



Sacramento Regional Transit District Agenda **Revised 9/6/2019**

COMBINED QUARTERLY MEETING OF THE RETIREMENT BOARDS FOR THE EMPLOYEES AND RETIREES OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT

9:00 A.M., WEDNESDAY, SEPTEMBER 11, 2019

REGIONAL TRANSIT AUDITORIUM

1400 29TH STREET, SACRAMENTO, CALIFORNIA

Website Address: www.sacrt.com

(29th St. Light Rail Station/Bus 38, 67, 68)

MEETING NOTE: *This is a joint and concurrent meeting of the five independent Retirement Boards for the pension plans for the employees and retirees of the Sacramento Regional Transit District. This single, combined agenda designates which items will be subject to action by which board(s). Members of each board may be present for the other boards' discussions and actions, except during individual closed sessions.*

ROLL CALL

ATU Retirement Board: Directors: Li, Kennedy, Niz, McGee Lee
Alternates: Jennings, Lucien

IBEW Retirement Board: Directors: Li, Kennedy, Ohlson, Bibbs
Alternates: Jennings, McCleskey

AEA Retirement Board: Directors: Li, Kennedy, Devorak, Robison
Alternates: Jennings, McGoldrick

AFSCME Retirement Board: Directors: Li, Kennedy, Guimond
Alternates: Jennings, Thompson

MCEG Retirement Board: Directors: Li, Kennedy, Thorn, Norman
Alternates: Jennings, Flores

PUBLIC ADDRESSES BOARD ON MATTERS ON CONSENT AND MATTERS NOT ON THE AGENDA

At this time the public may address the Retirement Board(s) on subject matters pertaining to Retirement Board business listed on the Consent Calendar, any Closed Sessions or items not listed on the agenda. Remarks may be limited to 3 minutes subject to the discretion of the Common Chair. Members of the public wishing to address one or more of the Boards may submit a "Public Comment Speaker Card" to the Assistant Secretary. While the Retirement Boards encourage your comments, State law prevents the Boards from discussing items that are not set forth on this meeting agenda. The Boards and staff take your comments very seriously and, if appropriate, will follow up on them.

CONSENT CALENDAR

		<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
1. Motion:	Approving the Minutes for the June 12, 2019 Quarterly Retirement Board Meeting (AEA). (Weekly)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Motion:	Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

		<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
3. Motion:	Approving the Minutes for the July 24, 2019 Special Retirement Board Meeting (AEA). (Adelman)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Motion	Approving the Minutes for the June 12, 2019 Quarterly Retirement Board Meeting (AFSCME). (Weekly)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Motion:	Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Motion:	Approving the Minutes for the July 24, 2019 Special Retirement Board Meeting (AFSCME). (Adelman)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Motion:	Approving the Minutes for the June 12, 2019 Quarterly Retirement Board Meeting (ATU). (Weekly)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Motion:	Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the ATU Pension Plan (ATU). (Adelman)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Motion:	Approving the Minutes for the July 24, 2019 Special Retirement Board Meeting (ATU). (Adelman)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Motion:	Approving the Minutes for the June 12, 2019 Quarterly Retirement Board Meeting (IBEW). (Weekly)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Motion:	Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the IBEW Pension Plan (IBEW). (Adelman)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Motion:	Approving the Minutes for the July 24, 2019 Special Retirement Board Meeting (IBEW). (Adelman)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Motion:	Approving the Minutes for the June 12, 2019 Quarterly Retirement Board Meeting (MCEG). (Weekly)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14. Motion:	Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
15. Motion:	Approving the Minutes for the July 24, 2019 Special Retirement Board Meeting (MCEG). (Adelman)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
16. Motion Resolution	Adopting Regional Transit Retirement Boards 2020 Meeting Calendar (ALL). (Weekly)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

NEW BUSINESS

		<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
17. Motion:	Update on Staff Roles and Responsibilities Related to Pension Administration (ALL). (Weekly)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
18. Information:	Investment Performance Review by Dimensional Fund Advisors (DFA) for the ATU, IBEW and Salaried Employee Retirement Funds for the International Emerging Markets Asset Class for the Quarter Ended June 30, 2019 (ALL). (Adelman)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

		<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
19. Information:	Investment Performance Review by Boston Partners for the ATU, IBEW and Salaried Retirement Funds for the Domestic Large Cap Equity Asset Class for the Quarter Ended June 30, 2019 (ALL). (Adelman)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
20. Motion	Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Funds for Quarter Ended June 30, 2019 (ALL). (Adelman)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
21. Resolution:	Conditionally Award a Contract for Investment Custodial and Compliance Monitoring Services for the ATU, IBEW and Salaried Plans (All). (Adelman)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
22. Resolution:	Approving Disability Retirement Application for Carlos Rodriguez (ATU). (Weekly)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

REPORTS FROM COMMITTEES
REPORTS, IDEAS AND COMMUNICATIONS

None

RECESS TO CLOSED SESSION
RECONVENE IN OPEN SESSION
CLOSED SESSION REPORT

		<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
23.	Closed Session Item (AEA): Conference with Legal Counsel – Anticipated Litigation Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): One Potential Case <u>14 Potential Cases</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24.	Closed Session Item (AFSCME): Conference with Legal Counsel – Anticipated Litigation Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): One Potential Case <u>2 Potential Cases</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
25.	Closed Session Item (ATU): Conference with Legal Counsel – Anticipated Litigation Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): 1 Potential Case <u>20 Potential Cases</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26.	Closed Session Item (IBEW): Conference with Legal Counsel – Anticipated Litigation Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): 1 Potential Case <u>6 Potential Cases</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ADJOURN

NOTICE TO THE PUBLIC

It is the policy of the Boards of Directors of the Sacramento Regional Transit District Retirement Plans to encourage participation in the meetings of the Boards of Directors. At each open meeting, members of the public shall be provided with an opportunity to directly address the Board on items of interest to the public that are within the subject matter jurisdiction of the Boards.

This agenda may be amended up to 72 hours prior to the meeting being held. An agenda, in final form, is located by the front door of Regional Transit's building at 1400 – 29th Street and posted to SacRT's website at www.sacrt.com.

Any person(s) requiring accessible formats of the agenda or assisted listening devices/sign language interpreters should contact the Pension and Retiree Services Administrator at 916-556-0296 or TDD 916/483-4327 at least 72 business hours in advance of the Board Meeting.

Copies of staff reports or other written documentation relating to each item of business referred to on the agenda are on file with the Human Resources Analyst at 916-556-0245 and/or Clerk to the Board of Directors of the Sacramento Regional Transit District and are available for public inspection at 1400 29th Street, Sacramento, CA. Any person who has questions concerning any agenda item may call the Human Resources Analyst of Sacramento Regional Transit District to make inquiry.

**Sacramento Regional Transit District
AEA Retirement Board Meeting
Wednesday, June 12, 2019
MEETING SUMMARY**

ROLL CALL

The Retirement Board was brought to order at 9:02 a.m. A quorum was present comprised as follows: Directors Li, Devorak and Robison. Alternate McGoldrick also was present. Director Kennedy and Alternate Jennings were absent.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

By AEA Resolution No. 18-12-200 for calendar year 2019, the Governing Board Member in attendance served as Common Chair of this Retirement Board meeting.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None.

CONSENT CALENDAR

- 1. Motion: Approving the Minutes for the March 20, 2019 Quarterly Retirement Board Meeting (AEA). (Weekly)

- 2. Motion: Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

- 11. Motion: Receive and File Update on Staff Roles and Responsibilities Related to Pension Administration (ALL). (Weekly)

- 12. Resolution: Amendment of the Investment Custodian Services Contract with State Street Bank and Trust Company to Extend the Term by Six Months and Increase the Limit to \$733,572 (ALL). (Adelman)

Director Devorak moved to adopt AEA Retirement Board Items 1-2, 11 and 12. Director Robison seconded the motion. Items 1-2, 11 and 12 were carried unanimously by roll call vote: Ayes: Directors Li, Devorak and Robison. Noes: None.

NEW BUSINESS

13. Information: Investment Performance Review by AQR for the ATU, IBEW and Salaried Retirement Funds for the International Small Capitalization Equity Asset Class for the Quarter Ended March 31, 2019 (ALL). (Adelman)

Jamie Adelman introduced Iwan Djanali with AQR, who provided the performance results for the International Small Capitalization Equity Asset Class for the Quarter Ended March 31, 2019 and was available for questions. In response to a question from Director Li, Ms. Adelman advised the Boards that approximately 5% the Plans' total portfolio is invested with AQR.

14. Motion Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for Quarter Ended March 31, 2019 (ALL). (Adelman)

Jamie Adelman introduced Anne Heaphy and Uvan Tseng with Callan LLC, who provided the Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended March 31, 2019 and were available for questions.

Director Devorak moved to adopt Item 14. Director Robison seconded the motion. Item 14 was carried unanimously by roll call vote: Ayes: Directors Li, Devorak and Robison. Noes: None.

15. Motion: Receive and File the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans (ALL). (Adelman)

Jamie Adelman introduced Uvan Tseng from Callan LLC, and Jay Kloepfer and Gary Chang, from Callan's Capital Market research group, who provided the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans. Mr. Kloepfer explained that the purpose of the Study is to review the current policy target allocation with the goal of establishing a long-term strategic asset allocation target, taking into account the Plans' projected asset and liability growth and liquidity needs, and described the process and results of the Study. In response to a question from AEA Director Devorak, Mr. Kloepfer explained the effect of an increased standard deviation in a down market.

As part of the Study, Callan examined two sets of optimal investment mixes in addition to the current portfolio: 1) current asset classes with the addition of real estate, and 2) current asset classes with the addition of real estate, private equity and hedge funds. Mr. Tseng explained that, based on its projections, liability modeling, including liquidity needs, and stochastic forecasting, Callan observed that the current target asset allocation would be reasonable to retain going forward, although further diversification by including real estate investments offers a potentially attractive source of return that

would complement and diversify the existing portfolio, and thereby reduce risk. Callan's recommended option, should the Boards wish to further diversify the portfolio, includes an allocation of 10% to real estate, to be funded by reducing current allocations to both equity and fixed income (referred to in the Study as "Mix 3R").

ATU Director Niz noted that the Plans' actuary has advised that the Plans could be fully funded by 2030 if all assumptions are met, and asked whether the recommendation would involve additional risk that would affect that projection. Mr. Kloefer explained that the addition of an allocation to real estate would reduce risk by increasing diversification, with the same expected return.

ATU Director McGee Lee asked for clarification on the type of real estate investment the recommendation involves, noting that certain prior investments that involved real estate held by the Plans had been sold. Mr. Kloefer explained that, given the size of the recommended allocation, the investment would be in a commingled fund that purchases commercial properties diversified by type and location, rather than in a separately managed account. Sacramento Regional Transit District CFO Brent Bernegger explained that the Plans' prior exposure to real estate was through investments in REITs, in the equity asset class.

Ms. Adelman noted that the study showed that, compared to last year, the expected return for the current policy increased from 6.06% to 6.48%, which the Plans' actuary tracks in comparing projected returns over a 10-year period.

The Boards discussed options for next steps, such as requesting that Callan provide more information on real estate investments to the Boards in the form of a workshop, requesting that Callan perform a manager search for a potential real estate investment fund and forming an ad hoc committee for future action, or approving changes to the Plans' asset allocation at this meeting and presenting the revised Investment Policy Statement for approval by the Boards at the September Quarterly Retirement Board meeting, at which time the Boards would request that Callan conduct a real estate fund manager search. Following discussion of the options, the Boards asked that Callan prepare an additional educational session for the Boards regarding real estate and private equity investments.

Director Devorak moved to adopt Item 15. Director Robison seconded the motion. Item 15 was carried unanimously by roll call vote: Ayes: Directors Li, Devorak and Robison. Noes: None.

REPORTS FROM COMMITTEES

None.

RECESS TO CLOSED SESSION

The joint meeting of the five Retirement Boards recessed to allow the AEA, AFSCME, ATU and IBEW Retirement Boards to meet separately in closed sessions.

The AEA Retirement Board convened in closed session at 10:50 a.m.

19. **Closed Session Item (AEA):**
Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation Pursuant to Government Code
Section 54956.9(d)(2): One Potential Case

The AEA Retirement Board reconvened in open session at 11:00 a.m.

CLOSED SESSION REPORT

No reportable actions were taken in the closed session.

The AEA Retirement Board adjourned at 11:00 a.m.

Russel Devorak, Chair

ATTEST:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
2	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

ISSUE

Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

RECOMMENDED ACTION

Motion: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

FISCAL IMPACT

None.

DISCUSSION

Table 1 below shows the employer and employee contribution rates for all of the Sacramento Regional Transit District Retirement Plans, by Plan and tier, as of the date indicated.

Table 1

Employer Contribution Rates As of June 30, 2019

	ATU	IBEW	Salary
	Contribution Rate	Contribution Rate	Contribution Rate
Classic	28.15%	25.03%	34.30%
Classic w/Contribution*	25.15%		
PEPRA**	21.65%	19.78%	29.05%

*Includes members hired during calendar year 2015, employee rate 3%

**PEPRA employee rates: ATU - 6.5%, IBEW and Salary 5.25%

Unaudited Financial Statements

Attached hereto are unaudited financial statements for the quarter and the year-to-date ended June 30, 2019. The financial statements are presented on an accrual basis and consist of a Statement of Fiduciary Net Position (balance sheet) (Attachment 1), a Statement of Changes

Approved:

Presented:

Final 08/31/19
VP of Finance/CFO

Director, Finance and Treasury
J:\Retirement Board\2019\IP's\Quarterly Meetings\September 11, 2019\FI FINAL IPs\09-11-19
Administrative Reports - Salaried.docx

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
2	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

in Fiduciary Net Position (income statement) for the quarter ended June 30, 2019 (Attachment 2), and a year-to-date Statement of Changes in Fiduciary Net Position (Attachment 3).

The Statement of Fiduciary Net Position includes a summary of fund assets showing the amounts in the following categories: investments, prepaid assets, and other receivables. This statement also provides amounts due from/to the District and Total Fund Equity (net position).

The Statement of Changes in Fiduciary Net Position includes activities in the following categories: investment gains/losses, dividends, interest income, unrealized gains/losses, benefit contributions/payouts, and investment management and administrative expenses.

Asset Rebalancing

Pursuant to Section IV, Asset Rebalancing Policy of the Statement of Investment Objectives and Policy Guidelines for the ATU, IBEW and Salaried Employees' Retirement Funds, the Retirement Boards have delegated authority to manage pension plan assets in accordance with the approved rebalancing policy to the District's Director, Finance and Treasury. The Director, Finance and Treasury is required to report asset rebalancing activity to the Boards at their quarterly meetings. Rebalancing can occur for one or more of the following reasons:

1. The Pension Plan ended the month with an accounts receivable or payable balance due to the District. A payable or receivable is the net amount of the monthly required contribution (required contribution is the percentage of covered payroll determined by the annual actuarial valuation) less the Plan's actual expenses.
2. The Pension Plan hires or removes a Fund Manager, in which case securities must be moved to a new fund manager.
3. The Pension Plan investment mix is under or over the minimum or maximum asset allocation as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 4 is the Salaried Plan's Schedule of Cash Activities for the three months ended June 30, 2019. The schedule of cash activities includes a summary of Plan activities showing the amounts in the following categories: District's pension contributions to the Plan, payments to retirees, and the Pension Plan's cash expenditures paid. This schedule also lists the rebalancing activity that occurred for the three months ended June 30, 2019. The Salaried Plan reimbursed \$29,214.57 to the District as the result of the net cash activity between the pension plan expenses and the required pension contributions. A line has been added to capture the appropriate Due To SacRT balance due to a transfer error by the custodian.

Attached hereto as Attachment 5 is the Salaried Plan's Asset Allocation as of June 30, 2019. This statement shows the Salaried Plan's asset allocation as compared to targeted allocation percentages as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 6 is a reconciliation between the Callan Performance Report and the ATU, IBEW and Salaried Pension Plans' unaudited financial statements. The reports

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
2	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

differ in that the unaudited financial statements reflect both investment activities and the pension fund's inflows and outflows. Callan's report only reflects the investment activities. The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and/or litigation settlements received by the Plans.

Included also as Attachment 7 is a reconciliation between the Callan Performance Report and the Schedule of Cash Activities for payments made from/to the District. Callan's report classifies gains from trades and litigation income as "net new investments." Finance staff classifies gains from trades and litigation income in the Pension Plan's unaudited Statement of Changes in Fiduciary Net Position as "Other Income," which is combined in the category of "Interest, Dividend, & Other Inc".

Attached hereto as Attachment 8 is a schedule reflecting Fund Managers' quarterly investment returns and their investment fees. Additionally, the schedule reflects annual rates of return on investment net of investment fees for the one-year and three-year periods ended June 30, 2019 as compared to their benchmarks.

Attached hereto as Attachment 9 is a schedule reflecting employee transfers from one union/employee group to another, as well as any transfers of plan assets from the ATU Plan to the Salaried Plan, all retirements, and retiree deaths during the three months ended June 30, 2019.

Sacto Regional Transit District Retirement Plan - Salaried
Statement of Fiduciary Net Position
As of June 30, 2019

Accrual Basis

	Jun 30, 19
ASSETS	
Current Assets	
Checking/Savings	
Long-Term Investments	
100000 · Custodial Assets	99,298,506.57
Total Long-Term Investments	99,298,506.57
Total Checking/Savings	99,298,506.57
Accounts Receivable	
1110104 · Other Rec - Due from RT	6,615.70
Total Accounts Receivable	6,615.70
Other Current Assets	
1110120 · Prepays	11,262.50
Total Other Current Assets	11,262.50
Total Current Assets	99,316,384.77
TOTAL ASSETS	99,316,384.77
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
3110102 · Administrative Expense Payable	34,548.43
3110122 · MetWest	23,969.55
3110124 · Boston Partners	20,635.94
3110125 · Callan	3,469.38
3110126 · State Street	11,578.86
3110128 · Atlanta Capital	17,556.59
3110129 · S&P Index - SSgA	2,053.04
3110130 · EAFE - SSgA	928.72
3110132 · Pyrford	15,552.02
Total Accounts Payable	130,292.53
Total Current Liabilities	130,292.53
Total Liabilities	130,292.53
Equity	
3340101 · Retained Earnings	93,130,088.73
Net Income	6,056,003.51
Total Equity	99,186,092.24
TOTAL LIABILITIES & EQUITY	99,316,384.77

**Sacto Regional Transit District Retirement Plan - Salaried
Statement of Changes in Fiduciary Net Position
April through June 2019**

Accrual Basis

	Apr - Jun 19	% of Income
Income		
Interest, Dividend, & Other Inc	526,719.36	9.3%
Investment Income	2,861,056.00	50.4%
RT Required Contribution	2,230,039.09	39.3%
6630110 · Employee Contribution	62,443.53	1.1%
Total Income	5,680,257.98	100.0%
Cost of Goods Sold		
8531001 · Arbitration Transfer	-343,707.00	-6.1%
8531210 · AEA - Retirement Benefits Paid	830,338.30	14.6%
8531211 · AFSCME-Retirement Benefits Paid	604,101.66	10.6%
8531212 · MCEG - Retirement Benefits Paid	768,668.19	13.5%
8531213 · Employee Contribution Refunds	1,559.15	0.0%
8532004 · Invest Exp - MetropolitanWest	23,969.56	0.4%
8532013 · Invest Exp - Boston Partners	20,635.94	0.4%
8532020 · Invest Exp - Callan	10,372.07	0.2%
8532021 · Invest Exp - State Street	12,109.10	0.2%
8532024 · Invest Exp - Atlanta Capital	17,556.59	0.3%
8532025 · Invest Exp - S&P Index SSgA	2,053.04	0.0%
8532026 · Invest Exp - EAFE SSgA	928.72	0.0%
8532027 · Invest Exp - AQR	9,067.62	0.2%
8532028 · Invest Exp - Pyrford	15,552.02	0.3%
Total COGS	1,973,204.96	34.7%
Gross Profit	3,707,053.02	65.3%
Expense		
8533002 · Admin Exp - Actuary	15,925.54	0.3%
8533007 · Admin Exp - CALPRS Dues/Courses	3,264.43	0.1%
8533010 · Admin Exp - Travel	322.01	0.0%
8533014 · Admin Exp - Fiduciary Insurance	3,419.04	0.1%
8533020 · Admin Exp - Procurement Costs	0.00	0.0%
8533025 · Admin Exp - Information Service	10.43	0.0%
8533026 · Admin Exp - Legal Services	20,550.38	0.4%
8533028 · Admin Exp - Staff Training	178.38	0.0%
8533029 · Admin Exp - Administrator	25,214.97	0.4%
8533050 · Admin Exp - Misc Exp	0.00	0.0%
8533051 · Admin Exp - Audit	12,333.34	0.2%
Total Expense	81,218.52	1.4%
Net Income	3,625,834.50	63.8%

**Sacto Regional Transit District Retirement Plan - Salaried
Statement of Changes in Fiduciary Net Position
July 2018 through June 2019**

Accrual Basis

	Jul '18 - Jun 19	% of Income
Income		
Interest, Dividend, & Other Inc	1,879,082.95	12.7%
Investment Income	4,206,223.15	28.5%
RT Required Contribution	8,503,815.18	57.5%
6630110 · Employee Contribution	193,293.00	1.3%
Total Income	14,782,414.28	100.0%
Cost of Goods Sold		
8531001 · Arbitration Transfer	-343,707.00	-2.3%
8531210 · AEA - Retirement Benefits Paid	3,341,622.30	22.6%
8531211 · AFSCME-Retirement Benefits Paid	2,034,433.50	13.8%
8531212 · MCEG - Retirement Benefits Paid	2,962,172.76	20.0%
8531213 · Employee Contribution Refunds	35,265.42	0.2%
8532004 · Invest Exp - MetropolitanWest	93,066.77	0.6%
8532013 · Invest Exp - Boston Partners	80,393.79	0.5%
8532020 · Invest Exp - Callan	41,955.34	0.3%
8532021 · Invest Exp - State Street	45,836.66	0.3%
8532023 · Invest Exp - JP Morgan	0.00	0.0%
8532024 · Invest Exp - Atlanta Capital	65,640.92	0.4%
8532025 · Invest Exp - S&P Index SSgA	7,891.25	0.1%
8532026 · Invest Exp - EAFE SSgA	3,611.76	0.0%
8532027 · Invest Exp - AQR	37,696.44	0.3%
8532028 · Invest Exp - Pyrford	60,089.59	0.4%
Total COGS	8,465,969.50	57.3%
Gross Profit	6,316,444.78	42.7%
Expense		
8533002 · Admin Exp - Actuary	41,530.07	0.3%
8533007 · Admin Exp - CALPRS Dues/Courses	7,531.09	0.1%
8533008 · Admin Exp - Accounting Software	1,949.99	0.0%
8533010 · Admin Exp - Travel	975.20	0.0%
8533014 · Admin Exp - Fiduciary Insurance	13,093.05	0.1%
8533020 · Admin Exp - Procurement Costs	0.00	0.0%
8533025 · Admin Exp - Information Service	260.43	0.0%
8533026 · Admin Exp - Legal Services	84,744.52	0.6%
8533028 · Admin Exp - Staff Training	293.39	0.0%
8533029 · Admin Exp - Administrator	94,396.85	0.6%
8533050 · Admin Exp - Misc Exp	0.00	0.0%
8533051 · Admin Exp - Audit	15,666.68	0.1%
Total Expense	260,441.27	1.8%
Net Income	6,056,003.51	41.0%

**Sacramento Regional Transit District
Retirement Fund - Salaried
Schedule of Cash Activities
For the Three Months Period Ended June 30, 2019**

	April 2019	May 2019	June 2019	Quarter Totals
Beginning Balance:				
Due (from)/to District - March 31, 2019	(73,032.57)	137,597.41	(34,666.35)	(73,032.57)
Monthly Activity:				
<u>Deposits</u>				
District Pension Contributions @ 29.05 to 34.30%	704,115.98	778,219.15	747,703.96	2,230,039.09
Employee Pension Contributions	20,734.25	20,906.21	20,803.07	62,443.53
Total Deposits	<u>724,850.23</u>	<u>799,125.36</u>	<u>768,507.03</u>	<u>2,292,482.62</u>
<u>Expenses</u>				
Payout to Retirees:				
AEA	(278,430.07)	(276,517.45)	(275,390.78)	(830,338.30)
AFSCME	(203,852.77)	(209,733.59)	(190,515.30)	(604,101.66)
MCEG	(256,222.73)	(256,222.73)	(256,222.73)	(768,668.19)
Employee Contribution Refunds	-	-	(1,559.15)	(1,559.15)
Payout to Retirees Subtotal	<u>(738,505.57)</u>	<u>(742,473.77)</u>	<u>(723,687.96)</u>	<u>(2,204,667.30)</u>
Fund Investment Management Expenses:				
Boston Partners	(19,421.67)	-	-	(19,421.67)
SSgA S&P 500 Index	(1,954.44)	-	-	(1,954.44)
Atlanta Capital	(16,433.74)	-	-	(16,433.74)
Pyrford	(15,006.69)	-	-	(15,006.69)
SSgA EAFE MSCI	(896.00)	-	-	(896.00)
Metropolitan West	(23,424.17)	-	-	(23,424.17)
Callan	(3,445.68)	-	(6,902.69)	(10,348.37)
State Street	(11,405.54)	(3,801.20)	(7,756.57)	(22,963.31)
Fund Invest. Mgmt Exp. Subtotal	<u>(91,987.93)</u>	<u>(3,801.20)</u>	<u>(14,659.26)</u>	<u>(110,448.39)</u>
Administrative Expenses				
Actuarial Services	(2,782.34)	(3,686.67)	(3,724.04)	(10,193.05)
Legal Services	(6,850.14)	(6,850.13)	(6,850.13)	(20,550.40)
CALAPRS Training	-	-	(3,264.43)	(3,264.43)
Travel	-	(322.01)	-	(322.01)
Fiduciary Insurance	(13,765.00)	133.34	25.00	(13,606.66)
Investigation Information Services	-	(10.43)	-	(10.43)
Staff Training	(178.38)	-	-	(178.38)
Pension Administration	(8,036.32)	(7,448.14)	(9,730.51)	(25,214.97)
Administrative Exp. Subtotal	<u>(31,612.18)</u>	<u>(18,184.04)</u>	<u>(23,544.11)</u>	<u>(73,340.33)</u>
Total Expenses	<u>(862,105.68)</u>	<u>(764,459.01)</u>	<u>(761,891.33)</u>	<u>(2,388,456.02)</u>
Monthly Net Owed from/(to) District	(137,255.45)	34,666.35	6,615.70	(95,973.40)
Due To ATU Plan- Custodian Error	-	(341.96)	-	(341.96)
Payment from/(to) the District	<u>73,374.53</u>	<u>(137,255.45)</u>	<u>34,666.35</u>	<u>(29,214.57)</u>
Ending Balance:				
Due (from)/to the District (=Beginning balance + monthly balance-payment to District)	<u>137,597.41</u>	<u>(34,666.35)</u>	<u>(6,615.70)</u>	<u>(6,615.70)</u>

RT Combined Pension Plans - ATU, IBEW and Salaried
 Asset Allocation *
 As of June 30, 2019

Asset Class	Net Asset Market Value 6/30/2019	Actual Asset Allocation	Target Asset Allocation	% Variance	\$ Variance	Target Market Value
FUND MANAGERS:						
Domestic Equity:						
Large Cap Value - Boston Partners - Z8	\$ 46,241,830	15.51%	16.00%	-0.49%	\$ (1,460,590)	
Large Cap Growth - SSgA S&P 500 Index - XH	50,461,404	16.93%	16.00%	0.93%	2,758,984	
Total Large Cap Domestic Equity	96,703,234	32.44%	32.00%	0.44%	1,298,393	\$ 95,404,840
Small Cap - Atlanta Capital - XB	26,357,871	8.84%	8.00%	0.84%	2,506,660	23,851,210
International Equity:						
Large Cap Growth:						
Pyrford - ZD	27,796,043	9.32%	9.50%	-0.18%	(527,269)	
Large Cap Core:						
SSgA MSCI EAFE - XG	11,402,913	3.82%				
Value - Brandes - XE	0	0.00%				
Total Core	11,402,913	3.82%	4.50%	-0.68%	(2,013,393)	
Small Cap:						
AQR - ZB	12,987,509	4.36%	5.00%	-0.64%	(1,919,498)	
Emerging Markets						
DFA - ZA	16,457,161	5.52%	6.00%	-0.48%	(1,431,247)	
Total International Equity	68,643,625	23.02%	25.00%	-1.98%	(5,891,406)	74,535,032
Fixed Income:						
Met West - XD	106,435,396	35.70%	35.00%	0.70%	2,086,352	104,349,044
Total Combined Net Asset	\$ 298,140,126	100.00%	100.00%	0.00%	\$ (1)	\$ 298,140,126

Asset Allocation Policy Ranges*:	Minimum	Target	Maximum
Domestic Equity	35%	40%	45%
Large Cap (50/50 value/growth)	28%	32%	36%
Small Cap	5%	8%	11%
International Equity	20%	25%	30%
Large Cap Developed Markets	10%	14%	18%
Small Cap Developed Markets	3%	5%	7%
Emerging Markets	4%	6%	8%
Domestic Fixed Income	30%	35%	40%

* Per the Statement of Investment Objectives and Policy Guidelines as of 6/20/2018.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Balance Sheet
As of June 30, 2019**

Per Both Pension Fund Balance Sheets:	
ATU Allocated Custodial Assets	138,540,700
IBEW Allocated Custodial Assets	60,300,919
Salaried Allocated Custodial Assets	<u>99,298,507</u>
Total Consolidated Net Asset	<u><u>298,140,126</u></u>
Per Callan Report:	
Total Investments	<u><u>298,139,175</u></u>
Net Difference	<u><u>951</u></u> *

* The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Income Statement
For the Quarter Ended June 30, 2019**

Per Both Pension Fund Income Statements:	
ATU - Interest, Dividends, and Other Income	758,485
ATU - Investment Income	4,013,452
IBEW - Interest, Dividends, and Other Income	325,107
IBEW - Investment Income	1,749,392
Salaried - Interest, Dividends, and Other Income	517,652
Salaried - Investment Income	<u>2,861,056</u>
Total Investment Income	<u><u>10,225,143</u></u>
Per Callan Report:	
Investment Returns	<u><u>10,230,563</u></u>
Net Difference	<u><u>(5,420)</u></u> **

** The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.

Reconciliation between Callan Report and Consolidated Schedule of Cash Activities For the Quarter Ended June 30, 2019				
	April	May	June	Total
Payments from/(to) the District				
Boston Partners - ATU			(54,258)	(54,258)
Boston Partners - IBEW				-
Boston Partners - Salaried			54,258	54,258
S&P 500 Index - ATU			(58,610)	(58,610)
S&P 500 Index - IBEW				-
S&P 500 Index - Salaried			58,610	58,610
Atlanta Capital - ATU			(30,314)	(30,314)
Atlanta Capital - IBEW				-
Atlanta Capital - Salaried			30,314	30,314
Pyrford - ATU			(31,780)	(31,780)
Pyrford - IBEW				-
Pyrford - Salaried			31,780	31,780
EAFE - ATU			(13,150)	(13,150)
EAFE - IBEW				-
EAFE - Salaried			13,150	13,150
Brandes - ATU				-
Brandes - IBEW				-
Brandes - Salaried				-
AQR - ATU			(15,314)	(15,314)
AQR - IBEW				-
AQR - Salaried			15,314	15,314
DFA - ATU			(19,252)	(19,252)
DFA - IBEW				-
DFA - Salaried			19,252	19,252
Metropolitan West - ATU	(255,904)	(372,471)	(370,706)	(999,082)
Metropolitan West - IBEW	(41,524)	(122,324)	(40,288)	(204,136)
Metropolitan West - Salaried	73,375	(137,255)	155,694	91,813
Total Payments from/(to) the District	(224,054)	(632,051)	(255,299)	(1,111,404)
Transfers In/(Out) of Investment Funds				
Boston Partners	-	-	-	-
S&P 500 Index	-	-	-	-
Atlanta Capital	-	-	-	-
Pyrford	-	-	-	-
EAFE	-	-	-	-
Brandes	-	-	-	-
AQR	-	-	-	-
DFA	-	-	-	-
Metropolitan West	(224,054)	(632,051)	(255,299)	(1,111,404)
Total Transfers In/(Out) of Investment Funds	(224,054)	(632,051)	(255,299)	(1,111,404)
Variance between Payments and Transfers	-	-	-	-
Per Callan Report:				
Net New Investment/(Withdrawals)				(1,111,404)
Net Difference				(0)

Consolidated Schedule of Cash Activities For the 12-Months June 30, 2019					
	3Q18	4Q18	1Q19	2Q19	Total
Payments from/(to) the District					
Boston Partners - ATU	-	-	4	(54,258)	(54,254)
Boston Partners - IBEW	-	-	2	-	2
Boston Partners - Salaried	-	-	2	54,258	54,261
S&P 500 Index - ATU	-	(453,869)	-	(58,610)	(512,480)
S&P 500 Index - IBEW	-	(86,233)	-	-	(86,233)
S&P 500 Index - Salaried	-	(42,143)	-	58,610	16,468
Atlanta Capital - ATU	(572,143)	-	-	(30,314)	(602,457)
Atlanta Capital - IBEW	(121,006)	-	-	-	(121,006)
Atlanta Capital - Salaried	(79,419)	-	-	30,314	(49,105)
Pyrford - ATU	-	-	-	(31,780)	(31,780)
Pyrford - IBEW	-	-	-	-	-
Pyrford - Salaried	-	-	-	31,780	31,780
EAFE - ATU	-	-	-	(13,150)	(13,150)
EAFE - IBEW	-	-	-	-	-
EAFE - Salaried	-	-	-	13,150	13,150
Brandes - ATU	-	-	(4)	-	(4)
Brandes - IBEW	-	-	(2)	-	(2)
Brandes - Salaried	-	-	(2)	-	(2)
AQR - ATU	-	-	-	(15,314)	(15,314)
AQR - IBEW	-	-	-	-	-
AQR - Salaried	-	-	-	15,314	15,314
DFA - ATU	-	-	-	(19,252)	(19,252)
DFA - IBEW	-	-	-	-	-
DFA - Salaried	-	-	-	19,252	19,252
Metropolitan West - ATU	(327,866)	(299,003)	(800,166)	(999,082)	(2,426,117)
Metropolitan West - IBEW	(56,407)	(78,875)	(161,974)	(204,136)	(501,391)
Metropolitan West - Salaried	75,846	(106,423)	(59,788)	91,813	1,449
Total Payments from/(to) the District	(1,080,995)	(1,066,545)	(1,021,928)	(1,111,404)	(4,280,871)

**Sacramento Regional Transit District
ATU, IBEW and Salaried Retirement Plans
Schedule of Fund Investment Returns and Expenses
06/30/19**

	1 Year		1 Year			3 Years		3 Years		
	1 Year	%	Net of Fees Returns	Bench-Mark Returns	Favorable/(Unfavor) Basis Pts	3 Years	%	Net of Fees Returns	Bench-Mark Returns	Favorable/(Unfavor) Basis Pts
Boston Partners										
Investment Returns	2,243,056	100.00%				15,190,933	100.00%			
Investment Expense	(243,219)	10.84%				(730,103)	4.81%			
Net Gain/(Loss)	1,999,837	89.16%	4.53%	8.46%	(393.00)	14,460,830	95.19%	11.52%	10.19%	133.00
S&P 500										
Investment Returns	4,751,005	100.00%				18,187,051	100.00%			
Investment Expense	(23,871)	0.50%				(69,428)	0.38%			
Net Gain/(Loss)	4,727,134	99.50%	10.40%	10.42%	(2.00)	18,117,623	99.62%	14.16%	14.19%	(3.00)
Atlanta Capital										
Investment Returns	2,509,566	100.00%				10,419,650	100.00%			
Investment Expense	(198,544)	7.91%				(589,111)	5.65%			
Net Gain/(Loss)	2,311,022	92.09%	9.38%	-3.31%	1269.00	9,830,539	94.35%	14.30%	12.30%	200.00
Pyrford										
Investment Returns	1,653,567	100.00%				1,842,224	100.00%			
Investment Expense	(181,775)	10.99%				(381,180)	20.69%			
Net Gain/(Loss)	1,471,792	89.01%	5.59%	1.08%	451.00	1,461,044	79.31%	N/A	N/A	N/A
EAFE										
Investment Returns	161,949	100.00%				3,053,638	100.00%			
Investment Expense	(10,926)	6.75%				(31,815)	1.04%			
Net Gain/(Loss)	151,023	93.25%	1.34%	1.08%	26.00	3,021,823	98.96%	9.39%	9.11%	28.00
Brandes										
Investment Returns	(2,796)	100.00%				(2,765)	100.00%			
Investment Expense	-	0.00%				-	0.00%			
Net Gain/(Loss)	(2,796)	100.00%	N/A	N/A	N/A	(2,765)	100.00%	N/A	N/A	N/A
AQR										
Investment Returns	(1,615,725)	100.00%				1,508,611	100.00%			
Investment Expense	(113,489)	-7.02%				(372,308)	24.68%			
Net Gain/(Loss)	(1,729,214)	107.02%	-11.06%	-6.35%	(471.00)	1,136,303	75.32%	N/A	N/A	N/A
DFA										
Investment Returns	210,862	100.00%				3,782,120	100.00%			
Investment Expense	(106,878)	50.69%				(283,925)	7.51%			
Net Gain/(Loss)	103,984	49.31%	1.30%	1.22%	8.00	3,498,195		9.09%	10.66%	(157.00)
Metropolitan West										
Investment Returns	8,423,194	100.00%				9,363,703	100.00%			
Investment Expense	(281,545)	3.34%				(784,117)	8.37%			
Net Gain/(Loss)	8,141,649	96.66%	8.25%	7.87%	38.00	8,579,586	91.63%	2.87%	2.31%	56.00
Total Fund										
Investment Returns	18,334,678	100.00%				68,017,227	100.00%			
Investment Expense	(1,160,246)	6.33%				(3,302,983)	4.86%			
Net Gain/(Loss)	17,174,432	93.67%	6.23%	6.08%	15.00	64,714,244	95.14%	8.39%	8.86%	(47.00)

Schedule of Transfers, Retirements and Deaths
For the period: April 1, 2019 through June 30, 2019

Transfers:

Plan Assets Plan Assets

Emp#	Transferred From Position	Transferred To Position	Transferred		Transferred	
			From	To	From ATU	to Salaried
566	Bus Operator	Administrative Analyst I	ATU	Salaried	(19,681.00)	19,681.00
628	Bus Operator	Transportation Supervisor	ATU	Salaried	(25,261.00)	25,261.00
815	LR Train Operator	Transportation Supervisor	ATU	Salaried	(83,977.00)	83,977.00
1190	Fare Inspection Officer	Transportation Supervisor	ATU	Salaried	(85,010.00)	85,010.00
3593	Bus Operator	Transportation Supervisor	ATU	Salaried	(41,124.00)	41,124.00
3656	Bus Operator	Transportation Supervisor	ATU	Salaried	(36,524.00)	36,524.00
3681	Bus Operator	Transportation Supervisor	ATU	Salaried	(37,427.00)	37,427.00
3853	Customer Service Representative	Administrative Assistant I	ATU	Salaried	(14,702.00)	14,702.00
					<u>(343,706.00)</u>	<u>343,706.00</u>

Retirements

Emp#	Previous Position	EmpSubArea	RetirementDate
2554	Mechanic B	IBEW	4/1/2019
1655	System Design Manager	AEA	4/1/2019
939	Bus Operator	ATU	4/1/2019
2364	Customer Service Representative	ATU	4/13/2019
2876	Bus Operator	ATU	4/24/2019
1641	LR Mechanic A	IBEW	5/1/2019
432	Transportation Supervisor	AFSC	5/1/2019
830	Bus Operator	ATU	5/24/2019
2162	Sr. Rail Maintenance Worker	IBEW	6/1/2019
2746	Bus Operator	ATU	6/1/2019
3270	Admin Technician	AFST	6/1/2019
1131	Real Estate Admin Asset Administrator	MCEG	6/1/2019
2359	Director, Construction Management	MCEG	6/1/2019
1005	Asst Resident Engineer	AEA	6/1/2019
324	LR Operator	ATU	6/8/2019

Deaths

Emp#	EmpSubArea	Type	Date of Death
229	ATU	Life Alone	4/2/2019
1193	AEA	Disability Life Alone	4/25/2019
1464	AEA	50% J&S	5/12/2019

**Sacramento Regional Transit District
AEA Special Retirement Board Meeting
Wednesday, July 24, 2019**

MEETING SUMMARY

ROLL CALL:

The Retirement Board was brought to order at 9:01 a.m. A quorum was present comprised as follows: Directors Li, Kennedy, Devorak and Robison.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

By AEA Resolution No. 19-03-202 for calendar year 2019, the Governing Board Member in attendance served as Common Chair of this Retirement Board meeting.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON AGENDA

None

CONSENT CALENDAR

None

NEW BUSINESS

1. Information: Educational Session on Alternative Investments (ALL). (Adelman)

Jamie Adelman introduced Anne Heaphy with Callan LLC, who provided an Educational Session on Alternative Investments. The session provided a high-level review on the Asset Liability Study and additional information on Real Estate investment.

All Boards agreed that, as a next step, Ms. Adelman will direct Callan LLC to conduct a search for a Real Estate asset class manager pursuant to the Boards' agreement with Callan LLC. The process will take approximately 2 months. Ms. Adelman will reach out to each Board for a member to be part of the committee for the Real Estate Fund Manager search.

REPORTS FROM COMMITTEES

None.

REPORTS, IDEAS AND COMMUNICATIONS

None

The meeting was adjourned at 9:49 a.m.

Russel Devorak, Chair

ATTEST:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

**Sacramento Regional Transit District
AFSCME Retirement Board Meeting
Wednesday, June 12, 2019
MEETING SUMMARY**

ROLL CALL

The Retirement Board was brought to order at 9:02 a.m. A quorum was present comprised as follows: Directors Li, Guimond and Alternate Thompson. Directors Kennedy and Parks and Alternate Jennings were absent.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

By AFSCME Resolution No. 19-03-168 for calendar year 2019, the Governing Board Member in attendance served as Common Chair of this Retirement Board meeting.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None.

CONSENT CALENDAR

- 3. Motion Approving the Minutes for the March 20, 2019 Quarterly Retirement Board Meeting (AFSCME). (Weekly)

- 4. Motion: Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

- 11. Motion: Receive and File Update on Staff Roles and Responsibilities Related to Pension Administration (ALL). (Weekly)

- 12. Resolution: Amendment of the Investment Custodian Services Contract with State Street Bank and Trust Company to Extend the Term by Six Months and Increase the Limit to \$733,572 (ALL). (Adelman)

Director Guimond moved to adopt AFSCME Retirement Board Items 3-4, 11 and 12. Alternate Thompson seconded the motion. Items 3-4, 11 and 12 were carried unanimously by roll call vote: Ayes: Directors Li, Guimond and Alternate Thompson. Noes: None.

NEW BUSINESS

13. Information: Investment Performance Review by AQR for the ATU, IBEW and Salaried Retirement Funds for the International Small Capitalization Equity Asset Class for the Quarter Ended March 31, 2019 (ALL). (Adelman)

Jamie Adelman introduced Iwan Djanali with AQR, who provided the performance results for the International Small Capitalization Equity Asset Class for the Quarter Ended March 31, 2019 and was available for questions. In response to a question from Director Li, Ms. Adelman advised the Boards that approximately 5% the Plans' total portfolio is invested with AQR.

14. Motion Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for Quarter Ended March 31, 2019 (ALL). (Adelman)

Jamie Adelman introduced Anne Heaphy and Uvan Tseng with Callan LLC, who provided the Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended March 31, 2019 and were available for questions.

Director Guimond moved to adopt Item 14. Director Thompson seconded the motion. Item 14 was carried unanimously by roll call vote: Ayes: Directors Guimond and Li and Alternate Thompson. Noes: None.

15. Motion: Receive and File the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans (ALL). (Adelman)

Jamie Adelman introduced Uvan Tseng from Callan LLC, and Jay Kloefer and Gary Chang, from Callan's Capital Market research group, who provided the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans. Mr. Kloefer explained that the purpose of the Study is to review the current policy target allocation with the goal of establishing a long-term strategic asset allocation target, taking into account the Plans' projected asset and liability growth and liquidity needs, and described the process and results of the Study. In response to a question from AEA Director Devorak, Mr. Kloefer explained the effect of an increased standard deviation in a down market.

As part of the Study, Callan examined two sets of optimal investment mixes in addition to the current portfolio: 1) current asset classes with the addition of real estate, and 2) current asset classes with the addition of real estate, private equity and hedge funds. Mr. Tseng explained that, based on its projections, liability modeling, including liquidity needs, and stochastic forecasting, Callan observed that the current target asset allocation would be reasonable to retain going forward, although further diversification by including real estate investments offers a potentially attractive source of return that would complement and diversify the existing portfolio, and thereby reduce risk. Callan's

recommended option, should the Boards wish to further diversify the portfolio, includes an allocation of 10% to real estate, to be funded by reducing current allocations to both equity and fixed income (referred to in the Study as “Mix 3R”).

ATU Director Niz noted that the Plans’ actuary has advised that the Plans could be fully funded by 2030 if all assumptions are met, and asked whether the recommendation would involve additional risk that would affect that projection. Mr. Kloefer explained that the addition of an allocation to real estate would reduce risk by increasing diversification, with the same expected return.

ATU Director McGee Lee asked for clarification on the type of real estate investment the recommendation involves, noting that certain prior investments that involved real estate held by the Plans had been sold. Mr. Kloefer explained that, given the size of the recommended allocation, the investment would be in a commingled fund that purchases commercial properties diversified by type and location, rather than in a separately managed account. Sacramento Regional Transit District CFO Brent Bernegger explained that the Plans’ prior exposure to real estate was through investments in REITs, in the equity asset class.

Ms. Adelman noted that the study showed that, compared to last year, the expected return for the current policy increased from 6.06% to 6.48%, which the Plans’ actuary tracks in comparing projected returns over a 10-year period.

The Boards discussed options for next steps, such as requesting that Callan provide more information on real estate investments to the Boards in the form of a workshop, requesting that Callan perform a manager search for a potential real estate investment fund and forming an ad hoc committee for future action, or approving changes to the Plans’ asset allocation at this meeting and presenting the revised Investment Policy Statement for approval by the Boards at the September Quarterly Retirement Board meeting, at which time the Boards would request that Callan conduct a real estate fund manager search. Following discussion of the options, the Boards asked that Callan prepare an additional educational session for the Boards regarding real estate and private equity investments.

Director Guimond moved to adopt Item 15. Director Thompson seconded the motion. Item 15 was carried unanimously by roll call vote: Ayes: Directors Guimond and Li and Alternate Thompson. Noes: None.

REPORTS FROM COMMITTEES

None.

REPORTS, IDEAS AND COMMUNICATIONS

18. Information: Conference Report-Out: CALAPRS Training (ATU Directors Niz, McGee Lee and AFSCME Director Guimond).

ATU Director Niz reported that the class was very informative and the instructors were great. ATU Director McGee Lee reported that Segal actuary Paul Angelo gave an excellent presentation on actuarial principles, and she attended other presentations on group dynamics and economic forecasting. She said she was thankful for the opportunity to attend the training. AFSCME Director Guimond shared that this training was more in depth than the last training he attended. He learned more about the duties of a retirement board.

RECESS TO CLOSED SESSION

The joint meeting of the five Retirement Boards recessed to allow the AEA, AFSCME, ATU and IBEW Retirement Boards to meet separately in closed sessions.

The AFSCME Retirement Board convened in closed session at 11:01 a.m.

20. **Closed Session Item (AFSCME):**
 Conference with Legal Counsel – Anticipated Litigation
 Significant Exposure to Litigation Pursuant to Government Code
 Section 54956.9(d)(2): One Potential Case

The AFSCME Retirement Board reconvened in open session at 11:13 a.m.

CLOSED SESSION REPORT

No reportable actions were taken in the closed session.

The AFSCME Retirement board adjourned at 11:13 a.m..

CLOSED SESSION REPORT

No reportable actions were taken in the closed session.

The AFSCME Retirement Board adjourned at 11:13 a.m.

, Chair

ATTEST:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
5	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

ISSUE

Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

RECOMMENDED ACTION

Motion: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

FISCAL IMPACT

None.

DISCUSSION

Table 1 below shows the employer and employee contribution rates for all of the Sacramento Regional Transit District Retirement Plans, by Plan and tier, as of the date indicated.

Table 1

Employer Contribution Rates As of June 30, 2019

	ATU	IBEW	Salary
	Contribution Rate	Contribution Rate	Contribution Rate
Classic	28.15%	25.03%	34.30%
Classic w/Contribution*	25.15%		
PEPRA**	21.65%	19.78%	29.05%

*Includes members hired during calendar year 2015, employee rate 3%

**PEPRA employee rates: ATU - 6.5%, IBEW and Salary 5.25%

Unaudited Financial Statements

Attached hereto are unaudited financial statements for the quarter and the year-to-date ended June 30, 2019. The financial statements are presented on an accrual basis and consist of a Statement of Fiduciary Net Position (balance sheet) (Attachment 1), a Statement of Changes

Approved:

Presented:

Final 08/31/19
VP of Finance/CFO

Director, Finance and Treasury
J:\Retirement Board\2019\IP's\Quarterly Meetings\September 11, 2019\FI FINAL IPs\09-11-19
Administrative Reports - Salaried.docx

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
5	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

in Fiduciary Net Position (income statement) for the quarter ended June 30, 2019 (Attachment 2), and a year-to-date Statement of Changes in Fiduciary Net Position (Attachment 3).

The Statement of Fiduciary Net Position includes a summary of fund assets showing the amounts in the following categories: investments, prepaid assets, and other receivables. This statement also provides amounts due from/to the District and Total Fund Equity (net position).

The Statement of Changes in Fiduciary Net Position includes activities in the following categories: investment gains/losses, dividends, interest income, unrealized gains/losses, benefit contributions/payouts, and investment management and administrative expenses.

Asset Rebalancing

Pursuant to Section IV, Asset Rebalancing Policy of the Statement of Investment Objectives and Policy Guidelines for the ATU, IBEW and Salaried Employees' Retirement Funds, the Retirement Boards have delegated authority to manage pension plan assets in accordance with the approved rebalancing policy to the District's Director, Finance and Treasury. The Director, Finance and Treasury is required to report asset rebalancing activity to the Boards at their quarterly meetings. Rebalancing can occur for one or more of the following reasons:

1. The Pension Plan ended the month with an accounts receivable or payable balance due to the District. A payable or receivable is the net amount of the monthly required contribution (required contribution is the percentage of covered payroll determined by the annual actuarial valuation) less the Plan's actual expenses.
2. The Pension Plan hires or removes a Fund Manager, in which case securities must be moved to a new fund manager.
3. The Pension Plan investment mix is under or over the minimum or maximum asset allocation as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 4 is the Salaried Plan's Schedule of Cash Activities for the three months ended June 30, 2019. The schedule of cash activities includes a summary of Plan activities showing the amounts in the following categories: District's pension contributions to the Plan, payments to retirees, and the Pension Plan's cash expenditures paid. This schedule also lists the rebalancing activity that occurred for the three months ended June 30, 2019. The Salaried Plan reimbursed \$29,214.57 to the District as the result of the net cash activity between the pension plan expenses and the required pension contributions. A line has been added to capture the appropriate Due To SacRT balance due to a transfer error by the custodian.

Attached hereto as Attachment 5 is the Salaried Plan's Asset Allocation as of June 30, 2019. This statement shows the Salaried Plan's asset allocation as compared to targeted allocation percentages as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 6 is a reconciliation between the Callan Performance Report and the ATU, IBEW and Salaried Pension Plans' unaudited financial statements. The reports

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
5	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

differ in that the unaudited financial statements reflect both investment activities and the pension fund’s inflows and outflows. Callan’s report only reflects the investment activities. The “Net Difference” amounts shown are the results of Callan and State Street using different valuations for the same securities and/or litigation settlements received by the Plans.

Included also as Attachment 7 is a reconciliation between the Callan Performance Report and the Schedule of Cash Activities for payments made from/to the District. Callan’s report classifies gains from trades and litigation income as “net new investments.” Finance staff classifies gains from trades and litigation income in the Pension Plan’s unaudited Statement of Changes in Fiduciary Net Position as “Other Income,” which is combined in the category of “Interest, Dividend, & Other Inc”.

Attached hereto as Attachment 8 is a schedule reflecting Fund Managers’ quarterly investment returns and their investment fees. Additionally, the schedule reflects annual rates of return on investment net of investment fees for the one-year and three-year periods ended June 30, 2019 as compared to their benchmarks.

Attached hereto as Attachment 9 is a schedule reflecting employee transfers from one union/employee group to another, as well as any transfers of plan assets from the ATU Plan to the Salaried Plan, all retirements, and retiree deaths during the three months ended June 30, 2019.

Sacto Regional Transit District Retirement Plan - Salaried
Statement of Fiduciary Net Position
As of June 30, 2019

Accrual Basis

	Jun 30, 19
ASSETS	
Current Assets	
Checking/Savings	
Long-Term Investments	
100000 · Custodial Assets	99,298,506.57
Total Long-Term Investments	99,298,506.57
Total Checking/Savings	99,298,506.57
Accounts Receivable	
1110104 · Other Rec - Due from RT	6,615.70
Total Accounts Receivable	6,615.70
Other Current Assets	
1110120 · Prepays	11,262.50
Total Other Current Assets	11,262.50
Total Current Assets	99,316,384.77
TOTAL ASSETS	99,316,384.77
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
3110102 · Administrative Expense Payable	34,548.43
3110122 · MetWest	23,969.55
3110124 · Boston Partners	20,635.94
3110125 · Callan	3,469.38
3110126 · State Street	11,578.86
3110128 · Atlanta Capital	17,556.59
3110129 · S&P Index - SSgA	2,053.04
3110130 · EAFE - SSgA	928.72
3110132 · Pyrford	15,552.02
Total Accounts Payable	130,292.53
Total Current Liabilities	130,292.53
Total Liabilities	130,292.53
Equity	
3340101 · Retained Earnings	93,130,088.73
Net Income	6,056,003.51
Total Equity	99,186,092.24
TOTAL LIABILITIES & EQUITY	99,316,384.77

**Sacto Regional Transit District Retirement Plan - Salaried
Statement of Changes in Fiduciary Net Position
April through June 2019**

Accrual Basis

	Apr - Jun 19	% of Income
Income		
Interest, Dividend, & Other Inc	526,719.36	9.3%
Investment Income	2,861,056.00	50.4%
RT Required Contribution	2,230,039.09	39.3%
6630110 · Employee Contribution	62,443.53	1.1%
Total Income	5,680,257.98	100.0%
Cost of Goods Sold		
8531001 · Arbitration Transfer	-343,707.00	-6.1%
8531210 · AEA - Retirement Benefits Paid	830,338.30	14.6%
8531211 · AFSCME-Retirement Benefits Paid	604,101.66	10.6%
8531212 · MCEG - Retirement Benefits Paid	768,668.19	13.5%
8531213 · Employee Contribution Refunds	1,559.15	0.0%
8532004 · Invest Exp - MetropolitanWest	23,969.56	0.4%
8532013 · Invest Exp - Boston Partners	20,635.94	0.4%
8532020 · Invest Exp - Callan	10,372.07	0.2%
8532021 · Invest Exp - State Street	12,109.10	0.2%
8532024 · Invest Exp - Atlanta Capital	17,556.59	0.3%
8532025 · Invest Exp - S&P Index SSgA	2,053.04	0.0%
8532026 · Invest Exp - EAFE SSgA	928.72	0.0%
8532027 · Invest Exp - AQR	9,067.62	0.2%
8532028 · Invest Exp - Pyrford	15,552.02	0.3%
Total COGS	1,973,204.96	34.7%
Gross Profit	3,707,053.02	65.3%
Expense		
8533002 · Admin Exp - Actuary	15,925.54	0.3%
8533007 · Admin Exp - CALPRS Dues/Courses	3,264.43	0.1%
8533010 · Admin Exp - Travel	322.01	0.0%
8533014 · Admin Exp - Fiduciary Insurance	3,419.04	0.1%
8533020 · Admin Exp - Procurement Costs	0.00	0.0%
8533025 · Admin Exp - Information Service	10.43	0.0%
8533026 · Admin Exp - Legal Services	20,550.38	0.4%
8533028 · Admin Exp - Staff Training	178.38	0.0%
8533029 · Admin Exp - Administrator	25,214.97	0.4%
8533050 · Admin Exp - Misc Exp	0.00	0.0%
8533051 · Admin Exp - Audit	12,333.34	0.2%
Total Expense	81,218.52	1.4%
Net Income	3,625,834.50	63.8%

**Sacto Regional Transit District Retirement Plan - Salaried
Statement of Changes in Fiduciary Net Position
July 2018 through June 2019**

Accrual Basis

	Jul '18 - Jun 19	% of Income
Income		
Interest, Dividend, & Other Inc	1,879,082.95	12.7%
Investment Income	4,206,223.15	28.5%
RT Required Contribution	8,503,815.18	57.5%
6630110 · Employee Contribution	193,293.00	1.3%
Total Income	14,782,414.28	100.0%
Cost of Goods Sold		
8531001 · Arbitration Transfer	-343,707.00	-2.3%
8531210 · AEA - Retirement Benefits Paid	3,341,622.30	22.6%
8531211 · AFSCME-Retirement Benefits Paid	2,034,433.50	13.8%
8531212 · MCEG - Retirement Benefits Paid	2,962,172.76	20.0%
8531213 · Employee Contribution Refunds	35,265.42	0.2%
8532004 · Invest Exp - MetropolitanWest	93,066.77	0.6%
8532013 · Invest Exp - Boston Partners	80,393.79	0.5%
8532020 · Invest Exp - Callan	41,955.34	0.3%
8532021 · Invest Exp - State Street	45,836.66	0.3%
8532023 · Invest Exp - JP Morgan	0.00	0.0%
8532024 · Invest Exp - Atlanta Capital	65,640.92	0.4%
8532025 · Invest Exp - S&P Index SSgA	7,891.25	0.1%
8532026 · Invest Exp - EAFE SSgA	3,611.76	0.0%
8532027 · Invest Exp - AQR	37,696.44	0.3%
8532028 · Invest Exp - Pyrford	60,089.59	0.4%
Total COGS	8,465,969.50	57.3%
Gross Profit	6,316,444.78	42.7%
Expense		
8533002 · Admin Exp - Actuary	41,530.07	0.3%
8533007 · Admin Exp - CALPRS Dues/Courses	7,531.09	0.1%
8533008 · Admin Exp - Accounting Software	1,949.99	0.0%
8533010 · Admin Exp - Travel	975.20	0.0%
8533014 · Admin Exp - Fiduciary Insurance	13,093.05	0.1%
8533020 · Admin Exp - Procurement Costs	0.00	0.0%
8533025 · Admin Exp - Information Service	260.43	0.0%
8533026 · Admin Exp - Legal Services	84,744.52	0.6%
8533028 · Admin Exp - Staff Training	293.39	0.0%
8533029 · Admin Exp - Administrator	94,396.85	0.6%
8533050 · Admin Exp - Misc Exp	0.00	0.0%
8533051 · Admin Exp - Audit	15,666.68	0.1%
Total Expense	260,441.27	1.8%
Net Income	6,056,003.51	41.0%

**Sacramento Regional Transit District
Retirement Fund - Salaried
Schedule of Cash Activities
For the Three Months Period Ended June 30, 2019**

	April 2019	May 2019	June 2019	Quarter Totals
Beginning Balance:				
Due (from)/to District - March 31, 2019	(73,032.57)	137,597.41	(34,666.35)	(73,032.57)
Monthly Activity:				
<u>Deposits</u>				
District Pension Contributions @ 29.05 to 34.30%	704,115.98	778,219.15	747,703.96	2,230,039.09
Employee Pension Contributions	20,734.25	20,906.21	20,803.07	62,443.53
Total Deposits	<u>724,850.23</u>	<u>799,125.36</u>	<u>768,507.03</u>	<u>2,292,482.62</u>
<u>Expenses</u>				
Payout to Retirees:				
AEA	(278,430.07)	(276,517.45)	(275,390.78)	(830,338.30)
AFSCME	(203,852.77)	(209,733.59)	(190,515.30)	(604,101.66)
MCEG	(256,222.73)	(256,222.73)	(256,222.73)	(768,668.19)
Employee Contribution Refunds	-	-	(1,559.15)	(1,559.15)
Payout to Retirees Subtotal	<u>(738,505.57)</u>	<u>(742,473.77)</u>	<u>(723,687.96)</u>	<u>(2,204,667.30)</u>
Fund Investment Management Expenses:				
Boston Partners	(19,421.67)	-	-	(19,421.67)
SSgA S&P 500 Index	(1,954.44)	-	-	(1,954.44)
Atlanta Capital	(16,433.74)	-	-	(16,433.74)
Pyrford	(15,006.69)	-	-	(15,006.69)
SSgA EAFE MSCI	(896.00)	-	-	(896.00)
Metropolitan West	(23,424.17)	-	-	(23,424.17)
Callan	(3,445.68)	-	(6,902.69)	(10,348.37)
State Street	(11,405.54)	(3,801.20)	(7,756.57)	(22,963.31)
Fund Invest. Mgmt Exp. Subtotal	<u>(91,987.93)</u>	<u>(3,801.20)</u>	<u>(14,659.26)</u>	<u>(110,448.39)</u>
Administrative Expenses				
Actuarial Services	(2,782.34)	(3,686.67)	(3,724.04)	(10,193.05)
Legal Services	(6,850.14)	(6,850.13)	(6,850.13)	(20,550.40)
CALAPRS Training	-	-	(3,264.43)	(3,264.43)
Travel	-	(322.01)	-	(322.01)
Fiduciary Insurance	(13,765.00)	133.34	25.00	(13,606.66)
Investigation Information Services	-	(10.43)	-	(10.43)
Staff Training	(178.38)	-	-	(178.38)
Pension Administration	(8,036.32)	(7,448.14)	(9,730.51)	(25,214.97)
Administrative Exp. Subtotal	<u>(31,612.18)</u>	<u>(18,184.04)</u>	<u>(23,544.11)</u>	<u>(73,340.33)</u>
Total Expenses	<u>(862,105.68)</u>	<u>(764,459.01)</u>	<u>(761,891.33)</u>	<u>(2,388,456.02)</u>
Monthly Net Owed from/(to) District	(137,255.45)	34,666.35	6,615.70	(95,973.40)
Due To ATU Plan- Custodian Error	-	(341.96)	-	(341.96)
Payment from/(to) the District	<u>73,374.53</u>	<u>(137,255.45)</u>	<u>34,666.35</u>	<u>(29,214.57)</u>
Ending Balance:				
Due (from)/to the District (=Beginning balance + monthly balance-payment to District)	<u>137,597.41</u>	<u>(34,666.35)</u>	<u>(6,615.70)</u>	<u>(6,615.70)</u>

RT Combined Pension Plans - ATU, IBEW and Salaried
 Asset Allocation *
 As of June 30, 2019

Asset Class	Net Asset Market Value 6/30/2019	Actual Asset Allocation	Target Asset Allocation	% Variance	\$ Variance	Target Market Value
FUND MANAGERS:						
Domestic Equity:						
Large Cap Value - Boston Partners - Z8	\$ 46,241,830	15.51%	16.00%	-0.49%	\$ (1,460,590)	
Large Cap Growth - SSgA S&P 500 Index - XH	50,461,404	16.93%	16.00%	0.93%	2,758,984	
Total Large Cap Domestic Equity	96,703,234	32.44%	32.00%	0.44%	1,298,393	\$ 95,404,840
Small Cap - Atlanta Capital - XB	26,357,871	8.84%	8.00%	0.84%	2,506,660	23,851,210
International Equity:						
Large Cap Growth:						
Pyrford - ZD	27,796,043	9.32%	9.50%	-0.18%	(527,269)	
Large Cap Core:						
SSgA MSCI EAFE - XG	11,402,913	3.82%				
Value - Brandes - XE	0	0.00%				
Total Core	11,402,913	3.82%	4.50%	-0.68%	(2,013,393)	
Small Cap:						
AQR - ZB	12,987,509	4.36%	5.00%	-0.64%	(1,919,498)	
Emerging Markets						
DFA - ZA	16,457,161	5.52%	6.00%	-0.48%	(1,431,247)	
Total International Equity	68,643,625	23.02%	25.00%	-1.98%	(5,891,406)	74,535,032
Fixed Income:						
Met West - XD	106,435,396	35.70%	35.00%	0.70%	2,086,352	104,349,044
Total Combined Net Asset	\$ 298,140,126	100.00%	100.00%	0.00%	\$ (1)	\$ 298,140,126

Asset Allocation Policy Ranges*:	Minimum	Target	Maximum
Domestic Equity	35%	40%	45%
Large Cap (50/50 value/growth)	28%	32%	36%
Small Cap	5%	8%	11%
International Equity	20%	25%	30%
Large Cap Developed Markets	10%	14%	18%
Small Cap Developed Markets	3%	5%	7%
Emerging Markets	4%	6%	8%
Domestic Fixed Income	30%	35%	40%

* Per the Statement of Investment Objectives and Policy Guidelines as of 6/20/2018.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Balance Sheet
As of June 30, 2019**

Per Both Pension Fund Balance Sheets:	
ATU Allocated Custodial Assets	138,540,700
IBEW Allocated Custodial Assets	60,300,919
Salaried Allocated Custodial Assets	<u>99,298,507</u>
Total Consolidated Net Asset	<u><u>298,140,126</u></u>
Per Callan Report:	
Total Investments	<u><u>298,139,175</u></u>
Net Difference	<u><u>951</u></u> *

* The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Income Statement
For the Quarter Ended June 30, 2019**

Per Both Pension Fund Income Statements:	
ATU - Interest, Dividends, and Other Income	758,485
ATU - Investment Income	4,013,452
IBEW - Interest, Dividends, and Other Income	325,107
IBEW - Investment Income	1,749,392
Salaried - Interest, Dividends, and Other Income	517,652
Salaried - Investment Income	<u>2,861,056</u>
Total Investment Income	<u><u>10,225,143</u></u>
Per Callan Report:	
Investment Returns	<u><u>10,230,563</u></u>
Net Difference	<u><u>(5,420)</u></u> **

** The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.

Reconciliation between Callan Report and Consolidated Schedule of Cash Activities For the Quarter Ended June 30, 2019				
	April	May	June	Total
Payments from/(to) the District				
Boston Partners - ATU			(54,258)	(54,258)
Boston Partners - IBEW				-
Boston Partners - Salaried			54,258	54,258
S&P 500 Index - ATU			(58,610)	(58,610)
S&P 500 Index - IBEW				-
S&P 500 Index - Salaried			58,610	58,610
Atlanta Capital - ATU			(30,314)	(30,314)
Atlanta Capital - IBEW				-
Atlanta Capital - Salaried			30,314	30,314
Pyrford - ATU			(31,780)	(31,780)
Pyrford - IBEW				-
Pyrford - Salaried			31,780	31,780
EAFE - ATU			(13,150)	(13,150)
EAFE - IBEW				-
EAFE - Salaried			13,150	13,150
Brandes - ATU				-
Brandes - IBEW				-
Brandes - Salaried				-
AQR - ATU			(15,314)	(15,314)
AQR - IBEW				-
AQR - Salaried			15,314	15,314
DFA - ATU			(19,252)	(19,252)
DFA - IBEW				-
DFA - Salaried			19,252	19,252
Metropolitan West - ATU	(255,904)	(372,471)	(370,706)	(999,082)
Metropolitan West - IBEW	(41,524)	(122,324)	(40,288)	(204,136)
Metropolitan West - Salaried	73,375	(137,255)	155,694	91,813
Total Payments from/(to) the District	(224,054)	(632,051)	(255,299)	(1,111,404)
Transfers In/(Out) of Investment Funds				
Boston Partners	-	-	-	-
S&P 500 Index	-	-	-	-
Atlanta Capital	-	-	-	-
Pyrford	-	-	-	-
EAFE	-	-	-	-
Brandes	-	-	-	-
AQR	-	-	-	-
DFA	-	-	-	-
Metropolitan West	(224,054)	(632,051)	(255,299)	(1,111,404)
Total Transfers In/(Out) of Investment Funds	(224,054)	(632,051)	(255,299)	(1,111,404)
Variance between Payments and Transfers	-	-	-	-
Per Callan Report:				
Net New Investment/(Withdrawals)				(1,111,404)
Net Difference				(0)

Consolidated Schedule of Cash Activities For the 12-Months June 30, 2019					
	3Q18	4Q18	1Q19	2Q19	Total
Payments from/(to) the District					
Boston Partners - ATU	-	-	4	(54,258)	(54,254)
Boston Partners - IBEW	-	-	2	-	2
Boston Partners - Salaried	-	-	2	54,258	54,261
S&P 500 Index - ATU	-	(453,869)	-	(58,610)	(512,480)
S&P 500 Index - IBEW	-	(86,233)	-	-	(86,233)
S&P 500 Index - Salaried	-	(42,143)	-	58,610	16,468
Atlanta Capital - ATU	(572,143)	-	-	(30,314)	(602,457)
Atlanta Capital - IBEW	(121,006)	-	-	-	(121,006)
Atlanta Capital - Salaried	(79,419)	-	-	30,314	(49,105)
Pyrford - ATU	-	-	-	(31,780)	(31,780)
Pyrford - IBEW	-	-	-	-	-
Pyrford - Salaried	-	-	-	31,780	31,780
EAFE - ATU	-	-	-	(13,150)	(13,150)
EAFE - IBEW	-	-	-	-	-
EAFE - Salaried	-	-	-	13,150	13,150
Brandes - ATU	-	-	(4)	-	(4)
Brandes - IBEW	-	-	(2)	-	(2)
Brandes - Salaried	-	-	(2)	-	(2)
AQR - ATU	-	-	-	(15,314)	(15,314)
AQR - IBEW	-	-	-	-	-
AQR - Salaried	-	-	-	15,314	15,314
DFA - ATU	-	-	-	(19,252)	(19,252)
DFA - IBEW	-	-	-	-	-
DFA - Salaried	-	-	-	19,252	19,252
Metropolitan West - ATU	(327,866)	(299,003)	(800,166)	(999,082)	(2,426,117)
Metropolitan West - IBEW	(56,407)	(78,875)	(161,974)	(204,136)	(501,391)
Metropolitan West - Salaried	75,846	(106,423)	(59,788)	91,813	1,449
Total Payments from/(to) the District	(1,080,995)	(1,066,545)	(1,021,928)	(1,111,404)	(4,280,871)

**Sacramento Regional Transit District
ATU, IBEW and Salaried Retirement Plans
Schedule of Fund Investment Returns and Expenses
06/30/19**

	1 Year		1 Year			3 Years		3 Years		
	1 Year	%	Net of Fees Returns	Bench-Mark Returns	Favorable/(Unfavor) Basis Pts	3 Years	%	Net of Fees Returns	Bench-Mark Returns	Favorable/(Unfavor) Basis Pts
Boston Partners										
Investment Returns	2,243,056	100.00%				15,190,933	100.00%			
Investment Expense	(243,219)	10.84%				(730,103)	4.81%			
Net Gain/(Loss)	1,999,837	89.16%	4.53%	8.46%	(393.00)	14,460,830	95.19%	11.52%	10.19%	133.00
S&P 500										
Investment Returns	4,751,005	100.00%				18,187,051	100.00%			
Investment Expense	(23,871)	0.50%				(69,428)	0.38%			
Net Gain/(Loss)	4,727,134	99.50%	10.40%	10.42%	(2.00)	18,117,623	99.62%	14.16%	14.19%	(3.00)
Atlanta Capital										
Investment Returns	2,509,566	100.00%				10,419,650	100.00%			
Investment Expense	(198,544)	7.91%				(589,111)	5.65%			
Net Gain/(Loss)	2,311,022	92.09%	9.38%	-3.31%	1269.00	9,830,539	94.35%	14.30%	12.30%	200.00
Pyrford										
Investment Returns	1,653,567	100.00%				1,842,224	100.00%			
Investment Expense	(181,775)	10.99%				(381,180)	20.69%			
Net Gain/(Loss)	1,471,792	89.01%	5.59%	1.08%	451.00	1,461,044	79.31%	N/A	N/A	N/A
EAFE										
Investment Returns	161,949	100.00%				3,053,638	100.00%			
Investment Expense	(10,926)	6.75%				(31,815)	1.04%			
Net Gain/(Loss)	151,023	93.25%	1.34%	1.08%	26.00	3,021,823	98.96%	9.39%	9.11%	28.00
Brandes										
Investment Returns	(2,796)	100.00%				(2,765)	100.00%			
Investment Expense	-	0.00%				-	0.00%			
Net Gain/(Loss)	(2,796)	100.00%	N/A	N/A	N/A	(2,765)	100.00%	N/A	N/A	N/A
AQR										
Investment Returns	(1,615,725)	100.00%				1,508,611	100.00%			
Investment Expense	(113,489)	-7.02%				(372,308)	24.68%			
Net Gain/(Loss)	(1,729,214)	107.02%	-11.06%	-6.35%	(471.00)	1,136,303	75.32%	N/A	N/A	N/A
DFA										
Investment Returns	210,862	100.00%				3,782,120	100.00%			
Investment Expense	(106,878)	50.69%				(283,925)	7.51%			
Net Gain/(Loss)	103,984	49.31%	1.30%	1.22%	8.00	3,498,195		9.09%	10.66%	(157.00)
Metropolitan West										
Investment Returns	8,423,194	100.00%				9,363,703	100.00%			
Investment Expense	(281,545)	3.34%				(784,117)	8.37%			
Net Gain/(Loss)	8,141,649	96.66%	8.25%	7.87%	38.00	8,579,586	91.63%	2.87%	2.31%	56.00
Total Fund										
Investment Returns	18,334,678	100.00%				68,017,227	100.00%			
Investment Expense	(1,160,246)	6.33%				(3,302,983)	4.86%			
Net Gain/(Loss)	17,174,432	93.67%	6.23%	6.08%	15.00	64,714,244	95.14%	8.39%	8.86%	(47.00)

Schedule of Transfers, Retirements and Deaths
For the period: April 1, 2019 through June 30, 2019

Transfers:

Plan Assets Plan Assets

Emp#	Transferred From Position	Transferred To Position	Transferred		Transferred	
			From	To	From ATU	to Salaried
566	Bus Operator	Administrative Analyst I	ATU	Salaried	(19,681.00)	19,681.00
628	Bus Operator	Transportation Supervisor	ATU	Salaried	(25,261.00)	25,261.00
815	LR Train Operator	Transportation Supervisor	ATU	Salaried	(83,977.00)	83,977.00
1190	Fare Inspection Officer	Transportation Supervisor	ATU	Salaried	(85,010.00)	85,010.00
3593	Bus Operator	Transportation Supervisor	ATU	Salaried	(41,124.00)	41,124.00
3656	Bus Operator	Transportation Supervisor	ATU	Salaried	(36,524.00)	36,524.00
3681	Bus Operator	Transportation Supervisor	ATU	Salaried	(37,427.00)	37,427.00
3853	Customer Service Representative	Administrative Assistant I	ATU	Salaried	(14,702.00)	14,702.00
					<u>(343,706.00)</u>	<u>343,706.00</u>

Retirements

Emp#	Previous Position	EmpSubArea	RetirementDate
2554	Mechanic B	IBEW	4/1/2019
1655	System Design Manager	AEA	4/1/2019
939	Bus Operator	ATU	4/1/2019
2364	Customer Service Representative	ATU	4/13/2019
2876	Bus Operator	ATU	4/24/2019
1641	LR Mechanic A	IBEW	5/1/2019
432	Transportation Supervisor	AFSC	5/1/2019
830	Bus Operator	ATU	5/24/2019
2162	Sr. Rail Maintenance Worker	IBEW	6/1/2019
2746	Bus Operator	ATU	6/1/2019
3270	Admin Technician	AFST	6/1/2019
1131	Real Estate Admin Asset Administrator	MCEG	6/1/2019
2359	Director, Construction Management	MCEG	6/1/2019
1005	Asst Resident Engineer	AEA	6/1/2019
324	LR Operator	ATU	6/8/2019

Deaths

Emp#	EmpSubArea	Type	Date of Death
229	ATU	Life Alone	4/2/2019
1193	AEA	Disability Life Alone	4/25/2019
1464	AEA	50% J&S	5/12/2019

**Sacramento Regional Transit District
AFSCME Special Retirement Board Meeting
Wednesday, July 24, 2019**

MEETING SUMMARY

ROLL CALL:

The Retirement Board was brought to order at 9:01 a.m. A quorum was present comprised as follows: Directors Li, Kennedy, Guimond and Alternate Thompson.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

By AFSCME Resolution No. 19-03-170 for calendar year 2019, the Governing Board Member in attendance served as Common Chair of this Retirement Board meeting.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON AGENDA

None

CONSENT CALENDAR

None

NEW BUSINESS

1. Information: Educational Session on Alternative Investments (ALL). (Adelman)

Jamie Adelman introduced Anne Heaphy with Callan LLC, who provided an Educational Session on Alternative Investments. The session provided a high-level review on the Asset Liability Study and additional information on Real Estate investment.

All Boards agreed that, as a next step, Ms. Adelman will direct Callan LLC to conduct a search for a Real Estate asset class manager pursuant to the Boards' agreement with Callan LLC. The process will take approximately 2 months. Ms. Adelman will reach out to each Board for a member to be part of the committee for the Real Estate Fund Manager search.

REPORTS FROM COMMITTEES

None.

REPORTS, IDEAS AND COMMUNICATIONS

None

The meeting was adjourned at 9:49 a.m.

, Chair

ATTEST:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

**Sacramento Regional Transit District
ATU Retirement Board Meeting
Wednesday, June 12, 2019
MEETING SUMMARY**

ROLL CALL

The Retirement Board was brought to order at 9:02 a.m. A quorum was present comprised as follows: Directors Li, Niz and McGee Lee. Alternate Lucien also was present. Director Kennedy and Alternate Jennings were absent.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

By ATU Resolution No. 18-12-0308 for calendar year 2019, the Governing Board Member in attendance served as Common Chair of this Retirement Board meeting.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None.

CONSENT CALENDAR

- 5. Motion: Approving the Minutes for the March 20, 2019 Quarterly Retirement Board Meeting (ATU). (Weekly)
- 6. Motion: Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the ATU Pension Plan (ATU). (Adelman)
- 11. Motion: Receive and File Update on Staff Roles and Responsibilities Related to Pension Administration (ALL). (Weekly)
- 12. Resolution: Amendment of the Investment Custodian Services Contract with State Street Bank and Trust Company to Extend the Term by Six Months and Increase the Limit to \$733,572 (ALL). (Adelman)

Director Niz moved to adopt ATU Retirement Board Items 5-6, 11 and 12. Director McGee Lee seconded the motion. Items 5-6, 11 and 12 were carried unanimously by roll call vote: Ayes: Directors Li, Niz and McGee Lee. Noes: None.

NEW BUSINESS

- 13. Information: Investment Performance Review by AQR for the ATU, IBEW and Salaried Retirement Funds for the International Small Capitalization

Equity Asset Class for the Quarter Ended March 31, 2019 (ALL).
(Adelman)

Jamie Adelman introduced Iwan Djanali with AQR, who provided the performance results for the International Small Capitalization Equity Asset Class for the Quarter Ended March 31, 2019 and was available for questions. In response to a question from Director Li, Ms. Adelman advised the Boards that approximately 5% the Plans' total portfolio is invested with AQR.

14. Motion Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for Quarter Ended March 31, 2019 (ALL). (Adelman)

Jamie Adelman introduced Anne Heaphy and Uvan Tseng with Callan LLC, who provided the Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended March 31, 2019 and were available for questions.

Director Niz moved to adopt Item 14. Director McGee Lee seconded the motion. Item 14 was carried unanimously by roll call vote: Ayes: Directors Niz, McGee Lee and Li. Noes: None.

15. Motion: Receive and File the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans (ALL). (Adelman)

Jamie Adelman introduced Uvan Tseng from Callan LLC, and Jay Kloepfer and Gary Chang, from Callan's Capital Market research group, who provided the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans. Mr. Kloepfer explained that the purpose of the Study is to review the current policy target allocation with the goal of establishing a long-term strategic asset allocation target, taking into account the Plans' projected asset and liability growth and liquidity needs, and described the process and results of the Study. In response to a question from AEA Director Devorak, Mr. Kloepfer explained the effect of an increased standard deviation in a down market.

As part of the Study, Callan examined two sets of optimal investment mixes in addition to the current portfolio: 1) current asset classes with the addition of real estate, and 2) current asset classes with the addition of real estate, private equity and hedge funds. Mr. Tseng explained that, based on its projections, liability modeling, including liquidity needs, and stochastic forecasting, Callan observed that the current target asset allocation would be reasonable to retain going forward, although further diversification by including real estate investments offers a potentially attractive source of return that would complement and diversify the existing portfolio, and thereby reduce risk. Callan's recommended option, should the Boards wish to further diversify the portfolio, includes an allocation of 10% to real estate, to be funded by reducing current allocations to both equity and fixed income (referred to in the Study as "Mix 3R").

Director Niz noted that the Plans' actuary has advised that the Plans could be fully funded by 2030 if all assumptions are met, and asked whether the recommendation would involve additional risk that would affect that projection. Mr. Kloefer explained that the addition of an allocation to real estate would reduce risk by increasing diversification, with the same expected return.

Director McGee Lee asked for clarification on the type of real estate investment the recommendation involves, noting that certain prior investments that involved real estate held by the Plans had been sold. Mr. Kloefer explained that, given the size of the recommended allocation, the investment would be in a commingled fund that purchases commercial properties diversified by type and location, rather than in a separately managed account. Sacramento Regional Transit District CFO Brent Bernegger explained that the Plans' prior exposure to real estate was through investments in REITs, in the equity asset class.

Ms. Adelman noted that the study showed that, compared to last year, the expected return for the current policy increased from 6.06% to 6.48%, which the Plans' actuary tracks in comparing projected returns over a 10-year period.

The Boards discussed options for next steps, such as requesting that Callan provide more information on real estate investments to the Boards in the form of a workshop, requesting that Callan perform a manager search for a potential real estate investment fund and forming an ad hoc committee for future action, or approving changes to the Plans' asset allocation at this meeting and presenting the revised Investment Policy Statement for approval by the Boards at the September Quarterly Retirement Board meeting, at which time the Boards would request that Callan conduct a real estate fund manager search. Following discussion of the options, the Boards asked that Callan prepare an additional educational session for the Boards regarding real estate and private equity investments.

Director Niz moved to adopt Item 15. Director McGee Lee seconded the motion. Item 15 was carried unanimously by roll call vote: Ayes: Directors Niz, McGee Lee and Li. Noes: None.

16. Resolution: Approving Disability Retirement Application for Charity Nation-Whaley (ATU). (Weekly)

Jamie Adelman presented Item 16 for approval.

Director Niz moved to adopt Item 16. Director McGee Lee seconded the motion. Item 16 was carried unanimously by roll call vote: Ayes: Niz, McGee Lee and Li. Noes: None.

17. Resolution: Approving Disability Retirement Application for MaryAnn Butcher (ATU). (Weekly)

Jamie Adelman presented Item 17 for approval.

Director Niz moved to adopt Item 17. Director McGee Lee seconded the motion. Item 17 was carried unanimously by roll call vote: Ayes: Niz, McGee Lee and Li. Noes: None.

REPORTS FROM COMMITTEES

None.

REPORTS, IDEAS AND COMMUNICATIONS

18. Information: Conference Report-Out: GALAPRS Training (ATU Directors Niz, McGee Lee and AFSCME Director Guimond).

Director Niz reported that the class was very informative and the instructors were great. Director McGee Lee reported that Segal actuary Paul Angelo gave an excellent presentation on actuarial principles, and she attended other presentations on group dynamics and economic forecasting. She said she was thankful for the opportunity to attend the training. AFSCME Director Guimond shared that this training was more in depth than the last training he attended. He learned more about the duties of a retirement board.

RECESS TO CLOSED SESSION

The joint meeting of the five Retirement Boards recessed to allow the AEA, AFSCME, ATU and IBEW Retirement Boards to meet separately in closed sessions.

The ATU Retirement Board convened in closed session at 11:14 a.m.

21. **Closed Session Item (ATU):**
Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation Pursuant to Government Code
Section 54956.9(d)(2): One Potential Case

The ATU Retirement Board reconvened in open session at 11:21 a.m.

CLOSED SESSION REPORT

No reportable actions were taken in the closed session.

The ATU Retirement Board adjourned at 11:21 a.m.

Ralph Niz, Chair

ATTEST:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
8	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the ATU Pension Plan (ATU). (Adelman)

ISSUE

Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the ATU Pension Plan (ATU). (Adelman)

RECOMMENDED ACTION

Motion: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the ATU Pension Plan (ATU). (Adelman)

FISCAL IMPACT

None.

DISCUSSION

Table 1 below shows the employer and employee contribution rates for all of the Sacramento Regional Transit District Retirement Plans, by Plan and tier, as of the date indicated.

Table 1

Employer Contribution Rates As of June 30, 2019

	ATU	IBEW	Salary
	Contribution Rate	Contribution Rate	Contribution Rate
Classic	28.15%	25.03%	34.30%
Classic w/Contribution*	25.15%		
PEPRA**	21.65%	19.78%	29.05%

*Includes members hired during calendar year 2015, employee rate 3%

**PEPRA employee rates: ATU - 6.5%, IBEW and Salary 5.25%

Unaudited Financial Statements

Attached hereto are unaudited financial statements for the quarter and the year-to-date ended June 30, 2019. The financial statements are presented on an accrual basis and consist of a Statement of Fiduciary Net Position (balance sheet) (Attachment 1), a Statement of Changes

Approved:

Presented:

Final 8/29/19

VP of Finance/CFO

Director, Finance and Treasury

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REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
8	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the ATU Pension Plan (ATU). (Adelman)

in Fiduciary Net Position (income statement) for the quarter ended June 30, 2019 (Attachment 2), and a year-to-date Statement of Changes in Fiduciary Net Position (Attachment 3).

The Statement of Fiduciary Net Position includes a summary of fund assets showing the amounts in the following categories: investments, prepaid assets, and other receivables. This statement also provides amounts due from/to the District and Total Fund Equity (net position).

The Statement of Changes in Fiduciary Net Position includes activities in the following categories: investment gains/losses, dividends, interest income, unrealized gains/losses, benefit contributions/payouts, and investment management and administrative expenses.

Asset Rebalancing

Pursuant to Section IV, Asset Rebalancing Policy of the Statement of Investment Objectives and Policy Guidelines for the ATU, IBEW and Salaried Employees' Retirement Funds, the Retirement Boards have delegated authority to manage pension plan assets in accordance with the approved rebalancing policy to the District's Director, Finance and Treasury. The Director, Finance and Treasury is required to report asset rebalancing activity to the Boards at their quarterly meetings. Rebalancing can occur for one or more of the following reasons:

1. The Pension Plan ended the month with an accounts receivable or payable balance due to the District. A payable or receivable is the net amount of the monthly required contribution (required contribution is the percentage of covered payroll determined by the annual actuarial valuation) less the Plan's actual expenses.
2. The Pension Plan hires or removes a Fund Manager, in which case securities must be moved to a new fund manager.
3. The Pension Plan investment mix is under or over the minimum or maximum asset allocation as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 4 is the ATU Plan's Schedule of Cash Activities for the three months ended June 30, 2019. The schedule of cash activities includes a summary of Plan activities showing the amounts in the following categories: District's pension contributions to the Plan, payments to retirees, and the Pension Plan's cash expenditures paid. This schedule also lists the rebalancing activity that occurred for the three months ended June 30, 2019. The ATU Plan reimbursed \$878,053.63 to the District as the result of the net cash activity between the pension plan expenses and the required pension contributions. A line has been added to capture the appropriate Due To SacRT balance due to a transfer error by the custodian.

Attached hereto as Attachment 5 is the ATU Plan's Asset Allocation as of June 30, 2019. This statement shows the ATU Plan's asset allocation as compared to targeted allocation percentages as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 6 is a reconciliation between the Callan Performance Report and the ATU, IBEW and Salaried Pension Plans' unaudited financial statements. The reports differ in that the unaudited financial statements reflect both investment activities and the

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
8	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the ATU Pension Plan (ATU). (Adelman)

pension fund’s inflows and outflows. Callan’s report only reflects the investment activities. The “Net Difference” amounts shown are the results of Callan and State Street using different valuations for the same securities and/or litigation settlements received by the Plans.

Included also as Attachment 7 is a reconciliation between the Callan Performance Report and the Schedule of Cash Activities for payments made from/to the District. Callan’s report classifies gains from trades and litigation income as “net new investments.” Finance staff classifies gains from trades and litigation income in the Pension Plan’s unaudited Statement of Changes in Fiduciary Net Position as “Other Income,” which is combined in the category of “Interest, Dividend, & Other Inc”.

Attached hereto as Attachment 8 is a schedule reflecting Fund Managers’ quarterly investment returns and their investment fees. Additionally, the schedule reflects annual rates of return on investment net of investment fees for the one-year and three-year periods ended June 30, 2019 as compared to their benchmarks.

Attached hereto as Attachment 9 is a schedule reflecting employee transfers from one union/employee group to another, as well as any transfers of plan assets from the ATU Plan to the Salaried Plan, all retirements, and retiree deaths during the three months ended June 30, 2019.

Sacramento Regional Transit District Retirement Plan - ATU
Statement of Fiduciary Net Position

ATTACHMENT #1

Accrual Basis

As of June 30, 2019

	<u>Jun 30, 19</u>
ASSETS	
Current Assets	
Checking/Savings	
100000 · Long-Term Investments	138,540,700.25
Total Checking/Savings	<u>138,540,700.25</u>
Other Current Assets	
1110120 · Prepays	11,262.50
Total Other Current Assets	<u>11,262.50</u>
Total Current Assets	<u>138,551,962.75</u>
TOTAL ASSETS	<u><u>138,551,962.75</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
3110102 · Administrative Expense Payable	32,281.21
3110110 · Other Pay - Due to RT	336,261.11
3110122 · MetWest	33,442.18
3110124 · Boston Partners	28,791.15
3110125 · Callan	4,840.45
3110126 · State Street	16,283.82
3110128 · Atlanta Capital	24,494.84
3110129 · SSgA - S&P Index	2,864.40
3110130 · SSgA - EAFE	1,295.75
3110132 · Pyrford	21,698.10
Total Accounts Payable	<u>502,253.01</u>
Total Current Liabilities	<u>502,253.01</u>
Total Liabilities	502,253.01
Equity	
3340100 · Retained Earning	122,948,269.10
3340101 · Retained Earnings	10,229,839.55
Net Income	4,871,601.09
Total Equity	<u>138,049,709.74</u>
TOTAL LIABILITIES & EQUITY	<u><u>138,551,962.75</u></u>

Sacramento Regional Transit District Retirement Plan - ATU
Statement of Changes in Fiduciary Net Position
April through June 2019

Accrual Basis

	Apr - Jun 19	% of Income
Income		
Interest, Dividend, & Other Inc		
6830101 · Dividend	182,545.45	2.6%
6830102 · Interest	448,017.35	6.4%
6830103 · Other Income	140,669.56	2.0%
Total Interest, Dividend, & Other Inc	771,232.36	10.9%
Investment Income		
6530900 · Gains/(Losses) - All	1,124,685.21	16.0%
6530915 · Increase(Decrease) in FV	2,888,766.75	41.0%
Total Investment Income	4,013,451.96	57.0%
RT Required Contribution		
6630101 · Employer Contributions	2,124,644.43	30.2%
6630110 · Employee Contributions	134,729.37	1.9%
Total RT Required Contribution	2,259,373.80	32.1%
Total Income	7,044,058.12	100.0%
Cost of Goods Sold		
8531200 · ATU - Retirement Benefits Paid	2,950,967.18	41.9%
8531201 · EE Contribution Refunds	30,839.43	0.4%
8531202 · Arbitration Transfers	343,707.00	4.9%
8532004 · Invest Exp - Metropolitan West	33,442.18	0.5%
8532013 · Invest Exp - Boston Partners	28,791.15	0.4%
8532020 · Invest Exp - Callan	14,558.29	0.2%
8532021 · Invest Exp - State Street	16,840.27	0.2%
8532024 · Invest Exp - Atlanta Capital	24,494.84	0.3%
8532025 · Invest Exp - S&P Index - SSgA	2,864.40	0.0%
8532026 · Invest Exp - EAFE - SSgA	1,295.75	0.0%
8532027 · Invest Exp - AQR	12,747.21	0.2%
8532028 · Invest Exp - Pyrford	21,698.10	0.3%
Total COGS	3,482,245.80	49.4%
Gross Profit	3,561,812.32	50.6%
Expense		
8533002 · Admin Exp - Actuary	12,326.06	0.2%
8533003 · Admin Exp - Med Center	1,689.00	0.0%
8533007 · Admin Exp - CALPRS Dues/Courses	264.43	0.0%
8533012 · Admin Exp - Travel	1,361.01	0.0%
8533014 · Admin Exp - Fiduciary Insurance	3,344.04	0.0%
8533021 · Admin Exp - Legal Services	20,550.42	0.3%
8533025 · Admin Exp - Information Service	14.90	0.0%
8533029 · Admin Exp - Administrator	31,517.73	0.4%
8533030 · Admin Exp - Audit	12,333.33	0.2%
8533050 · Miscellaneous	0.00	0.0%
Total Expense	83,400.92	1.2%
Net Income	3,478,411.40	49.4%

Sacramento Regional Transit District Retirement Plan - ATU
Statement of Changes in Fiduciary Net Position
July 2018 through June 2019

Accrual Basis

	Jul '18 - Jun 19	% of Income
Income		
Interest, Dividend, & Other Inc		
6830101 · Dividend	740,526.19	4.2%
6830102 · Interest	1,757,797.68	10.0%
6830103 · Other Income	263,494.70	1.5%
Total Interest, Dividend, & Other Inc	2,761,818.57	15.6%
Investment Income		
6530900 · Gains/(Losses) - All	3,958,790.67	22.4%
6530915 · Increase(Decrease) in FV	1,908,808.41	10.8%
Total Investment Income	5,867,599.08	33.2%
RT Required Contribution		
6630101 · Employer Contributions	8,533,307.41	48.3%
6630110 · Employee Contributions	493,597.47	2.8%
Total RT Required Contribution	9,026,904.88	51.1%
Total Income	17,656,322.53	100.0%
Cost of Goods Sold		
8531200 · ATU - Retirement Benefits Paid	11,484,896.07	65.0%
8531201 · EE Contribution Refunds	60,476.11	0.3%
8531202 · Arbitration Transfers	343,707.00	1.9%
8532004 · Invest Exp - Metropolitan West	131,593.94	0.7%
8532013 · Invest Exp - Boston Partners	113,684.75	0.6%
8532020 · Invest Exp - Callan	54,387.14	0.3%
8532021 · Invest Exp - State Street	69,955.06	0.4%
8532024 · Invest Exp - Atlanta Capital	92,788.21	0.5%
8532025 · Invest Exp - S&P Index - SSgA	11,157.24	0.1%
8532026 · Invest Exp - EAFE - SSgA	5,106.87	0.0%
8532027 · Invest Exp - AQR	52,993.44	0.3%
8532028 · Invest Exp - Pyrford	84,959.37	0.5%
Total COGS	12,505,705.20	70.8%
Gross Profit	5,150,617.33	29.2%
Expense		
8533002 · Admin Exp - Actuary	38,690.08	0.2%
8533003 · Admin Exp - Med Center	1,987.00	0.0%
8533007 · Admin Exp - CALPRS Dues/Courses	7,631.10	0.0%
8533008 · Admin Exp - Accounting Software	1,949.98	0.0%
8533012 · Admin Exp - Travel	1,361.01	0.0%
8533014 · Admin Exp - Fiduciary Insurance	13,018.05	0.1%
8533021 · Admin Exp - Legal Services	84,744.54	0.5%
8533025 · Admin Exp - Information Service	264.90	0.0%
8533028 · Admin Exp - Staff Training	115.00	0.0%
8533029 · Admin Exp - Administrator	113,587.93	0.6%
8533030 · Admin Exp - Audit	15,666.65	0.1%
8533050 · Miscellaneous	0.00	0.0%
Total Expense	279,016.24	1.6%
Net Income	4,871,601.09	27.6%

**Sacramento Regional Transit District
Retirement Fund - ATU
Schedule of Cash Activities
For the Three Months Period Ended June 30, 2019**

	April 2019	May 2019	June 2019	Quarter Totals
Beginning Balance:				
Due (from)/to District - March 31, 2019	255,578.57	372,145.62	249,677.75	255,578.57
Monthly Activity:				
<u>Deposits</u>				
District Pension Contributions @ 21.65 - 28.15%	738,575.90	731,620.16	654,448.37	2,124,644.43
Employee Pension Contributions	45,979.98	45,107.70	43,641.69	134,729.37
Total Deposits	<u>784,555.88</u>	<u>776,727.86</u>	<u>698,090.06</u>	<u>2,259,373.80</u>
<u>Expenses</u>				
Payout to Retirees	(987,177.49)	(980,814.17)	(982,975.52)	(2,950,967.18)
Employee Contribution Refunds	(2,597.61)	(20,040.89)	(8,200.93)	(30,839.43)
Payout to Retirees Subtotal	<u>(989,775.10)</u>	<u>(1,000,855.06)</u>	<u>(991,176.45)</u>	<u>(2,981,806.61)</u>
Fund Investment Management Expenses:				
Boston Partners	(27,422.39)	-	-	(27,422.39)
SSgA S&P 500 Index	(2,759.55)	-	-	(2,759.55)
Atlanta Capital	(23,203.58)	-	-	(23,203.58)
Pyrford	(21,188.65)	-	-	(21,188.65)
SSgA EAFE MSCI	(1,265.11)	-	-	(1,265.11)
Metropolitan West	(33,073.72)	-	-	(33,073.72)
Callan	(4,865.12)	-	(9,717.84)	(14,582.96)
State Street	(16,244.28)	(5,385.22)	(10,960.11)	(32,589.61)
Fund Invest. Mgmt Exp. Subtotal	<u>(130,022.40)</u>	<u>(5,385.22)</u>	<u>(20,677.95)</u>	<u>(156,085.57)</u>
Administrative Expenses				
Actuarial Services	(4,884.33)	(3,405.41)	(2,673.05)	(10,962.79)
Legal Services	(6,850.13)	(6,850.13)	(6,850.14)	(20,550.40)
CALAPRS Training	-	-	(264.43)	(264.43)
Travel	(1,038.98)	(322.02)	-	(1,361.00)
Fiduciary Insurance	(13,615.00)	83.33	-	(13,531.67)
Investigation Information Services	-	(14.90)	-	(14.90)
Medical Evaluations	-	-	(1,689.00)	(1,689.00)
Pension Administration	(10,841.41)	(9,656.19)	(11,020.13)	(31,517.73)
Administrative Exp. Subtotal	<u>(37,229.85)</u>	<u>(20,165.32)</u>	<u>(22,496.75)</u>	<u>(79,891.92)</u>
Total Expenses	<u>(1,157,027.35)</u>	<u>(1,026,405.60)</u>	<u>(1,034,351.15)</u>	<u>(3,217,784.10)</u>
Monthly Net Owed from/(to) District	(372,471.47)	(249,677.74)	(336,261.09)	(958,410.30)
Due From IBEW and Salaried Plans - Custodian Error	-	325.86	-	325.86
Payment from/(to) the District	<u>(255,904.42)</u>	<u>(372,471.47)</u>	<u>(249,677.74)</u>	<u>(878,053.63)</u>
Ending Balance:				
Due (from)/to the District (=Beginning balance + monthly balance-payment to District)	<u>372,145.62</u>	<u>249,677.75</u>	<u>336,261.10</u>	<u>336,261.10</u>

RT Combined Pension Plans - ATU, IBEW and Salaried
 Asset Allocation *
 As of June 30, 2019

Asset Class	Net Asset Market Value 6/30/2019	Actual Asset Allocation	Target Asset Allocation	% Variance	\$ Variance	Target Market Value
FUND MANAGERS:						
Domestic Equity:						
Large Cap Value - Boston Partners - Z8	\$ 46,241,830	15.51%	16.00%	-0.49%	\$ (1,460,590)	
Large Cap Growth - SSgA S&P 500 Index - XH	50,461,404	16.93%	16.00%	0.93%	2,758,984	
Total Large Cap Domestic Equity	96,703,234	32.44%	32.00%	0.44%	1,298,393	\$ 95,404,840
Small Cap - Atlanta Capital - XB	26,357,871	8.84%	8.00%	0.84%	2,506,660	23,851,210
International Equity:						
Large Cap Growth:						
Pyrford - ZD	27,796,043	9.32%	9.50%	-0.18%	(527,269)	
Large Cap Core:						
SSgA MSCI EAFE - XG	11,402,913	3.82%				
Value - Brandes - XE	0	0.00%				
Total Core	11,402,913	3.82%	4.50%	-0.68%	(2,013,393)	
Small Cap:						
AQR - ZB	12,987,509	4.36%	5.00%	-0.64%	(1,919,498)	
Emerging Markets						
DFA - ZA	16,457,161	5.52%	6.00%	-0.48%	(1,431,247)	
Total International Equity	68,643,625	23.02%	25.00%	-1.98%	(5,891,406)	74,535,032
Fixed Income:						
Met West - XD	106,435,396	35.70%	35.00%	0.70%	2,086,352	104,349,044
Total Combined Net Asset	\$ 298,140,126	100.00%	100.00%	0.00%	\$ (1)	\$ 298,140,126

Asset Allocation Policy Ranges*:	Minimum	Target	Maximum
Domestic Equity	35%	40%	45%
Large Cap (50/50 value/growth)	28%	32%	36%
Small Cap	5%	8%	11%
International Equity	20%	25%	30%
Large Cap Developed Markets	10%	14%	18%
Small Cap Developed Markets	3%	5%	7%
Emerging Markets	4%	6%	8%
Domestic Fixed Income	30%	35%	40%

* Per the Statement of Investment Objectives and Policy Guidelines as of 6/20/2018.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Balance Sheet
As of June 30, 2019**

Per Both Pension Fund Balance Sheets:	
ATU Allocated Custodial Assets	138,540,700
IBEW Allocated Custodial Assets	60,300,919
Salaried Allocated Custodial Assets	<u>99,298,507</u>
Total Consolidated Net Asset	<u><u>298,140,126</u></u>
Per Callan Report:	
Total Investments	<u><u>298,139,175</u></u>
Net Difference	<u><u>951</u></u> *

* The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Income Statement
For the Quarter Ended June 30, 2019**

Per Both Pension Fund Income Statements:	
ATU - Interest, Dividends, and Other Income	758,485
ATU - Investment Income	4,013,452
IBEW - Interest, Dividends, and Other Income	325,107
IBEW - Investment Income	1,749,392
Salaried - Interest, Dividends, and Other Income	517,652
Salaried - Investment Income	<u>2,861,056</u>
Total Investment Income	<u><u>10,225,143</u></u>
Per Callan Report:	
Investment Returns	<u><u>10,230,563</u></u>
Net Difference	<u><u>(5,420)</u></u> **

** The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.

Reconciliation between Callan Report and Consolidated Schedule of Cash Activities For the Quarter Ended June 30, 2019				
	April	May	June	Total
Payments from/(to) the District				-
Boston Partners - ATU			(54,258)	(54,258)
Boston Partners - IBEW				-
Boston Partners - Salaried			54,258	54,258
S&P 500 Index - ATU			(58,610)	(58,610)
S&P 500 Index - IBEW				-
S&P 500 Index - Salaried			58,610	58,610
Atlanta Capital - ATU			(30,314)	(30,314)
Atlanta Capital - IBEW				-
Atlanta Capital - Salaried			30,314	30,314
Pyrford - ATU			(31,780)	(31,780)
Pyrford - IBEW				-
Pyrford - Salaried			31,780	31,780
EAFE - ATU			(13,150)	(13,150)
EAFE - IBEW				-
EAFE - Salaried			13,150	13,150
Brandes - ATU				-
Brandes - IBEW				-
Brandes - Salaried				-
AQR - ATU			(15,314)	(15,314)
AQR - IBEW				-
AQR - Salaried			15,314	15,314
DFA - ATU			(19,252)	(19,252)
DFA - IBEW				-
DFA - Salaried			19,252	19,252
Metropolitan West - ATU	(255,904)	(372,471)	(370,706)	(999,082)
Metropolitan West - IBEW	(41,524)	(122,324)	(40,288)	(204,136)
Metropolitan West - Salaried	73,375	(137,255)	155,694	91,813
Total Payments from/(to) the District	<u>(224,054)</u>	<u>(632,051)</u>	<u>(255,299)</u>	<u>(1,111,404)</u>
Transfers In/(Out) of Investment Funds				
Boston Partners	-	-	-	-
S&P 500 Index	-	-	-	-
Atlanta Capital	-	-	-	-
Pyrford	-	-	-	-
EAFE	-	-	-	-
Brandes	-	-	-	-
AQR	-	-	-	-
DFA	-	-	-	-
Metropolitan West	(224,054)	(632,051)	(255,299)	(1,111,404)
Total Transfers In/(Out) of Investment Funds	<u>(224,054)</u>	<u>(632,051)</u>	<u>(255,299)</u>	<u>(1,111,404)</u>
Variance between Payments and Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Per Callan Report:				
Net New Investment/(Withdrawals)				(1,111,404)
Net Difference				<u>(0)</u>

Consolidated Schedule of Cash Activities For the 12-Months June 30, 2019					
	3Q18	4Q18	1Q19	2Q19	Total
Payments from/(to) the District					
Boston Partners - ATU	-	-	4	(54,258)	(54,254)
Boston Partners - IBEW	-	-	2	-	2
Boston Partners - Salaried	-	-	2	54,258	54,261
S&P 500 Index - ATU	-	(453,869)	-	(58,610)	(512,480)
S&P 500 Index - IBEW	-	(86,233)	-	-	(86,233)
S&P 500 Index - Salaried	-	(42,143)	-	58,610	16,468
Atlanta Capital - ATU	(572,143)	-	-	(30,314)	(602,457)
Atlanta Capital - IBEW	(121,006)	-	-	-	(121,006)
Atlanta Capital - Salaried	(79,419)	-	-	30,314	(49,105)
Pyrford - ATU	-	-	-	(31,780)	(31,780)
Pyrford - IBEW	-	-	-	-	-
Pyrford - Salaried	-	-	-	31,780	31,780
EAFE - ATU	-	-	-	(13,150)	(13,150)
EAFE - IBEW	-	-	-	-	-
EAFE - Salaried	-	-	-	13,150	13,150
Brandes - ATU	-	-	(4)	-	(4)
Brandes - IBEW	-	-	(2)	-	(2)
Brandes - Salaried	-	-	(2)	-	(2)
AQR - ATU	-	-	-	(15,314)	(15,314)
AQR - IBEW	-	-	-	-	-
AQR - Salaried	-	-	-	15,314	15,314
DFA - ATU	-	-	-	(19,252)	(19,252)
DFA - IBEW	-	-	-	-	-
DFA - Salaried	-	-	-	19,252	19,252
Metropolitan West - ATU	(327,866)	(299,003)	(800,166)	(999,082)	(2,426,117)
Metropolitan West - IBEW	(56,407)	(78,875)	(161,974)	(204,136)	(501,391)
Metropolitan West - Salaried	75,846	(106,423)	(59,788)	91,813	1,449
Total Payments from/(to) the District	<u>(1,080,995)</u>	<u>(1,066,545)</u>	<u>(1,021,928)</u>	<u>(1,111,404)</u>	<u>(4,280,871)</u>

**Sacramento Regional Transit District
ATU, IBEW and Salaried Retirement Plans
Schedule of Fund Investment Returns and Expenses
06/30/19**

	1 Year		1 Year			3 Years		3 Years		
	Investment Returns	Investment Expense	Net of Fees Returns	Bench-Mark Returns	Favorable/ (Unfavor) Basis Pts	Investment Returns	Investment Expense	Net of Fees Returns	Bench-Mark Returns	Favorable/ (Unfavor) Basis Pts
Boston Partners										
Investment Returns	2,243,056	100.00%				15,190,933	100.00%			
Investment Expense	(243,219)	10.84%				(730,103)	4.81%			
Net Gain/(Loss)	1,999,837	89.16%	4.53%	8.46%	(393.00)	14,460,830	95.19%	11.52%	10.19%	133.00
S&P 500										
Investment Returns	4,751,005	100.00%				18,187,051	100.00%			
Investment Expense	(23,871)	0.50%				(69,428)	0.38%			
Net Gain/(Loss)	4,727,134	99.50%	10.40%	10.42%	(2.00)	18,117,623	99.62%	14.16%	14.19%	(3.00)
Atlanta Capital										
Investment Returns	2,509,566	100.00%				10,419,650	100.00%			
Investment Expense	(198,544)	7.91%				(589,111)	5.65%			
Net Gain/(Loss)	2,311,022	92.09%	9.38%	-3.31%	1269.00	9,830,539	94.35%	14.30%	12.30%	200.00
Pyrford										
Investment Returns	1,653,567	100.00%				1,842,224	100.00%			
Investment Expense	(181,775)	10.99%				(381,180)	20.69%			
Net Gain/(Loss)	1,471,792	89.01%	5.59%	1.08%	451.00	1,461,044	79.31%	N/A	N/A	N/A
EAFE										
Investment Returns	161,949	100.00%				3,053,638	100.00%			
Investment Expense	(10,926)	6.75%				(31,815)	1.04%			
Net Gain/(Loss)	151,023	93.25%	1.34%	1.08%	26.00	3,021,823	98.96%	9.39%	9.11%	28.00
Brandes										
Investment Returns	(2,796)	100.00%				(2,765)	100.00%			
Investment Expense	-	0.00%				-	0.00%			
Net Gain/(Loss)	(2,796)	100.00%	N/A	N/A	N/A	(2,765)	100.00%	N/A	N/A	N/A
AQR										
Investment Returns	(1,615,725)	100.00%				1,508,611	100.00%			
Investment Expense	(113,489)	-7.02%				(372,308)	24.68%			
Net Gain/(Loss)	(1,729,214)	107.02%	-11.06%	-6.35%	(471.00)	1,136,303	75.32%	N/A	N/A	N/A
DFA										
Investment Returns	210,862	100.00%				3,782,120	100.00%			
Investment Expense	(106,878)	50.69%				(283,925)	7.51%			
Net Gain/(Loss)	103,984	49.31%	1.30%	1.22%	8.00	3,498,195		9.09%	10.66%	(157.00)
Metropolitan West										
Investment Returns	8,423,194	100.00%				9,363,703	100.00%			
Investment Expense	(281,545)	3.34%				(784,117)	8.37%			
Net Gain/(Loss)	8,141,649	96.66%	8.25%	7.87%	38.00	8,579,586	91.63%	2.87%	2.31%	56.00
Total Fund										
Investment Returns	18,334,678	100.00%				68,017,227	100.00%			
Investment Expense	(1,160,246)	6.33%				(3,302,983)	4.86%			
Net Gain/(Loss)	17,174,432	93.67%	6.23%	6.08%	15.00	64,714,244	95.14%	8.39%	8.86%	(47.00)

Schedule of Transfers, Retirements and Deaths
For the period: April 1, 2019 through June 30, 2019

Transfers:

Plan Assets Plan Assets

Emp#	Transferred From Position	Transferred To Position	Transferred		Transferred	
			From	To	From ATU	to Salaried
566	Bus Operator	Administrative Analyst I	ATU	Salaried	(19,681.00)	19,681.00
628	Bus Operator	Transportation Supervisor	ATU	Salaried	(25,261.00)	25,261.00
815	LR Train Operator	Transportation Supervisor	ATU	Salaried	(83,977.00)	83,977.00
1190	Fare Inspection Officer	Transportation Supervisor	ATU	Salaried	(85,010.00)	85,010.00
3593	Bus Operator	Transportation Supervisor	ATU	Salaried	(41,124.00)	41,124.00
3656	Bus Operator	Transportation Supervisor	ATU	Salaried	(36,524.00)	36,524.00
3681	Bus Operator	Transportation Supervisor	ATU	Salaried	(37,427.00)	37,427.00
3853	Customer Service Representative	Administrative Assistant I	ATU	Salaried	(14,702.00)	14,702.00
					<u>(343,706.00)</u>	<u>343,706.00</u>

Retirements

Emp#	Previous Position	EmpSubArea	RetirementDate
2554	Mechanic B	IBEW	4/1/2019
1655	System Design Manager	AEA	4/1/2019
939	Bus Operator	ATU	4/1/2019
2364	Customer Service Representative	ATU	4/13/2019
2876	Bus Operator	ATU	4/24/2019
1641	LR Mechanic A	IBEW	5/1/2019
432	Transportation Supervisor	AFSC	5/1/2019
830	Bus Operator	ATU	5/24/2019
2162	Sr. Rail Maintenance Worker	IBEW	6/1/2019
2746	Bus Operator	ATU	6/1/2019
3270	Admin Technician	AFST	6/1/2019
1131	Real Estate Admin Asset Administrator	MCEG	6/1/2019
2359	Director, Construction Management	MCEG	6/1/2019
1005	Asst Resident Engineer	AEA	6/1/2019
324	LR Operator	ATU	6/8/2019

Deaths

Emp#	EmpSubArea	Type	Date of Death
229	ATU	Life Alone	4/2/2019
1193	AEA	Disability Life Alone	4/25/2019
1464	AEA	50% J&S	5/12/2019

**Sacramento Regional Transit District
ATU Special Retirement Board Meeting
Wednesday, July 24, 2019**

MEETING SUMMARY

ROLL CALL:

The Retirement Board was brought to order at 9:01 a.m. A quorum was present comprised as follows: Directors Li, Kennedy, Niz and Alternate Lucien were present.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

By ATU Resolution No. 19-03-0311 for calendar year 2019, the Governing Board Member in attendance served as Common Chair of this Retirement Board meeting.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON AGENDA

None

CONSENT CALENDAR

None

NEW BUSINESS

1. Information: Educational Session on Alternative Investments (ALL). (Adelman)

Jamie Adelman introduced Anne Heaphy with Callan LLC, who provided an Educational Session on Alternative Investments. The session provided a high-level review on the Asset Liability Study and additional information on Real Estate investment.

