6	0.4
SSGA U.S. Govt Bond Index	65,843,607	23.3	3.2	-4.5	-	-	-	-12.5	-	-	-	-
<i>Blmbg. U.S. Treasury: 7-10 Year</i>			3.5	-5.7	-5.2	0.9	1.0	-14.9	-3.1	10.0	8.5	0.9
BlackRock TIPS	51,598,190	18.3	3.5	-6.0	-	-	-	-11.9	-	-	-	-
<i>Blmbg. U.S. TIPS</i>			3.3	-6.1	1.8	2.9	1.5	-11.8	6.0	11.0	8.4	-1.3

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	1.00	1.00			
Dodge & Cox Income Fund	0.98	0.99	1.00		
Pacific Asset Corporate Loan	0.89	0.89	0.81	1.00	
Blmbg. U.S. Aggregate Index	0.97	0.97	0.99	0.76	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

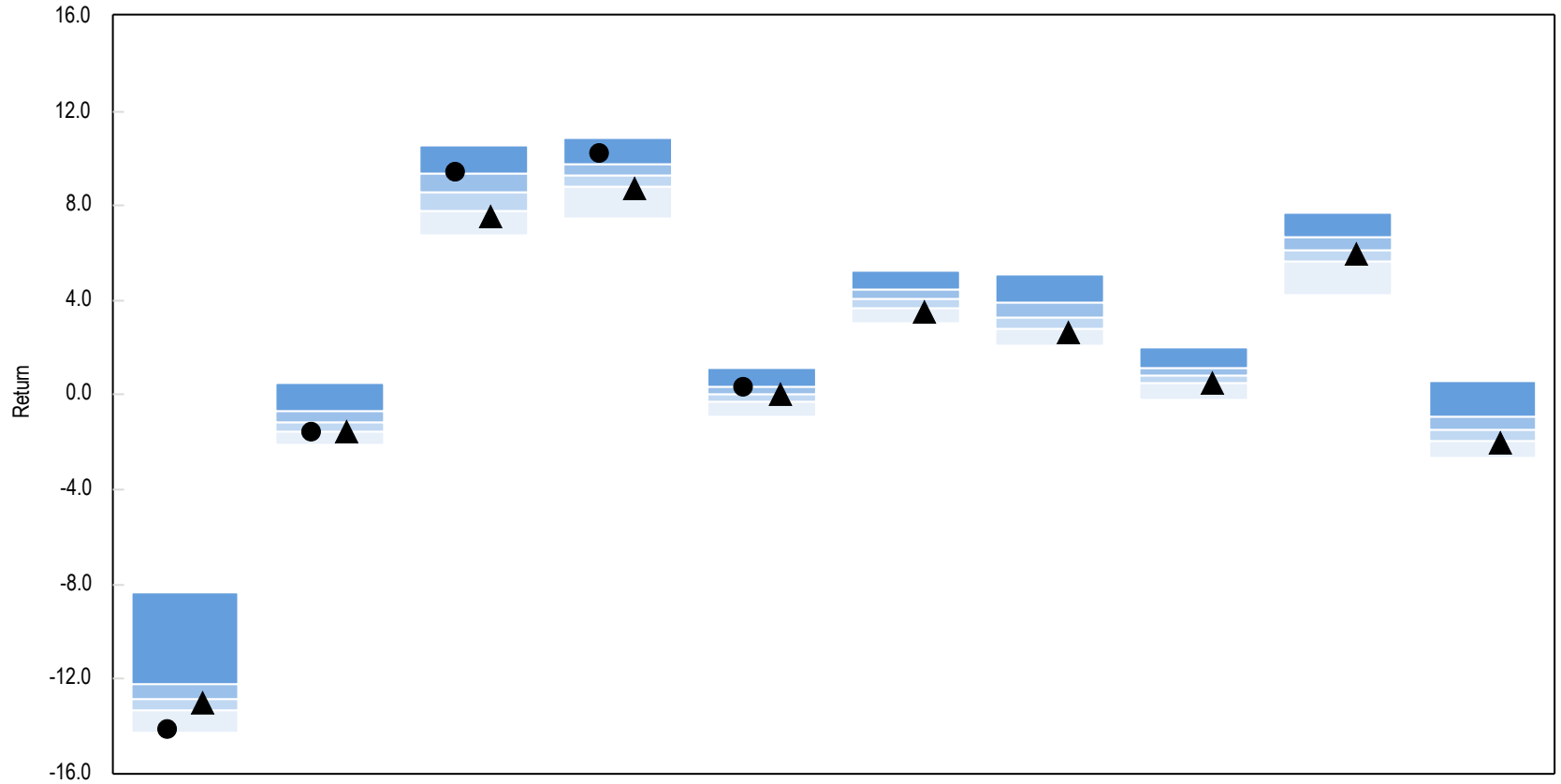


	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● BlackRock Core Bond	2.81 (88)	-6.54 (100)	-1.84 (64)	1.31 (68)	-	-
▲ Blmbg. U.S. Aggregate Index	2.96 (71)	-4.78 (70)	-2.77 (95)	0.90 (97)	0.88 (97)	1.36 (96)
5th Percentile	3.59	-1.94	-0.15	2.12	2.26	2.50
1st Quartile	3.30	-4.00	-1.12	1.67	1.68	2.03
Median	3.12	-4.52	-1.64	1.41	1.45	1.85
3rd Quartile	2.92	-4.87	-2.03	1.24	1.27	1.67
95th Percentile	2.41	-5.70	-2.78	0.99	0.95	1.43
Population	221	221	210	204	200	193

BlackRock Core Bond
 Consecutive Performance Comparison (Gross of Fees)

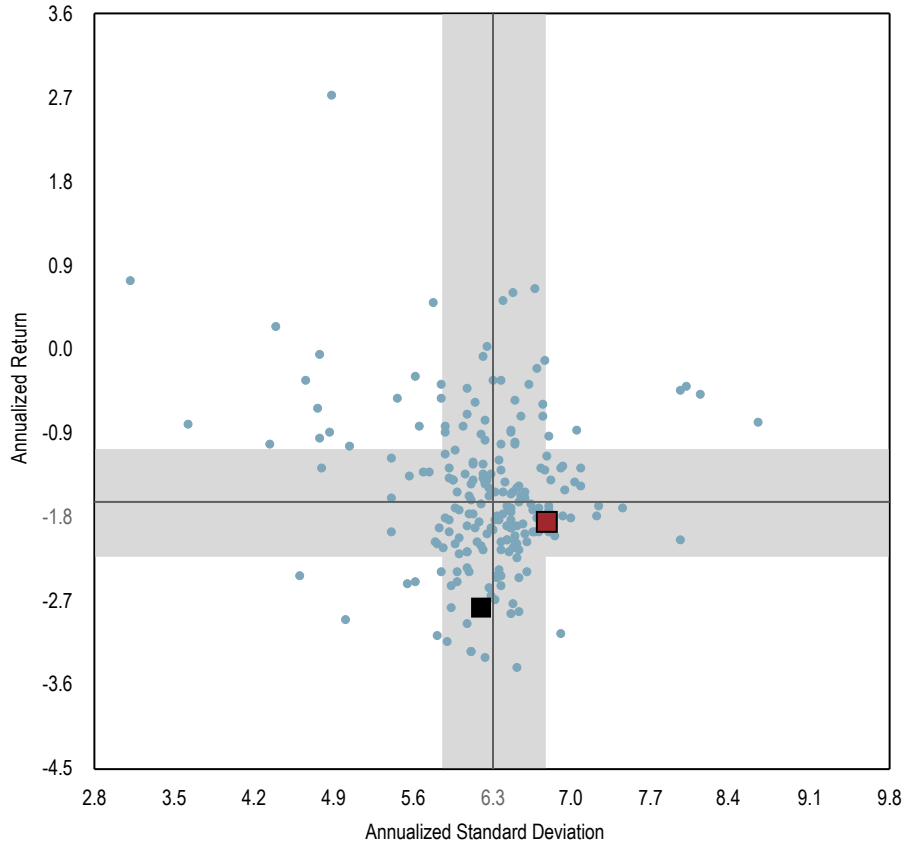
San Luis Obispo County Pension Trust
 Period Ending: March 31, 2023

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

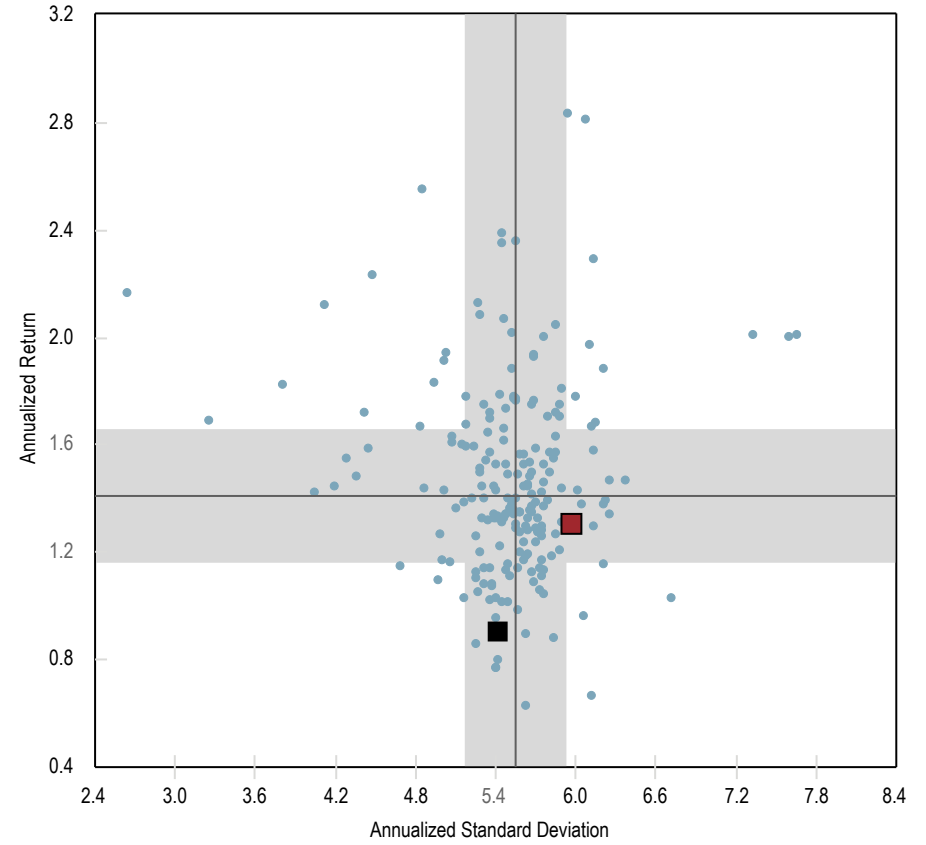


	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● BlackRock Core Bond	-14.11 (95)	-1.56 (77)	9.42 (25)	10.24 (10)	0.35 (25)	-	-	-	-	-
▲ Blmbg. U.S. Aggregate Index	-13.01 (62)	-1.55 (76)	7.51 (85)	8.72 (79)	0.01 (53)	3.54 (85)	2.65 (81)	0.55 (73)	5.97 (62)	-2.02 (79)
5th Percentile	-8.33	0.50	10.57	10.86	1.12	5.25	5.09	2.03	7.71	0.56
1st Quartile	-12.22	-0.64	9.40	9.76	0.33	4.48	3.92	1.17	6.68	-0.91
Median	-12.83	-1.15	8.58	9.31	0.03	4.07	3.27	0.84	6.16	-1.47
3rd Quartile	-13.27	-1.53	7.80	8.85	-0.28	3.71	2.77	0.52	5.67	-1.92
95th Percentile	-14.25	-2.11	6.76	7.45	-0.87	3.08	2.11	-0.17	4.23	-2.68
Population	240	251	255	261	268	279	281	286	296	310

3 Years



5 Years



3 Years

	Return	Standard Deviation	Sharpe Ratio
BlackRock Core Bond	-1.84	6.77	-0.37
Bimbg. U.S. Aggregate Index	-2.77	6.20	-0.57

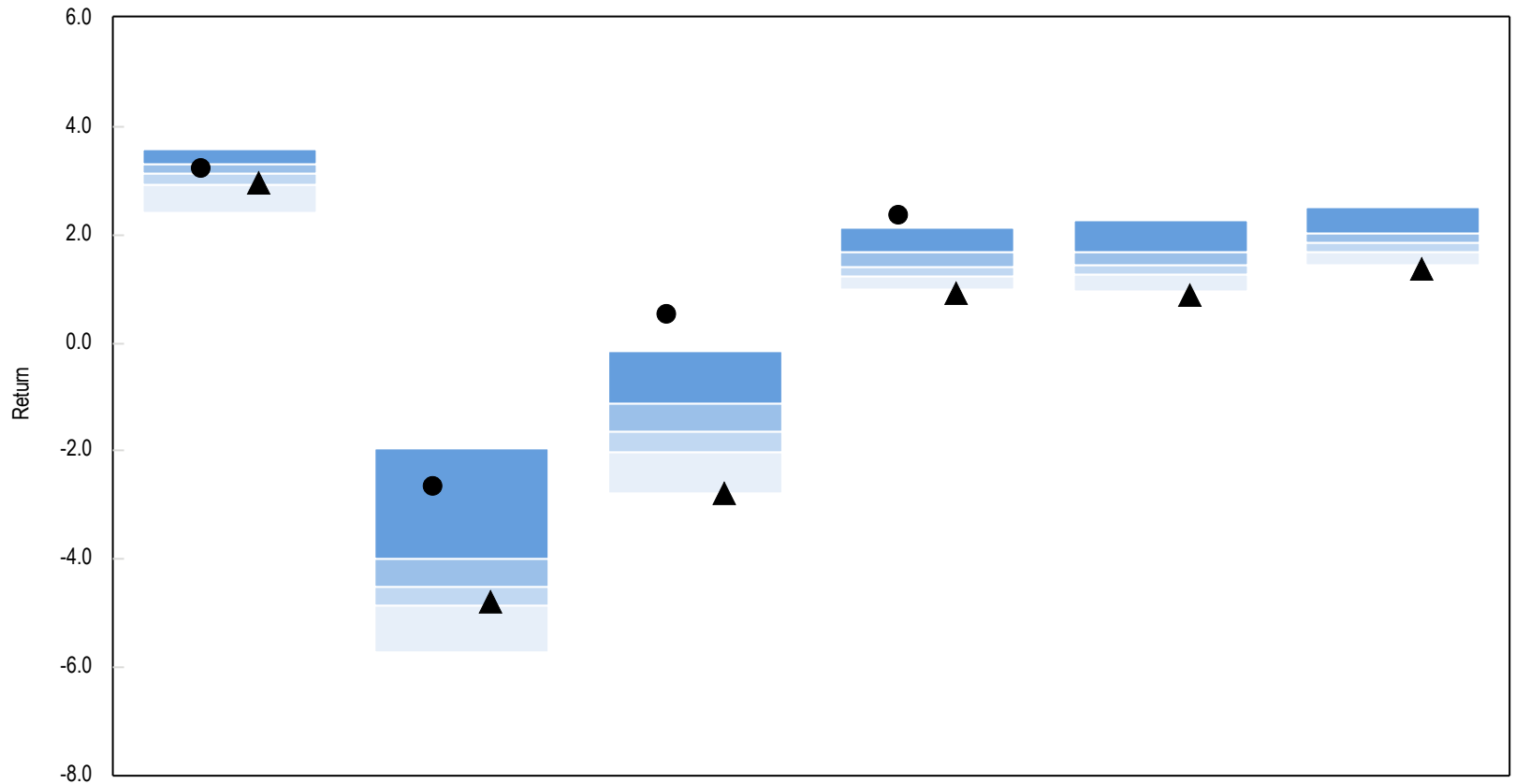
5 Years

	Return	Standard Deviation	Sharpe Ratio
BlackRock Core Bond	1.31	5.97	0.01
Bimbg. U.S. Aggregate Index	0.90	5.42	-0.07

Dodge & Cox Income Fund
 Manager Performance Comparisons (Gross of Fees)

San Luis Obispo County Pension Trust
 Period Ending: March 31, 2023

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

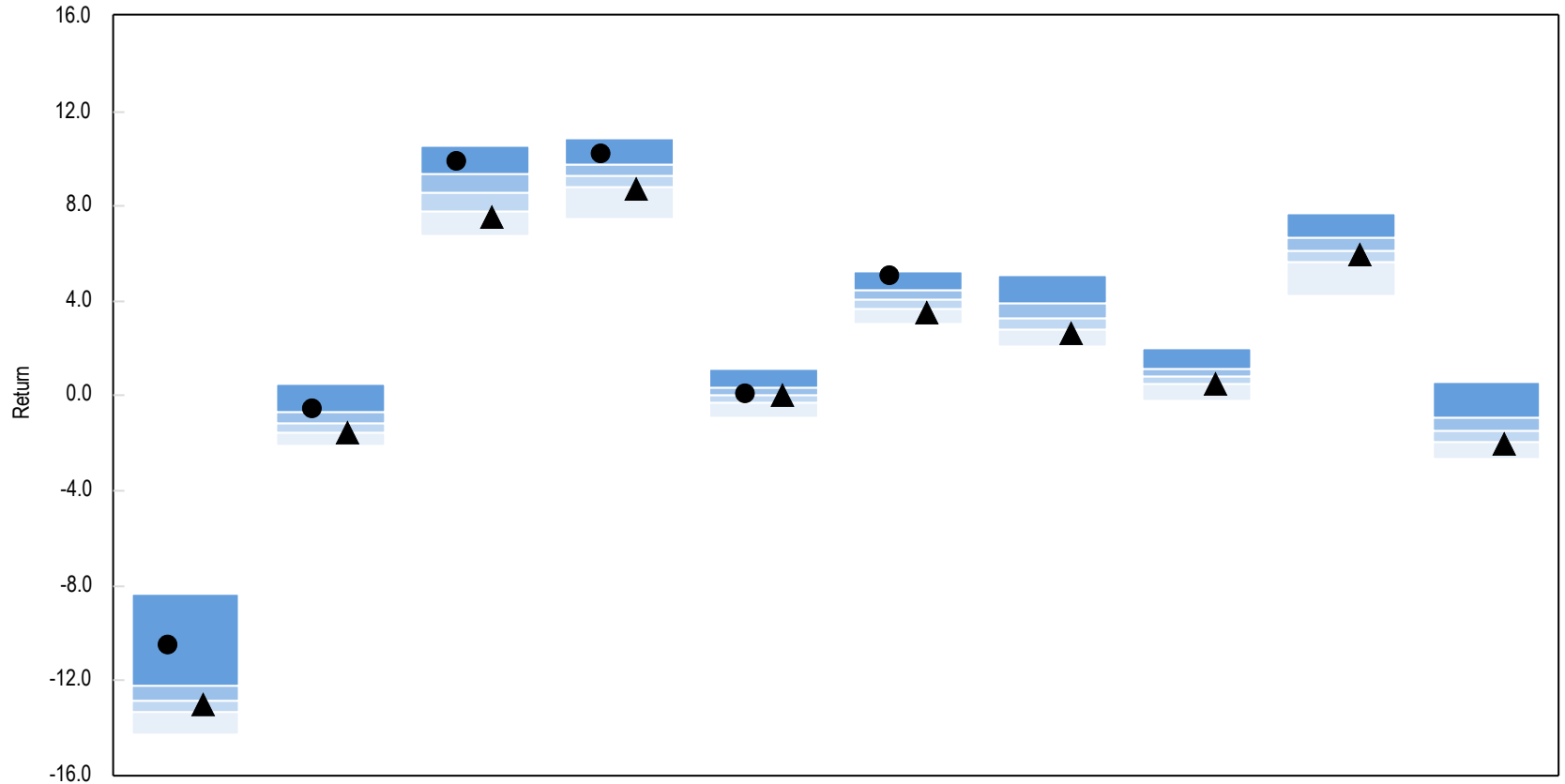


	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Dodge & Cox Income Fund	3.23 (34)	-2.64 (8)	0.55 (2)	2.36 (2)	-	-
▲ Blmbg. U.S. Aggregate Index	2.96 (71)	-4.78 (70)	-2.77 (95)	0.90 (97)	0.88 (97)	1.36 (96)
5th Percentile	3.59	-1.94	-0.15	2.12	2.26	2.50
1st Quartile	3.30	-4.00	-1.12	1.67	1.68	2.03
Median	3.12	-4.52	-1.64	1.41	1.45	1.85
3rd Quartile	2.92	-4.87	-2.03	1.24	1.27	1.67
95th Percentile	2.41	-5.70	-2.78	0.99	0.95	1.43
Population	221	221	210	204	200	193

