Meeting of the PERSI Retirement Board

March 19, 2024 | 8:30 A.M. - 12:00 P.M.

PERSI Office - 607 N. 8th St. Boise, ID 83702

www.persi.idaho.gov

AGENDA

Estimate Time		
8:30 AM		*Call to Order*
	5	Meeting Minutes of the February 27th
8:35 AM		*Chief Investment Officer and Deputy Chief Investment Officer*
	15	Monthly Portfolio Update
	30	Investment Manager Market Overview
		Mellon Cap (Todd Bailey and Stephanie Hill)
9:30 AM	15	Break
9:45 AM		*Governance (Executive Director and CIO)*
	10	Investment Policy Statement Adoption *
	5	Current Governance Review Process
10:00 AM		*Executive Director and Deputy Director*
	15	Status Update
	30	2024 & 2025 Legislative Update
		(Milliman - Robert Schmidt & Ryan Cook)
	30	Plante Moran Risk Review and Audit Plan* (Gabrielle Wafer)
11:15 AM		*Chief Financial Officer*
	5	Fiscal Update/Travel/Expense Report
	10	Budget Setting Preview
11:20 AM		*Board*
	5	April Draft Agenda Review
	5	Trustee Call For Future Agenda Items*
11:30 AM	30	Executive Session**
		Idaho Code § 74-206 (1)(a)(b)*
12:00 PM	Adjournment	

**Decision of the Board Requested*
***For purposes of entering executive session*

2024 Regular Meeting Schedule

April 30
May 29
July 16
August 13
September 24
October 29
December 17

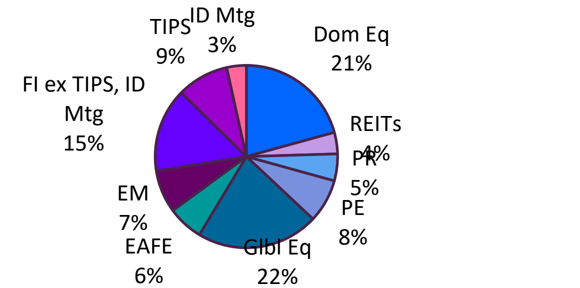
PERSI Investment Report

March 12, 2024

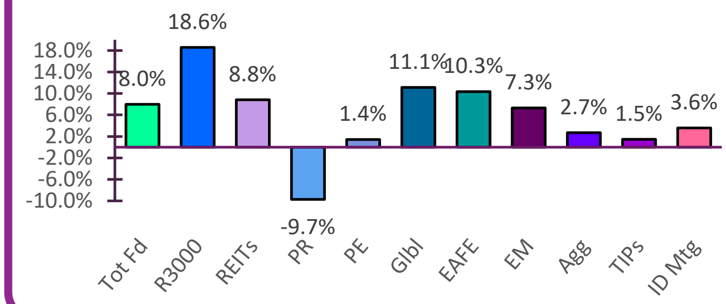
Current Value of the Fund	23,807,562,432
Previous Day Market Value	23,704,694,920
One Day Change in NAV	102,867,512

MTD Return		FYTD Return		Five-year Return	
Total Fund	**1.5%**	**Total Fund**	**8.0%**	**Total Fund**	**8.2%**
55-15-30	**1.4%**	55-15-30	**11.9%**	55-15-30	**9.2%**
U.S. Equity	**1.3%**	**U.S. Equity**	**10.3%**	**U.S. Equity**	**12.5%**
R3000	**1.4%**	R3000	**17.2%**	R3000	**14.3%**
Global Equity	**2.0%**	**Global Equity**	**11.1%**	**Global Equity**	**11.7%**
MSCI World	**1.9%**	MSCI World	**15.9%**	MSCI World	**12.6%**
Int'l Equity	**2.8%**	**Int'l Equity**	**8.7%**	**Int'l Equity**	**4.5%**
MSCI EAFE	**2.6%**	MSCI EAFE	**11.4%**	MSCI EAFE	**7.9%**
Fixed Income	**0.7%**	**Fixed Income**	**2.4%**	**Fixed Income**	**1.7%**
Aggregate	**0.8%**	Aggregate	**2.5%**	Aggregate	**0.6%**

Current Benchmark Allocations



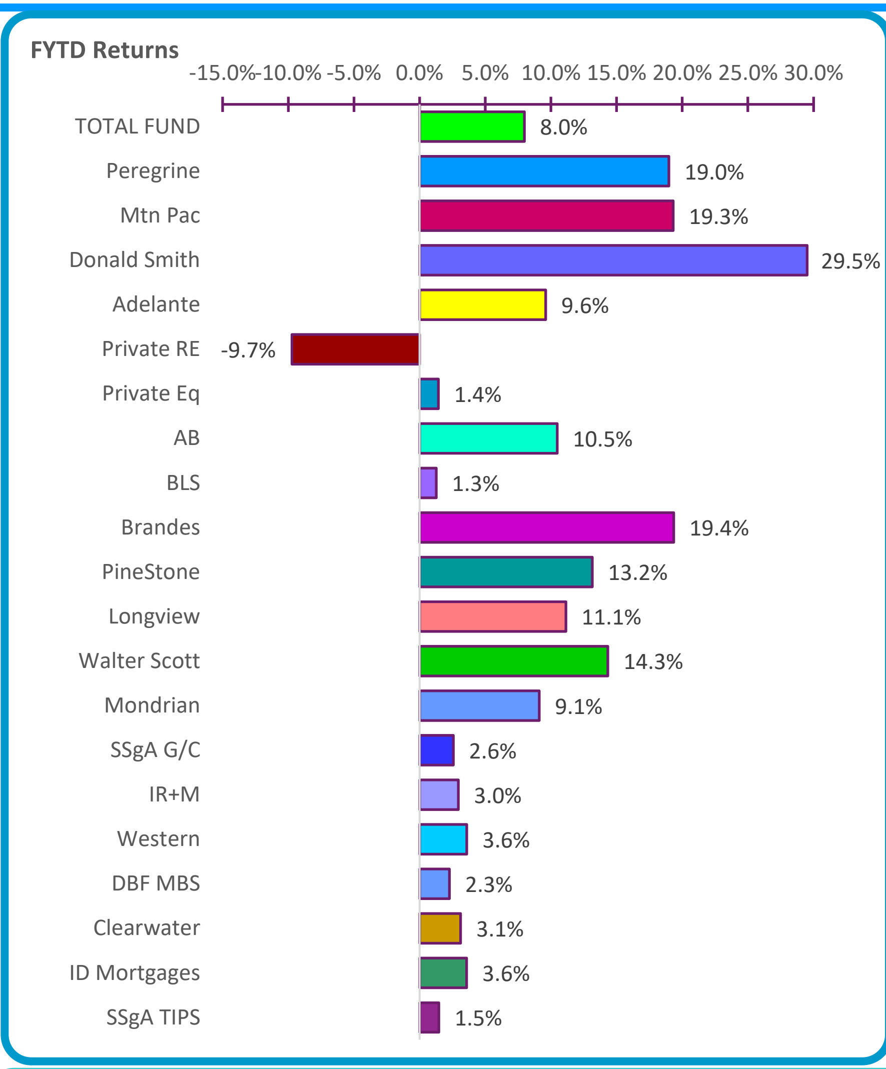
Fund Asset Class Returns - FYTD

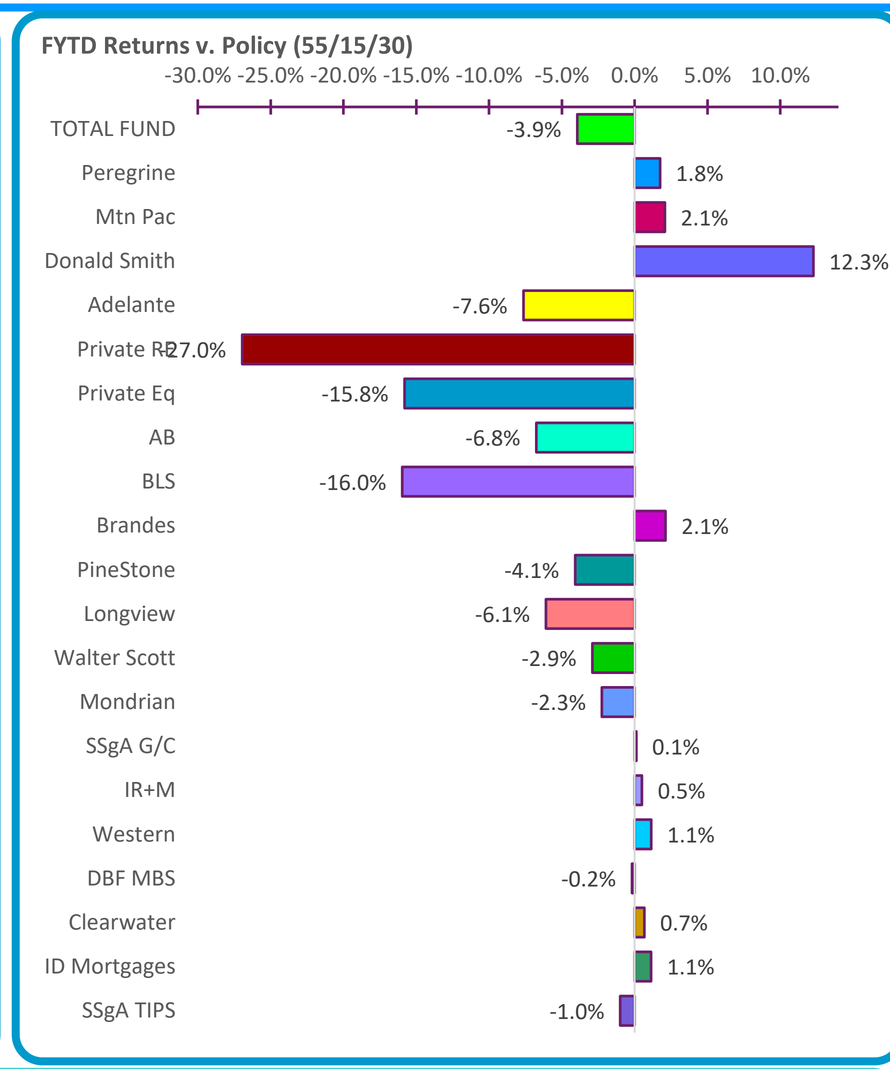


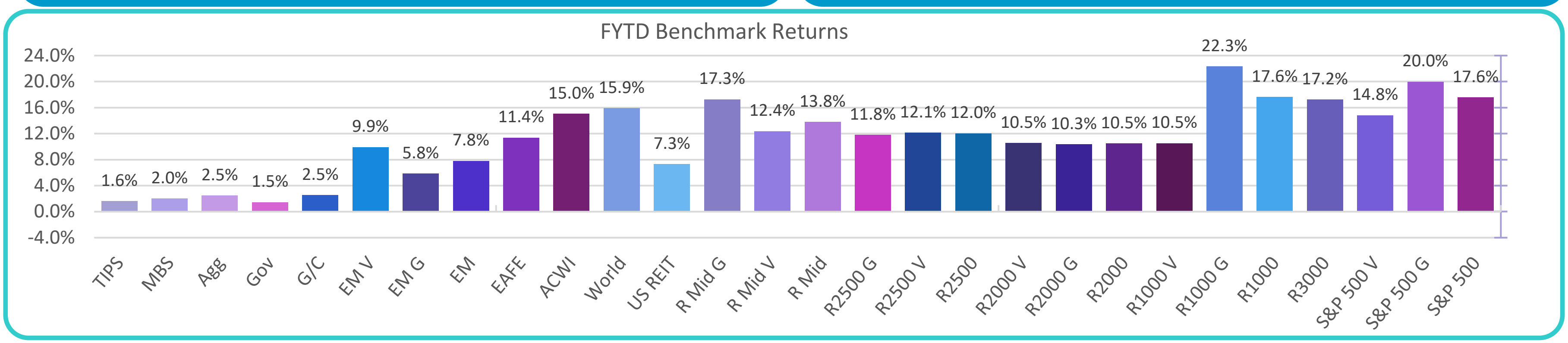
Markets continue to react to economic data in anticipation of the Fed's next move. The S&P 500 index hit a record high last week, but markets retreated on Friday and rallied to a new record high.

<u>For the FYTD:</u>
The Total Fund is up +8.0% at $23.8 billion, underperforming the broad (55/15/30) policy benchmark by 390 basis points. The sick leave funds are up +9.4% at $672 million. US equities (R000) are up +17.2%, global equities (MSCI World) are up +15.9%, international developed markets (MSCI EAFE) are up +11.4%, and investment grade bonds are up +2.5%. REITs (DJ US Select) are up +7.2%, emerging markets (MSCI EM) are up +7.8%, and TIPS are up +1.6%. Private real estate is down -9.7% and private equity is up +1.4%.

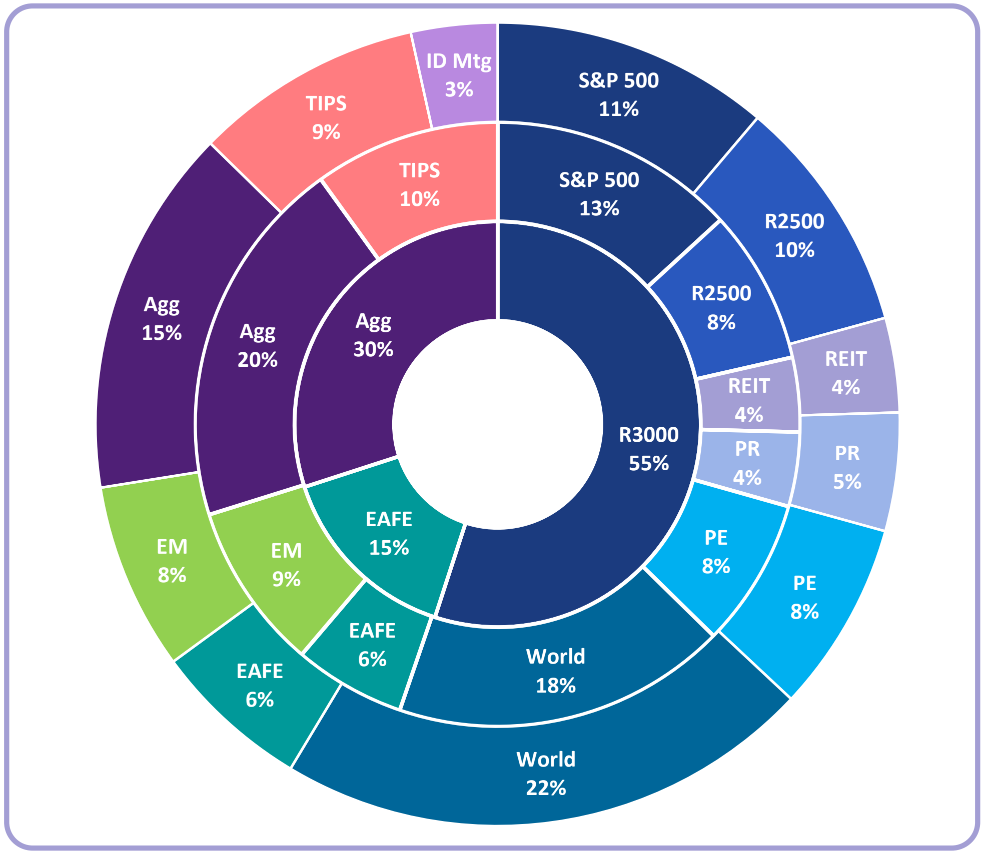
Donald Smith, Brandes, Mountain Pacific, and Peregrine have the best absolute and relative returns while private real estate, BLS, and private equity have the worst. Private real estate, private equity, non-US equity (developed and emerging markets), and TIPS are detracting from performance while Idaho Mortgages are adding value.