All Boards agreed that, as a next step, Ms. Adelman will direct Callan LLC to conduct a search for a Real Estate asset class manager pursuant to the Boards' agreement with Callan LLC. The process will take approximately 2 months. Ms. Adelman will reach out to each Board for a member to be part of the committee for the Real Estate Fund Manager search.

REPORTS FROM COMMITTEES

None.

REPORTS, IDEAS AND COMMUNICATIONS

None

The meeting was adjourned at 9:49 a.m.

Ralph Niz, Chair

ATTEST:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

**Sacramento Regional Transit District
IBEW Retirement Board Meeting
Wednesday, June 12, 2019
MEETING SUMMARY**

ROLL CALL

The Retirement Board was brought to order at 9:02 a.m. A quorum was present comprised as follows: Directors Li, Ohlson and Bibbs. Director Kennedy and Alternates Jennings and McCleskey were absent.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

By IBEW Resolution No. 18-12-201 for calendar year 2019, the Governing Board Member in attendance served as Common Chair of this Retirement Board meeting.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None.

CONSENT CALENDAR

7. Motion: Approving the Minutes for the March 20, 2019 Quarterly Retirement Board Meeting (IBEW). (Weekly)
8. Motion: Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the IBEW Pension Plan (IBEW). (Adelman)
11. Motion: Receive and File Update on Staff Roles and Responsibilities Related to Pension Administration (ALL). (Weekly)
12. Resolution: Amendment of the Investment Custodian Services Contract with State Street Bank and Trust Company to Extend the Term by Six Months and Increase the Limit to \$733,572 (ALL). (Adelman)

Director Ohlson moved to adopt IBEW Retirement Board Items 7-8, 11 and 12. Director Bibbs seconded the motion. Items 7-8, 11 and 12 were carried unanimously by roll call vote: Ayes: Directors Li, Ohlson and Bibbs. Noes: None.

NEW BUSINESS

13. Information: Investment Performance Review by AQR for the ATU, IBEW and Salaried Retirement Funds for the International Small Capitalization

Equity Asset Class for the Quarter Ended March 31, 2019 (ALL).
(Adelman)

Jamie Adelman introduced Iwan Djanali with AQR, who provided the performance results for the International Small Capitalization Equity Asset Class for the Quarter Ended March 31, 2019 and was available for questions. In response to a question from Director Li, Ms. Adelman advised the Boards that approximately 5% the Plans' total portfolio is invested with AQR.

14. Motion Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for Quarter Ended March 31, 2019 (ALL). (Adelman)

Jamie Adelman introduced Anne Heaphy and Uvan Tseng with Callan LLC, who provided the Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended March 31, 2019 and were available for questions.

Director Ohlson moved to adopt Item 14. Director Bibbs seconded the motion. Item 14 was carried unanimously by roll call vote: Ayes: Directors Ohlson, Bibbs and Li. Noes: None.

15. Motion: Receive and File the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans (ALL). (Adelman)

Jamie Adelman introduced Uvan Tseng from Callan LLC, and Jay Kloepfer and Gary Chang, from Callan's Capital Market research group, who provided the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans. Mr. Kloepfer explained that the purpose of the Study is to review the current policy target allocation with the goal of establishing a long-term strategic asset allocation target, taking into account the Plans' projected asset and liability growth and liquidity needs, and described the process and results of the Study. In response to a question from AEA Director Devorak, Mr. Kloepfer explained the effect of an increased standard deviation in a down market.

As part of the Study, Callan examined two sets of optimal investment mixes in addition to the current portfolio: 1) current asset classes with the addition of real estate, and 2) current asset classes with the addition of real estate, private equity and hedge funds. Mr. Tseng explained that, based on its projections, liability modeling, including liquidity needs, and stochastic forecasting, Callan observed that the current target asset allocation would be reasonable to retain going forward, although further diversification by including real estate investments offers a potentially attractive source of return that would complement and diversify the existing portfolio, and thereby reduce risk. Callan's recommended option, should the Boards wish to further diversify the portfolio, includes an allocation of 10% to real estate, to be funded by reducing current allocations to both equity and fixed income (referred to in the Study as "Mix 3R").

ATU Director Niz noted that the Plans' actuary has advised that the Plans could be fully funded by 2030 if all assumptions are met, and asked whether the recommendation would involve additional risk that would affect that projection. Mr. Kloefer explained that the addition of an allocation to real estate would reduce risk by increasing diversification, with the same expected return.

ATU Director McGee Lee asked for clarification on the type of real estate investment the recommendation involves, noting that certain prior investments that involved real estate held by the Plans had been sold. Mr. Kloefer explained that, given the size of the recommended allocation, the investment would be in a commingled fund that purchases commercial properties diversified by type and location, rather than in a separately managed account. Sacramento Regional Transit District CFO Brent Bernegger explained that the Plans' prior exposure to real estate was through investments in REITs, in the equity asset class.

Ms. Adelman noted that the study showed that, compared to last year, the expected return for the current policy increased from 6.06% to 6.48%, which the Plans' actuary tracks in comparing projected returns over a 10-year period.

The Boards discussed options for next steps, such as requesting that Callan provide more information on real estate investments to the Boards in the form of a workshop, requesting that Callan perform a manager search for a potential real estate investment fund and forming an ad hoc committee for future action, or approving changes to the Plans' asset allocation at this meeting and presenting the revised Investment Policy Statement for approval by the Boards at the September Quarterly Retirement Board meeting, at which time the Boards would request that Callan conduct a real estate fund manager search. Following discussion of the options, the Boards asked that Callan prepare an additional educational session for the Boards regarding real estate and private equity investments.

Director Ohlson moved to adopt Item 15. Director Bibbs seconded the motion. Item 15 was carried unanimously by roll call vote: Ayes: Directors Ohlson, Bibbs and Li. Noes: None.

REPORTS FROM COMMITTEES

None.

RECESS TO CLOSED SESSION

The joint meeting of the five Retirement Boards recessed to allow the AEA, AFSCME, ATU and IBEW Retirement Boards to meet separately in closed sessions.

The IBEW Retirement Board convened in closed session at 11:23 a.m.

22. **Closed Session Item (IBEW):**
Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation Pursuant to Government Code
Section 54956.9(d)(2): One Potential Case

The IBEW Retirement Board reconvened in open session at 11:33 a.m.

CLOSED SESSION REPORT

No reportable actions were taken in the closed session.

The IBEW Retirement Board adjourned at 11:33 a.m.

Eric Ohlson, Chair

ATTEST:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the IBEW Pension Plan (IBEW). (Adelman)

ISSUE

Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the IBEW Pension Plan (IBEW). (Adelman)

RECOMMENDED ACTION

Motion: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the IBEW Pension Plan (IBEW). (Adelman)

FISCAL IMPACT

None.

DISCUSSION

Table 1 below shows the employer and employee contribution rates for all of the Sacramento Regional Transit District Retirement Plans, by Plan and tier, as of the date indicated.

Table 1

Employer Contribution Rates As of June 30, 2019

	ATU	IBEW	Salary
	Contribution Rate	Contribution Rate	Contribution Rate
Classic	28.15%	25.03%	34.30%
Classic w/Contribution*	25.15%		
PEPRA**	21.65%	19.78%	29.05%

*Includes members hired during calendar year 2015, employee rate 3%

**PEPRA employee rates: ATU - 6.5%, IBEW and Salary 5.25%

Unaudited Financial Statements

Attached hereto are unaudited financial statements for the quarter and the year-to-date ended June 30, 2019. The financial statements are presented on an accrual basis and consist of a Statement of Fiduciary Net Position (balance sheet) (Attachment 1), a Statement of Changes

Approved:

Presented:

Final 8/29/19

VP of Finance/CFO

Director, Finance and Treasury

J:\Retirement Board\2019\IP's\Quarterly Meetings\September 11, 2019\FI FINAL IPs\09-11-19 Administrative Reports - IBEW.docx

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the IBEW Pension Plan (IBEW). (Adelman)

in Fiduciary Net Position (income statement) for the quarter ended June 30, 2019 (Attachment 2), and a year-to-date Statement of Changes in Fiduciary Net Position (Attachment 3).

The Statement of Fiduciary Net Position includes a summary of fund assets showing the amounts in the following categories: investments, prepaid assets, and other receivables. This statement also provides amounts due from/to the District and Total Fund Equity (net position).

The Statement of Changes in Fiduciary Net Position includes activities in the following categories: investment gains/losses, dividends, interest income, unrealized gains/losses, benefit contributions/payouts, and investment management and administrative expenses.

Asset Rebalancing

Pursuant to Section IV, Asset Rebalancing Policy of the Statement of Investment Objectives and Policy Guidelines for the ATU, IBEW and Salaried Employees' Retirement Funds, the Retirement Boards have delegated authority to manage pension plan assets in accordance with the approved rebalancing policy to the District's Director, Finance and Treasury. The Director, Finance and Treasury is required to report asset rebalancing activity to the Boards at their quarterly meetings. Rebalancing can occur for one or more of the following reasons:

1. The Pension Plan ended the month with an accounts receivable or payable balance due to the District. A payable or receivable is the net amount of the monthly required contribution (required contribution is the percentage of covered payroll determined by the annual actuarial valuation) less the Plan's actual expenses.
2. The Pension Plan hires or removes a Fund Manager, in which case securities must be moved to a new fund manager.
3. The Pension Plan investment mix is under or over the minimum or maximum asset allocation as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 4 is the IBEW Plan's Schedule of Cash Activities for the three months ended June 30, 2019. The schedule of cash activities includes a summary of Plan activities showing the amounts in the following categories: District's pension contributions to the Plan, payments to retirees, and the Pension Plan's cash expenditures paid. This schedule also lists the rebalancing activity that occurred for the three months ended June 30, 2019. The IBEW Plan reimbursed \$204,136.02 to the District as the result of the net cash activity between the pension plan expenses and the required pension contributions. A line has been added to capture the appropriate Due To SacRT balance due to a transfer error by the custodian.

Attached hereto as Attachment 5 is the IBEW Plan's Asset Allocation as of June 30, 2019. This statement shows the IBEW Plan's asset allocation as compared to targeted allocation percentages as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 6 is a reconciliation between the Callan Performance Report and the ATU, IBEW and Salaried Pension Plans' unaudited financial statements. The reports

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the IBEW Pension Plan (IBEW). (Adelman)

differ in that the unaudited financial statements reflect both investment activities and the pension fund's inflows and outflows. Callan's report only reflects the investment activities. The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and/or litigation settlements received by the Plans.

Included also as Attachment 7 is a reconciliation between the Callan Performance Report and the Schedule of Cash Activities for payments made from/to the District. Callan's report classifies gains from trades and litigation income as "net new investments." Finance staff classifies gains from trades and litigation income in the Pension Plan's unaudited Statement of Changes in Fiduciary Net Position as "Other Income," which is combined in the category of "Interest, Dividend, & Other Inc".

Attached hereto as Attachment 8 is a schedule reflecting Fund Managers' quarterly investment returns and their investment fees. Additionally, the schedule reflects annual rates of return on investment net of investment fees for the one-year and three-year periods ended June 30, 2019 as compared to their benchmarks.

Attached hereto as Attachment 9 is a schedule reflecting employee transfers from one union/employee group to another, as well as any transfers of plan assets from the ATU Plan to the Salaried Plan, all retirements, and retiree deaths during the three months ended June 30, 2019.

Sacramento Regional Transit District Retirement Plan - IBEW
Statement of Fiduciary Net Position
As of June 30, 2019

Accrual Basis

	Jun 30, 19
ASSETS	
Current Assets	
Checking/Savings	
100000 · Long-Term Investments	60,300,919.19
Total Checking/Savings	60,300,919.19
Other Current Assets	
1110120 · Prepays	11,262.50
Total Other Current Assets	11,262.50
Total Current Assets	60,312,181.69
TOTAL ASSETS	60,312,181.69
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
3110102 · Administrative Expense Payable	30,375.66
3110110 · Other Pay - Due to RT	74,526.74
3110122 · MetWest	14,555.97
3110124 · Boston Partners	12,531.57
3110125 · Callan	2,106.84
3110126 · State Street	7,059.96
3110128 · Atlanta Capital	10,661.57
3110129 · SSgA - S&P Index	1,246.75
3110130 · SSgA - EAFE	563.98
3110132 · Pyrford	9,444.27
Total Accounts Payable	163,073.31
Total Current Liabilities	163,073.31
Total Liabilities	163,073.31
Equity	
3340100 · Retained Earning	45,066,750.96
3340101 · Retained Earnings	12,099,826.24
Net Income	2,982,531.18
Total Equity	60,149,108.38
TOTAL LIABILITIES & EQUITY	60,312,181.69

Sacramento Regional Transit District Retirement Plan - IBEW
Statement of Changes in Fiduciary Net Position
April through June 2019

Accrual Basis

	Apr - Jun 19	% of Income
Income		
Interest, Dividend, & Other Inc		
6830101 · Dividend	80,717.89	2.7%
6830102 · Interest	190,145.52	6.4%
6830103 · Other Income	59,727.33	2.0%
Total Interest, Dividend, & Other Inc	330,590.74	11.2%
Investment Income		
6530900 · Gains/(Losses) - All	496,236.69	16.8%
6530915 · Increase(Decrease) in FV	1,253,154.90	42.3%
Total Investment Income	1,749,391.59	59.1%
RT Required Contribution		
6630110 · Employee Contributions	55,827.91	1.9%
RT Required Contribution - Other	824,499.92	27.9%
Total RT Required Contribution	880,327.83	29.7%
Total Income	2,960,310.16	100.0%
Cost of Goods Sold		
8531201 · IBEW - Retirement Benefits Paid	974,104.16	32.9%
8531203 · EE Contribution Refunds	11,892.98	0.4%
8532004 · Invest Exp - Metropolitan West	14,555.97	0.5%
8532013 · Invest Exp - Boston Partners	12,531.57	0.4%
8532020 · Invest Exp - Callan	6,319.65	0.2%
8532021 · Invest Exp - State Street	7,353.65	0.2%
8532024 · Invest Exp - Atlanta Capital	10,661.57	0.4%
8532025 · Invest Exp - S&P Index - SSgA	1,246.75	0.0%
8532026 · Invest Exp - EAFE - SSgA	563.98	0.0%
8532027 · Invest Exp - AQR	5,484.17	0.2%
8532028 · Invest Exp - Pyrford	9,444.27	0.3%
Total COGS	1,054,158.72	35.6%
Gross Profit	1,906,151.44	64.4%
Expense		
8533002 · Admin Exp - Actuary	7,865.65	0.3%
8533007 · Admin Exp - CALPRS Dues/Courses	264.43	0.0%
8533012 · Admin Exp - Travel	322.01	0.0%
8533014 · Admin Exp - Fiduciary Insurance	3,394.08	0.1%
8533021 · Admin Exp - Legal Services	20,550.40	0.7%
8533025 · Admin Exp - Information Service	2.98	0.0%
8533029 · Admin Exp - Administrator	22,916.74	0.8%
8533030 · Admin Exp - Audit	12,333.33	0.4%
8533050 · Miscellaneous	0.00	0.0%
Total Expense	67,649.62	2.3%
Net Income	1,838,501.82	62.1%

Sacramento Regional Transit District Retirement Plan - IBEW
Statement of Changes in Fiduciary Net Position
 July 2018 through June 2019

Accrual Basis

	Jul '18 - Jun 19	% of Income
Income		
Interest, Dividend, & Other Inc		
6830101 · Dividend	327,588.33	4.5%
6830102 · Interest	739,537.13	10.2%
6830103 · Other Income	111,485.60	1.5%
Total Interest, Dividend, & Other Inc	1,178,611.06	16.2%
Investment Income		
6530900 · Gains/(Losses) - All	1,760,675.36	24.3%
6530915 · Increase(Decrease) in FV	809,739.78	11.2%
Total Investment Income	2,570,415.14	35.4%
RT Required Contribution		
6630110 · Employee Contributions	209,531.29	2.9%
RT Required Contribution - Other	3,299,012.80	45.5%
Total RT Required Contribution	3,508,544.09	48.3%
Total Income	7,257,570.29	100.0%
Cost of Goods Sold		
8531201 · IBEW - Retirement Benefits Paid	3,766,436.39	51.9%
8531203 · EE Contribution Refunds	12,640.09	0.2%
8532004 · Invest Exp - Metropolitan West	56,884.74	0.8%
8532013 · Invest Exp - Boston Partners	49,140.04	0.7%
8532020 · Invest Exp - Callan	25,662.92	0.4%
8532021 · Invest Exp - State Street	28,034.72	0.4%
8532023 · Invest Exp - JP Morgan	0.00	0.0%
8532024 · Invest Exp - Atlanta Capital	40,114.87	0.6%
8532025 · Invest Exp - S&P Index - SSgA	4,823.08	0.1%
8532026 · Invest Exp - EAFE - SSgA	2,207.54	0.0%
8532027 · Invest Exp - AQR	22,799.19	0.3%
8532028 · Invest Exp - Pyrford	36,726.46	0.5%
Total COGS	4,045,470.04	55.7%
Gross Profit	3,212,100.25	44.3%
Expense		
8533002 · Admin Exp - Actuary	27,248.18	0.4%
8533007 · Admin Exp - CALPRS Dues/Courses	2,907.25	0.0%
8533008 · Admin Exp - Accounting Software	1,949.98	0.0%
8533012 · Admin Exp - Travel	526.97	0.0%
8533014 · Admin Exp - Fiduciary Insurance	13,068.06	0.2%
8533021 · Admin Exp - Legal Services	84,744.54	1.2%
8533025 · Admin Exp - Information Service	252.98	0.0%
8533028 · Admin Exp - Staff Training	114.99	0.0%
8533029 · Admin Exp - Administrator	83,089.45	1.1%
8533030 · Admin Exp - Audit	15,666.67	0.2%
8533050 · Miscellaneous	0.00	0.0%
Total Expense	229,569.07	3.2%
Net Income	2,982,531.18	41.1%

**Sacramento Regional Transit District
Retirement Fund - IBEW
Schedule of Cash Activities
For the Three Months Period Ended June 30, 2019**

	April 2019	May 2019	June 2019	Quarter Totals
Beginning Balance:				
Due (from)/to District - March 31, 2019	41,507.85	122,308.20	40,287.80	41,507.85
Monthly Activity:				
<u>Deposits</u>				
District Pension Contributions @ 19.78 to 25.03%	270,224.10	295,676.85	258,598.97	824,499.92
Employee Pension Contributions	18,770.72	19,113.14	17,944.05	55,827.91
Total Deposits	288,994.82	314,789.99	276,543.02	880,327.83
<u>Expenses</u>				
Payout to Retirees	(324,448.64)	(324,827.76)	(324,827.76)	(974,104.16)
Employee Contribution Refunds	-	(11,892.98)	-	(11,892.98)
Payout to Retirees Subtotal	(324,448.64)	(336,720.74)	(324,827.76)	(985,997.14)
Fund Investment Management Expenses:				
Boston Partners	(11,869.79)	-	-	(11,869.79)
SSgA S&P 500 Index	(1,194.47)	-	-	(1,194.47)
Atlanta Capital	(10,043.68)	-	-	(10,043.68)
Pyrford	(9,171.51)	-	-	(9,171.51)
SSgA EAFE MSCI	(547.60)	-	-	(547.60)
Metropolitan West	(14,315.97)	-	-	(14,315.97)
Callan	(2,105.87)	-	(4,212.81)	(6,318.68)
State Street	(6,996.42)	(2,325.56)	(4,741.68)	(14,063.66)
Fund Invest. Mgmt Exp. Subtotal	(56,245.31)	(2,325.56)	(8,954.49)	(67,525.36)
Administrative Expenses				
Actuarial Services	(2,782.33)	(1,789.92)	(1,733.66)	(6,305.91)
Legal Services	(6,850.13)	(6,850.14)	(6,850.13)	(20,550.40)
CALAPRS Training	-	-	(264.43)	(264.43)
Travel	-	(322.01)	-	(322.01)
Fiduciary Insurance	(13,615.00)	8.33	25.00	(13,581.67)
Investigation Information Services	-	(2.98)	-	(2.98)
Pension Administration	(7,377.70)	(7,074.76)	(8,464.28)	(22,916.74)
Administrative Exp. Subtotal	(30,625.16)	(16,031.48)	(17,287.50)	(63,944.14)
Total Expenses	(411,319.11)	(355,077.78)	(351,069.75)	(1,117,466.64)
Monthly Net Owed from/(to) District	(122,324.29)	(40,287.79)	(74,526.73)	(237,138.81)
Due To ATU Plan - Custodian Error	-	16.10	-	16.10
Payment from/(to) the District	(41,523.94)	(122,324.29)	(40,287.79)	(204,136.02)
Ending Balance:				
Due (from)/to the District (=Beginning balance + monthly balance-payment to District)	122,308.20	40,287.80	74,526.74	74,526.74

RT Combined Pension Plans - ATU, IBEW and Salaried
 Asset Allocation *
 As of June 30, 2019

Asset Class	Net Asset Market Value 6/30/2019	Actual Asset Allocation	Target Asset Allocation	% Variance	\$ Variance	Target Market Value
FUND MANAGERS:						
Domestic Equity:						
Large Cap Value - Boston Partners - Z8	\$ 46,241,830	15.51%	16.00%	-0.49%	\$ (1,460,590)	
Large Cap Growth - SSgA S&P 500 Index - XH	50,461,404	16.93%	16.00%	0.93%	2,758,984	
Total Large Cap Domestic Equity	96,703,234	32.44%	32.00%	0.44%	1,298,393	\$ 95,404,840
Small Cap - Atlanta Capital - XB	26,357,871	8.84%	8.00%	0.84%	2,506,660	23,851,210
International Equity:						
Large Cap Growth:						
Pyrford - ZD	27,796,043	9.32%	9.50%	-0.18%	(527,269)	
Large Cap Core:						
SSgA MSCI EAFE - XG	11,402,913	3.82%				
Value - Brandes - XE	0	0.00%				
Total Core	11,402,913	3.82%	4.50%	-0.68%	(2,013,393)	
Small Cap:						
AQR - ZB	12,987,509	4.36%	5.00%	-0.64%	(1,919,498)	
Emerging Markets						
DFA - ZA	16,457,161	5.52%	6.00%	-0.48%	(1,431,247)	
Total International Equity	68,643,625	23.02%	25.00%	-1.98%	(5,891,406)	74,535,032
Fixed Income:						
Met West - XD	106,435,396	35.70%	35.00%	0.70%	2,086,352	104,349,044
Total Combined Net Asset	\$ 298,140,126	100.00%	100.00%	0.00%	\$ (1)	\$ 298,140,126

Asset Allocation Policy Ranges*:	Minimum	Target	Maximum
Domestic Equity	35%	40%	45%
Large Cap (50/50 value/growth)	28%	32%	36%
Small Cap	5%	8%	11%
International Equity	20%	25%	30%
Large Cap Developed Markets	10%	14%	18%
Small Cap Developed Markets	3%	5%	7%
Emerging Markets	4%	6%	8%
Domestic Fixed Income	30%	35%	40%

* Per the Statement of Investment Objectives and Policy Guidelines as of 6/20/2018.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Balance Sheet
As of June 30, 2019**

Per Both Pension Fund Balance Sheets:	
ATU Allocated Custodial Assets	138,540,700
IBEW Allocated Custodial Assets	60,300,919
Salaried Allocated Custodial Assets	<u>99,298,507</u>
Total Consolidated Net Asset	<u><u>298,140,126</u></u>
Per Callan Report:	
Total Investments	<u><u>298,139,175</u></u>
Net Difference	<u><u>951</u></u> *

* The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Income Statement
For the Quarter Ended June 30, 2019**

Per Both Pension Fund Income Statements:	
ATU - Interest, Dividends, and Other Income	758,485
ATU - Investment Income	4,013,452
IBEW - Interest, Dividends, and Other Income	325,107
IBEW - Investment Income	1,749,392
Salaried - Interest, Dividends, and Other Income	517,652
Salaried - Investment Income	<u>2,861,056</u>
Total Investment Income	<u><u>10,225,143</u></u>
Per Callan Report:	
Investment Returns	<u><u>10,230,563</u></u>
Net Difference	<u><u>(5,420)</u></u> **

** The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.

Reconciliation between Callan Report and Consolidated Schedule of Cash Activities For the Quarter Ended June 30, 2019				
	April	May	June	Total
Payments from/(to) the District				-
Boston Partners - ATU			(54,258)	(54,258)
Boston Partners - IBEW				
Boston Partners - Salaried			54,258	54,258
S&P 500 Index - ATU			(58,610)	(58,610)
S&P 500 Index - IBEW				
S&P 500 Index - Salaried			58,610	58,610
Atlanta Capital - ATU			(30,314)	(30,314)
Atlanta Capital - IBEW				
Atlanta Capital - Salaried			30,314	30,314
Pyrford - ATU			(31,780)	(31,780)
Pyrford - IBEW				
Pyrford - Salaried			31,780	31,780
EAFE - ATU			(13,150)	(13,150)
EAFE - IBEW				
EAFE - Salaried			13,150	13,150
Brandes - ATU				
Brandes - IBEW				
Brandes - Salaried				
AQR - ATU			(15,314)	(15,314)
AQR - IBEW				
AQR - Salaried			15,314	15,314
DFA - ATU			(19,252)	(19,252)
DFA - IBEW				
DFA - Salaried			19,252	19,252
Metropolitan West - ATU	(255,904)	(372,471)	(370,706)	(999,082)
Metropolitan West - IBEW	(41,524)	(122,324)	(40,288)	(204,136)
Metropolitan West - Salaried	73,375	(137,255)	155,694	91,813
Total Payments from/(to) the District	<u>(224,054)</u>	<u>(632,051)</u>	<u>(255,299)</u>	<u>(1,111,404)</u>
Transfers In/(Out) of Investment Funds				
Boston Partners	-	-	-	-
S&P 500 Index	-	-	-	-
Atlanta Capital	-	-	-	-
Pyrford	-	-	-	-
EAFE	-	-	-	-
Brandes	-	-	-	-
AQR	-	-	-	-
DFA	-	-	-	-
Metropolitan West	(224,054)	(632,051)	(255,299)	(1,111,404)
Total Transfers In/(Out) of Investment Funds	<u>(224,054)</u>	<u>(632,051)</u>	<u>(255,299)</u>	<u>(1,111,404)</u>
Variance between Payments and Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Per Callan Report:				
Net New Investment/(Withdrawals)				(1,111,404)
Net Difference				<u>(0)</u>

Consolidated Schedule of Cash Activities For the 12-Months June 30, 2019					
	3Q18	4Q18	1Q19	2Q19	Total
Payments from/(to) the District					
Boston Partners - ATU	-	-	4	(54,258)	(54,254)
Boston Partners - IBEW	-	-	2	-	2
Boston Partners - Salaried	-	-	2	54,258	54,261
S&P 500 Index - ATU	-	(453,869)	-	(58,610)	(512,480)
S&P 500 Index - IBEW	-	(86,233)	-	-	(86,233)
S&P 500 Index - Salaried	-	(42,143)	-	58,610	16,468
Atlanta Capital - ATU	(572,143)	-	-	(30,314)	(602,457)
Atlanta Capital - IBEW	(121,006)	-	-	-	(121,006)
Atlanta Capital - Salaried	(79,419)	-	-	30,314	(49,105)
Pyrford - ATU	-	-	-	(31,780)	(31,780)
Pyrford - IBEW	-	-	-	-	-
Pyrford - Salaried	-	-	-	31,780	31,780
EAFE - ATU	-	-	-	(13,150)	(13,150)
EAFE - IBEW	-	-	-	-	-
EAFE - Salaried	-	-	-	13,150	13,150
Brandes - ATU	-	-	(4)	-	(4)
Brandes - IBEW	-	-	(2)	-	(2)
Brandes - Salaried	-	-	(2)	-	(2)
AQR - ATU	-	-	-	(15,314)	(15,314)
AQR - IBEW	-	-	-	-	-
AQR - Salaried	-	-	-	15,314	15,314
DFA - ATU	-	-	-	(19,252)	(19,252)
DFA - IBEW	-	-	-	-	-
DFA - Salaried	-	-	-	19,252	19,252
Metropolitan West - ATU	(327,866)	(299,003)	(800,166)	(999,082)	(2,426,117)
Metropolitan West - IBEW	(56,407)	(78,875)	(161,974)	(204,136)	(501,391)
Metropolitan West - Salaried	75,846	(106,423)	(59,788)	91,813	1,449
Total Payments from/(to) the District	<u>(1,080,995)</u>	<u>(1,066,545)</u>	<u>(1,021,928)</u>	<u>(1,111,404)</u>	<u>(4,280,871)</u>

**Sacramento Regional Transit District
ATU, IBEW and Salaried Retirement Plans
Schedule of Fund Investment Returns and Expenses
06/30/19**

	1 Year		1 Year			3 Years		3 Years		
	1 Year	%	Net of Fees Returns	Bench-Mark Returns	Favorable/(Unfavor) Basis Pts	3 Years	%	Net of Fees Returns	Bench-Mark Returns	Favorable/(Unfavor) Basis Pts
Boston Partners										
Investment Returns	2,243,056	100.00%				15,190,933	100.00%			
Investment Expense	(243,219)	10.84%				(730,103)	4.81%			
Net Gain/(Loss)	1,999,837	89.16%	4.53%	8.46%	(393.00)	14,460,830	95.19%	11.52%	10.19%	133.00
S&P 500										
Investment Returns	4,751,005	100.00%				18,187,051	100.00%			
Investment Expense	(23,871)	0.50%				(69,428)	0.38%			
Net Gain/(Loss)	4,727,134	99.50%	10.40%	10.42%	(2.00)	18,117,623	99.62%	14.16%	14.19%	(3.00)
Atlanta Capital										
Investment Returns	2,509,566	100.00%				10,419,650	100.00%			
Investment Expense	(198,544)	7.91%				(589,111)	5.65%			
Net Gain/(Loss)	2,311,022	92.09%	9.38%	-3.31%	1269.00	9,830,539	94.35%	14.30%	12.30%	200.00
Pyrford										
Investment Returns	1,653,567	100.00%				1,842,224	100.00%			
Investment Expense	(181,775)	10.99%				(381,180)	20.69%			
Net Gain/(Loss)	1,471,792	89.01%	5.59%	1.08%	451.00	1,461,044	79.31%	N/A	N/A	N/A
EAFE										
Investment Returns	161,949	100.00%				3,053,638	100.00%			
Investment Expense	(10,926)	6.75%				(31,815)	1.04%			
Net Gain/(Loss)	151,023	93.25%	1.34%	1.08%	26.00	3,021,823	98.96%	9.39%	9.11%	28.00
Brandes										
Investment Returns	(2,796)	100.00%				(2,765)	100.00%			
Investment Expense	-	0.00%				-	0.00%			
Net Gain/(Loss)	(2,796)	100.00%	N/A	N/A	N/A	(2,765)	100.00%	N/A	N/A	N/A
AQR										
Investment Returns	(1,615,725)	100.00%				1,508,611	100.00%			
Investment Expense	(113,489)	-7.02%				(372,308)	24.68%			
Net Gain/(Loss)	(1,729,214)	107.02%	-11.06%	-6.35%	(471.00)	1,136,303	75.32%	N/A	N/A	N/A
DFA										
Investment Returns	210,862	100.00%				3,782,120	100.00%			
Investment Expense	(106,878)	50.69%				(283,925)	7.51%			
Net Gain/(Loss)	103,984	49.31%	1.30%	1.22%	8.00	3,498,195		9.09%	10.66%	(157.00)
Metropolitan West										
Investment Returns	8,423,194	100.00%				9,363,703	100.00%			
Investment Expense	(281,545)	3.34%				(784,117)	8.37%			
Net Gain/(Loss)	8,141,649	96.66%	8.25%	7.87%	38.00	8,579,586	91.63%	2.87%	2.31%	56.00
Total Fund										
Investment Returns	18,334,678	100.00%				68,017,227	100.00%			
Investment Expense	(1,160,246)	6.33%				(3,302,983)	4.86%			
Net Gain/(Loss)	17,174,432	93.67%	6.23%	6.08%	15.00	64,714,244	95.14%	8.39%	8.86%	(47.00)

Schedule of Transfers, Retirements and Deaths
For the period: April 1, 2019 through June 30, 2019

Transfers:

Plan Assets Plan Assets

Emp#	Transferred From Position	Transferred To Position	Transferred		Transferred	
			From	To	From ATU	to Salaried
566	Bus Operator	Administrative Analyst I	ATU	Salaried	(19,681.00)	19,681.00
628	Bus Operator	Transportation Supervisor	ATU	Salaried	(25,261.00)	25,261.00
815	LR Train Operator	Transportation Supervisor	ATU	Salaried	(83,977.00)	83,977.00
1190	Fare Inspection Officer	Transportation Supervisor	ATU	Salaried	(85,010.00)	85,010.00
3593	Bus Operator	Transportation Supervisor	ATU	Salaried	(41,124.00)	41,124.00
3656	Bus Operator	Transportation Supervisor	ATU	Salaried	(36,524.00)	36,524.00
3681	Bus Operator	Transportation Supervisor	ATU	Salaried	(37,427.00)	37,427.00
3853	Customer Service Representative	Administrative Assistant I	ATU	Salaried	(14,702.00)	14,702.00
					<u>(343,706.00)</u>	<u>343,706.00</u>

Retirements

Emp#	Previous Position	EmpSubArea	RetirementDate
2554	Mechanic B	IBEW	4/1/2019
1655	System Design Manager	AEA	4/1/2019
939	Bus Operator	ATU	4/1/2019
2364	Customer Service Representative	ATU	4/13/2019
2876	Bus Operator	ATU	4/24/2019
1641	LR Mechanic A	IBEW	5/1/2019
432	Transportation Supervisor	AFSC	5/1/2019
830	Bus Operator	ATU	5/24/2019
2162	Sr. Rail Maintenance Worker	IBEW	6/1/2019
2746	Bus Operator	ATU	6/1/2019
3270	Admin Technician	AFST	6/1/2019
1131	Real Estate Admin Asset Administrator	MCEG	6/1/2019
2359	Director, Construction Management	MCEG	6/1/2019
1005	Asst Resident Engineer	AEA	6/1/2019
324	LR Operator	ATU	6/8/2019

Deaths

Emp#	EmpSubArea	Type	Date of Death
229	ATU	Life Alone	4/2/2019
1193	AEA	Disability Life Alone	4/25/2019
1464	AEA	50% J&S	5/12/2019

**Sacramento Regional Transit District
IBEW Special Retirement Board Meeting
Wednesday, July 24, 2019**

MEETING SUMMARY

ROLL CALL:

The Retirement Board was brought to order at 9:01 a.m. A quorum was present comprised as follows: Directors Li, Kennedy, Ohlson, and Bibbs.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

By IBEW Resolution No. 19-03-203 for calendar year 2019, the Governing Board Member in attendance served as Common Chair of this Retirement Board meeting.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON AGENDA

None

CONSENT CALENDAR

None

NEW BUSINESS

1. Information: Educational Session on Alternative Investments (ALL). (Adelman)

Jamie Adelman introduced Anne Heaphy with Callan LLC, who provided an Educational Session on Alternative Investments. The session provided a high-level review on the Asset Liability Study and additional information on Real Estate investment.

All Boards agreed that, as a next step, Ms. Adelman will direct Callan LLC to conduct a search for a Real Estate asset class manager pursuant to the Boards' agreement with Callan LLC. The process will take approximately 2 months. Ms. Adelman will reach out to each Board for a member to be part of the committee for the Real Estate Fund Manager search.

REPORTS FROM COMMITTEES

None.

REPORTS, IDEAS AND COMMUNICATIONS

None

The meeting was adjourned at 9:49 a.m.

Eric Ohlson, Chair

ATTEST:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

**Sacramento Regional Transit District
MCEG Retirement Board Meeting
Wednesday, June 12, 2019
MEETING SUMMARY**

ROLL CALL

The Retirement Board was brought to order at 9:02 a.m. A quorum was present comprised as follows: Directors Li, Thorn and Norman. Director Kennedy and Alternates Jennings and Flores were absent.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

By MCEG Resolution No. 18-12-203 for calendar year 2019, the Governing Board Member in attendance served as Common Chair of this Retirement Board meeting.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None.

CONSENT CALENDAR

- 9. Motion: Approving the Minutes for the March 20, 2019 Quarterly Retirement Board Meeting (MCEG). (Weekly)
- 10. Motion: Receive and File Administrative Reports for the Quarter Ended March 31, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)
- 11. Motion: Receive and File Update on Staff Roles and Responsibilities Related to Pension Administration (ALL). (Weekly)
- 12. Resolution: Amendment of the Investment Custodian Services Contract with State Street Bank and Trust Company to Extend the Term by Six Months and Increase the Limit to \$733,572 (ALL). (Adelman)

Director Thorn moved to adopt MCEG Retirement Board Items 9-12. Director Norman seconded the motion. Items 9-12 were carried unanimously by roll call vote: Ayes: Directors Li, Thorn and Norman. Noes: None.

NEW BUSINESS

13. Information: Investment Performance Review by AQR for the ATU, IBEW and Salaried Retirement Funds for the International Small Capitalization Equity Asset Class for the Quarter Ended March 31, 2019 (ALL). (Adelman)

Jamie Adelman introduced Iwan Djanali with AQR, who provided the performance results for the International Small Capitalization Equity Asset Class for the Quarter Ended March 31, 2019 and was available for questions. In response to a question from Director Li, Ms. Adelman advised the Boards that approximately 5% the Plans' total portfolio is invested with AQR.

14. Motion Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for Quarter Ended March 31, 2019 (ALL). (Adelman)

Jamie Adelman introduced Anne Heaphy and Uvan Tseng with Callan LLC, who provided the Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended March 31, 2019 and were available for questions.

Director Thorn moved to adopt Item 14. Director Norman seconded the motion. Item 14 was carried unanimously by roll call vote: Ayes: Directors Thorn, Norman and Li. Noes: None.

15. Motion: Receive and File the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans (ALL). (Adelman)

Jamie Adelman introduced Uvan Tseng from Callan LLC, and Jay Kloepfer and Gary Chang, from Callan's Capital Market research group, who provided the Asset/Liability Study for the ATU, IBEW and Salaried Employees Retirement Plans. Mr. Kloepfer explained that the purpose of the Study is to review the current policy target allocation with the goal of establishing a long-term strategic asset allocation target, taking into account the Plans' projected asset and liability growth and liquidity needs, and described the process and results of the Study. In response to a question from AEA Director Devorak, Mr. Kloepfer explained the effect of an increased standard deviation in a down market.

As part of the Study, Callan examined two sets of optimal investment mixes in addition to the current portfolio: 1) current asset classes with the addition of real estate, and 2) current asset classes with the addition of real estate, private equity and hedge funds. Mr. Tseng explained that, based on its projections, liability modeling, including liquidity needs, and stochastic forecasting, Callan observed that the current target asset allocation would be reasonable to retain going forward, although further diversification by including real estate investments offers a potentially attractive source of return that

would complement and diversify the existing portfolio, and thereby reduce risk. Callan's recommended option, should the Boards wish to further diversify the portfolio, includes an allocation of 10% to real estate, to be funded by reducing current allocations to both equity and fixed income (referred to in the Study as "Mix 3R").

ATU Director Niz noted that the Plans' actuary has advised that the Plans could be fully funded by 2030 if all assumptions are met, and asked whether the recommendation would involve additional risk that would affect that projection. Mr. Kloefer explained that the addition of an allocation to real estate would reduce risk by increasing diversification, with the same expected return.

ATU Director McGee Lee asked for clarification on the type of real estate investment the recommendation involves, noting that certain prior investments that involved real estate held by the Plans had been sold. Mr. Kloefer explained that, given the size of the recommended allocation, the investment would be in a commingled fund that purchases commercial properties diversified by type and location, rather than in a separately managed account. Sacramento Regional Transit District CFO Brent Bernegger explained that the Plans' prior exposure to real estate was through investments in REITs, in the equity asset class.

Ms. Adelman noted that the study showed that, compared to last year, the expected return for the current policy increased from 6.06% to 6.48%, which the Plans' actuary tracks in comparing projected returns over a 10-year period.

The Boards discussed options for next steps, such as requesting that Callan provide more information on real estate investments to the Boards in the form of a workshop, requesting that Callan perform a manager search for a potential real estate investment fund and forming an ad hoc committee for future action, or approving changes to the Plans' asset allocation at this meeting and presenting the revised Investment Policy Statement for approval by the Boards at the September Quarterly Retirement Board meeting, at which time the Boards would request that Callan conduct a real estate fund manager search. Following discussion of the options, the Boards asked that Callan prepare an additional educational session for the Boards regarding real estate and private equity investments.

Director Norman moved to adopt Item 15. Director Thorn seconded the motion. Item 15 was carried unanimously by roll call vote: Ayes: Directors Thorn, Norman and Li. Noes: None.

REPORTS FROM COMMITTEES

None.

RECESS TO CLOSED SESSION

The joint meeting of the five Retirement Boards recessed to allow the AEA, AFSCME, ATU and IBEW Retirement Boards to meet separately in closed sessions. The MCEG Retirement Board adjourned at 10:46 a.m.

Roger Thorn, Chair

ATTEST:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

ISSUE

Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

RECOMMENDED ACTION

Motion: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

FISCAL IMPACT

None.

DISCUSSION

Table 1 below shows the employer and employee contribution rates for all of the Sacramento Regional Transit District Retirement Plans, by Plan and tier, as of the date indicated.

Table 1

Employer Contribution Rates As of June 30, 2019

	ATU	IBEW	Salary
	Contribution Rate	Contribution Rate	Contribution Rate
Classic	28.15%	25.03%	34.30%
Classic w/Contribution*	25.15%		
PEPRA**	21.65%	19.78%	29.05%

*Includes members hired during calendar year 2015, employee rate 3%

**PEPRA employee rates: ATU - 6.5%, IBEW and Salary 5.25%

Unaudited Financial Statements

Attached hereto are unaudited financial statements for the quarter and the year-to-date ended June 30, 2019. The financial statements are presented on an accrual basis and consist of a Statement of Fiduciary Net Position (balance sheet) (Attachment 1), a Statement of Changes

Approved:

Presented:

Final 08/31/19
VP of Finance/CFO

Director, Finance and Treasury
J:\Retirement Board\2019\IP's\Quarterly Meetings\September 11, 2019\FI FINAL IPs\09-11-19
Administrative Reports - Salaried.docx

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

in Fiduciary Net Position (income statement) for the quarter ended June 30, 2019 (Attachment 2), and a year-to-date Statement of Changes in Fiduciary Net Position (Attachment 3).

The Statement of Fiduciary Net Position includes a summary of fund assets showing the amounts in the following categories: investments, prepaid assets, and other receivables. This statement also provides amounts due from/to the District and Total Fund Equity (net position).

The Statement of Changes in Fiduciary Net Position includes activities in the following categories: investment gains/losses, dividends, interest income, unrealized gains/losses, benefit contributions/payouts, and investment management and administrative expenses.

Asset Rebalancing

Pursuant to Section IV, Asset Rebalancing Policy of the Statement of Investment Objectives and Policy Guidelines for the ATU, IBEW and Salaried Employees' Retirement Funds, the Retirement Boards have delegated authority to manage pension plan assets in accordance with the approved rebalancing policy to the District's Director, Finance and Treasury. The Director, Finance and Treasury is required to report asset rebalancing activity to the Boards at their quarterly meetings. Rebalancing can occur for one or more of the following reasons:

1. The Pension Plan ended the month with an accounts receivable or payable balance due to the District. A payable or receivable is the net amount of the monthly required contribution (required contribution is the percentage of covered payroll determined by the annual actuarial valuation) less the Plan's actual expenses.
2. The Pension Plan hires or removes a Fund Manager, in which case securities must be moved to a new fund manager.
3. The Pension Plan investment mix is under or over the minimum or maximum asset allocation as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 4 is the Salaried Plan's Schedule of Cash Activities for the three months ended June 30, 2019. The schedule of cash activities includes a summary of Plan activities showing the amounts in the following categories: District's pension contributions to the Plan, payments to retirees, and the Pension Plan's cash expenditures paid. This schedule also lists the rebalancing activity that occurred for the three months ended June 30, 2019. The Salaried Plan reimbursed \$29,214.57 to the District as the result of the net cash activity between the pension plan expenses and the required pension contributions. A line has been added to capture the appropriate Due To SacRT balance due to a transfer error by the custodian.

Attached hereto as Attachment 5 is the Salaried Plan's Asset Allocation as of June 30, 2019. This statement shows the Salaried Plan's asset allocation as compared to targeted allocation percentages as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 6 is a reconciliation between the Callan Performance Report and the ATU, IBEW and Salaried Pension Plans' unaudited financial statements. The reports

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Administrative Reports for the Quarter Ended June 30, 2019 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)

differ in that the unaudited financial statements reflect both investment activities and the pension fund’s inflows and outflows. Callan’s report only reflects the investment activities. The “Net Difference” amounts shown are the results of Callan and State Street using different valuations for the same securities and/or litigation settlements received by the Plans.

Included also as Attachment 7 is a reconciliation between the Callan Performance Report and the Schedule of Cash Activities for payments made from/to the District. Callan’s report classifies gains from trades and litigation income as “net new investments.” Finance staff classifies gains from trades and litigation income in the Pension Plan’s unaudited Statement of Changes in Fiduciary Net Position as “Other Income,” which is combined in the category of “Interest, Dividend, & Other Inc”.

Attached hereto as Attachment 8 is a schedule reflecting Fund Managers’ quarterly investment returns and their investment fees. Additionally, the schedule reflects annual rates of return on investment net of investment fees for the one-year and three-year periods ended June 30, 2019 as compared to their benchmarks.

Attached hereto as Attachment 9 is a schedule reflecting employee transfers from one union/employee group to another, as well as any transfers of plan assets from the ATU Plan to the Salaried Plan, all retirements, and retiree deaths during the three months ended June 30, 2019.

Sacto Regional Transit District Retirement Plan - Salaried
Statement of Fiduciary Net Position
As of June 30, 2019

Accrual Basis

	Jun 30, 19
ASSETS	
Current Assets	
Checking/Savings	
Long-Term Investments	
100000 · Custodial Assets	99,298,506.57
Total Long-Term Investments	99,298,506.57
Total Checking/Savings	99,298,506.57
Accounts Receivable	
1110104 · Other Rec - Due from RT	6,615.70
Total Accounts Receivable	6,615.70
Other Current Assets	
1110120 · Prepays	11,262.50
Total Other Current Assets	11,262.50
Total Current Assets	99,316,384.77
TOTAL ASSETS	99,316,384.77
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
3110102 · Administrative Expense Payable	34,548.43
3110122 · MetWest	23,969.55
3110124 · Boston Partners	20,635.94
3110125 · Callan	3,469.38
3110126 · State Street	11,578.86
3110128 · Atlanta Capital	17,556.59
3110129 · S&P Index - SSgA	2,053.04
3110130 · EAFE - SSgA	928.72
3110132 · Pyrford	15,552.02
Total Accounts Payable	130,292.53
Total Current Liabilities	130,292.53
Total Liabilities	130,292.53
Equity	
3340101 · Retained Earnings	93,130,088.73
Net Income	6,056,003.51
Total Equity	99,186,092.24
TOTAL LIABILITIES & EQUITY	99,316,384.77

**Sacto Regional Transit District Retirement Plan - Salaried
Statement of Changes in Fiduciary Net Position
April through June 2019**

Accrual Basis

	Apr - Jun 19	% of Income
Income		
Interest, Dividend, & Other Inc	526,719.36	9.3%
Investment Income	2,861,056.00	50.4%
RT Required Contribution	2,230,039.09	39.3%
6630110 · Employee Contribution	62,443.53	1.1%
Total Income	5,680,257.98	100.0%
Cost of Goods Sold		
8531001 · Arbitration Transfer	-343,707.00	-6.1%
8531210 · AEA - Retirement Benefits Paid	830,338.30	14.6%
8531211 · AFSCME-Retirement Benefits Paid	604,101.66	10.6%
8531212 · MCEG - Retirement Benefits Paid	768,668.19	13.5%
8531213 · Employee Contribution Refunds	1,559.15	0.0%
8532004 · Invest Exp - MetropolitanWest	23,969.56	0.4%
8532013 · Invest Exp - Boston Partners	20,635.94	0.4%
8532020 · Invest Exp - Callan	10,372.07	0.2%
8532021 · Invest Exp - State Street	12,109.10	0.2%
8532024 · Invest Exp - Atlanta Capital	17,556.59	0.3%
8532025 · Invest Exp - S&P Index SSgA	2,053.04	0.0%
8532026 · Invest Exp - EAFE SSgA	928.72	0.0%
8532027 · Invest Exp - AQR	9,067.62	0.2%
8532028 · Invest Exp - Pyrford	15,552.02	0.3%
Total COGS	1,973,204.96	34.7%
Gross Profit	3,707,053.02	65.3%
Expense		
8533002 · Admin Exp - Actuary	15,925.54	0.3%
8533007 · Admin Exp - CALPRS Dues/Courses	3,264.43	0.1%
8533010 · Admin Exp - Travel	322.01	0.0%
8533014 · Admin Exp - Fiduciary Insurance	3,419.04	0.1%
8533020 · Admin Exp - Procurement Costs	0.00	0.0%
8533025 · Admin Exp - Information Service	10.43	0.0%
8533026 · Admin Exp - Legal Services	20,550.38	0.4%
8533028 · Admin Exp - Staff Training	178.38	0.0%
8533029 · Admin Exp - Administrator	25,214.97	0.4%
8533050 · Admin Exp - Misc Exp	0.00	0.0%
8533051 · Admin Exp - Audit	12,333.34	0.2%
Total Expense	81,218.52	1.4%
Net Income	3,625,834.50	63.8%

**Sacto Regional Transit District Retirement Plan - Salaried
Statement of Changes in Fiduciary Net Position
July 2018 through June 2019**

Accrual Basis

	Jul '18 - Jun 19	% of Income
Income		
Interest, Dividend, & Other Inc	1,879,082.95	12.7%
Investment Income	4,206,223.15	28.5%
RT Required Contribution	8,503,815.18	57.5%
6630110 · Employee Contribution	193,293.00	1.3%
Total Income	14,782,414.28	100.0%
Cost of Goods Sold		
8531001 · Arbitration Transfer	-343,707.00	-2.3%
8531210 · AEA - Retirement Benefits Paid	3,341,622.30	22.6%
8531211 · AFSCME-Retirement Benefits Paid	2,034,433.50	13.8%
8531212 · MCEG - Retirement Benefits Paid	2,962,172.76	20.0%
8531213 · Employee Contribution Refunds	35,265.42	0.2%
8532004 · Invest Exp - MetropolitanWest	93,066.77	0.6%
8532013 · Invest Exp - Boston Partners	80,393.79	0.5%
8532020 · Invest Exp - Callan	41,955.34	0.3%
8532021 · Invest Exp - State Street	45,836.66	0.3%
8532023 · Invest Exp - JP Morgan	0.00	0.0%
8532024 · Invest Exp - Atlanta Capital	65,640.92	0.4%
8532025 · Invest Exp - S&P Index SSgA	7,891.25	0.1%
8532026 · Invest Exp - EAFE SSgA	3,611.76	0.0%
8532027 · Invest Exp - AQR	37,696.44	0.3%
8532028 · Invest Exp - Pyrford	60,089.59	0.4%
Total COGS	8,465,969.50	57.3%
Gross Profit	6,316,444.78	42.7%
Expense		
8533002 · Admin Exp - Actuary	41,530.07	0.3%
8533007 · Admin Exp - CALPRS Dues/Courses	7,531.09	0.1%
8533008 · Admin Exp - Accounting Software	1,949.99	0.0%
8533010 · Admin Exp - Travel	975.20	0.0%
8533014 · Admin Exp - Fiduciary Insurance	13,093.05	0.1%
8533020 · Admin Exp - Procurement Costs	0.00	0.0%
8533025 · Admin Exp - Information Service	260.43	0.0%
8533026 · Admin Exp - Legal Services	84,744.52	0.6%
8533028 · Admin Exp - Staff Training	293.39	0.0%
8533029 · Admin Exp - Administrator	94,396.85	0.6%
8533050 · Admin Exp - Misc Exp	0.00	0.0%
8533051 · Admin Exp - Audit	15,666.68	0.1%
Total Expense	260,441.27	1.8%
Net Income	6,056,003.51	41.0%

**Sacramento Regional Transit District
Retirement Fund - Salaried
Schedule of Cash Activities
For the Three Months Period Ended June 30, 2019**

	April 2019	May 2019	June 2019	Quarter Totals
Beginning Balance:				
Due (from)/to District - March 31, 2019	(73,032.57)	137,597.41	(34,666.35)	(73,032.57)
Monthly Activity:				
<u>Deposits</u>				
District Pension Contributions @ 29.05 to 34.30%	704,115.98	778,219.15	747,703.96	2,230,039.09
Employee Pension Contributions	20,734.25	20,906.21	20,803.07	62,443.53
Total Deposits	<u>724,850.23</u>	<u>799,125.36</u>	<u>768,507.03</u>	<u>2,292,482.62</u>
<u>Expenses</u>				
Payout to Retirees:				
AEA	(278,430.07)	(276,517.45)	(275,390.78)	(830,338.30)
AFSCME	(203,852.77)	(209,733.59)	(190,515.30)	(604,101.66)
MCEG	(256,222.73)	(256,222.73)	(256,222.73)	(768,668.19)
Employee Contribution Refunds	-	-	(1,559.15)	(1,559.15)
Payout to Retirees Subtotal	<u>(738,505.57)</u>	<u>(742,473.77)</u>	<u>(723,687.96)</u>	<u>(2,204,667.30)</u>
Fund Investment Management Expenses:				
Boston Partners	(19,421.67)	-	-	(19,421.67)
SSgA S&P 500 Index	(1,954.44)	-	-	(1,954.44)
Atlanta Capital	(16,433.74)	-	-	(16,433.74)
Pyrford	(15,006.69)	-	-	(15,006.69)
SSgA EAFE MSCI	(896.00)	-	-	(896.00)
Metropolitan West	(23,424.17)	-	-	(23,424.17)
Callan	(3,445.68)	-	(6,902.69)	(10,348.37)
State Street	(11,405.54)	(3,801.20)	(7,756.57)	(22,963.31)
Fund Invest. Mgmt Exp. Subtotal	<u>(91,987.93)</u>	<u>(3,801.20)</u>	<u>(14,659.26)</u>	<u>(110,448.39)</u>
Administrative Expenses				
Actuarial Services	(2,782.34)	(3,686.67)	(3,724.04)	(10,193.05)
Legal Services	(6,850.14)	(6,850.13)	(6,850.13)	(20,550.40)
CALAPRS Training	-	-	(3,264.43)	(3,264.43)
Travel	-	(322.01)	-	(322.01)
Fiduciary Insurance	(13,765.00)	133.34	25.00	(13,606.66)
Investigation Information Services	-	(10.43)	-	(10.43)
Staff Training	(178.38)	-	-	(178.38)
Pension Administration	(8,036.32)	(7,448.14)	(9,730.51)	(25,214.97)
Administrative Exp. Subtotal	<u>(31,612.18)</u>	<u>(18,184.04)</u>	<u>(23,544.11)</u>	<u>(73,340.33)</u>
Total Expenses	<u>(862,105.68)</u>	<u>(764,459.01)</u>	<u>(761,891.33)</u>	<u>(2,388,456.02)</u>
Monthly Net Owed from/(to) District	(137,255.45)	34,666.35	6,615.70	(95,973.40)
Due To ATU Plan- Custodian Error	-	(341.96)	-	(341.96)
Payment from/(to) the District	<u>73,374.53</u>	<u>(137,255.45)</u>	<u>34,666.35</u>	<u>(29,214.57)</u>
Ending Balance:				
Due (from)/to the District (=Beginning balance + monthly balance-payment to District)	<u>137,597.41</u>	<u>(34,666.35)</u>	<u>(6,615.70)</u>	<u>(6,615.70)</u>

RT Combined Pension Plans - ATU, IBEW and Salaried
 Asset Allocation *
 As of June 30, 2019

Asset Class	Net Asset Market Value 6/30/2019	Actual Asset Allocation	Target Asset Allocation	% Variance	\$ Variance	Target Market Value
FUND MANAGERS:						
Domestic Equity:						
Large Cap Value - Boston Partners - Z8	\$ 46,241,830	15.51%	16.00%	-0.49%	\$ (1,460,590)	
Large Cap Growth - SSgA S&P 500 Index - XH	50,461,404	16.93%	16.00%	0.93%	2,758,984	
Total Large Cap Domestic Equity	96,703,234	32.44%	32.00%	0.44%	1,298,393	\$ 95,404,840
Small Cap - Atlanta Capital - XB	26,357,871	8.84%	8.00%	0.84%	2,506,660	23,851,210
International Equity:						
Large Cap Growth:						
Pyrford - ZD	27,796,043	9.32%	9.50%	-0.18%	(527,269)	
Large Cap Core:						
SSgA MSCI EAFE - XG	11,402,913	3.82%				
Value - Brandes - XE	0	0.00%				
Total Core	11,402,913	3.82%	4.50%	-0.68%	(2,013,393)	
Small Cap:						
AQR - ZB	12,987,509	4.36%	5.00%	-0.64%	(1,919,498)	
Emerging Markets						
DFA - ZA	16,457,161	5.52%	6.00%	-0.48%	(1,431,247)	
Total International Equity	68,643,625	23.02%	25.00%	-1.98%	(5,891,406)	74,535,032
Fixed Income:						
Met West - XD	106,435,396	35.70%	35.00%	0.70%	2,086,352	104,349,044
Total Combined Net Asset	\$ 298,140,126	100.00%	100.00%	0.00%	\$ (1)	\$ 298,140,126

Asset Allocation Policy Ranges*:	Minimum	Target	Maximum
Domestic Equity	35%	40%	45%
Large Cap (50/50 value/growth)	28%	32%	36%
Small Cap	5%	8%	11%
International Equity	20%	25%	30%
Large Cap Developed Markets	10%	14%	18%
Small Cap Developed Markets	3%	5%	7%
Emerging Markets	4%	6%	8%
Domestic Fixed Income	30%	35%	40%

* Per the Statement of Investment Objectives and Policy Guidelines as of 6/20/2018.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Balance Sheet
As of June 30, 2019**

Per Both Pension Fund Balance Sheets:	
ATU Allocated Custodial Assets	138,540,700
IBEW Allocated Custodial Assets	60,300,919
Salaried Allocated Custodial Assets	<u>99,298,507</u>
Total Consolidated Net Asset	<u><u>298,140,126</u></u>
Per Callan Report:	
Total Investments	<u><u>298,139,175</u></u>
Net Difference	<u><u>951</u></u> *

* The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Income Statement
For the Quarter Ended June 30, 2019**

Per Both Pension Fund Income Statements:	
ATU - Interest, Dividends, and Other Income	758,485
ATU - Investment Income	4,013,452
IBEW - Interest, Dividends, and Other Income	325,107
IBEW - Investment Income	1,749,392
Salaried - Interest, Dividends, and Other Income	517,652
Salaried - Investment Income	<u>2,861,056</u>
Total Investment Income	<u><u>10,225,143</u></u>
Per Callan Report:	
Investment Returns	<u><u>10,230,563</u></u>
Net Difference	<u><u>(5,420)</u></u> **

** The "Net Difference" amounts shown are the results of Callan and State Street using different valuations for the same securities and a timing difference on the AQR statement.

Reconciliation between Callan Report and Consolidated Schedule of Cash Activities For the Quarter Ended June 30, 2019				
	April	May	June	Total
Payments from/(to) the District				
Boston Partners - ATU			(54,258)	(54,258)
Boston Partners - IBEW				-
Boston Partners - Salaried			54,258	54,258
S&P 500 Index - ATU			(58,610)	(58,610)
S&P 500 Index - IBEW				-
S&P 500 Index - Salaried			58,610	58,610
Atlanta Capital - ATU			(30,314)	(30,314)
Atlanta Capital - IBEW				-
Atlanta Capital - Salaried			30,314	30,314
Pyrford - ATU			(31,780)	(31,780)
Pyrford - IBEW				-
Pyrford - Salaried			31,780	31,780
EAFE - ATU			(13,150)	(13,150)
EAFE - IBEW				-
EAFE - Salaried			13,150	13,150
Brandes - ATU				-
Brandes - IBEW				-
Brandes - Salaried				-
AQR - ATU			(15,314)	(15,314)
AQR - IBEW				-
AQR - Salaried			15,314	15,314
DFA - ATU			(19,252)	(19,252)
DFA - IBEW				-
DFA - Salaried			19,252	19,252
Metropolitan West - ATU	(255,904)	(372,471)	(370,706)	(999,082)
Metropolitan West - IBEW	(41,524)	(122,324)	(40,288)	(204,136)
Metropolitan West - Salaried	73,375	(137,255)	155,694	91,813
Total Payments from/(to) the District	<u>(224,054)</u>	<u>(632,051)</u>	<u>(255,299)</u>	<u>(1,111,404)</u>
Transfers In/(Out) of Investment Funds				
Boston Partners	-	-	-	-
S&P 500 Index	-	-	-	-
Atlanta Capital	-	-	-	-
Pyrford	-	-	-	-
EAFE	-	-	-	-
Brandes	-	-	-	-
AQR	-	-	-	-
DFA	-	-	-	-
Metropolitan West	(224,054)	(632,051)	(255,299)	(1,111,404)
Total Transfers In/(Out) of Investment Funds	<u>(224,054)</u>	<u>(632,051)</u>	<u>(255,299)</u>	<u>(1,111,404)</u>
Variance between Payments and Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Per Callan Report:				
Net New Investment/(Withdrawals)				(1,111,404)
Net Difference				<u>(0)</u>

Consolidated Schedule of Cash Activities For the 12-Months June 30, 2019					
	3Q18	4Q18	1Q19	2Q19	Total
Payments from/(to) the District					
Boston Partners - ATU	-	-	4	(54,258)	(54,254)
Boston Partners - IBEW	-	-	2	-	2
Boston Partners - Salaried	-	-	2	54,258	54,261
S&P 500 Index - ATU	-	(453,869)	-	(58,610)	(512,480)
S&P 500 Index - IBEW	-	(86,233)	-	-	(86,233)
S&P 500 Index - Salaried	-	(42,143)	-	58,610	16,468
Atlanta Capital - ATU	(572,143)	-	-	(30,314)	(602,457)
Atlanta Capital - IBEW	(121,006)	-	-	-	(121,006)
Atlanta Capital - Salaried	(79,419)	-	-	30,314	(49,105)
Pyrford - ATU	-	-	-	(31,780)	(31,780)
Pyrford - IBEW	-	-	-	-	-
Pyrford - Salaried	-	-	-	31,780	31,780
EAFE - ATU	-	-	-	(13,150)	(13,150)
EAFE - IBEW	-	-	-	-	-
EAFE - Salaried	-	-	-	13,150	13,150
Brandes - ATU	-	-	(4)	-	(4)
Brandes - IBEW	-	-	(2)	-	(2)
Brandes - Salaried	-	-	(2)	-	(2)
AQR - ATU	-	-	-	(15,314)	(15,314)
AQR - IBEW	-	-	-	-	-
AQR - Salaried	-	-	-	15,314	15,314
DFA - ATU	-	-	-	(19,252)	(19,252)
DFA - IBEW	-	-	-	-	-
DFA - Salaried	-	-	-	19,252	19,252
Metropolitan West - ATU	(327,866)	(299,003)	(800,166)	(999,082)	(2,426,117)
Metropolitan West - IBEW	(56,407)	(78,875)	(161,974)	(204,136)	(501,391)
Metropolitan West - Salaried	75,846	(106,423)	(59,788)	91,813	1,449
Total Payments from/(to) the District	<u>(1,080,995)</u>	<u>(1,066,545)</u>	<u>(1,021,928)</u>	<u>(1,111,404)</u>	<u>(4,280,871)</u>

**Sacramento Regional Transit District
ATU, IBEW and Salaried Retirement Plans
Schedule of Fund Investment Returns and Expenses
06/30/19**

	1 Year		1 Year			3 Years		3 Years		
	1 Year	%	Net of Fees Returns	Bench-Mark Returns	Favorable/(Unfavor) Basis Pts	3 Years	%	Net of Fees Returns	Bench-Mark Returns	Favorable/(Unfavor) Basis Pts
Boston Partners										
Investment Returns	2,243,056	100.00%				15,190,933	100.00%			
Investment Expense	(243,219)	10.84%				(730,103)	4.81%			
Net Gain/(Loss)	1,999,837	89.16%	4.53%	8.46%	(393.00)	14,460,830	95.19%	11.52%	10.19%	133.00
S&P 500										
Investment Returns	4,751,005	100.00%				18,187,051	100.00%			
Investment Expense	(23,871)	0.50%				(69,428)	0.38%			
Net Gain/(Loss)	4,727,134	99.50%	10.40%	10.42%	(2.00)	18,117,623	99.62%	14.16%	14.19%	(3.00)
Atlanta Capital										
Investment Returns	2,509,566	100.00%				10,419,650	100.00%			
Investment Expense	(198,544)	7.91%				(589,111)	5.65%			
Net Gain/(Loss)	2,311,022	92.09%	9.38%	-3.31%	1269.00	9,830,539	94.35%	14.30%	12.30%	200.00
Pyrford										
Investment Returns	1,653,567	100.00%				1,842,224	100.00%			
Investment Expense	(181,775)	10.99%				(381,180)	20.69%			
Net Gain/(Loss)	1,471,792	89.01%	5.59%	1.08%	451.00	1,461,044	79.31%	N/A	N/A	N/A
EAFE										
Investment Returns	161,949	100.00%				3,053,638	100.00%			
Investment Expense	(10,926)	6.75%				(31,815)	1.04%			
Net Gain/(Loss)	151,023	93.25%	1.34%	1.08%	26.00	3,021,823	98.96%	9.39%	9.11%	28.00
Brandes										
Investment Returns	(2,796)	100.00%				(2,765)	100.00%			
Investment Expense	-	0.00%				-	0.00%			
Net Gain/(Loss)	(2,796)	100.00%	N/A	N/A	N/A	(2,765)	100.00%	N/A	N/A	N/A
AQR										
Investment Returns	(1,615,725)	100.00%				1,508,611	100.00%			
Investment Expense	(113,489)	-7.02%				(372,308)	24.68%			
Net Gain/(Loss)	(1,729,214)	107.02%	-11.06%	-6.35%	(471.00)	1,136,303	75.32%	N/A	N/A	N/A
DFA										
Investment Returns	210,862	100.00%				3,782,120	100.00%			
Investment Expense	(106,878)	50.69%				(283,925)	7.51%			
Net Gain/(Loss)	103,984	49.31%	1.30%	1.22%	8.00	3,498,195		9.09%	10.66%	(157.00)
Metropolitan West										
Investment Returns	8,423,194	100.00%				9,363,703	100.00%			
Investment Expense	(281,545)	3.34%				(784,117)	8.37%			
Net Gain/(Loss)	8,141,649	96.66%	8.25%	7.87%	38.00	8,579,586	91.63%	2.87%	2.31%	56.00
Total Fund										
Investment Returns	18,334,678	100.00%				68,017,227	100.00%			
Investment Expense	(1,160,246)	6.33%				(3,302,983)	4.86%			
Net Gain/(Loss)	17,174,432	93.67%	6.23%	6.08%	15.00	64,714,244	95.14%	8.39%	8.86%	(47.00)

Schedule of Transfers, Retirements and Deaths
For the period: April 1, 2019 through June 30, 2019

Transfers:

Plan Assets Plan Assets

Emp#	Transferred From Position	Transferred To Position	Transferred		Transferred	
			From	To	From ATU	to Salaried
566	Bus Operator	Administrative Analyst I	ATU	Salaried	(19,681.00)	19,681.00
628	Bus Operator	Transportation Supervisor	ATU	Salaried	(25,261.00)	25,261.00
815	LR Train Operator	Transportation Supervisor	ATU	Salaried	(83,977.00)	83,977.00
1190	Fare Inspection Officer	Transportation Supervisor	ATU	Salaried	(85,010.00)	85,010.00
3593	Bus Operator	Transportation Supervisor	ATU	Salaried	(41,124.00)	41,124.00
3656	Bus Operator	Transportation Supervisor	ATU	Salaried	(36,524.00)	36,524.00
3681	Bus Operator	Transportation Supervisor	ATU	Salaried	(37,427.00)	37,427.00
3853	Customer Service Representative	Administrative Assistant I	ATU	Salaried	(14,702.00)	14,702.00
					<u>(343,706.00)</u>	<u>343,706.00</u>

Retirements

Emp#	Previous Position	EmpSubArea	RetirementDate
2554	Mechanic B	IBEW	4/1/2019
1655	System Design Manager	AEA	4/1/2019
939	Bus Operator	ATU	4/1/2019
2364	Customer Service Representative	ATU	4/13/2019
2876	Bus Operator	ATU	4/24/2019
1641	LR Mechanic A	IBEW	5/1/2019
432	Transportation Supervisor	AFSC	5/1/2019
830	Bus Operator	ATU	5/24/2019
2162	Sr. Rail Maintenance Worker	IBEW	6/1/2019
2746	Bus Operator	ATU	6/1/2019
3270	Admin Technician	AFST	6/1/2019
1131	Real Estate Admin Asset Administrator	MCEG	6/1/2019
2359	Director, Construction Management	MCEG	6/1/2019
1005	Asst Resident Engineer	AEA	6/1/2019
324	LR Operator	ATU	6/8/2019

Deaths

Emp#	EmpSubArea	Type	Date of Death
229	ATU	Life Alone	4/2/2019
1193	AEA	Disability Life Alone	4/25/2019
1464	AEA	50% J&S	5/12/2019

**Sacramento Regional Transit District
MCEG Special Retirement Board Meeting
Wednesday, July 24, 2019**

MEETING SUMMARY

ROLL CALL:

The Retirement Board was brought to order at 9:01 a.m. A quorum was present comprised as follows: Directors Li, Kennedy, Thorn and Alternate Flores.

This meeting was held as a common meeting of the five Sacramento Regional Transit District Retirement Boards.

By MCEG Resolution No. 19-03-205 for calendar year 2019, the Governing Board Member in attendance served as Common Chair of this Retirement Board meeting.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON AGENDA

None

CONSENT CALENDAR

None

NEW BUSINESS

1. Information: Educational Session on Alternative Investments (ALL). (Adelman)

Jamie Adelman introduced Anne Heaphy with Callan LLC, who provided an Educational Session on Alternative Investments. The session provided a high-level review on the Asset Liability Study and additional information on Real Estate investment.

All Boards agreed that, as a next step, Ms. Adelman will direct Callan LLC to conduct a search for a Real Estate asset class manager pursuant to the Boards' agreement with Callan LLC. The process will take approximately 2 months. Ms. Adelman will reach out to each Board for a member to be part of the committee for the Real Estate Fund Manager search.

REPORTS FROM COMMITTEES

None.

REPORTS, IDEAS AND COMMUNICATIONS

None

The meeting was adjourned at 9:49 a.m.

Roger Thorn, Chair

ATTEST:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
16	09/11/19	Retirement	Action	08/02/19

Subject: Adoption of the Regional Transit District (RT) Retirement Boards 2020 Meeting Calendar (ALL). (Weekly)

ISSUE

Adoption of the Regional Transit District (RT) Retirement Boards 2020 Meeting Calendar (ALL). (Weekly)

RECOMMENDED ACTION

Adopt Resolution No. 19-09-_____, Adopting the Regional Transit District Retirement Boards 2020 Meeting Calendar.

FISCAL IMPACT

There is no fiscal impact associated with this action.

DISCUSSION

The RT Retirement Boards have Regular meetings quarterly to review the performance of investments in RT's retirement funds by its fund managers and related business. Special meetings typically are called for items which require time for more lengthy discussions.

The proposed dates for Quarterly Retirement Board Meetings for the 2020 calendar year are:

- Wednesday, March 11th
- Wednesday, June 10th
- Wednesday, September 09th
- Wednesday, December 09th

In anticipation of several large projects and decisions coming before the Retirement Boards in 2020, staff is also proposing several tentative Special Meeting dates. If necessary, these dates can be utilized for in-depth discussion of items that require attention in addition or prior to regularly-scheduled Quarterly Retirement Board Meetings.

Approved:

Presented:

Final 08/27/19

Director, Finance and Treasury

Pension and Retiree Services Administrator

J:\Retirement Board\2019\IPs\Quarterly Meetings\September 11, 2019\Compling\#16 2020 Retirement Board Calendar.doc

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
16	09/11/19	Open	Action	08/02/19

Subject: Adoption of the Regional Transit District (RT) Retirement Boards 2020 Meeting Calendar (ALL). (Weekly)

The proposed dates for tentative Special Meetings for the 2020 calendar year are:

- Wednesday, February 26th
- Wednesday, April 22nd
- Wednesday, July 22nd
- Wednesday, October 28th

Staff recommends that the Board Members adopt a 9:00 a.m. start time for the 2020 meetings.

Staff recommends approval of the Regional Transit Retirement Boards 2020 Meeting Calendar, marked as Exhibit A.

2020 RETIREMENT BOARD CALENDAR

SACRAMENTO REGIONAL TRANSIT RETIREMENT BOARD
REGIONAL TRANSIT AUDITORIUM (ROOM 114) – 1400 29TH STREET
SACRAMENTO, CALIFORNIA

9:00 AM

Wednesday.....Regular Meeting.....March 11, 2020
Wednesday.....Regular Meeting.....June 10, 2020
Wednesday.....Regular Meeting.....September 09, 2020
Wednesday.....Regular Meeting.....December 09, 2020

Wednesday.....Special Meeting.....*February 26, 2020
Wednesday.....Special Meeting.....*April 22, 2020
Wednesday.....Special Meeting.....*July 22, 2020
Wednesday.....Special Meeting.....*October 28, 2020

**Special Meeting dates are tentative. If necessary, these dates can be utilized for items that require attention prior to the scheduled quarterly Board Meeting.*

RESOLUTION NO. 19-09-_____

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the ATU Local Union 256 on this date:

September 11, 2019

**ADOPTING THE REGIONAL TRANSIT DISTRICT RETIREMENT BOARDS 2020
MEETING CALENDAR**

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE ATU LOCAL UNION 256 AS FOLLOWS:

THAT, the meeting schedule set out in attached Exhibit A for the meetings of the Regional Transit District ATU Retirement Board for calendar year 2020, is hereby adopted.

RALPH NIZ, Chair

A T T E S T:

Henry Li, Secretary

By: _____
Valerie Weekly, Acting Assistant Secretary

RESOLUTION NO. 19-09-_____

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the IBEW Local Union 1245 on this date:

September 11, 2019

ADOPTING THE REGIONAL TRANSIT DISTRICT RETIREMENT BOARDS 2020 MEETING CALENDAR

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE IBEW LOCAL UNION 1245 AS FOLLOWS:

THAT, the meeting schedule set out in attached Exhibit A for the meetings of the Regional Transit District IBEW Retirement Board for calendar year 2020, is hereby adopted.

ERIC OHLSON, Chair

A T T E S T:

Henry Li, Secretary

By: _____
Valerie Weekly, Acting Assistant Secretary

RESOLUTION NO. 19-09-_____

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the AEA on this date:

September 11, 2019

**ADOPTING THE REGIONAL TRANSIT DISTRICT RETIREMENT BOARDS 2020
MEETING CALENDAR**

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE AEA AS FOLLOWS:

THAT, the meeting schedule set out in attached Exhibit A for the meetings of the Regional Transit District AEA Retirement Board for calendar year 2020, is hereby adopted.

RUSSEL DEVORAK, Chair

A T T E S T:

Henry Li, Secretary

By: _____
Valerie Weekly, Acting Assistant Secretary

RESOLUTION NO. 19-09-_____

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the AFSCME on this date:

September 11, 2019

**ADOPTING THE REGIONAL TRANSIT DISTRICT RETIREMENT BOARDS 2020
MEETING CALENDAR**

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE AFSCME AS FOLLOWS:

THAT, the meeting schedule set out in attached Exhibit A for the meetings of the Regional Transit District AFSCME Retirement Board for calendar year 2020, is hereby adopted.

, Chair

A T T E S T:

Henry Li, Secretary

By: _____
Valerie Weekly, Acting Assistant Secretary

RESOLUTION NO. 19-09-_____

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the MCEG on this date:

September 11, 2019

**ADOPTING THE REGIONAL TRANSIT DISTRICT RETIREMENT BOARDS 2020
MEETING CALENDAR**

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE MCEG AS FOLLOWS:

THAT, the meeting schedule set out in attached Exhibit A for the meetings of the Regional Transit District MCEG Retirement Board for calendar year 2020, is hereby adopted.

ROGER THORN, Chair

A T T E S T:

Henry Li, Secretary

By: _____
Valerie Weekly, Acting Assistant Secretary

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
17	09/11/19	Retirement	Information	08/05/19

Subject: Update on Roles and Responsibilities Related to Pension Administration (ALL). (Weekly)

ISSUE

Presentation regarding the transition of roles and responsibilities of various District Staff members related to administration of the Pension Plans as well as updates on Staff costs and Legal Services (ALL). (Weekly)

RECOMMENDED ACTION

None associated with this matter.

FISCAL IMPACT

None associated with this matter.

DISCUSSION

The attached documents are provided quarterly to keep the Retirement Boards informed about the various duties of RT staff and consultants (including the Retirement Boards' Legal Counsel) relative to administration and management of the pension plans and assets, and associated costs.

Attachment A – Pension Administration Staff Roles and Responsibilities

Attachment B – RT Staff Costs Attributable and Charged to RT Pension Plans

Attachment C – Summary of Legal Services Provided for the Quarter Ending June 30, 2019

Approved:

Presented:

Final 08/27/19

Director, Finance and Treasury

Pension & Retiree Services Administrator

J:\Retirement Board\2019\IPs\Quarterly Meetings\September 11, 2019\HR Working IPs\IP-Update on Roles and Responsibilities.doc

Pension Administration Staff Roles and Responsibilities

Plan Administration

Customer Relations:

Task	Primary Responsibility	Back Up Responsibility
Retirement Meetings	Pension and Retirement Services Administrator (PRSA)	Pension Analyst
Research and address benefit discrepancies	PRSA	Pension Analyst
Disability Retirements	PRSA	Pension Analyst
Conduct Educational Sessions	PRSA	Pension Analyst
Respond to all Employee and Retiree inquiries	Pension Analyst	PRSA
Creation of Pension Estimates	Pension Analyst	PRSA
Processing Employee and Retiree Deaths	Pension Analyst	PRSA
Administration of Active and Term Vested (TV) Retirement Process, including: <ul style="list-style-type: none"> • Notifications • Lost Participant Process (TV) • Collection of all required documents • Legal/Compliance Review • Approval by General Manager 	Pension Analyst	PRSA
Converting Employees to Retirees in SAP	Pension Analyst	Sr. HR Analyst - HRIS
Lost participant process for returned checks/stubs	Pension Analyst	PRSA
48-Month Salary Calculations	Pension Analyst	Payroll Supervisor and PRSA
Distribution of employee required contributions (per contract or PEPRA): <ul style="list-style-type: none"> • Send notification • Collect documentation • Lost participant process • Apply interest • Process check 	Pension Analyst	PRSA
Conduct Lost Participant Searches	Pension Analyst	PRSA
Administer Retiree Medical	Sr. HR Analyst	Sr. HR Analyst
Managing Stale Dated and Lost Check Replacement	Payroll Analyst and Treasury Controller	Payroll Supervisor
Copies of Retiree Pay Stubs and 1099R's	Payroll Analyst	Payroll Supervisor
Printing, Stuffing, and Mailing Pay Stubs	Payroll Analyst	Payroll Supervisor
Verification of Retiree Wages: gross pay, net wages, no pre-tax deductions, taxes	Pension Analyst (HR) and Payroll Analyst	Pension Analyst and/or Payroll Supervisor

Process Retirement Board Vendor Invoices	Pension Analyst	PRSA
Collection of Form 700 from Retirement Board Vendors	Pension Analyst	PRSA

Plan Documents:

Task	Primary Responsibility	Back Up Responsibility
Negotiation of Benefits, Provisions	Director, Labor Relations	To be determined
Incorporate Negotiated Benefits/Provisions into Plan Documents	Deputy Chief Counsel, RT	Chief Counsel, RT
Interpretation of Provisions	PRSA and Deputy Chief Counsel, RT	Chief Counsel, RT
Guidance to Staff regarding legal changes that affect Plans	PRSA and Deputy Chief Counsel, RT	Chief Counsel, RT

Vendor Administration:

Task	Primary Responsibility	Back Up Responsibility
Legal Services (Hanson Bridgett) Contract Procurement	PRSA and Treasury Controller	VP Treasury/CFO
Actuarial Services (Cheiron) Contract Procurement	PRSA and Treasury Controller	VP Treasury/CFO
Retirement Board Policy Development and Administration	PRSA and Treasury Controller Hanson Bridgett and Cheiron	VP Treasury/CFO Hanson Bridgett and Cheiron

Retirement Board Administration:

Task	Primary Responsibility	Back Up Responsibility
Creation of Agenda/IPs	Staff Presenting Issue to Board	n/a
Creation and Distribution of Retirement Board Packages	PRSA	Treasury Controller
Management of Retirement Board Meetings	PRSA	Treasury Controller
Moderate Retirement Board Meeting	Pension Analyst	PRSA
Preparation and Process Travel Arrangements for Retirement Board Members for Training	Pension Analyst	PRSA
Training of Staff/Board Members	PRSA and Treasury Controller	Staff/Vendor SME
New Retirement Board Member Training	PRSA and Treasury Controller	Staff/Vendor SME
Collection of Fiduciary Insurance Payments from Retirement Board Members	Pension Analyst	PRSA
Coordinate Retirement Board Agenda Development and Posting	Pension Analyst	PRSA

Semi-Annual/Annual/Bi-Annual Administration:

Task	Primary Responsibility	Back Up Responsibility
Valuation Study	PRSA and Treasury Controller	VP Treasury/CFO
Experience Study	PRSA and Treasury Controller	VP Treasury/CFO
Fiduciary Liability Insurance	PRSA	Treasury Controller
Responses to Public Records Act Requests	PRSA	Treasury Controller
Statement of Investment Objectives and Policy Guidelines management	Treasury Controller	VP Treasury/CFO

Contract Administration:

Task	Primary Responsibility	Back Up Responsibility
Adherence to contract provisions	PRSA and Treasury Controller	VP Treasury/CFO
Payment of Invoices	Treasury Controller or PRSA	VP Treasury/CFO
Contract Management, including RFP process	PRSA and Treasury Controller	VP Treasury/CFO

Asset Management:

Task	Primary Responsibility	Back Up Responsibility
Asset Rebalancing	Treasury Controller	VP Treasury/CFO
Account Reconciliations	Treasury Controller	VP Treasury/CFO
Cash Transfers	Treasury Controller	VP Treasury/CFO
Fund Accounting	Treasury Controller	VP Treasury/CFO
Investment Management	Treasury Controller	VP Treasury/CFO
Financial Statement Preparation	Treasury Controller	VP Treasury/CFO
Annual Audit	Treasury Controller	VP Treasury/CFO
State Controller's Office Reporting	Treasury Controller	VP Treasury/CFO
U.S. Census Bureau Reporting	Treasury Controller	VP Treasury/CFO
Work with Contractors (Investment advisors (Callan), Custodian (State Street), Fund Managers, Auditors, and Actuary (Cheiron))	Treasury Controller	VP Treasury/CFO
Review Monthly Asset Rebalancing	Treasury Controller	VP Treasury/CFO

Pension Administration Costs
For the Time Period: April 1, 2019 to June 30, 2019

Sum of Value TranCurr			
WBS Element	Source object name	Per	Total
SAXXXX.PENATU	Human Resources / Martinelli, Christin	010	861.96
		011	235.08
		012	430.98
	Human Resources / Montung-Fuller, Mari	010	3,533.89
		011	3,242.87
		012	2,161.91
	Human Resources / Weekly, Valerie	010	1,100.76
		011	846.76
		012	1,524.12
SAXXXX.PENATU Total			13,938.33
SAXXXX.PENIBEW	Human Resources / Martinelli, Christin	010	522.40
		011	235.08
		012	430.98
	Human Resources / Montung-Fuller, Mari	010	748.38
		011	873.10
		012	706.79
	Human Resources / Weekly, Valerie	010	762.12
		011	635.10
		012	423.39
SAXXXX.PENIBEW Total			5,337.34
SAXXXX.PENSALA	Human Resources / Martinelli, Christin	010	679.12
		011	235.08
		012	430.98
	Human Resources / Montung-Fuller, Mari	010	1,080.99
		011	1,288.86
		012	914.66
	Human Resources / Weekly, Valerie	010	931.41
		011	592.72
		012	1,481.76
SAXXXX.PENSALA Total			7,635.58
SAXXXX.PENSION	Finance And Treasury / Adelman, Jamie	010	745.60
		011	1,118.38
		012	1,043.83
	Finance And Treasury / Gardner, Leona	010	98.79
		011	691.51
		012	2,469.70
	Finance And Treasury / Mata, Jennifer	010	1,038.57
		011	849.94
		012	655.28
	Human Resources / Martinelli, Christin	010	731.36
		011	235.08
		012	430.98

SAXXXX.PENSION	Human Resources / Montung-Fuller, Mari	010	7,483.52
		011	8,273.46
		012	8,273.44
	Human Resources / Weekly, Valerie	010	4,487.55
		011	2,370.81
		012	6,688.98
	Finance And Treasury / Volk, Lynda	010	1,449.02
		011	2,455.27
		012	1,147.14
SAXXXX.PENSION Total			52,738.21
(blank)			
Grand Total			79,649.46

**HANSON BRIDGETT LLP &
SACRAMENTO REGIONAL TRANSIT DISTRICT RETIREMENT BOARDS**

LEGAL SERVICES SUMMARY

Set forth below is a broad summary report of significant legal matters addressed by Hanson Bridgett LLP for the Sacramento Regional Transit District Retirement Boards during the Quarter ended June 30, 2019.

1. Weekly client conference calls and internal conferences on pending matters, upcoming Board meetings and follow-up from prior Board meetings.
2. Preparation for and participation in Quarterly Board Meetings, including review and markup of agenda materials and related Board Chair conference calls.
3. Support custodian services procurement process.
4. Review and respond to issues regarding operations audit.
5. Review and revise draft policy for distribution and redeposit of member contributions.
6. Review and revise draft amendments to IBEW and Salaried Plans.
7. Address changes to bargaining unit designation.
8. Review and analyze Asset/Liability Study.
9. Provide counsel on issues including, but not limited to:
 - a. Financial reporting;
 - b. Calculation of benefits under various scenarios;
 - c. Fiduciary duties.

Respectfully Submitted,

/s/ Shayna M. van Hoften

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
18	09/11/19	Retirement	Information	08/31/19

Subject: Investment Performance Review by Dimensional Fund Advisors (DFA) for the ATU, IBEW and Salaried Retirement Funds for the International Emerging Markets Asset Class for the Quarter Ended June 30, 2019 (ALL). (Adelman)

ISSUE

Investment Performance Review by Dimensional Fund Advisors (DFA) for the ATU, IBEW and Salaried Retirement Funds for the International Emerging Markets Asset Class for the Quarter Ended June 30, 2019 (ALL). (Adelman)

RECOMMENDED ACTION

Information Only

FISCAL IMPACT

None.

DISCUSSION

Retirement funds are invested consistent with the Statement of Investment Objectives and Policy Guidelines (Policy) adopted by each Retirement Board (Board). The Board shall meet at least every eighteen (18) months with each investment manager to review the performance of its investment, the adherence to the Policy, and any material changes to its organization. The Policy also establishes the Retirement Funds' asset allocation policy and the asset classes in which the Plans funds are invested. The asset classes established by the Policy are (1) Domestic Large Capitalization Equity, (2) Domestic Small Capitalization Equity, (3) International Large Capitalization Equity, (4) International Small Capitalization Equity, (5) International Emerging Markets, and (6) Domestic Fixed-Income.

DFA is the Retirement Boards' International Emerging Markets fund manager. DFA will be presenting performance results for the quarter ended June 30, 2019, shown in Attachment 1, and answering any questions.

Approved:

Final 08/28/2019

VP of Finance/CFO

Presented:

Director, Finance and Treasury

J:\Retirement Board\2019\IPs\Quarterly Meetings\September 11, 2019\FI FINAL IPs\09-11-19 Fund Manager Review - DFA.docx

Sacramento Regional Transit District

September 11, 2019

Chermaine Fullinck, Regional Director

This information is provided for registered investment advisors and institutional investors and is not intended for public use.

Dimensional Fund Advisors LP is an investment advisor registered with the Securities and Exchange Commission. **Consider the investment objectives, risks, and charges and expenses of the Dimensional funds carefully before investing. For this and other information about the Dimensional funds, please read the prospectus carefully before investing. Prospectuses are available by calling Dimensional Fund Advisors collect at (512) 306-7400 or at us.dimensional.com.**

Dimensional funds are distributed by DFA Securities LLC.

Relationship Summary: Sacramento Regional Transit District

As of July 31, 2019

Inception Date: 5/17/2013	
Beginning Value	\$10,799,116
Net Investment Contributions	\$3,333,361
Reinvested Income	\$1,703,958
Change in Market Value	\$188,263
Market Value (7/31/2019)	\$16,024,698

Performance for the portfolio is reported net of all advisory fees and includes reinvestment of dividends and other earnings.

Performance data shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain the most current month-end performance data, visit us.dimensional.com.

See "Appendix: Standardized Performance Data and Disclosures" to learn how to obtain complete information on performance, investment objectives, risks, advisory fees, and expenses of Dimensional's funds.

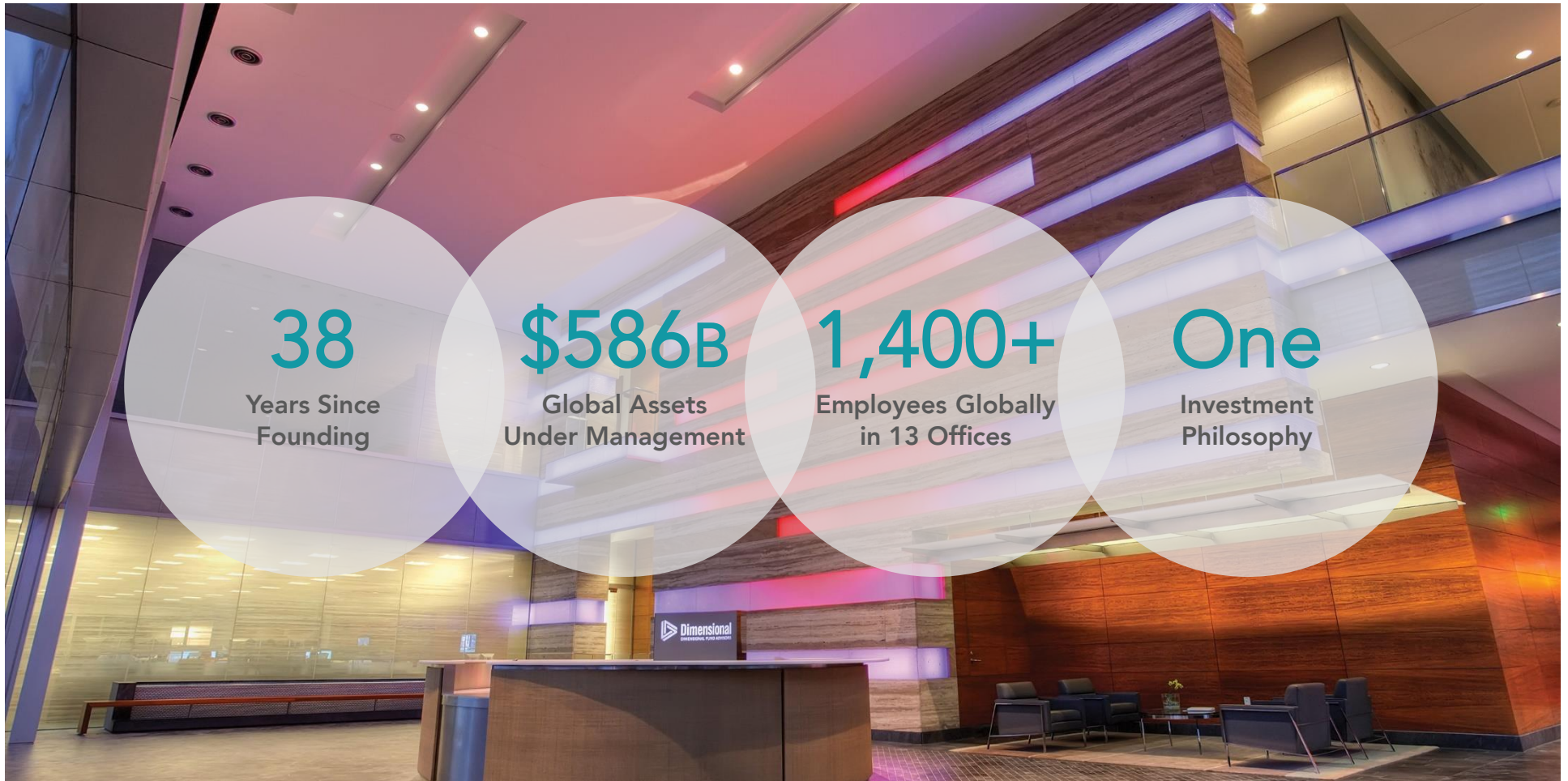
Agenda

- Dimensional
- Investment Philosophy
- Emerging Markets Core Equity Portfolio
- Performance
- Summary
- Appendix

Dimensional

Dimensional at a Glance

As of June 30, 2019



Assets in US dollars.

"Dimensional" refers to the Dimensional separate but affiliated entities generally, rather than to one particular entity. These entities are Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., Dimensional Japan Ltd., and Dimensional Hong Kong Limited. Dimensional Hong Kong Limited is licensed by the Securities and Futures Commission to conduct Type 1 (dealing in securities) regulated activities only and does not provide asset management services.

Dimensional Evolves as Financial Science Progresses

Key breakthroughs in finding and capturing dimensions of higher expected returns

Company Size

Dimensional offers investors diversified, cost-efficient access to small companies.

1981

Relative Price

Fama/French research identifies market, size, and price factors as the principal drivers of equity returns.

1992

Total Market Solutions

Advancement in portfolio design provides value-added, efficient, diversified, all-cap equity solutions focused on dimensions of higher expected returns.

2004

Profitability

Research identifies profitability as a robust proxy for a new investable dimension of higher expected returns.

2012

1983

Term Structure

Dimensional applies variable maturity approach to fixed income, using research that shows implied forward interest rates provide information on expected term premiums.

2009

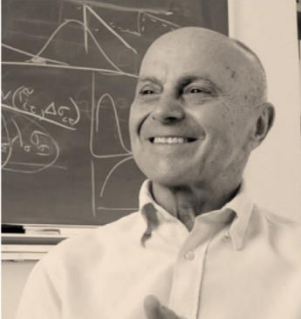
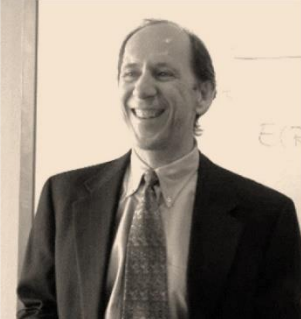


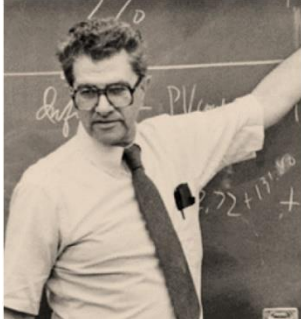

Credit Spreads

Dimensional applies variable credit approach to fixed income based on research that shows credit spreads provide information on expected credit premiums.

Investment risks include loss of principal and fluctuating value. Small cap securities are subject to greater volatility than those in other asset categories. Profitability is a measure of current profitability, based on information from individual companies' income statements. Relative price is the price of a security as it compares to another.

A Heritage of Leading Research

The bar for research at Dimensional has been set by the best in the field

					
Eugene Fama	Kenneth French	Robert Merton	Robert Novy-Marx	Merton Miller	Myron Scholes
University of Chicago Dimensional Director and Consultant, Dimensional, ¹ 1981–present	Dartmouth College Consultant, Dimensional, ¹ 1986–present Co-Chair of the Investment Research Committee, Dimensional, ¹ 2006–present Dimensional Director, 2006–present	MIT Director, Dimensional US Mutual Funds, 2003–2009 Resident Scientist, Dimensional Holdings Inc., 2010–present	University of Rochester Consultant, Dimensional, ¹ 2014–present	University of Chicago Independent Director, Dimensional US Mutual Funds, 1981–2000	Stanford University Independent Director, Dimensional US Mutual Funds, 1981–present

“At Dimensional, we don’t jump on every new idea that comes along. We’re looking for what will stand up over a long period of time.”

Eugene Fama
Nobel laureate, 2013

¹. Dimensional Fund Advisors LP.
“Dimensional Directors” refers to the Board of Directors of the general partner of Dimensional Fund Advisors LP.

Implementation Requires Expertise

Adding value over benchmarks and peers through cost-efficient portfolio management, design, and trading



GERARD K. O'REILLY, PhD
Co-Chief Executive Officer
and Chief Investment Officer

Global Investment Solutions



MARLENA LEE, PhD
Head of Investment Solutions

Global Research



SAVINA RIZOVA, PhD
Head of Research



PETE DILLARD
Chief Data Officer and
Head of Investment Analytics and Data



Global Portfolio Management



JED FOGDALL
Global Head of Portfolio Management



DAVE PLECHA
Global Head of Fixed Income



MARY PHILLIPS
Deputy Head of Portfolio Management,
North America



ALLEN PU, PhD
Deputy Head of Portfolio Management,
North America



JOEL SCHNEIDER
Deputy Head of Portfolio Management,
North America



NATHAN LACAZE
Co-Chief Executive Officer, Dimensional Fund Advisors Ltd. and Head of EMEA Portfolio Management



BHANU SINGH
Head of Asia Pacific Portfolio Management



RYAN WILEY
Head of Global Equity Trading



JASON LAPPING
Head of International Equity Trading

Investment professional headcount information as of June 30, 2019. Individual names and titles as of August 1, 2019.

Experienced Teams Help Ensure Consistency

High degree of practitioners' knowledge and experience across market cycles

Investment Committee¹

Average 21 Years of Industry Experience
Average 18 Years of Firm Experience

David Booth, Founder and Executive Chairman

David Butler, Co-Chief Executive Officer and Dimensional Director

Gerard O'Reilly, Co-Chief Executive Officer, Chief Investment Officer, and Dimensional Director

Stephen A. Clark, President of Dimensional International

Robert Deere, Senior Investment Director

Jed Fogdall, Investment Committee Chairman and Head of Global Portfolio Management

Joseph Kolerich, Senior Portfolio Manager

Mary Phillips, Deputy Head of Portfolio Management, North America

David Plecha, Global Head of Fixed Income

Allen Pu, Deputy Head of Portfolio Management, North America

Savina Rizova, Co-Head of Research

Joel Schneider, Deputy Head of Portfolio Management, North America

Karen Umland, Senior Portfolio Manager

Ryan Wiley, Head of Global Equity Trading

Portfolio Management

Average 14 Years of Industry Experience
Average 10 Years of Firm Experience

Austin

Jed Fogdall, Head of Global Portfolio Management

Joel Schneider, Deputy Head of Portfolio Management, North America

Senior Portfolio Managers:
William Collins-Dean, Joe Hohn, Arun Keswani, Joseph Kolerich, Lukas Smart

Portfolio Managers:
Ashish Bhagwanjee, Gavin Crabb, Damian Dormer, Alan Hutchison, Marc Corona Leblond, Brendan McAndrews, John Morrison, Pamela Noble, Andres Torres, Ethan Wren, Matthew Zenz

Charlotte

Mary Phillips, Deputy Head of Portfolio Management, North America

Marcus Axthelm, Senior Portfolio Manager

Portfolio Managers:
Horacio Carias, Travis Meldau

Santa Monica

Robert Deere, Senior Investment Director

David Plecha, Global Head of Fixed Income

Allen Pu, Deputy Head of Portfolio Management, North America

Senior Portfolio Managers:
Joseph Chi, Mitchell Firestein, Daniel Ong, Grady Smith, Karen Umland

Portfolio Managers:
Patrick Brown, Alexander Fridman, John Hertzler, David Shao, Brian Walsh

London

Nathan Lacaze, Co-CEO, Dimensional Fund Advisors Ltd. and Head of EMEA Portfolio Management

Senior Portfolio Managers:
Paul Foley, Joel Kim

Portfolio Managers:
Kipp Cummins, Krati Gupta, Althea Trevor, Adam Ward, Jim Whittington

Sydney

Bhanu Singh, Head of Asia Pacific Portfolio Management and Director

Robert Ness, Senior Portfolio Manager

Portfolio Managers:
Murray Cockerell, Stephen Garth, Slava Platkov, Gillian Wilson, Craig Wright

Tokyo

Kotaro Hama, Senior Portfolio Manager

Singapore

Portfolio Managers:
Juno Chen, Emily Cornell

Trading

Average 15 Years of Industry Experience
Average 11 Years of Firm Experience

Austin

Senior Traders: Christian Gunther, David LaRusso, Christopher Rink, Scott Van Pelt

Traders: Joel Mitter, Robert Richardson, Elizabeth Van Pelt

Charlotte

Senior Traders: Christine Ivanick, Polly Weiss

Santa Monica

Ryan Wiley, Head of Global Equity Trading

Le Tran, Senior Trader

Traders: Claudette Higdon, Erhan Oktay

London

Senior Traders: Mark Butterworth, William Letheren

Traders: James Simpson, Archit Soni

Sydney

Jason Lapping, Head of International Equity Trading

Senior Traders: David Vrolyk, Sam Willis

Jian Du, Trader

Singapore

Traders: Jonathan Smith, Hayato Yonemori

As of March 31, 2019.

1. Dimensional Fund Advisors LP Investment Committee.

Locations with offices operated by Dimensional. "Dimensional" refers to the Dimensional entities generally, rather than to one particular entity. These entities are Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., Dimensional Japan Ltd., and Dimensional Hong Kong Limited. Dimensional Hong Kong Limited is licensed by the Securities and Futures Commission to conduct Type 1 (dealing in securities) regulated activities only and does not provide asset management services.

Dimensional Investing



“It’s 10% having a good idea and 90% implementing that idea and making it work. Dimensional has been making it work for decades.”

Robert Merton
Nobel laureate, 1997

Investment Philosophy

Increasing Expected Returns and Managing Risk Every Day

Use current information to balance premiums with diversification and costs over multiple time scales

Long-term

Company Size

Relative Price

Profitability

Short-term

Momentum

Securities Lending

Intra-day

Trading Costs

Drivers of Long-Term Asset Allocation

Company Size

SMALL CAP PREMIUM

small vs. large companies

Relative Price¹

VALUE PREMIUM

value vs. growth companies

Profitability²

PROFITABILITY PREMIUM

high vs. low profitability companies

To be considered a dimension of expected return, a premium must be:

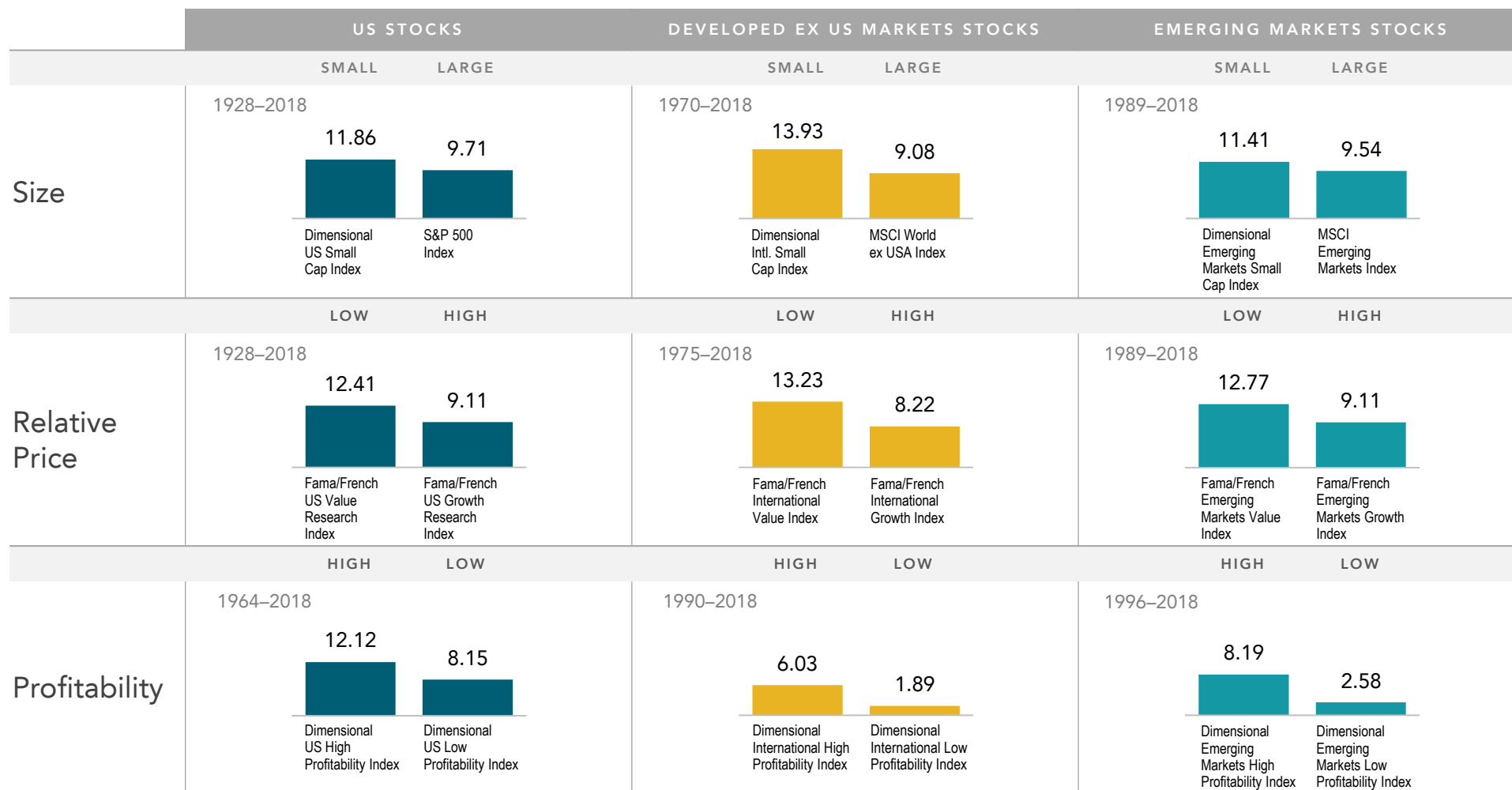
- Sensible
- Persistent
- Pervasive
- Robust
- Cost-effective

1. Relative price as measured by the price-to-book ratio; value stocks are those with lower price-to-book ratios.

2. Profitability is a measure of current profitability, based on information from individual companies' income statements.

Dimensions of Expected Returns

Illustrative index performance: Annualized compound returns (%) in US dollars



In USD. MSCI indices are gross div.

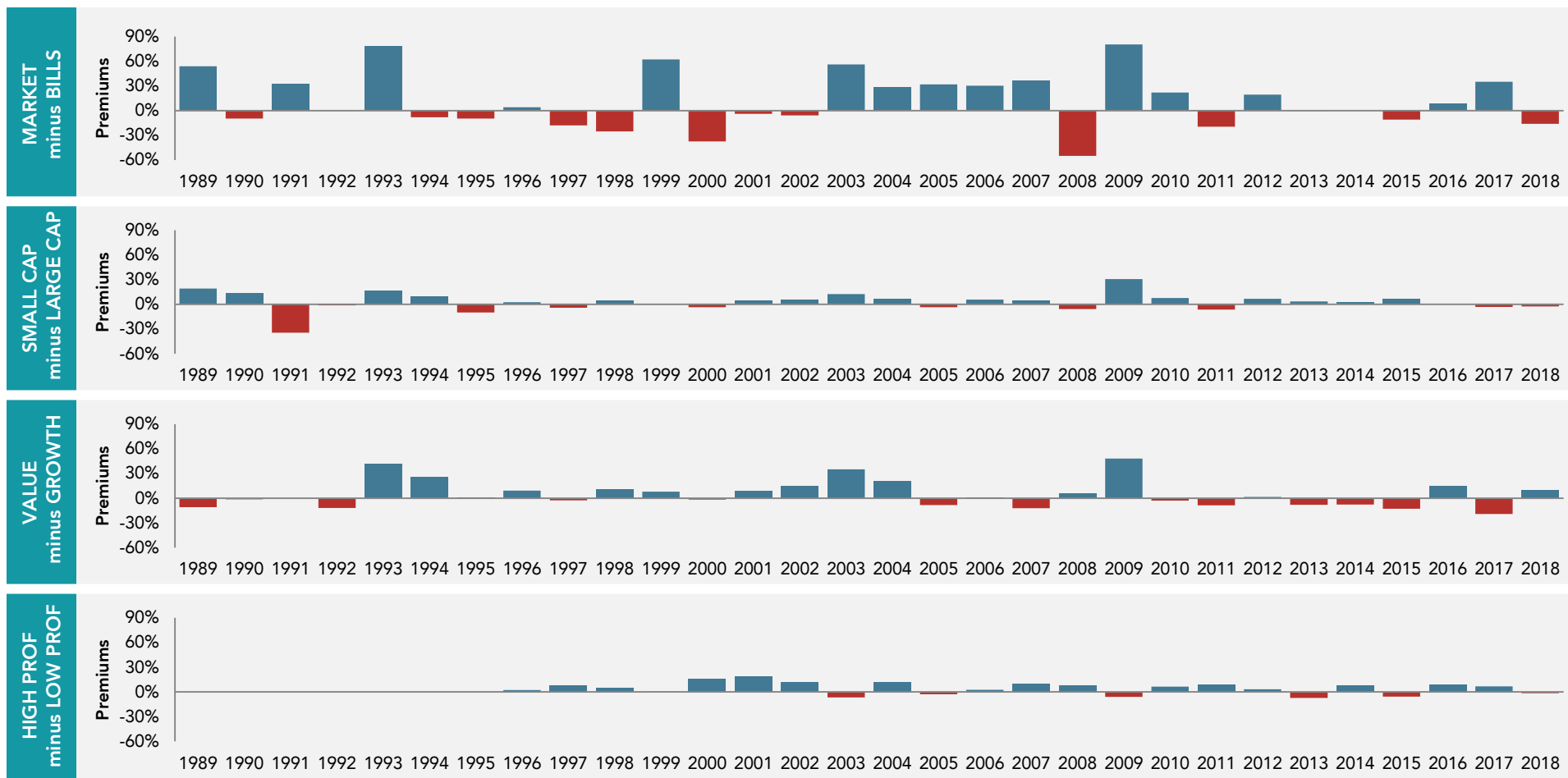
Profitability is measured as operating income before depreciation and amortization minus interest expense, scaled by book.

Indices are not available for direct investment. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Past performance is no guarantee of future results. Actual returns may be lower.

See "Index Descriptions" in the appendix for descriptions of Dimensional and Fama/French index data. Eugene Fama and Ken French are members of the Board of Directors of the general partner of, and provide consulting services to, Dimensional Fund Advisors LP. S&P data © 2019 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. MSCI data © MSCI 2019, all rights reserved.

Yearly Observations of Premiums

Equity, size, relative price, and profitability: Emerging Markets



In USD. Yearly premiums are calculated as the difference in one-year returns between the two indices described. Market minus Bills: Fama/French Emerging Markets Index minus One-Month US Treasury Bills. Small Cap minus Large Cap: Dimensional Emerging Markets Small Cap Index minus MSCI Emerging Markets Index (gross div.). Value minus Growth: Fama/French Emerging Markets Value Index minus Fama/French Emerging Markets Growth Index. High Prof minus Low Prof: Dimensional Emerging Markets High Profitability Index minus the Dimensional Emerging Markets Low Profitability Index.

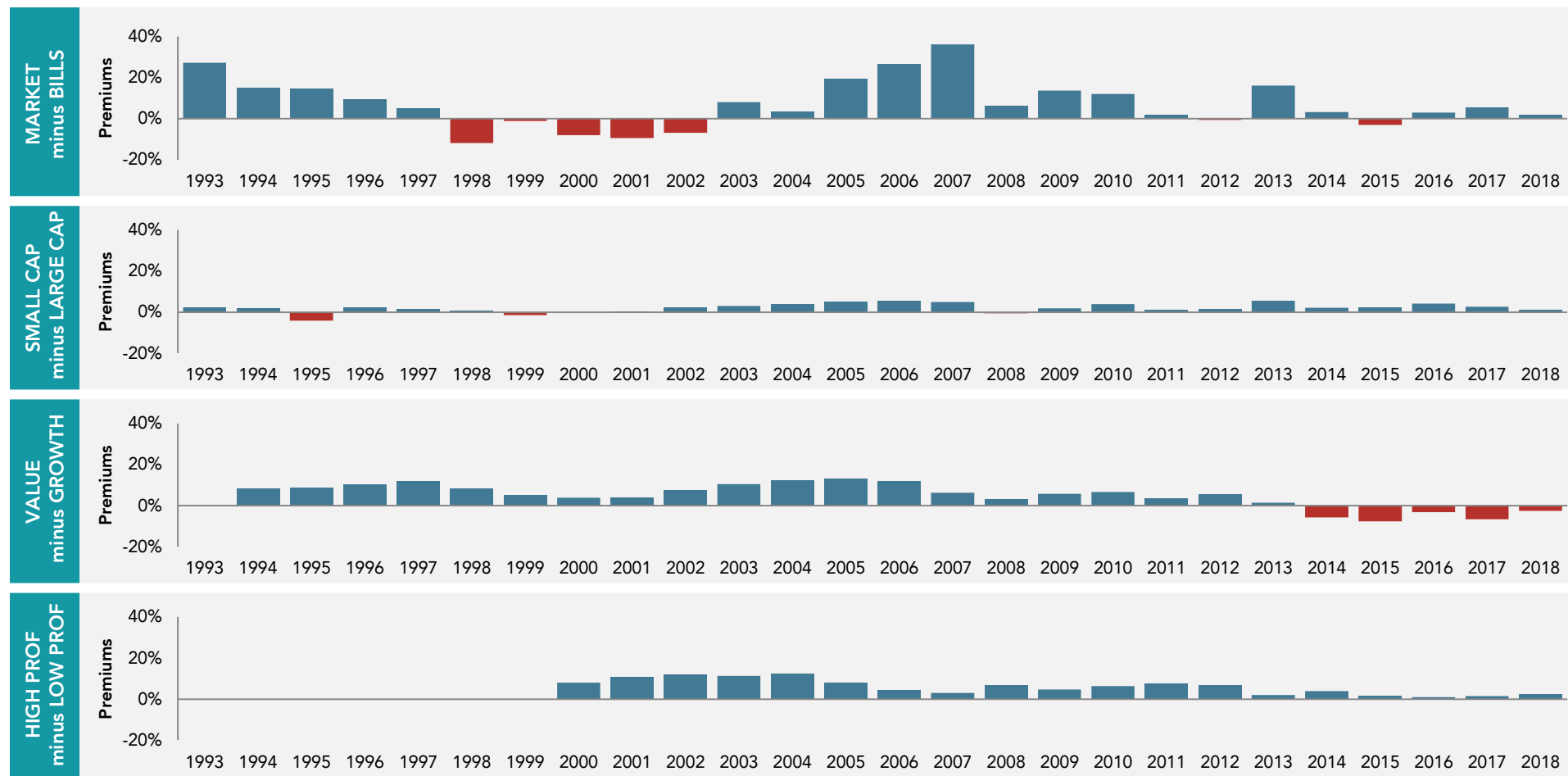
Profitability is measured as operating income before depreciation and amortization minus interest expense, scaled by book.

