

All persons wishing to address the Board must complete a speaker's card, stating their name and the agenda item (including "Open Forum") they wish to address. The Committee may take action on items not on the agenda only if findings pursuant to the Sunshine Ordinance and Brown Act are made that the matter is urgent or an emergency.

Oakland Police and Fire Retirement Board and committee meetings are held in wheelchair accessible facilities. Contact the Retirement Unit, 150 Frank Ogawa Plaza, Suite 3349 or call (510) 238-7295 for additional information.



Retirement Unit
150 Frank H. Ogawa Plaza
Oakland, California 94612

AGENDA

AUDIT COMMITTEE MEMBERS

John C. Speakman
Chairman

Katano Kasaine
Member

Robert J. Muszar
Member

**In the event a quorum of the Board participates in the Committee meeting, the meeting is noticed as a Special Meeting of the Board; however, no final Board action can be taken. In the event that the Audit Committee does not reach quorum, this meeting is noticed as an informational meeting between staff and the Chair of the Audit Committee.*

**REGULAR MEETING of the AUDIT / OPERATIONS COMMITTEE
of the OAKLAND POLICE AND FIRE RETIREMENT SYSTEM ("PFRS")**

Wednesday, March 27, 2019 – 9:30 am
One Frank H. Ogawa Plaza, Hearing Room 1
Oakland, California 94612

- - - ORDER OF BUSINESS - - -

- 1. Subject: PFRS Audit Committee Meeting Minutes**
From: Staff of the PFRS Board

Recommendation: APPROVE February 27, 2019 Audit Committee meeting minutes.
- 2. Subject: Administrative Expenses Report**
From: Staff of the PFRS Board

Recommendation: ACCEPT an informational report regarding PFRS administrative expenses from July 1, 2018 through January 31, 2019.
- 3. Subject: Report on closed session hearings concerning change of retirement classification or cause of death**
From: Staff of the PFRS Board

Recommendation: ACCEPT an informational report regarding closed session hearings concerning change of retirement classification or cause of death.
- 4. REVIEW OF PENDING AUDIT AGENDA ITEMS**
- 5. Future Scheduling**
- 6. Open Forum**
- 7. Adjournment of Meeting**

AN AUDIT/OPERATIONS COMMITTEE MEETING of the Oakland Police and Fire Retirement System (“PFRS”) was held on Wednesday, February 27, 2019 in Hearing Room 1, One Frank Ogawa Plaza, Oakland, California.

- Committee Members Present: • John C. Speakman, Chairman
• Katano Kasaine, Member
- Committee Members Absent: • Robert J. Muszar, Member
- Additional Attendees: • David Jones, Plan Administrator
• Teir Jenkins & David Low, Staff Member
• Pelayo Llamas, PFRS Legal Counsel

The meeting was called to order at 9:10 am.

1. **PFRS Audit Committee Meeting Minutes** – Member Kasaine made a motion to approve the January 30, 2019 Audit Committee meeting minutes, second by Chairman Speakman. Motion passed.

[SPEAKMAN – Y / MUSZAR – ABSENT / KASAINE –Y]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

2. **PFRS Actuary Valuation as of July 1, 2018** – Tim Doyle and Graham Schmidt from Cheiron Inc, PFRS Plan Actuary, presented the actuary valuation of the PFRS fund as of July 1, 2018. The Committee and the Plan Actuary also discussed expected future employer contribution to the retirement fund up to, and potentially after, July 1, 2026. Member Kasaine made a motion to recommend Board approval of the PFRS Actuary Valuation of the PFRS fund as of July 1, 2018, second by Chairman Speakman. Motion passed.

[SPEAKMAN – Y / MUSZAR – ABSENT / KASAINE –Y]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

3. **Administrative Expenses Report** – Teir Jenkins presented the status of the administrative expenditures of the PFRS plan through December 31, 2018. Following his review and some committee and staff discussion, Member Kasaine made a motion to accept the informational report from staff, second by Chairman Speakman. Motion passed.

[SPEAKMAN – Y / MUSZAR – ABSENT / KASAINE –Y]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

4. **PFRS 2-year Administrative Budget for Fiscal Years 2019/2020 and 2020/2021** – Teir Jenkins presented the 2-year PFRS administrative budget for fiscal years 2019/2020 and 2020/2021. Mr. Jenkins explained increases to the PFRS administrative budget of 1 percent for fiscal year 2019/2020 and 2.4 percent for fiscal year 2020/2021. Following some committee and staff discussion, member Kasaine made a motion to recommend board approval of the PFRS 2-year administrative budget for the fiscal years 2019/20 and 2020/2021, second by Chairman Speakman. Motion passed.

[SPEAKMAN – Y / MUSZAR – ABSENT / KASAINE –Y]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

5. **Report on closed session hearings concerning change of retirement classification or cause of death** – PFRS Legal Counsel Pelayo Llamas presented his report regarding closed session hearings concerning changes of retirement classification or cause of death. Mr. Llamas explained how the Brown Act and Sunshine Ordinance affects the way this kind of information is brought before the Board. He explained how the use of a Hearing Officer could address these hearing concerns. Following some discussion of this report, chairman Speakman noted the absence of member Muszar to address this matter and recommended this matter be held over in the Audit Committee until the March 2019 meeting for further discussion. Member Kasaine made a motion to carry this matter to the March 2019 Audit Committee meeting for further discussion, second by chairman Speakman. Motion passed.

[SPEAKMAN – Y / MUSZAR – ABSENT / KASAINE –Y]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

6. **Resolution No 7044: Jaime Godfrey Travel** – Member Kasaine made a motion to recommend Board approval of Resolution No. 7044 – Travel authorization for Investment Committee Chairperson Jaime Godfrey to travel for the due diligence visit with Pension Consulting Alliance (“PCA”), Investment Consultant for the Oakland Police and Fire Retirement System (“PFRS”) on February 11, 2019 in Portland, OR with an estimated budget of Six Hundred Ten Dollars (\$610.00), second by Chairman Speakman. Motion passed.

[SPEAKMAN – Y / MUSZAR – ABSENT / KASAINE –Y]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

7. **Resolution No 7045: Martin Melia Travel** – Member Kasaine made a motion to recommend Board approval of Resolution No. 7045 – Travel authorization for Board Member Martin Melia to travel for the due diligence visit with Pension Consulting Alliance (“PCA”), Investment Consultant for the Oakland Police and Fire Retirement System (“PFRS”) on February 11, 2019 in Portland, OR with an estimated budget of Six Hundred Ten Dollars (\$610.00), second by Chairman Speakman. Motion passed.

[SPEAKMAN – Y / MUSZAR – ABSENT / KASAINE –Y]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

8. **Resolution No 7046: David Jones Travel** – Member Kasaine made a motion to recommend Board approval of Resolution No. 7046 – Travel authorization for Plan Administrator David Jones to travel for the due diligence visit with Pension Consulting Alliance (“PCA”), Investment Consultant for the Oakland Police and Fire Retirement System (“PFRS”) on February 11, 2019 in Portland, OR with an estimated budget of Six Hundred Ten Dollars (\$610.00), second by Chairman Speakman. Motion passed.

[SPEAKMAN – Y / MUSZAR – ABSENT / KASAINE –Y]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

9. **Resolution No 7047: Teir Jenkins Travel** – Member Kasaine made a motion to recommend Board approval of Resolution No. 7047 – Travel authorization for PFRS staff member Teir Jenkins to travel and attend the 2019 Pension Bridge Conference (“Pension Bridge Conference”) from April 9, 2019 to April 10, 2019 in San Francisco,

PFRS Audit/Operations Committee Meeting Minutes

February 27, 2019

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CA with an estimated budget of Two Hundred Thirty-seven Dollars (\$237.00), second by Chairman Speakman. Motion passed.

[SPEAKMAN – Y / MUSZAR – ABSENT / KASAINÉ –Y]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

10. Resolution No. 7048: David Jones Travel – Member Kasaine made a motion to recommend Board approval of Resolution No. 7048 – Travel authorization for PFRS staff member David Jones to travel and attend the 2019 Pension Bridge Conference (“Pension Bridge Conference”) from April 9, 2019 to April 10, 2019 in San Francisco, CA with an estimated budget of Two Hundred Thirty-seven Dollars (\$237.00), second by Chairman Speakman. Motion passed.

[SPEAKMAN – Y / MUSZAR – ABSENT / KASAINÉ –Y]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

11. Pending Audit Agenda List – Following review of the pending audit agenda list, Member Kasaine made a motion to move the Overpayment/Underpayment of member benefits agenda item from the March 2019 Audit Committee agenda to the April 2019 Audit Committee agenda, second by Chairman Speakman. Motion passed.

[SPEAKMAN – Y / MUSZAR – ABSENT / KASAINÉ –Y]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

12. Future Scheduling – The next Audit Committee meeting was scheduled for March 27, 2019.

13. Open Forum – Pelayo Llamas introduced Jennifer Logue as the new Deputy City Attorney to serve as Legal Counsel for the PFRS Board.

14. Meeting Adjournment – Meeting adjourned at 9:55 am.

JOHN C. SPEAKMAN, COMMITTEE CHAIRMAN

DATE

Table 1

OAKLAND POLICE AND FIRE RETIREMENT SYSTEM

Administrative Budget Spent to Date (Preliminary)

As of January 31, 2019

	Approved Budget		January 2019		FYTD		Remaining		Percent Remaining	
Internal Administrative Costs										
PFRS Staff Salaries	\$	1,084,000	\$	72,780	\$	544,727	\$	539,273		49.7%
Board Travel Expenditures		52,500		308		5,381		47,119		89.7%
Staff Training		20,000		-		331		19,669		98.3%
Staff Training - Tuition Reimbursement		7,500		-		1,640		5,860		78.1%
Annual Report & Duplicating Services		4,000		-		-		4,000		100.0%
Board Hospitality		3,600		-		1,194		2,406		66.8%
Payroll Processing Fees		35,000		-		-		35,000		100.0%
Miscellaneous Expenditures		46,700		2,143		6,005		40,695		87.1%
Internal Service Fees (ISF)		65,400		11,654		44,141		21,259		32.5%
Contract Services Contingency		50,000		-		1,200		48,800		97.6%
Office Construction Costs*		75,227		-		64,431		10,796		14.4%
Internal Administrative Costs Subtotal :	\$	1,443,927	\$	86,885	\$	669,050	\$	774,877		53.7%
Actuary and Accounting Services										
Audit	\$	45,000	\$	18,463	\$	44,300	\$	700		1.6%
Actuary		45,000		13,346		14,260		30,740		68.3%
Actuary and Accounting Subtotal:	\$	90,000	\$	31,809	\$	58,560	\$	31,440		34.9%
Legal Services										
City Attorney Salaries	\$	188,000	\$	13,947	\$	90,319	\$	97,681		52.0%
Legal Contingency		150,000		5,570		7,445		142,555		95.0%
Legal Services Subtotal:	\$	338,000	\$	19,517	\$	97,764	\$	240,236		71.1%
Investment Services										
Money Manager Fees	\$	1,301,900	\$	147,381	\$	449,758	\$	852,142		65.5%
Custodial Fee		124,000		-		29,125		94,875		76.5%
Investment Consultant (PCA)		100,000		-		50,000		50,000		50.0%
Investment Subtotal:	\$	1,525,900	\$	147,381	\$	528,883	\$	997,017		65.3%
Total Operating Budget	\$	3,397,827	\$	285,592	\$	1,354,257	\$	2,043,570		60.14%

*Carry Forward from FY 2017-2018

Table 2

OAKLAND POLICE AND FIRE RETIREMENT SYSTEM

Cash in Treasury (Fund 7100) - Preliminary

As of January 31, 2019

	January 2019
Beginning Cash as of 12/31/2018	\$ 7,526,832
Additions:	
City Pension Contribution - January	\$ 3,735,083
Investment Draw (Incoming Wire) - 1/1/2019	1,000,000
Misc. Receipts	1,150
Total Additions:	\$ 4,736,233
Deductions:	
Pension Payment (December Pension Paid on 1/1/2019)	(4,464,792)
Expenditures Paid	(287,054)
Total Deductions	\$ (4,751,846)
 Ending Cash Balance as of 1/31/2019*	 \$ 7,511,219

* On 2/1/2019, January pension payment of appx \$4,545,000 will be made leaving a cash balance of \$2,966,000

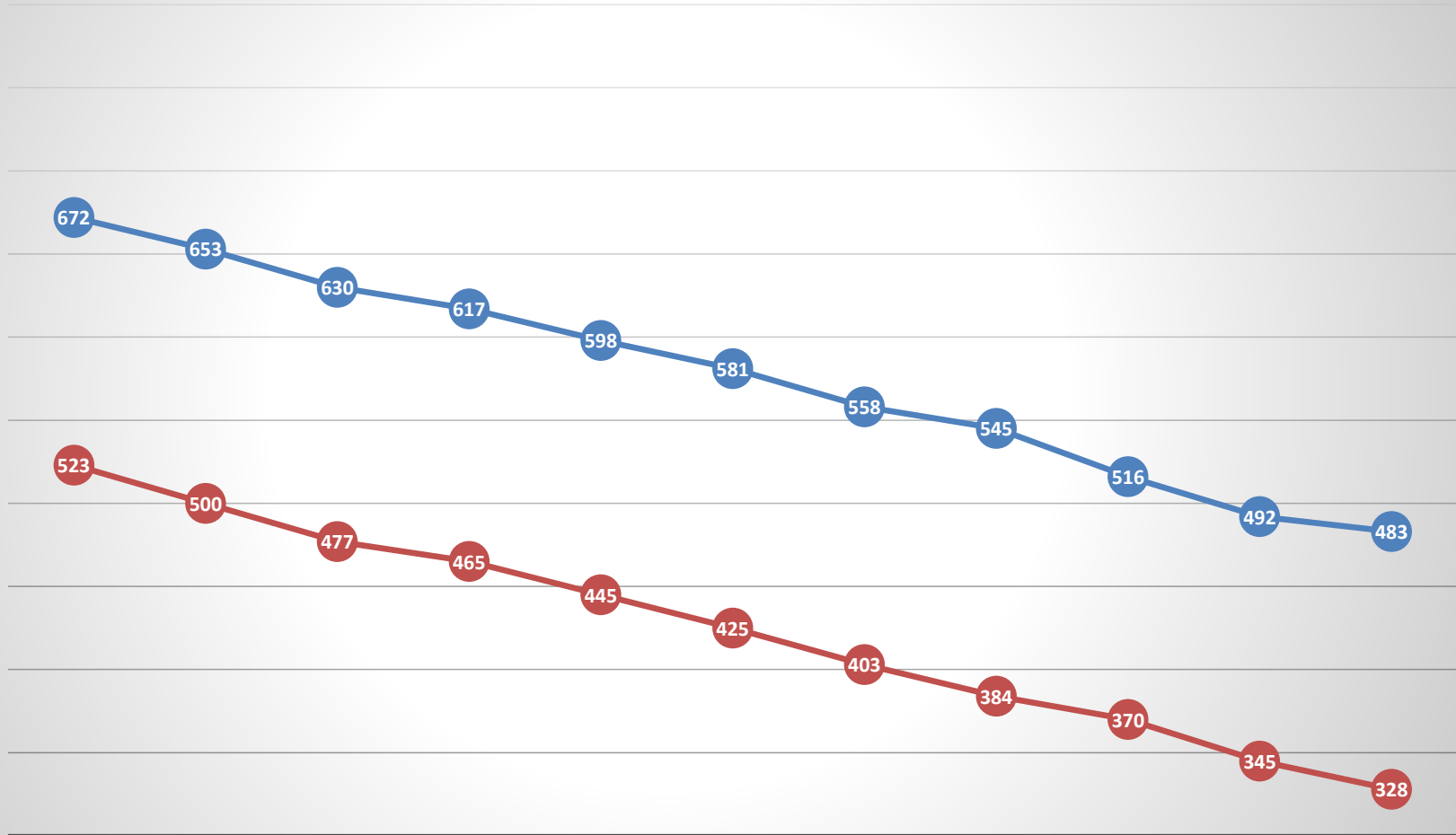
Table 3
CITY OF OAKLAND POLICE AND FIRE RETIREMENT SYSTEM

Census
As of January 31, 2019

COMPOSITION	POLICE	FIRE	TOTAL
Retired Member:			
Retiree	352	202	554
Beneficiary	131	126	257
<i>Total Retired Members</i>	483	328	811
<i>Total Membership:</i>	483	328	811

COMPOSITION	POLICE	FIRE	TOTAL
Retired Member:			
Service Retirement	320	170	490
Disability Retirement	149	144	293
Death Allowance	14	14	28
<i>Total Retired Members:</i>	483	328	811
<i>Total Membership as of January 31, 2019:</i>	483	328	811
<i>Total Membership as of June 30, 2018:</i>	492	345	837
<i>Annual Difference:</i>	-9	-17	-26

Oakland Police and Fire Retirement System Pension Plan Membership Count As of January 31, 2019 (FY 2009 - FY 2019)



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 FYTD
● Police	672	653	630	617	598	581	558	545	516	492	483
● Fire	523	500	477	465	445	425	403	384	370	345	328
● Total	1195	1153	1107	1082	1043	1006	961	929	886	837	811



AGENDA REPORT

TO: Oakland Police and Fire Retirement System Board **FROM:** David Jones

SUBJECT: Report on closed session hearings concerning change of retirement classification or cause of death **DATE:** March 18, 2019

SUMMARY

The Board has requested a report on whether hearings concerning member requests for change of retirement status or cause of a member's death can be conducted in closed session. Because meetings of the PFRS Board are to be held in public in compliance with the Ralph M. Brown Act, the evidence which the Board considers in making a quasi-adjudicatory decision should likewise be open to the public. The Brown Act specifies certain types of matters which can be conducted in a closed session meeting. Because there is no clear authority to conduct these types of hearings in closed session, PFRS staff proposes that they conduct the initial presentation of evidence through a Hearing Officer. If later brought to the Board under section 2603 of the Charter, the Board will serve as an appellate review body in open session, and review whether the Hearing Officer's decision is supported by substantial evidence or constitutes an abuse of discretion.

BACKGROUND

A PFRS retiree may seek a change of their retirement classification (from service retirement to disability or from non-service caused disability to service-caused disability). In addition, a retiree's widow may seek a Board finding that a member's death was caused by an injury or condition arising from the member's performance of service, qualifying the widow for a full-continuance. These inquiries often involve consideration of highly personal evidence about the member's medical or psychological condition. PFRS staff is concerned about avoiding undue

OAKLAND POLICE & FIRE RETIREMENT SYSTEM

AGENDA REPORT – Report on closed session hearings concerning change of retirement classification or cause of death

March 18, 2019

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exposure of such personal information during the course of a Board hearing on making these determinations.

Following Committee discussion at the February 27, 2019 Audit Committee meeting, this matter moved to the March 2019 Audit committee meeting for continued discussion.

ANALYSIS

Meetings of the PFRS Board are conducted in accordance with the state open meeting law known as the Ralph M. Brown Act (Gov. Code §§5490 – 54962). According to the Act, closed session meetings may be held when the subject matter to be considered fits certain criteria. Although PFRS would like to avoid public disclosure of highly personal medical or psychological information about a member, the Brown Act does not permit¹ the Board to convene in closed session to consider changing his retirement classification, or finding a member’s cause of death. If the personal information is necessary to support a decision one way or the other, it must be presented to the fact-finder for consideration. When the fact finder is the Board, the information must be presented in an open meeting.

When the fact-finder is a hearing officer, there is no requirement that the hearing be conducted in public. Examination and cross examination of witnesses, and the weighing of evidence in these kind of hearings may be conducted by a hearing officer, who will then issue a decision and recommendation, and inform the retiree or widow. If the retiree or widow contests the decision, then it can be brought as an appeal to the PFRS Board under Charter Section 2603. At that time, the essential evidence should be presented to the Board for consideration. The retiree is always able to present any personal information to the Board.

¹ A 1982 Attorney General Opinion (65 Ops.Cal.Atty. Gen 412) concluded that the Brown Act did not supercede a provision of the County Employees Retirement Act which allowed retirement boards to examine member medical records in closed session concerning disability. However, a subsequent 2005 Attorney General Opinion (Opinion No. 04-408 Chesbro, 88 Ops. Cal. Atty. Gen 16) concluded its prior opinion was no longer valid due to changes in the laws. However, the 2005 opinion found that the “personnel” exception to the Brown Act allows a retirement board to meet in closed session to consider medical records of an employee’s application for disability retirement. However, there is no case law extending the definition of “employee” to include a retiree, much less a deceased retiree.

OAKLAND POLICE & FIRE RETIREMENT SYSTEM

AGENDA REPORT – Report on closed session hearings concerning change of retirement classification or cause of death

March 18, 2019

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CONCLUSION

Staff recommends that the Board approve the use of a Hearing Officer to conduct the evidentiary review of the member's sensitive medical or psychological condition. Staff further recommends that the Plan Administrator be appointed as the Plan's Hearing Officer. Upon review of the material in addition to a recommendation from the City Physician, the Hearing Officer will issue the initial decision and communicate directly with the member or widow. If the member or widow disagrees with that decision, then the member or widow may appeal that decision to the PFRS Board under section 2603 of the Charter.

Respectfully submitted,



David Jones, Plan Administrator
Oakland Police and Fire Retirement System

Attachments (**if any**):

- None



AGENDA REPORT

TO: Oakland Police and Fire
Retirement Board

FROM: David Jones
Plan Administrator

SUBJECT: Audit Committee Agenda Pending List

DATE: March 18, 2019

	SUBJECT	TENTATIVE SCHEDULED MTG DATE	STATUS
1	Plan Administrator Status Report regarding status of request to City Administrator to set up Working Group to Address Actuarial Funding date of July 1, 2026	04/24/2019	
2	Discussion of the 2006 Management Audit of the PFRS System	04/24/2019	
3	PFRS Policy Governing the Overpayment or Underpayment of Member Benefits	04/24/2019	Rescheduled to April by Committee motion

Respectfully submitted,

David Jones, Plan Administrator
Oakland Police and Fire Retirement System

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Retirement Unit
150 Frank H. Ogawa Plaza
Oakland, California 94612

AGENDA

INVESTMENT COMMITTEE MEMBERS

Jaime T. Godfrey
Chairman

R. Steve Wilkinson
Member

Martin J. Melia
Member

**In the event a quorum of the Board participates in the Committee meeting, the meeting is noticed as a Special Meeting of the Board; however, no final Board action can be taken. In the event that the Investment Committee does not reach quorum, this meeting is noticed as an informational meeting between staff and the Chair of the Investment Committee.*

REGULAR MEETING of the INVESTMENT AND FINANCIAL MATTERS COMMITTEE of the OAKLAND POLICE AND FIRE RETIREMENT SYSTEM ("PFRS")

Wednesday, March 27, 2019 – 10:00 am
One Frank H. Ogawa Plaza, Hearing Room 1
Oakland, California 94612

- - - ORDER OF BUSINESS - - -

- 1. Subject: PFRS Investment Committee Meeting Minutes**
From: Staff of the PFRS Board

Recommendation: APPROVE February 27, 2019 Investment Committee meeting minutes.
- 2. Subject: Investment Manager Performance Review – State Street Global Advisors**
From: State Street Global Advisors

Recommendation: ACCEPT an Informational Report regarding review of State Street Global Advisors, a PFRS passive International Equity Investment Manager.
- 3. Subject: Investment Manager Overview – State Street Global Advisors**
From: Pension Consulting Alliance (PCA)

Recommendation: RECOMMEND BOARD APPROVAL of evaluation, review and possible watch status placement of State Street Global Advisors, a PFRS passive International Equity Investment Manager.

**OAKLAND POLICE AND FIRE RETIREMENT SYSTEM
REGULAR INVESTMENT COMMITTEE MEETING
MARCH 27, 2019**

ORDER OF BUSINESS, continued

4. **Subject:** Resolution No. 7052 – Resolution authorizing a professional service agreement with State Street Global Advisors (SSgA), to serve as investment manager of the long duration treasury plan component of the crisis risk offset investment strategy for the Oakland Police and Fire Retirement System at a fee rate not to exceed 4 basis points (4 bp or 0.04 percent) of the portfolio’s assets value each year
- From:** SSgA and Staff of the PFRS Board
-
- Recommendation:** **RECOMMEND BOARD APPROVAL of Resolution No. 7052** – Resolution authorizing a professional service agreement with State Street Global Advisors (SSgA), to serve as investment manager of the long duration treasury plan component of the crisis risk offset investment strategy for the Oakland Police and Fire Retirement System at a fee rate not to exceed 4 basis points (4 bp or 0.04 percent) of the portfolio’s assets value each year.
5. **Subject:** **Investment Market Overview**
- From:** Pension Consulting Alliance (PCA)
-
- Recommendation:** **ACCEPT** an informational report on the global investment markets through March 2019.
6. **Subject:** **Review of 2019 10-year Capital Market Assumptions**
- From:** Pension Consulting Alliance
-
- Recommendation:** **RECOMMEND BOARD APPROVAL** of the Review of 2019 10-year Capital Market Assumptions.
7. **Subject:** **\$14.2 million 2nd Quarter 2019 Member Benefits Drawdown**
- From:** Staff of the PFRS Board & Pension Consulting Alliance
-
- Recommendation:** **RECOMMEND BOARD APPROVAL** of the PCA recommendation of \$14.2 million drawdown, which includes an \$11.2 million contribution from the City of Oakland and a \$3.0 million contribution from the PFRS Investment Fund, to be used to pay for April 2019 through June 2019 member retirement benefits.

**OAKLAND POLICE AND FIRE RETIREMENT SYSTEM
REGULAR INVESTMENT COMMITTEE MEETING
MARCH 27, 2019**

ORDER OF BUSINESS, continued

8. **Subject:** **Status Report of the request for information for the new PFRS Active International Equity Asset Class Investment Manager**
From: Pension Consulting Alliance
-
- Recommendation:** **RECOMMEND BOARD APPROVAL** of the request for information for the new PFRS Active International Equity Asset Class Investment Manager.
9. **Schedule of Pending Investment Committee Meeting Agenda Items**
10. **Future Scheduling**
11. **Open Forum**
12. **Adjournment of Meeting**

AN INVESTMENT AND FINANCIAL MATTERS COMMITTEE MEETING of the Oakland Police and Fire Retirement System (“PFRS”) was held February 27, 2019 in Hearing Room 1, One Frank Ogawa Plaza, Oakland, California.

Committee Members Present:

- Jaime T. Godfrey, Chairman
- R. Steven Wilkinson, Member
- Martin J. Melia, Member

Additional Attendees:

- David Jones, Plan Administrator
- Pelayo Llamas, PFRS Legal Counsel
- David Low & Teir Jenkins, Staff Members
- David Sancewich, Pension Consulting Alliance

The meeting was called to order at 10:06 am. Member Wilkinson was absent at the start of the meeting and arrive at 10:10 am.

1. **Approval of Investment Committee meeting minutes** – Member Melia made a motion to approve the January 30, 2019 Investment Committee meeting minutes, second by Chairman Godfrey. Motion passed.

[GODFREY – Y / MELIA – Y / WILKINSON – ABSENT]
(AYES: 2 / NOES: 0 / ABSTAIN: 0)

2. **Follow-up review and recommendation of Board action regarding Parametric Portfolio Advisors** – Dan Ryan and Chris Haskamp from Parametric Portfolio Advisors reported to the PFRS Investment Committee about the changes in the operation and management of PFRS investments with this investment manager due to the recent management changes. The presentation also detailed a review of the Systematic Alternative Risk Premia Strategy used by Parametric for the PFRS Investment Fund. Following Committee and investment manager discussion, member Melia made a motion to recommend Board approval the informational report from PCA and Parametric Portfolio Advisors, second by member Wilkinson. Motion passed.

[GODFREY – Y / MELIA – Y / WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSTAIN: 0)

3. **Investment Market Overview** – David Sancewich from Pension Consulting Alliance (PCA) reported on the global economic factors affecting the PFRS Fund. Chairman Godfrey made a motion accept the Informational Report from PCA, second by Member Melia. Motion passed.

[GODFREY – Y / MELIA – Y / WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSTAIN: 0)

4. **Investment Fund Performance Report for the Quarter Ending 12/31/18** – David Sancewich presented the PFRS Investment Fund Performance Report for the Quarter ending December 31, 2018. Mr. Sancewich reported that the PFRS fund underperformed compared to the benchmark (net of fees) for the most recent quarter, fiscal year-to-date and 1-year periods but continued to outperform the benchmark for the 3- and 5-year periods (net of fees). Following the PCA presentation, Member Melia made a motion to recommend Board approval of the Investment Fund Performance

Report for the Quarter ending December 31, 2018, second by member Wilkinson. Motion passed.

[GODFREY – Y / MELIA – Y / WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSTAIN: 0)

- 5. Active vs. Passive Management Style overview** – Mr. Sancewich presented the PCA report explaining the details and significance of Active and Passive styles in the management of securities investment and how it is utilized for public pension funds like PFRS. Following his presentation, member Melia made a motion to accept the informational report from PCA, second by member Wilkinson. Motion passed.