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

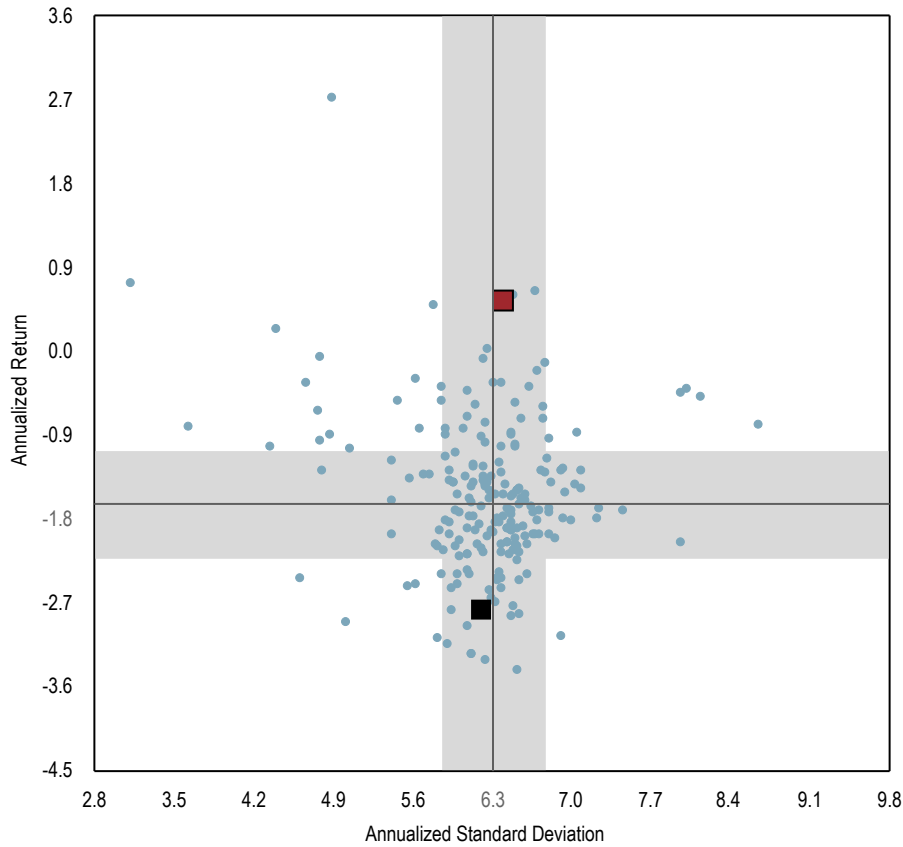
San Luis Obispo County Pension Trust
 Period Ending: March 31, 2023

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

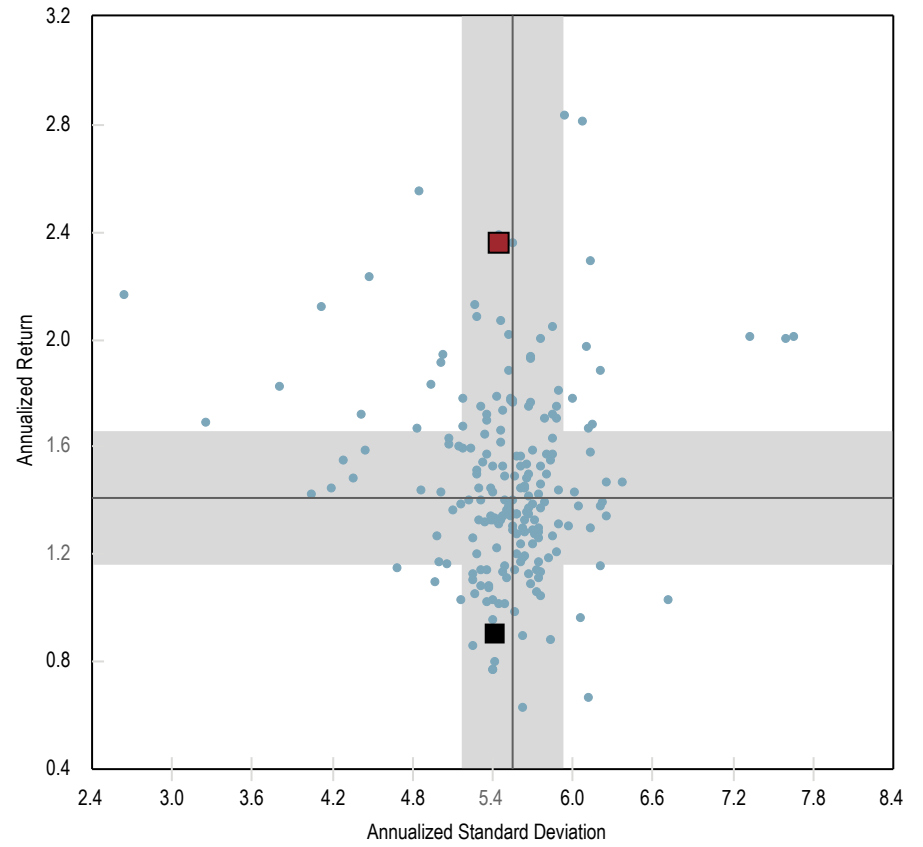


	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● Dodge & Cox Income Fund	-10.50 (10)	-0.49 (20)	9.91 (14)	10.20 (11)	0.12 (41)	5.12 (7)	-	-	-	-
▲ Blmbg. U.S. Aggregate Index	-13.01 (62)	-1.55 (76)	7.51 (85)	8.72 (79)	0.01 (53)	3.54 (85)	2.65 (81)	0.55 (73)	5.97 (62)	-2.02 (79)
5th Percentile	-8.33	0.50	10.57	10.86	1.12	5.25	5.09	2.03	7.71	0.56
1st Quartile	-12.22	-0.64	9.40	9.76	0.33	4.48	3.92	1.17	6.68	-0.91
Median	-12.83	-1.15	8.58	9.31	0.03	4.07	3.27	0.84	6.16	-1.47
3rd Quartile	-13.27	-1.53	7.80	8.85	-0.28	3.71	2.77	0.52	5.67	-1.92
95th Percentile	-14.25	-2.11	6.76	7.45	-0.87	3.08	2.11	-0.17	4.23	-2.68
Population	240	251	255	261	268	279	281	286	296	310

3 Years



5 Years



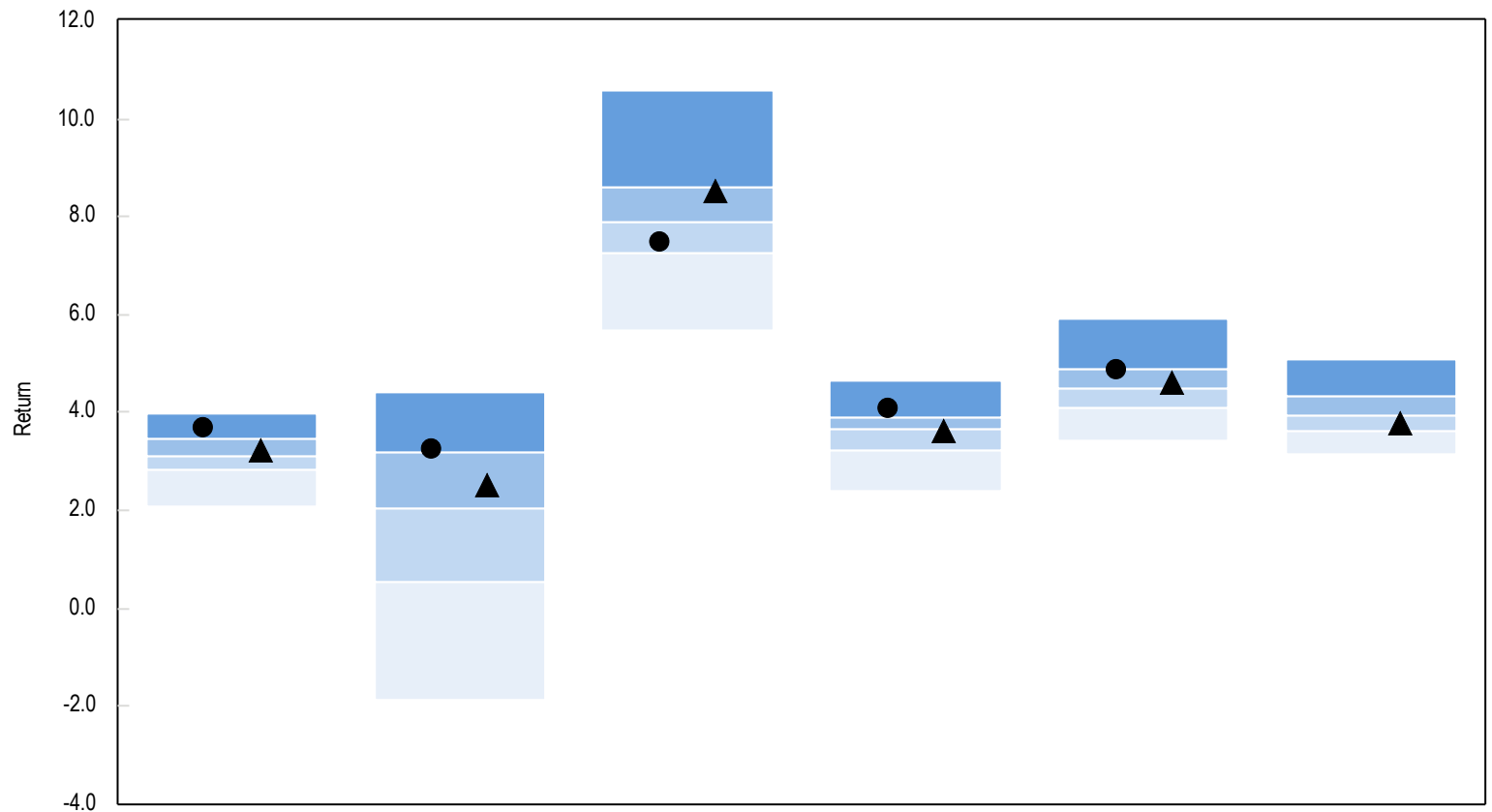
3 Years

	Return	Standard Deviation	Sharpe Ratio
■ Dodge & Cox Income Fund	0.55	6.40	-0.02
■ Bimbg. U.S. Aggregate Index	-2.77	6.20	-0.57

5 Years

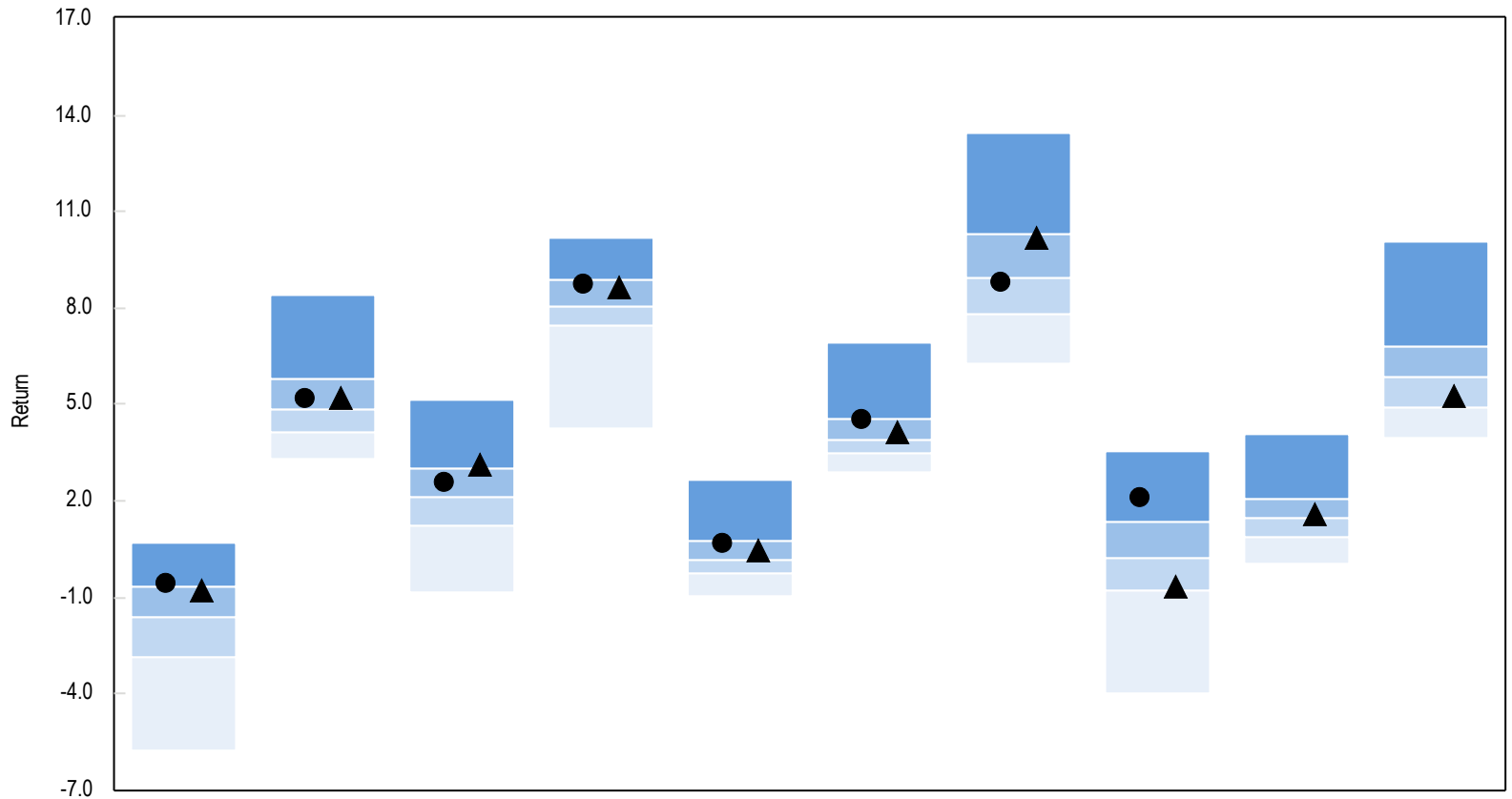
	Return	Standard Deviation	Sharpe Ratio
■ Dodge & Cox Income Fund	2.36	5.44	0.20
■ Bimbg. U.S. Aggregate Index	0.90	5.42	-0.07

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



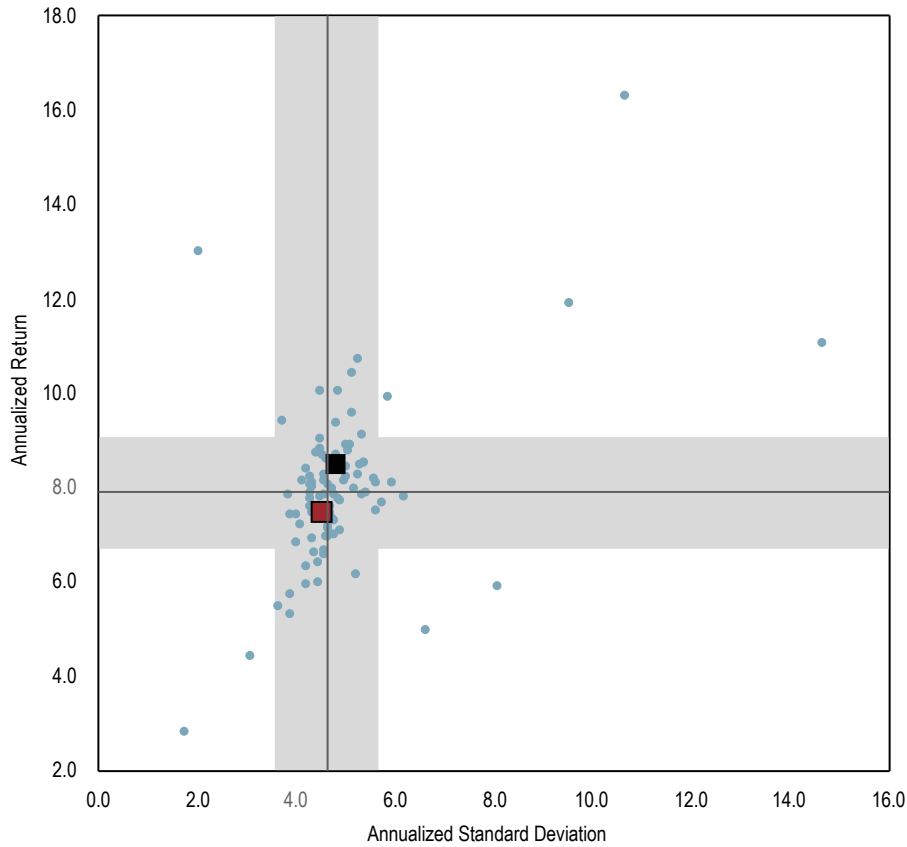
	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Pacific Asset Corporate Loan	3.72 (12)	3.25 (23)	7.50 (67)	4.12 (16)	4.88 (27)	-
▲ Morningstar LSTA US Leveraged Loan	3.23 (43)	2.54 (39)	8.52 (29)	3.63 (52)	4.60 (38)	3.76 (67)
5th Percentile	3.98	4.40	10.58	4.65	5.90	5.08
1st Quartile	3.46	3.20	8.60	3.90	4.89	4.35
Median	3.12	2.06	7.91	3.67	4.49	3.94
3rd Quartile	2.82	0.54	7.24	3.23	4.11	3.64
95th Percentile	2.08	-1.88	5.68	2.39	3.43	3.14
Population	95	95	93	91	85	75

