

County Employees' Retirement Fund

Monthly ASAP Report

September 30, 2024



2018 2019 2020 2021 2022 **2023**

**We are proud to announce that ACG has again been named a Greenwich Associates
Quality Leader - recognized as one of the top consultants in the industry.**

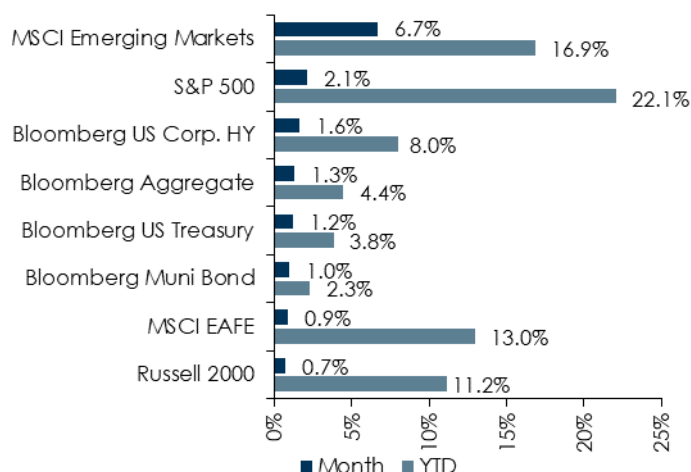
Methodology and Disclosure: Between February and November 2023, Coalition Greenwich conducted interviews with 708 individuals from 575 of the largest tax-exempt funds in the United States. These U.S.-based institutional investors are corporate, public, union, and endowment and foundation funds with either pension or investment pool assets greater than \$150 million. Study participants were asked to provide quantitative and qualitative evaluations of their asset management and investment consulting providers, including qualitative assessments of those firms soliciting their business and detailed information on important market trends. ACG is one of three firms recognized in the mid-size investment consultant category. The ratings may not be representative of any one client's experience with ACG; rather they are representative of those clients that chose to participate in the survey. The results are not indicative of ACG's future performance. ACG does not pay to have its clients participate in the study.

Economic Overview

- The FOMC reduced the Federal Funds target rate by 50 bps to 4.75% - 5.00%, its first cut since 2020
- Inflation and jobs data were mixed but near expectations, with unemployment ticking down to 4.2% and core CPI holding steady at 3.2%
- China announced a comprehensive stimulus package of funding and interest rate cuts in an attempt to boost their ailing economy

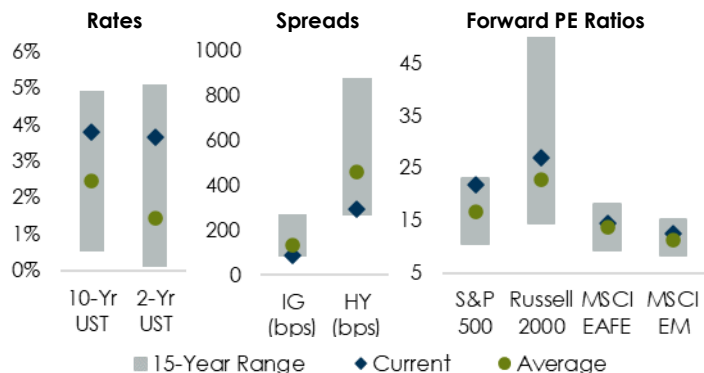
Market Returns

- Emerging markets outperformed as China equities rallied
- Policy easing supported both equity and bond markets



Source: Bloomberg, ACG Research (as of 9/30/2024)

Fixed Income and Equity Valuation Metrics



Source: Bloomberg (as of 9/30/2024)

Asset Class Valuations - Rebalancing Rationale

- Equities discounting a soft landing and continued easing monetary policy
- Upside for duration limited with additional Fed cuts already discounted by markets
- Cash yields set to fall as rate cutting cycle begins