Indices are not available for direct investment. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Past performance is no guarantee of future results.

Actual returns may be lower. See "Index Descriptions" in the appendix for descriptions of Dimensional and Fama/French index data. Eugene Fama and Ken French are members of the Board of Directors of the general partner of, and provide consulting services to, Dimensional Fund Advisors LP. "One-Month Treasury Bills" is the IA SBBI US 30 Day TBill TR USD, provided by Morningstar. All rights reserved. MSCI data © MSCI 2019, all rights reserved.

Historical Observations of Five-Year Premiums

Equity, size, relative price, and profitability: Emerging Markets



In USD. Five-year premiums are calculated as the difference in annualized five-year returns between the two indices described. Market minus Bills: Fama/French Emerging Markets Index minus One-Month US Treasury Bills. Small Cap minus Large Cap: Dimensional Emerging Markets Small Cap Index minus MSCI Emerging Markets Index (gross div.). Value minus Growth: Fama/French Emerging Markets Value Index minus Fama/French Emerging Markets Growth Index. High Prof minus Low Prof: Dimensional Emerging Markets High Profitability Index minus the Dimensional Emerging Markets Low Profitability Index.

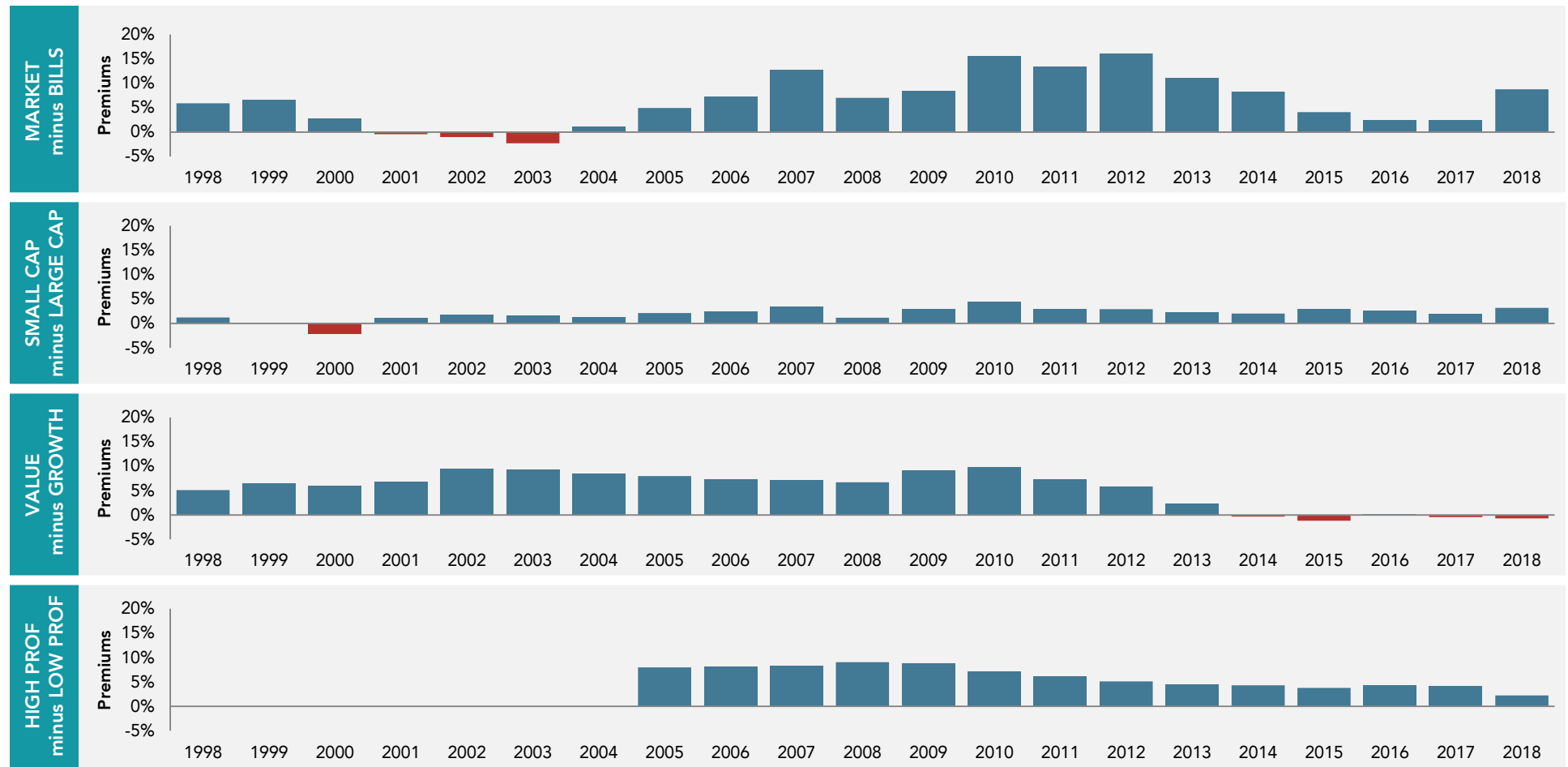
Profitability is measured as operating income before depreciation and amortization minus interest expense, scaled by book.

Indices are not available for direct investment. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Past performance is no guarantee of future results.

Actual returns may be lower. See "Index Descriptions" in the appendix for descriptions of Dimensional and Fama/French index data. Eugene Fama and Ken French are members of the Board of Directors of the general partner of, and provide consulting services to, Dimensional Fund Advisors LP. "One-Month Treasury Bills" is the IA SBBI US 30 Day TBill TR USD, provided by Morningstar. All rights reserved. MSCI data © MSCI 2019, all rights reserved.

Historical Observations of 10-Year Premiums

Equity, size, relative price, and profitability: Emerging Markets



In USD. 10-year premiums are calculated as the difference in annualized 10-year returns between the two indices described. Market minus Bills: Fama/French Emerging Markets Index minus One-Month US Treasury Bills. Small Cap minus Large Cap: Dimensional Emerging Markets Small Cap Index minus MSCI Emerging Markets Index (gross div.). Value minus Growth: Fama/French Emerging Markets Value Index minus Fama/French Emerging Markets Growth Index. High Prof minus Low Prof: Dimensional Emerging Markets High Profitability Index minus the Dimensional Emerging Markets Low Profitability Index.

Profitability is measured as operating income before depreciation and amortization minus interest expense, scaled by book.

Indices are not available for direct investment. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Past performance is no guarantee of future results.

Actual returns may be lower. See "Index Descriptions" in the appendix for descriptions of Dimensional and Fama/French index data. Eugene Fama and Ken French are members of the Board of Directors of the general partner of, and provide consulting services to, Dimensional Fund Advisors LP. "One-Month Treasury Bills" is the IA SBBI US 30 Day TBILL TR USD, provided by Morningstar. All rights reserved. MSCI data © MSCI 2019, all rights reserved.

Dimensional vs. the Industry

Percentage of US-domiciled equity and fixed income mutual funds that outperformed benchmarks as of December 31, 2018



Performance data shown represents past performance and is no guarantee of future results. The sample includes funds at the beginning of the 10-, 15-, and 20-year periods ending December 31, 2018. The number of beginners is indicated below each graphic. Survivors are funds that had returns for every month in the sample period. Outperformers (winner funds) are funds that survived and whose cumulative net return over the period exceeded that of their respective benchmark. Each fund is evaluated relative to its respective primary prospectus benchmark. Where the full series of primary prospectus benchmark returns is unavailable, funds are instead evaluated relative to their Morningstar category index. See Data Appendix for more information.

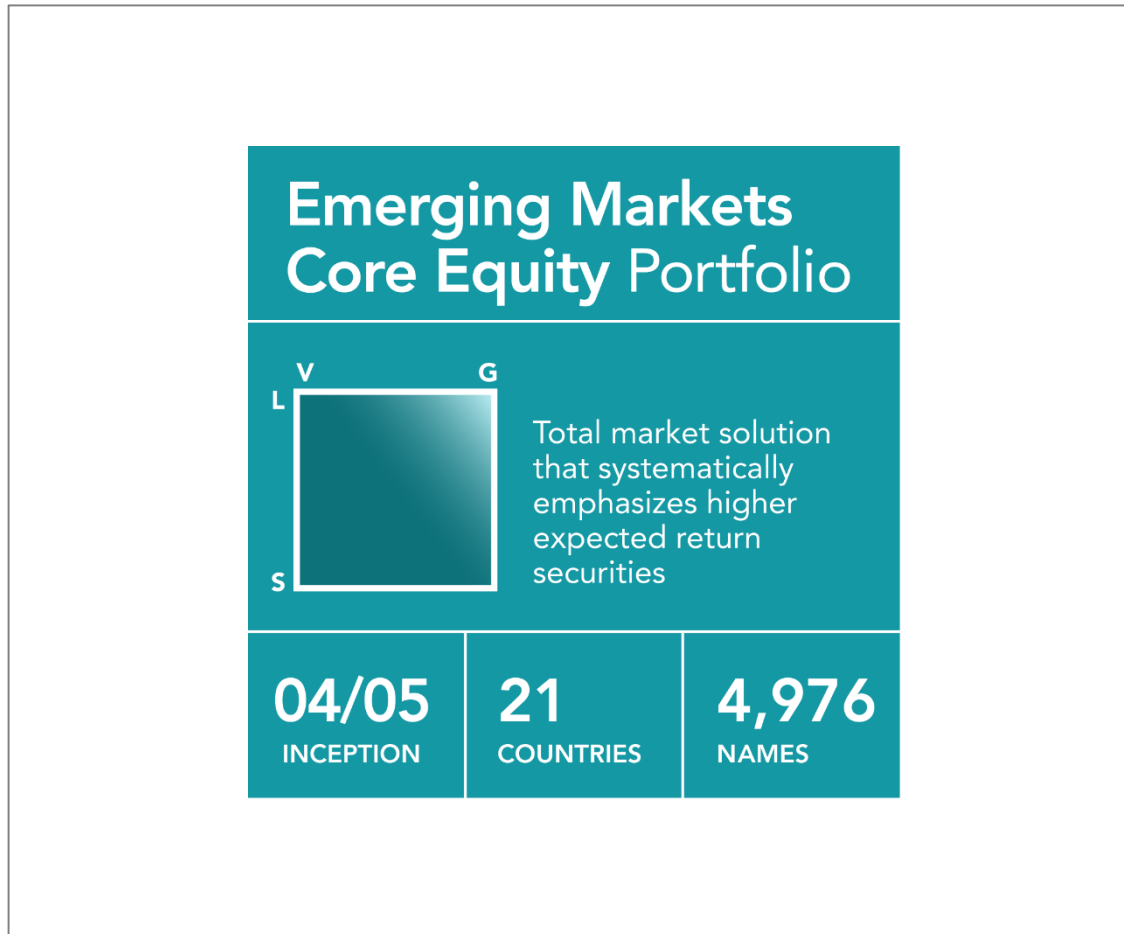
1. US-domiciled non-Dimensional mutual fund data is provided by Morningstar.

2. Dimensional fund data provided by the fund accountant. Funds that are currently and were previously restricted to LWI Financial Inc. clients were excluded due to different historical fee structures.

Emerging Markets Core Equity Portfolio

Emerging Markets Core Equity Portfolio

Using an integrated approach to add value across all aspects of the investment process



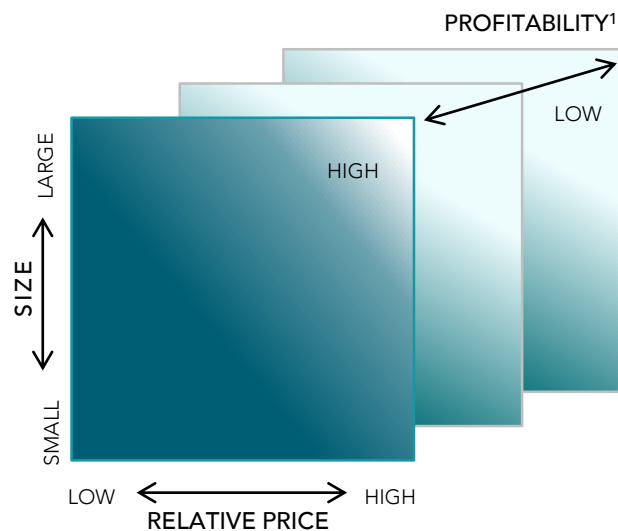
- Structured based on systematic expected premiums:
 - Market
 - Company size
 - Relative price (value)
 - Profitability
- Offers broad sector and security diversification
- Balances competing premiums and manages implementation costs by using a disciplined and patient trading strategy

Number of names shown are as of June 30, 2019. Holdings are subject to change.

Number of countries shown include approved markets for investment as of the most recent published prospectus, February 28, 2019. Additional countries may be designated as approved markets for future investment.

Portfolio Construction: Security Selection and Weighting

Emerging Markets Core Equity Portfolio



- A total market solution focused on the dimensions of expected returns in a cost-effective way
- Increased emphasis on higher expected return securities:
 - Lower relative price
 - Higher profitability
 - Lower market cap

As of 6/30/2019	Weighted Average Market Cap (millions)	Aggregate Price-to-Book	Weighted Average Profitability
Emerging Markets Core Equity Portfolio	\$49,124	1.42	0.26
MSCI Emerging Markets Index	\$91,082	1.61	0.25

1. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Holdings are subject to change. MSCI data © MSCI 2019, all rights reserved.

Efficient Portfolio Engineering

Creating a core equity portfolio as of June 30, 2019

EMERGING MARKETS CORE EQUITY PORTFOLIO VS. MSCI EMERGING MARKETS IMI WEIGHTS

	VALUE	NEUTRAL	GROWTH	TOTAL
LARGE CAP	18% PROF: 0.20	23% PROF: 0.27	15% PROF: 0.37	57%
	20% PROF: 0.18	26% PROF: 0.22	26% PROF: 0.31	
MID CAP	6% PROF: 0.16	7% PROF: 0.28	4% PROF: 0.46	18%
	4% PROF: 0.15	6% PROF: 0.25	4% PROF: 0.39	
SMALL CAP	12% PROF: 0.14	8% PROF: 0.23	5% PROF: 0.34	26%
	5% PROF: 0.15	5% PROF: 0.19	3% PROF: 0.37	
TOTAL	37%	39%	24%	100%
	30%	37%	33%	100%

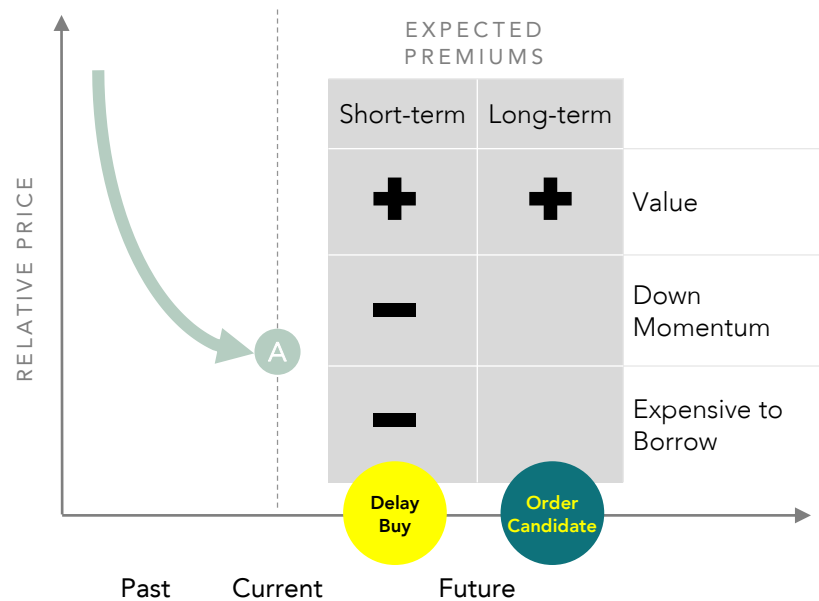
- Most indices are market-cap weighted.
- The core equity portfolio is designed to put greater emphasis on securities with higher expected returns: small cap, lower relative price, and higher profitability.

1. Profitability ("PROF") is measured as operating income before depreciation and amortization minus interest expense scaled by book. Numbers may not total 100% due to rounding. In this analysis, REITs and utilities are excluded. Large Cap is defined as approximately the largest 70% of market capitalization in each country or region; Mid Cap is approximately the next 15%; and Small Cap is approximately the smallest 15%. Growth is defined as approximately the highest 30% of securities based on price-to-book in each country or region; Neutral is approximately the next 40%; and Value is approximately the lowest 30%. Weights are as of quarter-end. MSCI data © MSCI 2019, all rights reserved. The prospectus benchmark for the Emerging Markets Core Equity Portfolio is the MSCI Emerging Markets Index (net div.).

Balancing Differences Between Long- and Short-Term Expected Returns

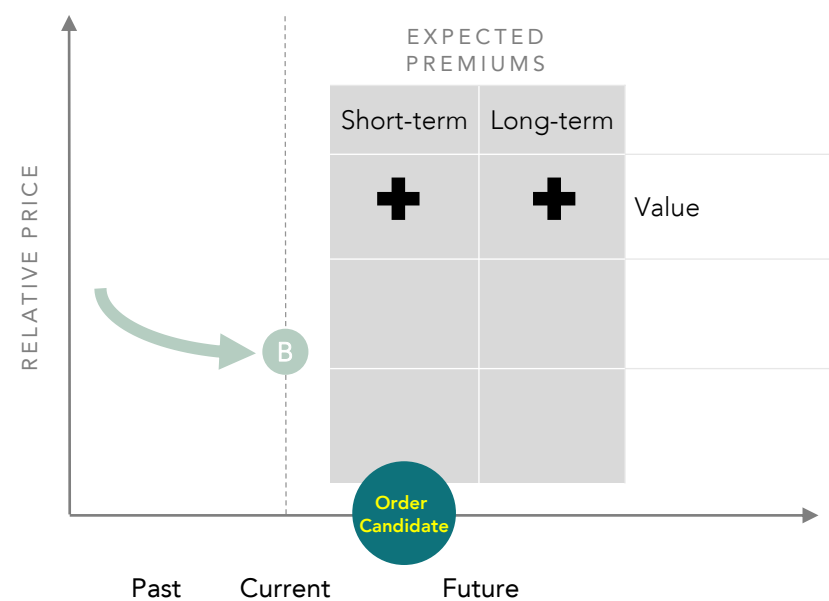
Stock A

- Migrates from growth to value
- Down momentum and expensive to borrow



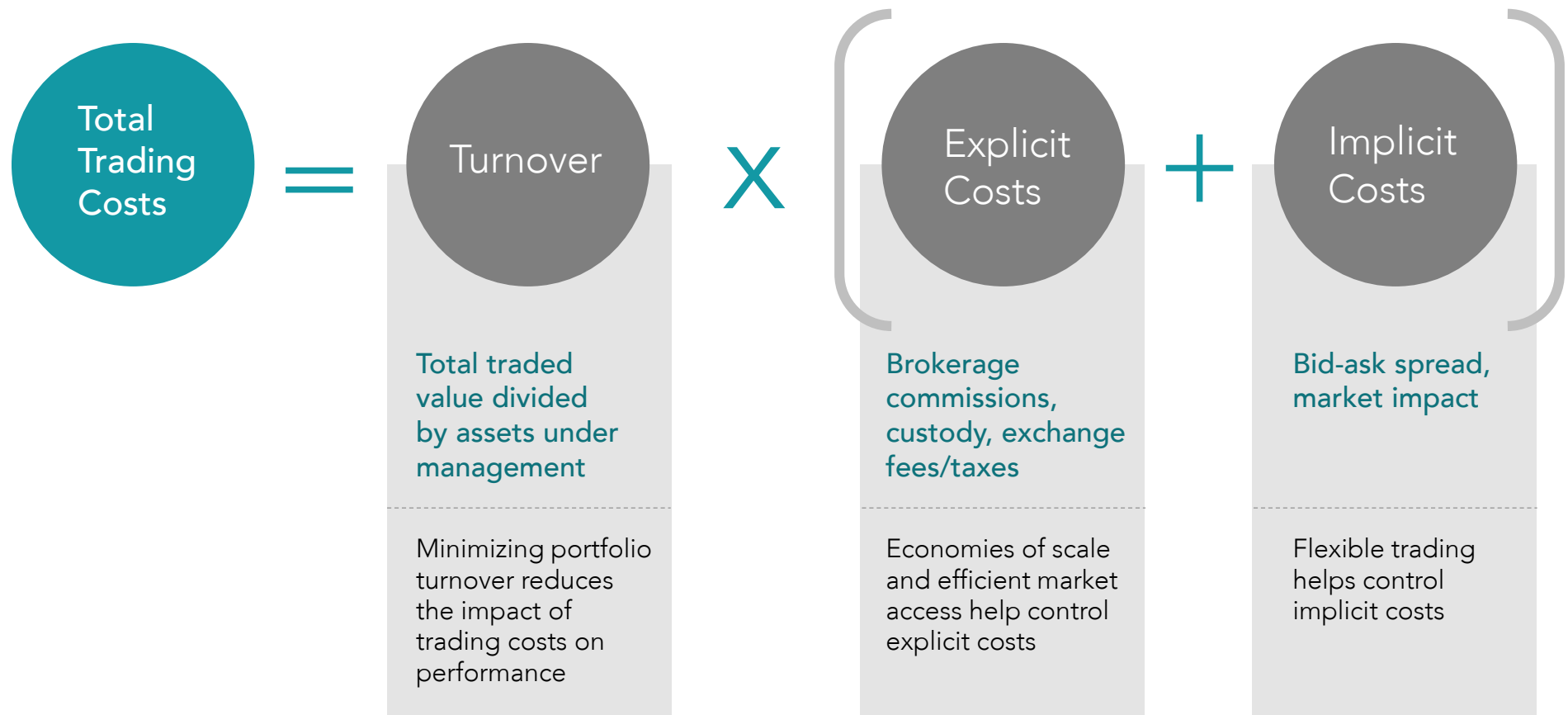
Stock B

- Migrates from growth to value



Trading Costs Matter

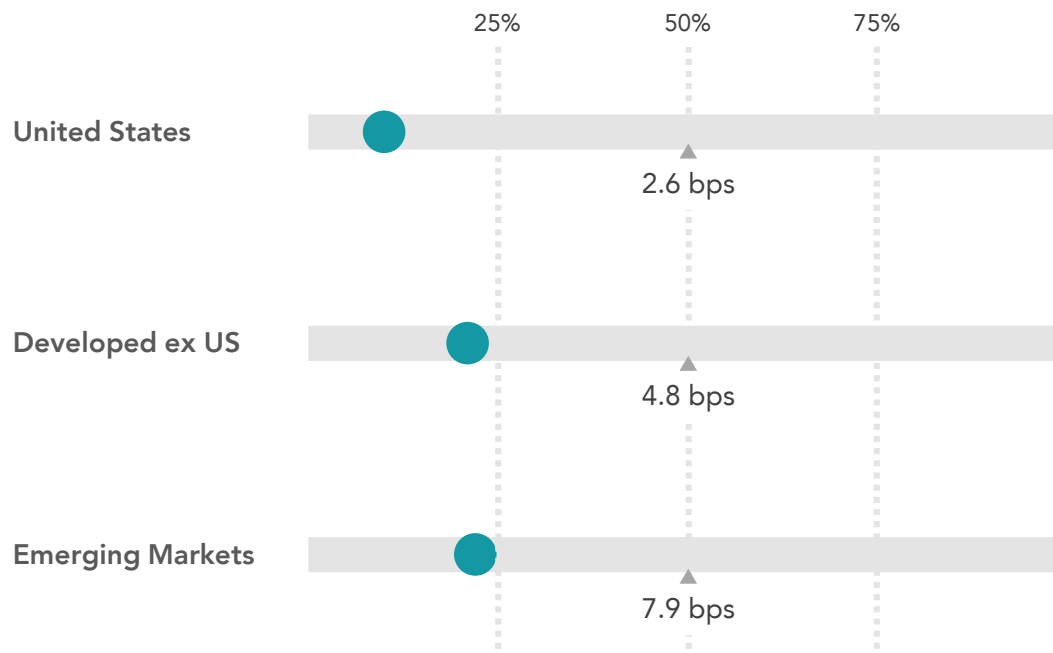
Dimensional's flexible approach helps reduce the total costs of trading



Dimensional Brokerage Commissions Relative to Peers

Virtu Post-Trade Analytics™ – Peer Trade Cost Analysis, One Year Ending December 31, 2018

● Dimensional



- Trading costs negatively impact returns
- Lower commissions can contribute to lower total trading costs
- Dimensional regularly monitors commissions to help keep rates low

Past performance is not a guarantee of future results. Date range reflects most recent data available.

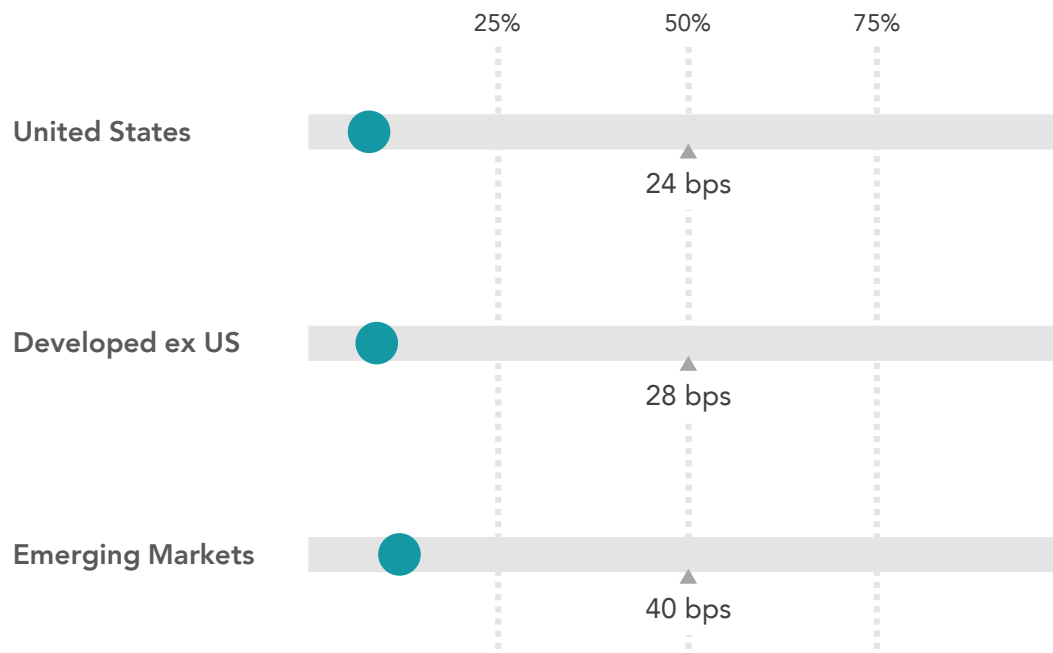
Ranking provided by Virtu. Ranking from 1-100% where 1 is lowest commission rate and 100 is highest commission rate. United States rank on commission in cents/share. Non-US rank on % of traded value.

The data provided on this slide is copyrighted by Virtu ITG LLC or its affiliates and may not be copied, displayed, or transmitted in any form without prior written permission. Many factors influence transaction cost including order size, volatility, and spread. Virtu's peer universe includes a variety of firm types trading orders of all sizes in various market conditions. Virtu's Peer commission numbers represent a blend of both execution-only and fully bundled rates.

Dimensional Implicit Costs Relative to Peers

Virtu Post-Trade Analytics™ – Peer Trade Cost Analysis, One Year Ending December 31, 2018

● Dimensional



- Trading costs negatively impact returns
- Lower implicit costs contribute to lower total trading costs
- Dimensional uses both third party and internally developed benchmarks to evaluate the implicit costs of trading.

Past performance is not a guarantee of future results. Date range reflects most recent data available.

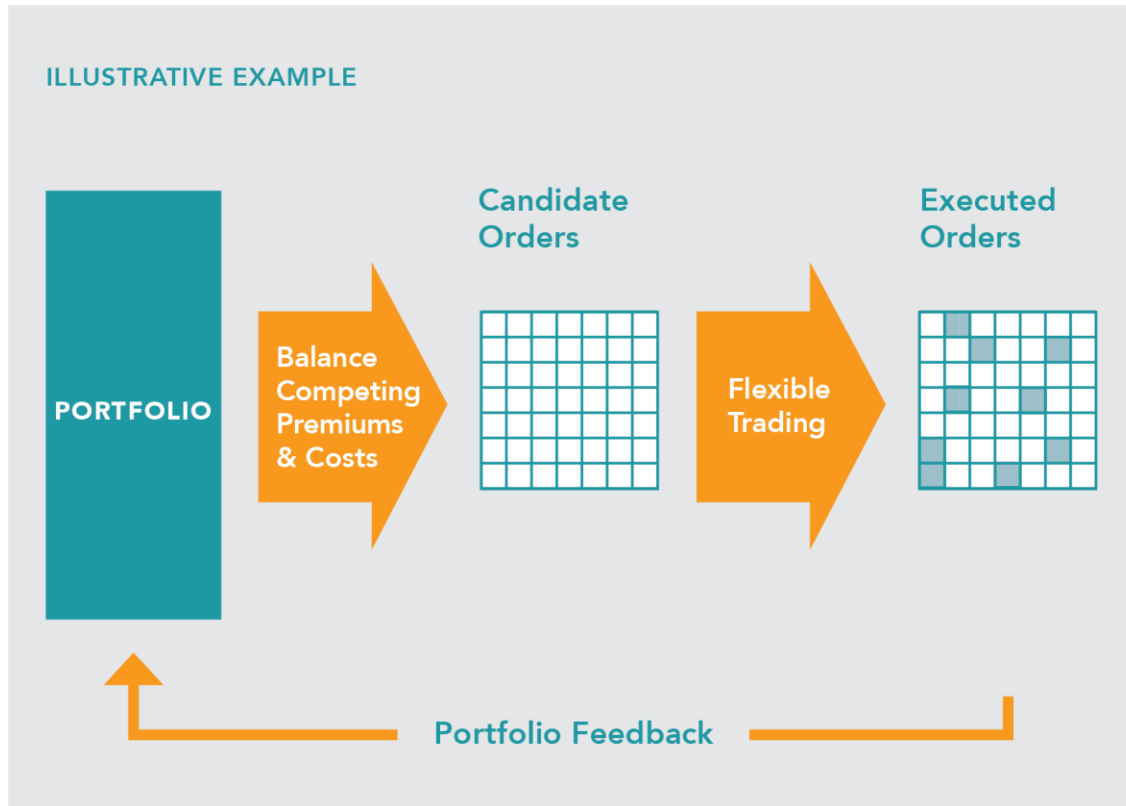
Ranking provided by Virtu. Ranking from 1-100% where 1 is lowest implicit cost and 100 is highest implicit cost.

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Many factors influence transaction cost including order size, volatility, and spread. Virtu's peer universe includes a variety of firm types trading orders of all sizes in various market conditions.

Integrated Portfolio Implementation

Efficiently balancing expected premiums with the costs of turnover on a daily basis



- We continuously evaluate the portfolio:
 - Buy/sell decisions consider expected daily premiums vs. transactions costs.
 - Spread trading over time to minimize market impact.
- Our process is built to focus on higher expected returns every day while considering costs.

Characteristics

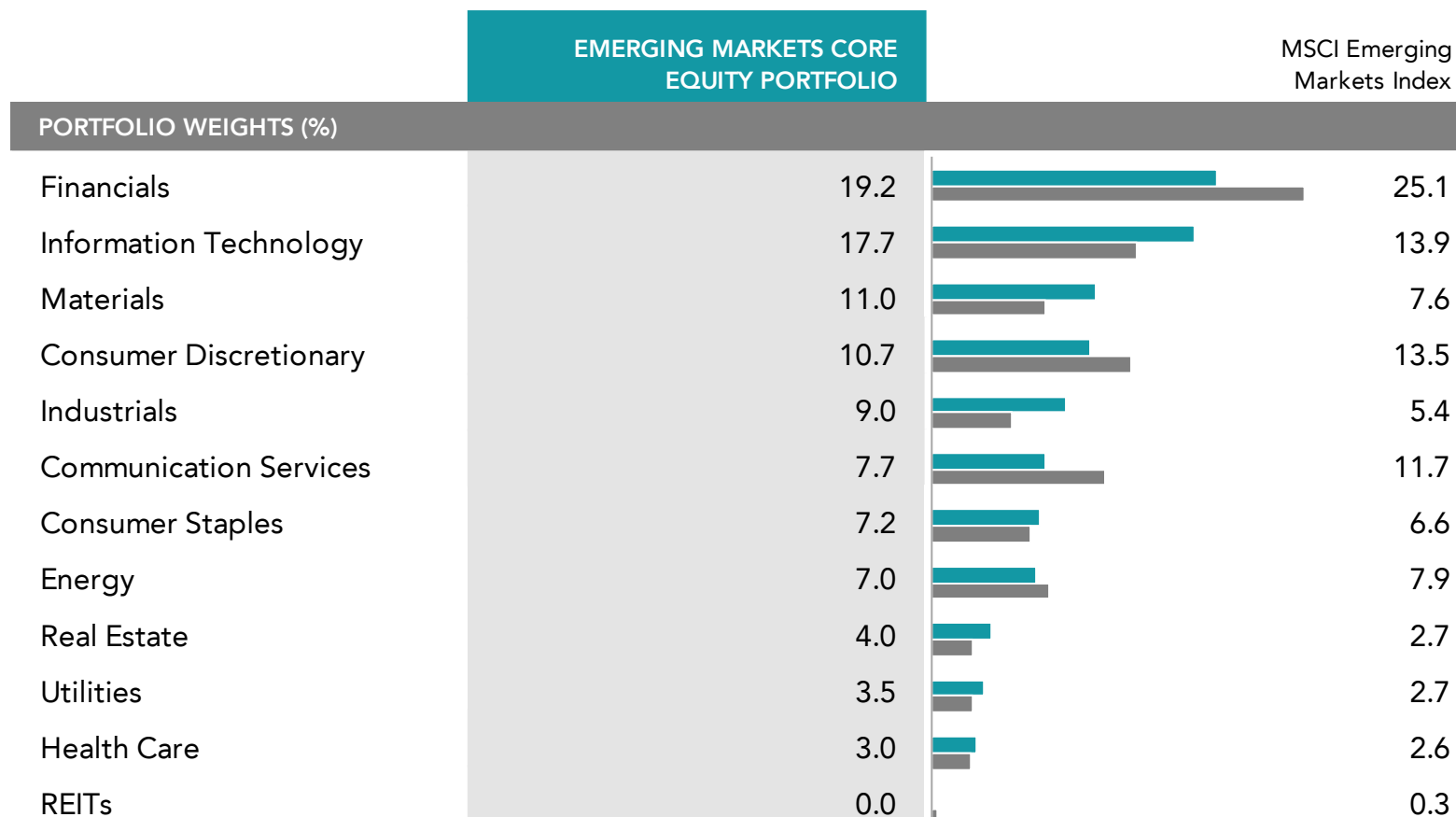
As of June 30, 2019

	EMERGING MARKETS CORE EQUITY PORTFOLIO	MSCI Emerging Markets Index
MARKET CHARACTERISTICS		
Total Value of Eligible Universe (millions)	\$5,542,051	\$5,520,222
Number of Holdings	4,976	1,193
SIZE CHARACTERISTICS		
Wtd. Average Market Cap (millions)	\$49,124	\$91,082
Median Market Cap (millions)	\$398	\$6,453
VALUATION CHARACTERISTICS		
Aggregate Price-to-Book	1.42	1.61
Wtd. Average Dividend-to-Price	2.63%	2.54%
PROFITABILITY CHARACTERISTICS		
Wtd. Average Profitability ¹	0.26	0.25

1. Operating income before depreciation and amortization minus interest expense scaled by book. Holdings are subject to change. MSCI data © MSCI 2019, all rights reserved.

Sector Allocations

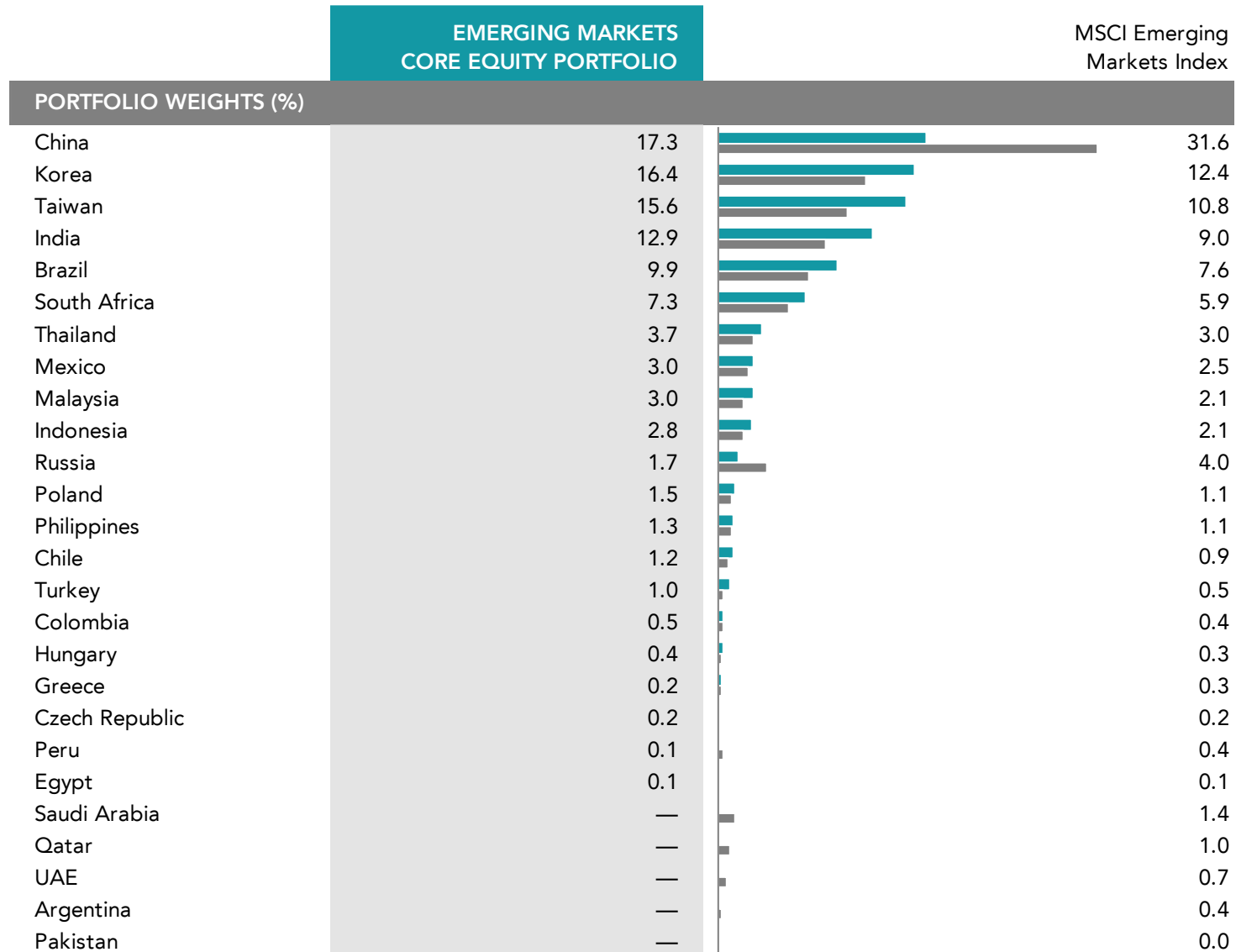
As of June 30, 2019



Numbers may not total 100% due to rounding. MSCI data © MSCI 2019, all rights reserved. Real Estate Investment Trusts (REITs) are shown as a separate category to illustrate their exclusion from certain funds. REITs are classified according to GICS Industry code. GICS was developed by and is the exclusive property of MSCI and S&P Dow Jones Indices LLC, a division of S&P Global.

Country Allocations

As of June 30, 2019



Holdings are subject to change. Numbers may not total 100% due to rounding and/or de minimis country exclusions. MSCI data © MSCI 2019, all rights reserved. Does not include de minimis country exposure that may occur due to corporate actions or similar events.

Performance

Market Segment Returns

Emerging Markets All Cap Equity

1 Year as of June 30, 2019

MSCI EMERGING MARKETS IMI SEGMENTED RETURNS (%)



All returns are in USD. All returns (with the exception of the MSCI Emerging Markets IMI) are computed from index published security weights, Dimensional computed security returns, and Dimensional classification of securities based on size, value, and profitability parameters. Additional information available upon request. MSCI Emerging Markets IMI return provided by MSCI. Companies are classified as small, mid, and large by computing breakpoints based on total market capitalization. Within emerging markets, large is the largest 70% of market cap, mid is the next 15%, and small is the smallest 15%. Designations between value, neutral, and growth are constructed in each country or region based on price to book ratios marketwide. Within the relative price panel, value is defined as the 30% of market cap with the lowest price to book ratios, neutral is the next 40%, and growth is the highest 30%. Within the profitability panel, value is defined as the 50% of market cap with the lowest price to book ratios by size category and growth is the highest 50%. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Designations between high and low profitability are constructed based on profitability within the relevant size category. High profitability is defined as the 50% of market cap with the highest profitability and low profitability is the lowest 50%. Stocks without a profitability metric are excluded from the profitability market segment returns. **Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results.** MSCI data © MSCI 2019, all rights reserved.

Performance

As of July 31, 2019

Annualized Returns ¹ (%)	Year to Date	1 Year	3 Years	5 Years	10 Years	Since 6/13 Account 1st Full Month	Since 5/05 Portfolio 1st Full Month
EMERGING MARKETS CORE EQUITY PORTFOLIO	6.66	-4.39	6.24	1.54	4.81	2.55	7.54
MSCI Emerging Markets Index (net dividends)	9.23	-2.18	8.42	1.84	4.56	2.94	7.35

Calendar Year Returns (%)	EMERGING MARKETS CORE EQUITY PORTFOLIO	MSCI Emerging Markets Index (net dividends)
2009	83.58	78.51
2010	23.62	18.88
2011	-20.65	-18.42
2012	20.49	18.22
2013	-2.64	-2.60
2014	-0.91	-2.19
2015	-14.86	-14.92
2016	12.35	11.19
2017	36.55	37.28
2018	-15.25	-14.57

Account Value

SACRAMENTO REGIONAL TRANSIT DISTRICT PENSION TRUST FUNDS	\$16,024,698
---	--------------

Performance for the portfolio is reported net of all advisory fees and includes reinvestment of dividends and other earnings. Performance data shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain the most current month-end performance data, visit us.dimensional.com.

¹. Returns for periods shorter than one year are not annualized.

MSCI data © MSCI 2019, all rights reserved. Indices are not available for direct investment. See "Appendix: Standardized Performance Data and Disclosures" to learn how to obtain complete information on performance, investment objectives, risks, advisory fees, and expenses of Dimensional's funds.

Summary

Our Commitment to the Client Experience

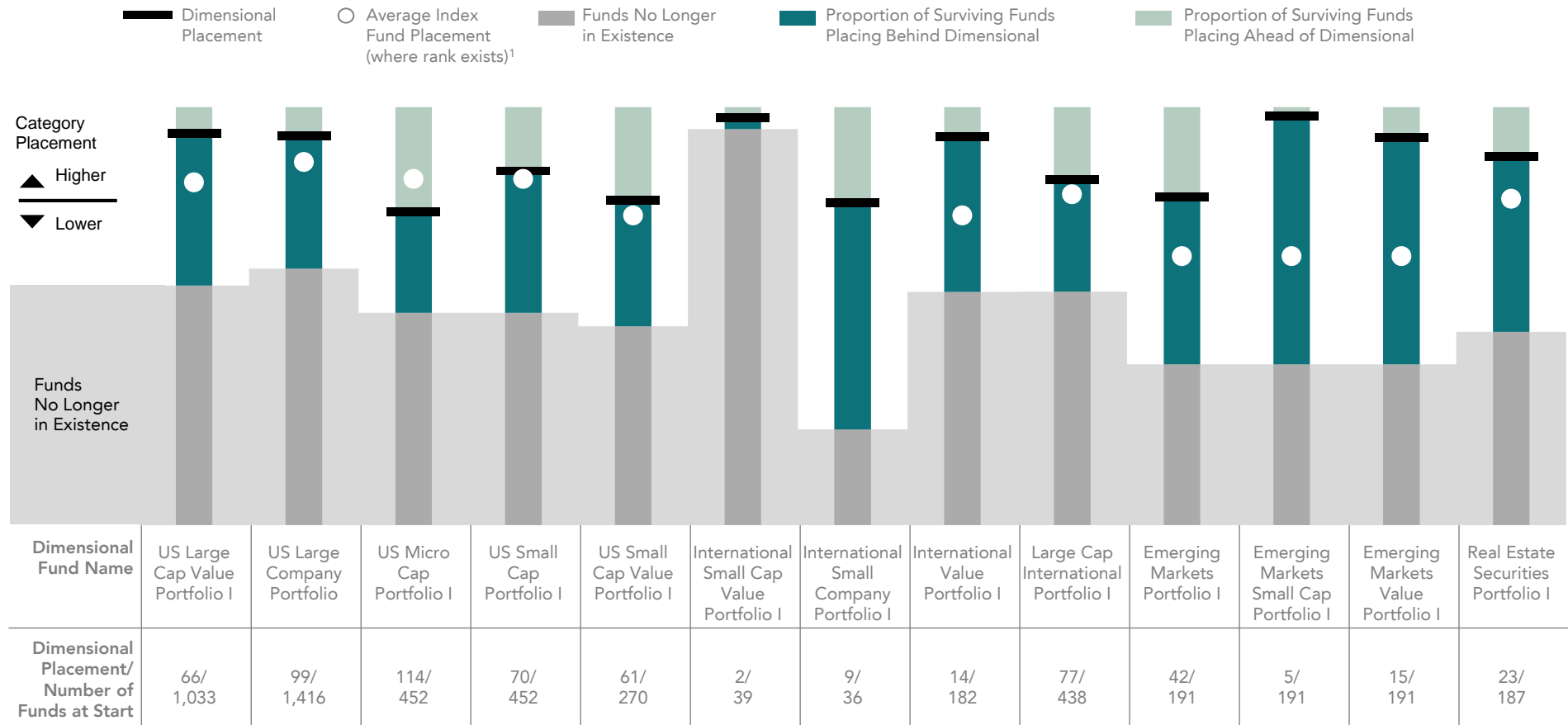
Lead with solutions and education, not products.

Offer an approach people can stick with, even in tough times.

Advocate that when investors win, everybody wins.

Evaluating Dimensional Across Strategies

Flagship equity funds, relative 15-year performance as of June 30, 2019



1. Average Index Fund Placement is provided where index fund(s) with a 15-year Morningstar Total Return Absolute Rank exist in the category as of June 30, 2019. Dimensional placement is the Morningstar 15-Year Total Return Absolute Category Rank sourced from Morningstar. Number of funds starting the period is the number of share classes, within the respective Morningstar Category, with return histories as of the start of the 15-year period ending June 30, 2019. The Morningstar category data is provided at the individual fund share class level. Multiple share classes of a fund typically have a common portfolio but impose different expense structures. Proportion of Surviving Funds Placing Ahead (Behind) of Dimensional is the proportion of ranked funds with a higher (lower) Morningstar 15-Year Total Return Absolute Category Rank than the corresponding Dimensional fund. The Average Index Fund Placement is the average, as determined by Dimensional, of the Morningstar 15-Year Total Return Absolute Category Rank for index funds within the respective Morningstar category as of June 30, 2019. All funds are US-domiciled. **Funds may have experienced negative performance over the time period. Past performance is no guarantee of future results. Visit us.dimensional.com for standardized performance information for Dimensional's funds. See "Relative Performance for Standardized Periods" in the appendix for further information.**

Appendix

Fees

	Net Expense Ratio ¹ (%)	Total (Gross) Expense Ratio ¹ (%)	Management Fee ¹ (%)
Emerging Markets Core Equity Portfolio	0.52	0.52	0.47

1. Fee and expense information as of the prospectus date 02/28/19.

Certain Portfolios have entered into fee waiver and/or expense assumption arrangements with the Advisor. In these cases, the Advisor has contractually agreed, under certain circumstances, to waive certain fees and/or assume certain expenses of the Portfolio. Unless otherwise stated in the prospectus, the Advisor may amend or discontinue these arrangements at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the Portfolio after taking into account any such fee waiver and/or expense assumption arrangements. Please read the Portfolio's prospectus for details and more information.

Firm Update

As of June 30, 2019

Organizational Updates

- More than 1,400 employees globally.
- \$586 billion in assets under management.
- Co-CEO Gerard O'Reilly featured in [Financial Times article](#) focused on Dimensional's research-based culture.

Upcoming Events

Sept. 18	Santa Monica	Institutional Forum
Sept. 25	Pittsburgh	Institutional Luncheon
Oct. 2	Boston	Institutional Luncheon
Oct. 3	New York	Institutional Forum

Recently Published



What to Know about an IPO

Initial public offerings (IPOs), particularly those involving familiar companies, often draw considerable attention from investors. We highlight some of the IPO investment hurdles faced by market participants and delve into the performance of IPO firms.



Short-Term Extended Quality Strategy Spotlight

This portfolio, which recently celebrated its 10-year anniversary, was the first portfolio to implement Dimensional's variable credit approach in addition to variable maturity.

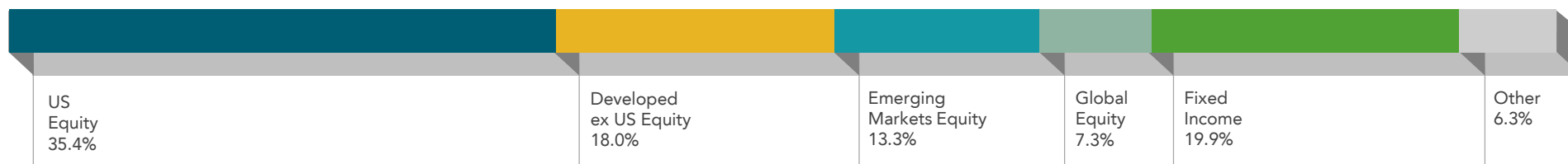


Insights from a Thought Leader: Marlena Lee and Savina Rizova

Co-Heads of Research Marlena Lee and Savina Rizova discussed the importance of the research underlying investment strategies and the practitioner's ability to implement in live portfolios.

Dimensional Global Investment Solutions

\$586 billion in global AUM as of June 30, 2019



(in billions)

US Equity	\$207.2	Developed ex US Equity	\$105.3	Global Equity	\$42.6
All Cap Core	\$72.9	All Cap Core	\$39.9	All Cap/Large Cap	\$33.7
All Cap Value	\$7.1	All Cap Value	\$2.8	Value	\$5.8
Growth	\$2.8	Growth	\$0.6	Small/SMID Cap	\$3.1
Large Cap	\$22.6	Large Cap	\$9.0		
Large Cap Value	\$32.1	Large Cap Value	\$18.5	Fixed Income	\$116.5
SMID Cap Value	\$18.6	Small Cap	\$19.5	US	\$57.3
Small Cap	\$26.4	Small Cap Value	\$15.0	US Tax-Exempt	\$8.0
Small Cap Value	\$16.6			Non-US and Global	\$44.6
Micro Cap	\$8.1	Emerging Markets Equity	\$77.7	Inflation-Protected	\$6.6
		All Cap Core	\$33.6		
		Value	\$28.2	Other	\$36.7
		Large Cap	\$8.9	Real Estate	\$21.9
		Small Cap	\$7.0	Commodities	\$1.6
				Global Allocation	\$12.2
				Target Date	\$0.9

"Dimensional" refers to the Dimensional separate but affiliated entities generally, rather than to one particular entity. These entities are Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., Dimensional Japan Ltd., and Dimensional Hong Kong Limited. Dimensional Hong Kong Limited is licensed by the Securities and Futures Commission to conduct Type 1 (dealing in securities) regulated activities only and does not provide asset management services.

All assets in US dollars. Numbers may not total 100% due to rounding.

Historical Performance of Premiums over Rolling Periods

Emerging Markets

Overlapping Periods: January 1989–December 2018

MARKET beat T-BILLS

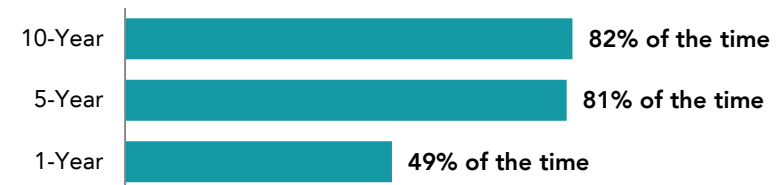


Market is Fama/French Emerging Markets Index.
T-Bills is One-Month US Treasury Bills.

There are 241 overlapping 10-year periods, 301 overlapping 5-year periods, and 349 overlapping 1-year periods.

Overlapping Periods: January 1989–December 2018

VALUE beat GROWTH

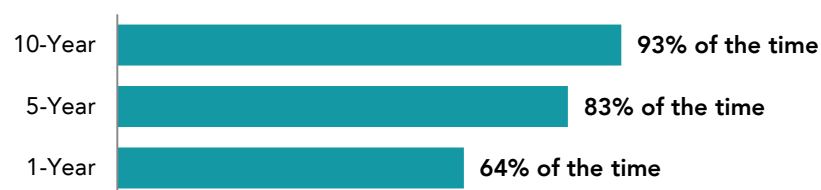


Value is Fama/French Emerging Markets Value Index.
Growth is Fama/French Emerging Markets Growth Index.

There are 241 overlapping 10-year periods, 301 overlapping 5-year periods, and 349 overlapping 1-year periods.

Overlapping Periods: January 1989–December 2018

SMALL beat LARGE



Small is Dimensional Emerging Markets Small Index.
Large is MSCI Emerging Markets Index (gross div.).

There are 241 overlapping 10-year periods, 301 overlapping 5-year periods, and 349 overlapping 1-year periods.

Overlapping Periods: July 1995–December 2018

HIGH PROFITABILITY beat LOW PROFITABILITY



High is Dimensional Emerging Markets High Profitability Index.
Low is Dimensional Emerging Markets Low Profitability Index.

There are 163 overlapping 10-year periods, 223 overlapping 5-year periods, and 271 overlapping 1-year periods.

In USD. Based on monthly rolling differences in annualized returns over the periods listed. Rolling multiyear periods overlap and are not independent.

Profitability is measured as operating income before depreciation and amortization minus interest expense, scaled by book.

Indices are not available for direct investment. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Past performance is no guarantee of future results.

Actual returns may be lower. See "Index Descriptions" in the appendix for descriptions of Dimensional and Fama/French index data. Eugene Fama and Ken French are members of the Board of Directors of the general partner of, and provide consulting services to, Dimensional Fund Advisors LP. "One-Month Treasury Bills" is the IA SBBI US 30 Day TBill TR USD, provided by Morningstar. All rights reserved. MSCI data © MSCI 2019, all rights reserved.

Top 10 Holdings

As of June 30, 2019

EMERGING MARKETS CORE EQUITY PORTFOLIO	
Security	Weight %
Samsung Electronics Co Ltd	4.2%
Taiwan Semiconductor Manufacturing Co Ltd	2.6%
Tencent Holdings Ltd	1.9%
Petroleo Brasileiro SA	1.5%
Vale SA	1.0%
Banco Bradesco SA	0.8%
Alibaba Group Holding Ltd	0.8%
Infosys Ltd	0.8%
Reliance Industries Ltd	0.8%
China Mobile Ltd	0.7%
Total	15.1%

MSCI EMERGING MARKETS INDEX	
Security	Weight %
Tencent Holdings Ltd	4.7%
Alibaba Group Holding Ltd	4.4%
Samsung Electronics Co Ltd	4.0%
Taiwan Semiconductor Manufacturing Co Ltd	3.4%
Naspers Ltd	1.9%
China Construction Bank Corp	1.5%
Ping An Insurance Group Co of China Ltd	1.3%
China Mobile Ltd	1.0%
Petroleo Brasileiro SA	1.0%
Housing Development Finance Corp Ltd	0.9%
Total	24.1%

Summary of Portfolio Risk Management

Provides diversification and broad oversight with minimal style drift

Emerging Markets Strategies

Concentration Risk

- Highly diversified across countries
- Country diversification leads to diversification across multiple currencies
- Sector target weights typically capped at their approximate weight in a broadly diversified, sector-neutral universe plus an additional 10%
- Industry groups generally capped at 25%
- Guidelines target a maximum 5% per issue at time of purchase

Implementation Risk

- Team managed
- Approved exchanges only; ongoing evaluation of listing requirements, liquidity, and settlement mechanism

Operational Risk

- Charles River customized Order Management System
- Comprehensive pre- and post-trade compliance
- Independent accountant, custodian bank, and auditors
- Independent SSAE 16 audit performed annually

Style Risk

- Monitor characteristics of individual securities and overall strategy to prevent style drift
-

Relative Performance for Standardized Periods

Funds with more than 15 years of history as of June 30, 2019

Fund Name	Ticker	Morningstar Category (US Fund)	Prior Year			Prior 5 Years			Prior 10 Years			Prior 15 Years		
			Dimensional Placement/ Funds at Start ¹	Number of Ranked Investments ²	Average Index Fund Placement ³	Dimensional Placement/ Funds at Start ¹	Number of Ranked Investments ²	Average Index Fund Placement ³	Dimensional Placement/ Funds at Start ¹	Number of Ranked Investments ²	Average Index Fund Placement ³	Dimensional Placement/ Funds at Start ¹	Number of Ranked Investments ²	Average Index Fund Placement ³
US Large Cap Value Portfolio I	DFLVX	Large Value	956/1,309	1,236	507	390/1,225	956	269	30/1,248	696	129	66/1,033	442	186
US Large Company Portfolio	DFUSX	Large Blend	381/1,461	1,408	498	99/1,444	1,066	255	78/1,603	809	191	99/1,416	548	187
US Micro Cap Portfolio I	DFSCX	Small Blend	601/786	733	353	220/693	516	163	83/630	375	130	114/452	223	78
US Small Cap Portfolio I	DFSTX	Small Blend	530/786	733	353	248/693	516	163	71/630	375	130	70/452	223	78
US Small Cap Value Portfolio I	DFSVX	Small Value	350/430	417	208	223/406	337	136	51/357	226	84	61/270	142	70
US Targeted Value Portfolio I	DFFVX	Small Value	260/430	417	208	173/406	337	136	39/357	226	84	36/270	142	70
Large Cap International Portfolio I	DFALX	Foreign Large Blend	314/762	722	252	217/666	488	191	129/652	362	160	77/438	194	91
International Value Portfolio I	DFIVX	Foreign Large Value	236/365	339	84	77/350	238	84	52/329	161	43	14/182	81	47
International Small Cap Value Portfolio I	DISVX	Foreign Small/Mid Value	35/52	45	13	17/46	31	12	8/47	13	7	2/39	3	—
International Small Company Portfolio I	DFISX	Foreign Small/Mid Blend	49/114	112	40	21/91	70	31	21/72	56	36	9/36	28	—
Asia Pacific Small Company Portfolio I	DFRSX	Pacific/Asia ex-Japan Stk	70/91	82	35	59/102	64	37	18/68	28	18	12/48	21	11
Continental Small Company Portfolio I	DFCSX	Europe Stock	96/138	112	44	8/112	76	38	4/93	50	30	3/101	38	28
Japanese Small Company Portfolio I	DFJSX	Japan Stock	46/53	48	26	13/49	29	16	7/54	14	10	3/39	10	8
Enhanced US Large Co. Portfolio I	DFELX	Large Blend	271/1,461	1,408	498	102/1,444	1,066	255	39/1,603	809	191	98/1,416	548	187
Emerging Markets Portfolio I	DFEMX	Diversified Emerging Mkts	344/889	837	348	239/787	560	302	93/371	240	159	42/191	118	68
Emerging Markets Small Cap Portfolio I	DEMSX	Diversified Emerging Mkts	616/889	837	348	149/787	560	302	14/371	240	159	5/191	118	68
Emerging Markets Value Portfolio I	DFEVX	Diversified Emerging Mkts	343/889	837	348	286/787	560	302	154/371	240	159	15/191	118	68
Tax-Managed International Value Portfolio	DTMIX	Foreign Large Value	232/365	339	84	83/350	238	84	63/329	161	43	13/182	81	47
Tax-Managed US Equity Portfolio	DTMEX	Large Blend	689/1,461	1,408	498	245/1,444	1,066	255	107/1,603	809	191	116/1,416	548	187
Tax-Managed US Marketwide Value Portfolio	DTMMX	Large Value	750/1,309	1,236	507	315/1,225	956	269	20/1,248	696	129	49/1,033	442	186
Tax-Managed US Small Cap Portfolio	DFTSX	Small Blend	502/786	733	353	224/693	516	163	126/630	375	130	125/452	223	78
Tax-Managed US Targeted Value Portfolio	DTMVX	Small Value	241/430	417	208	121/406	337	136	23/357	226	84	50/270	142	70
Real Estate Securities Portfolio I	DFREX	Real Estate	27/278	259	128	30/259	198	89	14/225	139	49	23/187	101	41
One-Year Fixed Income Portfolio I	DFIHX	Ultrashort Bond	113/199	194	104	95/164	128	65	39/109	57	54	21/109	45	—
Short-Term Government Portfolio I	DFGX	Short Government	67/107	103	41	40/123	95	36	20/133	72	32	14/148	64	37
Short Term Municipal Bond I	DFSMX	Muni National Short	177/200	198	103	117/198	162	95	83/157	112	71	63/155	81	—
Two-Year Global Fixed Income Portfolio I	DFGFX	World Bond-USD Hedged	94/94	94	51	56/64	58	11	36/42	36	—	28/35	28	—
Five-Year Global Fixed Income Portfolio I	DFGBX	World Bond-USD Hedged	87/94	94	51	47/64	58	11	31/42	36	—	24/35	28	—
Intermediate Government Fixed Income Portfolio I	DFIGX	Intermediate Government	2/244	231	50	1/263	190	40	10/280	149	73	2/277	113	56

Flagship equity funds are shown in bold.

1. Dimensional placement is the Morningstar 1-, 5-, 10-, or 15-year Total Return Absolute Category Rank sourced from Morningstar. Number of funds starting the period is the number of share classes, within the respective Morningstar Category, with return histories as of the start of the 1-, 5-, 10-, or 15-year period ending in June 30, 2019.

2. Number of Ranked Investments is sourced from Morningstar for each category and is the number of funds that were ranked as of the end of the 1-, 5-, 10-, or 15-year period ending June 30, 2019.

3. Average Index Fund Placement is provided where index fund(s) with a 1-, 5-, 10-, or 15-year Morningstar Total Return Absolute Rank exist in the category as of June 30, 2019. The Average Index Fund Rank is the average, as determined by Dimensional, of the Morningstar 1-, 5-, 10-, or 15-Year Total Return Absolute Category Rank for index funds within the respective Morningstar category as of June 30, 2019.

The Morningstar category data is provided at the individual fund share class level. Multiple share classes of a fund typically have a common portfolio but impose different expense structures. The table includes Dimensional Funds ranked by Morningstar and available on or before 15 years prior to June 30, 2019. Dimensional Funds currently available but previously restricted to clients of LWI Financial Inc. are excluded due to different historical fee structures. All funds are US-

domiciled. Funds may have experienced negative performance over the time period. Past performance is no guarantee of future results. Visit us.dimensional.com for standardized performance information for Dimensional's funds. 44

Standardized Performance Data and Disclosures

Performance data shown represents past performance. Past performance is no guarantee of future results, and current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance data for Dimensional portfolios current to the most recent month-end, access our website at us.dimensional.com.

Consider the investment objectives, risks, and charges and expenses of the Dimensional funds carefully before investing. For this and other information about the Dimensional funds, please read the prospectus carefully before investing. Prospectuses are available by calling Dimensional Fund Advisors collect at (512) 306-7400 or at us.dimensional.com/prospectus. Dimensional funds are distributed by DFA Securities LLC.

Dimensional Fund Advisors LP is an investment advisor registered with the Securities and Exchange Commission.

Risks include loss of principal and fluctuating value. Investment value will fluctuate, and shares, when redeemed, may be worth more or less than original cost.

Small and micro cap securities are subject to greater volatility than those in other asset categories.

International and emerging markets investing involves special risks, such as currency fluctuation and political instability. Investing in emerging markets may accentuate these risks.

Sector-specific investments focus on a specific segment of the market, which can increase investment risks.

Fixed income securities are subject to increased loss of principal during periods of rising interest rates. Fixed income investments are subject to various other risks, including changes in credit quality, liquidity, prepayments, call risk, and other factors. Municipal securities are subject to the risks of adverse economic and regulatory changes in their issuing states.

Real estate investment risks include changes in real estate values and property taxes, interest rates, cash flow of underlying real estate assets, supply and demand, and the management skill and creditworthiness of the issuer.

Sustainability funds use environmental and social screens that may limit investment opportunities for the fund.

Commodities include increased risks, such as political, economic, and currency instability, and may not be suitable for all investors. The portfolio may be more volatile than a diversified fund because the portfolio invests in a smaller number of issuers and commodity sectors.

The fund prospectuses contain more information about investment risks.

Standardized Performance Data and Disclosures

	Symbol	AVERAGE ANNUAL TOTAL RETURNS ¹ (%)					FEES AND EXPENSES ² (%)			
		1 Year	5 Years	10 Years	Since Inception	Inception Date	Net Expense Ratio	Total (Gross) Expense Ratio	Management Fee	Management Fee after Fee Waiver
US Equity Portfolios										
Enhanced US Large Company Portfolio	DFELX	11.33	10.63	14.92	8.82	7/2/1996	0.15	0.23	0.20	0.20
US Core Equity 1 Portfolio	DFEOX	5.88	9.09	14.59	8.68	9/15/2005	0.19	0.19	0.17	0.17
US Core Equity 2 Portfolio	DFQTX	4.15	7.95	14.20	8.23	9/15/2005	0.22	0.22	0.20	0.20
US High Relative Profitability Portfolio	DURPX	10.14	—	—	14.51	5/16/2017	0.25	0.27	0.20	0.20
US Large Cap Equity Portfolio	DUSQX	8.90	9.71	—	12.28	6/25/2013	0.17	0.17	0.15	0.15
US Large Cap Growth Portfolio	DUSLX	12.26	11.74	—	14.77	12/20/2012	0.19	0.19	0.17	0.17
US Large Cap Value Portfolio	DFLVX	2.96	7.15	14.36	9.96	2/19/1993	0.27	0.37	0.35	0.25
US Large Company Portfolio	DFUSX	10.33	10.65	14.63	6.29	9/23/1999	0.08	0.08	0.06	0.06
US Micro Cap Portfolio	DFSCX	-7.48	6.33	13.91	11.59	12/23/1981	0.52	0.52	0.50	0.50
US Small Cap Growth Portfolio	DSCGX	-0.53	7.38	—	11.90	12/20/2012	0.38	0.38	0.35	0.35
US Small Cap Portfolio	DFSTX	-5.53	6.09	13.99	10.16	3/19/1992	0.37	0.37	0.35	0.35
US Small Cap Value Portfolio	DFSVX	-10.84	3.32	12.92	10.95	3/2/1993	0.52	0.52	0.50	0.50
US Targeted Value Portfolio	DFFVX	-8.07	4.03	13.07	10.61	2/23/2000	0.37	0.37	0.35	0.35
US Vector Equity Portfolio	DFVEX	-1.62	5.93	13.49	7.50	12/30/2005	0.32	0.32	0.30	0.30

1. Performance information as of 06/30/19.

2. Fee and expense information as of the prospectus dated 02/28/19.

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Standardized Performance Data and Disclosures

	Symbol	AVERAGE ANNUAL TOTAL RETURNS ¹ (%)					FEES AND EXPENSES ² (%)			
		1 Year	5 Years	10 Years	Since Inception	Inception Date	Net Expense Ratio	Total (Gross) Expense Ratio	Management Fee	Management Fee after Fee Waiver
Non-US Equity Portfolios										
Asia Pacific Small Company Portfolio	DFRSX	-4.39	1.98	7.70	7.69	1/5/1993	0.54	0.64	0.60	0.50
Continental Small Company Portfolio	DFCSX	-4.06	4.64	10.12	9.33	4/15/1988	0.54	0.64	0.60	0.50
Emerging Markets Core Equity Portfolio	DFCEX	1.30	2.27	6.29	7.43	4/5/2005	0.52	0.52	0.47	0.47
Emerging Markets Portfolio	DFEMX	1.94	2.30	6.12	6.74	4/25/1994	0.47	0.57	0.52	0.42
Emerging Markets Small Cap Portfolio	DEMSX	-1.31	2.90	8.07	10.72	3/5/1998	0.70	0.90	0.85	0.65
Emerging Markets Targeted Value Portfolio	DEMGX	—	—	—	8.59	11/14/2018	0.85	0.86	0.70	0.70
Emerging Markets Value Portfolio	DFEVX	1.95	1.99	5.26	9.73	4/1/1998	0.54	0.64	0.60	0.50
International Core Equity Portfolio	DFIEX	-4.04	2.14	7.43	4.80	9/15/2005	0.30	0.30	0.27	0.27
International High Relative Profitability Portfolio	DIHRX	1.49	—	—	4.43	5/16/2017	0.35	0.35	0.25	0.25
International Large Cap Growth Portfolio	DILRX	2.87	3.15	—	6.55	12/20/2012	0.30	0.30	0.25	0.25
International Small Cap Growth Portfolio	DISMX	-5.30	5.17	—	8.86	12/20/2012	0.55	0.57	0.50	0.50
International Small Cap Value Portfolio	DISVX	-11.54	1.05	8.17	6.94	12/29/1994	0.68	0.68	0.65	0.65
International Small Company Portfolio	DFISX	-7.34	2.98	9.05	6.71	9/30/1996	0.53	0.53	0.40	0.40
International Value Portfolio	DFIVX	-4.83	0.57	5.89	5.95	2/15/1994	0.43	0.63	0.60	0.40
International Vector Equity Portfolio	DFVOX	-6.58	1.82	7.49	4.61	8/14/2008	0.48	0.48	0.45	0.45
Japanese Small Company Portfolio	DFJSX	-12.39	5.94	7.67	5.27	1/31/1986	0.53	0.63	0.60	0.50
Large Cap International Portfolio	DFALX	0.32	2.05	6.79	5.59	7/17/1991	0.23	0.23	0.20	0.20
UK Small Company Portfolio	DFUKX	-8.26	0.75	11.10	8.85	3/4/1986	0.58	0.68	0.60	0.50
World ex US Core Equity Portfolio	DFWIX	-3.02	2.03	—	4.38	4/9/2013	0.39	0.37	0.32	0.32
World ex US Targeted Value Portfolio	DWUSX	-7.81	1.70	—	6.39	11/1/2012	0.66	0.66	0.58	0.58
World ex US Value Portfolio	DFWVX	-3.79	0.97	—	4.41	8/23/2010	0.52	0.74	0.47	0.47

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Standardized Performance Data and Disclosures

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		1 Year	5 Years	10 Years	Since Inception	Inception Date	Net Expense Ratio	Total (Gross) Expense Ratio	Management Fee	Management Fee after Fee Waiver
Tax Managed Portfolios										
TA US Core Equity 2 Portfolio	DFTCX	4.50	8.13	14.28	7.55	10/4/2007	0.24	0.24	0.22	0.22
After Taxes on Distributions		3.78	7.55	13.79	7.12					
After Taxes on Distributions & Sale of Fund Shares		2.89	6.29	11.96	6.09					
TA World ex US Core Equity Portfolio	DFTWX	-3.19	2.12	7.02	3.04	3/6/2008	0.36	0.36	0.32	0.32
After Taxes on Distributions		-4.03	1.59	6.56	2.61					
After Taxes on Distributions & Sale of Fund Shares		-1.64	1.65	5.76	2.46					
Tax-Managed International Value Portfolio	DTMIX	-4.75	0.44	5.68	5.37	4/16/1999	0.53	0.53	0.50	0.50
After Taxes on Distributions		-5.80	-0.19	5.15	4.81					
After Taxes on Distributions & Sale of Fund Shares		-2.58	0.39	4.71	4.61					
Tax-Managed US Equity Portfolio	DTMEX	8.80	10.13	14.51	8.40	9/25/2001	0.22	0.22	0.20	0.20
After Taxes on Distributions		8.14	9.63	14.07	8.06					
After Taxes on Distributions & Sale of Fund Shares		5.40	7.92	12.17	7.07					
Tax-Managed US Marketwide Value Portfolio	DTMMX	5.05	7.46	14.58	7.60	12/14/1998	0.37	0.57	0.55	0.35
After Taxes on Distributions		3.58	6.54	13.94	7.14					
After Taxes on Distributions & Sale of Fund Shares		3.61	5.73	12.24	6.38					
Tax-Managed US Small Cap Portfolio	DFTSX	-5.20	6.29	13.51	9.14	12/15/1998	0.47	0.47	0.45	0.45
After Taxes on Distributions		-6.17	5.34	12.92	8.75					
After Taxes on Distributions & Sale of Fund Shares		-2.62	4.79	11.30	7.88					
Tax-Managed US Targeted Value Portfolio	DTMVX	-7.61	4.67	13.67	9.55	12/11/1998	0.44	0.44	0.42	0.42
After Taxes on Distributions		-8.81	3.49	12.83	8.88					
After Taxes on Distributions & Sale of Fund Shares		-3.93	3.51	11.42	8.21					

1. Performance information as of 06/30/19. Assumed highest marginal tax rate in effect for capital gains and ordinary income. Income from funds managed for tax efficiency may be subject to an alternative minimum tax and/or any applicable state and local taxes.

2. Fee and expense information as of the prospectus dated 02/28/19.

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Standardized Performance Data and Disclosures

	Symbol	AVERAGE ANNUAL TOTAL RETURNS ¹ (%)					FEES AND EXPENSES ² (%)		
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Fixed Income Portfolios									
California Intermediate-Term Municipal Bond Portfolio	DCIBX	4.01	2.09	—	2.37	11/29/2011	0.23	0.23	0.20
California Municipal Real Return Portfolio	DCARX	2.18	—	—	1.63	11/1/2017	0.30	0.32	0.20
California Short-Term Municipal Bond Portfolio	DFCMX	1.51	0.91	1.28	1.64	4/2/2007	0.22	0.22	0.20
Diversified Fixed Income Portfolio	DFXIX	5.94	—	—	1.53	8/10/2016	0.15	0.26	0.12
Five-Year Global Fixed Income Portfolio	DFGBX	4.66	2.18	2.96	5.14	11/6/1990	0.27	0.27	0.25
Global Core Plus Fixed Income Portfolio	DGCFX	9.46	—	—	5.81	1/11/2018	0.30	0.31	0.25
Inflation-Protected Securities Portfolio	DIPSX	5.81	1.89	3.90	4.19	9/18/2006	0.12	0.12	0.10
Intermediate Government Fixed Income Portfolio	DFIGX	8.48	2.74	3.48	6.02	10/19/1990	0.13	0.13	0.10
Intermediate-Term Extended Quality Portfolio	DFTEX	11.05	3.96	—	4.35	7/20/2010	0.22	0.22	0.20
Intermediate-Term Municipal Bond Portfolio	DFTIX	4.72	2.14	—	1.86	3/1/2012	0.22	0.22	0.20
Investment Grade Portfolio	DFAPX	9.33	3.24	—	3.75	3/7/2011	0.22	0.22	0.20
LTIP Portfolio	DRXIX	4.92	2.49	—	1.67	3/7/2012	0.15	0.14	0.10
MN Municipal Bond Portfolio	DMNBX	3.41	—	—	1.17	7/25/2017	0.32	0.38	0.25
Municipal Bond Portfolio	DFMPX	4.13	—	—	1.94	3/10/2015	0.23	0.24	0.20
Municipal Real Return Portfolio	DMREX	3.15	—	—	1.35	11/4/2014	0.23	0.24	0.20
NY Municipal Bond Portfolio	DNYMX	2.38	—	—	1.79	6/16/2015	0.25	0.25	0.20
One-Year Fixed Income Portfolio	DFIHX	2.65	1.07	0.92	4.52	7/25/1983	0.17	0.17	0.15
Selectively Hedged Global Fixed Income Portfolio	DFSHX	4.87	0.68	1.92	1.33	1/9/2008	0.17	0.17	0.15
Short-Duration Real Return Portfolio	DFAIX	3.34	1.16	—	1.42	11/5/2013	0.23	0.23	0.20
Short-Term Extended Quality Portfolio	DFEQX	4.72	1.99	2.76	3.01	3/4/2009	0.22	0.22	0.20
Short-Term Government Portfolio	DFFGX	3.15	1.12	1.69	4.81	6/1/1987	0.19	0.19	0.17
Short-Term Municipal Bond Portfolio	DFSMX	1.72	0.93	1.19	1.70	8/20/2002	0.22	0.22	0.20
Targeted Credit Portfolio	DTCPX	5.87	—	—	2.54	5/20/2015	0.20	0.23	0.19
Two-Year Fixed Income Portfolio	DFCFX	2.99	1.12	1.03	2.90	6/6/1996	0.21	0.21	0.15
Two-Year Global Fixed Income Portfolio	DFGFX	3.21	1.20	1.10	3.05	2/9/1996	0.17	0.17	0.15
Two-Year Government Portfolio	DFYGX	2.40	0.80	0.84	2.87	6/6/1996	0.20	0.20	0.15
World ex US Government Fixed Income Portfolio	DWFIX	9.55	5.35	—	4.99	12/6/2011	0.20	0.21	0.18
Commodities Portfolio									
Commodity Strategy Portfolio	DCMSX	-7.00	-8.34	—	-5.74	11/9/2010	0.32	0.32	0.30

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Standardized Performance Data and Disclosures

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		1 Year	5 Years	10 Years	Since Inception	Inception Date	Net Expense Ratio	Total (Gross) Expense Ratio	Management Fee
Global Portfolios									
Global Allocation 25/75 Portfolio	DGTSX	4.26	3.03	4.89	4.36	12/24/2003	0.26	0.42	0.20
Global Allocation 60/40 Portfolio	DGSIX	4.14	4.66	8.41	6.32	12/24/2003	0.28	0.49	0.25
Global Equity Portfolio	DGEIX	2.56	6.21	11.72	8.04	12/24/2003	0.30	0.57	0.30
Global Small Company Portfolio	DGLIX	-5.60	—	—	5.31	1/18/2017	0.49	0.90	0.45
Selectively Hedged Global Equity Portfolio	DSHGX	2.17	5.92	—	9.99	11/14/2011	0.34	0.60	0.30
World Core Equity Portfolio	DREIX	1.72	5.61	—	9.40	3/7/2012	0.32	0.59	0.30
Real Estate Portfolios									
Global Real Estate Securities Portfolio	DFGEX	11.92	6.84	13.44	6.01	6/4/2008	0.24	0.35	0.20
International Real Estate Securities Portfolio	DFITX	7.58	3.55	10.05	1.44	3/1/2007	0.28	0.28	0.25
Real Estate Securities Portfolio	DFREX	14.29	8.68	15.87	10.08	1/5/1993	0.18	0.19	0.17
Social and Sustainability Portfolios									
Emerging Markets Social Core Equity Portfolio	DFESX	1.96	2.62	6.32	5.56	8/31/2006	0.53	0.53	0.47
Emerging Markets Sustainability Core 1 Portfolio	DESIX	1.25	—	—	-6.92	3/27/2018	0.65	0.73	0.50
Global Sustainability Fixed Income Portfolio	DGSFX	—	—	—	8.76	11/6/2018	0.28	0.33	0.24
International Social Core Equity Portfolio	DSCLX	-4.45	1.90	—	6.28	11/1/2012	0.33	0.33	0.29
International Sustainability Core 1 Portfolio	DFSPX	-0.73	2.39	7.23	2.86	3/12/2008	0.37	0.34	0.30
Social Fixed Income Portfolio	DSFIX	9.42	—	—	2.58	4/5/2016	0.27	0.25	0.20
US Social Core Equity 2 Portfolio	DFUEX	3.99	7.70	13.96	6.91	10/1/2007	0.28	0.28	0.25
US Sustainability Core 1 Portfolio	DFSIX	7.56	9.51	14.74	9.87	3/12/2008	0.25	0.25	0.23

1. Performance information as of 06/30/19.

2. Fee and expense information as of the prospectus dated 02/28/19.

Certain portfolios have entered into fee waiver and/or expense assumption arrangements with the advisor. In these cases, the advisor has contractually agreed, under certain circumstances, to waive certain fees and/or assume certain expenses of the portfolio. Unless otherwise stated in the prospectus, the advisor may amend or discontinue these arrangements at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the portfolio after taking into account any such fee waiver and/or expense assumption arrangements. Please read the portfolio's prospectus for details and more information.

Index Descriptions

Dimensional US Small Cap Index was created by Dimensional in March 2007 and is compiled by Dimensional. It represents a market-capitalization-weighted index of securities of the smallest US companies whose market capitalization falls in the lowest 8% of the total market capitalization of the eligible market. The eligible market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and investment companies. From January 1975 to the present, the index also excludes companies with the lowest profitability and highest relative price within the small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: CRSP and Compustat. The index monthly returns are computed as the simple average of the monthly returns of 12 sub-indices, each one reconstituted once a year at the end of a different month of the year. The calculation methodology for the Dimensional US Small Cap Index was amended on January 1, 2014, to include profitability as a factor in selecting securities for inclusion in the index.

Dimensional US High Profitability Index was created by Dimensional in January 2014 and represents an index consisting of US companies. It is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three high-profitability subgroups. It is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: CRSP and Compustat.

Dimensional US Low Profitability Index was created by Dimensional in January 2014 and represents an index consisting of US companies. It is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three low-profitability subgroups. It is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: CRSP and Compustat.

Dimensional International Small Cap Index was created by Dimensional in April 2008 and is compiled by Dimensional. July 1981–December 1993: It Includes non-US developed securities in the bottom 10% of market capitalization in each eligible country. All securities are market capitalization weighted. Each country is capped at 50%. Rebalanced semiannually. January 1994–Present: Market-capitalization-weighted index of small company securities in the eligible markets excluding those with the lowest profitability and highest relative price within the small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. The index monthly returns are computed as the simple average of the monthly returns of four sub-indices, each one reconstituted once a year at the end of a different quarter of the year. Prior to July 1981, the index is 50% UK and 50% Japan. The calculation methodology for the Dimensional International Small Cap Index was amended on January 1, 2014, to include profitability as a factor in selecting securities for inclusion in the index.

Index Descriptions

Dimensional International Low Profitability Index was created by Dimensional in January 2013 and represents an index consisting of non-US developed companies. It is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization of each eligible country. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three low-profitability subgroups. The index is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: Bloomberg.

Dimensional International High Profitability Index was created by Dimensional in January 2013 and represents an index consisting of non-US developed companies. It is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization of each eligible country. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three high-profitability subgroups. The index is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: Bloomberg.

Dimensional Emerging Markets Low Profitability Index was created by Dimensional in April 2013 and represents an index consisting of emerging markets companies and is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization of each eligible country. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three low-profitability subgroups. The index is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: Bloomberg.

Dimensional Emerging Markets High Profitability Index was created by Dimensional in April 2013 and represents an index consisting of emerging markets companies and is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization of each eligible country. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three high-profitability subgroups. The index is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: Bloomberg.

Dimensional Emerging Markets Small Cap Index was created by Dimensional in April 2008 and is compiled by Dimensional. January 1989–December 1993: Fama/French Emerging Markets Small Cap Index. January 1994–Present: Dimensional Emerging Markets Small Cap Index composition: Market-capitalization-weighted index of small company securities in the eligible markets excluding those with the lowest profitability and highest relative price within the small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. The index monthly returns are computed as the simple average of the monthly returns of four sub-indices, each one reconstituted once a year at the end of a different quarter of the year. Source: Bloomberg. The calculation methodology for the Dimensional Emerging Markets Small Cap Index was amended on January 1, 2014, to include profitability as a factor in selecting securities for inclusion in the index.

The Dimensional Indices have been retrospectively calculated by Dimensional Fund Advisors LP and did not exist prior to their index inception dates. Accordingly, results shown during the periods prior to each index's index inception date do not represent actual returns of the index. Other periods selected may have different results, including losses. Backtested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Backtested performance results assume the reinvestment of dividends and capital gains. Eugene Fama and Ken French are members of the Board of Directors of the general partner of, and provide consulting services to, Dimensional Fund Advisors LP.

Index Descriptions

Fama/French Total US Market Research Index: July 1926–Present: Fama/French Total US Market Research Factor + One-Month US Treasury Bills. Source: Ken French Website.

Fama/French US Value Research Index: Provided by Fama/French from CRSP securities data. Includes the lower 30% in price-to-book of NYSE securities (plus NYSE Amex equivalents since July 1962 and Nasdaq equivalents since 1973).

Fama/French US Growth Research Index: Provided by Fama/French from CRSP securities data. Includes the higher 30% in price-to-book of NYSE securities (plus NYSE Amex equivalents since July 1962 and Nasdaq equivalents since 1973).

Fama/French International Value Index: 2008–present: Provided by Fama/French from Bloomberg securities data. Simulated strategy of MSCI EAFE + Canada countries in the lower 30% price-to-book range. 1975–2007: Provided by Fama/French from MSCI securities data.

Fama/French International Growth Index: 2008–present: Provided by Fama/French from Bloomberg securities data. Simulated strategy of MSCI EAFE + Canada countries in the higher 30% price-to-book range. 1975–2007: Provided by Fama/French from MSCI securities data.

Fama/French Emerging Markets Value Index: 2009–present: Provided by Fama/French from Bloomberg securities data. Simulated strategy using IFC investable universe countries. Companies in the lower 30% price-to-book range; companies weighted by float-adjusted market cap; countries weighted by country float-adjusted market cap; rebalanced monthly. 1989–2008: Provided by Fama/French from IFC securities data. IFC data provided by International Finance Corporation.

Fama/French Emerging Markets Growth Index: 2009–present: Provided by Fama/French from Bloomberg securities data. Simulated strategy using IFC investable universe countries. Companies in the higher 30% price-to-book range; companies weighted by float-adjusted market cap; countries weighted by country float-adjusted market cap; rebalanced monthly. 1989–2008: Provided by Fama/French from IFC securities data. IFC data provided by International Finance Corporation.

Presenter's Biography

Chermaine Fullinck

Regional Director

Chermaine Fullinck, a Regional Director in Dimensional's Global Client Group, is responsible for developing and strengthening client relationships with institutional investors. Prior to joining Dimensional, Chermaine served as an associate relationship manager with Fischer, Francis, Trees & Watts, assisting with client coverage for US clients. Before that, he was part of an investment team at Libra Group charged with launching an alternative asset management business for Libra's family office. In addition, he spent time at CRT Capital Group LLC as a senior analyst and Investment Committee member for CRT's fund of hedge funds business.

Chermaine earned a bachelor's degree in economics from the University of Alaska-Fairbanks in 1999.

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
19	09/11/19	Retirement	Information	08/31/19

Subject: Investment Performance Review by Boston Partners for the ATU, IBEW and Salaried Retirement Funds for the Domestic Large Cap Equity Class for the Quarter Ended June 30, 2019 (ALL). (Adelman)

ISSUE

Investment Performance Review by Boston Partners for the ATU, IBEW and Salaried Retirement Funds for the Domestic Large Cap Equity Class for the Quarter Ended June 30, 2019 (ALL). (Adelman)

RECOMMENDED ACTION

Information only.

FISCAL IMPACT

None.

DISCUSSION

Retirement funds are invested consistent with the Statement of Investment Objectives and Policy Guidelines (Policy) adopted by each Retirement Board (Board). The Board shall meet at least every eighteen (18) months with each investment manager to review the performance of its investment, the adherence to the Policy, and any material changes to its organization. The Policy also establishes the Retirement Funds' asset allocation policy and the asset classes in which the Plans funds are invested. The asset classes established by the Policy are (1) Domestic Large Capitalization Equity, (2) Domestic Small Capitalization Equity, (3) International Large Capitalization Equity, (4) International Small Capitalization Equity (5) International Emerging Markets, and (6) Domestic Fixed-Income.

Boston Partners is one of the Retirement Boards' Domestic Large Capitalization Equity fund managers. Boston Partners will be presenting performance results for the quarter ended June 30, 2019, shown in Attachment 1, and answering any questions.

Approved:

Presented:

Final 08/28/19

VP of Finance/CFO

Director, Finance and Treasury

J:\Retirement Board\2019\IP's\Quarterly Meetings\September 11, 2019\FI FINAL IPs\09-11-19 Fund Manager Review - Boston Partners.docx



Large Cap Value Equity

September 11, 2019

Sacramento Regional Transit District



Carolyn M. Margiotti, CFA
Portfolio Research
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+1 (415) 464-2882



Your Boston Partners Team



Mark E. Donovan, CFA
Co-Chief Executive Officer and
Lead Portfolio Manager
mdonovan@boston-partners.com
+1 (617) 832-8246

Mr. Donovan is Co-Chief Executive Officer of Boston Partners and portfolio manager for BP Large Cap Value portfolios. He is responsible for strategic and tactical operating decisions affecting the firm. He was one of the founding partners of Boston Partners Asset Management in 1995. He joined the firm from The Boston Company where he was Senior Vice President and equity portfolio manager. He also spent five years as a consulting associate with Kaplan, Smith & Associates, and two years as a securities analyst for Value Line Inc. Mr. Donovan holds a B.S. degree in management from Rensselaer Polytechnic Institute. He holds the Chartered Financial Analyst® designation. He has thirty-eight years of investment experience.



David Cohen, CFA
Portfolio Manager
dcohen@boston-partners.com
+1 (617) 832-8253

Mr. Cohen is a portfolio manager for the Boston Partners Large Cap Value strategy. In addition to managing the Large Cap Value strategy, experience at the firm includes managing a portion of the Boston Partners Long/Short Research strategy focusing on security selection within the energy sector as well as the engineering & construction, and metals & mining industries. Prior to his current role, Mr. Cohen served as an equity analyst covering these same industries. He has deep experience analyzing and understanding capital intensive commodity-oriented businesses. He joined the firm from Loomis Sayles where he had over 8 years of experience as a portfolio manager for their Research Fund, as well as running a global energy hedge fund. As an equity analyst he covered the energy, materials, and industrials sectors. Prior to joining Loomis Sayles, Mr. Cohen was in consultant relations at MFS Investment Management. He received a B.A. degree from the University of Michigan and his M.S. in Finance from Brandeis University. He holds the Chartered Financial Analyst® designation. He has fifteen years of experience.



Stephanie McGirr
Portfolio Manager
smcgirr@boston-partners.com
+1 (617) 832-8245

Ms. McGirr is a portfolio manager for the Boston Partners Large Cap Value strategy. In addition to managing the Large Cap Value strategy, experience at the firm includes managing a portion of the Boston Partners Long/Short Research strategy focusing on security selection within the health care services sector as well as insurance, restaurant, retail, and apparel industries. Prior to her current role, Ms. McGirr served as an equity analyst covering these same industries. Over the course of her tenure at Boston Partners, Stephanie also covered the consumer staples and business services industries. She started with Boston Partners in 2002 as a research and quantitative associate in the firm's research group. She joined the firm from Arthur Andersen where she was an operations associate. Ms. McGirr holds a bachelor's degree in English from Colgate University. She has seventeen years of experience.



David J. Pyle, CFA
Senior Portfolio Manager
dpyle@boston-partners.com
+1 (415) 464-2892

Mr. Pyle is a portfolio manager for Boston Partners Large Cap Value portfolios. Prior to assuming this role, he was a research analyst covering the utility, insurance, leisure & lodging, packaging, publishing, and computer equipment & services sectors. Mr. Pyle joined the firm from State Street Research where he was a research analyst and associate portfolio manager in their equity value group. Prior to that, he spent five years with Price Waterhouse. Mr. Pyle holds a B.S. degree in business administration from California State University, Chico, and an M.B.A. degree from the Kenan-Flagler School of Business at the University of North Carolina. Mr. Pyle holds the Chartered Financial Analyst® designation. He has twenty-four years of investment experience.



Carolyn M. Margiotti, CFA
Portfolio Research
cmargiotti@boston-partners.com
+1 (415) 464-2882

Ms. Margiotti is a senior portfolio analyst for Boston Partners and has extensive experience with all of the firm's strategies. Ms. Margiotti also serves as a member of the relationship management team managing a number of the firm's key relationships. Prior to joining the firm in 2005, Ms. Margiotti was the manager of investments for PG&E Corporation where she managed over \$12 billion in pension, 401(k) and taxable trust assets. Her primary responsibilities included strategic asset allocation, investment strategy recommendations and investment manager selection and oversight. Ms. Margiotti is a former member of the Financial Women of San Francisco, served as Scholarship Committee team leader for many years. She has been an adjunct professor at the University of San Francisco and an instructor for the CFA review program. Ms. Margiotti holds a B.S. degree in industrial management and finance from Purdue University and an M.B.A. degree from the McLaren School of Business at the University of San Francisco. She holds the Chartered Financial Analyst® designation, FINRA licenses 7 and 63, and has twenty-five years of industry experience.



Kristin Butner
Client Service Associate
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+1 (213) 687-1676

Ms. Butner is a Client Service Associate at Boston Partners. She works with many of our key domestic and internationally focused clients. Prior to joining the firm in 2017, she was a Client Service Manager with Institutional Shareholder Services. She holds a B.A. degree in liberal arts from the University of Oklahoma. Ms. Butner has four years of industry experience.

Boston Partners At a Glance

As of June 30, 2019

Firm Profile

- Founded in 1995; offices in Boston, New York, Los Angeles, Greenbrae and London
- One investment philosophy and process across all strategies
- A focus on security selection driven by fundamental research, and guided by quantitative analysis
- All established strategies have outperformed their benchmark since inception*

\$89.0 Billion Assets Under Management – Summary

Asset Class	Assets (\$ Millions)
Domestic Equity	\$74,167
Global & International	\$9,120
Long/Short	\$5,736

\$89.0 Billion Assets Under Management – Detail

Investment Strategies	Assets (\$ Millions)
Large Cap Value, Concentrated Large Cap Value, 130/30 Large Cap Value	\$34,168
Premium Equity (U.S. All-Cap Value)	\$12,393
Mid Cap Value	\$21,048
Small/Mid Cap Value	\$1,653
Small Cap Value	\$2,093
Small Cap Value II	\$970
U.S. Long/Short	\$4,278
Alternative Yield	\$85
Global, International, Concentrated International	\$9,110
Global Long/Short, International Long/Short	\$1,165
Emerging Markets Long/Short, Emerging Markets	\$208
WPG Small Cap Value, Micro Cap Value	\$1,853

* Boston Partners' established strategies have a minimum track record of 5 years. Long/Short benchmarks are exposure adjusted. Organizational information can be found in the appendix.

Equity Investment Team

Long tenured investment team employing the same process across all strategies

Portfolio Management and Portfolio Research

Mark Donovan, CFA
Large Cap Value
38 years experience

Joseph Feeney, Jr., CFA
CIO, Long/Short Research
34 years experience

David Pyle, CFA
Large Cap Value
24 years experience

Christopher Hart, CFA
Global, International,
Global Long/Short
28 years experience

John Forelli, CFA
Director of Portfolio Research
35 years experience

David Cohen, CFA
Large Cap Value
15 years experience

Joshua Jones, CFA
Global, International,
Global Long/Short
15 years experience

Carolyn Margiotti, CFA
Portfolio Research
25 years experience

Stephanie McGirr
Large Cap Value
17 years experience

Joshua White, CFA
Global, International,
Global Long/Short
13 years experience

Michael McCune, CFA
Portfolio Research
25 years experience

Martin MacDonnell, CFA
130/30 Large Cap Value
28 years experience

Harry Rosenbluth, CFA
Senior Advisor
38 years experience

Brandon Smith, CFA, CAIA
Portfolio Research
13 years experience

Duilio Ramallo, CFA
Premium Equity
24 years experience

Paul Korngiebel, CFA
Emerging Markets,
Emerging Markets Long/Short
19 years experience

Michael Mullaney
Director of Global
Markets Research
38 years experience

Steven Pollack, CFA
Mid Cap Value
35 years experience

Robert Jones, CFA
Long/Short Equity
31 years experience

Christopher Eagan
Global Markets Analyst
34 years experience

David Dabora, CFA
Small/SMID Value
32 years experience

Patrick Regan, CFA
Long/Short Equity
24 years experience

George Gumpert, CFA
Small/SMID Value
20 years experience

Todd G. Hawthorne
Alternative Yield
22 years experience

Fundamental and Quantitative Research

Todd Knightly
Director of Fundamental Research
30 years experience

Darin Fierstein
Alternative Yield Generalist
17 years experience

Soyoun Song
Non-U.S. Industry Analyst
14 years experience

Brian Boyden, CFA
Emerging Markets Industry Analyst
21 years experience

Trevor Frankel, CFA
Emerging Markets Industry Analyst
9 years experience

Bruce Wimberly
Long/Short Generalist
27 years experience

Scott Burgess, CFA
Technology, Electronics
20 years experience

Volkan Gulen, CFA
Consumer Products, Business
Services, Tobacco, Agriculture,
Media & Advertising
13 years experience

Eric Connerly, CFA
Director of Quantitative
Research
26 years experience

Lawrence Chan, CFA
Internet Services, Payment
Services, Recreational Products
20 years experience

Jacklyn Y. Hall
Retail, Restaurants, Property
& Casualty Insurance, REITs
11 years experience

Jason Bartlett, CFA
Quantitative Strategies
17 years experience

Charles Clapp
Non-U.S. Industry Analyst
4 years experience

Andrew Hatem, CFA
Healthcare
24 years experience

Pete Cady
Quantitative Strategies
4 years experience

Tim Collard
Aerospace & Defense,
Transportation, Housing & Autos
14 years experience

David Hinton, CFA
Small Cap Generalist
17 years experience

Leo Fochtman
Quantitative Strategies
33 years experience

Aaron DeCoste
Energy, Engineering &
Construction, Metals & Mining
14 years experience

Tim Horan
Industrials & Manufacturing,
Home & Office Furnishings,
Utilities
22 years experience

Rubina Moin
Quantitative Strategies
19 years experience

Paul Donovan, CFA
Paper & Packaging, Cable &
Telecom, Gaming & Lodging,
Chemicals
8 years experience

David Kim
Emerging Markets Industry Analyst
4 years experience

Maggie Pietropaolo, CFA
Quantitative Strategies
29 years experience

Kevin Duggan, CFA
Banks, Money Center
24 years experience

Ross Klein, CFA
Long/Short Generalist
9 years experience

Joseph Urick
Quantitative Strategies
30 years experience

Colin Egan
Non-U.S. Industry Analyst
4 years experience

Edward Odre, CFA
Financial Services,
Life Insurance
10 years experience

Carissa Wong, CFA
Quantitative Strategies
18 years experience

Trading

Mark Kuzminskas
Director of Equity Trading
29 years experience

Christopher Bowker
Senior Equity Trader
20 years experience

Thomas Walsh
Senior Equity Trader
25 years experience

Matthew Ender
Equity Trader
10 years experience

Ian Sylvetsky
Equity Trader
10 years experience

Christopher Spaziani, CFA
Equity Trading Assistant
6 years experience

Three Circle Stock Selection Process

In our experience, portfolios with all three characteristics tend to outperform over time

We buy stocks where we find the intersection of the three circles

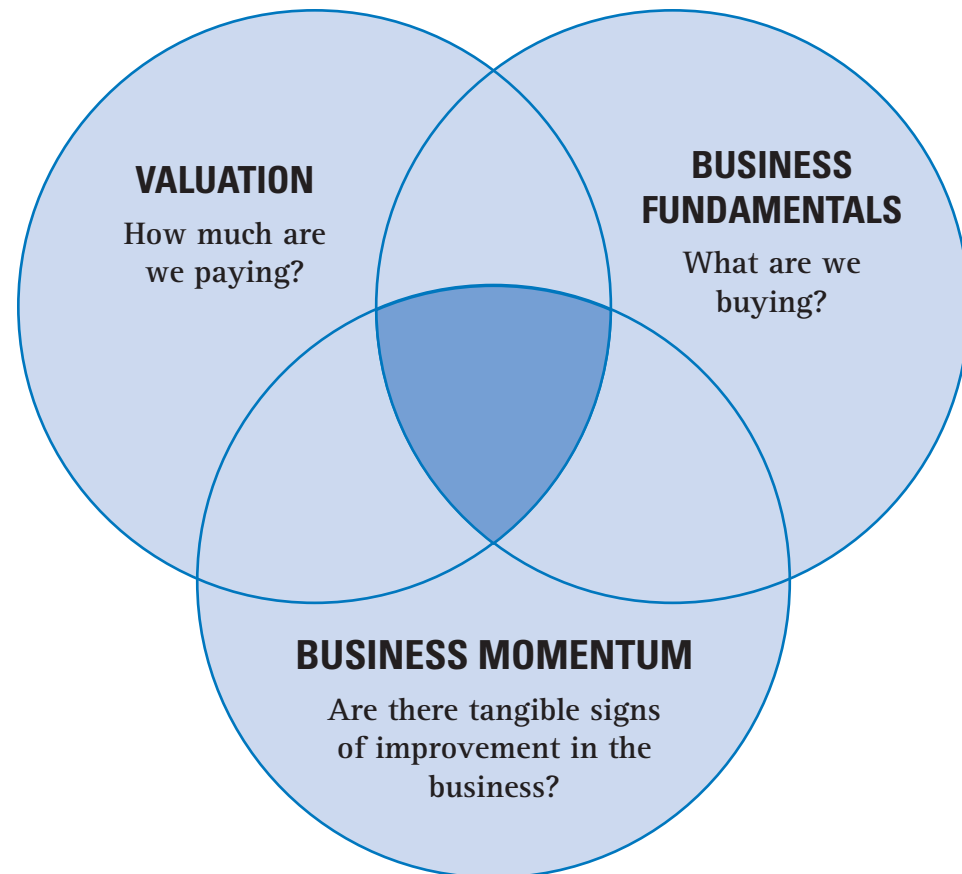


We sell stocks due to:

- Appreciation to target price
- Weakening business fundamentals
- A deterioration in business momentum

Risk management begins with:

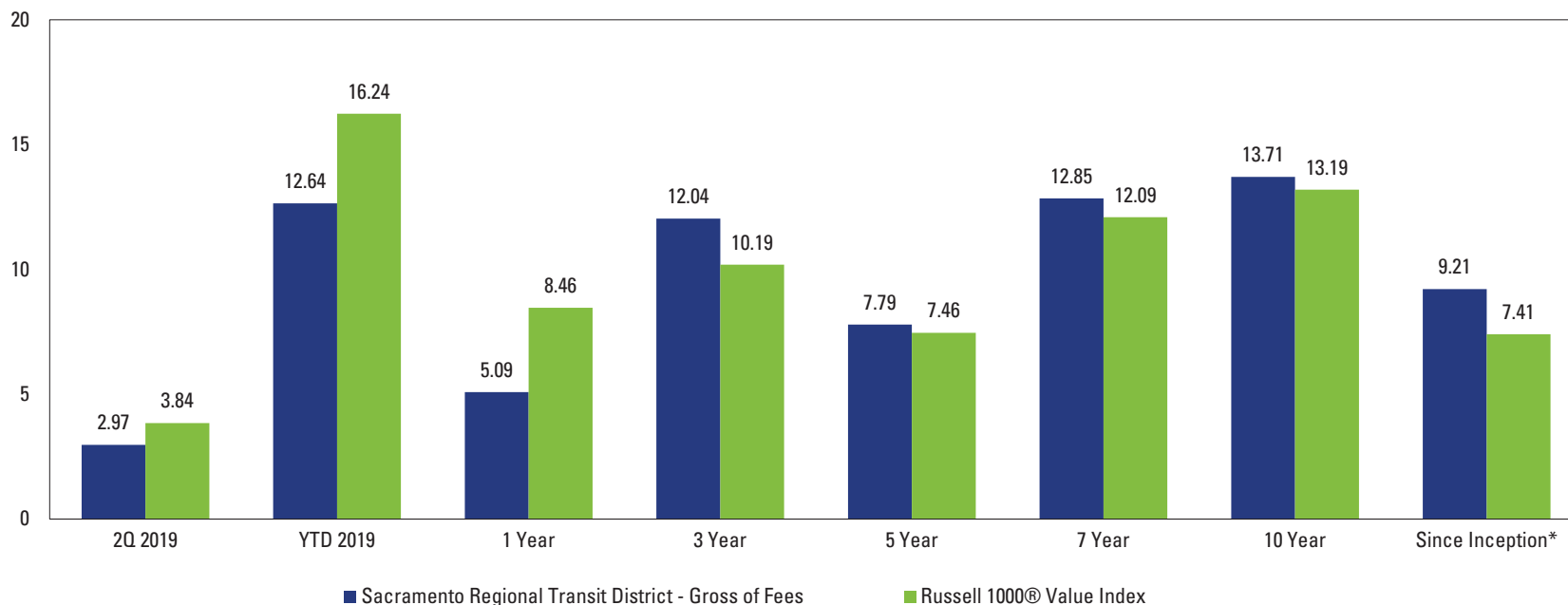
- A value driven approach
- A well-defined sell discipline
- Portfolio diversification



Past performance is not an indication of future results.

Investment Performance

As of June 30, 2019



Statement of Changes

Beginning Assets (6/29/05)	\$26.0 M
Net Cash Flows	(\$27.6 M)
Investment Returns	\$47.8 M
Current Assets (6/30/19)	\$46.2 M

Annualized Performance (%) - Gross of Fees

	2Q 2019	YTD 2019	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception*
Sacramento Regional Transit District - Gross of Fees	2.97	12.64	5.09	12.04	7.79	12.85	13.71	9.21
Sacramento Regional Transit District - Net of Fees	2.83	12.34	4.52	11.43	7.21	12.23	13.08	8.59
Russell 1000® Value Index	3.84	16.24	8.46	10.19	7.46	12.09	13.19	7.41
Relative Performance - Net of Fees	-1.01	-3.90	-3.94	1.24	-0.25	0.14	-0.11	1.18

* Inception date is July 1, 2005.

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Market Observations

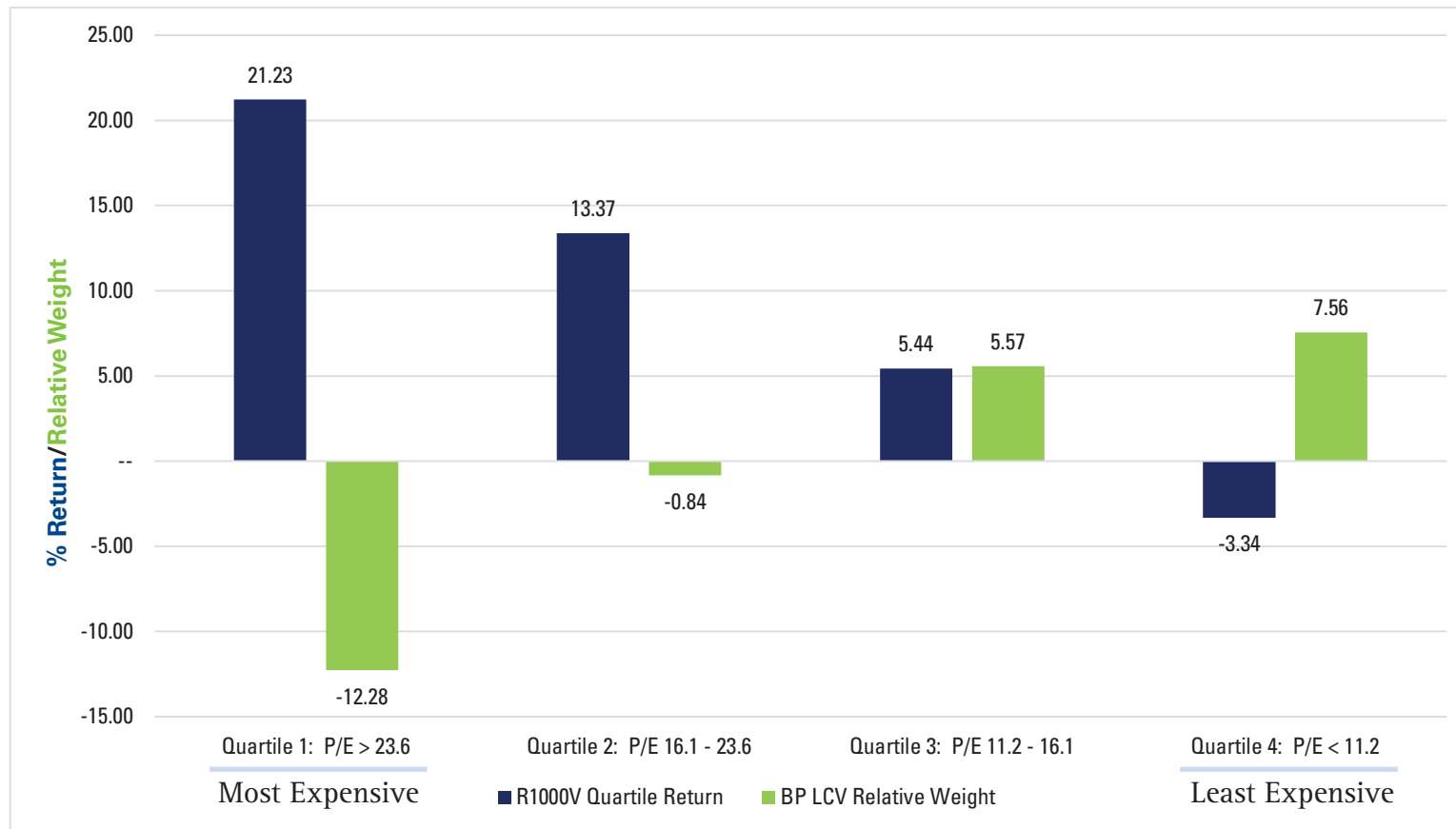
As of June 30, 2019

- The market, as represented by the S&P 500 Index, advanced cautiously during the quarter as cross-currents created uncertainty
 - Record low unemployment, productivity improving and strong Q1 economic growth
 - An inverted yield curve, global manufacturing weakness and continued trade tensions
 - Large Cap and growth led the market higher as investors sought out security
- The fixed income market is worried about a recession
 - U.S. Treasury bond yields have fallen from 3% in December 2018 to 2% today
 - Over \$13 Trillion of bonds have interest rates below zero including Germany and Japan
 - Inverted yield curve is signaling the Fed is too tight
 - Expectations are for the Fed to come to the rescue and cut rates 75 bps by the end of 2019
- We are seeing signs of speculative excess in the equity market
 - Stable companies and high revenue growers are trading at historically high valuations
 - Private equity is tiring of supporting money losing “disruptors” and bringing companies to market prematurely.
 - IPOs collectively have negative operating margins in 2019 – the biggest deficits and for the longest period ever
- We appear to be in the late innings of this economic expansion and bull market
 - While economic activity is slowing, we do not see a recession in 2019
 - Fed rate cuts and a trade deal could provide further catalysts for speculative investors
 - We believe now more than ever we should emphasize low valuation, high quality and strong free cash growth

Discussions of securities returns and trends are not intended to be a forecast of future events or returns. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

The Most Expensive Companies Performed the Best Over the Last 12 Months

Russell 1000® Value Index One Year Performance by P/E FY1 Quartiles and Large Cap Value Composite Relative Weight as of June 30, 2019



- Overweight low P/E and underweight high P/E reduced relative returns by 3.0% during the period

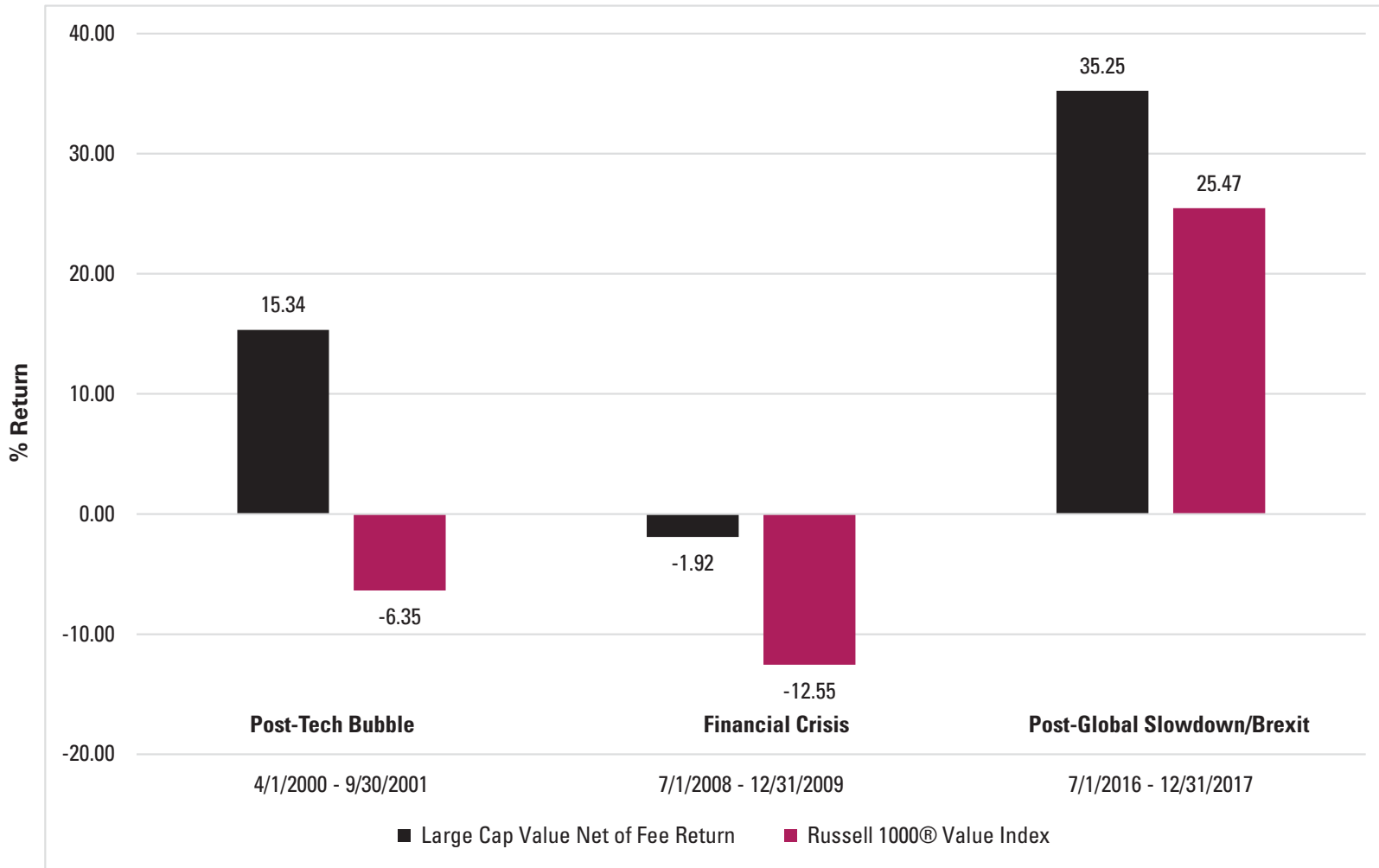
Source: Boston Partners and FactSet.

