



AGENDA

RETIREMENT BOARD MEETING

SECOND MONTHLY MEETING
September 27, 2017
9:00 a.m.

Retirement Board Conference Room
The Willows Office Park
1355 Willow Way, Suite 221
Concord, California

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Accept comments from the public.
3. Approve minutes from the August 9, 2017 meeting.

CLOSED SESSION

4. The Board will go into Closed Session pursuant to Govt. Code Section 54956.9(d)(4) to confer with legal counsel regarding initiation of litigation (one potential case).
5. The Board will continue in Closed Session pursuant to Govt. Code Section 54956.9(d)(1) to confer with legal counsel regarding pending litigation:

Harris v. Fleming, et.al., Contra Costa County Superior Court Case No.: CIVMSC16-01143

OPEN SESSION

6. Presentation from the StepStone Group of private equity pacing report.
7. Consider and take possible action to authorize the CEO to renew a maintenance and support agreement with CPAS Systems, Inc.
8. Consider and take possible action on SACRS Voting Proxy Form.
9. Consider authorizing the attendance of Board:
 - a. SACRS Fall Conference, SACRS, November 14-17, 2017, Burlingame, CA.
 - b. Annual Partners Meeting, Long Wharf, November 15-16, 2017, Boulder, CO.
10. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.



Meeting Date
09/27/17
Agenda Item
#3

MINUTES

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING

August 9, 2017

9:00 a.m.

Retirement Board Conference Room

The Willows Office Park

1355 Willow Way, Suite 221

Concord, California

Present: Scott Gordon, Jerry Holcombe, Louie Kroll, Jay Kwon, David MacDonald, John Phillips, William Pigeon, Gabe Rodrigues, Todd Smithey, Jerry Telles and Russell Watts

Absent: Candace Andersen

Staff: Gail Strohl, Chief Executive Officer; Christina Dunn, Deputy Chief Executive Officer; Timothy Price, Chief Investment Officer; Karen Levy, General Counsel; Wrally Dutkiewicz, Compliance Officer; Henry Gudino, Accounting Manager; Anne Sommers, Admin/HR Manager; and Tim Hoppe, Retirement Services Manager

Outside Professional Support:

Harvey Leiderman

Paul Angelo

John Monroe

Susan Hastings

Representing:

Reed Smith LLP

Segal Consulting

Segal Consulting

Laughlin, Falbo, Levy & Moresi

1. Pledge of Allegiance

Rossini led all in the *Pledge of Allegiance*.

2. Accept comments from the public

No member of the public offered comment.

3. Approval of Minutes

It was **M/S/C** to approve the minutes of the June 14, 2017 meeting. (Yes: Gordon, Holcombe, Kwon, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)

4. Routine Items

Phillips asked that sub-totals be added to the alternative investments section of Item 4e.

It was **M/S/C** to approve the routine items of the August 9, 2017 meeting. (Yes: Gordon, Holcombe, Kwon, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54957.

The Board moved into open session.

5. It was **M/S/C** to deny the service-connected disability retirement application of Ramona Anguiano. (Yes: Gordon, Holcombe, Kwon, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)

It was the consensus of the Board to move to Item 7.

7. **Presentation from Segal regarding the December 31, 2016 Valuation Report**

Angelo gave an overview of the report noting that although the average rates are fairly stable the actual rates by cost group show a little volatility. He reported the funded ratio of the plan increased from 84.5% to 86.5%. The unfunded actuarial accrued liability (UAAL) decreased from \$1.3 billion to \$1.2 billion. The average employer contribution rate decreased from 39.23% of payroll to 38.08% of payroll and the average member contribution rate decreased from 12.09% of payroll to 12.08% of payroll.

8. **Consider and take possible action to adopt the December 31, 2016 Valuation Report and contribution rates for the period July 1, 2018 - June 30, 2019**

It was **M/S/C** to adopt the December 31, 2016 Valuation Report and contribution rates for the period July 1, 2018 to June 30, 2019 as recommended by Segal Consulting. (Yes: Gordon, Holcombe, Kwon, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)

9. **Update on audit committee composition by Board chair**

Smithey reported Holcombe is interested in filling the vacancy on the Audit Committee. He appointed Holcombe to the committee. He appointed Phillips as Chairman and Watts as Vice Chairman.

10. **Consider authorizing the attendance of Board and/or staff:**

- a. It was **M/S/C** to authorize the attendance of 3 Board members and 2 staff members at the Debt, Income and Real Estate Opportunities Conference, Torchlight Investors, October 3-4, 2017, New York, NY. (Yes: Gordon, Holcombe, Kwon, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)
- b. It was **M/S/C** to authorize the attendance of 2 Board members at the 63rd Annual Employee Benefits Conference, IFEBP, October 22-25, 2017, Las Vegas, NV. (Yes: Gordon, Holcombe, Kwon, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)
- c. It was **M/S/C** to authorize the attendance of 4 Board members and 3 staff members at the 2017 Invesco Real Estate Global Client Conference, Invesco, November 7-9, 2017, La Jolla, CA. (Yes: Gordon, Holcombe, Kwon, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)

11. **Miscellaneous**

- (a) Staff Report –

Strohl reported she attended the NASRA annual meeting. The meeting will be in San Diego next year. She acknowledged Anne Sommers who was promoted to the Admin/HR Manager position and reported a Member Services Manager was also hired and will be starting on August 16th.

Gudino stated he attended the SACRS Investment Program noting it was a great program and was very helpful.

Dunn reported CalPERS will be having a workshop on Social Security on August 29th from 10:00 a.m.-12 noon and the vote will be on November 16th from 10:00 a.m. -2:00 p.m. Strohl noted there is an absentee ballot option for trustees attending SACRS.

Sommers reported we will be having first round interviews for the Investment Officer positions next week. We have 3 recruitments open – an Office Specialist that closes on the 11th, an Admin/HR Supervisor that closes on the 18th, and an Executive Assistant that is open until the 25th.

Dutkiewicz reported he attended a Compliance Conference stating they had good discussions on internal controls, valuation methods, operational due diligence and good best practices.

(b) Outside Professionals' Report -

None

(c) Trustees' comments –

Telles reported he and MacDonald attended the SACRS Berkeley Conference noting it has improved from the last time he went 5 years ago and recommends attending next year.

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54956(d)(2).

6. MacDonald recused himself from this item. There was no reportable action related to Govt. Code Section 54956.9(d)(2).

It was **M/S/C** to adjourn the meeting. (Yes: Gordon, Holcombe, Kwon, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)

Todd Smithey, Chairman

David MacDonald, Secretary

Meeting Date
09/27/17
Agenda Item
#6



MEMORANDUM

Date: September 27, 2017
To: CCCERA Board of Retirement
From: Timothy Price, Chief Investment Officer
Subject: Private Equity Pacing

Overview

The CCCERA Board voted to retain The StepStone Group as a private markets advisor at the April 26, 2017 Board meeting. The mandate for StepStone is to act as a non-discretionary advisor to the private equity program, and fulfill a more nuanced, discretionary mandate for private credit. Given the differences in the consulting approaches to private equity and private credit, CCCERA will have distinct contracts with StepStone for each segment.

Contracting for the private equity segment has been completed and the private credit contract is nearly complete. With the private equity contract in place, CCCERA Investment Staff has begun working with StepStone to map out the future of the CCCERA private equity program. StepStone is here today to discuss the roadmap of the next few years of activity with the Board.

Private Equity Pacing

For private equity investments there is a lag period from when a commitment is made to private equity funds to when actual dollars are invested. In private equity, when CCCERA makes a commitment of a specific dollar amount to a private equity fund, it can take years between when the first and the final committed dollars are invested. Meanwhile, partnership commitments made in the first few years begin distributing capital. This pattern of capital being called and distributed (versus being invested immediately as in the case with public markets) requires a pacing plan in order to achieve a target dollar amount invested. The pacing plan outlines timing for commitments and expected distributions from CCCERA's private equity managers as well as identifying the relative mix of strategies that will be pursued in the near term.

CCCERA has a target of 10% of total fund assets to be invested in private equity. The pacing plan presented by StepStone outlines a strategy for achieving the target allocation over the next several years.