Asset Class	Current Valuation	Rationale
US Large Cap	Overvalued	Expensive valuations
US Small Cap	Fairly Valued	Balanced upside/downside risks
Int'l Developed	Fairly Valued	Fair valuations, mixed growth across regions
Emerging Mkt	Fairly Valued	Balanced upside/downside risks

Cash	Fairly Valued	Cash rates likely to decline
Core Bonds	Fairly Valued	Balanced duration risks
Multi-Sector	Fairly Valued	Attractive income; tight spreads
Unconstrained	Fairly Valued	Duration, spreads balanced

Core Real Estate	Fairly Valued	Market values stabilizing
------------------	---------------	---------------------------

Overvalued	Fairly Valued	Undervalued
------------	---------------	-------------

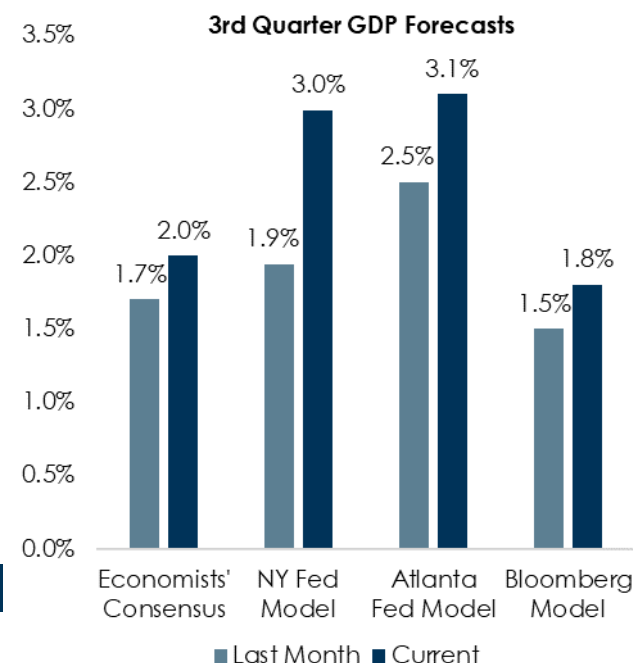
Recent Articles (click on links below)

- [Has Real Estate Hit Bottom? \(September\)](#)
- [The Evolution of Private Wealth \(April\)](#)
- [Fiscal Policy Impact of 2024 Election \(April\)](#)

Key Risk Factors We Are Watching

- Stronger inflation and labor market data
- Rising headwinds for consumers (higher rates, student loan repayments, depleted savings...)
- Potential Fed policy error
- Headwinds to corporate earnings
- Rising geopolitical tensions
- Weaker than expected China recovery

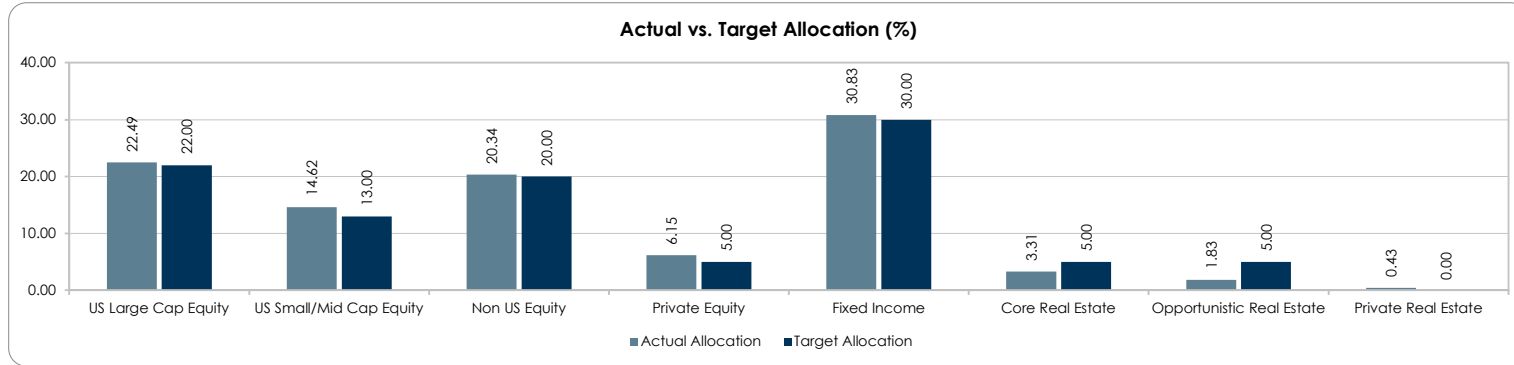
Soft Landing Probable as GDP Forecasts Trend Up