[GODFREY – Y / MELIA – Y / WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSTAIN: 0)

- 6. Review and recommendation of Board action regarding the PFRS International Equity Investment Asset Class Portfolio** – Mr. Sancewich presented the PCA report reviewing the PFRS management of its International Equity Investment portfolio. Mr. Sancewich's report recommended a reassignment of investment funds in the international equity investment portfolio, specifically investments in the Active Growth and Active Value portfolios, and that PCA conduct a request for proposals to continue this reassignment into an Active Core International Equity investment manager. He recommended no changes to the PFRS active international investment portfolio managed by SSgA. Member Melia made a motion to recommend Board approval of the PCA recommendation that it conduct an RFP for a new International Equity Investment Manager to manage the consolidation of the current PFRS Portfolio investments in the Active Growth and Active Value portfolios, second by member Wilkinson. Motion passed.

[GODFREY – Y / MELIA – Y / WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSTAIN: 0)

- 7. Possible assignment of investment funds to an existing PFRS Investment Manager to manage PFRS Crisis Risk Offset (CRO) – Long Duration** – Mr. Sancewich reported the review by PCA regarding the future management of PFRS Crisis Risk Offset (Long Duration) Investment fund. Mr. Sancewich made a recommendation that State Street Global Advisors be assigned the management of the PFRS investment assets in this asset class at fees of four (4) basis points. Following committee discussion, member Melia made a motion to recommend Board approval of the assignment of State Street Global Advisors, at a fee of 4 basis points, the management of the PFRS investment funds for the Crisis Risk Offset (Long Duration) asset class investment fund, second by member Wilkinson. Motion passed.

[GODFREY – Y / MELIA – Y / WILKINSON – Y]
(AYES: 3 / NOES: 0 / ABSTAIN: 0)

- 8. Investment Committee Pending Agenda Items** – The investment committee and PCA discussed the upcoming agenda items scheduled on PCA's future meeting's agenda.

9. **Future Scheduling** – The next Investment Committee meeting was scheduled for March 27, 2019.

10. **Open Forum** – No Report.

11. **Adjournment of Meeting** – The meeting adjourned at 11:23 am.

JAIME T. GODFREY, COMMITTEE CHAIRMAN

DATE

DRAFT

Oakland Police and Fire Retirement System

Andrew P. Yurkewych

March 27, 2019

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Appendices

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The information contained in this document is current as of the date presented unless otherwise noted.
GIPS[®] is a trademark of the CFA Institute.

State Street Global Advisors Firm Overview

Fourth Quarter — 2018

About State Street Corporation

Four Businesses Under One Strong Global Enterprise,
responsible for 10% of the world's assets¹

Asset Servicing

Customized servicing solutions across traditional and alternative investments, with \$31.62T under our care²

Research and Trading

Data-driven insights and technology platforms that improve clients' access to global financial markets

Data and Analytics

Data management tools, analysis and software that can help clients make better investment decisions

Asset Management

Active and index investment strategies and solutions that help clients reach their financial goals

¹ State Street and McKinsey Global Institute, Global Capital Markets December 31, 2017. This represents State Street's year-end 2017 Assets Under Custody and Administration, AUCA, (USD \$33.10t) as a proportion of total global financial assets (USD \$270.35t).

² Assets under custody as of December 31, 2018

About State Street Global Advisors

Mission: To invest responsibly to enable economic prosperity and social progress

\$2.51

Trillion in Assets¹

2800+

Clients

14

Million DC Participants²

63

Countries with Clients

11

Investment Centers³

24-hour

Global Trading Capability⁴

¹ AUM reflects approximately \$32.45 billion (as of December 31, 2018), with respect to which State Street Global Advisors Funds Distributors, LLC (SSGA FD) serves as marketing agent; SSGA FD and State Street Global Advisors are affiliated.

² As of December 31, 2018.

³ As of December 31, 2018.

⁴ During regional market hours.

A Leading Partner to Institutions and Intermediaries

#1

government retirement plan provider globally

sovereign wealth fund asset manager

US endowment and foundation asset manager

#2

US Defined Benefit provider

#3

largest asset manager

largest ETF provider

largest index manager (excluding ETFs)

central bank asset manager

Top 10

Institutional Money Market provider

US Defined Contribution Investment Only (DCIO) manager

Outsourced Chief Investment Officer (OCIO) services

ETF Model Portfolio manager

Source: P&I Research Center, as of 12/31/2017 and Morningstar, as of 12/31/2017

Guiding Principles

Since 1978 we've had a drive to always reinvent the way we invest for our clients.

Start with Rigor

Our more than 500 investment professionals worldwide take a highly risk-aware approach to all investing challenges.

Build from Breadth

We build from a universe of active and index strategies to create cost effective solutions.

Invest as Stewards

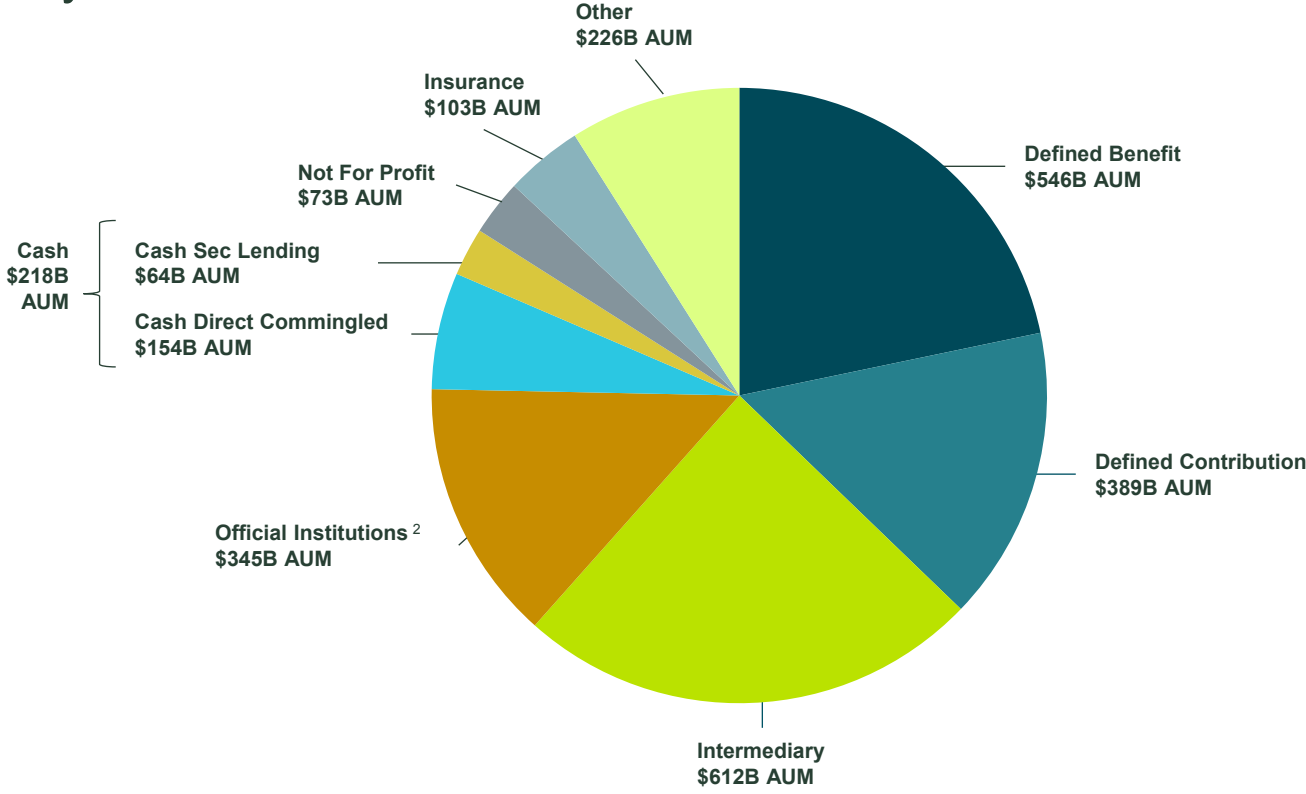
We help our portfolio companies understand that what's fair for people and sustainable for the planet can deliver long-term performance.

Invent the Future

We created the oldest and largest ETF and we're pioneers in index, active, and ESG investing

US\$2.5 Trillion in Assets Under Management¹

Clients by AUM



¹ AUM reflects approximately \$32.45 billion (as of December 31, 2018), with respect to which State Street Global Advisors Funds Distributors, LLC (SSGA FD) serves as marketing agent; SSGA FD and State Street Global Advisors are affiliated. ² Official Institutions is a client type that includes all plan type assets including DB and DC.

Investment Philosophy

Understanding Multiple Dimensions

Creating successful investment outcomes starts with understanding the multiple dimensions of a client's long-term objectives and liabilities.

Knowing Markets are Not Always Efficient

Due to behavioral biases, informational inefficiencies and limits to arbitrage, markets are not always efficient, leading to opportunities for excess returns.

Focusing on Asset Allocation

The primary driver of long-term returns is asset allocation

Investors need efficient access to a broad universe of capital market exposure.

Focus should be on underlying risks, not asset class labels.

Achieving Capital- & Risk-Efficient Portfolios

A thoughtful and precise combination of market-, factor- and idiosyncratic-risk, along with manager skill, are key to achieving capital-, and risk-efficient portfolios.

ESG in Action:

Wall Street, Meet Fearless Girl

Starting in 2017, our Asset Stewardship team has called on companies in our investment portfolio to increase the number of women on their boards, and made clear we would use our proxy voting power to effect change if they failed to act.



Photo: Sculpture by Kristen Visbal
Source: State Street Global Advisors Asset Stewardship Team June 2018

1200+

companies engaged in the US, UK, Australia, Japan, Canada and continental Europe because they had no women on their boards

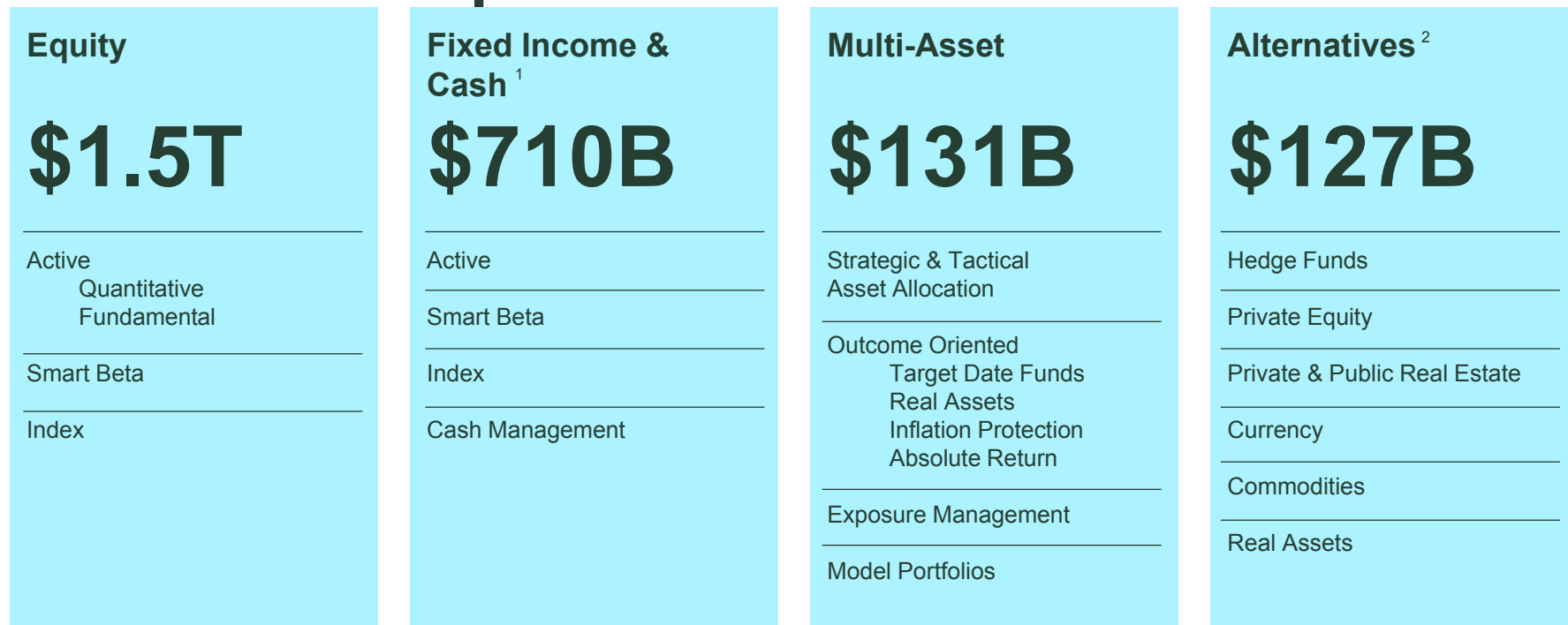
500+

companies voted against during the 2017 proxy season, and another 500+ in the 2018 season

301

companies out of those engaged that have now added a female director to the board; 28 more have committed to doing so

Our Active and Index Capabilities Cover the Risk/Reward Spectrum



Environmental, Social & Governance

Defined Benefit / Defined Contribution Solutions

Outsourced Chief Investment Officer (OCIO)

Alternatives Program Management

Period end as of December 31, 2018

¹Cash includes both floating- and constant-net-asset-value portfolios held in commingled structures or separate accounts. ²Alternatives Includes real estate investment trusts, currency and commodities, including gold-backed ETFs for which SSGA only serves as marketing agent.

What Keeps Clients Awake at Night?

Investor Challenges and Needs

The End of Norms

Rising protectionism

Retaliatory tax cuts

Heightened geopolitical risks

Life after Easy Money

Switch from monetary to fiscal stimulus raises risk of policy mistakes

Volatility and inflation risk return

Risk Rises as Cycle Matures

Actively manage equity and fixed income exposures

Valuations matter

Hedge your tail risks

Value for Fees

Systematize where effective

Demand true alpha

Governance Structure

Executive Management Group (EMG)

Consultative and decision-making body responsible for strategic planning, business goal and financial tracking, overall firm governance and talent management

Reporting

Risk Committee

Responsible for ensuring the alignment of strategy, risk appetite and risk management standards (corporate-wide)

Subcommittees:

- EMEA Risk
- Liquidity
- Comprehensive Capital Analysis and Review (CCAR)
- Model Risk

Reporting

Escalation of Material Risk Breaches

Global Investment Committee

Responsible for the firm's investment philosophy and processes, investment strategies, approach to new markets and instruments and relationships with counterparties

Subcommittees:

- Technical
- Proxy Review
- Counterparty Credit
- Trade Management Oversight
- Investment Strategy Review
- Securities Lending

Global Product Committee

Responsible for the creation of products based on the firm's investment strategies

Subcommittees:

- North America Product
- EMEA Product
- APAC Product
- Sub-Advisory Oversight

Global Fiduciary & Conduct Committee

Responsible for addressing fiduciary and business conduct matters across the firm and oversight of the firm's collective investment funds

Subcommittees:

- EMEA Fiduciary
- APAC Fiduciary
- Canada Fiduciary
- Independent Fiduciary
- Class Action Litigation
- Global Marketing Disclosure & Business Conduct

Global Operations & Compliance Committee

Responsible for the firm's operating infrastructure compliance functions

Subcommittees:

- Global Compliance
- North American Valuation
 - Alternatives Valuation
- EMEA Valuation
- APAC Valuation
- Global Operational Risk
 - EMEA
 - APAC
- IT Steering

As of January 2019

Business Leadership Team

Cyrus Taraporevala, President & CEO

Chris Baker
Chief Compliance Officer

Susan Lasota
Head of Operations and Technology, Stamford

Barry F.X. Smith
Head of Americas Institutional Client Group

Marc Brown
Chief Administrative Officer

Steve Lipiner
Chief Financial Officer

Dick Taggart
Global Head of Operations

Cuan Coulter
Head of Europe, Middle East & Africa

James MacNevin
Head of Asia Pacific

Sue Thompson
Head of SPDR® Americas Distribution

Lochiel Crafter
Head of Global Institutional Group

Kate McKinley
General Counsel

Stephen Tisdalle
Chief Marketing Officer

Kem Danner
Head of Human Resources

Miles O'Connor
Head of Institutional, EMEA

Rory Tobin
Head of Global SPDR®

Greg Hartch
Chief Risk Officer

Jim Ross
Chairman of Global SPDR®

Stan Wasilauski
Chief Technology Officer

As of January 22, 2019

Global Investment Team

Cyrus Taraporevala, President & CEO

Rick Lacaille, Global CIO

Kevin Anderson
Head of Investments, APAC

Lori Heinel
Deputy Global CIO

Bill Street
Head of Investments, EMEA

Lynn Blake
CIO, Global Equity Beta Solutions

Chris Rice
Global Head of Trading

Don Torey
CIO, Alternative Investments

Olivia Engel
CIO, Active Quantitative Equities

Michael Solecki
CIO, Fundamental Growth & Core Equity

Dave Wiederecht
Head of Global OCIO

Dan Farley
CIO, Investment Solutions Group

Matthew Steinaway
CIO, Global Fixed Income, Currency & Cash

Barry Glavin
CIO, Fundamental Value Equities

As of January 22, 2019

Account Summary

Oakland Police and Fire Retirement System

Investment Summary

As of February 28, 2019

	Market Value (\$)
MSCI EAFE Index NL Fund	13,080,123
State Street Russell 1000 Growth Index SL Fund	9,411,122
State Street Russell 1000 Value Index SL Fund	8,106,758
Total	30,598,003

Statement of Asset Changes

The following changes took place in the Oakland Police and Fire Retirement System account for the month of February 2019:

	Starting Balance 02/01/2019 (\$)	Contributions (\$)	Withdrawals (\$)	Appreciation/ (Depreciation)* (\$)	Ending Balance 02/28/2019 (\$)
MSCI EAFE Index NL Fund	12,753,258	0	0	326,865	13,080,123
State Street Russell 1000 Growth Index SL Fund	9,086,540	69	0	324,513	9,411,122
State Street Russell 1000 Value Index SL Fund	7,855,055	28	0	251,675	8,106,758
Total	29,694,853	97	0	903,053	30,598,003

Source: SSGA

* Includes dividends, interest, and realized/unrealized gains and losses.

Oakland Police and Fire Retirement System

Summary of Performance

Following are the gross and net returns for the Oakland Police and Fire Retirement System portfolios versus the corresponding benchmarks as of February 28, 2019:

	1 Month (%)	3 Months (%)	Year to Date (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
								Aug/2002
MSCI EAFE Index NL Fund								
Total Returns (Gross)	2.56	4.02	9.32	-5.71	9.72	2.41	9.90	6.88
MSCI EAFE® Index	2.55	3.98	9.29	-6.04	9.33	2.07	9.56	6.58
Difference	0.01	0.04	0.03	0.33	0.39	0.34	0.34	0.30
Total Returns (Net)	2.55	4.00	9.30	-5.80	9.61	2.31	N/A	N/A
MSCI EAFE® Index	2.55	3.98	9.29	-6.04	9.33	2.07	N/A	N/A
Difference	0.00	0.02	0.01	0.24	0.28	0.24	N/A	N/A
								Oct/2014
State Street Russell 1000 Growth Index SL Fund								
Total Returns (Gross)	3.57	3.17	12.87	6.60	17.99	N/A	N/A	13.39
Russell 1000® Growth Index	3.58	3.18	12.89	6.62	18.00	N/A	N/A	13.40
Difference	-0.01	-0.01	-0.02	-0.02	-0.01	N/A	N/A	-0.01
Total Returns (Net)	3.56	3.14	12.85	6.50	17.90	N/A	N/A	13.31
Russell 1000® Growth Index	3.58	3.18	12.89	6.62	18.00	N/A	N/A	13.40
Difference	-0.02	-0.04	-0.04	-0.12	-0.10	N/A	N/A	-0.09
								Oct/2014
State Street Russell 1000 Value Index SL Fund								
Total Returns (Gross)	3.20	0.60	11.25	3.22	12.86	N/A	N/A	7.86
Russell 1000® Value Index	3.20	0.55	11.23	3.16	12.81	N/A	N/A	7.77
Difference	0.00	0.05	0.02	0.06	0.05	N/A	N/A	0.09
Total Returns (Net)	3.19	0.57	11.22	3.10	12.77	N/A	N/A	7.78
Russell 1000® Value Index	3.20	0.55	11.23	3.16	12.81	N/A	N/A	7.77
Difference	-0.01	0.02	-0.01	-0.06	-0.04	N/A	N/A	0.01

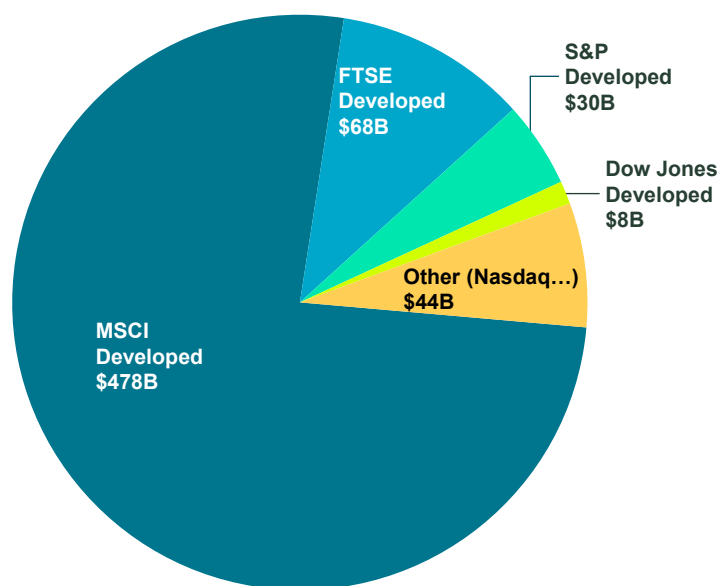
Past performance is not a guarantee of future results. Performance returns for periods of less than one year are not annualized.

The performance figures contained herein are provided on a gross and net of fees basis. Gross of fees do not reflect and net of fees do reflect the deduction of advisory or other fees which could reduce the return. The performance includes the reinvestment of dividends and other corporate earnings and is calculated in US dollars. Index returns reflect capital gains and losses, income, and the reinvestment of dividends.

Portfolio Review for MSCI EAFE® Index Strategy

State Street Global Advisors International MSCI Index Experience

International and Global Equity AUM
\$699 Billion as of December 31, 2018



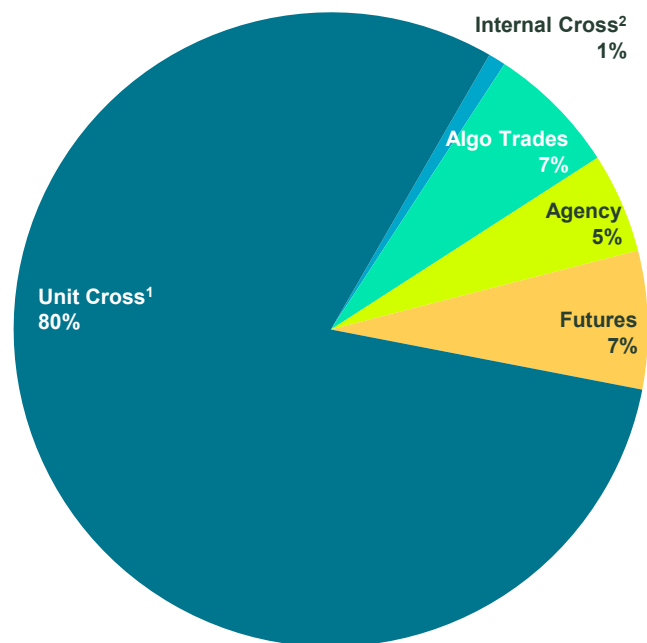
State Street Global Advisors has been investing in developed market strategies **since 1979** and emerging market strategies **since 1991**

International MSCI Index Strategy Offerings

MSCI World	MSCI EAFE
MSCI World Small Cap	MSCI EAFE Factor Mix
MSCI World IMI	MSCI EAFE Small Cap
MSCI World High Yield	MSCI EMU
MSCI World Minimum Volatility	MSCI Europe
MSCI World Quality Mix	MSCI Europe Mid Cap
MSCI World Factor Mix	MSCI North America
MSCI World Equal Weighted	MSCI Kokusai
MSCI Diversified Multi-Factor	MSCI Pacific
MSCI World ex-USA	MSCI Emerging Markets
MSCI World ex-USA Small Cap	MSCI EM Small Cap
MSCI World ex-Australia	MSCI Emerging Markets IMI
MSCI World ex-Canada	Screened MSCI Europe
MSCI ACWI	Screened MSCI North America
MSCI ACWI Value	Screened MSCI Pacific
MSCI ACWI ex-USA	Screened MSCI ACWI ex US IMI
MSCI ACWI ex-USA IMI	MSCI ACWI Low Carbon Target
MSCI ACWI Minimum Volatility	MSCI ACWI ESG QUALITY MIX
MSCI ACWI IMI	MSCI Emerging Markets ex Fossil Fuel
MSCI ACWI IMI Sector Indices	MSCI EAFE ex Fossil Fuel

Source: State Street Global Advisors. As of December 31, 2018. The list only represents the majority of S&P Index strategies GEBS manages, please see our GEBS Beta Strategy Offerings Guide for our complete offerings. Figures in USD.

Internal Liquidity: A Powerful Cost Saving Resource



Total Order Flows 2016–2018 \$15.26B

88% of the MSCI EAFE Index Strategy's cash flows traded at low or zero cost*

Source: State Street Global Advisors

* For the 3 most recent calendar years as of the slide creation date, 2016–2018. Data based on the weighted average results (by order volume) of one or more of State Street Global Advisors's commingled funds. There is no guarantee that a particular client transaction will experience the same level of low cost trading. ¹ Unit crosses are transactions where client contributions/redemptions in a commingled fund are matched with offsetting client contributions/redemptions in the same commingled fund. ² Internal crosses are equity transactions for one State Street Global Advisors managed fund that are matched, where possible, with offsetting equity transactions from other eligible State Street Global Advisors managed funds. Low cost trading percentages are calculated by subtracting agency trades from total trades and then dividing by total trades. Availability of internal crossing at State Street Global Advisors may be affected by your asset class, vehicle type, jurisdiction, or other factors. Figures in USD.

MSCI 2018 Index Updates

May Semi-Annual Index Review

Inclusion of China A Shares

- On May 31, 226 yuan-denominated Chinese stocks were added to MSCI's flagship EM, China and global indices
- This was phase one in a two-step inclusion process which is scheduled to conclude effective on the close of August 31st, at which point the inclusion factor applied to China A shares will be 5%
- There's a potential for additional securities and/or an increased inclusion factor to be implemented during the November 2018 rebalance as well

June Annual Market Classification Review

A Kingdom Emerging

- MSCI will include the MSCI Saudi Arabia in the MSCI Emerging Markets Index beginning in May 2019

Return of Argentina

- MSCI will reclassify the MSCI Argentina Index from Frontier Markets to Emerging Markets status
- However, in light of the widespread selloff in country's currency, MSCI warned that it would review its reclassification decision were the Argentinian authorities to introduce any market accessibility restrictions, such as capital or foreign exchange controls

MSCI to consult on the potential reclassification of the MSCI Kuwait Index to Emerging Markets status

Source: State Street Global Advisors
The MSCI Indices are trademarks of MSCI, Inc.
Please go to the MSCI website for more information about the Indexes.

What Does the Portfolio Look Like?