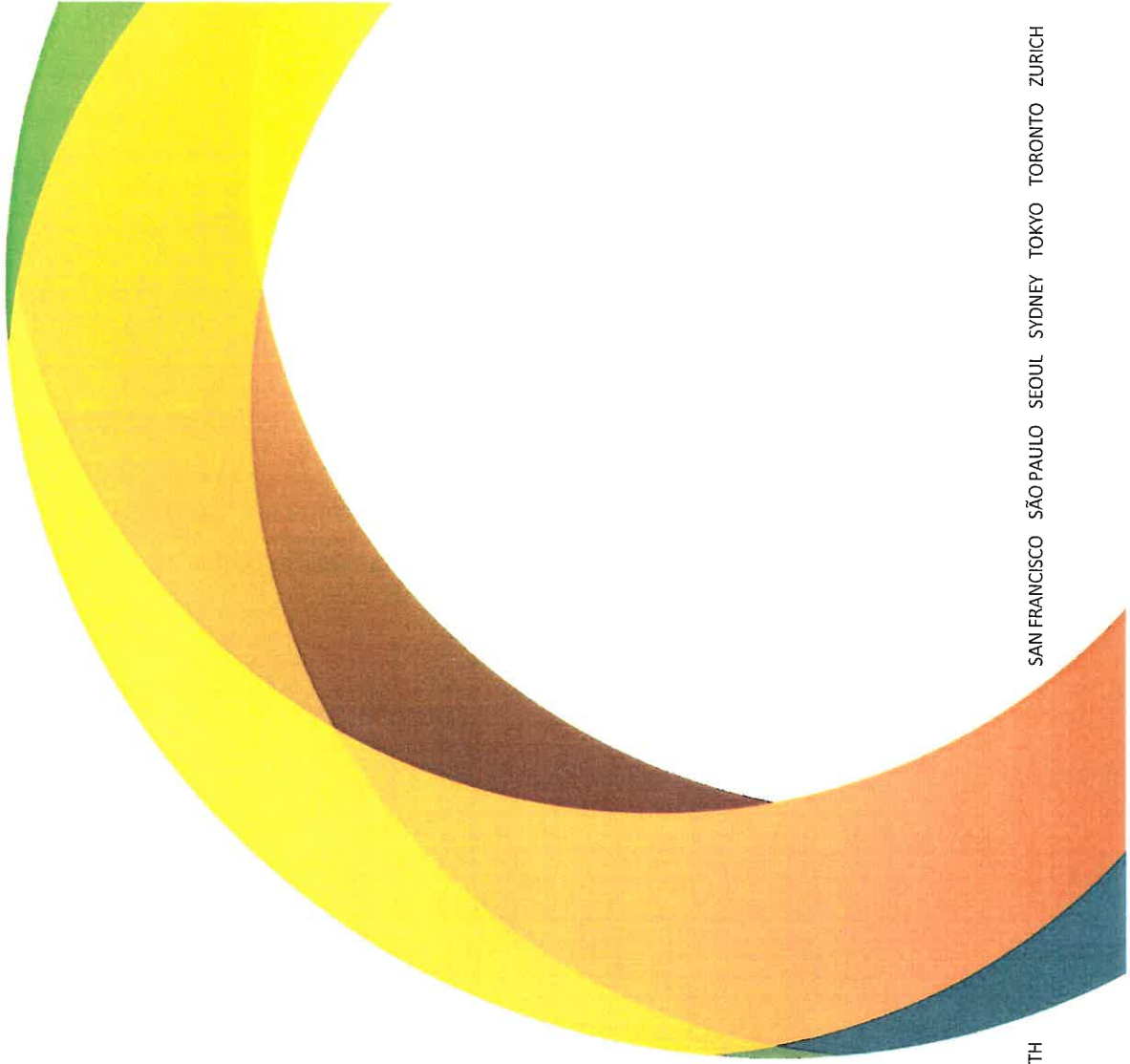
Conclusion

This pacing plan is informational only and does not require any action by the Board.



Private Equity Presentation

September 2017



BEIJING DUBLIN HONG KONG LAJOLLA LONDON NEW YORK PERTH

SAN FRANCISCO SÃO PAULO SEOUL SYDNEY TOKYO TORONTO ZURICH

Disclosure



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The presentation is being made based on the understanding that each recipient has sufficient knowledge and experience to evaluate the merits and risks of investing in private equity products. All expressions of opinion are intended solely as general market commentary and do not constitute investment advice or a guarantee of returns. All expressions of opinion are as of the date of this document, are subject to change without notice and may differ from views held by other businesses of StepStone.

All valuations are based on current values provided by the general partners of the Underlying Funds and may include both realized and unrealized investments. Due to the inherent uncertainty of valuation, the stated value may differ significantly from the value that would have been used had a ready market existed for all of the portfolio investments, and the difference could be material. The long-term value of these investments may be lesser or greater than the valuations provided.

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Prospective investors should inform themselves and take appropriate advice as to any applicable legal requirements and any applicable taxation and exchange control regulations in the countries of their citizenship, residence or domicile which might be relevant to the subscription, purchase, holding, exchange, redemption or disposal of any investments. Each prospective investor is urged to discuss any prospective investment with its legal, tax and regulatory advisors in order to make an independent determination of the suitability and consequences of such an investment.

An investment involves a number of risks and there are conflicts of interest. Please refer to the risks and conflicts disclosed herein.

Each of StepStone Group LP, StepStone Group Real Assets LP and StepStone Group Real Estate LP is an investment adviser registered with the Securities and Exchange Commission ("SEC"). StepStone Group Europe LLP is authorized and regulated by the Financial Conduct Authority, firm reference number 551580. Swiss Capital Invest Holding (Dublin) Ltd ("SCHIDL") is an SEC Registered Investment Advisor and Swiss Capital Alternative Investments AG ("SCAI") (together with SCHIDL, "Swiss Cap") is registered as a Relying Advisor with the SEC. Such registrations do not imply a certain level of skill or training and no inference to the contrary should be made.

All data is as of August 31, 2017 unless otherwise noted.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. ACTUAL PERFORMANCE MAY VARY.

Biographies



Jose Fernandez, Partner, COO

Mr. Fernandez focuses on US-based small market managers and Latin American investments, as well as the firm's general administration.

Prior to founding StepStone, Mr. Fernandez was a managing director of Pacific Corporate Group, a private equity investment firm for institutional investors. Mr. Fernandez previously worked with Latham and Watkins LLP's private equity/investment fund group, a practice focused on joint ventures and the structuring, negotiation and operation of pooled investment vehicles such as private equity funds.

Mr. Fernandez received his BA from the University of Michigan, Ann Arbor and JD from Stanford Law School.

Overview

- I. Private Equity Program
- II. Pacing Analysis
- III. Portfolio Construction
- IV. Appendix – Investment Process & Analytics

I. Private Equity Program

Dedicated Private Equity Team

CCCERA Board

Portfolio Managers	Investor Relations	Legal/Structuring
 <p>Tom Keck, Partner, Head of Research La Jolla 20 yrs. investment experience PCG, Blue Capital, McKinsey</p>	 <p>Jose Fernandez, Partner, COO La Jolla 20 yrs. investment experience PCG, Latham & Watkins LLP</p>	 <p>Jason Ment, Partner, GC, CCO New York 16 yrs. relevant experience Citi Private Equity, O'Melveny & Myers LLP</p>
 <p>Natalie Walker, Principal La Jolla 11 yrs. investment experience Oppenheimer & Co.</p>	 <p>Qi Liu, CFA, Senior Associate La Jolla 10 yrs. investment experience TorreyCove, Macquarie Group</p>	
 <p>Qing Liu, CFA, Senior Associate La Jolla 10 yrs. investment experience TorreyCove, Macquarie Group</p>		

Research Capabilities	Customized Separate Accounts	Thorough Account Administration
<ul style="list-style-type: none"> Strategic Advice Manager Selection Market Research Portfolio Planning 	<ul style="list-style-type: none"> Separate Accounts Targeted Commingled Funds <ul style="list-style-type: none"> Co-Investments Secondaries Real Estate Venture Capital Private Debt 	<ul style="list-style-type: none"> Investment Monitoring Performance & Analytics Fund Administration Replacement Manager Capabilities Portfolio & Risk Management

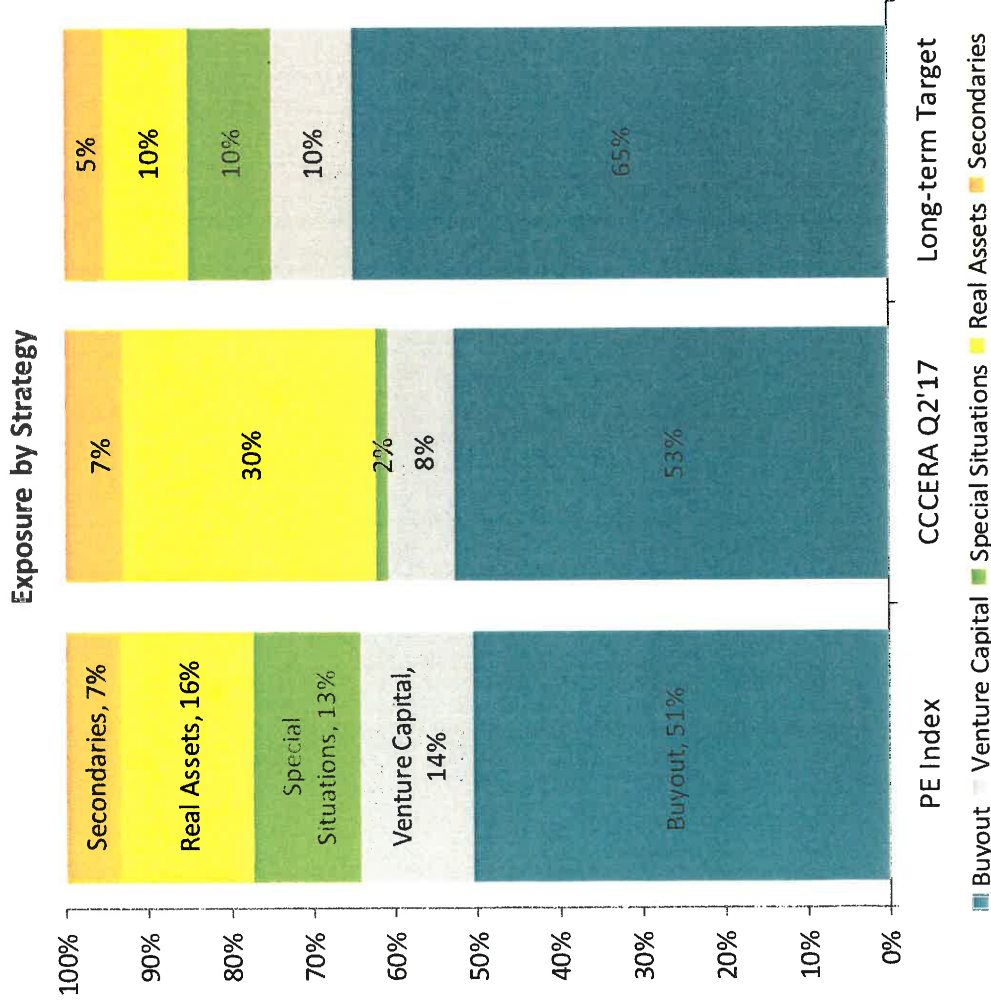
1. StepStone deployed over US\$19 billion in 2016.
 2. LTM ended July 31, 2017.