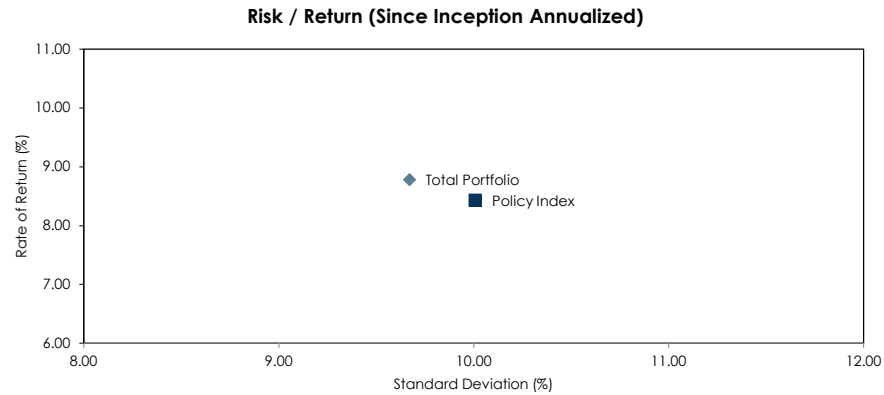
Source: Bloomberg (as of 9/30/2024)

County Employees' Retirement Fund

For the Periods Ending September 30, 2024



Asset Class	Market Value (\$000s)	Actual Allocation (%)	Target Allocation (%)	Over/Under (%)
Total Portfolio	827,954	100.00	100.00	
Equity	526,559	63.60	60.00	3.60
US Large Cap Equity	186,241	22.49	22.00	0.49
US Small/Mid Cap Equity	121,012	14.62	13.00	1.62
Non US Equity	168,380	20.34	20.00	0.34
Private Equity	50,925	6.15	5.00	1.15
Fixed Income	255,273	30.83	30.00	0.83
Real Assets	46,123	5.57	10.00	-4.43
Core Real Estate	27,387	3.31	5.00	-1.69
Opportunistic Real Estate	15,136	1.83	5.00	-3.17
Private Real Estate	3,600	0.43	0.00	0.43



Return Statistics (Since Inception Annualized)		
	Total Portfolio	Policy Index
Return (%)	8.78	8.43
Standard Deviation (%)	9.67	10.01
Sharpe Ratio	0.67	0.62
Benchmark Relative Statistics		
Beta		0.90
Up Capture (%)		93.70
Down Capture (%)		88.34