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

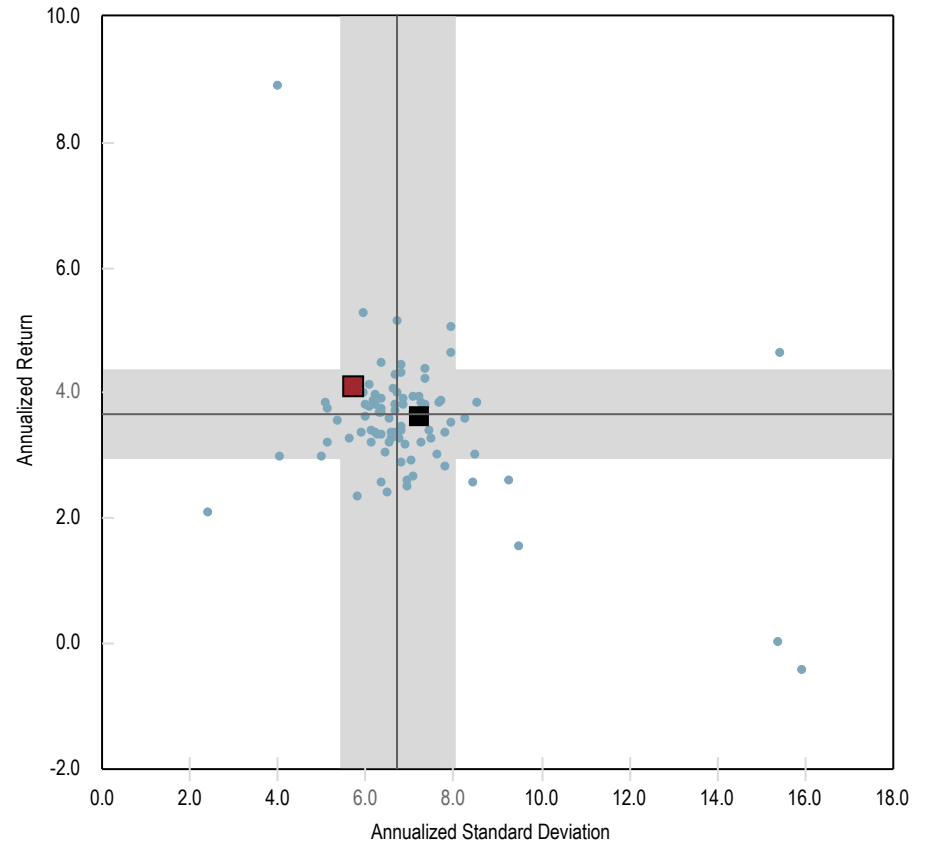


	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● Pacific Asset Corporate Loan	-0.53 (22)	5.19 (38)	2.61 (36)	8.75 (29)	0.69 (27)	4.56 (26)	8.83 (52)	2.11 (11)	-	-
▲ Morningstar LSTA US Leveraged Loan	-0.77 (29)	5.21 (38)	3.12 (23)	8.64 (34)	0.44 (40)	4.12 (44)	10.16 (28)	-0.69 (72)	1.60 (46)	5.29 (67)
5th Percentile	0.70	8.43	5.14	10.16	2.66	6.93	13.46	3.52	4.06	10.04
1st Quartile	-0.65	5.82	3.01	8.91	0.75	4.56	10.29	1.36	2.07	6.84
Median	-1.63	4.83	2.11	8.07	0.20	3.89	8.93	0.25	1.47	5.84
3rd Quartile	-2.84	4.16	1.25	7.46	-0.26	3.49	7.82	-0.80	0.86	4.92
95th Percentile	-5.75	3.29	-0.83	4.26	-0.95	2.91	6.27	-3.97	0.02	3.99
Population	90	95	103	105	110	108	111	108	107	92

3 Years



5 Years



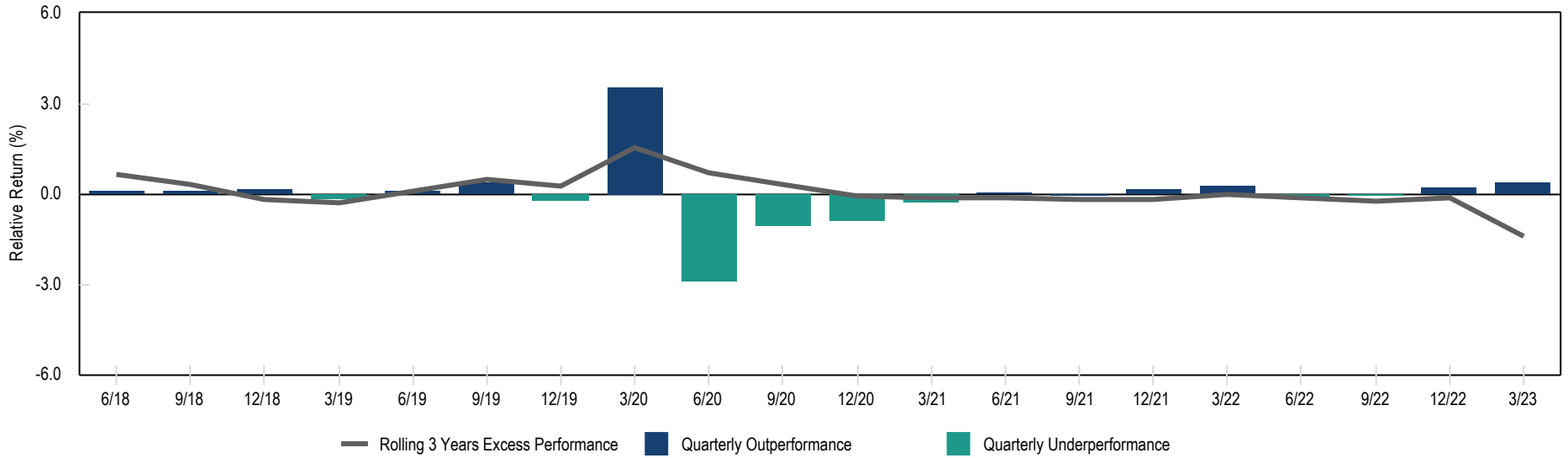
3 Years

	Return	Standard Deviation	Sharpe Ratio
■ Pacific Asset Corporate Loan	7.50	4.50	1.43
■ Morningstar LSTA US Leveraged Loan	8.52	4.81	1.53

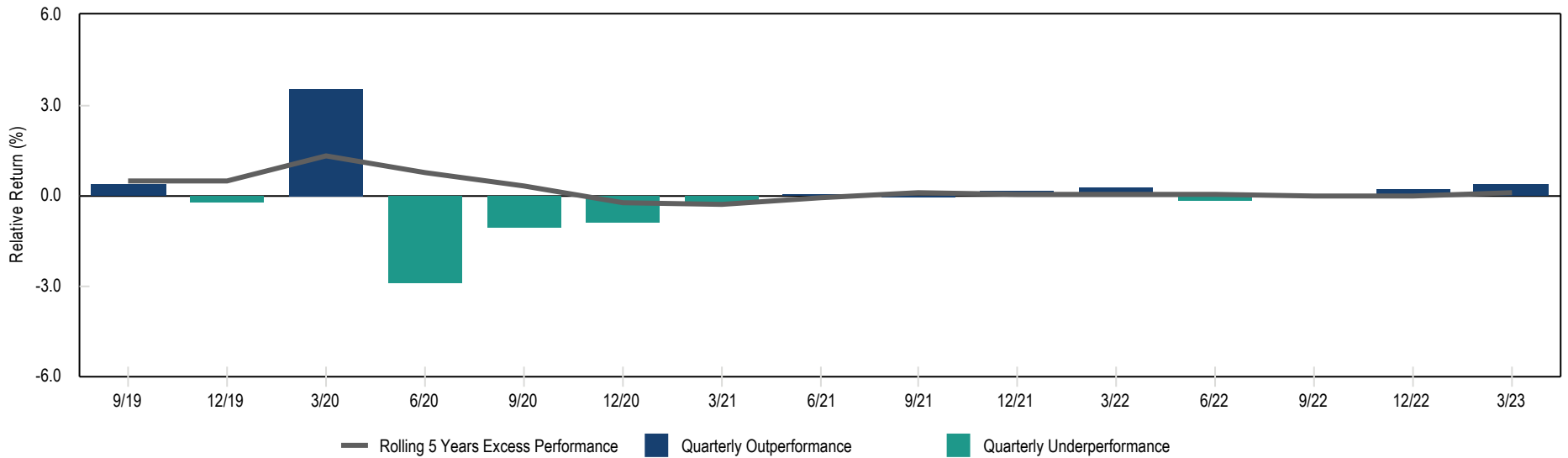
5 Years

	Return	Standard Deviation	Sharpe Ratio
■ Pacific Asset Corporate Loan	4.12	5.71	0.48
■ Morningstar LSTA US Leveraged Loan	3.63	7.21	0.33

Rolling 3 Years Annualized Excess Performance



Rolling 5 Years Annualized Excess Performance



Global Fixed Income

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

San Luis Obispo County Pension Trust
Period Ending: March 31, 2023

	Market Value	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018
Total Global Fixed	87,358,121	2.8	-9.2	0.1	-3.9	-1.3	-16.8	-7.0	6.7	7.4	-4.3
<i>FTSE World Government Bond Index</i>		3.5	-9.6	-5.3	-2.4	-0.6	-18.3	-7.0	10.1	5.9	-0.8
Brandywine Global Fixed Income	37,872,424	3.5	-9.0	-	-	-	-13.5	-4.0	-	-	-
<i>FTSE Non-U.S. World Government Bond</i>		3.7	-13.0	-6.2	-4.3	-	-22.1	-9.7	10.8	5.3	-1.8
<i>eV All Global Fixed Inc Rank</i>		27	79	-	-	-	55	70	-	-	-
Ashmore EM Blended Debt Fund	49,485,697	2.2	-9.5	-0.9	-	-	-19.9	-9.5	3.2	-	-
<i>50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMH+</i>		3.0	-3.3	0.5	-	-	-13.6	-3.9	3.9	-	-
<i>eV All Emg Mkts Fixed Inc Rank</i>		52	96	95	-	-	95	94	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: March 31, 2023

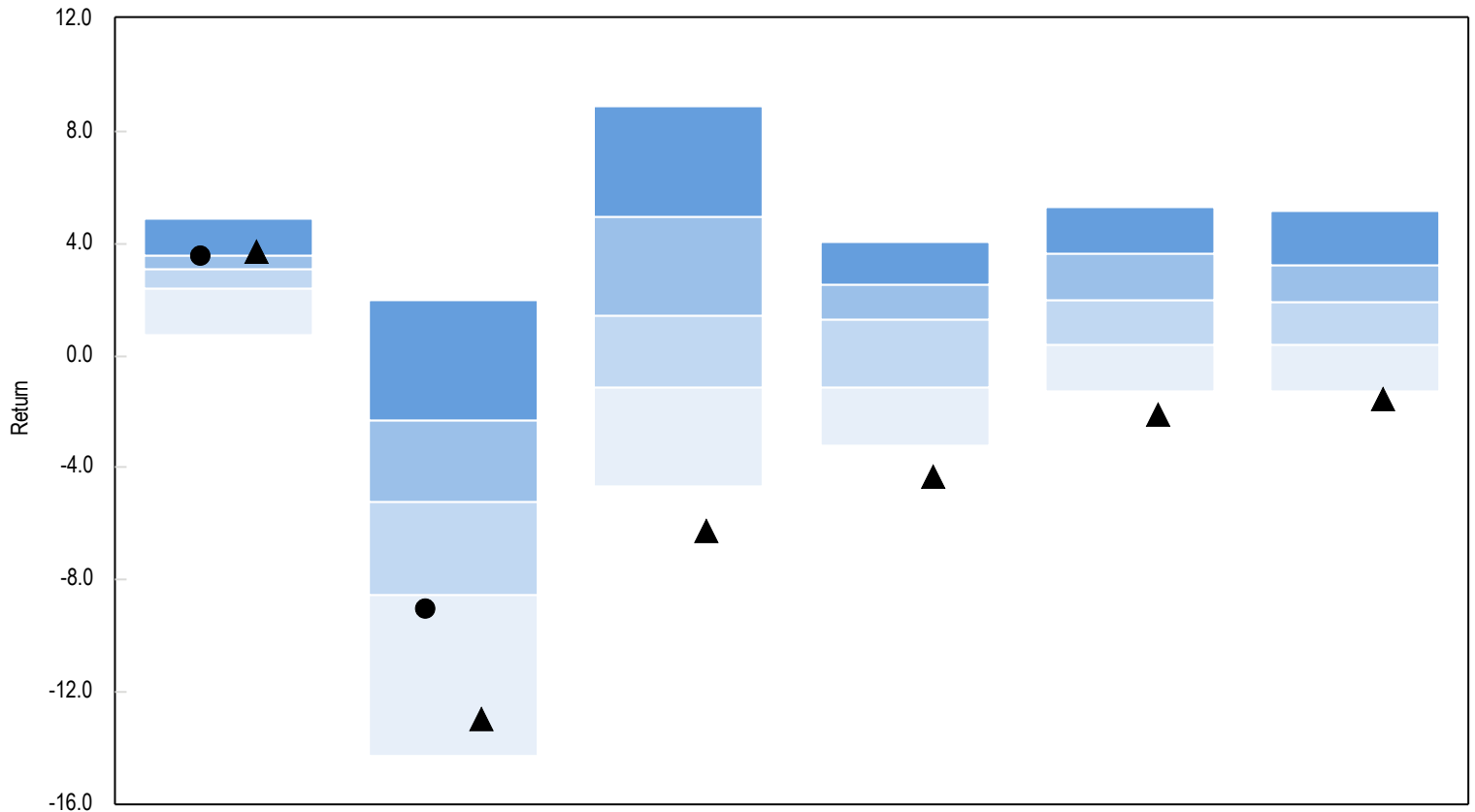
	Market Value	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018
Total Global Fixed	87,358,121	2.6	-10.0	-0.7	-4.5	-1.9	-17.5	-7.7	6.0	6.9	-4.7
<i>FTSE World Government Bond Index</i>		3.5	-9.6	-5.3	-2.4	-0.6	-18.3	-7.0	10.1	5.9	-0.8
Brandywine Global Fixed Income	37,872,424	3.4	-9.5	-	-	-	-14.0	-4.4	-	-	-
<i>FTSE Non-U.S. World Government Bond</i>		3.7	-13.0	-6.2	-4.3	-	-22.1	-9.7	10.8	5.3	-1.8
Ashmore EM Blended Debt Fund	49,485,697	2.0	-10.4	-1.9	-	-	-20.7	-10.4	2.1	-	-
<i>50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELM+</i>		3.0	-3.3	0.5	-	-	-13.6	-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	0.97	1.00		
Ashmore EM Blended Debt Fund	0.98	0.91	1.00	
FTSE World Government Bond Index	0.92	0.98	0.83	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

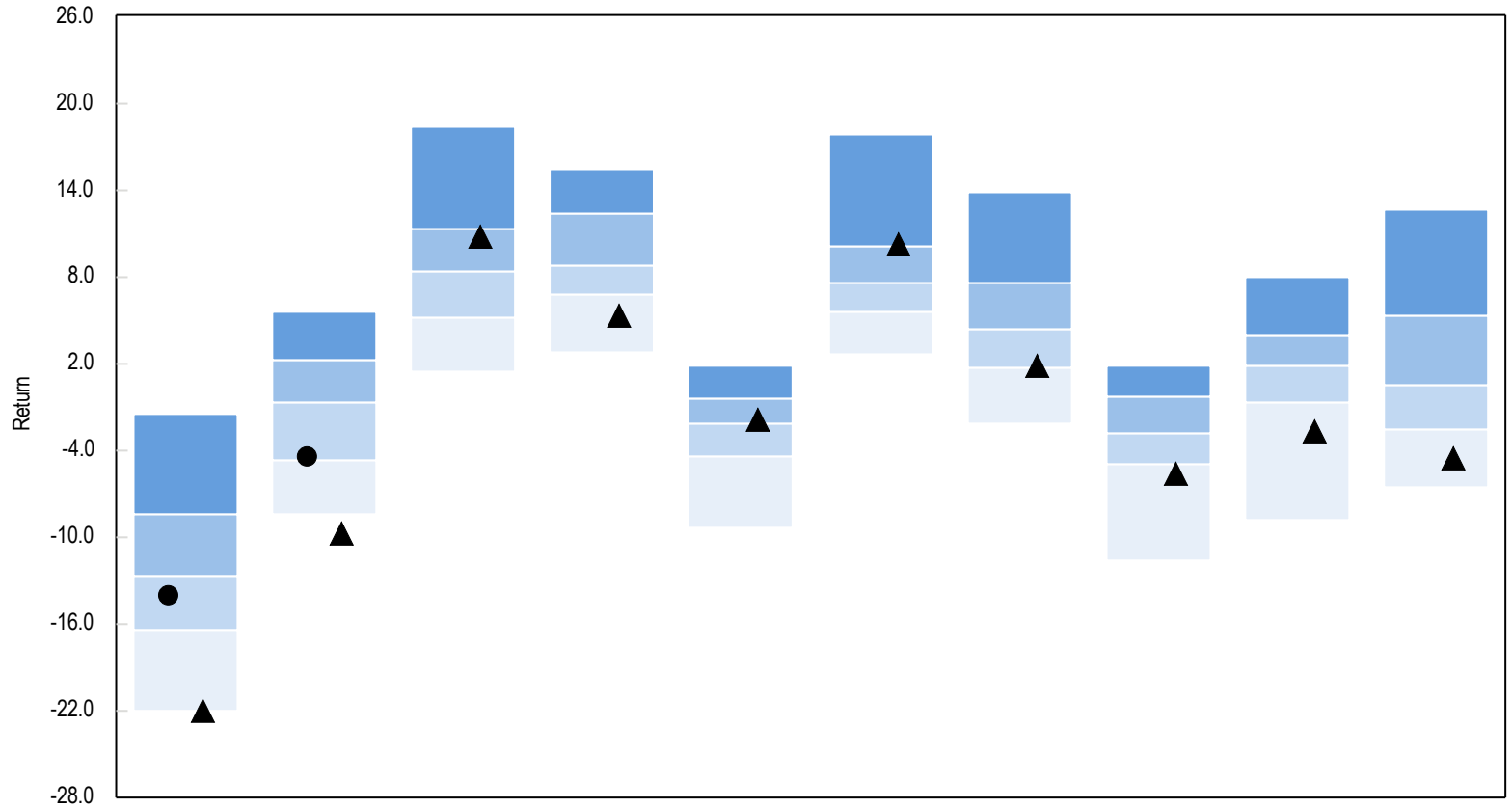


	3 Mo	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Brandywine Global Fixed Income	3.53 (27)	-9.02 (79)	-	-	-	-
▲ FTSE Non-U.S. World Government Bond	3.72 (20)	-12.96 (93)	-6.24 (99)	-4.34 (99)	-2.11 (99)	-1.53 (97)
5th Percentile	4.86	1.99	8.87	4.08	5.32	5.14
1st Quartile	3.58	-2.31	4.91	2.53	3.62	3.21
Median	3.09	-5.23	1.43	1.27	2.00	1.88
3rd Quartile	2.37	-8.53	-1.13	-1.14	0.36	0.37
95th Percentile	0.70	-14.25	-4.64	-3.24	-1.26	-1.28
Population	750	750	716	654	584	452