Private Equity Investment Objectives

CCCERA Investment Strategy: Help build a top performing global private equity portfolio by leveraging StepStone's research-intensive approach to invest opportunistically in high quality managers with a long-term view of making capital gains on investments

- Target Asset Allocation: 12% of Total Portfolio FMV
- Eligible Asset Classes: Private Equity & Real Assets
- Sub-Asset Class Ranges: Buyout 60-70%
Special Situations 5-15%
VC / Growth Equity 5-15%
Real Assets / Natural Resources 5-15%
Secondaries 0-10%
- Geographic Preference: Global (weighted towards North America)
- Deployment Pace: 5-10+ year Investment Horizon
- Implementation: Primary Mandate

Portfolio by Strategy



- StepStone reviewed CCCERA's portfolio exposure by strategy, as compared to the Private Equity Index
 - CCCERA's current portfolio consists of 30 fund commitments to 13 General Partners
 - Commitments are through primary funds, secondary funds, and fund of funds
- Relative to the Private Equity Index, CCCERA is in line with Buyouts and overweight Real Assets & Natural Resources, at the expense of VC / Growth Equity and Special Situations
 - StepStone recommends CCCERA continue to focus on primary commitments to Buyout funds going forward in order to meet the long-term risk/return goals of the program
 - StepStone recommends selectively adding VC / Growth Equity and Special Situations investments to diversify the portfolio, while not assuming material incremental risk
- Going forward, we assumed a 60-70% allocation to Buyouts, partially driven by a decrease in the Real Assets & Natural Resources exposure from 30% to 10%

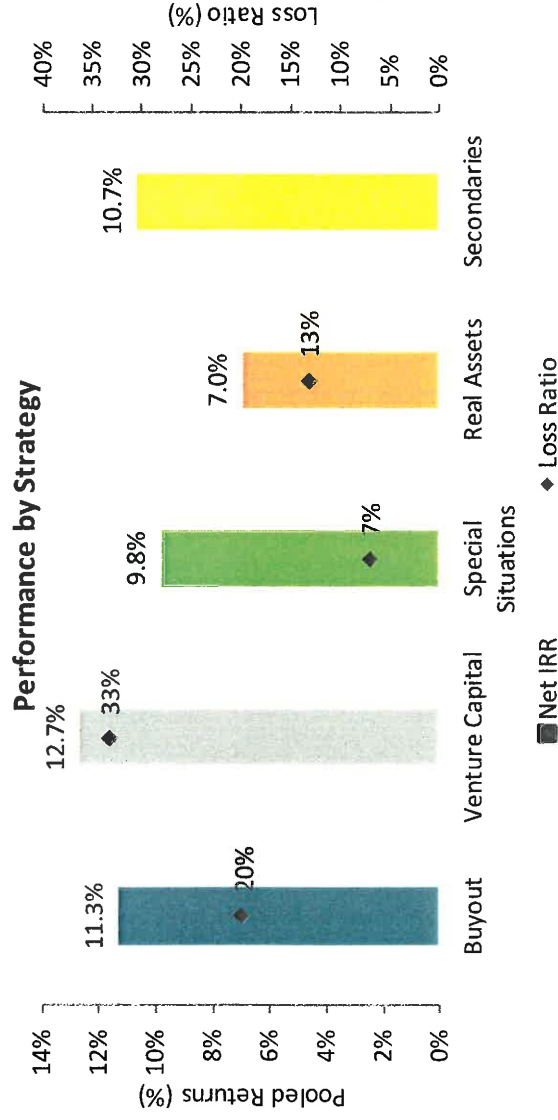
NOTES:
 (1) PE Index based on 2008 to Q1'17 Fundraising data from Burgiss Private iQ. Venture Capital includes Growth Equity and Real Assets includes Natural Resources
 (2) CCCERA data based on Total Exposure (NAV + Unfunded Commitments) at June 30, 2017
 (3) Long-term Target reflects the mid-point of the sub-asset class ranges on page 6

StepStone recommends a focus on buyouts through primary investments

Performance by Strategy

An analysis of private equity performance over time can provide perspective on how investors can achieve long-term goals

- Buyout and Venture Capital investments have produced the highest returns, while Venture Capital has demonstrated the most volatility
- Special Situations and Real Assets have demonstrated the lowest volatility with lower returns
- Secondaries have performed well and can be used as a tool to reach target exposures within a shorter time horizon

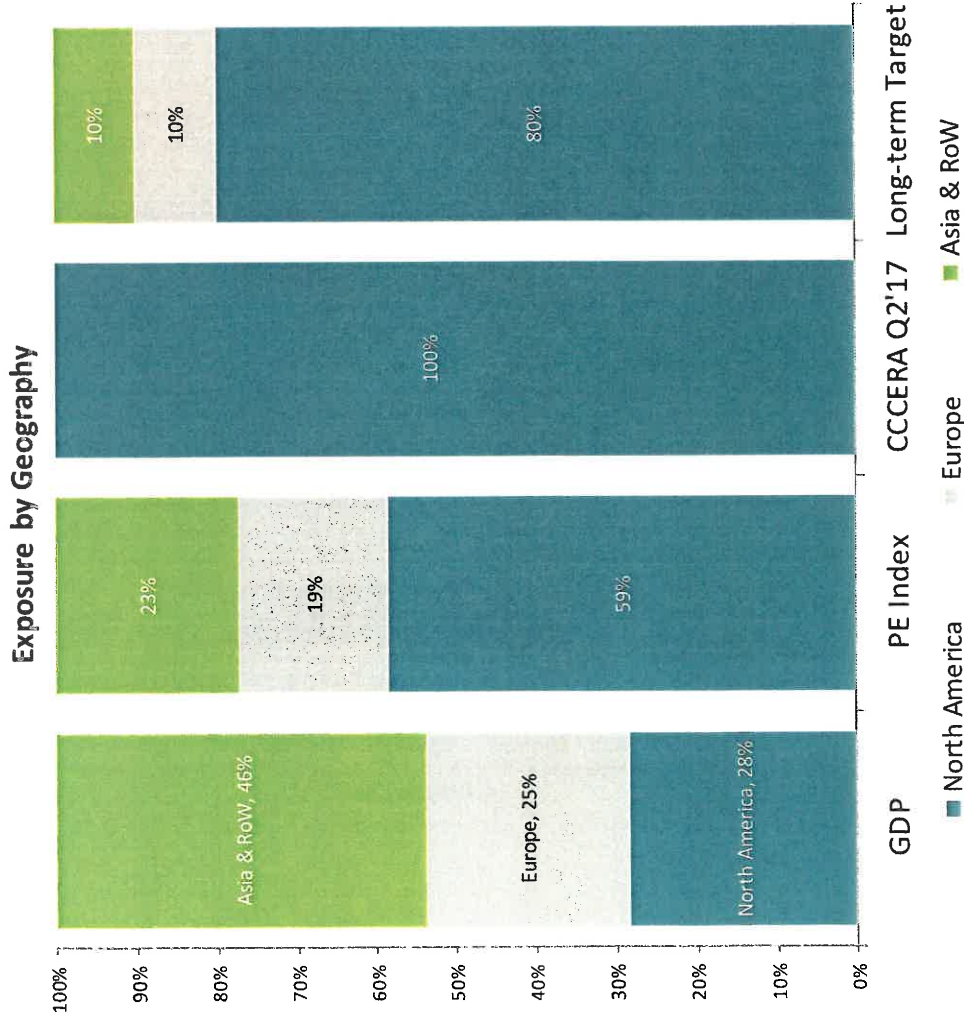


Notes:

- (1) Net IRR reflects 20-year (1995-2014) pooled return data from Burgiss Private IQ. Venture Capital includes Growth Equity and Real Assets includes Natural Resources
- (2) Loss Ratio reflects gross company level loss ratios from StepStone's proprietary database. StepStone Private Markets Intelligence, "SPI", and only includes realized deals. Loss ratio for Secondaries not available

Buyout investments can provide the best risk-adjusted returns over the long-term

Portfolio by Geography



Notes:

- (1) GDP figures from International Monetary Fund World Economic Outlook (April 2017). Nominal GDP data as of 2016
- (2) PE Index based on 2008 to Q1'17 Fundraising data from Burgiss Private IQ
- (3) CCCERA data based on Total Exposure (NAV + Unfunded Commitments) at June 30, 2017
- (4) Long-term Target reflects the mid-point of the geographic ranges: North America 70-90%, Europe 5-15%, Asia & RoW 5-15%

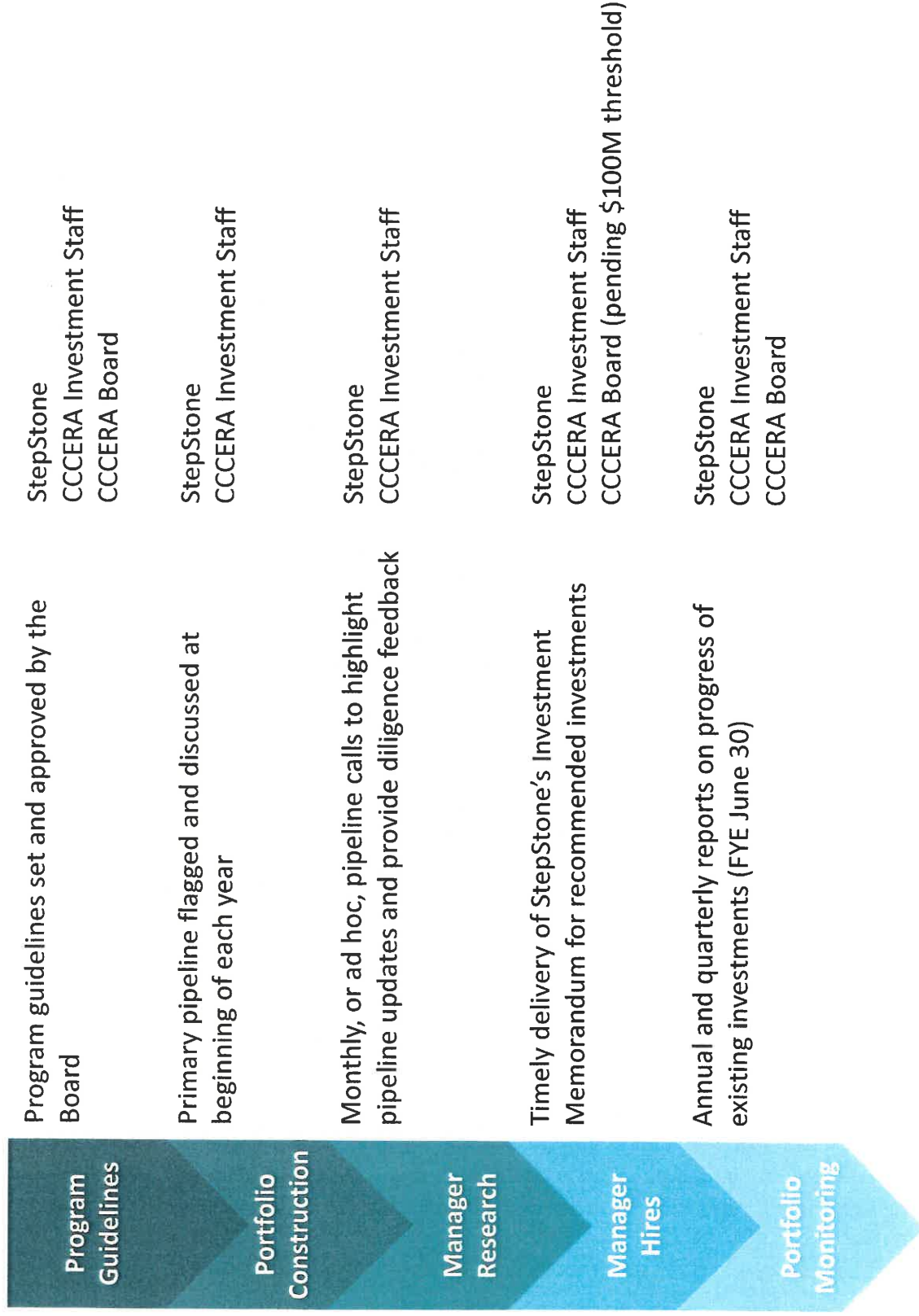
- StepStone has reviewed CCCERA's portfolio exposure on a geographic basis, as compared to global GDP and the PE Index
 - CCCERA's current portfolio is exclusively focused on funds based in North America
 - Analysis to date has been done at the fund level. Once portfolio company data is received, StepStone will re-run exposure by geography to more closely assess current portfolio exposures
- StepStone recommends a continued focus on North America and selectively adding international exposure in Europe, Asia and Rest of World over time
- Going forward, we assumed a 70-90% allocation to North America, driven by an increase in international exposure
 - StepStone recommends CCCERA maintain an opportunistic approach with the majority of international exposure coming through global, transatlantic and/or pan-regional funds
- The long-term target can be used as an annual guide to build the optimal portfolio within designated geographic parameters

StepStone recommends a global approach with a focus on North America

Private Equity Investment Process



StepStone will work with CCCERA throughout the portfolio planning, implementation and reporting process

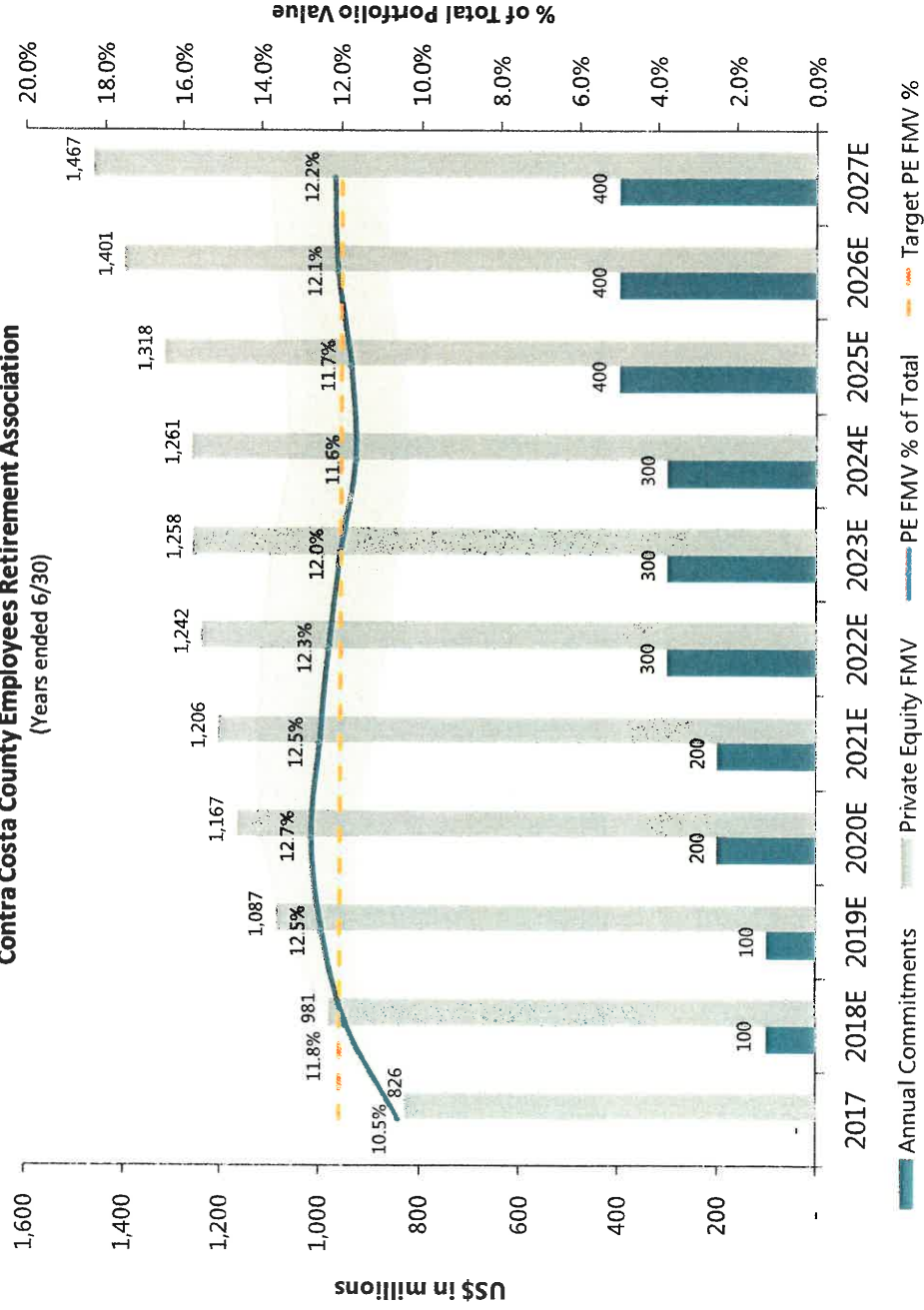


II. Pacing Analysis

CCCERA Pacing Analysis

Contra Costa County Employees Retirement Association

(Years ended 6/30)



Note: While Stepstone currently believes that the assumptions on which the analysis are based are reasonable under the circumstances, there is no guarantee that the conditions on which such assumptions are based will materialize or otherwise be applicable.