FYTD Returns
-15.0% -10.0% -5.0% 0.0% 5.0% 10.0% 15.0% 20.0% 25.0% 30.0%
TOTAL FUND 8.0%
Peregrine 19.0%
Mtn Pac 19.3%
Donald Smith 29.5%
Adelante 9.6%
Private RE -9.7%
Private Eq 1.4%
AB 10.5%
BLS 1.3%
Brandes 19.4%
PineStone 13.2%
Longview 11.1%
Walter Scott 14.3%
Mondrian 9.1%
SSgA G/C 2.6%
IR+M 3.0%
Western 3.6%
DBF MBS 2.3%
Clearwater 3.1%
ID Mortgages 3.6%
SSgA TIPS 1.5%


FYTD Returns v. Policy (55/15/30)
-30.0% -25.0% -20.0% -15.0% -10.0% -5.0% 0.0% 5.0% 10.0%
TOTAL FUND -3.9%
Peregrine 1.8%
Mtn Pac 2.1%
Donald Smith 12.3%
Adelante -7.6%
Private RE -27.0%
Private Eq -15.8%
AB -6.8%
BLS -16.0%
Brandes 2.1%
PineStone -4.1%
Longview -6.1%
Walter Scott -2.9%
Mondrian -2.3%
SSgA G/C 0.1%
IR+M 0.5%
Western 1.1%
DBF MBS -0.2%
Clearwater 0.7%
ID Mortgages 1.1%
SSgA TIPS -1.0%


FYTD Benchmark Returns
24.0% 20.0% 16.0% 12.0% 8.0% 4.0% 0.0% -4.0%
TIPS 1.6%
MBS 2.0%
Agg 2.5%
Gov 1.5%
G/C 2.5%
EM V 9.9%
EM G 5.8%
EM 7.8%
EAFE 11.4%
ACWI 15.0%
World 15.9%
US REIT 7.3%
R Mid G 17.3%
R Mid V 12.4%
R Mid 13.8%
R2500 G 11.8%
R2500 V 12.1%
R2500 12.0%
R2000 V 10.5%
R2000 G 10.3%
R2000 10.5%
R1000 V 10.5%
R1000 G 22.3%
R1000 17.6%
R3000 17.2%
S&P 500 V 14.8%
S&P 500 G 20.0%
S&P 500 17.6%

	FYTD		Mkt Value	Allocation %	
TOTAL FUND	**8.0%**	**$**	**23,807,562,432**		
U.S. EQUITY	**10.3%**	**$**	**8,804,306,028**	**37.0%**	59%
MCM S&P 500		$	939,200	0.0%	
MCM R1000	17.6%	$	1,486,132,945	6.2%	
Peregrine	19.0%	$	1,177,334,974	4.9%	
MCM Mid		$	741	0.0%	
MCM Sm Cap	10.5%	$	79,995,429	0.3%	
Mtn Pac	19.3%	$	1,100,179,670	4.6%	
Donald Smith	29.5%	$	1,090,476,019	4.6%	
Adelante	9.6%	$	623,413,514	2.6%	
MCM REIT	7.2%	$	281,517,177	1.2%	
Private RE	**-9.7%**	$	1,133,282,153	4.8%	
Private Eq	**1.4%**	$	1,831,034,207	7.7%	
GLOBAL EQUITY	**11.1%**	**$**	**5,150,085,545**	**21.6%**	
AB	10.5%	$	595,198,388	2.5%	
BLS	1.3%	$	975,597,725	4.1%	
Brandes	19.4%	$	766,643,164	3.2%	
PineStone	13.2%	$	1,022,421,332	4.3%	
Longview	11.1%	$	818,977,961	3.4%	
Walter Scott	14.3%	$	971,057,974	4.1%	
INT EQUITY	**8.7%**	**$**	**3,300,949,320**	**13.9%**	14%
MCM EAFE	11.3%	$	873,990,043	3.7%	
Mondrian	9.1%	$	632,528,594	2.7%	
MCM EM	7.1%	$	907,862,420	3.8%	
SSgM IEMG ETF	7.5%	$	886,470,569	3.7%	
Genesis		$	97,695	0.0%	



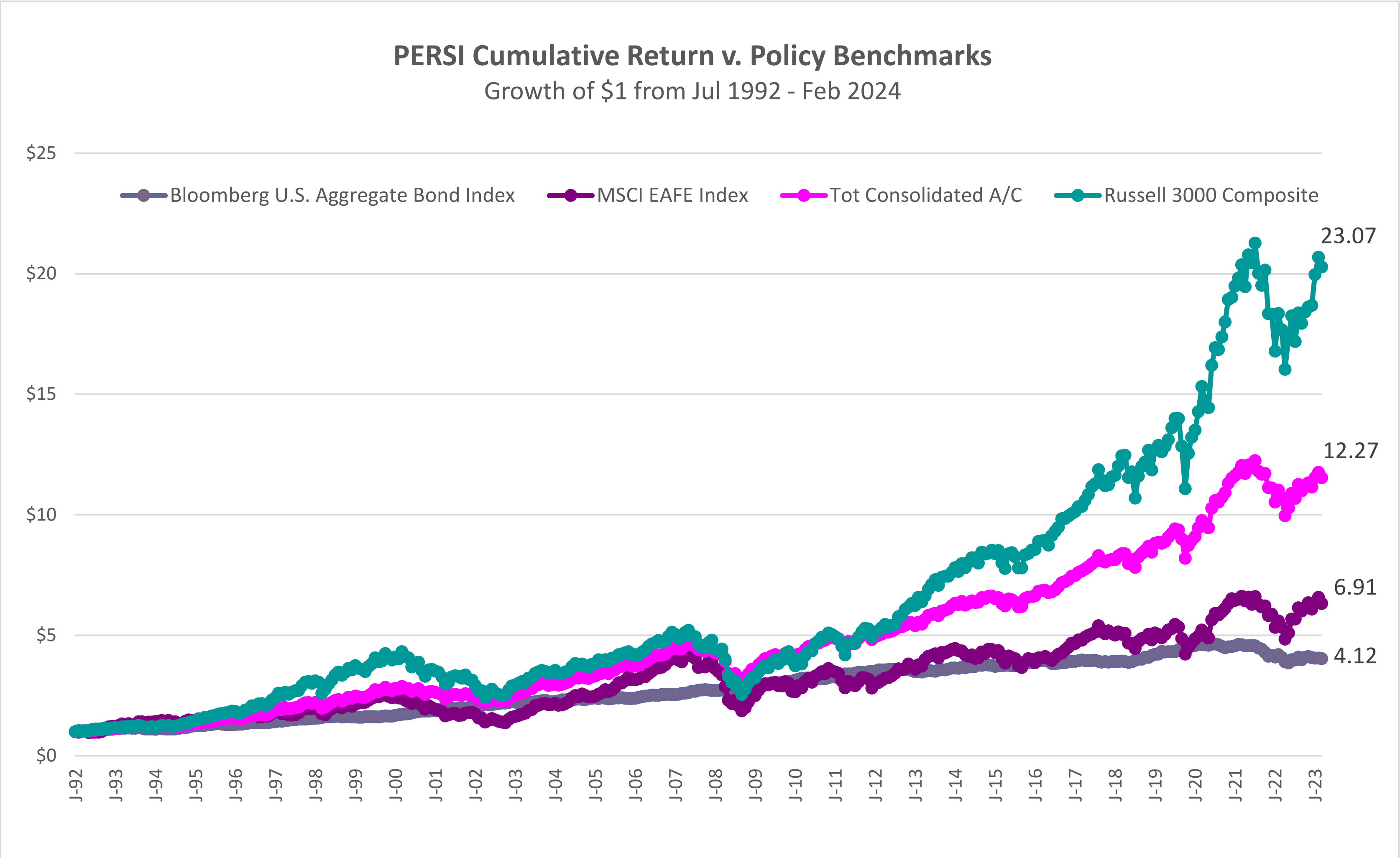
	FYTD		Mkt Value	Allocation %	
FIXED INCOME	**2.4%**	**$**	**6,552,410,538**	**27.8%**	28%
SSgA G/C	2.6%	$	2,570,436,221	10.8%	
IR+M	3.0%	$	224,975,567	0.9%	
Western	3.6%	$	295,490,910	1.2%	
DBF MBS	2.3%	$	160,850,312	0.7%	
Clearwater	3.1%	$	218,534,602	0.9%	
ID Mortgages	3.6%	$	826,271,407	3.5%	
SSgA TIPS	1.5%	$	2,189,340,445	9.2%	
Cash & Other	3.4%	$	66,511,075	0.3%	

PERSI Total Fund Returns

March 12, 2024

	MTD	FYTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	7 Yr	10 Yr	15 Yr	20 Yr
TOTAL FUND	**1.5%**	**8.0%**	**14.6%**	**4.9%**	**4.5%**	**11.5%**	**8.2%**	**8.3%**	**7.6%**	**9.7%**	**7.4%**
Broad Policy (55/15/30)	1.4%	11.9%	22.7%	7.4%	5.0%	13.7%	9.2%	8.7%	7.9%	10.9%	7.3%
US/GLOBAL EQUITY	**1.6%**	**10.6%**	**20.9%**	**9.1%**	**9.1%**	**18.1%**	**12.3%**	**12.2%**	**11.1%**	**13.0%**	**9.3%**
US EQUITY	**1.8%**	**18.6%**	**35.5%**	**11.8%**	**8.7%**	**20.5%**	**13.2%**	**12.7%**	**11.8%**	**15.6%**	**10.2%**
R 3000	1.4%	17.2%	34.8%	11.9%	9.1%	21.7%	14.3%	13.2%	12.1%	15.8%	10.0%
LARGE CAP											
S&P 500	1.6%	17.6%	36.2%	12.8%	11.2%	22.1%	15.1%	13.8%	12.8%	16.0%	10.1%
MCM R1000	1.5%	17.6%	35.6%	12.4%	10.0%	21.9%	14.7%	13.5%	12.5%	15.9%	10.3%
R 1000	1.5%	17.6%	35.8%	12.4%	10.0%	21.9%	14.7%	13.5%	12.5%	16.0%	10.2%
Peregrine	**0.9%**	**19.0%**	**49.9%**	**13.5%**	**2.4%**	**16.2%**	**13.2%**	**16.4%**	**15.6%**	**17.5%**	
R 1000 Growth	1.0%	22.3%	50.8%	16.7%	12.6%	24.7%	18.9%	18.0%	15.8%	18.3%	
SMALL/MID CAP											
R Midcap	1.7%	13.8%	23.4%	8.0%	4.9%	19.2%	10.8%	10.3%	9.6%	15.3%	9.9%
MCM R2000	0.6%	10.5%	18.3%	3.9%	-2.6%	18.1%	7.5%	7.7%	7.2%	13.4%	8.0%
R 2000	0.6%	10.5%	18.4%	3.7%	-3.0%	18.0%	7.4%	7.5%	7.1%	13.3%	8.0%
Mtn Pac	**1.2%**	**19.3%**	**31.9%**	**12.0%**	**7.3%**	**19.7%**	**12.8%**	**12.0%**	**11.8%**	**16.2%**	**11.3%**
Donald Smith	**4.2%**	**29.5%**	**45.4%**	**29.2%**	**23.0%**	**39.5%**	**20.2%**	**15.7%**	**11.8%**	**16.5%**	
R 2500	1.1%	12.0%	20.7%	5.7%	0.8%	19.3%	9.3%	9.2%	8.5%	14.5%	9.1%
REITS											
MCM REIT	1.8%	7.2%	14.4%	-4.3%	3.4%	9.4%	3.3%	4.7%	5.9%		
DJ US Select REIT	1.8%	7.2%	14.4%	-4.3%	3.4%	9.4%	3.3%	4.7%	6.0%		
Adelante	**1.6%**	**9.6%**	**18.5%**	**-2.7%**	**6.0%**	**10.9%**	**6.3%**	**7.8%**	**8.7%**	**14.8%**	**8.6%**
MSCI US REIT Index	1.7%	7.3%	14.3%	-3.3%	3.8%	10.0%	4.5%	5.6%	6.6%	13.0%	7.5%
PRIVATE EQUITY	**0.3%**	**1.4%**	**4.9%**	**2.8%**	**15.9%**	**16.0%**	**15.0%**	**15.4%**	**12.7%**	**11.9%**	**12.8%**
PRIVATE REAL ESTATE	**0.3%**	**-9.7%**	**-13.2%**	**-1.6%**	**7.7%**	**6.7%**	**7.0%**	**5.2%**	**7.3%**		
R 3000	1.4%	17.2%	34.8%	11.9%	9.1%	21.7%	14.3%	13.2%	12.1%	15.8%	10.0%
GLOBAL EQUITY	**2.0%**	**11.1%**	**22.5%**	**12.0%**	**8.4%**	**19.4%**	**11.7%**	**11.8%**	**10.0%**	**13.1%**	**8.4%**
R 3000	1.4%	17.2%	34.8%	11.9%	9.1%	21.7%	14.3%	13.2%	12.1%	15.8%	10.0%
AB	**3.2%**	**10.5%**	**20.3%**	**7.7%**	**3.8%**	**17.0%**	**7.5%**	**5.8%**	**5.6%**	**10.3%**	
BLS	**-0.2%**	**1.3%**	**9.1%**	**10.3%**	**6.4%**	**18.5%**	**11.5%**				
Brandes	**2.8%**	**19.4%**	**25.9%**	**15.6%**	**10.6%**	**23.1%**	**11.8%**	**9.8%**	**8.1%**	**11.8%**	**7.0%**
PineStone	**2.8%**	**13.2%**	**27.2%**	**12.5%**	**10.1%**	**19.8%**	**14.4%**				
Longview	**1.9%**	**11.1%**	**25.5%**	**12.0%**	**9.5%**	**19.2%**	**10.7%**	**10.9%**	**10.5%**		
Walter Scott	**2.4%**	**14.3%**	**29.5%**	**13.5%**	**9.2%**	**18.9%**	**13.1%**				
MSCI World	1.9%	15.9%	30.6%	11.7%	8.8%	20.0%	12.6%	11.6%	9.9%	13.4%	8.7%
MSCI ACWI	2.0%	15.0%	28.6%	10.6%	7.0%	18.5%	11.5%	10.8%	9.2%	12.7%	

	MTD	FYTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	7 Yr	10 Yr	15 Yr	20 Yr
INT'L EQUITY	**2.8%**	**8.7%**	**14.1%**	**4.6%**	**-1.1%**	**10.3%**	**4.5%**	**5.3%**	**4.2%**	**8.6%**	**6.2%**
MSCI EAFE	2.6%	11.4%	17.8%	10.6%	5.0%	15.3%	7.9%	7.4%	5.3%	9.6%	6.3%
MSCI EAFE Net Div	2.5%	11.2%	17.2%	10.0%	4.5%	14.7%	7.4%	6.9%	4.8%	9.1%	5.8%
INT'L - Developed Mkts	**2.5%**	**10.3%**	**16.2%**	**9.7%**	**4.9%**	**14.7%**	**7.1%**	**6.8%**			
MCM EAFE	2.5%	11.3%	17.5%	10.3%	4.8%	15.1%	7.8%	7.3%	5.2%	9.5%	6.1%
Mondrian	**2.4%**	**9.1%**	**14.4%**	**8.8%**	**4.9%**	**14.0%**	**5.9%**	**5.9%**	**4.5%**	**8.7%**	
INT'L - Emerging Mkts	**3.0%**	**7.3%**	**12.3%**	**0.8%**	**-5.2%**	**7.1%**	**2.6%**	**4.2%**	**3.7%**	**8.2%**	**7.4%**
SSgM IEMG ETF	**3.2%**	**7.5%**	**10.2%**								
MSCI EM IMI	0.9%	8.7%									
MCM EM	2.8%	7.1%	12.3%	0.6%	-5.9%	7.1%	2.6%	4.4%	3.6%		
MSCI EM	2.8%	7.8%	13.2%	1.5%	-5.3%	7.4%	2.8%	4.7%	3.9%	7.8%	7.0%
FIXED INCOME	**0.7%**	**2.4%**	**3.1%**	**-2.9%**	**-1.6%**	**-0.4%**	**1.7%**	**2.0%**	**2.1%**	**3.5%**	**3.6%**
B Aggregate	0.8%	2.5%	3.1%	-2.3%	-2.5%	-1.7%	0.6%	1.2%	1.6%	2.7%	3.0%
SSgA G/C	0.7%	2.6%	3.2%	-2.1%	-2.3%	-1.6%	1.0%	1.5%	1.8%	3.0%	3.2%
B Gov/Credit	0.7%	2.5%	3.1%	-2.2%	-2.4%	-1.7%	0.9%	1.4%	1.7%	2.9%	3.0%
DBF MBS	**1.0%**	**2.3%**	**3.3%**	**-2.2%**	**-2.6%**	**-1.6%**	**-0.1%**	**0.7%**	**1.1%**	**1.9%**	**2.7%**
B MBS	1.1%	2.0%	2.9%	-2.6%	-2.9%	-1.8%	-0.2%	0.6%	1.1%	2.0%	2.8%
ID Mortgages	**1.0%**	**3.6%**	**4.7%**	**-0.9%**	**-0.8%**	**-0.5%**	**2.3%**	**2.9%**	**3.2%**	**3.8%**	**4.6%**
SSgA TIPS	**0.5%**	**1.5%**	**2.0%**	**-4.8%**	**-0.7%**	**1.5%**	**2.6%**	**2.5%**	**2.2%**	**4.2%**	**3.9%**
B US TIPS	0.5%	1.6%	2.2%	-4.5%	-0.5%	1.6%	2.7%	2.5%	2.2%	3.4%	0.0%
IR+M	**0.7%**	**3.0%**	**3.6%**	**-1.7%**	**-2.0%**	**-1.0%**	**1.5%**				
Western	**1.1%**	**3.6%**	**4.1%**	**-2.7%**	**-3.7%**	**-1.4%**	**0.6%**	**1.5%**	**2.4%**	**5.4%**	
Clearwater	**0.9%**	**3.1%**	**4.1%**	**-1.8%**	**-2.2%**	**-1.1%**	**0.9%**	**1.5%**	**1.9%**	**2.4%**	**3.1%**
B Aggregate	0.8%	2.5%	3.1%	-2.3%	-2.5%	-1.7%	0.6%	1.2%	1.6%	2.7%	3.0%


