



Notice of Special Meeting

The Board of Retirement
of the San Mateo County Employees' Retirement Association
will hold a Special Meeting to be held on
Tuesday, April 24, 2018, starting at 8:30 a.m.

Please take notice that the Chair of the Board of Retirement, acting pursuant to the authority of Government Code §54956, hereby call a special meeting to take place at the time and date listed above. The meeting is for the purpose of discussing and transacting the following business:

PUBLIC SESSION - The Board will meet in Public Session at 8:30 a.m.

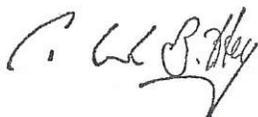
1. **Call to Order, Roll Call and Miscellaneous Business**
2. **Oral Communications and Retreat Activities**
 - 2.1 Oral Communications from the Board
 - 2.2 Oral Communications from the Public
 - 2.3 Retreat Presentations and Discussions (*See attached agenda and list of presenters*)
3. **Approval of the Minutes**
 - 3.1 Approval of Regular Board Meeting Minutes from March 27, 2018
4. **Approval of the Consent Agenda**
 - 4.1 Disability Retirements
 - Honora Miller
 - 4.2 Survivor Death Benefits
 - 4.3 Service Retirements
 - 4.4 Continuances
 - 4.5 Deferred Retirements
 - 4.6 Member Account Refunds
 - 4.7 Member Account Rollovers
 - 4.8 Member Account Redeposits
 - 4.9 Report of Trustee Education Received
 - 4.10 Approval to Renew Fiduciary Liability Insurance Policy
 - 4.11 Approval of Resolution Authorizing Change in Law Firms for Tax Counsel Services
5. **Benefit & Actuarial Services**
 - 5.1 Consideration of Agenda Items, if any, Removed from the Consent Agenda
6. **Investment Services**
 - 6.1 Preliminary Monthly Performance Report for the Period Ending March 31, 2018
7. **Board & Management Support Services**
 - 7.1 Approval of Direction for Voting Delegate at SACRS Spring Conference Business Meeting
8. **Management Reports**
 - 8.1 Chief Executive Officer's Report
 - 8.2 Assistant Executive Officer's Report
 - 8.3 Chief Investment Officer's Report
 - 8.4 Chief Legal Counsel's Report

CLOSED SESSION – The Board may meet in closed session prior to adjournment

- C1 **Consideration of Disability Items, if any, Removed from the Consent Agenda**
9. **Report on Actions Taken in Closed Session**
10. **Adjournment in Memory of the Following Deceased Members:**

Howard, Donald	March 3, 2018	Chope
Taylor, Norma	March 9, 2018	Chope
Rogg, Francine	March 12, 2018	Social Services
Kiliona, Robert	March 16, 2018	Parks
Goth, Theodore	March 17, 2018	Sheriff
Heinaman, Barbara	March 17, 2018	County Manager's Office

Hoffman, Nancy	March 17, 2018	Employment & Training
Brake, Karen	March 18, 2018	Superior Court
Starr, Barbara	March 18, 2018	Library
Armanino, Elaine	March 23, 2018	District Attorney's Office
Howard, Charles	March 23, 2018	Hospital
Kumetat, Harriet	March 25, 2018	Human Services Agency
Harper, Gerald	March 27, 2018	Probation
Seto, Anthony	March 27, 2018	Public Works
McDonald, Bernice	March 30, 2018	Controller's Office



Mark Battey
Chair, Board of Retirement

Posted: April 18, 2018

THE BOARD MEETS AT 100 MARINE PARKWAY, SUITE 160,

WHICH IS LOCATED ON THE SE CORNER OF TWIN DOLPHIN & MARINE PARKWAY IN REDWOOD SHORES.

Detailed directions are available on the "Contact Us" page of the website www.samcera.org

Free Parking is available in all lots in the vicinity of the building.

A copy of the Board of Retirement's open session agenda packet is available for review at the SamCERA offices and on our website unless the writings are privileged or otherwise exempt from disclosure under the provisions of the California Public Records Act. Office hours are Monday through Thursday 7 a.m. – 6 p.m.

IN COMPLIANCE WITH THE CALIFORNIA GOVERNMENT CODE AND THE AMERICANS WITH DISABILITIES ACT: SamCERA's facilities and board and committee meetings are accessible to individuals with disabilities. Contact SamCERA at (650) 599-1234 at least three business days prior to the meeting if (1) you need special assistance or a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in this meeting; or (2) you have a disability and wish to receive the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting in an alternative format. Notification in advance of the meeting will enable SamCERA to make reasonable arrangements to ensure full accessibility to this meeting and the materials related to it.

Notice of Cancellation of Special Meeting

**Notice is hereby given that the meeting scheduled for
Wednesday, April 25th at 9:00 a.m. is cancelled**

Agenda & Presenters

Board / Staff Retreat

April 24, 2018



San Mateo County Employees'
Retirement Association

BOARD / STAFF RETREAT AGENDA
Tuesday, April 24, 2018

<u>TIME</u>	<u>TOPIC AND PRESENTER</u>
8:00 a.m.	Coffee and Refreshments
8:30 a.m.	Beginning of Regular Board Meeting Agenda
9:00 a.m.	High level look at the Global Economy Presenter: Sonal Desai, PH.D., Senior Vice President, Portfolio Manager Director of Research Templeton Global Macro Franklin Advisers, Inc.
10:00 a.m.	Break
10:15 a.m.	Deep Dive Led by Mike Coultrip. Assess longer-term drivers of fund returns and risks. Investigate longer-term manager performance and other characteristics vs indexes and peer groups. Review Risk Dashboard. Presenters: Michael Coultrip, SamCERA Chief Investment Officer and Margaret Jadallah, Managing Director, Verus
11:30 a.m.	Lunch
12:00 p.m.	Portfolio Risk and Discussion Presenter: Jeff MacLean, CEO, Verus
1:00 p.m.	Break
1:15 p.m.	Strategic Planning Workshop Presenter: Scott Hood, SamCERA and Tom Iannucci, President, Cortex Applied Research
2:30 p.m.	End of Retreat

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
MARCH 27, 2018 – REGULAR BOARD MEETING MINUTES

1803.1 **Call to Order, Roll Call and Miscellaneous Business**

Call to Order: Mr. Mark Battey, Chair, called the Regular Meeting of the Board of Retirement to order at 10:00 a.m.

Roll Call:

Present: Mark Battey, Albert David, Kurt Hoefler, Susan Lee (for David Spinello), Alma Salas (for Paul Hackleman) and Eric Tashman.

Absent: Sandie Arnott, Ben Bowler, Paul Hackleman David Spinello and Shirley Tourel.

Alternates present: Susan Lee and Alma Salas.

Staff: Brenda Carlson, Michael Coultrip, Lili Dames, Scott Hood, Doris Ng and Gladys Smith.

Consultants: Margaret Jadallah and Stephen Quirk (Verus).

1803.2.1 **Oral Communications from the Board:** None.

1803.2.2 **Oral Communications from the Public:** Ms. Katherine O'Malley addressed the Board regarding issues relating to the mailing of the ballots and ballot instructions with last year's Special Election to fill the vacancy on the Board of Retirement. She wanted the Board to ensure it will not happen in the upcoming election for the active member seats.

Ms. Smith informed the Board and Ms. O'Malley that the Elections Office runs SamCERA elections and that the concerns raised have already been addressed by SamCERA staff with the Elections Office.

1803.3.0 **Approval of Board Meeting Minutes:** Mr. Battey asked if there were any changes or corrections, or objections, to the meeting minutes from the Board meeting held on February 27, 2018.

Action: Mr. David moved to approve the minutes from the Regular Meeting on February 27, 2018. The motion was seconded by Mr. Hoefler and carried with a vote of 6-0, with trustees Battey, David, Hoefler, Lee, Salas and Tashman, all in favor; none opposed.

1803.4.0 **Approval of the Consent Agenda:** Mr. Battey asked if there were any items to be removed for discussion from the Consent Agenda. No items were removed.

Action: Mr. Tashman moved to approve the Consent Agenda, and the motion was seconded by Mr. David. The motion carried with a vote of 6-0, with trustees Battey, David, Hoefler, Lee, Salas and Tashman, all in favor; none opposed.

1803.4.1 **Disability Retirements:** None.

1803.4.2 **Survivor Death Benefits:** None.

1803.4.3 **Service Retirements:**

The Board ratified the actions listed below for the following members regarding service retirements:

<u>Member Name</u>	<u>Effective Retirement Date</u>	<u>Department</u>
Alvarado, Jose	January 20, 2018	HOS Food & Nutrition
Bautista, James	January 5, 2018	Juvenile Probation
Cardenas, Jose	January 6, 2018	HOS Health Info Management
Chan, Alicia	January 27, 2018	Assessor's
Cheung, Sulina	January 4, 2018	Aging and Adult Services

Copeland, Roger	January 27, 2018	Sheriff's
de Klerk, Kathryn	January 2, 2018	District Attorney
French, Linda	January 20, 2018	Deferred from Sheriff's
Garcia, Carlos	January 27, 2018	HOS Food & Nutrition
Garza, Alvaro	January 8, 2018	Deferred from Public Health
Hurtado, Doris	February 1, 2018	FHS Health Coverage Unit
Jackson, Andre	January 20, 2018	Sheriff's
Ketchen, Eugene	January 26, 2018	Human Services
Lavelle, Madeleine	January 31, 2018	Deferred from Behavioral Health
McKenney, Maria	January 20, 2018	HOS Fair Oaks Family Health
Miller, Christopher	January 6, 2018	Probation
NguyenDuy, Tuonganh	January 31, 2018	Human Services
Nichols, Paul	January 19, 2018	Deferred from DAO
Padilla, Norma	February 1, 2018	Medical Center
Realini, Norma	January 11, 2018	Human Services
Sandoval, Maritza	January 20, 2018	HOS Edison Clinic
Sarraga, Joy	January 31, 2018	Deferred Aging & Adult Svcs
Sheppard, Tom	January 31, 2018	Sheriff's
Thompson, Susan	January 27, 2018	SamCERA
Vargas, Carmen	February 1, 2018	Human Services

1803.4.4 **Continuances:**

The Board ratified the actions listed below for the following members regarding continuances:

<u>Survivor's Name</u>	<u>Beneficiary of:</u>
Cohn, Gloria	Cohn, Jerry
Ferguson, Dottie	Ferguson, Neal
Luke, Wanda	Luke, Alfred
McKercher, Margaret	McKercher, Roy
Sandoval, Diana	Sandoval, Julian

1803.4.5 **Deferred Retirements:**

The Board ratified the actions listed below for the following members regarding deferred retirements:

<u>Member Name</u>	<u>Retirement Plan Type</u>
Avila, Alfonso	G4, Vested – Reciprocity
Brien, Jason	G5, Vested
Broberg, Lily	G7, Non-vested - Reciprocity
Cesario, Michelle	G4, Vested - Reciprocity
Dejesus, Mario	G5, Non-vested – Reciprocity
Gilchrist, Gerald	G5, Vested - Reciprocity
Lin, David	G4, Vested - Reciprocity
Molina, Arlette	G4, Vested
Nannizzi, Paula	G4, Vested – Reciprocity
Norzaagaray, Cynthia	G4, Vested – Reciprocity
Renzi, Jeanette	G4, Vested – Reciprocity
Saenz, Johanna	G7, Non-vested – Reciprocity
Sandoval, Amaranta	G4, Vested
Tanaka, Greg	G4, Vested - Reciprocity

1803.4.6 **Member Account Refunds:**

The Board ratified the actions listed below for the following members regarding refunds:

<u>Member Name</u>	<u>Retirement Plan Type</u>
Francisco, Ophelia	G4, Vested
Mejia Saucedo, Maria	G7, Non-vested
Morrisette, Randy	G7, Non-vested
Navarro, Mariza	G7, Non-vested
Rose, Rachel	G4, Non-vested
Stehl, Karla	G7, Non-vested
Switlyk, Emily	G7, Non-vested
Valenzuela, Nancy	G7, Non-vested

1803.4.7 **Member Account Rollovers:**

The Board ratified the actions listed below for the following members regarding rollovers:

Crothers, Rachel	G7, Non-vested
De Lucchi, Rita	G4, Non-vested
Nigam, Reetu	G7, Non-vested

1803.4.8 **Member Account Redeposits:** None.

1803.4.9 **Acceptance of Trustees' Reports of Educational Activities Through Outside Provider:** None.

1803.4.10 **Acceptance of the Proxy Voting Summary for the Period Ended December 31, 2017:**

The Board accepted the Proxy Voting Summary for the Period Ended December 31, 2017.

1803.5.1 **Consideration of Agenda Items, if any, removed from the Consent Agenda:** None.

1803.6.1 **Preliminary Monthly Portfolio Performance Report for the Period Ended February 28, 2018:**

Mr. Coultrip discussed the preliminary monthly performance report with the Board. He reported that SamCERA's net preliminary return for February 2018 was -2.4%, while the preliminary trailing twelve-month return ending February 2018 was 10.7% net. He also reported that the twelve-month net return is below SamCERA's Plan Benchmark return of 11.7%, but higher than SamCERA's Actuarial Assumed Earnings Rate of 6.75%. This item was informational and for discussion only, no action was taken.

1803.6.2 **Report on Cash Overlay (Parametric) Annual Report:**

Ms. Dames reviewed the meeting notes from the annual review of SamCERA's cash overlay manager, Parametric (formerly The Clifton Group), which was held on March 1, 2018, at SamCERA's office. Overall program results were in-line with long-term expectations. From inception through December 31, 2107, the program produced a synthetic index overlay return of \$19.7 million, or 13 basis points of fund assets. This item was informational and for discussion only, no action was taken.