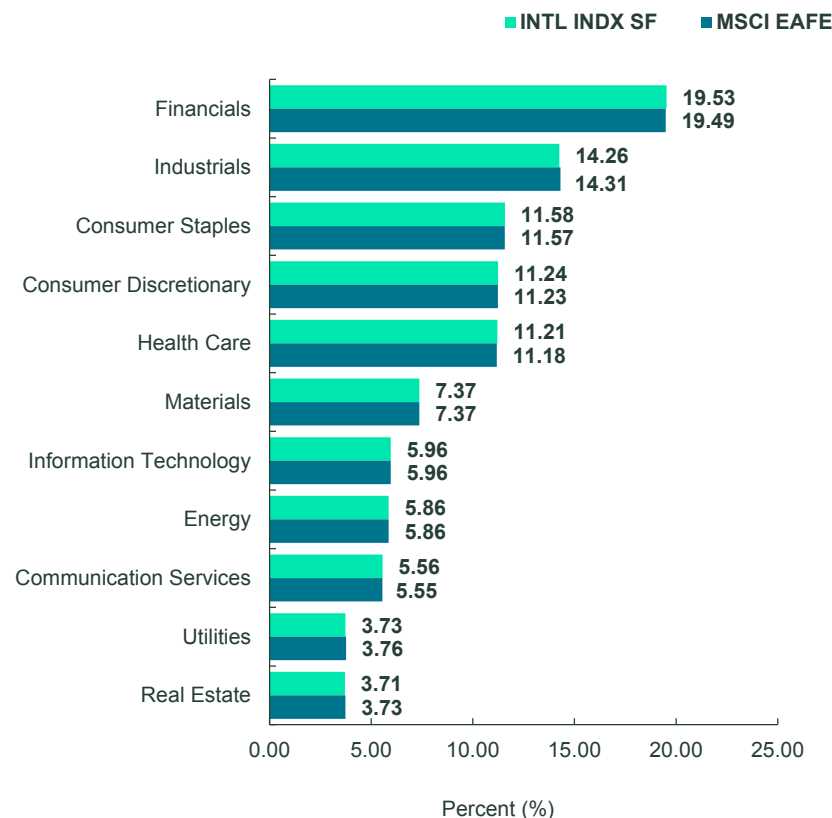
Seeks to deliver risk characteristics of the benchmark

Characteristics

	Portfolio	Benchmark*
Value Indicators		
Price/Earnings Ratio (Forward 12 Months)	12.49	12.49
Price/Book Ratio	1.45	1.45
Price/Cash Flow	7.95	7.96
Annual Dividend Yield (Trailing 12 Months)	3.68	3.68
Growth Indicators		
Estimated 3–5yr EPS Growth	8.31	8.32
Return on Equity	15.42	15.42
Risk Indicators		
Beta (Trailing 36 Months)	1.00	—
Standard Deviation (Annualized 36 Months)	11.29	11.24
Structures		
Composite AUM (\$B)	2880.09	—
Weighted Average Market Cap (\$B)	46.22	46.20
Historical Turnover (5 Year Average)	—	4.13
Total Number of Holdings	926	919

Top 10 Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Relative Weight* (%)
Nestle SA-Reg	1.99	2.00	-0.01
Novartis AG-Reg	1.48	1.49	-0.01
Roche Holding Ag-Genusschein	1.39	1.40	-0.01
Hsbc Holdings Plc	1.32	1.32	0.00
Royal Dutch Shell Plc- A Shs	1.08	1.08	0.00
Toyota Motor Corp	1.07	1.07	0.00
Total SA	1.01	1.02	-0.01
Bp Plc	1.01	1.02	-0.01
Royal Dutch Shell Plc-B Shs	0.89	0.89	0.00
Aia Group Ltd	0.80	0.80	0.00



As of December 31, 2018. Sources: FactSet, GICS®, MSCI, Inc., Thomson Reuters Worldscope. The Supplemental Information above is that of a single representative account within the Composite, which is subject to change. The representative account was chosen because it has no material restrictions and fairly represents the investment style of the Strategy. The Supplemental Information should not be deemed to be reflective of (and could differ from) the overall Composite or any other single account within the Composite. This information should not be considered a recommendation to invest in a particular sector or to buy or sell any security shown. It is not known whether the sectors or securities shown will be profitable in the future. The specific securities listed do not represent all of the securities purchased, sold, or recommended for advisory clients. You should not assume that investments in the securities identified and discussed were or will be profitable. * Benchmark is MSCI EAFE Index.

MSCI EAFE® Index Strategy

Country Weights

Region/Country	Portfolio Weight (%)	Benchmark Weight*(%)	Difference (%)
EMEA	62.93	62.96	-0.03
United Kingdom	16.96	16.94	0.02
France	11.00	11.10	-0.10
Germany	8.83	8.82	0.01
Switzerland	8.65	8.65	0.00
Netherlands	3.40	3.43	-0.03
Spain	3.08	3.10	-0.02
Sweden	2.72	2.71	0.01
Italy	2.34	2.26	0.08
Denmark	1.75	1.75	0.00
Finland	1.04	1.04	0.00
Belgium	0.95	0.95	0.00
Norway	0.74	0.73	0.01
Israel	0.54	0.54	0.00
Ireland	0.53	0.54	-0.01
Austria	0.24	0.24	0.00
Portugal	0.16	0.16	0.00

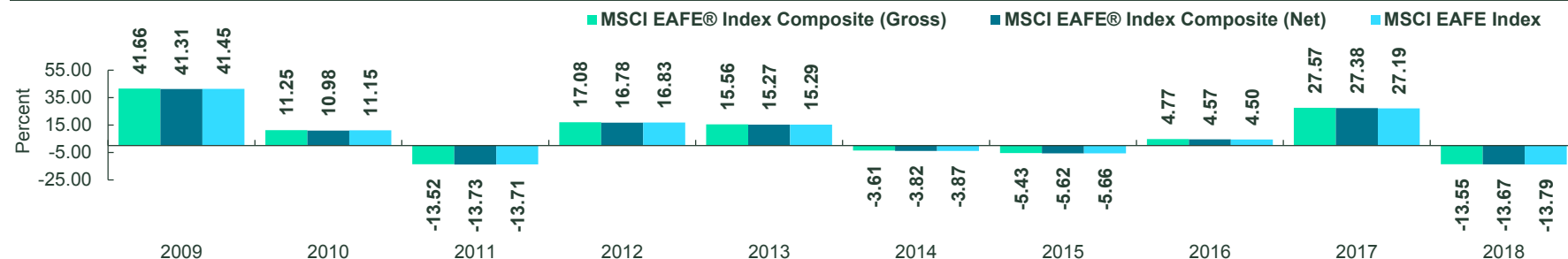
Region/Country	Portfolio Weight (%)	Benchmark Weight*(%)	Difference (%)
Asia/Pacific Rim	37.09	37.04	0.05
Japan	24.64	24.61	0.03
Australia	6.93	6.92	0.01
Hong Kong	3.91	3.91	0.00
Singapore	1.37	1.37	0.00
New Zealand	0.24	0.23	0.01
Total Portfolio	100.00	100.00	0.00

As of December 31, 2018. Sources: FactSet, GICS®, MSCI, Inc., Thomson Reuters Worldscope. The Supplemental Information above is that of a single representative account within the Composite, which is subject to change. The representative account was chosen because it has no material restrictions and fairly represents the investment style of the Strategy. The Supplemental Information should not be deemed to be reflective of (and could differ from) the overall Composite or any other single account within the Composite. This information should not be considered a recommendation to invest in a particular sector or to buy or sell any security shown. It is not known whether the sectors or securities shown will be profitable in the future. * Benchmark: MSCI EAFE Index.

MSCI EAFE® Index Composite Performance

Annualized returns for the period ending December 31, 2018 (USD)

	QTR (%)	YTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception* (%)
MSCI EAFE® Index Composite (Gross) ^{1,2}	-12.53	-13.55	-13.55	3.15	0.79	6.57	8.37
MSCI EAFE Index ⁴	-12.54	-13.79	-13.79	2.87	0.53	6.32	8.18
Value Added	0.01	0.24	0.24	0.27	0.26	0.26	0.19
MSCI EAFE® Index Composite (Net) ^{1,3}	-12.56	-13.67	-13.67	3.01	0.63	6.30	N/A
MSCI EAFE Index ⁴	-12.54	-13.79	-13.79	2.87	0.53	6.32	N/A
Value Added	-0.02	0.12	0.12	0.14	0.10	-0.01	N/A



* Inception Date: January 1985

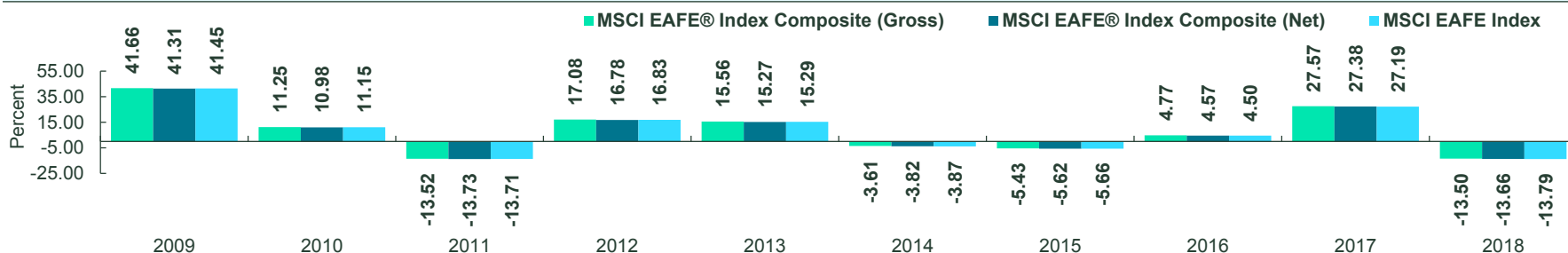
Source: State Street Global Advisors * GIPS net of fee composite performance data prior to 2004 is not available.

¹ Returns greater than one year are annualized. Returns represent past performance and are not a guarantee of future results. Current performance may differ from the performance shown. Returns shown are asset — weighted using Composite member market values, where the Composite member's return calculations are time-weighted and reflect the reinvestment of dividends and other income. ² These performance figures are provided gross of fees and expenses other than actual trading fees and expenses, and reflect all items of income, gain, and loss. ³ These performance figures (i) are provided net of actual trading, audit, custody, administrative and legal fees and expenses; (ii) beginning on 9/30/2014, adjusted quarterly to reflect the highest investment management fee on the actual fee schedule, inclusive of incentive fee, if any, of any account within the Composite ("Management Fee") at the relevant time; prior to 9/30/2014, adjusted for an assumed investment management fee, which is equal to or higher than the Management Fee (except in each case certain small accounts-subject to a minimum investment management fee-may have incurred an actual investment management fee higher than that fee assumed in calculating the performance shown above); and (iii) reflect all items of income, gain and loss. ⁴ Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income and the reinvestment of dividends (net of withholding tax rates) and other income and are calculated in US dollars. It is not possible to invest directly in an index. Performance returns are calculated in US dollars. Calculation for value added returns may show rounding differences. The above information is considered supplemental to the GIPS presentation for this Composite, which can be found in the Appendix or was previously presented. A GIPS presentation is also available upon request. gP-EAFE

Daily MSCI EAFE® Index Composite Performance

Annualized returns for the period ending December 31, 2018 (USD)

	QTR (%)	YTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception* (%)
Daily MSCI EAFE® Index Composite (Gross) ^{1,2}	-12.56	-13.50	-13.50	3.26	0.85	6.63	4.68
MSCI EAFE Index ⁴	-12.54	-13.79	-13.79	2.87	0.53	6.32	4.51
Value Added	-0.02	0.29	0.29	0.39	0.32	0.31	0.17
Daily MSCI EAFE® Index Composite (Net) ^{1,3}	-12.60	-13.66	-13.66	3.08	0.65	6.39	N/A
MSCI EAFE Index ⁴	-12.54	-13.79	-13.79	2.87	0.53	6.32	N/A
Value Added	-0.06	0.13	0.13	0.21	0.12	0.08	N/A



* Inception Date: November 1993

Source: State Street Global Advisors. * GIPS net of fee composite performance data prior to 2004 is not available.

¹ Returns greater than one year are annualized. Returns represent past performance and are not a guarantee of future results. Current performance may differ from the performance shown. Returns shown are asset — weighted using Composite member market values, where the Composite member's return calculations are time-weighted and reflect the reinvestment of dividends and other income. ² These performance figures are provided gross of fees and expenses other than actual trading fees and expenses, and reflect all items of income, gain, and loss. ³ These performance figures (i) are provided net of actual trading, audit, custody, administrative and legal fees and expenses; (ii) beginning on 9/30/2014, adjusted quarterly to reflect the highest investment management fee on the actual fee schedule, inclusive of incentive fee, if any, of any account within the Composite ("Management Fee") at the relevant time; prior to 9/30/2014, adjusted for an assumed investment management fee, which is equal to or higher than the Management Fee (except in each case certain small accounts—subject to a minimum investment management fee—may have incurred an actual investment management fee higher than that fee assumed in calculating the performance shown above); and (iii) reflect all items of income, gain and loss. ⁴ Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income and the reinvestment of dividends (net of withholding tax rates) and other income and are calculated in US dollars. It is not possible to invest directly in an index. Performance returns are calculated in US dollars. Calculation for value added returns may show rounding differences. The above information is considered supplemental to the GIPS presentation for this Composite, which can be found in the Appendix or was previously presented. A GIPS presentation is also available upon request. gP-DEAFE

Appendix A: GIPS® Presentations

GIPS® is a trademark of the CFA Institute.

GIPS® Report: MSCI EAFE Index Composite (As of December 31, 2017)

Gross Returns

Period	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Inception Jan 1985
MSCI EAFE Index Composite	4.23	25.35	25.35	8.07	8.16	2.20	N/A
MSCI EAFE® Index	4.23	25.03	25.03	7.80	7.90	1.94	N/A

Year	MSCI EAFE Index Composite	MSCI EAFE® Index
2017	25.35	25.03
2016	1.27	1.00
2015	-0.58	-0.81
2014	-4.67	-4.90
2013	23.02	22.78
2012	17.63	17.32
2011	-11.92	-12.14
2010	7.97	7.75
2009	32.05	31.78
2008	-43.16	-43.38

Year	No. of Portfolios at Period End	Composite Dispersion	3 Yr Annualized Standard Deviation — Composite	3 Yr Annualized Standard Deviation — Benchmark	Total Assets at End of Period (USD)	% of Firm's Assets	Total Firm Assets (USD mil)
2017	7	0.18	11.84	11.83	39,387,432,678	1.45	2,714,705
2016	10	0.17	12.47	12.46	32,964,694,830	1.44	2,291,833
2015	8	0.15	12.45	12.46	30,222,391,500	1.38	2,188,091
2014	7	0.13	13.00	13.03	29,428,863,233	1.23	2,383,493
2013	7	0.15	16.22	16.25	29,266,714,685	1.28	2,279,237
2012	8	0.16	19.29	19.37	29,108,751,239	1.44	2,023,842
2011	8	N/A	22.40	22.43	25,311,047,591	1.43	1,768,142
2010	*	N/A	26.20	26.23	22,035,409,578	1.45	1,518,977
2009	7	N/A	23.59	23.58	18,390,630,133	1.35	1,360,125
2008	6	N/A	19.23	19.24	12,171,065,237	1.28	949,988

gp-EAFE

* 5 portfolios or less.

** Less than 3 years.

Quarterly and YTD returns are not annualized.

Investment Objective: The Strategy seeks an investment return that approximates as closely as practicable, before expenses, the performance of its benchmark index (the "Index") over the long term.

Investment Strategy: The Strategy is managed using a "passive" or "indexing" investment approach, by which SSGA attempts to match, before expenses, the performance of the Index. SSGA will typically attempt to invest in the equity securities comprising the Index, in approximately the same proportions as they are represented in the Index. Equity securities may include common stocks, preferred stocks, depository receipts, or other securities convertible into common stock. Equity securities held by the Strategy may be denominated in foreign currencies and may be held outside the United States. In some cases, it may not be possible or practicable to purchase all of the securities comprising the Index, or to hold them in the same weightings as they represent in the Index. In those circumstances, SSGA may employ a sampling or optimization technique to construct the portfolio in question. SSGA may also utilize other pooled investment vehicles, including those managed by SSGA and its affiliates, as substitutes for gaining direct exposure to securities or a group of securities in the Index. From time to time securities are added to or removed from the Index. SSGA may sell securities that are represented in the Index, or purchase securities that are not yet represented in the Index, prior to or after their removal or addition to the Index. The Strategy may at times purchase or sell index futures contracts, or options on those futures, or engage in other transactions involving the use of derivatives, in lieu of investment directly in the securities making up the Index or to enhance the Strategy's replication of the Index return. The Strategy's return may not match the return of the Index.

Footnotes

Firm Definition: For the purpose of complying with the Global Investment Performance Standards (GIPS®), the firm ("SSGA-Global") is defined as all portfolios managed across the global offices of State Street Global Advisors (SSGA) and SSGA Funds Management, Inc., with the exception of Charitable Asset Management which is held out to the marketplace as a distinct business entity. Prior to January 2011, SSGA-Global excluded its wrap fee business and assets accounted for on a book value basis (global cash and stable value assets). Prior to July 2017, SSGA-Global excluded Fiduciary Advisory Solutions. In January 2011, SSGA acquired the Bank of Ireland Asset Management Limited (now known as SSGA Ireland Limited), a GIPS Compliant firm. On January 01, 2012 SSGA Ireland Limited assets were merged into SSGA-Global. In July 2016, SSGA acquired the asset management and advisory services business conducted by GE Asset Management Inc. formerly part GE Asset Management Limited ("GEAM") a GIPS Compliant firm. On July 01, 2017 GEAM assets were merged into SSGA-Global.

Composite Description: The Composite seeks to achieve the Investment Objective described below using the Investment Strategy described below.

Compliance Statement: SSGA-Global claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with GIPS. SSGA-Global claims compliance with the GIPS standards from January 01, 2000. The period prior to January 01, 2000 (where shown) is not in compliance, as not all actual fee-paying portfolios are in a composite. SSGA-Global has been independently verified for the periods January 01, 2000 through December 31, 2016. The verification report is available upon request. 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. Verification does not ensure the accuracy of any specific composite presentation. In January 2015, the GIPS Firm name changed from "SSGA-Global" to "SSGA-Global".

List Available: A complete list of the firm's composites and their descriptions is available upon request.

Creation Date: The composite was created on January 01, 2009.

Benchmark Description: The benchmark for the composite is the MSCI EAFE(R) Index. Index returns are unmanaged and do not reflect the deduction of any fees or expenses but include all items of income, gain, and loss.

Currency: Performance is presented in USD.

Use of Subadvisors: None.

Fees: Returns are expressed gross of management fees. The results do not reflect the deduction of investment management fees. Some members of this composite may accrue administration fees. The client's return will be reduced by the management fee. For example, if an annualized gross return of 10% was achieved over a 5-year period and a management fee of 1% per year was charged and deducted annually, then the resulting total return would be reduced from 61% to 54%.

Fee Schedule: Management fees are 0.060% of the first \$50,000,000; 0.050% of the next \$50,000,000; and 0.040% thereafter. The minimum annual management fee for commingled funds is \$5M. The minimum annual management fee for separately managed accounts is \$250,000. Management fees may be adjusted based upon specific client requirements.

Derivatives Use: SSGA may use futures and other derivatives from time to time in the management of the Strategy generally as a temporary substitute for cash investments or for hedging purposes and not with the purpose of creating investment leverage.

Calculation Methodology: Additional information is available upon request regarding the firm's policies and procedures for calculating and reporting performance results as well as valuation procedures.

Annualized Returns: All returns for periods greater than one year have been annualized.

Withholding Taxes Differences: None.

Exchange Rates Differences Between Composite & Benchmark: None.

Minimum Asset Level for Inclusion: 0

Dispersion: Asset-Weighted standard deviation is calculated using the annual returns of the accounts that were included in the composite for all periods of the year.

Significant Events: In November 2007, on the departure of the North America CIO Sean Flannery, Global asset class CIOs were appointed (Alistair Lowe, Asset Allocation and Currency CIO; Mark Marinella, Fixed Income CIO; Steve Meier, Cash CIO and Arlene Rockefeller, Equities CIO). In May 2010, Lynn Blake assumed the role as global head of Index Equity following the retirement of Paul Brakke. In July 2014, on the departure of Maria Dwyer, Matt Steinaway was named interim Chief Risk Officer. Matt replaced Maria Dwyer, who was appointed to the leadership team of the Office of Regulatory Initiatives Oversight. In November 2014, David Saulnier was appointed as Chief Risk Officer for SSGA, replacing Matt Steinaway. Matt Steinaway resumed his position as Head of Global Cash Management. In March 2015, Timothy Corbett was appointed Head of Global Investment Risk replacing Fred Gjerstad who has since left the firm. In March 2015, Ronald O' Hanley was appointed CEO and President of State Street Global Advisors replacing Scott Powers who retired. In June 2015, Greg Ehret was named President continuing to report to Ron O'Hanley, chief executive officer of SSGA. In August 2015, Matt Steinaway was appointed as Chief Risk Officer for SSGA, replacing David Saulnier who has since left the firm. In December 2015, Ronald O' Hanley, Chief Executive Officer of SSGA, re-assumed the role of President of the company upon the departure of Greg Ehret. Steven Lipiner was appointed Chief Financial Officer replacing Keith Crawford who was appointed head of global mergers and acquisitions. On March 30, 2016, SSGA agreed to acquire GE Asset Management (GEAM). The transaction was finalized on July 01, 2016. In July 2016, Ralph Layman became Vice Chairman of SSGA. In November 2017, Jay Hooley announced his retirement as CEO by the end of 2018, to be succeeded by Ron O' Hanley who was also appointed President and COO. Cyrus Taraporewalla will become President and CEO of State Street Global Advisors.

Past and Future Performance: Historic performance is not necessarily indicative of actual future investment performance, which could differ substantially.

Appendix B: Important Disclosures

Important Specific Information

FOR INVESTMENT PROFESSIONAL USE ONLY.

Past performance is not an indicator of future results. Diversification does not ensure a profit or guarantee against loss.

Passively managed strategies seek to replicate the performance of a specified index. The strategy is passively managed and may underperform its benchmarks. An investment in the strategy is not appropriate for all investors and is not intended to be a complete investment program. Investing in the strategy involves risks, including the risk that investors may receive little or no return on the investment or that investors may lose part or even all of the investment.

Equity securities are volatile and can decline significantly in response to broad market and economic conditions.

Investments in emerging or developing markets may be more volatile and less liquid than investing in developed markets and may involve exposure to economic structures that are generally less diverse and mature and to political systems which have less stability than those of more developed countries.

Foreign investments involve greater risks than US investments, including political and economic risks and the risk of currency fluctuations. Investing in foreign domiciled securities may involve risk of capital loss from unfavourable fluctuation in currency values, withholding taxes, from differences in generally accepted accounting principles or from economic or political instability in other nations.

These investments may have difficulty in liquidating an investment position without taking a significant discount from current market value, which can be a significant problem with certain lightly traded securities.

Currency Risk is a form of risk that arises from the change in price of one currency against another. Whenever investors or companies have assets or business operations across national borders, they face currency risk if their positions are not hedged.

Companies with large market capitalizations go in and out of favor based on market and economic conditions. Larger companies tend to be less volatile than companies with smaller market capitalizations. In exchange for this potentially lower risk, the value of the security may not rise as much as companies with smaller market capitalizations.

Investments in mid-sized companies may involve greater risks than in those of larger, better known companies, but may be less volatile than investments in smaller companies.

The MSCI World Index is a trademark of MSCI Inc.

The whole or any part of this work may not be reproduced, copied or transmitted or any of its contents disclosed to third parties without SSGA's express written consent.

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Web: www.ssga.com

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Tracking Code: 2466431.1.1.AM.INST

Expiration Date: May 31, 2019

Appendix C: Biography

Biography



Andrew P. Yurkewych

Andrew is a Vice President of State Street Global Advisors and a Senior Client Service Manager in the firm's San Francisco office. He is primarily responsible for managing institutional relationships within SSGA's West Coast client base.

Andrew previously worked in SSGA's Tax Efficient Market Capture, US Active and Enhanced Equity Operations groups, and joined State Street Bank & Trust Company as a Portfolio Accountant in 2003.

Andrew graduated from the University of Massachusetts Boston with a BS in Management Information Systems and holds the FINRA Series 7 and 63 licenses.

Date: March 27, 2019

To: Oakland Police and Fire Retirement System (OPFRS)

From: Pension Consulting Alliance, LLC (PCA)

CC: David Sancewich – PCA
Sean Copus, CFA – PCA
Teir Jenkins – OPFRS
David Jones – OPFRS

RE: State Street Global Advisors (SSgA) – Manger Update

Manager: SSgA

Inception Date:	8/2002	OPFRS AUM (1/31/2019):	\$12.7 million (3.4%)
Product Name:	Russell 1000 Index Strategy	Management Fee:	10 bps (\$12,753)*
Investment Strategy:	Passive MSCI EAFE	Firm-wide AUM (12/31/18):	\$1,107 billion
Benchmark:	MSCI EAFE Index	Strategy AUM (12/31/18):	\$55.3 billion

*Estimated \$ amount based on manager account AUM as of 1/31/2019

Summary & Recommendation

State Street Global Advisors (SSgA) has served as Oakland PFRS's passive developed markets international equity manager since August 2002. In that time SSgA has performed within expectations for a passive manager and has experienced no major organizational changes. **Due to SSgA's consistent performance and stable organizational operations, PCA does not recommend any special action be taken in regard to the passive MSCI EAFE portfolio or manager.**

Discussion

In reviewing SSgA, PCA considered investment performance and recent organizational / personnel issues.

Performance

Annualized Returns (as of 1/31/2019)

Manager	Mkt Value (\$000)	Asset Class	3 MO	1 YR	3 YR	5 YR	Since Inception	Inception Date
SSgA	12,753	Developed Intl.	1.3	-12.2	8.1	3.0	6.9	6/2010
MSCI EAFE Index	---	---	1.3	-12.1	8.3	3.1	6.9	---
Excess Return	---	---	0.0	-0.1	-0.2	-0.1	0.0	---
Tracking Error	---	---	0.1	0.1	0.1	0.1	0.2	---

The SSgA MSCI EAFE index portfolio has closely mirrored its benchmark over all time periods measured with minimal tracking error. The performance of the portfolio has been in line with PCA's expectations of a passive manager.

Product and Organization Review Summary

SSgA	Level of Concern [^]	Areas of Potential Impact			
		Investment process (client portfolio)	Investment Team	Performance Track Record	Team/ Firm Culture
Product					
Key people changes	None				
Changes to team structure/individuals' roles	None				
Product client gain/losses	None				
Changes to the investment process	None				
Personnel turnover	None				
Organization					
Ownership changes	None				
Key people changes	None				
Firm wide client gain/losses	None				
Recommended Action	None - X	Watch Status		Termination	

[^]None, low, medium, or high

Organizational Changes

There have been minimal changes to SSgA's passive strategy portfolio management team over the past several years. One major change occurred at the end of 2016 when the Co-Head of Passive Equity Strategies at SSgA, John Tucker, left the team for a new role within the firm. Outside of that change, there has been minimal turnover within SSgA passive management team while Michael Feehily, the designated primary manager for the strategy, has been with the portfolio since the beginning of 2009. Overall, PCA believes that strategy's management team has remained stable and the level of turnover is within expectation for a large firm such as SSgA.

Investment Process, per manager

The MSCI EAFE index strategy is managed using a "passive" or "indexing" investment approach, by which State Street Global Advisors attempts to replicate, before expenses, the performance of the Index. The Strategy will not necessarily own all of the securities included in the Index.

The Strategy may attempt to invest in the securities comprising the Index, in the same proportions as they are represented in the Index. However, due to the diverse composition of securities in the Index and the fact that many of the securities comprising the Index may be unavailable for purchase, it may not be possible for the Strategy to purchase some of the securities comprising the Index. In such a case, State Street will select securities for the Strategy comprising a portfolio that State Street expects will provide a return comparable to that of the Index.

DISCLOSURES: This document is provided for informational purposes only. It does not constitute an offer of securities of any of the issuers that may be described herein. Information contained herein may have been provided by third parties, including investment firms providing information on returns and assets under management, and may not have been independently verified. The past performance information contained in this report is not necessarily indicative of future results and there is no assurance that the investment in question will achieve comparable results or that the Firm will be able to implement its investment strategy or achieve its investment objectives. The actual realized value of currently unrealized investments (if any) will depend on a variety of factors, including future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which any current unrealized valuations are based.

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The information contained in this report may include forward-looking statements. Forward-looking statements include a number of risks, uncertainties and other factors beyond the control of the Firm, which may result in material differences in actual results, performance or other expectations. The opinions, estimates and analyses reflect PCA's current judgment, which may change in the future.

Any tables, graphs or charts relating to past performance included in this report are intended only to illustrate investment performance for the historical periods shown. Such tables, graphs and charts are not intended to predict future performance and should not be used as the basis for an investment decision.

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CBOE, not S&P, calculates and disseminates the BXM Index. The CBOE has a business relationship with Standard & Poor's on the BXM. CBOE and Chicago Board Options Exchange are registered trademarks of the CBOE, and SPX, and CBOE S&P 500 BuyWrite Index BXM are servicemarks of the CBOE. The methodology of the CBOE S&P 500 BuyWrite Index is owned by CBOE and may be covered by one or more patents or pending patent applications.