PERSI Cumulative Return v. Policy Benchmarks
Growth of $1 from Jul 1992 - Feb 2024
$25
$20
$15
$10
$5
$0
Bloomberg U.S. Aggregate Bond Index
MSCI EAFE Index
Tot Consolidated A/C
Russell 3000 Composite
23.07
12.27
6.91
4.12
J-92
J-93
J-94
J-95
J-96
J-97
J-98
J-99
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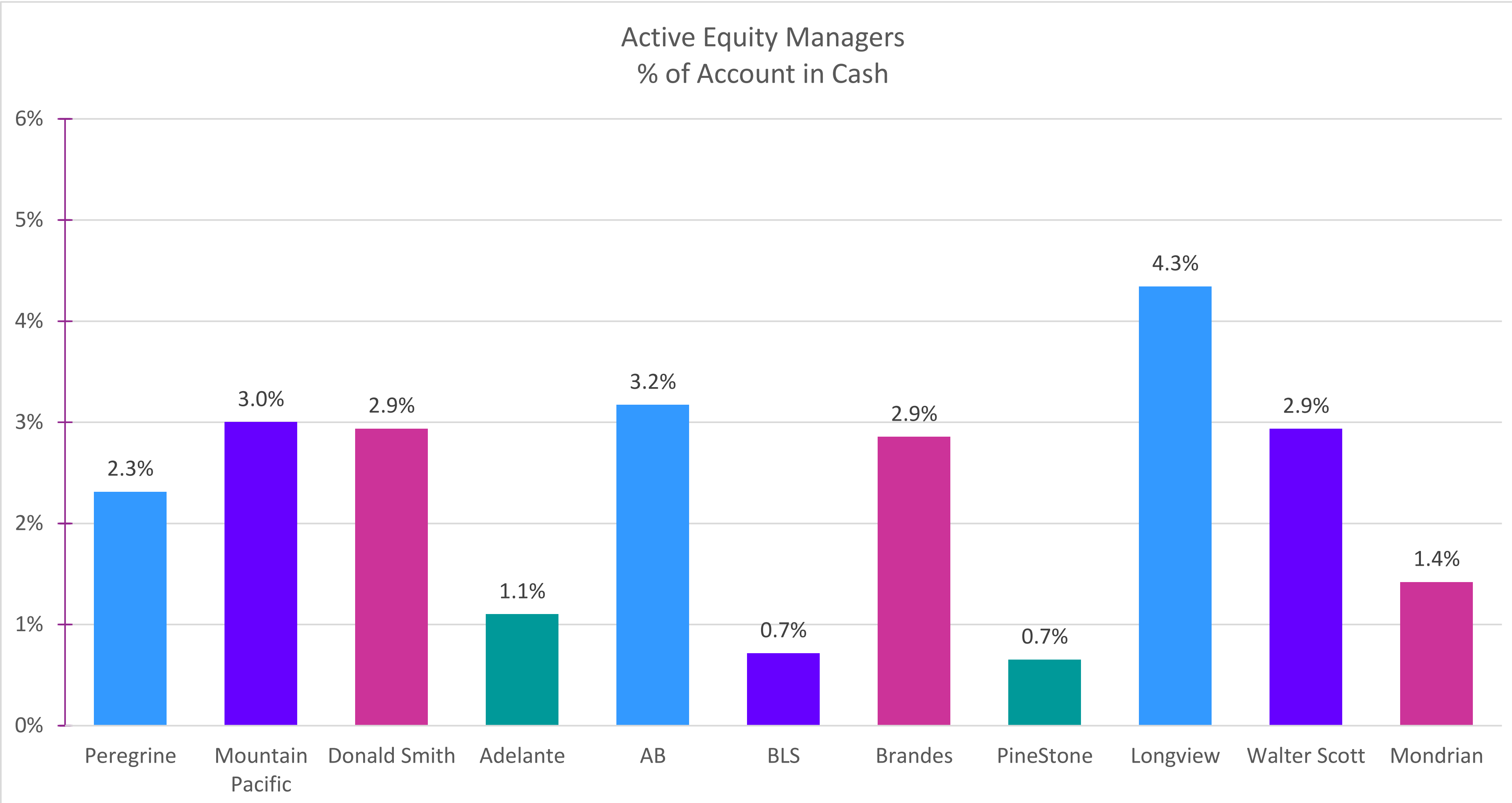

as of date: 3/12/2024

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Total Fund Summary — Feb 2024

Preliminary Performance Summary

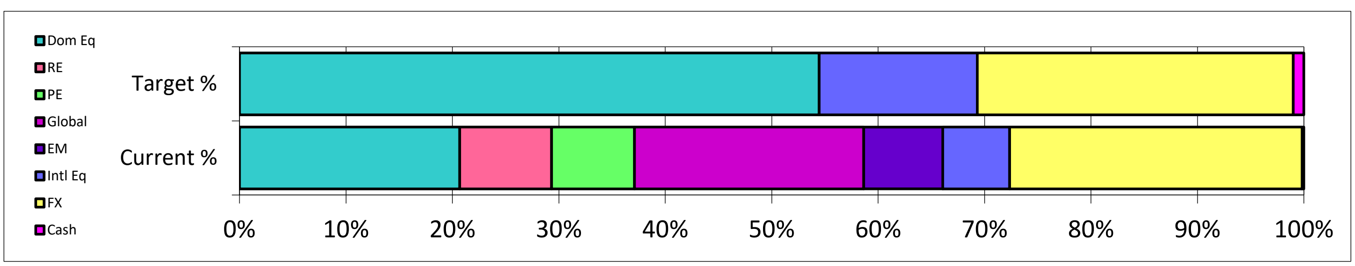
blue = outperform by 50 bp; **red** = underperform by 50 bp *(* Annualized)*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Total Fund	**1.6%**	**5.6%**	**11.7%**	**4.6%**	**7.9%**
Strategic Policy ☆	2.2%	6.3%	12.5%	4.3%	7.5%
Policy *(55-15-30)*	2.8%	8.5%	19.0%	5.2%	8.9%
Total Domestic Equity *(Russell 3000)*	**2.8%**	**7.5%**	**16.3%**	**9.7%**	**11.9%**
Russell 3000	5.4%	12.2%	28.6%	9.9%	13.9%
U.S. Equity *(Russell 3000)*	**4.4%**	**12.0%**	**27.3%**	**9.3%**	**12.9%**
Real Estate *(NCREIF)*	**-0.9%**	**1.4%**	**-5.1%**	**6.7%**	**6.1%**
Private Equity *(Russell 3000*1.35)*	**1.6%**	**-1.1%**	**4.8%**	**16.9%**	**14.8%**
Global Equity *(Russell 3000)*	**2.8%**	**8.6%**	**18.0%**	**9.1%**	**11.2%**
Total International Equity *(MSCI EAFE)*	**2.8%**	**4.7%**	**10.5%**	**-1.3%**	**3.9%**
MSCI EAFE	1.8%	7.9%	15.0%	5.0%	7.3%
Total Fixed Income *(BB Aggregate)*	**-1.2%**	**2.1%**	**3.4%**	**-2.1%**	**1.7%**
Bloomberg Aggregate	-1.4%	2.1%	3.3%	-3.2%	0.6%

Asset Allocation

blue = over allowable target range; **red** = under allowable target range

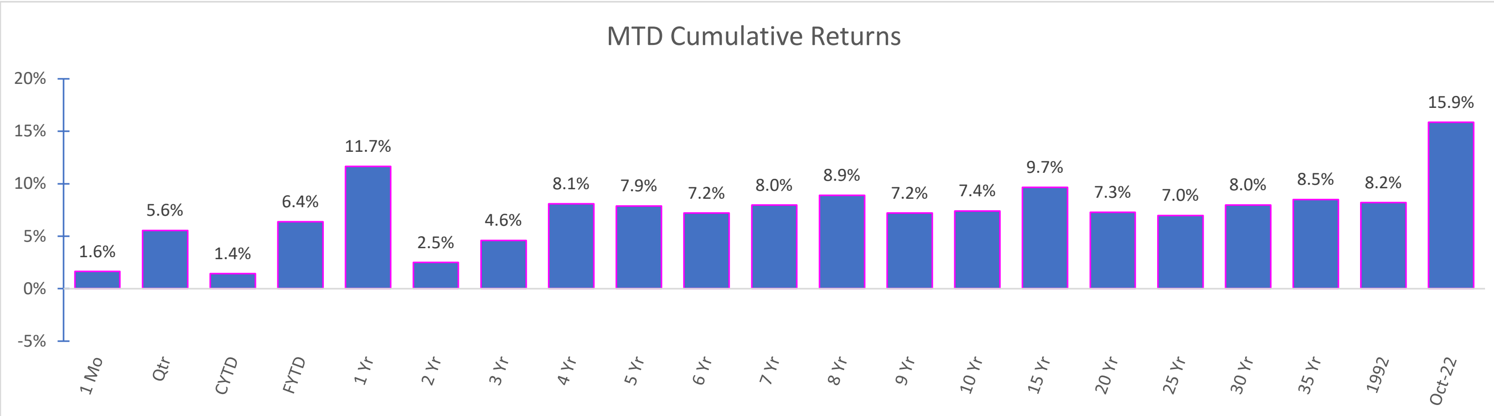
	Month-End MV		Current %	Target %
U.S. Equity	$ 4,846		20.7 %	
Real Estate	$ 2,023		8.6 %	
Private Equity	$ 1,827		7.8 %	
Global Equity	$ 5,048		21.5 %	
Total Domestic Equity		$ 13,744	58.6 %	55.0%
Emerging Markets Equity	$ 1,742		7.4 %	
Total International Equity		$ 3,212	13.7 %	15.0%
Total Fixed Income		$ 6,440	27.5 %	29.0%
Cash		$ 39	0.2 %	1.0%
Total Fund		$ 23,434	100.0 %	100.0%



Performance Commentary:

During the month, the Total Fund underperformed the Strategic and Broad Policy benchmarks by 60 and 120 basis points, respectively. Over the last one-year period, the Total Fund underperformed the Strategic and Broad Policy benchmarks by 80 and 730 basis points, respectively. Over the last five-year period, the Total Fund outperformed the Strategic Policy benchmark by 40 basis points and underperformed the Broad Policy benchmark by 100 basis points.

☆ Strategic Policy Benchmark = 8% R2500, 14% S&P500, 4% REIT, 4% PRE, 8% PE, 9% EM, 8% EAFE, 15% World, 15% Agg, 5% ID Mtg, 10% TIPS


MTD Cumulative Returns
20%
15%
10%
5%
0%
-5%
1.6%
5.6%
1.4%
6.4%
11.7%
2.5%
4.6%
8.1%
7.9%
7.2%
8.0%
8.9%
7.2%
7.4%
9.7%
7.3%
7.0%
8.0%
8.5%
8.2%
15.9%
1 Mo
Qtr
CYTD
FYTD
1 Yr
2 Yr
3 Yr
4 Yr
5 Yr
6 Yr
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8 Yr
9 Yr
10 Yr
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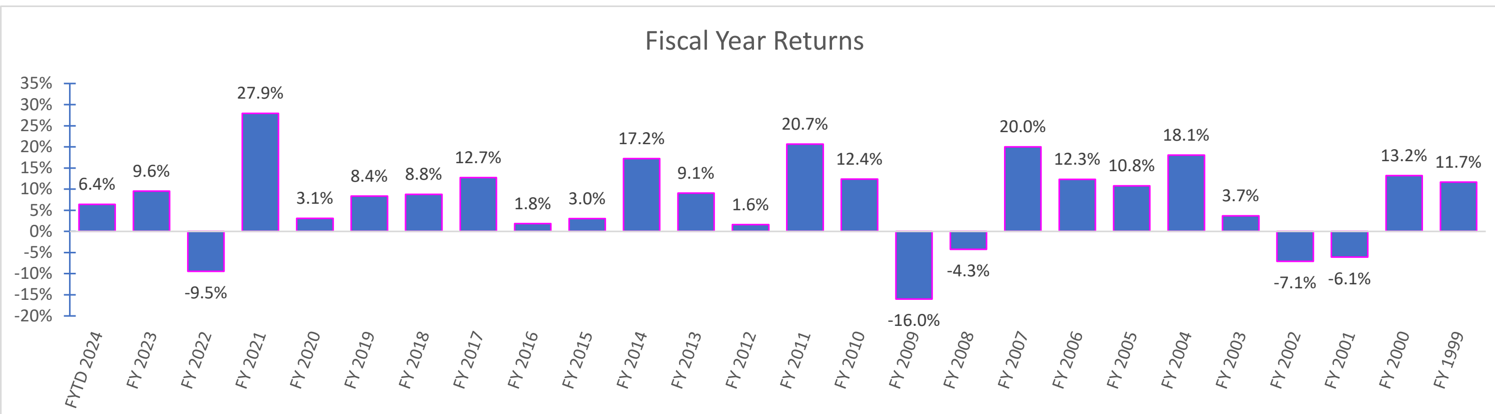
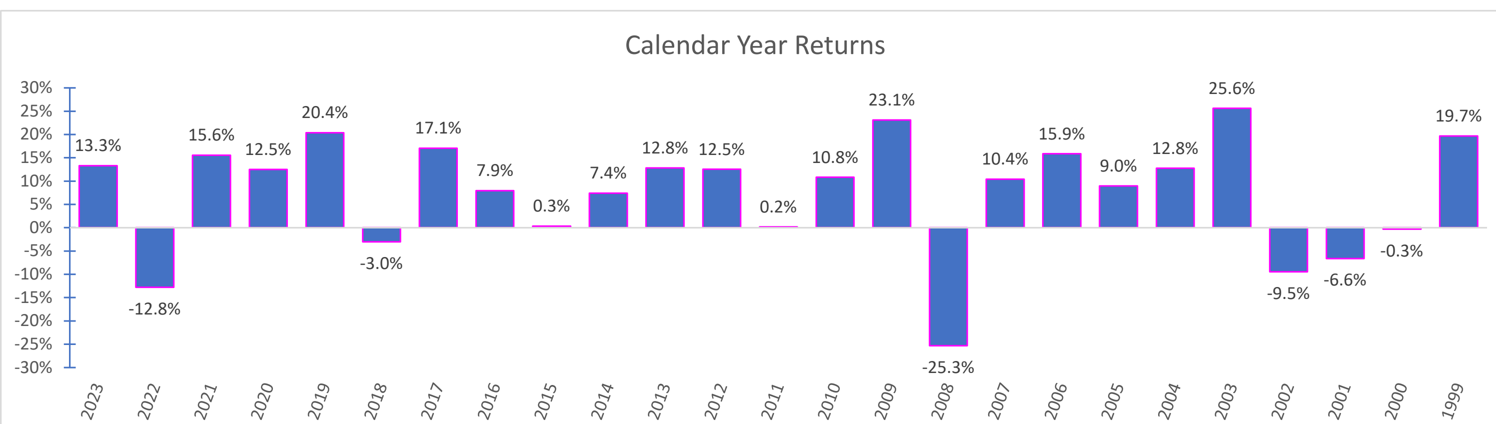
25 Yr
30 Yr
35 Yr
1992
Oct-22