1803.6.3 **Report on Global Custodian (Northern Trust) Annual Review:**

Ms. Ng reviewed the meeting notes from annual review of SamCERA's custodian bank, Northern Trust, which was held on March 1, 2018, at SamCERA's office. She stated Northern Trust continues to provide excellent levels of service to staff in accordance with expectations. There were no major concerns identified during the review. This item was informational and for discussion only, no action was taken.

1803.6.4 **Report on Update of Verus Capital Market Assumptions:**

Ms. Jadallah and Mr. Quirk, from Verus, reviewed Verus' report on capital market assumptions with the Board, which will form the basis for the upcoming asset allocation review. Mr. Quirk reviewed

methodology, return, risk assumptions, asset classes and forecast changes. This item was informational and for discussion only, no action was taken.

The meeting was adjourned for a break at 11:00 a.m. and reconvened at 11:10 a.m.

1803.7.1 **Educational Presentation on Strategic Plan:**

Tom Iannucci, President of Cortex Applied Research, provided an educational session on Strategic Planning to the Board. He provided an overview of the strategic planning process, strategic planning for public retirement systems, potential pitfalls, next steps/workplan and review of the strategic questionnaire. This item was informational and for discussion only, no action was taken.

The meeting was adjourned for lunch at 12:14 p.m. and reconvened at 12:25 p.m.

1803.7.2 **Report on April 2018 Board-Staff Retreat Planning:**

Mr. Hood reviewed and discussed the agenda on the upcoming Board-Staff Retreat in April with the Board based on direction by the Board at its February meeting. This item was informational and for discussion only, no action was taken.

1803.7.3 **Approval of and Direction to SamCERA Voting Delegate and Alternates for SACRS Spring 2018 Business Meeting:**

Mr. Hood discussed the upcoming SACRS Spring 2018 Conference and recommended the Board to designate Sandie Arnett as the Voting Delegate, with Alma Salas as the First Alternate Voting Delegate and Scott Hood as the Second Alternate Voting Delegate. The Voting Delegate is authorized to cast votes on behalf of SamCERA at the SACRS business meeting, scheduled for Friday, May 18th. Any additional information about the SACRS business meeting agenda and topics will be presented to the Board in April.

Action: Mr. Tashman moved to approve the voting delegates as proposed. The motion was seconded by Mr. David and carried with a vote of 6-0, with trustees Battey, David, Hoefer, Lee, Salas and Tashman, all in favor; none opposed.

1803.7.4 **Ethics Training for Trustees:**

Ms. Carlson, Chief Legal Counsel, presented the Board's annual ethics training in compliance with the requirements set forth in the California Government Code. Board members and Ms. Carlson discussed topics including fiduciary duties, conflict of interest, reporting gifts, government transparency laws, public records act and fair contracting and hearing requirements.

This item was taken out of order and heard after the Board reconvened from lunch and before Agenda Item 7.2.

1802.8.1 **Chief Executive Officer's Report:**

Mr. Hood announced that SamCERA received, for the twenty-first consecutive year, the Certificate of Achievement for Excellence in Financial Report for its CAFR by GFOA. He thanked the staff who helped compile the report. In addition, he mentioned SamCERA received, from NCPERS, a "Certificate of Transparency" for participating in their annual survey. He noted that he met with the Assistant County Manager, new Deputy County Manager and Budget Director for the County to discuss the 2023 paydown of the unfunded liability by the County and to provide general information about on SamCERA. Mr. Hood updated the Board regarding Staff's mini-retreat on March 22nd and noted that any additional information received on SACRS business items will be presented next month.

1802.8.2 **Assistant Executive Officer's Report:**

Ms. Smith reminded the Board about completing the Sexual Harassment Prevention training, which should be completed by the end of June. SACRS will be offering this training at its Spring Conference in

May. Ms. Smith also asked the Board to inform her if they would like to attend the SACRS Spring Conference and/or NCPERS Annual Conference.

1802.8.3 **Chief Investment Officer's Report:**

Mr. Coultrip informed the Board, for those who are interested in attending, that the annual review for Real Estate, with PGIM, will be held on Thursday, March 29 at 10:00 a.m. and with Invesco on Thursday, April 5 at 8:00 a.m. He also informed the Board that he is working with Verus on a recommendation for potential changes to both the private equity and private real assets benchmarks, which will be presented to the Board in either April or May. Mr. Coultrip also mentioned that Jeff MacLean, Verus CEO, will be a presenter at the Board's retreat next month.

1802.8.4 **Chief Legal Counsel's Report:** None.

C1 **Consideration of Disability Items, if any, removed from the Consent Agenda:** None.

1802.9 **Report on Actions Taken in Closed Session:** None.

1802.10 **Adjournment:** Mr. Battey adjourned the meeting at 1:26 p.m. in memory of the deceased members listed below.

Toscanelli, Amil	February 7, 2018	Probation
Lee, Pah	February 13, 2018	Medical Center
Young, Jane	February 15, 2018	Probation
Martinson, Robert	February 19, 2018	Medical Center
Bairfield, Barbara	February 21, 2018	Medical Center
Stengard, Hilda	February 23, 2018	Health Department
Finney, Charles	February 24, 2018	District Attorney
Donigan, Donna	February 25, 2018	County Clerk
Donegan, Michael	February 26, 2018	Public Works
Thomas, Gloria	March 4, 2018	Probation

Scott Hood
Chief Executive Officer

Gladys Smith
Assistant Executive Officer

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

April 24, 2018

Agenda Items 4.1- 4.9

TO: Board of Retirement

FROM: Elizabeth LeNguyen, Retirement Benefits Manager



SUBJECT: Approval of Consent Agenda Items 4.1 – 4.9

4.1 Disability Retirements

- a) The Board find that **Honora Miller** is (1) permanently incapacitated from the performance of her usual and customary duties as a Program Coordinator II, (2) find that her disability was not the result of an illness arising out of and in the course of her employment and (3) grant her application for a non-service-connected disability retirement.

4.2 Survivor Death Benefits

None.

4.3 Service Retirements

The Board ratifies the actions as listed below for the following members regarding service retirements:

Member Name	Effective Retirement Date	Department
Aines, Cheryl	February 15, 2018	Retired G2, starting G3 pension
Boesch, David	January 31, 2018	Deferred County Manager's Office
Garcia, Wilhelmina	February 24, 2018	HOS - Acute Psychiatric
Gayle, Linford	February 12, 2018	Behavioral Health
Huguet, Walter	February 16, 2018	Behavioral Health
Iverson, Rita	February 21, 2018	Deferred from Medical Center
Kearnan, Jeffrey	February 24, 2018	Sheriff's
Lederer, Joseph	February 9, 2018	Aging & Adult Services
Nevarez, Araceli	February 1, 2018	Family Health Services
Ngantian, Eleanor	February 17, 2018	Human Services Agency
O'Brien, Daniel	February 3, 2018	Deferred from ISD
Peyrot, Sheila	February 24, 2018	Courts
Puccetti, Consuelo	February 28, 2018	Deferred from Social Services

Taylor, Marney	November 17, 2017	Public Works
Tippins, Rick	February 24, 2018	Sheriff's
Villanueva, Michael J.	February 21, 2018	Deferred from Probation
Wilmes, Mary	February 28, 2018	Library

4.4 Continuances

The Board ratifies the actions as listed below for the following members regarding continuances:

Survivor's Name	Beneficiary of:
Donegan, Charmion	Donegan, Michael
Glass, Michael	Glass, Sharon
Osburn, Bernadine	Bairfield, Barbara

4.5 Deferred Retirements

The Board ratifies the actions as listed below for the following members regarding deferred retirements:

Member Name	Retirement Plan Type
Ashkinaziy, Elaine	G4, Vested
Hamilton, Nicole	G4, Vested
Meza, Justin M.	G4, Vested– Auto Defer - Code 31700
Travis, Adonis J.	G4, Vested– Auto Defer - Code 31700
Yee, Theresa A.	G4, Vested– Auto Defer - Code 31700

4.6 Member Account Refunds

The Board ratifies the actions as listed below for the following members regarding refunds:

Member Name	Retirement Plan Type
Bermudez, Maria	G7, Non-vested
Catambay, Milagros	G4, Vested
Cordero, Rachel Anne	G7, Non-vested

Dichoso, Jesse	G7, Non-vested
Figueroa-Zepeda, Bertha	G4, Vested
Lara, Monica	G7, Non-vested
McDonald, Tina	G4, Vested
Toschik, Joseph	G4, Vested

4.7 Member Account Rollovers

The Board ratifies the actions as listed below for the following members regarding rollovers:

Member Name	Retirement Plan Type
Figueroa-Zepeda, Bertha	G4, Vested

4.8 Member Account Redeposits

None.

4.9 Acceptance of Trustees' Reports of Educational Activities

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

April 24, 2018

Agenda Item 4.9

TO: Board of Retirement
FROM: Gladys Smith, Assistant Executive Officer
SUBJECT: Trustee's Reports of Educational Activities



Recommendation

Accept the following reports from Board of Retirement trustees who have recently attended educational events.

Background

SamCERA's Education Policy Section 1D states "Prior to the next regularly scheduled meeting of the Board following the Board member's participation in an educational activity, the Board member shall submit for inclusion on the Consent Agenda, a summary written report on the content of educational activities. The report shall substantially reflect the information contained in the attached sample report."

Discussion

SamCERA Trustees attended the following educational events, and their reports are attached:

CALAPRS General Assembly, Palm Springs, March 4-6, 2018

Susan Lee

Attachments

Trustee's Education Proof of Participation Certificates and Summaries

SamCERA Board of Retirement Trustee Education
 Proof of Participation Certificate and Summary



Trustee Name <i>Susan Lee</i>		Date(s) of Event <i>3/4 - 3/6/18</i>
Education Event Name <i>CALAPRS General Assembly</i>		
Event Provider <i>CALAPRS</i>		
Type of Participation: Attended Event <input checked="" type="checkbox"/> Listened to Audio/Watched Video <input type="checkbox"/>		Eligible Credit: Total hours for sessions you participated in: <i>10.50 hrs.</i> (Staff may adjust hours if the provider issues an education certificate that reflects different hours.)

This event satisfies the following requirements of the Board of Retirement's Education Policy and Government Code section 31522.8:

Topic: (Check all that apply)

- | | |
|--|---|
| <input checked="" type="checkbox"/> Fiduciary responsibilities | <input type="checkbox"/> Disability evaluation |
| <input type="checkbox"/> Ethics | <input type="checkbox"/> Fair hearings |
| <input checked="" type="checkbox"/> Benefits administration | <input checked="" type="checkbox"/> Pension fund governance |
| <input type="checkbox"/> Actuarial matters | <input type="checkbox"/> New board member orientation |
| <input type="checkbox"/> Pension funding | <input type="checkbox"/> Other: _____ |
| <input checked="" type="checkbox"/> Pension fund investments and investment program management | |

Summary Report

What concepts or information did you learn about?

*Public pension economic outlook,
 Investment Risk Mitigation, Fidelity Forfeitures
 cybersecurity*

Would you recommend this event to other trustees?

- Yes No Maybe

You may provide additional comments to SamCERA's CEO.

By signing below, I certify that I participated in the activities described above and am entitled to claim the indicated amount of education credit hour(s).

Trustee Signature (print this form and sign) <i>[Signature]</i>	Date <i>3.27.18</i>
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NOTE: Please return this completed form to SamCERA's Executive Secretary prior to the mailing of the Board packet, so it can be included in that month's Consent Agenda.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

April 24, 2018

Agenda Item 4.10

TO: Board of Retirement

FROM: Gladys Smith, Assistant Executive Officer 

SUBJECT: Approval to Renew Fiduciary Liability Insurance Policy

Staff Recommendation

The Board authorize staff to work with the County's Risk Manager to renew SamCERA's fiduciary liability insurance coverage.

Background

The Government Code requires SamCERA to defend trustees and staff against claims and litigation which arise from the performance of their duties. Because the assets of the retirement fund would be used to provide such defense, since 1998, the Board has purchased fiduciary liability insurance to help protect the assets of the fund from the expenses and any awards resulting from such litigation.

Discussion

Currently, the Board has a fiduciary policy with AIG for \$10 million in coverage, a deductible of \$100,000, and an annual premium of \$65,300. Staff is working with the County Risk Manager and James and Gable Insurance Brokers, Inc. to obtain a continuation of this coverage for roughly the same amount in premium. We anticipate a slight increase due to the recent general increases in costs.

For the 18 covered fiduciaries (Board and certain staff), SamCERA will once again be able to pay for a Waiver of Nonrecourse endorsement. We will update the Board on that cost, which last year was \$450, to be divided equally by 18. By law, this cannot be paid by the fund and must be paid personally by each fiduciary. For convenience, SamCERA collects the money from each fiduciary and remits payment to the insurance broker.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

April 24, 2018

Agenda Item 4.11

TO: Board of Retirement

FROM: Scott Hood, Chief Executive Officer 

SUBJECT: Agreement with Reed Smith LLP for Tax Counsel Services

Recommendation

Approve a resolution authorizing the Chief Executive Officer to terminate the agreement with Steptoe & Johnson LLP and execute an agreement with Reed Smith LLP for Tax Counsel Services.

Background

It is important that SamCERA remain compliant with applicable state and federal tax laws and regulations. From time to time SamCERA has used tax counsel services to address tax issues raised in the administration of benefits. In June of 2017, staff issued a Request for Proposal soliciting proposals from three firms experienced in tax issues arising from county retirement systems. After a review of the proposals, interviews, and reference checks, staff recommended Steptoe & Johnson LLP (Steptoe) to the Board and, in July, the Board approved the retention of Steptoe.

Discussion

The retainer agreement with Steptoe provides that the legal services are to be performed by Don Wellington and Jenni Kregel and any other Steptoe attorney delegated by Mr. Wellington. In the case of such delegation, Mr. Wellington is responsible for all work performed. That agreement runs through June of 2022, unless terminated earlier, and is not to exceed \$50,000. The billing rate, is a blended rate of \$525 until November 2017, then \$595. We are only billed for requested services provided and SamCERA has not utilized Steptoe under the current contract.