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

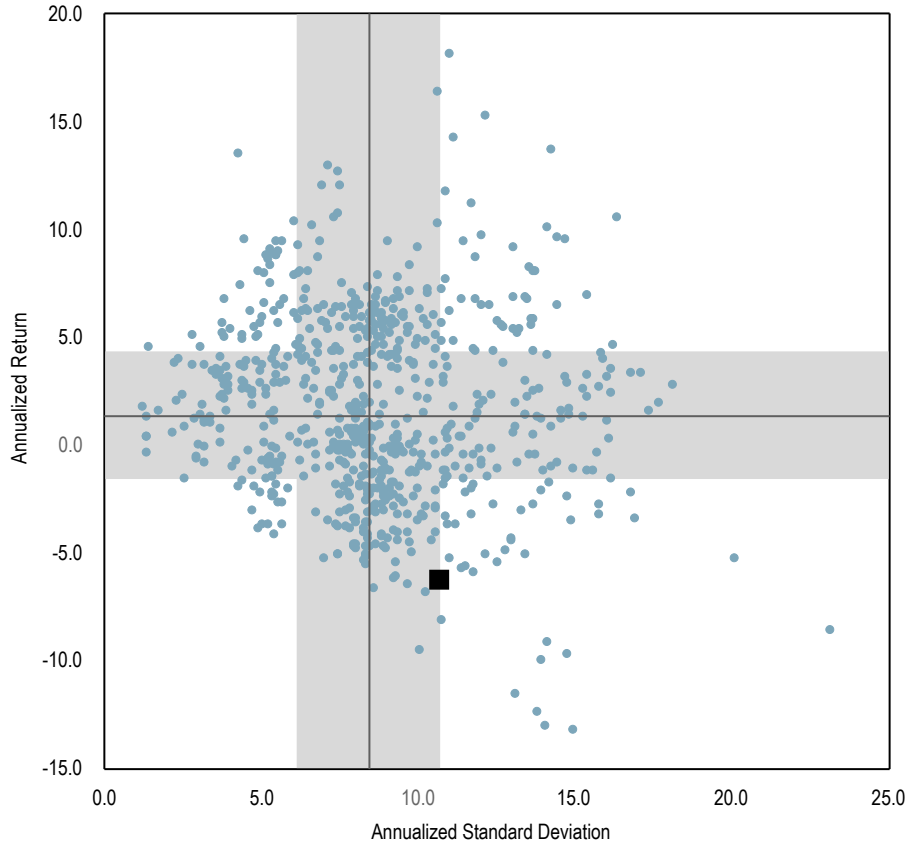
San Luis Obispo County Pension Trust
 Period Ending: March 31, 2023

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

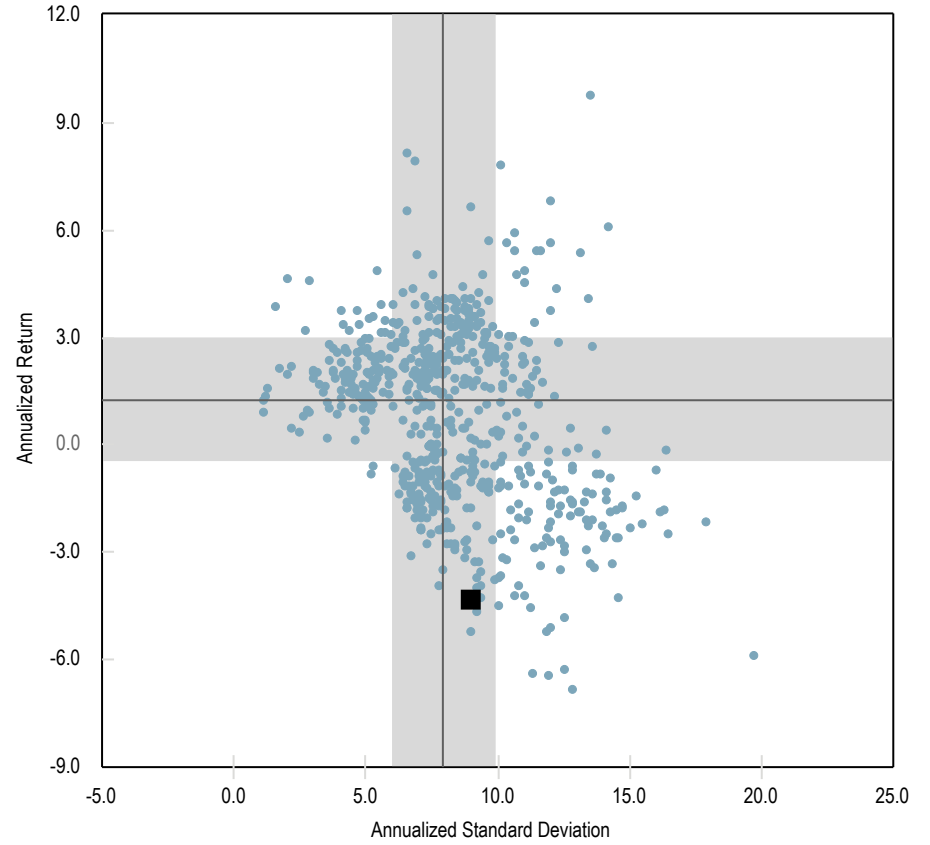


	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● Brandywine Global Fixed Income	-14.00 (58)	-4.38 (72)	-	-	-	-	-	-	-	-
▲ FTSE Non-U.S. World Government Bond	-22.07 (96)	-9.68 (98)	10.78 (30)	5.32 (86)	-1.82 (45)	10.33 (25)	1.81 (75)	-5.54 (79)	-2.68 (83)	-4.56 (89)
5th Percentile	-1.48	5.65	18.43	15.41	1.90	17.83	13.86	1.85	8.06	12.61
1st Quartile	-8.37	2.21	11.28	12.34	-0.39	10.18	7.63	-0.26	3.98	5.32
Median	-12.68	-0.68	8.43	8.85	-2.18	7.60	4.40	-2.76	1.85	0.52
3rd Quartile	-16.45	-4.73	5.24	6.84	-4.38	5.54	1.79	-4.97	-0.61	-2.52
95th Percentile	-22.05	-8.45	1.51	2.75	-9.27	2.72	-2.07	-11.56	-8.81	-6.47
Population	543	572	581	572	586	574	568	557	529	486

3 Years



5 Years



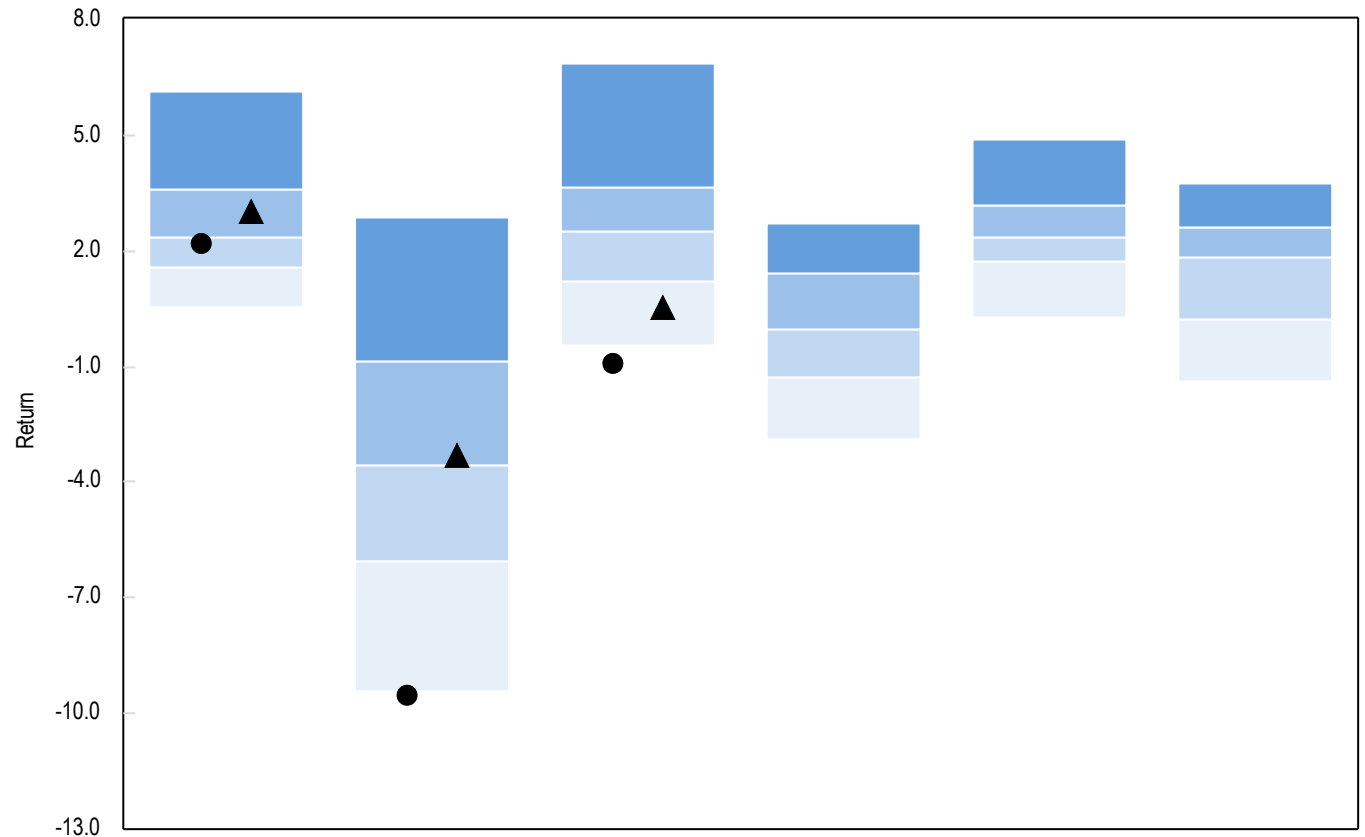
3 Years

	Return	Standard Deviation	Sharpe Ratio
■ Brandywine Global Fixed Income	-	-	-
■ FTSE Non-U.S. World Government Bond	-6.24	10.63	-0.64

5 Years

	Return	Standard Deviation	Sharpe Ratio
■ Brandywine Global Fixed Income	-	-	-
■ FTSE Non-U.S. World Government Bond	-4.34	8.98	-0.61

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

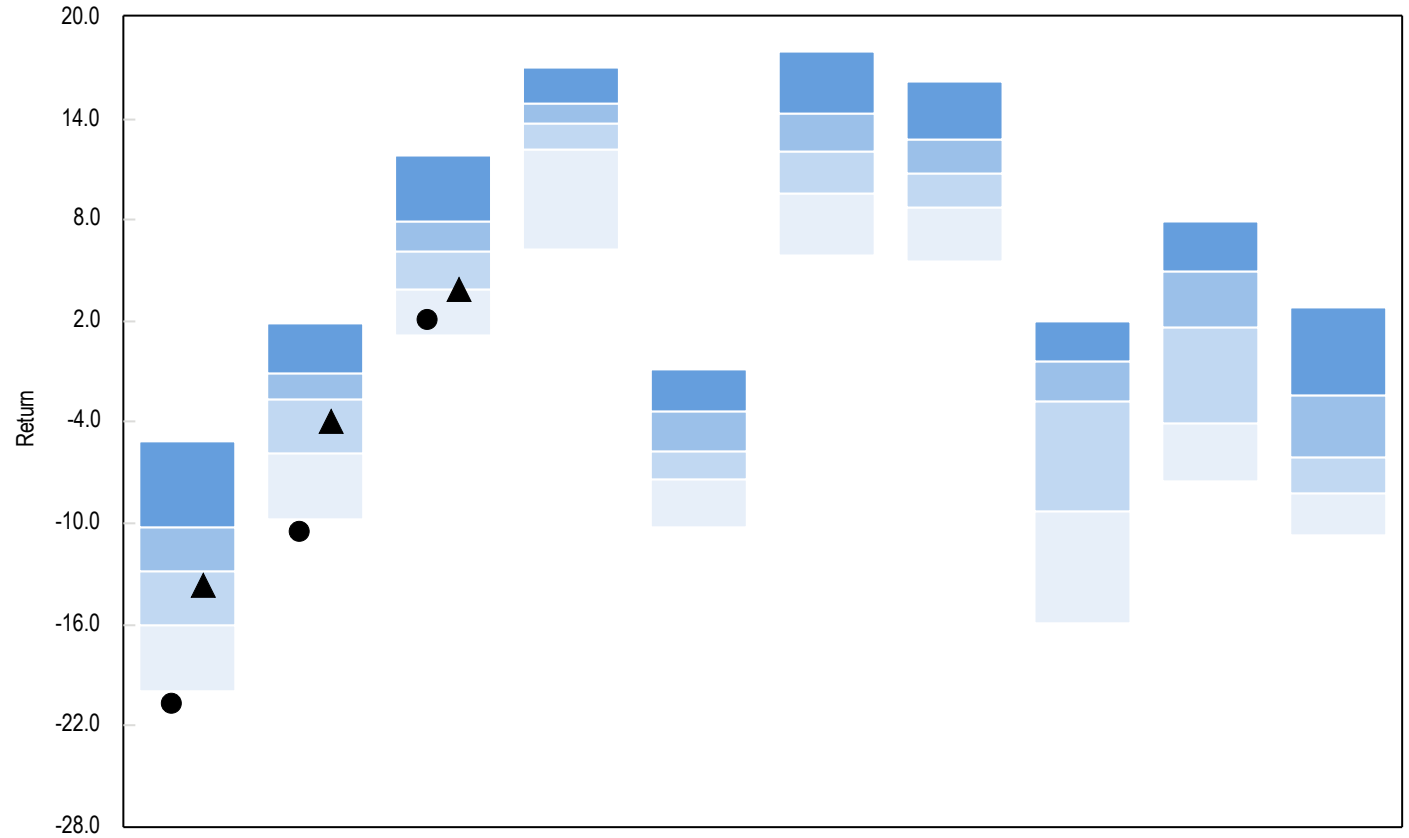


	Quarter	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
● Ashmore EM Blended Debt Fund	2.21 (54)	-9.53 (96)	-0.89 (97)	-	-	-
▲ 50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMI+	3.01 (32)	-3.30 (48)	0.53 (86)	-	-	-
5th Percentile	6.13	2.84	6.85	2.72	4.88	3.74
1st Quartile	3.58	-0.88	3.65	1.39	3.19	2.61
Median	2.33	-3.58	2.53	-0.03	2.35	1.85
3rd Quartile	1.59	-6.07	1.18	-1.28	1.71	0.24
95th Percentile	0.52	-9.40	-0.45	-2.91	0.29	-1.39
Population	381	381	363	328	291	217

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

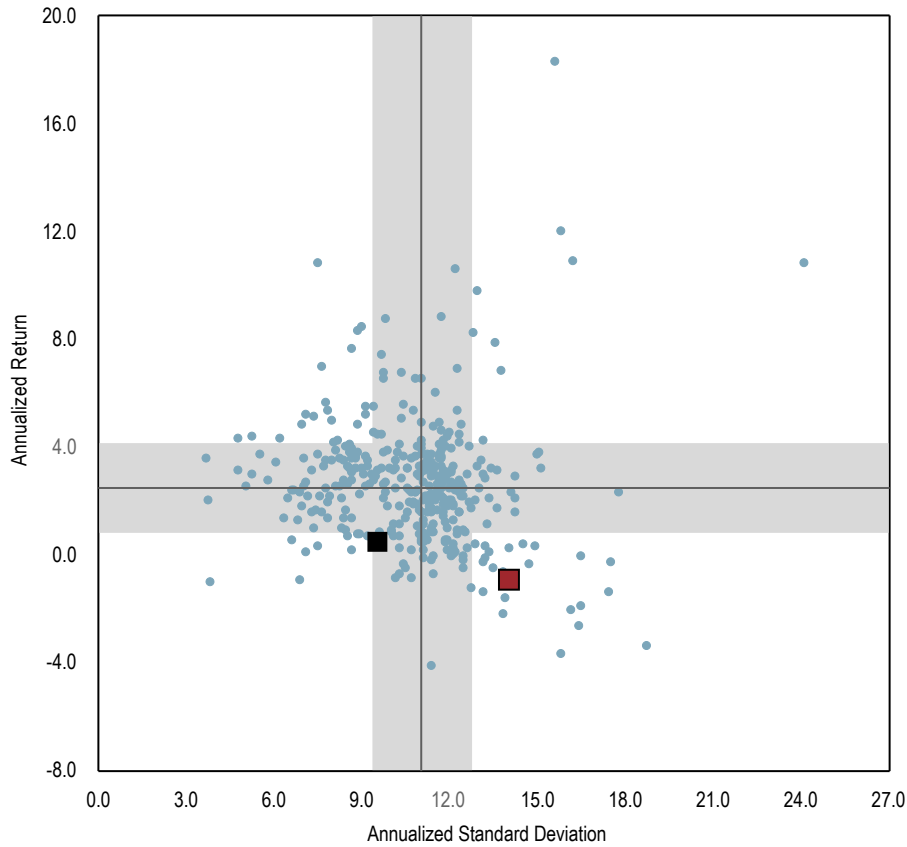
San Luis Obispo County Pension Trust
 Period Ending: March 31, 2023

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

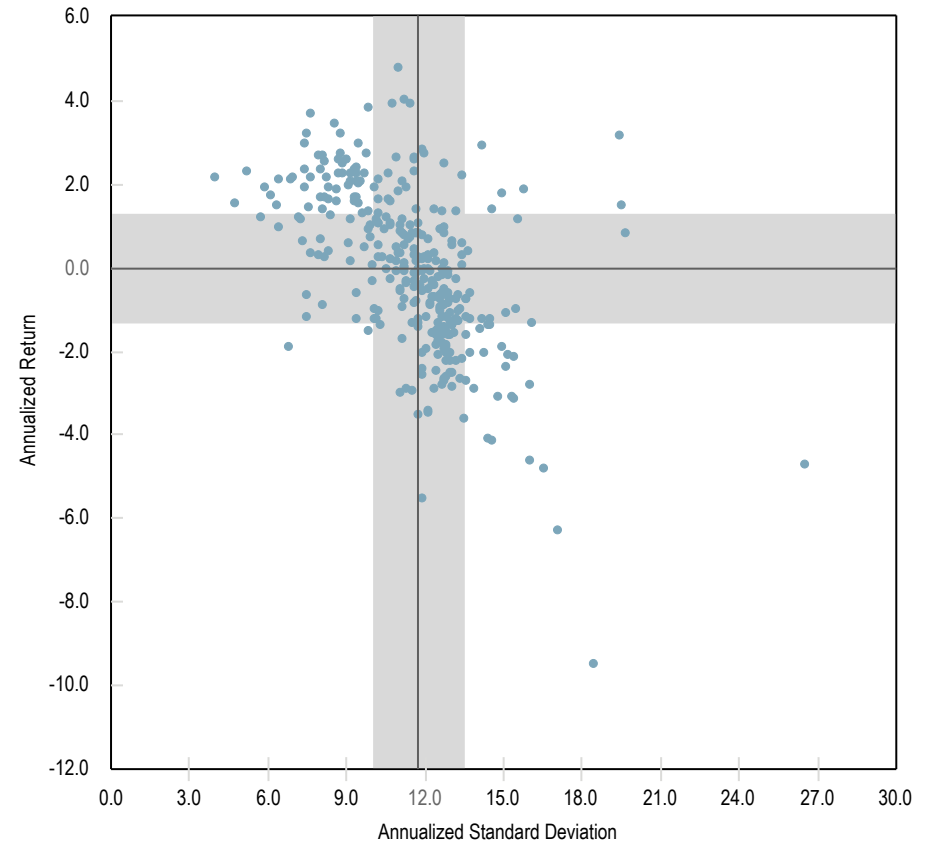


	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● Ashmore EM Blended Debt Fund	-20.67 (96)	-10.40 (98)	2.13 (93)	-	-	-	-	-	-	-
▲ 50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMI+	-13.63 (59)	-3.88 (62)	3.86 (76)	-	-	-	-	-	-	-
5th Percentile	-5.07	1.91	11.88	17.06	-0.88	18.04	16.18	2.03	7.87	2.87
1st Quartile	-10.22	-1.06	7.87	14.95	-3.36	14.26	12.76	-0.35	4.91	-2.38
Median	-12.80	-2.66	6.17	13.70	-5.74	12.00	10.70	-2.77	1.63	-6.08
3rd Quartile	-16.08	-5.88	3.91	12.13	-7.39	9.56	8.74	-9.22	-4.04	-8.17
95th Percentile	-20.00	-9.73	1.15	6.28	-10.20	5.92	5.56	-15.86	-7.50	-10.74
Population	300	322	328	324	317	306	293	277	262	224