Fiscal Year Returns
35%
30%
25%
20%
15%
10%
5%
0%
-5%
-10%
-15%
-20%
6.4%
9.6%
-9.5%
27.9%
3.1%
8.4%
8.8%
12.7%
1.8%
3.0%
17.2%
9.1%
1.6%
20.7%
12.4%
-16.0%
-4.3%
20.0%
12.3%
10.8%
18.1%
3.7%
-7.1%
-6.1%
13.2%
11.7%
FYTD 2024
FY 2023
FY 2022
FY 2021
FY 2020
FY 2019
FY 2018
FY 2017
FY 2016
FY 2015
FY 2014
FY 2013
FY 2012
FY 2011
FY 2010
FY 2009
FY 2008
FY 2007
FY 2006
FY 2005
FY 2004
FY 2003
FY 2002
FY 2001
FY 2000
FY 1999


Calendar Year Returns
30%
25%
20%
15%
10%
5%
0%
-5%
-10%
-15%
-20%
-25%
-30%
13.3%
-12.8%
15.6%
12.5%
20.4%
-3.0%
17.1%
7.9%
0.3%
7.4%
12.8%
12.5%
0.2%
10.8%
23.1%
-25.3%
10.4%
15.9%
9.0%
12.8%
25.6%
-9.5%
-6.6%
-0.3%
19.7%
2023
2022
2021
2020
2019
2018
2017
2016
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2008
2007
2006
2005
2004
2003
2002
2001
2000
1999

Total Fund
Month-End Performance *Feb 2024*

Manager *(Style Benchmark)* — **blue** = outperform by 50 bp; **red** = underperform by 50 bp — *(* Annualized)*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Total Fund	**1.6%**	**5.6%**	**11.7%**	**4.6%**	**7.9%**
Strategic Policy	2.2%	6.3%	12.5%	4.3%	7.5%
Policy *(55-15-30)*	2.8%	8.5%	19.0%	5.2%	8.9%
Total Domestic Equity *(Russell 3000)*	**2.8%**	**7.5%**	**16.3%**	**9.7%**	**11.9%**
(Includes U.S. Eq, Glbl Eq, RE, PE)					
U.S. Equity ex RE, PE ***(Russell 3000)***	**4.4%**	**12.0%**	**27.3%**	**9.3%**	**12.9%**
Russell 3000	5.4%	12.2%	28.6%	9.9%	13.9%
MCM Index Fund *(Russell 3000)*	5.4%	12.3%	28.3%	9.9%	13.9%
MCM Russell 1000 *(Russell 1000)*	5.4%	12.2%	29.6%	10.6%	14.4%
Russell 1000	5.4%	12.2%	29.8%	10.7%	14.4%
S&P 500 Index	5.3%	12.0%	30.5%	11.9%	14.8%
MCM Russell 2000 *(Russell 2000)*	5.6%	13.9%	10.1%	-0.6%	7.0%
Russell 2000	5.7%	14.0%	1.5%	-0.9%	6.9%
Donald Smith & Co. *(Russell 3000)*	2.2%	12.5%	32.3%	25.7%	19.0%
Russell 3000	5.4%	12.2%	28.6%	9.9%	13.9%
Peregrine *(Russell 1000 Growth)*	3.6%	11.8%	42.8%	1.1%	13.1%
Russell 1000 Growth	6.8%	14.3%	45.9%	12.5%	18.8%
Mountain Pacific *(Russell 2500)*	7.8%	14.7%	24.7%	8.3%	12.4%
Russell 2500	5.4%	13.7%	12.3%	2.2%	8.8%
Global Equity *(Russell 3000)*	**2.8%**	**8.6%**	**18.0%**	**9.1%**	**11.2%**
Russell 3000	5.4%	12.2%	28.6%	9.9%	13.9%
Wilshire 5000	5.4%	12.3%	28.6%	9.7%	13.8%
MSCI World	4.3%	10.8%	25.6%	9.2%	12.2%
MSCI World net div	4.2%	10.7%	25.0%	8.6%	11.7%
MSCI AC World	4.3%	10.0%	23.8%	7.3%	11.1%
BLS *(MSCI ACWI)*	2.2%	6.4%	8.0%	8.0%	11.4%
Bernstein *(MSCI ACWI)*	2.5%	4.9%	13.4%	4.5%	6.6%
Brandes *(Russell 3000)*	3.2%	9.6%	18.9%	11.7%	10.8%
Fiera Capital *(MSCI World)*	3.2%	9.2%	22.5%	10.0%	13.9%
Longview *(MSCI ACWI)*	2.6%	8.9%	20.1%	10.7%	10.2%
Walter Scott *(MSCI World net div)*	3.3%	11.7%	25.6%	9.0%	12.7%
Private Equity *(Russell 3000)*	**1.6%**	**-1.1%**	**4.8%**	**16.9%**	**14.8%**
Russell 3000	5.4%	12.2%	28.6%	9.9%	13.9%

Total Fund
Month-End Performance — *Feb 2024*

Manager *(Style Benchmark)* — **blue** = outperform by 50 bp; **red** = underperform by 50 bp — *(* Annualized)*

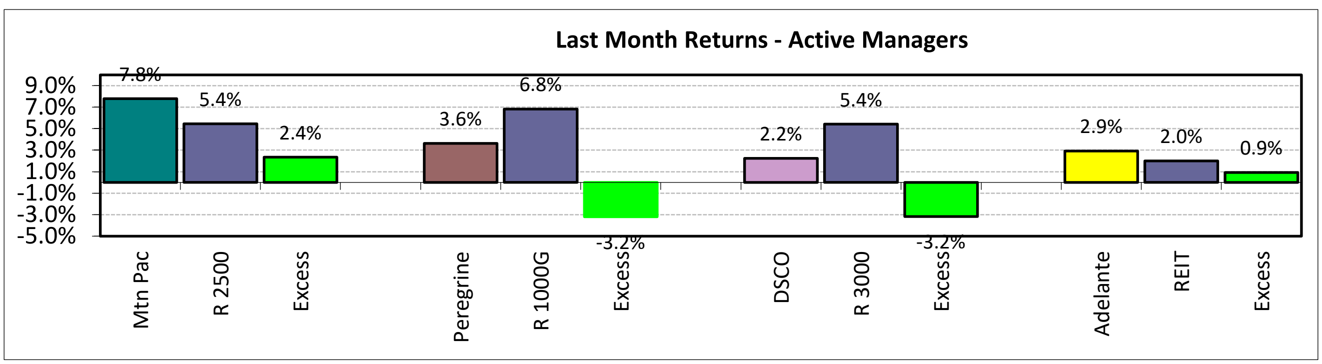
	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Real Estate *(NCREIF)*	**-0.9%**	**1.4%**	**-5.1%**	**6.7%**	**6.1%**
MCM REIT *(DJ US Select REIT)*	1.9%	7.5%	5.6%	4.6%	3.2%
Dow Jones U.S. Select REIT	1.9%	7.6%	5.6%	4.6%	3.2%
Adelante REITs *(Wilshire REIT)*	2.9%	8.7%	9.3%	7.1%	6.4%
Wilshire REIT	2.4%	8.5%	7.9%	5.7%	4.8%
Prudential *(NCREIF)*	0.0%	-4.7%	-11.1%	4.5%	4.3%
Private Real Estate	-3.5%	-3.4%	-13.3%	7.6%	6.9%
NCREIF Prop 1Q Arrears	-1.0%	-3.0%	-8.7%	3.5%	3.7%
Int'l Equity *(MSCI EAFE)*	**2.8%**	**4.7%**	**10.5%**	**-1.3%**	**3.9%**
MSCI EAFE	1.8%	7.9%	15.0%	5.0%	7.3%
MCM International *(MSCI EAFE)*	2.1%	7.8%	14.8%	4.8%	7.2%
Mondrian *(MSCI EAFE)*	-0.2%	3.8%	12.9%	5.5%	5.4%
MCM Emerging Markets *(MSCI EMF)*	4.7%	3.5%	8.2%	-6.5%	2.0%
MSCI EM	4.8%	3.9%	9.2%	-5.9%	2.3%
IEMG ETF	3.9%	3.4%	6.0%	n/a	n/a
MSCI EM IMI	4.5%	4.1%	10.9%	-4.6%	3.1%
Total Fixed Income *(BC Aggregate)*	**-1.2%**	**2.1%**	**3.4%**	**-2.1%**	**1.7%**
BB Aggregate	-1.4%	2.1%	3.3%	-3.2%	0.6%
Western *(BB Aggregate)*	-1.6%	2.7%	3.9%	-4.4%	0.4%
Clearwater *(BB Aggregate) - 1/2014*	-1.0%	2.5%	4.0%	-2.8%	0.9%
SSgA Gov/Corp *(BB G/C)*	-1.4%	2.1%	3.8%	-3.0%	1.0%
IR+M *(BB G/C)*	-1.2%	2.4%	4.2%	-2.6%	1.6%
Bloomberg Gov/Credit	-1.4%	2.0%	3.7%	-3.1%	0.9%
DBF Idaho Mortgages *(BB Mortgage)*	-1.2%	2.2%	5.1%	-1.3%	2.3%
Bloomberg Treasury	-1.3%	1.7%	2.3%	-3.4%	0.2%
DBF MBS *(BB Mortgage)*	-1.6%	2.3%	2.6%	-3.0%	-0.2%
Bloomberg Mortgage	-1.6%	2.1%	2.3%	-3.3%	-0.3%
SSgA TIPS *(BB TIPS)*	-1.1%	1.8%	2.4%	-0.9%	2.7%
Bloomberg US TIPS	-1.1%	1.8%	2.5%	-0.9%	2.7%
Cash					
Clearwater: PERSI STIF *(90-day LIBOR)*	0.3%	1.2%	5.2%	2.5%	2.1%
ICE BofA 3-mo Treasury Bill Index	0.4%	1.3%	5.3%	2.5%	2.0%

Total U.S. Equity
Russell 3000 Benchmark — Feb 2024

Preliminary Performance

blue = outperform by 50 bp; **red** = underperform by 50 bp *(* Annualized)*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Total U.S. Equity ex RE and PE	**4.4%**	**12.0%**	**27.3%**	**9.3%**	**12.9%**
Russell 3000	5.4%	12.2%	28.6%	9.9%	13.9%
MCM Index *(RU 3000)*	**5.4%**	**12.3%**	**28.3%**	**9.9%**	**13.9%**
Donald Smith & Co. *(RU 3000)*	**2.2%**	**12.5%**	**32.3%**	**25.7%**	**19.0%**
S&P 500	5.3%	12.0%	30.5%	11.9%	14.8%
Peregrine *(RU 1000 Growth)*	**3.6%**	**11.8%**	**42.8%**	**1.1%**	**13.1%**
Russell 1000 Growth	6.8%	14.3%	45.9%	12.5%	18.8%
Mountain Pacific *(RU 2500)*	**7.8%**	**14.7%**	**24.7%**	**8.3%**	**12.4%**
Russell 2500	5.4%	13.7%	12.3%	2.2%	8.8%
Total U.S. Equity incl RE and PE	**2.7%**	**6.9%**	**15.3%**	**9.9%**	**12.3%**
MCM REIT Index *(DJ US Select REIT)*	**1.9%**	**7.5%**	**5.6%**	**4.6%**	3.2%
Dow Jones U.S. Select REIT	1.9%	7.6%	5.6%	4.6%	3.2%
Adelante REITs *(Wilshire US REIT)*	**2.9%**	**8.7%**	**9.3%**	**7.1%**	**6.4%**
Wilshire US REIT	2.4%	8.5%	7.9%	5.7%	4.8%
Private Real Estate	**-3.5%**	**-3.4%**	**-13.3%**	**7.6%**	**6.9%**
NCREIF	-1.0%	-3.0%	-8.7%	3.5%	3.7%
Total RE *(Russell 3000)*	**-0.9%**	**1.4%**	**-5.1%**	**6.7%**	**6.1%**
Russell 3000	5.4%	12.2%	28.6%	9.9%	13.9%
Private Equity	**1.6%**	**-1.1%**	**4.8%**	**16.9%**	**14.8%**
Russell 3000	5.4%	12.2%	28.6%	9.9%	13.9%



Performance Commentary:

During the month, the Total U.S. Equity portion of the portfolio excluding Real Estate and Private Equity underperformed the Russell 3000 index by 100 basis points. Mountain Pacific added value, outperforming the Russell 2500 and Russell 3000 indexes by 240 basis points. Peregrine and Donald Smith underperformed their respective benchmarks (Russell 1000 Growth and S&P 500) by 320 and 310 basis points. REITs underperformed the Russell 3000; Adelante added value over their Wilshire REIT benchmark. Private Real Estate underperformed the NCREIF and Russell 3000 indexes by 250 and 890 basis points, respectively; and Private Equity underperformed the Russell 3000 by 380 basis points.

Total U.S. Equity
Portfolio Analysis

Feb 2024

MCM Russell 3000 Index Fund Characteristics used as Russell 3000 Index Data (RU3000)

"U.S. Equity (U.S. Eq)" does not include RE or PE; "Domestic Equity (Dom Eq)" includes U.S. allocation of Global Equity Managers

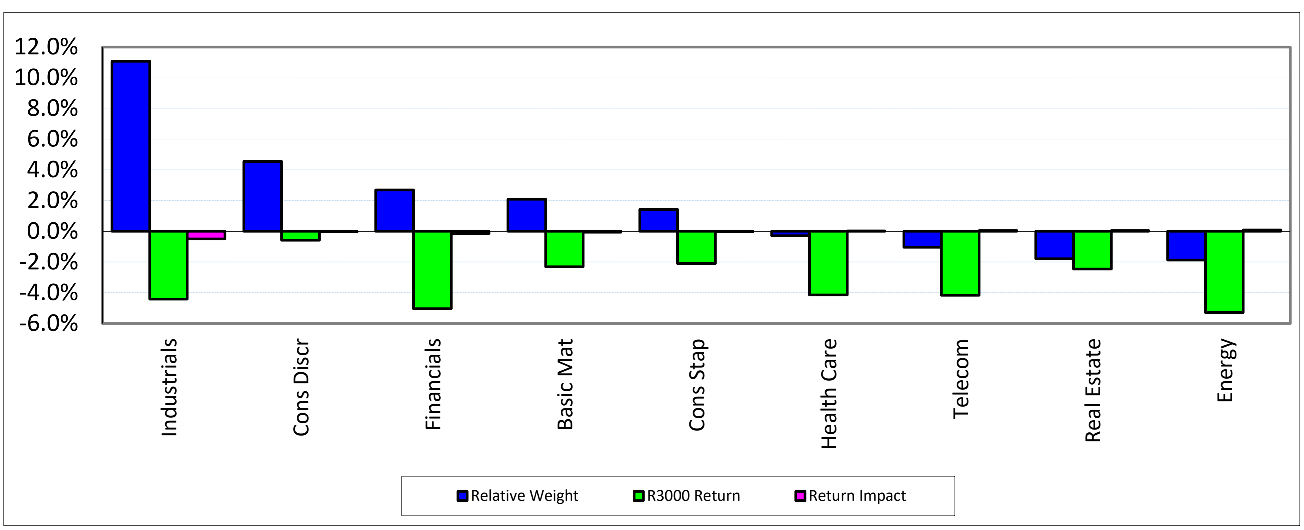
Portfolio Characteristics

	U.S. Eq	Dom Eq	RU 3000
Wtd Cap ($ b)	$ 284.1	$ 338.9	$ 711.9
P/Earnings	26.46	27.65	27.73
P/E ex Neg	23.20	24.47	24.77
P/Book Value	3.37	3.34	4.03
EPS 5Yr Growth	13.56	12.32	14.42
Debt/Equity	1.10	1.10	1.13

	U.S. Eq	Dom Eq	RU 3000
Beta	1.09	1.08	1.09
Dividend Yield (%)	1.07	1.40	1.38
5 Yr DPS Growth	10.93	9.60	8.30
ROE	21.83	21.02	23.87
ROA	8.79	8.45	9.90

Sector Allocations

Sectors	U.S. Eq Alloc	R3000 Alloc	Relative Weight	R3000 Return	Return Impact
Industrials	24.4%	13.4%	11.1%	-4.4%	-0.49%
Cons Discr	19.0%	14.5%	4.5%	-0.6%	-0.03%
Financials	13.3%	10.6%	2.7%	-5.0%	-0.14%
Basic Mat	4.0%	1.9%	2.1%	-2.3%	-0.05%
Cons Stap	5.9%	4.5%	1.4%	-2.1%	-0.03%
Health Care	11.7%	12.0%	-0.3%	-4.1%	0.01%
Telecom	1.0%	2.0%	-1.0%	-4.2%	0.04%
Real Estate	1.0%	2.7%	-1.8%	-2.5%	0.04%
Energy	2.1%	3.9%	-1.9%	-5.3%	0.10%