Mr. Wellington and Ms. Kregel are now with the firm of Reed Smith LLP and will provide the same services under the same terms and conditions provided for under the existing Steptoe agreement. The resolution authorizes the Chief Executive Officer to terminate the agreement with Steptoe, execute the agreement with Reed Smith LLP, and amend that agreement up to \$25,000 total, throughout the term, if needed.

Attachment

Resolution Authorizing the Chief Executive Officer to Terminate Agreement with Steptoe & Johnson LLP and Execute an Agreement with Reed Smith LLP for Tax Counsel Services

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

RESOLUTION ____-__

RESOLUTION AUTHORIZING CHIEF EXECUTIVE OFFICER TO TERMINATE THE AGREEMENT WITH STEPTOE & JOHNSON LLP AND EXECUTE AN AGREEMENT WITH REED SMITH LLP FOR TAX COUNSEL SERVICES

WHEREAS, Article XVI, §17 of the Constitution of the State of California vests the Board with plenary authority and fiduciary responsibility for the investment of moneys and the administration of the system; and

WHEREAS, it is important that SamCERA remain compliant with applicable state and federal tax laws and regulations and to obtain tax refunds and favorable tax rulings in foreign jurisdictions in which the Fund has investments; and

WHEREAS, in June 2017 SamCERA's current agreement with tax counsel expired and staff issued a Request for Proposal for tax counsel services and the Board determined that it is in the best interest to enter into a 5-year agreement with Steptoe & Johnson, LLC to provide tax counsel services; and

WHEREAS, the agreement with Steptoe & Johnson LLP provided that the services were to be provided by Don Wellington and Jenni Kregel and both these attorneys are now with Reed Smith LLP; and

WHEREAS, Don Wellington and Jenni Kregel will continue to provide the same services under the same terms and conditions at Reed Smith LLP; and

THEREFORE, BE IT RESOLVED, that the Board of Retirement authorizes the Chief Executive Officer to terminate the agreement with Steptoe & Johnson, LLC and execute an agreement with Reed Smith, LLP, for tax counsel services in an amount not to exceed \$50,000; and

BE IT FURTHER RESOLVED, that the Chief Executive Officer is hereby authorized and directed to execute any subsequent amendments and minor modifications in an amount not to exceed \$25,000.

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

April 24, 2018

Agenda Item 6.1

TO: Board of Retirement

FROM: Michael Coultrip, Chief Investment Office *Michael R Coultrip*

SUBJECT: Preliminary Monthly Portfolio Performance Report for the Period Ended March 31, 2018

Recommendation

Accept the preliminary performance report dated March 31, 2018.

Background

This preliminary report is intended to provide a high-level view of the portfolio and its trends. It is not intended to provide short-term performance upon which the Board would act. As discussed previously, preliminary performance estimates are now included for AQR Risk Parity, AQR Delta, PanAgora Risk Parity, and Beach Point Select. The quarterly performance metrics are not yet available for our private equity, private credit, private real asset, and real estate portfolios. The performance for these portfolios will be reflected in the quarterly performance report generated by Verus.

The attached performance report shows both net and gross of fee returns for the total plan on page one, with net composite returns (pages 2-3) and net manager returns (pages 4-9) also shown.

Discussion

The fund's net preliminary return for March was -0.6%, bringing the preliminary trailing twelve-month return ending March 2018 to 8.8% net. The twelve-month net return is below SamCERA's Plan Benchmark return of 10.1%, but is higher than SamCERA's Actuarial Assumed Earnings Rate of 6.75%.

March was a second consecutive bad month for risk assets, as equity volatility remained elevated amidst trade war concerns and several technology company-specific issues. The broad U.S. equity market (as measured by the Russell 3000 Index) was down 2.0%, while developed international equity (as measured by MSCI EAFE) was down 1.8%. Emerging markets were also down by 1.9%.

Economic data was mixed. Real GDP grew at an annual rate of 2.9% in the fourth quarter, revised upward from the previous 2.5% estimate. However, manufacturing activity, the labor market, and consumer confidence all dipped during the month, while inflation was modestly higher.

The general U.S. fixed income market was up 0.6% during the month. The U.S. Federal Reserve, with Jerome Powell as the new Chairman, raised its benchmark policy rate by 25 basis points as

expected. The U.S. yield curve flattened during the month, as short rates increased and long rates decreased. The 10-year U.S. Treasury yield was lower during the month, with the yield decreasing 13 basis points and ending at 2.74% by month-end.

Attachments

Northern Trust Performance Report

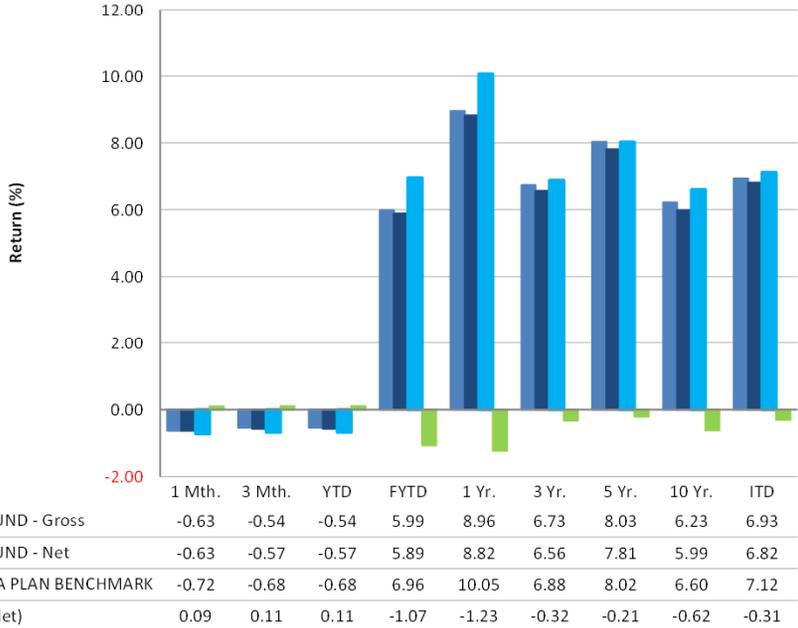
Verus Capital Markets Update

San Mateo County Total Fund Characteristics

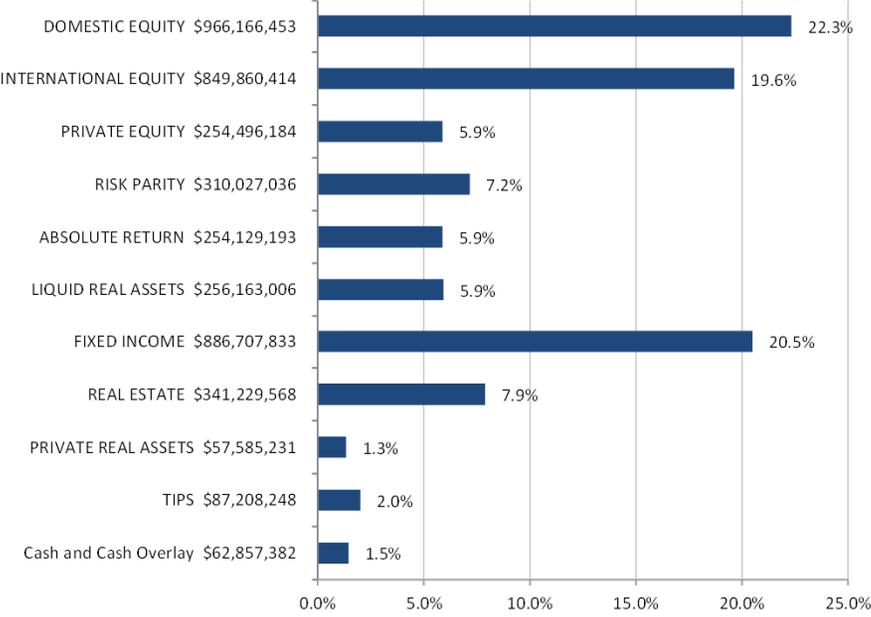


March 31, 2018

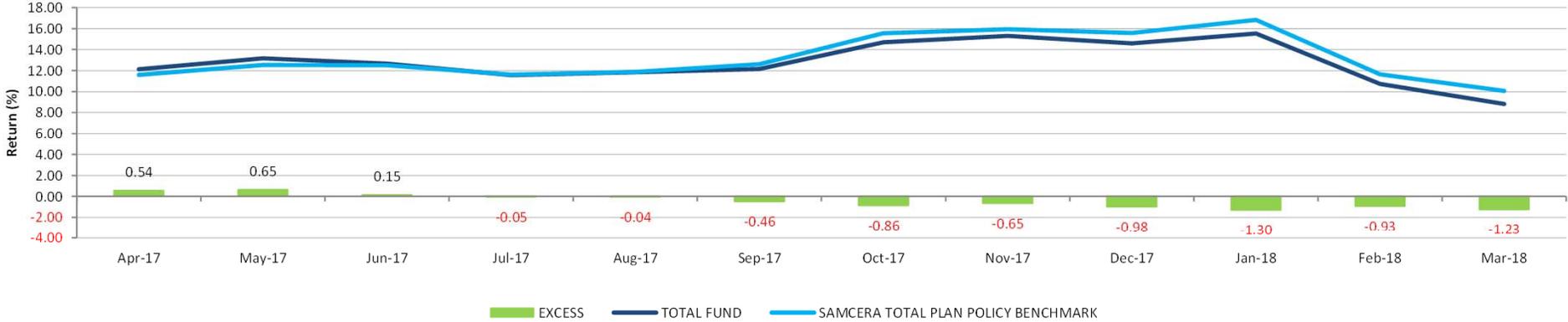
Total Fund Performance



Asset Allocation



Rolling Month End Annual Returns

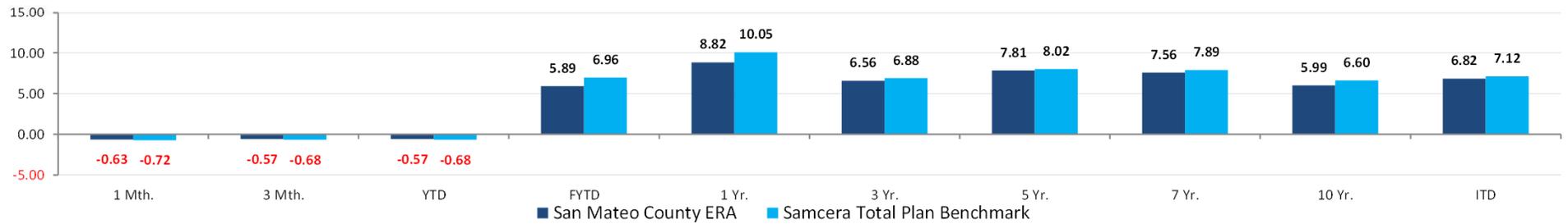


San Mateo County Composite Return Summary



March 31, 2018

Return Comparison



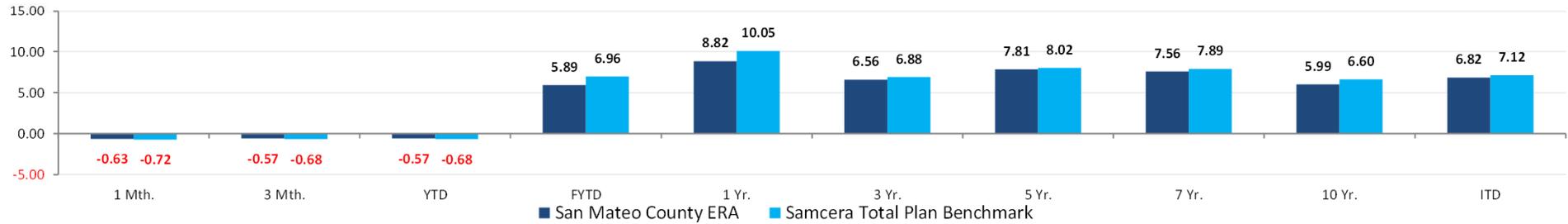
Composite Returns (Net of Manager Fees)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
San Mateo County ERA	4,326,430,549	-0.63	-0.57	-0.57	5.89	8.82	6.56	7.81	7.56	5.99	6.82
Samcera Total Plan Benchmark		-0.72	-0.68	-0.68	6.96	10.05	6.88	8.02	7.89	6.60	7.12
Excess		0.09	0.11	0.11	-1.07	-1.23	-0.32	-0.21	-0.32	-0.62	-0.31
San Mateo Ex-Clifton Overlay	4,310,917,586	-0.65	-0.55	-0.55	5.90	8.80	6.49	7.71	7.52	5.90	6.74
Samcera Total Plan Benchmark		-0.72	-0.68	-0.68	6.96	10.05	6.88	8.02	7.89	6.60	7.12
Excess		0.08	0.13	0.13	-1.06	-1.26	-0.39	-0.31	-0.36	-0.70	-0.38
Total Equity	1,816,026,868	-1.65	-0.65	-0.65	9.91	14.67	8.83	10.50	9.30	6.70	7.92
Samcera Total Equity Benchmark		-1.94	-0.76	-0.76	10.42	14.37	9.52	11.40	10.15	7.89	8.48
Excess		0.30	0.11	0.11	-0.52	0.30	-0.69	-0.89	-0.84	-1.18	-0.56
Fixed Income	886,707,833	0.54	-0.25	-0.25	1.55	3.04	3.57	3.27	4.66	5.36	5.58
Samcera Fixed Income Benchmark		0.27	-1.47	-1.47	0.07	1.99	2.21	2.01	3.24	3.92	4.96
Excess		0.27	1.21	1.21	1.48	1.05	1.36	1.26	1.42	1.44	0.61
Risk Parity	310,027,036	0.67	-1.96	-1.96	6.26	7.90	3.90	4.28	6.29	--	6.31
Samcera Risk Parity Benchmark		-1.05	-1.28	-1.28	5.42	8.57	6.76	8.61	8.74	--	8.68
Excess		1.72	-0.67	-0.67	0.84	-0.67	-2.86	-4.34	-2.45	--	-2.37