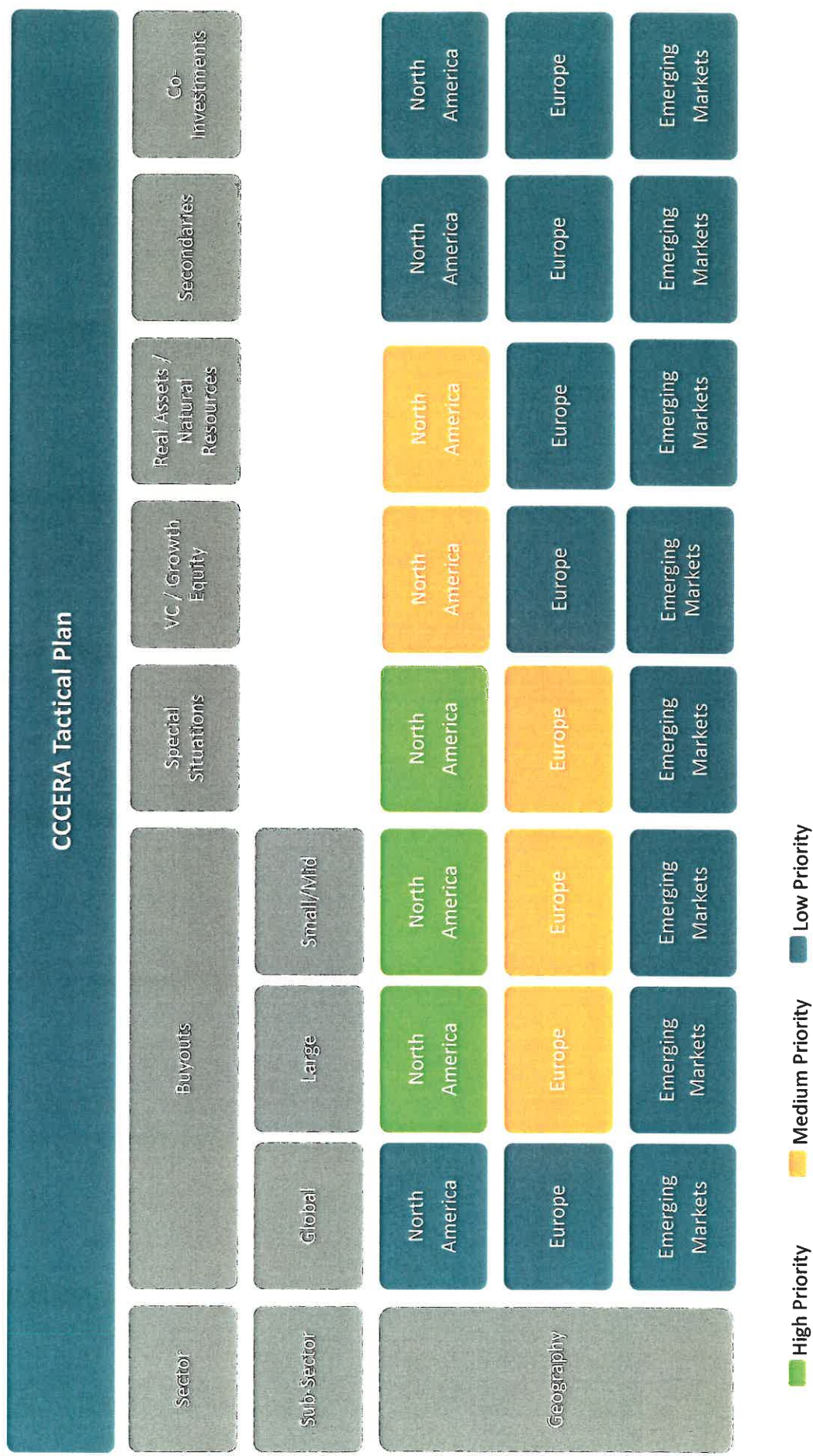
- StepStone completed a pacing analysis for CCCERA's private equity and real assets portfolio based on a starting total portfolio FMV of \$7.9 billion and a private equity and real assets FMV of \$826 million, as of June 30, 2017
- To achieve a 12% target allocation over 10 years, StepStone recommends:
 - Committing \$100M per annum in years 1 and 2 and \$200-400M thereafter
 - At the \$100-400M annual commitment level, StepStone recommends making 2-4 commitments per annum (\$25-100M per commitment)
- Assumed total portfolio growth of 7.0% per annum and weighted average return on private equity and real assets portfolio of 11.8% Net IRR
- Sub-asset Class Allocations:
 - Buyout 65%
 - Special Situations 10%
 - VC / Growth Equity 10%
 - Real Assets / Natural Resources 10%
 - Secondaries 5%

III. Portfolio Construction

CCCERA Private Equity Heat Map



- 2017/18 Tactical Plan based on current market opportunities



CCCERA 2017 / 2018 Priorities



- Commit approximately \$25-50 million per fund across 2-4 primary fund relationships
 - *Preliminary thoughts on 2017 / 2018 vintage:*
 - ✓ *US Small / Medium Buyout*
 - ✓ *US Large Buyout*
 - ✓ *North America Distressed & Restructuring*

IV. Appendix – Investment Process & Analytics

Investment Philosophy

StepStone's investment philosophy as private markets investors:

Portfolio Construction:

- ✓ Invest with partners we trust and respect
- ✓ Avoid over-diversification
- ✓ Favor focused strategies to gain the benefits of specialization
- ✓ Be opportunistic
- ✓ Do not follow the crowd

Due Diligence:

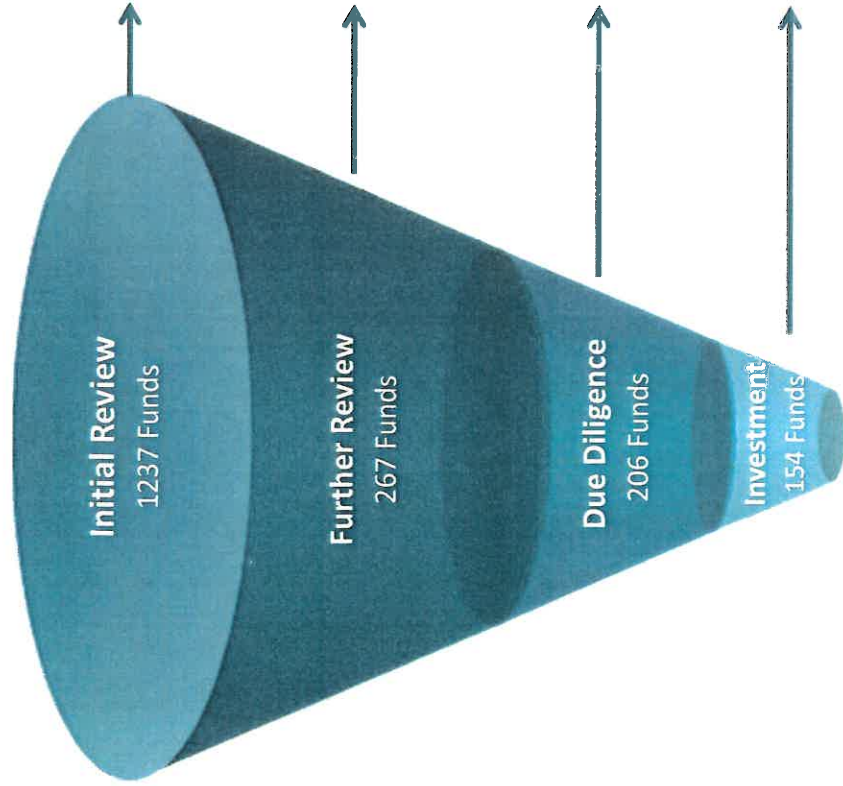
- ✓ Focus on risk-adjusted returns
- ✓ Be highly selective
- ✓ Seek out investments where interests are strongly aligned
- ✓ Utilize both macro and manager or asset level analysis
- ✓ Consider the manager's environmental, social responsibility and corporate governance practices

Favor investments where our information, data or market relationships provide an advantage -- search for market inefficiencies from which we are strategically positioned to potentially benefit

Broad and Deep Market Coverage



StepStone has the ability to review a large cross section of managers globally, regardless of fundraising cycles, using our proprietary manager database of 25,000 funds



Initial Review

Review provides informative summary information across strategy, track record, professionals and structure for institutional funds in market

Further Review

Captures supplemental work performed, such as in-person meetings and off sheet reference calls

Due Diligence

Performed when the Investment Committee believes that the manager is “best in class” and there is a client portfolio fit

Investment

On average, approximately 12% of all institutional funds receive approval from the Investment Committee