3 Years



5 Years



3 Years

	Return	Standard Deviation	Sharpe Ratio
■ Ashmore EM Blended Debt Fund	-0.89	14.04	-0.06
■ 50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMI+	0.53	9.50	0.01

5 Years

	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: March 31, 2023

	Market Value	% of Portfolio	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018
Total Real Estate	242,531,962	100.0	-2.8	-3.7	7.0	6.5	8.8	6.7	18.7	1.1	4.3	7.5
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	8.3	5.5	17.7	1.6	6.4	6.7
JP Morgan Core Real Estate	160,660,898	66.2	-3.0	-4.8	6.5	5.8	8.4	4.3	20.2	0.5	3.4	7.0
<i>NCREIF-ODCE</i>			-3.2	-3.1	8.4	7.5	9.5	7.5	22.2	1.2	5.3	8.3
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	8.3	5.5	17.7	1.6	6.4	6.7
ARA American Strategic Value Realty	81,871,064	33.8	-2.4	-1.8	8.2	8.3	-	12.3	14.0	3.8	7.3	9.1
<i>NCREIF-ODCE</i>			-3.2	-3.1	8.4	7.5	9.5	7.5	22.2	1.2	5.3	8.3
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	8.3	5.5	17.7	1.6	6.4	6.7

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: March 31, 2023

	Market Value	% of Portfolio	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2022	2021	2020	2019	2018
Total Real Estate	242,531,962	100.0	-2.8	-3.7	7.0	6.5	8.4	6.7	18.7	1.1	4.3	7.5
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	8.3	5.5	17.7	1.6	6.4	6.7
JP Morgan Core Real Estate	160,660,898	66.2	-3.0	-4.8	6.5	5.8	8.0	4.3	20.2	0.5	3.4	7.0
<i>NCREIF-ODCE</i>			-3.2	-3.1	8.4	7.5	9.5	7.5	22.2	1.2	5.3	8.3
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	8.3	5.5	17.7	1.6	6.4	6.7
ARA American Strategic Value Realty	81,871,064	33.8	-2.4	-1.8	8.2	8.3	-	12.3	14.0	3.8	7.3	9.1
<i>NCREIF-ODCE</i>			-3.2	-3.1	8.4	7.5	9.5	7.5	22.2	1.2	5.3	8.3
<i>NCREIF Property Index</i>			-1.8	-1.6	7.2	6.7	8.3	5.5	17.7	1.6	6.4	6.7

ARA American Strategic Value Realty is lagged one quarter

Total Fund Data Sources and Methodology

San Luis Obispo County Pension Trust Period Ending: March 31, 2023

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. Effective 1/01/2017, only traditional asset classes (public equity, public fixed income, REITs) investment management fees will be included in the gross of returns calculation.

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)	21% Russell 3000, 17% MSCI ACWI ex-US (Gross), 12% Bloomberg U.S. Aggregate, 7% FTSE World Govt Bond Index, 4% Bloomberg US Treasury 7-10 yr, 3% Bloomberg US TIPS 5+ Year, 11% NCREIF Property Index, 10% Private Equity Benchmark, 7% Private Credit Benchmark, 6% 90 Day T-Bill, 2% ARA American Strategic Value Realty.
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 Gov't 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) 30.8% Russell 3000, 25% MSCI ACWI Gross, 14.71% Private Equity Benchmark, 10.29% Private Credit Benchmark, 16.18% NCREIF Property Index, 2.94% ARA American Strategic Value Realty

Custom Risk Diversifying Benchmark (1/1/2021-Present) 46.15% Bloomberg U.S. Aggregate Index, 26.92% FTSE World Government Bond Index, 15.38% Bloomberg US Treasury: 7-10 Year, 11.54% Bloomberg US TIPS

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.

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Verus receives universe data from InvMetrics, eVestment Alliance, and Morningstar. We believe this data to be robust and appropriate for peer comparison. Nevertheless, these universes may not be comprehensive of all peer investors/managers but rather of the investors/managers that comprise that database. The resulting universe composition is not static and will change over time. Returns are annualized when they cover more than one year. Investment managers may revise their data after report distribution. Verus will make the appropriate correction to the client account but may or may not disclose the change to the client based on the materiality of the change.

Board of Trustees

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San Luis Obispo County Pension Trust *SLOCPT*

Date: May 22, 2023

To: Board of Trustees

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

Agenda Item 14: Monthly Investment Report for April 2023

	April	Year to Date 2023	2022	2021	2020	2019	2018
Total Trust Investments (\$ millions)	\$1,632		\$1,614 year end	\$1,775 year end	\$1,552 year end	\$1,446 year end	\$1,285 year end
Total Fund Return	0.4% Gross	3.2% Gross	-8.0% Gross	15.2% Gross	8.9 % Gross	16.3 % Gross	-3.2 % Gross
Policy Index Return (r)	0.6%	3.9%	-9.7%	12.8%	10.0 %	16.4 %	-3.2 %

- (r) Policy index as of Nov. 2021 Strategic Asset Allocation Policy with 2023 Interim targets:
- Public Mkt Equity- 21% Russell 3000, 17% MSCI ACWI ex-US
 - Public Mkt Debt- 10% Barclays US Aggregate,
 - Risk Diversifying 4% Barclays US Aggregate, 5% Barclays 7-10yr Treasury, 4% Barclays 5-10yr US TIPS
 - Real Estate & Infrastructure- 15% NCREIF Index (inc. Infrastructure)
 - Private Equity- 10% actual private equity returns
 - Private Credit- 8% 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 April. The attached market commentary from Verus details market conditions in April, but subsequent activity in May is not yet factored into these numbers. As of May 16th, the month has had negative returns for equities bonds.

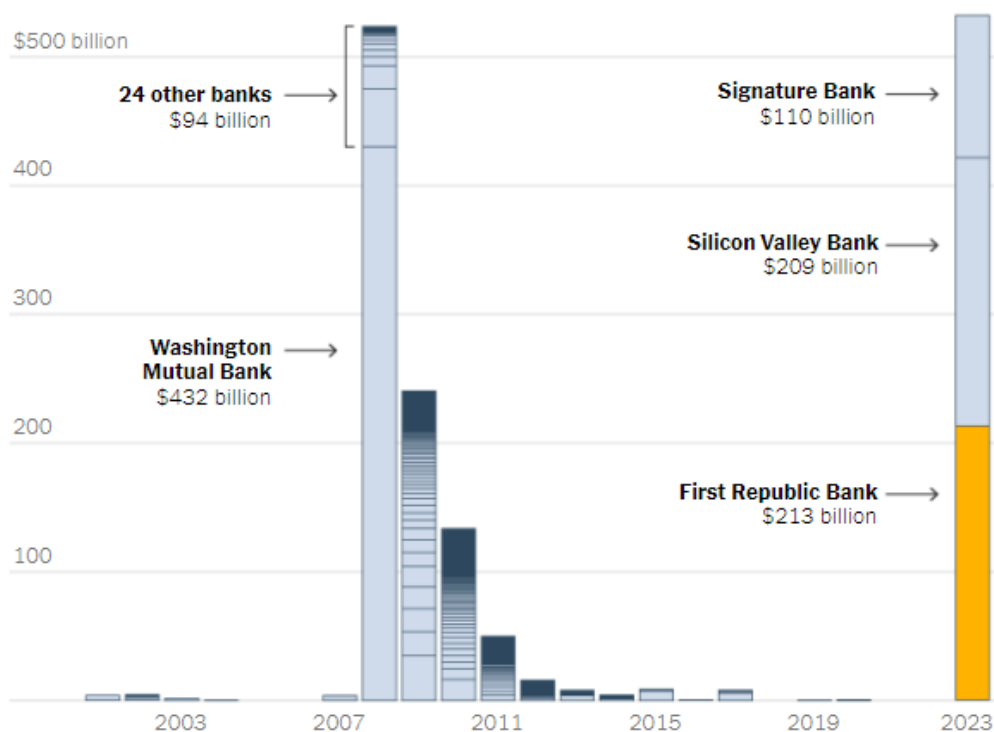
SLOCPT Investments:

The attached Verus Capital Markets Update details the investment results for the month and Verus' capital market commentary.

Capital Markets:

- **Investment Markets** - April saw a return to positive returns after a negative February. For March, equity markets rose – both US stocks (S&P 500 +1.6% and International stocks (MSCI ACWI ex-US +1.1%). Bonds also gained (Bloomberg US Aggregate bonds +0.6%).
- **Banking System** – Fears of growing weakness in the US banking system were fueled with the expected takeover of First Republic Bank by Federal regulators. First Republic Bank (FRB) suffered from many of the same challenges as Silicon Valley Bank – rising interest rates severely decreasing the value of Treasury bond investments and increasing interest expense for the bank combined with a skittish institutional depositor base. FRB was initially bailed out by \$30 billion in deposits from 11 of the country's largest banks. Over the weekend of April 29th a deal was reached where JP Morgan/Chase purchased FRB. Jamie Dimon, the Chair of JP Morgan, commented that “This part of the crisis is over” (emphasis on the “this part”). FRB's collapse was the second largest in US history behind Washington Mutual in 2008 as shown on this graph from the New York Times.

U.S. bank failures each year

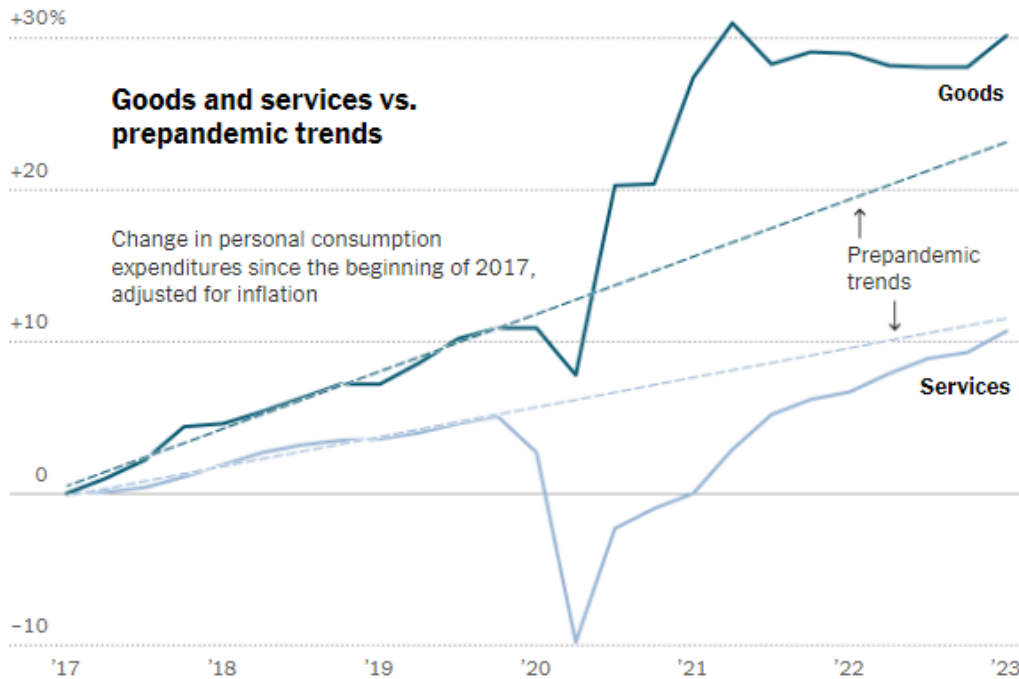


Note: Data is adjusted for inflation. • Source: Federal Deposit Insurance Corporation • By Karl Russell

The Economy:

- **Federal Debt Limit** – The political hostage-taking exercise to extend the US Federal Debt Limit continued through April and May. With the announcement by Treasury Secretary Janet Yellen that, without an extension of the debt limit, the Federal government was likely to start defaulting on paying Treasury debt and other government payments around June 1st, the pressure on the House to stop “playing chicken” with the economy ratcheted up. The negative consequences of a US debt default are so significant that -
 - The Council of Economic Advisors on May 3rd released forecasts of three debt default scenarios.
 - “Brinksmanship” scenario of a last-minute debt limit deal leading 200k job losses.
 - “Brief Default” scenario of a one-week default leading to 500k job losses.
 - “Protracted Default” scenario of over 3 months leading to 8.3 million job losses, a 6.1% fall in GDP and a 45% fall in the stock market. In a protracted default there would be little in the way of expanded unemployment benefits or other help the US government could provide.
 - When **Fed Chair Powell** was asked about the implication of a Federal Debt default, he stated **“I don’t really think we should even be talking about a world where the U.S. doesn’t pay its bills. It just shouldn’t be a thing...No one should assume the Fed can really protect the economy and the financial system and our reputation globally from such damage that event might inflict.”**
 - Capital market expectations appear to be for a last-minute temporary increase in the debt limit to avert cataclysmic consequences. But this may be optimistic.
- **Inflation** –
 - The April US CPI inflation report, as expected, showed a continued slowdown in the trailing 12-month rate of CPI inflation. **The inflation rate fell to a 4.9% year-over-year increase** and a 0.4% monthly increase. Importantly, the cost of shelter, which makes up 1/3rd of CPI, slowed significantly in April.
 - Coming months CPI reports on a trailing 12-month basis are expected to moderate significantly as the months of May and June 2022 fall out of the average. Those months in 2022 saw CPI increases well above 1% each month.
- **Economic Growth** –
 - GDP Growth – **The 1Q23 measure of U.S. Real GDP growth came in at a positive 1.1% annual rate of inflation adjusted GDP increase.** While slightly less than the consensus forecasts of a +1.9% growth, the GDP growth remained positive as consumer spending remained robust despite increasing interest rates. The 1Q23 GDP growth was down from the 2.6% rate of the 4th quarter of 2022 but was the third straight quarter of positive growth after a mild contraction in the first half of 2022.

- Combined with the current low rate of unemployment at 3.4%, the 1Q23 GDP report paints a picture of a slowing, but still non-recessionary US economy.
- Consumer spending forms the backbone of GDP growth and has continued its recovery from pandemic disruptions. The quip is often made that “the US consumer will continue spending long after they shouldn’t.” The following graph shows the change in consumer spending on goods and services since 2017.



Source: Bureau of Economic Analysis • By The New York Times

• New Jobs, Unemployment, Wages –

- The April jobs report from the BLS on nonfarm employment showed a still strong pace of hiring in the economy with a gain of 253k new jobs. The moderate rate of new jobs is positive enough to assuage some fears in the capital markets over the health of the economy. The moderate rate of new jobs is also low enough to not add substantively to Fed concerns over its ongoing campaign against inflation.
- **The unemployment rate in April changed little and is 3.4%.**
- **The Labor Force Participation rate of those in the prime working ages of 25-54 increased significantly to 83.3% in April – the highest since 2001.**
- Wage growth in April from the BLS report showed a small increase in the year-over-year increase to 4.4%. Continued wage growth adds to concerns over the effectiveness of the Fed’s campaign to lower inflation.

- **Monetary Policy –**

- **The Fed, as expected, increased short-term interest rates an additional 0.25% at its May 3rd meeting.** The target range for Fed Funds is now 5.00% to 5.25% - the highest since 2007. The Fed Funds rate has increased from 0% in March 2022 to its current rate above 5% - an aggressive rate hiking campaign by the Fed to attack inflation.
 - The Fed’s statement after the May 3rd meeting included an implication of a soft-pivot away from a continued rate-hike path and included -

“...in determining the extent to which additional policy firming may be appropriate to return inflation to 2% over time, the committee will take into account the cumulative tightening of monetary policy, the lags with which monetary policy affects economic activity and inflation, and economic and financial developments.”
 - This statement replaces the guidance offered by the Fed in early March which was worded as

“...anticipates that some additional policy firming may be appropriate in order to attain a stance of monetary policy that is sufficiently restrictive to return inflation to 2 percent over time.”
 - Market response indicates expectations that the latest increase may be the end of the current rate-hike cycle, but that eventual rate reductions will be pushed into 2024.

Respectfully Submitted,

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A decorative geometric pattern of overlapping triangles in shades of blue and green is overlaid on the left side of the image. A large white triangle is positioned to the left of the main title text.

**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**

APRIL 2023
Capital Markets Update

Market commentary

U.S. ECONOMICS

- Year-over-year headline inflation (+4.9%) decelerated for a tenth consecutive month in April, as food and energy prices have eased, and large price moves of 2022 begin falling out of the inflation window. Core CPI came in at +5.5%, down -0.1% from March. Perhaps most notable in the April inflation report was a slowdown in shelter inflation. Shelter costs make up one-third of the overall inflation number and, until April, had been the largest support to high inflation.
- Nonfarm payrolls grew by 253,000, a surprise beat above an expected 180,000. This comes after March figures were revised down to 165,000 from an initial 236,000. Unemployment ticked lower to 3.4%, tied for the lowest level since 1969, and average hourly earnings kept pace with March growth at +0.5% month-over-month.
- The April ISM Manufacturing PMI moved up to 47.1 from 46.3 yet remained in contractionary territory for the fifth consecutive month. The Prices (53.2) and Employment Index (50.2) were the only subindices to move into expansionary territory. A reading above 50 is indicative of expansion, while below 50 signals contraction.

U.S. EQUITIES

- The S&P 500 advanced +1.6%, bringing the year-to-date return to +9.2%. Performance was buoyed by a strong rally from defensive sectors including Consumer Staples and Financials, while Industrials (-1.2%) and Consumer Discretionary (-1.2%) lagged.
- Per FactSet, as of May 5th, 85% of S&P 500 companies had reported Q1 earnings results. Of those, 79% reported positive EPS surprise and 75% reported positive revenue surprise. Blended earnings are estimated to decline by -2.2% for Q1, much better than the March 31st estimate of -6.7%.