San Mateo County Composite Return Summary



March 31, 2018

Return Comparison



Composite Returns (Net of Manager Fees)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Alternatives	508,625,377	-0.56	-0.38	-0.38	3.49	5.11	5.92	4.84	5.40	-8.20	-2.46
Samcera Alternatives Benchmark		-0.73	0.74	0.74	8.81	11.63	8.05	8.22	8.00	6.92	7.71
Excess		0.18	-1.12	-1.12	-5.32	-6.52	-2.13	-3.37	-2.60	-15.12	-10.17
Inflation Hedge	742,186,054	-0.24	-0.25	-0.25	3.72	5.52	--	--	--	--	9.13
SamCERA Inflation Hedge Index		0.76	-0.36	-0.36	6.27	7.04	--	--	--	--	8.09
Excess		-1.00	0.11	0.11	-2.55	-1.51	--	--	--	--	1.04
Cash	47,344,419	0.07	0.18	0.18	0.62	0.84	0.63	0.59	0.61	0.40	1.96
Samcera Cash Benchmark		0.14	0.35	0.35	0.91	1.11	0.53	0.34	0.27	0.34	1.83
Excess		-0.07	-0.17	-0.17	-0.28	-0.27	0.10	0.26	0.35	0.06	0.14

San Mateo County Manager Return Summary



March 31, 2018

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Total Equity	1,816,026,868	-1.65	-0.65	-0.65	9.91	14.67	8.83	10.50	9.30	6.70	7.92
Samcera Total Equity Benchmark		-1.94	-0.76	-0.76	10.42	14.37	9.52	11.40	10.15	7.89	8.48
Excess		0.30	0.11	0.11	-0.52	0.30	-0.69	-0.89	-0.84	-1.18	-0.56
Domestic Equity	966,166,453	-1.53	-0.40	-0.40	10.78	13.95	10.15	12.69	11.57	8.96	8.69
Samcera Dom. Equity Benchmark		-2.01	-0.64	-0.64	10.48	13.81	9.94	12.83	12.14	9.68	9.02
Excess		0.48	0.24	0.24	0.30	0.13	0.21	-0.13	-0.57	-0.72	-0.33
Large Cap Equity	847,077,317	-1.86	-0.37	-0.37	11.34	14.70	11.18	13.53	12.27	9.19	9.45
Russell 1000		-2.27	-0.69	-0.69	10.59	13.98	10.39	13.17	12.57	9.61	9.73
Excess		0.41	0.32	0.32	0.74	0.72	0.79	0.36	-0.31	-0.42	-0.28
Blackrock Russell 1000	693,918,140	-2.27	-0.69	-0.69	10.58	13.99	--	--	--	--	15.84
Russell 1000		-2.27	-0.69	-0.69	10.59	13.98	--	--	--	--	15.65
Excess		-0.00	-0.00	-0.00	-0.01	0.01	--	--	--	--	0.19
DE Shaw Commingled Fund	153,159,177	0.03	1.16	1.16	14.96	18.06	12.76	--	--	--	12.73
Russell 1000		-2.27	-0.69	-0.69	10.59	13.98	10.39	--	--	--	10.09
Excess		2.30	1.85	1.85	4.37	4.08	2.37	--	--	--	2.64
Small Cap Equity	119,089,136	0.78	-0.63	-0.63	7.36	9.32	5.15	8.81	8.78	7.86	6.58
Russell 2000		1.29	-0.08	-0.08	9.11	11.79	8.39	11.47	10.39	9.84	8.07
Excess		-0.52	-0.55	-0.55	-1.74	-2.48	-3.24	-2.65	-1.61	-1.98	-1.50
QMA US Small Cap	119,089,136	0.78	-0.63	-0.63	7.36	9.32	--	--	--	--	15.59
Russell 2000		1.29	-0.08	-0.08	9.11	11.79	--	--	--	--	15.61
Excess		-0.52	-0.55	-0.55	-1.74	-2.48	--	--	--	--	-0.03
International Equity	849,860,414	-1.78	-0.93	-0.93	8.90	15.64	6.58	6.42	4.80	2.03	5.77
MS AC WIdxUS IMI Nt		-1.67	-1.06	-1.06	10.63	17.10	6.75	6.24	4.52	3.06	5.37
Excess		-0.11	0.14	0.14	-1.74	-1.46	-0.16	0.17	0.29	-1.03	0.39

San Mateo County Manager Return Summary



March 31, 2018

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Developed Markets Equity	752,514,346	-1.87	-1.23	-1.23	8.27	15.35	6.46	6.75	5.13	2.41	4.69
MS AC WldxUS IMI Nt		-1.67	-1.06	-1.06	10.63	17.10	6.75	6.24	4.52	3.06	5.23
Excess		-0.20	-0.16	-0.16	-2.37	-1.75	-0.29	0.50	0.62	-0.64	-0.54
Baillie Gifford	253,831,627	-1.96	-0.75	-0.75	9.28	18.76	7.86	8.15	--	--	9.21
MSCI ACWI ex US Growth		-1.31	-0.80	-0.80	11.67	20.32	7.65	7.21	--	--	7.80
Excess		-0.65	0.04	0.04	-2.39	-1.56	0.21	0.94	--	--	1.41
Blackrock EAFE Index Fund	243,968,185	-1.90	-1.60	-1.60	8.17	15.00	5.85	--	--	--	4.10
MSCI EAFE ND		-1.80	-1.53	-1.53	8.18	14.80	5.55	--	--	--	3.82
Excess		-0.09	-0.07	-0.07	-0.01	0.20	0.30	--	--	--	0.28
Mondrian Investment Partners	254,714,534	-1.77	-1.33	-1.33	7.67	12.16	5.08	5.73	4.89	2.72	5.82
MSCI ACWI ex US Value		-2.07	-1.36	-1.36	9.17	13.90	5.64	5.46	3.88	2.68	5.71
Excess		0.30	0.04	0.04	-1.51	-1.74	-0.57	0.26	1.01	0.04	0.11
Emerging Markets Equity	97,346,069	-1.06	1.44	1.44	13.97	17.82	7.36	3.60	--	--	3.63
MSCI Emerging Markets ND (USD)		-1.86	1.42	1.42	17.56	24.93	8.81	4.99	--	--	4.47
Excess		0.79	0.02	0.02	-3.59	-7.11	-1.45	-1.38	--	--	-0.85
EV Parametric EM	97,346,069	-1.06	1.44	1.44	13.97	17.82	--	--	--	--	10.54
MSCI Emerging Markets GD		-1.83	1.47	1.47	17.85	25.37	--	--	--	--	13.06
Excess		0.77	-0.03	-0.03	-3.88	-7.55	--	--	--	--	-2.52
Fixed Income	886,707,833	0.54	-0.25	-0.25	1.55	3.04	3.57	3.27	4.66	5.36	5.58
Samcera Fixed Income Benchmark		0.27	-1.47	-1.47	0.07	1.99	2.21	2.01	3.24	3.92	4.96
Excess		0.27	1.21	1.21	1.48	1.05	1.36	1.26	1.42	1.44	0.61
Core Fixed Income	606,980,998	0.46	-0.98	-0.98	0.52	2.20	2.27	2.81	4.02	4.71	5.31
BB Barclays U.S. Aggregate		0.64	-1.46	-1.46	-0.24	1.20	1.20	1.82	2.92	3.63	4.85
Excess		-0.19	0.48	0.48	0.76	1.00	1.07	0.98	1.10	1.08	0.45

San Mateo County Manager Return Summary



March 31, 2018

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
FIAM Core Bond	260,074,986	0.60	-1.35	-1.35	0.18	1.50	1.82	2.37	3.57	4.65	4.56
BB Barclays U.S. Aggregate		0.64	-1.46	-1.46	-0.24	1.20	1.20	1.82	2.92	3.63	4.09
Excess		-0.05	0.11	0.11	0.42	0.30	0.62	0.54	0.64	1.02	0.47
Western Total Return	132,335,123	0.05	-0.69	-0.69	2.89	6.40	--	--	--	--	5.14
BB Barclays U.S. Aggregate		0.64	-1.46	-1.46	-0.24	1.20	--	--	--	--	1.73
Excess		-0.59	0.77	0.77	3.13	5.20	--	--	--	--	3.40
Blackrock Inter Gov	214,570,889	0.53	-0.68	-0.68	-0.65	0.06	--	--	--	--	0.36
BB Barclays U.S. Aggregate		0.64	-1.46	-1.46	-0.24	1.20	--	--	--	--	1.70
Excess		-0.11	0.78	0.78	-0.41	-1.14	--	--	--	--	-1.34
Opportunistic Credit	279,726,835	0.72	1.32	1.32	4.31	7.02	6.96	6.98	7.74	--	9.60
BB Barc BA Intermediate HY Ind		-0.47	-1.49	-1.49	0.35	2.86	4.29	4.60	5.96	--	7.27
Excess		1.19	2.81	2.81	3.95	4.16	2.68	2.38	1.78	--	2.33
AG Opportunistic Whole Loan	8,010,474	12.72	12.72	12.72	17.56	23.50	11.61	--	--	--	7.84
BB Barc BA Intermediate HY Ind		-0.47	-1.49	-1.49	0.35	2.86	4.29	--	--	--	4.16
Excess		13.19	14.21	14.21	17.20	20.64	7.33	--	--	--	3.67
Angelo Gordon	7,841,001	0.00	3.76	3.76	19.17	25.68	12.48	12.66	--	--	11.95
BB Barc BA Intermediate HY Ind		-0.47	-1.49	-1.49	0.35	2.86	4.29	4.60	--	--	4.89
Excess		0.47	5.24	5.24	18.81	22.82	8.19	8.06	--	--	7.05
Beach Point Select Fund	49,134,080	0.12	1.59	1.59	5.43	7.60	8.50	--	--	--	9.14
BB Barc BA Intermediate HY Ind		-0.47	-1.49	-1.49	0.35	2.86	4.29	--	--	--	4.48
Excess		0.58	3.07	3.07	5.08	4.74	4.21	--	--	--	4.66
Brigade Cap Mngmt	76,344,987	0.03	1.31	1.31	3.07	4.89	5.58	4.86	6.30	--	6.99
BB Barc BA Intermediate HY Ind		-0.47	-1.49	-1.49	0.35	2.86	4.29	4.60	5.96	--	6.53
Excess		0.49	2.80	2.80	2.72	2.03	1.29	0.26	0.35	--	0.46

San Mateo County Manager Return Summary



March 31, 2018

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
SAMCERA - White Oak Yield Spec	5,773,724	0.00	3.89	3.89	3.23	--	--	--	--	--	--
BB Barc BA Intermediate HY Ind		-0.47	-1.49	-1.49	0.35	2.86	--	--	--	--	--
Excess		0.47	5.37	5.37	2.87	--	--	--	--	--	--
SAMCERA-PIMCO Div. Income Fund	80,366,762	0.70	-0.70	-0.70	--	--	--	--	--	--	1.08
BB Barc BA Intermediate HY Ind		-0.47	-1.49	-1.49	--	--	--	--	--	--	-0.52
Excess		1.17	0.79	0.79	--	--	--	--	--	--	1.61
TCP Direct Lending VIII	10,393,144	0.00	1.64	1.64	6.49	9.38	--	--	--	--	--
BB Barc BA Intermediate HY Ind		-0.47	-1.49	-1.49	0.35	2.86	--	--	--	--	--
Excess		0.47	3.13	3.13	6.13	6.52	--	--	--	--	--
Franklin Templeton	41,862,663	1.02	2.01	2.01	1.78	0.78	2.95	2.21	4.10	--	4.43
BB Barclays Multiverse Index		1.00	1.29	1.29	4.29	7.04	3.41	1.69	2.19	--	2.31
Excess		0.02	0.72	0.72	-2.51	-6.26	-0.45	0.52	1.91	--	2.12
Risk Parity	310,027,036	0.67	-1.96	-1.96	6.26	7.90	3.90	4.28	6.29	--	6.31
Samcera Risk Parity Benchmark		-1.05	-1.28	-1.28	5.42	8.57	6.76	8.61	8.74	--	8.68
Excess		1.72	-0.67	-0.67	0.84	-0.67	-2.86	-4.34	-2.45	--	-2.37
AQR Global Risk III	145,470,521	0.00	-2.38	-2.38	6.80	8.36	2.99	2.73	5.16	--	5.19
Samcera Risk Parity Benchmark		-1.05	-1.28	-1.28	5.42	8.57	6.76	8.61	8.74	--	8.68
Excess		1.05	-1.09	-1.09	1.38	-0.21	-3.77	-5.89	-3.58	--	-3.49
Panagora	164,556,515	1.27	-1.58	-1.58	5.79	7.49	4.74	--	--	--	6.46
Samcera Risk Parity Benchmark		-1.05	-1.28	-1.28	5.42	8.57	6.76	--	--	--	6.98
Excess		2.32	-0.30	-0.30	0.37	-1.08	-2.02	--	--	--	-0.51
Alternatives	508,625,377	-0.56	-0.38	-0.38	3.49	5.11	5.92	4.84	5.40	-8.20	-2.46
Samcera Alternatives Benchmark		-0.73	0.74	0.74	8.81	11.63	8.05	8.22	8.00	6.92	7.71
Excess		0.18	-1.12	-1.12	-5.32	-6.52	-2.13	-3.37	-2.60	-15.12	-10.17