Deep market coverage ensures maximum GP quality and portfolio fit

Focus on Top Quartile



Investing in the top quartile



StepStone employs numerous techniques for deal sourcing

- Leverage attractive client base
- Exploit StepStone relationships
- Specialized teams for broad and deep coverage

StepStone has competitive advantages in analyzing and evaluating GPs

- **Direct Investment Experience** – Our background as direct investment professionals gives us a differentiated perspective in evaluating funds
- **Co-Investment Presence** – Our co-investment activity positions us to have differentiated views in all phases of due diligence
- **Rigorous Analytics** – We are able to obtain more information about the private equity market because we are a preferred investor, and use that information to better analyze investment opportunities

StepStone has high quality deal execution skills

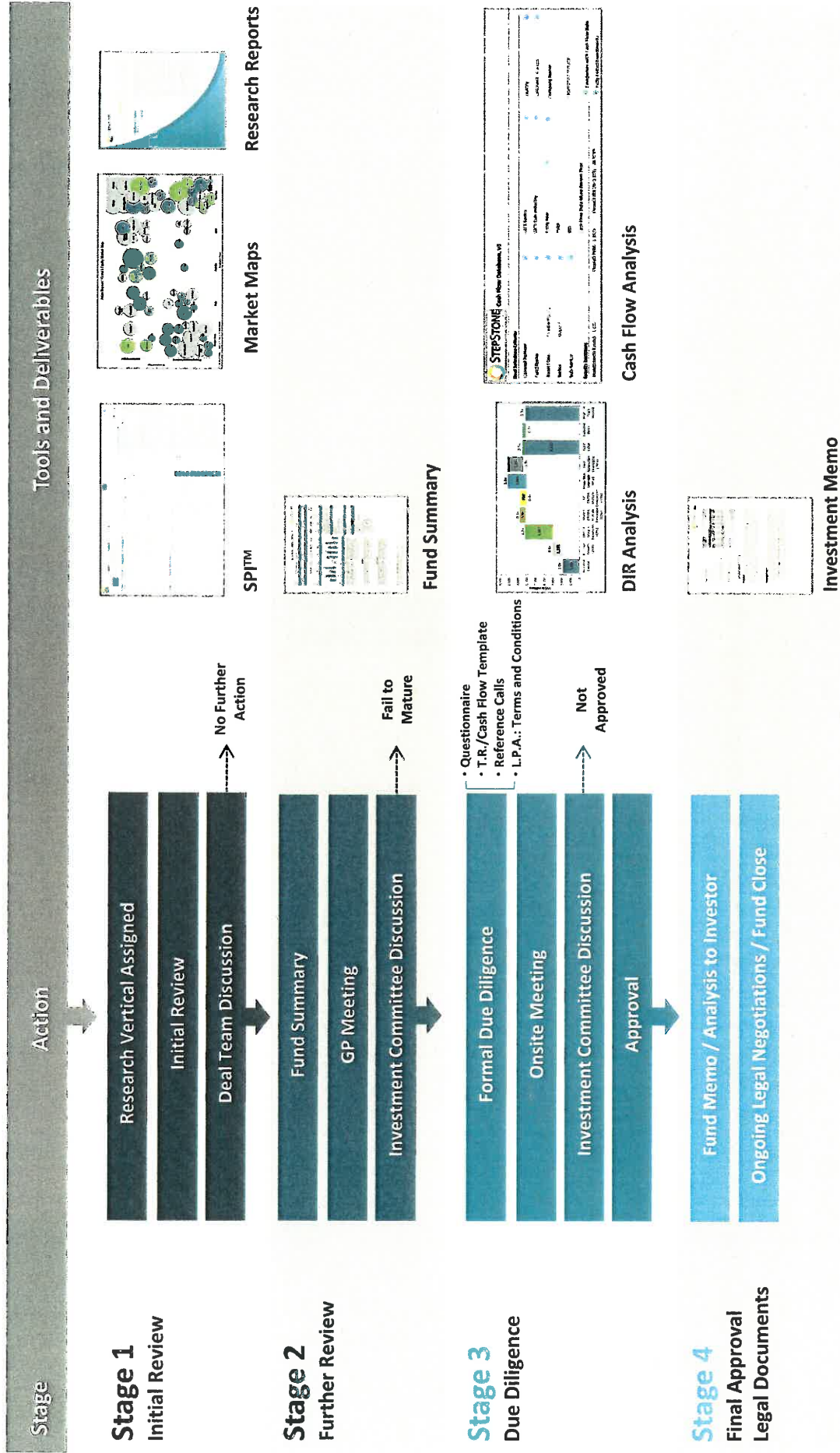
- **Structuring & Negotiation** – Experience negotiating from both sides of the table
- **Monitoring & Reporting** – Follow-up after signing a deal is a form of continuing due diligence, and can preserve value by safeguarding LP's rights and options
- **Institutional Processes** – Possess the necessary compliance infrastructure to fulfill our fiduciary duty

StepStone strives to consistently identify top-quartile GPs through proactive sourcing and in-depth evaluation, complemented by excellent deal execution

Investment Process



StepStone utilizes extensive research and database-enabled analysis to support our investment process

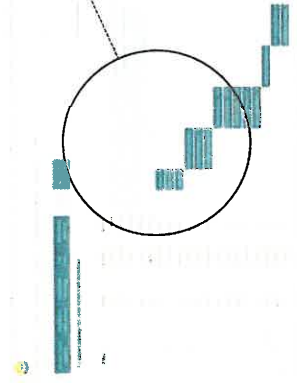


For illustrative purposes only and do not constitute investment recommendations.

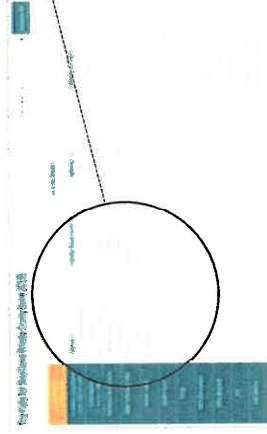
StepStone believes its SPI™ Database is currently the most comprehensive private markets intelligence tool available to investors

- Actively maintained by research professionals and constantly updated with cutting edge analytical tools
- Innovative, customizable data on current funds, projections on upcoming funds, GPs, companies, investments, pipeline reports, track record analysis and other key metrics

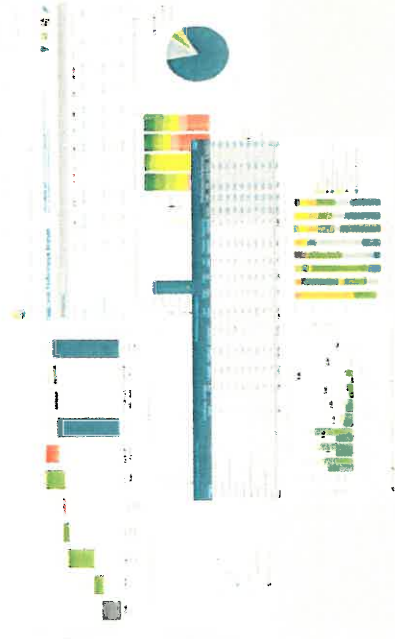
GP Watchlist: The Forward Calendar shows StepStone's projection, based on contact with GPs, of when each GP will return to market with its next fund



Top Picks: Intended to help inform allocation plans and due diligence efforts, Top Picks identify potentially attractive primaries available within 12-18 months and segment managers by those we believe likely to outperform.

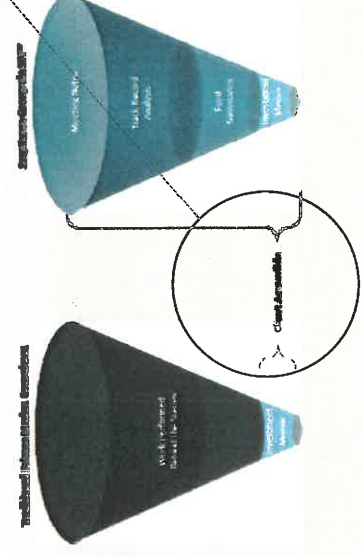


Analytical Tools: Various data analytics generate charts to provide in-depth insights into GPs track records, deal-level performance, benchmarking and other tools that help ensure optimal portfolio construction and performance



Transparency: Clients have significantly more access to market intelligence from various stages of the investment process:

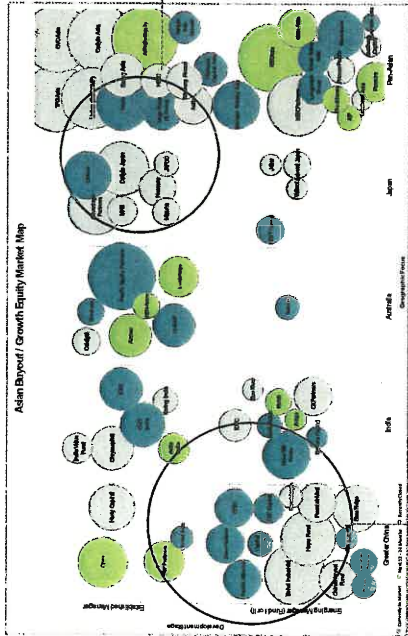
- meeting notes,
- fund summaries
- track record analysis