Total Global Equity
Russell 3000 Benchmark & MSCI AC World Index — Feb 2024

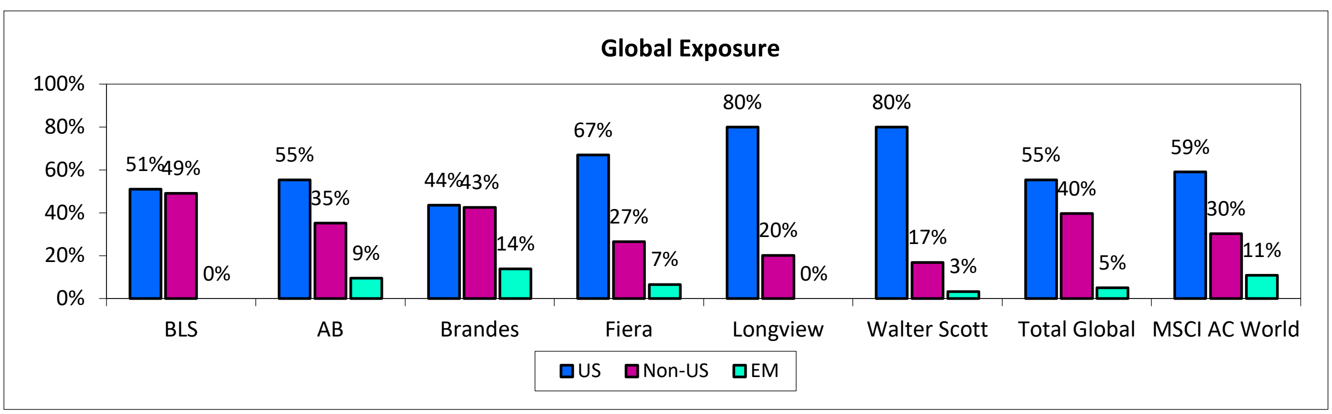
Preliminary Performance

blue = outperform by 50 bp; **red** = underperform by 50 bp *(* Annualized)*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Total Global Equity	**2.8%**	**8.6%**	**18.0%**	**9.1%**	**11.2%**
Russell 3000	5.4%	12.2%	28.6%	9.9%	13.9%
Wilshire 5000	*5.4%*	*12.3%*	*28.6%*	*9.7%*	*13.8%*
MSCI World	4.3%	10.8%	25.6%	9.2%	12.2%
MSCI World net div	*4.2%*	*10.7%*	*25.0%*	*8.6%*	*11.7%*
MSCI AC World (ACWI)	*4.3%*	*10.0%*	*23.8%*	*7.3%*	*11.1%*
BLS (MSCI ACWI)	**2.2%**	**6.4%**	**8.0%**	**8.0%**	**11.4%**
AB (MSCI ACWI)	**2.5%**	**4.9%**	**13.4%**	**4.5%**	**6.6%**
Brandes (Wil 5000)	**3.2%**	**9.6%**	**18.9%**	**11.7%**	**10.8%**
Fiera (MSCI World)	**3.2%**	**9.2%**	**22.5%**	**10.0%**	**13.9%**
Longview (MSCI ACWI)	**2.6%**	**8.9%**	**20.1%**	**10.7%**	**10.2%**
Walter Scott (MSCI World net div)	**3.3%**	**11.7%**	**25.6%**	**9.0%**	**12.7%**

Country Allocation Summary

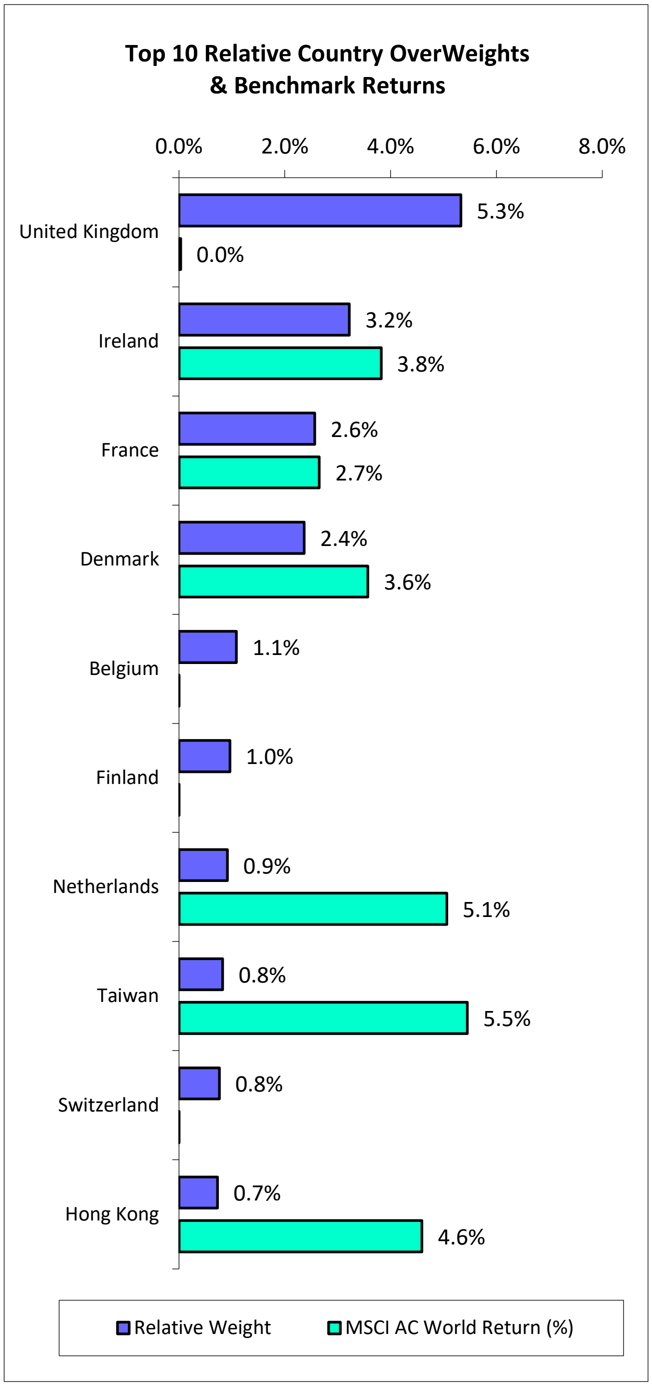
Overweight Countries	Total Global	MSCI ACWI	Underweight Countries	Total Global	MSCI ACWI
United Kingdom	8.7%	3.4%	United States	59.0%	63.8%
Ireland	3.3%	0.1%	Japan	1.8%	5.6%
France	5.4%	2.8%	China	0.6%	2.6%

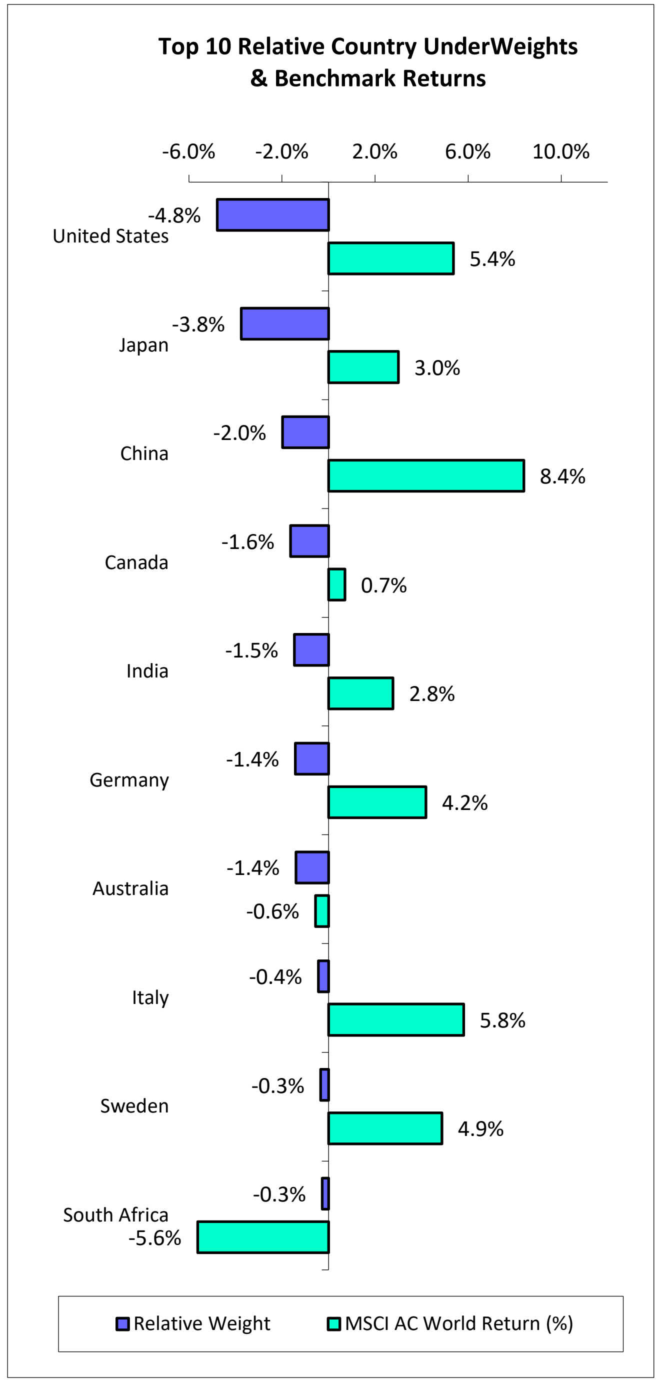


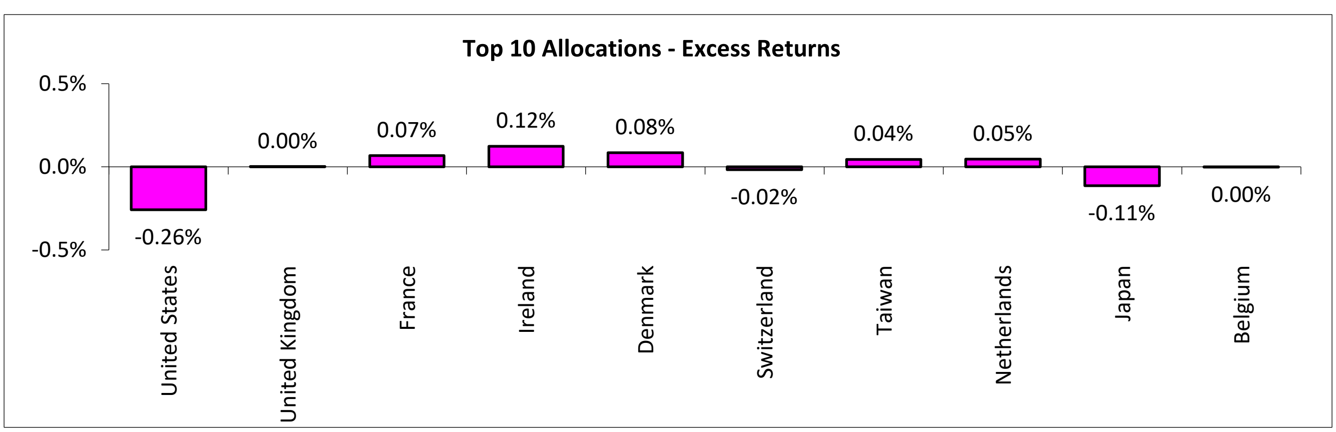
Performance Commentary:

During the month, the Total Global Equity portion of the portfolio underperformed the Russell 3000, MSCI World, and MSCI ACWI indexes by 260, 150, and 150 basis points, respectively. All Global Equity managers underperformed the Russell 3000, MSCI World, and MSCI ACWI indexes during the month. Over the last five-year period, the Total Global Equity portfolio underperformed the Russell 3000 and MSCI World indexes and outperformed the MSCI ACWI index.

Total Global Equity
Country Allocations versus MSCI AC World Index — Feb 2024







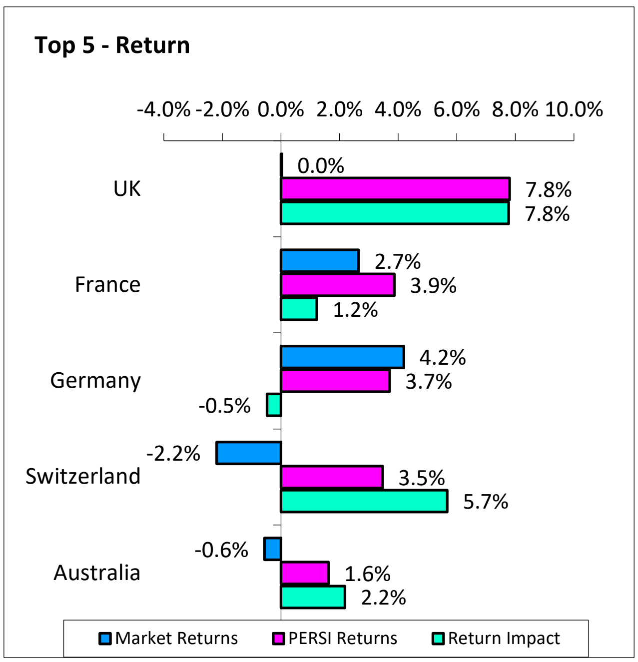
Total International Equity
MSCI EAFE Benchmark & MSCI ACWI xUS Index — Feb 2024

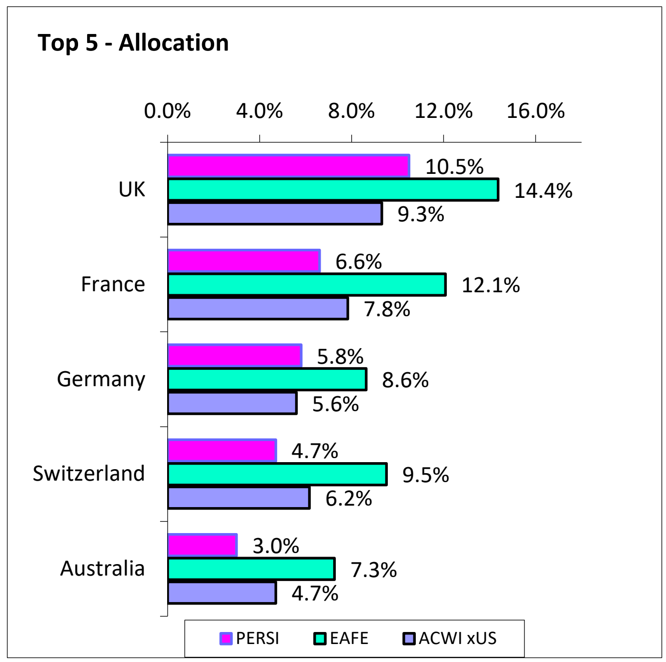
Preliminary Performance

blue = outperform by 50 bp; **red** = underperform by 50 bp *(* Annualized)*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Total International Equity	**2.8%**	**4.7%**	**10.5%**	**-1.3%**	**3.9%**
MSCI EAFE	1.8%	7.9%	15.0%	5.0%	7.3%
MSCI ACWI ex US	2.5%	6.7%	13.1%	1.8%	6.0%
MCM EAFE Index (MSCI EAFE)	**2.1%**	**7.8%**	**14.8%**	**4.8%**	**7.2%**
Mondrian (MSCI EAFE)	**-0.2%**	**3.8%**	**12.9%**	**5.5%**	**5.4%**
MCM Emg Mkts Index (MSCI EMF)	4.7%	3.5%	8.2%	-6.5%	2.0%
MSCI EMF	4.8%	3.9%	9.2%	-5.9%	2.3%
SSgM IEMG ETF	**3.9%**	**3.4%**			
MSCI EM IMI	4.5%	4.1%			

Country Allocation Impact





Performance Commentary:

The Total International Equity portion of the portfolio outperformed the MSCI EAFE index by approximately 100 basis points during the month. Mondrian, our only active EAFE manager, underperformed the MSCI EAFE index by roughly 200 basis points. Emerging markets outperformed developed markets by 300 basis points, with the IEMG ETF underperforming the MSCI EMF index by 30 basis points. The Total International Equity portfolio is underperforming over the last one- and five-year periods, primarily due to our emerging markets exposure.