San Mateo County Manager Return Summary



March 31, 2018

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Private Equity	254,496,184	0.01	2.59	2.59	6.17	9.95	13.14	14.04	8.61	--	-20.62
Samcera PE Benchmark		-1.76	0.09	0.09	12.93	17.19	13.51	16.33	15.69	--	17.02
Excess		1.77	2.50	2.50	-6.77	-7.24	-0.36	-2.30	-7.09	--	-37.64
Absolute Return	254,129,193	-1.11	-3.17	-3.17	1.02	0.43	3.18	5.68	--	--	4.50
Samcera LIBOR + 4%		0.46	1.37	1.37	4.00	5.28	4.70	4.49	--	--	4.42
Excess		-1.58	-4.54	-4.54	-2.98	-4.85	-1.52	1.20	--	--	0.08
AQR Delta XN	158,897,064	-1.03	-3.92	-3.92	1.23	0.02	3.42	5.83	--	--	4.61
Samcera LIBOR + 4%		0.46	1.37	1.37	4.00	5.28	4.70	4.49	--	--	4.42
Excess		-1.50	-5.29	-5.29	-2.77	-5.26	-1.28	1.34	--	--	0.18
SamCERA-Aberdeen Std GARS	95,232,129	-1.24	-1.88	-1.88	0.30	1.11	--	--	--	--	-0.25
Samcera LIBOR + 4%		0.46	1.37	1.37	4.00	5.28	--	--	--	--	4.80
Excess		-1.71	-3.25	-3.25	-3.70	-4.17	--	--	--	--	-5.05
Inflation Hedge	742,186,054	-0.24	-0.25	-0.25	3.72	5.52	--	--	--	--	9.13
SamCERA Inflation Hedge Index		0.76	-0.36	-0.36	6.27	7.04	--	--	--	--	8.09
Excess		-1.00	0.11	0.11	-2.55	-1.51	--	--	--	--	1.04
TIPS	87,208,248	0.82	-0.28	-0.28	1.66	1.03	--	--	--	--	1.80
BBG Barclays US TIPS		1.05	-0.79	-0.79	1.33	0.92	--	--	--	--	1.20
Excess		-0.23	0.51	0.51	0.33	0.11	--	--	--	--	0.60
Brown Brothers Harriman	87,208,248	0.82	-0.28	-0.28	1.66	1.03	1.60	-0.55	2.24	--	2.49
BBG Barclays US TIPS		1.05	-0.79	-0.79	1.33	0.92	1.30	0.05	2.50	--	2.78
Excess		-0.23	0.51	0.51	0.33	0.11	0.30	-0.60	-0.26	--	-0.28
Real Estate	341,229,568	0.00	2.04	2.04	3.76	8.09	--	--	--	--	8.41
Samcera NCREIF ODCE EW (gross)		2.15	2.15	2.15	6.32	8.14	--	--	--	--	8.38
Excess		-2.15	-0.11	-0.11	-2.56	-0.05	--	--	--	--	0.04

San Mateo County Manager Return Summary



March 31, 2018

Composite Returns (NET)	Market Value (\$)	1 Mth.	3 Mth.	YTD	FYTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	ITD
Invesco Core Real Estate	253,388,319	0.00	2.18	2.18	3.58	8.03	10.38	10.86	11.16	4.80	7.77
Samcera NCREIF ODCE EW (gross)		2.15	2.15	2.15	6.32	8.14	10.25	11.47	11.81	4.93	7.81
Excess		-2.15	0.03	0.03	-2.73	-0.11	0.12	-0.61	-0.65	-0.13	-0.04
Invesco US Val IV	17,874,138	0.00	1.84	1.84	9.03	11.41	--	--	--	--	12.10
Samcera NCREIF ODCE EW (gross)		2.15	2.15	2.15	6.32	8.14	--	--	--	--	9.83
Excess		-2.15	-0.31	-0.31	2.71	3.27	--	--	--	--	2.27
PGIM Real Estate US Debt Fund	69,967,111	0.00	1.11	1.11	1.22	--	--	--	--	--	1.22
Samcera NCREIF ODCE EW (gross)		2.15	2.15	2.15	6.32	--	--	--	--	--	6.32
Excess		-2.15	-1.04	-1.04	-5.10	--	--	--	--	--	-5.10
Liquid Real Assets	256,163,006	-0.75	-2.90	-2.90	7.46	7.66	--	--	--	--	--
SamCera Custom Real Asset Index		-0.70	-2.81	-2.81	7.40	7.46	--	--	--	--	--
Excess		-0.06	-0.09	-0.09	0.05	0.19	--	--	--	--	--
SSGA CST REAL ASSET NL	256,163,006	-0.75	-2.90	-2.90	7.46	7.66	--	--	--	--	--
SamCera Custom Real Asset Index		-0.70	-2.81	-2.81	7.40	7.46	--	--	--	--	--
Excess		-0.06	-0.09	-0.09	0.05	0.19	--	--	--	--	--
Private Real Assets	57,585,231	-0.82	-0.20	-0.20	-8.08	-9.30	--	--	--	--	17.67
SamCera Custom Real Asset Inde		-0.70	-2.81	-2.81	7.40	7.46	--	--	--	--	11.50
Excess		-0.12	2.61	2.61	-15.48	-16.76	--	--	--	--	6.17
Cash	47,344,419	0.07	0.18	0.18	0.62	0.84	0.63	0.59	0.61	0.40	1.96
Samcera Cash Benchmark		0.14	0.35	0.35	0.91	1.11	0.53	0.34	0.27	0.34	1.83
Excess		-0.07	-0.17	-0.17	-0.28	-0.27	0.10	0.26	0.35	0.06	0.14
SamCera General Account	14,766,673	0.13	0.38	0.38	1.00	1.27	0.76	0.50	0.44	0.54	1.98
County Treasury Pool	32,567,334	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.39	0.16	2.58
San Mateo County ERA	4,326,430,549	-0.63	-0.57	-0.57	5.89	8.82	6.56	7.81	7.56	5.99	6.82
Samcera Total Plan Benchmark		-0.72	-0.68	-0.68	6.96	10.05	6.88	8.02	7.89	6.60	7.12
Excess		0.09	0.11	0.11	-1.07	-1.23	-0.32	-0.21	-0.32	-0.62	-0.31

San Mateo County
Accounting Change in Market Value Details

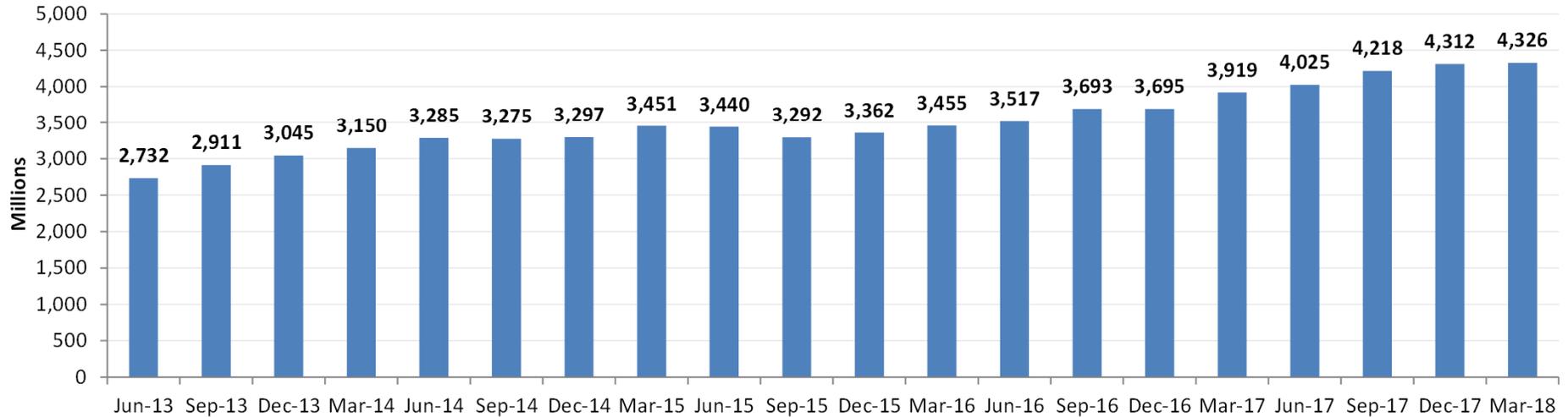


March 31, 2018

Record of Asset Growth

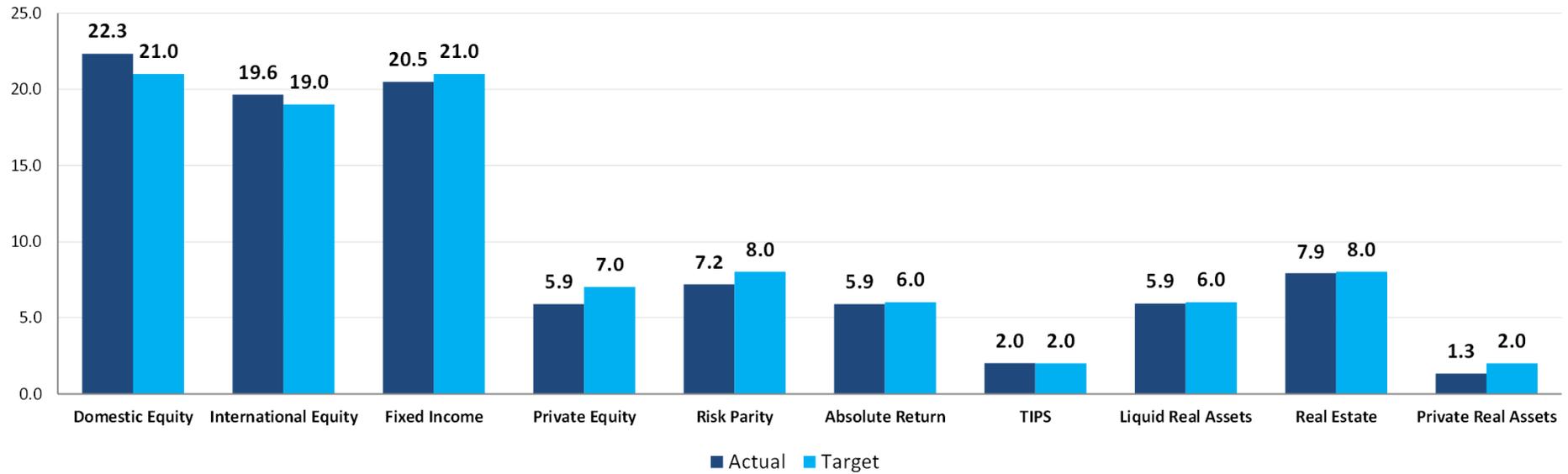
	Three Months	One Year
TOTAL FUND		
Beginning Market Value	4,311,631,453	3,919,042,541
Contributions	87,983,371	259,326,870
Withdrawals	-52,170,033	-208,965,364
Income Received	8,298,151	34,461,387
Gain/Loss	-31,918,104	320,316,983
Ending Market Value	4,326,430,549	4,326,430,549

Net Asset Values Over Time (\$000)