Quartile 1 represents the most expensive stocks; Quartile 4 represents the least expensive stocks.

Past performance is not an indication of future results. A GIPS® compliant presentation is contained herein. Please refer to the appendix for other important disclosures.

Sticking to our Process has Paid Off After Extreme Market Environments

18 month Cumulative Returns: Boston Partners Large Cap Value Composite (Net of Fees) and Russell 1000® Value Index

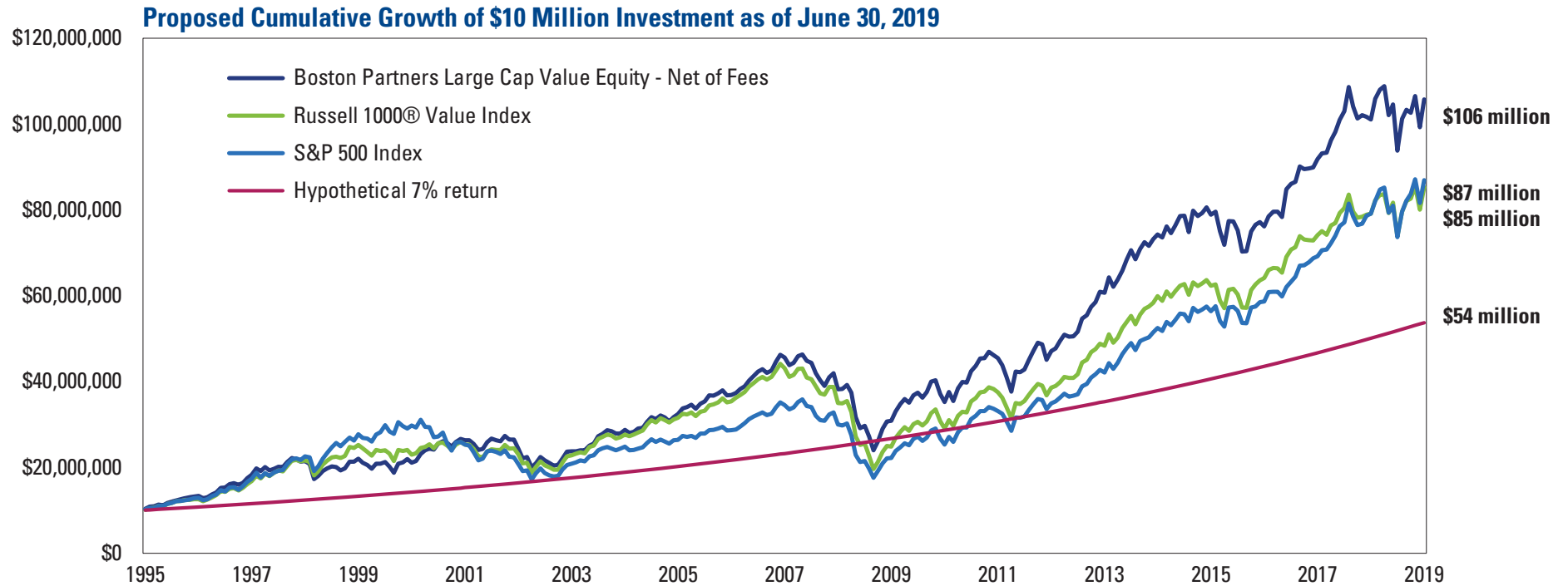


Source: Boston Partners and FactSet.

Past performance is not an indication of future results. A GIPS® compliant presentation is contained herein. Please refer to the appendix for other important disclosures.

Benefits of Active Management

Selecting the Right Manager Leads to Higher Growth of Capital



Data as of June 30, 2019.

This is a hypothetical illustration of the growth of \$10 million had it been invested in the Boston Partners Large Cap Value Equity strategy on June 1, 1995. The results of this illustration may be changed depending on investment guidelines and cash flow. It assumes reinvestment of dividends and capital gains, and does not reflect sales loads, redemption fees or the effects of taxes on any capital gains and/or distributions. Past performance is not an indication of future results.

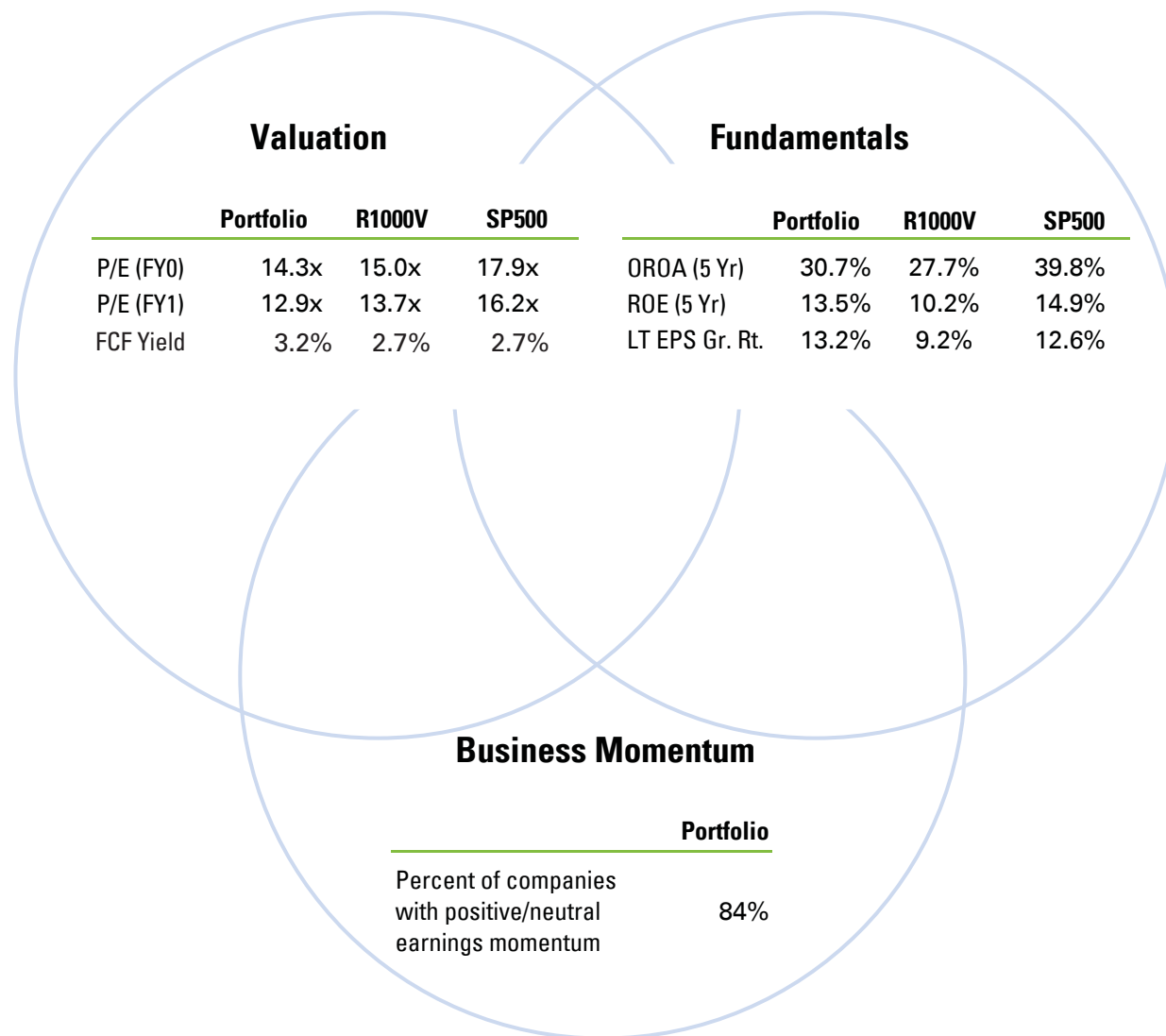
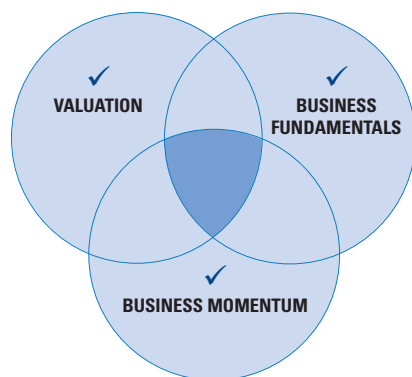
7% is a representative actuarial rate. Use of 7% is an arbitrary assumption. Results will be different with a different assumption. 7% is based on a study by Milliman Consulting in 2015 of approximately 1,300 multi-employer plans based on form 5500 filings. Based on the conclusions of the study, 7% is a reasonable assumption for this comparison.

Portfolio Characteristics

A proof statement that the stock selection process results in a "three circles" portfolio

"Three Circles"

An attractive valuation, strong business fundamentals, and positive business momentum. In our experience, portfolios with all three characteristics tend to outperform over time.



As of June 30, 2019.

P/E FY0 is reported as current year; P/E FY1 is reported as projected 12 months.

FCF Yield is reported as median excluding financials of the underlying securities.

Portfolio characteristics are for Sacramento Regional Transit District and are subject to change. Please refer to the appendix for other important disclosures.

Portfolio Positioning

Our assessment of where the opportunities exist

Largest Holdings (%)

Berkshire Hathaway Inc Cl B	4.8
Johnson & Johnson	3.7
Bank of America Corp	3.4
Chevron Corp	3.3
Comcast Corp Cl A	2.9
Procter & Gamble Co	2.4
Citigroup Inc	2.4
Verizon Communications Inc	2.4
American International Group Inc	2.3
Pfizer Inc	2.3
Total	29.9

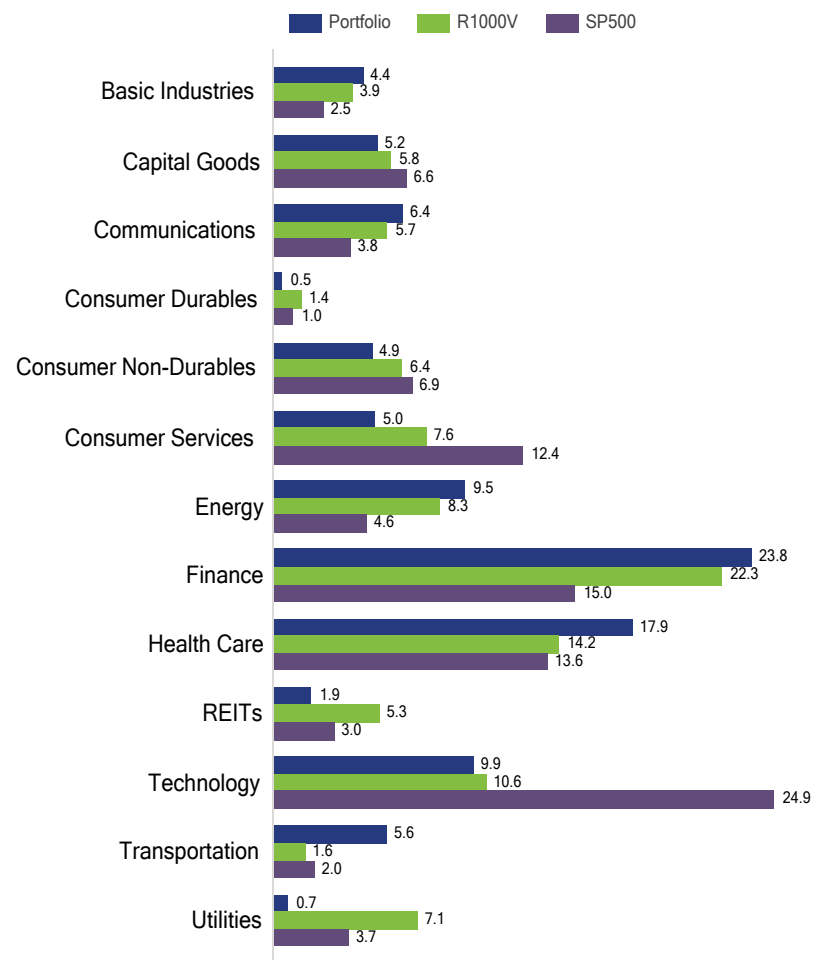
Portfolio Statistics

	Portfolio	R1000V	SP500
Number of Securities	83	722	505
Wtd. Avg. Mkt. Cap (\$M)	\$135,527	\$123,089	\$224,970
Dividend Yield	2.2%	2.6%	2.0%
Turnover (Trailing 1 Year)	61.2%	-	-

As of June 30, 2019.

Portfolio characteristics and sector weightings for Sacramento Regional Transit District and are subject to change. The specific securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients. It should not be assumed that investments in these sectors or securities were or will be profitable. Please refer to the appendix for other important disclosures.

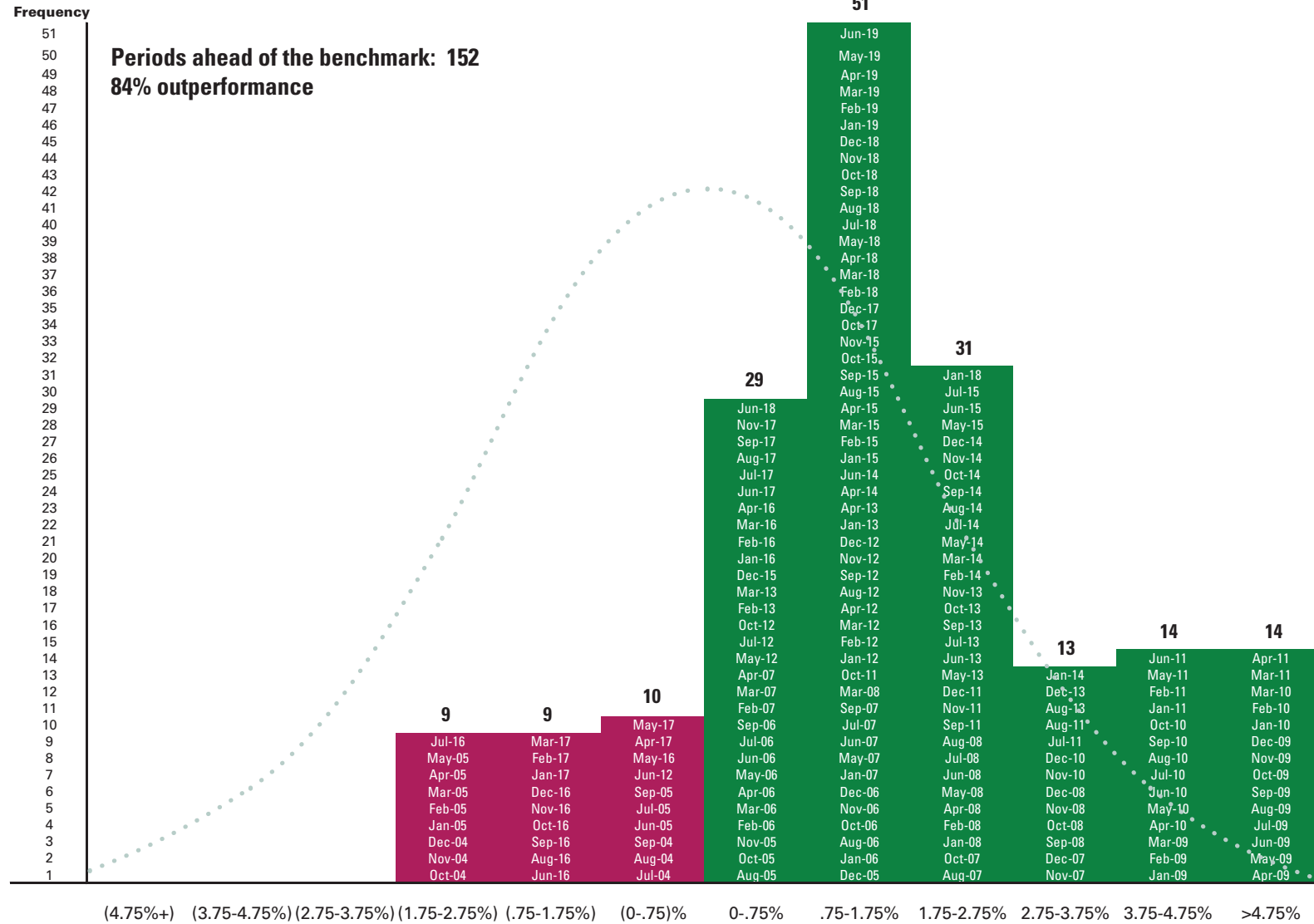
Sector Weightings (% of Portfolio)



Seeking to Tilt the Probabilities in Your Favor — The Results

Distribution of rolling three-year excess returns

Boston Partners Large Cap Value Equity Composite



The chart reflects a fifteen-year time period, 180 months. Data as of June 30, 2019.

Relative performance of the Boston Partners Large Cap Value Equity is versus the Russell 1000® Value Index. Returns reflect composite results gross of fees and individual portfolio results may vary. A GIPS® compliant presentation is found herein. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

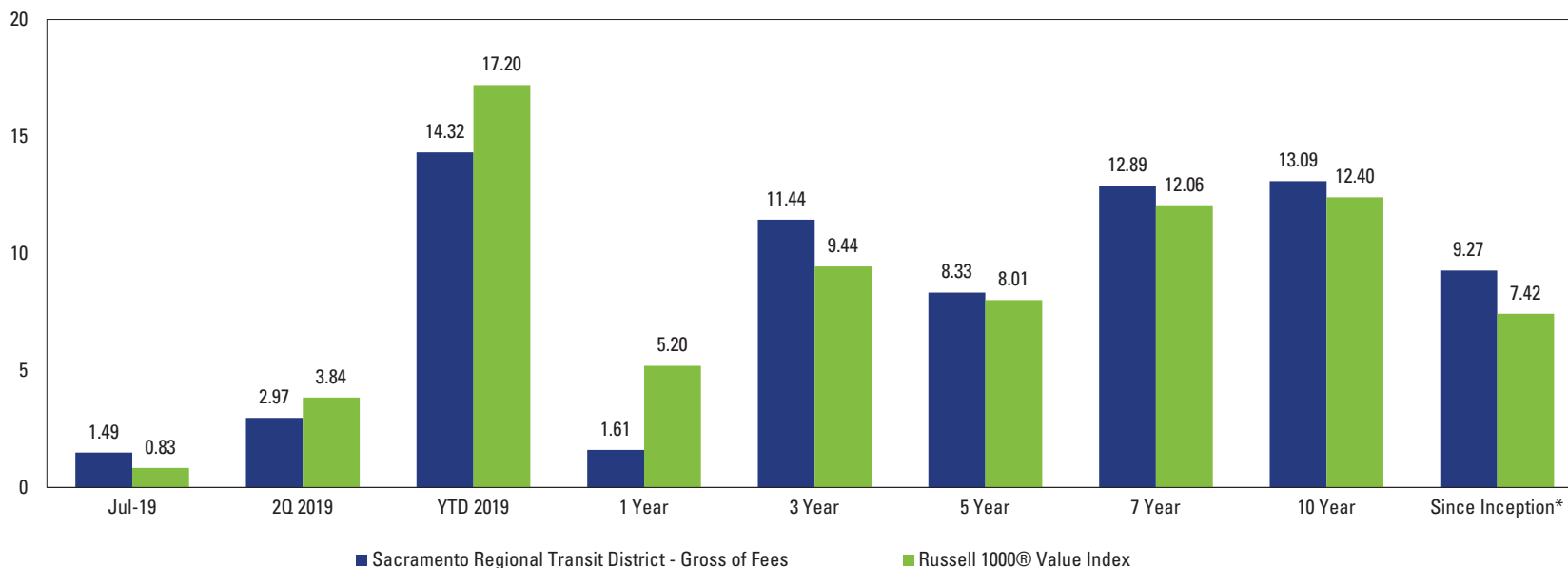


Boston Partners

Appendix

Investment Performance

As of July 31, 2019



Annualized Performance (%) - Gross of Fees

	July 2019	2Q 2019	YTD 2019	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception*
Sacramento Regional Transit District - Gross of Fees	1.49	2.97	14.32	1.61	11.44	8.33	12.89	13.09	9.27
Sacramento Regional Transit District - Net of Fees	1.44	2.83	13.96	1.05	10.84	7.74	12.28	12.48	8.64
Russell 1000 Value Index	0.83	3.84	17.20	5.20	9.44	8.01	12.06	12.40	7.42
Relative Performance - Net of Fees	0.61	-1.01	-3.24	-4.15	1.40	-0.27	0.22	0.08	1.22

* Inception date is July 1, 2005.

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Performance Attribution

Second Quarter 2019

BP Sector	Portfolio			Russell 1000® Value Index			Attribution Analysis		
	Average Weight	Total Return	Contribution To Return	Average Weight	Total Return	Contribution To Return	Allocation Effect	Selection Effect	Total Effect
Basic Industries	4.53	1.72	0.04	3.84	3.74	0.16	-0.03	-0.11	-0.14
Capital Goods	5.26	3.21	0.17	5.73	7.05	0.40	-0.01	-0.20	-0.21
Communications	7.31	3.50	0.23	5.65	4.62	0.25	0.02	-0.09	-0.08
Consumer Durables	0.30	1.46	0.00	1.39	5.42	0.08	-0.02	-0.02	-0.04
Consumer Non-Durables	5.21	6.85	0.35	6.47	1.88	0.12	0.02	0.26	0.27
Consumer Services	5.14	0.48	0.00	7.56	5.95	0.45	-0.05	-0.29	-0.34
Energy	9.63	-3.33	-0.34	8.51	-4.12	-0.38	-0.08	0.08	0.00
Finance	24.00	8.73	2.02	22.27	7.85	1.68	0.08	0.20	0.28
Health Care	17.17	2.17	0.44	13.92	2.45	0.35	0.00	-0.12	-0.12
REITS	2.34	-3.87	-0.08	5.34	0.82	0.05	0.09	-0.11	-0.02
Technology	12.81	0.10	-0.02	10.61	3.26	0.34	-0.02	-0.39	-0.41
Transportation	5.62	2.45	0.13	1.58	6.57	0.10	0.11	-0.23	-0.12
Utilities	0.68	8.87	0.06	7.13	3.31	0.24	0.03	0.04	0.07
Total	100.00	2.99	2.99	100.00	3.84	3.84	0.14	-0.99	-0.85

Attribution is calculated using end of day security prices and returns shown are equity only and exclude cash. Results are for Sacramento Regional Transit District and are gross of fees. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Performance Attribution

Year to Date as of June 30, 2019

BP Sector	Portfolio			Russell 1000® Value Index			Attribution Analysis		
	Average Weight	Total Return	Contribution To Return	Average Weight	Total Return	Contribution To Return	Allocation Effect	Selection Effect	Total Effect
Basic Industries	4.10	5.45	0.11	3.86	13.72	0.56	-0.05	-0.35	-0.40
Capital Goods	5.79	22.50	1.37	5.63	28.44	1.49	0.05	-0.28	-0.23
Communications	6.07	16.55	0.76	5.61	16.10	0.91	-0.06	-0.11	-0.17
Consumer Durables	0.36	13.11	0.08	1.40	20.21	0.28	-0.02	-0.08	-0.10
Consumer Non-Durables	4.92	20.81	0.94	6.36	18.43	1.14	-0.05	0.13	0.09
Consumer Services	5.09	13.20	0.69	7.64	15.51	1.19	0.01	-0.11	-0.10
Energy	9.26	10.66	0.94	8.72	10.87	1.05	-0.09	-0.04	-0.13
Finance	25.68	18.10	4.45	22.29	16.51	3.68	-0.17	0.36	0.19
Health Care	17.50	2.29	0.55	14.13	9.60	1.37	-0.25	-1.30	-1.55
REITS	2.38	11.03	0.30	5.31	16.89	0.91	-0.03	-0.13	-0.16
Technology	13.02	15.90	1.98	10.45	22.01	2.18	0.15	-0.70	-0.55
Transportation	5.10	15.69	0.68	1.55	20.39	0.31	0.12	-0.25	-0.13
Utilities	0.72	19.91	0.14	7.06	16.86	1.17	-0.03	0.00	-0.02
Total	100.00	12.97	12.97	100.00	16.23	16.23	-0.41	-2.85	-3.26

Attribution is calculated using end of day security prices and returns shown are equity only and exclude cash. Results are for Sacramento Regional Transit District and are gross of fees. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Performance Attribution

Calendar Year 2018

BP Sector	Portfolio			Russell 1000® Value Index			Attribution Analysis		
	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Allocation Effect	Selection Effect	Total Effect
Basic Industries	4.23	-20.49	-0.57	3.39	-17.00	-0.58	-0.03	-0.05	-0.08
Capital Goods	6.66	-21.23	-1.59	5.98	-23.08	-1.38	-0.16	0.11	-0.05
Communications	3.72	-5.30	-0.24	4.35	-8.91	-0.32	0.02	0.19	0.21
Consumer Durables	0.86	-15.79	-0.19	1.46	-29.42	-0.44	0.18	0.01	0.19
Consumer Non-Durables	0.85	22.15	0.03	6.00	-13.76	-0.88	0.28	0.40	0.68
Consumer Services	5.40	-8.02	-0.71	7.80	-2.82	-0.32	-0.08	-0.34	-0.43
Energy	11.97	-11.54	-1.05	10.24	-17.49	-1.53	-0.19	0.68	0.48
Finance	31.60	-14.11	-3.87	24.80	-14.16	-3.28	-0.38	0.06	-0.32
Health Care	15.85	2.43	0.12	13.50	8.24	0.82	0.41	-0.78	-0.37
REITs	1.28	-5.63	-0.19	4.86	-4.89	-0.23	-0.06	-0.15	-0.20
Technology	14.56	-5.03	-0.12	9.87	0.22	-0.09	0.55	-0.56	-0.01
Transportation	2.51	-16.21	-0.57	1.46	-5.68	-0.08	0.01	-0.25	-0.25
Utilities	0.51	-6.15	-0.04	6.27	2.24	0.05	-0.52	-0.07	-0.58
Total	100.00	-8.99	-8.99	100.00	-8.27	-8.27	0.02	-0.74	-0.72

Attribution is calculated using end of day security prices and returns shown are equity only and exclude cash. Results are for Sacramento Regional Transit District and are gross of fees. Past performance is not an indication of future results. Please refer to the last appendix for other important disclosures.

Sacramento Regional Transit District

Investment Guidelines and Objectives

Performance Objectives	<ul style="list-style-type: none">✓ Over a minimum time horizon of three years, achieve a net of fee return that exceeds the Russell 1000® Value Index and a gross of fee return that ranks in the top half of a comparative universe of large cap value managers
Guidelines	<p>Investable Universe</p> <ul style="list-style-type: none">✓ U.S. equity securities✓ International equity instruments* which trade on U.S.-based exchanges, including ADRs✓ S&P 500 Stock Index Futures to obtain low cost temporary equity market exposure (not to be used to provide leveraged equity market exposure). Futures transactions must be completed on a major U.S. exchange which guarantees contract compliance✓ No stock options, short sales, purchases on margin, letter stocks, private placement securities or commodities✓ No investment in securities issued by companies in the Tobacco Sub-Industry as defined by the Global Industry Classification Standards (GICS), subject to the prudent investor rule as set forth in Article XVI Section 17 of the California Constitution <p>Diversification</p> <ul style="list-style-type: none">✓ Investment in the securities of a single issuer shall not exceed 5% (at cost) of the portfolio✓ Investment in the securities of a single issuer shall not exceed 5% of the company's total outstanding shares✓ No individual economic sector will represent more than 35% of the portfolio (BP)✓ No single industry shall represent more than 25% (at cost) of the portfolio market value✓ International equity instruments and ADR's will not comprise more than 5% of the total portfolio (at cost)✓ Cash shall not exceed 10% of the portfolio market value

* International Equity Security (Non-U.S.) - refers to an issue of an entity, which is not organized under the laws of the United States and does not have its principal place of business within the United States.

Risk Management

A clear definition with tools designed to measure intended and unintended risks

"True investment risk" is a permanent impairment or loss of capital

- True investment risk is not a statistical measure of volatility, variance or estimated tracking error
- Minimize capital losses because it takes a 100% capital gain to fully recoup a 50% loss

Capital impairments stem from three sources, all of which are best evaluated bottom-up, stock by stock

- Valuation Risk – overpaying for an investment
- Balance Sheet Risk – solvency risk of the business
- Earnings Risk – earnings ultimately drive stock prices

We employ a multi-layered set of checks & balances designed to buffer against capital losses

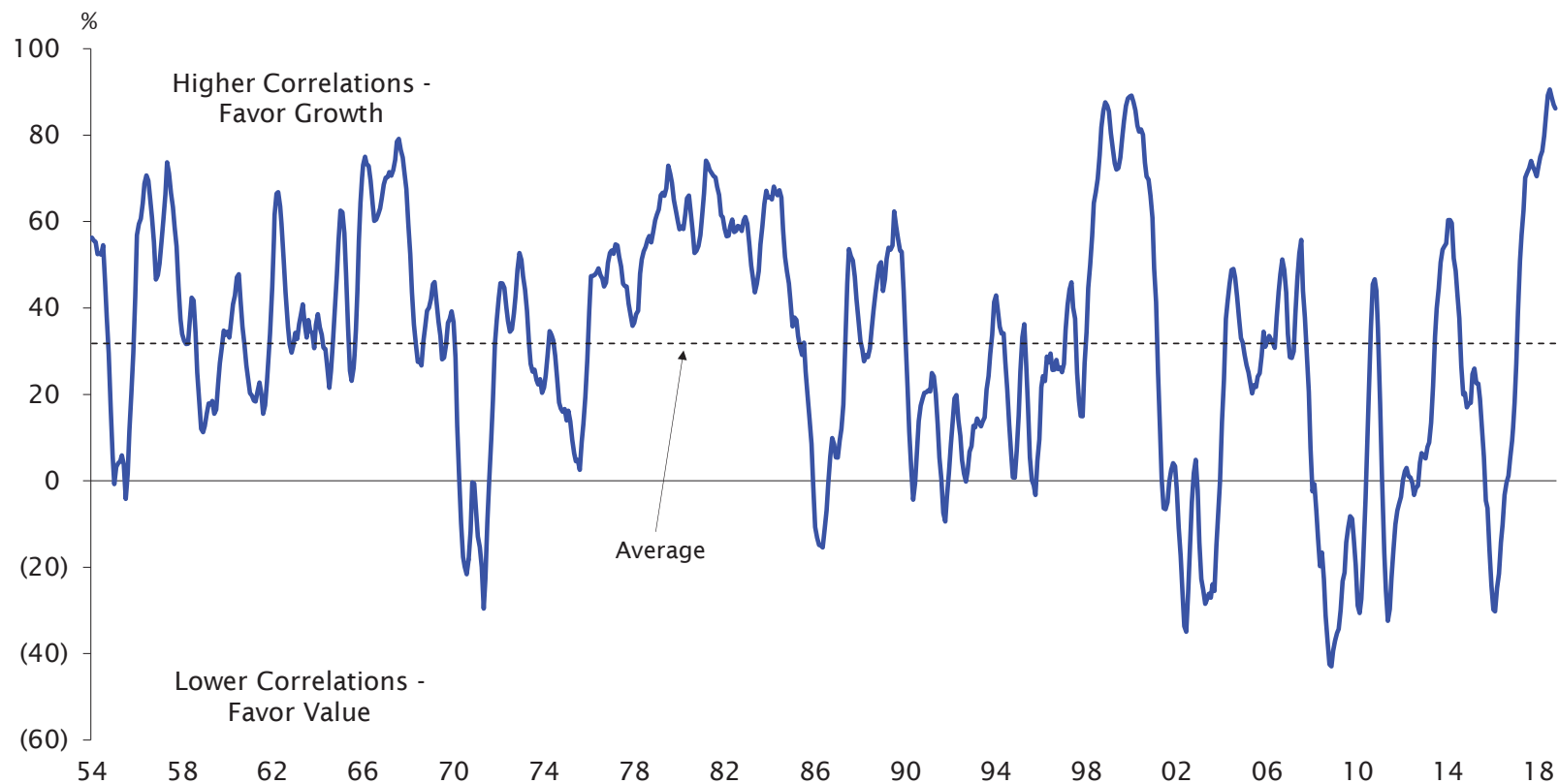
- Quantitative ranking codes of all securities results in portfolios with better-than-benchmark valuation, momentum and quality attributes
- Target prices for all owned stocks (upside vs. downside risk)
- Fundamental research creates a layer of objectivity for portfolio management Buy/Hold/Sell decisions
- Portfolio analysts provide monthly attribution feedback loop to portfolio managers
- Independent risk manager conducts quarterly portfolio review
- Northfield analytics utilized to monitor common factor risks
- Quantitative codes capture subtle changes in portfolio characteristics

There are no substitutes for Diversification and a Sell Discipline

- The very best fundamental research and analysis will be wrong on occasion so you must *diversify*
- Keep your winners until valuation, momentum or fundamentals breakdown; when this happens cut losses quickly and *sell*

High Revenue Growth and Perceived Stability Continue to be in Favor

Large-Capitalization Stocks Correlation of the Returns to the Top Quintile of Top-Line Growth with those of the Top Quintile of Fundamental Stability¹ January 1, 1954 through June 18, 2019



Source: Empirical Research Partners Analysis. Large capitalization is defined as the 1500 largest U.S. stocks as determined by Empirical Research.

¹Correlations of daily cap-weighted returns over the prior one quarter.

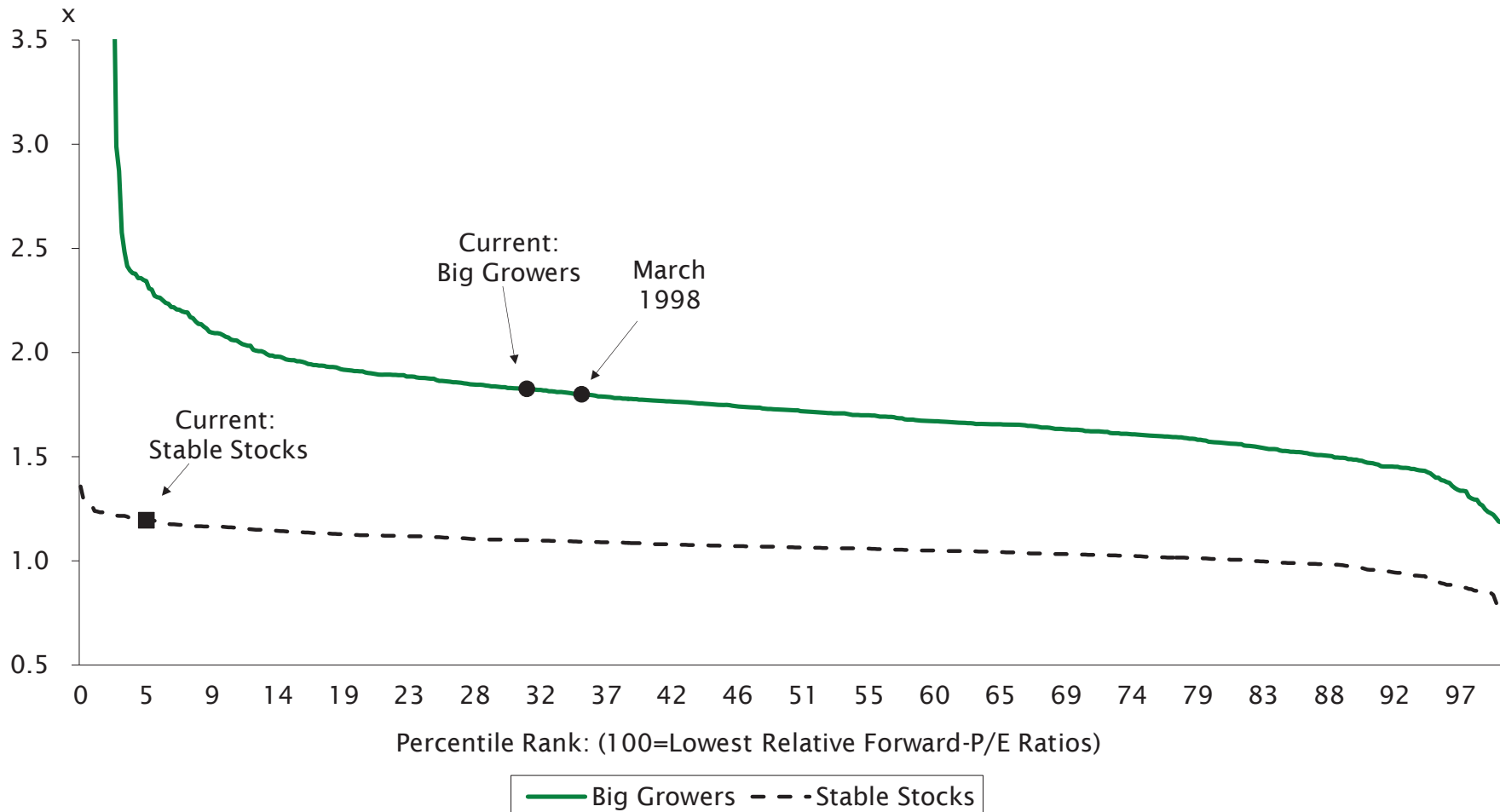
Data is smoothed over the past six months in order to reduce the volatility of daily returns.

The top quintile of fundamental stability refers to the top 20% of stocks in the 1500 stock universe as ranked by stability factors such as relatively low variability of ROE, earnings, and low beta relative to the universe

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Stable Stocks are at Historical High Valuations While Big Growers have Surpassed March 1998 Valuation Levels

Large-Capitalization Stocks Big Growers and the Top Quintile of Fundamental Stability Relative Forward-P/E Ratios¹ 1976 Through Mid-June 2019



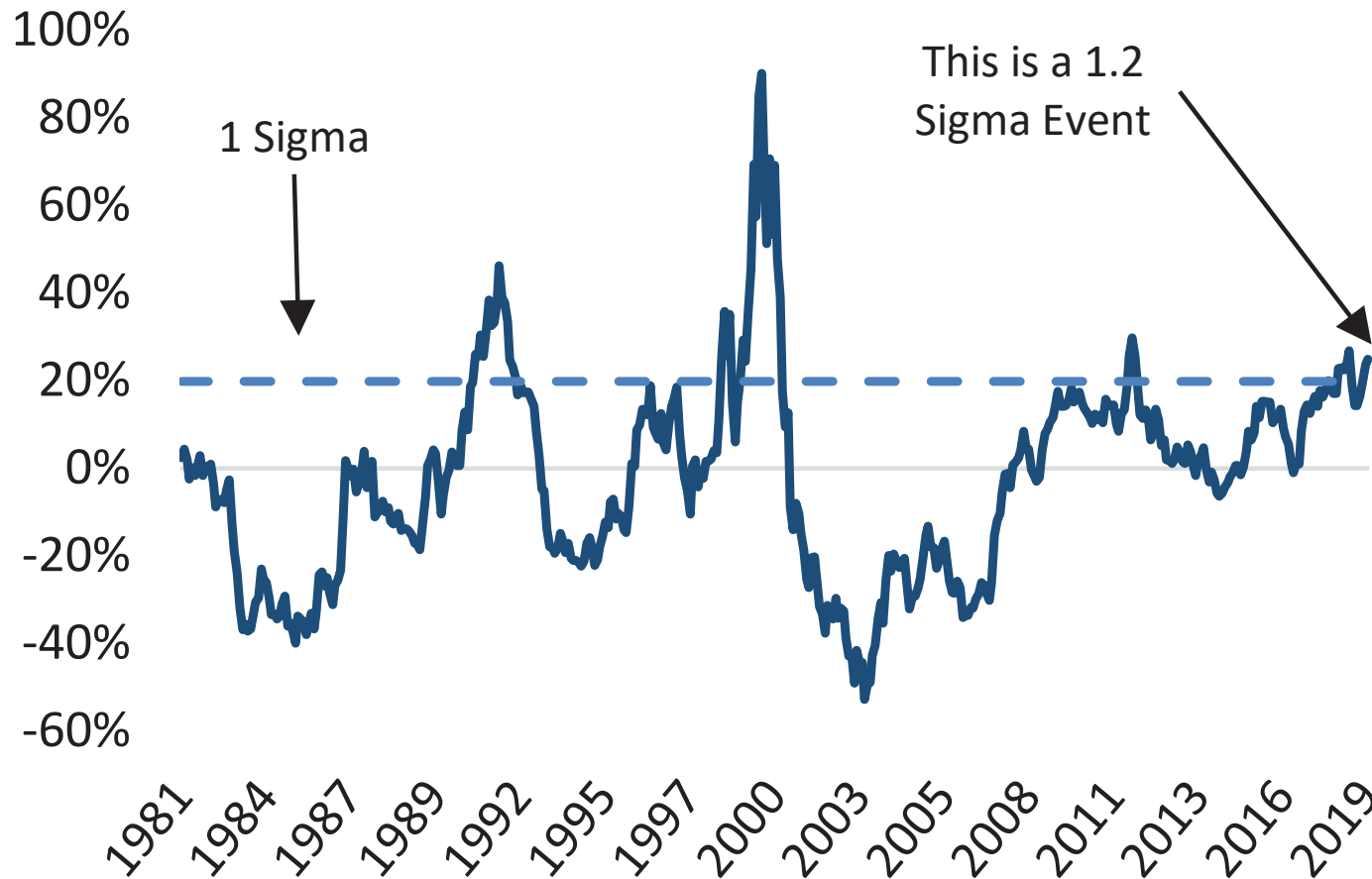
Source: Empirical Research Partners Analysis. Large capitalization is defined as the 1,500 largest U.S. stocks as determined by Empirical Research.

¹ Capitalization-weighted data for big growers and equally-weighted data for stable stocks.

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Growth vs. Value

Russell 3000® Index: 3 year rolling returns of growth vs. value



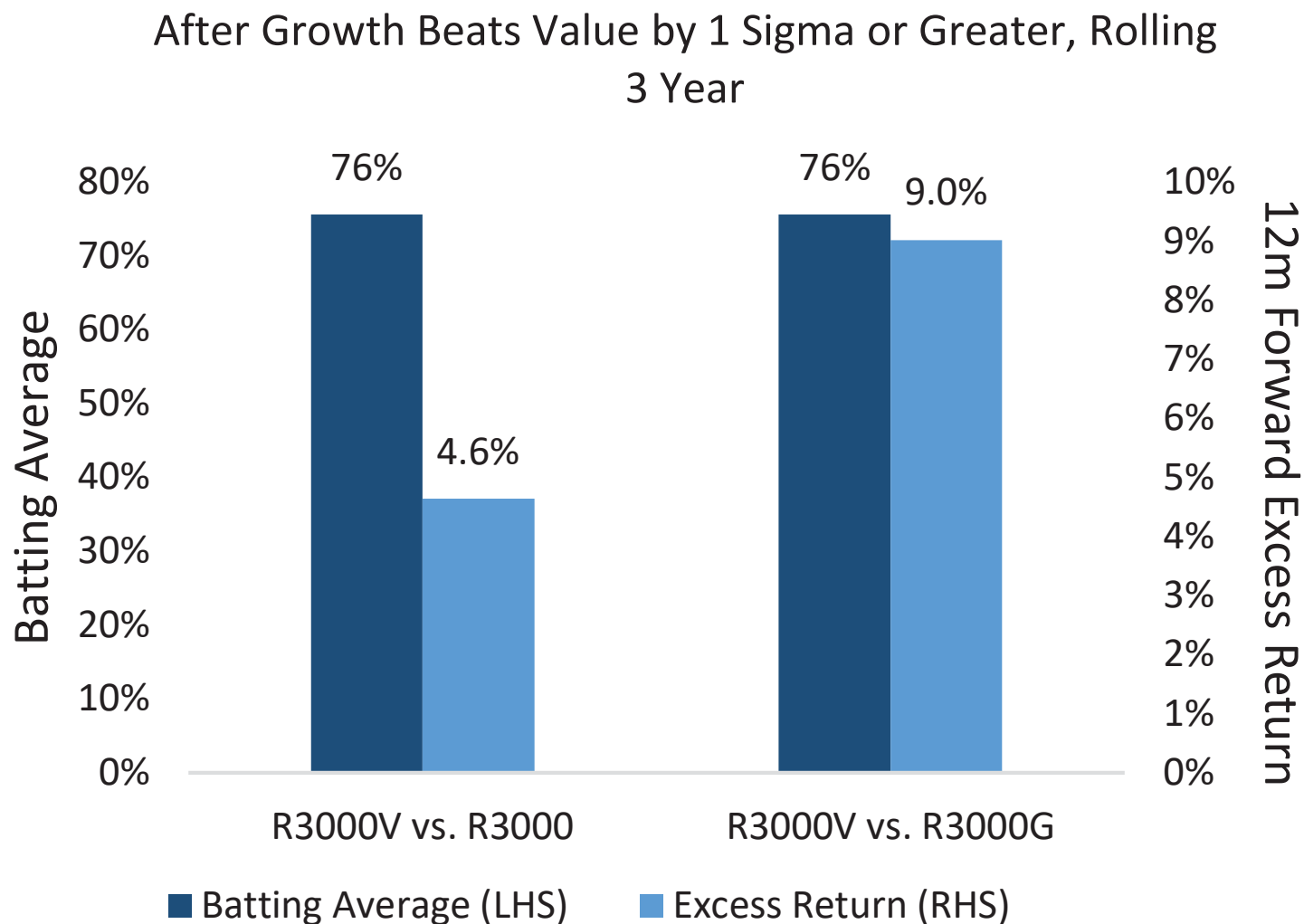
Data is from December 31, 1978 through April 30, 2019.

Source: Kailash Capital; Compustat; Russell.

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Growth vs. Value

Russell 3000® Index: Value outperforms growth post 1 sigma performance spreads



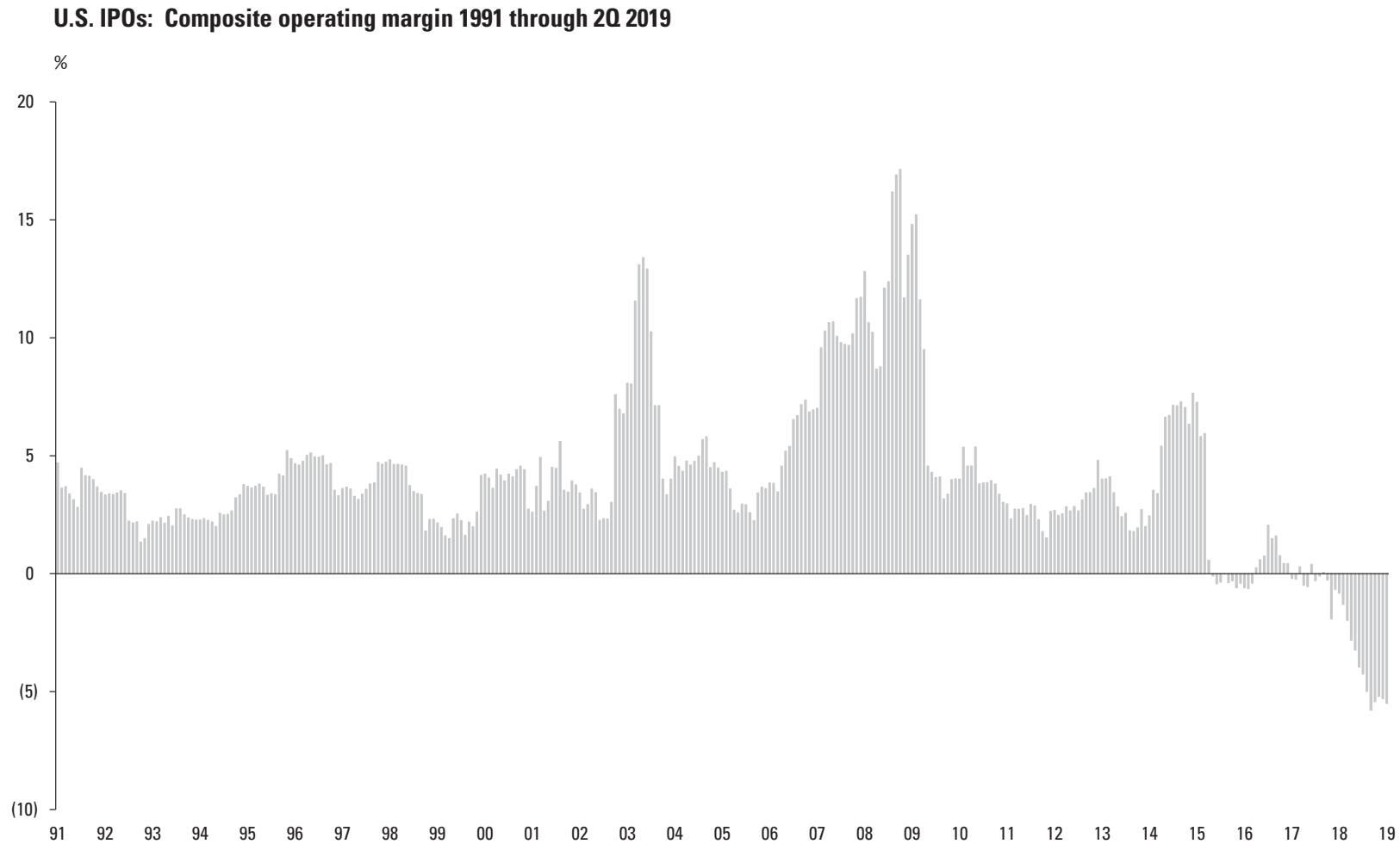
Data is from December 31, 1978 through April 30, 2019.

Source: Kailash Capital; Compustat; Russell.

Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Signs of Market Excess?

IPOs currently have the largest operating losses for the longest period ever

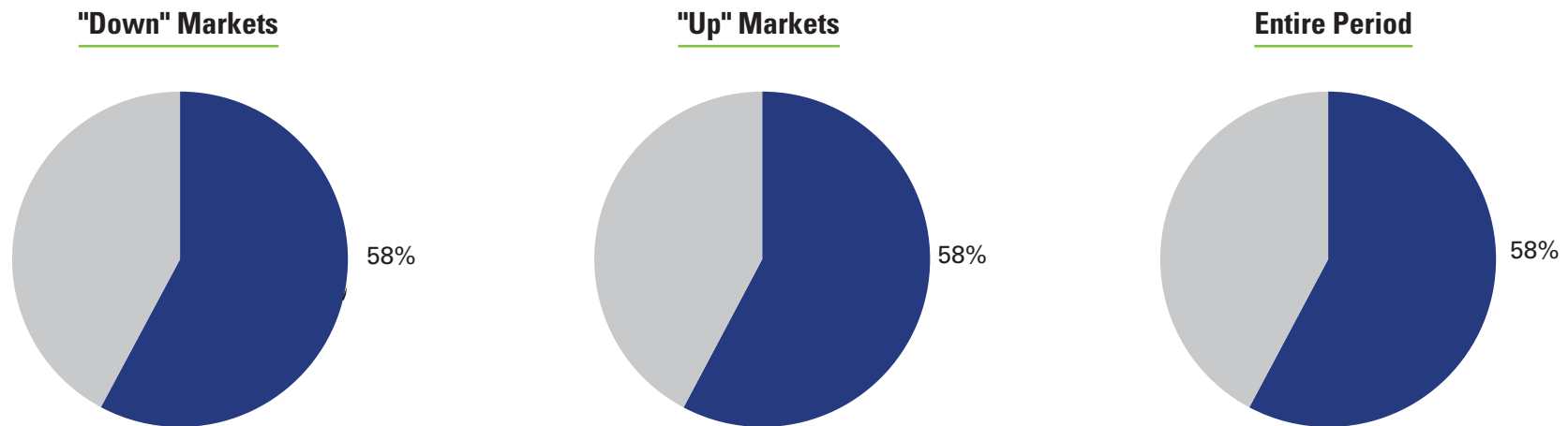


Data is from January 1991 through June 30, 2019. Source: Empirical Research Partners Analysis.

Initial public offerings over the trailing 12-month period. The Composite Operating Margin is defined as the aggregate operating profits of all IPOs during their most recent fiscal years. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Performance Through Market Cycles

Preserving capital and compounding returns for favorable long-term performance



■ Percentage of the time that Large Cap Value Equity Composite has outperformed the Russell 1000[®] Value Index

- There have been 64 months in which the market has produced a negative return.
- Composite has outperformed the Index 58% of the time.
- There have been 116 months in which the market has produced a positive return.
- Composite has outperformed the Index 58% of the time.
- The entire period is 180 months.
- Composite has outperformed the Index 58% of the time.

Data as of June 30, 2019 for 15-year period, 180 months.

Returns reflect composite results gross of fees and individual portfolio results may vary. A GIPS[®] compliant presentation is contained herein. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Performance (%)																		
	2Q 2019	YTD 2019	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Large Cap Value Equity - Gross of Fees	3.10	12.89	4.92	11.88	7.63	12.60	13.50	10.67	-8.70	20.07	14.74	-4.08	11.85	37.14	21.27	1.29	13.75	26.75
Large Cap Value Equity - Net of Fees	3.02	12.72	4.59	11.53	7.30	12.23	13.10	10.29	-8.99	19.71	14.40	-4.37	11.49	36.64	20.66	0.82	13.36	26.30
Russell 1000® Value Index	3.84	16.24	8.46	10.19	7.46	12.09	13.19	9.34	-8.27	13.66	17.34	-3.83	13.45	32.53	17.51	0.39	15.51	19.69
S&P 500 Index	4.30	18.54	10.42	14.19	10.71	13.98	14.70	9.42	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46
130/30 Large Cap Value Equity - Gross of Fees	2.51	10.23	2.12	10.53	7.09	12.64	13.43	8.27	-11.48	21.82	14.05	-3.69	14.52	38.71	21.67	2.06	12.90	25.46
130/30 Large Cap Value Equity - Net of Fees	2.43	10.06	1.82	10.26	6.83	12.39	13.11	7.81	-11.70	21.53	13.79	-3.90	14.31	38.46	21.40	1.82	12.37	24.24
Russell 1000® Value Index	3.84	16.24	8.46	10.19	7.46	12.09	13.19	6.28	-8.27	13.66	17.34	-3.83	13.45	32.53	17.51	0.39	15.51	19.69
Premium Equity - Gross of Fees	5.34	17.78	4.81	12.05	9.16	14.01	14.37	12.81	-11.06	18.91	15.73	1.71	13.22	39.73	16.27	-1.01	14.78	33.16
Premium Equity - Net of Fees	5.19	17.44	4.18	11.39	8.54	13.39	13.76	12.25	-11.60	18.22	15.08	1.15	12.65	39.04	15.72	-1.55	14.18	32.45
Russell 3000® Value Index	3.68	16.05	7.34	10.19	7.31	11.96	13.14	9.35	-8.58	13.19	18.40	-4.13	12.70	32.69	17.55	-0.10	16.23	19.76
S&P 500 Index	4.30	18.54	10.42	14.19	10.71	13.98	14.70	9.42	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46
Mid Cap Value Equity - Gross of Fees	5.76	20.38	4.31	10.59	8.92	14.46	16.28	13.18	-14.03	16.55	16.29	2.84	14.37	41.04	19.78	1.68	24.79	42.04
Mid Cap Value Equity - Net of Fees	5.67	20.17	3.94	10.21	8.55	14.03	15.72	12.51	-14.33	16.16	15.90	2.49	14.00	40.48	18.90	0.88	23.93	41.13
Russell Midcap® Value Index	3.19	18.02	3.68	8.95	6.72	12.34	14.56	11.07	-12.29	13.34	20.00	-4.78	14.75	33.46	18.51	-1.38	24.75	34.21
Small/Mid Cap Value Equity - Gross of Fees	4.99	19.38	-3.25	10.04	5.90	11.62	13.56	10.85	-18.56	13.64	25.35	-3.06	5.34	35.33	23.97	-1.57	18.07	43.89
Small/Mid Cap Value Equity - Net of Fees	4.83	19.03	-3.83	9.34	5.21	10.88	12.76	10.05	-19.08	12.90	24.51	-3.71	4.65	34.37	23.08	-2.31	17.05	42.69
Russell 2500™ Value Index	1.89	15.26	-1.92	8.98	5.55	11.00	13.28	9.73	-12.36	10.36	25.20	-5.49	7.11	33.32	19.21	-3.36	24.82	27.67
Russell 2500™ Index	2.96	19.25	1.77	12.34	7.66	12.51	14.44	9.62	-10.00	16.81	17.59	-2.90	7.07	36.80	17.88	-2.51	26.71	34.38

* Inception dates are as follows: Large Cap Value Equity is June 1, 1995; 130/30 Large Cap Value Equity is March 1, 2007; Premium Equity is June 1, 1995; Mid Cap Value Equity is May 1, 1995; and Small/Mid Cap Value Equity is April 1, 1999.

Boston Partners has prepared and presented this report in compliance with the GIPS®. Returns reflect composite results and individual portfolio results will vary. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Boston Partners

Equity investment performance through June 30, 2019 (continued)

Performance (%)																		
	2Q 2019	YTD 2019	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception ¹	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Small Cap Value Equity - Gross of Fees	5.53	18.80	-1.43	10.62	5.83	11.59	13.95	12.70	-15.69	11.29	25.63	-3.77	4.76	35.27	22.85	-2.13	22.50	44.74
Small Cap Value Equity - Net of Fees	5.34	18.39	-2.12	9.83	5.05	10.74	13.06	11.81	-16.27	10.49	24.69	-4.53	3.93	34.21	21.85	-2.93	21.45	43.49
Russell 2000® Value Index	1.38	13.47	-6.24	9.81	5.39	10.31	12.40	9.69	-12.86	7.84	31.74	-7.47	4.22	34.52	18.05	-5.50	24.50	20.56
Russell 2000® Index	2.10	16.98	-3.31	12.30	7.06	11.63	13.45	8.83	-11.01	14.65	21.31	-4.41	4.89	38.82	16.35	-4.18	26.85	27.16
Small Cap Value Equity II - Gross of Fees	4.41	17.00	-3.73	10.21	6.25	11.91	14.22	11.95	-15.38	11.05	27.35	-3.27	5.35	36.53	24.54	-2.29	20.32	49.82
Small Cap Value Equity II - Net of Fees	4.16	16.44	-4.67	9.19	5.27	10.87	13.12	10.80	-16.19	10.05	26.21	-4.19	4.37	35.28	23.42	-3.45	19.09	48.31
Russell 2000® Value Index	1.38	13.47	-6.24	9.81	5.39	10.31	12.40	7.91	-12.86	7.84	31.74	-7.47	4.22	34.52	18.05	-5.50	24.50	20.56
Long/Short Equity - Gross of Fees	0.86	5.46	-3.85	3.08	3.59	6.48	12.00	12.16	-13.34	5.41	25.71	1.15	7.16	10.37	15.40	8.68	29.54	85.95
Long/Short Equity - Net of Fees	0.62	4.97	-4.77	1.99	2.50	5.34	10.55	9.67	-14.22	4.30	24.03	0.17	6.04	9.17	14.06	7.39	26.55	81.74
S&P 500 Index	4.30	18.54	10.42	14.19	10.71	13.98	14.70	7.27	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46
Long/Short Research Equity - Gross of Fees	2.26	6.72	-0.51	4.54	4.10	7.62	8.18	7.32	-9.37	11.63	5.21	3.02	8.68	19.70	14.73	5.35	9.33	18.67
Long/Short Research Equity - Net of Fees	1.94	6.06	-1.74	3.25	2.82	6.29	6.84	5.99	-10.50	10.27	3.91	1.74	7.34	18.23	13.32	4.05	7.98	17.22
S&P 500 Index	4.30	18.54	10.42	14.19	10.71	13.98	14.70	7.78	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46
HFRI Equity Hedge (Total) Index ³	1.76	9.46	0.48	6.84	3.47	5.70	5.39	4.99	-7.14	13.29	5.47	-0.96	1.81	14.28	7.41	-8.38	10.46	24.57
Emerging Markets Long/Short Equity - Gross of Fees	2.17	12.03	-1.02	7.48	—	—	—	5.16	-16.64	27.89	8.08	-3.67 ¹	—	—	—	—	—	—
Emerging Markets Long/Short Equity - Net of Fees	1.80	11.22	-2.47	5.68	—	—	—	3.22	-17.87	25.69	5.69	-5.47 ¹	—	—	—	—	—	—
MSCI Emerging Markets Index - Net ²	0.61	10.58	1.21	10.66	—	—	—	3.95	-14.58	37.29	11.18	-17.97 ¹	—	—	—	—	—	—
HFRI Equity Hedge (Total) Index ³	1.76	9.46	0.48	6.84	—	—	—	3.95	-7.14	13.29	5.47	-2.60 ¹	—	—	—	—	—	—

¹ Inception dates are as follows: Inception dates are as follows: Small Cap Value Equity is July 1, 1995; Small Cap Value Equity II is July 1, 1998; Long/Short Equity is August 1, 1997; Long/Short Research Equity is April 1, 2002; and Emerging Markets Long/Short Equity is March 1, 2015.

² Net total return indexes reinvest dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

³ HFRI Equity Hedge (Total) Index data cannot be shared or distributed without written consent. Please see additional disclosure on the following page.

Boston Partners has prepared and presented this report in compliance with the GIPS®. Returns reflect composite results and individual portfolio results will vary. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Performance (%)																		
	2Q 2019	YTD 2019	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception ¹	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Global Equity - Gross of Fees	2.26	11.49	-0.50	8.91	5.82	11.05	11.73	7.52	-12.50	21.53	9.47	1.89	5.54	35.12	17.26	-1.77	13.46	29.62
Global Equity - Net of Fees	2.09	11.12	-1.17	8.15	5.05	10.24	10.90	6.71	-13.10	20.67	8.65	1.11	4.74	34.11	16.37	-2.56	12.56	28.60
MSCI World Index - Net ²	4.00	16.98	6.33	11.77	6.60	10.61	10.72	6.27	-8.71	22.40	7.51	-0.87	4.94	26.68	15.83	-5.54	11.76	29.99
MSCI World Value Index - Net ²	2.46	12.88	4.24	9.31	4.08	8.97	9.18	5.11	-10.78	17.10	12.33	-4.82	3.69	26.62	15.51	-5.62	9.02	26.68
MSCI ACWI Index - Net ²	3.61	16.23	5.74	11.62	6.16	9.87	10.15	5.79	-9.42	24.01	7.87	-2.36	4.16	22.80	16.13	-7.35	12.67	34.63
International Equity - Gross of Fees	0.83	8.67	-6.84	6.13	1.65	7.91	8.52	3.67	-18.07	26.38	0.76	3.54	-3.65	31.47	18.67	-6.20	10.63	27.88
International Equity - Net of Fees	0.64	8.30	-7.51	5.37	0.91	7.12	7.71	2.89	-18.67	25.49	0.01	2.77	-4.37	30.51	17.79	-6.89	9.73	26.87
MSCI EAFE Index - Net ²	3.68	14.03	1.08	9.11	2.25	7.31	6.90	2.68	-13.79	25.03	1.00	-0.81	-4.90	22.78	17.32	-12.14	7.75	31.78
MSCI EAFE Value Index - Net ²	1.54	9.58	-2.10	8.46	0.05	6.04	5.50	1.78	-14.78	21.44	5.02	-5.68	-5.39	22.95	17.69	-12.17	3.25	34.23
MSCI ACWI Ex US Index - Net ²	2.98	13.60	1.29	9.39	2.16	6.36	6.54	2.43	-14.20	27.19	4.50	-5.66	-3.87	15.29	16.83	-13.71	11.15	41.45
Global Long/Short Equity - Gross of Fees	0.87	3.29	-1.09	2.67	3.85	—	—	5.11	-7.68	9.60	4.34	8.73	4.36	8.96¹	—	—	—	—
Global Long/Short Equity - Net of Fees	0.37	2.27	-3.05	0.64	1.82	—	—	3.09	-9.53	7.44	2.28	6.59	2.55	8.02¹	—	—	—	—
MSCI World Index - Net ²	4.00	16.98	6.33	11.77	6.60	—	—	9.33	-8.71	22.40	7.51	-0.87	4.94	16.83 ¹	—	—	—	—
MSCI World Value Index - Net ²	2.46	12.88	4.24	9.31	4.08	—	—	7.15	-10.78	17.10	12.33	-4.82	3.69	15.74 ¹	—	—	—	—
HFRI Equity Hedge (Total) Index ³	1.76	9.46	0.48	6.84	3.47	—	—	4.93	-7.14	13.29	5.47	-0.96	1.81	8.98 ¹	—	—	—	—

¹ Inception dates are as follows: Global Equity USA is July 1, 2008; International Equity is July 1, 2008; and Global Long/Short Equity is July 1, 2013.

² Net total return indexes reinvest dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

³ Constituent funds typically maintain at least 50% exposure to, and may in some cases be entirely invested in, equities or equity derivative securities, both long and short. Constituents use a wide variety of investment processes and techniques, net exposure levels, leverage employed, holding periods, market capitalizations concentrations, and valuation ranges. Data cannot be shared or distributed without written consent.

Boston Partners has prepared and presented this report in compliance with the GIPS®. Returns reflect composite results and individual portfolio results will vary. Returns are shown in USD. Past performance is not an indication of future results. Please refer to the appendix for other important disclosures.

Boston Partners Global Investors, Inc. ("Boston Partners") is an Investment Adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940.

Registration does not imply a certain level of skill or training. Boston Partners is an indirect, wholly owned subsidiary of ORIX Corporation of Japan ("ORIX"). Boston Partners updated its firm description as of November 2018 to reflect changes in its divisional structure. Boston Partners is comprised of two divisions, Boston Partners and Weiss, Peck & Greer Partners ("WPG").

Boston Partners claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Boston Partners has been independently verified for the periods 2007 through 2017. Verification assesses whether (1) the Firm has complied with all the composite construction requirements of the GIPS® standards on a firm-wide basis and (2) the Firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards.

The composites have been examined per the following periods: Boston Partners Large Cap Value Equity, 1995 to 2017; Boston Partners Alpha Extension Large Cap Value Equity, 2012 to 2017; Boston Partners Premium Equity, 1995 to 2017; Boston Partners Mid Cap Value Equity, 1995 to 2006 and 2010 to 2017; Boston Partners Small/Mid Cap Value Equity, 1999 to 2017; Boston Partners Small Cap Value Equity, 1995 to 2017; Boston Partners Small Cap Value II Equity, 1998 to 2017; Boston Partners Long/Short Research, 2011 to 2017; Boston Partners Global Equity II, 2012 to 2017; Boston Partners International Equity II, 2008 to 2017; Boston Partners Global Long/Short, 2013 to 2017; and Boston Partners Emerging Markets Long/Short Equity, 2016 to 2017. The verification and performance examination reports are available upon request.

Past performance is not indicative of future results. This document is not an offering of securities nor is it intended to provide investment advice. It is intended for information purposes only.

Composite Construction(s)

Performance results attained at Boston Partners have been linked to the results achieved at Boston Partners Asset Management, the previous entity name, beginning on January 1, 2007 in compliance with the GIPS® standards on performance record portability. Composites include all separately managed and commingled vehicles, fully discretionary, fee-paying accounts under management with a similar investment mandate and an account market value greater than \$1 million with the exception of Boston Partners Small Cap Value Equity and Small Cap Value II Equity which have an account market value greater than \$5

million. Prior to January 1, 2007 the minimum account size for inclusion in the composite was \$5 million. The composites contain proprietary assets.

The inception and creation date of the Boston Partners Large Cap Value Equity composite is June 1, 1995. The strategy is composed of securities with market capitalizations primarily greater than \$3 billion and is benchmarked against the S&P 500 Index and the Russell 1000® Value Index. Prior to December 1, 1995, there was no minimum market value requirement for inclusion in the Boston Partners Large Cap Value Equity composite. Accounts that did not meet the newly established minimum balance requirement were removed on that date. The inception date and creation date of the Boston Partners Alpha Extension Large Cap Value Equity composite is March 1, 2007. The strategy is an actively managed Large Cap Value strategy that utilized long and short equity position to generate alpha. The strategy is permitted to short 30% of the portfolio and reinvests the proceeds of those shorts into the securities that the manager finds attractive, creating a 130% long portfolio and a 30% short portfolio. The strategy is benchmarked against the Russell 1000® Value Index.

The inception and creation date of the Boston Partners Premium Equity composite is June 1, 1995. The strategy is a hybrid of Boston Partners' other equity products. It has the flexibility to invest across the capitalization spectrum and to invest in securities with equity-like return and risk profiles. Boston Partners Premium Equity is benchmarked against the S&P 500 Index and the Russell 3000® Value Index.

The inception and creation date of the Boston Partners Mid Cap Value Equity composite is May 1, 1995. Effective March 1, 2006, the Mid Cap Value Equity strategy is composed of securities primarily in the same market capitalization range, at time of purchase, as the Russell Midcap® Value Index. Effective January 1, 2005 the Boston Partners Mid Cap Value composite revised its benchmark from the Russell 2500™ Value Index to the Russell Midcap® Value Index. The Russell Midcap® Value Index has less of a bias toward smaller capitalization stocks and thus more accurately reflects the composition of Boston Partners holdings. The inception and creation date of the Boston Partners Small/Mid Cap Value Equity composite is April 1, 1999. The strategy is composed of securities primarily in the \$100 million to \$10 billion market capitalization range and is benchmarked against the Russell 2500™ Value Index.

The inception and creation date of the Boston Partners Small Cap Value Equity composite is July 1, 1995. The strategy is composed of securities primarily in the \$100 million to \$1.5 billion market capitalization range and is benchmarked against the Russell 2000® Value Index.

The inception date of the Boston Partners Small Cap Value II Equity composite is July 1, 1998. The composite was created in 2000. The strategy is composed of securities primarily in the \$10 million to \$1 billion market capitalization range and is benchmarked against the Russell 2000® Value Index.

The inception date and creation date of the Boston Partners Long/Short Equity composite is August 1, 1997. The strategy is an absolute return product that balances long and short portfolio strategies and seeks to achieve stable absolute returns with approximately half the risk of the S&P 500. However, this product is not risk neutral. It is exposed to style, capitalization, sector and short-implementation risks. Use of the S&P 500 Index is for comparative purposes only since investment returns are not correlated to equity market returns. Prior to October 1, 1998, the composite was managed on a non-fee paying basis. Participant results would have been substantially different if fee waivers were not applied. Commencing on October 1, 1998 and continuing each quarter thereafter, the net of fee calculation includes a model fee for each commingled account included in the composite, and when applicable, the actual fees assessed for each separately managed portfolio included in the composite. The model fee, which is comprised of an investment management fee and performance fee, represents the deduction of the highest fee that could have been earned based on actual results during the performance period. In addition, other expenses typically borne by the commingled accounts, as defined in the applicable offering documents, have been applied. However, from time-to-time the commingled accounts may have placed a ceiling on the amount of expenses it had incurred. Although performance fees are paid annually when earned, for presentation of net returns, performance fees, similar to management fees and expenses, are accrued for on a monthly basis. Actual fees may vary. The composite is benchmarked against the S&P 500 Index and the Russell 3000® Value/Russell 3000® Growth for comparative purposes only since the strategy is not correlated to equity market returns.

The inception and creation date of the Boston Partners Research Equity composite is April 1, 2002. This strategy is an absolute return product that balances long and short portfolio strategies and seeks to achieve stable absolute returns with approximately half the risk of the S&P 500 Index. The strategy is benchmarked against the S&P 500 Index.

The inception and creation date of the Boston Partners Global Equity II composite is July 1, 2008. This strategy is unconstrained and primarily invests in equity securities in the global market without using hedges on currency.

The inception date and creation date of the Boston Partners International Equity II composite is July 1, 2008. This strategy is unconstrained and primarily invests in non-us markets without using currency hedges. The strategy is benchmarked against the MSCI EAFE Index. From July 1, 2008 to June 30, 2010 the primary benchmarks was MSCI EAFE Value Index and on July 1, 2010 the primary benchmark change to the MSCI EAFE. This change to the MSCI EAFE Index was made retroactively to July 1, 2008.

The inception and creation date of the Boston Partners Global Long/Short Equity composite is July 1, 2013. The strategy is composed of securities with market capitalizations primarily greater than \$50 million and is benchmarked against the MSCI World Index.

The inception and creation of the Boston Partners Emerging Markets Long/Short composite is March 1, 2015. The strategy is composed of securities with market capitalizations primarily greater than \$250 million and is benchmarked against the MSCI Emerging Markets Index.

The inception and creation of the Boston Partners Emerging Markets Equity composite is July 1, 2017. The strategy is composed of securities with market capitalizations primarily greater than \$250 million and is benchmarked against the MSCI Emerging Markets Index.

Benchmarks

Index returns are provided for comparison purposes only to show how the composite's returns compare to a broad-based index of securities, as the indices do not have costs, fees, or other expenses associated with their performance.

In addition, securities held in either index may not be similar to securities held in the composite's accounts. The S&P 500 Index is an unmanaged index of the common stocks of 500 widely held U.S. companies. All Russell® Indices are registered trademarks of the Frank Russell Company. The Russell® Value Indices typically measure the performance of universes of stocks displaying low price-to-book ratios and low forecasted growth values. The Russell® Growth Indices typically measure the performance of universes of stocks displaying high price-to-book ratios and high forecasted growth values. The Russell 1000® Index measures the performance of the 1,000 largest companies in the Russell 3000® Index. The Russell 3000® Index measures performance of the 3,000 largest U.S. companies based on total market capitalization. The Russell 2500™, and 2000® Indices measure performance of the 2,500 and 2,000 smallest companies in the Russell 3000® Index respectively. The Russell Midcap® Index measures the performance of the 800 smallest companies in the Russell 1000® Index. The MSCI World Index covers the full range

of developed, emerging and All Country MSCI International Equity Indices across all size segmentations. MSCI uses a two-dimensional framework for style segmentation in which value securities are categorized using a multi-factor approach, which uses three variables to define the value investment style characteristics and five variables to define the growth investment style characteristics including forward looking variables. The objective of the index design is to divide constituents of an underlying MSCI Equity Index into respective value and growth indices, each targeting 50% of the free float adjusted market capitalization of the underlying market index. The MSCI EAFE Index is broadly recognized as the pre-eminent benchmark for U.S. investors to measure international equity performance. It comprises the MSCI country indexes capturing large and mid-cap equities across developed markets in Europe, Australasia and the Far East, excluding the U.S. and Canada.

The MSCI World Index represents large and mid-cap equity performance across 23 developed markets countries, covering approximately 85% of the free float-adjusted market capitalization in each. This index offers a broad global equity benchmark, without emerging markets exposure.

MSCI Emerging Markets Standard Index (net return): The MSCI Emerging Markets indices are designed to measure the type of returns foreign portfolio investors might receive from investing in emerging market stocks that are legally and practically available to them. Constituents for the MSCI series are drawn from the MSCI stock universe based on size, liquidity, and their legal and practical availability to foreign institutional investors.

The MSCI ACWI (All Country World Index) is a market capitalization weighted index designed to provide a broad measure of equity-market performance throughout the world. The MSCI ACWI is maintained by Morgan Stanley Capital International, and is comprised of stocks from both developed and emerging markets.

Calculation Methodology

Composite returns are market value weighted and composite account returns are calculated on a total return, time-weighted basis using trade date valuations. Returns reflect the reinvestment of dividends and other earnings, and are net of commissions and transaction costs. Performance is expressed in U.S. Dollars. Short sales are an integral part of the investment strategy and constitute the use of leverage. Accounts are temporarily removed from the composite when a significant cash flow occurs, which is typically defined as a flow that is greater than 10% of the account value that exceeds a threshold of +/- 20 basis points from daily performance of the representative

account and a similar account of the same strategy. An account is generally added back to the composite as of the first full month following the significant cash flow. Additional information regarding policies for valuing portfolios, calculating performance, and presenting compliant presentations is available upon request.

Fees and Expenses

Composite returns are provided on a gross and net of fees basis. Account returns will be reduced by any fees and expenses incurred in the management of the account. In general, actual fees may vary depending on the applicable fee schedule and portfolio size. Net of fees returns for commingled vehicles that are members of a composite are calculated using a model fee that is the highest tier in the separate account fee schedule for the strategy. Fees are applied to gross returns at month end. Returns reflect the reinvestment of dividends and other earnings, and are net of commissions and transaction costs. Performance is expressed in U.S. Dollars. Additional information regarding policies for valuing portfolios, calculating performance, and presenting compliant presentations is available upon request. Investment advisory fees are listed herein and are fully described in Boston Partners' Form ADV, Part 2.

Composite Dispersion

The measurement of composite dispersion is calculated by the weighted average standard deviation of the annual account returns within the composite. Dispersion in composites with less than five accounts included for the entire year is not considered meaningful and is denoted with "N/A". Prior to January 1, 2007, the measurement of composite dispersion was calculated by determining the difference between the highest and lowest annual account returns within the composite. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period.

Boston Partners

Performance disclosures (continued)

Large Cap Value Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	141	\$25.4 bn	26%	0.33%
2016:	156	\$25.3 bn	29%	0.23%
2015:	167	\$24.6 bn	31%	0.16%
2014:	151	\$25.2 bn	34%	0.11%
2013:	129	\$16.5 bn	32%	0.62%
2012:	105	\$8.6 bn	30%	0.24%
2011:	99	\$5.1 bn	24%	0.23%
2010:	89	\$4.8 bn	26%	0.15%
2009:	83	\$3.5 bn	21%	0.38%
2008:	70	\$2.1 bn	19%	0.21%

130/30 Large Cap Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	2	\$1.0 bn	1%	N/A
2016:	2	\$877 mm	1%	N/A
2015:	2	\$933 mm	1%	N/A
2014:	2	\$1.2 bn	2%	N/A
2013:	1	\$845 mm	2%	N/A
2012:	3	\$636 mm	2%	N/A
2011:	3	\$463 mm	2%	N/A
2010:	1	\$17 mm	0%	N/A
2009:	1	\$6 mm	0%	N/A
2008:	1	\$5 mm	0%	N/A

Premium Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	35	\$4.3 bn	4%	0.17%
2016:	35	\$3.4 bn	4%	0.10%
2015:	35	\$3.3 bn	4%	0.09%
2014:	29	\$3.1 bn	4%	0.14%
2013:	29	\$2.7 bn	5%	0.53%
2012:	26	\$2.2 bn	7%	0.17%
2011:	24	\$2.0 bn	9%	0.19%
2010:	27	\$2.1 bn	12%	0.43%
2009:	26	\$2.1 bn	12%	0.49%
2008:	23	\$1.3 bn	11%	0.30%

Mid Cap Value Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	36	\$20.9 b	21%	0.09%
2016:	35	\$18.5 b	21%	0.09%
2015:	37	\$15.3 b	20%	0.01%
2014:	29	\$11.6 b	16%	0.12%
2013:	16	\$7.6 b	15%	0.24%
2012:	9	\$2.9 b	10%	0.01%
2011:	4	\$1.0 b	5%	N/A
2010:	3	\$306 mm	2%	N/A
2009:	3	\$127 mm	1%	N/A
2008:	3	\$85 mm	1%	N/A

Small/Mid Cap Value Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	18	\$1.3 bn	1%	0.30%
2016:	18	\$1.0 bn	1%	0.14%
2015:	13	\$814 mm	1%	0.14%
2014:	10	\$499 mm	1%	0.08%
2013:	7	\$481 mm	1%	0.13%
2012:	7	\$367 mm	1%	0.08%
2011:	7	\$327 mm	2%	0.10%
2010:	7	\$384 mm	2%	0.04%
2009:	7	\$350 mm	2%	0.32%
2008:	5	\$200 mm	2%	0.18%

Small Cap Value Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	20	\$1.4 bn	1%	0.14%
2016:	19	\$1.2 bn	1%	0.21%
2015:	19	\$1.0 bn	1%	0.19%
2014:	18	\$1.1 bn	2%	0.26%
2013:	16	\$1.1 bn	2%	0.56%
2012:	16	\$957 mm	3%	0.20%
2011:	17	\$923 mm	4%	0.08%
2010:	16	\$682 mm	4%	0.16%
2009:	14	\$698 mm	4%	0.90%
2008:	14	\$560 mm	5%	0.20%

Small Cap Value Equity II:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	4	\$935 mm	1%	N/A
2016:	4	\$878 mm	1%	N/A
2015:	3	\$478 mm	1%	N/A
2014:	4	\$444 mm	1%	N/A
2013:	4	\$370 mm	1%	N/A
2012:	4	\$304 mm	1%	N/A
2011:	5	\$272 mm	1%	0.10%
2010:	6	\$300 mm	2%	0.24%
2009:	6	\$239 mm	1%	0.98%
2008:	7	\$161 mm	1%	0.20%

Long/Short Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	2	\$1.1 bn	1%	N/A
2016:	2	\$1.1 bn	1%	N/A
2015:	2	\$687 mm	1%	N/A
2014:	2	\$958 mm	1%	N/A
2013:	2	\$965 mm	2%	N/A
2012:	2	\$829 mm	3%	N/A
2011:	2	\$626 mm	3%	N/A
2010:	2	\$440 mm	2%	N/A
2009:	2	\$189 mm	1%	N/A
2008:	2	\$36 mm	0%	N/A

Long/Short Research:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	2	\$7.4 bn	7%	N/A
2016:	2	\$6.9 bn	8%	N/A
2015:	1	\$7.2 bn	9%	N/A
2014:	1	\$6.0 bn	8%	N/A
2013:	1	\$2.9 bn	6%	N/A
2012:	1	\$492 mm	2%	N/A
2011:	1	\$97 mm	0%	N/A
2010:	1	\$9 mm	0%	N/A
2009:	1	\$5 mm	0%	N/A
2008:	1	\$3 mm	0%	N/A

Global Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	8	\$1.5 bn	2%	0.11%
2016:	4	\$699 mm	1%	N/A
2015:	3	\$438 mm	1%	N/A
2014:	1	\$27 mm	0%	N/A
2013:	2	\$66 mm	0%	N/A
2012:	2	\$18 mm	0%	N/A
2011:	1	\$8 mm	0%	N/A
2010:	1	\$9 mm	0%	N/A
2009:	1	\$8 mm	0%	N/A
*2008:	1	\$6mm	0%	N/A

* 2008 performance period is from July 1.

International Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	5	\$1.2 bn	1%	0.10%
2016:	3	\$603 mm	1%	N/A
2015:	1	\$261 mm	0%	N/A
2014:	2	\$33 mm	0%	N/A
2013:	2	\$20 mm	0%	N/A
2012:	2	\$18 mm	0%	N/A
2011:	1	\$6 mm	0%	N/A
2010:	1	\$6 mm	0%	N/A
2009:	1	\$6 mm	0%	N/A
*2008:	1	\$4 mm	0%	N/A

* 2008 performance period is from July 1.

Global Long/Short Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	1	\$1.0 bn	1%	N/A
2016:	1	\$868 mm	1%	N/A
2015:	1	\$629 mm	1%	N/A
2014:	1	\$125 mm	0%	N/A
*2013:	1	\$3 mm	0%	N/A

* 2013 performance period is from July 1.

Emerging Markets Long/Short Equity:

	# of Portfolios in Composite	Total Assets in Composite	% of Firm AUM	Composite Dispersion
2017:	1	\$211 mm	0%	N/A
2016:	1	\$11 mm	0%	N/A
*2015:	1	\$3 mm	0%	N/A

* 2015 performance period is from March 1.

Firm Assets:

Year	Assets (mm)	Year	Assets (mm)
2017:	\$99,241	2012:	\$29,023
2016:	\$87,222	2011:	\$21,098
2015:	\$78,363	2010:	\$18,419
2014:	\$73,250	2009:	\$17,207
2013:	\$52,334	2008:	\$11,540

Other Disclosures

For most composites, Boston Partners has adjusted the benchmark and comparative index (if shown) sector classifications to group stocks according to similar business product lines and correlation of stock returns. Boston Partners' classifications are similar to the major market indices in terms of breadth but may differ in terms of composition. However, GICS sector classification is used for the Global Equity Composite, International Equity Composite, Global Long/Short Composite, Emerging Markets Long/Short Composite, Emerging Markets Composite and the Alternative Yield Composite. All product characteristics and sector weightings are calculated using a representative portfolio.

Risk statistics are calculated using composite data. Portfolio composition is subject to change and information contained in this publication may not be representative of the current portfolio. Effective January 1, 2011; Boston Partners adopted a significant cash flow policy for this composite in accordance with the Global Investment Performance Standards. If an external cash flow is greater than or equal to 10.0% of the beginning market value of the portfolio on the day of the flow, and greater than or equal to 10.0% of the beginning market value of the composite for that month then the portfolio is removed from the composite for the month that the flow occurred. The portfolio is then placed back into the composite in accordance with Firm's inclusion policies and procedures.

Boston Partners changed the names of its composites in August 2016 after the firm changed its name.

Boston Partners participates in Initial Public Offerings (IPOs) as described in its Form ADV, Part 2. IPO contributions to performance vary from year to year depending on availability and prevailing market conditions. IPO contributions may have a significant positive effect on performance when initially purchased. Such positive performance should not be expected for future performance periods.

Annual Fee Schedules

Large Cap: 70 basis points ("bp") on the first \$10 million in assets; 50 bp on the next \$40 million; 40 bp on the next \$50 million; 30 bp thereafter. **130/30 Large Cap:** 100 basis points ("bp") on the first \$10 million in assets; 80 bp on the next \$40 million; 70 bp on the next \$50 million; 60 bp thereafter. **Premium Equity:** 80 bp on the first \$25 million of assets; 60 bp on the next \$25 million; 50 bp on the next \$50 million; 40 bp thereafter. **Mid Cap:** 80 bp on the first \$25 million of assets; 60 bp thereafter. **Small/Mid Cap, Small Cap, and Small Cap II:** 100 bp on the first \$25 million of assets; 80 bp thereafter. **Long/Short:** 100 bp on total assets under management; plus 20% profit participation. **Long/Short Research:** 150 basis points.

Global Equity and International Equity are: 75 basis points ("bp") on the first \$25 million in assets; 65 bp on the next \$25 million; 55 bp on the next \$50 million; 50 bp thereafter. **Global Long/Short:** 200 bp on total assets under management. **Emerging Markets Long/Short:** 225 bp on total assets under management. **Emerging Markets Equity** are: 95 basis points ("bp") on the first \$25 million in assets; 85 bp on the next \$25 million; 75 bp on the next \$50 million; 70 bp thereafter.

Corporate Information

Boston Partners Global Investors, Inc. ("Boston Partners") is affiliated with listed corporations through common ownership. ORIX Corporation Europe N.V. services may be offered in the U.S. through Robeco Institutional Asset Management, U.S., an SEC Registered Investment Adviser registered under the Investment Advisers Act of 1940. Transtrend products may be offered in the U.S. through Boston Partners Securities, LLC, member FINRA, SIPC. Boston Partners is authorized to transact as an Investment Adviser and maintains a Securities License by the Government of Guam Department of Revenue and Taxation. It also maintains a Certificate of Authority to transact business on Guam as a Foreign Corporation. In addition, Boston Partners is registered in Korea with the Financial Services Commission (FSC).

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
20	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended June 30, 2019 (ALL). (Adelman)

ISSUE

Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended June 30, 2019 (ALL). (Adelman)

RECOMMENDED ACTION

Motion: Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended June 30, 2019 (ALL). (Adelman)

FISCAL IMPACT

None.

DISCUSSION

Pension funds are invested consistent with the Statement of Investment Objectives and Policy Guidelines adopted by each Retirement Board. Attached are the two investment performance reports prepared by the Boards' pension investment consultants. The first report is the Second Quarter 2019 Market Update (Attachment 1) and the second is the Investment Measurement Service Quarterly Review as of June 30, 2019 (Attachment 2). These reports provide a detailed analysis of the performance of each of the investment managers retained by the Retirement Boards to manage the Retirement Funds for the quarter ended June 30, 2019. The second report compares the performance of each investment manager with benchmark indices, other fund managers of similarly invested portfolios and other indices.

Investment Compliance Monitoring

In accordance with the Statement of Investment Objectives and Policy Guidelines for the Sacramento Regional Transit District Retirement Plans (Investment Policy), State Street Bank performs daily investment compliance monitoring on the Plans' three (3) actively managed funds. As of June 30, 2019, there were no compliance warnings or alerts to be reported; therefore, the investments are in compliance with the Investment Policy. The final attached report includes the monitoring summary (Attachment 3).

Approved:

Presented:

Final 08/28/19

VP of Finance/CFO

Director, Finance and Treasury

J:\Retirement Board\2019\IP's\Quarterly Meetings\September 11, 2019\FI FINAL IPs\09-11-19 Investment Performance.docx

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
20	09/11/19	Retirement	Action	08/31/19

Subject: Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended June 30, 2019 (ALL). (Adelman)

The table below provides an overview of the quarter performance, quarter ending June 30, 2019 – gross of investment management fees:

<i>Investment Manager - Description - Benchmark</i>	Benchmark Index	ATU, IBEW & Salaried Fund	Investment Gains/ (Losses)	Pension Fund Contributions/ (Withdrawals)
Boston Partners (large cap value) Russell 1000 Value	3.84%	2.98%	\$1,338,419	-
S&P 500 Index (large cap value) S&P 500	4.30%	4.31%	\$2,086,055	-
Atlanta Capital (small cap) Russell 2000	2.10%	6.10%	\$1,515,693	-
Pyrford (international equities) MSCI EAFE	3.68%	4.93%	\$1,305,660	-
MSCI EAFE Index (international equities) MSCI EAFE	3.68%	3.87%	\$424,771	-
AQR (small cap international equities) MSCI EAFE SC	1.71%	.22%	\$768	-
Dimensional Fund Advisors (emerging markets) MSCI EM	.61%	.99%	\$140,119	-
Metropolitan West (fixed income) Bloomberg Agg.	3.08%	3.30%	\$3,419,079	\$(1,111,404)
Totals	3.38%	3.57%	\$10,230,564	\$(1,111,404)

Bold – fund exceeding respective benchmark

The table below provides an overview of the year to date performance, as of June 30, 2019 – net of investment management fees:

<i>Investment Manager - Description - Benchmark</i>	Benchmark Index	ATU, IBEW & Salaried Fund	Investment Gains/(Loss)	Pension Fund Contributions/ (Withdrawals)
Boston Partners (large cap value) Russell 1000 Value	8.46%	4.53%	\$1,999,837	\$8
S&P 500 Index (large cap value) S&P 500	10.42%	10.40%	\$4,727,134	\$(582,244)
Atlanta Capital (small cap) Russell 2000	(3.31)%	9.38%	\$2,311,022	\$(772,568)
Brandes (international equities) MSCI EAFE	-	-	\$(2,796)	\$(8)
Pyrford (international equities) MSCI EAFE	1.08%	5.59%	\$1,471,792	-
MSCI EAFE Index (international equities) MSCI EAFE	1.08%	1.34%	\$151,023	-
AQR (small cap international equities) MSCI EAFE SC	(6.35)%	(11.06)%	\$(1,729,214)	-
Dimensional Fund Advisors (emerging markets) MSCI EM	1.22%	1.30%	\$103,984	-
Metropolitan West (fixed income) Bloomberg Agg.	7.87%	8.25%	\$8,141,649	\$(2,926,059)
Totals	6.08%	6.23%	\$17,174,431	\$(4,280,871)

Bold – fund exceeding respective benchmark

September 11, 2019



**Sacramento Regional
Transit District**

Second Quarter 2019
Market Update

Anne Heaphy

Fund Sponsor Consulting

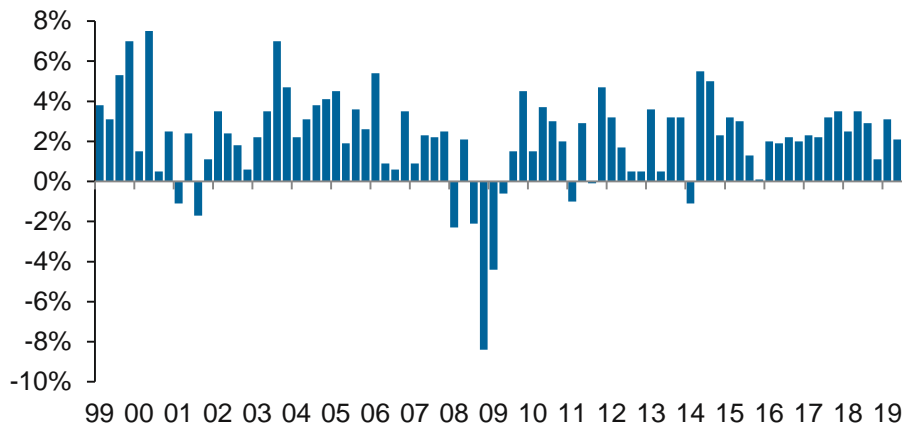
Uvan Tseng, CFA

Fund Sponsor Consulting

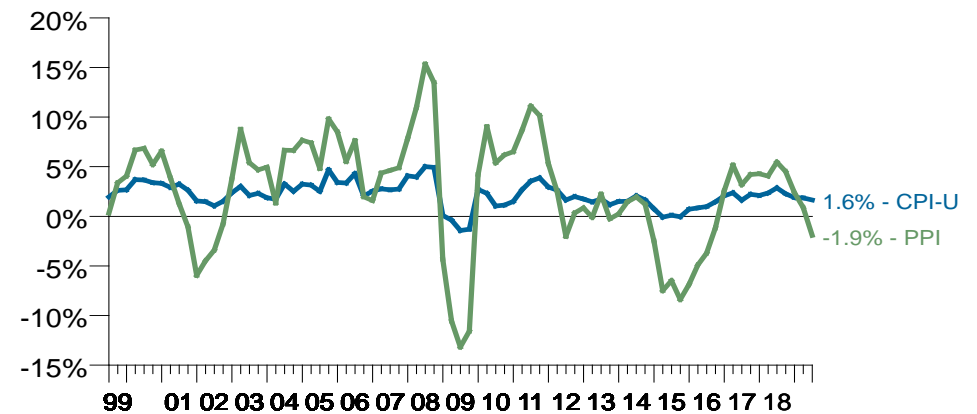
Economic Commentary

Second Quarter 2019

Quarterly Real GDP Growth



Inflation Year-Over-Year



Central bank policy front and center

- Fed adopted dovish tone in January, a sharp reversal in stance. Rates held constant through Q2; rate cuts now expected in Q3 or Q4 2019.

However, U.S. economy remains strong, labor market very tight, reaching the limits of full employment

- Solid Q1 GDP growth (3.2%) moderated in Q2 (2.1%), will soften further in face of slowing global economy, trade uncertainty.
- Slower growth inevitable after impact of 2018 fiscal stimulus fades and full impact of nine rate hikes feeds through the economy.
- Switch to dovish Fed policy boosted consumer and business confidence, and juiced stock market; drop back in borrowing costs expected to sustain growth, or at least soften slowdown.

Inflation remains stuck below 2% in U.S., weaker overseas

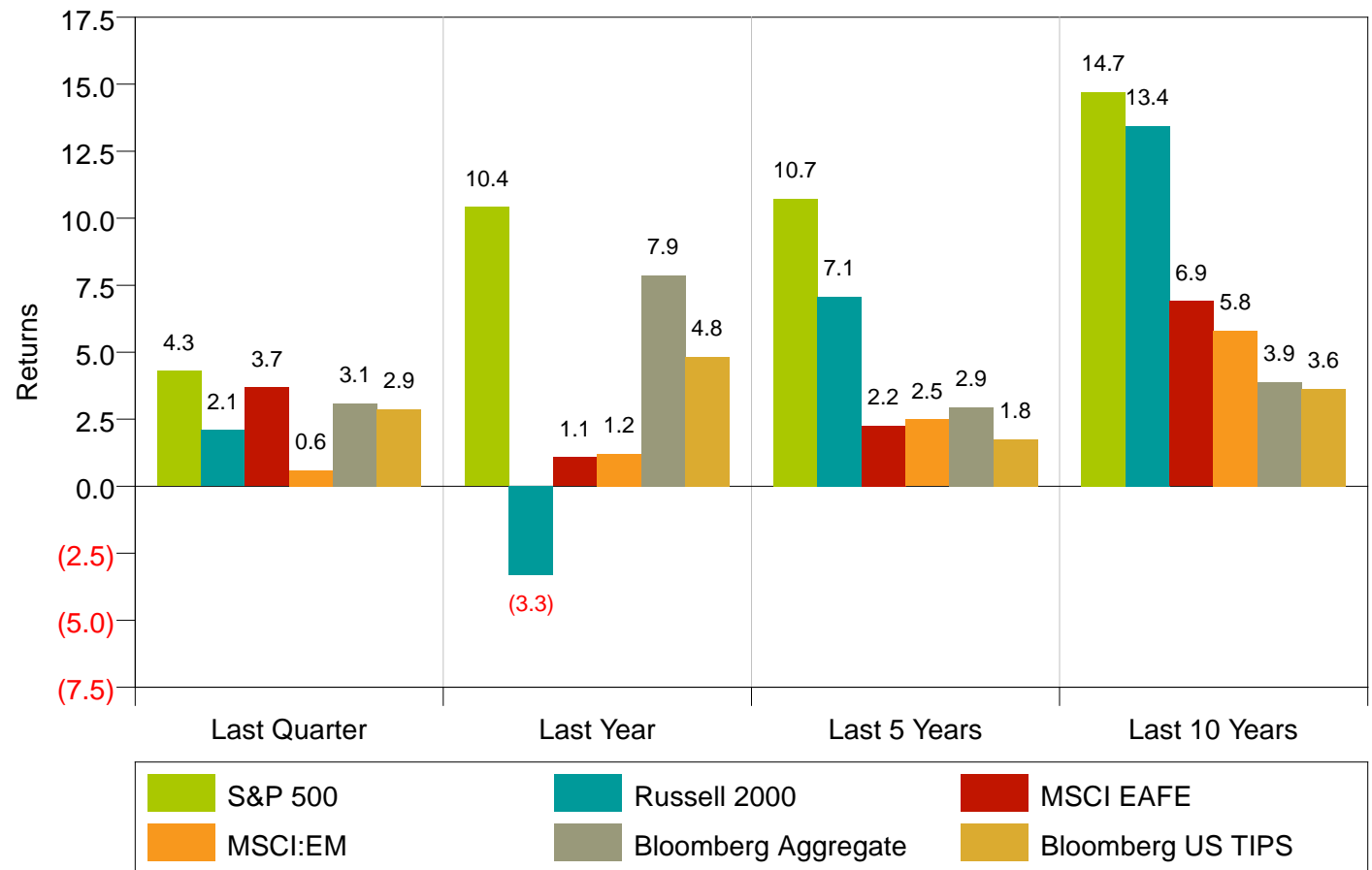
- Wage pressures building in U.S. have yet to translate into headline inflation.
- Weakening global growth, softer inflation give Fed cover to reverse policy and cut rates.

Source: Bureau of Economic Analysis, Bureau of Labor Statistics

Asset Class Performance

Periods Ended June 30, 2019

Asset Class Performance
for Periods Ended June 30, 2019



YTD as of 09/10/2019:

S&P 500:

Russell 2000:

MSCI EAFE:

MSCI Emerging Markets:

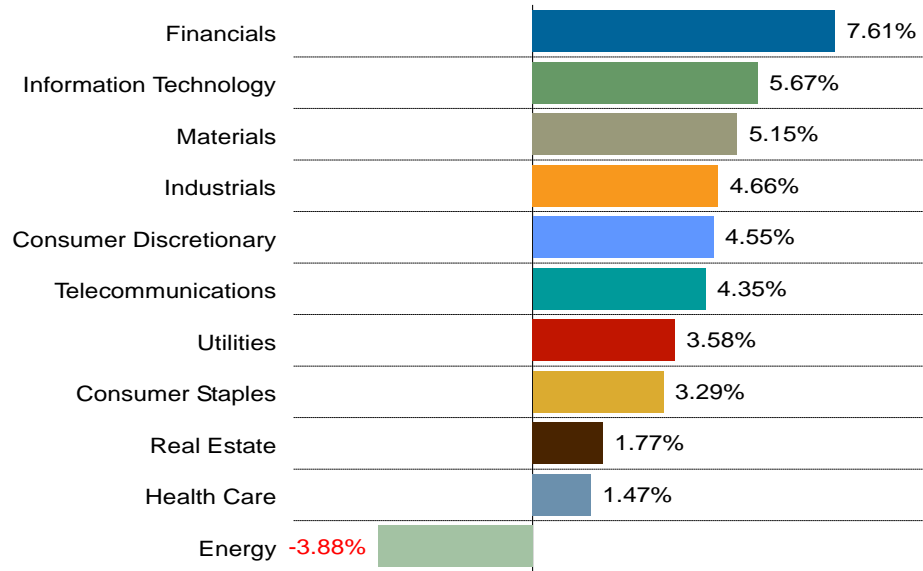
Bloomberg Aggregate:

Bloomberg TIPS:

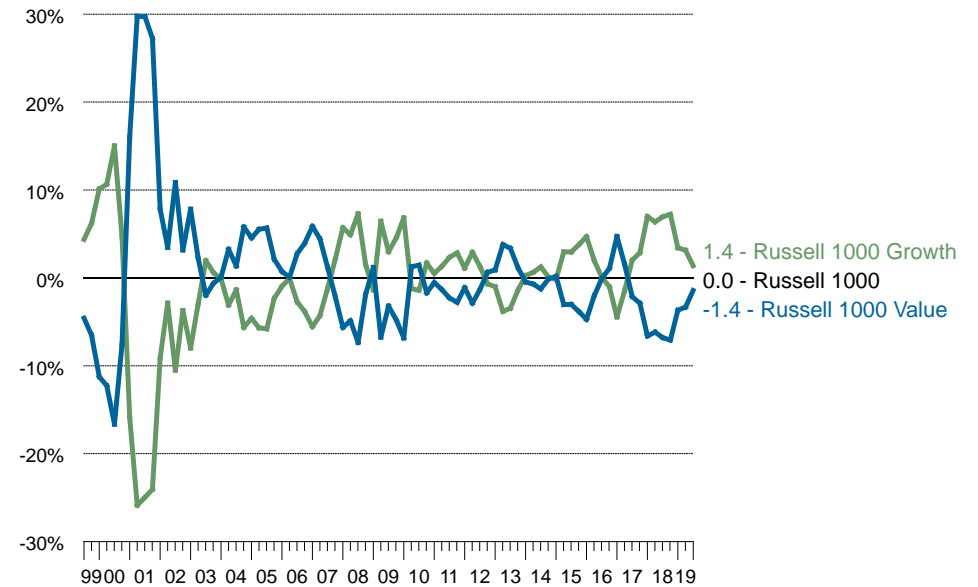
U.S. Equity

Second Quarter 2019

Russell 3000 Sector Returns



Rolling One-Year Relative Returns (versus Russell:1000 Index)



Second Quarter Index Returns

Russell 3000:	4.10
S&P 500:	4.30
Russell Mid Cap:	4.13
Russell 2000:	2.10

Source: Russell Investment Group

U.S. Equity Style Returns

Periods Ended June 30, 2019

	2Q 2019			Annualized 1 Year Returns		
	Value	Core	Growth	Value	Core	Growth
Large	4.2%	4.3%	4.4%	10.9%	10.9%	10.8%
Mid	3.2%	4.1%	5.4%	3.7%	7.8%	13.9%
Small	1.4%	2.1%	2.8%	-6.2%	-3.3%	-0.5%

Markets rebounded, continue to march upward

- U.S. equity markets neared record highs as market participants anticipated another round of Fed easing.
- Trade rhetoric weighed on U.S. stocks in May followed by a rebound.
- Cyclical outperformed while Financials was the best-performing sector; Energy was the only sector to experience negative returns over the quarter.
- Given the increase in risk appetite, defensive sectors including Utilities underperformed.

Growth outpaced value

- Growth continued to outpace value.
- Increasingly dovish Fed a headwind for the valuation sensitive stocks.

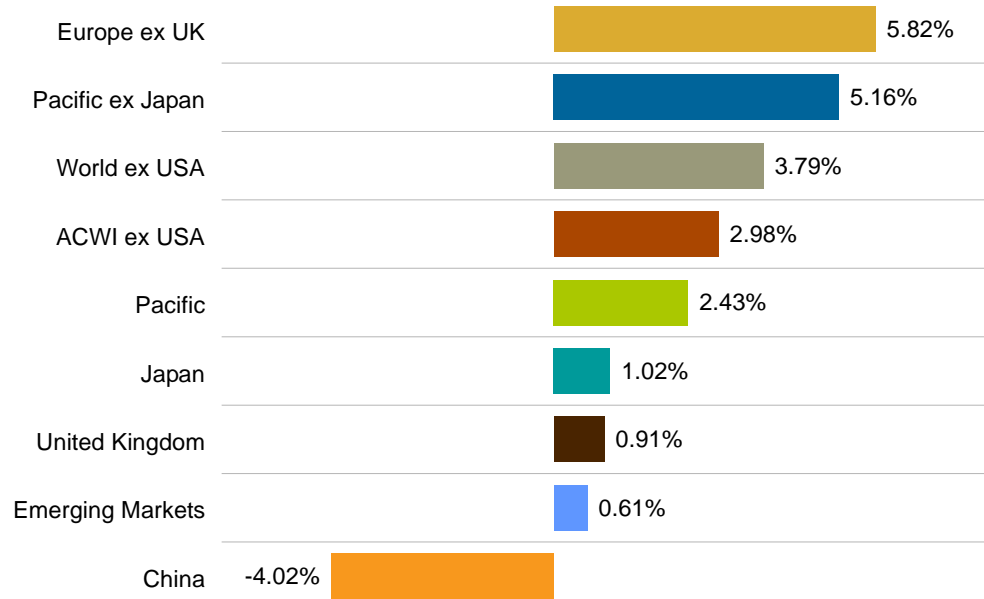
Small cap stocks lagged large caps

Large Cap Core is represented by the Russell Top 200 Index, Large Cap Value is represented by the Russell Top 200 Value Index and Large Cap Growth is represented by the Russell Top 200 Growth Index. Mid Cap Core is represented by the Russell Mid Cap Index, Mid Cap Value is represented by the Russell Mid Cap Value Index and Mid Cap Growth is represented by the Russell Mid Cap Growth Index. Small Cap Core is represented by the Russell 2000 Index, Small Cap Value is represented by the Russell 2000 Value Index and Small Cap Growth is represented by the Russell 2000 Growth Index.

Non-U.S. Equity

Second Quarter 2019

Non-U.S. Quarterly Performance (U.S. Dollar)
as of June 30, 2019



Positive global equity returns despite muted sentiment

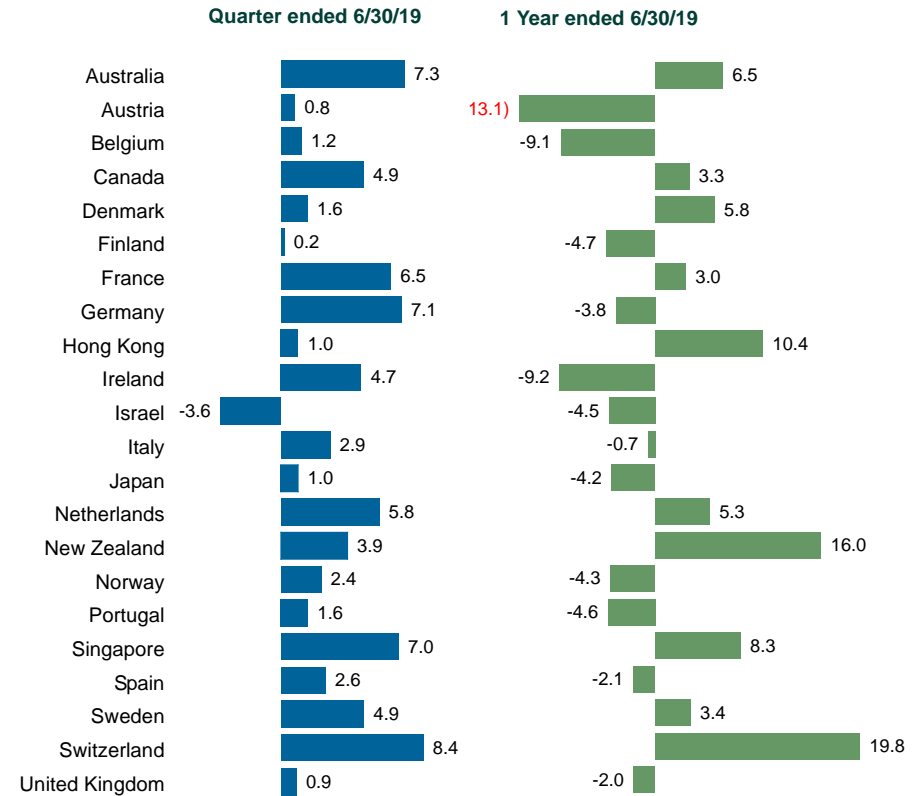
- U.S./China tariff fatigue and Brexit uncertainty continued.
- European markets strong on declining bond yields.
- Cyclical drove returns, benefitting from declining U.S. interest rates (non-U.S./U.S. cyclicals highly correlated).
- Factor performance favored growth, specifically quality and profitability reflecting investors' cautious sentiment.

China reversal hurt emerging market results

- China (-4.02%) faltered on renewed tariff concerns.

Non-U.S. small cap lagged large cap

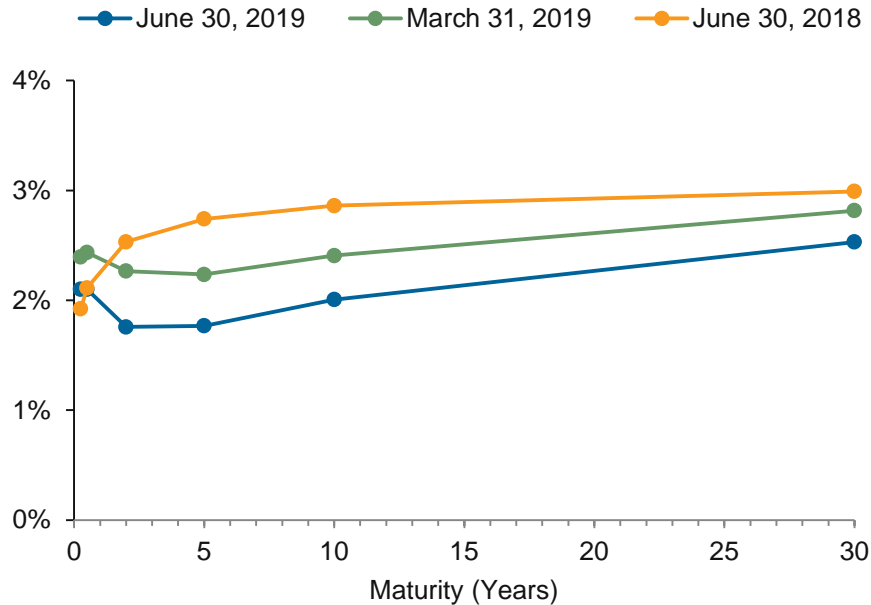
Developed Country Returns



Source: MSCI, Callan

Fixed Income

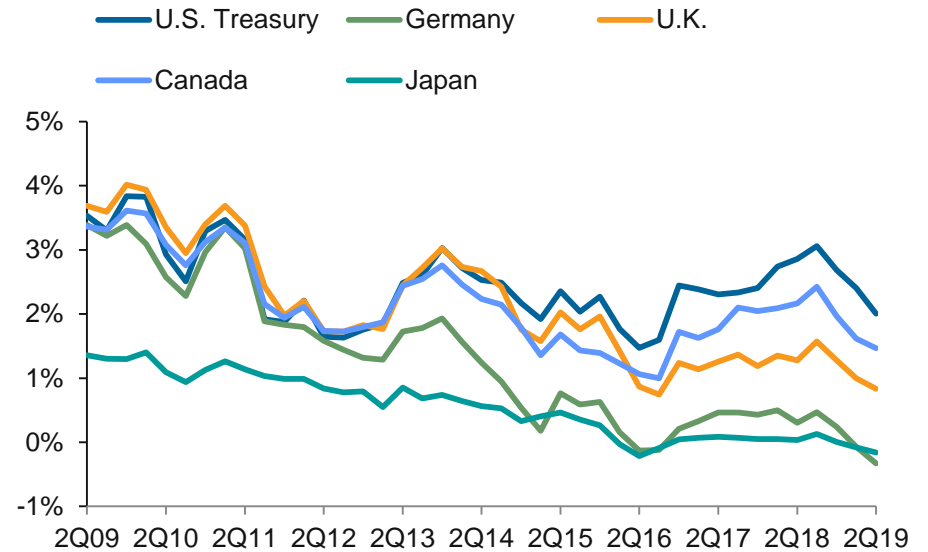
U.S. Treasury Yield Curves



Treasury yield curve has inverted from 90-day T-bill through the 10-year T-note

- Yields have fallen almost 50 bps on the long end from one year ago.
- Inverted yield curve has presaged most recessions in past 70 years.
- Yields are still upward sloping from 2- to 10-year notes.