Investment Tools (continued)



Market Maps

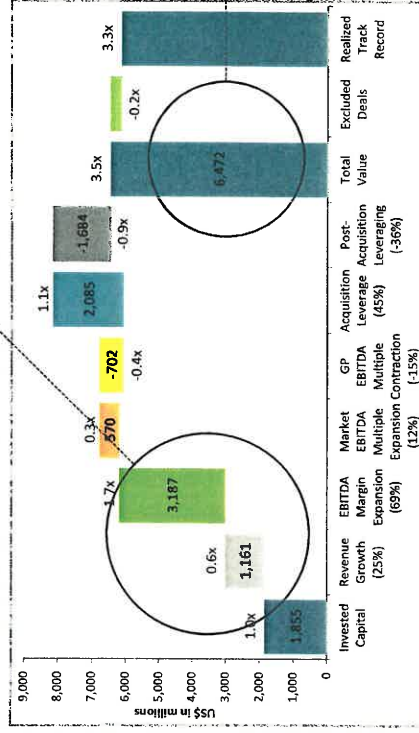


Inventory: Market maps are tracked for each of the sectors for which StepStone's research team does diligence

Drivers of Investment Returns ("DIR"): revenue growth, margin improvement, earnings multiple expansion from both market and GP sources, leverage, and debt pay-down. This provides additional insight into how managers are creating value within portfolio companies and the relative risk that is being taken

DIR™ Analysis

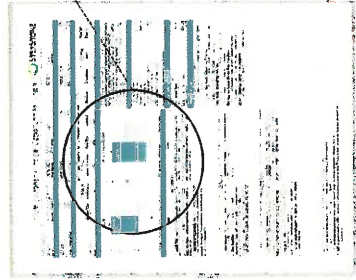
Purpose: Clear and visual presentation of key competitors broken out by recently closed, currently in the market, or expected in market shortly



Inventory: Sources of returns are mapped against StepStone's applicable strategy and geographic thesis to determine if manager approach to return generation is a good fit for current investment environment

Research and Investment Analysis Materials

Fund Summary

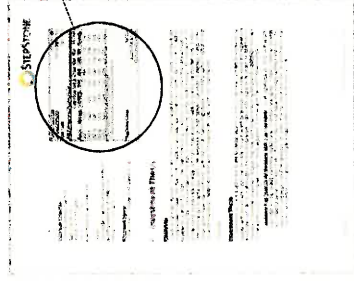


Purpose: StepStone's research team creates Fund Summaries on funds that are reasonable prospects for private equity portfolios

Fund Summaries include:

- Key metrics on current offering
- Fund strategy
- Comparable General Partners
- Prior fund metrics and performance vs. benchmarks
- Detail investment target data
- Target closing information
- Risks and merits on organization, performance and strategy/structure
- Key investment professionals

Investment Memo

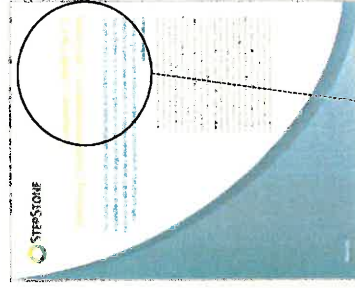


Purpose: A comprehensive review of the investment, firm, strategy, performance analysis and structure and includes detailed merits and risks of the investment

Investment Memos include:

- Investment Thesis
- Key Risk Factors
- Organization & Structure
- Strategy
- ESG
- Terms
- StepStone Assessment
- Operational Due Diligence

Research Reports



Purpose: StepStone performs detailed research on industries, sectors, geographic regions and reports current and forecast market conditions to clients

Fund Reviews



Purpose: An expansion of our Fund Summary that includes detailed manager track records and key excerpts from the fund's PPM



Risks and Other Considerations

Risks Associated with Investments. Identifying attractive investment opportunities and the right underlying fund managers is difficult and involves a high degree of uncertainty. There is no assurance that the investments will be profitable and there is a substantial risk that losses and expenses will exceed income and gains.

Restrictions on Transfer and Withdrawal; Illiquidity of Interests; Interests Not Registered. The investment is highly illiquid and subject to transfer restrictions and should only be acquired by an investor able to commit its funds for a significant period of time and to bear the risk inherent in such investment, with no certainty of return. Interests in the investment have not been and will not be registered under the laws of any jurisdiction. Investment has not been recommended by any securities commission or regulatory authority. Furthermore, the aforementioned authorities have not confirmed the accuracy or determined the adequacy of this document.

Limited Diversification of Investments. The investment opportunity does not have fixed guidelines for diversification and may make a limited number of investments.

Reliance on Third Parties. StepStone will require, and rely upon, the services of a variety of third parties, including but not limited to attorneys, accountants, brokers, custodians, consultants and other agents and failure by any of these third parties to perform their duties could have a material adverse effect on the investment.

Reliance on Managers. The investment will be highly dependent on the capabilities of the managers.

Risk Associated with Portfolio Companies. The environment in which the investors directly or indirectly invest will sometimes involve a high degree of business and financial risk. StepStone generally will not seek control over the management of the portfolio companies in which investments are made, and the success of each investment generally will depend on the ability and success of the management of the portfolio company.

Taxation. An investment involves numerous tax risks. Please consult with your independent tax advisor.

Conflicts of Interest. Conflicts of interest may arise between StepStone and investors. Certain potential conflicts of interest are described below; however, they are by no means exhaustive. There can be no assurance that any particular conflict of interest will be resolved in favor of an investor.

Allocation of Investment Opportunities. StepStone currently makes investments, and in the future will make investments, for separate accounts having overlapping investment objectives. In making investments for separate accounts, these accounts may be in competition for investment opportunities.

Existing Relationships. StepStone and its principals have long-term relationships with many private equity managers. StepStone clients may seek to invest in the pooled investment vehicles and/or the portfolio companies managed by those managers.

Carried Interest. The entitlement of StepStone and the underlying portfolio fund managers to carried interest over and above their basic management fees could create an incentive for StepStone and the portfolio fund managers to make investments that are riskier or more speculative than would otherwise be the case.

Other Activities. Employees of StepStone are not required to devote all of their time to the investment and may spend a substantial portion of their time on matters other than the investment.

Material, Non-Public Information. From time to time, StepStone may come into possession of material, non-public information that would limit their ability to buy and sell investments.



<u>Meeting Date</u> 09/27/17 <u>Agenda Item</u> #7

MEMORANDUM

Date: September 27, 2017
To: CCCERA Board of Retirement
From: Gail Strohl, Chief Executive Officer
Subject: Consider and take possible action to authorize the CEO to renew a maintenance and support agreement with CPAS Systems, Inc.

Background

Since 2009, CCCERA has had a maintenance and system software support services agreement with CPAS Systems, Inc. for its pension administration system. It is typically renewed on an annual basis. These services include correction services, legislative compliance updates, maintenance updates, and overall system support services. The maintenance and support is necessary for continued operation of the system. The annual renewal amounts are \$ 33,638 for maintenance and \$ 79,882 for system support services. This is a 1% increase compared to the prior year.

Recommendation

Consider and take possible action to authorize the CEO to renew a one year maintenance and support agreement with CPAS.



Meeting Date
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#8

SACRS VOTING PROXY FORM

The following are authorized by the _____ County Retirement Board to vote on behalf of the County Retirement System at the upcoming SACRS Conference (*if you have more than one alternate, please attach the list of alternates in priority order*):

_____ Voting Delegate

_____ Alternate Voting Delegate

These delegates were approved by the Retirement Board on ____ / ____ / ____.

The person authorized to fill out this form on behalf of the Retirement Board:

Signature: _____

Print Name: _____

Position: _____

Date: _____

Please send your system's voting proxy by **October 1, 2017** to:

SACRS
Attn: Sulema H. Peterson, SACRS Administrator
1415 L Street, Suite 1000
Sacramento, CA 95814

E-mail: sacrs@sacrs.org



Meeting Date
09/27/17
Agenda Item
#9a.