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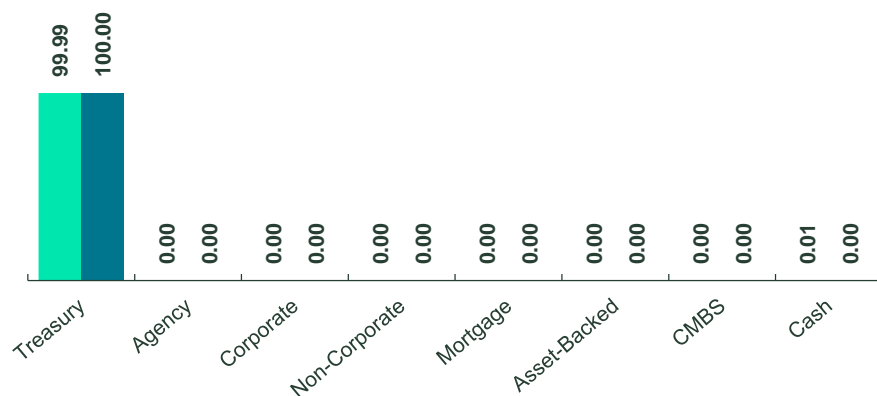
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Long US Treasury Index Composite Characteristics and Performance

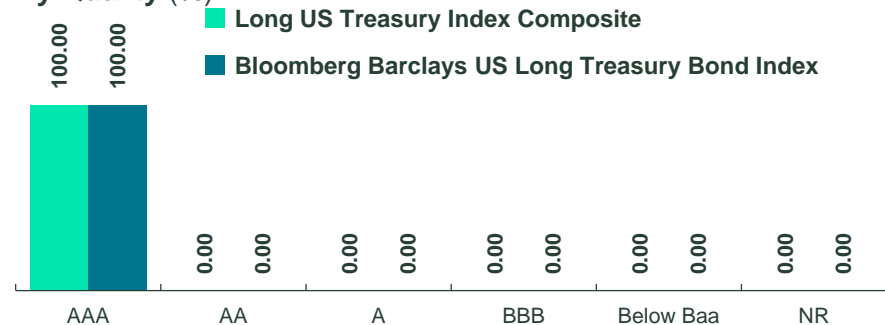
Long US Treasury Index Composite — Characteristics

	Long US Treasury Index Composite	Bloomberg Barclays US Long Treasury Bond Index
Number of Issues	50	49
Average Quality	AAA	AAA
Average Maturity	25.06	25.07
Yield to Worst (%)	2.99	2.99
Average Convexity	3.94	3.94
Modified Adjusted Duration	17.38	17.38
Composite AUM (\$M)*	5,048.26	N/A

Breakdown by Market Value: By Sector (%)



By Quality (%)

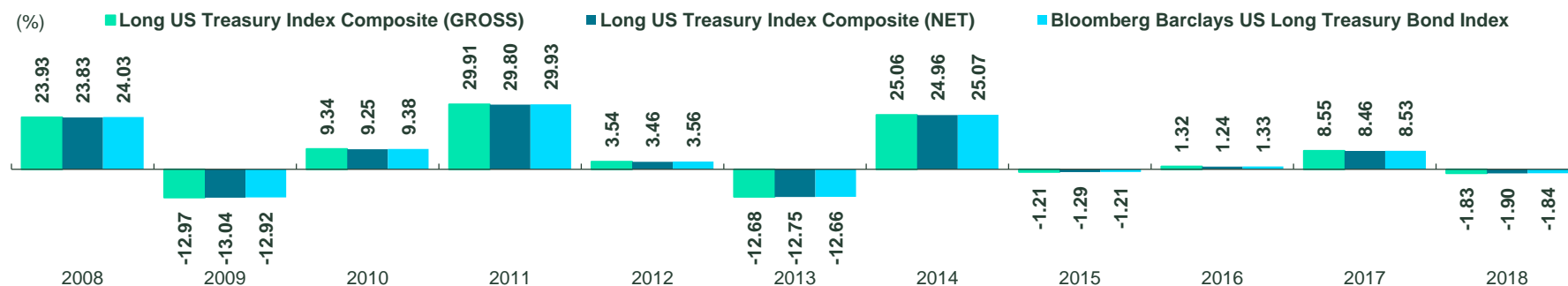


As of December 31, 2018. Sources: Market data, prices, and estimates for characteristics calculations provided by Barclays POINT. All other portfolio data provided by State Street Global Advisors. The Supplemental Information above (except for Composite AUM (shown in USD) is that of a single representative account within the Composite, which is subject to change. The representative account was chosen because it has no material restrictions and fairly represents the investment style of the Strategy. The Supplemental Information should not be deemed to be reflective of (and could differ from) the overall Composite or any other single account within the Composite. Characteristics, sectors, and weights are as of the date indicated, are subject to change, and should not be relied upon as current thereafter. This information should not be considered a recommendation to invest in a particular sector or to buy or sell any security shown. It is not known whether they will be profitable in the future. Characteristics and weights presented are calculated using the month end market value of holdings. Average Credit Quality reflects market value weight of all the rated securities held by the portfolio (excludes unrated securities) using the middle rating provided by either S&P, Moody and Fitch or the lower if only two agency ratings are available.

Long US Treasury Index Composite Performance

Annualized returns for the period ending December 31, 2018 (USD)

	QTR (%)	YTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception* (%)
Long US Treasury Index Composite (Gross) ^{1,2}	4.20	-1.83	-1.83	2.59	5.93	4.07	5.66
Bloomberg Barclays US Long Treasury Bond Index ⁴	4.19	-1.84	-1.84	2.58	5.93	4.09	5.69
Value Added	0.00	0.01	0.01	0.00	0.00	-0.01	-0.03
Long US Treasury Index Composite (Net) ^{1,3}	4.18	-1.90	-1.90	2.51	5.85	3.99	N/A
Bloomberg Barclays US Long Treasury Bond Index ⁴	4.19	-1.84	-1.84	2.58	5.93	4.09	N/A
Value Added	-0.01	-0.06	-0.06	-0.07	-0.08	-0.09	N/A



* Inception Date: May 2003. Source: State Street Global Advisors. ¹ Returns greater than one year are annualized. Returns represent past performance and are not a guarantee of future results. Current performance may differ from the performance shown. Returns shown are asset — weighted using Composite member market values, where the Composite member's return calculations are time-weighted and reflect the reinvestment of dividends and other income. ² These performance figures are provided gross of fees and expenses other than actual trading fees and expenses, and reflect all items of income, gain, and loss. ³ These performance figures (i) are provided net of actual trading, audit, custody, administrative and legal fees and expenses; (ii) beginning on 9/30/2014, adjusted quarterly to reflect the highest investment management fee on the actual fee schedule, inclusive of incentive fee, if any, of any account within the Composite ("Management Fee") at the relevant time; prior to 9/30/2014, adjusted for an assumed investment management fee, which is equal to or higher than the Management Fee (except in each case certain small accounts-subject to a minimum investment management fee-may have incurred an actual investment management fee higher than that fee assumed in calculating the performance shown above); and (iii) reflect all items of income, gain and loss. ⁴ Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income and the reinvestment of dividends (net of withholding tax rates) and other income and are calculated in US dollars.

It is not possible to invest directly in an index. Performance returns are calculated in US dollars. Calculation for value added returns may show rounding differences.

The above information is considered supplemental to the GIPS presentation for this Composite, which can be found in the Appendix or was previously presented.

A GIPS presentation is also available upon request. gUSTL

GIPS® Presentations

GIPS® is a trademark of the CFA Institute.

GIPS® Report: Long US Treasury Index Composite (As of December 31, 2017)

Gross Returns

Period	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Inception May 2003
Long U.S. Treasury Index Composite	2.37	8.55	8.55	2.80	3.48	6.53	N/A
Bloomberg Barclays U.S. Long Treasury Bond Index	2.37	8.53	8.53	2.80	3.48	6.55	N/A

Year	Long U.S. Treasury Index Composite	Bloomberg Barclays U.S. Long Treasury Bond Index
2017		8.53
2016		1.32
2015		-1.21
2014		25.06
2013		-12.68
2012		3.54
2011		29.91
2010		9.34
2009		-12.97
2008		23.93

Year	No. of Portfolios at Period End	Composite Dispersion	3 Yr Annualized Standard Deviation — Composite	3 Yr Annualized Standard Deviation — Benchmark	Total Assets at End of Period (USD)	% of Firm's Assets	Total Firm Assets (USD mil)
2017	*	N/A	10.42	10.42	4,538,832,357	0.17	2,714,705
2016	*	N/A	11.10	11.11	3,189,445,960	0.14	2,291,833
2015	*	N/A	10.41	10.42	2,993,575,870	0.14	2,188,091
2014	*	N/A	9.88	9.88	2,900,440,966	0.12	2,383,493
2013	*	N/A	12.26	12.26	2,856,135,726	0.13	2,279,237
2012	*	N/A	12.28	12.28	3,636,320,052	0.18	2,023,842
2011	*	N/A	13.48	13.48	3,731,299,055	0.21	1,768,142
2010	*	N/A	13.80	13.82	2,764,779,980	0.18	1,518,977
2009	*	N/A	12.75	12.77	2,282,186,012	0.17	1,360,125
2008	*	N/A	10.45	10.47	4,561,619,030	0.48	949,988

gUSTL

* 5 portfolios or less.

** Less than 3 years.

Quarterly and YTD returns are not annualized.

Investment Objective: The Strategy seeks an investment return that approximates as closely as practicable, before expenses, the performance of its benchmark index (the "Index") over the long term.

Investment Strategy: The Strategy is managed using a "passive" or "indexing" investment approach, by which SSGA attempts to replicate, before expenses, the performance of the Index. The Strategy will not necessarily own all of the securities included in the Index. The Strategy may attempt to invest in the securities comprising the Index, in the same proportions as they are represented in the Index. However, due to the diverse composition of securities in the Index and the fact that many of the securities comprising the Index may be unavailable for purchase, it may not be possible for the Strategy to purchase some of the securities comprising the Index. In such a case, SSGA will select securities for the Strategy comprising a portfolio that SSGA expects will provide a return comparable to that of the Index. SSGA expects that it will typically seek to replicate index returns for the Portfolio through investments in the "cash" markets - actual holdings of debt securities and other instruments - rather than through "notional" or "synthetic" positions achieved through the use of derivatives, such as futures contracts or swap transactions (except in the unusual case where SSGA believes that use of derivatives is necessary to achieve an exposure that is not readily available through the cash markets). The Strategy's return may not match the return of the Index.

Footnotes

Firm Definition: For the purpose of complying with the Global Investment Performance Standards (GIPS®), the firm ("SSGA-Global") is defined as all portfolios managed across the global offices of State Street Global Advisors (SSGA) and SSGA Funds Management, Inc., with the exception of Charitable Asset Management which is held out to the marketplace as a distinct business entity. Prior to January 2011, SSGA-Global excluded its wrap fee business and assets accounted for on a book value basis (global cash and stable value assets). Prior to July 2017, SSGA-Global excluded Fiduciary Advisory Solutions. In January 2011, SSGA acquired the Bank of Ireland Asset Management Limited (now known as SSGA Ireland Limited), a GIPS Compliant firm. On January 01, 2012 SSGA Ireland Limited assets were merged into SSGA-Global. In July 2016, SSGA acquired the asset management and advisory services business conducted by GE Asset Management Inc. formerly part GE Asset Management Limited ("GEAM") a GIPS Compliant firm. On July 01, 2017 GEAM assets were merged into SSGA-Global.

Composite Description: The Composite seeks to achieve the Investment Objective described below using the Investment Strategy described below.

Compliance Statement: SSGA-Global claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with GIPS. SSGA-Global claims compliance with the GIPS standards from January 01, 2000. The period prior to January 01, 2000 (where shown) is not in compliance, as not all actual fee-paying portfolios are in a composite. SSGA-Global has been independently verified for the periods January 01, 2000 through December 31, 2016. The verification report is available upon request. 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. Verification does not ensure the accuracy of any specific composite presentation. In January 2015, the GIPS Firm name changed from "SSgA-Global" to "SSGA-Global".

List Available: A complete list of the firm's composites and their descriptions is available upon request.

Creation Date: The composite was created on January 01, 2009.

Benchmark Description: The benchmark for the composite is the Bloomberg Barclays U.S. Long Treasury Bond Index.

Index returns are unmanaged and do not reflect the deduction of any fees or expenses but include all items of income, gain, and loss. On October 01, 2016, the benchmark name changed from Barclays U.S. Long Treasury Bond Index to Bloomberg Barclays U.S. Long Treasury Bond Index.

Currency: Performance is presented in USD.

Use of Subadvisors: None.

Fees: Returns are expressed gross of management fees. The results do not reflect the deduction of investment management fees. Some members of this composite may accrue administration fees. The client's return will be reduced by the management fee. For example, if an annualized gross return of 10% was achieved over a 5-year period and a management fee of 1% per year was charged and deducted annually, then the resulting total return would be reduced from 61% to 54%.

Fee Schedule: Management fees are 0.040% of the first \$50,000,000; 0.030% of the next \$50,000,000; and 0.025% thereafter. The initial minimum investment for commingled funds is \$5M. The minimum annual management fee for separately managed accounts is \$175,000. Management fees may be adjusted based upon specific client requirements.

Derivatives Use: SSGA may use futures and other derivatives from time to time in the management of the Strategy generally as a temporary substitute for cash investments or for hedging purposes and not with the purpose of creating investment leverage.

Calculation Methodology: Additional information is available upon request regarding the firm's policies and procedures for calculating and reporting performance results as well as valuation procedures.

Annualized Returns: All returns for periods greater than one year have been annualized.

Withholding Taxes Differences: None.

Exchange Rates Differences Between Composite & Benchmark: None.

Minimum Asset Level for Inclusion: 0

Dispersion: Asset-Weighted standard deviation is calculated using the annual returns of the accounts that were included in the composite for all periods of the year.

Significant Events: In November 2007, on the departure of the North America CIO Sean Flannery, Global asset class CIOs were appointed (Alistair Lowe, Asset Allocation and Currency CIO; Mark Marinella, Fixed Income CIO; Steve Meier, Cash CIO and Arlene Rockefeller, Equities CIO). In October 2010, Kevin Anderson, Ph.D. was appointed CIO of Fixed Income and Currency replacing Mark Marinella. In June 2013, Steve Meier, CIO of Cash, replaced Kevin Anderson, Ph.D. as the CIO of Fixed Income, Currency and Cash. Kevin Anderson, Ph.D. previously CIO and Head of Fixed income, assumed the role of Head of Investments for the Asia Pacific. In July 2014, on the departure of Maria Dwyer, Matt Steinaway was named interim Chief Risk Officer. Matt replaced Maria Dwyer, who was appointed to the leadership team of the Office of Regulatory Initiatives Oversight. In November 2014, David Saulnier was appointed as Chief Risk Officer for SSGA, replacing Matt Steinaway. Matt Steinaway resumed his position as Head of Global Cash Management. In March 2015, Timothy Corbett was appointed Head of Global Investment Risk replacing Fred Gjerstad who has since left the firm. In March 2015, Ronald O' Hanley was appointed CEO and President of State Street Global Advisors replacing Scott Powers who retired. In June 2015, Greg Ehret was named President continuing to report to Ron O' Hanley, chief executive officer of SSGA. In August 2015, Matt Steinaway was appointed as Chief Risk Officer for SSGA, replacing David Saulnier who has since left the firm. In September 2015, John Philpot, Head of Portfolio Management EMEA Fixed Income Beta team, left the firm. In December 2015, Ronald O' Hanley, Chief Executive Officer of SSGA, re-assumed the role of President of the company upon the departure of Greg Ehret. Steven Lipiner was appointed Chief Financial Officer replacing Keith Crawford who was appointed head of global mergers and acquisitions. On March 30, 2016, SSGA agreed to acquire GE Asset Management (GEAM). The transaction was finalized on July 01, 2016. In July 2016, Ralph Layman became Vice Chairman of SSGA. In December 2016, Venky Venkataramani was appointed SSGA's Global Head of Fixed Income Beta Solutions replacing Brian Kinney. In November 2017, Jay Hooley announced his retirement as CEO by the end of 2018, to be succeeded by Ron O' Hanley who was also appointed President and COO. Cyrus Taraporevala will become President and CEO of State Street Global Advisors.

Past and Future Performance: Historic performance is not necessarily indicative of actual future investment performance, which could differ substantially.

Important Disclosures

Important Specific Information

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Passively managed strategies seek to replicate the performance of a specified index. The strategy is passively managed and may underperform its benchmarks. An investment in the strategy is not appropriate for all investors and is not intended to be a complete investment program. Investing in the strategy involves risks, including the risk that investors may receive little or no return on the investment or that investors may lose part or even all of the investment.

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Web: www.ssga.com

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Tracking Code: 2466431.1.3.AM.INST

Expiration Date: May 31, 2019

Date: March 27, 2019

To: Oakland Police and Fire Retirement System (OPFRS)

From: Pension Consulting Alliance, LLC (PCA)

CC: David Sancewich – PCA
Sean Copus, CFA – PCA
Teir Jenkins – OPFRS
David Jones – OPFRS

RE: Crisis Risk Offset (CRO) Implementation – Long Duration

Summary and Recommendation:

At the January 2019 OPFRS meeting, the Board approved a recommendation from PCA to research and utilize one of the plan's current investment managers for its Long Duration component of CRO. At the February 2019 OPFRS meeting, PCA recommended and the board approved that OPFRS utilize State Street Global Advisors (SSgA) and its passively managed strategy to the U.S. Long Treasury index.

Discussion:

As part of a recent OPFRS asset-liability study, the Board approved a new long-term strategic allocation policy. A key feature of the new strategic allocation policy is its allocation to a CRO strategic class. When fully structured and funded, the CRO class will be comprised of three equally weighted components: Long Duration, Systematic Trend Following, and Alternative Risk Premia. The CRO class is expected to (i) have a high probability of producing material appreciation during equity-crisis periods, and (ii) maintain its long-term purchasing power in the intervening market cycles.

As PCA has discussed at prior meetings, one segment of this new class is Long Duration. Long Duration portfolios are those that generally consist of long-dated (maturities in excess of 10 years) high-quality bonds (such as Treasuries and Government-backed high-quality agencies).

Long term Asset Allocation, Period ending 12/31/2018

Asset Class	12/31/2018 Actual	Long-Term Targets
Cash	2	0
Fixed Income	26	21
Credit	2	2
Covered Calls	13	5
Domestic Equity	38	40
International Equity	12	12
CRO	7	20

Unlike the two other components of CRO (Trend Following and Alternative Risk Premia), the Long Duration segment of the asset class can be managed by most reputable fixed income investment firms and is relatively inexpensive to manage. Rather than conduct a full Long Duration manager search, PCA recommends OPFRS utilize one of its current investment managers to run this portion of the asset class.

PCA recommends that OPFRS engage SSgA for this mandate. Specifically, the passively managed U.S. Long Treasury Index. The reasons for this recommendation are 1) the simplicity of the mandate (there is no credit exposure), 2) the low cost of providing the allocation, 4bps for the commingled fund, and 3) SSgA is a current OPFRS manager that already runs mandates for the system.

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The information contained in this report may include forward-looking statements. Forward-looking statements include a number of risks, uncertainties and other factors beyond the control of the Firm, which may result in material differences in actual results, performance or other expectations. The opinions, estimates and analyses reflect PCA's current judgment, which may change in the future.

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OAKLAND POLICE AND FIRE RETIREMENT BOARD
CITY OF OAKLAND, CALIFORNIA

Approved to Form
and Legality



RESOLUTION No. 7052

ON MOTION OF MEMBER _____ SECONDED BY MEMBER _____

RESOLUTION AUTHORIZING A PROFESSIONAL SERVICE AGREEMENT WITH STATE STREET GLOBAL ADVISORS (SSgA), TO SERVE AS INVESTMENT MANAGER OF THE LONG DURATION TREASURY PLAN COMPONENT OF THE CRISIS RISK OFFSET INVESTMENT STRATEGY FOR THE OAKLAND POLICE AND FIRE RETIREMENT SYSTEM AT A FEE RATE NOT TO EXCEED 4 BASIS POINTS (4 BP OR 0.04 PERCENT) OF THE PORTFOLIO'S ASSETS VALUE EACH YEAR

WHEREAS, the Board manages and administers the Police and Fire Retirement System ("PFRS"), pursuant to the requirements of Article XXVI of the Oakland City Charter ("City Charter"); and

WHEREAS, Article XVI §17 of the California Constitution, commonly referred to as the Pension Protection Act or Proposition 162, and Article XXVI of the City Charter vest the Board with exclusive control of the administration and investment of the assets of the Police and Fire Retirement Fund (the "Fund"); and

WHEREAS, Article XXVI of the City Charter expressly authorizes the Board to secure competent investment counsel to provide advice and counsel regarding the investment of the Fund and further provides that discretionary powers granted to such investment counsel will be at the option of the Board; and

WHEREAS, the Retirement System approved an update to the Fund's asset allocation by Resolution No. 6976, approved on June 28, 2017, and implemented an asset allocation of 10% to the Crisis Risk Offset investment strategy; and

WHEREAS, the Crisis Risk Offset investment strategy is comprised of three investment components: (1) the Alternative Risk Premia plan, (2) the Systematic Trend Following plan, and (3) the Long Duration Treasury plan; and

WHEREAS, on February 27, 2019, the PFRS Investment Consultant, Pension Consulting Alliance ("PCA"), reported that it had reviewed the investment options for the Long Duration Treasury Plan component of the Crisis Risk Offset investment strategy and recommended State Street Global Advisors ("SSgA") be investment manager for this investment component; and

WHEREAS, PCA did provide its rationale for recommending that SSgA be selected as the Long Duration Treasury Plan investment manager; now, therefore, be it

OAKLAND POLICE AND FIRE RETIREMENT BOARD
CITY OF OAKLAND, CALIFORNIA

RESOLVED: That the Board authorizes execution of a service agreement with State Street Global Advisors to serve as investment manager of the Long Duration Treasury Plan of the Crisis Risk Offset Investment Strategy for the Oakland Police and Fire Retirement System; and be it

FURTHER RESOLVED, that the fee rate not exceed four basis points (4bp, or 0.04 percent) of the portfolio's assets value each year.

IN BOARD MEETING, CITY HALL, OAKLAND, CA MARCH 27, 2019

PASSED BY THE FOLLOWING VOTE:

AYES: GODFREY, KASAIN, MELIA, MUSZAR, SPEAKMAN, WILKINSON
AND PRESIDENT JOHNSON

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
PRESIDENT

ATTEST: _____
SECRETARY

PCA INVESTMENT MARKET RISK METRICS

Monthly Report



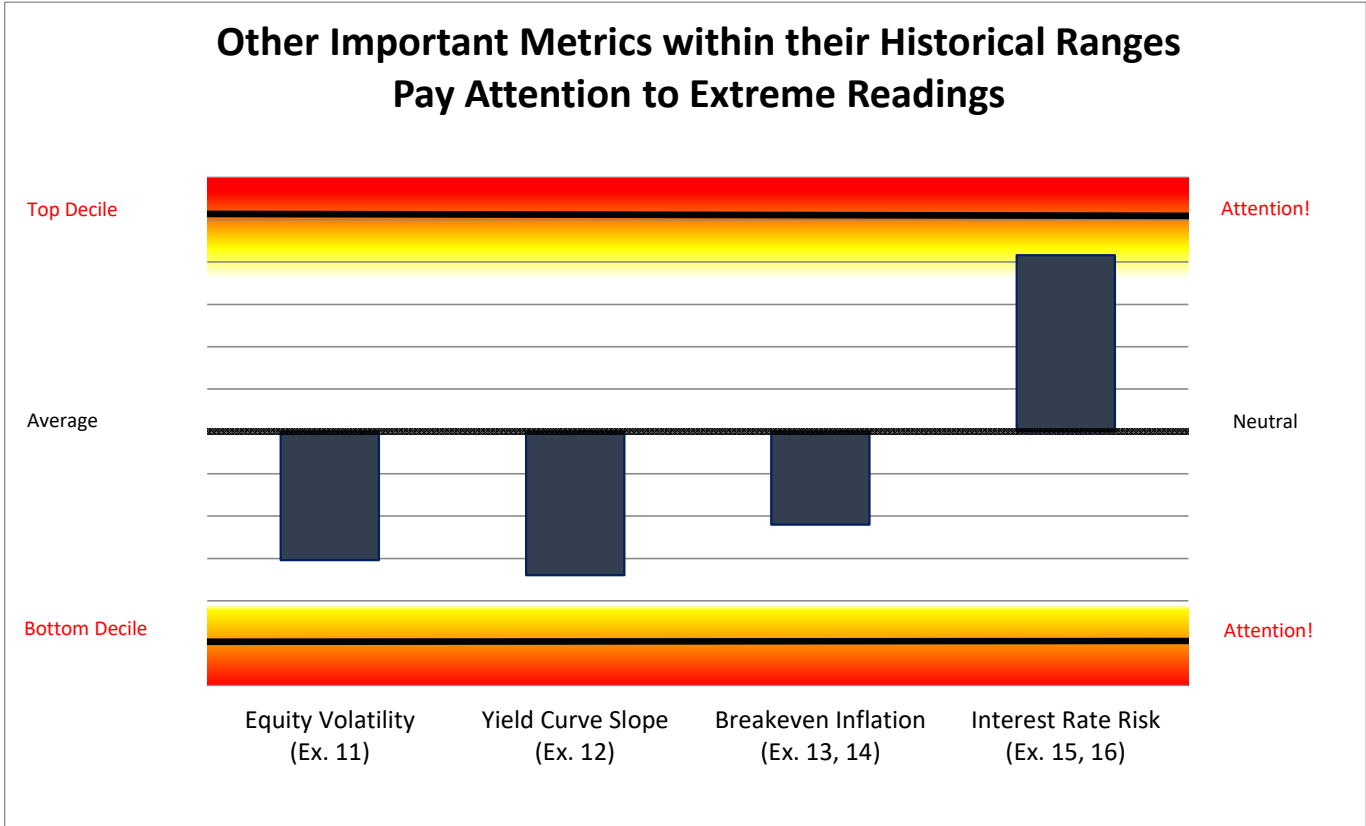
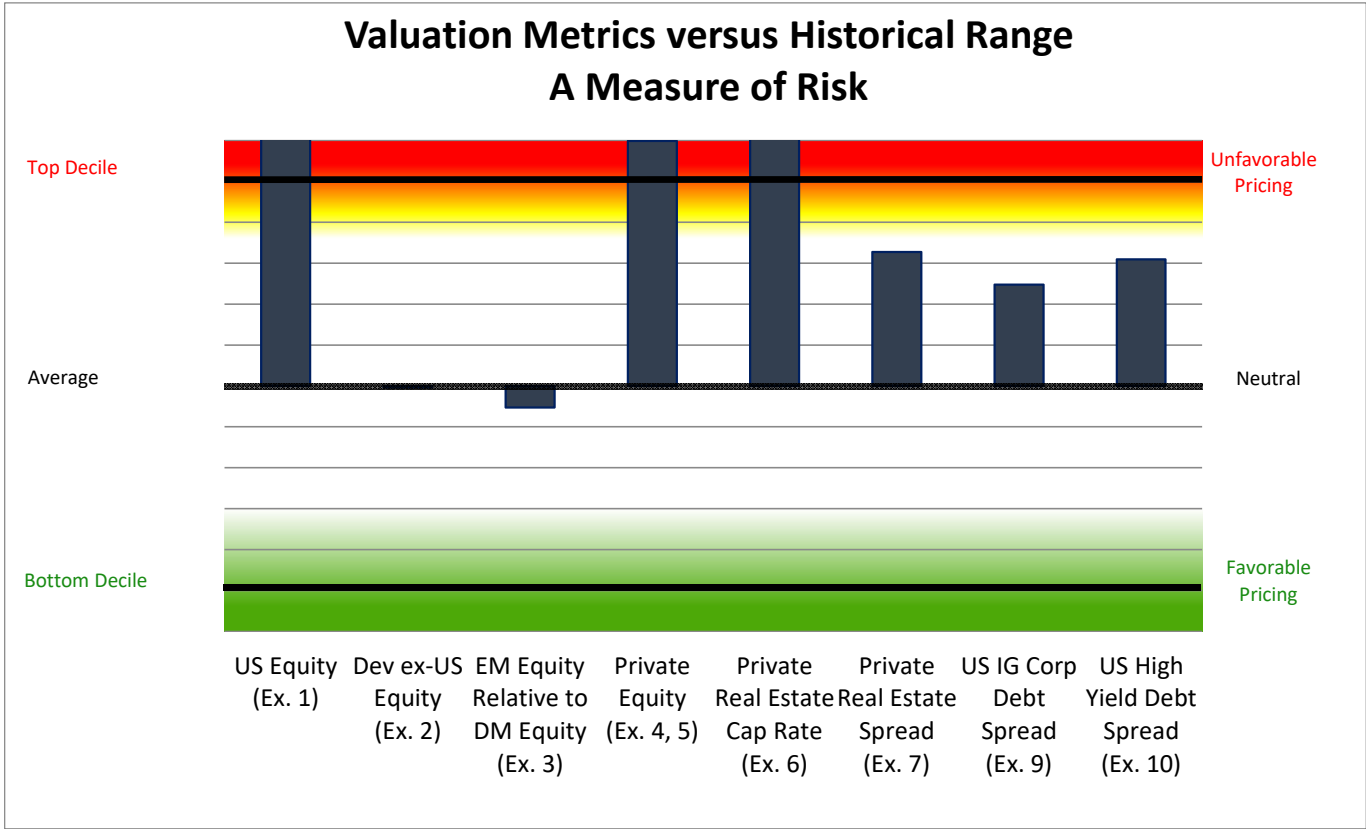
March 2019
(as of 2/28/19)