Total Fixed Income
Bloomberg Aggregate Benchmark — Feb 2024

Preliminary Performance

blue = outperform by 10 bp; **red** = underperform by 10 bp *(* Annualized)*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Total Fixed Income	**-1.2%**	**2.1%**	**3.4%**	**-2.1%**	**1.7%**
Bloomberg Aggregate	-1.4%	2.1%	3.3%	-3.2%	0.6%
SSGA G/C (G/C)	**-1.4%**	**2.1%**	**3.8%**	**-3.0%**	**1.0%**
IR+M	**-1.2%**	**2.4%**	**4.2%**	**-2.6%**	1.6%
Bloomberg Govt/Credit Bond	-1.4%	2.0%	3.7%	-3.1%	0.9%
DBF MBS (Mortgage)	**-1.6%**	**2.3%**	**2.6%**	**-3.0%**	**-0.2%**
Bloomberg MBS	-1.6%	2.1%	2.3%	-3.3%	-0.3%
DBF Mortgages (Mortgage)	**-1.2%**	**2.2%**	**5.1%**	**-1.3%**	**2.3%**
Bloomberg Treasury	-1.3%	1.7%	2.3%	-3.4%	0.2%
SSGA TIPS (US TIPS)	**-1.1%**	**1.8%**	**2.4%**	**-0.9%**	**2.7%**
Bloomberg US TIPS	-1.1%	1.8%	2.5%	-0.9%	2.7%
Western Core Full + (Aggregate)	**-1.6%**	**2.7%**	**3.9%**	**-4.4%**	**0.4%**
Clearwater Agg (Aggregate)**	**-1.0%**	**2.5%**	**4.0%**	**-2.8%**	**0.9%**
Bloomberg Aggregate	-1.4%	2.1%	3.3%	-3.2%	0.6%

** Clearwater Agg performance begins 1/2014; previous period returns reflect Clearwater TBA portfolio

Portfolio Attributes*** (as reported by Russell/Mellon)

**** excludes ID Mortgages*

	Coupon	Moody Quality	Current Yield	Yield to Maturity	Option Adj Duration	Modified Duration	Effective Convexity	# of Holdings
Total Fixed	2.16%	Aa1	2.72%	4.83%	6.54	6.57	0.84	6,479
SSGA G/C	3.18%	Aa2	3.44%	4.85%	6.28	6.30	0.83	4,220
IR+M	4.01%	Aa3	4.20%	5.22%	6.32	6.41	0.87	233
DBF MBS	3.24%	Aaa	3.58%	5.17%	5.66	5.85	0.20	87
SSGA TIPS	0.92%	Aaa	0.95%	4.37%	6.88	6.88	0.92	48
Clearwater TBA	4.68%	Aa3	4.98%	6.53%	6.14	6.31	n/a	126
Western	4.61%	A1	6.43%	6.33%	7.26	7.43	0.72	1,764

Performance Commentary:

During the month, the Total Fixed Income portion of the portfolio outperformed the Aggregate benchmark by 20 basis points. The SSGA G/C portfolio kept pace with the Gov/Credit index and IR+M outperformed by 20 basis points; the DBF MBS portfolio kept pace with the MBS index; the DBF Idaho Commercial Mortgage Portfolio outperformed the Treasury index by 10 basis points; the SSgA TIPS portfolio kept pace with the US TIPS index; and the Clearwater portfolio outperformed the Aggregate index by 40 basis points while the Western Core Full+ portfolio underperformed the Aggregate by 20 basis points. Over the one-year period, the Total Fixed Income portion of the portfolio is ahead of the Aggregate benchmark by 10 basis points and over the five year period, the Total Fixed Income portfolio added 110 basis points over the Aggregate benchmark.

Adelante (Public RE - REITs)
Domestic Equity: Wilshire REIT Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Adelante Total Return	2.91%	8.66%	9.46%	7.11%	6.37%
Wilshire REIT Index	2.36%	8.53%	7.93%	5.66%	4.75%

Performance Attribution & Strategy Comments

For the month ended February 29, 2024 – The Account outperformed the Wilshire US REIT Index by 55 basis points, gross of fees, as the REIT market advanced 2.4%.

- Contributors: security selection within Healthcare, Lodging and the sector allocation to Diversified (underweight).
- Detractors: security selection within Manufactured Homes, the sector allocation to Industrial (underweight) and a cash drag.
- Best performing holding: Playa Hotels & Resorts, +10.7%.
- Worst performing holding: Ventas, Inc., -8.8%.

For the trailing quarter ended February 29, 2024 – The Account outperformed the Wilshire US REIT Index by 13 basis points, gross of fees, as the REIT market advanced 8.5%.

- Contributors: security selection within Industrial, Lodging and the sector allocation to Diversified (underweight).
- Detractors: the sector allocation to Manufactured Homes (overweight), Industrial Mixed (overweight), and a cash drag.
- Best performing holding: Marriott International CL-A, +23.4%.
- Worst performing holding: Ventas, Inc., -6.9%.

Comments –February is always packed with information as companies announce their Q4 earnings and provide guidance for the upcoming year, data which can guide Fed officials as to when rate cuts will begin. Over the month, the 10-year Treasury Note yield rose to 4.25% and **the early consensus bet on six cuts has been reduced to three (with some intra-month debate about another hike).**

Higher rates are stressing US households which are spending early two thirds of their income on mortgage payments and childcare, according to Zillow. With limited affordable for-sale housing, **apartment demand is high, but we see new supply as risk to earnings growth,** as incentives are being used to attract tenants and absorb deliveries this year.

With office occupancy improving, most Americans are now viewing remote work as a career risk, according to a Harris Poll. As employers are adjusting, **office landlords remain stressed with capital requirements, mortgage refinancing risks, and obsolescence**, which is widely publicized and is the focus of many bank portfolios and capital adequacy requirements.

Retail is back in the headlines with Macy's announcing the closing of 150 stories, while investing in their Bloomingdale's, outlets, and Bluemercury concepts - **shifting demand to shopping/lifestyle centers.** During its Q4 conference call, Kimco, one of our shopping center holdings, confirmed its optimism in shopping centers **as occupancy reached a record high**.

Surfing behind AI enthusiasm and Nivida's results, **Data Centers was the best performing sector, up 6.5% in February**; the Diversified sector, dominated by WP Carey, a net leased REIT, was the worst performing, down 5.9%. During the month, we established a new position in Eastgroup Properties, an industrial REIT. **At month-end, the portfolio's dividend yield and cash positions stood at 3.5% and 1.1%, respectively.**

Manager Style Summary

Adelante (formerly Lend Lease Rosen) manages the public real estate portfolio, comprised of publicly-traded real estate companies, primarily real estate investment trusts (REITs). Investments will generally fall into one of three categories as described in the Portfolio Attributes section: Core holdings, Takeover/Privatization candidates, and Trading Opportunities. Typical portfolio characteristics include current pricing at a discount relative to the underlying real estate value, attractive dividend prospects, low multiple valuations (P/FFO), and expert management.

Adelante (Public RE - REITs)

Domestic Equity: Wilshire REIT Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Adelante	Wilshire REIT	Calc	Min	Max	Compliance
B2. All securities are publicly-traded real estate companies, primarily real estate investment trusts						ok
B3. Mkt Cap of Issuers of Securities in the Account				$250		ok
B4. Single Security Positions <= 30% @ purchase						ok
B6a. P/FFO (12-mo trail)	18.65	17.32	1.08		1.30	ok
B6b. Beta	0.96	1.00	0.96	0.70	1.30	ok
B6c. Dividend Yield	3.39	3.78	0.90	0.80	2.00	ok
B6d. Expected FFO Growth	18.94	17.90	106%	80%	120%	ok
E2. Commissions not to exceed $0.06/share						ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Portfolio Attributes

Portfolio Guidelines section B5

Core Holdings (40% - 100%) Actual: 86% ok

Consists of investments with the following characteristics: premier asset portfolios and management teams, attractive dividend yields, low multiple valuations, real estate property types or regions that are less prone to experinece the impact of an economic slowdown.

Takeover/Privatization Candidates (0% - 15%) Actual: 0% ok

Focuses on smaller companies which may be attractive merger candidates or lack the resources to grow the company in the longer-term. Also focuses on companies which may have interest in returning to the private market due to higher private market valuations.

Trading Arbitrage (0% - 20%) Actual: 13% ok

Focuses on high quality companies which may become over-sold as investors seek liquidity.

Total Firm Assets Under Management ($m) as of: Qtr 4 $ 1,610

Organizational/Personnel Changes

There were no changes during the month.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$ -
Lost:	Number of Accounts:	0	Total Market Value ($m):	$ -
	Reason(s):			

Bernstein Global Strategic Value

Global Equity: MSCI ACWI Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Bernstein GSV	2.55%	4.94%	13.47%	4.48%	6.56%
MSCI ACWI	4.29%	9.94%	23.15%	6.79%	10.51%
Russell 3000	5.41%	12.23%	28.60%	9.90%	13.94%

Performance Attribution & Strategy Comments

Portfolio Performance: In February, the Portfolio rose in absolute terms but underperformed its benchmark, the MSCI ACWI, gross and net of fees.Both stock and sector selection detracted from overall relative performance, gross of fees. Stock selection within communication services and technologydetracted the most, while selection within financials and an underweight to consumer staples contributed, offsetting some of the losses.Telecommunications and mass media company Charter Communications detracted the most, as the company reported disappointing 4Q:23 results with adjusted EBITDA below expectations and a negative broadband subscriber trend. The results led the stock to be downgraded by several sell analysts.Canada-based Cameco also detracted from results. The uranium producer reported mixed 4Q:23 results that showed a year-over-year increase in profit with revenues exceeding company targets, but earnings came in lower than analyst estimates. Utility company EDP Energias de Portugaldetracted after the company reported 2023 revenue that came in lower than expected because of one-off losses in its Brazil and Colombia operations. Hotel chain Hyatt was the leading contributor for the month. Shares climbed on strong 4Q:23 earnings, as well as above-expectations adjusted EBITDA and net income FY guidance, which pointed to robust demand for leisure travel and a continued recovery of business travel. Ireland-based building materials supplier CRH reported strong full-year 2023 earnings and issued a positive outlook for 2024. Its acquisitions helped boost revenues, and the company announced spending plans for further investment in deals and continuing its share buyback program. **Outlook:** Despite the higher-for-longer crowd gaining some ground during the month on the back of inflation data in the US coming in higher than expected, February was another good month for global stock markets, as strong results from technology companies allowed market enthusiasm onAI to further increase. Although global economies continued to rise in the first two months of 2024, there is still uncertainty as we look to 2024. We do expect to feel some impact from the unprecedented interest rate–hike cycle we are exiting. Many observers now expect central banks to start a cycle of rate reduction. We don't try to forecast rates, but even if we do see rate cuts, we believe that in the next few years, rates will settle at a higher level than in the last decade;therefore, companies will have to operate with a higher cost of capital. We think that environment will be constructive to our cash flow–based investing approach. The large year-to-year divergence between growth and value index performance we have seen in the past few years has been much greater than in the past, but fundamental business performance among growth stocks and value stocks has been much less volatile than the multiples that investors have been willing to pay. As interest rates settle into new normal ranges, we do not expect to see such large style swings persisting.The continued concentration of excitement in AI-related opportunities led to another month with meaningful headwinds for value stocks, which is a challenging environment for our Portfolio, but we continue to believe that we are positioned well for a more typical market environment, which we will inevitably return to.We believe that our Portfolio is positioned well, with a collection of underappreciated businesses and businesses undergoing positive changes with overall good growth prospects and profitability characteristics yet trading at a large discount to the market. Our key industry overweight bets include memory semiconductors, metals and mining, US software, European aerospace and defense, European utilities, US healthcare, and US cable operators. We have about a 9% underweight to US mega-cap tech stocks compared with the market, and we believethat this is appropriate, as we can find other strong businesses trading at much more attractive valuations.We continue to believe that focusing on finding strong businesses that are trading at attractive valuations relative to their free-cash-flow generation potential is a timeless strategy that will deliver strong results through cycles, despite inevitable ups and downs in any given regime.

Manager Style Summary

Bernstein is a research-driven, value-based, "bottom-up" manager, whose process is driven by individual security selection. Country allocations are a by-product of the stock selection process, which drives the portfolio country over and under weights. They invest in companies with long-term earnings power, which are undervalued due to an overreaction by the market. This value bias will result in a portfolio which will tend to have lower P/E and P/B ratios and higher dividend yields, relative to the market. The Global Strategic Value product is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

Bernstein Global Strategic Value

Global Equity: MSCI ACWI Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Bernstein	Calc	Min	Max	Compliance
B3. Security position <= 10% of the account @ purchase						ok
B4. Number of issues		60.0		25	75	ok
B5. Normal Regional Exposures (* benchmark -/+ min/max):						
United States *	64%	57%		39%	89%	ok
Europe ex U.K. *	12%	13%		-3%	27%	ok
UK *	3%	11%		-7%	13%	ok
Japan *	6%	2%		-4%	16%	ok
Emerging Markets		10%		0%	20%	ok
Other		7%		0%	20%	ok
B6. Normal Global Portfolio Characteristics (MSCI ACWI)						
Capitalization	492,653	318,336	65%	50%	100%	ok
Price/Book Value	3.0	2.1	70%	50%	100%	ok
Price/Earnings (Next 12 mo)	15.8	11.5	72%	50%	100%	ok
Price/Cash Flow	14.3	8.0	56%	50%	100%	ok
Dividend Yield	2.0	2.2	111%	75%	200%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterparty <= 30% of total mv of account						ok
Forwards executed with Custodian <= 100% of the total mv of account, given credit check						ok
F2. Brokerage commissions not to exceed $0.05/share for U.S. equities						ok
F3. Annual turnover		48%		30%	40%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

F3. Annual Turnover: Turnover will vary throughout market cycles based on the level of volatility in markets and the changing nature of the value opportunity.

Total Firm Assets Under Management ($m) as of: Qtr 4 $725,154

Organizational/Personnel Changes

Investment decisions for Global Strategic Value are made by the Chief Investment Officer and Director of Research. For the month of February 2024 there were no personnel changes for the GSV portfolio.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m): $	-
Lost:	Number of Accounts:	0	Total Market Value ($m): $	-
	Reason(s):			

BLS Capital

Global Equity: MSCI ACWI Benchmark

For the month of: **February** **2024**

Manager Performance Calculations					** Annualized returns*
	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
BLS	2.21%	6.49%	7.99%	7.85%	11.33%
MSCI ACWI	4.29%	9.94%	23.15%	6.79%	10.51%

Performance Attribution & Strategy Comments

In February, the largest relative contributors to performance were Yum China (24.0 pct. return in US dollars), Estée Lauder (13.1 pct.), and InterContinental Hotels Group (10.9 pct.). St. James's Place (-23.7 pct.), DSV (-11.0 pct.), and Nike (2.4 pct.) were the largest relative detractors.

Momentum was the best-performing factor, as valuation seems to be less of a concern to investors. For the first time in a while, Chinese equities had a good month, with MSCI China up more than 8 pct.

In total, 15 of our companies reported in February, with overall strong results: Anheuser-Busch InBev, Budweiser APAC, AutoZone, Better Collective, Boozt, Coca-Cola, DSV, Estée Lauder, InterContinental Hotels Group, Moody's, S&P Global, Sampo, St. James's Place, Yum China, and UIE.

The only disappointment among the otherwise solid results was St. James's Place (SJP), which announced a regulatory induced, unexpected, and sizeable provision of 324 million British pounds after tax, which covers claims made by a professional claims management company on behalf of a limited number of SJP customers who are seeking a refund of their service fee payments dating back to 2018. In 2021, a company-wide and mandatory customer relationship management system was implemented, making lack of logging a contained problem of the past. The business still stands strong as highlighted by net inflows of 4 pct. of opening AUM, AUM growth of 13 pct. and the retention rate of 95 pct.

Yum China reported strong operational results with 4 pct. same-store-sales growth, 30 basis points margin expansion versus 2019 levels and a record-high 550 new stores added to its base of above 14,500 during the quarter. Taking advantage of its dislocated share price, Yum China launched an accelerated share buyback program of 500 million US dollars for the first quarter of 2024.

Coca-Cola showcased continued low demand elasticity with 3 pct. volume growth and strong core price/mix resulting in 8-9 pct. organic revenue growth and continued margin progression. Budweiser APAC grew revenues by 9 pct. organically driven by continued growth in sales of its premium and super premium products and delivered strong margin expansion of more than 350 basis points.

InterContinental Hotels Group provided a strategic update in conjunction with its annual report. During the strategy update, management provided the pathway to 12-15 pct. annual growth in earnings per share over the medium to long term, which will include sizeable capital distributions.

Otis held an investor day, where it focused on the service and modernization part of the business. Management highlighted the ability to drive double-digit earnings per share growth, helped by the strong and accelerating opportunity within Modernization – a benefit that is shared by our other elevator company, Kone, where we are increasingly optimistic about the ongoing margin development.