10-Year Global Government Bond Yields



U.S. yields diverged further in 2017 as monetary policies fell out of sync

- U.S. tightened for two years while euro zone waited.
- U.S. has now paused and is expected to reverse course.
- Euro zone will skip tightening entirely in this cycle; U.S. spread remains very wide.

Source: Bloomberg

Performance By Asset Class

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2 Qtrs. 2019
MSCI Emerging Markets 34.00%	MSCI Emerging Markets 32.17%	MSCI Emerging Markets 39.38%	Bloomberg Barclays Agg 5.24%	MSCI Emerging Markets 78.51%	Russell 2000 Growth 29.09%	Bloomberg Barclays Agg 7.84%	MSCI Emerging Markets 18.23%	Russell 2000 Growth 43.30%	S&P 500 Growth 14.89%	S&P 500 Growth 5.52%	Russell 2000 Value 31.74%	MSCI Emerging Markets 37.28%	Bloomberg Barclays Agg 0.01%	Russell 2000 Growth 20.36%
MSCI World ex USA 14.47%	MSCI World ex USA 25.71%	MSCI World ex USA 12.44%	Bloomberg Barclays High Yield -26.16%	Bloomberg Barclays High Yield 58.21%	Russell 2000 26.85%	Bloomberg Barclays High Yield 4.98%	Russell 2000 Value 18.05%	Russell 2000 38.82%	S&P 500 13.69%	S&P 500 1.38%	Russell 2000 21.31%	S&P 500 Growth 27.44%	S&P 500 Growth -0.01%	S&P 500 Growth 20.19%
S&P 500 Value 5.82%	Russell 2000 Value 23.48%	S&P 500 Growth 9.13%	Russell 2000 Value -28.92%	Russell 2000 Growth 34.47%	Russell 2000 Value 24.50%	S&P 500 Growth 4.65%	S&P 500 Value 17.68%	Russell 2000 Value 34.52%	S&P 500 Value 12.36%	Bloomberg Barclays Agg 0.55%	S&P 500 Value 17.40%	MSCI World ex USA 24.21%	Bloomberg Barclays High Yield -2.08%	S&P 500 18.54%
S&P 500 4.91%	S&P 500 Value 20.81%	Russell 2000 Growth 7.05%	Russell 2000 -33.79%	MSCI World ex USA 33.67%	MSCI Emerging Markets 18.88%	S&P 500 2.11%	MSCI World ex USA 16.41%	S&P 500 Growth 32.75%	Bloomberg Barclays Agg 5.97%	Russell 2000 Growth -1.38%	Bloomberg Barclays High Yield 17.13%	Russell 2000 Growth 22.17%	S&P 500 -4.38%	Russell 2000 16.98%
Russell 2000 Value 4.71%	Russell 2000 18.37%	Bloomberg Barclays Agg 6.97%	S&P 500 Growth -34.92%	S&P 500 Growth 31.57%	Bloomberg Barclays High Yield 15.12%	S&P 500 Value -0.48%	Russell 2000 16.35%	S&P 500 32.39%	Russell 2000 Growth 5.60%	MSCI World ex USA -3.04%	S&P 500 11.96%	S&P 500 21.83%	S&P 500 Value -8.95%	S&P 500 Value 16.70%
Russell 2000 4.55%	S&P 500 15.79%	S&P 500 5.49%	S&P 500 -37.00%	Russell 2000 27.17%	S&P 500 Value 15.10%	Russell 2000 Growth -2.91%	S&P 500 16.00%	S&P 500 Value 31.99%	Russell 2000 4.89%	S&P 500 Value -3.13%	Russell 2000 Growth 11.32%	S&P 500 Value 15.36%	Russell 2000 Growth -9.31%	MSCI World ex USA 14.64%
Russell 2000 Growth 4.15%	Russell 2000 Growth 13.35%	S&P 500 Value 1.99%	Russell 2000 Growth -38.54%	S&P 500 26.47%	S&P 500 15.06%	Russell 2000 -4.18%	Bloomberg Barclays High Yield 15.81%	MSCI World ex USA 21.02%	Russell 2000 Value 4.22%	Russell 2000 -4.41%	MSCI Emerging Markets 11.19%	Russell 2000 14.65%	Russell 2000 -11.01%	Russell 2000 Value 13.47%
S&P 500 Growth 4.00%	Bloomberg Barclays High Yield 11.85%	Bloomberg Barclays High Yield 1.87%	S&P 500 Value -39.22%	S&P 500 Value 21.17%	S&P 500 Growth 15.05%	Russell 2000 Value -5.50%	S&P 500 Growth 14.61%	Bloomberg Barclays High Yield 7.44%	Bloomberg Barclays High Yield 2.45%	Bloomberg Barclays High Yield -4.47%	S&P 500 Growth 6.89%	Russell 2000 Value 7.84%	Russell 2000 Value -12.86%	MSCI Emerging Markets 10.59%
Bloomberg Barclays High Yield 2.74%	S&P 500 Growth 11.01%	Russell 2000 -1.57%	MSCI World ex USA -43.56%	Russell 2000 Value 20.58%	MSCI World ex USA 8.95%	MSCI World ex USA -12.21%	Russell 2000 Growth 14.59%	Bloomberg Barclays Agg -2.02%	MSCI Emerging Markets -2.19%	Russell 2000 Value -7.47%	MSCI World ex USA 2.75%	Bloomberg Barclays High Yield 7.50%	MSCI World ex USA -14.09%	Bloomberg Barclays High Yield 9.94%
Bloomberg Barclays Agg 2.43%	Bloomberg Barclays Agg 4.33%	Russell 2000 Value -9.78%	MSCI Emerging Markets -53.33%	Bloomberg Barclays Agg 5.93%	Bloomberg Barclays Agg 6.54%	MSCI Emerging Markets -18.42%	Bloomberg Barclays Agg 4.21%	MSCI Emerging Markets -2.60%	MSCI World ex USA -4.32%	MSCI Emerging Markets -14.92%	Bloomberg Barclays Agg 2.65%	Bloomberg Barclays Agg 3.54%	MSCI Emerging Markets -14.57%	Bloomberg Barclays Agg 6.11%



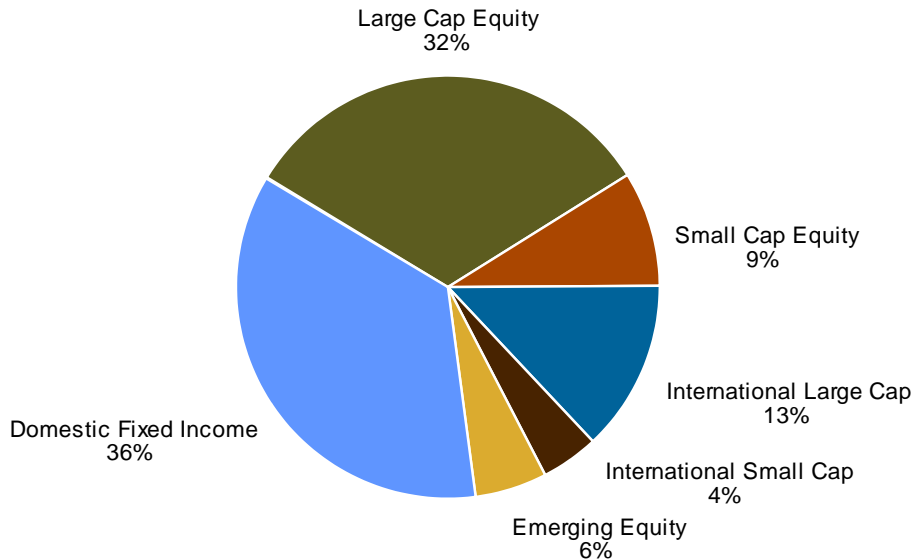
**Sacramento Regional
Transit District**

Total Fund Overview

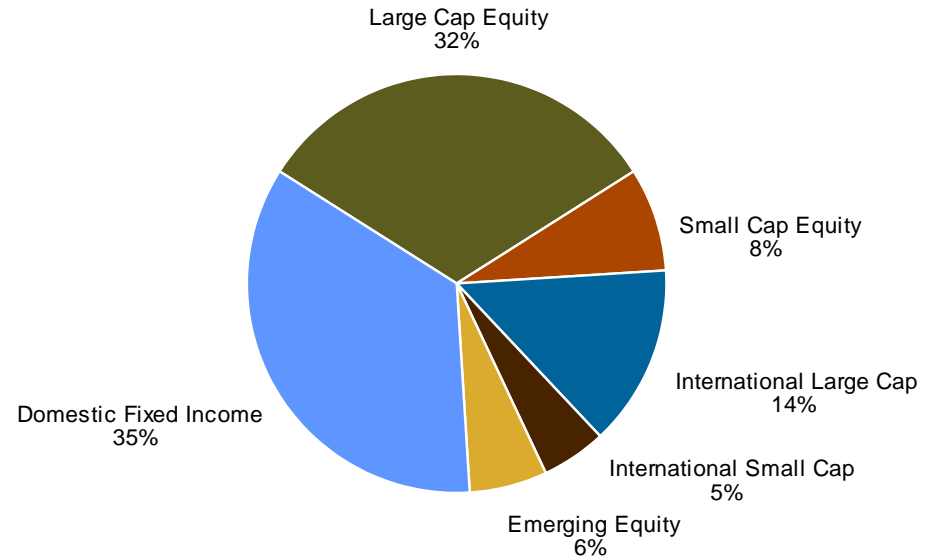
RT Asset Allocation

As of June 30, 2019

Actual Asset Allocation



Target Asset Allocation



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap Equity	96,702	32.4%	32.0%	0.4%	1,298
Small Cap Equity	26,358	8.8%	8.0%	0.8%	2,507
International Large Cap	39,199	13.1%	14.0%	(0.9%)	(2,541)
International Small Cap	12,988	4.4%	5.0%	(0.6%)	(1,919)
Emerging Equity	16,457	5.5%	6.0%	(0.5%)	(1,431)
Domestic Fixed Income	106,435	35.7%	35.0%	0.7%	2,087
Total	298,139	100.0%	100.0%		

Total Fund

Performance Attribution

Relative Attribution Effects for Quarter ended June 30, 2019

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	3.67%	4.30%	(0.20%)	(0.03%)	(0.23%)
Small Cap Equity	9%	8%	6.10%	2.10%	0.34%	(0.02%)	0.33%
International Large Cap	13%	14%	4.62%	3.68%	0.12%	(0.00%)	0.12%
International Small Cap	4%	5%	0.22%	1.71%	(0.07%)	0.01%	(0.06%)
Emerging Equity	6%	6%	0.99%	0.61%	0.02%	0.01%	0.03%
Domestic Fixed Income	36%	35%	3.30%	3.08%	0.08%	(0.07%)	0.01%
Total			3.57%	= 3.38%	+ 0.29%	+ (0.11%)	0.18%

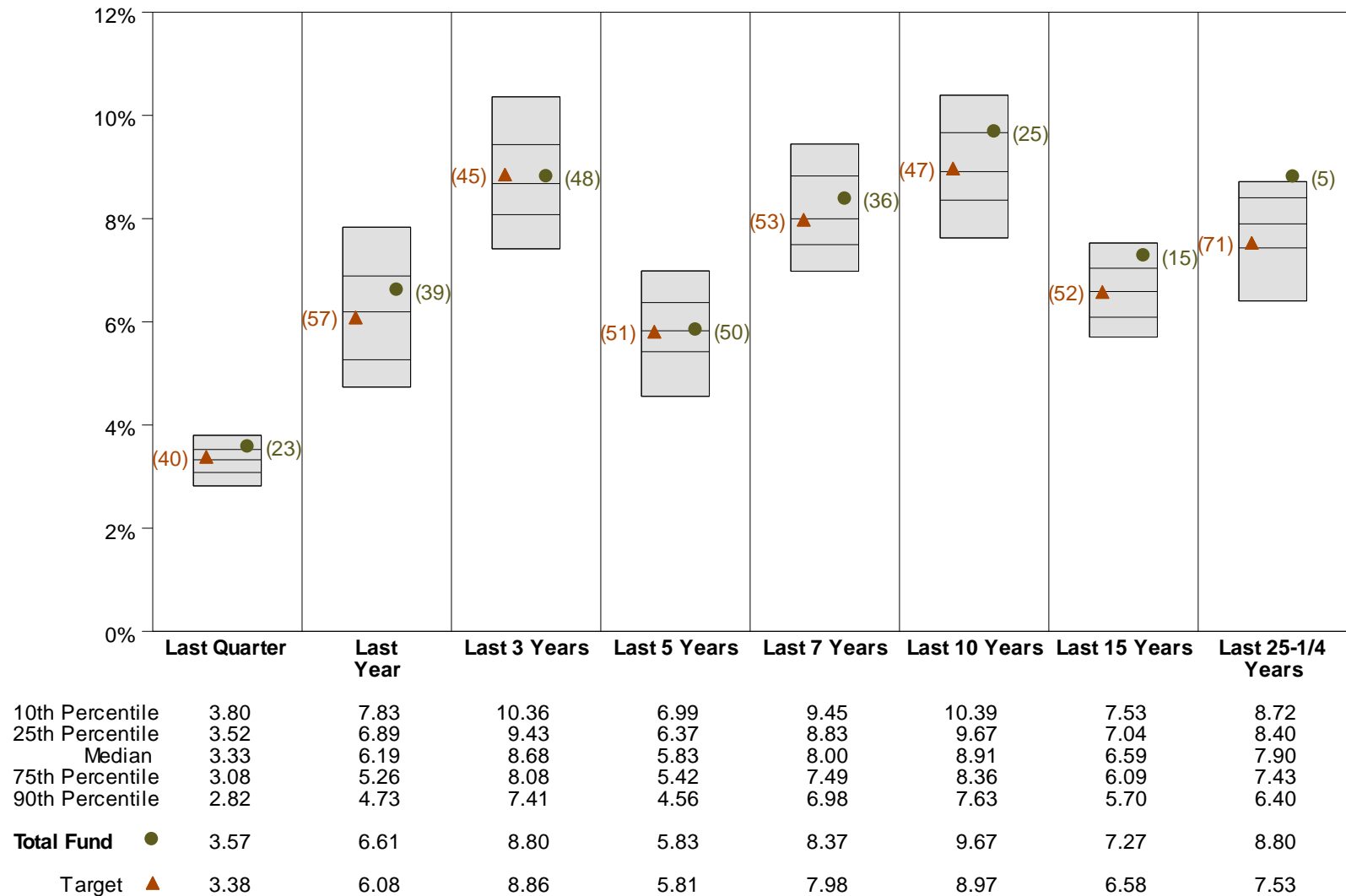
One Year Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	7.82%	10.42%	(0.81%)	(0.10%)	(0.90%)
Small Cap Equity	9%	8%	10.25%	(3.31%)	1.19%	(0.12%)	1.07%
International Large Cap	13%	14%	4.85%	1.08%	0.50%	0.04%	0.54%
International Small Cap	5%	5%	(10.25%)	(6.35%)	(0.21%)	0.02%	(0.19%)
Emerging Equity	6%	6%	1.83%	1.22%	0.03%	(0.00%)	0.03%
Domestic Fixed Income	36%	35%	8.48%	7.87%	0.21%	(0.24%)	(0.02%)
Total			6.61%	= 6.08%	+ 0.92%	+ (0.39%)	0.52%

Total Fund

Performance as of June 30, 2019

Performance vs Callan Public Fund Spons- Mid (100M-1B) (Gross)



Total Fund

Manager Asset Allocation

	June 30, 2019 Market Value	Net New Inv.	Inv. Return	March 31, 2019 Market Value
Consolidated Plan				
Domestic Equity	\$123,060,157	\$0	\$4,940,167	\$118,119,990
Large Cap	\$96,702,283	\$0	\$3,424,474	\$93,277,809
Boston Partners	46,240,879	0	1,338,419	44,902,460
SSgA S&P 500	50,461,404	0	2,086,055	48,375,349
Small Cap	\$26,357,874	\$0	\$1,515,693	\$24,842,181
Atlanta Capital	26,357,874	0	1,515,693	24,842,181
International Equity	\$68,643,622	\$0	\$1,871,317	\$66,772,304
International Large Cap	\$39,198,956	\$0	\$1,730,431	\$37,468,525
SSgA EAFE	11,402,913	0	424,771	10,978,142
Pyrford	27,796,043	0	1,305,660	26,490,383
International Small Cap	\$12,987,505	\$0	\$768	\$12,986,737
AQR	12,987,505	0	768	12,986,737
Emerging Equity	\$16,457,161	\$0	\$140,119	\$16,317,042
DFA Emerging Markets	16,457,161	0	140,119	16,317,042
Fixed Income	\$106,435,396	\$(1,111,404)	\$3,419,079	\$104,127,722
Metropolitan West	106,435,396	(1,111,404)	3,419,079	104,127,722
Total Plan - Consolidated	\$298,139,175	\$(1,111,404)	\$10,230,563	\$289,020,016

Total Fund

Manager Returns as of June 30, 2019

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Domestic Equity	4.18%	8.34%	13.62%	10.00%	13.86%
Domestic Equity Benchmark**	3.86%	7.59%	13.88%	10.05%	13.57%
Large Cap Equity	3.67%	7.82%	13.19%	9.30%	13.43%
Boston Partners	2.98%	5.10%	12.09%	7.82%	12.80%
Russell 1000 Value Index	3.84%	8.46%	10.19%	7.46%	12.09%
SSgA S&P 500	4.31%	10.45%	14.22%	10.75%	14.02%
S&P 500 Index	4.30%	10.42%	14.19%	10.71%	13.98%
Small Cap Equity	6.10%	10.25%	15.21%	12.66%	15.33%
Atlanta Capital	6.10%	10.25%	15.21%	12.66%	15.33%
Russell 2000 Index	2.10%	(3.31%)	12.30%	7.06%	11.63%
International Equity	2.88%	0.91%	8.72%	2.23%	6.62%
International Benchmark***	2.55%	(0.36%)	9.45%	2.33%	7.12%
International Large Cap	4.62%	4.85%	9.43%	2.64%	-
SSgA EAFE	3.87%	1.44%	9.50%	2.61%	7.61%
Pyrford	4.93%	6.33%	-	-	-
MSCI EAFE Index	3.68%	1.08%	9.11%	2.25%	7.31%
International Small Cap	0.22%	(10.25%)	-	-	-
AQR	0.22%	(10.25%)	-	-	-
MSCI EAFE Small Cap Index	1.71%	(6.35%)	9.06%	4.40%	9.89%
Emerging Markets Equity	0.99%	1.83%	9.70%	2.86%	-
DFA Emerging Markets	0.99%	1.83%	9.70%	2.86%	-
MSCI Emerging Markets Index	0.61%	1.22%	10.66%	2.49%	4.15%
Domestic Fixed Income	3.30%	8.48%	3.13%	3.34%	3.47%
Met West	3.30%	8.48%	3.13%	3.34%	3.47%
Bloomberg Aggregate Index	3.08%	7.87%	2.31%	2.95%	2.62%
Total Plan	3.57%	6.61%	8.80%	5.83%	8.37%
Target*	3.38%	6.08%	8.86%	5.81%	7.98%

* Current Quarter Target = 35.0% Bloomberg Aggregate Index, 32.0% S&P 500 Index, 14.0% MSCI EAFE Index, 8.0% Russell 2000 Index, 6.0% MSCI Emerging Markets Index, and 5.0% MSCI EAFE Small Cap Index.

** Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

*** International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

Total Fund

Manager Calendar Year Returns

	12/2018- 6/2019	2018	2017	2016	2015
Domestic Equity	16.29%	(4.64%)	19.78%	14.58%	0.06%
Domestic Equity Benchmark**	18.26%	(5.69%)	20.41%	13.85%	0.26%
Large Cap Equity	15.66%	(6.33%)	21.10%	13.38%	(1.17%)
Boston Partners	12.66%	(8.27%)	20.32%	14.71%	(3.75%)
Russell 1000 Value Index	16.24%	(8.27%)	13.66%	17.34%	(3.83%)
SSgA S&P 500	18.54%	(4.39%)	21.86%	12.03%	1.46%
S&P 500 Index	18.54%	(4.38%)	21.83%	11.96%	1.38%
Small Cap Equity	18.66%	1.78%	15.01%	19.17%	5.14%
Atlanta Capital	18.66%	1.78%	15.01%	19.17%	5.14%
Russell 2000 Index	16.98%	(11.01%)	14.65%	21.31%	(4.41%)
International Equity	11.97%	(13.93%)	28.25%	2.55%	(4.17%)
International Benchmark***	12.92%	(14.76%)	29.51%	3.26%	(4.30%)
International Large Cap	13.81%	(11.25%)	22.63%	1.35%	(1.17%)
SSgA EAFE	14.37%	(13.49%)	25.47%	1.37%	(0.56%)
Pyrford	13.60%	(10.31%)	-	-	-
MSCI EAFE Index	14.03%	(13.79%)	25.03%	1.00%	(0.81%)
International Small Cap	9.34%	(19.94%)	33.76%	-	-
AQR	9.34%	(19.94%)	33.76%	-	-
MSCI EAFE Small Cap Index	12.55%	(17.89%)	33.01%	2.18%	9.59%
Emerging Markets Equity	9.82%	(14.80%)	37.32%	12.99%	(14.33%)
DFA Emerging Markets	9.82%	(14.80%)	37.32%	12.99%	(14.33%)
MSCI Emerging Markets Index	10.59%	(14.57%)	37.28%	11.19%	(14.92%)
Domestic Fixed Income	6.61%	0.75%	3.89%	2.87%	0.51%
Met West	6.61%	0.75%	3.89%	2.87%	0.51%
Bloomberg Aggregate Index	6.11%	0.01%	3.54%	2.65%	0.55%
Total Plan	11.65%	(5.05%)	16.14%	7.65%	(0.97%)
Target*	12.76%	(5.82%)	16.39%	7.40%	(0.71%)

* Current Quarter Target = 35.0% Bloomberg Aggregate Index, 32.0% S&P 500 Index, 14.0% MSCI EAFE Index, 8.0% Russell 2000 Index, 6.0% MSCI Emerging Markets Index, and 5.0% MSCI EAFE Small Cap Index.

** Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

*** International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

Callan

June 30, 2019



Sacramento Regional Transit District Retirement Plans

**Investment Measurement Service
Quarterly Review**

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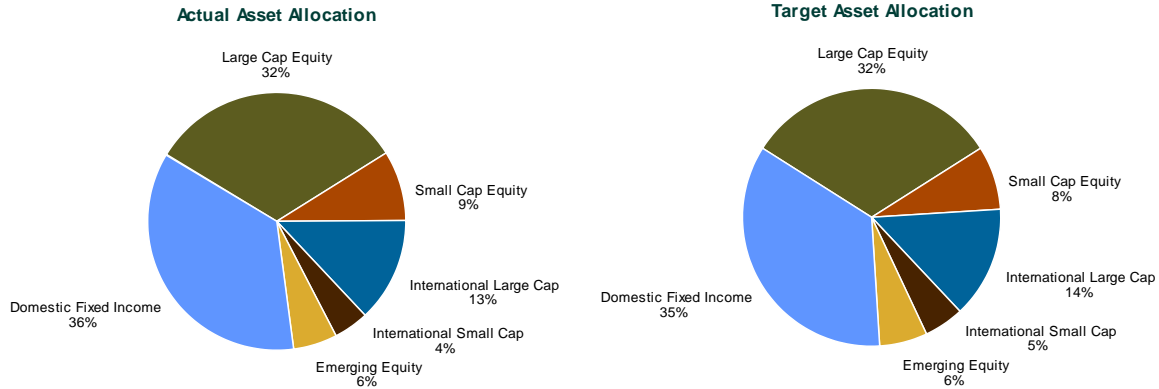
Table of Contents

June 30, 2019

Executive Summary	1
Capital Markets Review	3
Combined Plan	
Actual vs Target Asset Allocation	9
Quarterly Total Plan Attribution	10
Cumulative Total Plan Attribution	11
Total Fund Performance	13
Historical Asset Allocation	14
Asset Growth Summary	16
Investment Manager Performance	17
Domestic Equity	
Domestic Equity	23
Large Cap	27
SSgA S&P 500	31
Boston Partners	35
Atlanta Capital	44
International Equity	
International Equity	54
SSgA EAFE	59
Pyrford	65
AQR	73
DFA Emerging Markets	81
Domestic Fixed Income	
Metropolitan West Asset Management	90
Definitions	95
Callan Research/Education	98
Disclosures	101

Sacramento Regional Transit District
Executive Summary for Period Ending June 30, 2019

Asset Allocation



Performance

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Total Plan	3.57%	6.61%	8.80%	5.83%	8.37%
Target*	3.38%	6.08%	8.86%	5.81%	7.98%

Recent Developments

N/A

Organizational Issues

N/A

Manager Performance

Manager	Peer Group Ranking		
	Last Year	Last 3 Years	Last 7 Years
Boston Partners	59	36	35
Atlanta Capital	10	30	16
Pyrford	1	[88]	[87]
AQR	83	[87]	[73]
DFA	57	76	[70]
MetWest	37	75	77

Brackets indicate performance linked with manager's composite

Watch List

N/A

Items Outstanding

N/A

*Current quarter target = 35% Bloomberg Barclays Aggregate Index, 32% S&P 500 Index, 8% Russell 2000 Index, 14% MSCI EAFE Index, 5% MSCI EAFE Small Cap Index, and 6% MSCI Emerging Markets Index.

U.S. EQUITY

Markets continued to march upward, and U.S. equities neared record highs. Growth outpaced value, as the dovish stance of the Fed was a headwind for valuation-sensitive stocks. Small cap stocks lagged large caps, possibly from economic weakness.

Large Cap U.S. Equity (S&P 500: +4.3%; Russell 1000: +4.2%)

- U.S. equity showed strong gains as market participants anticipated another round of monetary easing from the Fed.
- Financials (+8.0%) was the best-performing sector; Energy (-2.8%) was the only sector to experience negative returns over the quarter.
- Trade rhetoric weighed on U.S. stocks in May followed by a June rebound.
- Given the increase in risk appetite, cyclicals outperformed while defensive sectors such as Utilities underperformed.

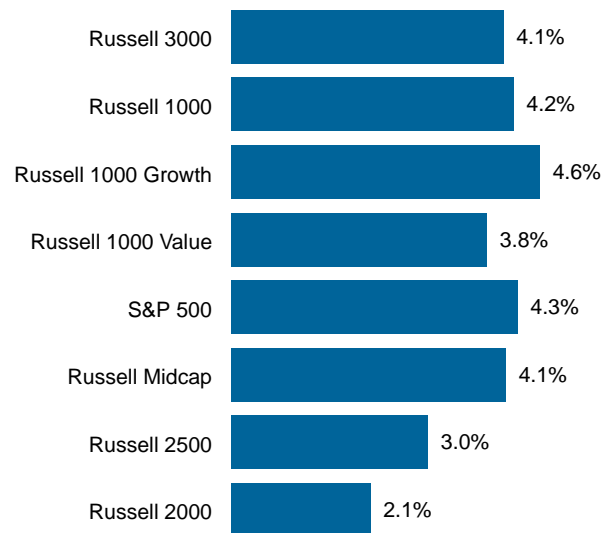
Growth vs. Value (Russell 1000 Growth: +4.6%; Russell 1000 Value: +3.8%)

- Value factors (P/B, P/E trailing, and yield) were mixed while growth factors (EPS growth, sales growth) were positive in the quarter.

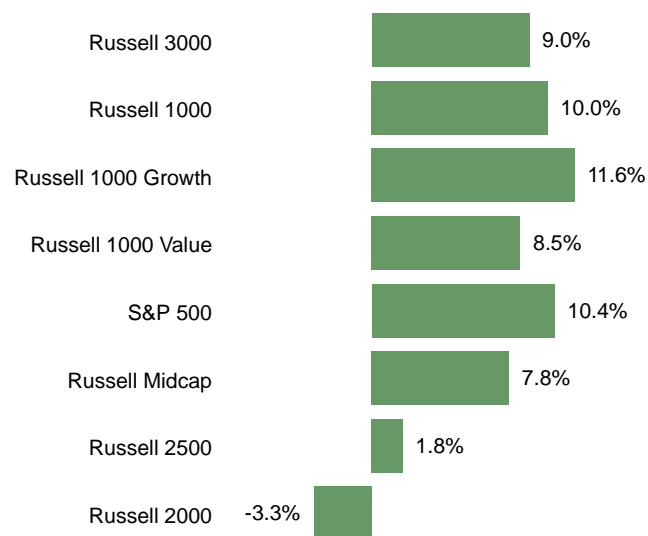
Small Cap (Russell 2000: +2.1%)

- Market conditions (e.g., more dovish Fed, strong U.S. dollar, trade tensions) should have benefited small cap companies, but did not.
- A slowing economy may explain weakness for small caps. Large caps tend to have stronger balance sheets and are more capable of weathering downturns.

U.S. Equity: Quarterly Returns

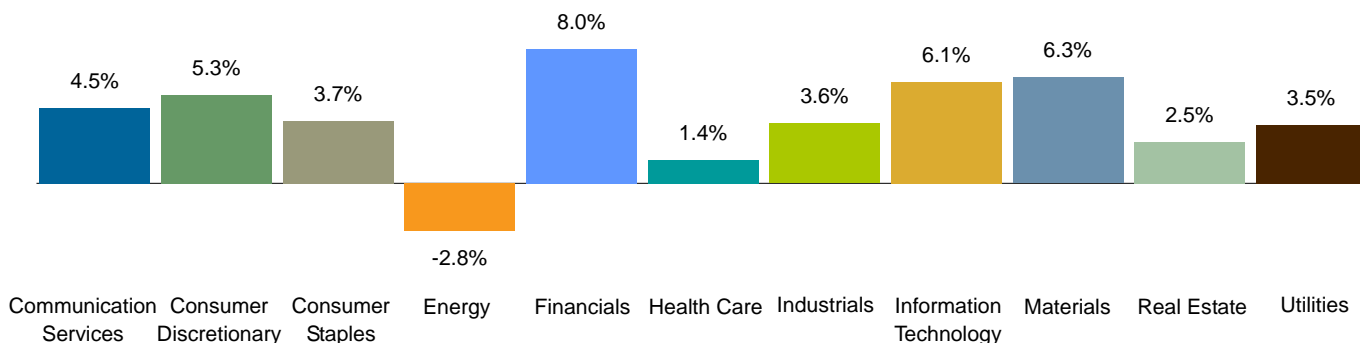


U.S. Equity: One-Year Returns



Sources: FTSE Russell, Standard & Poor's

S&P Sector Returns, Quarter Ended June 30, 2019



Source: Standard & Poor's

NON-U.S./GLOBAL EQUITY

Global equity markets were largely positive in the second quarter although investor sentiment was fairly muted as both U.S./China tariff fatigue and Brexit uncertainty continued. Some non-U.S. markets benefited from a weakening U.S. dollar relative to local currencies. Global equities were boosted by dovish central bank commentary that led to lower interest rates around the globe.

Global/Non-U.S. Developed (MSCI EAFE: +3.7%; MSCI World ex USA: +3.8%; MSCI ACWI ex USA: +3.0%; MSCI Europe: +4.5%; MSCI Japan: +1.0%)

- Developed markets rallied as central banks around the world expressed more accommodative paths with interest rates and quantitative easing.
- U.K. equities finished the quarter slightly up (+0.9%) as Brexit uncertainty continues. Prime Minister Theresa May announced her resignation during the quarter.
- Relative to other developed non-U.S. markets, Europe had a strong quarter fueled by robust returns from Germany, France, and Switzerland (30% combined weight), which benefited from declining bond yields.
- EAFE sector performance was positive across the board with the exception of real estate. Cyclical drove the majority of returns as these are highly correlated with U.S. cyclical, which benefited from declining interest rates.
- Factor performance in non-U.S. developed markets favored growth over value, large caps over small caps, and cyclical over defensives.

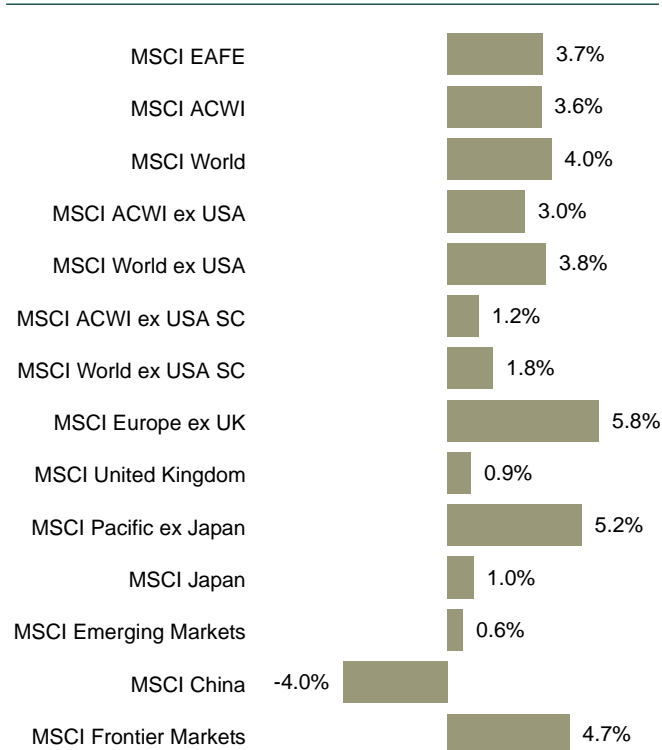
Emerging Markets (MSCI Emerging Markets Index: +0.6%)

- Emerging market returns were lackluster although, regionally, returns were bar-belled as many Asian countries were held back by trade concerns while EM ex-Asia tended to perform well. Russia (+16.9%) performed strongly with the help of the ruble appreciating by 4.2% relative to the U.S. dollar. Brazil (+7.2%) was also a top contributor due to the initial success of keeping pension reforms on track. China (-4.0%) faltered on tariff concerns.
- Argentina (+31.7%) was the top country performer, aided by MSCI's announcement of its inclusion in the MSCI Emerging Markets Index at the end of May (eight stocks in total).
- The MSCI EM Value Index outperformed the MSCI EM Growth Index as many growth-oriented sector and country returns were impacted by trade disputes.

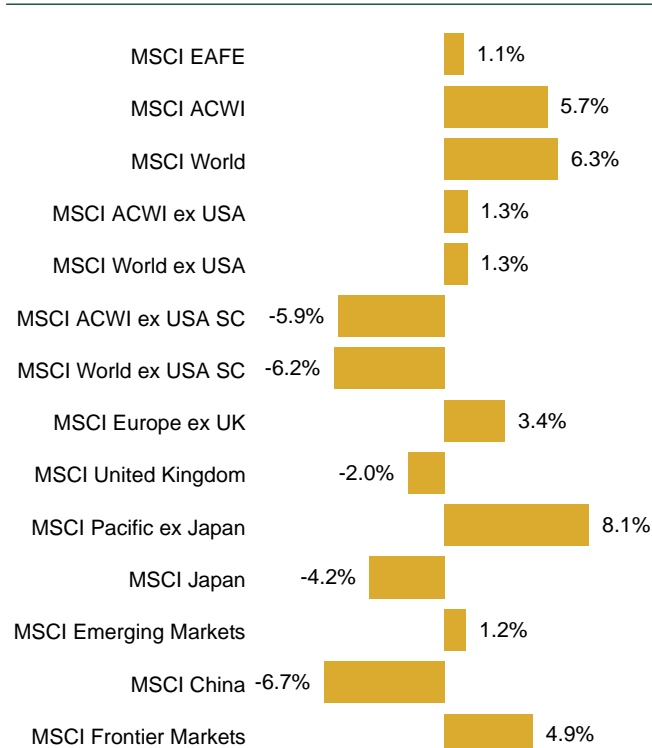
Non-U.S. Small Cap (MSCI World ex USA Small Cap: +1.8%; MSCI EM Small Cap: +1.0%; MSCI ACWI ex USA Small Cap: +1.2%)

- Non-U.S. small caps lagged large caps as investors preferred lower earnings risk and higher earnings momentum. Emerging market small caps lagged large caps as investors searched for a combination of lower volatility and higher growth that was absent in smaller companies as tariff uncertainty persisted.

Global Equity: Quarterly Returns



Global Equity: One-Year Returns



Source: MSCI

FIXED INCOME

U.S. economic data continued to be mixed as a strong labor market and rising personal income offset waning business confidence and declining industrial production. The Federal Reserve’s dovish statements and announced policy objective to “sustain the expansion” caused risk assets and U.S. Treasury yields to rally. Uncertainty surrounding trade policy and muted inflation data provided the Fed with additional cover for its rationale to potentially cut rates later this year.

U.S. Fixed Income (Bloomberg Barclays US Aggregate Bond Index: +3.1%)

- U.S. Treasuries gained 3.0% as the U.S. Treasury yield curve shifted lower across maturities, most dramatically at the 2-year key rate, as traders priced in expectations for the Fed to pre-emptively ease in order to boost domestic economic growth.
- The overall shape of the yield curve did not materially change during the quarter. The yield differential between the 10-year and 2-year key rates remained positive and widened 11 basis points during the quarter to close at 25 bps. However, the front-end of the curve remained inverted, with the 5-year offering less yield than the 2-year key rate.
- Nominal Treasuries outperformed TIPS as inflation expectations fell; the 10-year breakeven spread was only 1.69% as of quarter-end versus 1.88% at the end of the first quarter.

Investment Grade Corporates (Bloomberg Barclays Corporate: +4.5%)

- Credit spreads rallied on the back of dovish Fed policy.
- Gross new corporate supply this quarter was \$290.5 billion, which was 14% lower than a year ago. Year-to-date supply was 18% lower than in the first half of 2018. New issuance favored the 6-12 year maturities relative to last year.
- AAA-rated corporates (+5.0%) were the best performers in absolute return terms. BBB-rated lagged AAA by 18 bps, but posted a positive excess return over the index (+1.4%).

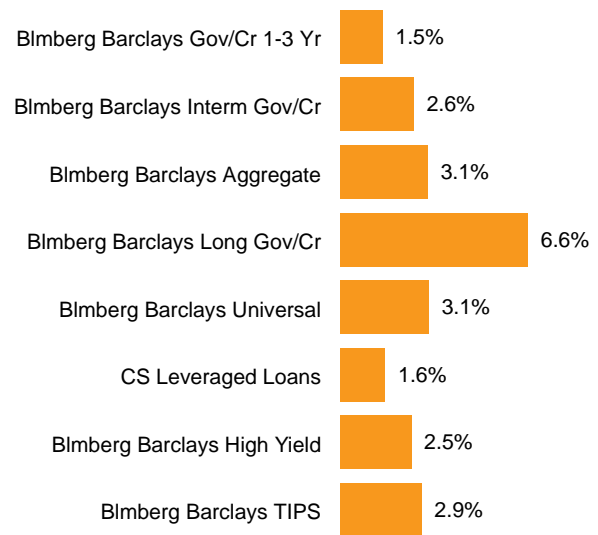
High Yield (Bloomberg Barclays Corporate High Yield: +2.5%)

- High yield corporates posted positive results for the quarter, but lagged investment grade corporates on both absolute and excess returns. High yield gained 9.9% for the first half of 2019.
- Interest rate sensitive BB-rated issues posted the highest return (+3.1%) while CCC-rated issues rose 0.3%.

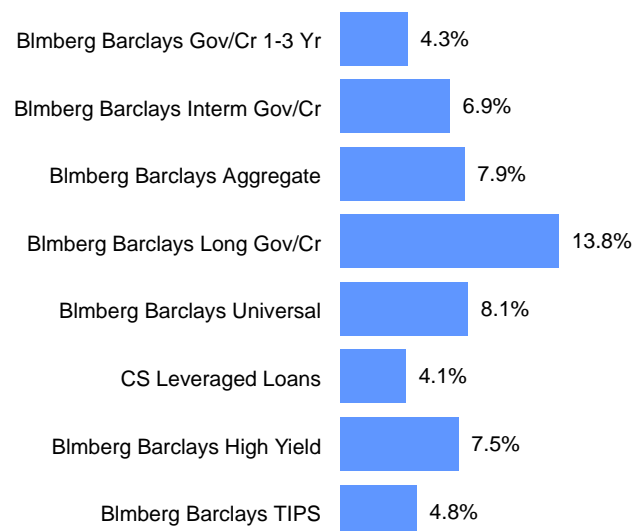
Leveraged Loans (CS Leveraged Loans: +1.6%)

- Bank loans participated in the risk-on rally, but lagged both longer duration IG and HY corporates as interest rates declined.

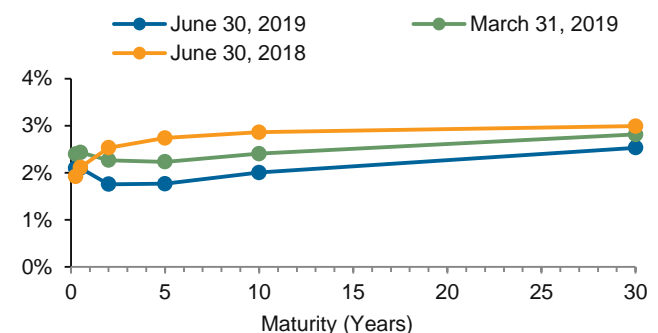
U.S. Fixed Income: Quarterly Returns



U.S. Fixed Income: One-Year Returns



U.S. Treasury Yield Curves



Sources: Bloomberg, Bloomberg Barclays, Credit Suisse

- Retail outflows remain unabated as the Fed’s dovish tone dampened enthusiasm for floating rate assets. New CLO issuance running ahead of expectations has also put technical pressure on the sector as investors absorbed the new float.
- Bank loans have less sensitivity to interest rates, but may have a similar spread duration profile to that of high yield bonds.

NON-U.S. FIXED INCOME

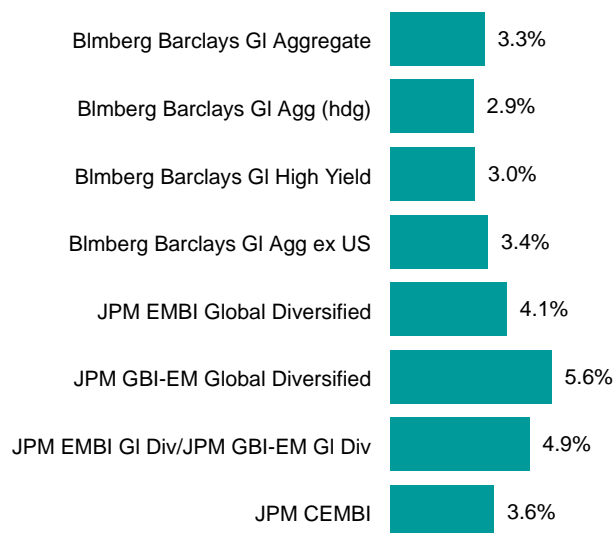
Global Fixed Income (Bloomberg Barclays Global Aggregate: +3.3%, unhedged)

- Other developed market sovereign bonds rose in tandem with the rally in Treasuries and have pushed European sovereigns further into negative yields. The U.S. dollar depreciated modestly versus the euro and yen, but gained versus the U.K. pound.

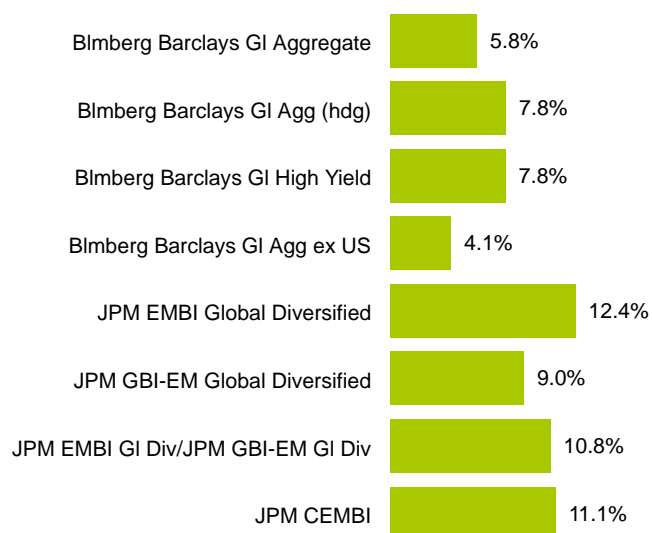
US\$ EMD (JPM EMBI Global Diversified: +4.1%), **Local Currency EMD** (JPM GBI-EM Global Diversified: +5.6%)

- Most emerging market currencies appreciated against the U.S. dollar.
- Top performers included Russia (+10.4%) and Turkey (+10.1%), while Argentina was the worst performer (-5.0%), and one of the few countries to post a negative result this quarter.

Global Fixed Income: Quarterly Returns

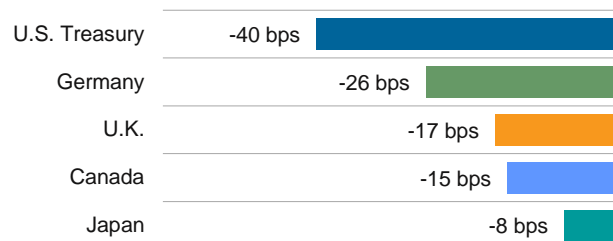


Global Fixed Income: One-Year Returns



Change in 10-Year Global Government Bond Yields

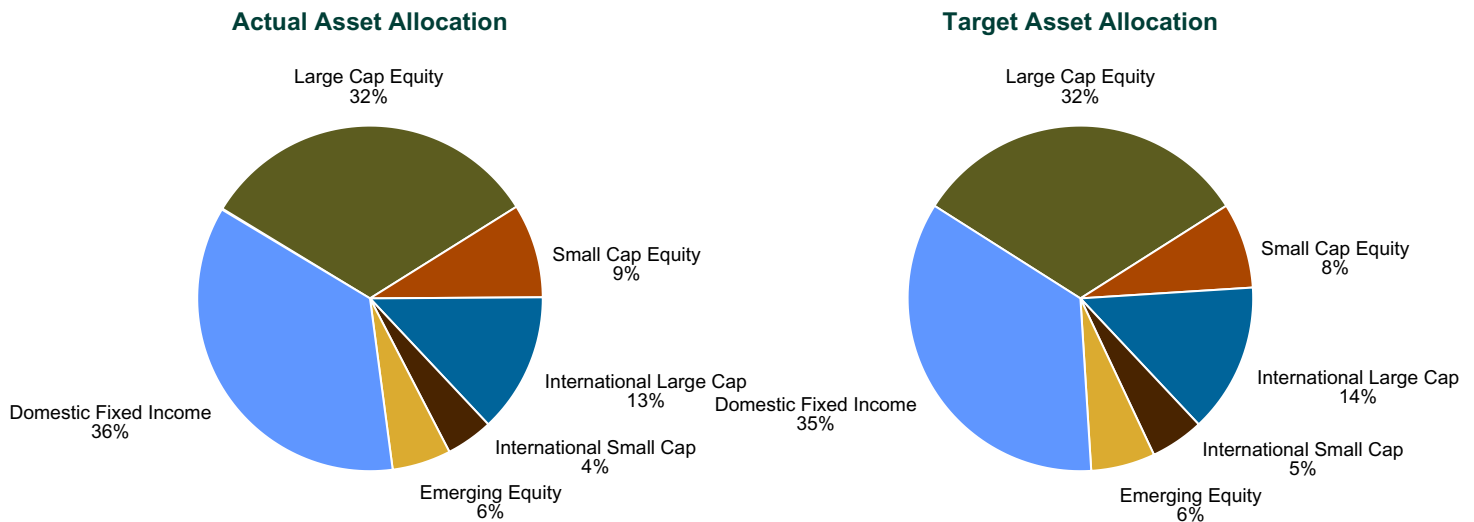
1Q19 to 2Q19



Sources: Bloomberg, Bloomberg Barclays, JP Morgan

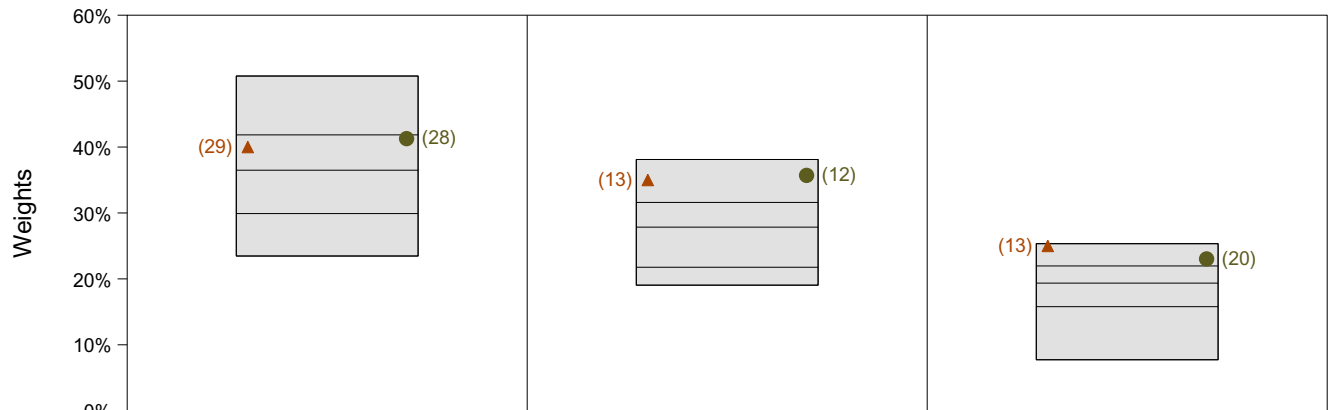
Actual vs Target Asset Allocation As of June 30, 2019

The top left chart shows the Fund's asset allocation as of June 30, 2019. The top right chart shows the Fund's target asset allocation as outlined in the investment policy statement. The bottom chart ranks the fund's asset allocation and the target allocation versus the Callan Public Fund Spns- Mid (100M-1B).



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap Equity	96,702	32.4%	32.0%	0.4%	1,298
Small Cap Equity	26,358	8.8%	8.0%	0.8%	2,507
International Large Cap	39,199	13.1%	14.0%	(0.9%)	(2,541)
International Small Cap	12,988	4.4%	5.0%	(0.6%)	(1,919)
Emerging Equity	16,457	5.5%	6.0%	(0.5%)	(1,431)
Domestic Fixed Income	106,435	35.7%	35.0%	0.7%	2,087
Total	298,139	100.0%	100.0%		

Asset Class Weights vs Callan Public Fund Spns- Mid (100M-1B)



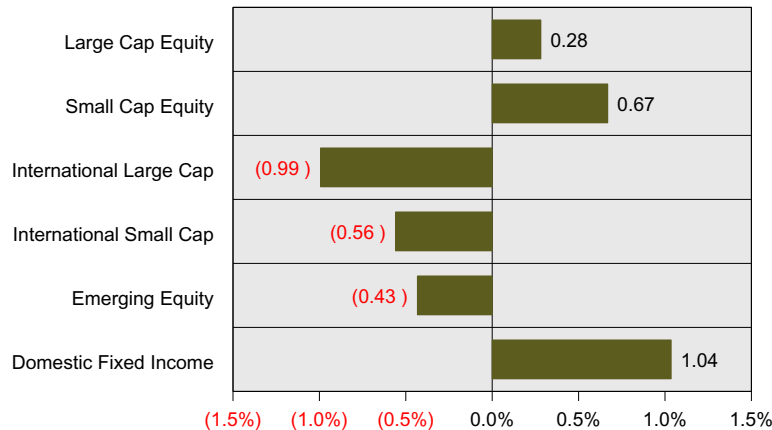
	Domestic Broad Eq	Domestic Fixed Income	Intl Equity
10th Percentile	50.77	38.11	25.34
25th Percentile	41.84	31.60	21.96
Median	36.49	27.85	19.36
75th Percentile	29.91	21.76	15.79
90th Percentile	23.47	19.05	7.73
Fund ●	41.28	35.70	23.02
Target ▲	40.00	35.00	25.00
% Group Invested	98.21%	98.21%	89.29%

* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

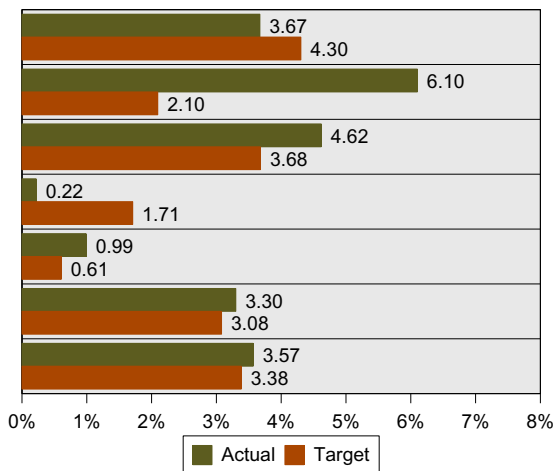
Quarterly Total Fund Relative Attribution - June 30, 2019

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

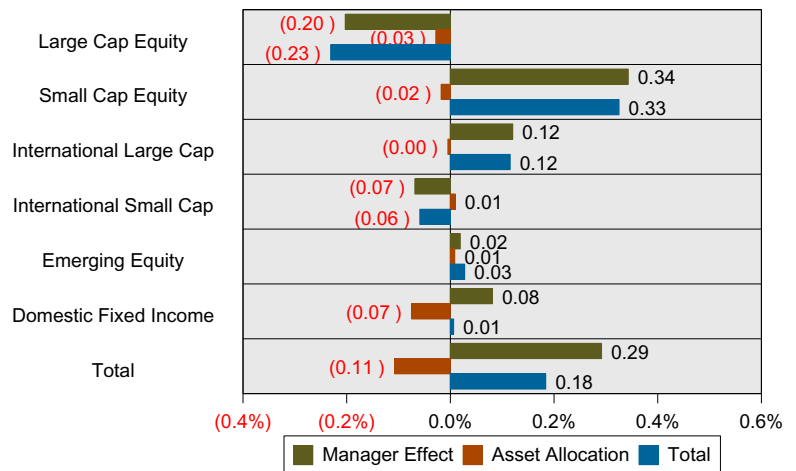
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended June 30, 2019

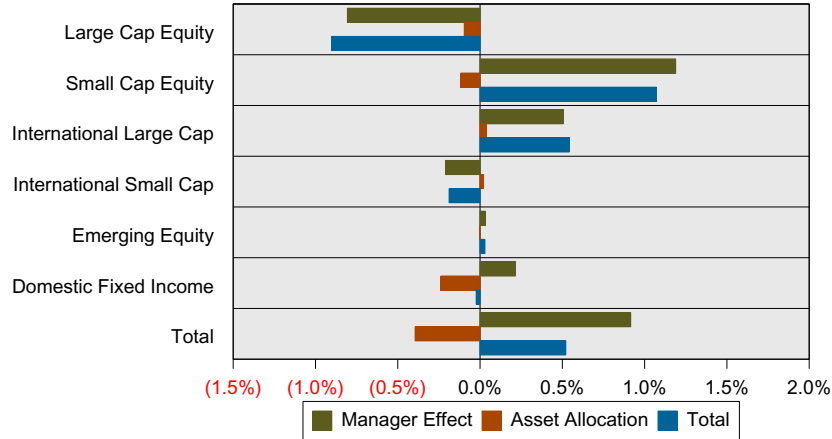
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	3.67%	4.30%	(0.20%)	(0.03%)	(0.23%)
Small Cap Equity	9%	8%	6.10%	2.10%	0.34%	(0.02%)	0.33%
International Large Cap	13%	14%	4.62%	3.68%	0.12%	(0.00%)	0.12%
International Small Cap	4%	5%	0.22%	1.71%	(0.07%)	0.01%	(0.06%)
Emerging Equity	6%	6%	0.99%	0.61%	0.02%	0.01%	0.03%
Domestic Fixed Income	36%	35%	3.30%	3.08%	0.08%	(0.07%)	0.01%
Total			3.57%	3.38%	+ 0.29%	+ (0.11%)	0.18%

* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

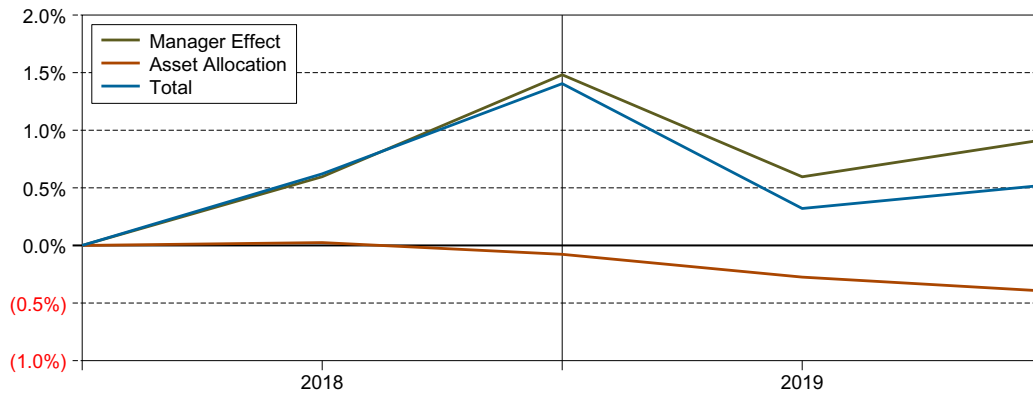
Cumulative Total Fund Relative Attribution - June 30, 2019

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

One Year Relative Attribution Effects



Cumulative Relative Attribution Effects



One Year Relative Attribution Effects

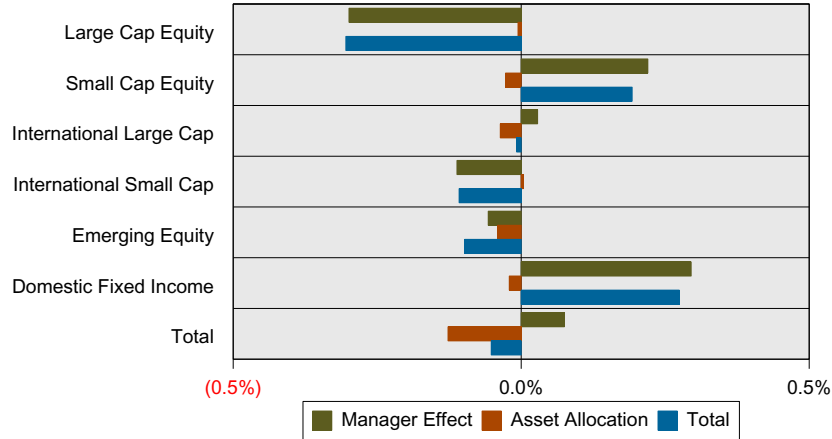
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	7.82%	10.42%	(0.81%)	(0.10%)	(0.90%)
Small Cap Equity	9%	8%	10.25%	(3.31%)	1.19%	(0.12%)	1.07%
International Large Cap	13%	14%	4.85%	1.08%	0.50%	0.04%	0.54%
International Small Cap	5%	5%	(10.25%)	(6.35%)	(0.21%)	0.02%	(0.19%)
Emerging Equity	6%	6%	1.83%	1.22%	0.03%	(0.00%)	0.03%
Domestic Fixed Income	36%	35%	8.48%	7.87%	0.21%	(0.24%)	(0.02%)
Total			6.61%	6.08%	+ 0.92%	+ (0.39%)	0.52%

* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

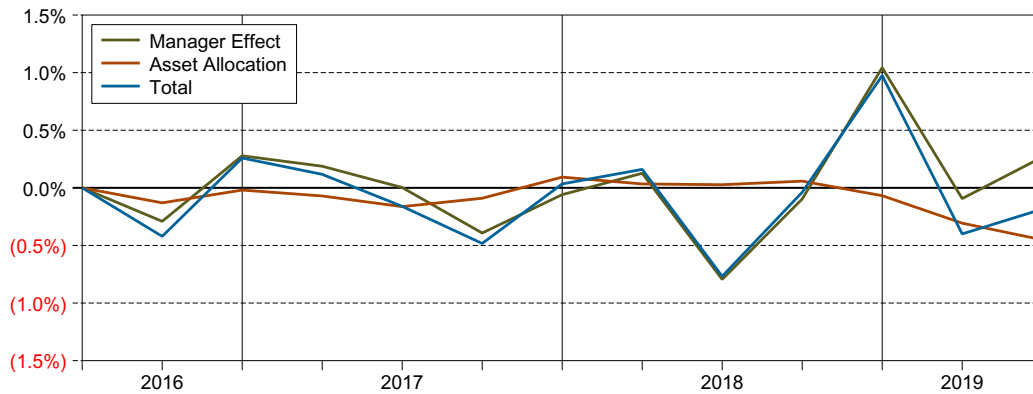
Cumulative Total Fund Relative Attribution - June 30, 2019

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Three Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Three Year Annualized Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	33%	32%	13.19%	14.19%	(0.30%)	(0.01%)	(0.30%)
Small Cap Equity	9%	8%	15.21%	12.30%	0.22%	(0.03%)	0.19%
International Large Cap	13%	14%	9.43%	9.11%	0.03%	(0.04%)	(0.01%)
International Small Cap	5%	5%	4.64%	6.93%	(0.11%)	0.00%	(0.11%)
Emerging Equity	6%	6%	9.70%	10.66%	(0.06%)	(0.04%)	(0.10%)
Domestic Fixed Income	34%	35%	3.13%	2.31%	0.30%	(0.02%)	0.27%
Total			8.80%	8.86%	+ 0.08%	+ (0.13%)	(0.05%)

* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

Total Fund Period Ended June 30, 2019

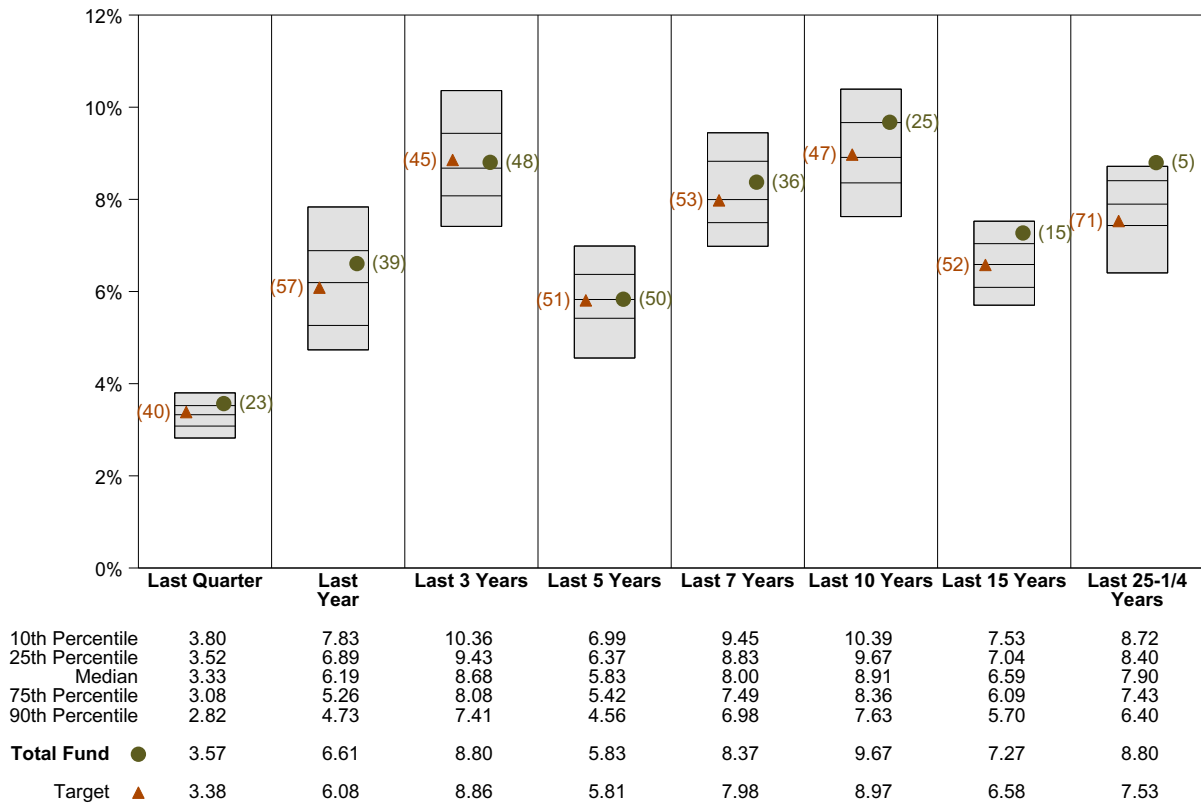
Investment Philosophy

* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

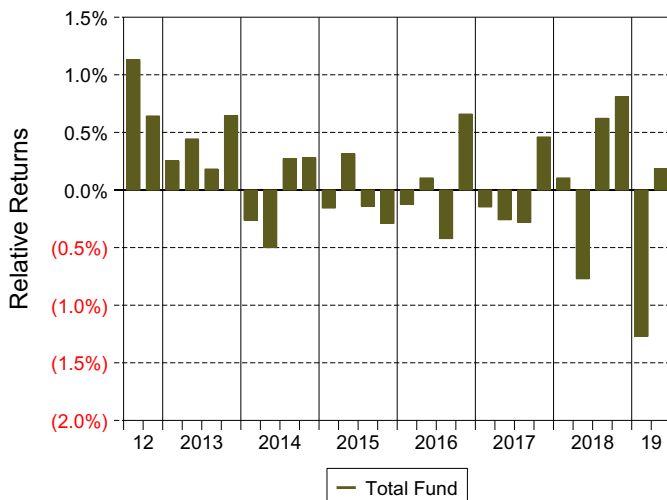
Quarterly Summary and Highlights

- Total Fund's portfolio posted a 3.57% return for the quarter placing it in the 23 percentile of the Callan Public Fund Spons- Mid (100M-1B) group for the quarter and in the 39 percentile for the last year.
- Total Fund's portfolio outperformed the Target by 0.18% for the quarter and outperformed the Target for the year by 0.52%.

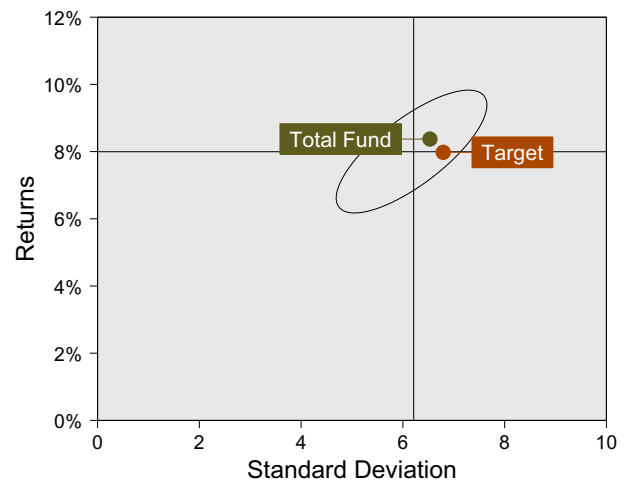
Performance vs Callan Public Fund Spons- Mid (100M-1B) (Gross)



Relative Return vs Target



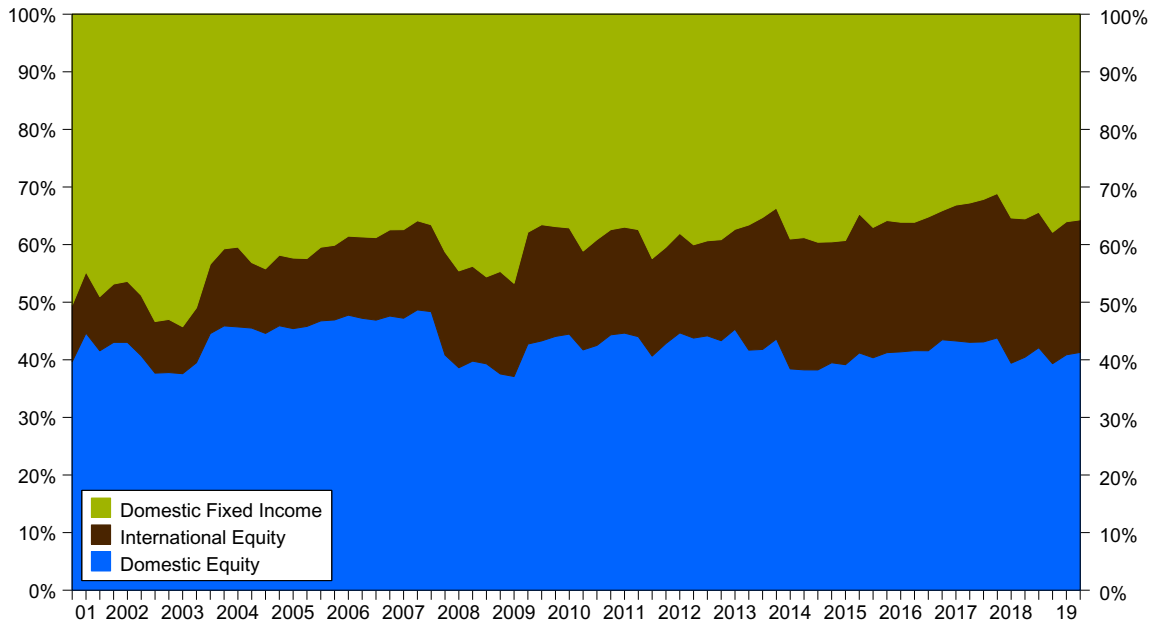
Callan Public Fund Spons- Mid (100M-1B) (Gross)
Annualized Seven Year Risk vs Return



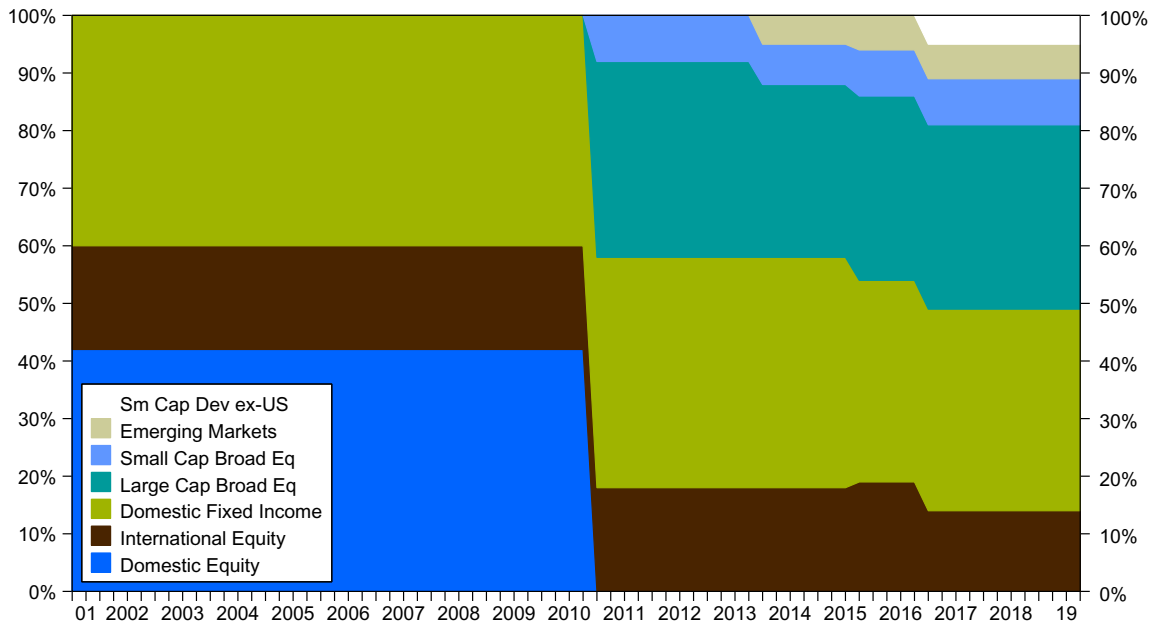
Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, and the fund's historical target asset allocation.

Actual Historical Asset Allocation



Target Historical Asset Allocation



* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of June 30, 2019, with the distribution as of March 31, 2019. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Managers

	June 30, 2019 Market Value	Net New Inv.	Inv. Return	March 31, 2019 Market Value
Consolidated Plan				
Domestic Equity	\$123,060,157	\$0	\$4,940,167	\$118,119,990
Large Cap	\$96,702,283	\$0	\$3,424,474	\$93,277,809
Boston Partners	46,240,879	0	1,338,419	44,902,460
SSgA S&P 500	50,461,404	0	2,086,055	48,375,349
Small Cap	\$26,357,874	\$0	\$1,515,693	\$24,842,181
Atlanta Capital	26,357,874	0	1,515,693	24,842,181
International Equity	\$68,643,622	\$0	\$1,871,317	\$66,772,304
International Large Cap	\$39,198,956	\$0	\$1,730,431	\$37,468,525
SSgA EAFE	11,402,913	0	424,771	10,978,142
Pyrford	27,796,043	0	1,305,660	26,490,383
International Small Cap	\$12,987,505	\$0	\$768	\$12,986,737
AQR	12,987,505	0	768	12,986,737
Emerging Equity	\$16,457,161	\$0	\$140,119	\$16,317,042
DFA Emerging Markets	16,457,161	0	140,119	16,317,042
Fixed Income	\$106,435,396	\$(1,111,404)	\$3,419,079	\$104,127,722
Metropolitan West	106,435,396	(1,111,404)	3,419,079	104,127,722
Total Plan - Consolidated	\$298,139,175	\$(1,111,404)	\$10,230,563	\$289,020,016

Sacramento Regional Transit District Asset Growth

Ending June 30, 2019 (\$ Thousands)	Ending Market Value	=	Beginning Market Value	+	Net New Investment	+	Investment Return
Total Plan							
1/4 Year Ended 6/2019	298,139.2		289,020.0		(1,111.4)		10,230.6
1/4 Year Ended 3/2019	289,020.0		269,114.0		(1,021.9)		20,927.9
1/4 Year Ended 12/2018	269,114.0		292,722.5		(1,066.5)		(22,541.9)
1/4 Year Ended 9/2018	292,722.5		284,083.7		(1,081.0)		9,719.8
1/4 Year Ended 6/2018	284,083.7		284,995.0		(1,267.6)		356.3
1/4 Year Ended 3/2018	284,995.0		288,314.8		(1,183.4)		(2,136.5)
1/4 Year Ended 12/2017	288,314.8		277,835.6		(1,419.7)		11,899.0
1/4 Year Ended 9/2017	277,835.6		270,017.7		(1,582.3)		9,400.2
1/4 Year Ended 6/2017	270,017.7		263,189.7		(1,149.1)		7,977.1
1/4 Year Ended 3/2017	263,189.7		253,159.1		(930.2)		10,960.7
1/4 Year Ended 12/2016	253,159.1		251,635.0		(1,139.0)		2,663.2
1/4 Year Ended 9/2016	251,635.0		244,029.2		(937.8)		8,543.5
1/4 Year Ended 6/2016	244,029.2		240,502.3		(684.5)		4,211.5
1/4 Year Ended 3/2016	240,502.3		238,289.7		(450.0)		2,662.6
1/4 Year Ended 12/2015	238,289.7		232,085.4		(816.4)		7,020.7
1/4 Year Ended 9/2015	232,085.4		246,970.5		(534.9)		(14,350.2)
1/4 Year Ended 6/2015	246,970.5		247,920.3		(766.8)		(183.0)
1/4 Year Ended 3/2015	247,920.3		243,017.9		(295.4)		5,197.8
1/4 Year Ended 12/2014	243,017.9		238,642.3		(1,001.3)		5,377.0
1/4 Year Ended 9/2014	238,642.3		241,859.7		(632.5)		(2,584.9)

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended June 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended June 30, 2019

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Domestic Equity	4.18%	8.34%	13.62%	10.00%	13.86%
Domestic Equity Benchmark**	3.86%	7.59%	13.88%	10.05%	13.57%
Large Cap Equity	3.67%	7.82%	13.19%	9.30%	13.43%
Boston Partners	2.98%	5.10%	12.09%	7.82%	12.80%
Russell 1000 Value Index	3.84%	8.46%	10.19%	7.46%	12.09%
SSgA S&P 500	4.31%	10.45%	14.22%	10.75%	14.02%
S&P 500 Index	4.30%	10.42%	14.19%	10.71%	13.98%
Small Cap Equity	6.10%	10.25%	15.21%	12.66%	15.33%
Atlanta Capital	6.10%	10.25%	15.21%	12.66%	15.33%
Russell 2000 Index	2.10%	(3.31%)	12.30%	7.06%	11.63%
International Equity	2.88%	0.91%	8.72%	2.23%	6.62%
International Benchmark***	2.55%	(0.36%)	9.45%	2.33%	7.12%
International Large Cap	4.62%	4.85%	9.43%	2.64%	-
SSgA EAFE	3.87%	1.44%	9.50%	2.61%	7.61%
Pyrford	4.93%	6.33%	-	-	-
MSCI EAFE Index	3.68%	1.08%	9.11%	2.25%	7.31%
International Small Cap	0.22%	(10.25%)	-	-	-
AQR	0.22%	(10.25%)	-	-	-
MSCI EAFE Small Cap Index	1.71%	(6.35%)	9.06%	4.40%	9.89%
Emerging Markets Equity	0.99%	1.83%	9.70%	2.86%	-
DFA Emerging Markets	0.99%	1.83%	9.70%	2.86%	-
MSCI Emerging Markets Index	0.61%	1.22%	10.66%	2.49%	4.15%
Domestic Fixed Income	3.30%	8.48%	3.13%	3.34%	3.47%
Met West	3.30%	8.48%	3.13%	3.34%	3.47%
Bloomberg Aggregate Index	3.08%	7.87%	2.31%	2.95%	2.62%
Total Plan	3.57%	6.61%	8.80%	5.83%	8.37%
Target*	3.38%	6.08%	8.86%	5.81%	7.98%

* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

** Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

*** International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended June 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended June 30, 2019

	Last 10 Years	Last 15 Years	Last 20 Years	Last 25-1/4 Years
Domestic Equity	14.68%	9.50%	6.72%	-
Domestic Equity Benchmark**	14.55%	8.76%	6.47%	10.00%
Russell 1000 Value Index	13.19%	7.84%	6.31%	9.66%
S&P 500 Index	14.70%	8.75%	5.90%	9.89%
Russell 2000 Index	13.45%	8.15%	7.77%	8.99%
International Equity	6.33%	5.19%	6.26%	-
MSCI EAFE Index	6.90%	5.35%	4.00%	4.99%
Domestic Fixed Income	5.95%	5.56%	5.78%	-
Met West	5.95%	5.56%	-	-
Bloomberg Aggregate Index	3.90%	4.27%	4.93%	5.40%
Total Plan	9.67%	7.27%	6.04%	8.80%
Target*	8.97%	6.58%	5.70%	7.53%

* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

** Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	12/2018- 6/2019	2018	2017	2016	2015
Domestic Equity	16.29%	(4.64%)	19.78%	14.58%	0.06%
Domestic Equity Benchmark**	18.26%	(5.69%)	20.41%	13.85%	0.26%
Large Cap Equity	15.66%	(6.33%)	21.10%	13.38%	(1.17%)
Boston Partners	12.66%	(8.27%)	20.32%	14.71%	(3.75%)
Russell 1000 Value Index	16.24%	(8.27%)	13.66%	17.34%	(3.83%)
SSgA S&P 500	18.54%	(4.39%)	21.86%	12.03%	1.46%
S&P 500 Index	18.54%	(4.38%)	21.83%	11.96%	1.38%
Small Cap Equity	18.66%	1.78%	15.01%	19.17%	5.14%
Atlanta Capital	18.66%	1.78%	15.01%	19.17%	5.14%
Russell 2000 Index	16.98%	(11.01%)	14.65%	21.31%	(4.41%)
International Equity	11.97%	(13.93%)	28.25%	2.55%	(4.17%)
International Benchmark***	12.92%	(14.76%)	29.51%	3.26%	(4.30%)
International Large Cap	13.81%	(11.25%)	22.63%	1.35%	(1.17%)
SSgA EAFE	14.37%	(13.49%)	25.47%	1.37%	(0.56%)
Pyrford	13.60%	(10.31%)	-	-	-
MSCI EAFE Index	14.03%	(13.79%)	25.03%	1.00%	(0.81%)
International Small Cap	9.34%	(19.94%)	33.76%	-	-
AQR	9.34%	(19.94%)	33.76%	-	-
MSCI EAFE Small Cap Index	12.55%	(17.89%)	33.01%	2.18%	9.59%
Emerging Markets Equity	9.82%	(14.80%)	37.32%	12.99%	(14.33%)
DFA Emerging Markets	9.82%	(14.80%)	37.32%	12.99%	(14.33%)
MSCI Emerging Markets Index	10.59%	(14.57%)	37.28%	11.19%	(14.92%)
Domestic Fixed Income	6.61%	0.75%	3.89%	2.87%	0.51%
Met West	6.61%	0.75%	3.89%	2.87%	0.51%
Bloomberg Aggregate Index	6.11%	0.01%	3.54%	2.65%	0.55%
Total Plan	11.65%	(5.05%)	16.14%	7.65%	(0.97%)
Target*	12.76%	(5.82%)	16.39%	7.40%	(0.71%)

* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

Returns are for annualized calendar years.

** Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

*** International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

Investment Manager Returns

The table below details the rates of return for the Sponsor's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	2014	2013	2012	2011	2010
Domestic Equity	10.85%	36.44%	19.19%	2.08%	15.93%
Domestic Equity Benchmark**	12.07%	33.61%	16.09%	0.94%	17.33%
Boston Partners	11.87%	37.52%	21.95%	1.27%	13.61%
Russell 1000 Value Index	13.45%	32.53%	17.51%	0.39%	15.51%
S&P 500 Index	13.69%	32.39%	16.00%	2.11%	15.06%
Russell 2000 Index	4.89%	38.82%	16.35%	(4.18%)	26.85%
International Equity	(3.72%)	16.66%	17.28%	(10.64%)	6.51%
MSCI EAFE Index	(4.90%)	22.78%	17.32%	(12.14%)	7.75%
Domestic Fixed Income	6.37%	(1.03%)	9.48%	6.10%	12.52%
Met West	6.37%	(1.03%)	9.48%	6.10%	12.52%
Bloomberg Aggregate Index	5.97%	(2.02%)	4.21%	7.84%	6.54%
Total Plan	5.61%	17.71%	14.80%	1.22%	12.70%
Target*	5.82%	15.99%	11.68%	1.52%	11.85%

* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

Returns are for annualized calendar years.

** Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended June 30, 2019. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended June 30, 2019					
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Net of Fee Returns					
Domestic Equity	4.08%	7.97%	13.20%	-	-
Domestic Equity Benchmark**	3.86%	7.59%	13.88%	10.05%	13.57%
Large Cap Equity	3.60%	7.58%	12.90%	-	-
Boston Partners	2.84%	4.53%	11.52%	7.25%	12.21%
Russell 1000 Value Index	3.84%	8.46%	10.19%	7.46%	12.09%
SSgA S&P 500	4.30%	10.40%	14.16%	10.70%	13.97%
S&P 500 Index	4.30%	10.42%	14.19%	10.71%	13.98%
Small Cap Equity	5.89%	9.38%	14.30%	-	-
Atlanta Capital	5.89%	9.38%	14.30%	11.77%	14.42%
Russell 2000 Index	2.10%	(3.31%)	12.30%	7.06%	11.63%
International Equity	2.73%	0.31%	8.07%	-	-
International Equity Benchmark***	2.55%	(0.36%)	9.45%	2.33%	7.12%
International Large Cap	4.48%	4.31%	8.87%	-	-
SSgA EAFE	3.84%	1.34%	9.39%	2.50%	7.50%
Pyrford	4.75%	5.59%	-	-	-
MSCI EAFE Index	3.68%	1.08%	9.11%	2.25%	7.31%
International Small Cap	0.01%	(11.06%)	-	-	-
AQR	0.01%	(11.06%)	-	-	-
MSCI EAFE Small Cap Index	1.71%	(6.35%)	9.06%	4.40%	9.89%
Emerging Markets Equity	0.86%	1.30%	9.09%	-	-
DFA Emerging Markets	0.86%	1.30%	9.09%	2.26%	-
MSCI Emerging Markets Index	0.61%	1.22%	10.66%	2.49%	4.15%
Domestic Fixed Income	3.23%	8.25%	2.87%	-	-
Met West	3.23%	8.25%	2.87%	3.07%	3.19%
Bloomberg Aggregate Index	3.08%	7.87%	2.31%	2.95%	2.62%
Total Plan	3.47%	6.23%	8.39%	5.46%	7.98%
Target*	3.38%	6.08%	8.86%	5.81%	7.98%

* Current Quarter Target = 35.0% Blmbg Aggregate, 32.0% S&P 500 Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

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*** International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

Domestic Equity Period Ended June 30, 2019

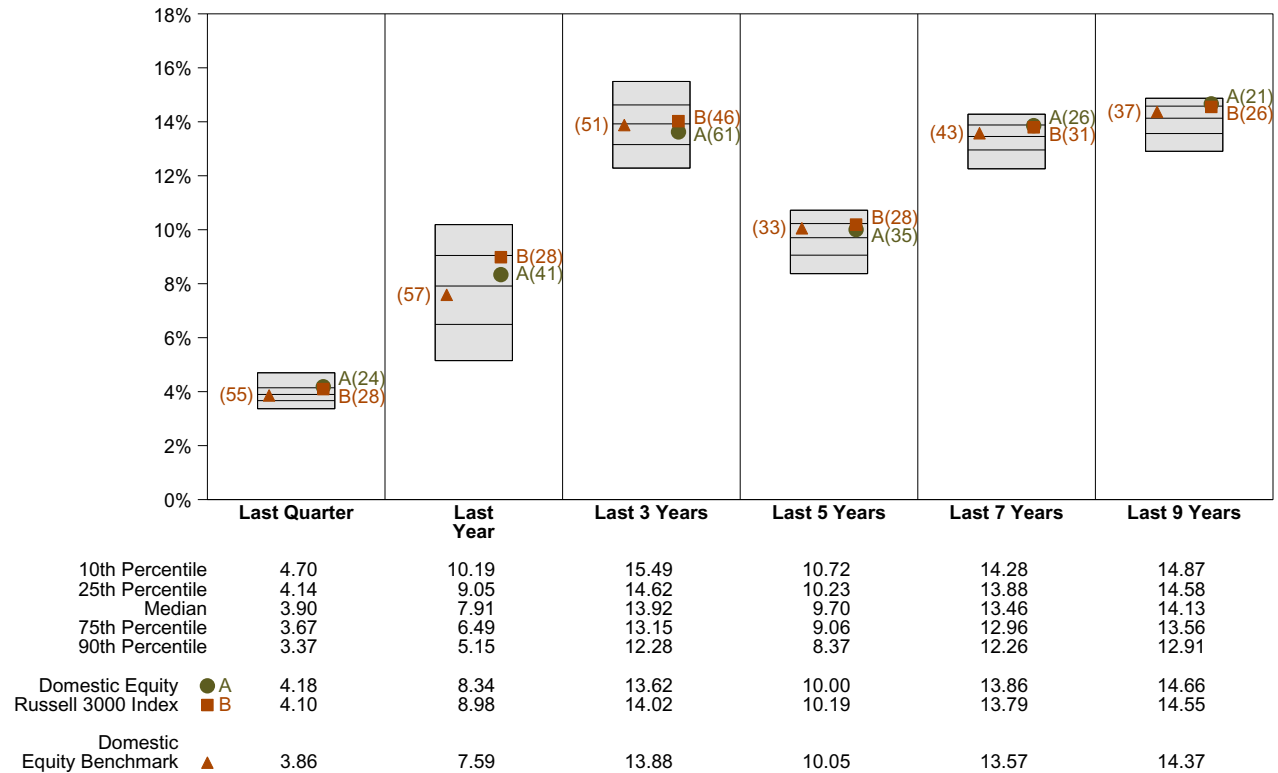
Investment Philosophy

Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

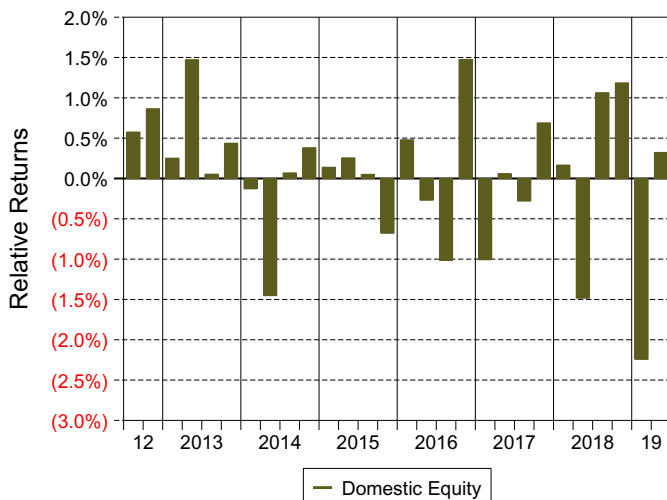
Quarterly Summary and Highlights

- Domestic Equity's portfolio posted a 4.18% return for the quarter placing it in the 24 percentile of the Fund Sponsor - Domestic Equity group for the quarter and in the 41 percentile for the last year.
- Domestic Equity's portfolio outperformed the Domestic Equity Benchmark by 0.32% for the quarter and outperformed the Domestic Equity Benchmark for the year by 0.75%.

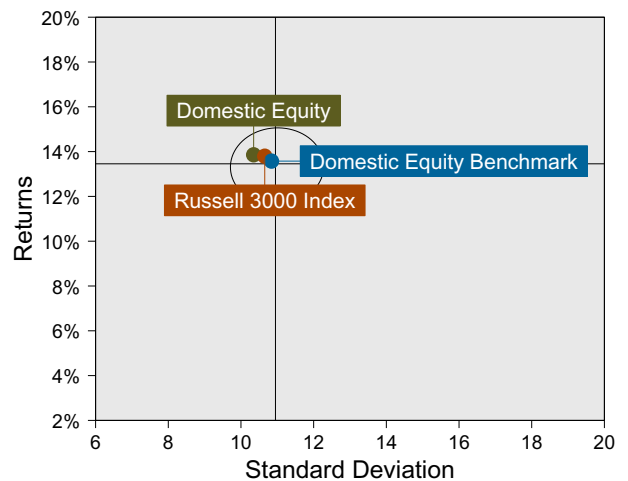
Performance vs Fund Sponsor - Domestic Equity (Gross)



Relative Returns vs Domestic Equity Benchmark



Fund Sponsor - Domestic Equity (Gross) Annualized Seven Year Risk vs Return

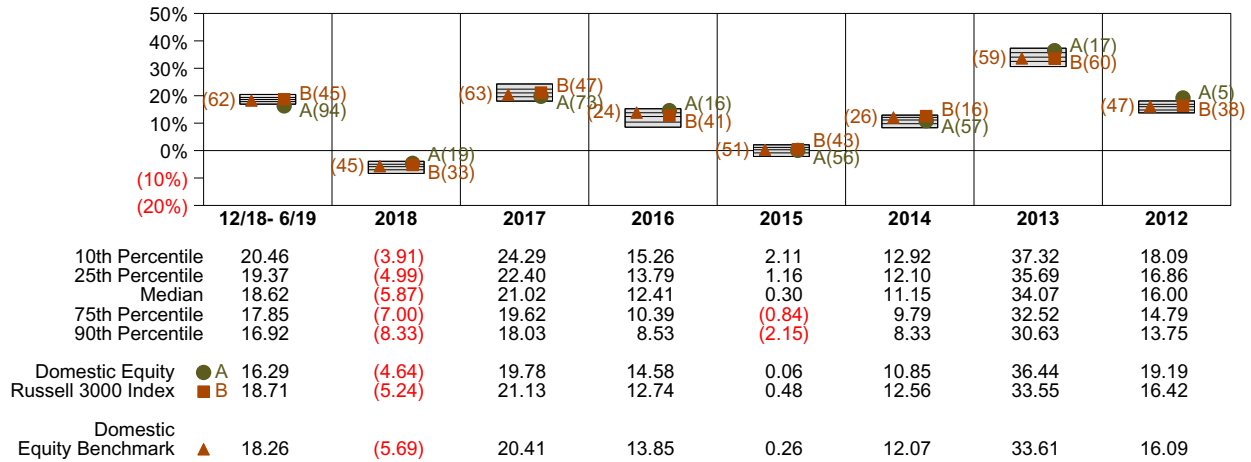


Domestic Equity Return Analysis Summary

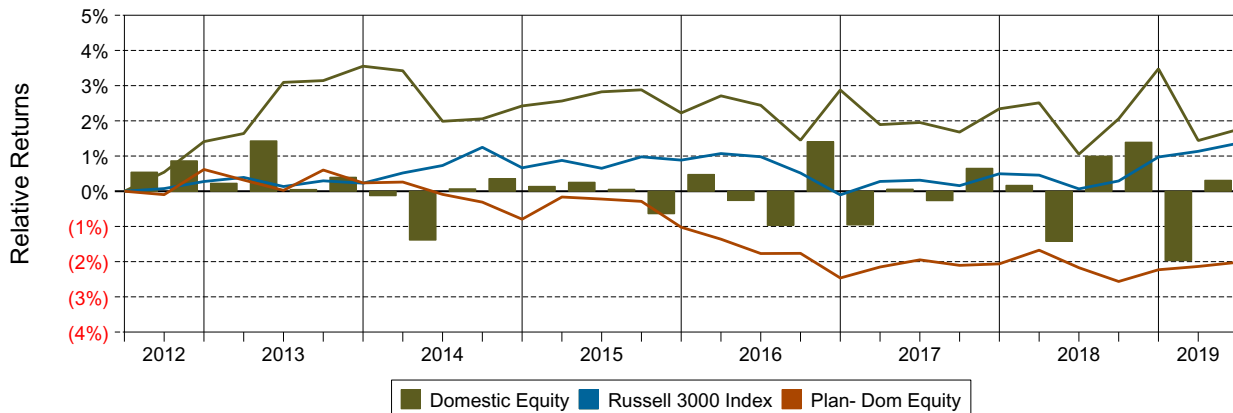
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

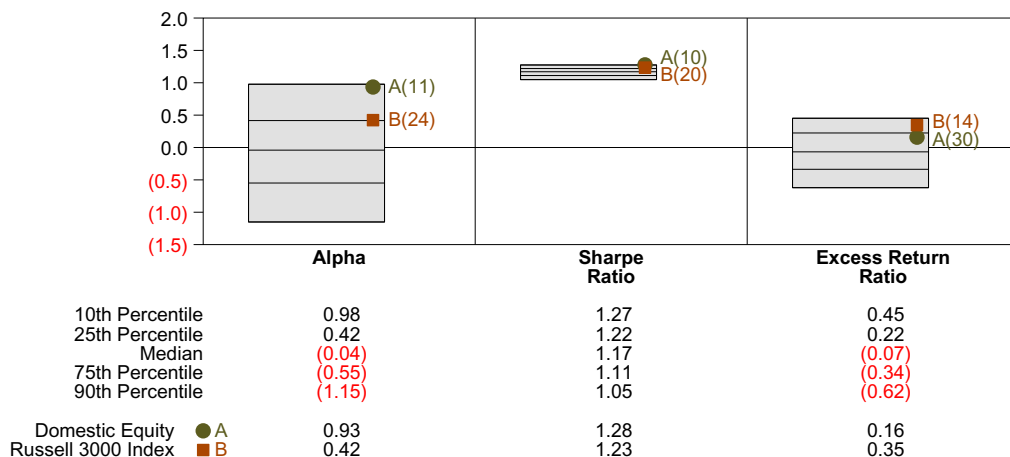
Performance vs Fund Sponsor - Domestic Equity (Gross)



Cumulative and Quarterly Relative Return vs Domestic Equity Benchmark



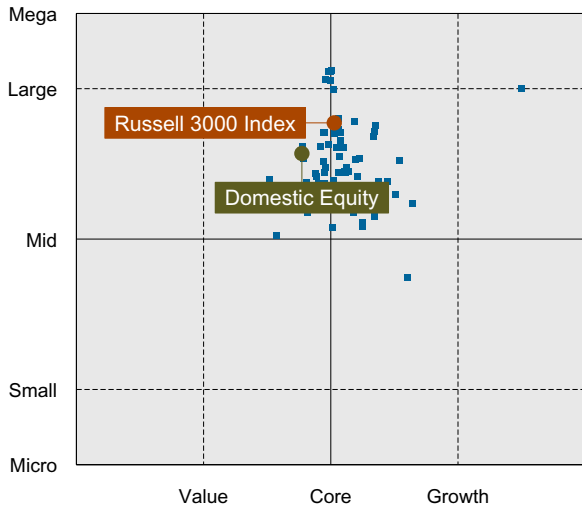
Risk Adjusted Return Measures vs Domestic Equity Benchmark Rankings Against Fund Sponsor - Domestic Equity (Gross) Seven Years Ended June 30, 2019



Current Holdings Based Style Analysis Domestic Equity As of June 30, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

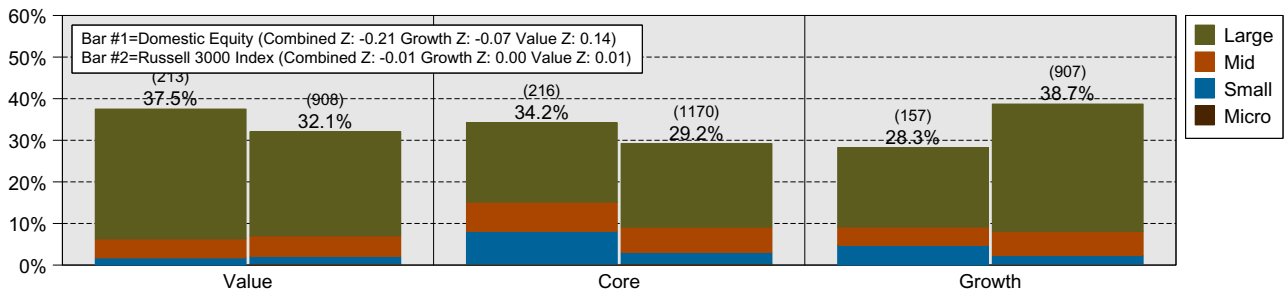
Style Map vs Plan- Dom Equity Holdings as of June 30, 2019



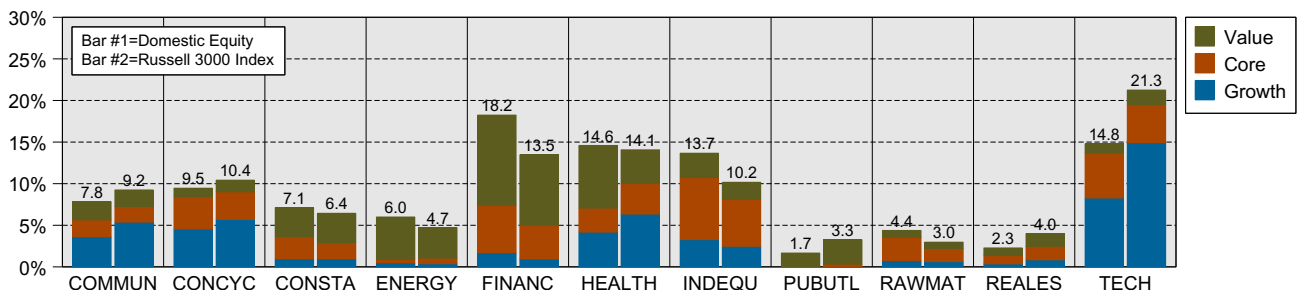
Style Exposure Matrix Holdings as of June 30, 2019

	Value	Core	Growth	Total
Large	31.2% (106)	19.1% (94)	19.1% (92)	69.4% (292)
	25.0% (107)	20.1% (92)	30.6% (99)	75.7% (298)
Mid	4.6% (99)	7.0% (95)	4.4% (48)	15.9% (242)
	4.9% (180)	6.1% (210)	5.8% (207)	16.8% (597)
Small	1.7% (8)	7.9% (25)	4.8% (17)	14.4% (50)
	1.8% (324)	2.7% (486)	2.1% (384)	6.7% (1194)
Micro	0.0% (0)	0.2% (2)	0.0% (0)	0.2% (2)
	0.3% (297)	0.3% (382)	0.2% (217)	0.8% (896)
Total	37.5% (213)	34.2% (216)	28.3% (157)	100.0% (586)
	32.1% (908)	29.2% (1170)	38.7% (907)	100.0% (2985)

Combined Z-Score Style Distribution Holdings as of June 30, 2019



Sector Weights Distribution Holdings as of June 30, 2019



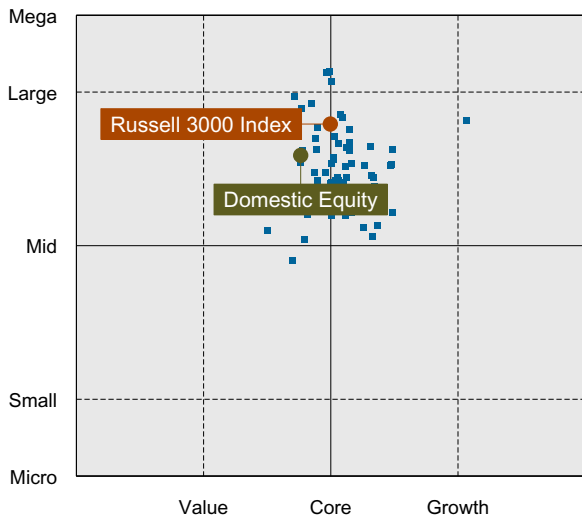
Historical Holdings Based Style Analysis

Domestic Equity

For Five Years Ended June 30, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

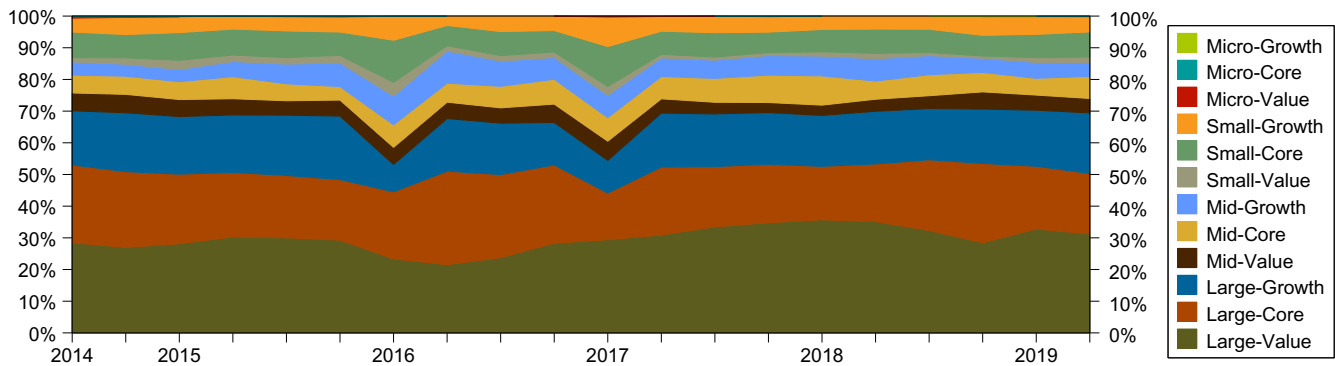
Average Style Map vs Plan- Dom Equity Holdings for Five Years Ended June 30, 2019



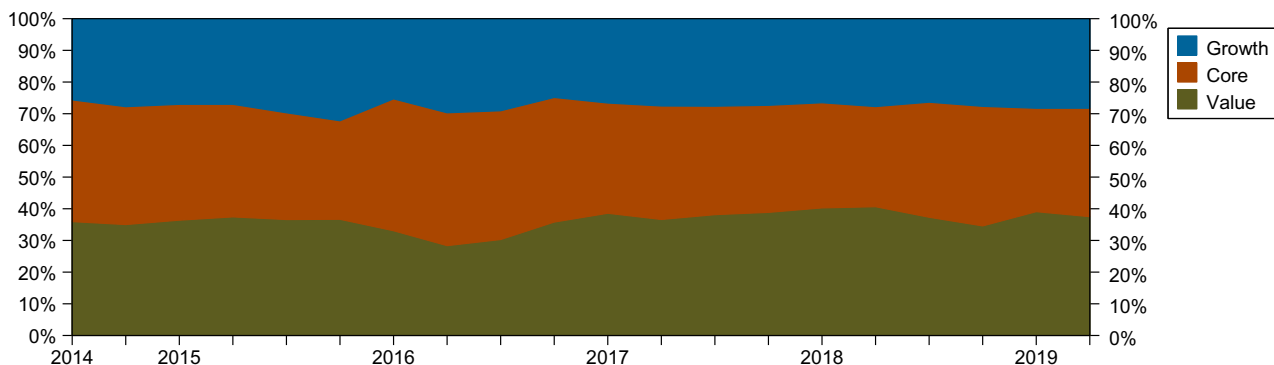
Average Style Exposure Matrix Holdings for Five Years Ended June 30, 2019

	29.7% (94)	21.3% (90)	16.5% (85)	67.5% (269)
Large	26.3% (100)	22.5% (98)	25.5% (99)	74.2% (297)
Mid	4.8% (83)	6.6% (81)	6.1% (57)	17.5% (221)
	5.3% (177)	6.3% (216)	5.9% (204)	17.5% (597)
Small	1.8% (10)	8.0% (26)	5.1% (14)	14.9% (50)
	2.2% (335)	3.0% (484)	2.2% (378)	7.4% (1197)
Micro	0.1% (0)	0.1% (1)	0.0% (0)	0.2% (1)
	0.3% (284)	0.4% (378)	0.2% (215)	1.0% (877)
Total	36.4% (187)	36.0% (198)	27.6% (156)	100.0% (541)
	34.0% (896)	32.1% (1176)	33.9% (896)	100.0% (2968)
	Value	Core	Growth	Total

Domestic Equity Historical Cap/Style Exposures



Domestic Equity Historical Style Only Exposures

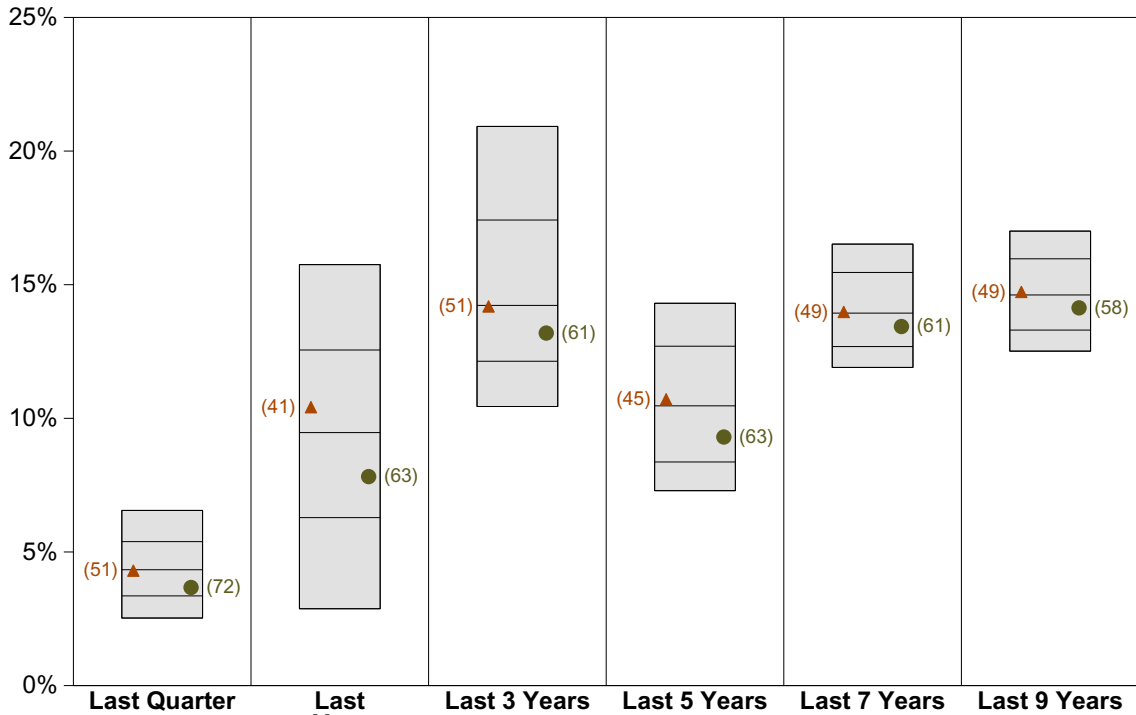


Large Cap Period Ended June 30, 2019

Quarterly Summary and Highlights

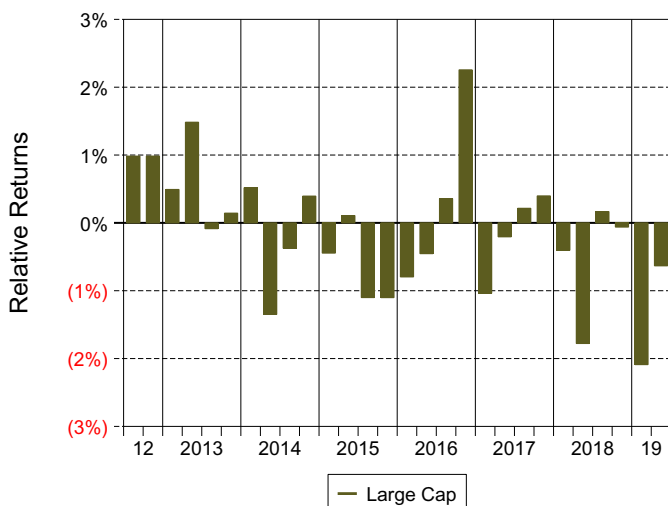
- Large Cap's portfolio posted a 3.67% return for the quarter placing it in the 72 percentile of the Callan Large Capitalization group for the quarter and in the 63 percentile for the last year.
- Large Cap's portfolio underperformed the S&P 500 Index by 0.63% for the quarter and underperformed the S&P 500 Index for the year by 2.60%.