Takeaways

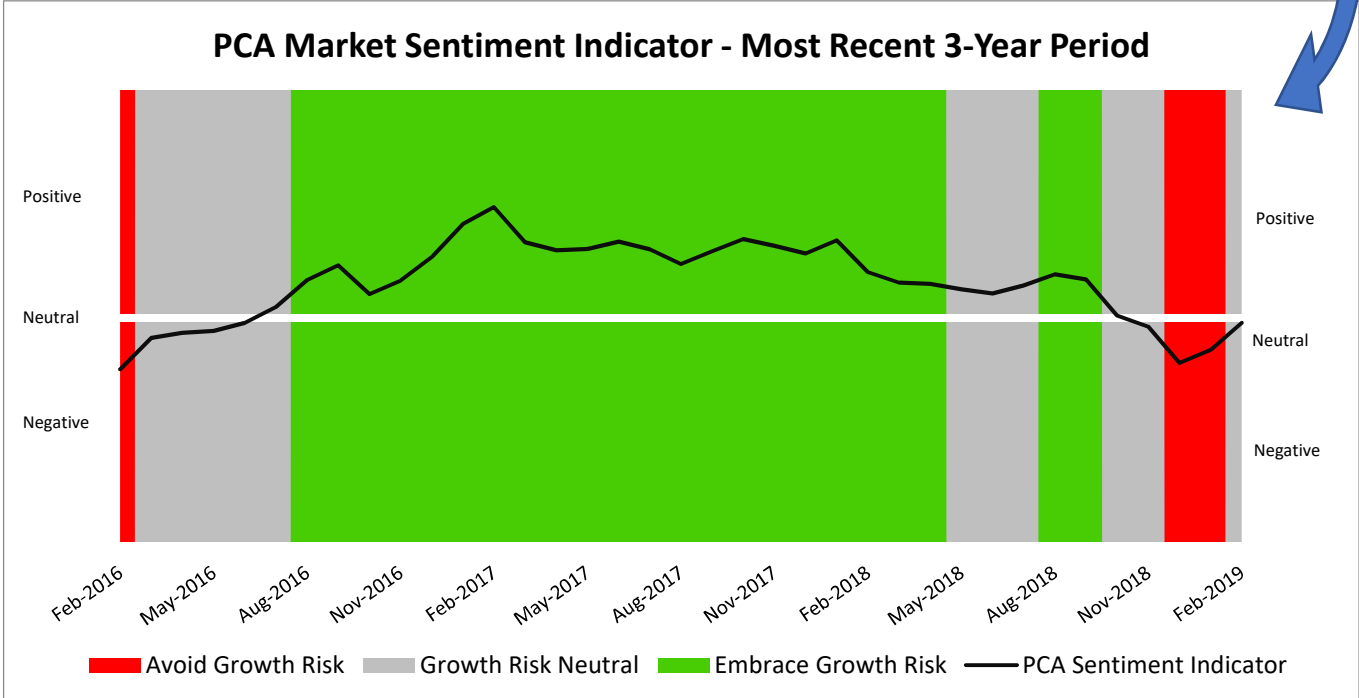
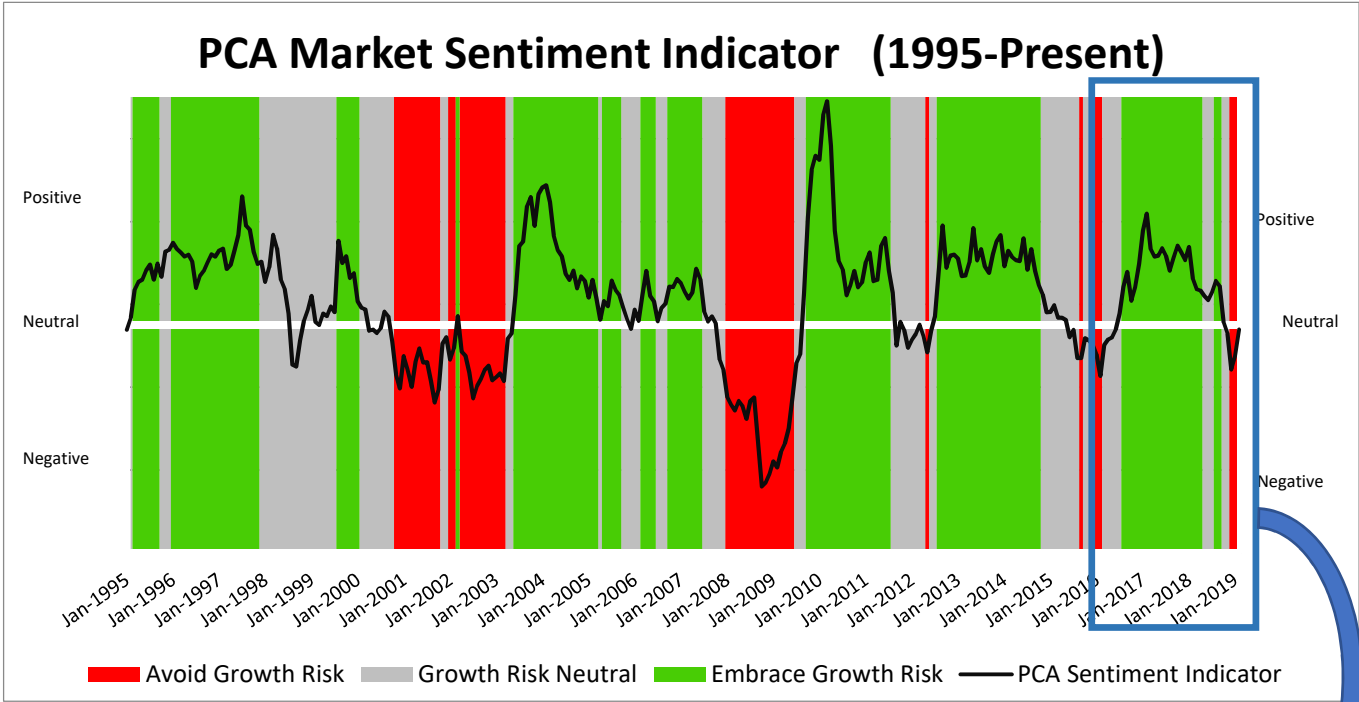
- February continued where January left off, with most risk-based assets producing strong returns over the month. Small capitalization stocks generally outperformed larger peers and U.S. markets outperformed Non-U.S. markets. Emerging Markets Equity was the primary laggard relative to other equity markets, producing a fairly flat return in aggregate for the month.
- Public market risk-based assets rebounded sharply to start 2019. As a result, private market assets are unlikely to show much impact from 4Q 2018 as their year-end valuations are finalized.
- U.S. Equity markets remain expensive whereas Non-U.S. Equity markets remain reasonably valued.
- U.S. interest rates remained stable over the month, and the yield curve is currently at its flattest point since the Great Financial Crisis.
- Equity volatility decreased during February, as the VIX Index finished the month meaningfully below the long-term historical average.
- PCA's Market Sentiment Indicator (page 4) reverted to neutral (**grey**) as a result of the now positive one-year returns in equity markets.
- **Market uncertainty is higher than numbers might indicate.** Diverging global economic growth, diverging global monetary policy, and ongoing geopolitical turmoil has resulted in a high degree of uncertainty in the global capital markets.

¹See Appendix for the rationale for selection and calculation methodology used for the risk metrics.

Risk Overview



Market Sentiment



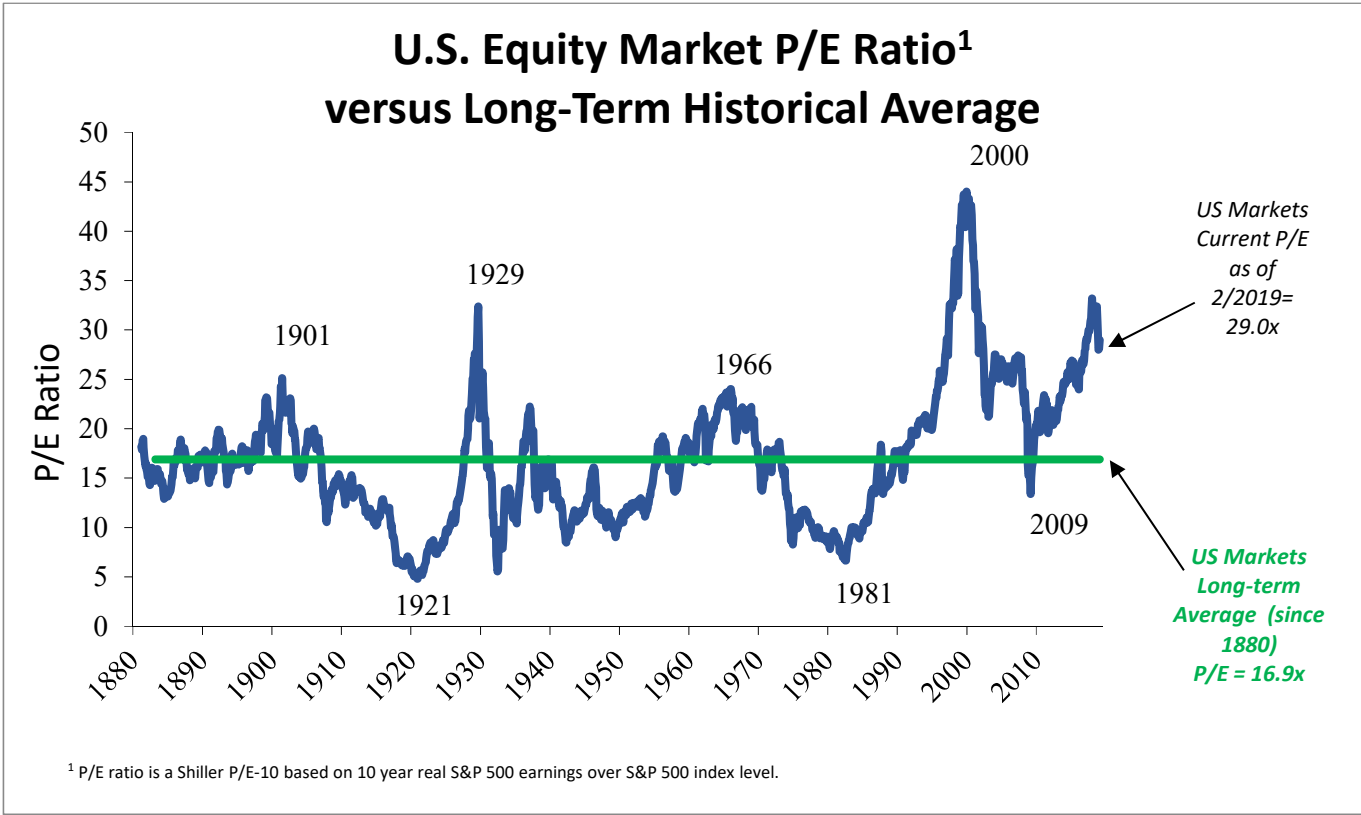
Information Behind Current Sentiment Reading

Bond Spread Momentum Trailing-Twelve Months
 Equity Return Momentum Trailing-Twelve Months
 Agreement Between Bond Spread and Equity Spread Momentum Measures?

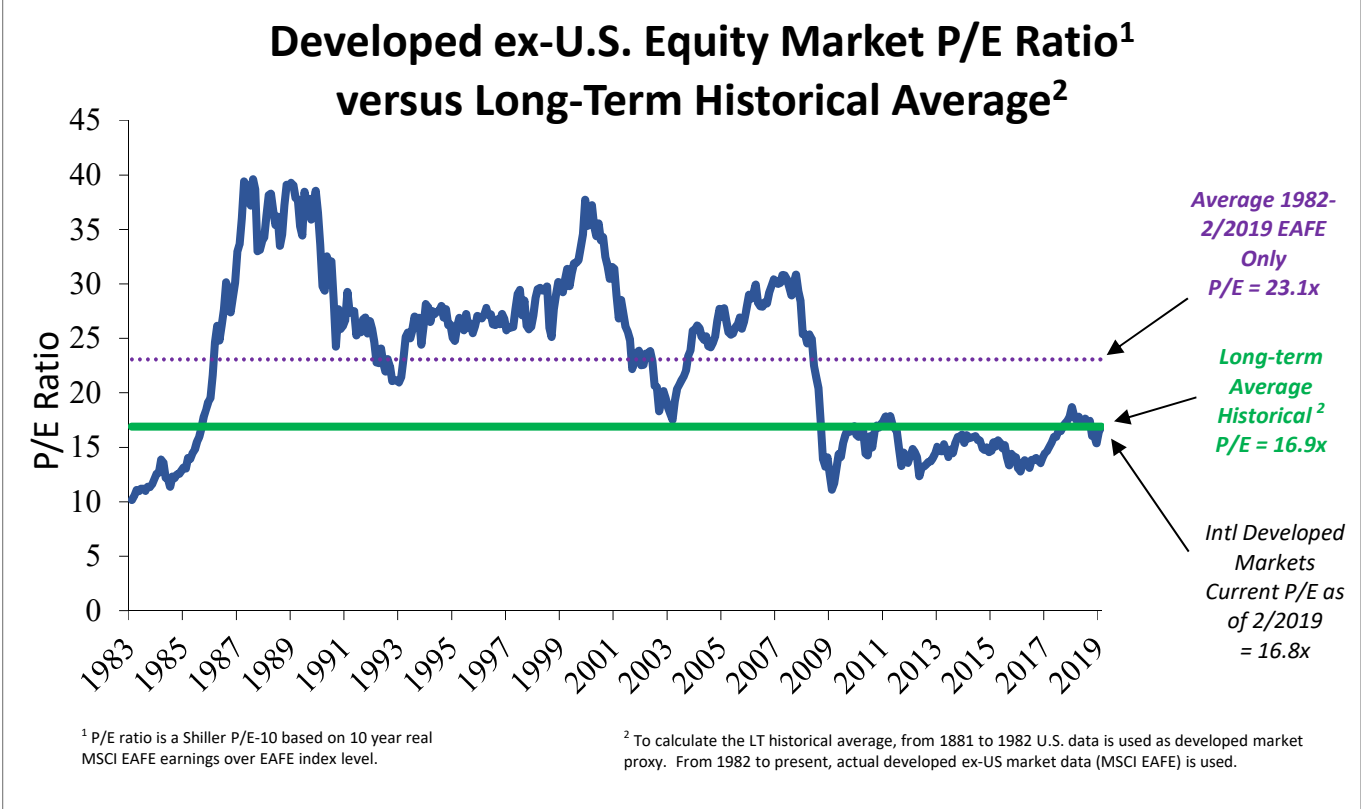
Negative	
Positive	
Disagree	

Growth Risk Visibility (Current Overall Sentiment)	Neutral	
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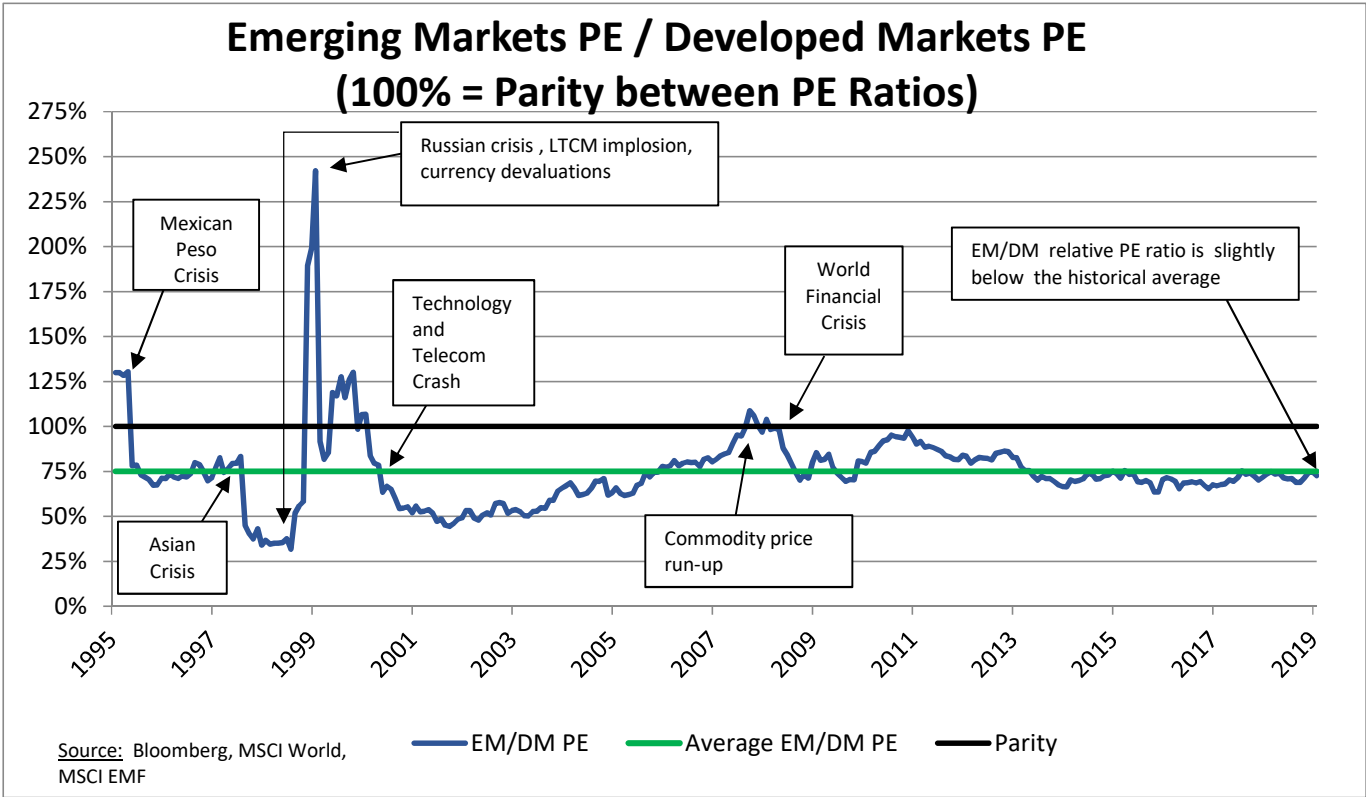
Developed Public Equity Markets



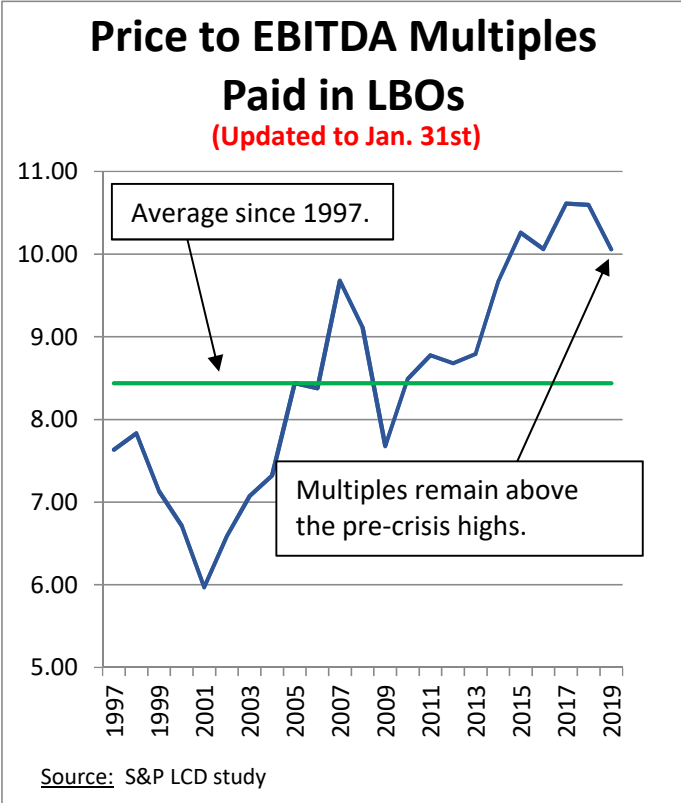
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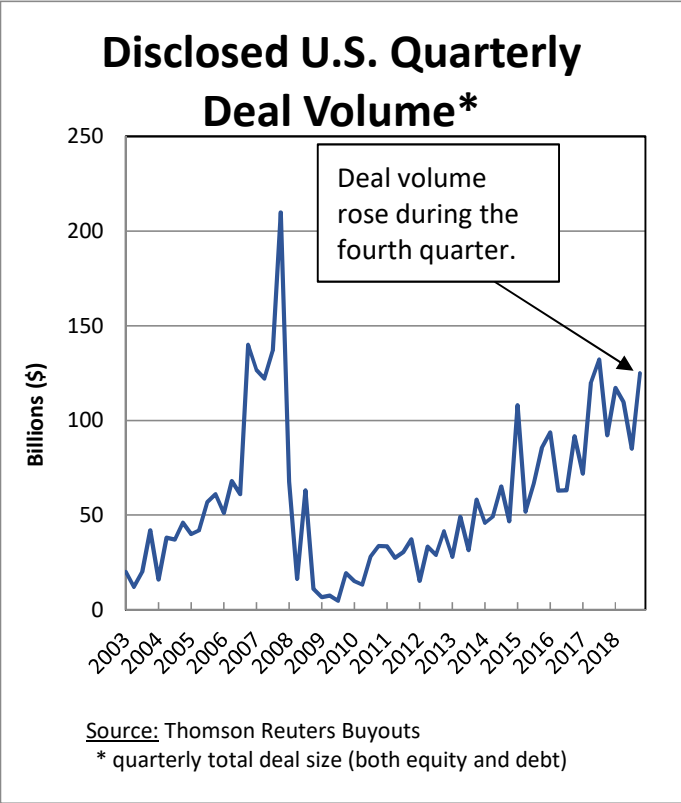
Emerging Market Public Equity Markets



US Private Equity

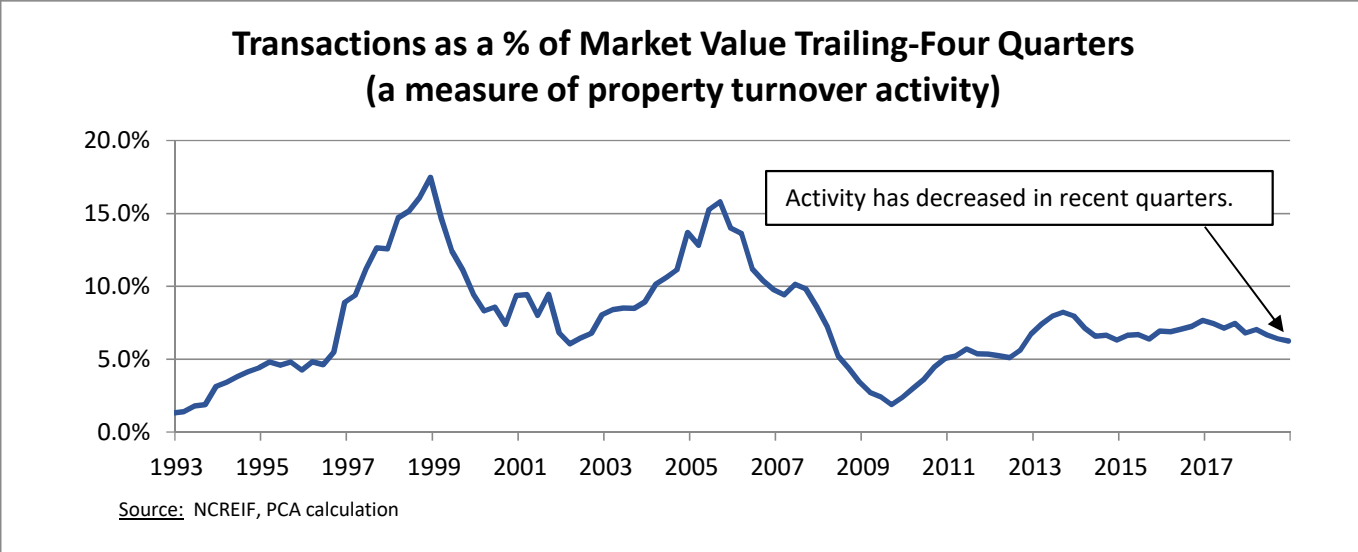
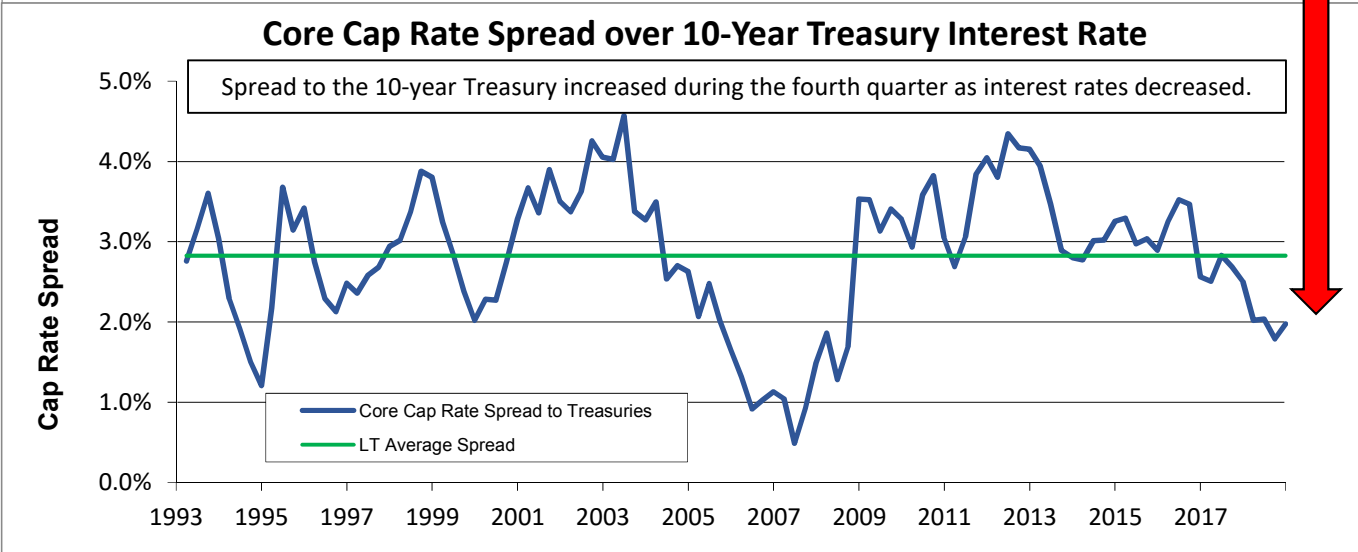
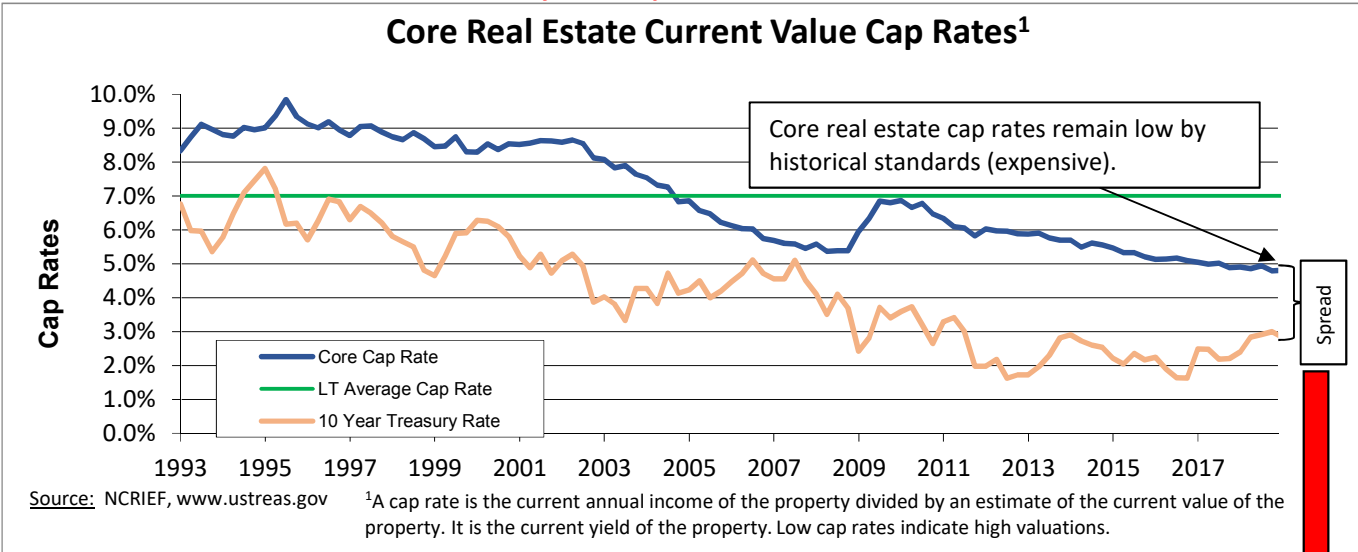