In February, we reduced our holdings in InterContinental Hotels Group, Mastercard, and Automatic Data Processing, while adding to our positions in Better Collective, DSV, and Starbucks. We divested Novo Nordisk, which has delivered a total return of nearly 8x since our 2017 purchase.

Manager Style Summary

BLS is a "bottom-up" manager, whose process is driven by individual security selection. They invest in quality companies which have the best possibility of creating sustainable value and generating attractive risk adjusted returns to investors in the long term. Country and sector exposures are by-products of the security selection process and are unconstrained by index weights. The portfolio consists of roughly 25-30 securities at a time. It is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

BLS Capital

Global Equity: MSCI ACWI Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	BLS	Min	Max	Compliance
B3. No more than 10% of the account shall be invested in any one security @ purchase				Yes
B4. No more than 2 companies headquartered in Denmark				Yes
B5. Number of issues	25	25	30	ok
B6. Normal Regional Exposures (* benchmark -/+ min/max):				
North America	50%	35%	50%	check
Japan	0%	0%	0%	ok
Europe ex UK	29%	15%	35%	ok
UK	16%	5%	13%	check
Pacific ex Japan	0%	0%	0%	ok
Emerging Markets	6%	10%	30%	check
Non-Index Countries	0%	0%	0%	ok
Total	100%			
B7. Normal Global Portfolio Characteristics				
Capitalization (45%-75%)	111	45	75	check
Price/Book Value	7.4	5	9	ok
Price/Earnings (current)	21.9	17	23	ok
Price/Cash Flow (current)	19.0	19	24	ok
Dividend Yield	2.3%	1.8%	2.8%	ok
ROE	47%	31%	37%	check
ROIC	43%	42%	50%	ok
FCF Yield	5.3%	3.8%		ok
F2. Brokerage commissions not to exceed $0.03/share for U.S. equities				Yes
F3. Annual turnover	39%		40%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B6. Regional Exposures: We have seen more attractive risk-adjusted return potential in our North American and UK companies as opposed to Emerging Markets holdings.

B7. Capitalization: We continue to see attractive risk-adjusted returns in higher market cap names, as well as RoE.

Total Firm Assets Under Management ($m) as of: Qtr 4 $ 8,517

Organizational/Personnel Changes

There were no changes to the investment team in February 2024.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$	-
Lost:	Number of Accounts:	0	Total Market Value ($m):	$	-
	Reason(s):				

Brandes Investment Partners, L.P.

Global Equity: Russell 3000 Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Brandes	3.33%	9.67%	18.99%	11.68%	10.79%
Russell 3000	5.41%	12.23%	28.60%	9.90%	13.93%

Performance Attribution & Strategy Comments

Global markets posted strong gains in February with solid earnings announcements and leadership by select U.S. technology names, but Growth indices substantially outpaced Value. Against this backdrop, the portfolio lagged the broader market and Russell 3000 but outpaced MSCI World Value. The largest detractor to relative performance on an industry basis was the portfolio's underweight position to Semiconductors, followed by weak stock selection in select Financial holdings. Relative positive contributors were a broad mix of industries, including UK Aerospace company Rolls-Royce and Korean Auto manufacturer Hyundai Motor. The largest relative detractor on a country basis was the underweight position to the U.S., where stock selection also trailed the benchmark. Emerging Markets were the largest relative positive country contributors, led by holdings in South Korea and Mexico.

As of 2/29/24, the largest absolute country weightings were in the U.S. - although the portfolio is significantly underweight relative to the index - the United Kingdom and France; the largest sector weightings were Financials, Health Care and Consumer Discretionary. During the month the Global Investment Committee initiated no new positions but added to Ambev, the Brazilian- based brewer and Pepsi bottler. There was one full sell, Applied Materials, the U.S. wafer equipment manufacturer whose shares rose above our estimate of instrinsic value on strong market sentiment around AI investment.

In the face of a challenging sstart to the year for value compared to growth (MSCI World Value vs. MSCI World Growth), we maintain an optimistic outlook for 2024 and beyond. Following the performance of the growth index, primarily fueled by a handful of tech-related names, value stocks now trade in the least expensive quintile relative to growth since the inception of the style indices. Historically, such valuation divergences often signal attractive subsequent returns for value stocks. Importantly, our strategy, guided by our value philosophy and process, has had the tendency to outperform the value index when it outperformed the benchmark. Going forward, we remain optimistic about the long-term prospects of our holdings.

Total Firm Assets Under Management ($m) as of: Qtr 4 $ 24,731

Organizational/Personnel Changes

None

Account Turnover

Gained:	Number of Accounts:	2	Total Market Value ($m):	$ 737.7
Lost:	Number of Accounts:	0	Total Market Value ($m):	$ -
	Reason(s): N/A			

Manager Style Summary

Brandes is a classic "bottom-up" manager, focusing primarily on individual security selection (while country allocation is a secondary consideration), with a "value" bias, purchasing stocks primarily on the perceived undervaluation of their existing assets or current earnings. Consequently, the securities in the portfolio will tend to have a higher dividend yield and lower P/E and P/Book ratios compared to the market. Brandes' classic Graham and Dodd value investment style combined with the relatively low number of stocks in the portfolio results in large gains or losses on the portfolio. What has been encouraging is that Brandes has turned in good returns when the markets generally have rewarded growth, rather than value, styles.

Brandes Investment Partners, L.P.
Global Equity: Russell 3000 Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Brandes	Calc	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		66		40	70	ok
B5. Normal Country Exposures:						
United States & Canada		43%		30%	100%	ok
Americas ex U.S.		5%		0%	40%	ok
United Kingdom		16%		0%	25%	ok
Europe ex U.K.		23%		0%	50%	ok
Japan		0%		0%	45%	ok
Pacific ex Japan		11%		0%	40%	ok
Non-Index Countries		0%		0%	20%	ok
Cash & Hedges		3%				
Total		100%				
B6. Normal International Portfolio Characteristics (FTSE All World ex U.S. "Large")						
Capitalization	$95,863	$89,709	94%	30%	125%	ok
Price/Book Value	1.8	1.3	74%	50%	100%	ok
Price/Earnings	15.3	9.9	64%	50%	100%	ok
Price/Cash Flow	9.9	7.5	76%	50%	100%	ok
Dividend Yield	3.0	3.5	118%	90%	150%	ok
B7. Normal U.S. Portfolio Characteristics (Russell 3000)						
Capitalization	$627,028	$135,768	22%	30%	125%	check
Price/Book Value	4.2	1.6	38%	50%	100%	check
Price/Earnings	24.2	14.4	60%	50%	100%	ok
Price/Cash Flow	15.6	9.8	63%	50%	100%	ok
Dividend Yield	1.4	2.1	157%	90%	150%	check
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						ok
F2. Brokerage commissions not to exceed $0.05/share or 50% of principal (non-U.S.)						ok
F2. Annual turnover		16%			100%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B7. Capitalization:	Current US mkt historically wide spread btw Value/Growth causing all portf characteristics to skew even more "value" than our typical range.
B7. Price/Book Value:	Current US mkt historically wide spread btw Value/Growth causing all portf characteristics to skew even more "value" than our typical range.
B7. Dividend Yield:	Current US mkt historically wide spread btw Value/Growth causing all portf characteristics to skew even more "value" than our typical range.

Clearwater Advisors, LLC

Core Fixed: BB Aggregate Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Clearwater Agg	-1.31%	2.44%	4.02%	-2.83%	0.82%
BB Aggregate	-1.41%	2.08%	3.33%	-3.16%	0.56%

Performance Attribution & Strategy Comments

In the month of February, interest rates continued the move that began in January and climbed even higher. The 2 year rate moved up by 41 basis points and the 10 yr moved up by 33. Shorter tenors between 1 and 12 months were relatively unchanged. The rates markets were not nearly as volatile this month compared to last but they were still not what I would describe as calm. There are still too many conflicting reports coming out about the economy each month.

Credit spreads tightened by about 6 basis points in the beginning of the month but then reversed that move to end just 1 bp tighter. The next big event on the calendar that the markets are eagerly watching is the Fed meeting on March 20th. We do not expect the Fed to adjust the rates at this meeting but they might give more guidance as to the timing of their next move.

The Clearwater portfolio outperformed the benchmark in February by 10 basis points largely due to security selection. Our sector allocation decisions were out of favor during the month and reduced performance by about 9 basis points. However, in the corporate and government space, security selection added 20 bps of relative performance which was enough to bring the total back into positive territory.

Manager Style Summary

Clearwater manages a core Aggregate portfolio which is not expected to deviate significantly from the benchmark, although issuer concentration is expected to be much larger. They seek to add value through sector allocation and security selection rather than duration bets. Prior to January 2014, Clearwater managed a TBA mortgage portfolio. The historical returns through December 2013 reflects the performance of the TBA portfolio while performance beginning January 2014 reflects the Aggregate portfolio.

Clearwater Advisors, LLC

Core Fixed: BB Aggregate Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Clearwater	BB Agg	Min	Max	Compliance
A1. The account shall consist of dollar denominated fixed income securities					ok
B2. Duration:	6.2	6.1	5.6	6.6	ok
B3. Sector Diversification:					
Treasuries	27%	42%	27%	57%	ok
Agencies	2%	2%	-13%	17%	ok
Supra/Sovereign	3%	3%	-7%	13%	ok
Corporates	35%	25%	5%	45%	ok
Industrial	15%	14%	-1%	29%	ok
Financial	16%	8%	-7%	23%	ok
Utility	4%	2%	-8%	12%	ok
MBS	28%	26%	11%	41%	ok
ABS	1%	0%	-5%	5%	ok
CMBS	3%	2%	-3%	7%	ok
B4. Issuer Concentration: <=5% all corporate issuers				5%	ok
B5. Number of positions	122		100	200	ok
B6. Non-Investment Grade alloc	0%			10%	ok
B7. Out of index sector alloc	0%			10%	ok
B7. TIPS allocation	1%			20%	ok
E2. Annual Turnover (ex TBA rolls)	44%		80%	120%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				☑ Yes	☑ No

Manager Explanations for Deviations from Portfolio Guidelines

Annual Turnover (ex TBA rolls)	Portfolio turnover has been below expectations. We don't expect it to shift materially higher in the near-term.

Total Firm Assets Under Management ($m) as of: Qtr 4 $ 3,812

Organizational/Personnel Changes

Garrett Cudahey has joined the firm as a Portfolio Manager.

Account Turnover

Gained:	Number of Accounts:	1	Total Mkt Value ($m):	$ 75.0
Lost:	Number of Accounts:	0	Total Mkt Value ($m):	$ -

Reason(s) for loss:

Clearwater Advisors - PERSI STIF
Cash: Merrill Lynch 0-3 Month Treasury Bill Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Clearwater - PERSI STIF	0.34%	1.27%	5.20%	2.51%	2.08%
ML 0-3 Month T-bill	0.42%	1.33%	5.30%	2.49%	1.96%

Performance Attribution & Strategy Comments

In February, the market aggressively repriced its expectations for Fed cuts this year, moving from starting as early as March to the middle of the year (and now more aligned with the Fed's December guidance). Upside surprises to economic data were behind the shift and reinforced by more hawkish commentary from Fed officials. February economic reports included a big upside surprise to January payrolls while jobless claims remained subdued. Importantly, January headline CPI was above consensus while core CPI held steady. As of month end, the market priced around 85 basis points of 2024 cuts (from over 150 basis points in January). Surprisingly, the Federal government temporarily averted a shutdown without much drama or market impact.

Yields moved higher in February, including the 2 and 30-year yield rising 41 and 21 basis points, respectively. Yields on the shorter end of the curve followed suit with the 3, 6, and 12-month yield rising 2, 13, and 29 basis points, respectively. SOFR was little changed with the Fed not meeting until March. Risk appetite continued and corporate spreads held tight despite significant new issue activity. Investment grade corporate bond spreads narrowed 2 basis points led by financials narrowing 4 basis points.

Portfolio Guideline Compliance

Portfolio Guideline:	Clearwater	Min	Max	Compliance
B2a. Sector Allocations:	100%			
Treasuries	**24%**	0%	100%	ok
Agencies	**1%**	0%	100%	ok
Corporates	**29%**	0%	100%	ok
Mortgage Backed Securities (MBSs)	**0%**	0%	60%	ok
Asset Backed Securities (ABSs)	**2%**	0%	40%	ok
Cash	**12%**	0%	100%	ok
Commercial Paper	**31%**	0%	100%	ok
B2b. Quality: Securities must be rated investment grade by S&P or Moody's at time of purchase				ok
B2c. Effective Duration <=18 months	**4**		18	ok
B2d. Number of securities	**49**	10	50	ok
B3a. Allocation of corporate securities to one issu	**4%**		5%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Manager Style Summary

The enhanced cash portfolio was created with the expectation that the portfolio will generate returns similar to, or in slight excess of, the Mellon Short-Term Investment Fund (STIF), while providing PERSI with an increased level of transparency into the cash portfolio.

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D.B. Fitzpatrick & Co., Inc. - Idaho Commercial Mortgages

Domestic Fixed: BB Mortgage Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Idaho Commercial Mortgages	-0.99%	2.06%	5.08%	-1.03%	2.48%
BB Mortgage	-1.63%	2.14%	2.28%	-3.34%	-0.31%

Portfolio Summary

Market Value: $ 829,580,263

Originations/Payoffs

Month:	$	4,200,000
YTD:	$	4,200,000
Payoffs:	$	-

Delinquencies/REOs

	$ Amt	% of Portfolio
30 days	$ -	0.00%
60 days	$ -	0.00%
90 days	$ -	0.00%
120+ days	$ -	0.00%
REOs	$ -	0.00%

Performance Attribution & Strategy Comments

The Idaho Commercial Mortgage portfolio returned -0.99% in February, outperforming the Bloomberg U.S. Mortgage-Backed Securities (MBS) Index by 64 basis points. The portfolio has outperformed its benchmark by 280 basis points during the last 12 months and 279 basis points (annualized) during the last five years. This outperformance over longer time periods is driven by the portfolio's low delinquency rate and coupon advantage vis-à-vis the benchmark.

The Idaho commercial real estate market remains in a period of transition, with investment activity muted. A significant gap still exists between potential sellers' and buyers' assumptions regarding valuation, as many sellers have been slow to adjust cap rates in today's higher interest rate environment. Compounding the issue, the vast majority of potential sellers have low interest rate debt locked in on their properties and many feel comfortable in their current positioning. We expect this to change as loan maturities eventually approach (potentially in a less buoyant macroeconomic state than exists today), but for now things are quiet in the investment market.

We are enthusiastic regarding the potential for increased loan fundings during the next 18 months given the continued strain facing banks and credit unions today, and the increasingly tight standards employed by the vast majority of commercial real estate lenders.

PERSI's commercial mortgage portfolio saw no delinquencies in February and holds no REO (real estate owned) properties. We like the portfolio's positioning and see no signs of significant stress with any of the loans in the portfolio.

Manager Style Summary

The Idaho Commercial Mortgage portfolio is managed by DBF and consists of directly owned Idaho commercial mortgages. DBF oversees the origination process, the monitoring of the portfolio, and services 50% of the portfolio.

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D.B. Fitzpatrick & Co., Inc. - MBS Portfolio
Domestic Fixed: Bloomberg Barclays Mortgage Benchmark

For the month of: February 2024

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
DBF MBS	-1.59%	2.29%	2.63%	-3.33%	-0.36%
BC Mortgage	-1.63%	2.14%	2.28%	-3.34%	-0.31%

Portfolio Attributes

Characteristics	DBF	BC Mtg
Market Value ($ m)	$154.68	N/A
Weighted Average *Effective* Duration (in years)	6.2	6.2
Weighted Average Yield (in %)	5.1%	5.1%
Weighted Average Coupon (in %)	3.2%	3.1%

Performance Attribution & Strategy Comments

U.S. Treasury bond yields rise in February, as the macroeconomy remained strong and as investors' expectations for future inflation rose. All tenors of the U.S. Treasury yield curve beyond one year saw a significant increase during the month, with the 10-year yield up 34 basis points to 4.25%. The two-year inflation breakeven rate, roughly what investors expect inflation to be during the coming two years, ended February at 2.79%, significantly above policymakers' 2.0% target. Such a figure puts pressure on U.S. Federal Reserve officials to continue a relatively restrictive monetary policy regime and, not surprisingly, in February the bond market ratcheted down expectations for interest rate cuts later this year.