U.S. FIXED INCOME

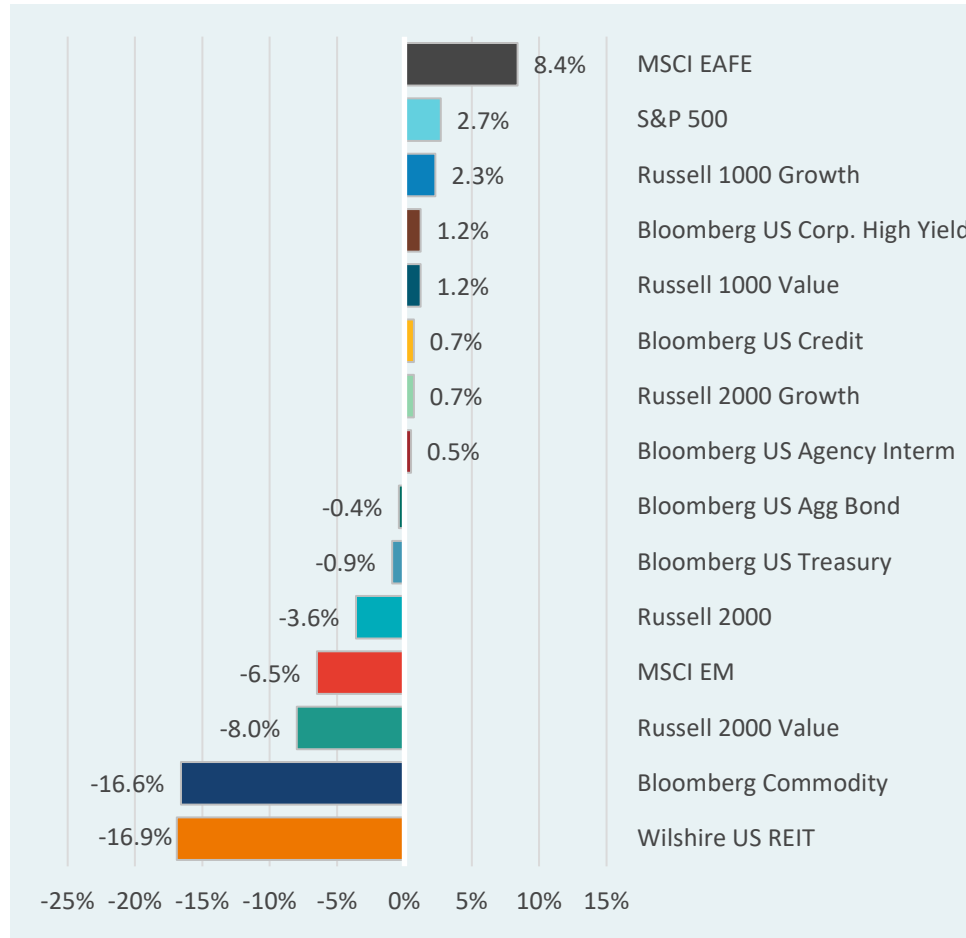
- A slew of strong economic data prints led market participants to extend expectations for the first rate cut to a later date. As of March 31st, investors expected a cut at the September 2023 FOMC meeting; however, fed futures at month end showed this expectation had shifted back to November.
- During the month, U.S. Treasury yields were mostly flat in the middle and long end of the curve but yields of short tenors saw large movement. The 3-month climbed +25bps while the 10-year fell -4bps. As a result, the 3-month-10-year yield curve inversion widened -29bps to -166bps, the widest in its history.
- Bond returns were positive across the credit spectrum, though only modestly. Long duration outperformed short duration while credit outperformed Treasuries.

INTERNATIONAL MARKETS

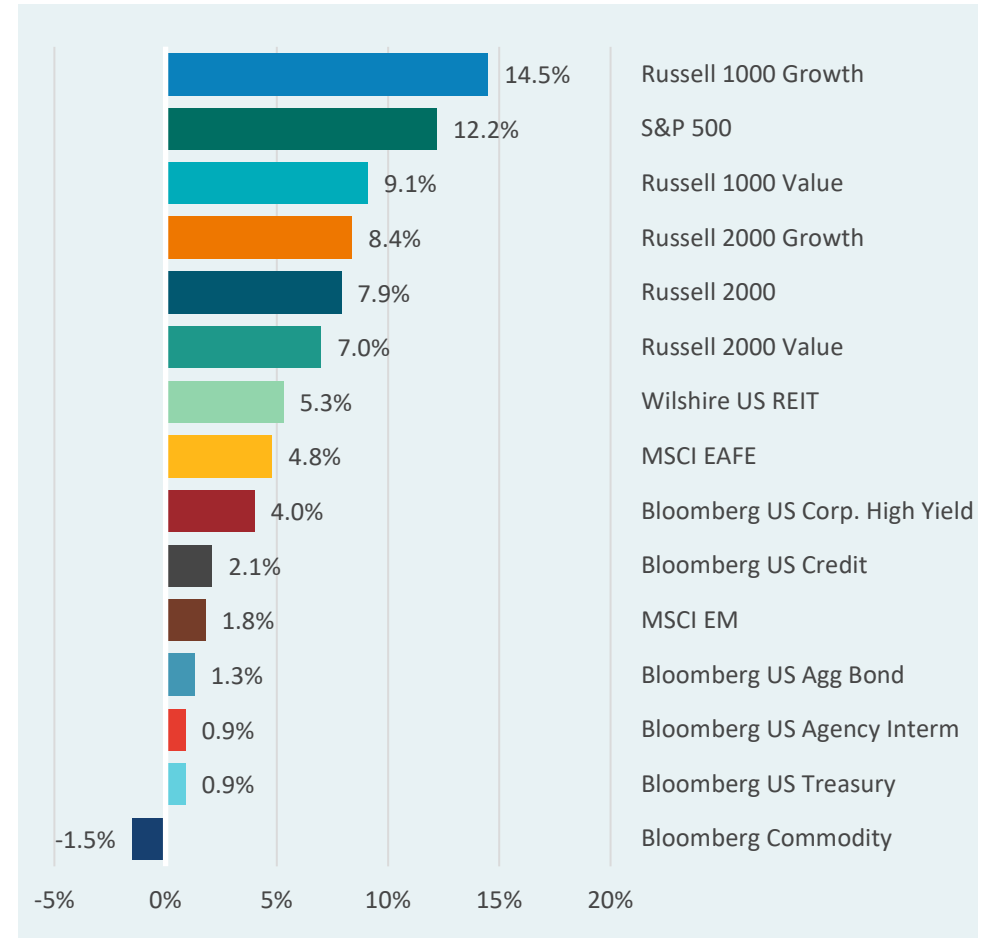
- The MSCI U.K. Index (+5.3%) was one of the top performing regional indices in April. The banking sector partially recovered as fears surrounding the health of U.S. banks subsided, which contributed to relative outperformance.
- The first BOJ policy meeting under Governor Ueda's new leadership was interpreted as dovish, which factored into the yen's (-2.3%) poor performance. However, Japanese securities rallied on expectations that Ueda would take time review the policies of his predecessor Haruhiko Kuroda before making changes.
- Cooling energy prices helped headline Eurozone CPI fall sharply to +6.9% in April, down from +8.5% in the month prior. Despite the decline, investors still expect further tightening activity from the ECB but at a slower pace than previously anticipated.

Major asset class returns

ONE YEAR ENDING APRIL



TEN YEARS ENDING APRIL



*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 4/30/23

Source: Morningstar, as of 4/30/23

U.S. large cap equities

- The S&P 500 Index +1.6% delivered a second straight month of gains alongside strong economic data and signs of cooling inflation. The index lagged the Dow Jones Industrial Average (+2.6%) as value sectors were among the top performers.
- Eight of 11 S&P 500 GICS sectors ended higher, led by continued strength in Communications (+3.8%) and Staples (+3.6%), and modest recoveries from Energy (+3.3%) and Financials (+3.2%). Consumer Discretionary (-0.9%) and Industrials (-1.2%) were among the worst performers.
- Per FactSet, Amazon is expected to be the largest contributor to the year-over-year Q1 earnings growth rate for the S&P 500, due to a much smaller valuation loss relative to Q1 2022. If the company were excluded, the blended earnings growth rate for the index would be -1.4% lower.
- The Cboe VIX Index of implied volatility fell -2.9 points to 15.8, its lowest level since November 2021. Outsized single-day moves were few in April – the index moved +/- 1% on just 3 occasions, the smallest monthly total in more than a year.

S&P 500 PRICE INDEX



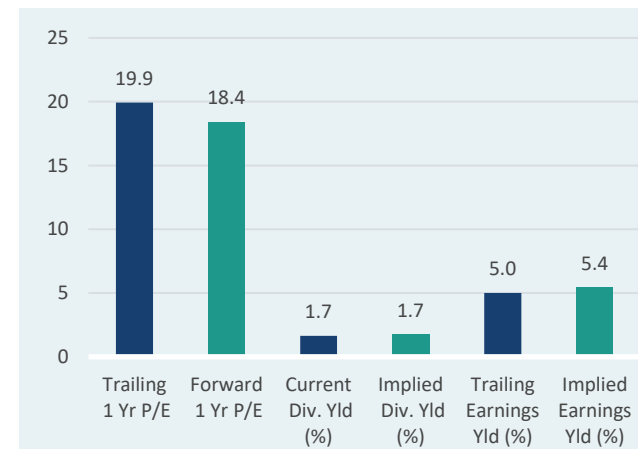
Source: Bloomberg, as of 4/30/23

IMPLIED VOLATILITY (VIX INDEX)



Source: Cboe, as of 4/30/23

S&P 500 VALUATION SNAPSHOT

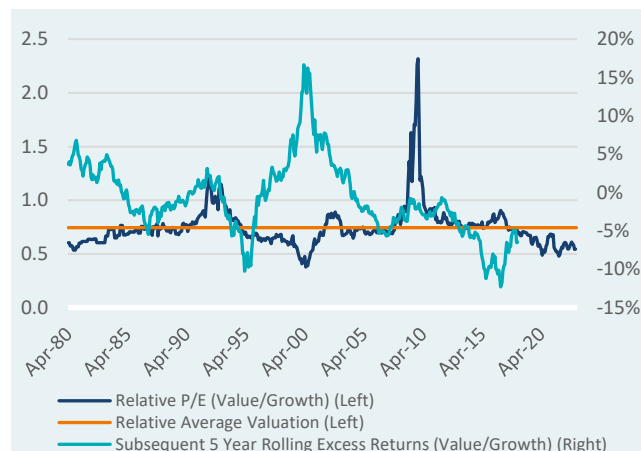


Source: Bloomberg, as of 4/30/23

Domestic equity size and style

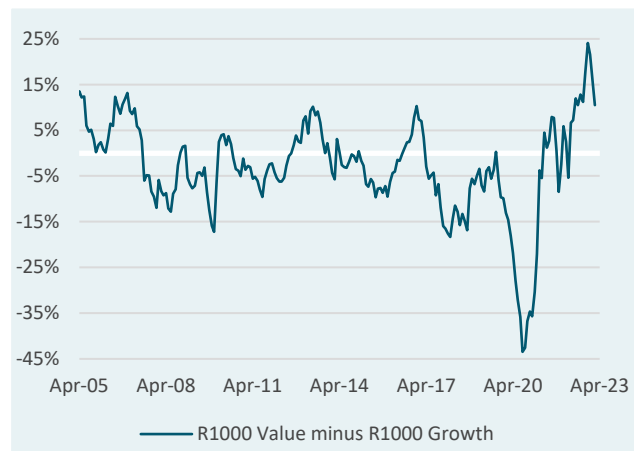
- Value stocks (+1.5%) modestly outperformed growth stocks (+1.0%) in a reversal of the prior quarter trend after large-cap financial stocks stabilized following a tumultuous March. Other value-oriented sectors, including Energy and Consumer Staples gained as well.
- The S&P 500 Equal Weighted Index (+0.3%) lagged the cap-weighted index for a third consecutive month. Recent underperformance is attributable to strength in mega-cap names including AAPL, MSFT, and META which accounted for more than half of the cap-weighted index's April return.
- Smaller-cap stocks underperformed again during the month (Russell 2000 Index -1.8%). Continued sell-offs among regional banks along with steep declines in small-cap telecom (-14.2%) and technology (-10.1%) pulled the index lower.
- Small-caps have gained just +0.9% year-to-date, underperforming large-cap stocks by -7.9%. Persistent weakness likely reflects investor fears that small company earnings may respond more negatively to an economic slowdown. Small stocks tend to be more heavily sold than large-caps leading into recession.

VALUE VS. GROWTH RELATIVE VALUATIONS



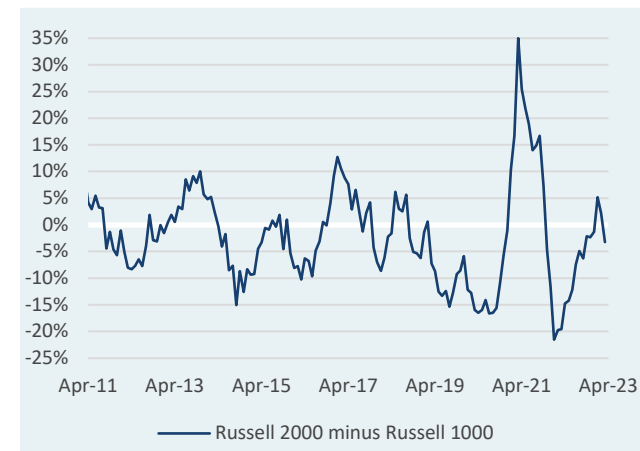
Source: FTSE, Bloomberg, as of 4/30/23

VALUE VS. GROWTH 1-YR ROLLING RELATIVE PERFORMANCE



Source: FTSE, Bloomberg, as of 4/30/23

SMALL VS. LARGE 1-YR ROLLING RELATIVE PERFORMANCE

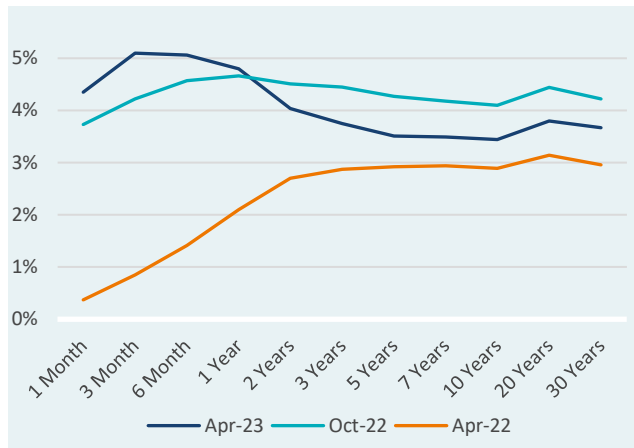


Source: FTSE, Bloomberg, as of 4/30/23

Fixed income

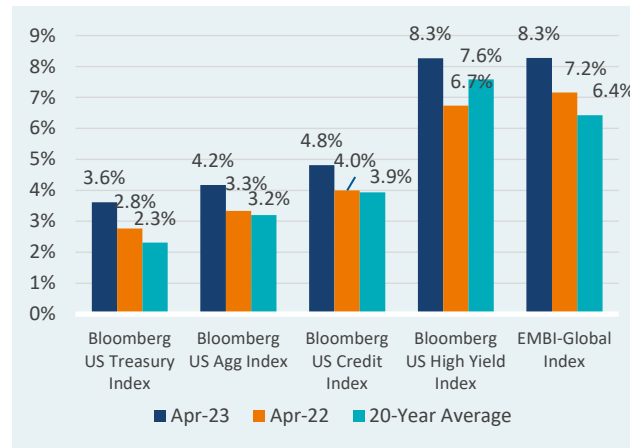
- Fixed income performance was positive across the spectrum, although higher yielding credit outperformed. The Bloomberg U.S. Corporate High Yield index rose +1.0% in April, outpacing the +0.6% gain seen from the Bloomberg U.S. Aggregate.
- Treasury yields ended April slightly lower. Yields fell sharply early in the month after a cooler-than-expected March jobs print which suggested a Fed pivot may come earlier than anticipated. However, further data releases throughout the month quelled such optimism.
- Credit spreads across high-yield and investment grade securities remained rangebound in the face of slower expected economic activity and a tightening in credit conditions. Spreads ended the month at 452 bps and 136 bps for high-yield and investment grade, respectively.
- The ICE BofA MOVE Index, a gauge of U.S. Treasury volatility, fell significantly from peaks seen in mid-March. Volatility briefly rose at the start of April before the index ended the month at 122. For context, the index peaked at 198 in March, the highest level seen since the 2008-2009 Financial Crisis.

U.S. TREASURY YIELD CURVE



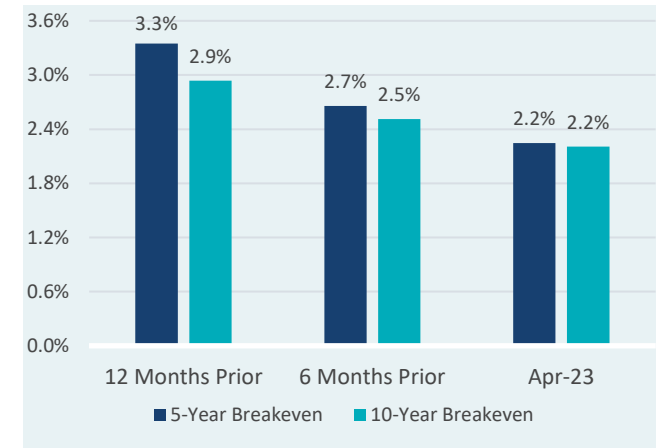
Source: Bloomberg, as of 4/30/23

NOMINAL YIELDS



Source: Morningstar, as of 4/30/23

BREAKEVEN INFLATION RATES

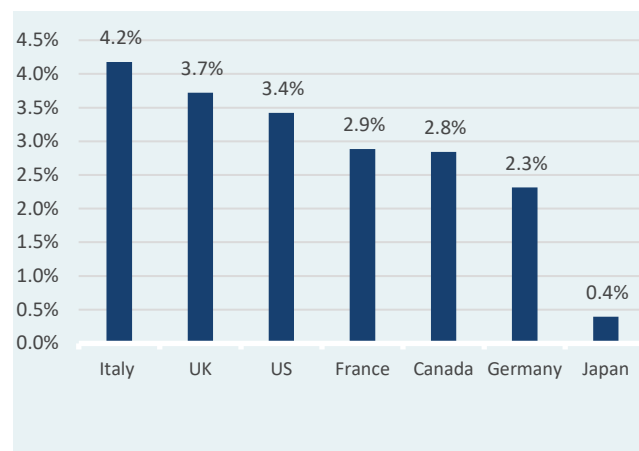


Source: Bloomberg, as of 4/30/23

Global markets

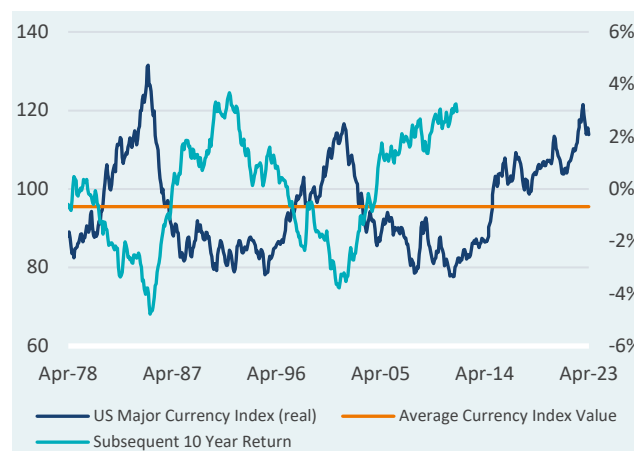
- International equities (MSCI ACWI ex US +1.7%) outperformed domestic equities in a reversal from the prior month. Cooling Eurozone inflation helped international developed performance which offset declines in emerging Asian equities.
- The MSCI AC Asia ex Japan Index (-2.1%) fell on sharp declines in China (-5.2%) and Taiwan (-4.3%). In contrast, Indonesian equities (+6.7%) gained on a resurgence in global EV supply chain activity and Indian equities (+3.7%) saw robust returns in the Real Estate and Information Technology sectors.
- The MSCI Europe Index (+4.2%) continued its ascent and remains the top performing region globally, now up +15.2% year-to-date. A sharp decline in Eurozone inflation along with a resurgence in demand from Chinese consumers helped the STOXX 50 Index – the region’s large cap index – to a 22-year high mid-month.
- The EAFE Small Cap Index (+2.0%) has held up better than the Russell 2000 Index (-1.8%) despite facing similar macroeconomic headwinds. International small-caps lead domestic peers by +6.1% on the year, gaining steam from the broad recovery in international developed market equities and currencies.