County Employees' Retirement Fund

For the Periods Ending September 30, 2024

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Total Portfolio (01/95)	827,954	100.00	1.13	5.73	10.53	18.66	5.01	9.16	7.98	8.78
<i>Policy Index ¹</i>			1.87	5.61	12.78	22.22	4.56	8.10	7.75	8.43
US Large Cap Equity (06/01)	186,241	22.49	2.14	5.93	22.12	36.40	11.93	16.72	13.70	10.44
<i>S&P 500</i>			2.14	5.89	22.08	36.35	11.91	15.98	13.38	8.81
US Small/Mid Cap Equity (01/02)	121,012	14.62	0.39	7.80	12.98	24.89	6.72	13.11	12.32	9.94
<i>Russell 2500</i>			1.49	8.75	11.30	26.17	3.47	10.43	9.50	9.31
Non US Equity (11/02)	168,380	20.34	0.89	8.62	11.94	24.15	7.48	9.04	6.46	8.50
<i>MSCI EAFE NetDiv</i>			0.92	7.26	12.99	24.77	5.48	8.20	5.71	7.31
Private Equity (11/09) *	50,925	6.15	0.00	0.00	0.67	1.69	3.37	13.38	12.41	11.84
<i>S&P 500</i>			2.14	5.89	22.08	36.35	11.91	15.98	13.38	14.37
Fixed Income (08/03)	255,273	30.83	1.32	4.88	5.73	12.65	0.83	2.51	2.48	4.43
<i>Bloomberg US Aggregate</i>			1.34	5.20	4.45	11.57	-1.39	0.33	1.84	3.38
Core Real Estate (10/05)	27,387	3.31	0.15	0.82	-3.43	-10.58	-2.18	1.67	5.20	4.66
<i>NFI ODCE</i>			0.25	0.25	-2.57	-7.27	-0.18	2.94	6.09	5.90
Opportunistic Real Estate (08/22)	15,136	1.83	-0.00	-0.00	-9.87	-19.91	--	--	--	-19.35
<i>NFI ODCE</i>			0.25	0.25	-2.57	-7.27	-0.18	2.94	6.09	-8.81
Building Valuation	3,600	0.43	--	--	--	--	--	--	--	--

¹ Policy Index: Effective August 2022, the index consists of 65.00% MSCI ACWI NetDiv, 10.00% NFI ODCE, 25.00% Bloomberg US Aggregate.

Building Valuation is not included in performance.

County Employees' Retirement Fund
For the Periods Ending September 30, 2024

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Equity										
US Large Cap Equity										
Northern Trust S&P 500 Index (06/21)	186,241	22.49	2.14	5.93	22.12	36.40	11.93	--	--	11.64
S&P 500			2.14	5.89	22.08	36.35	11.91	15.98	13.38	11.62
US Small/Mid Cap Equity										
William Blair SMID Cap Growth (08/16)	58,616	7.08	1.82	9.04	10.89	24.91	1.69	9.60	--	12.56
Russell 2500 Growth			1.63	6.99	11.20	25.20	-0.75	9.75	9.98	10.61
Burgundy Asset Management (07/04)	62,396	7.54	-0.92	6.66	15.13	25.54	10.98	15.86	13.66	12.53
Russell 2000 Value			0.06	10.15	9.22	25.88	3.77	9.29	8.22	7.65
Non US Equity										
Brandes (10/98)	76,765	9.27	2.71	12.18	17.53	30.43	12.60	12.07	7.29	8.93
MSCI EAFE NetDiv			0.92	7.26	12.99	24.77	5.48	8.20	5.71	5.51
MSCI EAFE Value NetDiv			1.42	8.89	13.79	23.14	8.94	8.27	4.56	5.74
Barings Focused EAFE Plus Equity (05/12)	65,162	7.87	-1.26	5.35	5.82	17.25	2.04	6.08	6.02	5.81
MSCI EAFE NetDiv			0.92	7.26	12.99	24.77	5.48	8.20	5.71	6.85
MSCI EAFE Growth NetDiv			0.43	5.68	12.26	26.54	1.92	7.74	6.61	7.28
Vanguard FTSE Developed Markets ETF (03/24)	26,453	3.19	1.08	7.17	--	--	--	--	--	10.46
FTSE Developed All Cap ex US			1.23	7.62	12.52	24.74	4.97	8.62	6.08	10.91
Private Equity (11/09) *										
S&P 500	50,925	6.15	0.00	0.00	0.67	1.69	3.37	13.38	12.41	11.84
			2.14	5.89	22.08	36.35	11.91	15.98	13.38	14.37

