



TOTAL FUND BENCHMARKING

SAN BERNARDINO COUNTY
EMPLOYEES' RETIREMENT
ASSOCIATION

APRIL 30, 2024

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CURRENT PERFORMANCE DASHBOARD

	Allocation		Performance (%)				
	Market						
	Value (\$)	3 Mo	FYTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Total Fund	14,983,773,816	2.3 (95)	7.1 (84)	8.1 (91)	6.3 (4)	8.2 (24)	7.1 (27)
Policy Index		3.6 (52)	9.3 (23)	12.0 (32)	2.8 (93)	5.9 (100)	5.4 (100)
S&P 500 Index		10.6 (1)	19.4 (1)	29.9 (1)	11.5 (1)	15.0 (2)	13.0 (2)
Bloomberg U.S. Aggregate Index		-0.8 (100)	2.6 (98)	1.7 (100)	-2.5 (100)	0.4 (100)	1.5 (100)
60% MSCI World/40% FTSE WGBI		4.3 (28)	10.7 (8)	14.5 (7)	2.9 (90)	6.8 (76)	5.8 (100)
InvMetric Public DB > \$1 Billion Median		3.6	8.6	11.5	4.3	7.3	6.5

- **The above table shows the current format of the Performance Dashboard within the SBCERA Performance Report.**
- **The purpose of this presentation is to propose a new format that will feature the Policy Index, a Passive Reference Benchmark, and an Implementation Reference Benchmark.**

POLICY INDEX

- **The purpose of the Policy Index is to measure the success of the strategic decision to invest in a diversified portfolio that includes both private market and public market exposure.**
- **Another way to describe the Policy Index is that it evaluates the performance of private equity and private credit assets against their public market equivalent benchmarks.**
- **For example, Private Equity is benchmarked to the Russell 3000 Index, while Private Credit is benchmarked against Bloomberg bond indices.**
- **The current makeup of the Policy Index is: 35% R3000, 13% MSCI ACWI ex US, 22% B'berg US Agg, 17% B'berg Global Agg ex US, 5% NCREIF, 6% blended commodities and TIPS benchmark (67% S&P GSCI + 33% B'berg US TIPS Index), and 2% 91-day T-Bill Index.**

PASSIVE REFERENCE BENCHMARK

- **The purpose of the Passive Reference Benchmark is to measure the success of the tactical decision to invest in active management versus passive management.**
- **NEPC recommends keeping the existing Passive Reference Benchmark.**
- **The Passive Reference Benchmark is calculated as a blend of 60% MSCI World Index / 40% FTSE World Government Bond Index (WGBI).**

IMPLEMENTATION REFERENCE BENCHMARK

- **The Implementation Reference Benchmark is intended to measure SBCERA's relative success in producing performance versus peers or versus benchmarks composed of similar strategies.**
- **This reference benchmark will compare SBCERA performance against peer benchmarks (such as the Investment Metrics asset class peer median performance) or, as appropriate, against portfolios of similar strategies (such as C|A US All PE, C|A US All PD, or eVestment asset class median performance).**

PROPOSED DASHBOARD

	Allocation		Performance (%)				
	Market						
	Value (\$)	3 Mo	FYTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Total Fund	14,983,773,816	2.3 (95)	7.1 (84)	8.1 (91)	6.3 (4)	8.2 (24)	7.1 (27)
Policy Index		3.6 (52)	9.3 (23)	12.0 (32)	2.8 (93)	5.9 (100)	5.4 (100)
Passive Reference Benchmark		4.3 (28)	10.7 (8)	14.5 (7)	2.9 (90)	6.8 (76)	5.8 (100)
Implementation Reference Benchmark		2.2 (96)	7.2 (83)	9.5 (80)	5.5 (5)	8.0 (27)	7.0 (28)
InvMetric Public DB > \$1 Billion Median		3.6	8.6	11.5	4.3	7.3	6.5

- **The new Performance Dashboard will show SBCERA performance versus the Policy Index, the Passive Reference Benchmark, the Implementation Reference Benchmark and the Peer Median.**
- **The new Dashboard will remove reference to the S&P 500 Index and the Bloomberg US Agg Index.**

Note: Implementation Reference Benchmark returns are from a sample output and are subject to change.