GLOBAL SOVEREIGN 10-YEAR YIELDS



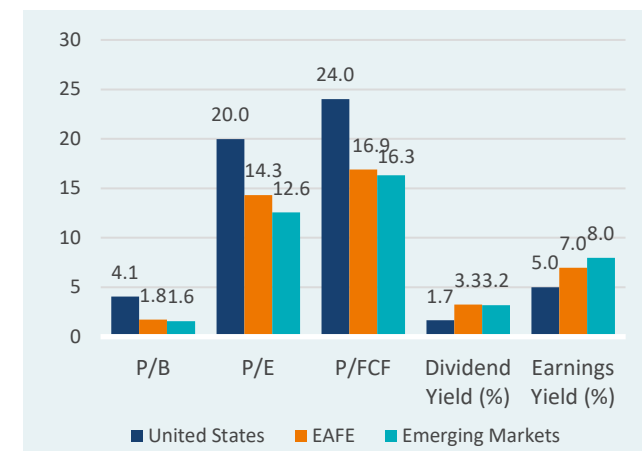
Source: Bloomberg, as of 4/30/23

U.S. DOLLAR MAJOR CURRENCY INDEX



Source: Federal Reserve, as of 4/30/23

MSCI VALUATION METRICS (3-MONTH AVG)



Source: Bloomberg, as of 4/30/23

Commodities

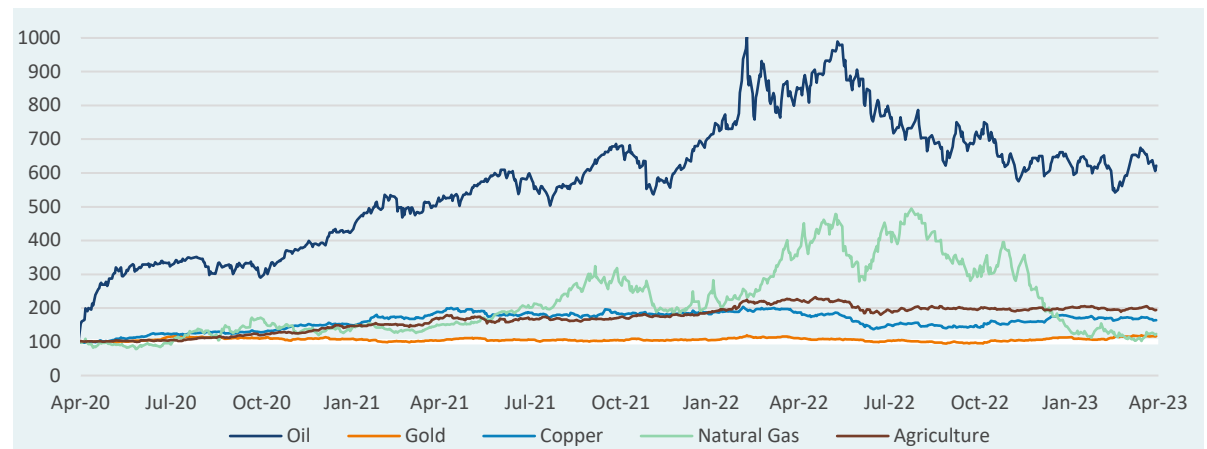
- Weakness in grains and industrial metals prices drove a fifth straight month of declines for the Bloomberg Commodity Index (-0.8%). Cooling global demand trends have weighed on commodities, which rank as the weakest performing asset class to date in 2023.
- Within the Softs Sub-Index (+12.5%), sugar (+18.4%) and coffee (+9.1%) led performance. Sugar prices continued to rise and are expected to remain elevated throughout the year due to unseasonal rainfall in India – the second largest producer of sugar. Output for 2023 is projected to be 9% lower compared to 2022.
- The Bloomberg Energy Sub-Index fell -0.5% on the month. Natural gas rallied +8.8% on expectations of cooler weather and increased demand in the short term but low sulfur gas oil (-8.9%), RBOB (unleaded) gasoline (-5.6%), and ultra low sulfur diesel (-9.3%) weighed on performance.
- The Bloomberg Precious Metals Sub-Index rose a modest 1.7%. Although silver gained +4.4% on the month, gold (+0.7%) – which makes up 15% of the index and roughly 75% of the sub-index – was a drag on performance.

INDEX AND SECTOR PERFORMANCE

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Bloomberg Commodity	(0.8)	(0.8)	(6.1)	(16.6)	21.1	4.7	(1.5)
Bloomberg Agriculture	(1.7)	(1.7)	(1.6)	(10.3)	25.4	7.8	(0.6)
Bloomberg Energy	(0.5)	(0.5)	(19.1)	(34.3)	26.7	(2.6)	(9.1)
Bloomberg Grains	(6.5)	(6.5)	(8.8)	(19.3)	21.2	5.7	(2.7)
Bloomberg Industrial Metals	(3.4)	(3.4)	(5.5)	(19.7)	18.8	4.4	2.3
Bloomberg Livestock	1.7	1.7	(2.6)	6.1	8.5	(2.3)	(2.7)
Bloomberg Petroleum	(0.4)	(0.4)	(6.3)	(11.8)	57.5	5.1	(3.7)
Bloomberg Precious Metals	1.7	1.7	8.1	5.1	6.8	7.5	1.5
Bloomberg Softs	12.5	12.5	23.0	9.0	29.9	9.8	(0.3)

Source: Morningstar, as of 4/30/23

COMMODITY PERFORMANCE



Source: Bloomberg, as of 4/30/23

Appendix

Periodic table of returns

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD	5-Year	10-Year
Large Cap Growth	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	16.1	15.5	13.8	14.5
International Equity	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	9.4	11.5	11.1	12.0
Large Cap Equity	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	1.5	8.8	7.7	9.1
60/40 Global Portfolio	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	-4.7	6.7	6.7	8.4
Small Cap Growth	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	-7.5	4.8	4.7	8.3
US Bonds	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	22.4	14.0	17.7	-13.0	3.6	4.2	7.9
Emerging Markets Equity	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	22.0	10.3	14.8	-14.5	2.8	4.1	7.0
Large Cap Value	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	-14.5	2.5	4.0	4.9
Hedge Funds of Funds	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	-17.3	1.4	3.7	4.8
Cash	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	-19.1	1.4	3.6	3.2
Small Cap Equity	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	-20.1	0.9	3.2	1.8
Real Estate	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	-20.4	-1.8	1.4	1.3
Small Cap Value	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	-26.4	-3.1	1.2	0.9
Commodities	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	-29.1	-6.1	-1.0	-1.5

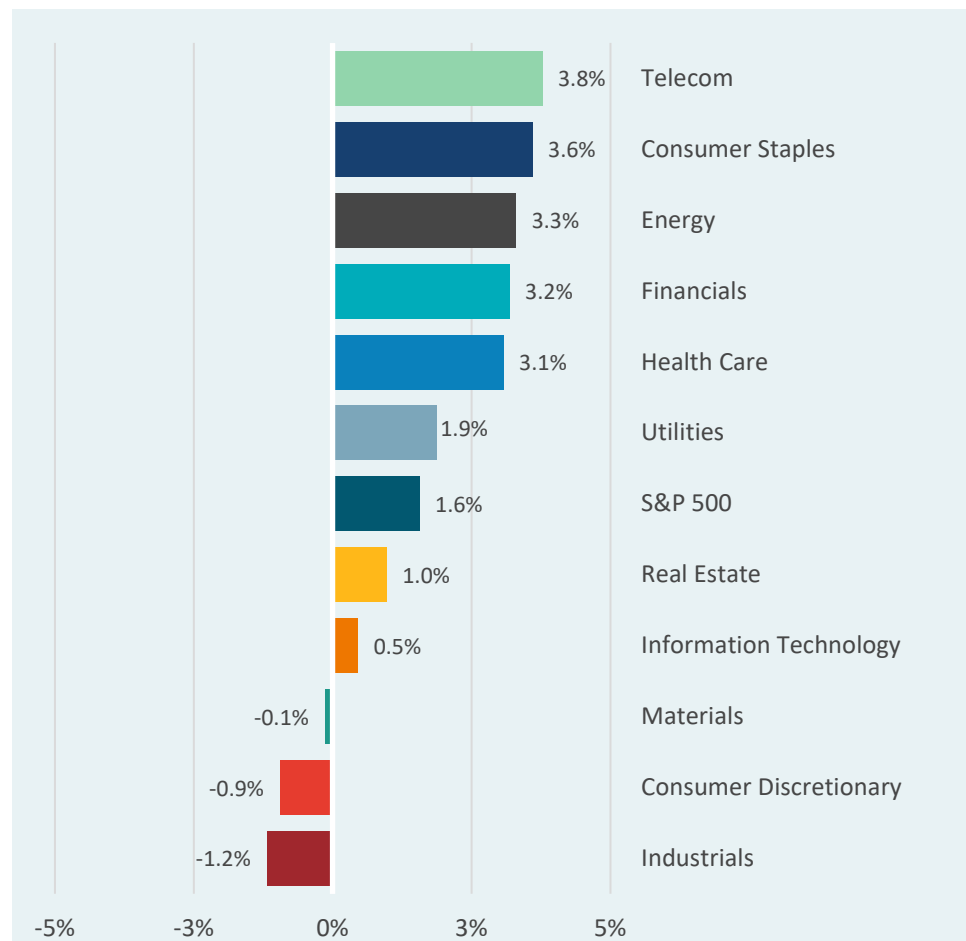
BEST
↑
↓
WORST

- 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

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 3/31/23.

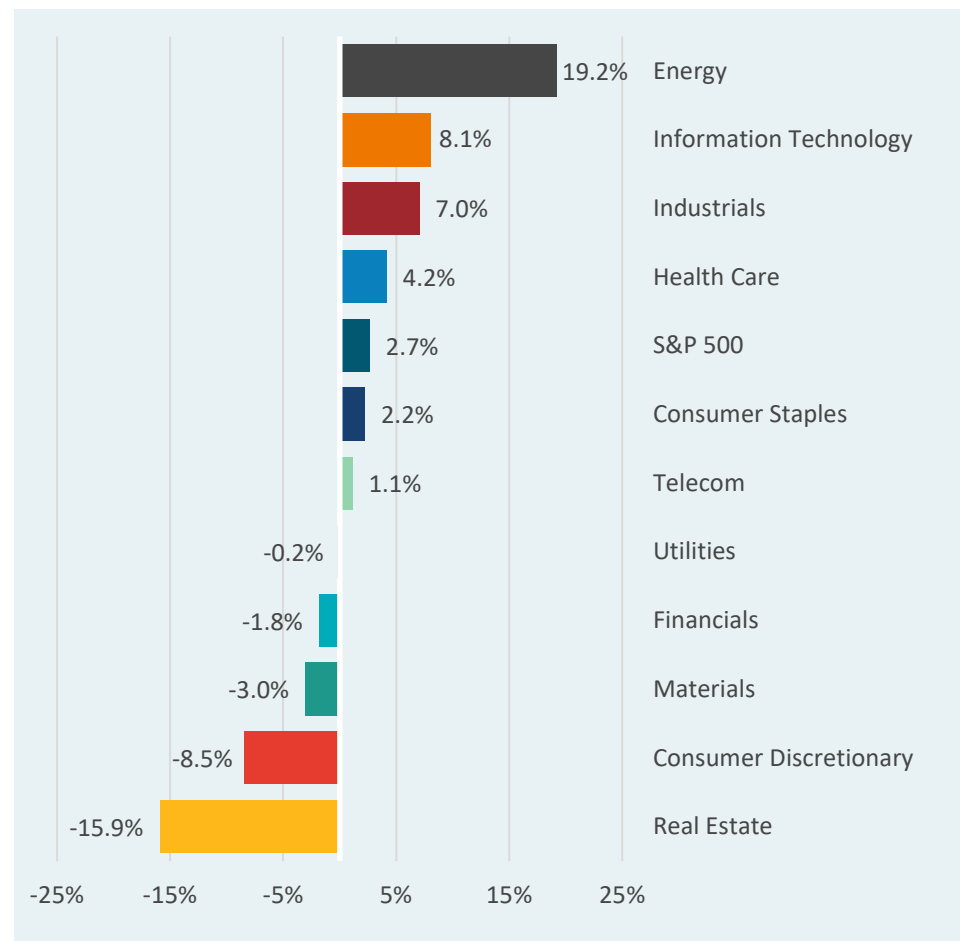
S&P 500 sector returns

QTD



Source: Morningstar, as of 4/30/23

ONE YEAR ENDING APRIL



Source: Morningstar, as of 4/30/23

Detailed index returns

DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Core Index							
S&P 500	1.6	1.6	9.2	2.7	14.5	11.4	12.2
S&P 500 Equal Weighted	0.3	0.3	3.3	0.4	16.8	9.9	11.3
DJ Industrial Average	2.6	2.6	3.5	5.6	14.2	9.5	11.2
Russell Top 200	1.8	1.8	10.7	3.0	14.4	12.2	12.7
Russell 1000	1.2	1.2	8.8	1.8	14.2	11.1	12.0
Russell 2000	(1.8)	(1.8)	0.9	(3.6)	11.9	4.2	7.9
Russell 3000	1.1	1.1	8.3	1.5	14.1	10.6	11.7
Russell Mid Cap	(0.5)	(0.5)	3.5	(1.7)	13.8	8.0	9.9
Style Index							
Russell 1000 Growth	1.0	1.0	15.5	2.3	13.6	13.8	14.5
Russell 1000 Value	1.5	1.5	2.5	1.2	14.4	7.7	9.1
Russell 2000 Growth	(1.2)	(1.2)	4.8	0.7	7.8	4.0	8.4
Russell 2000 Value	(2.5)	(2.5)	(3.1)	(8.0)	15.4	3.7	7.0

INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
MSCI ACWI	1.4	1.4	8.8	2.1	12.0	7.0	7.9
MSCI ACWI ex US	1.7	1.7	8.7	3.0	9.7	2.5	4.0
MSCI EAFE	2.8	2.8	11.5	8.4	11.7	3.6	4.8
MSCI EM	(1.1)	(1.1)	2.8	(6.5)	4.3	(1.0)	1.8
MSCI EAFE Small Cap	2.0	2.0	7.0	(1.2)	9.2	1.0	5.7
Style Index							
MSCI EAFE Growth	2.4	2.4	13.8	8.2	9.2	5.1	5.8
MSCI EAFE Value	3.2	3.2	9.3	8.4	13.8	1.8	3.4
Regional Index							
MSCI UK	5.3	5.3	11.7	8.4	14.7	3.1	3.6
MSCI Japan	0.4	0.4	6.6	4.3	5.7	1.2	4.2
MSCI Euro	3.2	3.2	19.4	19.9	16.2	3.9	5.7
MSCI EM Asia	(2.4)	(2.4)	2.3	(6.8)	3.2	(0.3)	3.8
MSCI EM Latin American	2.7	2.7	6.7	5.0	16.8	(1.1)	(1.6)

FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
Bloomberg US TIPS	0.1	0.1	3.5	(4.0)	0.9	3.0	1.4
Bloomberg US Treasury Bills	0.4	0.4	1.5	2.8	1.0	1.5	0.9
Bloomberg US Agg Bond	0.6	0.6	3.6	(0.4)	(3.1)	1.2	1.3
Bloomberg US Universal	0.6	0.6	3.6	(0.3)	(2.5)	1.3	1.6
Duration							
Bloomberg US Treasury 1-3 Yr	0.3	0.3	1.9	1.0	(0.8)	1.2	0.8
Bloomberg US Treasury Long	0.5	0.5	6.7	(7.3)	(11.8)	0.1	1.1
Bloomberg US Treasury	0.5	0.5	3.6	(0.9)	(4.2)	1.0	0.9
Issuer							
Bloomberg US MBS	0.5	0.5	3.1	(0.9)	(3.3)	0.4	1.0
Bloomberg US Corp. High Yield	1.0	1.0	4.6	1.2	4.7	3.3	4.0
Bloomberg US Agency Interm	0.4	0.4	2.3	0.5	(1.6)	1.0	0.9
Bloomberg US Credit	0.8	0.8	4.3	0.7	(1.9)	1.9	2.1
OTHER							
Index							
Bloomberg Commodity	(0.8)	(0.8)	(6.1)	(16.6)	21.1	4.7	(1.5)
Wilshire US REIT	0.8	0.8	4.1	(16.9)	8.4	5.5	5.3
CS Leveraged Loans	0.9	0.9	4.1	2.9	7.2	3.6	3.9
S&P Global Infrastructure	2.6	2.6	6.7	2.4	13.1	5.9	6.2
Alerian MLP	1.7	1.7	5.2	16.3	29.2	5.6	0.7
Regional Index							
JPM EMBI Global Div	0.5	0.5	2.4	(0.9)	(0.6)	(0.2)	1.8
JPM GBI-EM Global Div	0.9	0.9	6.1	6.6	(0.1)	(1.6)	(1.8)
Hedge Funds							
HFRI Composite	0.4	0.4	1.6	(0.3)	9.1	4.7	4.4
HFRI FOF Composite	0.7	0.7	1.4	(0.1)	6.2	3.2	3.2
Currency (Spot)							
Euro	1.6	1.6	3.4	4.7	0.3	(1.8)	(1.8)
Pound Sterling	1.7	1.7	4.5	0.1	(0.1)	(1.8)	(2.1)
Yen	(2.3)	(2.3)	(3.1)	(4.9)	(7.7)	(4.3)	(3.3)

Source: Morningstar, HFRI, as of 4/30/23.

