

Section 115 Trust Strategy & Performance Comparison

Audit Committee

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CUPERTINO

Risk Tolerance Indices

Index	5-year Returns*
Capital Appreciation (75% equity)	9.03%
Balanced (60% equity)	8.18%
Moderate (50% equity)	7.51%
Moderately Conservative (30% equity)	6.11%
Conservative (15% equity)	5.11%

* Of PARS' 400+ clients in their Section 115 Trust, 40 cities and 20 special districts/counties in the Bay Area are in 1 of the 5 above risk tolerance levels; These are their respective returns over 5 years through 9/30/20

The **City's OPEB Trust** has yielded 9.81% and **9.59%** gross and net of fees, respectively, over the last **5 years**.

The **City's Pension Trust** has yielded 17.09% and **16.88%** gross and net of fees, respectively, over the last **12 months** and 14.81% and **14.60%** gross and net of fees, respectively, over the last **20 months**.

Investment Strategy Comparison

Agency	Pension Risk Tolerance	OPEB Risk Tolerance
Cupertino	Balanced	Balanced
Redwood City	Moderately Conservative	Balanced*
Morgan Hill	Moderately Conservative	Moderate
Burlingame	Moderate	Balanced*
Santa Clara	Moderately Conservative	Moderately Conservative
Palo Alto	Moderately Conservative	Balanced*

*Agency invests in CalPERS' CERBT trust in an investment "Strategy 1" which Consists of ~59% equity and closely resembles a "balanced" investment approach

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Questions?