

# 4th Quarter 2019 Investments *at a Glance*

As of **December 31, 2019**



Alameda County  
Employees' Retirement  
Association

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CEO

Kathy Foster  
Betty Tse

Assistant CEO  
Chief Investment Officer

## Investment Highlights

Assets Under Management:	<b>\$8.7 billion</b>	Actuarial Interest Assumption Rate:	<b>7.25%<sup>2</sup></b>
ACERA Funded Ratio:	<b>77.2%<sup>1</sup></b>	Investment Assumption Rate:	<b>7.40%<sup>3</sup></b>

Returns	YTD Return	1 yr. Return	3 yr. Return	5 yr. Return	10 yr. Return	15 yr. Return	20 yr. Return
Total Fund (gross)	18.69	18.69	10.78	7.96	9.25	7.34	6.80
Total Fund (net)	18.49	18.49	10.56	7.69	8.95	7.02	6.49
Policy Index	17.21	17.21	9.91	7.77	9.20	7.62	6.88
Difference (gross)	1.48	1.48	0.87	0.19	0.05	-0.28	-0.08
Rank	17	17	8	14	10	9	5

\*Performance data provided by Verus.

<sup>1</sup>As of 12/31/2018    <sup>2</sup>As of Dec. 2017    <sup>3</sup>As of 2015

## Asset Allocation

	Market Value	Current*	Target
US Equity	\$2,470,568,682	28.2%	25.0%
International Equity	\$2,433,046,624	27.8%	25.0%
Fixed Income	\$1,388,524,337	15.8%	16.0%
Real Estate	\$593,819,587	6.8%	8.0%
Private Equity	\$546,349,096	6.2%	8.0%
Absolute Return	\$802,938,512	9.2%	9.0%
Real Assets	\$440,088,724	5.0%	5.0%
Private Credit	\$32,707,080	0.4%	4.0%
Cash	\$49,385,622	0.6%	0.0%
<b>Total</b>	<b>\$8,757,428,264</b>	<b>100.0%</b>	<b>100.0%</b>

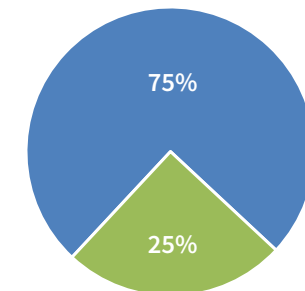
\*May not sum to 100% due to rounding

## Talking Points

- ACERA's Fund is a long-term, well-diversified, conservative portfolio that typically has performed in the top decile of its peer group.
- The Board's primary goals in managing the Fund are:
  - (1) To insure that sufficient funds are available to pay vested benefits and maintain supplemental benefits,
  - (2) to comply with all applicable fiduciary standards, and
  - (3) to add marginal value that will help reduce the costs of the plan and/or to increase benefits for the beneficiaries.
- The Fund is governed by the Retirement Board and its investment policies. Day-to-day administration of the Fund is provided by ACERA's Investment Department.
- Asset Allocation and Investment Manager structure drive top-tier performance.

## Long-Term Funding Sources

### Investment Earnings



Employee & Employer Contributions

- ACERA conducts an asset liability study every 5 years.
- ACERA's general investment consultant is Verus. ACERA's real estate consultant is Callan.