Performance vs Callan Large Capitalization (Gross)

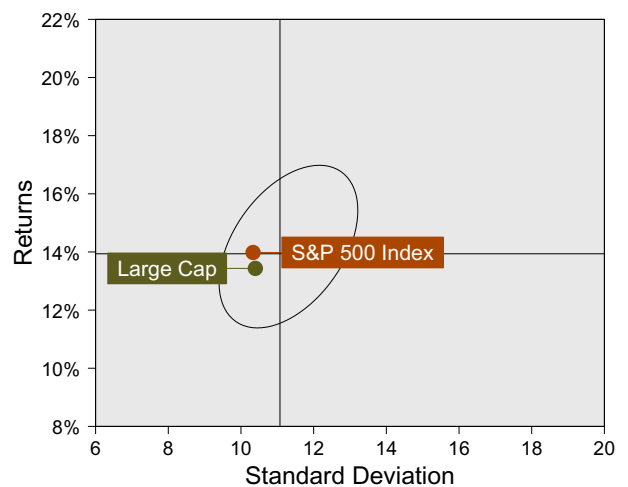


10th Percentile	6.55	15.75	20.92	14.30	16.52	17.00
25th Percentile	5.39	12.56	17.42	12.70	15.46	15.97
Median	4.33	9.47	14.23	10.47	13.94	14.62
75th Percentile	3.36	6.29	12.14	8.37	12.69	13.30
90th Percentile	2.53	2.88	10.44	7.29	11.90	12.51
Large Cap ●	3.67	7.82	13.19	9.30	13.43	14.13
S&P 500 Index ▲	4.30	10.42	14.19	10.71	13.98	14.73

Relative Return vs S&P 500 Index



Callan Large Capitalization (Gross)
Annualized Seven Year Risk vs Return

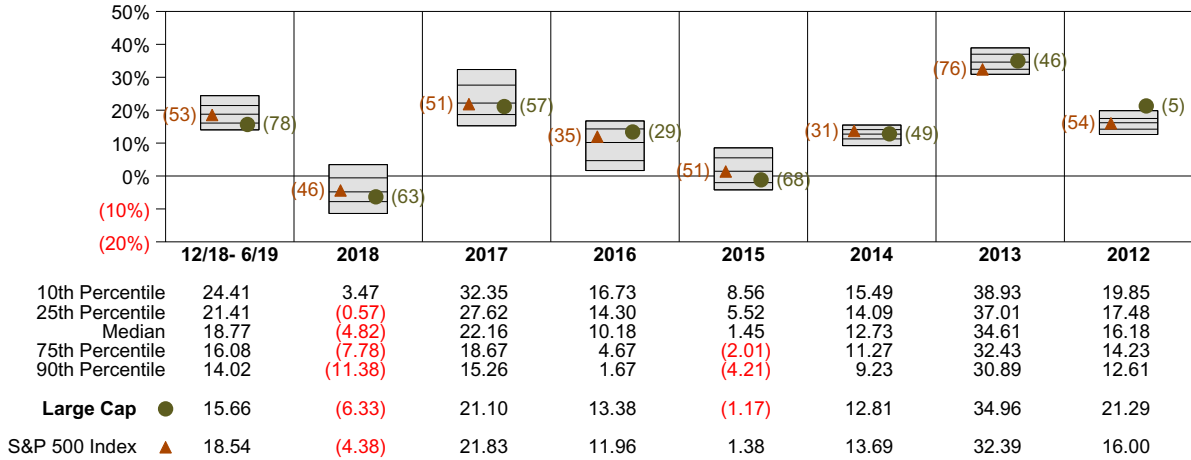


Large Cap Return Analysis Summary

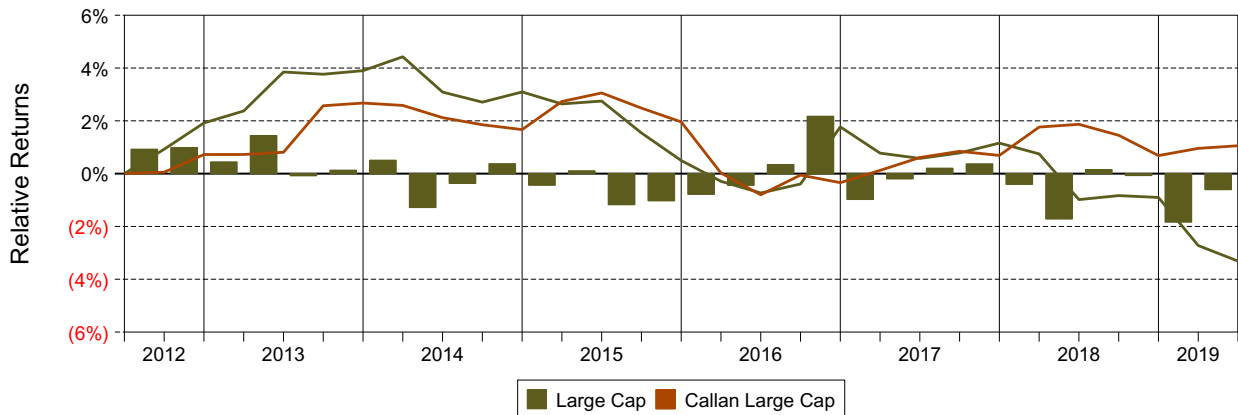
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

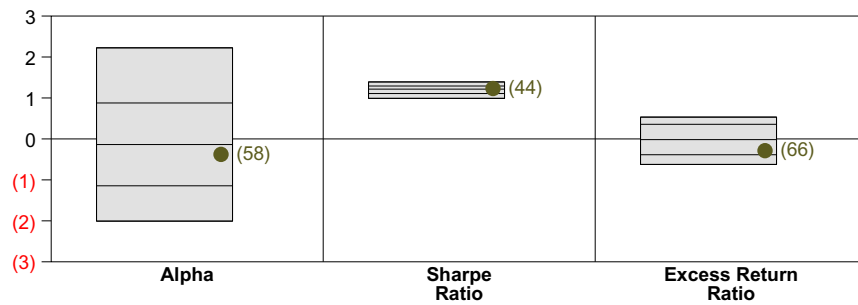
Performance vs Callan Large Capitalization (Gross)



Cumulative and Quarterly Relative Return vs S&P 500 Index



Risk Adjusted Return Measures vs S&P 500 Index Rankings Against Callan Large Capitalization (Gross) Seven Years Ended June 30, 2019



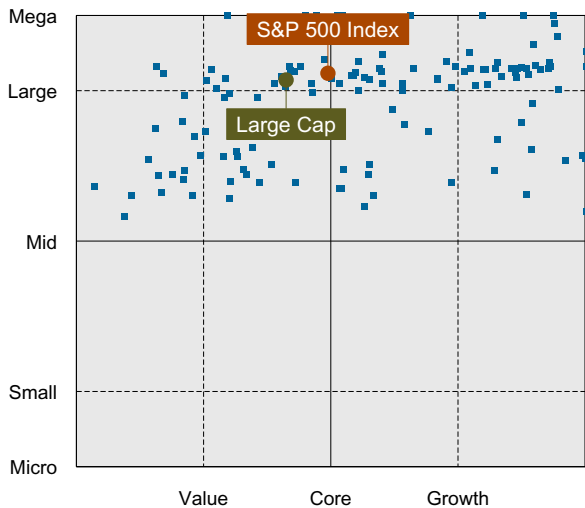
Current Holdings Based Style Analysis

Large Cap

As of June 30, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

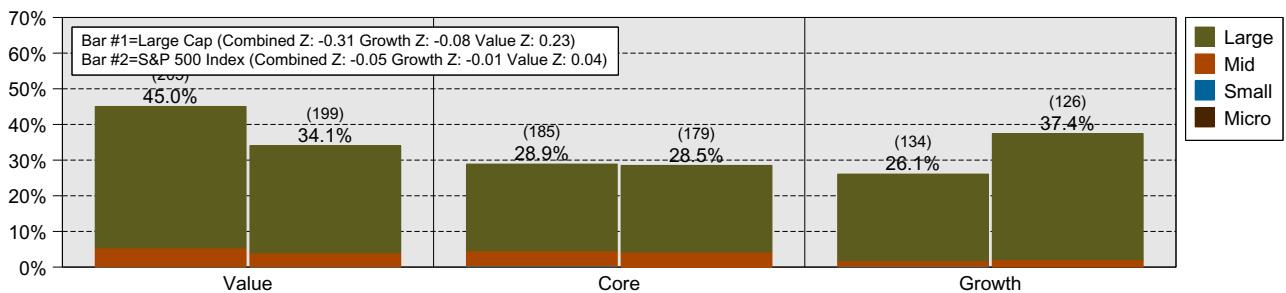
Style Map vs Callan Large Cap Holdings as of June 30, 2019



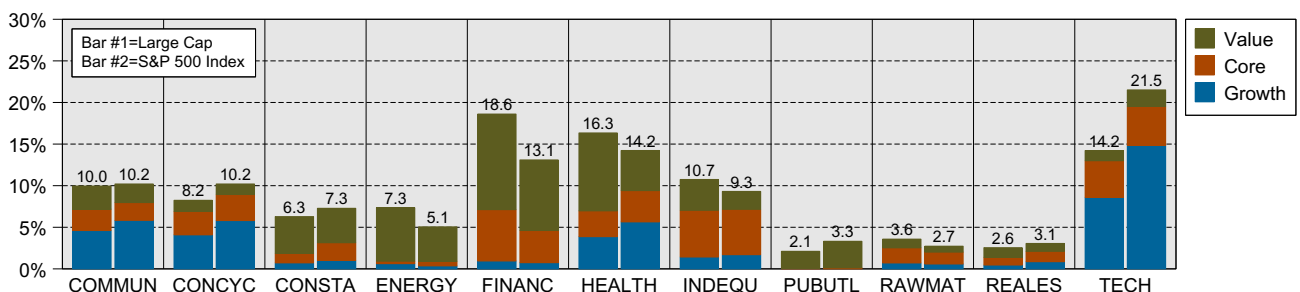
Style Exposure Matrix Holdings as of June 30, 2019

	Value	Core	Growth	Total
Large	39.7% (106)	24.3% (94)	24.3% (92)	88.2% (292)
	30.1% (103)	24.3% (91)	35.4% (87)	89.7% (281)
Mid	5.4% (98)	4.4% (88)	1.7% (41)	11.4% (227)
	4.0% (95)	4.2% (87)	2.1% (39)	10.3% (221)
Small	0.0% (1)	0.2% (2)	0.1% (1)	0.4% (4)
	0.0% (1)	0.0% (1)	0.0% (0)	0.0% (2)
Micro	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	45.0% (205)	28.9% (185)	26.1% (134)	100.0% (524)
	34.1% (199)	28.5% (179)	37.4% (126)	100.0% (504)

Combined Z-Score Style Distribution Holdings as of June 30, 2019



Sector Weights Distribution Holdings as of June 30, 2019



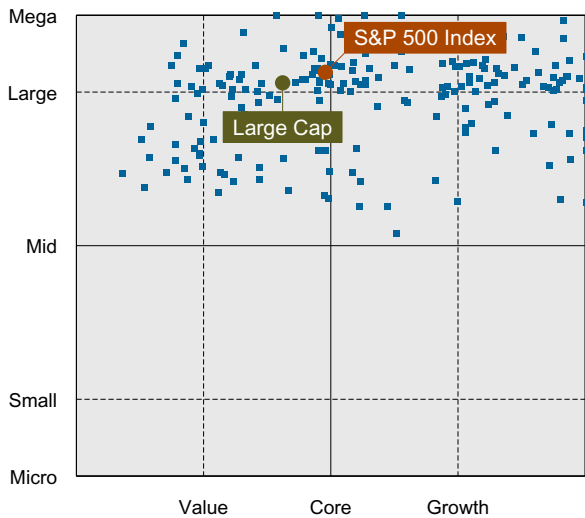
Historical Holdings Based Style Analysis

Large Cap

For Five Years Ended June 30, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

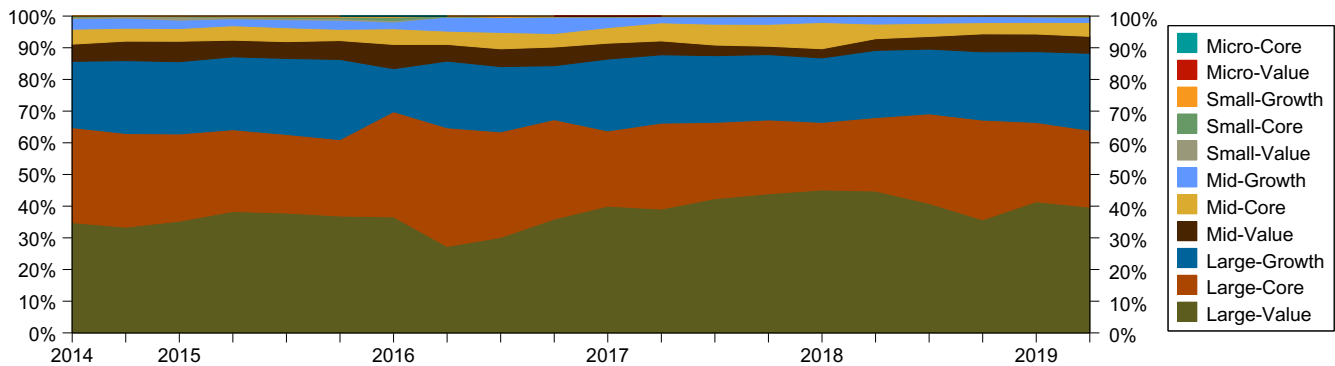
Average Style Map vs Callan Large Cap Holdings for Five Years Ended June 30, 2019



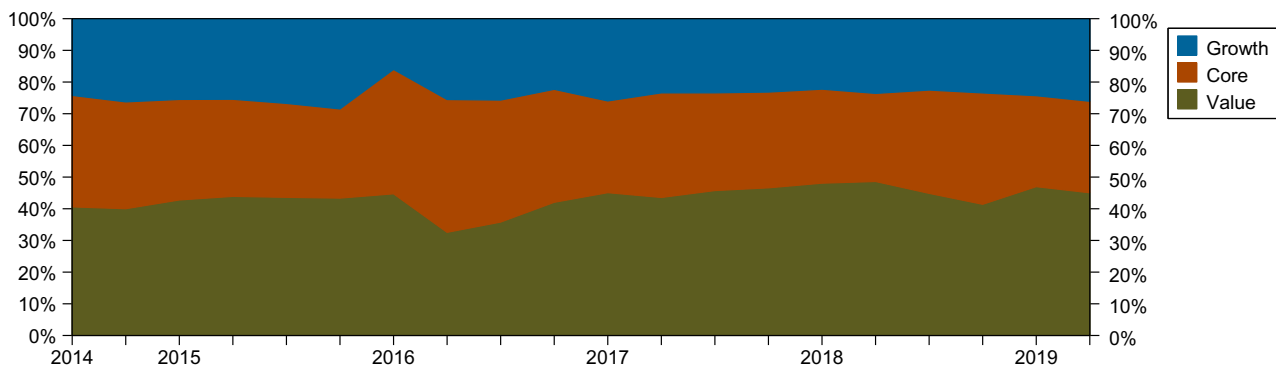
Average Style Exposure Matrix Holdings for Five Years Ended June 30, 2019

Large	38.0% (98)	27.5% (94)	21.4% (89)	86.8% (281)
	31.9% (100)	27.3% (95)	30.1% (90)	89.3% (285)
Mid	5.1% (84)	4.8% (79)	2.7% (51)	12.7% (214)
	4.0% (85)	3.9% (79)	2.7% (51)	10.7% (215)
Small	0.2% (4)	0.2% (2)	0.1% (2)	0.6% (8)
	0.0% (3)	0.0% (1)	0.0% (1)	0.1% (5)
Micro	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	43.3% (186)	32.5% (175)	24.2% (142)	100.0% (503)
	35.9% (188)	31.2% (175)	32.9% (142)	100.0% (505)
	Value	Core	Growth	Total

Large Cap Historical Cap/Style Exposures



Large Cap Historical Style Only Exposures



SSgA S&P 500

Period Ended June 30, 2019

Investment Philosophy

SSGA believes that their passive investment strategy can provide market-like returns with minimal transaction costs. Returns prior to 6/30/2012 are linked to a composite history.

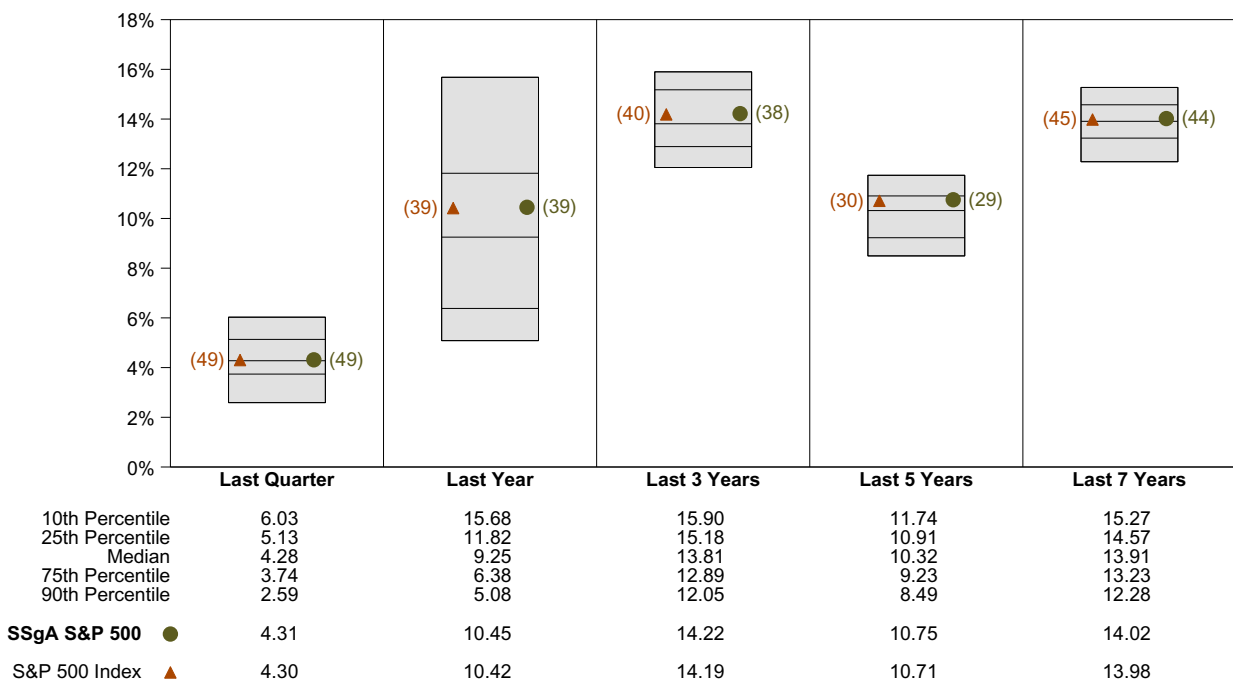
Quarterly Summary and Highlights

- SSgA S&P 500's portfolio posted a 4.31% return for the quarter placing it in the 49 percentile of the Callan Large Cap Core group for the quarter and in the 39 percentile for the last year.
- SSgA S&P 500's portfolio outperformed the S&P 500 Index by 0.01% for the quarter and outperformed the S&P 500 Index for the year by 0.03%.

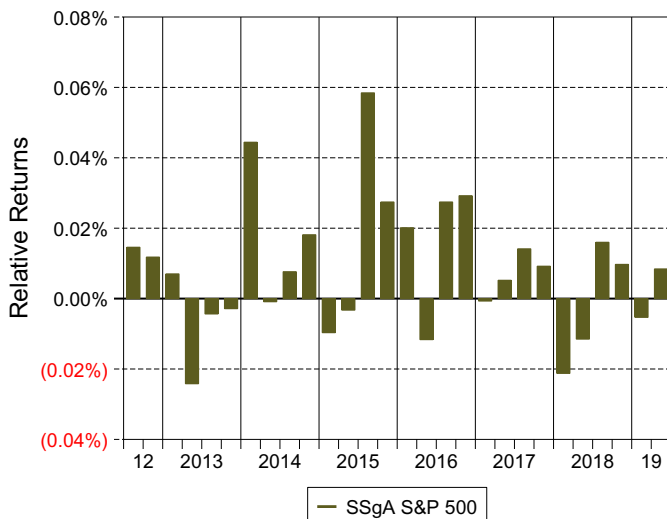
Quarterly Asset Growth

Beginning Market Value	\$48,375,349
Net New Investment	\$0
Investment Gains/(Losses)	\$2,086,055
Ending Market Value	\$50,461,404

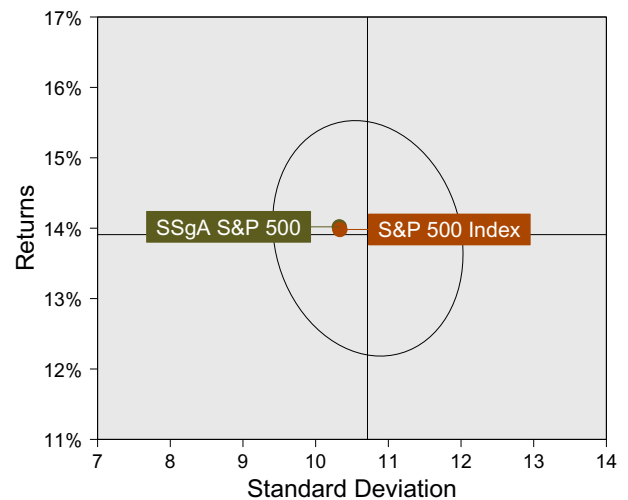
Performance vs Callan Large Cap Core (Gross)



Relative Return vs S&P 500 Index



Callan Large Cap Core (Gross) Annualized Seven Year Risk vs Return

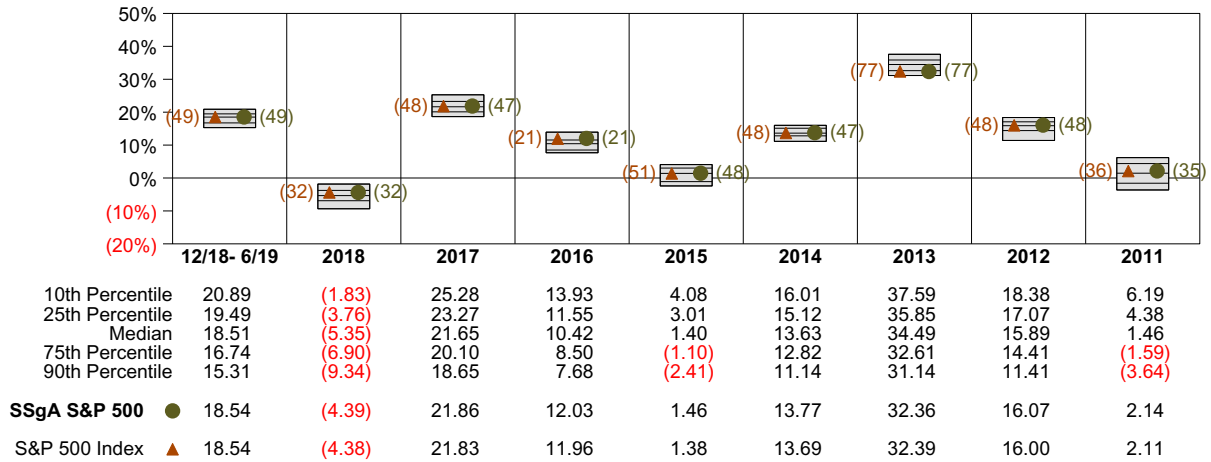


SSgA S&P 500 Return Analysis Summary

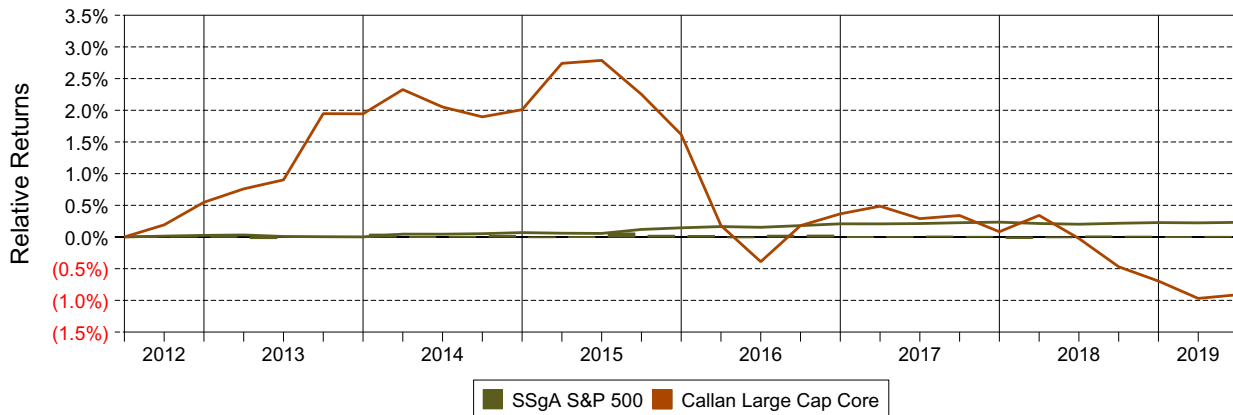
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

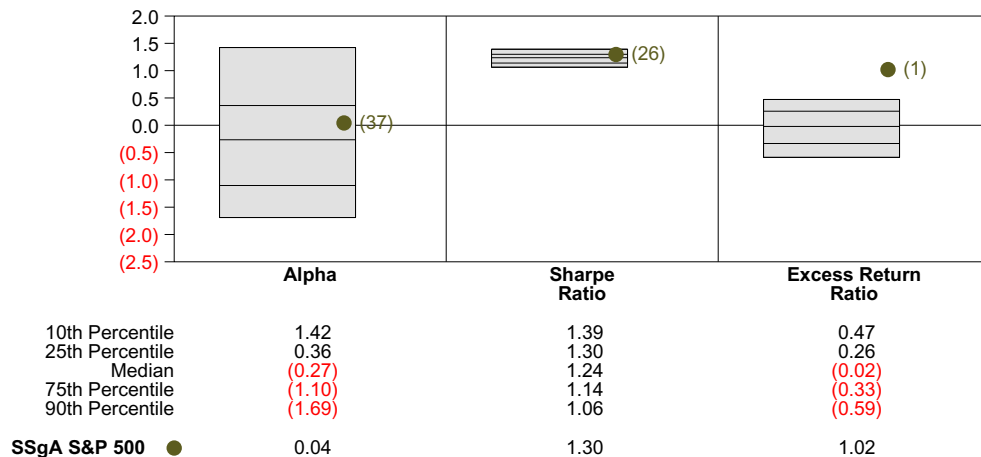
Performance vs Callan Large Cap Core (Gross)



Cumulative and Quarterly Relative Return vs S&P 500 Index



Risk Adjusted Return Measures vs S&P 500 Index Rankings Against Callan Large Cap Core (Gross) Seven Years Ended June 30, 2019

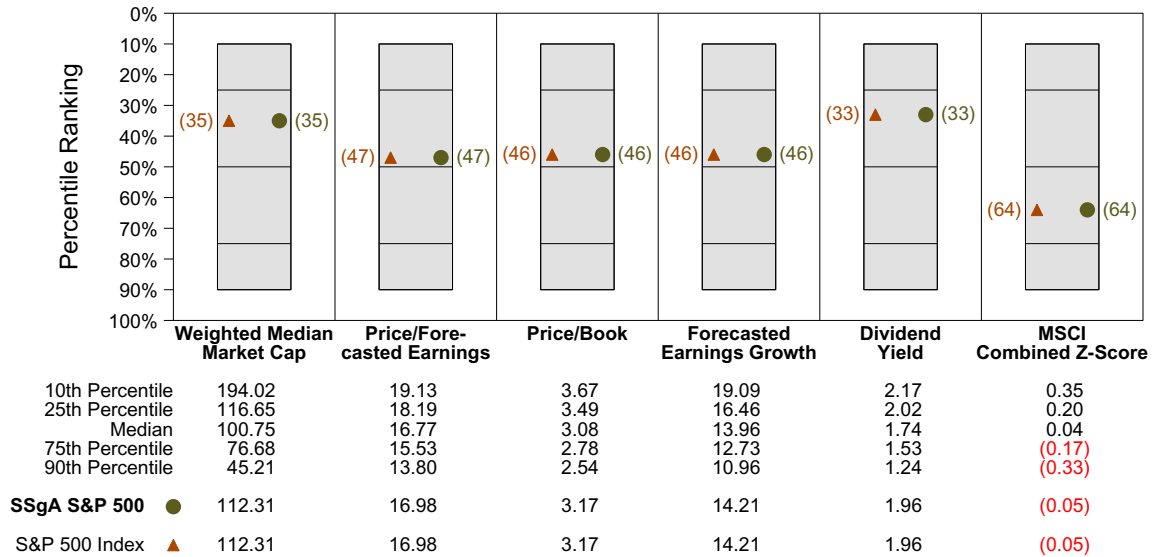


SSgA S&P 500 Equity Characteristics Analysis Summary

Portfolio Characteristics

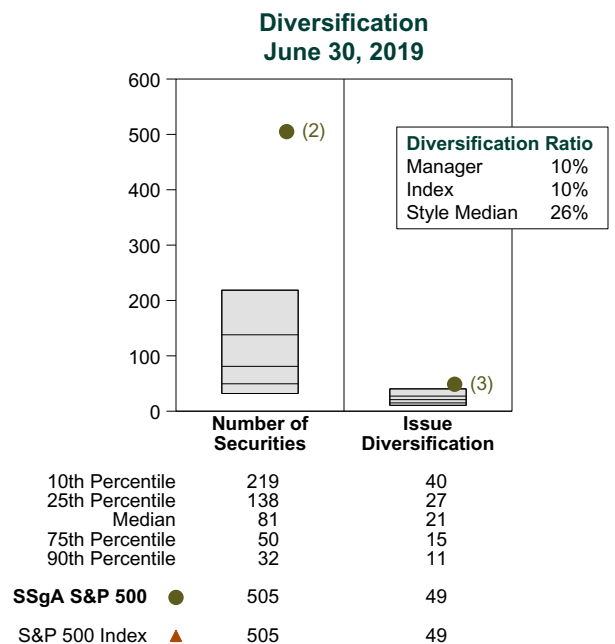
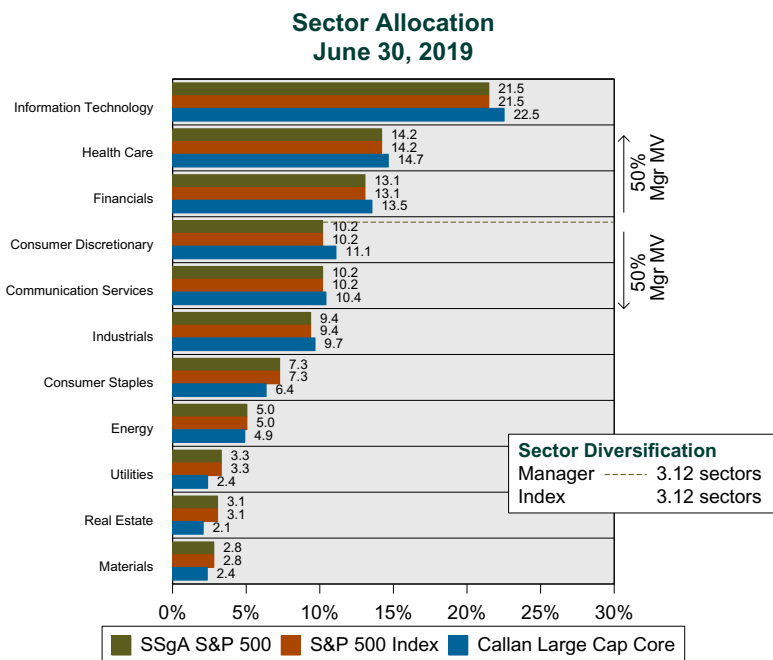
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan Large Cap Core as of June 30, 2019



Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



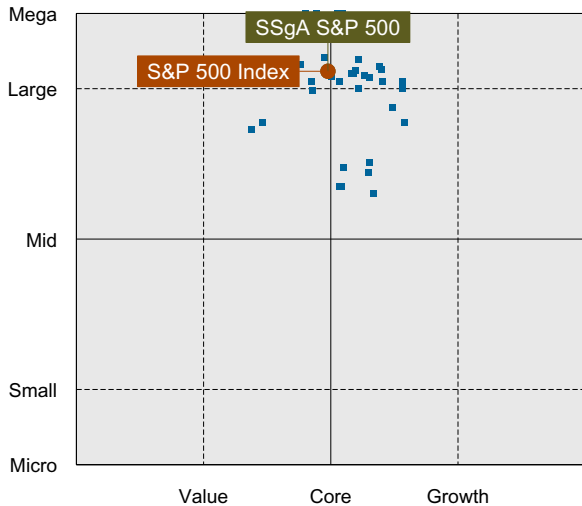
Current Holdings Based Style Analysis

SSgA S&P 500

As of June 30, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

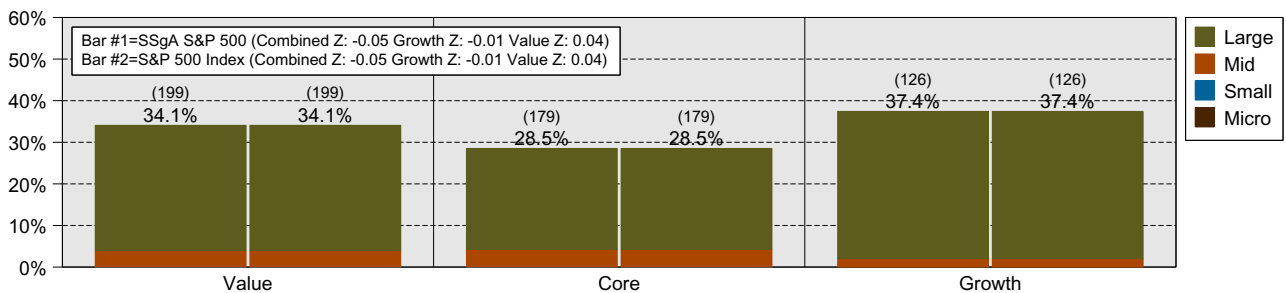
Style Map vs Callan Large Cap Core Holdings as of June 30, 2019



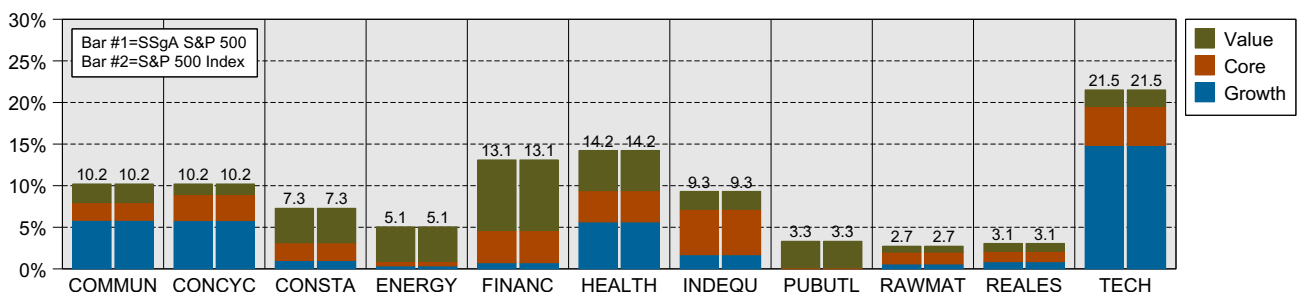
Style Exposure Matrix Holdings as of June 30, 2019

	Value	Core	Growth	Total
Large	30.1% (103)	24.3% (91)	35.4% (87)	89.7% (281)
Mid	4.0% (95)	4.2% (87)	2.1% (39)	10.3% (221)
Small	0.0% (1)	0.0% (1)	0.0% (0)	0.0% (2)
Micro	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	34.1% (199)	28.5% (179)	37.4% (126)	100.0% (504)

Combined Z-Score Style Distribution Holdings as of June 30, 2019



Sector Weights Distribution Holdings as of June 30, 2019



Boston Partners Period Ended June 30, 2019

Investment Philosophy

Boston Partners attempts to implement a disciplined investment process designed to find undervalued securities issued by companies with sound fundamentals and positive business momentum. Boston Partners was funded 6/27/05. The first full quarter for this portfolio is 3rd quarter 2005.

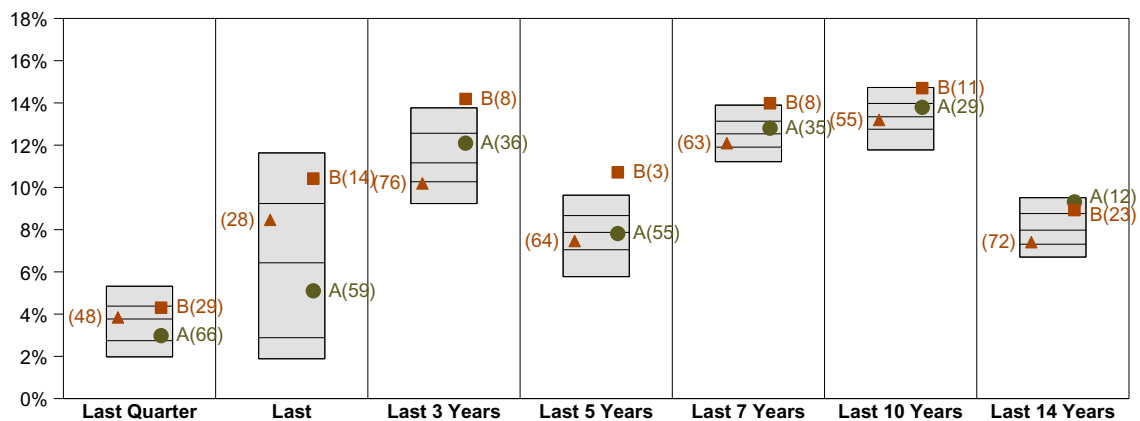
Quarterly Summary and Highlights

- Boston Partners's portfolio posted a 2.98% return for the quarter placing it in the 66 percentile of the Callan Large Cap Value group for the quarter and in the 59 percentile for the last year.
- Boston Partners's portfolio underperformed the Russell 1000 Value Index by 0.86% for the quarter and underperformed the Russell 1000 Value Index for the year by 3.36%.

Quarterly Asset Growth

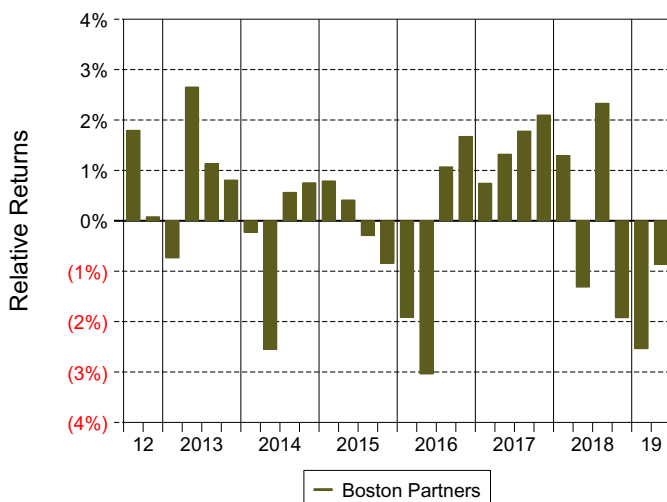
Beginning Market Value	\$44,902,460
Net New Investment	\$0
Investment Gains/(Losses)	\$1,338,419
Ending Market Value	\$46,240,879

Performance vs Callan Large Cap Value (Gross)

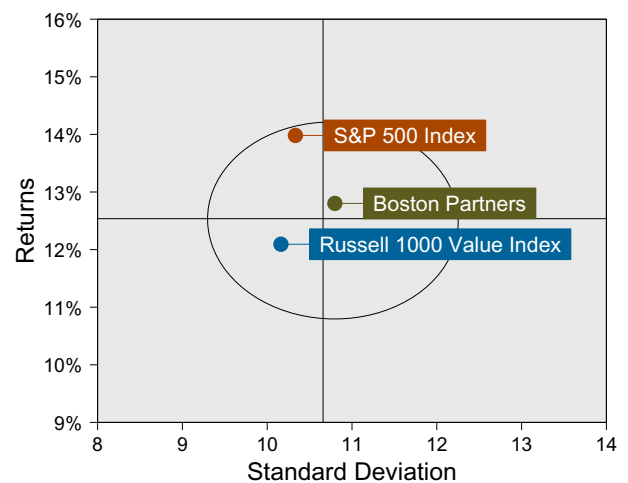


10th Percentile	5.32	11.63	13.77	9.63	13.89	14.73	9.51
25th Percentile	4.38	9.24	12.56	8.67	13.13	13.97	8.76
Median	3.77	6.43	11.16	7.87	12.54	13.34	7.98
75th Percentile	2.74	2.88	10.27	7.05	11.91	12.75	7.31
90th Percentile	1.98	1.89	9.23	5.77	11.22	11.77	6.70
Boston Partners	● A 2.98	5.10	12.09	7.82	12.80	13.79	9.31
S&P 500 Index	■ B 4.30	10.42	14.19	10.71	13.98	14.70	8.93
Russell 1000 Value Index	▲ 3.84	8.46	10.19	7.46	12.09	13.19	7.41

Relative Return vs Russell 1000 Value Index



Callan Large Cap Value (Gross) Annualized Seven Year Risk vs Return

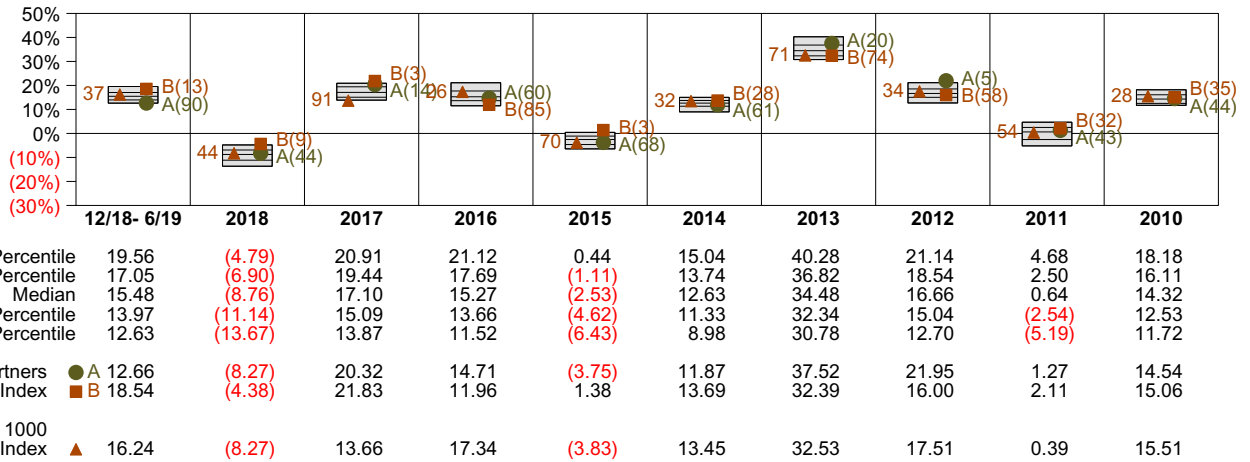


Boston Partners Return Analysis Summary

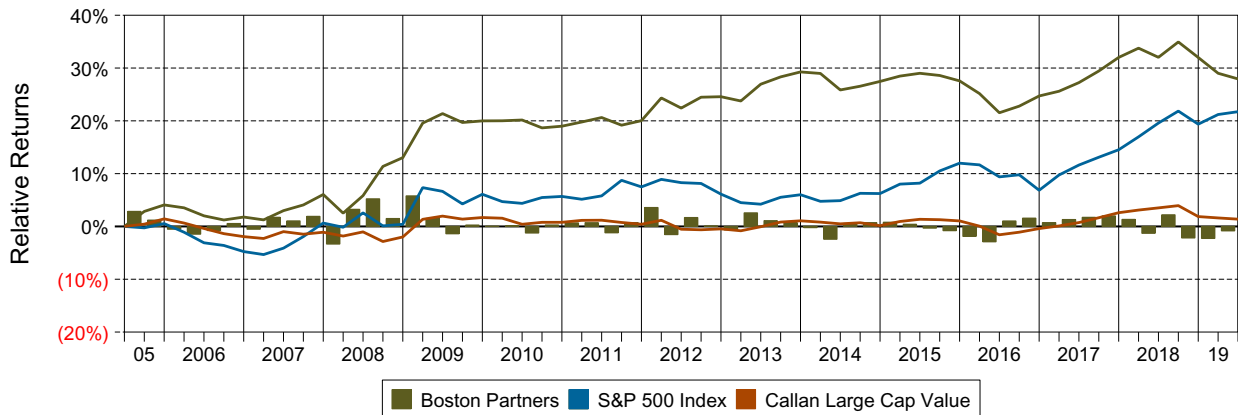
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

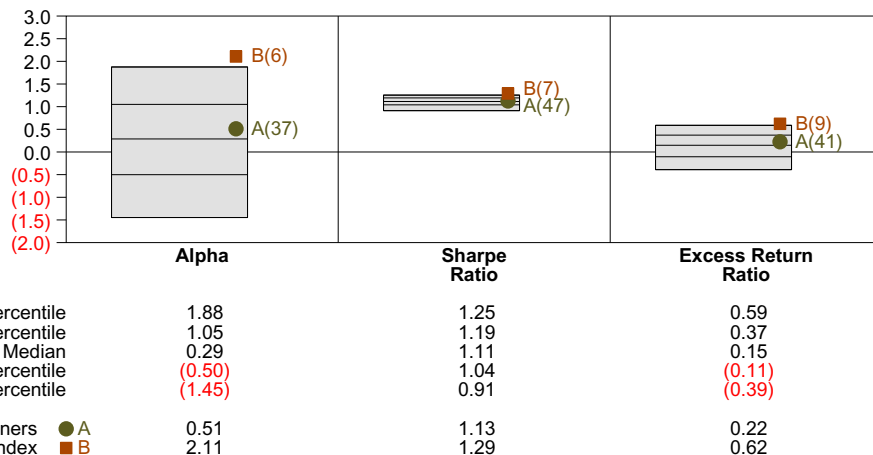
Performance vs Callan Large Cap Value (Gross)



Cumulative and Quarterly Relative Return vs Russell 1000 Value Index



Risk Adjusted Return Measures vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended June 30, 2019

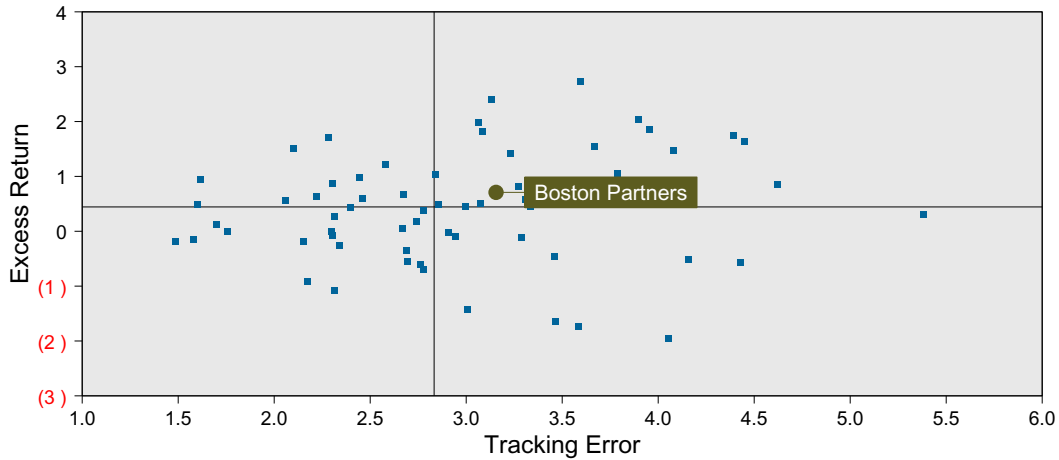


Boston Partners Risk Analysis Summary

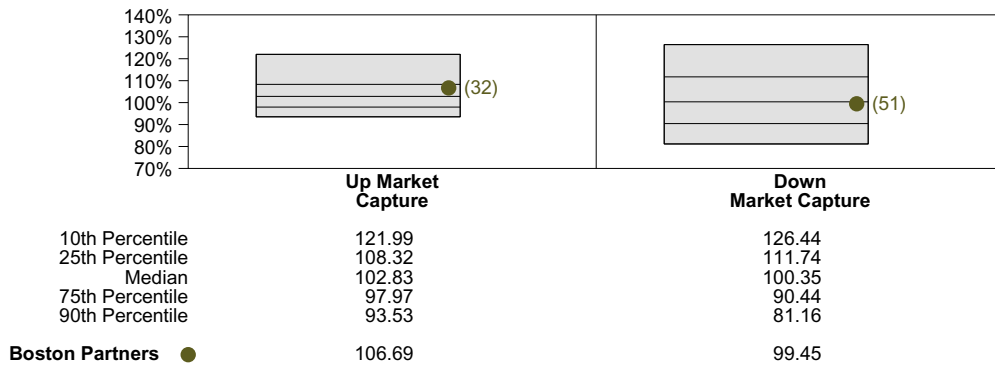
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

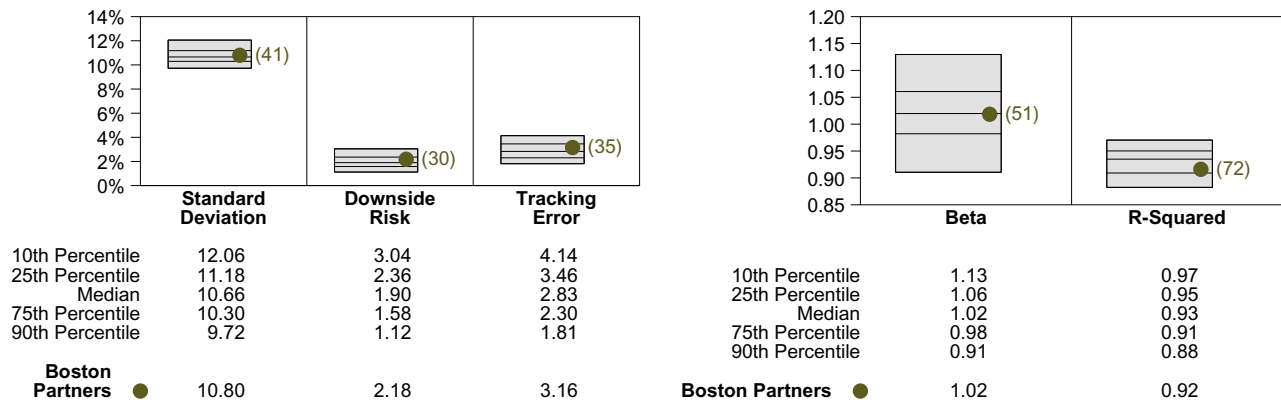
Risk Analysis vs Callan Large Cap Value (Gross) Seven Years Ended June 30, 2019



Market Capture vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended June 30, 2019



Risk Statistics Rankings vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended June 30, 2019

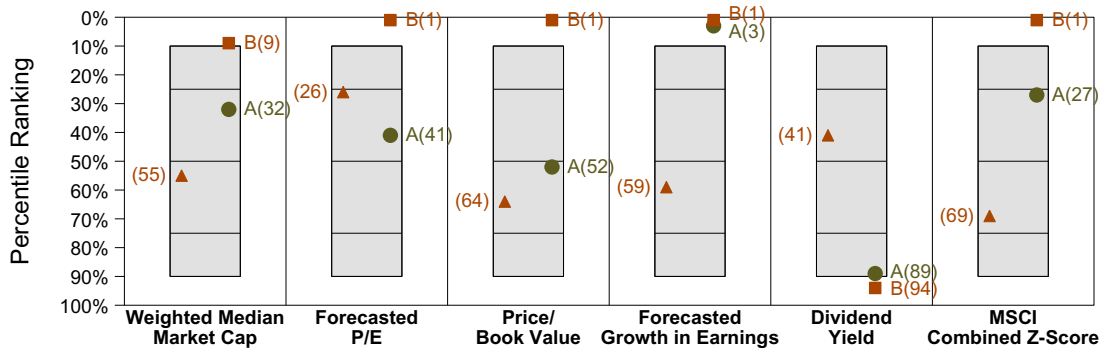


Boston Partners Equity Characteristics Analysis Summary

Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan Large Cap Value as of June 30, 2019

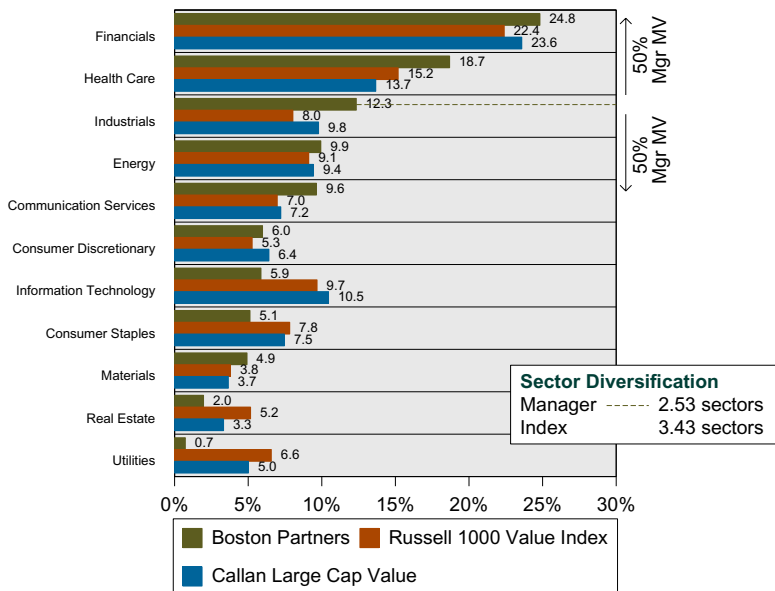


10th Percentile	110.37	15.26	2.49	13.13	3.11	(0.44)
25th Percentile	87.63	14.36	2.25	11.74	2.78	(0.58)
Median	63.69	13.44	2.09	10.18	2.49	(0.70)
75th Percentile	46.05	12.61	1.92	9.02	2.23	(0.96)
90th Percentile	36.59	11.21	1.67	8.29	2.09	(1.15)
Boston Partners ● A	78.84	13.84	2.08	13.81	2.11	(0.60)
S&P 500 Index ■ B	112.31	16.98	3.17	14.21	1.96	(0.05)
Russell 1000 Value Index ▲	56.90	14.31	1.98	9.42	2.58	(0.94)

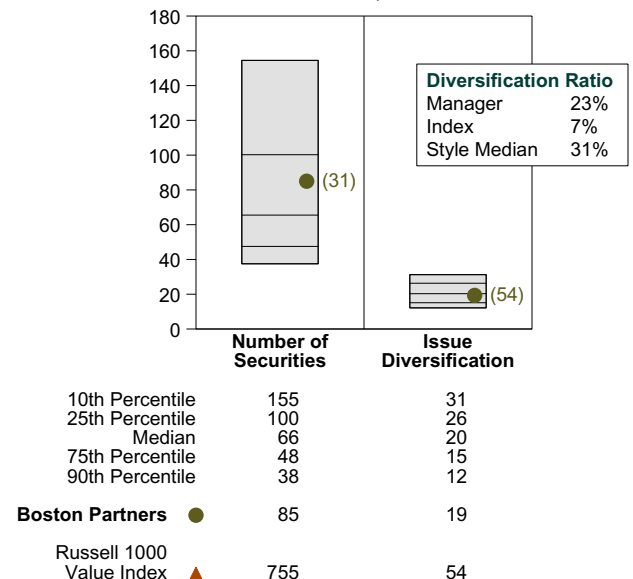
Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

Sector Allocation June 30, 2019



Diversification June 30, 2019



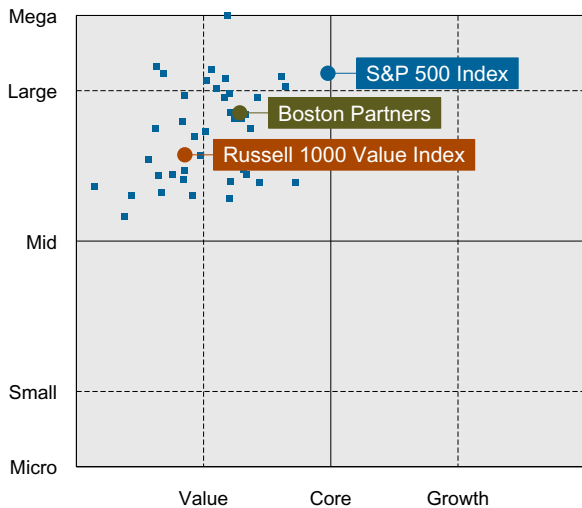
Current Holdings Based Style Analysis

Boston Partners

As of June 30, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

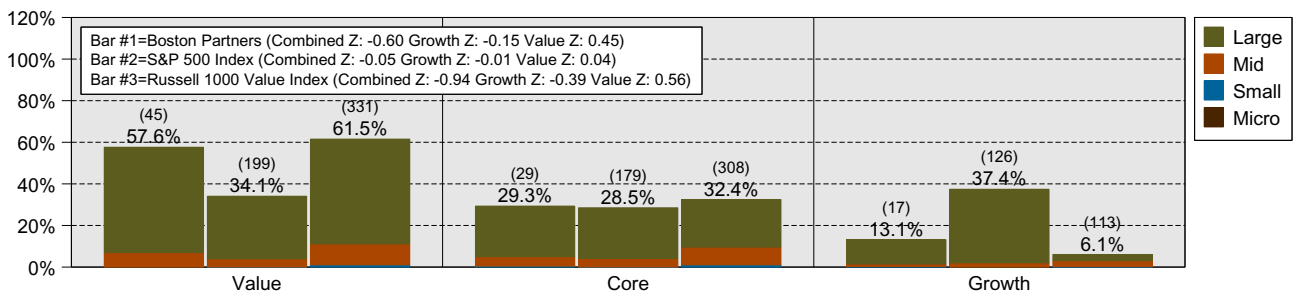
Style Map vs Callan Large Cap Value Holdings as of June 30, 2019



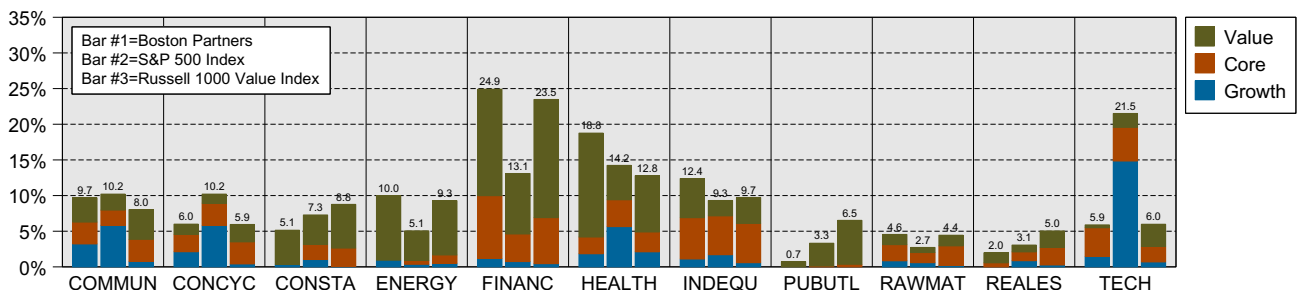
Style Exposure Matrix Holdings as of June 30, 2019

	Value	Core	Growth	Total
Large	50.6% (35)	24.3% (19)	11.6% (13)	86.5% (67)
	30.1% (103)	24.3% (91)	35.4% (87)	89.7% (281)
	50.3% (107)	22.8% (75)	3.0% (20)	76.1% (202)
Mid	7.0% (10)	4.5% (8)	1.2% (3)	12.7% (21)
	4.0% (95)	4.2% (87)	2.1% (39)	10.3% (221)
	10.1% (170)	8.5% (176)	2.9% (80)	21.5% (426)
Small	0.0% (0)	0.5% (1)	0.3% (1)	0.8% (2)
	0.0% (1)	0.0% (1)	0.0% (0)	0.0% (2)
	1.1% (54)	1.1% (57)	0.2% (13)	2.4% (124)
Micro	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	57.6% (45)	29.3% (29)	13.1% (17)	100.0% (91)
	34.1% (199)	28.5% (179)	37.4% (126)	100.0% (504)
	61.5% (331)	32.4% (308)	6.1% (113)	100.0% (752)

Combined Z-Score Style Distribution Holdings as of June 30, 2019



Sector Weights Distribution Holdings as of June 30, 2019



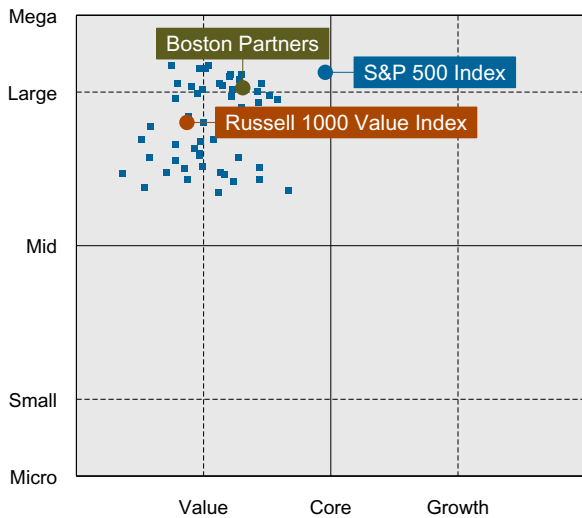
Historical Holdings Based Style Analysis

Boston Partners

For Five Years Ended June 30, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

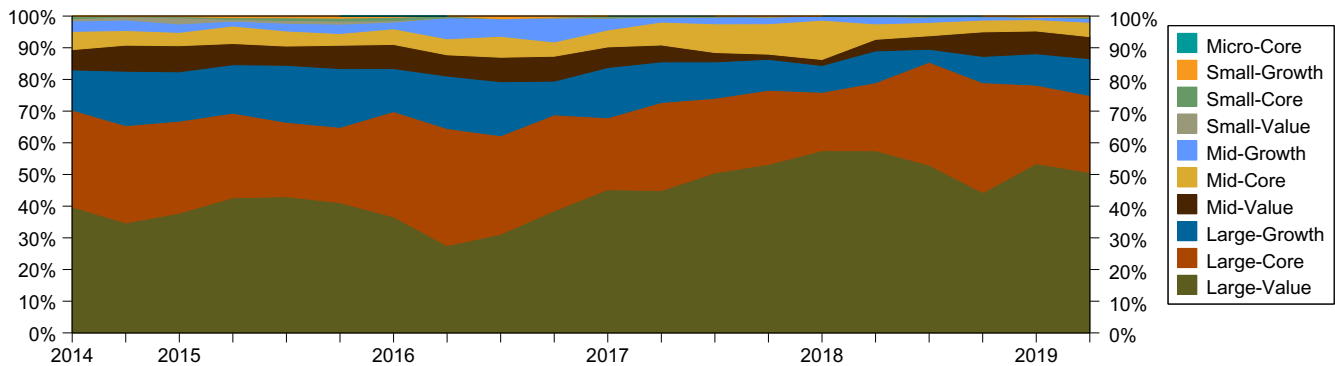
Average Style Map vs Callan Large Cap Value Holdings for Five Years Ended June 30, 2019



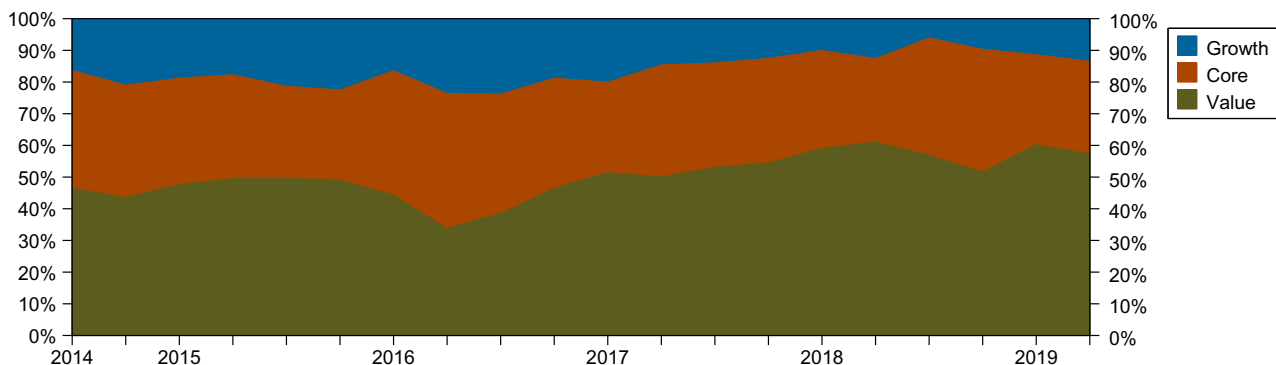
Average Style Exposure Matrix Holdings for Five Years Ended June 30, 2019

	Value	Core	Growth	Total
Large	44.1% (28)	27.5% (21)	12.9% (13)	84.5% (62)
	31.9% (100)	27.3% (95)	30.1% (90)	89.3% (285)
Mid	51.0% (97)	23.0% (72)	4.0% (27)	78.0% (196)
	6.1% (9)	5.7% (9)	2.8% (4)	14.5% (22)
Small	4.0% (85)	3.9% (79)	2.7% (51)	10.7% (215)
	10.2% (164)	7.1% (152)	2.3% (64)	19.7% (380)
Micro	0.4% (1)	0.4% (1)	0.2% (1)	1.0% (3)
	0.0% (3)	0.0% (1)	0.0% (1)	0.1% (5)
Total	1.3% (61)	0.8% (45)	0.2% (17)	2.3% (123)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
Total	50.6% (38)	33.6% (31)	15.9% (18)	100.0% (87)
	35.9% (188)	31.2% (175)	32.9% (142)	100.0% (505)
Total	62.5% (322)	31.0% (270)	6.5% (108)	100.0% (700)

Boston Partners Historical Cap/Style Exposures



Boston Partners Historical Style Only Exposures

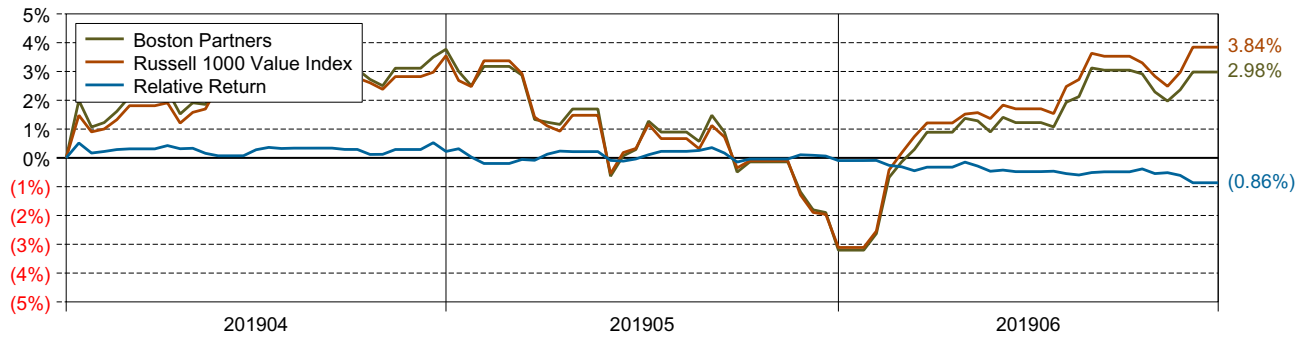


Boston Partners vs Russell 1000 Value Index Domestic Equity Daily Performance Attribution One Quarter Ended June 30, 2019

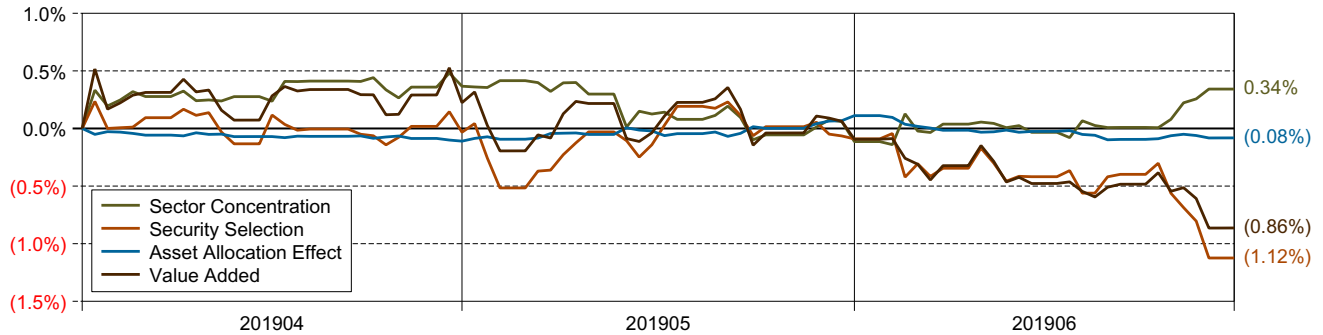
Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

Cumulative Manager and Benchmark Returns



Cumulative Attribution Effects vs. Russell 1000 Value Index



Attribution Effects by Sector vs. Russell 1000 Value Index One Quarter Ended June 30, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	9.65%	6.85%	0.96%	5.96%	0.05%	(0.50)%	-
Consumer Discretionary	5.99%	5.33%	1.54%	3.59%	(0.01)%	(0.13)%	-
Consumer Staples	5.16%	7.88%	6.92%	2.52%	0.03%	0.23%	-
Energy	9.74%	9.34%	(3.11)%	(3.65)%	(0.02)%	0.06%	-
Financials	23.84%	22.49%	8.70%	7.68%	0.06%	0.24%	-
Health Care	17.29%	15.01%	2.34%	2.88%	0.02%	(0.16)%	-
Industrials	11.86%	7.91%	3.25%	6.64%	0.10%	(0.40)%	-
Information Technology	8.56%	9.78%	0.59%	3.17%	0.00%	(0.21)%	-
Materials	4.86%	3.75%	1.23%	4.43%	0.00%	(0.17)%	-
Real Estate	2.37%	5.16%	(3.85)%	1.04%	0.08%	(0.12)%	-
Utilities	0.68%	6.50%	8.85%	3.43%	0.02%	0.04%	-
Non Equity	3.39%	0.00%	-	-	-	-	(0.08)%
Total	-	-	2.98%	3.84%	0.34%	(1.12)%	(0.08)%

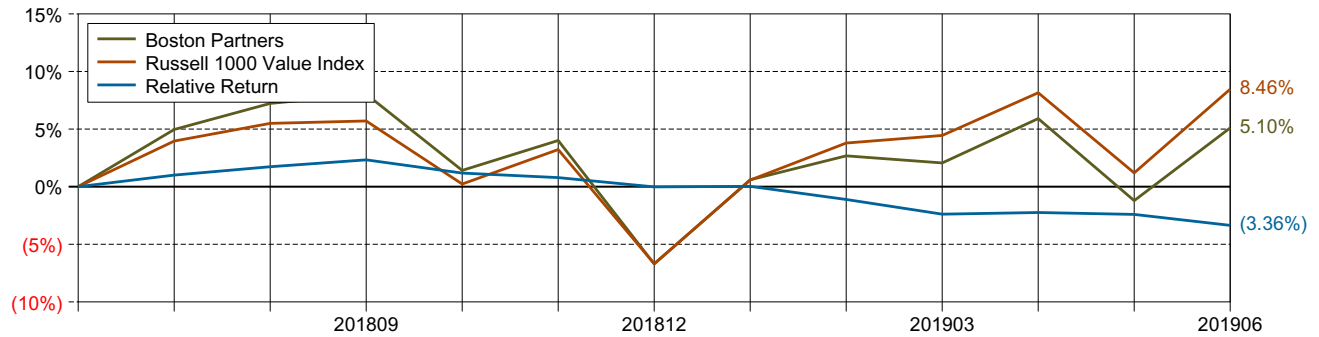
Manager Return	=	Index Return	+	Sector Concentration	+	Security Selection	+	Asset Allocation
2.98%		3.84%		0.34%		(1.12)%		(0.08)%

Boston Partners vs Russell 1000 Value Index Domestic Equity Daily Performance Attribution One Year Ended June 30, 2019

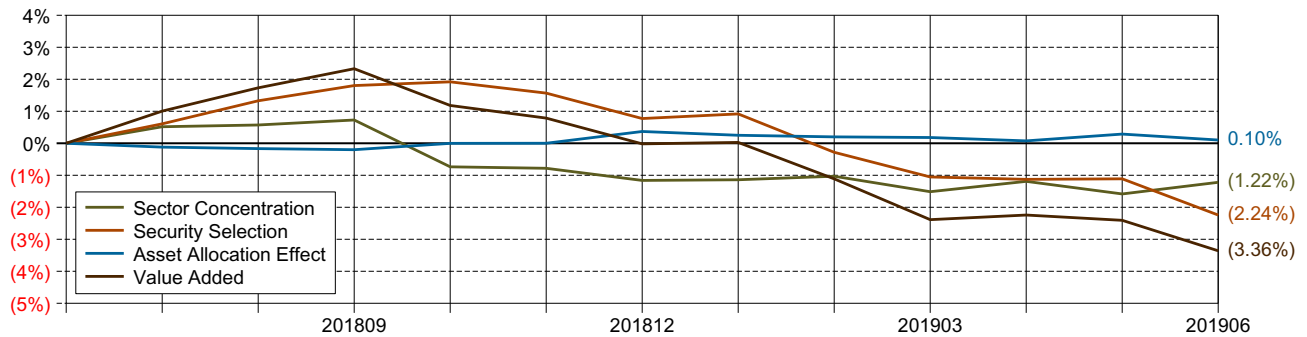
Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

Cumulative Manager and Benchmark Returns



Cumulative Attribution Effects vs. Russell 1000 Value Index



Attribution Effects by Sector vs. Russell 1000 Value Index One Year Ended June 30, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	6.44%	6.39%	20.02%	16.88%	(0.05)%	(0.22)%	-
Consumer Discretionary	4.47%	5.79%	0.08%	4.06%	0.21%	(0.03)%	-
Consumer Staples	3.41%	7.63%	31.25%	15.01%	(0.58)%	0.44%	-
Energy	10.66%	9.96%	(10.60)%	(14.05)%	(0.35)%	0.48%	-
Financials	27.91%	22.90%	6.58%	4.94%	(0.37)%	0.52%	-
Health Care	18.36%	15.02%	8.60%	19.15%	0.46%	(1.83)%	-
Industrials	11.00%	7.81%	13.72%	10.31%	0.07%	0.25%	-
Information Technology	10.70%	9.64%	6.57%	15.35%	0.09%	(0.77)%	-
Materials	4.17%	3.86%	(18.32)%	(2.19)%	(0.06)%	(0.79)%	-
Real Estate	2.18%	4.92%	0.71%	11.03%	(0.06)%	(0.25)%	-
Utilities	0.69%	6.08%	9.27%	19.46%	(0.58)%	(0.04)%	-
Non Equity	2.62%	0.00%	-	-	-	-	0.10%
Total	-	-	5.10%	8.46%	(1.22)%	(2.24)%	0.10%

Manager Return	=	Index Return	+	Sector Concentration	+	Security Selection	+	Asset Allocation
5.10%		8.46%		(1.22)%		(2.24)%		0.10%

Boston Partners vs Russell 1000 Value Index Domestic Equity Top 10 Contribution Holdings One Quarter Ended June 30, 2019

Manager Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
American Intl Group Inc	Financials	2.09%	91	0.28%	24.50%	24.48%	0.47%	0.31%
Citigroup Inc	Financials	2.57%	91	1.19%	13.32%	13.27%	0.34%	0.15%
Berkshire Hathaway Inc Del Cl B New	Financials	4.39%	91	2.68%	5.99%	6.11%	0.29%	0.04%
Dxc Technology Co	Information Technology	1.12%	91	0.12%	(13.57)%	(13.87)%	(0.26)%	(0.25)%
Comcast Corp A (New)	Communication Services	3.60%	91	1.44%	6.20%	6.31%	0.23%	0.05%
Bank Amer Corp	Financials	3.37%	91	1.96%	5.68%	5.68%	0.21%	0.04%
Delta Air Lines Inc Del	Industrials	1.16%	91	0.20%	10.56%	10.55%	0.17%	0.08%
Procter & Gamble Co	Consumer Staples	2.45%	91	2.01%	6.14%	6.12%	0.16%	0.01%
Allstate Corp	Financials	1.81%	91	0.25%	8.60%	8.54%	0.16%	0.07%
Alphabet Inc Cl A	Communication Services	1.82%	91	-	(8.24)%	-	(0.15)%	(0.23)%

Index Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Index Perf	Contrib Excess Return
JPMorgan Chase & Co	Financials	-	-	2.75%	-	11.28%	0.30%	(0.20)%
Qualcomm Inc	Information Technology	-	-	0.65%	-	34.62%	0.19%	(0.18)%
Intel Corp	Information Technology	-	-	1.72%	-	(10.31)%	(0.18)%	0.25%
Berkshire Hathaway Inc Del Cl B New	Financials	4.39%	91	2.68%	5.99%	6.11%	0.18%	0.04%
Citigroup Inc	Financials	2.57%	91	1.19%	13.32%	13.27%	0.16%	0.15%
At&t Inc	Communication Services	-	-	1.74%	-	8.57%	0.16%	(0.07)%
Walmart Inc	Consumer Staples	-	-	1.09%	-	13.89%	0.15%	(0.10)%
Procter & Gamble Co	Consumer Staples	2.45%	91	2.01%	6.14%	6.12%	0.13%	0.01%
Bank Amer Corp	Financials	3.37%	91	1.96%	5.68%	5.68%	0.12%	0.04%
Disney Walt Co Com Disney	Communication Services	-	-	0.49%	-	25.77%	0.11%	(0.09)%

Positions with Largest Positive Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
American Intl Group Inc	Financials	2.09%	91	0.28%	24.50%	24.48%	0.47%	0.31%
Intel Corp	Information Technology	-	-	1.72%	-	(10.31)%	-	0.25%
Exxon Mobil Corp	Energy	-	-	2.52%	-	(4.08)%	-	0.20%
Citigroup Inc	Financials	2.57%	91	1.19%	13.32%	13.27%	0.34%	0.15%
Philip Morris Intl Inc	Consumer Staples	-	-	1.01%	-	(9.84)%	-	0.14%
Barrick Gold Corp	Materials	0.34%	81	-	16.54%	-	0.12%	0.11%
Owens Corning New	Industrials	0.55%	91	0.04%	23.44%	23.51%	0.13%	0.10%
Occidental Petroleum	Energy	-	-	0.34%	-	(22.81)%	-	0.10%
Aon Plc Shs Cl A	Financials	1.06%	91	-	13.33%	-	0.14%	0.09%
Discover Finl Svcs	Financials	0.97%	91	0.10%	9.63%	9.61%	0.12%	0.09%

Positions with Largest Negative Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Dxc Technology Co	Information Technology	1.12%	91	0.12%	(13.57)%	(13.87)%	(0.26)%	(0.25)%
Alphabet Inc Cl A	Communication Services	1.82%	91	-	(8.24)%	-	(0.15)%	(0.23)%
JPMorgan Chase & Co	Financials	-	-	2.75%	-	11.28%	-	(0.20)%
Qualcomm Inc	Information Technology	-	-	0.65%	-	34.62%	-	(0.18)%
Sl Green Realty Corp	Real Estate	1.10%	91	0.06%	(9.63)%	(9.67)%	(0.11)%	(0.15)%
Noble Energy Inc	Energy	1.18%	91	0.09%	(8.99)%	(8.99)%	(0.10)%	(0.12)%
Cigna Corp New	Health Care	2.09%	91	0.27%	(2.15)%	(2.03)%	(0.03)%	(0.11)%
Cimarex Energy Co	Energy	0.62%	91	0.04%	(14.87)%	(14.87)%	(0.09)%	(0.11)%
Lowes Cos Inc	Consumer Discretionary	1.00%	91	-	(7.43)%	-	(0.07)%	(0.10)%
ConocoPhillips	Energy	1.35%	91	0.55%	(8.15)%	(8.15)%	(0.11)%	(0.10)%

Atlanta Capital Period Ended June 30, 2019

Investment Philosophy

Atlanta believes that high quality companies produce consistently increasing earnings and dividends, thereby providing attractive returns with moderate risk over the long-term. Returns prior to 6/30/2010 are linked to a composite history.

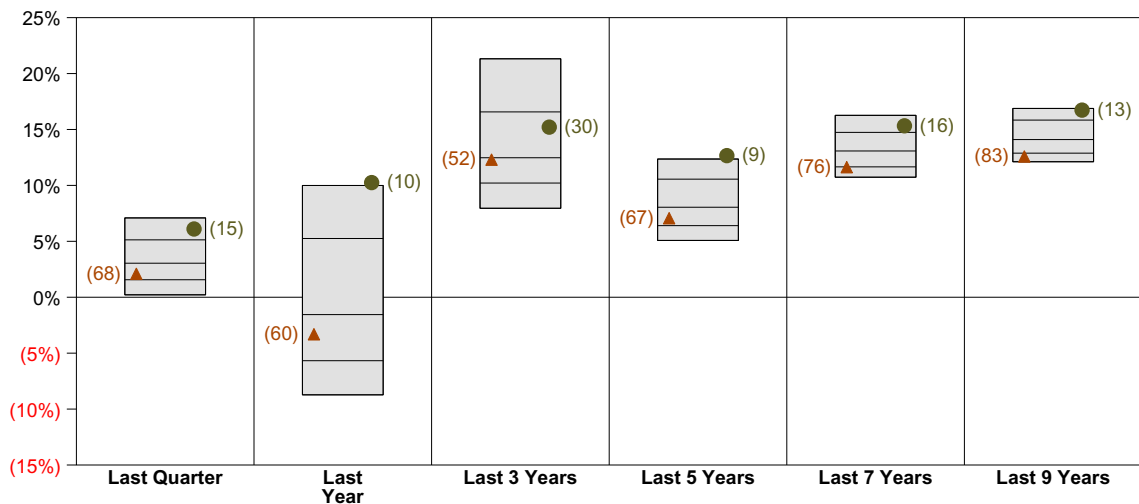
Quarterly Summary and Highlights

- Atlanta Capital's portfolio posted a 6.10% return for the quarter placing it in the 15th percentile of the Callan Small Capitalization group for the quarter and in the 10th percentile for the last year.
- Atlanta Capital's portfolio outperformed the Russell 2000 Index by 4.01% for the quarter and outperformed the Russell 2000 Index for the year by 13.56%.

Quarterly Asset Growth

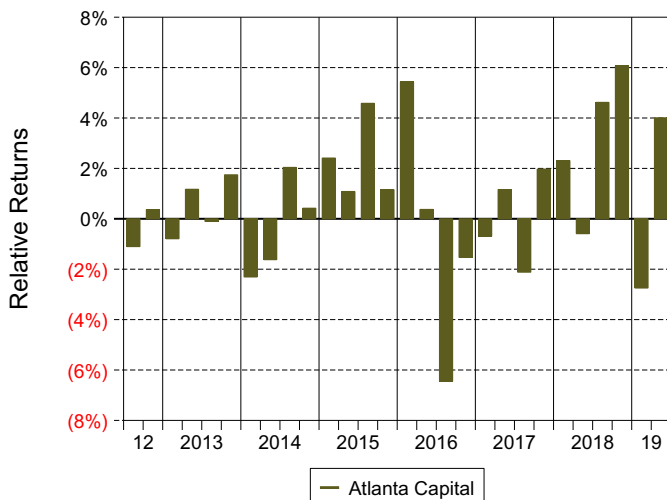
Beginning Market Value	\$24,842,181
Net New Investment	\$0
Investment Gains/(Losses)	\$1,515,693
Ending Market Value	\$26,357,874

Performance vs Callan Small Capitalization (Gross)

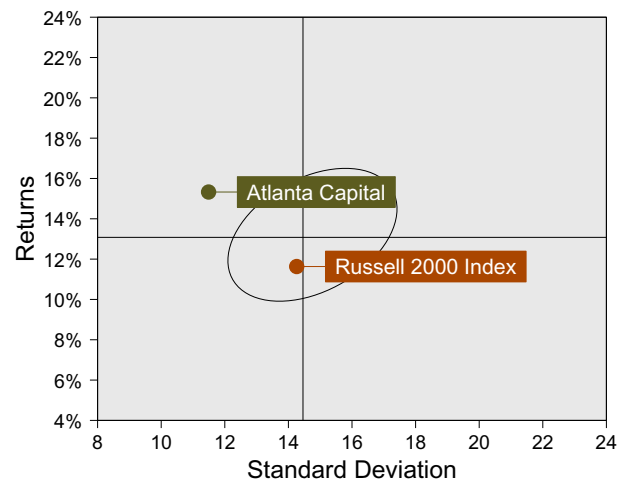


10th Percentile	7.09	9.99	21.32	12.36	16.26	16.88
25th Percentile	5.13	5.25	16.57	10.56	14.74	15.84
Median	3.04	(1.55)	12.47	8.05	13.08	14.10
75th Percentile	1.56	(5.68)	10.21	6.40	11.66	12.88
90th Percentile	0.22	(8.73)	7.95	5.08	10.73	12.11
Atlanta Capital ●	6.10	10.25	15.21	12.66	15.33	16.73
Russell 2000 Index ▲	2.10	(3.31)	12.30	7.06	11.63	12.59

Relative Return vs Russell 2000 Index



Callan Small Capitalization (Gross) Annualized Seven Year Risk vs Return

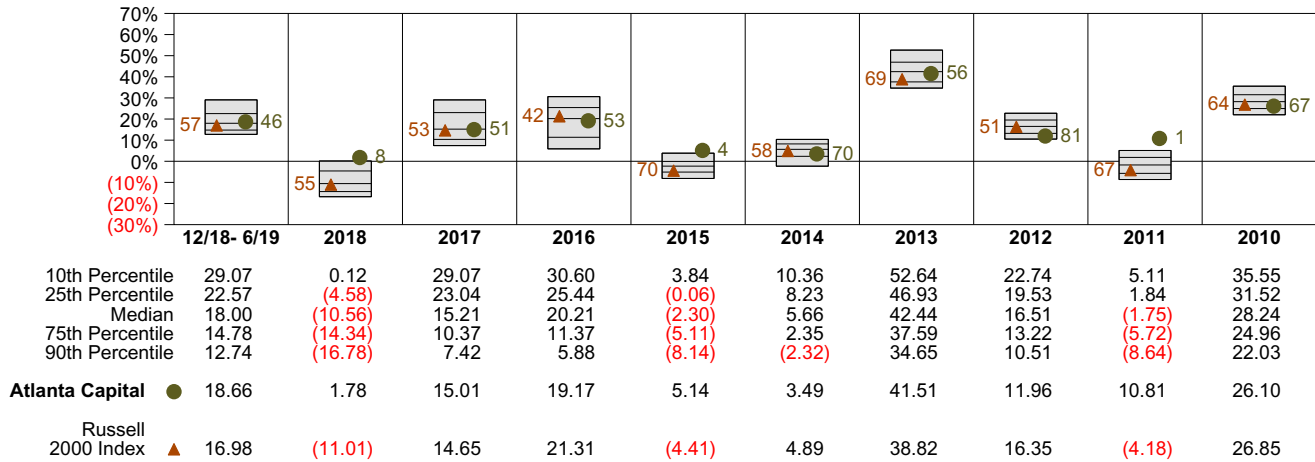


Atlanta Capital Return Analysis Summary

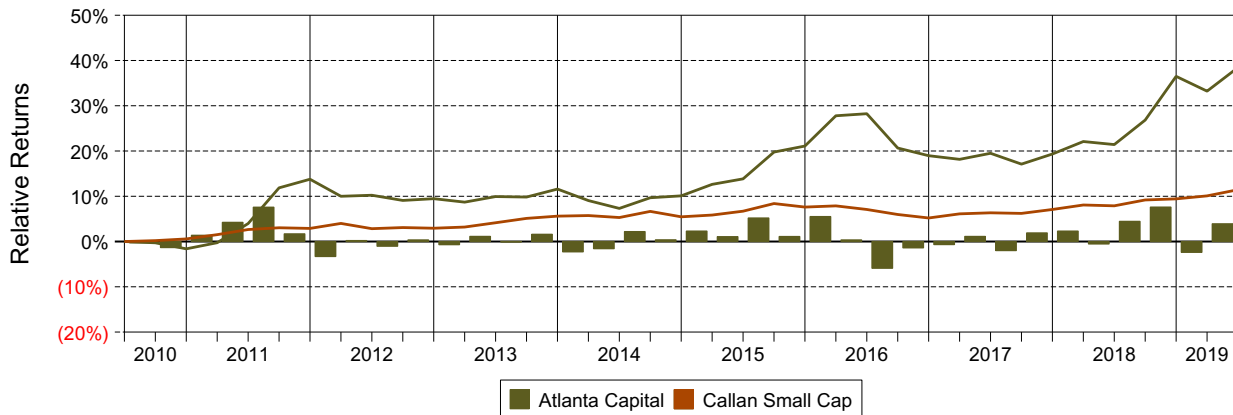
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

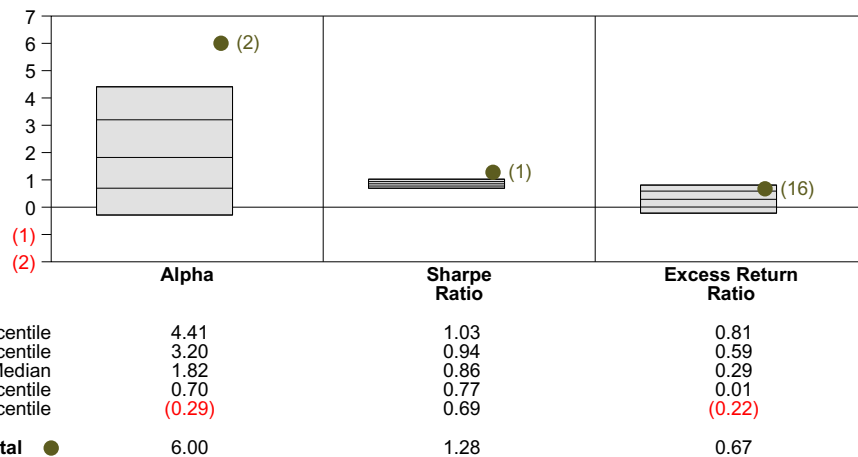
Performance vs Callan Small Capitalization (Gross)



Cumulative and Quarterly Relative Return vs Russell 2000 Index



Risk Adjusted Return Measures vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended June 30, 2019

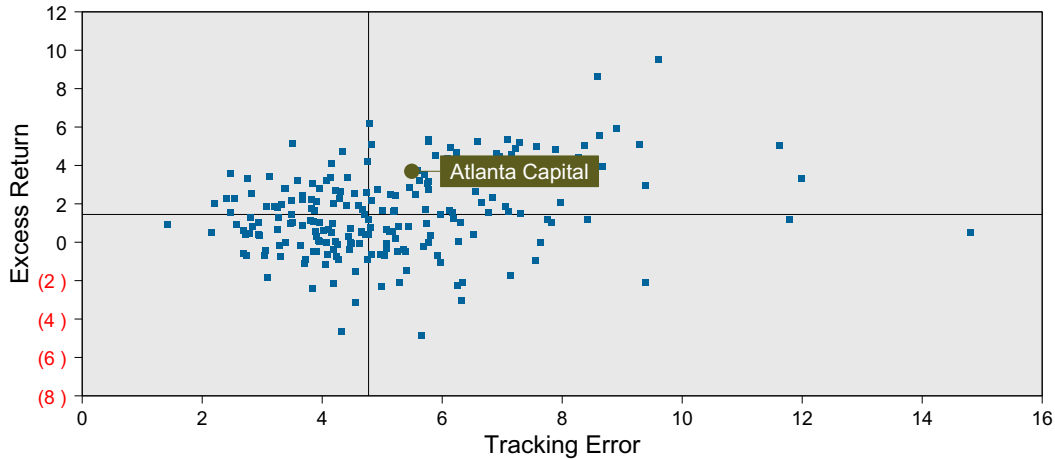


Atlanta Capital Risk Analysis Summary

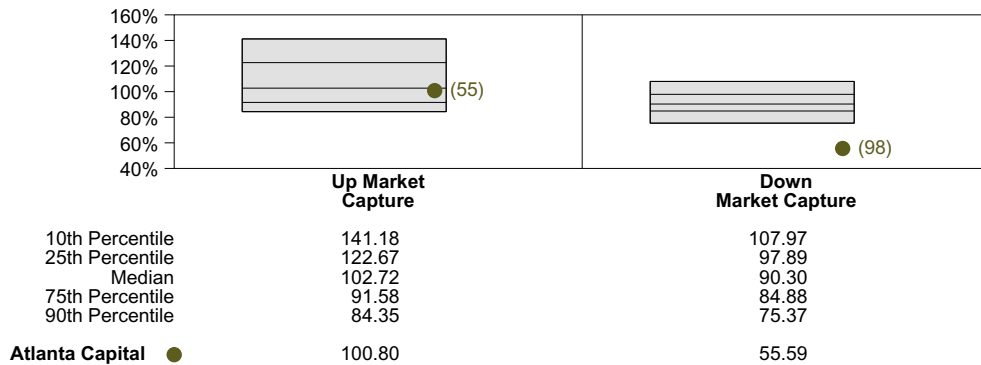
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

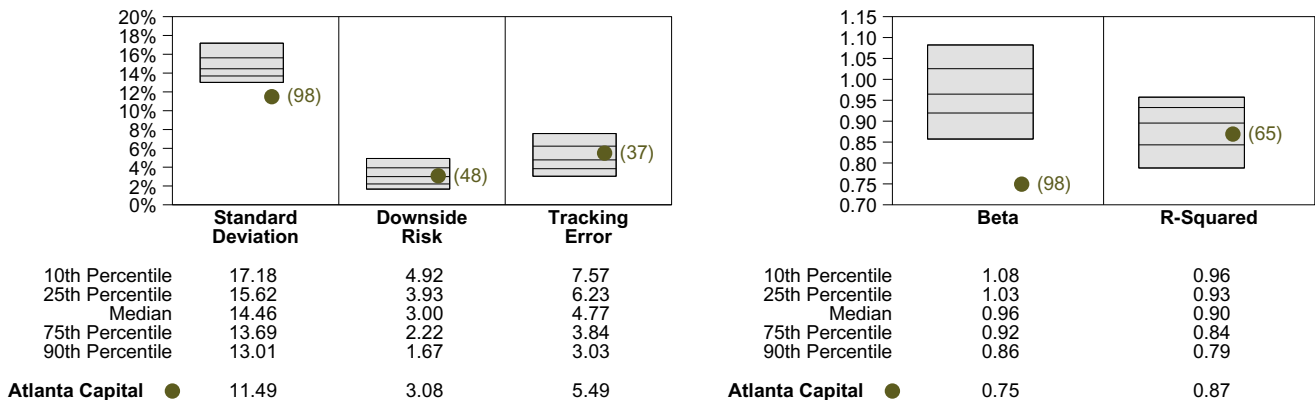
Risk Analysis vs Callan Small Capitalization (Gross) Seven Years Ended June 30, 2019



Market Capture vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended June 30, 2019



Risk Statistics Rankings vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended June 30, 2019

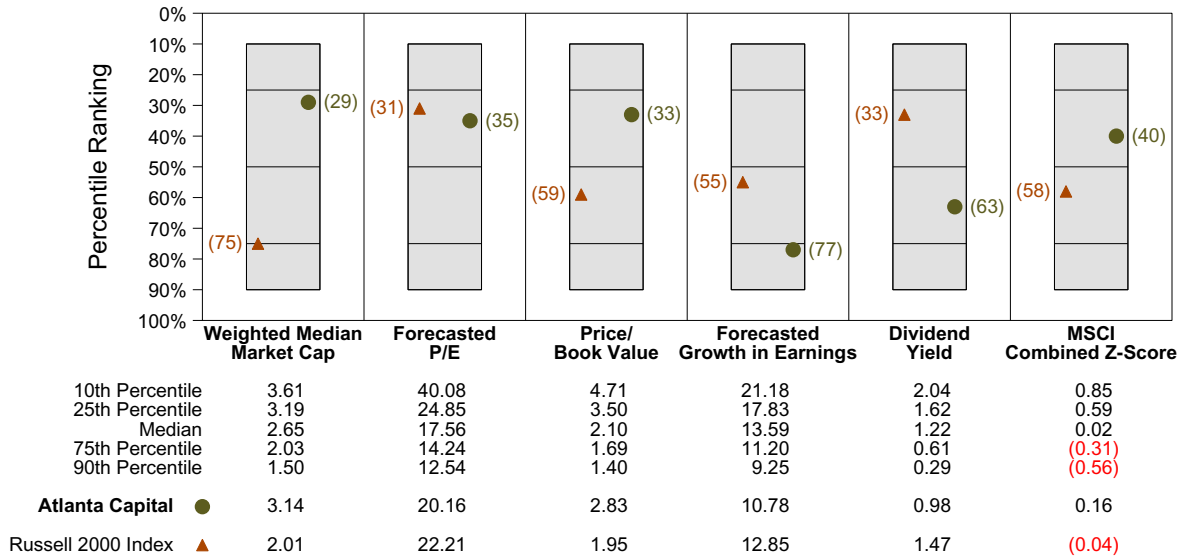


Atlanta Capital Equity Characteristics Analysis Summary

Portfolio Characteristics

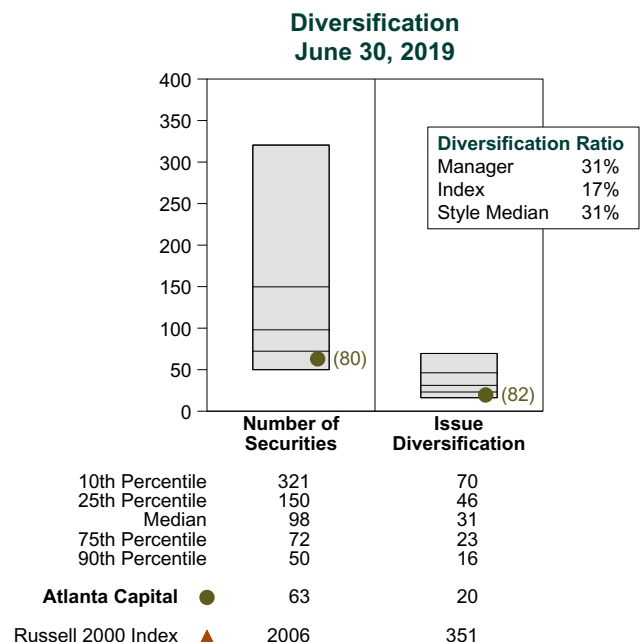
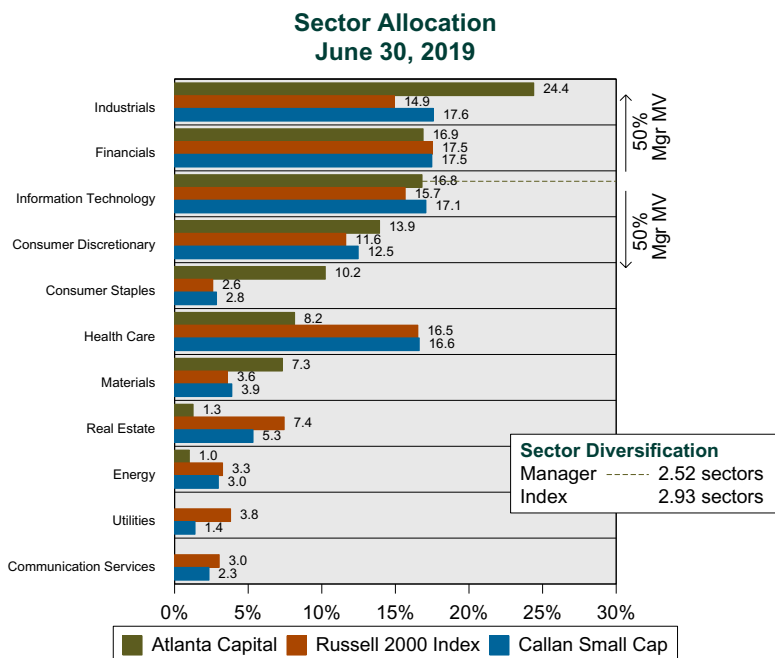
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan Small Capitalization as of June 30, 2019



Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



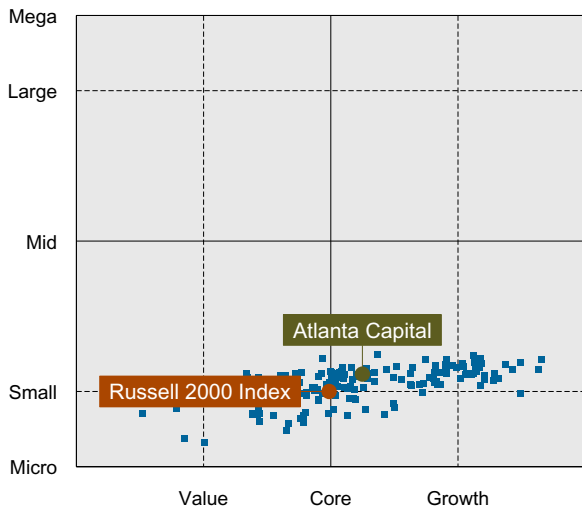
Current Holdings Based Style Analysis

Atlanta Capital

As of June 30, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

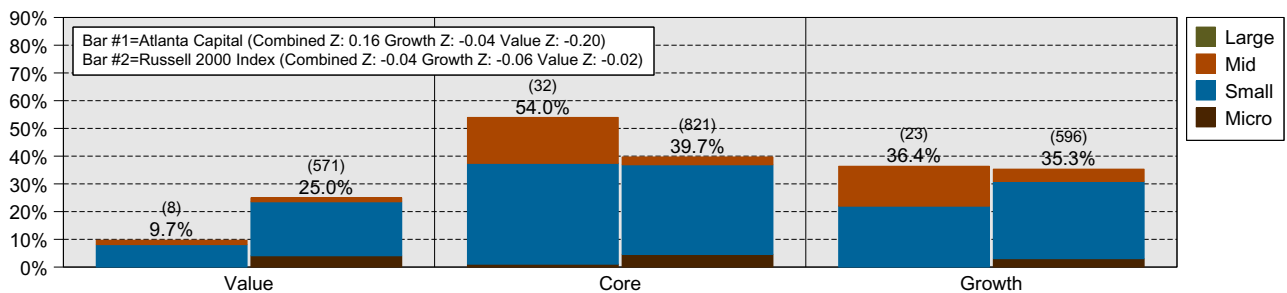
Style Map vs Callan Small Cap Holdings as of June 30, 2019



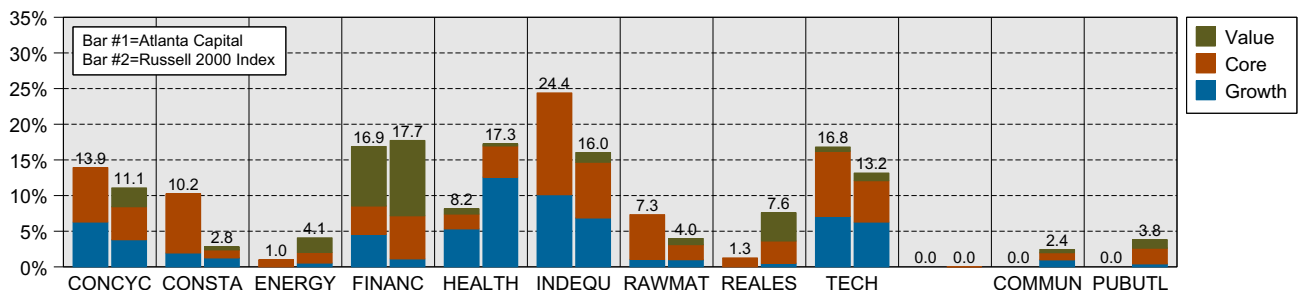
Style Exposure Matrix Holdings as of June 30, 2019

	Value	Core	Growth	Total
Large	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Mid	1.6% (1)	16.6% (7)	14.4% (7)	32.6% (15)
Small	8.1% (7)	36.3% (24)	22.0% (16)	66.4% (47)
Micro	0.0% (0)	1.0% (1)	0.0% (0)	1.0% (1)
Total	9.7% (8)	54.0% (32)	36.4% (23)	100.0% (63)

Combined Z-Score Style Distribution Holdings as of June 30, 2019



Sector Weights Distribution Holdings as of June 30, 2019



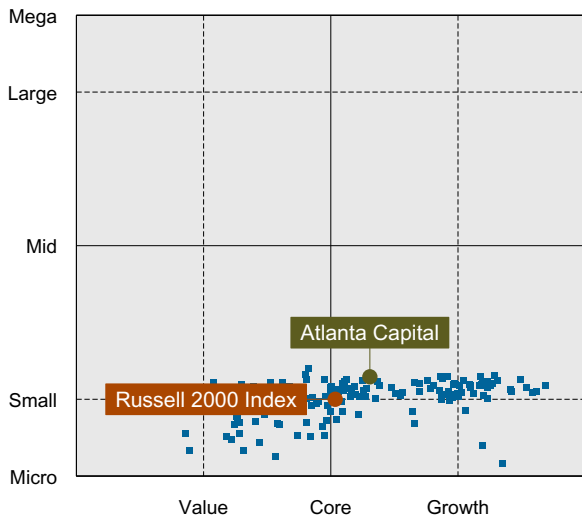
Historical Holdings Based Style Analysis

Atlanta Capital

For Five Years Ended June 30, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

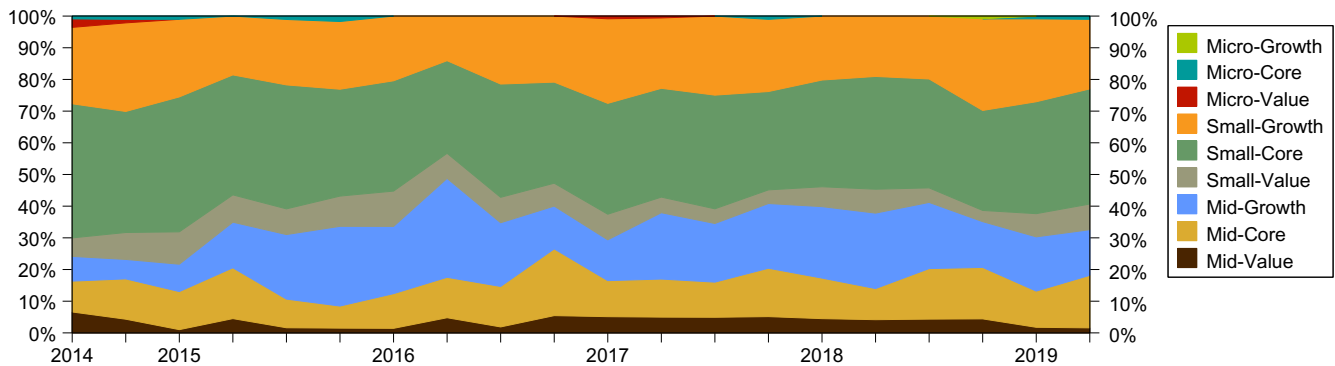
Average Style Map vs Callan Small Cap Holdings for Five Years Ended June 30, 2019



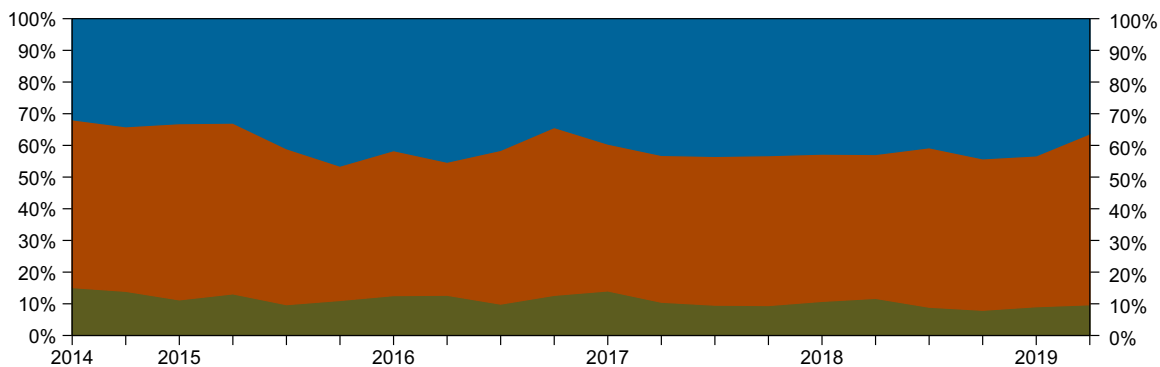
Average Style Exposure Matrix Holdings for Five Years Ended June 30, 2019

	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Large	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Mid	3.7% (2)	12.8% (6)	17.7% (8)	34.3% (16)
Small	7.2% (6)	35.4% (24)	22.3% (13)	65.0% (43)
Micro	0.3% (0)	0.4% (0)	0.0% (0)	0.7% (0)
Total	11.2% (8)	48.7% (30)	40.1% (21)	100.0% (59)
	25.9% (563)	40.1% (821)	34.0% (586)	100.0% (1970)
	Value	Core	Growth	Total

Atlanta Capital Historical Cap/Style Exposures



Atlanta Capital Historical Style Only Exposures

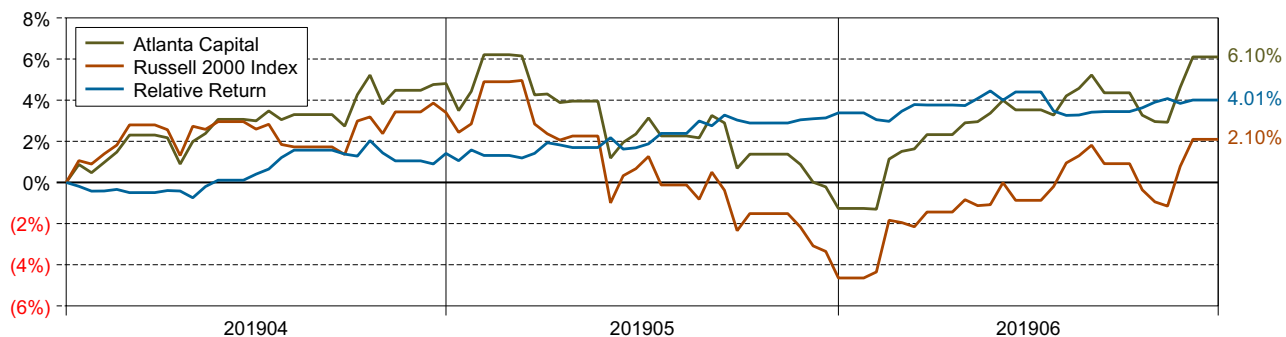


Atlanta Capital vs Russell 2000 Index Domestic Equity Daily Performance Attribution One Quarter Ended June 30, 2019

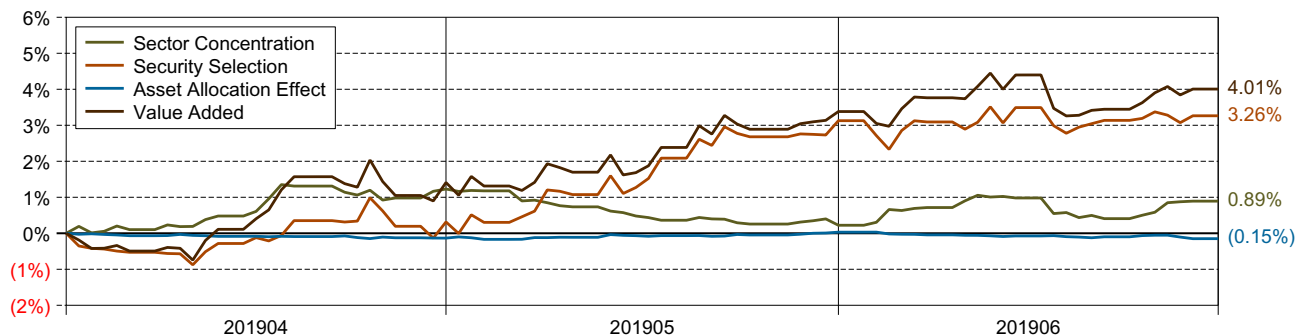
Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

Cumulative Manager and Benchmark Returns



Cumulative Attribution Effects vs. Russell 2000 Index



Attribution Effects by Sector vs. Russell 2000 Index One Quarter Ended June 30, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	0.00%	3.26%	0.00%	(5.85)%	0.26%	0.00%	-
Consumer Discretionary	14.67%	12.05%	0.41%	(0.69)%	(0.05)%	0.14%	-
Consumer Staples	10.18%	2.77%	4.18%	(3.18)%	(0.40)%	0.79%	-
Energy	0.95%	3.45%	4.69%	(9.28)%	0.31%	0.14%	-
Financials	17.80%	17.57%	9.75%	5.16%	0.05%	0.81%	-
Health Care	7.74%	15.54%	(0.58)%	(0.23)%	0.22%	(0.04)%	-
Industrials	23.25%	14.84%	6.86%	8.81%	0.56%	(0.45)%	-
Information Technology	17.34%	15.44%	8.41%	2.70%	0.05%	0.97%	-
Materials	6.85%	3.73%	11.22%	(0.67)%	(0.03)%	0.76%	-
Real Estate	1.23%	7.54%	13.06%	1.22%	0.05%	0.14%	-
Utilities	0.00%	3.82%	0.00%	5.24%	(0.12)%	0.00%	-
Non Equity	2.58%	0.00%	-	-	-	-	(0.15)%
Total	-	-	6.10%	2.10%	0.89%	3.26%	(0.15)%

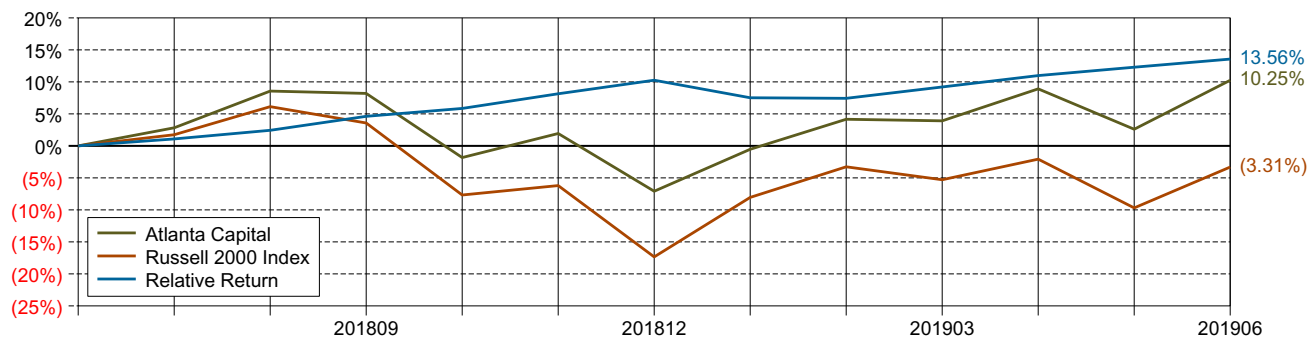
Manager Return	=	Index Return	+	Sector Concentration	+	Security Selection	+	Asset Allocation
6.10%		2.10%		0.89%		3.26%		(0.15)%

Atlanta Capital vs Russell 2000 Index Domestic Equity Daily Performance Attribution One Year Ended June 30, 2019

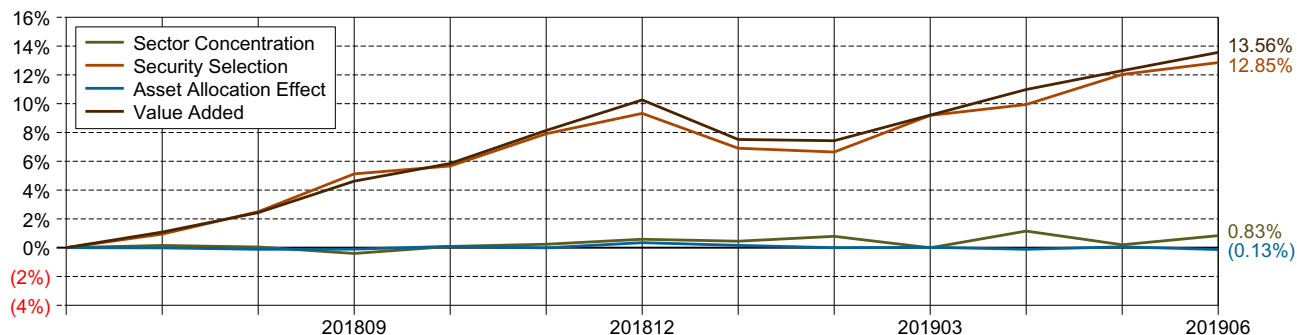
Return Sources and Timing

The charts below illustrate the timing and cumulative paths of the manager's performance, as well as attributing relative performance to three sources: Sector Concentration, Security Selection, and Asset Allocation. The first chart shows the cumulative absolute return paths for the manager and index. The second chart shows the cumulative relative return path of the manager and the attributed sources of that value-added. The bottom table breaks the annualized attribution factors down to the sector level for more insight into sources of return.