March 31, 2018

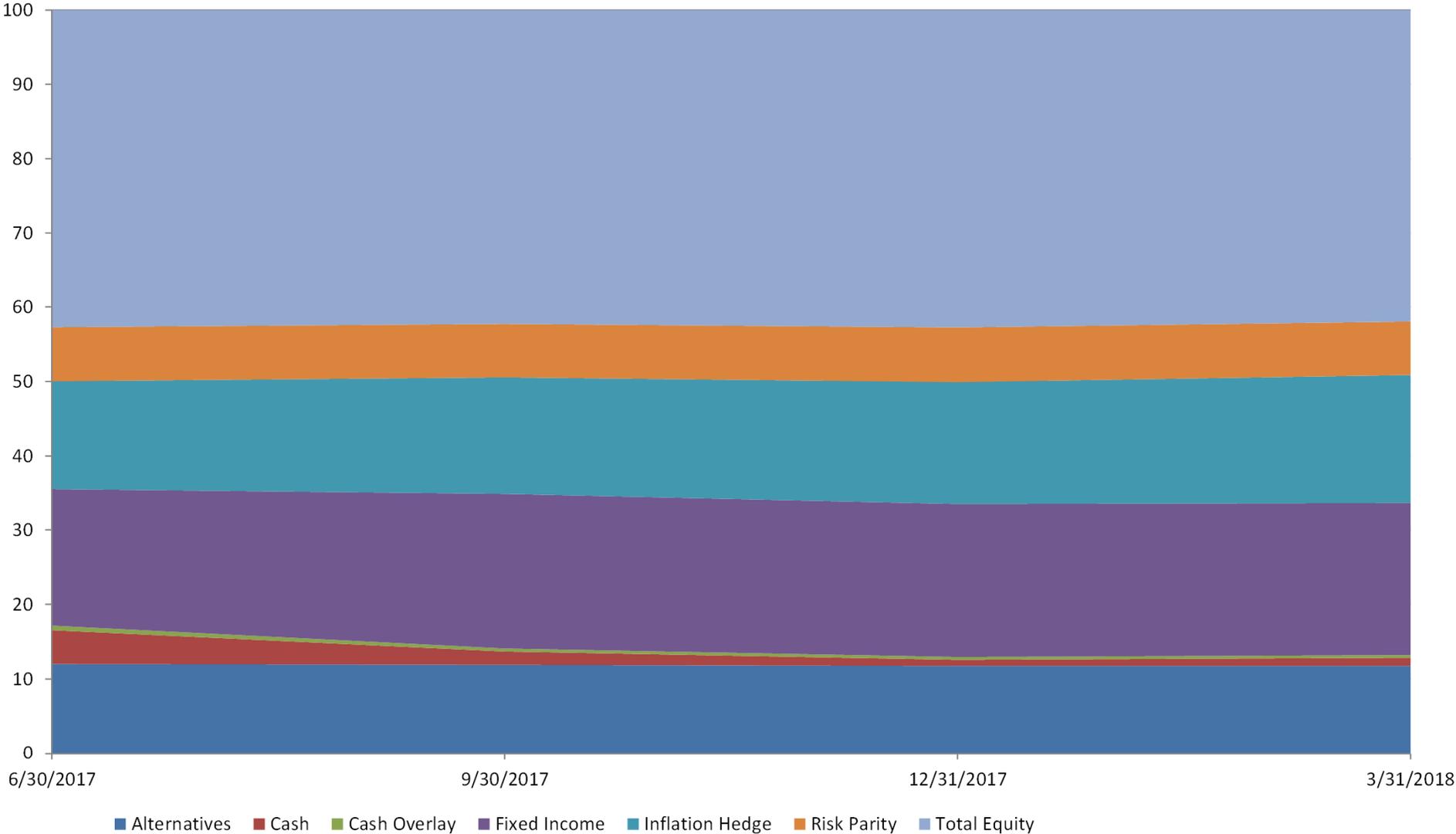
Actual vs Target Weights



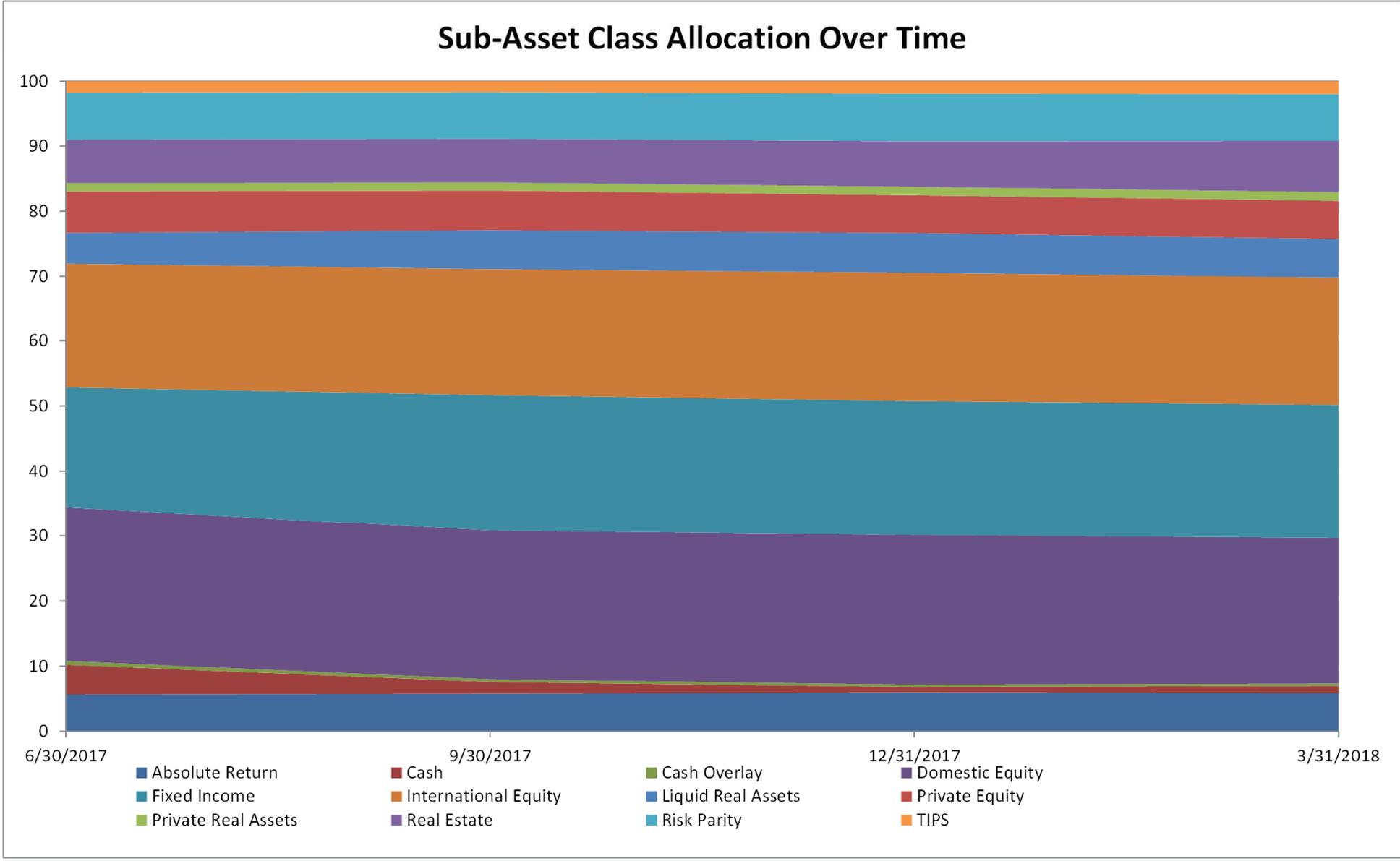
	Min	Actual	Target	Deviation	Max
Domestic Equity	19.0	22.3	21.0	1.3	23.0
International Equity	17.0	19.6	19.0	0.6	21.0
Fixed Income	19.0	20.5	21.0	-0.5	23.0
Private Equity	5.0	5.9	7.0	-1.1	9.0
Risk Parity	6.0	7.2	8.0	-0.8	10.0
Absolute Return	4.0	5.9	6.0	-0.1	8.0
TIPS	0.0	2.0	2.0	0.0	4.0
Liquid Real Assets	4.0	5.9	6.0	-0.1	8.0
Real Estate	6.0	7.9	8.0	-0.1	10.0
Private Real Assets	0.0	1.3	2.0	-0.7	4.0

March 31, 2018

Asset Allocation over Time



March 31, 2018



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**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**

MARCH 2018
Capital Markets Update

Market commentary

ECONOMIC CLIMATE

- Hiring slowed from its fast pace last month – the U.S. added 103,000 jobs to nonfarm payrolls in March, below the consensus estimate of 185,000.
- The U-3 unemployment rate was unchanged at 4.1%, while the broader U-6 rate (includes part-time and underemployed workers) tightened from 8.2% to 8.0%, the lowest level in the current expansion.
- The core PCE inflation rate ticked up from 1.5% to 1.6% YoY in February. This measure likely accelerated in March (release on 4/30) due to a low base effect from the prior year. If the index is unchanged, the YoY rate will rise to 1.8%.
- Retail sales declined in February, and missed expectations for the second straight month. Sales dropped 0.1% from the previous month versus expectations of a 0.3% increase, mainly driven by lower auto sales.

DOMESTIC EQUITIES

- Volatility remained elevated in U.S. equities and the S&P 500 Index (-2.5%) posted its second consecutive month of negative performance.
- The drop in equities was led by the tech sector, driven by several company-specific risks, including a data breach at Facebook.
- Trade concerns may have also weighed on stocks after the White House implemented tariffs on steel and aluminum.

DOMESTIC FIXED INCOME

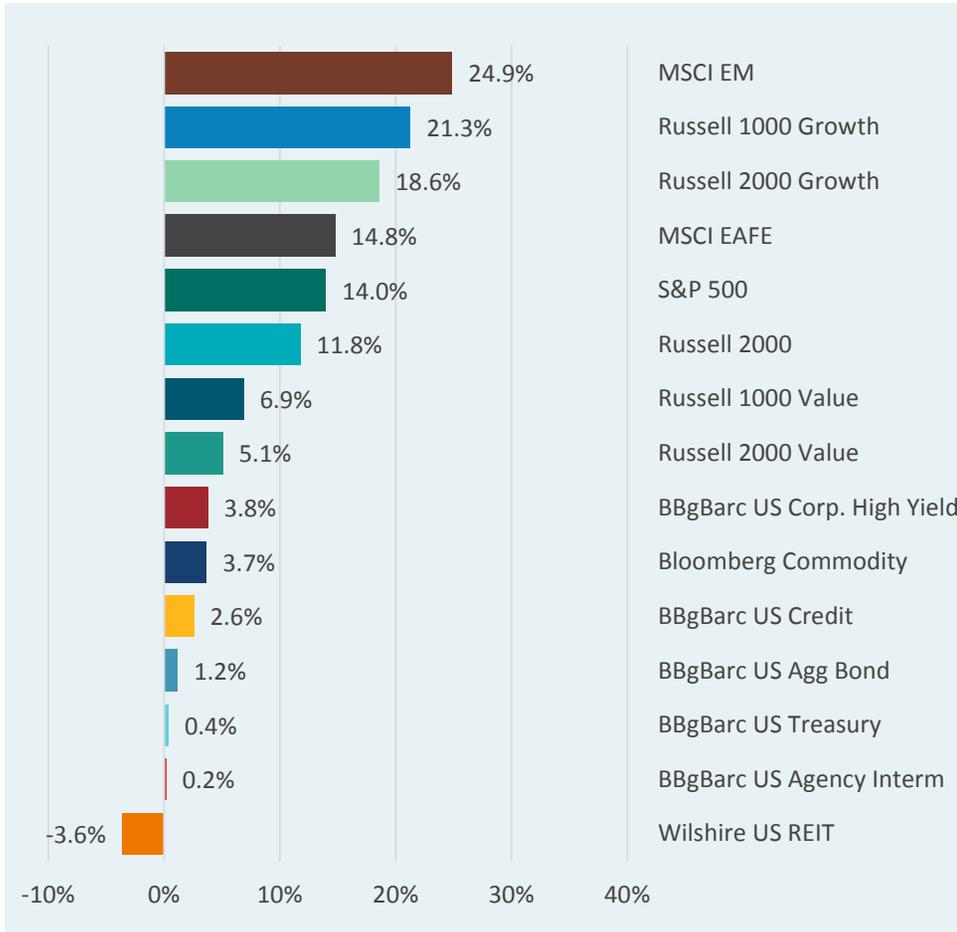
- The Fed raised its benchmark interest rate by 25 bps to a target range of 1.50% - 1.75%, as expected. In his first public comments since taking over as Fed chairman, Jerome Powell's views appeared to support a continuation of gradual monetary tightening.
- According to the updated Fed dot plot, officials are expecting two additional rate hikes this year, on par with market pricing.
- Short-term borrowing costs tied to Libor continued to rise during the month. The 3-month USD Libor rate moved steadily higher from 2.0% to 2.3%.

INTERNATIONAL MARKETS

- International equities also recorded negative performance (MSCI ACWI ex-U.S. -1.8%), but outperformed domestic markets on a relative basis.
- The White House announced tariffs on steel and aluminum imports of 25% and 10%, respectively, that went into effect in March. Several countries, including Mexico and Canada, were given exemptions to allow for ongoing trade negotiations.
- In an additional measure on trade, the White House announced that the U.S. will impose tariffs on \$50 billion worth of Chinese goods in response to intellectual property theft.
- The Eurozone composite PMI fell for the third straight month in March, down from 57.1 to 55.3.

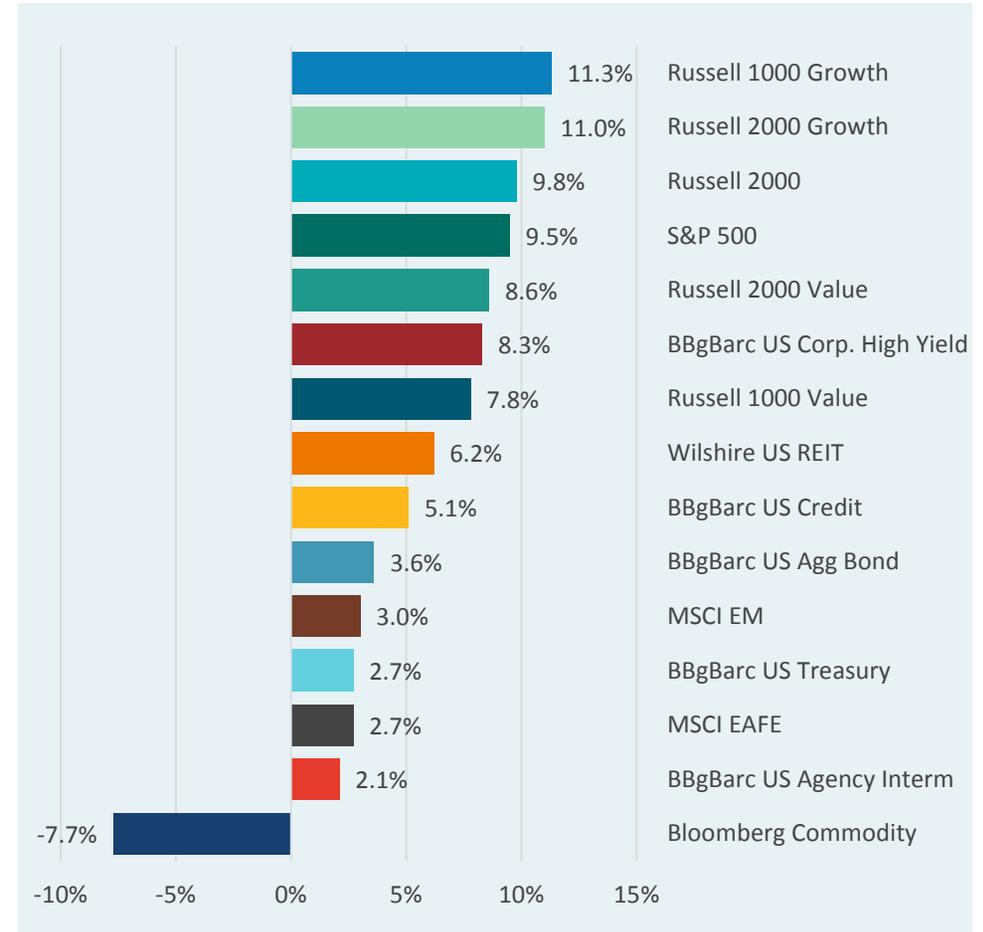
Major asset class returns

ONE YEAR ENDING MARCH



Source: Morningstar, as of 3/31/18

TEN YEARS ENDING MARCH



Source: Morningstar, as of 3/31/18

U.S. large cap equities

- The S&P 500 Index (-2.5%) fell for the second straight month, influenced by concerns in the tech sector and tariff negotiations. The index had registered 15 months of positive returns prior to February.
- The tech sector was heavily influenced by negative idiosyncratic events in mega-cap companies such as Facebook, Apple, and Amazon. The overall S&P 500 tech sector fell 3.9%, while the NYSE FANG+ Index dropped 6.9%.