County Employees' Retirement Fund
For the Periods Ending September 30, 2024

		Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Fixed Income											
Loomis Sayles (04/01)		76,528	9.24	1.31	5.33	5.08	12.80	-0.67	1.78	2.81	5.08
	<i>Bloomberg US Aggregate</i>			1.34	5.20	4.45	11.57	-1.39	0.33	1.84	3.71
Baird Core Plus (11/16)		75,372	9.10	1.42	5.30	5.58	13.19	-0.37	1.52	--	2.52
	<i>Bloomberg Universal</i>			1.37	5.20	4.91	12.08	-1.05	0.70	2.15	1.75
BlackRock Strategic Opportunities Fund (03/17)		98,734	11.93	1.28	4.40	6.41	12.44	2.91	4.00	--	4.02
	<i>Bloomberg US Aggregate</i>			1.34	5.20	4.45	11.57	-1.39	0.33	1.84	1.66
Deferred Comp (01/13)		19	0.00	0.41	1.29	3.94	5.31	3.45	2.21	1.54	1.31
Cash and Equivalents (01/13)		4,620	0.56	0.36	1.16	3.57	4.93	3.39	2.18	1.54	1.31
	<i>US T-Bills 90 Day</i>			0.43	1.37	4.03	5.46	3.49	2.32	1.65	1.41
Real Assets											
Core Real Estate											
JP Morgan Strategic Property Fund (04/15)		27,387	3.31	0.15	0.82	-3.43	-10.58	-2.18	1.67	--	4.67
	<i>NFI ODCE</i>			0.25	0.25	-2.57	-7.27	-0.18	2.94	6.09	5.69
Opportunistic Real Estate											
JP Morgan Special Situations Property Fund (08/22)		15,136	1.83	-0.00	-0.00	-9.87	-19.91	--	--	--	-19.35
	<i>NFI ODCE</i>			0.25	0.25	-2.57	-7.27	-0.18	2.94	6.09	-8.81
Building Valuation		3,600	0.43	--	--	--	--	--	--	--	--

Building Valuation is not included in performance.

* Performance is Net of Fees

County Employees' Retirement Fund

For the Period Ending September 30, 2024

Summary of Cash Flows for 1 Month

Cash Outflows	Cash Inflows	Net Cash Flows
-	2,220,264	2,220,264

Summary of Portfolio Inception to Date

	Inception Date	Committed	Drawn to Date	Remaining Commitment	Distributions to Date	Adjusted Ending Value	Total Value	Total Value to Paid-in	Annualized IRR (%)
Total	Nov-09	60,000,000	44,529,814	12,970,187	32,559,582	50,925,026	83,484,608	1.87x	13.68
Portfolio Advisors VI	Nov-09	10,000,000	6,474,540	1,025,461	12,063,730	2,425,058	14,488,788	2.24x	12.21
Portfolio Advisors VIII	Nov-15	20,000,000	14,753,050	5,246,950	17,990,325	16,296,859	34,287,184	2.32x	15.55
Portfolio Advisors X	Jul-20	30,000,000	23,302,224	6,697,776	2,505,527	32,203,109	34,708,636	1.49x	12.75

Cash Flow Activity for 1 Month

Fund Name	Date	Transaction Type	Cash Outflows	Cash Inflows	Net Cash Flows
Total			-	2,220,264	2,220,264
Portfolio Advisors VI	9/11/2024	Distribution	-	223,195	
Portfolio Advisors X	9/11/2024	Distribution	-	1,289,644	
Portfolio Advisors VIII	9/12/2024	Distribution	-	707,425	

Historical Benchmark Composition

Policy Index

12/31/1994	The index consists of 65.00% S&P 500, 35.00% Bloomberg US Aggregate.
01/31/2017	The index consists of 65.00% MSCI ACWI NetDiv, 5.00% NFI ODCE, 30.00% Bloomberg US Aggregate.
08/31/2022	The index consists of 65.00% MSCI ACWI NetDiv, 10.00% NFI ODCE, 25.00% Bloomberg US Aggregate.