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	(1.6)	21.3	17.3	14.0
Global Private Equity Direct Funds *	(5.0)	21.1	18.3	16.2
U.S. Private Equity Direct Funds *	(2.3)	24.2	20.9	17.9
Europe Private Equity Direct Funds *	(11.4)	17.3	15.2	14.1
Asia Private Equity Direct Funds *	(9.5)	11.9	11.2	12.9

Public Index Time-weighted Returns				
MSCI World	(19.6)	4.6	5.3	8.1
S&P 500	(15.5)	8.2	9.2	11.7
MSCI Europe	(24.8)	(1.7)	(1.2)	3.4
MSCI AC Asia Pacific	(27.7)	(1.7)	(0.6)	3.7

Private Real Estate Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Real Estate	15.7	13.5	11.9	13.3

Public Index Time-weighted Returns				
FTSE NAREIT Equity REIT	(16.4)	(2.0)	2.9	6.3

Private Credit Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Debt **	9.9	15.3	12.4	11.6

Public Index Time-weighted Returns				
S&P / LSTA U.S. Leveraged Loan 100 Index	(3.9)	1.4	2.5	3.0

Private Real Assets Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Global Nature Resources ***	25.2	8.7	5.1	3.6
Global Infrastructure	9.4	10.8	10.3	10.7

Public Index Time-weighted Returns				
S&P Global Natural Resources	1.0	9.1	5.7	3.4
S&P Global Infrastructure	(6.0)	(0.1)	2.1	5.7

Source: Pooled IRRs are from Thompson Reuters CJA and Time-weighted Returns are from Investment Metrics, as of September 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

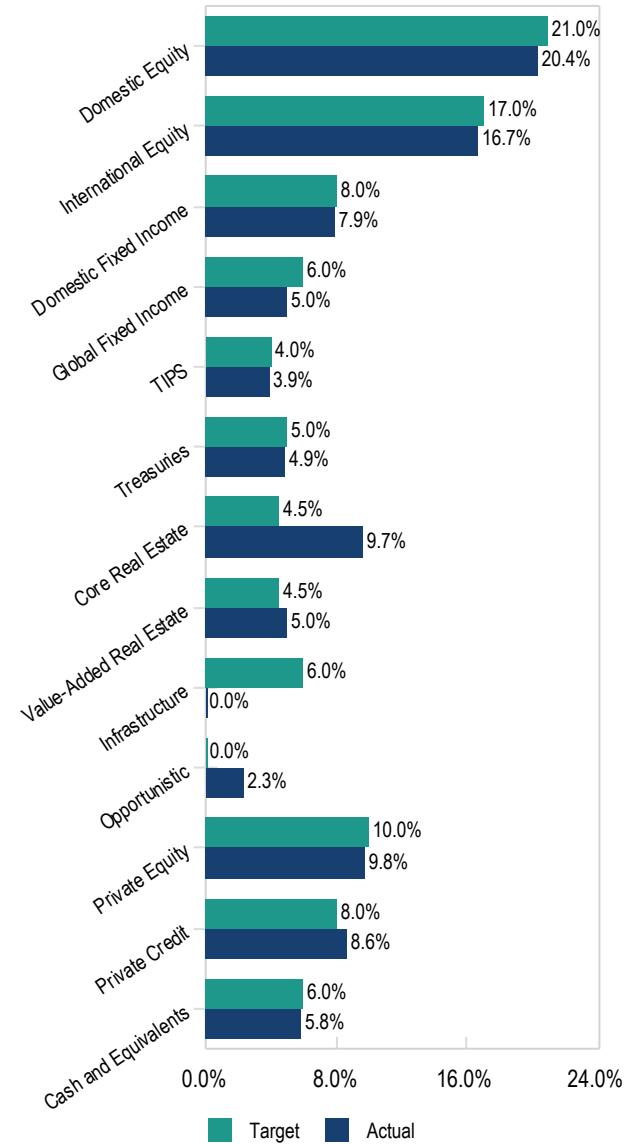
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Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: April 30, 2023

	Market Value	% of Portfolio	1 Mo	YTD
Total Fund	1,632,602,368	100.0	0.4	3.2
Interim Policy Index			0.6	3.9
FFP SAA Index			0.5	3.1
Total Growth	1,145,370,504	70.2	0.3	3.2
Custom Growth Benchmark			0.7	4.4
Total Public Equity	605,627,818	37.1	0.7	7.5
Public Equity Benchmark			1.4	8.6
Total Domestic Equity	332,518,537	20.4	0.0	5.5
Russell 3000 Index			1.1	8.3
PIMCO RAE US	92,810,684	5.7	-0.8	1.8
S&P 500 Index			1.6	9.2
Loomis Sayles Large Cap Growth	85,955,217	5.3	0.7	22.1
Russell 1000 Growth Index			1.0	15.5
Boston Partners Large Cap Value	77,165,169	4.7	0.2	-0.1
Russell 1000 Value Index			1.5	2.5
Atlanta Capital Mgmt	76,587,467	4.7	-0.1	1.1
Russell 2500 Index			-1.3	2.0
Total International Equity	273,109,281	16.7	1.6	10.1
MSCI AC World ex USA Index			1.8	8.9
Dodge & Cox Intl Stock	143,848,980	8.8	2.5	9.0
MSCI AC World ex USA Value			2.6	8.0
WCM International Growth	129,260,301	7.9	0.6	11.3
MSCI AC World ex USA Growth			1.1	9.9
Total Private Equity	159,496,638	9.8		
Harbourvest Partners IX Buyout Fund L.P.	11,961,230	0.7		
Pathway Private Equity Fund Investors 9 L.P.	81,465,316	5.0		
Harbourvest 2018 Global Fund L.P.	20,472,651	1.3		
Harbourvest SLO Fund Private Equity	29,958,330	1.8		
Pathway Private Equity Fund Investors 10 L.P.	15,639,111	1.0		
Total Private Credit	140,451,001	8.6		
Sixth Street Partners DCP	81,580,905	5.0		
Harbourvest SLO Credit Fund	58,870,096	3.6		

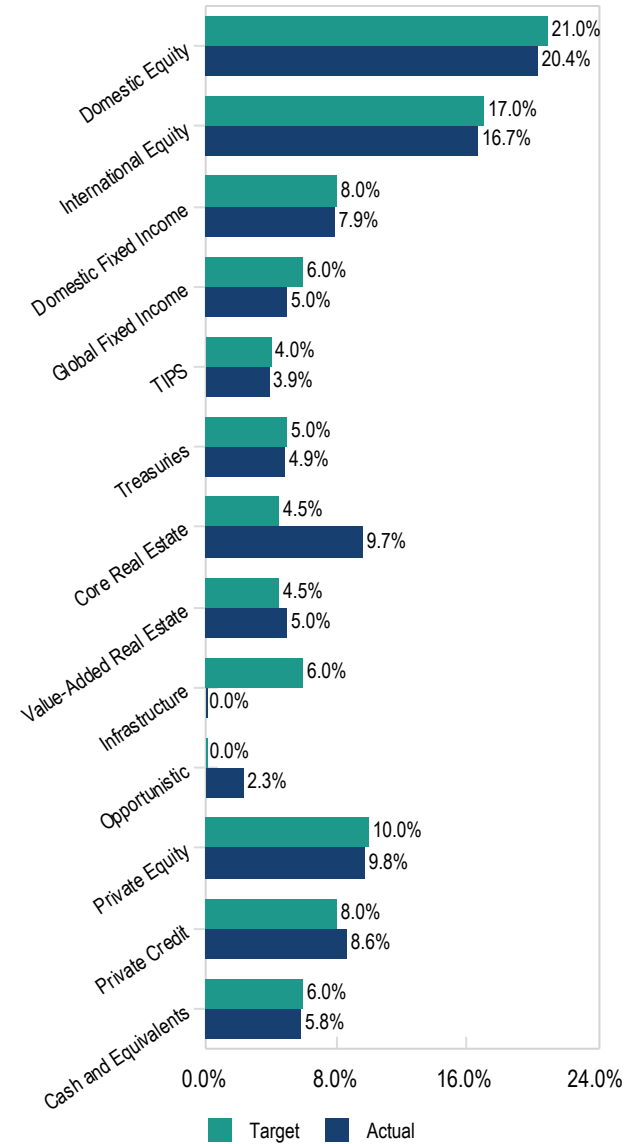


Interim Policy Index as of 1/1/2023: 21% Russell 3000, 17% MSCI ACWI ex-US (Gross), 8% Bloomberg U.S. Aggregate, 5% Bloomberg US Treasury 7-10 yr, 4% Bloomberg US TIPS 5+ Year, 6% FTSE World Govt Bond Index, 9% NCREIF Property Index, 10% Actual Private Equity Return, 8% Actual Private Credit Return, 6% 90-day T-Bills, 6% ARA American Strategic Value Realty. HarbourVest SLO Funds and Harbourvest 2018 Global Fund as of 9/30/22. Harbourvest Partners IX Buyout Fund, Sixth Street Partners DCP and TAO as of 12/31/22. ARA American Strategic Value Realty and KKR Mezzanine Partners as of 3/31/23. All data is preliminary.

Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: April 30, 2023

	Market Value	% of Portfolio	1 Mo	YTD
Total Real Estate	239,795,047	14.7	-0.2	-3.0
NCREIF Property Index			0.0	-1.8
JP Morgan Core Real Estate	157,923,983	9.7	-0.3	-3.3
NCREIF-ODCE			0.0	-3.2
NCREIF Property Index			0.0	-1.8
ARA American Strategic Value Realty	81,871,064	5.0	0.0	-2.4
NCREIF-ODCE			0.0	-3.2
NCREIF Property Index			0.0	-1.8
Total Risk Diversifying	354,435,077	21.7	0.6	3.8
Total Risk Diversifying Benchmark			0.5	3.8
Total Domestic Fixed Income	272,341,641	16.7	0.8	4.2
Blmbg. U.S. Aggregate Index			0.6	3.6
BlackRock Core Bond	442,063	0.0	2.6	5.5
Blmbg. U.S. Aggregate Index			0.6	3.6
Dodge & Cox Income Fund	61,167,932	3.7	0.6	3.8
Blmbg. U.S. Aggregate Index			0.6	3.6
Pacific Asset Corporate Loan	66,724,844	4.1	1.3	5.1
Morningstar LSTA US Leveraged Loan			1.1	4.3
SSGA U.S. Govt Bond Index	80,275,588	4.9	0.5	3.7
Blmbg. U.S. Government			0.5	3.5
BlackRock TIPS	63,731,214	3.9	0.1	3.7
Blmbg. U.S. TIPS			0.1	3.5
Total Global Fixed	82,093,436	5.0	-0.2	2.6
FTSE World Government Bond Index			0.4	3.9
Brandywine Global Fixed Income	37,941,809	2.3	0.2	3.8
FTSE Non-U.S. World Government Bond			0.3	4.0
Ashmore EM Blended Debt Fund	44,151,627	2.7	-0.6	1.6
50% JPM EMBI GD/25% JPM GBI EM GD/25% JPM ELMH+			0.6	3.6

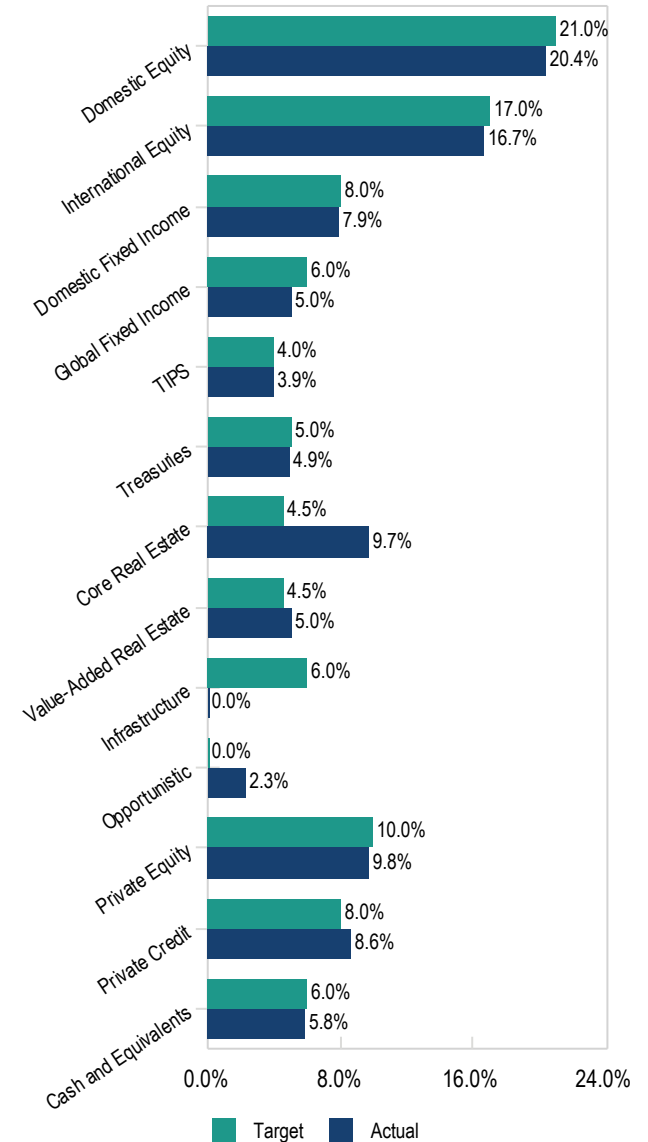


Interim Policy Index as of 1/1/2023: 21% Russell 3000, 17% MSCI ACWI ex-US (Gross), 8% Bloomberg U.S. Aggregate, 5% Bloomberg US Treasury 7-10 yr, 4% Bloomberg US TIPS 5+ Year, 6% FTSE World Govt Bond Index, 9% NCREIF Property Index, 10% Actual Private Equity Return, 8% Actual Private Credit Return, 6% 90-day T-Bills, 6% ARA American Strategic Value Realty, HarbourVest SLO Funds and Harbourvest 2018 Global Fund as of 9/30/22. Harbourvest Partners IX Buyout Fund, Sixth Street Partners DCP and TAO as of 12/31/22. ARA American Strategic Value Realty and KKR Mezzanine Partners as of 3/31/23. All data is preliminary.

Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: April 30, 2023

	Market Value	% of Portfolio	1 Mo	YTD
Total Liquidity	95,212,956	5.8	0.3	1.4
90 Day U.S. Treasury Bill			0.3	1.4
Total Cash	95,212,956	5.8	0.3	1.4
90 Day U.S. Treasury Bill			0.3	1.4
PIMCO Short Duration Fund	33,852,521	2.1	0.3	2.0
Blmbg. 1-3 Year Gov/Credit Index			0.3	1.9
Cash Account	33,775,477	2.1	0.6	1.1
90 Day U.S. Treasury Bill			0.3	1.4
Investment Cash	27,584,959	1.7	0.1	1.0
90 Day U.S. Treasury Bill			0.3	1.4
Total Opportunistic	37,583,830	2.3		
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	3,199,533	0.2		
Sixth Street Partners TAO	34,384,297	2.1		



Interim Policy Index as of 1/1/2023: 21% Russell 3000, 17% MSCI ACWI ex-US (Gross), 8% Bloomberg U.S. Aggregate, 5% Bloomberg US Treasury 7-10 yr, 4% Bloomberg US TIPS 5+ Year, 6% FTSE World Govt Bond Index, 9% NCREIF Property Index, 10% Actual Private Equity Return, 8% Actual Private Credit Return, 6% 90-day T-Bills, 6% ARA American Strategic Value Realty. HarbourVest SLO Funds and Harbourvest 2018 Global Fund as of 9/30/22. Harbourvest Partners IX Buyout Fund, Sixth Street Partners DCP and TAO as of 12/31/22. ARA American Strategic Value Realty and KKR Mezzanine Partners as of 3/31/23. All data is preliminary.

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Board of Trustees

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Date: May 22, 2023

To: Board of Trustees

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

Agenda Item 15: Private Equity – Additional Commitment - HarbourVest SLO Fund - Deferral

This item is an informational update for the Board of Trustees on a recent Board approval. At the February 27, 2023 Board of Trustees meeting the Board -

1. Approved an additional commitment of \$150 million to the existing HarbourVest SLO Fund private markets program to be allocated to Private Equity.
2. Authorized the Executive Director to execute necessary documents and amendments, subject to legal review, to implement the additional comment.

Staff Deferral of Additional Commitment:

Upon further analysis and the recommendation of Scott Whalen of Verus, we have decided to defer the actual execution of the additional \$150m commitment to the HarbourVest SLO Fund-of-One for Private Equity. The rationale and plan for the added commitment are still fully intact and we recommend no change to the previous authorization from the Board.

However, as we analyzed the execution of this additional commitment, we realized we can accomplish the same outcome while maintaining greater operational flexibility and incurring less fees by deferring implementation.

The fee structure for the HarbourVest SLO Fund-of-One assesses HarbourVest fees on the total Committed amount. This is typical for private market investments.

Therefore, deferring the actual execution of additional commitments will save a substantial amount of fees. It was this realization that led to the investigation of alternative implementation scenarios.

In addition, Verus conducts an annual pacing study in conjunction with HarbourVest, as part of Verus' annual Private Markets Program Review. Depending on the findings of the study, Verus may recommend a change to the commitment pacing to meet the asset allocation objectives of the Board. Not coincidentally, it was during the last pacing study that Verus identified the shortfall in the current commitment level and the need for the additional \$150mm commitment to meet SLOCPT's 18% target private equity allocation. In future studies, Verus and HarbourVest may choose to recommend more rapid investment of the current commitment, which allows greater implementation flexibility and the ability to delay the implementation of the additional \$150mm commitment, as well as refine future commitments across the entire private markets program.

The Executive Director / CIO decision, in consultation with the Investment Consultant, to defer the actual execution of the additional \$150m PE commitment to the HarbourVest SLO Fund-of-One falls under the already granted authority from the Board.

Verus has discussed the deferral with HarbourVest and they are in agreement.

Respectfully Submitted,

Board of Trustees

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Date: May 22, 2023

To: Board of Trustees

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

Agenda Item 16: Asset Allocation – April 2023

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 2023 Interim SAA Target Allocation the following table provides details. Also shown is a comparison to the SAA Target Allocation targeted for 2027.

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.

FFP Asset Mix	Est. Market Value (\$000s)	% Allocation	SAA Target Allocation	Variance	Strategic Asset Allocation
	04/30/23		2023 Revised Interim		Long Term
Bank (operating)	1,511	0.1%	0.1%	0.0%	0.1%
SLOC Treasury	32,265	2.0%	1.9%	0.0%	1.7%
JPM short term	27,585	1.7%	1.5%	0.2%	2.3%
Short Duration	33,853	2.1%	2.5%	-0.4%	6.0%
LIQUIDITY	95,213	5.8%	6.0%	-0.2%	10.0%
Equity- Public Mkt US	332,370	20.4%	21.0%	-0.6%	16.0%
Equity- Public Mkt Intl	273,109	16.7%	17.0%	-0.3%	14.0%
Equity- Public Mkt Global	-	0.0%		0.0%	
Bank Loans	66,724	4.1%	4.0%	0.1%	
Bonds- Intl.	37,941	2.3%	3.0%	-0.7%	
Bonds- Emerging Mkts	44,115	2.7%	3.0%	-0.3%	
Real Estate- Core	157,924	9.7%	9.0%	0.7%	5.0%
Real Estate- Value Add	81,871	5.0%	4.0%	1.0%	5.0%
Infrastructure	-	0.0%	2.0%	-2.0%	5.0%
Private Equity	160,247	9.8%	10.0%	-0.2%	18.0%
Private Credit	140,451	8.6%	8.0%	0.6%	12.0%
Opportunistic	37,130	2.3%	0.0%	2.3%	
GROWTH	1,331,881	81.6%	81.0%	0.6%	75.0%
Bonds- Core	61,578	3.8%	4.0%	-0.2%	
Treasuries - Intermediate	80,276	4.9%	5.0%	-0.1%	8.0%
TIPS	63,731	3.9%	4.0%	-0.1%	7.0%
RISK DIVERSIFYING	205,584	12.6%	13.0%	-0.4%	15.0%
TOTAL	1,632,679	100.0%	100.0%		100.0%
Liquidity + Risk Diversifying		18.4%	19.0%	-0.6%	25.0%

Respectfully submitted,