- Implied volatility remained high following a spike in the VIX Index in February. The VIX Index averaged 19.0 in March, compared to an average of 11.9 in the prior 12 months.
- Q1 earnings season will start next month, and expectations are high. According to FactSet, the expected Q1 YoY earnings and revenue growth rates are 17.1% and 7.3%, respectively. Earnings growth estimates were revised considerably higher over the first quarter, primarily due to corporate tax cuts.

Equity volatility remained high

S&P 500 PRICE INDEX



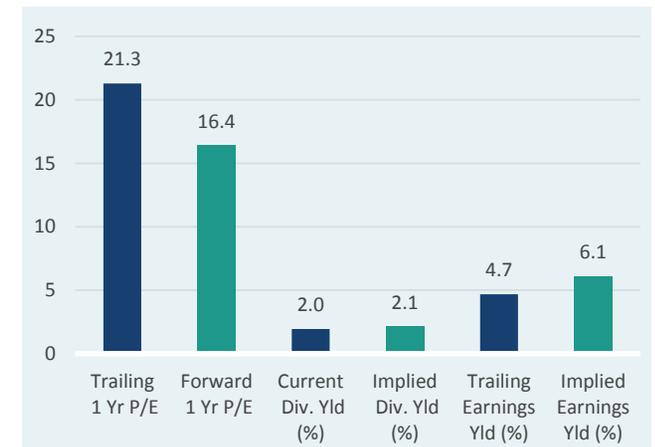
Source: Bloomberg, as of 3/31/18

IMPLIED VOLATILITY (VIX INDEX)



Source: CBOE, as of 3/31/18

S&P 500 VALUATION SNAPSHOT



Source: Bloomberg, as of 3/31/18

Fixed income

- After jumping higher in the first two months of the year, long-term Treasury yields fell in March as inflation fears subsided. The 10-year Treasury yield dropped 12 bps to 2.74%.
- The short-end of the curve was little changed with the 2-year yield up 1 bp to 2.26%, resulting in a flatter yield curve (shorter-term rates are more sensitive to Fed policy). The spread between the 2- and 10-year yields was 46 bps at month-end, the lowest level since 2007.

- As expected, the Fed raised its benchmark interest rate by 25 bps to a range of 1.50% - 1.75%. Fed officials pointed to strong economic fundamentals, such as GDP growth, the unemployment rate, and firming inflation as reasons to continue gradual monetary tightening.
- Credit spreads widened slightly as equity prices fell, but are still at historically low levels. High yield spreads rose 30 bps to 3.5% and IG spreads increased 14 bps to 1.1%.

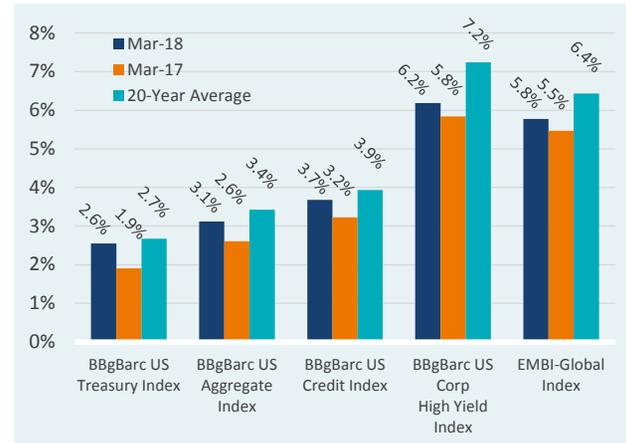
Treasury yields fell and the curve flattened

U.S. TREASURY YIELD CURVE



Source: Bloomberg, as of 3/31/18

NOMINAL YIELDS



Source: Morningstar, as of 3/31/18

BREAKEVEN INFLATION RATES



Source: Bloomberg, as of 3/31/18

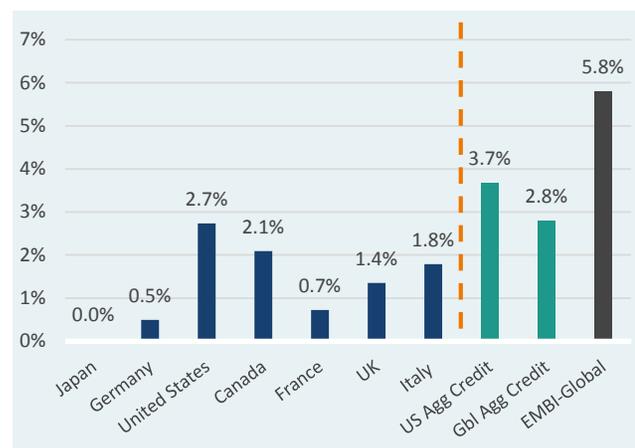
Global markets

- The announcement of U.S. tariffs on steel and aluminum imports led to uneasiness in the markets and raised concerns about a potential global trade war. Steel and aluminum represent a small portion of U.S. imports, and these tariffs are unlikely to have a major impact on financial markets by themselves.
- International developed equities declined during the month, but outperformed U.S. markets. The MSCI EAFE Index returned -1.8%, compared to -2.5% for the S&P 500 Index. Currency depreciation was a slight detractor from returns (EAFE Hedged Index, -1.3%).

- International equity markets experienced a slight increase in volatility, but not as much relative to the U.S. The MSCI EAFE and EM Indices had an annualized standard deviation of 9.5% and 15.0%, respectively in March.
- Global sovereign long-term yields moved lower throughout the month. The 10-year German bund yield fell 16 bps to 0.50%, 26 bps below a two and half year high reached in early February.

Tariff discussions weighed on global markets

GLOBAL SOVEREIGN 10-YEAR YIELDS



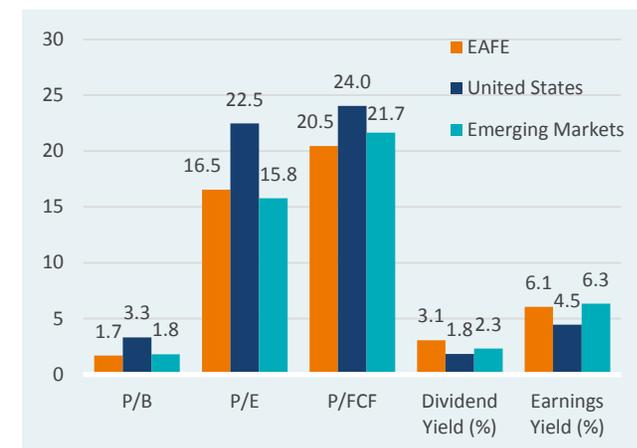
Source: Bloomberg, as of 3/31/18

U.S. DOLLAR MAJOR CURRENCY INDEX



Source: Federal Reserve, as of 3/31/18

MSCI VALUATION METRICS (3-MONTH AVG)



Source: Bloomberg, as of 3/31/18

Domestic equity size and style

- Small cap equities materially outperformed large cap equities in March – the Russell 2000 Index and Russell 1000 Index returned 1.3% and -2.3%, respectively. Much of the weakness in large cap equities was driven by a small number of mega-cap firms. Additionally, small cap companies are likely more insulated from a deterioration in global trade relations.
- Large cap equities have still outperformed over the past year, beating small cap equities by 2.2% over the period.
- Value equities outperformed growth equities as the Russell 1000 Value Index and Russell 1000 Growth Index returned -1.8% and -2.7%, respectively.
- Value outperformance was driven by a larger relative position in the energy sector, which was supported by higher oil prices. The Russell 1000 Energy Index returned 2.0% in March.
- Growth equities have significantly outperformed value equities over the past year, however.

Small and value equities outperformed in March

VALUE VS. GROWTH RELATIVE VALUATIONS



Source: Russell, Bloomberg, as of 3/31/18

VALUE VS. GROWTH 1-YR ROLLING RELATIVE PERFORMANCE



Source: FTSE, as of 3/31/18

SMALL VS. LARGE 1-YR ROLLING RELATIVE PERFORMANCE



Source: FTSE, as of 3/31/18

Commodities

- The Bloomberg Commodity Index returned -0.6% in March, led by positive returns in energy sector. The Bloomberg Energy sub-index posted a 4.9% return.
- WTI oil prices increased by 5.3% during the month to \$64.94 per barrel, near its year-to-date high. The price increase was influenced by strong OPEC production cut compliance in February.

- Steel prices rose in anticipation that the U.S. would enact a 25% tariff on imports. Hot-rolled coil steel futures contracts were up 6.7% during the month.
- Commodity futures strategies are still experiencing a drag from negative roll yields, but spot prices have gained momentum over the past year. The Bloomberg Commodity Spot Index is up 8.1% over the last 12 months, compared to 3.7% for the total return index.

Oil prices rose to near year-to-date highs

INDEX AND SECTOR PERFORMANCE

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Bloomberg Commodity	(0.6)	(0.4)	(0.4)	3.7	(3.2)	(8.3)	(7.7)
Bloomberg Agriculture	(2.8)	3.1	3.1	(5.4)	(4.6)	(8.7)	(5.0)
Bloomberg Energy	4.9	1.8	1.8	9.9	(9.0)	(16.2)	(18.4)
Bloomberg Grains	(2.4)	7.1	7.1	(3.6)	(7.8)	(10.8)	(6.9)
Bloomberg Industrial Metals	(4.4)	(6.2)	(6.2)	12.7	4.0	(1.5)	(5.1)
Bloomberg Livestock	(7.1)	(10.0)	(10.0)	(4.4)	(6.7)	(3.4)	(5.3)
Bloomberg Petroleum	6.1	4.7	4.7	26.5	(3.8)	(14.0)	(12.2)
Bloomberg Precious Metals	0.2	(0.5)	(0.5)	0.5	1.8	(6.1)	2.0
Bloomberg Softs	(4.7)	(10.1)	(10.1)	(19.5)	(3.3)	(9.6)	(4.2)

Source: Morningstar, as of 3/31/18

COMMODITY PERFORMANCE



Source: Bloomberg, as of 3/31/18

Appendix

Periodic table of returns

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD	5-Year	10-Year
Small Cap Growth	38.7	66.4	31.8	14.0	25.9	56.3	26.0	34.5	32.6	39.8	5.2	79.0	29.1	14.3	18.6	43.3	13.5	13.3	31.7	37.3	2.3	15.5	11.3
Emerging Markets Equity	27.0	43.1	22.8	8.4	10.3	48.5	22.2	21.4	26.9	16.2	1.4	37.2	26.9	7.8	18.1	38.8	13.2	5.7	21.3	30.2	1.4	13.2	11.0
Large Cap Growth	20.3	33.2	12.2	7.3	6.7	47.3	20.7	20.1	23.5	15.8	-6.5	34.5	24.5	2.6	17.9	34.5	13.0	0.9	17.3	25.0	1.4	12.9	9.8
Hedge Funds of Funds	19.3	27.3	11.6	3.3	1.6	46.0	18.3	14.0	22.2	11.8	-21.4	32.5	19.2	1.5	17.5	33.5	11.8	0.6	12.1	22.2	0.9	11.5	9.6
Cash	16.2	26.5	7.0	2.8	1.0	39.2	16.5	7.5	18.4	11.6	-25.9	28.4	16.8	0.4	16.4	33.1	6.0	0.0	11.8	21.7	0.4	10.8	8.6
60/40 Global Portfolio	15.6	24.3	6.0	2.5	-5.9	30.0	14.5	7.1	16.6	10.9	-28.9	27.2	16.7	0.1	16.3	32.5	5.6	-0.4	11.3	17.1	0.0	10.2	7.8
Real Estate	8.7	21.3	4.1	-2.4	-6.0	29.9	14.3	6.3	15.5	10.3	-33.8	23.3	16.1	-2.1	15.3	23.3	4.9	-0.8	11.2	14.6	0.0	10.0	6.1
Small Cap Equity	4.9	20.9	-3.0	-5.6	-11.4	29.7	12.9	5.3	15.1	7.0	-35.6	20.6	15.5	-2.9	14.6	12.1	4.2	-1.4	8.0	13.7	-0.1	6.5	4.7
Commodities	1.2	13.2	-7.3	-9.1	-15.5	25.2	11.4	4.7	13.3	7.0	-36.8	19.7	13.1	-4.2	11.5	11.0	3.4	-2.5	7.1	7.8	-0.4	6.2	3.6
Large Cap Equity	-2.5	11.4	-7.8	-9.2	-15.7	23.9	9.1	4.6	10.4	5.8	-37.6	18.9	10.2	-5.5	10.5	9.0	2.8	-3.8	5.7	7.7	-0.7	5.0	3.0
US Bonds	-5.1	7.3	-14.0	-12.4	-20.5	11.6	6.9	4.6	9.1	4.4	-38.4	11.5	8.2	-5.7	4.8	0.1	0.0	-4.4	2.6	5.1	-1.5	3.5	2.7
International Equity	-6.5	4.8	-22.4	-19.5	-21.7	9.0	6.3	4.2	4.8	-0.2	-38.5	5.9	6.5	-11.7	4.2	-2.0	-1.8	-7.5	1.0	3.5	-1.5	1.8	1.6
Small Cap Value	-25.3	-0.8	-22.4	-20.4	-27.9	4.1	4.3	3.2	4.3	-1.6	-43.1	0.2	5.7	-13.3	0.1	-2.3	-4.5	-14.9	0.5	1.7	-2.6	0.3	0.3
Large Cap Value	-27.0	-1.5	-30.6	-21.2	-30.3	1.0	1.4	2.4	2.1	-9.8	-53.2	-16.9	0.1	-18.2	-1.1	-9.5	-17.0	-24.7	0.3	0.9	-2.8	-8.3	-7.7