Cumulative Manager and Benchmark Returns



Cumulative Attribution Effects vs. Russell 2000 Index



Attribution Effects by Sector vs. Russell 2000 Index One Year Ended June 30, 2019

Sector	Manager Eff Weight	Index Eff Weight	Manager Return	Index Return	Sector Concentration	Security Selection	Asset Allocation
Communication Services	0.00%	2.82%	0.00%	4.85%	(0.08)%	0.00%	-
Consumer Discretionary	15.86%	12.36%	16.46%	(7.45)%	(0.08)%	3.83%	-
Consumer Staples	9.76%	2.77%	25.06%	(11.39)%	(0.60)%	3.36%	-
Energy	0.98%	4.08%	(6.61)%	(38.55)%	1.39%	0.40%	-
Financials	18.31%	17.84%	6.28%	(3.71)%	0.03%	1.87%	-
Health Care	6.34%	15.77%	(5.59)%	(6.79)%	0.41%	0.05%	-
Industrials	22.04%	14.95%	7.67%	0.11%	0.28%	1.61%	-
Information Technology	19.15%	14.74%	7.11%	11.06%	0.66%	(0.83)%	-
Materials	6.44%	3.95%	20.31%	(13.54)%	(0.23)%	2.21%	-
Real Estate	1.13%	7.23%	37.64%	1.53%	(0.28)%	3.35%	-
Utilities	0.00%	3.49%	0.00%	18.02%	(0.67)%	0.00%	-
Non Equity	2.78%	0.00%	-	-	-	-	(0.13)%
Total	-	-	10.25%	(3.31)%	0.83%	12.85%	(0.13)%

Manager Return	=	Index Return	+	Sector Concentration	+	Security Selection	+	Asset Allocation
10.25%		(3.31)%		0.83%		12.85%		(0.13)%

Atlanta Capital vs Russell 2000 Index Domestic Equity Top 10 Contribution Holdings One Quarter Ended June 30, 2019

Manager Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Manhattan Associates	Information Technology	3.87%	91	-	25.78%	-	0.93%	0.82%
Caseys General Stores	Consumer Staples	3.04%	91	-	21.40%	-	0.66%	0.57%
Kinsale Cap Group Inc	Financials	1.53%	91	0.07%	33.31%	33.54%	0.48%	0.40%
Aptargroup Inc	Materials	2.73%	91	-	17.19%	-	0.47%	0.38%
Wolverine World Wide Inc	Consumer Discretionary	1.81%	91	0.15%	(22.64)%	(22.64)%	(0.42)%	(0.41)%
Unifirst Corp Mass	Industrials	1.79%	91	0.12%	22.93%	22.93%	0.41%	0.33%
Choice Hotels Intl Inc	Consumer Discretionary	3.31%	91	-	12.23%	-	0.40%	0.30%
Frontdoor Inc Com	Consumer Discretionary	1.54%	91	-	26.53%	-	0.38%	0.32%
Morningstar Inc	Financials	2.53%	91	-	15.05%	-	0.36%	0.29%
Generac Hldgs Inc	Industrials	1.03%	91	0.16%	35.49%	35.49%	0.36%	0.27%

Index Holdings with Largest (+ or -) Contribution to Performance

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Index Perf	Contrib Excess Return
Array Biopharma Inc	Health Care	-	-	0.26%	-	90.03%	0.24%	(0.23)%
Coupa Software Inc	Information Technology	-	-	0.28%	-	39.16%	0.10%	(0.09)%
Haemonetics Corp Mass	Health Care	-	-	0.23%	-	37.56%	0.09%	(0.08)%
Iovance Biotherapeutics Inc	Health Care	-	-	0.07%	-	157.83%	0.08%	(0.08)%
Livanova Plc	Health Care	-	-	0.19%	-	(26.01)%	(0.06)%	0.07%
Cloudera Inc	Information Technology	-	-	0.10%	-	(51.92)%	(0.06)%	0.06%
Generac Hldgs Inc	Industrials	1.03%	91	0.16%	35.49%	35.49%	0.06%	0.27%
Novocure	Health Care	-	-	0.18%	-	31.26%	0.06%	(0.05)%
Roku Inc Com Cl A	Consumer Discretionary	-	-	0.16%	-	40.41%	0.05%	(0.05)%
Tetra Tech	Industrials	-	-	0.18%	-	32.12%	0.05%	(0.05)%

Positions with Largest Positive Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Manhattan Associates	Information Technology	3.87%	91	-	25.78%	-	0.93%	0.82%
Caseys General Stores	Consumer Staples	3.04%	91	-	21.40%	-	0.66%	0.57%
Kinsale Cap Group Inc	Financials	1.53%	91	0.07%	33.31%	33.54%	0.48%	0.40%
Aptargroup Inc	Materials	2.73%	91	-	17.19%	-	0.47%	0.38%
Unifirst Corp Mass	Industrials	1.79%	91	0.12%	22.93%	22.93%	0.41%	0.33%
Frontdoor Inc Com	Consumer Discretionary	1.54%	91	-	26.53%	-	0.38%	0.32%
Choice Hotels Intl Inc	Consumer Discretionary	3.31%	91	-	12.23%	-	0.40%	0.30%
Morningstar Inc	Financials	2.53%	91	-	15.05%	-	0.36%	0.29%
Generac Hldgs Inc	Industrials	1.03%	91	0.16%	35.49%	35.49%	0.36%	0.27%
Corelogic Inc	Information Technology	2.76%	91	-	12.27%	-	0.33%	0.26%

Positions with Largest Negative Contribution to Excess Return

Issue	Sector	Manager Eff Wt	Days Held	Index Eff Wt	Manager Return	Index Return	Contrib Manager Perf	Contrib Excess Return
Wolverine World Wide Inc	Consumer Discretionary	1.81%	91	0.15%	(22.64)%	(22.64)%	(0.42)%	(0.41)%
Sally Beauty Hldgs Inc	Consumer Discretionary	1.17%	91	0.10%	(27.54)%	(27.54)%	(0.34)%	(0.34)%
Inter Parfums Inc	Consumer Staples	2.12%	91	0.06%	(11.99)%	(11.99)%	(0.26)%	(0.31)%
Array Biopharma Inc	Health Care	-	-	0.26%	-	90.03%	-	(0.23)%
Eplus Inc	Information Technology	1.02%	91	0.06%	(22.14)%	(22.14)%	(0.23)%	(0.23)%
Covetrus Inc	Health Care	0.76%	91	-	(23.19)%	-	(0.20)%	(0.21)%
Forward Air Corp	Industrials	1.74%	91	0.09%	(8.34)%	(8.34)%	(0.14)%	(0.18)%
Columbia Sportswear Co	Consumer Discretionary	1.39%	91	-	(3.68)%	-	(0.06)%	(0.10)%
Prosperity Bancshares Inc	Financials	1.69%	91	-	(3.77)%	-	(0.05)%	(0.09)%
Coupa Software Inc	Information Technology	-	-	0.28%	-	39.16%	-	(0.09)%

International Equity Period Ended June 30, 2019

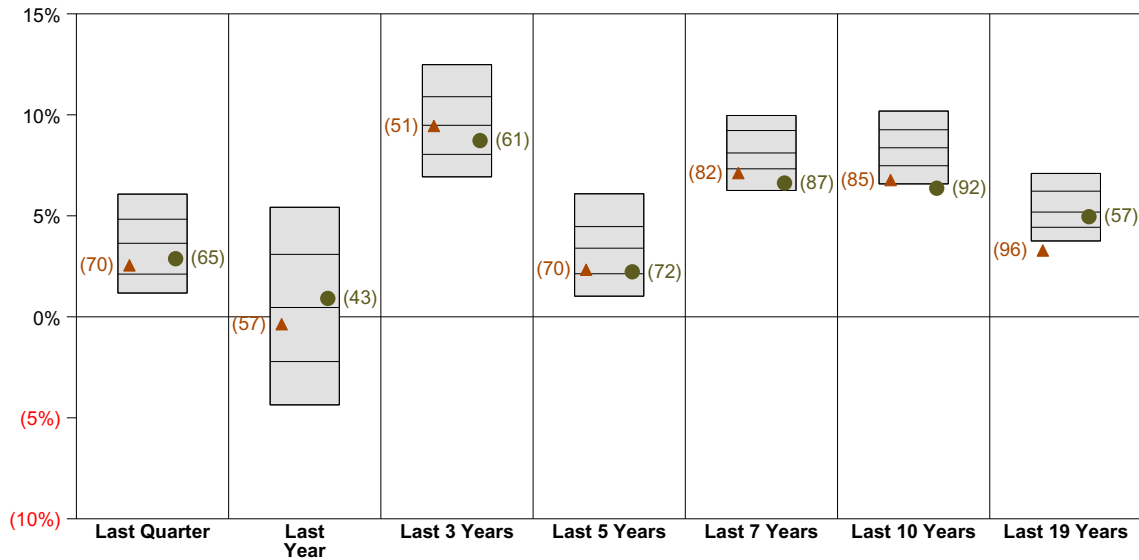
Investment Philosophy

International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

Quarterly Summary and Highlights

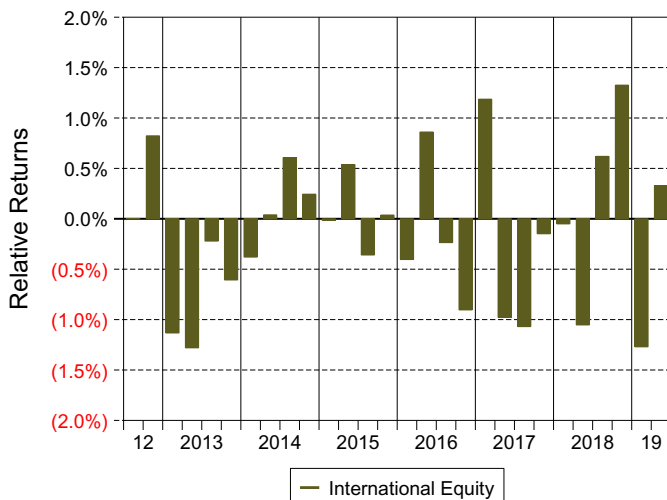
- International Equity's portfolio posted a 2.88% return for the quarter placing it in the 65 percentile of the Callan Non-US Equity group for the quarter and in the 43 percentile for the last year.
- International Equity's portfolio outperformed the International Benchmark by 0.33% for the quarter and outperformed the International Benchmark for the year by 1.27%.

Performance vs Callan Non-US Equity (Gross)

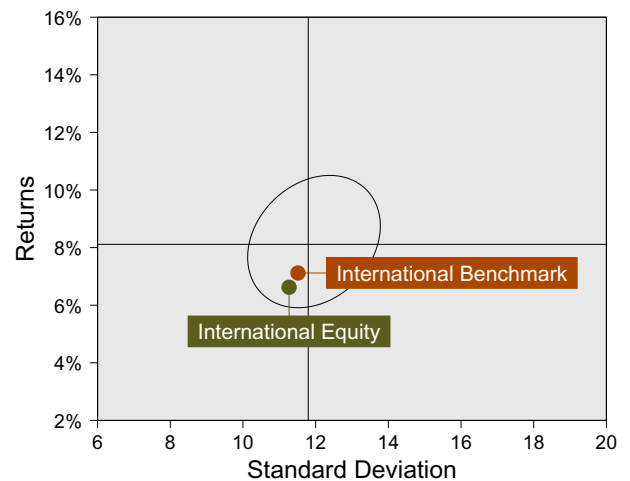


10th Percentile	6.08	5.42	12.49	6.09	9.97	10.19	7.10
25th Percentile	4.83	3.09	10.90	4.47	9.22	9.26	6.22
Median	3.64	0.46	9.48	3.40	8.11	8.37	5.19
75th Percentile	2.11	(2.22)	8.04	2.13	7.33	7.48	4.43
90th Percentile	1.18	(4.36)	6.93	1.02	6.26	6.58	3.76
International Equity	2.88	0.91	8.72	2.23	6.62	6.37	4.96
International Benchmark	2.55	(0.36)	9.45	2.33	7.12	6.77	3.28

Relative Return vs International Benchmark



Callan Non-US Equity (Gross) Annualized Seven Year Risk vs Return

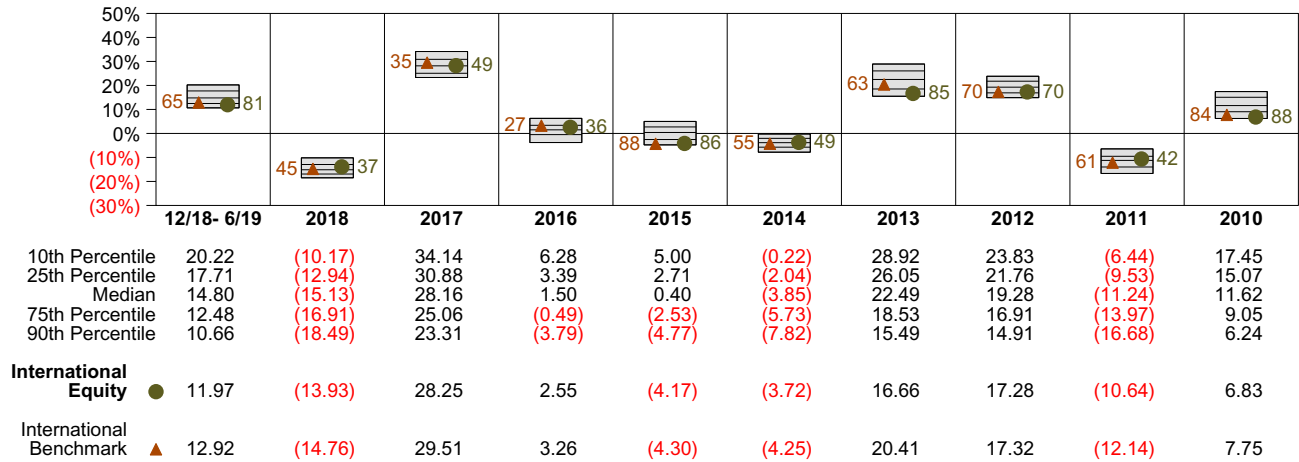


International Equity Return Analysis Summary

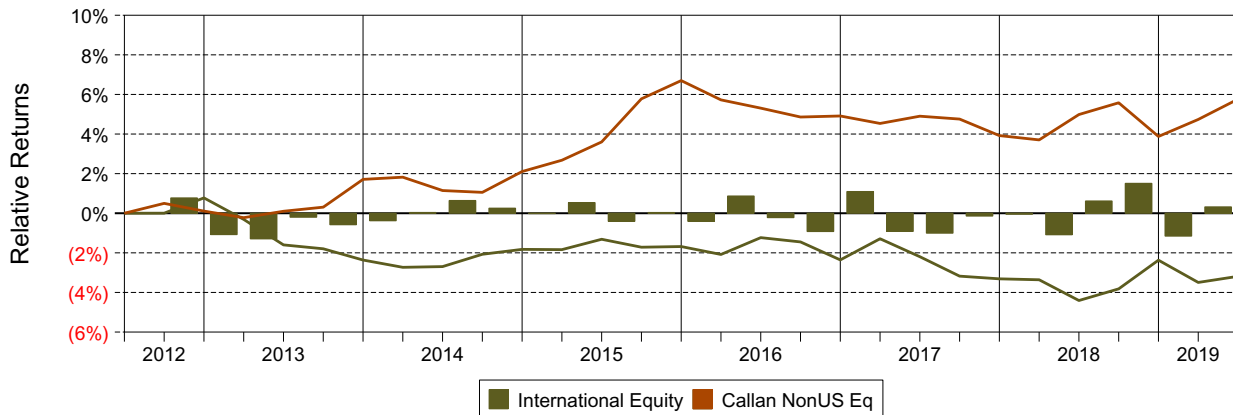
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

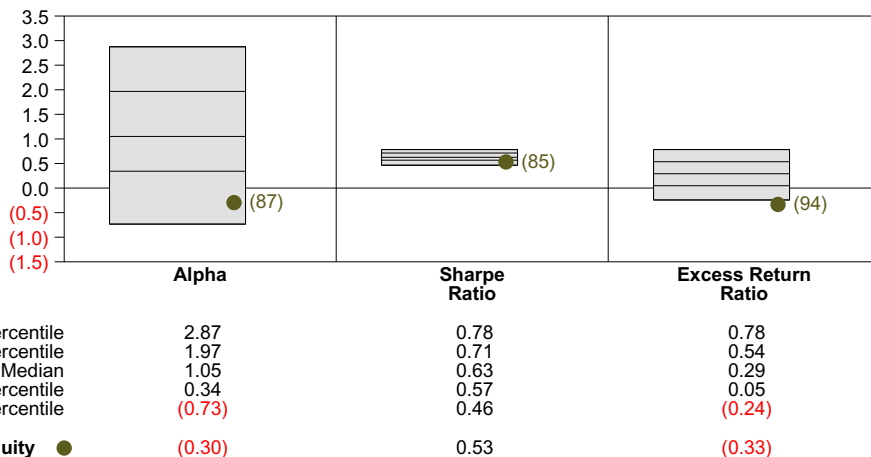
Performance vs Callan Non-US Equity (Gross)



Cumulative and Quarterly Relative Return vs International Benchmark



Risk Adjusted Return Measures vs International Benchmark Rankings Against Callan Non-US Equity (Gross) Seven Years Ended June 30, 2019



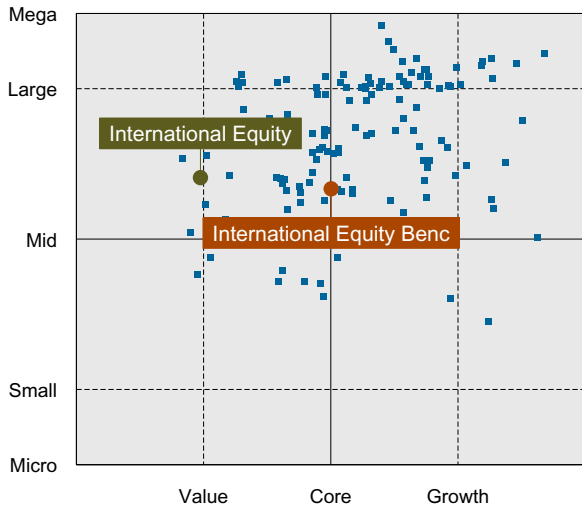
Current Holdings Based Style Analysis

International Equity

As of June 30, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left chart illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

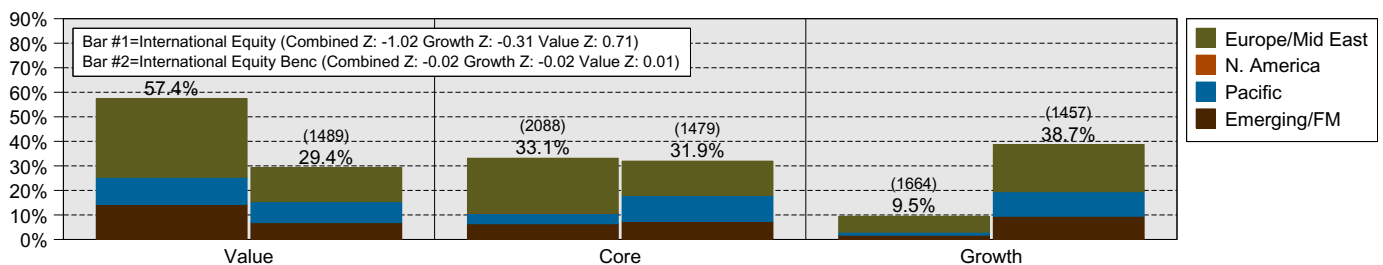
Style Map vs Callan NonUS Eq Holdings as of June 30, 2019



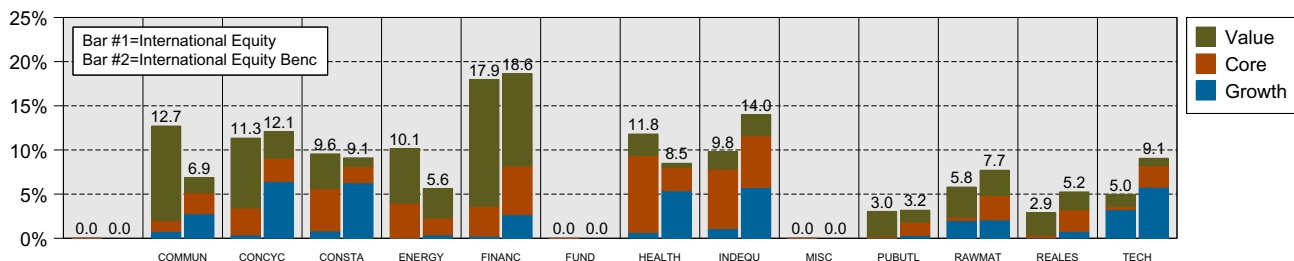
Style Exposure Matrix Holdings as of June 30, 2019

	Value	Core	Growth	Total
Europe/ Mid East	32.1% (219)	22.4% (220)	6.5% (234)	61.0% (673)
N. America	13.9% (474)	13.9% (521)	19.2% (504)	47.1% (1499)
Pacific	0.0% (0)	0.0% (3)	0.0% (0)	0.0% (3)
Emerging/ FM	11.1% (278)	4.3% (279)	1.2% (231)	16.6% (788)
Total	57.4% (2297)	33.1% (2088)	9.5% (1664)	100.0% (6049)
	29.4% (1489)	31.9% (1479)	38.7% (1457)	100.0% (4425)

Combined Z-Score Style Distribution Holdings as of June 30, 2019



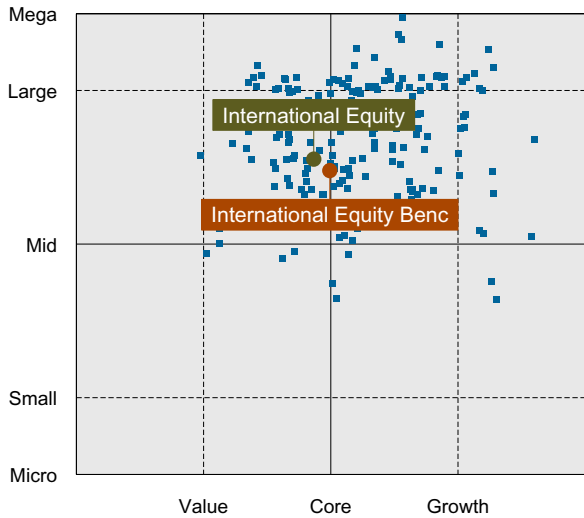
Sector Weights Distribution Holdings as of June 30, 2019



Historical Holdings Based Style Analysis International Equity For Five Years Ended June 30, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

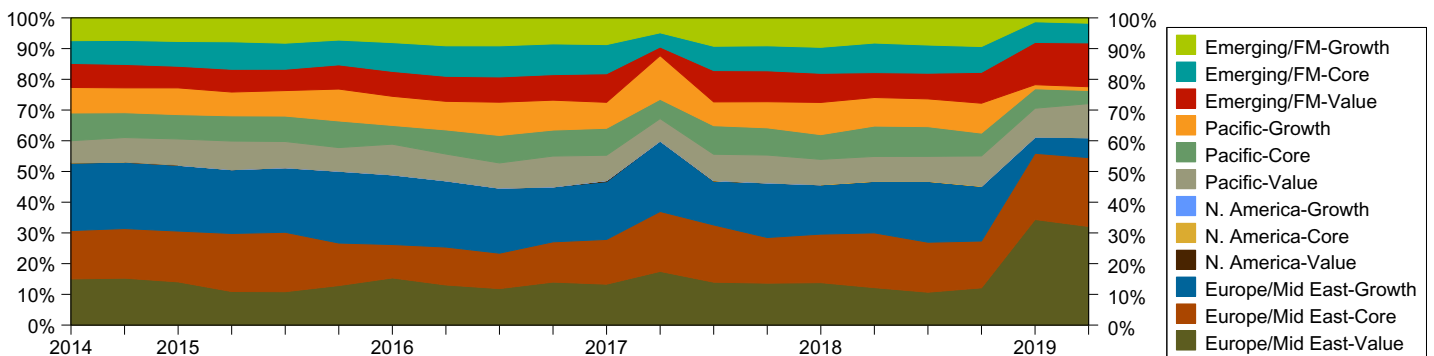
Average Style Map vs Callan NonUS Eq Holdings for Five Years Ended June 30, 2019



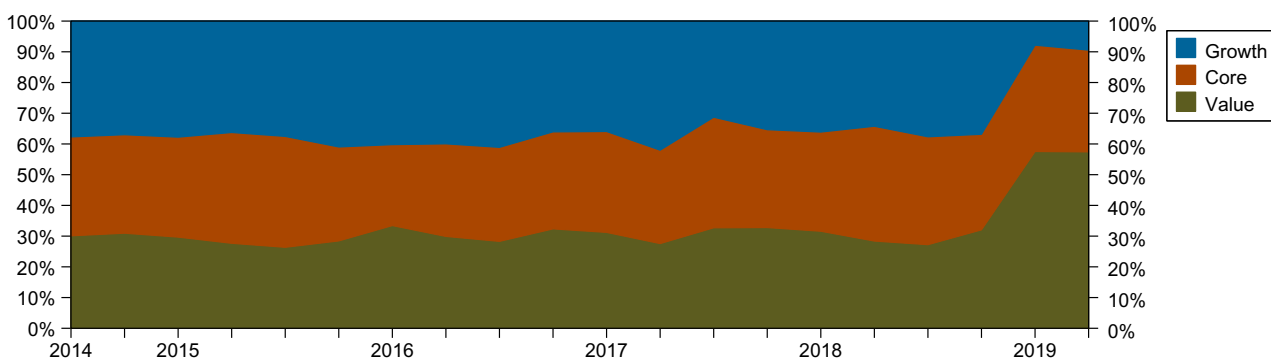
Average Style Exposure Matrix Holdings for Five Years Ended June 30, 2019

Europe/ Mid East	15.3% (192)	16.3% (209)	18.5% (243)	50.1% (644)
	14.6% (316)	14.9% (367)	18.9% (387)	48.4% (1070)
N. America	0.0% (2)	0.0% (4)	0.0% (1)	0.0% (7)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	8.7% (238)	8.0% (239)	8.5% (235)	25.3% (712)
	9.2% (411)	9.0% (401)	9.9% (404)	28.2% (1216)
Emerging/ FM	8.7% (1530)	8.4% (1495)	7.6% (980)	24.6% (4005)
	7.4% (320)	7.4% (285)	8.6% (297)	23.4% (902)
Total	32.8% (1962)	32.6% (1947)	34.6% (1459)	100.0% (5368)
	31.3% (1047)	31.3% (1053)	37.4% (1088)	100.0% (3188)
	Value	Core	Growth	Total

International Equity Historical Region/Style Exposures



International Equity Historical Style Only Exposures



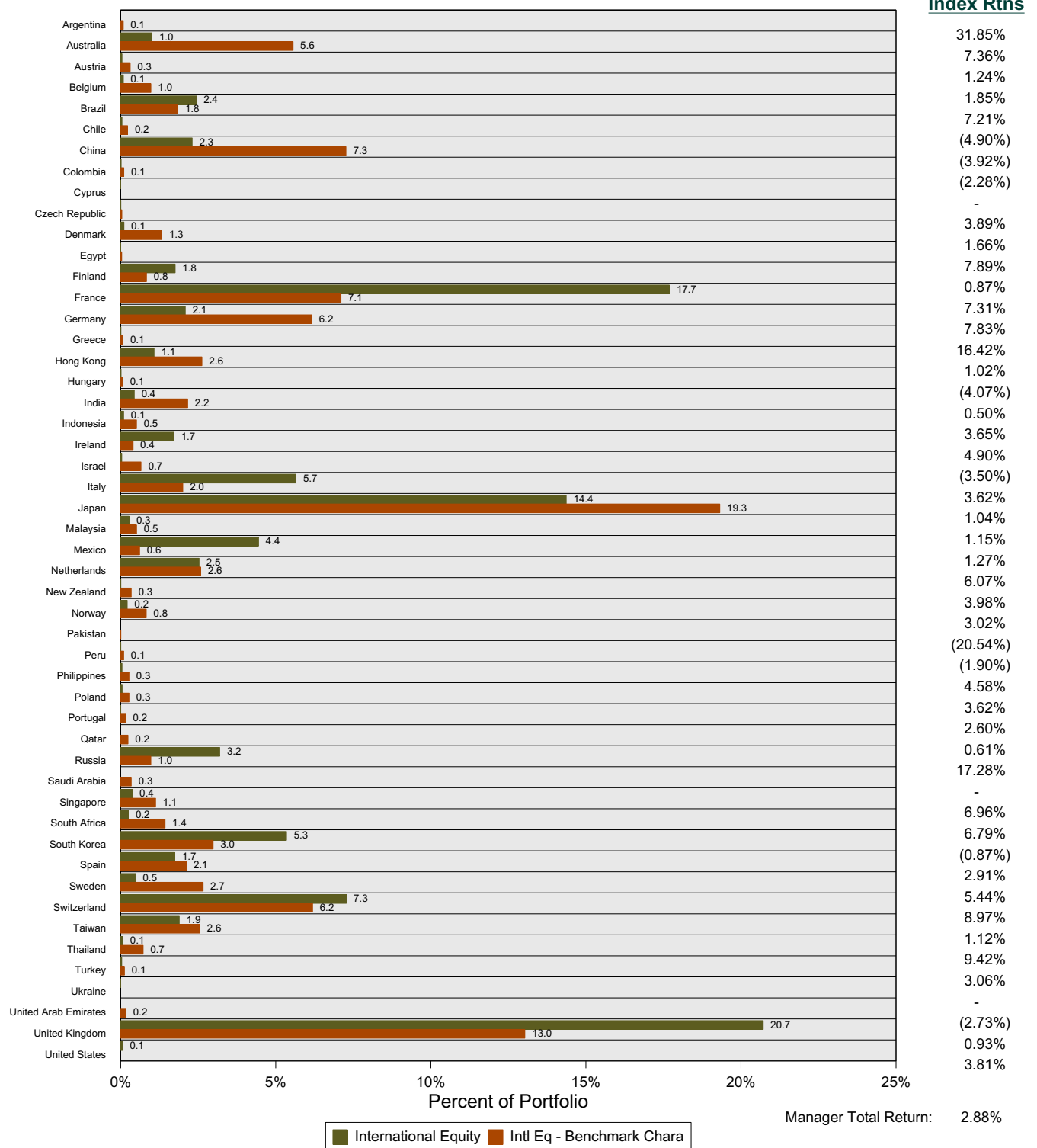
Country Allocation

International Equity VS Intl Eq - Benchmark Characteristics

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of June 30, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of June 30, 2019



SSgA EAFE

Period Ended June 30, 2019

Investment Philosophy

SSGA's objective is to provide the most cost-effective implementation of passive investing with stringent risk control and tracking requirements through a replication method. Returns prior to 6/30/2012 are linked to a composite history.

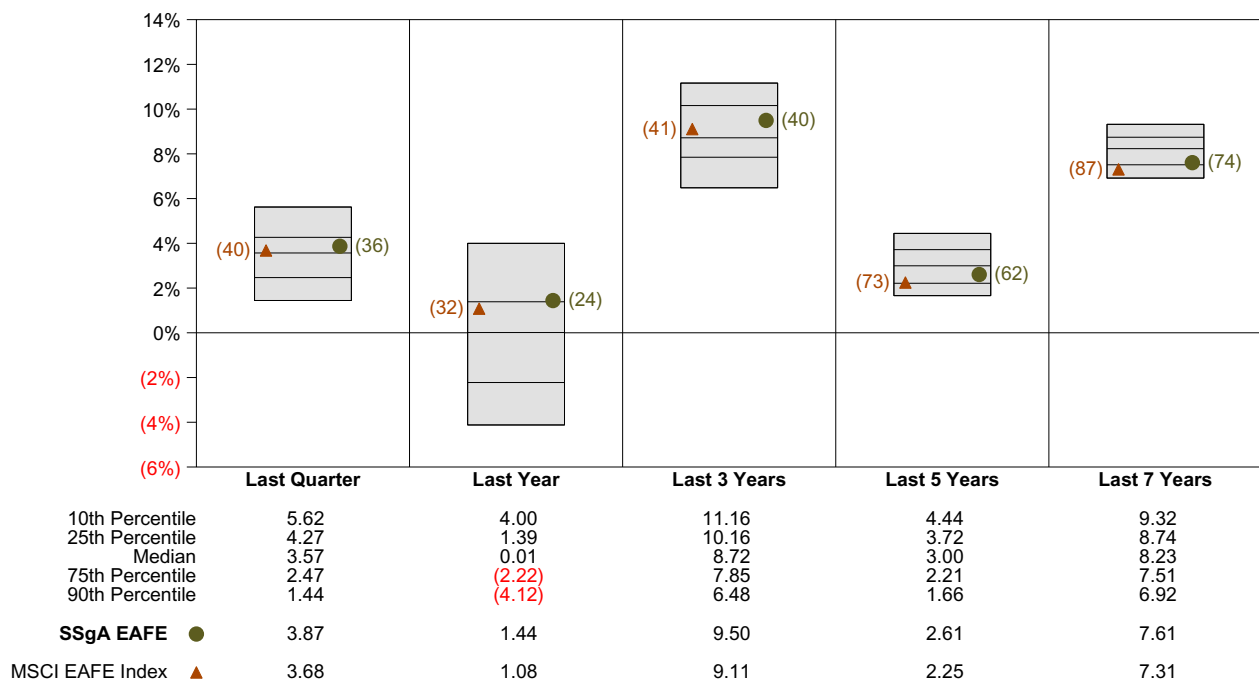
Quarterly Summary and Highlights

- SSgA EAFE's portfolio posted a 3.87% return for the quarter placing it in the 36 percentile of the Callan Non-US Developed Core Equity group for the quarter and in the 24 percentile for the last year.
- SSgA EAFE's portfolio outperformed the MSCI EAFE Index by 0.19% for the quarter and outperformed the MSCI EAFE Index for the year by 0.36%.

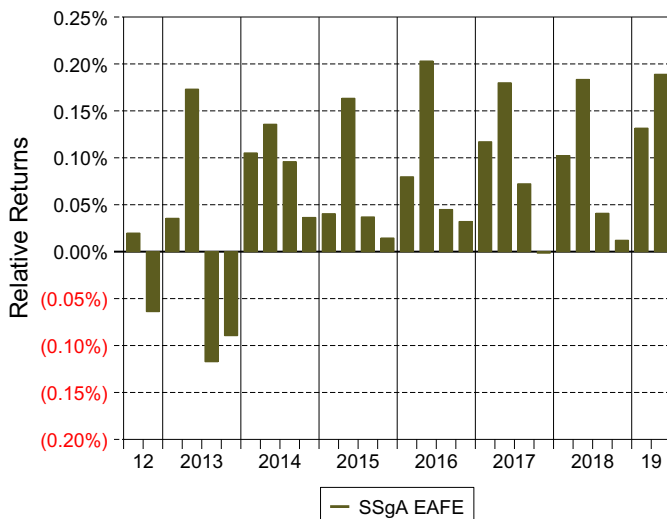
Quarterly Asset Growth

Beginning Market Value	\$10,978,142
Net New Investment	\$0
Investment Gains/(Losses)	\$424,771
Ending Market Value	\$11,402,913

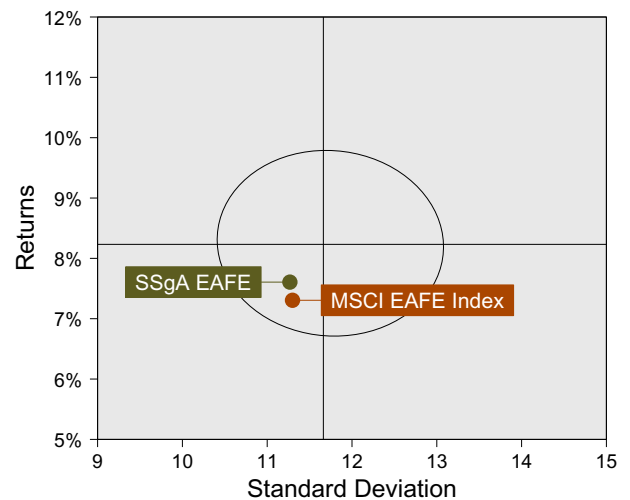
Performance vs Callan Non-US Developed Core Equity (Gross)



Relative Return vs MSCI EAFE Index



Callan Non-US Developed Core Equity (Gross) Annualized Seven Year Risk vs Return

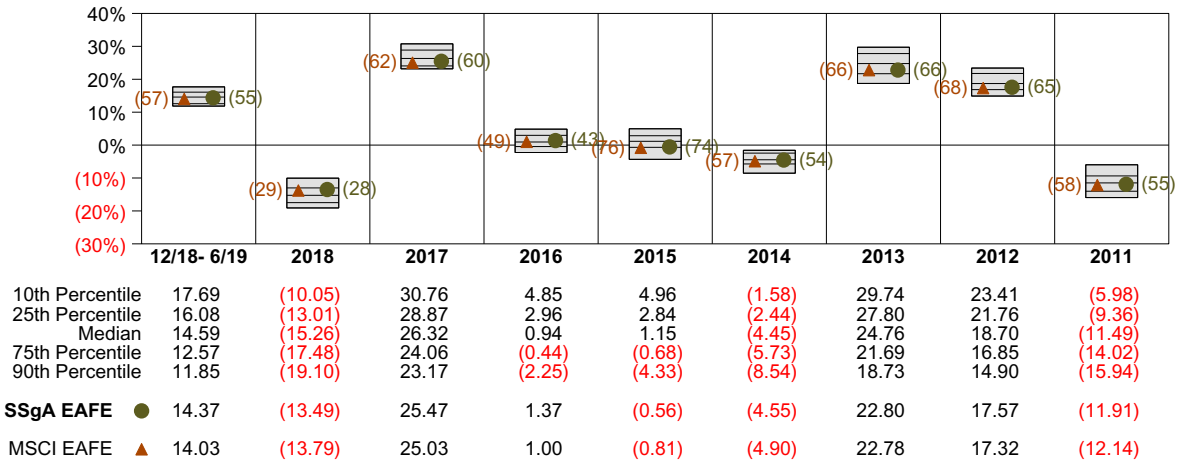


SSgA EAFE Return Analysis Summary

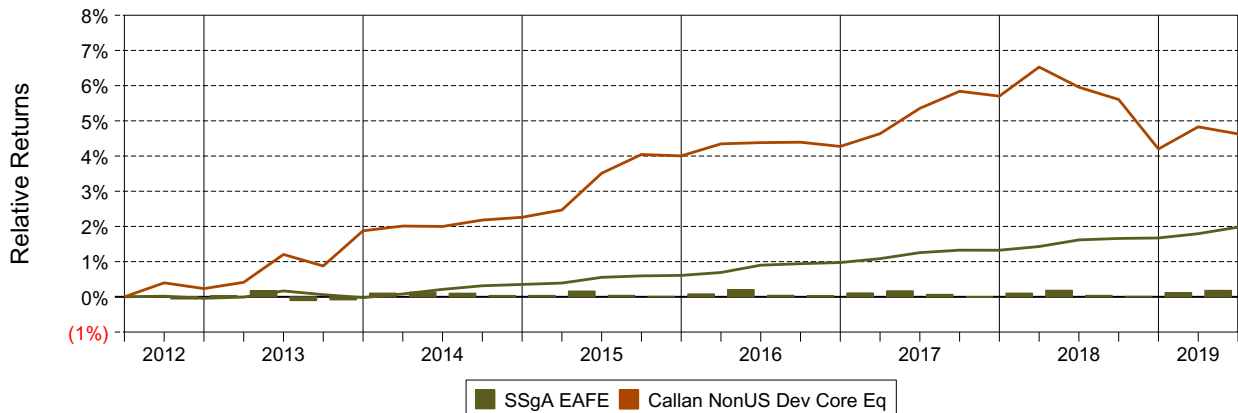
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

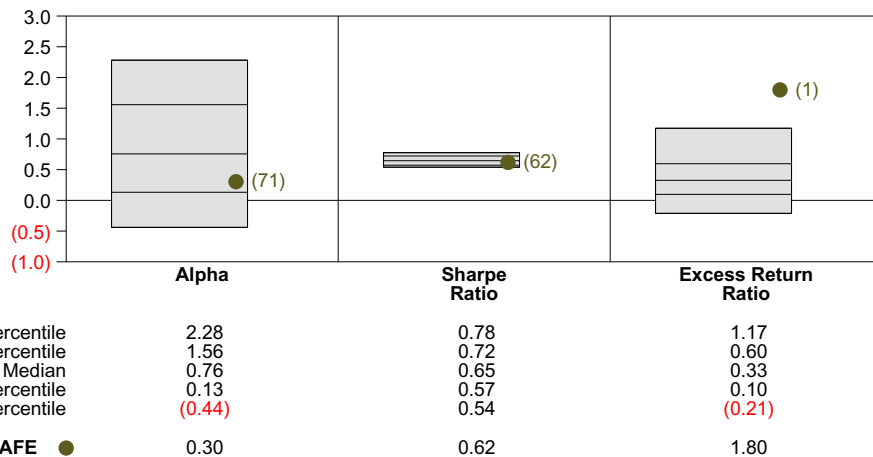
Performance vs Callan Non-US Developed Core Equity (Gross)



Cumulative and Quarterly Relative Return vs MSCI EAFE



Risk Adjusted Return Measures vs MSCI EAFE Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended June 30, 2019

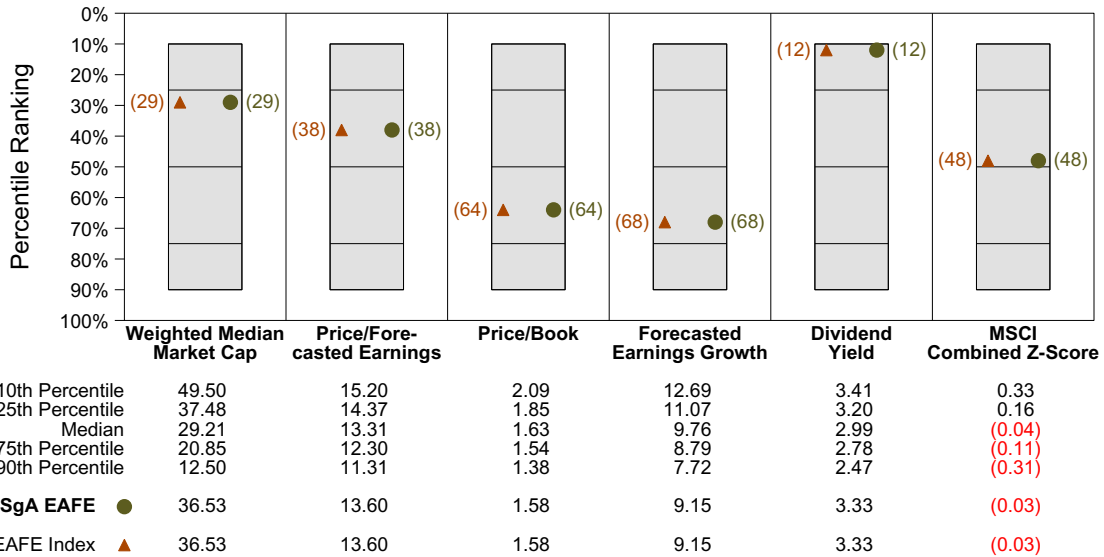


SSgA EAFE Equity Characteristics Analysis Summary

Portfolio Characteristics

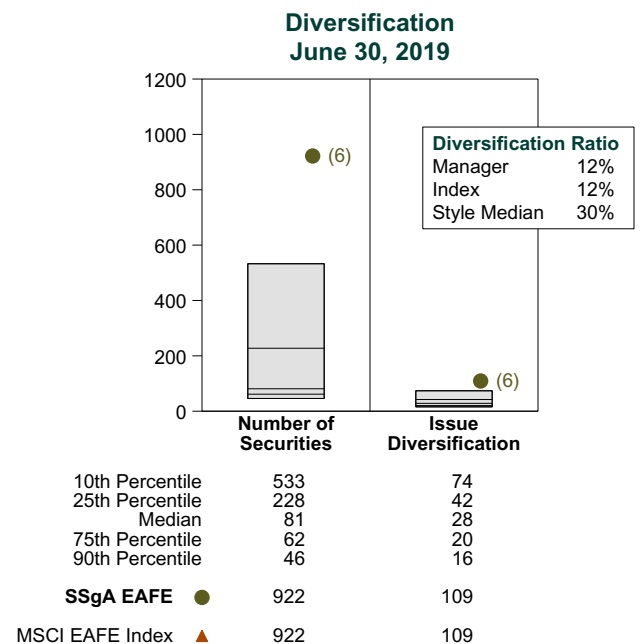
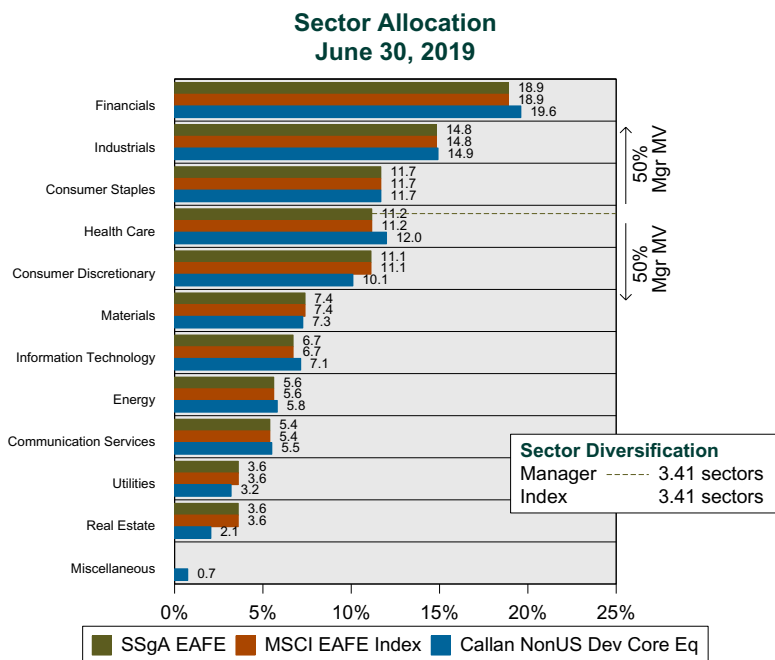
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan Non-US Developed Core Equity as of June 30, 2019



Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



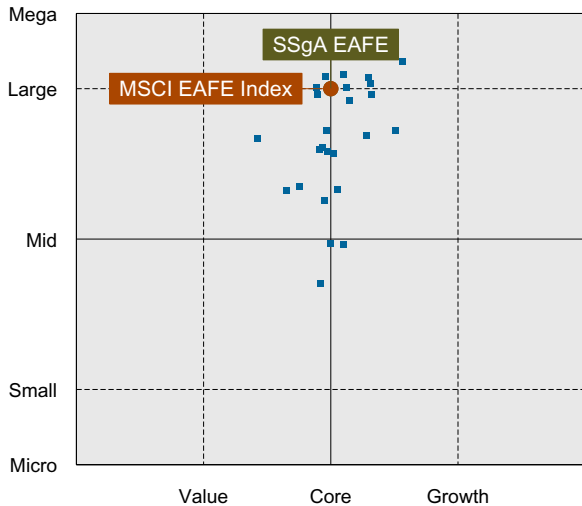
Current Holdings Based Style Analysis

SSgA EAFE

As of June 30, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

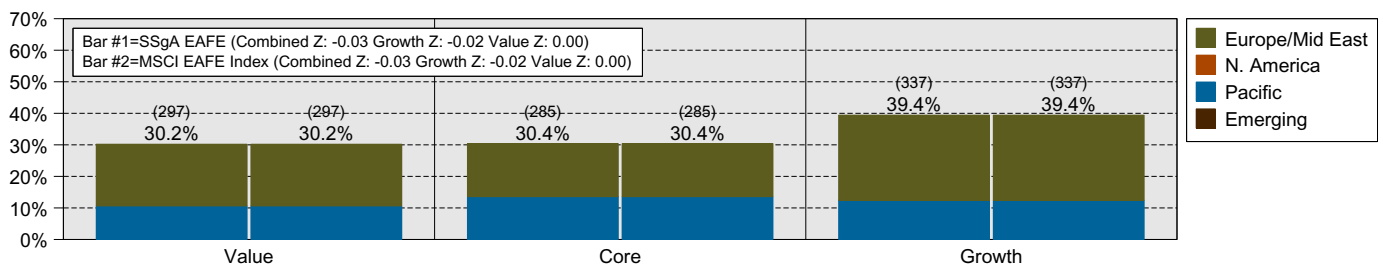
Style Map vs Callan NonUS Dev Core Eq Holdings as of June 30, 2019



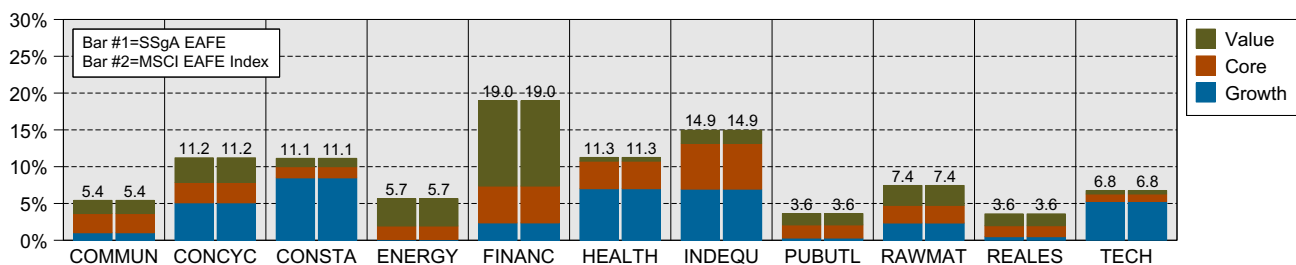
Style Exposure Matrix Holdings as of June 30, 2019

	Value	Core	Growth	Total
Europe/ Mid East	19.6% (144)	16.8% (128)	27.0% (178)	63.4% (450)
N. America	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	10.6% (153)	13.6% (157)	12.4% (159)	36.6% (469)
Emerging	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	30.2% (297)	30.4% (285)	39.4% (337)	100.0% (919)

Combined Z-Score Style Distribution Holdings as of June 30, 2019



Sector Weights Distribution Holdings as of June 30, 2019

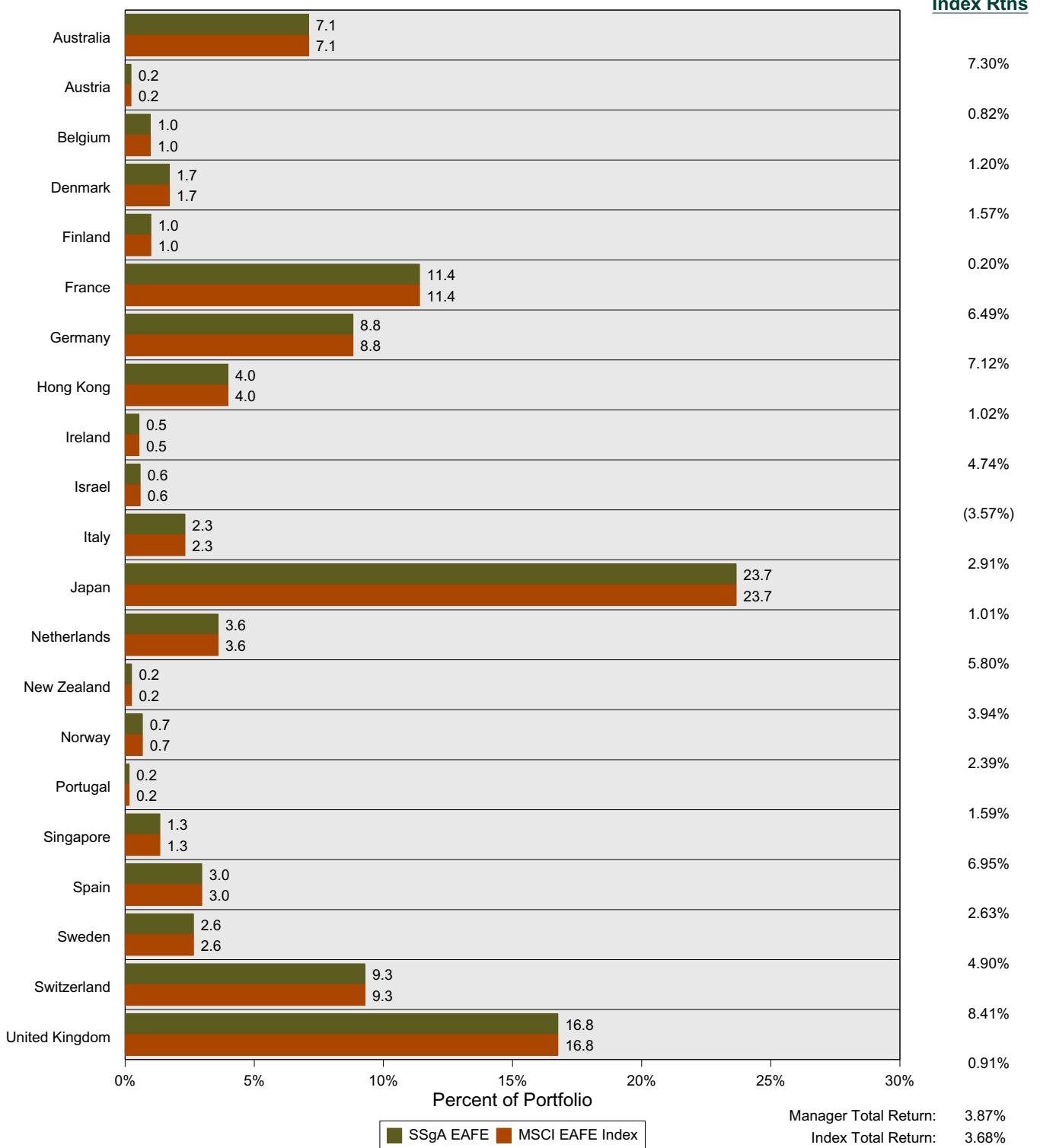


Country Allocation SSgA EAFE VS MSCI EAFE Index

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of June 30, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of June 30, 2019



SSgA EAFE Top 10 Portfolio Holdings Characteristics as of June 30, 2019

10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Nestle S A Shs Nom New	Consumer Staples	\$258,873	2.3%	11.60%	308.46	22.25	2.42%	8.63%
Novartis	Health Care	\$161,730	1.4%	7.61%	231.22	17.32	3.20%	6.44%
Roche Hldgs Ag Basel Div Rts Ctf	Health Care	\$161,371	1.4%	2.25%	197.90	14.36	3.02%	4.15%
Hsbc Holdings (Gb)	Financials	\$136,689	1.2%	4.15%	169.19	11.45	5.96%	2.82%
Royal Dutch Shell A Shs	Energy	\$118,187	1.0%	5.57%	141.60	11.16	5.75%	11.04%
Toyota Motor Corp	Consumer Discretionary	\$115,611	1.0%	7.82%	202.55	8.16	3.29%	12.95%
Bp Plc Shs	Energy	\$115,339	1.0%	(2.59)%	142.34	11.81	5.79%	27.22%
Sap Se Shs	Information Technology	\$110,205	1.0%	20.27%	168.53	23.77	1.25%	12.71%
Total Sa Act	Energy	\$108,789	1.0%	2.26%	149.64	9.76	5.15%	14.02%
Aia Group Ltd Com Par Usd 1	Financials	\$106,196	0.9%	9.69%	130.36	19.09	1.30%	24.74%

10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Persol Hldgs Co Ltd Shs	Industrials	\$3,401	0.0%	45.48%	5.56	20.08	0.99%	7.74%
Springer (Axel)	Communication Services	\$2,793	0.0%	43.30%	7.62	23.64	3.39%	6.45%
Taiyo Nippon Sanso Corp	Materials	\$2,250	0.0%	39.49%	9.20	16.99	1.09%	12.66%
Infogenie Europe Nm	Information Technology	\$16,138	0.1%	34.44%	20.74	29.62	0.14%	35.40%
Merlin Entertainments Plc 144a	Consumer Discretionary	\$3,334	0.0%	29.83%	5.85	21.26	1.78%	5.50%
Fast Retailing Co Ltd Ord	Consumer Discretionary	\$28,757	0.3%	28.58%	64.12	35.22	0.74%	15.65%
Adidas Ag Namen -Akt	Consumer Discretionary	\$45,473	0.4%	28.14%	61.78	26.00	1.24%	15.59%
Sony Financial Holdings Inc Shs	Financials	\$2,982	0.0%	27.83%	10.45	18.31	2.41%	6.60%
Nintendo Ltd Ord	Communication Services	\$33,872	0.3%	27.11%	48.26	19.26	2.05%	39.67%
Rea Group Ltd Shs	Communication Services	\$2,895	0.0%	27.01%	8.88	34.92	1.22%	13.90%

10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Teva Pharmaceutical Inds Ltd ADR	Health Care	\$8,200	0.1%	(41.14)%	10.40	(3.07)	0.00%	(7.60)%
Imperial Brands Plc Shs	Consumer Staples	\$18,336	0.2%	(30.23)%	22.49	6.56	10.32%	3.69%
Ryohin Keikaku Co Ltd Shs	Consumer Discretionary	\$3,515	0.0%	(28.69)%	5.07	15.87	1.99%	6.43%
Umicore Group Shs	Materials	\$5,162	0.0%	(27.16)%	7.91	19.17	1.86%	11.27%
Pandora A/S	Consumer Discretionary	\$3,037	0.0%	(24.01)%	3.56	5.88	7.71%	18.39%
Dainippon Sumitomo Pharma Co Ord	Health Care	\$2,461	0.0%	(23.08)%	7.55	16.14	1.37%	3.56%
Deutsche Wohnen	Real Estate	\$10,698	0.1%	(22.41)%	13.19	21.93	2.68%	9.30%
Kansai Electric Power Co Inc Shs	Utilities	\$6,578	0.1%	(22.33)%	10.76	7.75	4.05%	(15.52)%
Taisei Corp Shs	Industrials	\$5,988	0.1%	(21.68)%	8.16	7.44	3.32%	46.91%
Colruyt Sa Halle Strip Vvpr	Consumer Staples	\$2,719	0.0%	(21.51)%	8.02	18.74	1.67%	2.92%

Pyrford

Period Ended June 30, 2019

Investment Philosophy

Pyrford's investment strategy is based on a value-driven, absolute return approach, with both top-down and bottom-up elements. At the country level they seek to invest in countries that offer an attractive market valuation relative to their long-term prospects. At the stock level they identify companies that offer excellent value relative to in-house forecasts of long-term (5 years) earnings growth. This approach is characterized by low absolute volatility and downside protection. Returns prior to 6/30/2017 are linked to a composite history.

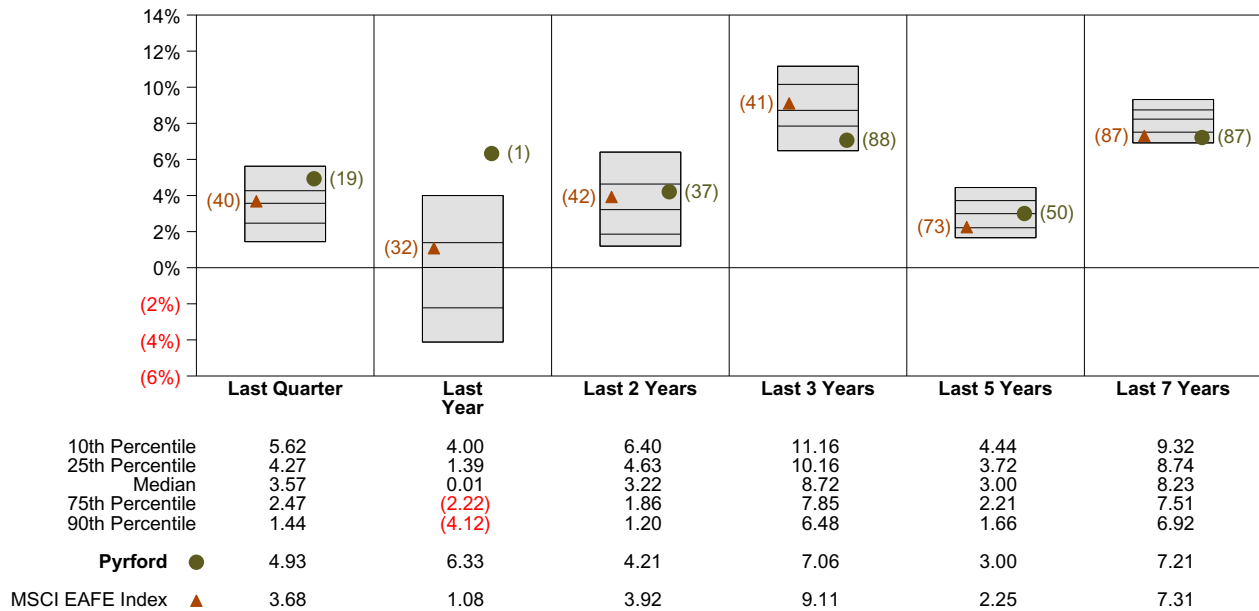
Quarterly Summary and Highlights

- Pyrford's portfolio posted a 4.93% return for the quarter placing it in the 19 percentile of the Callan Non-US Developed Core Equity group for the quarter and in the 1 percentile for the last year.
- Pyrford's portfolio outperformed the MSCI EAFE Index by 1.25% for the quarter and outperformed the MSCI EAFE Index for the year by 5.24%.

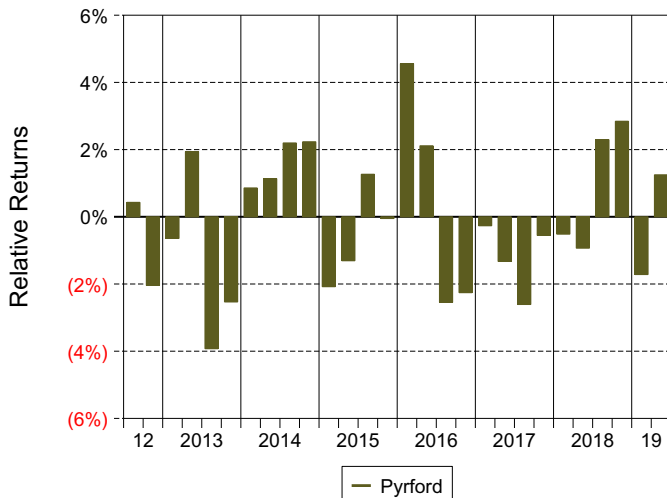
Quarterly Asset Growth

Beginning Market Value	\$26,490,383
Net New Investment	\$0
Investment Gains/(Losses)	\$1,305,660
Ending Market Value	\$27,796,043

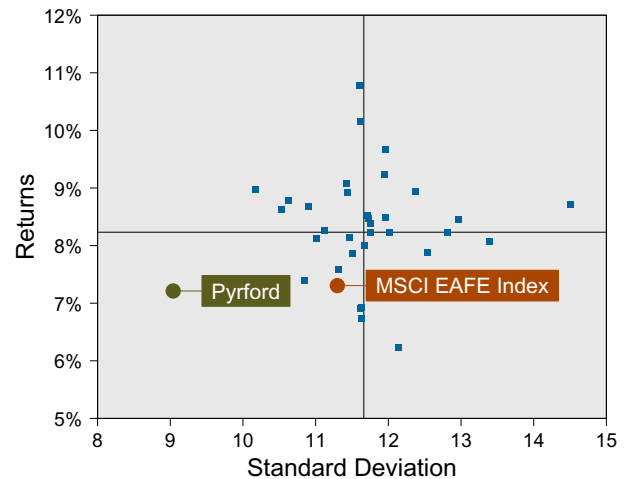
Performance vs Callan Non-US Developed Core Equity (Gross)



Relative Return vs MSCI EAFE Index



Callan Non-US Developed Core Equity (Gross) Annualized Seven Year Risk vs Return

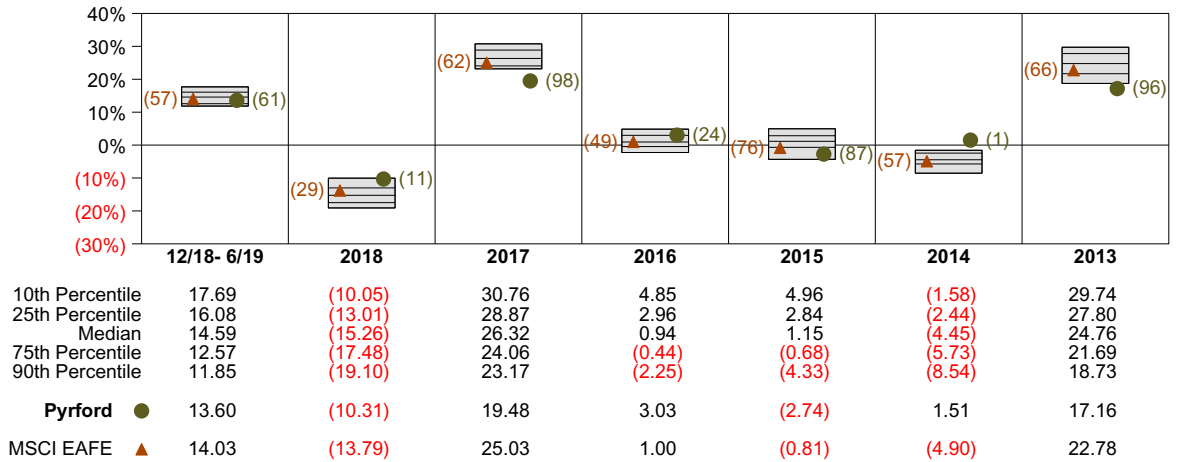


Pyrford Return Analysis Summary

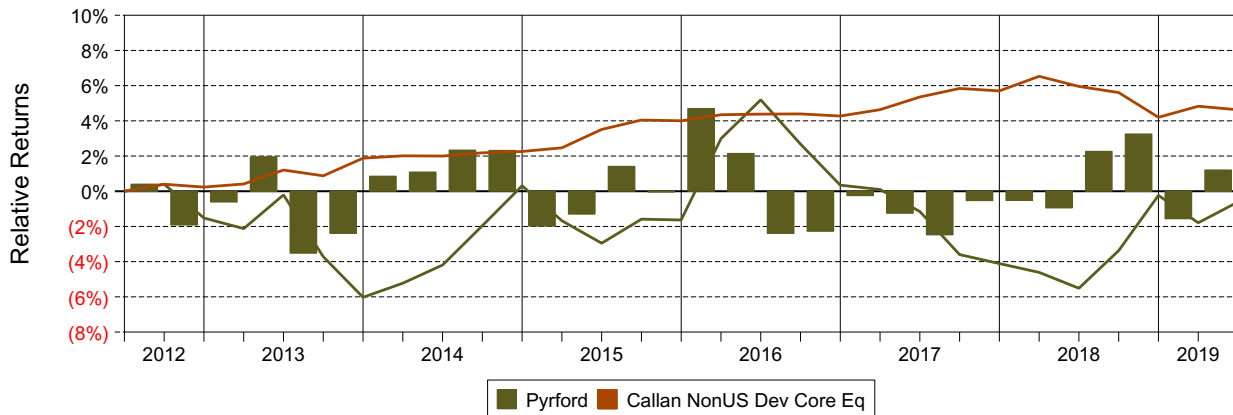
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

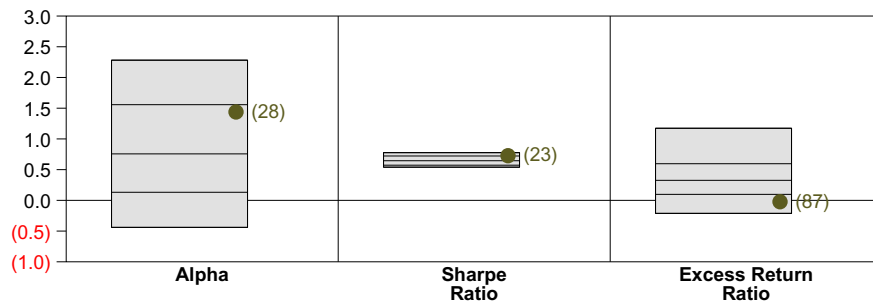
Performance vs Callan Non-US Developed Core Equity (Gross)



Cumulative and Quarterly Relative Return vs MSCI EAFE



Risk Adjusted Return Measures vs MSCI EAFE Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended June 30, 2019



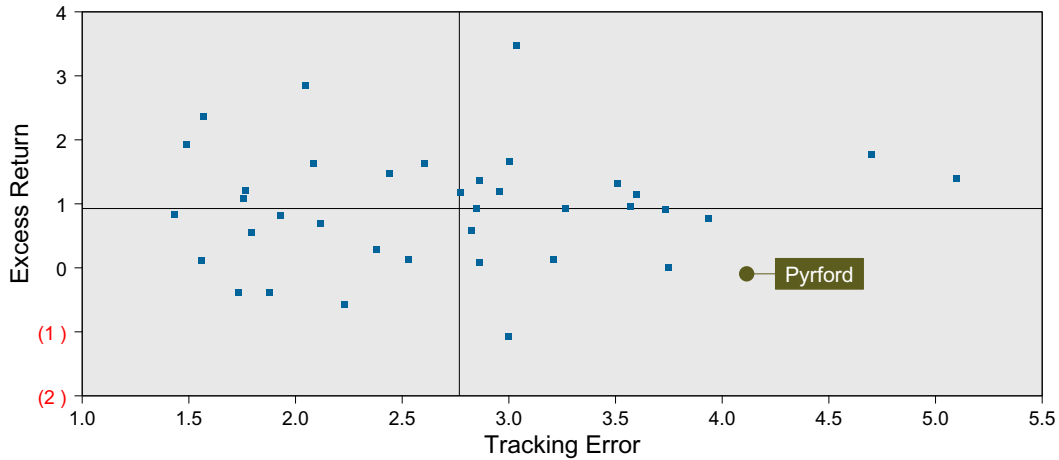
	Alpha	Sharpe Ratio	Excess Return Ratio
10th Percentile	2.28	0.78	1.17
25th Percentile	1.56	0.72	0.60
Median	0.76	0.65	0.33
75th Percentile	0.13	0.57	0.10
90th Percentile	(0.44)	0.54	(0.21)
Pyrford ●	1.44	0.73	(0.02)

Pyrford Risk Analysis Summary

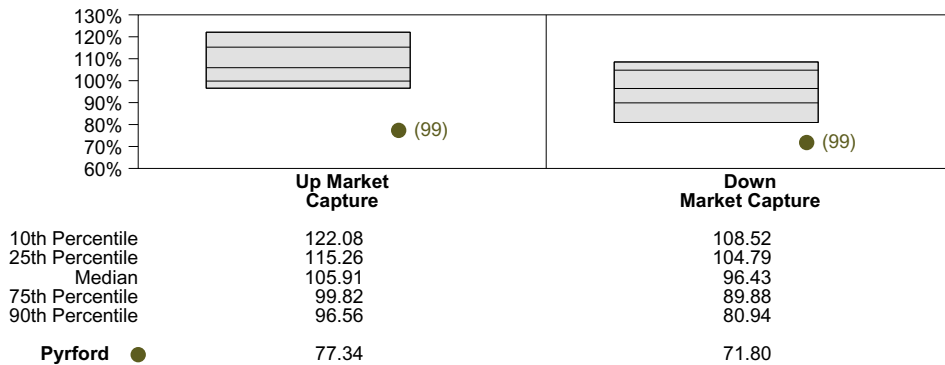
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

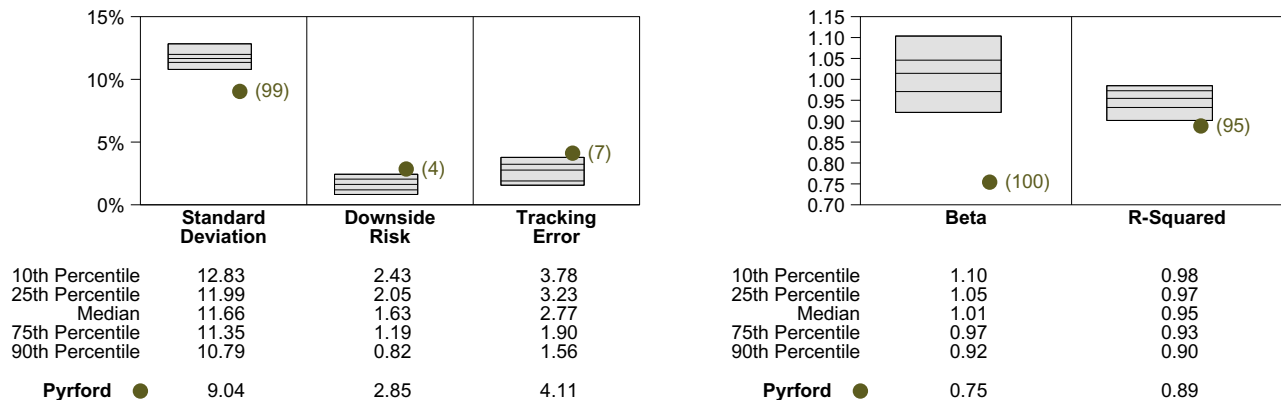
Risk Analysis vs Callan Non-US Developed Core Equity (Gross) Seven Years Ended June 30, 2019



Market Capture vs MSCI EAFE Index (USD Net Div) Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended June 30, 2019



Risk Statistics Rankings vs MSCI EAFE Index (USD Net Div) Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended June 30, 2019

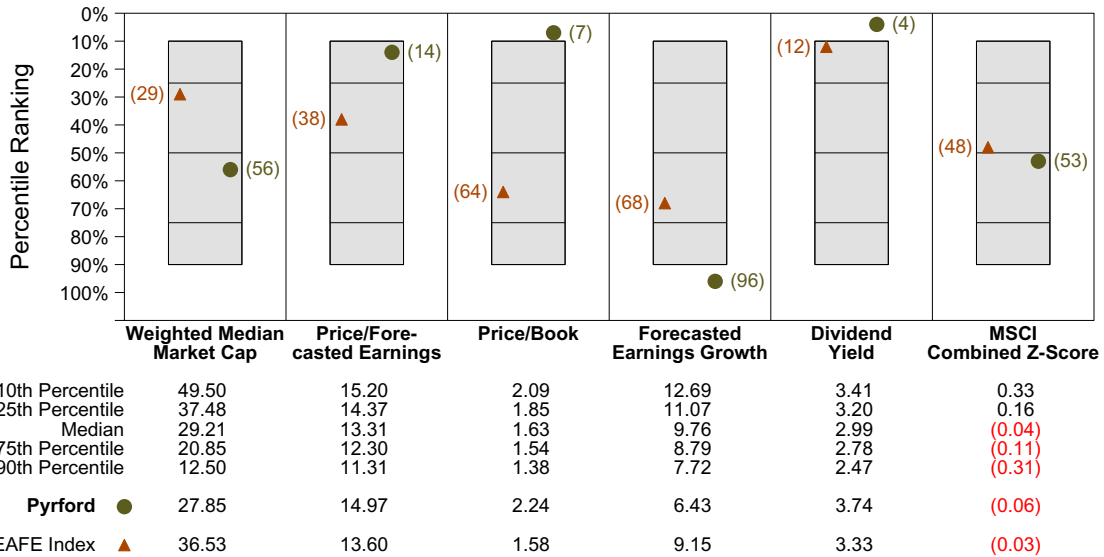


Pyrford Equity Characteristics Analysis Summary

Portfolio Characteristics

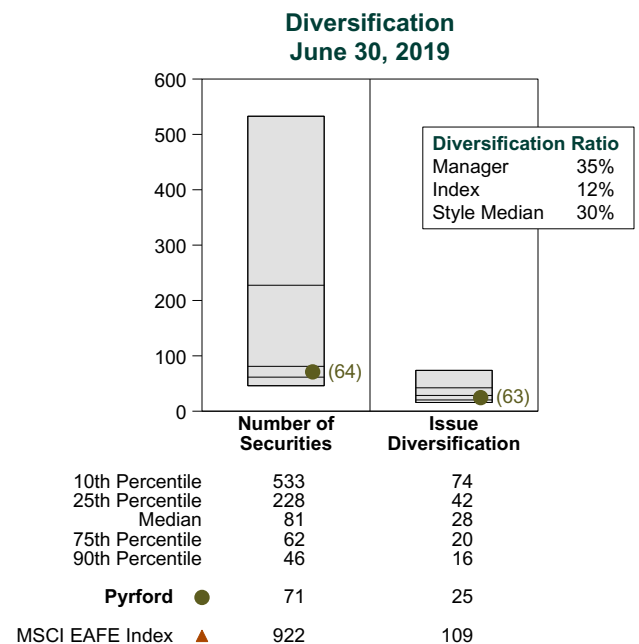
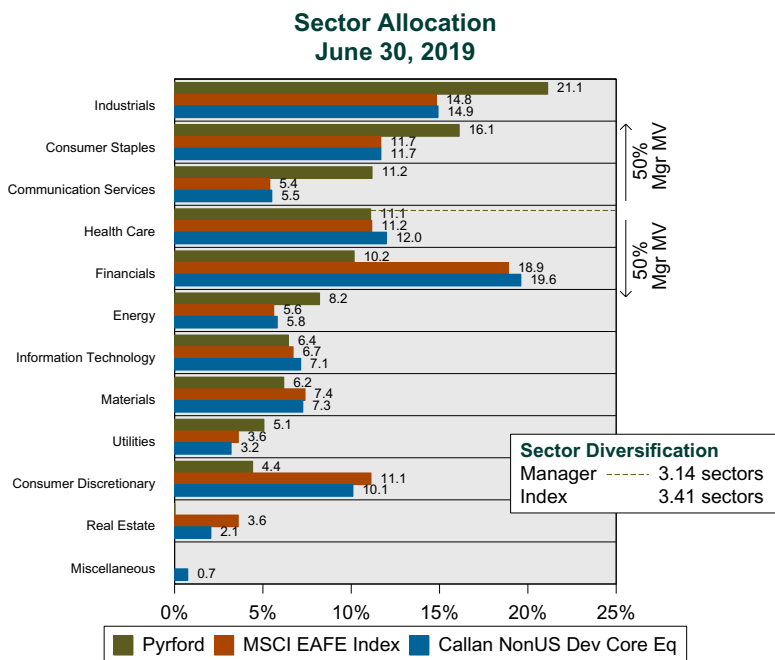
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan Non-US Developed Core Equity as of June 30, 2019



Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



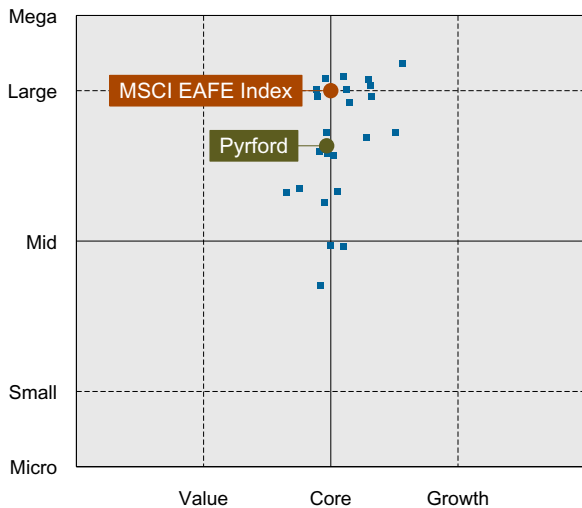
Current Holdings Based Style Analysis

Pyrford

As of June 30, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left chart illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

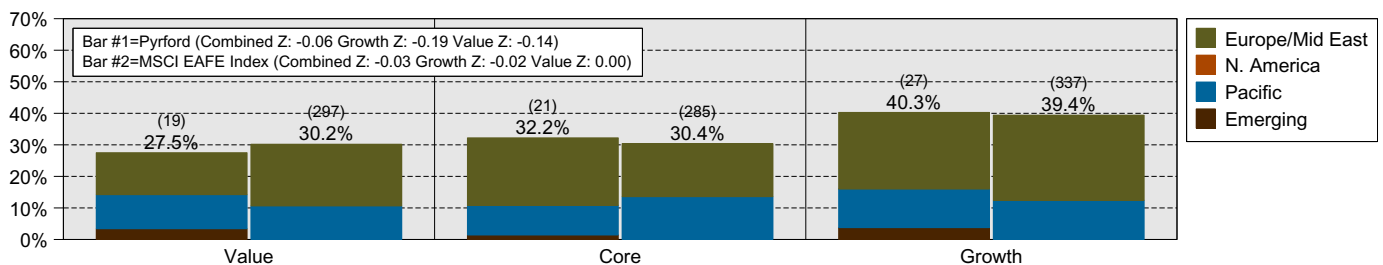
Style Map vs Callan NonUS Dev Core Eq Holdings as of June 30, 2019



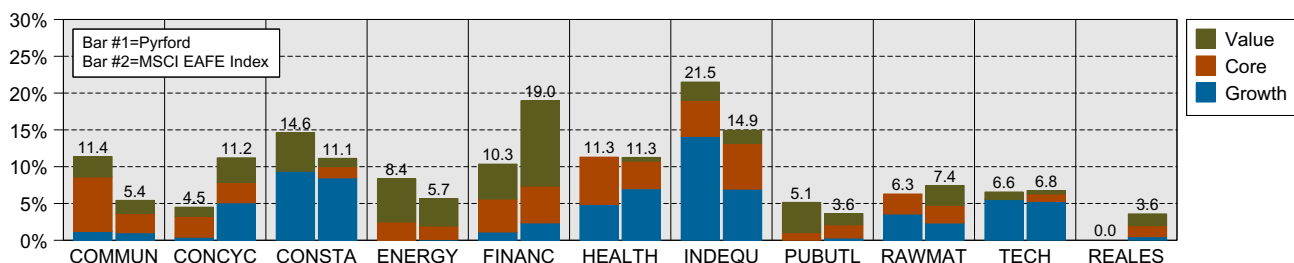
Style Exposure Matrix Holdings as of June 30, 2019

	Value	Core	Growth	Total
Europe/ Mid East	13.3% (10)	21.4% (14)	24.3% (15)	59.0% (39)
N. America	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	10.8% (7)	9.4% (6)	12.2% (8)	32.4% (21)
Emerging	3.4% (2)	1.4% (1)	3.7% (4)	8.6% (7)
Total	27.5% (19)	32.2% (21)	40.3% (27)	100.0% (67)
	30.2% (297)	30.4% (285)	39.4% (337)	100.0% (919)

Combined Z-Score Style Distribution Holdings as of June 30, 2019



Sector Weights Distribution Holdings as of June 30, 2019



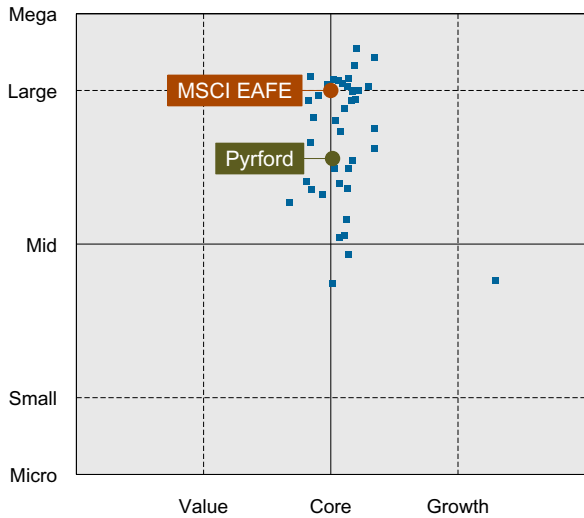
Historical Holdings Based Style Analysis

Pyrford

For Five Years Ended June 30, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

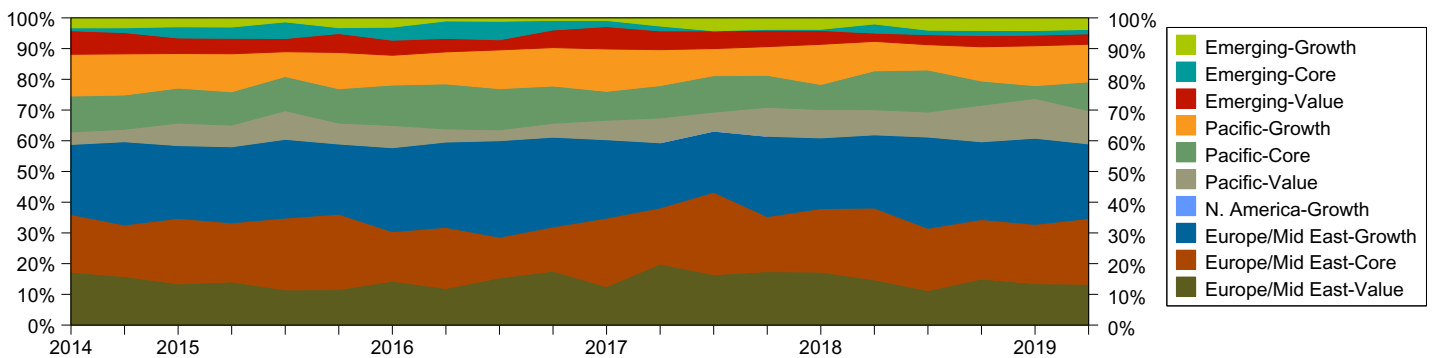
Average Style Map vs Callan NonUS Dev Core Eq Holdings for Five Years Ended June 30, 2019



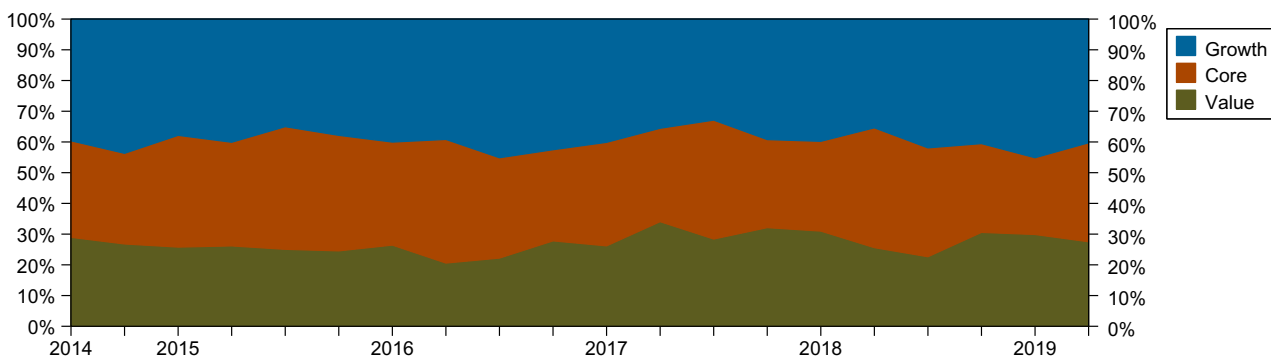
Average Style Exposure Matrix Holdings for Five Years Ended June 30, 2019

	14.7% (11)	19.9% (12)	25.5% (18)	60.0% (41)
Europe/ Mid East	19.7% (127)	18.8% (133)	25.4% (193)	63.9% (453)
N. America	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	7.5% (6)	10.9% (8)	11.3% (8)	29.7% (22)
Emerging	4.9% (4)	2.5% (2)	2.8% (3)	10.2% (9)
Total	27.1% (21)	33.3% (22)	39.6% (29)	100.0% (72)
	31.8% (269)	30.0% (282)	38.2% (369)	100.0% (920)
	Value	Core	Growth	Total

Pyrford Historical Region/Style Exposures



Pyrford Historical Style Only Exposures

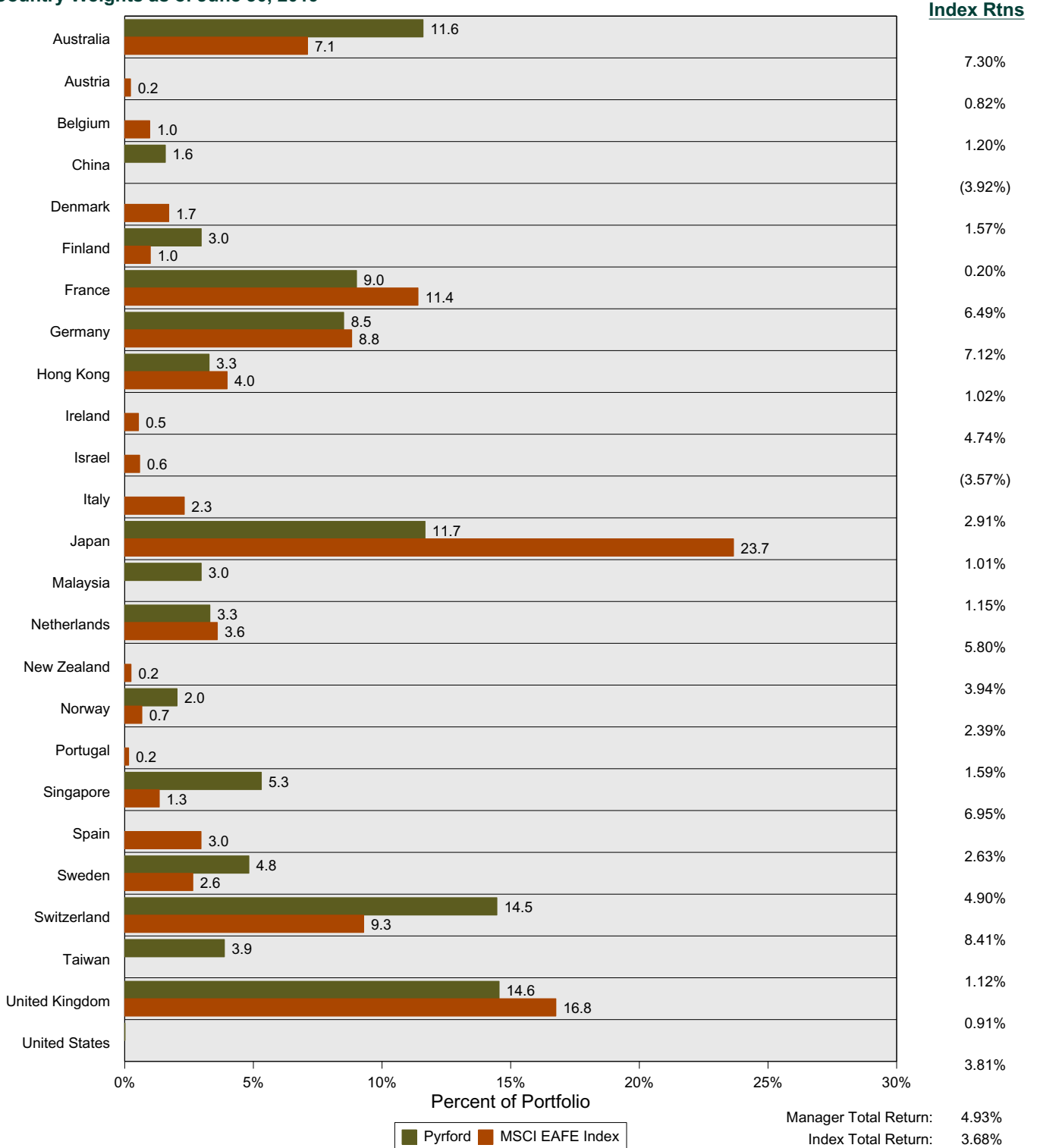


Country Allocation Pyrford VS MSCI EAFE Index

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of June 30, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of June 30, 2019



Pyrford Top 10 Portfolio Holdings Characteristics as of June 30, 2019

10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Nestle S A Shs Nom New	Consumer Staples	\$1,031,915	3.7%	11.60%	308.46	22.25	2.42%	8.63%
Roche Hldgs Ag Basel Div Rts Ctf	Health Care	\$937,422	3.4%	2.25%	197.90	14.36	3.02%	4.15%
Novartis	Health Care	\$820,008	3.0%	7.61%	231.22	17.32	3.20%	6.44%
Japan Tobacco Inc Ord	Consumer Staples	\$787,321	2.8%	(8.26)%	44.17	11.03	6.30%	(3.90)%
Brambles Ltd Npv	Industrials	\$651,148	2.3%	8.84%	14.41	21.78	2.25%	6.17%
Kddi	Communication Services	\$625,747	2.3%	18.35%	59.98	10.46	3.83%	4.50%
Woolworths Ltd	Consumer Staples	\$602,919	2.2%	7.98%	29.35	23.63	2.86%	7.38%
Telenor Asa Shs	Communication Services	\$565,832	2.0%	8.58%	31.25	17.42	4.64%	6.28%
Essity Ab	Consumer Staples	\$545,055	2.0%	8.71%	19.64	18.86	2.01%	8.59%
Woodside Petroleum	Energy	\$544,160	2.0%	5.22%	23.89	14.28	5.50%	10.66%

10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Newcrest Mng Ltd Ord	Materials	\$259,865	0.9%	24.15%	17.23	23.04	1.14%	13.76%
Sap Se Shs	Information Technology	\$446,086	1.6%	20.27%	168.53	23.77	1.25%	12.71%
Atlas Copco Ab Shs A	Industrials	\$405,429	1.5%	20.12%	26.85	21.72	2.29%	4.48%
Axiata Group Bhd Shs	Communication Services	\$336,792	1.2%	19.87%	11.00	35.44	1.91%	16.50%
Kddi	Communication Services	\$625,747	2.3%	18.35%	59.98	10.46	3.83%	4.50%
Geberit Ag Jona Namen-Akt	Industrials	\$141,032	0.5%	17.47%	17.32	25.32	2.37%	4.00%
Kone Oyj Shs B	Industrials	\$418,368	1.5%	17.08%	26.79	26.71	3.18%	7.95%
Singapore Telecom	Communication Services	\$428,401	1.5%	16.03%	42.24	18.22	5.00%	2.84%
Singapore Tech Engineering L Shs	Industrials	\$216,117	0.8%	13.76%	9.55	20.26	3.62%	14.44%
Givaudan Ag Duebendorf Ord	Materials	\$208,490	0.8%	13.32%	26.10	30.08	2.18%	12.20%

10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Imperial Brands Plc Shs	Consumer Staples	\$235,124	0.8%	(30.23)%	22.49	6.56	10.32%	3.69%
British American Tobacco	Consumer Staples	\$414,164	1.5%	(14.39)%	80.25	8.46	7.17%	6.34%
Vtech Holdings Ltd Shs New	Information Technology	\$280,840	1.0%	(12.48)%	2.25	12.14	7.52%	(3.56)%
China Mobile Hong Kong Limit Ord	Communication Services	\$439,541	1.6%	(8.90)%	186.47	10.75	4.53%	4.10%
Nihon Kohden Corp Shs	Health Care	\$401,833	1.4%	(8.88)%	2.40	21.02	1.20%	(7.11)%
Japan Tobacco Inc Ord	Consumer Staples	\$787,321	2.8%	(8.26)%	44.17	11.03	6.30%	(3.90)%
Sse Plc Shs	Utilities	\$273,692	1.0%	(7.68)%	14.72	11.74	8.69%	(2.50)%
Vodafone Group Plc New Shs New	Communication Services	\$320,867	1.2%	(7.04)%	43.98	16.67	6.05%	(2.86)%
Toyota Tsusho Corp Shs	Industrials	\$181,758	0.7%	(6.96)%	10.73	7.45	3.06%	35.97%
Computershare Limited Cpu Shs	Information Technology	\$489,754	1.8%	(5.67)%	6.18	15.46	2.59%	9.98%

AQR

Period Ended June 30, 2019

Investment Philosophy

Returns prior to 9/30/2016 are linked to a composite history.

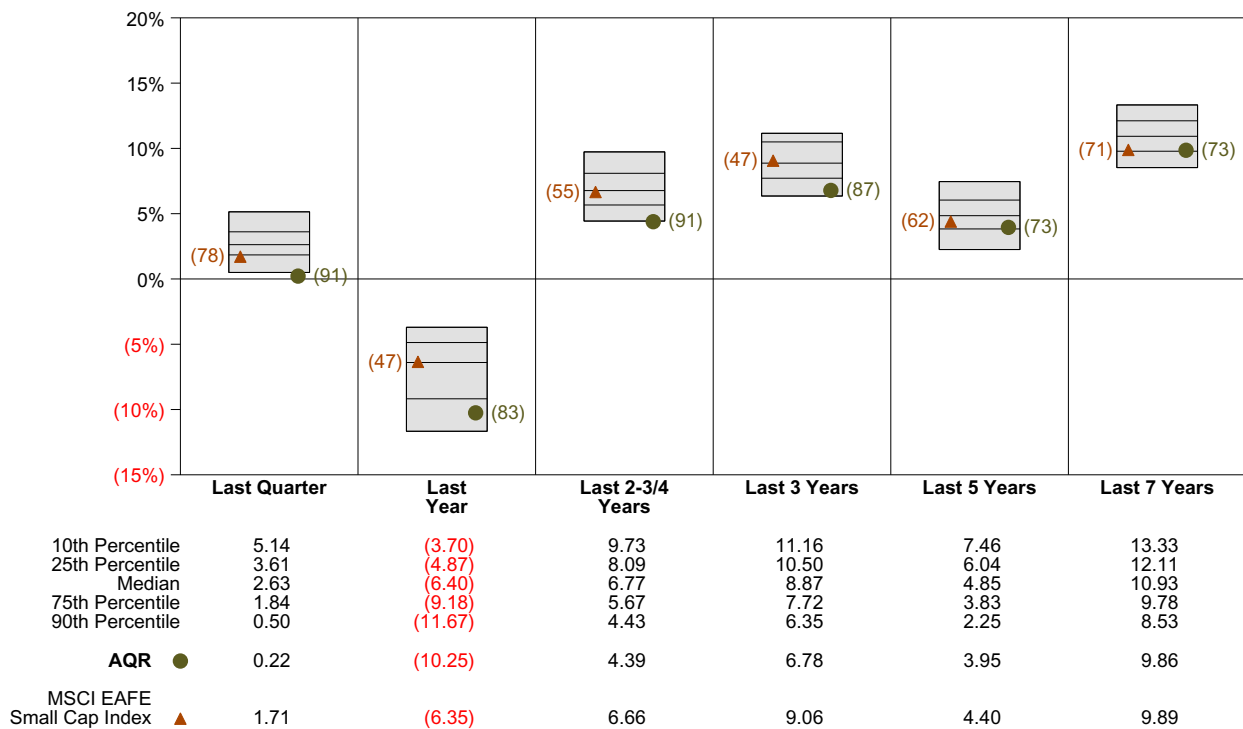
Quarterly Summary and Highlights

- AQR's portfolio posted a 0.22% return for the quarter placing it in the 91 percentile of the Callan International Small Cap group for the quarter and in the 83 percentile for the last year.
- AQR's portfolio underperformed the MSCI EAFE Small Cap Index by 1.49% for the quarter and underperformed the MSCI EAFE Small Cap Index for the year by 3.91%.

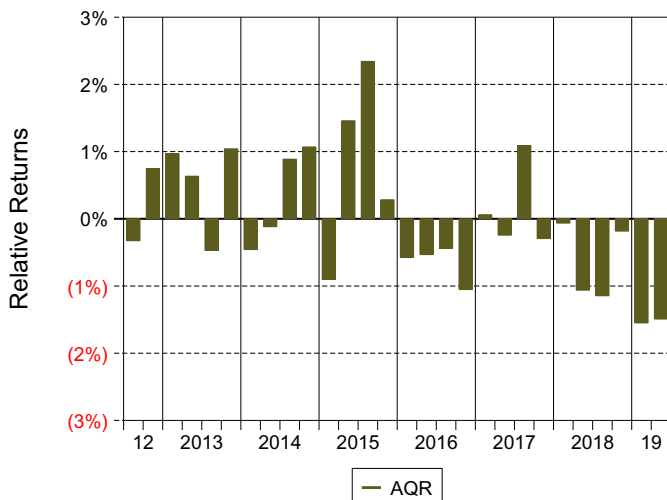
Quarterly Asset Growth

Beginning Market Value	\$12,986,737
Net New Investment	\$0
Investment Gains/(Losses)	\$768
Ending Market Value	\$12,987,505

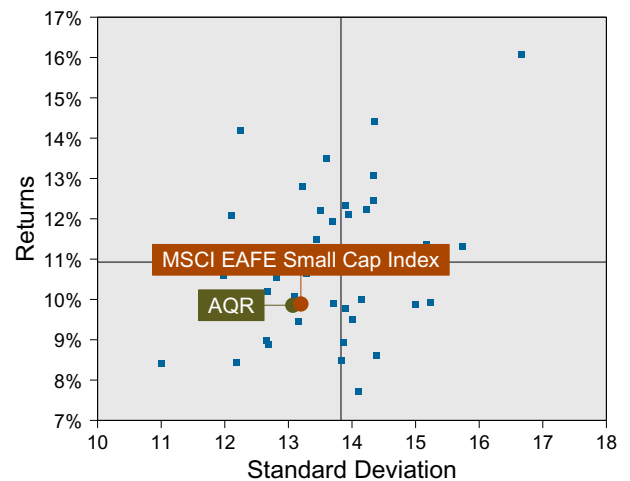
Performance vs Callan International Small Cap (Gross)



Relative Returns vs MSCI EAFE Small Cap Index



Callan International Small Cap (Gross) Annualized Seven Year Risk vs Return

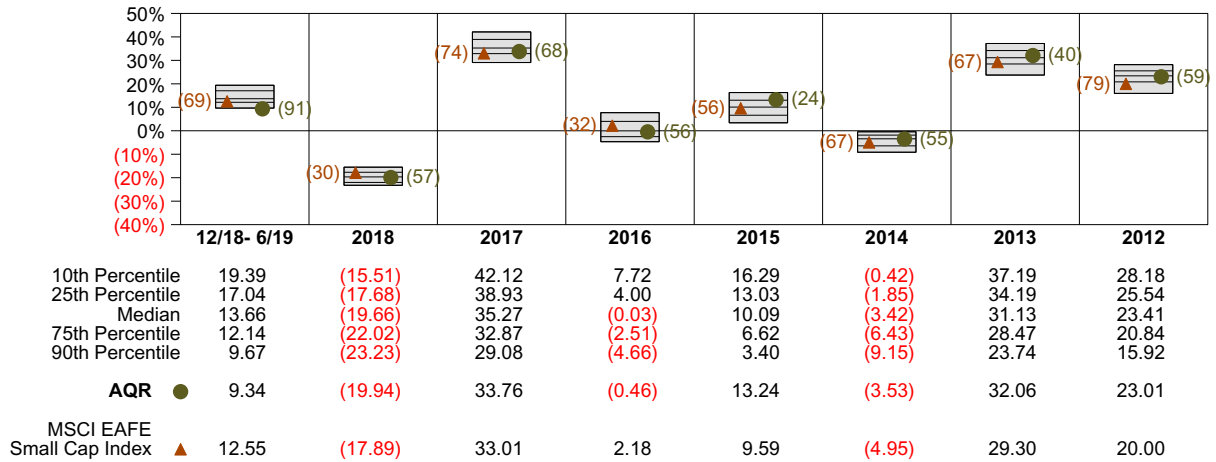


AQR Return Analysis Summary

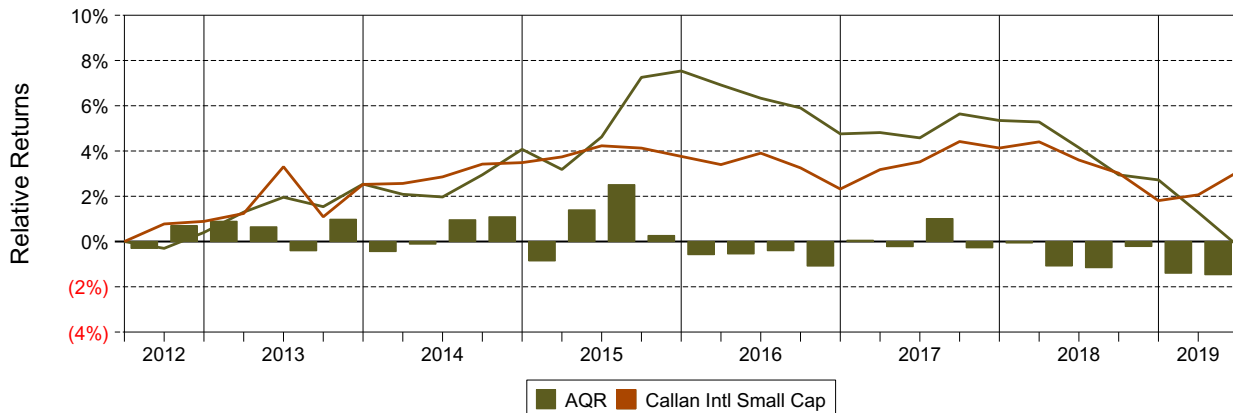
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

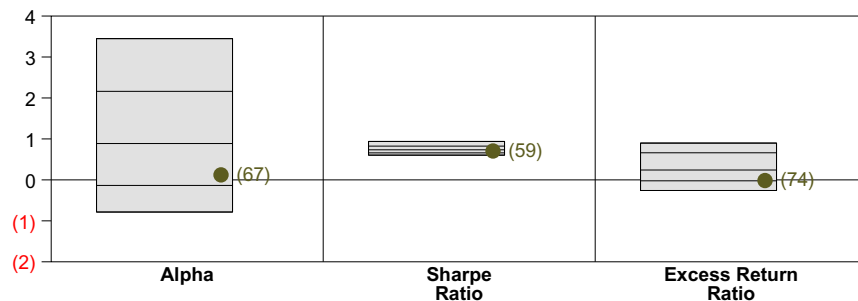
Performance vs Callan International Small Cap (Gross)



Cumulative and Quarterly Relative Return vs MSCI EAFE Small Cap Index



Risk Adjusted Return Measures vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended June 30, 2019



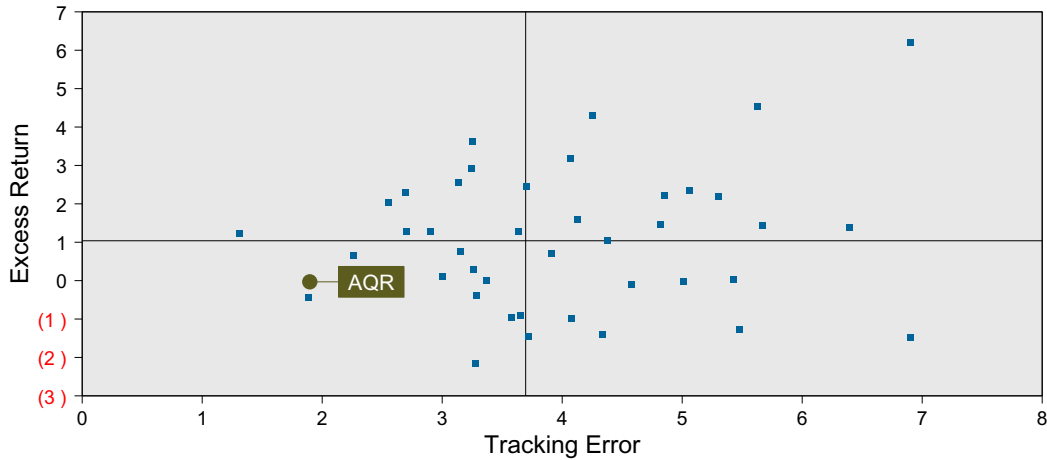
	Alpha	Sharpe Ratio	Excess Return Ratio
10th Percentile	3.45	0.94	0.90
25th Percentile	2.16	0.82	0.66
Median	0.89	0.73	0.24
75th Percentile	(0.14)	0.66	(0.02)
90th Percentile	(0.79)	0.60	(0.26)
AQR ●	0.12	0.70	(0.02)

AQR Risk Analysis Summary

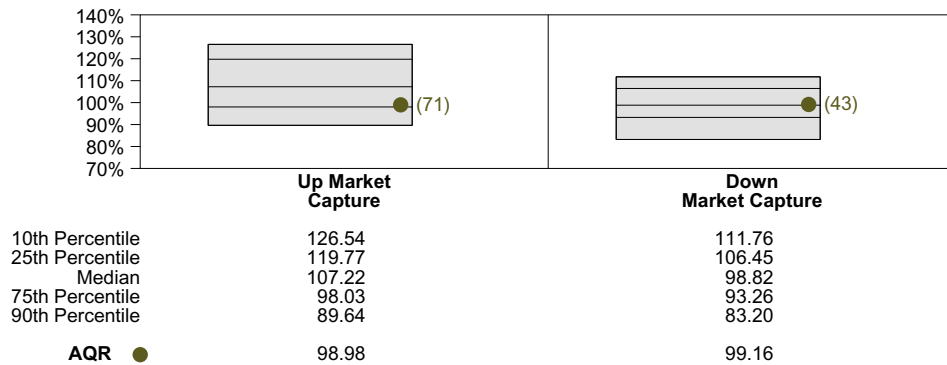
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

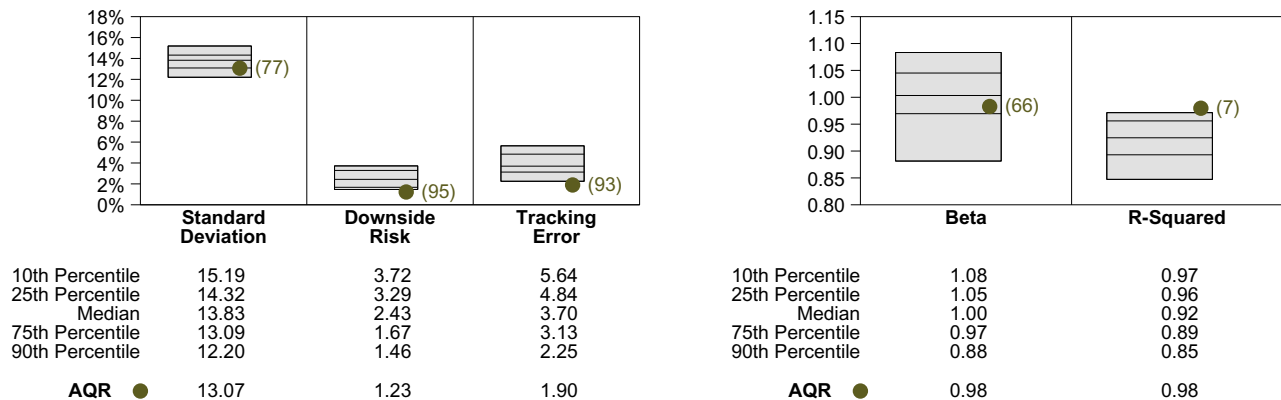
Risk Analysis vs Callan International Small Cap (Gross) Seven Years Ended June 30, 2019



Market Capture vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended June 30, 2019



Risk Statistics Rankings vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended June 30, 2019

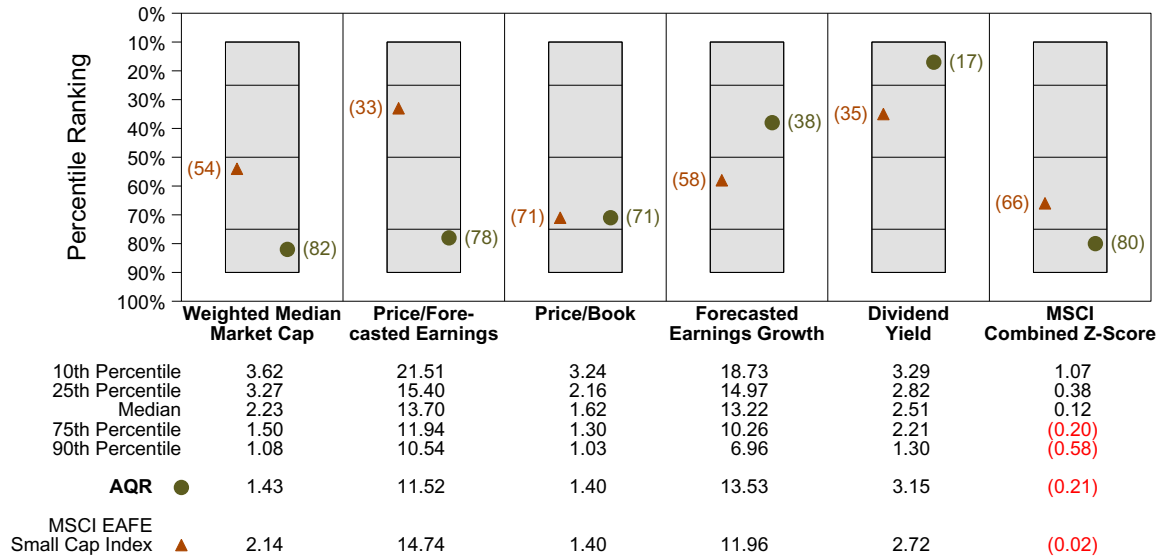


AQR Equity Characteristics Analysis Summary

Portfolio Characteristics

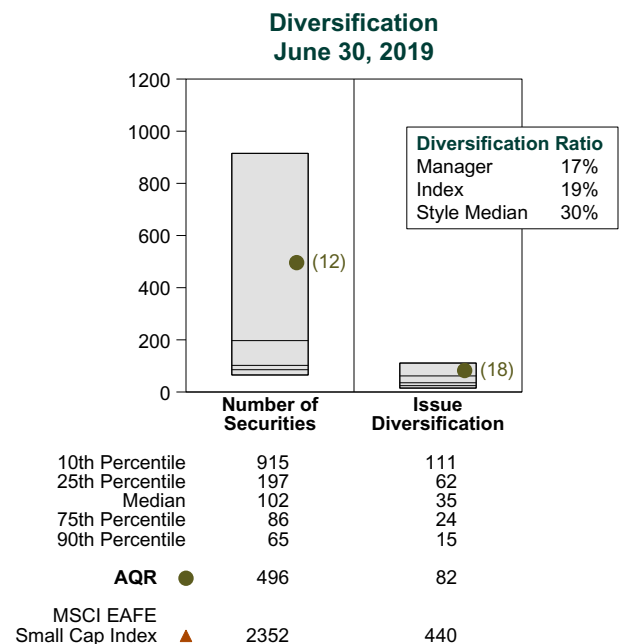
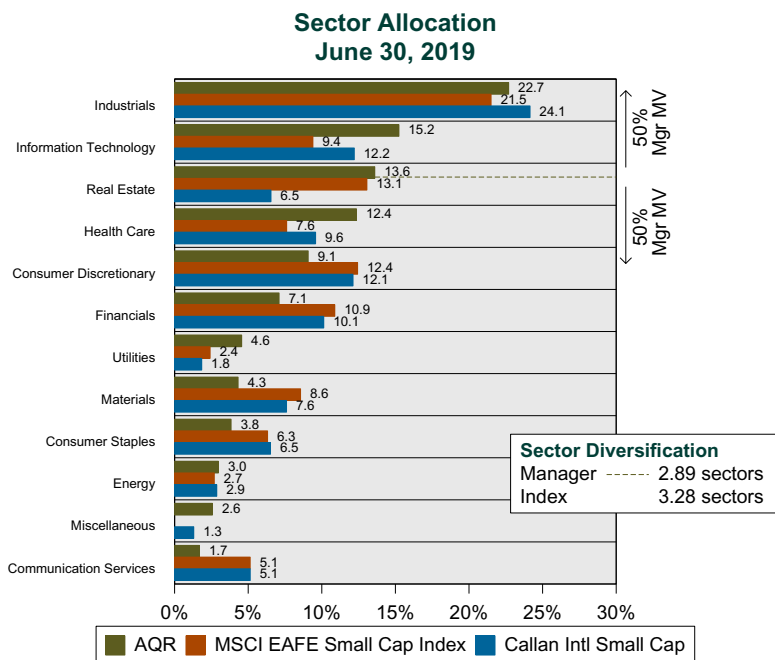
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan International Small Cap as of June 30, 2019



Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



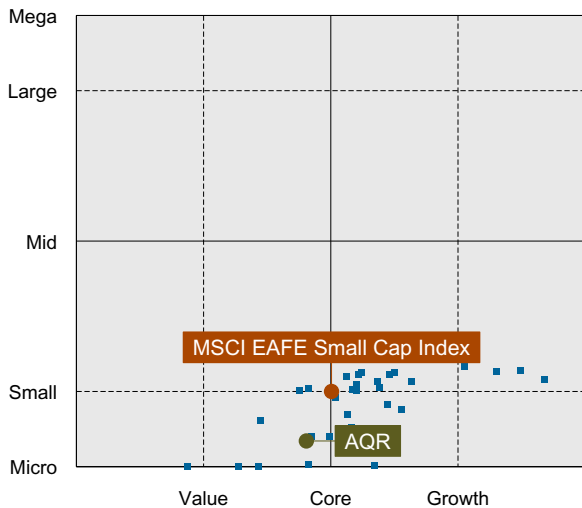
Current Holdings Based Style Analysis

AQR

As of June 30, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

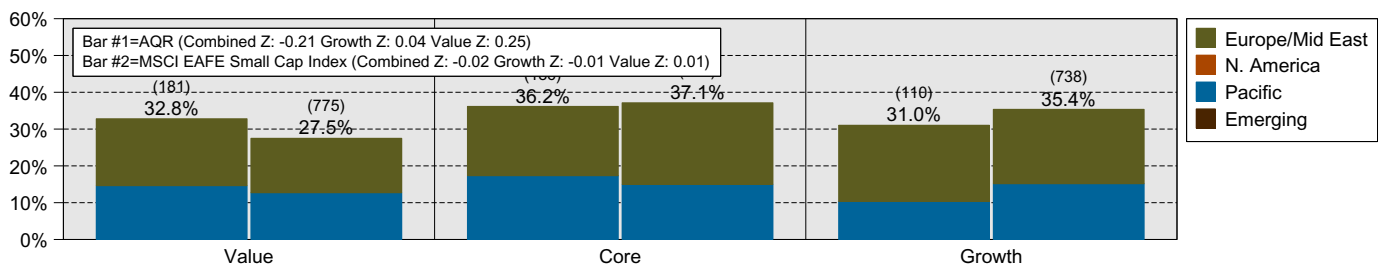
Style Map vs Callan Intl Small Cap Holdings as of June 30, 2019



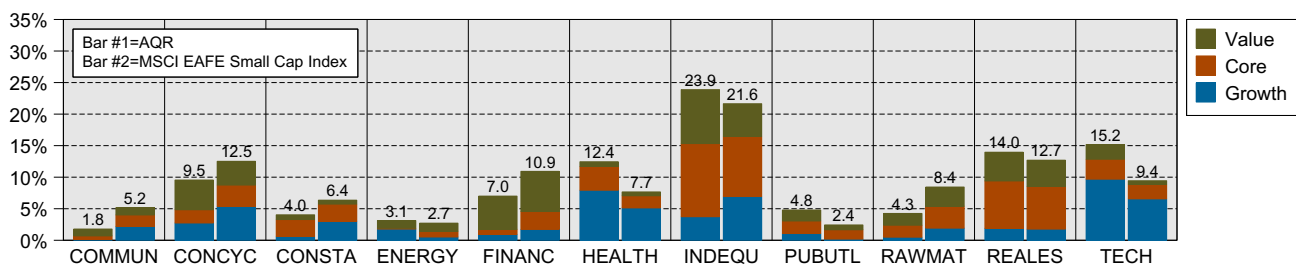
Style Exposure Matrix Holdings as of June 30, 2019

	Value	Core	Growth	Total
Europe/ Mid East	18.2% (75)	18.8% (88)	20.7% (55)	57.7% (218)
N. America	14.8% (330)	22.2% (393)	20.2% (326)	57.1% (1049)
Pacific	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Emerging	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	32.8% (181)	36.2% (186)	31.0% (110)	100.0% (477)
	27.5% (775)	37.1% (824)	35.4% (738)	100.0% (2337)

Combined Z-Score Style Distribution Holdings as of June 30, 2019



Sector Weights Distribution Holdings as of June 30, 2019



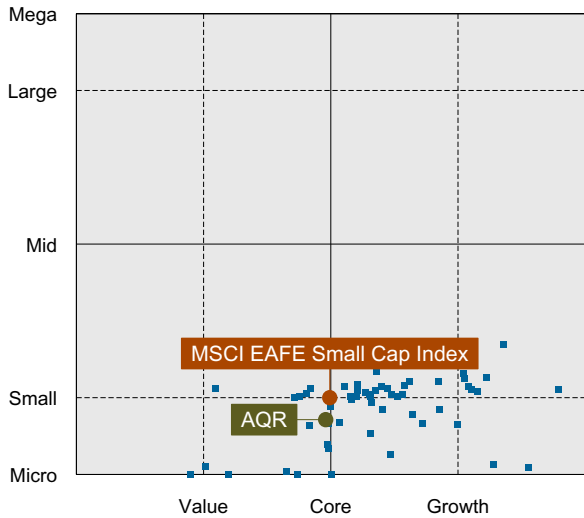
Historical Holdings Based Style Analysis

AQR

For Five Years Ended June 30, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

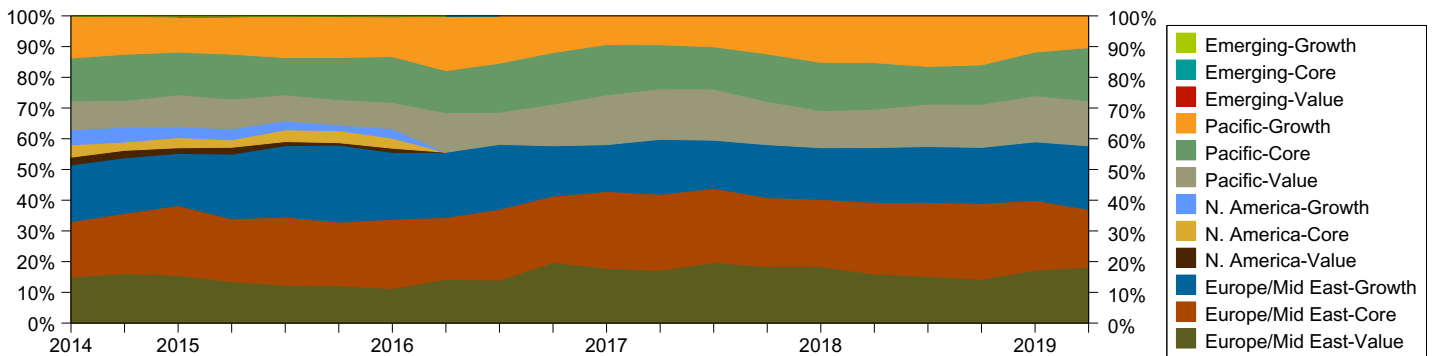
Average Style Map vs Callan Intl Small Cap Holdings for Five Years Ended June 30, 2019



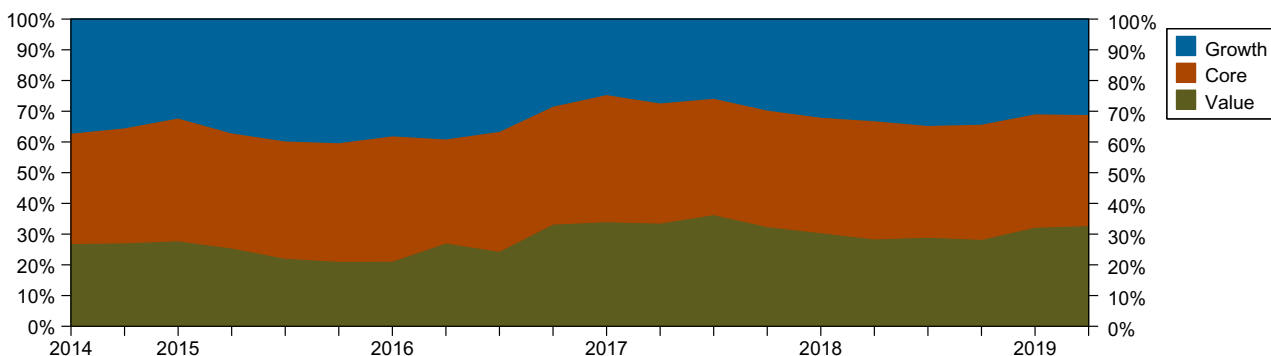
Average Style Exposure Matrix Holdings for Five Years Ended June 30, 2019

	Value	Core	Growth	Total
Europe/ Mid East	15.8% (103)	22.2% (118)	19.0% (85)	57.0% (306)
N. America	0.6% (7)	1.2% (9)	1.2% (7)	3.0% (23)
Pacific	12.3% (122)	14.6% (114)	13.0% (84)	39.9% (320)
Emerging	0.0% (0)	0.0% (0)	0.0% (0)	0.1% (0)
Total	28.7% (232)	38.0% (241)	33.3% (176)	100.0% (649)

AQR Historical Region/Style Exposures



AQR Historical Style Only Exposures

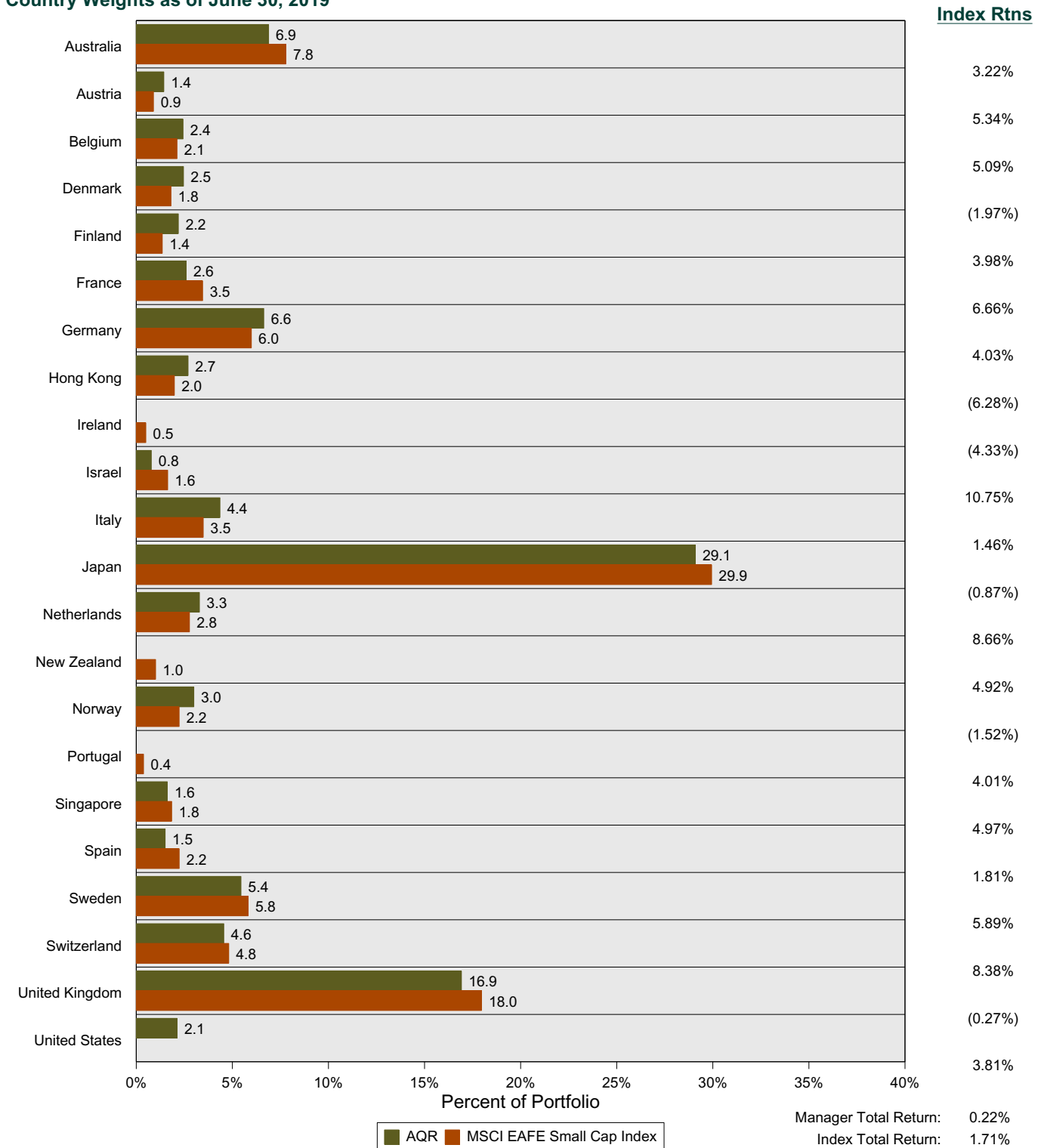


Country Allocation AQR VS MSCI EAFE Small Cap Index

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of June 30, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of June 30, 2019



AQR Top 10 Portfolio Holdings Characteristics as of June 30, 2019

10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Cancom It Systeme Nm	Information Technology	\$204,089	1.6%	20.74%	1.87	27.25	1.06%	22.20%
Dno Asa Shs A	Energy	\$179,730	1.4%	(18.52)%	1.96	4.80	2.59%	16.18%
Ferrexpo Plc London Shs	Materials	\$160,902	1.2%	14.07%	2.08	4.94	2.76%	(0.90)%
Computacenter Plc Shs Par 0.075555	Information Technology	\$158,765	1.2%	19.65%	1.93	16.54	2.27%	5.35%
Emis Group	Health Care	\$145,187	1.1%	14.57%	0.98	23.74	2.34%	6.70%
Falck Renewables S P A Shs	Utilities	\$135,259	1.0%	18.07%	1.23	27.13	1.71%	14.99%
Getinge Ab Shs B	Health Care	\$131,883	1.0%	36.15%	4.01	21.34	0.68%	(14.79)%
Drax Group Ord Gbp0.1	Utilities	\$122,537	0.9%	(31.21)%	1.31	8.25	5.42%	185.40%
Saras Raffinerie Sarde Spa Shs	Energy	\$115,799	0.9%	(14.01)%	1.43	5.78	6.04%	11.84%
Nemetschek Nm	Information Technology	\$107,173	0.8%	7.43%	6.97	20.07	0.51%	16.85%

10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Pro Medicus Ltd Shs	Health Care	\$15,686	0.1%	68.96%	1.84	113.04	0.28%	41.17%
Ramirent Oyj Helsinki Shs	Industrials	\$42,681	0.3%	65.31%	1.11	14.14	5.03%	14.72%
Nolato Ab Shs B	Industrials	\$6,104	0.0%	50.82%	1.44	22.23	2.47%	16.02%
Systempro	Information Technology	\$3,788	0.0%	50.60%	1.84	30.45	0.91%	45.05%
Fortnox	Information Technology	\$6,315	0.0%	49.10%	0.90	57.67	0.25%	89.26%
Panalpina Welt Ag	Industrials	\$21,105	0.2%	38.49%	5.48	44.75	0.00%	32.04%
Eckert & Zeigler Strahlen Un Shs	Health Care	\$19,764	0.2%	37.95%	0.62	27.25	1.16%	15.98%
Infocom	Information Technology	\$37,790	0.3%	36.99%	1.31	34.71	0.82%	34.75%
Cmic Co	Health Care	\$5,542	0.0%	36.84%	0.36	15.57	1.35%	78.64%
Getinge Ab Shs B	Health Care	\$131,883	1.0%	36.15%	4.01	21.34	0.68%	(14.79)%

10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Staffline Recru.Group	Industrials	\$5,512	0.0%	(85.71)%	0.05	1.19	9.51%	3.81%
Indivior Plc Ord Usd2	Health Care	\$86,098	0.7%	(56.61)%	0.40	77.14	0.00%	(37.78)%
Costain	Industrials	\$15,077	0.1%	(47.72)%	0.24	4.26	8.70%	0.83%
Biesse Spa Pesaro Az	Industrials	\$3,745	0.0%	(39.45)%	0.35	14.32	4.26%	47.92%
Ambu A / S Shs -B -	Health Care	\$18,676	0.1%	(38.74)%	3.53	49.63	0.38%	27.58%
Genki Sushi	Consumer Discretionary	\$27,448	0.2%	(38.25)%	0.26	18.98	0.97%	89.81%
International Personal Finance	Financials	\$17,638	0.1%	(37.45)%	0.34	4.07	10.33%	(2.40)%
Eiken Chemical	Health Care	\$3,757	0.0%	(32.51)%	0.69	19.68	1.76%	3.75%
Link Administration Holdings Common	Information Technology	\$14,389	0.1%	(32.30)%	1.87	13.71	6.14%	4.88%
Plus500 (Di)	Financials	\$103,000	0.8%	(32.20)%	0.75	4.61	29.75%	40.95%

DFA Emerging Markets Period Ended June 30, 2019

Investment Philosophy

Returns prior to 6/30/2013 are linked to a composite history.