Tuesday, November 14, 2017

- 1:00 PM - 6:30 PM **SACRS Registration**
- 3:00 PM - 5:00 PM **New/Advanced Trustee Training**
101 Investments and Roundtable **Speaker:** Sam Austin, NEPC
- 3:00 PM - 5:00 PM **Disability/Ops**
Ask the Experts Panel: Disability Retirement
 Join us on Tuesday as we convene a group of disability consultants to offer information, advice and viewpoints on disability retirement. **Speakers:** Stuart Pearson and David Gypes, National Disability Evaluations; Barbara Kon-Brown, American Arbitration Association
Moderator: Dominic Brown, Kern CERA
- 5:30 PM - 6:30 PM **SACRS Welcome Reception**

Wednesday, November 15, 2017

- 6:30 AM - 7:30 AM **SACRS Yoga**
 Want to impress your benefits manager when you go back to the office? Participate in the SACRS Wellness Sessions! Yoga with SACRS is open to all levels, from beginner to expert. Although yoga poses are physical exercise, they have the added benefit of bringing great balance to the mind, body and spirit. A morning yoga session is a great way to energize before our busy conference day. **Speaker:** Sarah Butler, YogaMe
- 7:00 AM - 8:15 AM **SACRS Breakfast**
- 7:30 AM - 5:00 PM **SACRS Registration**
- 8:15 AM - 8:30 AM **General Session**
Welcome Remarks & Affiliate Emeritus Award **Speakers:** Dan McAllister, SACRS President; Bob Helliesen, Affiliate Emeritus; Jerry Prior, Affiliate Emeritus; Honor Guard



Wednesday Continued

8:30 AM - 9:30 AM	General Session	Speaker: TBA
9:30 AM - 10:00 AM	SACRS Networking Break	
10:00 AM - 10:50 AM	General Session Trade Wars Panel	Speakers: Stephen Cheung, World Trade Center Moderator: Frank Mottek, Broadcast Journalist, CBS Stations KNX 1070 Newsradio
11:00 AM - 11:50 AM	General Session CIO Panel	Speakers: Jonathan Grabel, LACERA CIO; Molly Murphy, OCERS CIO, and Stephen Sexauer, SDCERA CIO Moderator: Frank Mottek, Broadcast Journalist, CBS Stations KNX 1070 Newsradio
Noon - 1:30 PM	SACRS Lunch	
1:30 PM - 2:00 PM	General Session RVK Annual SACRS Systems Report	Speakers: Marcia Beard and Matthias Bauer, RVK Moderator: Frank Mottek, Broadcast Journalist, CBS Stations KNX 1070 Newsradio
2:15 PM - 4:30 PM	Ops/Benefits Breakout AND Disability Breakout (Consolidated Session)	Speaker: Dr. Gordon Baumbacher Moderator: Jackie Purter, Sonoma CERA
2:15 PM - 4:30 PM	Affiliate Breakout Consultants Panel	Speakers: Scott Whalen, Verus; David Sancewich, PCA; and Leo Festino, Meketa Moderator: Michael Keough, SACRS Affiliate Committee Chair

Preliminary Agenda – Check Back For Updates!



Wednesday Continued

2:15 PM - 4:30 PM	Attorney Breakout	Speaker: Harvey Leiderman, Reed Smith Moderator: Brenda Carlson, San Mateo CERA
2:15 PM - 4:30 PM	Internal Auditors Breakout Cybersecurity	Speaker: Vijay Jager, Alameda CERA Moderator: Harsh Jadhav, Alameda CERA
2:15 PM - 4:30 PM	Administrators Breakout	Moderator: Johanna Shick, San Joaquin CERA
2:15 PM - 4:30 PM	Investment Breakout	Speakers: James Perry, Maples FS; Tim Barrett, CIO Texas Tech University System and Tom Hickey, Foley & Lardner, LLP Moderator: Don Pierce, San Bernardino CERA
2:15 PM - 4:30 PM	Trustee Breakout How do investor biases affect the market? In this session, we will examine how evolution has programmed us as managers and investors to be prone to behavioral biases which in turn, influences the actions we take in predictable ways.	Speaker: Raghu Rau, Professor Moderator: Samantha Begovich, San Diego CERA
2:15 PM - 4:30 PM	Safety Breakout	Moderator: Tracy Towner, Ventura CERA
4:30 PM - 5:30 PM	Legislative Committee Meeting	Speakers: Tracy Towner, Legislative Committee Chair, Mike Robson and Trent Smith, Edelstein Gilbert Robson & Smith – SACRS Legislative Advocates
6:30 PM - 10:30 PM	Wednesday Night Event	Welcome Reception, Dinner, Live Entertainment. Open to all registered attendees.

Preliminary Agenda – Check Back For Updates!



Thursday, November 16, 2017

6:45AM - 7:45AM	<p>SACRS 5K Fun Run/Walk Don't miss SACRS Annual 5K Fun Run/ Walk! Enjoy the cool San Francisco morning with an invigorating walk, jog or run with fellow SACRS conference attendees along an easy 5K (3.1 miles) course. The 5K Fun Run/Walk is a great way for SACRS conference attendees and guests to come together and get moving before the day's educational sessions. All participants receive a SACRS Fun Run/Walk T-Shirt, water and a snack at the end of the Run/Walk.</p>	
7:30 AM - 8:30 AM	<p>SACRS Breakfast</p>	
7:30 AM - 5:00 PM	<p>SACRS Registration</p>	
8:45 AM - 9:00 AM	<p>General Session Welcome & Veteran's Day</p>	<p>Speaker: Dan McAllister, SACRS President Moderator: Frank Mottek, Broadcast journalist, CBS stations KNX 1070 Newsradio</p>
9:00 AM - 9:50 AM	<p>General Session Debbie will discuss research on diversity and women in all areas of business.</p>	<p>Speaker: Debbie Hemmeter, Leanin.org Moderator: Frank Mottek, Broadcast Journalist, CBS Stations KNX 1070 Newsradio</p>
10:00 AM - 10:50 AM	<p>General Session Artificial Intelligence, Autonomous Cars, Drones and More: How Tech Innovation is Transforming the World and Generating Returns Innovations in technology are reshaping the world; nearly every aspect of our daily lives is being transformed by "start-up" technology companies. Brijesh Jeevarathnam will discuss future technology trends and their potential impact, show how the venture capital landscape has evolved in recent years and where it might go next, and shed light on the challenges pension plans face in creating a venture capital portfolio and how risk can be managed without limiting return potential.</p>	<p>Speaker: Brijesh Jeevarathnam, Adam Street Partners Moderator: Frank Mottek, Broadcast Journalist, CBS Stations KNX 1070 Newsradio</p>

Preliminary Agenda – Check Back For Updates!



Thursday Continued

10:50 AM - 11:10 AM **SACRS Network Break**

11:10 AM - 12:10 PM **General Session**

Speaker: TBA

12:10 PM - 1:30 PM **SACRS Lunch**

1:30 PM - 2:30 PM **General Session
 Safety Member Memorial**

Speaker: Craig W. Floyd,
 National Law Enforcement
 Officers Memorial Fund
Moderator: Frank Mottek,
 Broadcast Journalist, CBS
 Stations KNX 1070 Newsradio

2:30 PM - 3:00 PM **SACRS Networking Break**

3:00 PM - 4:00 PM **Concurrent Session A - SACRS Legislative 2017 Update**

Speakers: Tracy Towner, SACRS
 Legislative Committee Chair;
 Trent Smith and Mike Robson,
 EGRS - SACRS Legislative
 Advocates

3:00 PM - 4:00 PM **Concurrent Session B – A Raptor’s View of Asset
 Allocation**

Speakers: Karyn Williams,
 Farmers Insurance; JJ Milder,
 Callan Associates and Kate
 Wagner, UTIMCO
Moderator: Robert Harkins,
 University of Montana
 Endowment

3:00 PM - 4:00 PM **Concurrent Session C - Communicating Effectively to
 Members in Each Generation**
 Our retirement systems may include members of four
 different generations. This session will teach us
 generational behaviors and how to communicate
 effectively to each group on the importance of
 retirement planning.

Speakers: Kathy Espinoza,
 Keenan & Associates and
 Jennifer Schuster, Segal
 Company

Preliminary Agenda – Check Back For Updates!



Thursday Continued

4:00 PM - 5:00 PM	Education Committee Meeting	Speaker: Christie Porter, SACRS Education Committee Chair
5:00 PM - 6:00 PM	SACRS Reception	

Friday, November 17, 2017

7:30 AM - 8:30 AM	SACRS Breakfast	
7:30 AM - 9:30 AM	SACRS Registration	
8:45 AM - 9:00 AM	General Session Welcome	Speaker: Dan McAllister, SACRS President
9:00 AM - 9:50 AM	General Session How Protected Are Your Pension Benefits? Whether by error-correction, charter, legislative or employer mandate, felony forfeiture rules, or federal garnishment orders, members of California public retirement systems continue to see different avenues by which their benefits may be impacted and wonder about the extent to which the benefits they believe they have earned, or will earn in the future, are protected. This panel will discuss some of the latest developments in the California courts and public retirement system administration regarding this challenging topic.	Speakers: Ashley Dunning, Nossaman, LLP and Johanna Fontenot, Los Angeles CERA
9:50 AM - 10:00 AM	SACRS Break	
10:00 AM - Adj	SACRS Business Meeting	Speakers: SACRS Board of Directors

Preliminary Agenda – Check Back For Updates!

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#9b.

NOV
15/16
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17

FALL ADVISORY COMMITTEE MEETING & ANNUAL PARTNERS MEETING

St. Julien Hotel
900 Walnut Street
Boulder, CO

▶ AGENDA

WEDNESDAY NOVEMBER 15	3:00p	Advisory Committee Meeting
	7:00p	Dinner (Oak at Fourteenth)
THURSDAY NOVEMBER 16	8:00a	Breakfast
	9:00a	Fidelity Real Estate Growth Fund III
	9:30a	Long Wharf Real Estate Partners IV
	11:00a	Long Wharf Real Estate Partners V
	12:30p	Lunch
	2:30p	Property Tour (333 Centennial)



For additional information,
please contact Jane Walsh at:
jane.walsh@longwharf.com, 617.250.7262