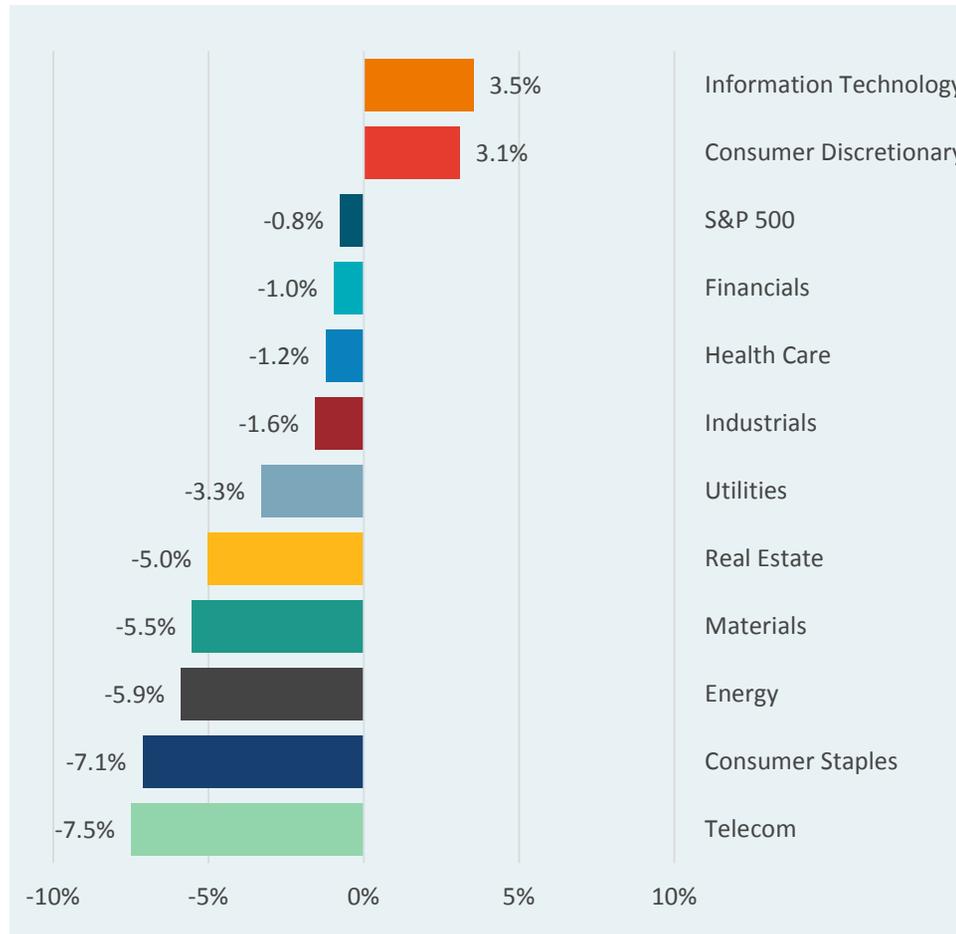
WORST

- Large Cap Equity
- Small Cap Growth
- Commodities
- Large Cap Value
- International Equity
- Real Estate
- Large Cap Growth
- Emerging Markets Equity
- Hedge Funds of Funds
- US Bonds
- 60% MSCI ACWI/40% BBgBarc Global Bond
- 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, BBgBarc US Aggregate, T-Bill 90 Day, Bloomberg Commodity, NCREIF Property, HFRI FOF, MSCI ACWI, BBgBarc Global Bond. NCREIF Property Index performance data as of 12/31/17.

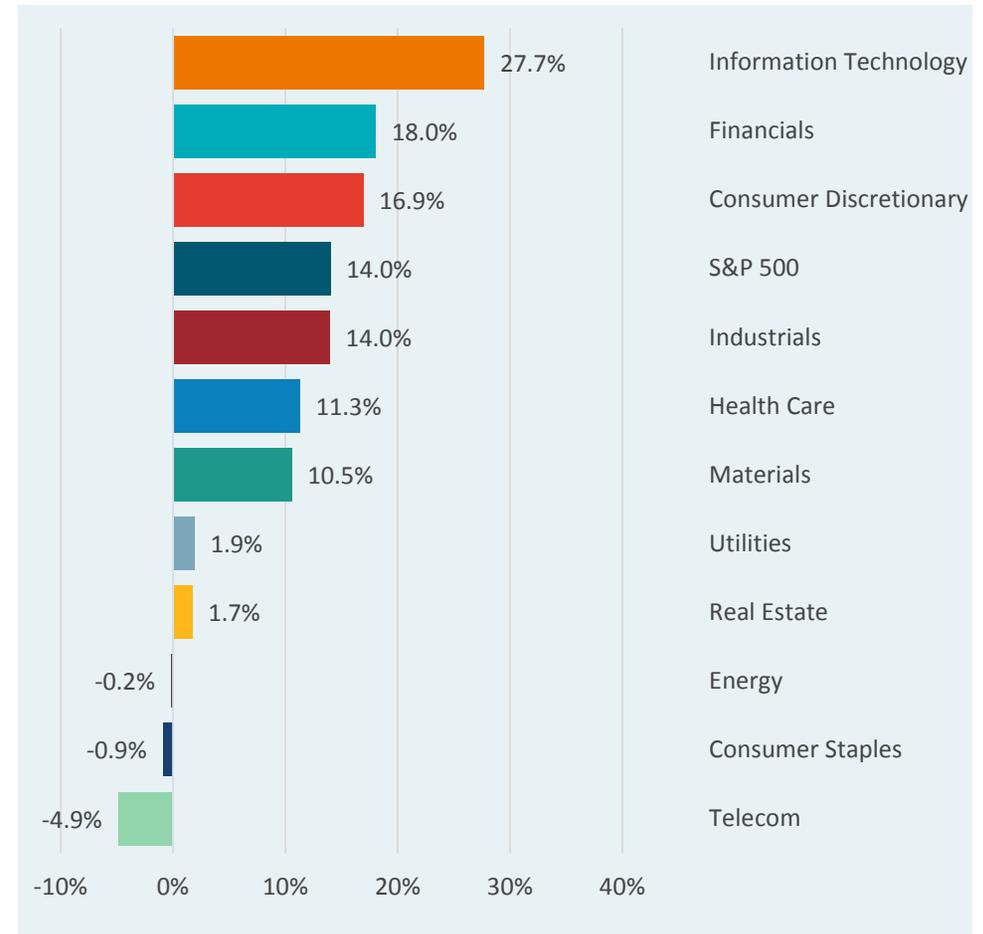
S&P 500 sector returns

Q1



Source: Morningstar, as of 3/31/18

ONE YEAR ENDING MARCH



Source: Morningstar, as of 3/31/18

Detailed index returns

DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Core Index							
S&P 500	(2.5)	(0.8)	(0.8)	14.0	10.8	13.3	9.5
S&P 500 Equal Weighted	(0.9)	(1.0)	(1.0)	11.7	9.1	12.9	11.0
DJ Industrial Average	(3.6)	(2.0)	(2.0)	19.4	13.5	13.3	9.9
Russell Top 200	(3.2)	(0.8)	(0.8)	14.7	11.4	13.6	9.4
Russell 1000	(2.3)	(0.7)	(0.7)	14.0	10.4	13.2	9.6
Russell 2000	1.3	(0.1)	(0.1)	11.8	8.4	11.5	9.8
Russell 3000	(2.0)	(0.6)	(0.6)	13.8	10.2	13.0	9.6
Russell Mid Cap	0.1	(0.5)	(0.5)	12.2	8.0	12.1	10.2
Style Index							
Russell 1000 Growth	(2.7)	1.4	1.4	21.3	12.9	15.5	11.3
Russell 1000 Value	(1.8)	(2.8)	(2.8)	6.9	7.9	10.8	7.8
Russell 2000 Growth	1.3	2.3	2.3	18.6	8.8	12.9	11.0
Russell 2000 Value	1.2	(2.6)	(2.6)	5.1	7.9	10.0	8.6

INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
MSCI ACWI	(2.1)	(1.0)	(1.0)	14.8	8.1	9.2	5.6
MSCI ACWI ex US	(1.8)	(1.2)	(1.2)	16.5	6.2	5.9	2.7
MSCI EAFE	(1.8)	(1.5)	(1.5)	14.8	5.6	6.5	2.7
MSCI EM	(1.9)	1.4	1.4	24.9	8.8	5.0	3.0
MSCI EAFE Small Cap	(1.1)	0.2	0.2	23.5	12.3	11.1	6.5
Style Index							
MSCI EAFE Growth	(1.2)	(1.0)	(1.0)	17.5	6.7	7.1	3.4
MSCI EAFE Value	(2.4)	(2.0)	(2.0)	12.2	4.3	5.8	2.0
Regional Index							
MSCI UK	(0.3)	(3.9)	(3.9)	11.9	3.1	3.9	2.3
MSCI Japan	(2.1)	0.8	0.8	19.6	8.4	8.9	4.1
MSCI Euro	(1.2)	(0.4)	(0.4)	16.1	5.7	8.1	0.7
MSCI EM Asia	(1.4)	0.8	0.8	27.0	9.4	8.4	5.2
MSCI EM Latin American	(1.0)	8.0	8.0	19.3	10.1	(1.9)	(0.8)

FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
BBgBarc US TIPS	1.1	(0.8)	(0.8)	0.9	1.3	0.0	2.9
BBgBarc US Treasury Bills	0.1	0.3	0.3	1.0	0.5	0.3	0.4
BBgBarc US Agg Bond	0.6	(1.5)	(1.5)	1.2	1.2	1.8	3.6
Duration							
BBgBarc US Treasury 1-3 Yr	0.2	(0.2)	(0.2)	(0.0)	0.4	0.5	1.1
BBgBarc US Treasury Long	3.0	(3.3)	(3.3)	3.5	0.4	3.3	5.8
BBgBarc US Treasury	0.9	(1.2)	(1.2)	0.4	0.4	1.1	2.7
Issuer							
BBgBarc US MBS	0.6	(1.2)	(1.2)	0.8	1.1	1.8	3.5
BBgBarc US Corp. High Yield	(0.6)	(0.9)	(0.9)	3.8	5.2	5.0	8.3
BBgBarc US Agency Interm	0.3	(0.4)	(0.4)	0.2	0.7	0.9	2.1
BBgBarc US Credit	0.3	(2.1)	(2.1)	2.6	2.2	2.8	5.1

OTHER

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
Bloomberg Commodity	(0.6)	(0.4)	(0.4)	3.7	(3.2)	(8.3)	(7.7)
Wilshire US REIT	4.1	(7.5)	(7.5)	(3.6)	1.0	6.1	6.2
CS Leveraged Loans	0.3	1.6	1.6	4.6	4.3	4.2	5.4
Regional Index							
JPM EMBI Global Div	0.3	(1.7)	(1.7)	4.3	5.8	4.7	7.0
JPM GBI-EM Global Div	1.0	4.4	4.4	13.0	5.4	(0.7)	3.8
Hedge Funds							
HFRI Composite	(0.7)	0.1	0.1	4.6	2.0	3.9	3.6
HFRI FOF Composite	(0.0)	0.9	0.9	6.2	2.1	3.5	1.6
Currency (Spot)							
Euro	0.8	2.4	2.4	15.0	4.6	(0.9)	(2.5)
Pound	1.8	3.7	3.7	12.2	(1.9)	(1.6)	(3.4)
Yen	0.3	5.9	5.9	4.8	4.1	(2.4)	(0.7)

Source: Morningstar, as of 3/31/18

Definitions

Markit Euro Manufacturing Index – *The Eurozone PMI (Purchasing Managers' Index) is produced by IHS Markit and is based on original survey data collected from a representative panel of around 5,000 companies based in the euro area manufacturing and service sectors. National manufacturing data are included for Germany, France, Italy, Spain, the Netherlands, Austria, the Republic of Ireland and Greece. National services data are included for Germany, France, Italy, Spain and the Republic of Ireland. The flash estimate is typically based on approximately 85%–90% of total PMI survey responses each month and is designed to provide an accurate advance indication of the final PMI data.*

NYSE FANG+ Index – *an equally weighted index of Apple, Netflix, Tesla, Amazon, Alphabet, NVIDIA, Facebook, Alibaba, Baidu, and Twitter*

Notices & disclosures

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SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
Board of Retirement

April 24, 2018

Agenda Item 7.1

TO: Board of Retirement

FROM: Scott Hood, Chief Executive Officer 

SUBJECT: Directions for Voting by SamCERA Delegates at the SACRS Spring Business Meeting.

Recommendation

Direct the SamCERA Voting Delegate as to how to vote at the election for SACRS Board of Directors and on the proposed SACRS Bylaw changes to be held at the SACRS business meeting May 18, 2018.

Background

At the last meeting the Board designated Sandie Arnott, followed by Alma Salas and Scott Hood as the first and second alternates delegates who are authorized to serve as the voting delegate for SamCERA at the upcoming SACRS business meeting. The delegate will vote on the slate of SACRS officers for 2018-19 and a proposed addition to the SACRS bylaws.

Discussion

Ray MacCray, SACRS Nominating Committee Chair, sent the attached memo setting forth the SACRS Nominating Committee's recommended slate of officers for the 2018-19 fiscal year which is as follows:

President:	Dan McAllister, San Diego CERA
Vice President:	Vivian Gray, Los Angeles CERA
Treasurer:	Harry E. Hagen, Santa Barbara CERS
Secretary:	Kathryn Cavness, Mendocino CERA
Regular Member:	Roger Hilton, Orange CERS
Regular Member:	Chris Cooper, Marin CERA

As of the Board mailing, the SACRS business packet was not available. When it becomes available, staff will provide it to the Board

Attachment

None