Quarterly Data, Updated to December 31st

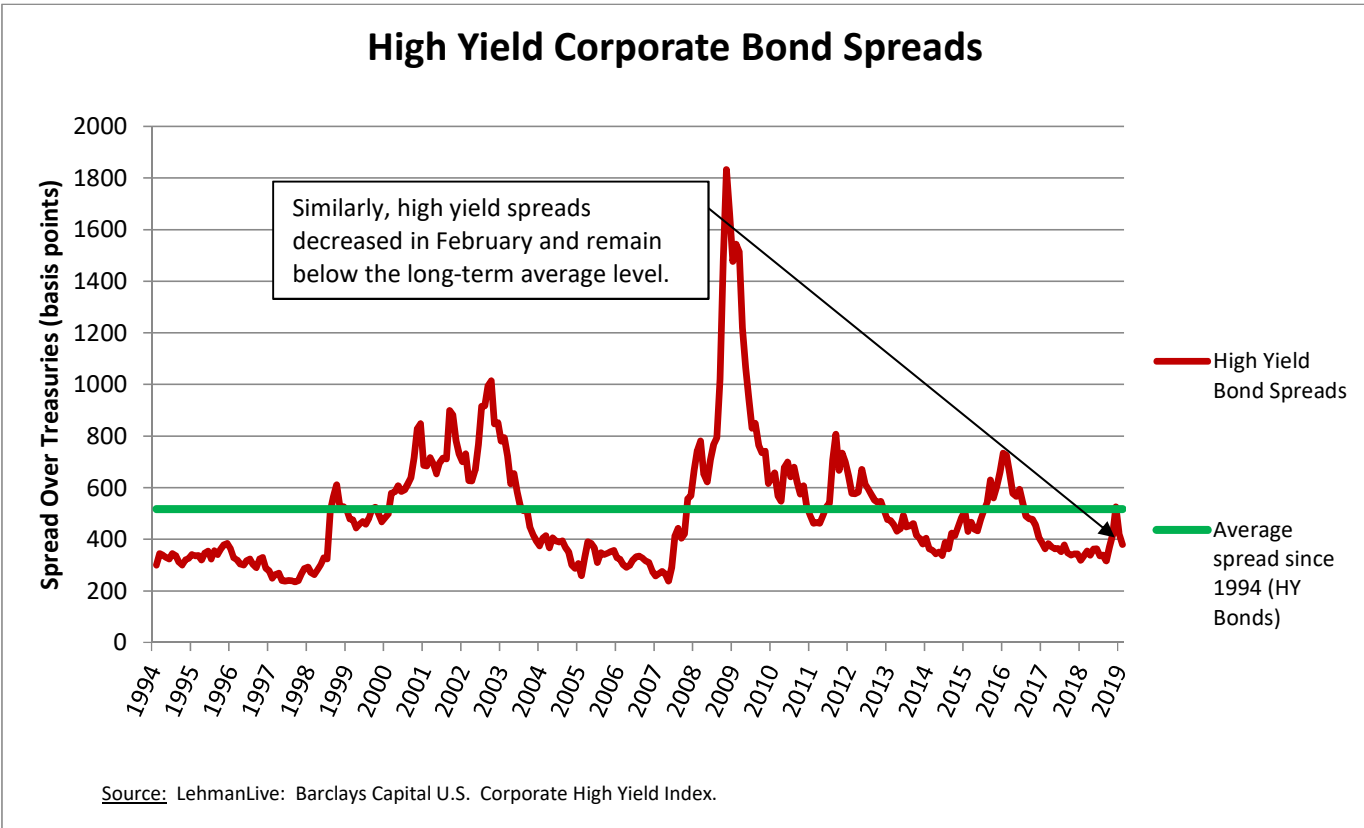
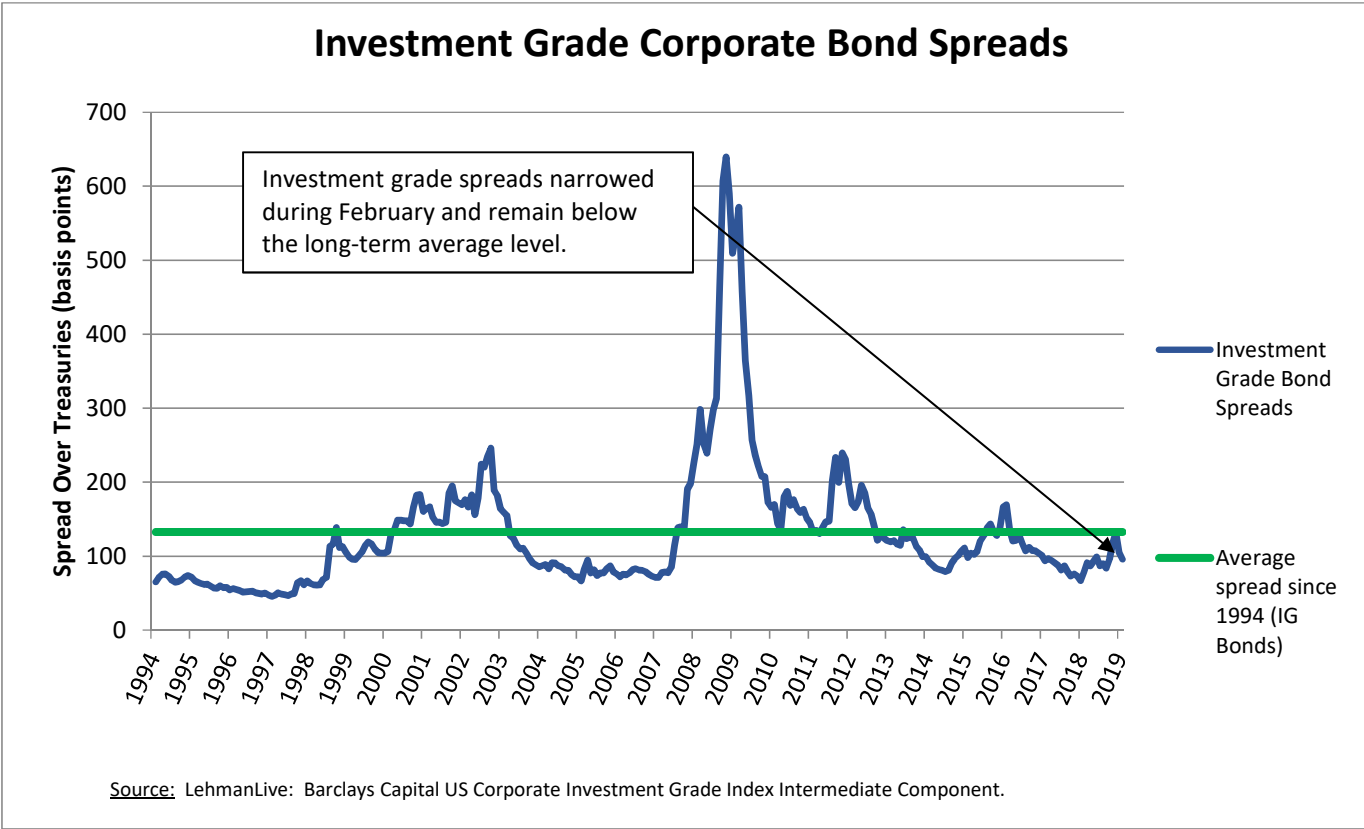


Private Real Estate

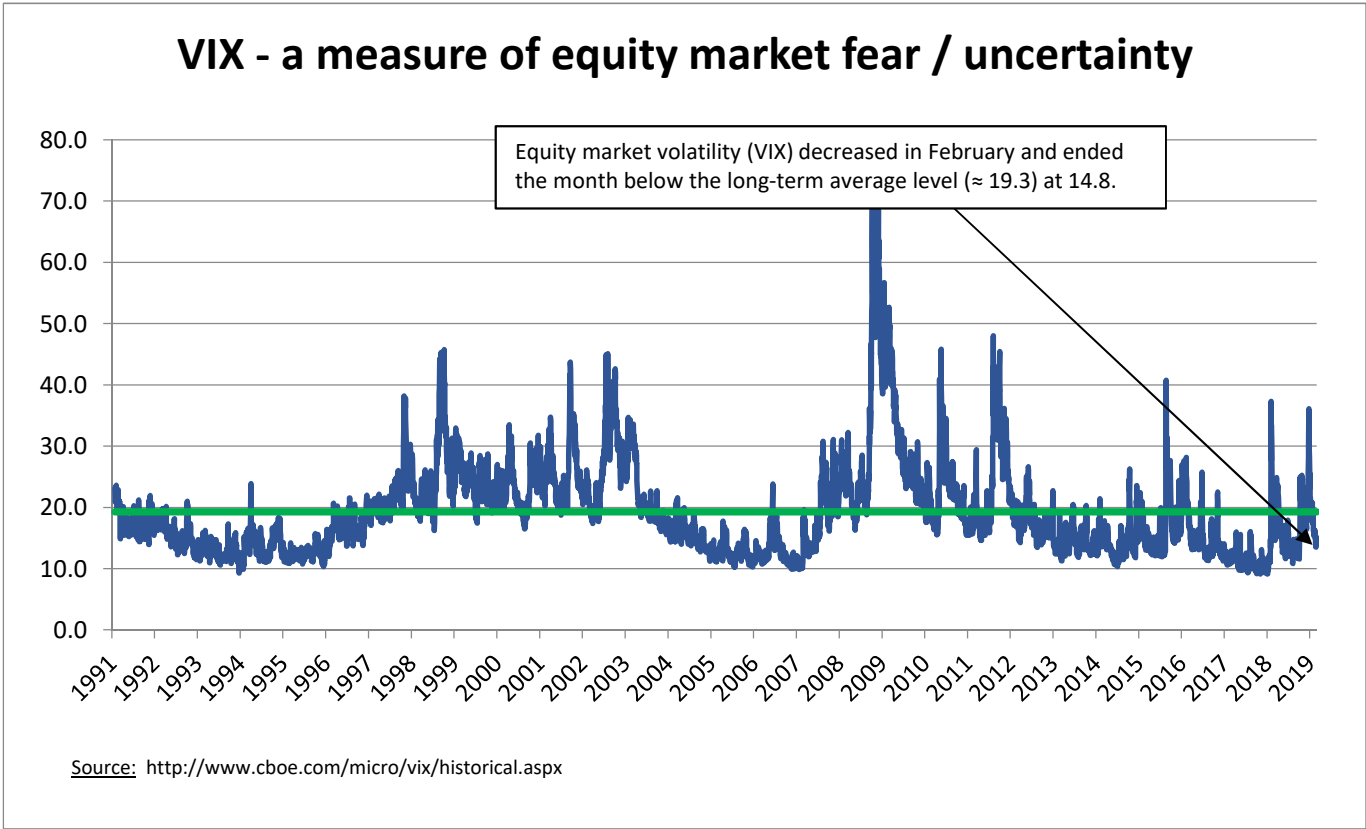
Quarterly Data, Updated to December 31st



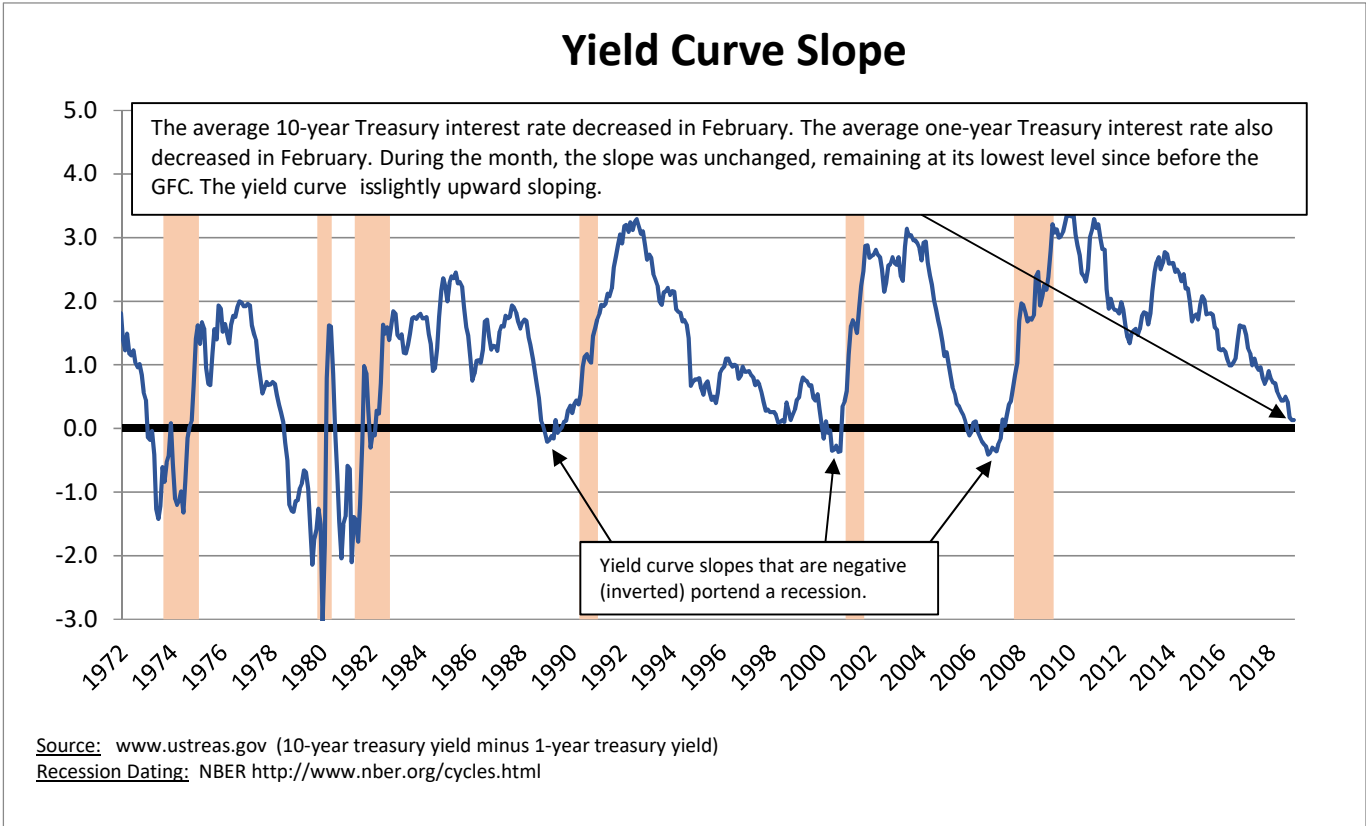
Credit Market US Fixed Income



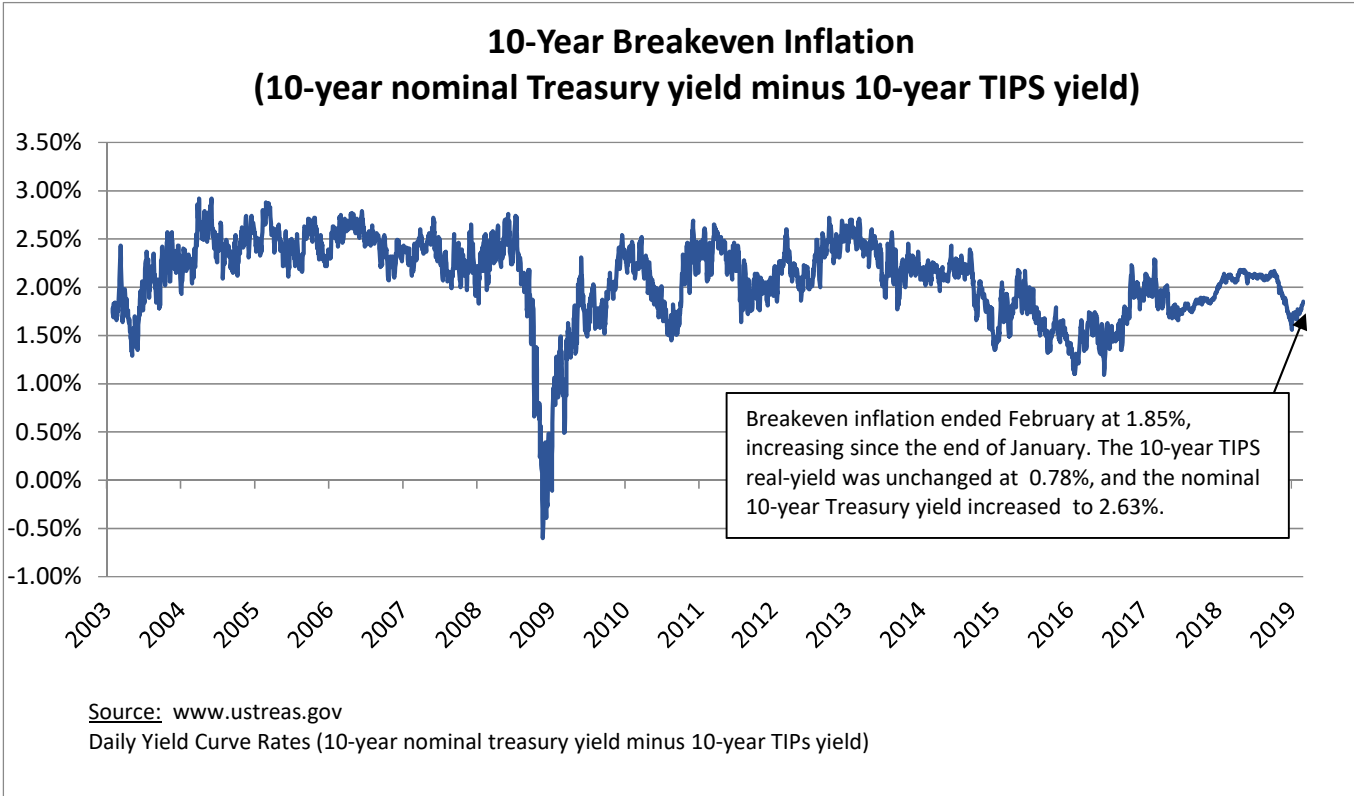
Other Market Metrics



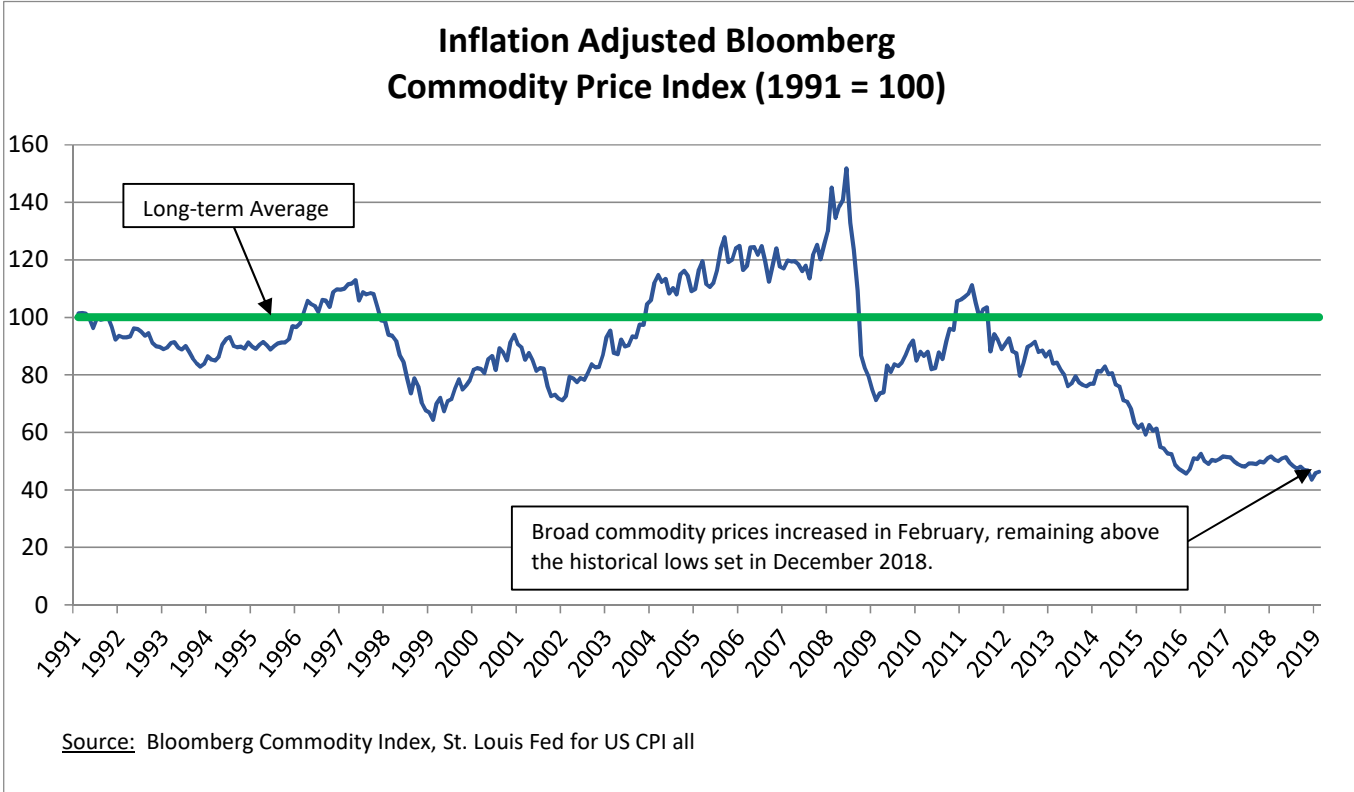
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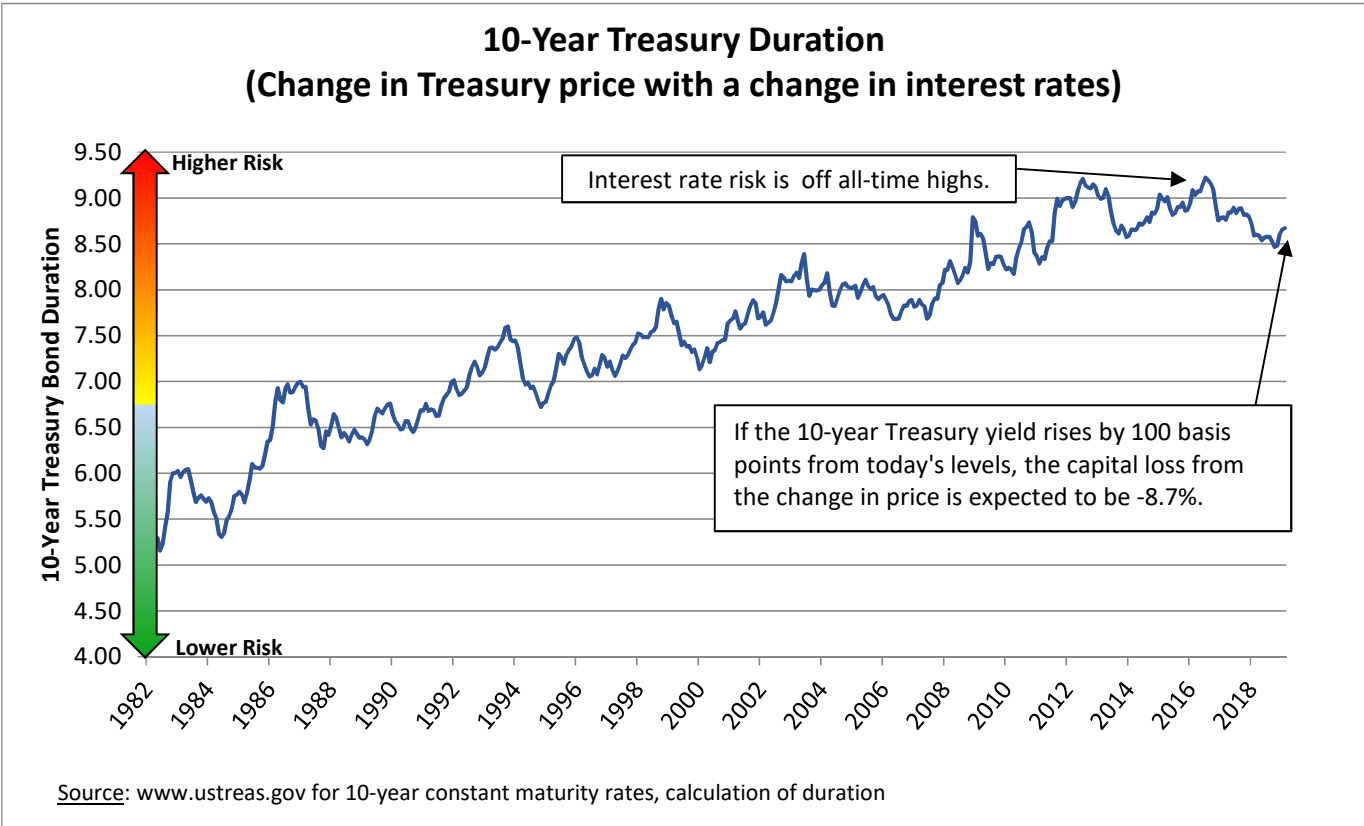
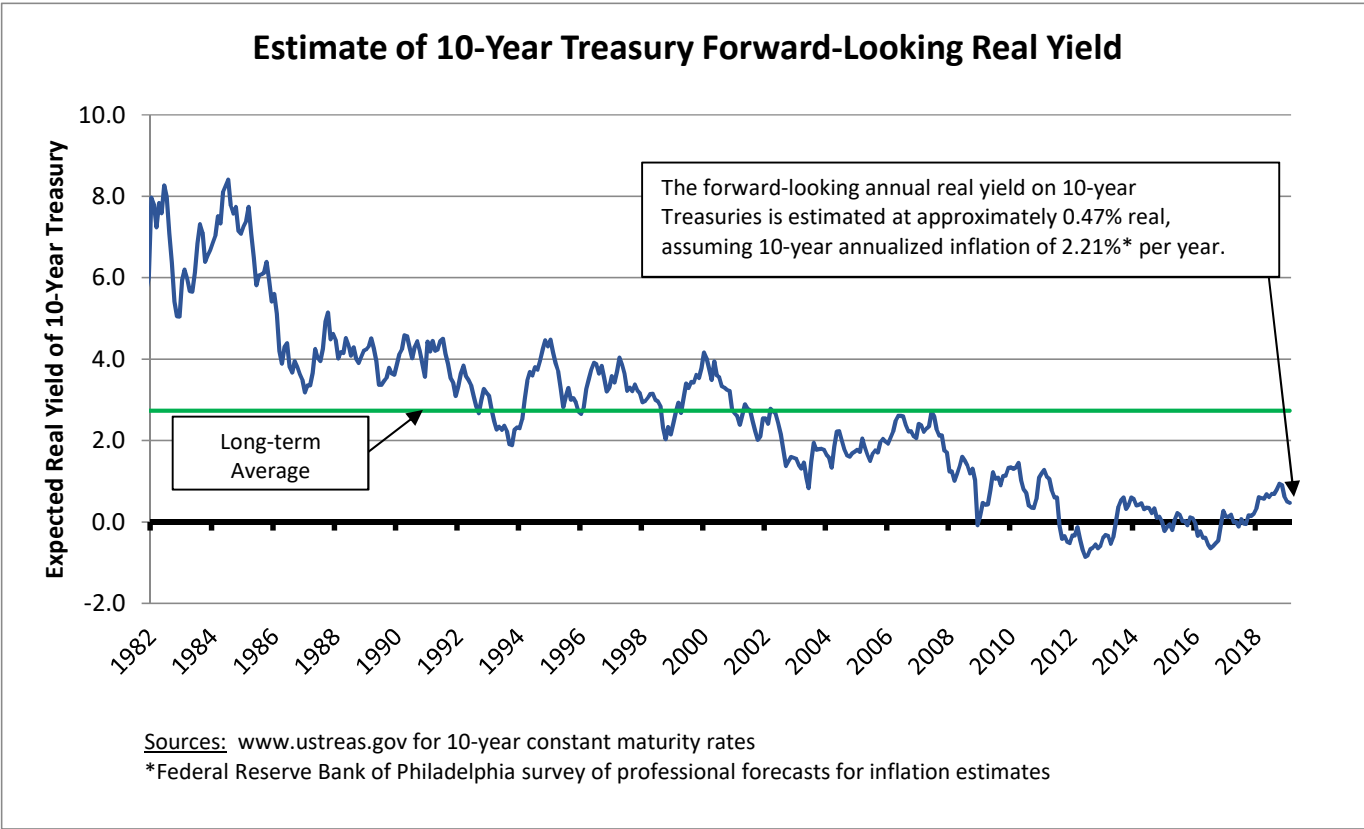
Measures of Inflation Expectations



(Please note the difference in time scales)



Measures of U.S. Treasury Interest Rate Risk



Appendix

Appendix

METRIC DESCRIPTION, RATIONALE FOR SELECTION AND CALCULATION METHODOLOGY

US Equity Markets:

Metric: P/E ratio = Price / "Normalized" earnings for the S&P 500 Index

To represent the price of US equity markets, we have chosen the S&P 500 index. This index has the longest published history of price, is well known, and also has reliable, long-term, published quarterly earnings. The price= P of the P/E ratio is the current price of the market index (the average daily price of the most recent full month for the S&P 500 index). Equity markets are very volatile. Prices fluctuate significantly during normal times and extremely during periods of market stress or euphoria. Therefore, developing a measure of earnings power (E) which is stable is vitally important, if the measure is to provide insight. While equity prices can and do double, or get cut in half, real earnings power does not change nearly as much. Therefore, we have selected a well known measure of real, stable earnings power developed by Yale Professor Robert Shiller known as the Shiller E-10. The calculation of E-10 is simply the average real annual earnings over the past 10 years. Over 10 years, the earnings shenanigans and boom and bust levels of earnings tend to even out (and often times get restated). Therefore, this earnings statistic gives a reasonably stable, slow-to-change estimate of average real earnings power for the index. Professor Shiller's data and calculation of the E-10 are available on his website at <http://www.econ.yale.edu/~shiller/data.htm>. We have used his data as the base for our calculations. Details of the theoretical justification behind the measure can be found in his book *Irrational Exuberance* [Princeton University Press 2000, Broadway Books 2001, 2nd ed., 2005].