Market Overview

For the Periods Ending September 30, 2024

	1 Month (%)	3 Months (%)	YTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Equity Markets - Core							
S&P 500	2.14	5.89	22.08	36.35	11.91	15.98	13.38
Russell 1000	2.14	6.08	21.18	35.68	10.83	15.64	13.10
Russell 2000	0.70	9.27	11.17	26.76	1.84	9.39	8.78
Russell 2500	1.49	8.75	11.30	26.17	3.47	10.43	9.50
Russell Mid Cap	2.23	9.21	14.63	29.33	5.75	11.30	10.19
Equity Markets - Growth							
S&P 500 Growth	2.84	3.72	28.16	41.10	10.08	17.56	15.17
Russell 1000 Growth	2.83	3.19	24.55	42.19	12.02	19.74	16.52
Russell 2000 Growth	1.33	8.41	13.22	27.66	-0.35	8.82	8.95
Russell 2500 Growth	1.63	6.99	11.20	25.20	-0.75	9.75	9.98
Russell Mid Cap Growth	3.33	6.54	12.91	29.33	2.32	11.48	11.30
Equity Markets - Value							
S&P 500 Value	1.12	9.05	15.36	31.09	13.12	13.21	10.82
Russell 1000 Value	1.39	9.43	16.68	27.76	9.03	10.69	9.23
Russell 2000 Value	0.06	10.15	9.22	25.88	3.77	9.29	8.22
Russell 2500 Value	1.42	9.63	11.28	26.59	6.06	9.99	8.47
Russell Mid Cap Value	1.88	10.08	15.08	29.01	7.39	10.33	8.93
International Markets							
MSCI EAFE NetDiv	0.92	7.26	12.99	24.77	5.48	8.20	5.71
MSCI ACWI NetDiv	2.32	6.61	18.66	31.76	8.09	12.19	9.39
MSCI World NetDiv	1.83	6.36	18.86	32.43	9.08	13.04	10.07
MSCI World ex US NetDiv	1.11	7.76	13.10	24.98	5.65	8.36	5.68
Fixed Income							
ICE BofA 1-3 Yr Treasury	0.81	2.89	4.16	6.75	1.33	1.52	1.42
ICE BofA High Yield Master II	1.64	5.32	8.05	15.68	3.08	4.55	4.95
Bloomberg US Aggregate	1.34	5.20	4.45	11.57	-1.39	0.33	1.84
Bloomberg Intermediate G/C	1.08	4.17	4.68	9.45	0.17	1.26	1.96
Bloomberg 10 Yr Municipal	0.91	2.64	1.02	8.57	0.13	1.42	2.60
Bloomberg US Credit	1.71	5.71	5.23	13.81	-1.12	1.07	2.79

Disclaimer and Legal Notice

Information Disclaimer:

This report was prepared by ACG using information from sources that may include the following: client's custodian(s); client's investment manager(s); ACG Investment Manager Database and Client Reporting Tool; third party data vendors; and other outside sources as may be directed by the client. Index Characteristics utilized in this report are obtained from third party data providers and may be different than index characteristics reported by investment managers/funds due to varied calculation methodologies and data sources. Although the information presented herein has been obtained from and is based upon sources ACG believes to be reliable, no representation or warranty, express or implied, is made as to the accuracy or completeness of that information. Accordingly, ACG does not itself endorse or guarantee, and does not itself assume liability whatsoever for, the accuracy or reliability of any third party data or the financial information contained herein.

The information presented herein is for informational purposes only and is not intended as an offer to sell or the solicitation of an offer to purchase a security.

This report is provided as a management tool for the client's internal use only. Information contained in this report does not constitute a recommendation by ACG.

This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

Past performance is not indicative of future results. Any comparison to an index is for comparative purposes only. An investment cannot be made directly into an index. Indices are unmanaged and do not reflect the deduction of advisory fees.

This report is distributed with the understanding that it is not rendering accounting, legal or tax advice. Please consult your legal or tax advisor concerning such matters. No assurance can be given that the investment objectives described herein will be achieved and investment results may vary substantially on a quarterly, annual or other periodic basis. There is no representation or warranty as to the current accuracy of, nor liability for, decisions based on such information.