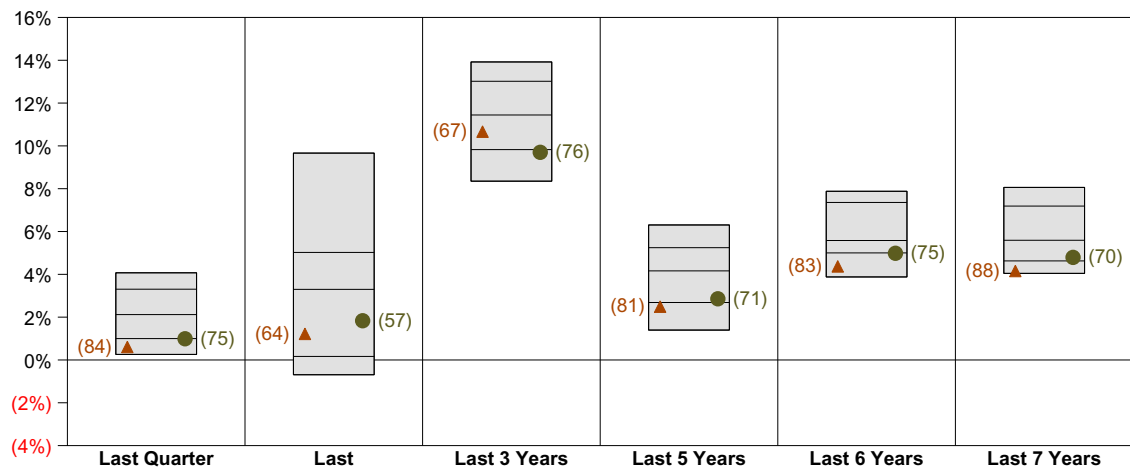
Quarterly Summary and Highlights

- DFA Emerging Markets's portfolio posted a 0.99% return for the quarter placing it in the 75 percentile of the Callan Emerging Markets Equity Mut Funds group for the quarter and in the 57 percentile for the last year.
- DFA Emerging Markets's portfolio outperformed the MSCI Emerging Markets Index by 0.38% for the quarter and outperformed the MSCI Emerging Markets Index for the year by 0.61%.

Quarterly Asset Growth

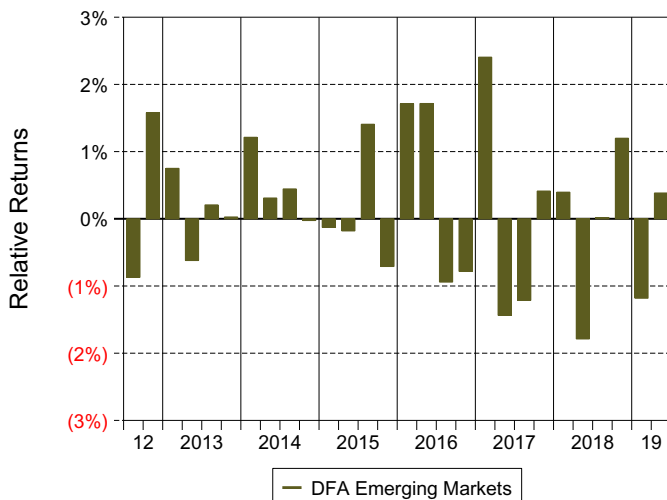
Beginning Market Value	\$16,317,042
Net New Investment	\$0
Investment Gains/(Losses)	\$140,119
Ending Market Value	\$16,457,161

Performance vs Callan Emerging Markets Equity Mut Funds (Gross)

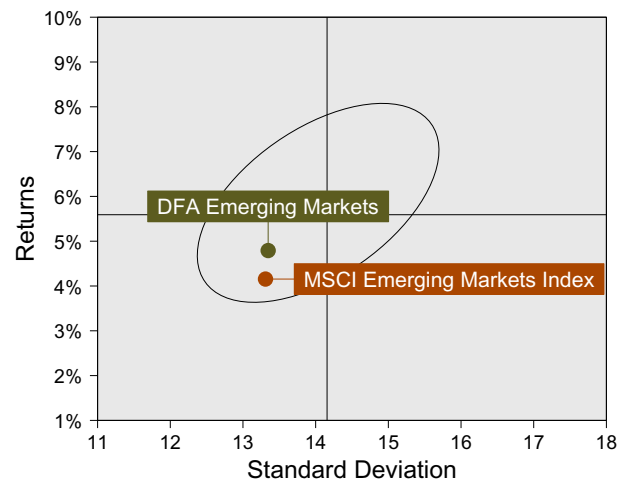


10th Percentile	4.07	9.66	13.92	6.31	7.88	8.06
25th Percentile	3.31	5.02	13.02	5.24	7.36	7.19
Median	2.12	3.30	11.44	4.16	5.58	5.59
75th Percentile	1.00	0.17	9.83	2.68	5.00	4.63
90th Percentile	0.26	(0.69)	8.35	1.40	3.88	4.04
DFA Emerging Markets	● 0.99	1.83	9.70	2.86	4.98	4.79
MSCI Emerging Markets Index	▲ 0.61	1.22	10.66	2.49	4.37	4.15

Relative Returns vs MSCI Emerging Markets Index



Callan Emerging Markets Equity Mut Funds (Gross) Annualized Seven Year Risk vs Return

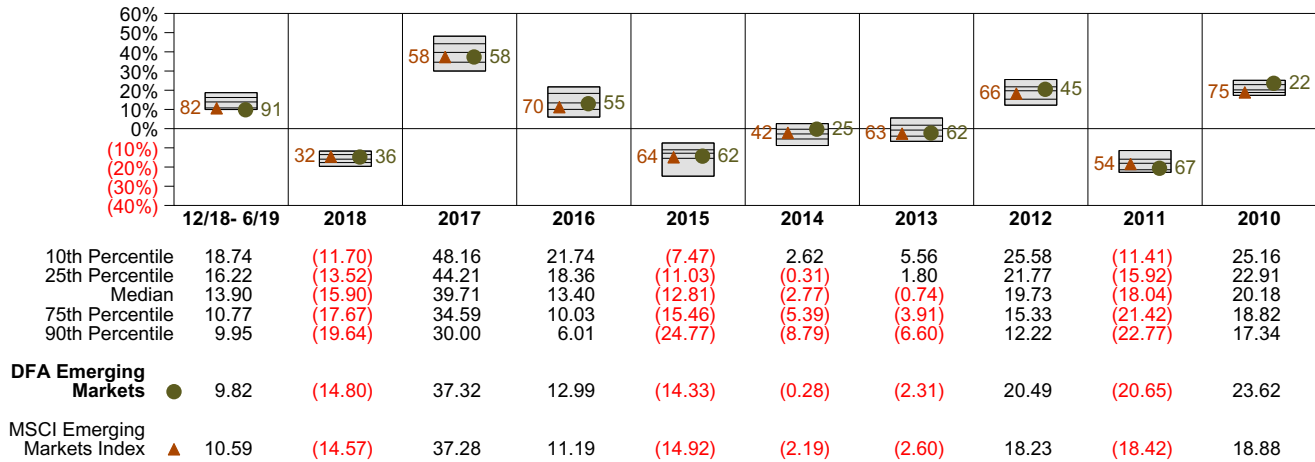


DFA Emerging Markets Return Analysis Summary

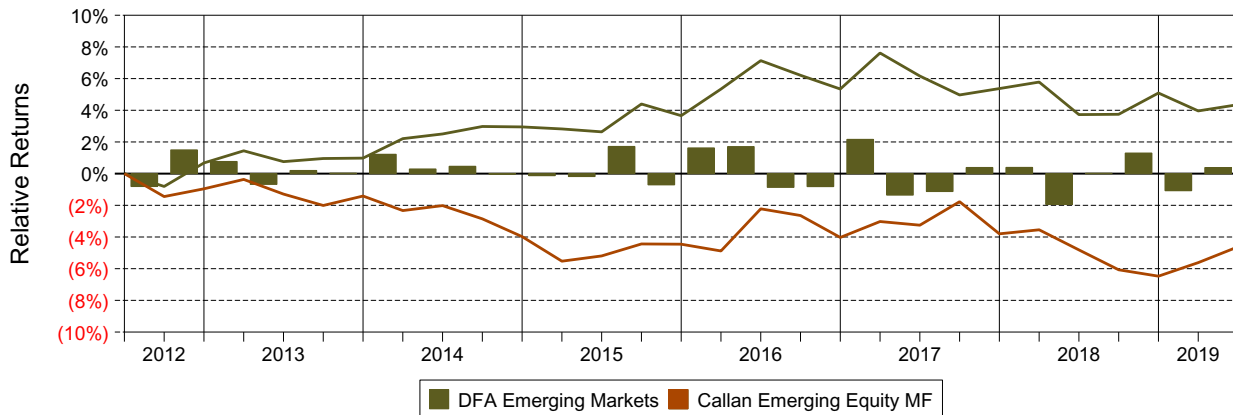
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

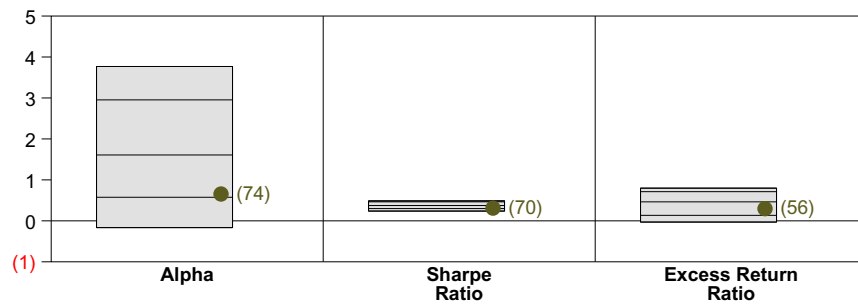
Performance vs Callan Emerging Markets Equity Mut Funds (Gross)



Cumulative and Quarterly Relative Return vs MSCI Emerging Markets Index



Risk Adjusted Return Measures vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended June 30, 2019



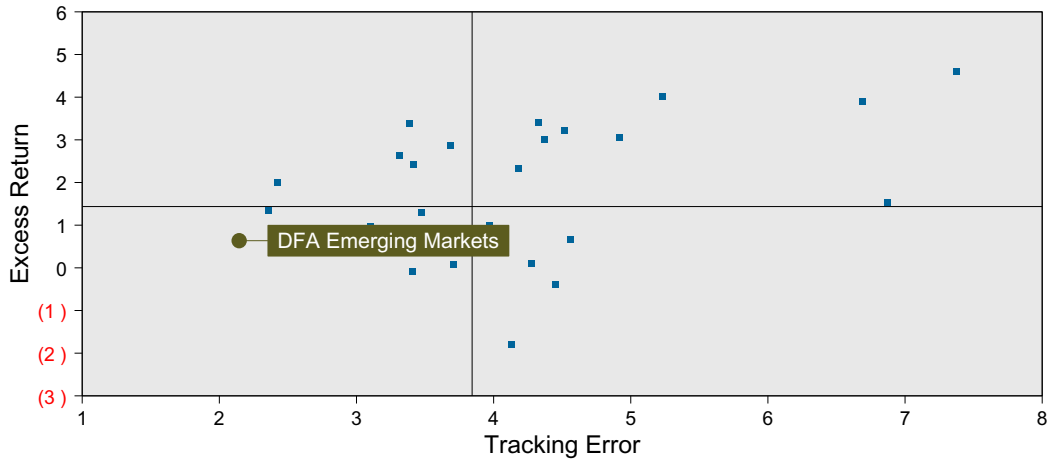
	Alpha	Sharpe Ratio	Excess Return Ratio
10th Percentile	3.77	0.49	0.80
25th Percentile	2.95	0.46	0.71
Median	1.61	0.37	0.46
75th Percentile	0.58	0.30	0.13
90th Percentile	(0.17)	0.24	(0.03)
DFA Emerging Markets	● 0.66	0.31	0.30

DFA Emerging Markets Risk Analysis Summary

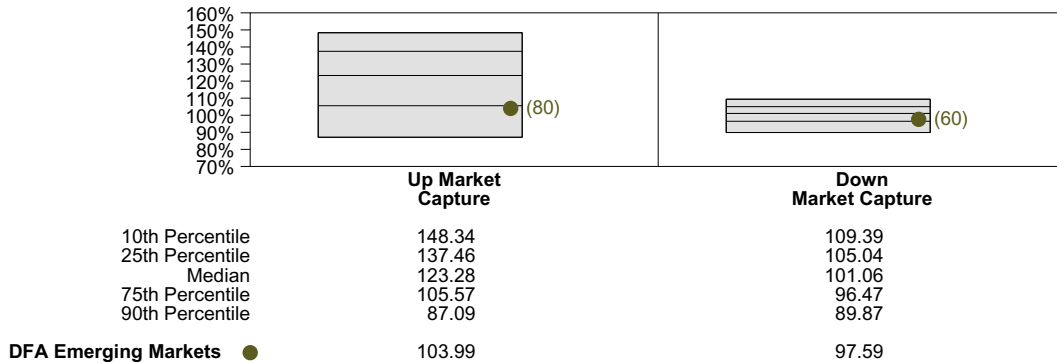
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

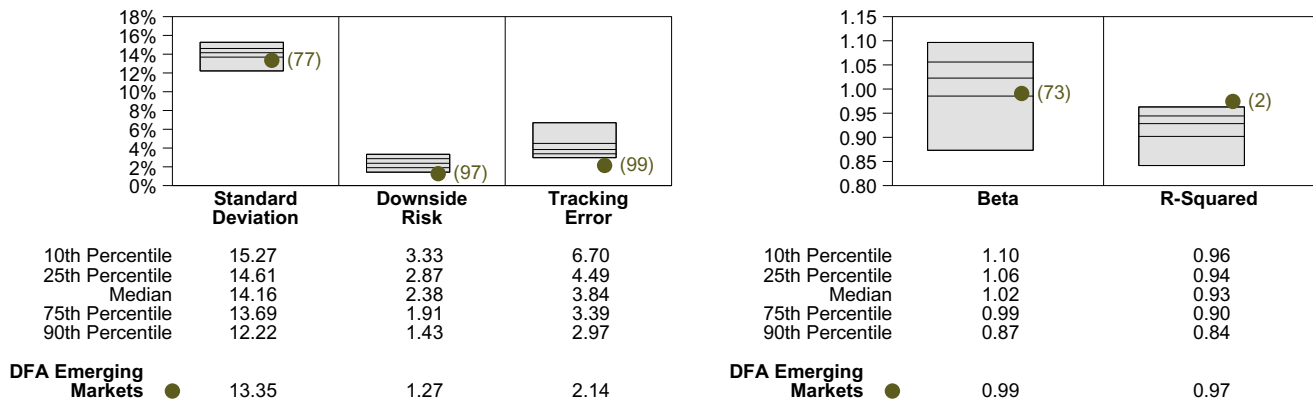
Risk Analysis vs Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended June 30, 2019



Market Capture vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended June 30, 2019



Risk Statistics Rankings vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended June 30, 2019

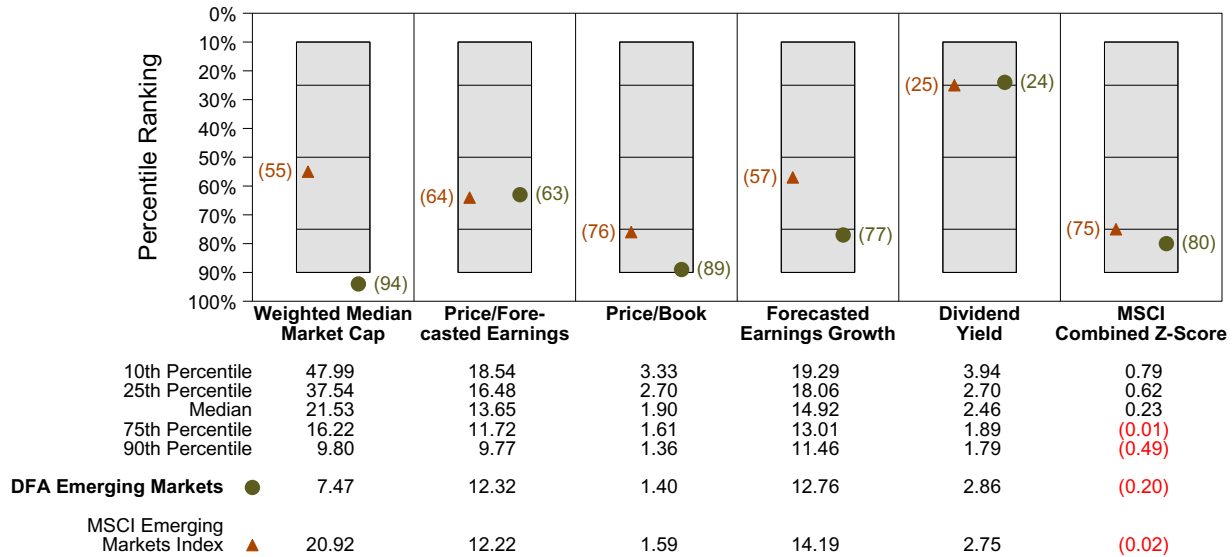


DFA Emerging Markets Equity Characteristics Analysis Summary

Portfolio Characteristics

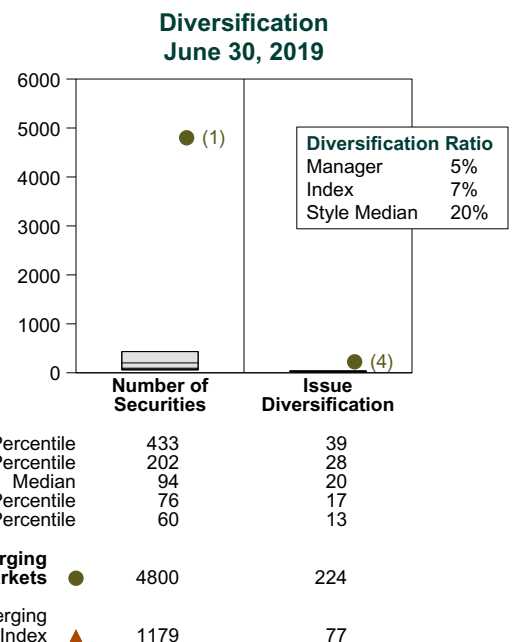
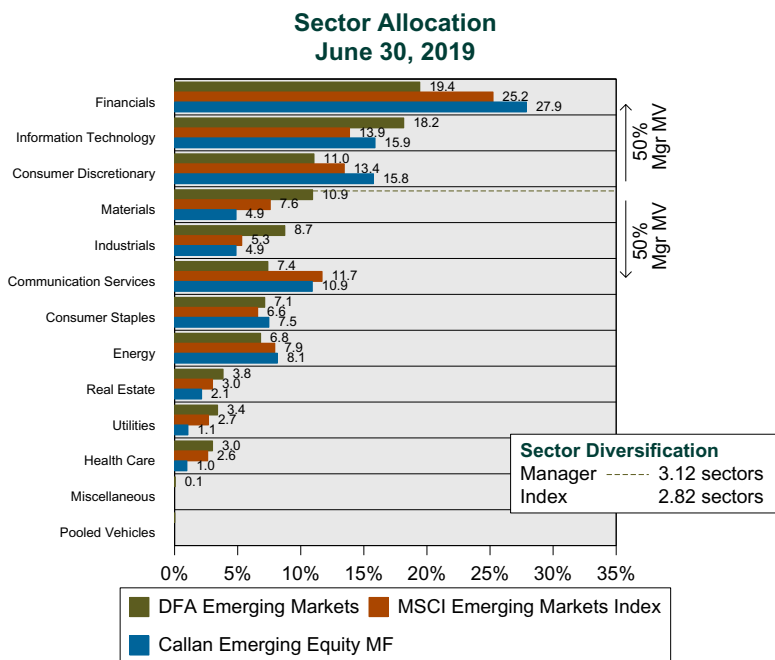
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan Emerging Markets Equity Mut Funds as of June 30, 2019



Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



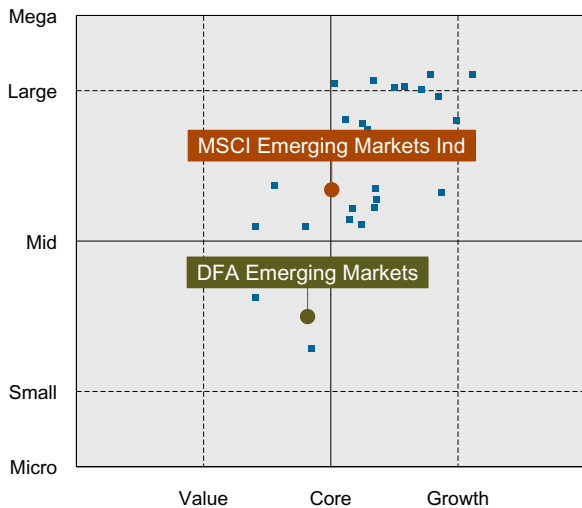
Current Holdings Based Style Analysis

DFA Emerging Markets

As of June 30, 2019

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

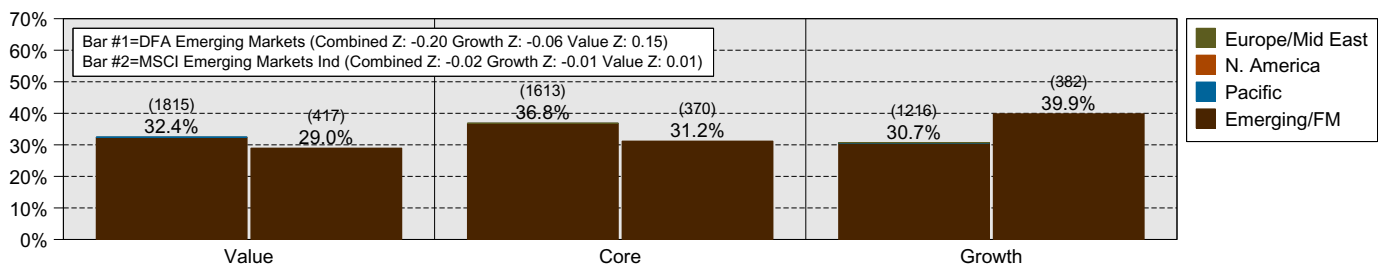
Style Map vs Callan Emerging Equity MF Holdings as of June 30, 2019



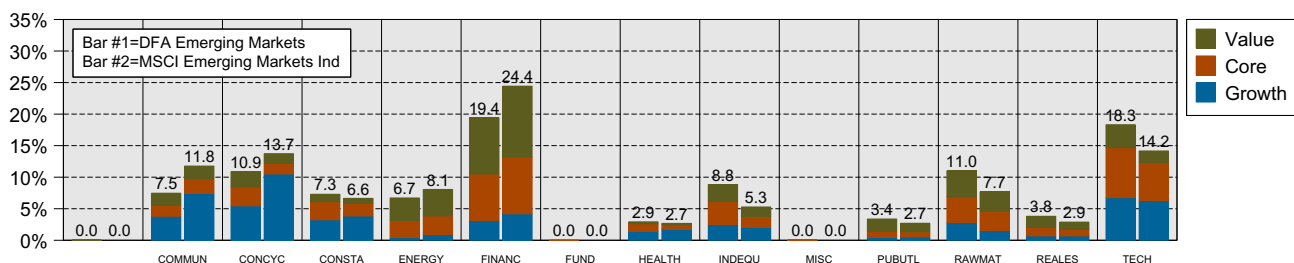
Style Exposure Matrix Holdings as of June 30, 2019

	Value	Core	Growth	Total
Europe/ Mid East	0.0% (0)	0.0% (1)	0.0% (1)	0.0% (2)
N. America	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Pacific	0.0% (18)	0.0% (24)	0.1% (16)	0.2% (58)
Emerging/ FM	32.4% (1797)	36.8% (1585)	30.6% (1199)	99.8% (4581)
Total	32.4% (1815)	36.8% (1613)	30.7% (1216)	100.0% (4644)

Combined Z-Score Style Distribution Holdings as of June 30, 2019



Sector Weights Distribution Holdings as of June 30, 2019



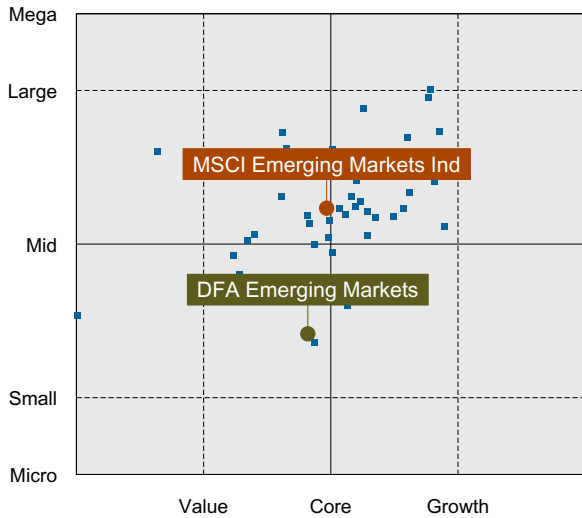
Historical Holdings Based Style Analysis

DFA Emerging Markets

For Five Years Ended June 30, 2019

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

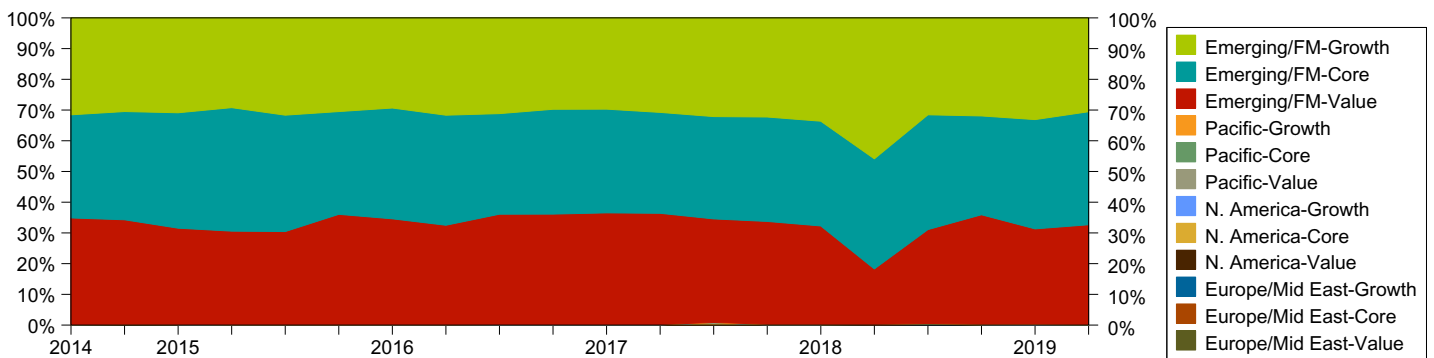
Average Style Map vs Callan Emerging Equity MF Holdings for Five Years Ended June 30, 2019



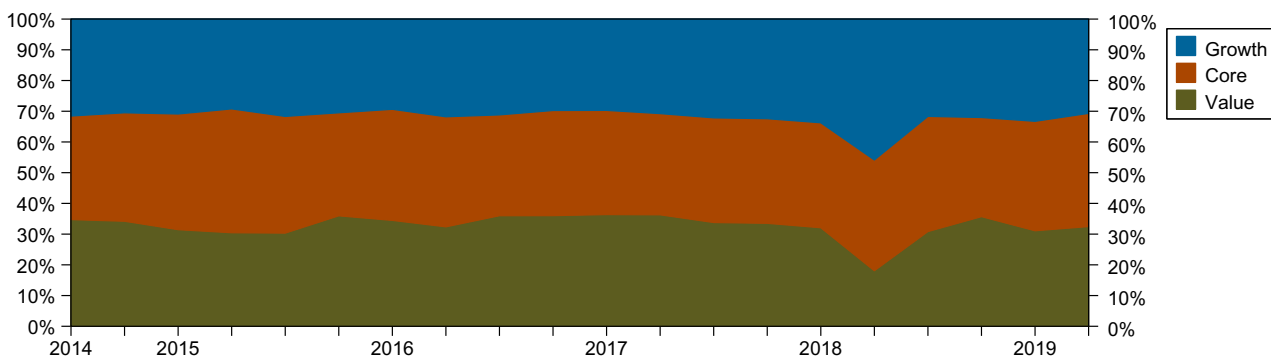
Average Style Exposure Matrix Holdings for Five Years Ended June 30, 2019

	0.0% (0)	0.0% (1)	0.0% (0)	0.1% (1)
Europe/ Mid East	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
N. America	0.0% (1)	0.0% (3)	0.0% (1)	0.1% (5)
Pacific	0.0% (14)	0.0% (20)	0.1% (9)	0.1% (43)
Emerging/ FM	32.7% (1437)	35.1% (1417)	31.9% (922)	99.7% (3776)
	31.8% (320)	31.6% (285)	36.6% (296)	100.0% (901)
Total	32.8% (1452)	35.2% (1441)	32.0% (932)	100.0% (3825)
	31.8% (320)	31.6% (285)	36.6% (296)	100.0% (901)
	Value	Core	Growth	Total

DFA Emerging Markets Historical Region/Style Exposures



DFA Emerging Markets Historical Style Only Exposures



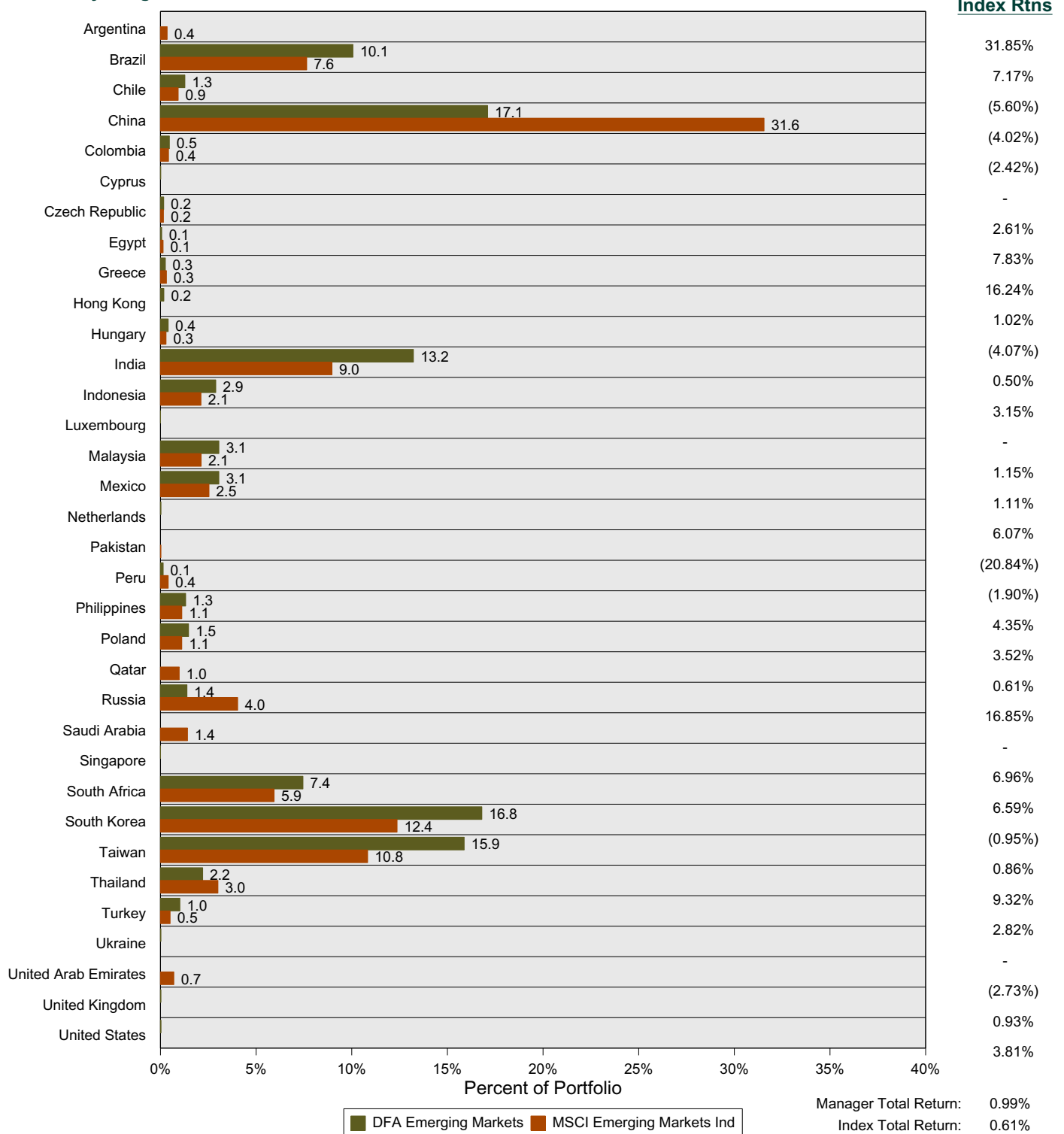
Country Allocation

DFA Emerging Markets VS MSCI Emerging Markets Index

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of June 30, 2019. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of June 30, 2019



DFA Emerging Markets Top 10 Portfolio Holdings Characteristics as of June 30, 2019

10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Samsung Electronics Co Ltd Ord	Information Technology	\$693,686	4.2%	4.30%	243.00	12.47	3.01%	(8.06)%
Tencent Holdings Limited Shs Par Hkd	Communication Services	\$309,074	1.9%	(1.58)%	429.71	27.81	0.28%	24.76%
Taiwan Semiconductor Mfg Co Ltd Spon	Information Technology	\$247,952	1.5%	(1.32)%	199.53	17.32	3.35%	6.17%
Taiwan Semicond Manufac Co L Shs	Information Technology	\$185,005	1.1%	(0.19)%	199.53	17.32	3.35%	6.17%
Vale Sa Shs	Materials	\$151,665	0.9%	3.32%	71.45	7.71	4.20%	-
Alibaba Group Hldg Ltd Sponsored Ads	Consumer Discretionary	\$133,325	0.8%	(7.13)%	441.17	23.19	0.00%	20.90%
Ping An Insurance H	Financials	\$122,378	0.7%	12.49%	89.42	10.48	2.14%	17.30%
Sk Hynix Inc Shs	Information Technology	\$122,222	0.7%	0.00%	43.82	12.14	2.16%	(30.43)%
Reliance Industries Ltd Shs Demateri	Energy	\$121,615	0.7%	(7.75)%	115.08	14.76	0.48%	13.80%
Petroleo Brasileiro Sa Petro Pfd Shs	Energy	\$113,965	0.7%	(0.29)%	40.06	9.90	3.31%	10.42%

10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Kuk-II Paper Mfg	Materials	\$679	0.0%	254.55%	0.39	(1600.00)	0.00%	-
Shinwha Intertek	Materials	\$694	0.0%	250.00%	0.14	29.12	0.00%	-
Ubiquoss	Information Technology	\$2,306	0.0%	183.87%	0.76	83.93	0.32%	(18.26)%
Banco Panamericano Sa Pfd Shs	Financials	\$2,249	0.0%	182.06%	1.13	86.30	0.00%	(15.21)%
Piraeus Bk Sa Shs	Financials	\$596	0.0%	171.43%	1.52	11.19	0.00%	(88.76)%
Knm Group Bhd.	Energy	\$861	0.0%	119.07%	0.16	(0.83)	0.00%	(39.87)%
Yu Neh Huat	Real Estate	\$1,529	0.0%	100.91%	0.31	83.71	0.29%	(8.71)%
Korea Electronic Bank	Information Technology	\$673	0.0%	100.00%	0.30	(8.23)	0.00%	5.66%
Nasan	Consumer Discretionary	\$34	0.0%	100.00%	0.13	(26.47)	0.00%	-
Sumatec Resources Bhd.	Energy	\$6	0.0%	100.00%	0.01	-	0.00%	-

10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Psk Tech.	Information Technology	\$201	0.0%	(85.38)%	0.04	0.93	16.22%	103.01%
Cox & Kings Financial Service	Miscellaneous	\$15	0.0%	(85.37)%	0.01	-	0.00%	-
Mcleod Russel Indi	Consumer Staples	\$68	0.0%	(80.55)%	0.03	-	3.01%	(9.67)%
China Rundong Auto Group	Consumer Discretionary	\$4	0.0%	(76.68)%	0.07	(0.30)	0.00%	-
Eros Intl. Media	Consumer Discretionary	\$53	0.0%	(76.67)%	0.03	0.66	0.00%	0.76%
Cox & Kings India	Consumer Discretionary	\$306	0.0%	(73.45)%	0.09	1.99	2.72%	(16.55)%
Kolon Life Science	Health Care	\$572	0.0%	(73.08)%	0.20	94.87	0.00%	-
Sintex Inds.	Consumer Discretionary	\$23	0.0%	(67.97)%	0.02	0.98	3.70%	(39.46)%
Reliance Cap Ltd Shs Dematerial	Financials	\$671	0.0%	(67.56)%	0.24	1.23	16.64%	10.04%
Reliance Power	Utilities	\$260	0.0%	(66.67)%	0.17	1.15	0.00%	(5.62)%

Metropolitan West Period Ended June 30, 2019

Investment Philosophy

Metropolitan West Asset Management (MWAM) attempts to add value by limiting duration, managing the yield curve, rotating among bond market sectors and using proprietary quantitative valuation techniques.

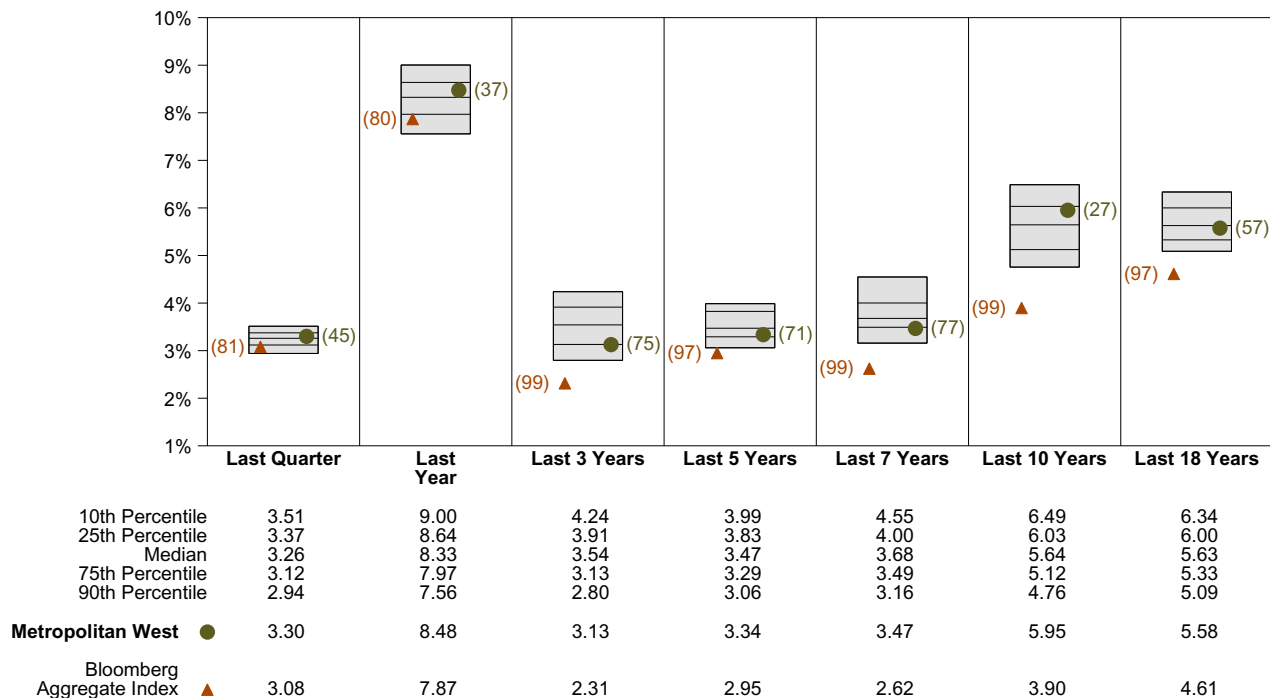
Quarterly Summary and Highlights

- Metropolitan West's portfolio posted a 3.30% return for the quarter placing it in the 45 percentile of the Callan Core Plus Fixed Income group for the quarter and in the 37 percentile for the last year.
- Metropolitan West's portfolio outperformed the Bloomberg Aggregate Index by 0.22% for the quarter and outperformed the Bloomberg Aggregate Index for the year by 0.61%.

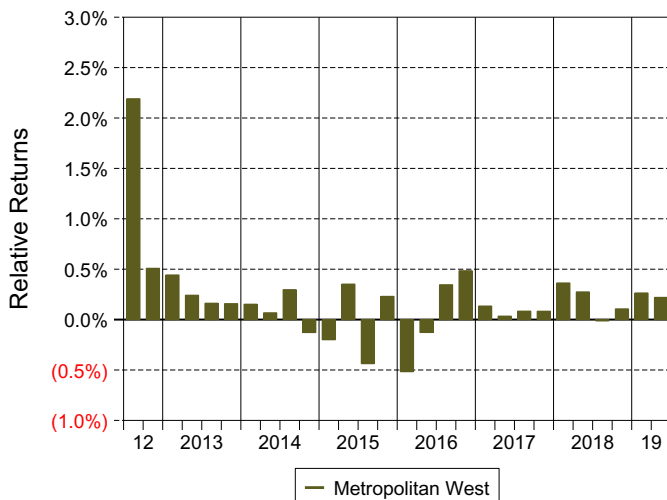
Quarterly Asset Growth

Beginning Market Value	\$104,127,722
Net New Investment	\$-1,111,404
Investment Gains/(Losses)	\$3,419,079
Ending Market Value	\$106,435,396

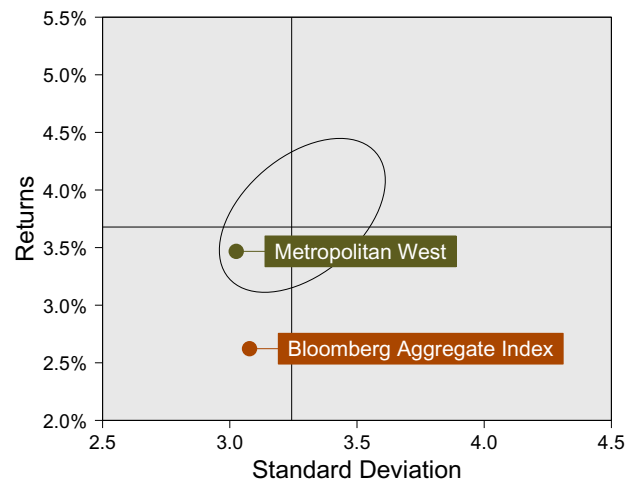
Performance vs Callan Core Plus Fixed Income (Gross)



Relative Returns vs Bloomberg Aggregate Index



Callan Core Plus Fixed Income (Gross) Annualized Seven Year Risk vs Return

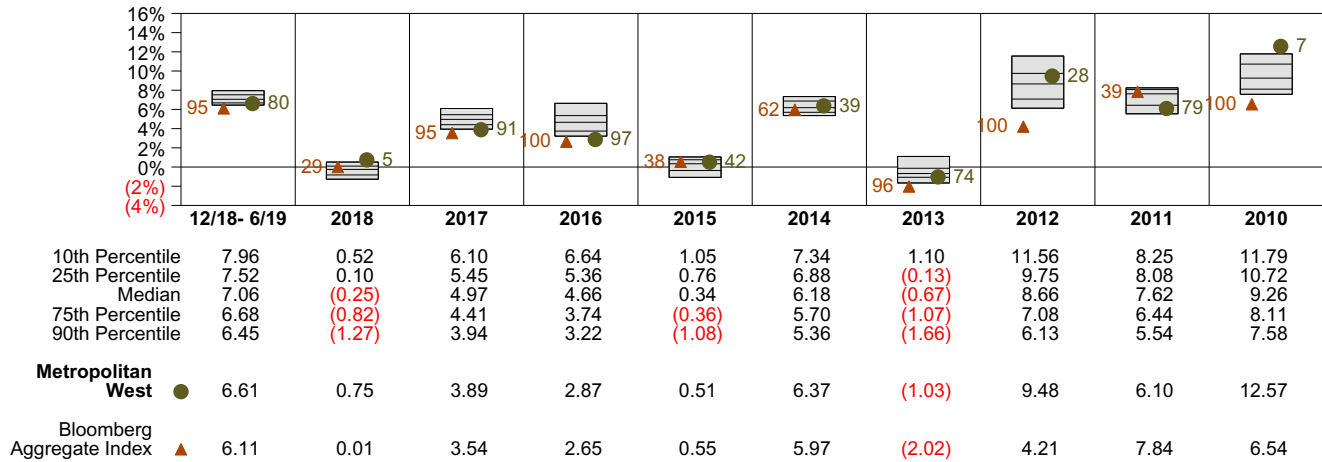


Metropolitan West Return Analysis Summary

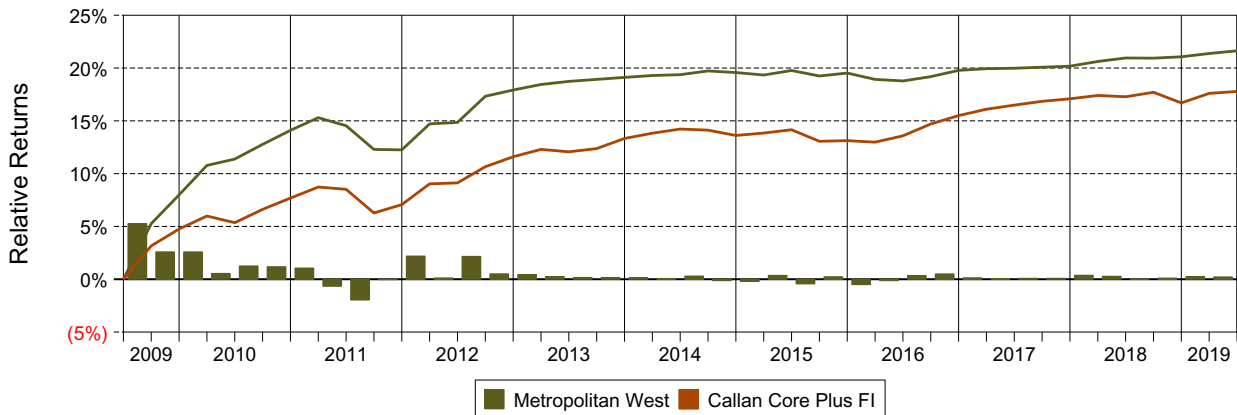
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

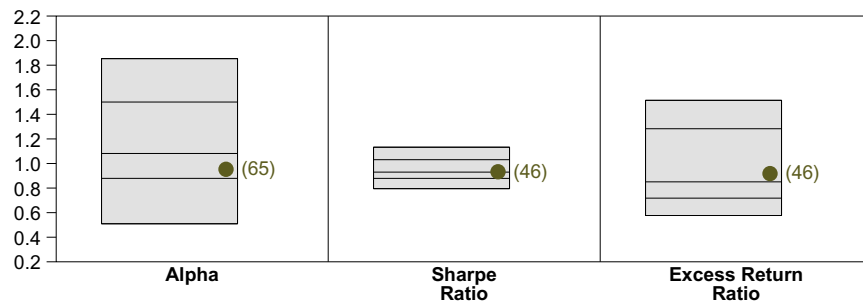
Performance vs Callan Core Plus Fixed Income (Gross)



Cumulative and Quarterly Relative Return vs Bloomberg Aggregate Index



Risk Adjusted Return Measures vs Bloomberg Aggregate Index Rankings Against Callan Core Plus Fixed Income (Gross) Seven Years Ended June 30, 2019

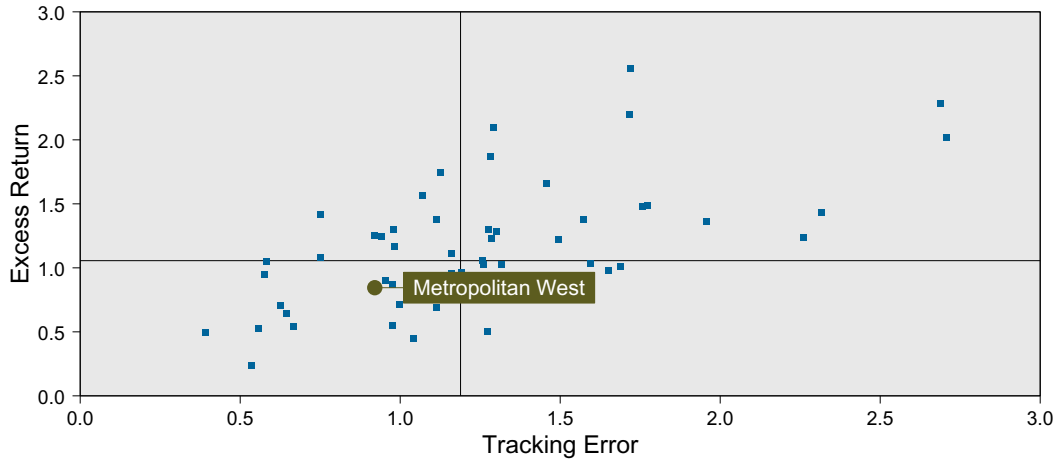


Metropolitan West Risk Analysis Summary

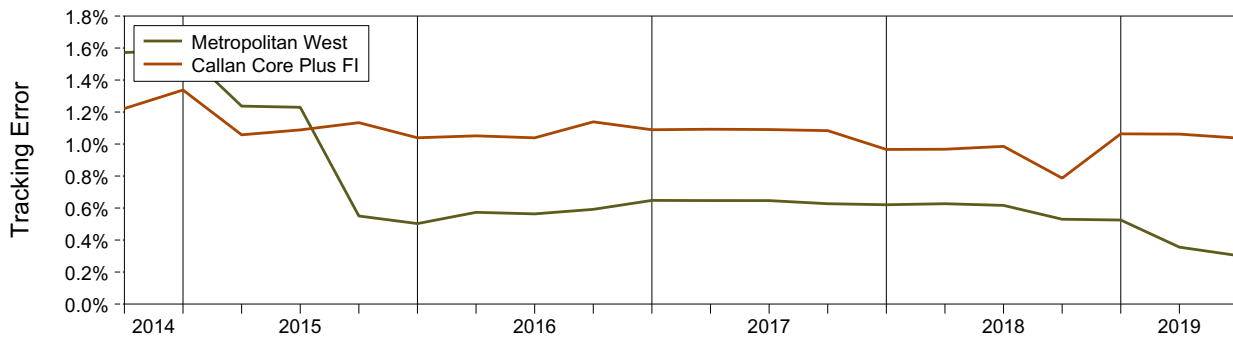
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

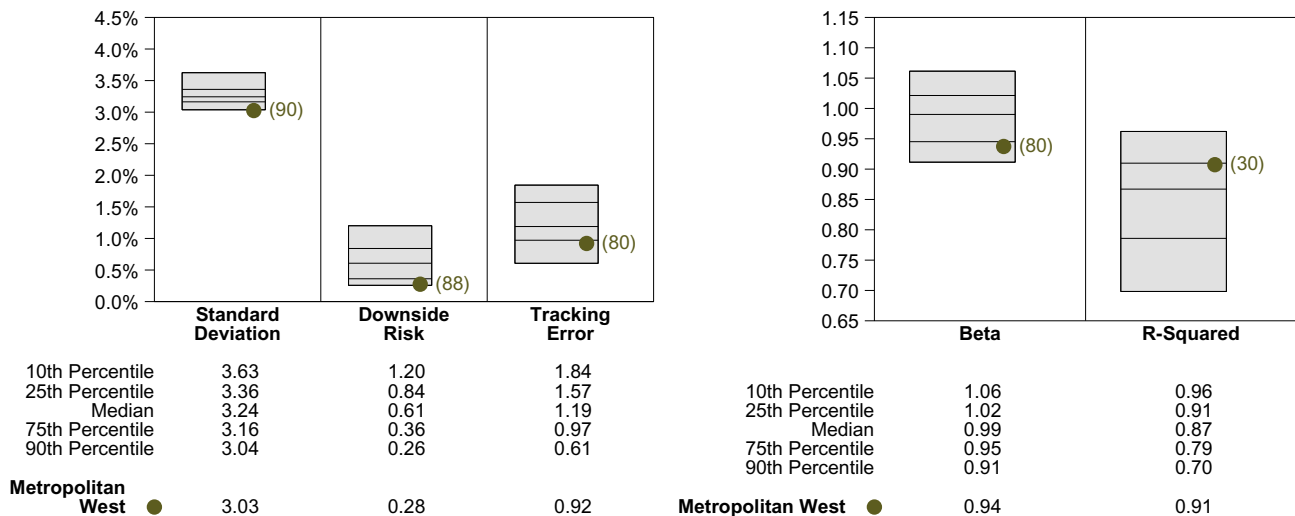
Risk Analysis vs Callan Core Plus Fixed Income (Gross) Seven Years Ended June 30, 2019



Rolling 12 Quarter Tracking Error vs Bloomberg Aggregate Index



Risk Statistics Rankings vs Bloomberg Aggregate Index Rankings Against Callan Core Plus Fixed Income (Gross) Seven Years Ended June 30, 2019

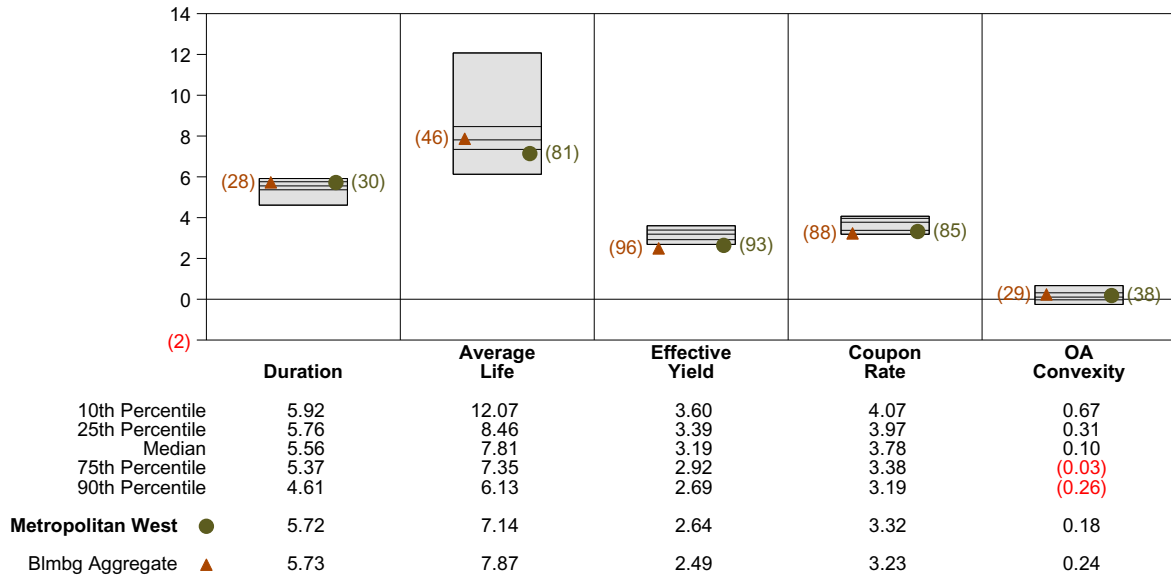


Metropolitan West Bond Characteristics Analysis Summary

Portfolio Characteristics

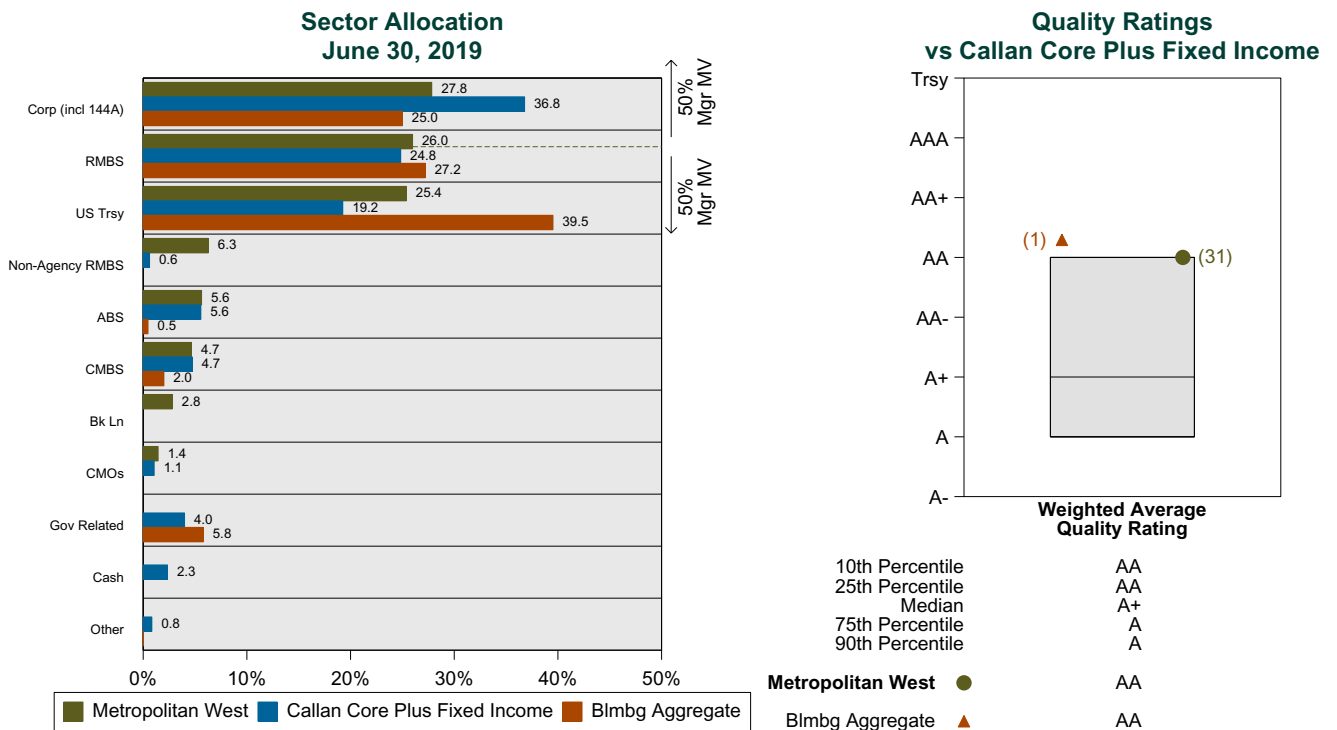
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Fixed Income Portfolio Characteristics Rankings Against Callan Core Plus Fixed Income as of June 30, 2019



Sector Allocation and Quality Ratings

The first graph compares the manager's sector allocation with the average allocation across all the members of the manager's style. The second graph compares the manager's weighted average quality rating with the range of quality ratings for the style.

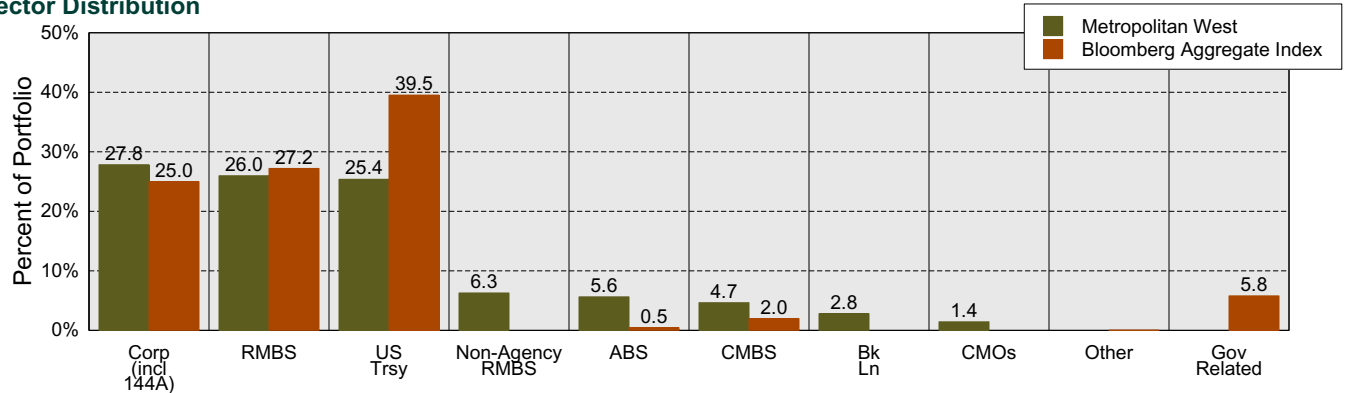


Metropolitan West Portfolio Characteristics Summary As of June 30, 2019

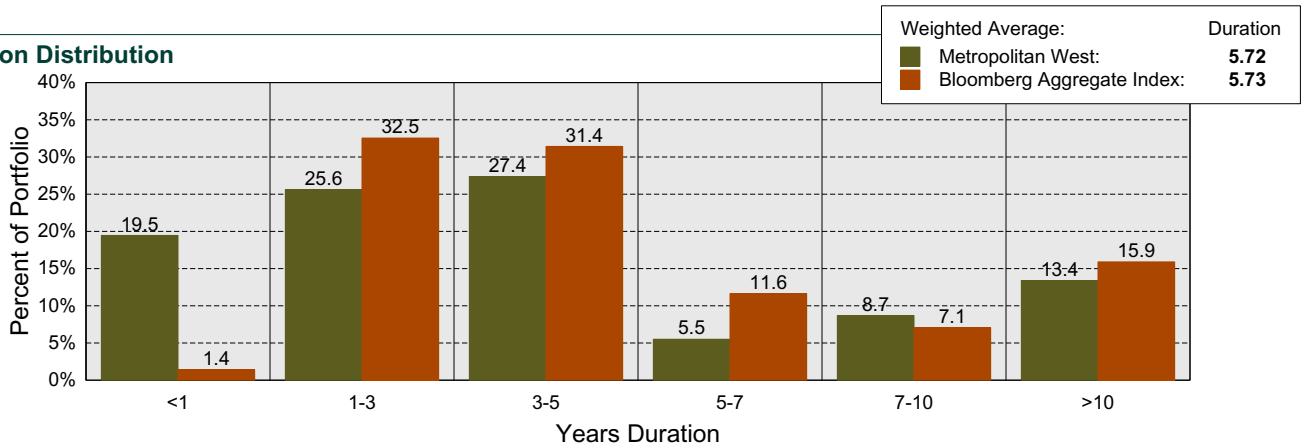
Portfolio Structure Comparison

The charts below compare the structure of the portfolio to that of the index from the three perspectives that have the greatest influence on return. The first chart compares the two portfolios across sectors. The second chart compares the duration distribution. The last chart compares the distribution across quality ratings.

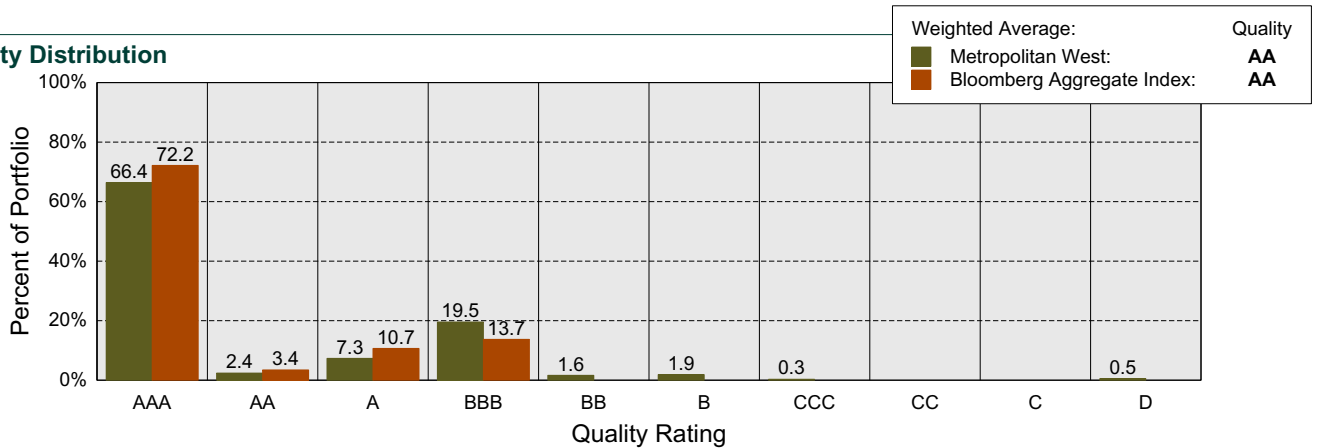
Sector Distribution



Duration Distribution



Quality Distribution



Risk/Reward Statistics

The risk statistics used in this report examine performance characteristics of a manager or a portfolio relative to a benchmark (market indicator) which assumes to represent overall movements in the asset class being considered. The main unit of analysis is the excess return, which is the portfolio return minus the return on a risk free asset (3 month T-Bill).

Alpha measures a portfolio's return in excess of the market return adjusted for risk. It is a measure of the manager's contribution to performance with reference to security selection. A positive alpha indicates that a portfolio was positively rewarded for the residual risk which was taken for that level of market exposure.

Beta measures the sensitivity of rates of portfolio returns to movements in the market index. A portfolio's beta measures the expected change in return per 1% change in the return on the market. If a beta of a portfolio is 1.5, a 1 percent increase in the return on the market will result, on average, in a 1.5 percent increase in the return on the portfolio. The converse would also be true.

Downside Risk stems from the desire to differentiate between "good risk" (upside volatility) and "bad risk" (downside volatility). Whereas standard deviation punishes both upside and downside volatility, downside risk measures only the standard deviation of returns below the target. Returns above the target are assigned a deviation of zero. Both the frequency and magnitude of underperformance affect the amount of downside risk.

Excess Return Ratio is a measure of risk adjusted relative return. This ratio captures the amount of active management performance (value added relative to an index) per unit of active management risk (tracking error against the index.) It is calculated by dividing the manager's annualized cumulative excess return relative to the index by the standard deviation of the individual quarterly excess returns. The Excess Return Ratio can be interpreted as the manager's active risk/reward tradeoff for diverging from the index when the index is mandated to be the "riskless" market position.

Information Ratio measures the manager's market risk-adjusted excess return per unit of residual risk relative to a benchmark. It is computed by dividing alpha by the residual risk over a given time period. Assuming all other factors being equal, managers with lower residual risk achieve higher values in the information ratio. Managers with higher information ratios will add value relative to the benchmark more reliably and consistently.

R-Squared indicates the extent to which the variability of the portfolio returns are explained by market action. It can also be thought of as measuring the diversification relative to the appropriate benchmark. An r-squared value of .75 indicates that 75% of the fluctuation in a portfolio return is explained by market action. An r-squared of 1.0 indicates that a portfolio's returns are entirely related to the market and it is not influenced by other factors. An r-squared of zero indicates that no relationship exists between the portfolio's return and the market.

Relative Standard Deviation is a simple measure of a manager's risk (volatility) relative to a benchmark. It is calculated by dividing the manager's standard deviation of returns by the benchmark's standard deviation of returns. A relative standard deviation of 1.20, for example, means the manager has exhibited 20% more risk than the benchmark over that time period. A ratio of .80 would imply 20% less risk. This ratio is especially useful when analyzing the risk of investment grade fixed-income products where actual historical durations are not available. By using this relative risk measure over rolling time periods one can illustrate the "implied" historical duration patterns of the portfolio versus the benchmark.

Residual Portfolio Risk is the unsystematic risk of a fund, the portion of the total risk unique to the fund (manager) itself and not related to the overall market. This reflects the "bets" which the manager places in that particular asset market. These bets may reflect emphasis in particular sectors, maturities (for bonds), or other issue specific factors which the manager considers a good investment opportunity. Diversification of the portfolio will reduce or eliminate the residual risk of that portfolio.

Risk/Reward Statistics

Rising Declining Periods refer to the sub-asset class cycles vis-a-vis the broader asset class. This is determined by evaluating the cumulative relative sub-asset class index performance to that of the broader asset class index. For example, to determine the Growth Style cycle, the S&P 500 Growth Index (sub-asset class) performance is compared to that of the S&P 500 Index (broader asset class).

Sharpe Ratio is a commonly used measure of risk-adjusted return. It is calculated by subtracting the "risk-free" return (usually 3 Month Treasury Bill) from the portfolio return and dividing the resulting "excess return" by the portfolio's risk level (standard deviation). The result is a measure of return gained per unit of risk taken.

Sortino Ratio is a downside risk-adjusted measure of value-added. It measures excess return over a benchmark divided by downside risk. The natural appeal is that it identifies value-added per unit of truly bad risk. The danger of interpretation, however, lies in these two areas: (1) the statistical significance of the denominator, and (2) its reliance on the persistence of skewness in return distributions.

Standard Deviation is a statistical measure of portfolio risk. It reflects the average deviation of the observations from their sample mean. Standard deviation is used as an estimate of risk since it measures how wide the range of returns typically is. The wider the typical range of returns, the higher the standard deviation of returns, and the higher the portfolio risk. If returns are normally distributed (ie. has a bell shaped curve distribution) then approximately 2/3 of the returns would occur within plus or minus one standard deviation from the sample mean.

Total Portfolio Risk is a measure of the volatility of the quarterly excess returns of an asset. Total risk is composed of two measures of risk: market (non-diversifiable or systematic) risk and residual (diversifiable or unsystematic) risk. The purpose of portfolio diversification is to reduce the residual risk of the portfolio.

Tracking Error is a statistical measure of a portfolio's risk relative to an index. It reflects the standard deviation of a portfolio's individual quarterly or monthly returns from the index's returns. Typically, the lower the Tracking Error, the more "index-like" the portfolio.

Treynor Ratio represents the portfolio's average excess return over a specified period divided by the beta relative to its benchmark over that same period. This measure reflects the reward over the risk-free rate relative to the systematic risk assumed.

Note: Alpha, Total Risk, and Residual Risk are annualized.

Research and Educational Programs

The Callan Institute provides research to update clients on the latest industry trends and carefully structured educational programs to enhance the knowledge of industry professionals. Visit www.callan.com/library to see all of our publications, and www.callan.com/blog to view our blog "Perspectives." For more information contact Barb Gerraty at 415-274-3093 / institute@callan.com.

New Research from Callan's Experts

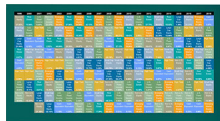
The OCIO Model: How Do We Measure Success? | This paper outlines the key issues for evaluating the success of outsourced chief investment officer (OCIO) services.

Perspectives on Investing: The Evolution of Strategic Allocations | In this video, Callan experts discuss the key challenges of evaluating non-U.S. equity investments.

Opportunities & Challenges: Investing in Private Equity Partnerships | In this video, Callan experts discuss investing directly in private equity partnerships.

Building a Pool of Transition Managers: Both an Art and a Science | Transition management is the restructuring of institutional portfolios from single or multiple investment managers/asset classes to a new allocation over a short-term horizon. This paper offers guidance on building a pool of transition managers.

Callan's Periodic Table Explained | The popular Callan Periodic Table of Investment Returns turned 20 this year. This animated feature discusses the benefits and some of the history of the table.



The Cobbler's Shoes: How Asset Managers Run Their Own 401(k) Plans | Can investment manager-sponsored DC plans provide insights on plan design and implementation? To help answer this question, Callan examined the 401(k) plans of investment



managers. The industry scored high on retirement savings metrics. But in contrast to the industry consensus, asset managers generally embraced complexity over simplicity in their investment designs.

How to Distinguish Between Growth Equity and Late-Stage VC



Both growth equity and late-stage venture capital are growth-oriented but differ significantly in the types of companies they invest in, the structure of their investments, the way in which they create value, and the trade-offs between risk and return.

Nurturing Strong Cultures at Professional Firms | In this paper, Callan Executive Chairman Ron Peyton offers advice for building effective and transparent corporate cultures.

Opening Doors of Opportunity | This paper reviews the types of co-investment opportunities offered by hedge funds and funds-of-funds (FOFs).

Quarterly Periodicals

Private Equity Trends | A newsletter on private equity activity, covering both the fundraising cycle and performance over time.

Market Pulse Flipbook | A market reference guide covering trends in the U.S. economy, developments for fund sponsors, and the latest data for U.S. and non-U.S. equities and fixed income, alternatives, and defined contribution plans.

Active vs. Passive Charts | This series of charts compares active managers alongside relevant benchmarks over the long term.

Capital Market Review | A newsletter providing analysis and a broad overview of the economy and public and private market activity each quarter across a wide range of asset classes.

Events

Miss out on a Callan conference or workshop? Event summaries and speakers' presentations are available on our website: www.callan.com/library/

Please mark your calendar and look forward to upcoming invitations.

October Regional Workshops

October 22, 2019 – Denver

October 24, 2019 – Chicago

2020 National Conference

January 27-29, 2020 – San Francisco

Please also keep your eye out for upcoming Webinars in 2019! We will be sending invitations for these and also will have registration links on our website at www.callan.com/events.

For more information about events, please contact Barb Gerraty: 415-274-3093 / gerraty@callan.com

The Center for Investment Training Educational Sessions

The Center for Investment Training, better known as the “Callan College,” provides a foundation of knowledge for industry professionals who are involved in the investment decision-making process. It was founded in 1994 to provide clients and non-clients alike with basic- to intermediate-level instruction. Our next sessions are:

Introduction to Investments

San Francisco, July 23-24, 2019

Atlanta, October 8-9, 2019

Chicago, October 22-23, 2019

This program familiarizes fund sponsor trustees, staff, and asset management advisers with basic investment theory, terminology, and practices. It lasts one-and-a-half days and is designed for individuals who have less than two years of experience with asset-management oversight and/or support responsibilities. Tuition for the Introductory “Callan College” session is \$2,350 per person. Tuition includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

“Callan College” on Alternative Investments

Chicago, October 29-30, 2019

The “Callan College” on Alternative Investments will cover: private equity, private credit, hedge funds, real estate, and real assets. Tuition for the “Callan College” on Alternative Investments session is \$2,500 per person. Tuition includes instruction, all materials, and breakfast and lunch on each day.

Learn more at www.callan.com/events/callan-college-intro

Education: By the Numbers

525

Attendees (on average) of the Institute's annual National Conference

50+

Unique pieces of research the Institute generates each year

3,700

Total attendees of the “Callan College” since 1994

1980

Year the Callan Institute was founded



“Research is the foundation of all we do at Callan, and sharing our best thinking with the investment community is our way of helping to foster dialogue to raise the bar across the industry.”

Greg Allen, CEO and Chief Research Officer

List of Callan's Investment Manager Clients

Confidential – For Callan Client Use Only

Callan takes its fiduciary and disclosure responsibilities to clients very seriously. We recognize that there are numerous potential conflicts of interest encountered in the investment consulting industry and that it is our responsibility to manage those conflicts effectively and in the best interest of our clients. At Callan, we employ a robust process to identify, manage, monitor and disclose potential conflicts on an on-going basis.

The list below is an important component of our conflicts management and disclosure process. It identifies those investment managers that pay Callan fees for educational, consulting, software, database or reporting products and services. We update the list quarterly because we believe that our fund sponsor clients should know the investment managers that do business with Callan, particularly those investment manager clients that the fund sponsor clients may be using or considering using. Please note that if an investment manager receives a product or service on a complimentary basis (e.g. attending and educational event), they are not included in the list below. Callan is committed to ensuring that we do not consider an investment manager's business relationship with Callan, or lack thereof, in performing evaluations for or making suggestions or recommendations to its other clients. Please refer to Callan's ADV Part 2A for a more detailed description of the services and products that Callan makes available to investment manager clients through our Institutional Consulting Group, Independent Adviser Group and Fund Sponsor Consulting Group. Due to the complex corporate and organizational ownership structures of many investment management firms, parent and affiliate firm relationships are not indicated on our list.

Fund sponsor clients may request a copy of the most currently available list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by particular fund manager clients. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance Department.

Manager Name
Aberdeen Standard Investments
Acadian Asset Management LLC
AEGON USA Investment Management
Alcentra
AllianceBernstein
Allianz Global Investors
Allianz Life Insurance Company of North America
American Century Investments
Amundi Pioneer Asset Management
AQR Capital Management
Ares Management LLC
Ariel Investments, LLC
Atlanta Capital Management Co., LLC
Aviva Investors Americas
AXA Investment Managers
Baillie Gifford International, LLC
Baird Advisors
Baron Capital Management, Inc.
Barrow, Hanley, Mewhinney & Strauss, LLC
BlackRock
BMO Global Asset Management
BNP Paribas Asset Management
BNY Mellon Asset Management
Boston Partners
Brandes Investment Partners, L.P.
Brandywine Global Investment Management, LLC
BrightSphere Investment Group
Brown Brothers Harriman & Company
Cambiar Investors, LLC
Capital Group
Carillon Tower Advisers
CastleArk Management, LLC
Causeway Capital Management
Chartwell Investment Partners

Manager Name
ClearBridge Investments, LLC
Cohen & Steers Capital Management, Inc.
Columbia Threadneedle Investments
Columbus Circle Investors
Credit Suisse Asset Management
DePrince, Race & Zollo, Inc.
Diamond Hill Capital Management, Inc.
Dimensional Fund Advisors LP
Doubleline
Duff & Phelps Investment Management Co.
DWS
EARNEST Partners, LLC
Eaton Vance Management
Epoch Investment Partners, Inc.
Fayez Sarofim & Company
Federated Investors
Fidelity Institutional Asset Management
Fiera Capital Corporation
Financial Engines
First Hawaiian Bank Wealth Management Division
First State Investments
Fisher Investments
Franklin Templeton
Fred Alger Management, Inc.
GAM (USA) Inc.
Glenmeade Investment Management, LP
GlobeFlex Capital, L.P.
Goldman Sachs
Green Square Capital LLC
Guggenheim Investments
GW&K Investment Management
Harbor Capital Group Trust
Hartford Investment Management Co.
Heitman LLC

Manager Name
Hotchkis & Wiley Capital Management, LLC
HSBC Global Asset Management
Income Research + Management, Inc.
Insight Investment Management Limited
Intech Investment Management, LLC
Intercontinental Real Estate Corporation
Invesco
Investec Asset Management
Ivy Investments
J.P. Morgan
Janus
Jennison Associates LLC
Jobs Peak Advisors
KeyCorp
Lazard Asset Management
Legal & General Investment Management America
Lincoln National Corporation
Logan Circle Partners, L.P.
Longview Partners
Loomis, Sayles & Company, L.P.
Lord Abbett & Company
Los Angeles Capital Management
LSV Asset Management
MacKay Shields LLC
Macquarie Investment Management (MIM)
Manulife Asset Management
Marathon Asset Management, L.P.
McKinley Capital Management, LLC
MFS Investment Management
MidFirst Bank
Mondrian Investment Partners Limited
Montag & Caldwell, LLC
Morgan Stanley Investment Management
Mountain Lake Investment Management LLC
Mountain Pacific Advisors, LLC
MUFG Union Bank, N.A.
Natixis Investment Managers
Neuberger Berman
Newton Investment Management
Nikko Asset Management Co., Ltd.
Northern Trust Asset Management
Nuveen
OFI Global Asset Management
Osterweis Capital Management, LLC
P/E Investments

Manager Name
Pacific Investment Management Company
Pathway Capital Management
Peregrine Capital Management, Inc.
Perkins Investment Management
PGIM Fixed Income
PineBridge Investments
PNC Capital Advisors, LLC
Principal Global Investors
Putnam Investments, LLC
QMA LLC
RBC Global Asset Management
Regions Financial Corporation
Robeco Institutional Asset Management, US Inc.
Rockefeller Capital Management
Rothschild & Co. Asset Management US
Russell Investments
Schroder Investment Management North America Inc.
Smith Graham & Co. Investment Advisors, L.P.
Smith Group Asset Management
South Texas Money Management, Ltd.
State Street Global Advisors
Stone Harbor Investment Partners, L.P.
Sun Life Investment Management
T. Rowe Price Associates, Inc.
The Boston Company Asset Management
The TCW Group, Inc.
Thompson, Siegel & Walmsley LLC
Thornburg Investment Management, Inc.
Tri-Star Trust Bank
UBS Asset Management
VanEck
Versus Capital Group
Victory Capital Management Inc.
Virtus Investment Partners, Inc.
Vontobel Asset Management, Inc.
Voya
WCM Investment Management
WEDGE Capital Management
Wellington Management Company, LLP
Wells Fargo Asset Management
Western Asset Management Company LLC
Westfield Capital Management Company, LP
William Blair & Company LLC



Account Compliance Summary

Alerts:	0
Warnings:	0
Passes:	14

A5XB SACRT - ATLANTA CAPITAL MGMT

Production Date: 06/28/2019

Securities + Cash	26,339,704.69	Base Currency	USD	Net Assets	26,357,870
Rule Name		Limit Type	Limit Value	Result	Result Status
<u>144A and Private Placem</u>					
1	Private Placements are prohibited. (143653)	Maximum	0.00%	0.00 %	Pass
<u>Asset Measures</u>					
2	AssetMeasure: AssetMeasure_Funds_PREFERRED_Denominator (34662)			26,339,704.69 Value	Pass
<u>Asset Type</u>					
3	International equity securities which trade on U.S.-based exchanges, including American Depository Receipts (ADRs), shall not exceed 5% of the portfolio at cost (143658)	Maximum	5.00%	0.00 %	Pass
4	Investments in commodities are prohibited (143655)	Maximum	0.00%	0.00 %	Pass
5	Margin Securities are prohibited. (143651)	Maximum	0.00%	0.00 %	Pass
6	Ownership of shares/debt issued limit 5% ex null (143652)	Maximum	5.00%	0.08 %	Pass
7	The Fund may not enter into short sales. (143654)	Maximum	0.00%	0.00 %	Pass
8	The Fund may not hold any Options. (143657)	Maximum	0.00%	0.00 %	Pass
9	The Fund may not hold more than 5% of the shares outstanding of any domestic equity security (143659)	Maximum	5.00%	0.08 %	Pass
<u>Cash</u>					
10	No more than 10% of the Fund in cash and cash equivalents. (143656)	Maximum	10.00%	2.79 %	Pass
<u>Exchange</u>					
11	Flag any non-US exchange traded futures (143670)	Maximum	0.00%	0.00 %	Pass
<u>Industry</u>					
12	Industry Sector GICS - Max 25% at cost (143660)	Maximum	25.00%	8.22 %	Pass
13	The Fund shall not invested in any security issued by a company in the Tobacco Sub-Industry as defined by GICS (143650)	Maximum	0.00%	0.00 %	Pass
<u>Issuer</u>					
14	Investments in a single domestic equity issuer shall not exceed 5% at cost (143661)	Maximum	5.00%	2.53 %	Pass

A5XD SACRT - METWEST

Production Date: 06/28/2019

Securities + Cash	111,015,751.86	Base Currency	USD	Net Assets	106,437,226
Rule Name		Limit Type	Limit Value	Result	Result Status
<u>144A and Private Placem</u>					
1	The Fund is not permitted to hold any Private Placements excluding 144a (143666)	Maximum	0.00%	0.00 %	Pass
<u>Asset Measures</u>					
2	AssetMeasure: AssetMeasure_Funds_Preferred_Denominator (34662)			111,015,751.86 Value	Pass
<u>Asset Type</u>					
3	A5XD: Flag all prohibited security types (143665)	Maximum	0.00%	0.00 %	Pass
4	Asset-Backed Commercial Paper - Minimum Quality of A2/P2 (157603)	Maximum	0	0 Num Bkts	Pass
<u>Credit Quality</u>					
5	Minimum Quality must be at lest 80% Baa or above (157604)	Minimum	80.00%	88.65 %	Pass
6	No Commercial Paper rated < A2/P2 at time of purchase (143662)	Maximum	0.00%	0.00 %	Pass
7	The Weighted Average Credit Rating of the Fund must be A or better (143663)	Minimum	20	22.40 Rank	Pass
<u>Industry</u>					
8	The Fund shall not invested in any security issued by a company in the Tobacco Sub-Industry as defined by GICS (143650)	Maximum	0.00%	0.00 %	Pass

A5Z8 SACRT BOSTON PARTNERS

Production Date: 06/28/2019

Securities + Cash	45,943,799.54	Base Currency	USD	Net Assets	46,241,835
Rule Name		Limit Type	Limit Value	Result	Result Status
<u>144A and Private Placem</u>					
1	Private Placements are prohibited. (143653)	Maximum	0.00%	0.00 %	Pass
<u>Asset Measures</u>					
2	AssetMeasure: AssetMeasure_Funds_PREFERRED_Denominator (34662)			45,943,799.54 Value	Pass
<u>Asset Type</u>					
3	International equity securities which trade on U.S.-based exchanges, including American Depository Receipts (ADRs), shall not exceed 5% of the portfolio at cost (143658)	Maximum	5.00%	1.52 %	Pass
4	Investments in commodities are prohibited (143655)	Maximum	0.00%	0.00 %	Pass
5	Margin Securities are prohibited. (143651)	Maximum	0.00%	0.00 %	Pass
6	Ownership of shares/debt issued limit 5% ex null (143652)	Maximum	5.00%	0.01 %	Pass
7	The Fund may not enter into short sales. (143654)	Maximum	0.00%	0.00 %	Pass
8	The Fund may not hold any Options. (143657)	Maximum	0.00%	0.00 %	Pass
9	The Fund may not hold more than 5% of the shares outstanding of any domestic equity security (143659)	Maximum	5.00%	0.01 %	Pass
<u>Cash</u>					
10	No more than 10% of the Fund in cash and cash equivalents. (143656)	Maximum	10.00%	3.74 %	Pass
<u>Exchange</u>					
11	Flag any non-US exchange traded futures (143670)	Maximum	0.00%	0.00 %	Pass
<u>Industry</u>					
12	Industry Sector GICS - Max 25% at cost (143660)	Maximum	25.00%	9.14 %	Pass
13	The Fund shall not invested in any security issued by a company in the Tobacco Sub-Industry as defined by GICS (143650)	Maximum	0.00%	0.00 %	Pass
<u>Issuer</u>					
14	Investments in a single domestic equity issuer shall not exceed 5% at cost (143661)	Maximum	5.00%	2.90 %	Pass

Alerts:	
Warnings:	
Passes:	

A5Z8 SACRT BOSTON PARTNERS
Production Date: 06/28/2019

Securities + Cash	45,943,799.54	Base Currency	USD	Net Assets	46,241,835
Rule Name		Limit Type	Limit Value	Result	Result Status

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REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
21	09/11/19	Retirement	Action	08/22/19

Subject: Whether to Conditionally Award a Contract with Northern Trust Company to Provide Retirement Fund Custodian and Compliance Monitoring Services for the ATU, IBEW, and Salaried Plans (ALL). (Adelman)

ISSUE

Whether to Conditionally Award a Contract with Northern Trust Company to Provide Retirement Fund Custodian and Compliance Monitoring Services for the ATU, IBEW, and Salaried Plans for the Time Period October 1, 2019 through September 30, 2024, with a Single Two-Year Option to Extend, for a Fixed Fee of \$96,000 per year plus a Not-to-Exceed amount of \$6,000 and \$2,400 for miscellaneous costs for the base term and option term, respectively (ALL). (Adelman)

RECOMMENDED ACTION

Adopt Resolution 19-09-_____, Conditionally Award a Contract to Northern Trust Company to Provide Retirement Fund Custodian and Compliance Monitoring Services for the ATU, IBEW, and Salaried Plans for the Time Period October 1, 2019 through September 30, 2024, with a single two-year option to extend, for a fixed fee of \$96,000 per year plus a Not-to-Exceed amount of \$6,000 and \$2,400 for miscellaneous costs for the base term and option term, respectively.

FISCAL IMPACT

Budgeted:	Yes	Fiscal Year 2020:\$	81,000
Budget Source:	Pension Funds	Fiscal Year 2021:\$	97,200
Funding Source:		Annualized: \$	97,200
Cost Cntr/GL Acct(s):	210035, 210036 and 210038	Total Amount: \$	486,000
Total Budget:	\$ 486,000*		

* The total budget amount is equal to the total proposal price of \$480,000 plus \$100 per month of miscellaneous costs that have historically been charged. The miscellaneous costs include shipping fees, foreign registration fees, foreign tax filing fees, and wire transfer fees.

Costs will be shared based on ownership percentage of invested assets.

DISCUSSION

On May 30, 2019, at the request of staff for the Retirement Plans, Sacramento Regional Transit District's (SacRT) Procurement Department issued a Request for Proposals (RFP) for retirement fund custodian and compliance monitoring services. On June 28, 2019, proposals were received from Northern Trust Company, BMO Global Asset Management and from the

Approved:

Presented:

Final 09/09/19

VP of Finance/CFO

Director, Finance and Treasury

J:\Retirement Board\2019\IP's\Quarterly Meetings\September 11, 2019\FI FINAL IPs\09-11-19 Northern Trust Contract Execution.docx

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
21	09/11/19	Retirement	Action	08/22/19

Subject: Whether to Conditionally Award a Contract with Northern Trust Company to Provide Retirement Fund Custodian and Compliance Monitoring Services for the ATU, IBEW, and Salaried Plans (ALL). (Adelman)

incumbent State Street Bank and Trust. Callan LLC performed a first review of the proposals submitted, and prepared a summary matrix of all responses to streamline the review and selection process. The written proposals were scored by the Retirement Boards' Evaluation Committee, which was comprised of one non-Board member of each of the five bargaining groups (ATU, IBEW, AEA, AFSCME and MCEG), and SacRT's Director, Finance and Treasury and one Accounting Staff for SacRT's Retirement Plans. Proposals were ranked using the evaluation criteria set forth in the RFP. After evaluation and scoring of the written proposals, the Evaluation Committee determined all of the firms to be acceptable and invited all three firms to provide oral presentations. After the oral presentations, Northern Trust Company was unanimously ranked first by the Evaluation Committee members and had the highest total composite score. Staff and legal counsel are completing contract negotiations, and the Evaluation Committee recommends the Retirement Boards (1) award a five-year contract with a two-year option term to Northern Trust Company to perform the retirement fund custodian and compliance monitoring services for the ATU, IBEW and Salaried Retirement Plans, and (2) authorize the Sacramento Transit District's General Manager/CEO to execute such contract, subject to Legal Counsel's review and approval.

Proposers who are not selected are entitled to protest a recommendation to award and must be granted the full 10-business days to submit a protest to the Retirement Board. Because the notice was not sent out within the allotted time period prior to the Board meeting, Proposers will be allowed the full 10-business days to submit a protest, as indicated in the Notice of Intent to Recommend Conditional Award letter provided to all Proposers. Therefore, award of a contract must be conditioned upon the 10-business day protest period elapsing and the Retirement Board not receiving any protest. In addition, staff recommends that award of a contract be conditioned upon the successful conclusion of contract negotiations.

RESOLUTION NO. 19-09-_____

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the ATU Local Union 256 on this date:

September 11, 2019

CONDITIONALLY AWARD A CONTRACT WITH NORTHERN TRUST COMPANY TO PROVIDE RETIREMENT FUND CUSTODIAN AND COMPLIANCE MONITORING SERVICES

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE ATU LOCAL UNION 256 AS FOLLOWS:

THAT, the General Manager of the Sacramento Regional Transit District is authorized to:

1. Execute a contract on behalf of the ATU Retirement Board with Northern Trust Company for retirement fund custodian and compliance monitoring services for a five-year term at a fixed fee of \$96,000 per year plus a not-to-exceed amount of \$6,000 for miscellaneous costs, with a two-year option term at a fixed fee of \$96,000 per year plus a not-to-exceed amount of \$2,400 for miscellaneous costs, in a form acceptable to Legal Counsel, conditioned on not receiving a protest during the protest period and the successful conclusion of contract negotiations; and
2. Exercise the option term, if in the best interest of the retirement plan.

RALPH NIZ, Chair

A T T E S T:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

RESOLUTION NO. 19-09-_____

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the IBEW Local Union 1245 on this date:

September 11, 2019

CONDITIONALLY AWARD A CONTRACT WITH NORTHERN TRUST COMPANY TO PROVIDE RETIREMENT FUND CUSTODIAN AND COMPLIANCE MONITORING SERVICES

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE IBEW LOCAL UNION 1245 AS FOLLOWS:

THAT, the General Manager of the Sacramento Regional Transit District is authorized to:

1. Execute a contract on behalf of the IBEW Retirement Board with Northern Trust Company for retirement fund custodian and compliance monitoring services for a five-year term at a fixed fee of \$96,000 per year plus a not-to-exceed amount of \$6,000 for miscellaneous costs, with a two-year option term at a fixed fee of \$96,000 per year plus a not-to-exceed amount of \$2,400 for miscellaneous costs, in a form acceptable to Legal Counsel, conditioned on not receiving a protest during the protest period and the successful conclusion of contract negotiations; and
2. Exercise the option term, if in the best interest of the retirement plan.

ERIC OHLSON, Chair

A T T E S T:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

RESOLUTION NO. 19-09-_____

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the AEA on this date:

September 11, 2019

CONDITIONALLY AWARD A CONTRACT WITH NORTHERN TRUST COMPANY TO PROVIDE RETIREMENT FUND CUSTODIAN AND COMPLIANCE MONITORING SERVICES

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE AEA AS FOLLOWS:

THAT, the General Manager of the Sacramento Regional Transit District is authorized to:

1. Execute a contract on behalf of the AEA Retirement Board with Northern Trust Company for retirement fund custodian and compliance monitoring services for a five-year term at a fixed fee of \$96,000 per year plus a not-to-exceed amount of \$6,000 for miscellaneous costs, with a two-year option term at a fixed fee of \$96,000 per year plus a not-to-exceed amount of \$2,400 for miscellaneous costs, in a form acceptable to Legal Counsel, conditioned on not receiving a protest during the protest period and the successful conclusion of contract negotiations; and
2. Exercise the option term, if in the best interest of the retirement plan.

RUSSEL DEVORAK, Chair

A T T E S T:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

RESOLUTION NO. 19-09-_____

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the AFSCME on this date:

September 11, 2019

CONDITIONALLY AWARD A CONTRACT WITH NORTHERN TRUST COMPANY TO PROVIDE RETIREMENT FUND CUSTODIAN AND COMPLIANCE MONITORING SERVICES

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE AFSCME AS FOLLOWS:

THAT, the General Manager of the Sacramento Regional Transit District is authorized to:

1. Execute a contract on behalf of the AFSCME Retirement Board with Northern Trust Company for retirement fund custodian and compliance monitoring services for a five-year term at a fixed fee of \$96,000 per year plus a not-to-exceed amount of \$6,000 for miscellaneous costs, with a two-year option term at a fixed fee of \$96,000 per year plus a not-to-exceed amount of \$2,400 for miscellaneous costs, in a form acceptable to Legal Counsel, conditioned on not receiving a protest during the protest period and the successful conclusion of contract negotiations; and
2. Exercise the option term, if in the best interest of the retirement plan.

, Chair

A T T E S T:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

RESOLUTION NO. 19-09-_____

Adopted by the Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the MCEG on this date:

September 11, 2019

CONDITIONALLY AWARD A CONTRACT WITH NORTHERN TRUST COMPANY TO PROVIDE RETIREMENT FUND CUSTODIAN AND COMPLIANCE MONITORING SERVICES

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE MCEG AS FOLLOWS:

THAT, the General Manager of the Sacramento Regional Transit District is authorized to:

1. Execute a contract on behalf of the MCEG Retirement Board with Northern Trust Company for retirement fund custodian and compliance monitoring services for a five-year term at a fixed fee of \$96,000 per year plus a not-to-exceed amount of \$6,000 for miscellaneous costs, with a two-year option term at a fixed fee of \$96,000 per year plus a not-to-exceed amount of \$2,400 for miscellaneous costs, in a form acceptable to Legal Counsel, conditioned on not receiving a protest during the protest period and the successful conclusion of contract negotiations; and
2. Exercise the option term, if in the best interest of the retirement plan.

ROGER THORN, Chair

A T T E S T:

Henry Li, Secretary

By: _____
Valerie Weekly, Assistant Secretary

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
22	09/11/19	Retirement	Action	08/02/19

Subject: Approving Disability Retirement Application for Carlos Rodriguez (ATU). (Weekly)

ISSUE

Whether to Approve an Application for Disability Retirement submitted by Carlos Rodriguez.

RECOMMENDED ACTION

Adopt Resolution No. 19-09-_____, Approving Disability Retirement of Carlos Rodriguez.

FISCAL IMPACT

Retirement benefits are funded under the Retirement Plan for Regional Transit Employees who are Members of ATU Local 256, hereinafter referred to as the "Retirement Plan".

DISCUSSION

Eligibility

Carlos Rodriguez, hereinafter referred to as "Applicant," is a member of the Retirement Plan, pursuant to Article 3 of the Retirement Plan.

Vesting

The Applicant was in the continuous employ of the District as a full-time employee since April 22, 2002. Applicant has completed at least 10 Years of Service and achieved 100% vesting pursuant to Article 5 of the Retirement Plan.

Service

The Applicant was an Eligible Employee within the meaning of Article 2 of the Retirement Plan when the illness or injury at issue occurred, and has terminated service as an Employee of the District.

Age

There is no minimum age requirement for eligibility for disability retirement benefits.

Disability

Michael Cohen, M.D. evaluated the Applicant on July 17, 2019. Retirement Plan staff received Dr. Cohen's medical report on August 5, 2019. According to the medical report, Dr. Cohen has

Approved:

Presented:

Final 08/27/19

Director, Finance and Treasury

Pension and Retiree Services Administrator

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REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
22	09/11/19	Open	Action	08/02/19

Subject: Approving Disability Retirement Application for Carlos Rodriguez (ATU). (Weekly)

determined that the Applicant has a permanent physical or mental condition, resulting from illness or injury, that disqualifies him from performing the duties of his position as a Bus Operator.

Allowance

Upon approval by the Board, Retirement Plan Staff will notify Cheiron, Actuary for the Retirement Plan, to calculate retirement benefits to which the Applicant is entitled.