Developed Equity Markets Excluding the US:

Metric: P/E ratio = Price / "Normalized" earnings for the MSCI EAFE Index

To represent the price of non-US developed equity markets, we have chosen the MSCI EAFE index. This index has the longest published history of price for non-US developed equities. The price= P of the P/E ratio is the current price of the market index (the average daily price of the most recent full month for the MSCI EAFE index). The price level of this index is available starting in December 1969. Again, for the reasons described above, we elected to use the Shiller E-10 as our measure of earnings (E). Since 12/1972, a monthly price earnings ratio is available from MSCI. Using this quoted ratio, we have backed out the implied trailing-twelve month earnings of the EAFE index for each month from 12/1972 to the present. These annualized earnings are then inflation adjusted using CPI-U to represent real earnings in US dollar terms for each time period. The Shiller E-10 for the EAFE index (10 year average real earnings) is calculated in the same manner as detailed above.

However, we do not believe that the pricing and earnings history of the EAFE markets are long enough to be a reliable representation of pricing history for developed market equities outside of the US. Therefore, in constructing the Long-Term Average Historical P/E for developed ex-US equities for comparison purposes, we have elected to use the US equity market as a developed market proxy, from 1881 to 1982. This lowers the Long-Term Average Historical P/E considerably. We believe this methodology provides a more realistic historical comparison for a market with a relatively short history.

Appendix

METRIC DESCRIPTION, RATIONALE FOR SELECTION AND CALCULATION METHODOLOGY

Emerging Market Equity Markets:

Metric: Ratio of Emerging Market P/E Ratio to Developed Market P/E Ratio

To represent the Emerging Markets P/E Ratio, we have chosen the MSCI Emerging Market Free Index, which has P/E data back to January 1995 on Bloomberg. To represent the Developed Markets PE Ratio, we have chosen the MSCI World Index, which also has data back to January 1995 on Bloomberg. Although there are issues with published, single time period P/E ratios, in which the denominator effect can cause large movements, we feel that the information contained in such movements will alert investors to market activity that they will want to interpret.

US Private Equity Markets:

Metrics: S&P LCD Average EBITDA Multiples Paid in LBOs and US Quarterly Deal Volume

The Average Purchase Price to EBITDA multiples paid in LBOs is published quarterly by S&P in their LCD study. This is the total price paid (both equity and debt) over the trailing-twelve month EBITDA (earnings before interest, taxes, depreciation and amortization) as calculated by S&P LCD. This is the relevant, high-level pricing metric that private equity managers use in assessing deals. Data is published monthly.

US quarterly deal volume for private equity is the total deal volume in \$ billions (both equity and debt) reported in the quarter by Thomson Reuters Buyouts. This metric gives a measure of the level of activity in the market. Data is published quarterly.

U.S Private Real Estate Markets:

Metrics: US Cap Rates, Cap Rate Spreads, and Transactions as a % of Market Value

Real estate cap rates are a measure of the price paid in the market to acquire properties versus their annualized income generation before financing costs (NOI=net operating income). The data, published by NCREIF, describes completed and leased properties (core) on an unleveraged basis. We chose to use current value cap rates. These are capitalization rates from properties that were revalued during the quarter. This data relies on estimates of value and therefore tends to be lagging (estimated prices are slower to rise and slower to fall than transaction prices). The data is published quarterly.

Spreads between the cap rate (described above) and the 10-year nominal Treasury yield, indicate a measure of the cost of properties versus a current measure of the cost of financing.

Transactions as a % of Market Value Trailing-Four Quarters is a measure of property turnover activity in the NCREIF Universe. This quarterly metric is a measure of activity in the market.

Credit Markets US Fixed Income:

Metric: Spreads

The absolute level of spreads over treasuries and spread trends (widening / narrowing) are good indicators of credit risk in the fixed income markets. Spreads incorporate estimates of future default, but can also be driven by technical dislocations in the fixed income markets. Abnormally narrow spreads (relative to historical levels) indicate higher levels of valuation risk, wide spreads indicate lower levels of valuation risk and / or elevated default fears. Investment grade bond spreads are represented by the Barclays Capital US Corporate Investment Grade Index Intermediate Component. The high yield corporate bond spreads are represented by the Barclays Capital US Corporate High Yield Index.

Appendix

METRIC DESCRIPTION, RATIONALE FOR SELECTION AND CALCULATION METHODOLOGY

Measure of Equity Market Fear / Uncertainty

Metric: VIX – Measure of implied option volatility for U.S. equity markets

The VIX is a key measure of near-term volatility conveyed by implied volatility of S&P 500 index option prices. VIX increases with uncertainty and fear. Stocks and the VIX are negatively correlated. Volatility tends to spike when equity markets fall.

Measure of Monetary Policy

Metric: Yield Curve Slope

We calculate the yield curve slope as the 10 year treasury yield minus the 1 year treasury yield. When the yield curve slope is zero or negative, this is a signal to pay attention. A negative yield curve slope signals lower rates in the future, caused by a contraction in economic activity. Recessions are typically preceded by an inverted (negatively sloped) yield curve. A very steep yield curve (2 or greater) indicates a large difference between shorter-term interest rates (the 1 year rate) and longer-term rates (the 10 year rate). This can signal expansion in economic activity in the future, or merely higher future interest rates.

Measures of US Inflation Expectations

Metrics: Breakeven Inflation and Inflation Adjusted Commodity Prices

Inflation is a very important indicator impacting all assets and financial instruments. Breakeven inflation is calculated as the 10 year nominal treasury yield minus the 10 year real yield on US TIPS (treasury inflation protected securities). Abnormally low long-term inflation expectations are indicative of deflationary fears. A rapid rise in breakeven inflation indicates an acceleration in inflationary expectations as market participants sell nominal treasuries and buy TIPS. If breakeven inflation continues to rise quarter over quarter, this is a signal of inflationary worries rising, which may cause Fed action and / or dollar decline.

Commodity price movement (above the rate of inflation) is an indication of anticipated inflation caused by real global economic activity putting pressure on resource prices. We calculate this metric by adjusted in the Dow Jones UBS Commodity Index (formerly Dow Jones AIG Commodity Index) by US CPI-U. While rising commodity prices will not necessarily translate to higher US inflation, higher US inflation will likely show up in higher commodity prices, particularly if world economic activity is robust.

These two measures of anticipated inflation can, and often are, conflicting.

Measures of US Treasury Bond Interest Rate Risk

Metrics: 10-Year Treasury Forward-Looking Real Yield and 10-Year Treasury Duration

The expected annualized real yield of the 10 year U.S. Treasury Bond is a measure of valuation risk for U.S. Treasuries. A low real yield means investors will accept a low rate of expected return for the certainty of receiving their nominal cash flows. PCA estimates the expected annualized real yield by subtracting an estimate of expected 10 year inflation (produced by the Survey of Professional Forecasters as collected by the Federal Reserve Bank of Philadelphia), from the 10 year Treasury constant maturity interest rate.

Duration for the 10-Year Treasury Bond is calculated based on the current yield and a price of 100. This is a measure of expected percentage movements in the price of the bond based on small movements in percentage yield. We make no attempt to account for convexity.

Definition of “extreme” metric readings

A metric reading is defined as “extreme” if the metric reading is in the top or bottom decile of its historical readings. These “extreme” reading should cause the reader to pay attention. These metrics have reverted toward their mean values in the past.

PCA Market Sentiment Indicator

Explanation, Construction and Q&A

By:

Pension Consulting Alliance, LLC.

PCA has created the PCA Market Sentiment Indicator (PMSI) to complement our valuation-focused PCA Investment Market Risk Metrics. This measure of sentiment is meant to capture significant and persistent shifts in long-lived market trends of economic growth risk, either towards a risk-seeking trend or a risk-aversion trend.

This paper explores:

- What is the PCA Market Sentiment Indicator (PMSI)?
- How do I read the indicator graph?
- How is the PCA Market Sentiment Indicator (PMSI) constructed?
- What do changes in the indicator mean?



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PCA Market Sentiment Indicator

PCA has created a market sentiment indicator for monthly publication (the PMSI – see below) to complement PCA's Investment Market Risk Metrics.

PCA's Investment Market Risk Metrics, which rely significantly on standard market measures of relative valuation, often provide valid early signals of increasing long-term risk levels in the global investment markets. However, as is the case with numerous valuation measures, the Risk Metrics may convey such risk concerns long before a market corrections take place. The PMSI helps to address this early-warning bias by measuring whether the markets are beginning to acknowledge key Risk Metrics trends, and / or indicating non-valuation based concerns. Once the PMSI indicates that the market sentiment has shifted, it is our belief that investors should consider significant action, particularly if confirmed by the Risk Metrics. Importantly, PCA believes the Risk Metrics and PMSI should always be used in conjunction with one another and never in isolation. The questions and answers below highlight and discuss the basic underpinnings of the PCA PMSI:

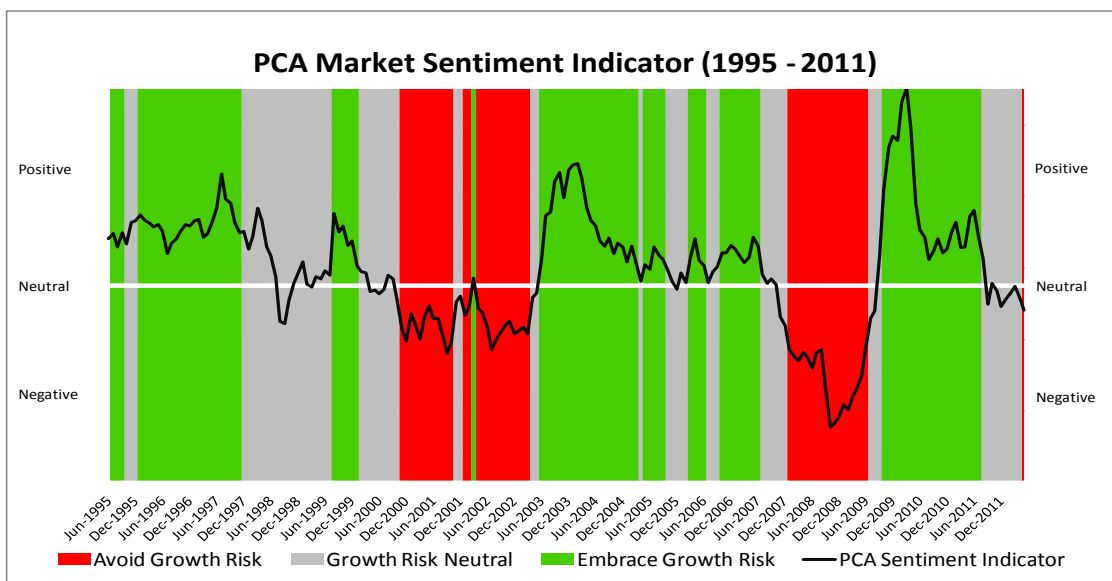
What is the PCA Market Sentiment Indicator (PMSI)?

The PMSI is a measure meant to gauge the market's sentiment regarding economic growth risk. Growth risk cuts across most financial assets, and is the largest risk exposure that most portfolios bear. The PMSI takes into account the momentum (trend over time, positive or negative) of the economic growth risk exposure of publicly traded stocks and bonds, as a signal of the future direction of growth risk returns; either positive (risk seeking market sentiment), or negative (risk averse market sentiment).

How do I read the PCA Market Sentiment Indicator (PMSI) graph?

Simply put, the PMSI is a color coded indicator that signals the market's sentiment regarding economic growth risk. It is read left to right chronologically. A green indicator on the PMSI indicates that the market's sentiment towards growth risk is positive. A gray indicator indicates that the market's sentiment towards growth risk is neutral or inconclusive. A red indicator indicates that the market's sentiment towards growth risk is negative. The black line on the graph is the level of the PMSI. The degree of the signal above or below the neutral reading is an indication the signal's current strength.

Momentum as we are defining it is the use of the past behavior of a series as a predictor of its future behavior.



PCA Market Sentiment Indicator

How is the PCA Market Sentiment Indicator (PMSI) Constructed?

The PMSI is constructed from two sub-elements representing investor sentiment in stocks and bonds:

1. Stock return momentum: Return momentum for the S&P 500 Equity Index (trailing 12-months)
2. Bond yield spread momentum: Momentum of bond yield spreads (excess of the measured bond yield over the identical duration U.S. Treasury bond yield) for corporate bonds (trailing 12-months) for both investment grade bonds (75% weight) and high yield bonds (25% weight). The scale of this measure is adjusted to match that of the stock return momentum measure.

The black line reading on the graph is calculated as the average of the stock return momentum measure and the bonds spread momentum measure. The color reading on the graph is determined as follows:

1. If both stock return momentum and bond spread momentum are positive = GREEN (positive)
2. If one of the momentum indicators is positive, and the other negative = GRAY (inconclusive)
3. If both stock return momentum and bond spread momentum are negative = RED (negative)

What does the PCA Market Sentiment Indicator (PMSI) mean? Why might it be useful?

There is strong evidence that time series momentum is significant and persistent. In particular, across an extensive array of asset classes, the sign of the trailing 12-month return (positive or negative) is indicative of future returns (positive or negative) over the next 12 month period. The PMSI is constructed to measure this momentum in stocks and corporate bond spreads. A reading of green or red is agreement of both the equity and bond measures, indicating that it is likely that this trend (positive or negative) will continue over the next 12 months. When the measures disagree, the indicator turns gray. A gray reading does not necessarily mean a new trend is occurring, as the indicator may move back to green, or into the red from there. The level of the reading (black line) and the number of months at the red or green reading, gives the user additional information on which to form an opinion, and potentially take action.

ⁱ Momentum as we are defining it is the use of the past behavior of a series as a predictor of its future behavior.

ⁱⁱ "Time Series Momentum" Moskowitz, Ooi, Pedersen, August 2010
<http://pages.stern.nyu.edu/~lpederse/papers/TimeSeriesMomentum.pdf>

MEMORANDUM

Date: March 27, 2019

To: Board of Oakland Police and Fire Retirement System (OPFRS)

From: Pension Consulting Alliance, LLC ("PCA")

CC: David Sancewich - PCA
Sean Copus – PCA
David Jones – OPFRS
Teir Jenkins - OPFRS

RE: Review of OPFRS Strategic Allocation in Light of 2019 Capital Market Assumptions

Summary

On an annual basis, PCA conducts a review of OPFRS' current long-term policy target, applying PCA's 2019 capital market assumptions. This memo summarizes the implications of these return assumptions when applied to the OPFRS Investment Portfolio. Applying PCA's 2019 capital market assumptions to the OPFRS policy portfolio (utilizing PCA's long-term inflation expectation of 2.25%), the expected nominal long-term compound return is 5.90% over the next 10 years (see table on following page)¹. This translates to a 3.65% real return (i.e., after inflation).

Discussion

Inflation expectations remained unchanged from PCA's 2018 capital market assumptions as market breakeven inflation, realized inflation, the Federal Reserve Bank of Cleveland's expectation, and other consensus estimates generally forecast inflation between 1.90% and 2.25%. Cash is forecasted to be a 0.25% real return with the average 3-month Treasury Bill yielding approximately 2.50% over the next 10-years as forward curves indicate slowly rising rates. In general, fixed income return expectations increased as current yields are generally higher than last year, and forward curves forecast a tepid pace to interest rate increases, which will ultimately benefit long-term investors in these segments. Equity return expectations universally increased given negative recent returns. International equity return expectations are marginally more attractive relative to the U.S. With the exception of private equity, no stand-alone class is forecasted to achieve a compound return above 7.15% over the next 10 years. It is also important to note that the long-term expected portfolio compound return assumes net-of-fee returns, with no attempt to seek added value via active management.

¹ We note that these assumptions can vary from actuarial assumptions utilized by decision-makers to determine overall plan contributions. Typically, the horizon utilized for such decisions is significantly longer (typically 30+ years). As a result, reasonable actuarial assumptions may differ from the 10-year figures discussed above. In addition, there may be a difference between other actuary/investment consultant economic assumptions (such as inflation) due to the unique environment faced by a specific retirement system or plan.

**OPFRS Long-Term Policy Portfolio Expectations Based on PCA's 2019 CMA's
2019 Assumptions**

Investment Class	Target * %	2019 Assumptions		
		Exp. Arith. Return	Exp. Comp. Return	Expected Std. Dev.
U.S. Equity	40%	7.50%	6.00%	19.00%
International Equity	12%	9.00%	7.15%	21.50%
Fixed Income	31%	4.45%	3.65%	5.50%
Covered Calls	5%	6.50%	5.85%	12.65%
CRO	10%	4.80%	4.32%	13.50%
Credit	2%	4.45%	4.25%	7.00%
Cash	0%	2.50%	2.50%	1.25%
Inflation	---	2.25%	2.25%	1.25%

*Long-term Target Allocation

Expected 10-year Mean Variance Outcomes

Expected Portfolio Arithmetic Annual Return	6.40%
Expected Portfolio Annual Risk	10.90%
Expected Nominal Portfolio Compound Return (with PCA Inflation)	5.90%
Expected Real Portfolio Compound Return	3.65%

Table 2

Asset Class	Long-Term Expected Real Rate of Return		
	28-Jun-19	30-Jun-18	30-Jun-17
Fixed Income*	3.10%	3.40%	2.90%
Domestic Equity	6.0	5.75	6.25
International Equity	6.8	6.8	7.25
Covered Calls	6.1	5.25	6.21
Crisis Risk Offset	4.8	4.4	4.4
Cash	2.50	2.25	2.25

*Includes Credit

DISCLOSURES: This document is provided for informational purposes only. It does not constitute an offer of securities of any of the issuers that may be described herein. Information contained herein may have been provided by third parties, including investment firms providing information on returns and assets under management, and may not have been independently verified. The past performance information contained in this report is not necessarily indicative of future results and there is no assurance that the investment in question will achieve comparable results or that the Firm will be able to implement its investment strategy or achieve its investment objectives. The actual realized value of currently unrealized investments (if any) will depend on a variety of factors, including future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which any current unrealized valuations are based.

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The information contained in this report may include forward-looking statements. Forward-looking statements include a number of risks, uncertainties and other factors beyond the control of the Firm, which may result in material differences in actual results, performance or other expectations. The opinions, estimates and analyses reflect PCA's current judgment, which may change in the future.

Any tables, graphs or charts relating to past performance included in this report are intended only to illustrate investment performance for the historical periods shown. Such tables, graphs and charts are not intended to predict future performance and should not be used as the basis for an investment decision.

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**City of Oakland Police and Fire Retirement System
Cash Flow Recommendation Summary**

Asset Class / Manager / Liquidity April - June 2019 Report		
		Tier
Domestic Equity	Northern Trust	1
Domestic Equity	R1000 Growth (SSgA)	3
Domestic Equity	R1000 Value (SSgA)	3
Domestic Equity	EARNEST Partners	3
Domestic Equity	NWQ	3
Domestic Equity	Rice Hall James	3
	<i>Total Domestic Equity</i>	
International Equity	Passive/Enhanced (SSgA)	3
International Equity	Fisher	3
International Equity	Hansberger	3
	<i>Total International Equity</i>	
	<i>Total Public Equity</i>	
Covered Calls	Parametric	2
	<i>Total Covered Calls</i>	
Crisis Risk Offset	New/Current Manager	3
Crisis Risk Offset	Parametric Risk Premia	3
	<i>Total Crisis Risk Offset</i>	
Domestic Fixed Income	Reams	2
Domestic Fixed Income	DDJ	2
Domestic Fixed Income	Ramirez	2
	<i>Total Public Fixed</i>	
Cash	Cash	1
	<i>Total Stable</i>	
	<i>Total Portfolio</i>	

Description of Liquidity Tiers

<u>Tier</u>	<u>Description</u>	<u>Amount</u>	<u>in Months</u>
Tier 1	Public, Scheduled Withdrawal Allowances	\$89.3	14.9
Tier 2	Public, Accommodating of Withdrawals	148.2	24.7
Tier 3	Public, Must Plan Withdrawals	114.3	19.0
Tier 4	Closely Held	0.0	-
		\$351.7	

City of Oakland Police and Fire Retirement System Cash Flow Recommendation Summary

PFRS Asset Allocation (February 28th Market Values)*					Actual Cash Flows (For Jan - Mar Benefits) Payable the 1st of each month				Suggested Cash Flows (For Apr - June Benefits) Payable the 1st of each month			
	Market Value (\$mm)	Market Value (%)	Target (%)	\$ Variance (from basic target)	Inflow	(\$mm)	Outflow	(\$mm)	Inflow	\$mm	Outflow	(\$mm)
Northern Trust	81.8	21.8%	26.0%	(15,952,020)								
R1000 Growth (SSgA)	9.4	2.5%	0.0%	9,411,000								
R1000 Value (SSgA)	8.1	2.2%	0.0%	8,107,000								
EARNEST Partners	30.4	8.1%	8.0%	301,840								
NWQ	9.4	2.5%	3.0%	(1,849,310)								
Rice Hall James	12.5	3.3%	3.0%	1,212,690								
Total Domestic Equity	151.5	40.3%	40.0%	1,231,200								
Passive/Enhanced (SSgA)	13.1	3.5%	3.6%	(447,972)								
Fisher	15.8	4.2%	4.2%	59,366								
Hansberger	15.6	4.1%	4.2%	(208,634)								
Total International Equity	44.5	11.8%	12.0%	(597,240)								
Total Public Equity	196.0	52.2%	52.0%	633,960								
Parametric	47.6	12.7%	5.0%	28,790,150			(3.00)				(3.00)	
Total Covered Calls	47.6	12.7%	5.0%	28,790,150								
Long Duration Manager	0.0	0.0%	3.3%	(12,525,887)								
Parametric Risk Premia	23.8	6.3%	6.7%	(1,209,549)								
Crisis Risk Offset	23.8	6.3%	10.0%	(13,735,437)								
Reams	23.2	6.2%	12.0%	(21,910,240)								
DDJ	7.9	2.1%	2.0%	350,460								
Ramirez	69.5	18.5%	19.0%	(1,853,630)								
Total Public Fixed	100.6	26.8%	33.0%	(23,413,410)								
Cash with Custodian	0.2	0.1%	0.0%	200,000								
Cash in Treasury**	7.5	2.0%	0.0%	7,525,000		11.20	(11.20)		11.20	(11.20)		
Total Stable	108.3	28.8%	33.0%	(15,888,410)								
Total Portfolio	375.8	100.0%	100.0%	---		11.20	(14.20)		11.20	(14.20)		

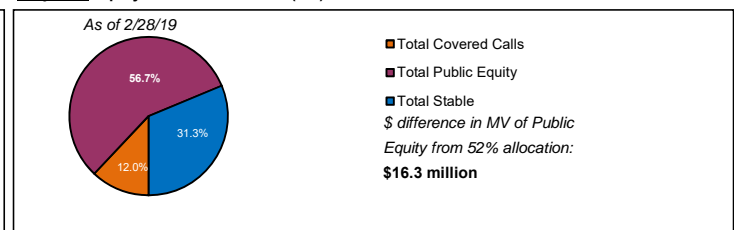
February 28th Market Values by Portfolio Segment

Portfolio Segment	MV (\$mm)
Total Domestic Equity	151.5
Total International Equity	44.5
Total Public Equity	196.0
Total Covered Calls	47.6
Total Crisis Risk Offset	23.8
Total Public Fixed	100.6
Total Stable	108.3
Total Portfolio	375.8

Suggested Cash Withdrawals

Manager	Amount
Cash in Treasury	\$11.20 Million
Parametric CC	\$3.00 Million

Projected Equity to Fixed Allocation (MV)



* Estimated based on PFRS February 28, 2019 Northern Trust statement.

** Preliminary value as of February 28, 2019 per OPFRS staff.

**City of Oakland Police and Fire Retirement System
Cash Flow Recommendation Summary**

Projected PFRS Asset Allocation (As of June 30th)					
	Est Mkt Value (\$mm)	Est Mkt Value (%)	Target (%)	Projected % Variance <i>(from target)</i>	Projected \$ Variance <i>(from target)</i>
Northern Trust	81.8	23.6%	26.0%	-2.4%	(8,141,100)
R1000 Growth (SSgA)	9.4	2.7%	0.0%	2.7%	9,411,000
R1000 Value (SSgA)	8.1	2.3%	0.0%	2.3%	8,107,000
EARNEST Partners	30.4	8.8%	8.0%	0.8%	2,705,200
NWQ	9.4	2.7%	3.0%	-0.3%	(948,050)
Rice Hall James	12.5	3.6%	3.0%	0.6%	2,113,950
Total Domestic Equity	151.5	43.8%	40.0%	3.8%	13,248,000
Passive/Enhanced (SSgA)	13.1	3.8%	3.6%	0.2%	633,540
Fisher	15.8	4.6%	4.2%	0.4%	1,321,130
Hansberger	15.6	4.5%	4.2%	0.3%	1,053,130
Total International Equity	44.5	12.9%	12.0%	0.9%	3,007,800
Total Public Equity	196.0	56.7%	52.0%	4.7%	16,255,800
Parametric	41.6	12.0%	5.0%	7.0%	24,292,250
Total Covered Calls	41.6	12.0%	5.0%	7.0%	24,292,250
New/Current Manager	0.0	0.0%	3.3%	-3.3%	(11,524,488)
Parametric Risk Premia	23.8	6.9%	6.7%	0.2%	793,230
Total Crisis Risk Offset	23.8	6.9%	10.0%	-3.1%	(10,731,258)
Reams	23.2	6.7%	12.0%	-5.3%	(18,305,200)
DDJ	7.9	2.3%	2.0%	0.3%	951,300
Ramirez	69.5	20.1%	19.0%	1.1%	3,854,350
Total Public Fixed	100.6	29.1%	33.0%	-3.9%	(13,499,550)
Cash with Custodian	0.2	0.1%	0.0%	0.1%	200,000
Cash in Treasury**	7.5	2.2%	0.0%	2.2%	7,525,000
Total Stable	108.1	31.3%	33.0%	-1.7%	(5,974,550)
Total Portfolio	345.7	100.0%	100.0%	---	---

Notes

- February 28th market values are those listed by Northern Trust.
- Report reflects change in asset allocation and beneficiary payments of rebalancing on a quarterly basis. (Estimated at \$14.2 million per OPFRS).
- Report reflects monthly City of Oakland contributions of approximately \$3.74 million.
- As of February 28th, the projected public equity portfolio represents 56.7% of the portfolio (\$16.3 million more than the target allocation of 52.0%).
- Target Policy Allocations represent interim-target allocations approved in June 2017.

March 19, 2019

REQUEST FOR PROPOSAL:

INTERNATIONAL EQUITY MANAGER SEARCH

PCA is in the process of identifying qualified investment management organizations to manage an International Equity mandate on behalf of the City of Oakland Police and Fire Retirement System (OPFRS). The size of the mandate is expected to be approximately \$40-50 million but could vary depending on several factors yet to be determined.

To streamline the process, PCA requests the completion (or update) of the following through XXXX:

- i) the eVestment Alliance ("eA") eASE Database firm and appropriate product questionnaires,
- ii) the questions contained in this document, and
- iii) certification that minimum qualifications have been met.

It is imperative that all data fields in the eA questionnaires be updated through XXXX, including those areas that in the past your firm may have excluded. Please include all explanatory notes requested by eA such as "what is included in Other Assets." Failure to do so may result in the immediate rejection of your response.

We request that the update of the eA databases and the completion and return of this RFP to PCA be no later than **5:00 pm pacific time on XXXX, 2019**. If interested, please send an electronic copy of your firm's response by email to:

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Please note, as of **XXXX, XXXX, 2019**, the Client Board/Staff entered into a "quiet period", during which time no Board/Staff member may knowingly have any communication with any actual or potential candidate for this mandate, unless authorized by the Board in connection with the due diligence process in selecting managers. The quiet period shall cease upon the Board's entering into a contract for the investment manager(s) selected for the mandate. By participating in this RFP you acknowledge and agree to adhere to the Board's "quiet period" policy. The "quiet period" restricts representatives from your firm from having any communication with the Client Board/Staff members. A violation of the quiet period rule may result in disqualification of the candidate or other appropriate Board action.

Emerging Investment Managers

The City of Oakland Police and Fire Retirement System (OPFRS) has introduced language to define the minimum size of eligible managers for possible inclusion into the OPFRS portfolio. Generally, OPFRS defines eligible managers as those firms where the proposed OPFRS mandate size would constitute no more than 10% of the managers overall AUM. The percentage would also differ based on the asset class of the proposed mandate. An eligible prospective manager should have a track record of at least one year, and Firms that satisfy these preferred requirements will be evaluated based the same criteria as non-emerging managers, as identified in each RFP. This size minimum will be included as Preferred Criteria, and is intended to help quantify the search criteria for OPFRS.

Confidential or Proprietary Information

The information provided within the RFP are subject to the Sunshine Laws and Brown act, which are U.S. federal and state laws requiring regulatory authorities' meetings, decisions and records to be made available to the public.

The offeror shall designate those portions of the RFP that contains trade secrets or other proprietary data/information that the offeror wishes to remain confidential. This information must be clearly marked on each page and readily separable from the proposal to facilitate public inspection of the non-confidential portions. The entire proposal CANNOT be considered confidential. The fee proposal CANNOT be considered confidential.

MINIMUM QUALIFICATIONS

All proposals will be evaluated in two areas: 1) the *Required Minimum Qualifications* and 2) the *Preferred Criteria*, as specified below.

1. Required Minimum Qualifications (RMQ)

The Proposer must meet all of the following RMQs; otherwise its proposal will be rejected. **For each RMQ, the Proposer must provide a detailed response (one sentence or more) stating how the Proposer complies, indicating that the Proposer has met the RMQ as of March 31, 2018. A response that is limited to a mere reference to other sections of the RFP will be insufficient. Any known deviations from the RMQs below must be disclosed in detail on this form.**

- The Proposer firm must have been in existence for at least five (5) full years. ____ (Initial)
- It must be registered with the Securities and Exchange Commission (SEC), a Bank, or a licensed Insurance Company Affiliate. ____ (Initial)
- It must not have been censured by the SEC, CFTC, or subject to regulatory action within the last three (3) years. ____ (Initial)
- Proposer will complete the RFP questionnaire in its entirety. ____ (Initial)
- The Proposer must be directly responsible for the management of the account, and all personnel responsible for the account must be employees of the firm. ____ (Initial)
- There must be at least three investment professionals dedicated full time to the proposed strategy. ____ (Initial)
- There must be at least six professional employees within the firm. ____ (Initial)
- The firm must agree to consider the MSCI ACWI ex USA to be a reasonable benchmark for the mandate over a typical market cycle. ____ (Initial)

2. Preferred Criteria (PC)

The following PCs are strongly desired by the Plan. Although failure to meet one or more of the PCs may not necessarily result in disqualification, Proposers who fail to meet one or more of the PCs will still be considered in the selection process. **Please provide a detailed answer for each of the PCs (one sentence or more). Please do not only refer to other sections of the RFP. Any known deviations from the PCs below must be disclosed in detail on this form.**

- The Proposer should not have been involved in any material litigation in the past five (5) years, or since firm inception if less than five (5) years. ____ (Initial)
- The Proposer should be able to adhere to client-specified portfolio constraints. ____ (Initial)

- Total firm assets should preferably be at least \$300 million. ____ (Initial)
- The firm should preferably manage at least \$150 million dedicated to the proposed strategy. ____ (Initial)
- The firm should preferably have (i) at least two existing U.S. based, tax-exempt clients utilizing the proposed strategy and (ii) at least one existing client in the strategy with over \$10 million. ____ (Initial)
- The firm should have at least a three-year live (i.e., not simulated or back tested), Global Investment Performance Standards (GIPS) compliant performance history for the period ending 12/31/18 in the proposed strategy. ____ (Initial)

By signing below, an authorized representative of the Proposer warrants that the Proposer meets all the Minimum Qualifications as detailed above. This page must be signed and returned with the completed RFP.

Authorized Signature

Print Name

Title

Date

Company

Date: March 27, 2019

To: Oakland Police and Fire Retirement System (OPFRS)

From: Pension Consulting Alliance, LLC. (PCA)

CC: David Sancewich - PCA
 Sean Copus, CFA - PCA
 Kristen Chase - PCA
 Teir Jenkins - OPFRS
 David Jones - OPFRS

RE: 2019 Preliminary Strategic Investment Agenda

Approximately once a year, PCA develops a list of projects that we expect to work closely with OPFRS to complete over the next twelve-plus months (see table below). In an attempt to coordinate the scheduling of these tasks, this memo details a Preliminary Investment Project Agenda by calendaring and prioritizing the expected tasks and deliverables that would be required to fulfill the Agenda. PCA welcomes any suggestions and/or modifications to the proposed timeline.

2019 Preliminary Investment Project Agenda

Expected Completion Date	Task
April 2019	<ul style="list-style-type: none"> • Flash Performance (1Q 2019) • International Equity RFP Update • Manager Update: DDJ
May 2019	<ul style="list-style-type: none"> • Quarterly Performance Report (1Q 2019) • International Equity Somie-finalist • TBD: Educational topic • Manager Update: Rice Hall James
June 2019	<ul style="list-style-type: none"> • Asset Allocation Review and Update • International Equity Interviews (tentative) • Cash Flow Report (3Q 2019)
July 2019	<ul style="list-style-type: none"> • Flash Performance Report (2Q2019) • Asset Class Review: Fixed Income • TBD: Educational Topic
August 2019	<ul style="list-style-type: none"> • PCA Performance Report (2Q 2019) • Manager Update: Reams

Expected Completion Date	Task
September 2019	<ul style="list-style-type: none"> TBD: Educational Topic Cash Flow Report (4Q2019) Thermal Coal List Report - Update
October 2019	<ul style="list-style-type: none"> Flash Performance Report (3Q 2019) Manager Update: Parametric Service Contract Extension - Parametric
November 2019	<ul style="list-style-type: none"> PCA Performance report (3Q2019) Manager Update: Ramirez
December 2019	<ul style="list-style-type: none"> TBD: Depends on meeting schedule Cash Flow Report (1Q2020)

Bold are priority strategic items.

This agenda continues forward with the implementation of a new potential asset allocation as a result of the asset liability modeling in 2017.

This agenda includes only major strategic items. PCA also expects to work with the Staff and Board to complete more routine tasks and projects, as expected.

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All persons wishing to address the Board must complete a speaker's card, stating their name and the agenda item (including "Open Forum") they wish to address. The Board may take action on items not on the agenda only if findings pursuant to the Sunshine Ordinance and Brown Act are made that the matter is urgent or an emergency.

Oakland Police and Fire Retirement Board meetings are held in wheelchair accessible facilities. Contact the Retirement Unit, 150 Frank Ogawa Plaza, Suite 3349 or call (510) 238-7295 for additional information.



Retirement Unit
150 Frank H. Ogawa Plaza
Oakland, California 94612

AGENDA

RETIREMENT BOARD MEMBERS

Walter L. Johnson, Sr.
President

Jaime T. Godfrey
Vice President

Katano Kasaine
Member

Martin J. Melia
Member

Robert J. Muszar
Member

John C. Speakman
Member

Steven Wilkinson
Member

REGULAR MEETING of the BOARD OF ADMINISTRATION of the OAKLAND POLICE AND FIRE RETIREMENT SYSTEM ("PFRS")

Wednesday, March 27, 2019 – 11:30 am
One Frank H. Ogawa Plaza, Hearing Room 1
Oakland, California 94612

- - - ORDER OF BUSINESS - - -

A. CLOSED SESSION

B. Report of PFRS Board Action from Closed Session (if any)

C. Subject: PFRS Board Meeting Minutes
From: Staff of the PFRS Board

Recommendation: APPROVE February 27, 2019 PFRS Board meeting minutes.

D. Subject: Approval of the Consent to the Merger between Meketa Investment Group and Pension Consulting Alliance
From: Staff of the PFRS Board & Pension Consulting Alliance

Recommendation: APPROVE the Consent to the merger between Meketa Investment Group and Pension Consulting Alliance.

E. AUDIT AND OPERATIONS COMMITTEE AGENDA – MARCH 27, 2019

E1. Subject: Administrative Expenses Report
From: Staff of the PFRS Board

Recommendation: ACCEPT an informational report regarding PFRS administrative expenses from July 1, 2018 through January 31, 2019.

ORDER OF BUSINESS, continued

- E2. Subject:** Report on closed session hearings concerning change of retirement classification or cause of death
From: Staff of the PFRS Board
-
- Recommendation:** **ACCEPT** an informational report regarding closed session hearings concerning change of retirement classification or cause of death.
- F. INVESTMENT & FINANCIAL MATTERS COMMITTEE AGENDA – MARCH 27, 2019**
- F1. Subject:** Investment Manager Performance Review – State Street Global Advisors
From: State Street Global Advisors
-
- Recommendation:** **ACCEPT** an Informational Report regarding review of State Street Global Advisors, a PFRS passive International Equity Investment Manager.
- F2. Subject:** Investment Manager Overview – State Street Global Advisors
From: Pension Consulting Alliance (PCA)
-
- Recommendation:** **APPROVE** evaluation, review and possible watch status placement of State Street Global Advisors, a PFRS passive International Equity Investment Manager.
- F3. Subject:** Resolution No. 7052 – Resolution authorizing a professional service agreement with State Street Global Advisors (SSgA), to serve as investment manager of the long duration treasury plan component of the crisis risk offset investment strategy for the Oakland Police and Fire Retirement System at a fee rate not to exceed 4 basis points (4 bp or 0.04 percent) of the portfolio’s assets value each year
From: SSgA and Staff of the PFRS Board
-
- Recommendation:** **APPROVE Resolution No. 7052** – Resolution authorizing a professional service agreement with State Street Global Advisors (SSgA), to serve as investment manager of the long duration treasury plan component of the crisis risk offset investment strategy for the Oakland Police and Fire Retirement System at a fee rate not to exceed 4 basis points (4 bp or 0.04 percent) of the portfolio’s assets value each year.

OAKLAND POLICE AND FIRE RETIREMENT SYSTEM
REGULAR BOARD MEETING
MARCH 27, 2019

ORDER OF BUSINESS, continued

- F4. Subject: Investment Market Overview**
From: Pension Consulting Alliance (PCA)
-
- Recommendation:** **ACCEPT** an informational report on the global investment markets through March 2019.
- F5. Subject: Review of 2019 10-year Capital Market Assumptions**
From: Pension Consulting Alliance
-
- Recommendation:** **APPROVE** Review of 2019 10-year Capital Market Assumptions.
- F6. Subject: \$14.2 million 2nd Quarter 2019 Member Benefits Drawdown**
From: Staff of the PFRS Board & Pension Consulting Alliance
-
- Recommendation:** **APPROVE** PCA recommendation of \$14.2 million drawdown, which includes an \$11.2 million contribution from the City of Oakland and a \$3.0 million contribution from the PFRS Investment Fund, to be used to pay for April 2019 through June 2019 member retirement benefits.
- F7. Subject: Status Report of the request for information for the new PFRS Active International Equity Asset Class Investment Manager**
From: Pension Consulting Alliance
-
- Recommendation:** **APPROVE** the request for information for the new PFRS Active International Equity Asset Class Investment Manager.
- G. Subject: Member Resolution(s) No. 7053**
From: Staff of the PFRS Board
-
- Recommendation:** **APPROVE** Member Resolution(s) No. 7053
- G1. Resolution No. 7053** | Resolution approving death benefit payments and directing warrants thereunder in the total sum of \$1,000.00 payable to the beneficiaries of deceased members as follows: June L. Porter, Jess V. Bowers & John S. Bowers, Maria M. Martinez-Crissien, and Leigh Evans & Dale Drew.
- H. NEW BUSINESS**
- I. OPEN FORUM**
- J. FUTURE SCHEDULING**

A BOARD MEETING of the Oakland Police and Fire Retirement System (“PFRS”) was held on February 27, 2019 in Hearing Room 1, One Frank Ogawa Plaza, Oakland, California.

Board Members Present:

- Walter L. Johnson, President
- Jaime T. Godfrey, Vice President
- Katano Kasaine, Member
- R. Steven Wilkinson, Member
- John C. Speakman, Member
- Robert J. Muszar, Member
- Martin J. Melia, Member

Additional Attendees:

- David Jones, PFRS Plan Administrator
- Pelayo Llamas, Jr., PFRS Legal Counsel
- David Low & Teir Jenkins, Staff Member
- David Sancewich, Pension Consulting Alliance

The meeting was called to order at 11:37 am. President Johnson adjusted the order of business to address Item H at the start of the Board meeting.

H. Resolution No. 7050 – Resolution of appreciation to Pelayo A. Llamas, Jr. – Members of the Retirement Board and staff expressed their appreciation for the work of Pelayo Llamas when he announced he was leaving from City of Oakland employment. Member Godfrey made a motion to approve Resolution No. 7050, second by member Melia. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAIN – Y / MELIA – Y / MUSZAR – Y / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 7 / NOES: 0 / ABSTAIN: 0)

Jennifer Logue was introduced as the new Deputy City Attorney assigned as PFRS Legal Counsel, replacing Pelayo Llamas.

A. Closed Session – President Johnson convened the closed session meeting at 11:52 am.

B. Report of Board Actions from Closed Session – The PFRS Board meeting reconvened at 12:32 pm following the conclusion of Closed Session. No reportable action by the Board was made during closed session.

C. Approval of PFRS Board Meeting Minutes – Member Speakman made a motion to approve the January 30, 2019 PFRS Board meeting minutes, second by Member Godfrey. Motion Passed.

[GODFREY – Y / JOHNSON – Y / KASAIN – Y / MELIA – Y / MUSZAR – Y / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 7 / NOES: 0 / ABSTAIN: 0)

D. Analysis of Other Pay and Benefits – Investment Officer Teir Jenkins presented the staff agenda report analysis of other pay and benefits received by active police officers based on the current Memorandum of Understanding and its relationship to PFRS Police retirees. Peter Peterson, President of the Retired Oakland Police Officers Association (ROPOA), presented its position regarding the findings presented by staff

in their agenda report. He added that the PFRS staff had begun the processing of directives outlined in PFRS Resolution no. 7030 (approved on November 28, 2018) in a manner which the ROPOA finds inconsistent with these directives.

MOTION: Member Kasaine made a motion to accept the informational report presented by staff, second by Member Wilkinson. As discussion continued, Member Muszar indicated he would be voting no on this motion because he did not feel staff properly or adequately reported the information requested by the PFRS Board on this matter and that the information staff did present was incomplete. Mr. Jenkins said no action to take retirement funds retroactively from retirees had occurred and that staff has only acted to mitigate the continued overpayment of benefits to retirees which have already been shown to be inconsistent with administrative practices by the Courts. Following additional Board comments, a hand vote was taken. Motion Passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – N / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 1 / ABSTAIN: 0)

E. Report of the Merger of Pension Consulting Alliance and Meketa Investment Group – Representative from Pension Consulting Alliance and Meketa Investment Group addressed PFRS Board member concerns regarding the merger of PCA and Meketa Investment Group. The Board discussed future Board action on approval of the Service Agreement and consent order between the merged company of Meketa Investment Group and PCA with the PFRS Fund. The Board agreed to process the necessary merger paperwork after the merger between PCA and Meketa are publicly approved. Investment Committee Chairman Jaime Godfrey said the Investment Committee will address the consent letter for Board Approval at the next PFRS meeting and, should the merger of the two companies have taken place at the time of the March 2019 meeting, the Investment Committee will also introduce the recommendation of approval of an updated service agreement between the new Meketa company and the PFRS Board. Following discussion between the PFRS Board and the Investment Consultants, Member Godfrey made a motion to accept the informational report from Meketa and PCA, second by member Melia. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – Y / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 7 / NOES: 0 / ABSTAIN: 0)

F. PFRS AUDIT COMMITTEE MEETING – FEBRUARY 27, 2019

F1. PFRS Actuary Valuation as of July 1, 2018 – Tim Doyle and Graham Schmidt from Cheiron Inc, PFRS Plan Actuary, presented the actuary valuation of the PFRS fund as of July 1, 2018. Member Speakman made a motion to approve the PFRS Actuary Valuation of the PFRS fund as of July 1, 2018, second by Godfrey. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – Y / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 7 / NOES: 0 / ABSTAIN: 0)

F2. Administrative Expenses Report – Teir Jenkins presented the current status of the administrative expenditures of the PFRS plan through December 31, 2018. Member Speakman made a motion to accept the informational report from staff, second by Melia. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – Y / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 7 / NOES: 0 / ABSTAIN: 0)

F3. PFRS 2-year Administrative Budget for Fiscal Years 2019/2020 and 2020/2021 – Teir Jenkins presented the details of the 2-year PFRS administrative budget for the fiscal years 2019/2020 and 2020/2021. Mr. Jenkins reported increases to the PFRS administrative budget of 1 percent and 2.4 percent for Fiscal years 2019/20 and 2020/2021, respectively. Member Speakman made a motion to approve the PFRS 2-year administrative budget for the fiscal years 2019/20 and 2020/2021, second by Member Godfrey. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – Y / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 7 / NOES: 0 / ABSTAIN: 0)

Member Muszar departed the meeting at 1:37 pm.

F4. Report on closed session hearings concerning change of retirement classification or cause of death – Member Speakman reported that this matter was carried over to the next PFRS Audit Committee meeting by approval of Committee motion.

F5. Resolution No 7044: Jaime Godfrey Travel – Member Kasaine made a motion to approve Resolution No. 7044 – Travel authorization for Investment Committee Chairperson Jaime Godfrey to travel for the due diligence visit with Pension Consulting Alliance (“PCA”), Investment Consultant for the Oakland Police and Fire Retirement System (“PFRS”) on February 11, 2019 in Portland, OR with an estimated budget of Six Hundred Ten Dollars (\$610.00), second by member Wilkinson. Motion passed.

[GODFREY – ABSTAIN / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 5 / NOES: 0 / ABSTAIN: 1)

F6. Resolution No 7045: Martin Melia Travel – Member Kasaine made a motion to approve Resolution No. 7045 – Travel authorization for Board Member Martin Melia to travel for the due diligence visit with Pension Consulting Alliance (“PCA”), Investment Consultant for the Oakland Police and Fire Retirement System (“PFRS”) on February 11, 2019 in Portland, OR with an estimated budget of Six Hundred Ten Dollars (\$610.00), second by member Wilkinson. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – ABSTAIN / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 5 / NOES: 0 / ABSTAIN: 1)

F7. Resolution No 7046: David Jones Travel – Member Kasaine made a motion to approve Resolution No. 7046 – Travel authorization for Plan Administrator David Jones to travel for the due diligence visit with Pension Consulting Alliance (“PCA”), Investment Consultant for the Oakland Police and Fire Retirement System (“PFRS”) on February 11, 2019 in Portland, OR with an estimated budget of Six Hundred Ten Dollars (\$610.00), second by Member Wilkinson. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 0 / ABSTAIN: 0)

F8. Resolution No 7047: Teir Jenkins Travel – Member Kasaine made a motion to approve Resolution No. 7047 – Travel authorization for PFRS staff member Teir Jenkins to travel and attend the 2019 Pension Bridge Conference (“Pension Bridge Conference”) from April 9, 2019 to April 10, 2019 in San Francisco, CA with an estimated budget of Two Hundred Thirty-seven Dollars (\$237.00), second by Member Godfrey. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 0 / ABSTAIN: 0)

F9. Resolution No. 7048: David Jones Travel – Member Kasaine made a motion to approve Resolution No. 7048 – Travel authorization for PFRS staff member David Jones to travel and attend the 2019 Pension Bridge Conference (“Pension Bridge Conference”) from April 9, 2019 to April 10, 2019 in San Francisco, CA with an estimated budget of Two Hundred Thirty-seven Dollars (\$237.00), second by Member Godfrey. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 0 / ABSTAIN: 0)

G. PFRS INVESTMENT COMMITTEE MEETING – FEBRUARY 27, 2019

G1. Report regarding the Management of Parametric Portfolio Advisors – David Sancewich from PCA reported that representatives from Parametric Portfolio Advisors reported to the PFRS Investment Committee about the changes in the operations and management of PFRS investment with this investment manager due to the recent management changes, and detailed a review of the Systematic Alternative Risk Premia Strategy used by Parametric for the PFRS Investment Fund. Member Godfrey made a motion to approve the informational report from PCA about Parametric Portfolio Advisors, second by member Kasaine. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 0 / ABSTAIN: 0)

G2. Investment Market Overview – David Sancewich from Pension Consulting Alliance (PCA) reported on the global economic factors affecting the PFRS Fund. Member Godfrey made a motion accept the Informational Report from PCA, second by Member Melia. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 0 / ABSTAIN: 0)

G3. Investment Fund Performance Report for the Quarter Ending 12/31/18 – David Sancewich presented the PFRS Investment Fund Performance Report for the Quarter ending December 31, 2018. Mr. Sancewich reported that the PFRS fund underperformed compared to the benchmark (net of fees) for the most recent quarter, fiscal year-to-date and 1-year periods but continued to outperform the benchmark for the 3- and 5-year periods (net of fees). Following his presentation, Member Godfrey made a motion to approve the Investment Fund Performance

Report for the Quarter ending December 31, 2018, second by member Speakman. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 0 / ABSTAIN: 0)

G4. Active vs. Passive Management Style overview – Mr. Sancewich presented the PCA report explaining the details and significance of Active and Passive styles in the management of securities investment and how it is utilized for public pension funds like PFRS. Following his presentation, member Godfrey made a motion to accept the informational report from PCA, second by member Speakman. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 0 / ABSTAIN: 0)

G5. PCA review of the PFRS International Equity Investment Asset Class Portfolio – Mr. Sancewich presented the PCA report reviewing the PFRS management of its International Equity Investment portfolio. Mr. Sancewich's report recommended a reassignment of investment funds in the international equity investment portfolio, specifically investments in the Active Growth and Active Value portfolios, and that PCA conduct a request for proposals to continue this reassignment into an Active Core International Equity investment asset class. The PFRS board addressed whether the current PFRS funds in the Growth and Value International Equity asset classes should be moved to transition accounts while the search for a new investment manager was undertaken. Mr. Sancewich explained his recommendation that these funds remain with their current managers. Member Kasaine made a motion to approve the PCA recommendation that it conduct an RFP for a new International Equity Investment Manager, second by member Speakman. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 0 / ABSTAIN: 0)

G6. Possible assignment of investment funds to an existing PFRS Investment Manager to manage PFRS Crisis Risk Offset (CRO) – Long Duration – Mr. Sancewich presented a report of the future management of PFRS Crisis Risk Offset (Long Duration) Investment fund. Mr. Sancewich recommended State Street Global Advisors be assigned the management of the PFRS investment assets in this asset class at fees of four (4) basis points. Member Melia made a motion to recommend Board approval of the assignment of State Street Global Advisors, at a fee of 4 basis points, the management of the PFRS investment funds for the Crisis Risk Offset (Long Duration) asset class investment fund, second by member Wilkinson. Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 0 / ABSTAIN: 0)

I. Member Resolutions – Member Speakman made a motion to approve Resolution No. 7051 – a Resolution approving death benefit payments and directing warrants thereunder in the total sum of \$1,000.00 payable to the beneficiaries of deceased

members as follows: Shellie R. Robertson & Sandra L. Gaillard, second by member Godfrey, Motion passed.

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 0 / ABSTAIN: 0)

J. NEW BUSINESS – Member Kasaine made a motion directing staff to present an informational report regarding calculations for retroactive pension payments for PFRS Police members at ranks of Captain and above for the May 2019 Board meeting, second by member Speakman. Motion passed

[GODFREY – Y / JOHNSON – Y / KASAINÉ – Y / MELIA – Y / MUSZAR – ABSENT / SPEAKMAN – Y / WILKINSON – Y]
(AYES: 6 / NOES: 0 / ABSTAIN: 0)

K. OPEN FORUM – Legal Counsel Pelayo Llamas presented the Appellate Court opinion no. A148987 of the First Appellate district, Division 4 of the Court of Appeal of the State of California in the matter of Alameda County Superior Court Case No. RG-14753080.

L. FUTURE SCHEDULING – The next PFRS Board meeting was scheduled for Wednesday, March 27, 2019.

The meeting adjourned at 2:12 pm.

DAVID JONES, BOARD SECRETARY

DATE



PENSION
CONSULTING
ALLIANCE

March 27, 2019

Walter L. Johnson, Sr., President
Oakland Police and Fire Retirement Board
150 Frank H. Ogawa Plaza, Suite 3349
Oakland, California 94612

RE: Agreement dated July 1, 2004 between the Oakland Police and Fire Retirement Board and Pension Consulting Alliance, LLC (the "Contract")

Dear Mr. Johnson:

Per our recent conversation, Pension Consulting Alliance, LLC ("PCA") has entered into a transaction (the "Transaction") whereby PCA will merge with Meketa Investment Group, Inc. ("Meketa"). We anticipate completing the Transaction by the end of March 2019, after we have received all necessary consents and approvals. While after the completion of the Transaction PCA will operate under the name Meketa and have additional resources, the investment consulting services provided to you will continue uninterrupted and Sean Copus, Kristen Chase and I will continue to be your primary consultants.

The Transaction will result in a change in control of PCA under the Investment Advisers Act of 1940, as amended, and the rules promulgated thereunder (the "Adviser Act"). The Adviser Act and our Contract requires us to obtain your consent for the assignment of the Contract to Meketa. Accordingly, we are requesting that you consent to the assignment and confirm that the Contract will continue to be binding on its terms after the Transaction is completed.

We appreciate your timely cooperation in this matter and look forward to continuing our relationship. If you have any questions or would like any further information, please do not hesitate to contact us.

Sincerely,

David Sancewich, Managing Director

Consented as of March 27, 2019

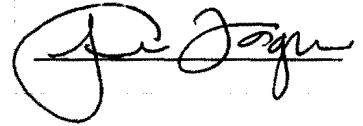
OAKLAND POLICE AND FIRE RETIREMENT BOARD

By: _____
Name: Walter L. Johnson, Sr.
Title: President

Please return a signed copy of this letter to your PCA consultant via email, with a copy to PCA's General Counsel, Ethan Samson, at ethansamson@pensionconsulting.com

OAKLAND POLICE AND FIRE RETIREMENT BOARD
CITY OF OAKLAND, CALIFORNIA

*Approved to Form
and Legality*



RESOLUTION No. 7053

ON MOTION OF MEMBER _____ SECONDED BY MEMBER _____

RESOLUTION APPROVING DEATH BENEFIT PAYMENTS AND DIRECTING WARRANTS THEREUNDER IN THE TOTAL SUM OF \$1,000.00 PAYABLE TO THE BENEFICIARIES OF DECEASED MEMBERS AS FOLLOWS: JUNE L. PORTER, JESS V. BOWERS & JOHN S. BOWERS, MARIA M. MARTINEZ-CRISSIEN, AND LEIGH EVANS & DALE DREW

WHEREAS, due proof having been received of the death of the persons named in Column (1) below, retired members of the Oakland Police or Fire Department, under Article XXVI of the Charter of the City of Oakland; and

WHEREAS, the beneficiaries to whom the death benefit provided in Charter Section 2612 are payable, are the persons whose names are stated in Column (2) opposite the respective names of the deceased retired member; and

WHEREAS, the amount of said death benefit is stated in Column (4) opposite said respective names; now, therefore, be it

RESOLVED: That the Retirement Board does hereby approve the Death Benefit payment to the persons named in Column (2); and be it

FURTHER RESOLVED: That the Director of Finance, be and is hereby directed to draw and sign warrants for the amount in Column (4) payable to the respective persons whose name(s) appear(s) in Column (2):

(1) Name of Deceased Member	(2) Name of Beneficiary(ies)	(3) Relationship of Beneficiary(ies)	(4) Death Benefit Amount
John W. Bowers (F)	June L. Porter Jess V. Bowers John S. Bowers	Children	\$334.00 \$333.00 \$333.00
Manfred F. Schreiber (F)	Maria M. Martinez-Crissien	Friend	\$1,000.00
Robert W. Evans (F)	Leigh Evans Dale Drew	Children	\$500.00 \$500.00

IN BOARD MEETING, CITY HALL, OAKLAND, CA MARCH 27, 2019

PASSED BY THE FOLLOWING VOTE:

AYES: GODFREY, KASAIN, MELIA, MUSZAR, SPEAKMAN, WILKINSON, AND PRESIDENT JOHNSON

NOES:

ABSENT:

ATTEST: _____
PRESIDENT

ATTEST: _____
SECRETARY

All persons wishing to address the Board must complete a speaker's card, stating their name and the agenda item (including "Open Forum") they wish to address. The Board may take action on items not on the agenda only if findings pursuant to the Sunshine Ordinance and Brown Act are made that the matter is urgent or an emergency.

Oakland Police and Fire Retirement Board meetings are held in wheelchair accessible facilities. Contact Retirement Unit, 150 Frank Ogawa Plaza, Suite 3349 or call (510) 238-7295 for additional information.



Retirement Unit
150 Frank H. Ogawa Plaza
Oakland, California 94612

AGENDA

RETIREMENT BOARD MEMBERS

Walter L. Johnson, Sr.
President

Jaime T. Godfrey
Vice President

Katano Kasaine
Member

Martin J. Melia
Member

Robert J. Muszar
Member

John C. Speakman
Member

R. Steven Wilkinson
Member

**CLOSED SESSION of the BOARD OF ADMINISTRATION
of the OAKLAND POLICE AND FIRE RETIREMENT SYSTEM ("PFRS")**

Wednesday, March 27, 2019 –during regular meeting starting at 11:30 am
One Frank H. Ogawa Plaza, Hearing Room 1
Oakland, California 94612

- - - ORDER OF BUSINESS - - -

THE PFRS BOARD WILL MEET IN CLOSED SESSION DURING ITS SCHEDULED BOARD MEETING

Please see the meeting agenda for open session items. The board will convene in open session prior to the closed session. Speakers may address the items of business on the closed session agenda prior to closed session. All speakers must fill out a speaker's card and submit it to the Secretary to the Board. The Board will reconvene in open session following the closed session to report any final decisions that the board makes in closed session.

Pursuant to California Government Code Section 54956.9(a) and 54956.9(d)(1):

1. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION

Retired Oakland Police Officers Association v. Oakland Police and Fire Retirement System, et al., Alameda County Superior Court Action No. RG16838274