We continue to see good value within agency mortgage-backed securities (MBS). MBS option-adjusted spreads are near historical averages despite the fact that very little of the mortgage market has refinance incentive in today's interest rate environment. Corporate bond spreads, on the other hand, are relatively tight compared to historic norms and could widen considerably should macroeconomic conditions weaken.

PERSI's MBS portfolio has returned 2.63% during the last 12 months, outperforming its benchmark by 35 basis points. The portfolio has a yield-to-maturity of 5.1% and duration of 6.2 years.

Manager Style Summary

DBF's MBS (Mortgage Backed Security) portfolio is a "core" holding which attempts to generally track the returns of the Barclays Capital Mortgage Index. Excess returns are added through security selection and interest rate bets, although such bets are expected to be limited and relatively low-risk. DBF also manages the Idaho Mortgage Program in conjunction with this portfolio -- the MBS portfolio serves as a "cash reserve" of sorts, to fund mortgages managed through the Idaho Mortgage Program. Consequently, we expect this portfolio to hold traditional MBS instruments and to maintain a reasonably healthy status, with no significant bets which could go significantly awry.

D.B. Fitzpatrick & Co., Inc. - MBS Portfolio
Domestic Fixed: Bloomberg Barclays Mortgage Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:		DBF	Min	Max	Compliance
B2. Minimum portfolio size		$155	$50		ok
B2a. Security Type:					
MORTGAGE RELATED		100%	80%	100%	ok
Generic MBSs		100%	75%	100%	ok
GNMAs		7%			
FNMAs		57%			
FHLMCs		36%			
CMOs		0%	0%	25%	ok
NON-MORTGAGE RELATED		0%	0%	20%	ok
Treasuries		0%	0%	20%	ok
Agencies		0%	0%	20%	ok
Cash		0%	0%	10%	ok
Attributes:	BB Mtg				
Duration	6.2	6.2	4.2	8.2	ok
Coupon	3.1%	3.2%	2.1%	4.1%	ok
Quality	AAA	AAA	AAA		ok
B3. Individual security excl Treasuries as a % of portfolio			0%	5%	ok
B4. Number of securities		86	25	50	check
E2. Annual Turnover		14%	0%	25%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B4. Number of Securities: Number of securities is greater than 50 due to cash flow activity from the commercial mortgage portfolio.

Total Firm Assets Under Management ($m) as of: Qtr 4 $ 1,319

Organizational/Personnel Changes

There were no organizational or personnel changes in February.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$	-
Lost:	Number of Accounts:	0	Total Market Value ($m):	$	-
	Reason(s):	N/A			

Donald Smith & Co., Inc.

Domestic Equity: Russell 3000 Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Donald Smith & Co.	2.24%	12.51%	32.31%	25.70%	19.04%
Russell 3000	5.41%	12.23%	28.60%	9.90%	13.94%

Portfolio Attributes

Characteristics	DSCO	RU 3000
Mkt Value ($m)	1046.78	N/A
Wtd Cap ($b)	15.19	693.99
P/E	8.02	23.82
Beta	1.02	N/A
Yield (%)	2.05	1.38
Earnings Growth		

Sector Analysis

Over-weight	DSCO	RU 3000
Financials	35.22%	10.81%
Materials	17.60%	1.87%
Industrials	19.60%	13.01%

Under-weight	DSCO	RU 3000
Info Technology	0.66%	32.11%
Health Care	0.00%	12.23%
Cons. Staples	0.00%	4.57%

Performance Attribution & Strategy Comments

The account's appreciation of +2.2% was behind all three indices (Russell 3000 Value +3.7%; Russell 3000 +5.4%; S&P 500 +5.3%). Markets were strong primarily on expectations of the Fed pivoting toward rate cuts later in the year despite indications that some inflation continues to persist. Most of the stocks in the portfolio rose. The biggest contributor was JetBlue (+22.0%) as the stock rallied on news that the activist investor Carl Icahn had amassed a near 10% stake in the company which he believes is undervalued. While M/I Homes (-0.3%) and Beazer (-1.3%) were flat, homebuilder Taylor Morrison (+8.6%) rose as the company reported earnings for the latest quarter during which it saw an increase in net sales orders. Homebuilder sentiment for the month was reported to be high as the selling environment has improved somewhat with mortgage rates coming off their October peaks. The construction company Tutor Perini (+26.5%) also rose after its quarterly earnings during which the company reported that it had completed a refinancing of its debt and that it expects recovery to positive earnings and double digit revenue growth for the year. Despite a few laggards (Navient -5.6%; Citigroup -1.2%; Genworth -0.3%), the financials group overall was strong (Jackson +10.0%; AIG +4.9%; Siriuspoint +4.0%; Corebridge +2.7%; Jefferies +2.6%; Unum +2.3%; Ally Financial +0.9%; Radian +0.6%; MGIC +0.3%). While gold prices have been strong, gold stocks were mixed as IAMGOLD rose (+9.2%), while other holdings declined (Eldorado -14.9%; Kinross -11.1%: Equinox -8.0%; Centerra -4.6%). We added to Beazer, Eldorado, Golar, Genworth, Jackson Financial, and Park Hotels, while reducing Textainer and Taylor Morrison. Textainer's merger agreement with Stonepeak is expected to close in mid-March. Celestica is no longer held in the portfolio. There were no new names. Insurance, building / real estate, financials, precious metals, airlines / aircraft leasing, shipping, and industrials continue to be the largest industry weightings. The portfolio trades at 87% of tangible book value and 6.7x 2-4 year normalized EPS.

Manager Style Summary

Donald Smith & Co manages an all-cap portfolio, employing a bottom-up, deep value investment strategy. They invest in stocks with low P/B ratios and which are undervalued given their long-term earnings potential. Consequently, the portfolio will consist of securities wtih higher dividend yield and lower P/B and P/E ratios relative to the market. This is a concentrated portfolio, consisting of approximately 15-35 issues, and as a result, may experience more volatility than the market.

Donald Smith & Co., Inc.
Domestic Equity: Russell 3000 Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	DSCO	RU 3000	Calc	Min	Max	Compliance
B2. Security Market Cap (in $m) > $100 m @ purchase						ok
B3. Security Positions <= 15% @ purchase						ok
B4. Number of issues	35			15	35	ok
B5. Portfolio Characteristics						
P/B	0.87	4.24	21%	30%	100%	check
P/E (1 Year Forward)	8.02	23.82	34%	50%	100%	check
Dividend Yield	2.05	1.38	149%	50%	150%	ok
F2. Commissions not to exceed $0.05/share; explanation required for commissions >$0.07/share						ok
F3. Annual Turnover	16%			20%	40%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B5. P/B: Our primary approach is to buy low P/B stocks selling at discounts to tangible book value.

B5. P/E (1 Yr Forward): We focus on normalized EPS looking out 2-4 years. On this basis, we are significantly below the market.

F3. Annual Turnover: As we are long-term investors, our turnovers are always on the lower end.

Total Firm Assets Under Management ($m) as of: Qtr 4 $ 4,037

Organizational/Personnel Changes

N/A

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m): $	-
Lost:	Number of Accounts:	0	Total Market Value ($m): $	-
	Reason(s):	N/A		

Fiera Capital

Global Equity: MSCI World Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Fiera	3.18%	9.16%	22.01%	9.69%	13.59%
MSCI World	4.24%	10.67%	24.85%	8.63%	11.68%

Performance Attribution & Strategy Comments

In February, the mood in the market remained ebullient and stock markets extended their winning streak, with solid economic data, the prospect for rate relief later this year, and rock-solid earnings results buttressing risk appetite. Meantime, the frenzy around artificial-intelligence lingered-on after chipmaker Nvidia's earnings results blew past sky-high expectations, which catalyzed a market rally that sent many global indices to new record highs.

For the month of February, the Global Equity strategy was up on an absolute basis but underperformed relative to the MSCI World Index. Our underperformance was driven mostly by our security selection within the Financials and Consumer Staples sectors. Partially offsetting the negatives was our selection within the Materials sector, and our overweight allocation to the Consumer Discretionary sector.

From an individual name perspective, some of the top contributors were Taiwan Semiconductor Manufacturing Co., Ltd., and AutoZone Inc., while top detractors were Moody's Corporation and Nestle S.A.

In terms of sectors, we remain overweight in Consumer Discretionary. We remain underweight in Information Technology and maintain our lack of exposure in Energy, Real Estate and Utilities due to our perception that many firms in these sectors lack competitive pricing power.

Manager Style Summary

Fiera is a "bottom-up" manager, whose process is driven by individual security selection. They invest in quality companies and seek to consistently compound shareholder wealth at attractive rates of return over the long term while preserving capital. Country and sector exposures are by-products of the security selection process. The portfolio consists of roughly 30-50 securities at a time. It is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

Fiera Capital

Global Equity: MSCI World Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Fiera	Calc	Min	Max	Compliance
B3. No more than 10% of the account shall be invested in any one security @ purchase						Yes
B4. Number of issues		32		30	50	ok
B5. Issuer market capitalization: above $1 billion @ purchase						Yes
B6. Normal Regional Exposures (* benchmark -/+ min/max):						
North America		68%		30%	80%	ok
Japan		3%		0%	30%	ok
Europe ex UK		15%		10%	50%	ok
UK		8%		0%	50%	ok
Pacific ex Japan		0%		0%	30%	ok
Emerging Markets		7%		0%	20%	ok
Non-Index Countries		0%		0%	20%	ok
Total		100%				
B7. Normal Global Portfolio Characteristics						
ROE	12.4	26.5	214%	100%		ok
ROIC	11.0	26.9	244%	100%		ok
Price/Earnings	24.0	29.6	123%	50%		ok
Price/Book Value	3.2	7.4	235%	50%		ok
Price/Cash Flow	14.7	21.8	149%	50%		ok
Dividend Yield	2.0	1.3	68%	25%		ok
Market Capitalization	588,864	565,608	96%	25%		ok
C2. Max value of forwards w/single counterpar		0%			30%	ok
C3. Cash/cash equiv in non-USD currencies		0%			10%	ok
F2. Brokerage commissions not to exceed $0.05/share for U.S. equities						Yes
F3. Annual turnover		10%		10%	20%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management ($m) as of: Qtr 4 $ 23,702

Organizational/Personnel Changes

N/A

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$ -
Lost:	Number of Accounts:	0	Total Market Value ($m):	$ -
	Reason(s):			

Income Research & Management (IR+M)
Core Fixed: BB Gov/Credit Bond Index

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
IR+M	-1.24%	2.43%	4.18%	-2.70%	1.55%
BB Gov/Credit	-1.36%	2.04%	3.69%	-3.14%	0.87%

Performance Attribution & Strategy Comments

The PERSI portfolio outperformed the Bloomberg Barclays G/C Index, returning (1.24)% versus (1.36)%. The portfolios security selection aided relative performance. More specifically, selection within ABS, CMBS, and the Industrial sector aided relative returns. Equities continued their march upward for the fourth consecutive month in February while credit spreads remained tight, rallying in the first three weeks before widening back out in the last few trading days. Economic data showed little sign of a slowdown in the economy with CPI rising by 3.1% year-over-year in January, above market estimates, and non-farm payrolls increasing by 353,000 jobs last month, nearly double the survey consensus prediction of 185,000. Amid the higher-than-expected inflation and labor market activity, Federal Reserve (Fed) officials reiterated the need to keep rates restrictive to push inflation down towards its 2% target; market expectations for rate cuts have cooled significantly, with investors anticipating just over three cuts in 2024. Treasury yields broadly rose, led by rates in the intermediate portion of the curve; the 3-year Treasury yield rose by 43bps to 4.42%, and the 2-year/10-year Treasury spread inverted further by 7bps to -37bps. Investment-grade primary issuance continued its record-setting pace in February with $198 billion coming to market, the highest total for the month; year-to-date supply is up by 32% over the amount issued in the same period last year. While Financial firms dominated January issuance, February supply skewed towards large Industrial issuers seeking to finance mergers and acquisitions. The heavy supply was not enough to deter corporate spreads, which ended the month where they began at 96bps; investment-grade yields rose by 30bps to 5.41%. High-yield supply was strong in February, as well, with $27 billion issued during the month, 14% above the five-year average for the period. High-yield spreads tightened by 32bps to 312bps, while yields rose by 6bps to 7.86%. Commercial mortgage-backed securities (CMBS) continued to outperform other securitized products on an excess return basis as CMBS spreads tightened by 11bps on the month, marking the fourth consecutive month of spread tightening. Municipal bonds outperformed Treasuries as primary issuance continues to top last year's pace by 52%; the 10-year muni/Treasury yield ratio fell by 4% to 59%.

Total Firm Assets Under Management ($m) as of:	Qtr 1	$	88,335

Organizational/Personnel Changes

N/A

Manager Style Summary

IR+M's investment philosophy is based on the belief that careful security selection and active portfolio risk management provide superior returns over the long term. Utilizing a disciplined, bottom-up investment approach, IR+M adds value through security selection by seeking attractive, overlooked, and inefficiently priced issues.

Income Research & Management (IR+M)
Core Fixed: BB Gov/Credit Bond Index

Portfolio Guideline Compliance

Portfolio Guideline:	IR+M	BB G/C	Min	Max	Compliance
B2. Effective Duration:	6.3	6.3	5.8	6.8	ok
B3. Sector Diversification:					
Government	39%	60%	30%	90%	ok
Treasuries	36%	58%	28%	88%	ok
Agencies	0%	1%	-4%	6%	ok
Govt Guaranteed	3%	0%	-10%	10%	ok
Credit	41%	40%	20%	60%	ok
Financial	15%	11%	-4%	26%	ok
Industrial	21%	20%	5%	35%	ok
Utility	5%	3%	-7%	13%	ok
Non-Corporate	0%	5%	-5%	15%	ok
Securitized					
RMBS	0%	0%	-10%	10%	ok
ABS	8%	0%	-10%	10%	ok
CMBS	6%	0%	-10%	10%	ok
Agency CMBS	3%	0%	-5%	5%	ok
Municipals	2%	1%	-9%	11%	ok
B4. Issuer Concentration: <=5% all corporate issuers				5%	ok
B5. Number of positions	232		100	175	check
B6. Non-Investment Grade alloc	0%			5%	ok
E2. Annual Turnover	40%		25%	75%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B5. Number of Positions: Due to volatility, we positioned the portfolio to take advantage of attractive opportunities.

Account Turnover

Gained:	Number of Accounts:	0	Total Mkt Value ($m):	$	-
Lost:	Number of Accounts:	0	Total Mkt Value ($m):	$	-

Reason(s) for loss: IR+M did not gain or lose any accounts in the G/C Strategy this month.

Longview Partners

Global Equity: MSCI ACWI Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Longview	2.56%	8.89%	20.15%	10.74%	10.14%
MSCI ACWI	4.29%	9.94%	23.15%	6.79%	10.50%

Performance Attribution & Strategy Comments

Some of the largest contributors to relative performance were IQVIA, Fidelity National (FIS) and CDW. IQVIA released fourth quarter results, with revenue and profit modestly exceeding consensus expectations. The company initiated guidance for 2024 that was roughly in-line with consensus expectations and spoke of an improving biotech funding environment backed up by recent data releases. FIS announced fourth quarter 2023 results and guidance for 2024 that were slightly better than market expectations and raised their share repurchase goal to $4 billion for 2024. The company also completed the sale of a majority stake in Worldpay at the beginning of the month. CDW's fourth quarter 2023 earnings and 2024 guidance were also well received by the market demonstrating the resilience of CDW's business model in a challenging environment for IT hardware.

Among the most significant detractors were Heineken, Sanofi and S&P Global (S&P). Heineken released 2024 guidance at their fourth quarter 2023 earnings release which disappointed the market. Whilst Heineken has passed through significant price increases over recent quarters, the company continues to suffer from cost headwinds and weak volume growth along with macroeconomic headwinds in Vietnam and Nigeria. Whilst these should moderate in 2024, the company's forecast for low to high single digit operating profit growth in 2024 disappointed the market. Sanofi's fourth quarter earnings also modestly disappointed, with fourth quarter operating income falling short of forecasts, as headwinds, including weakness in the dollar, outweighed rising sales of its key drug, Dupixent. The company also announced a change in CFO. S&P underperformed the Index after releasing 2024 guidance of 7-9% constant currency revenue growth and 100 basis points of margin expansion which was marginally below market expectations.

Manager Style Summary

Longview is a "bottom-up" manager, whose process is driven by individual security selection. Country allocations are a by-product of the stock selection process, which drives the portfolio country over and under weights, and is unconstrained by the index weights. The portfolio holds 30-35 securities at a time, and stocks are equally weighted. It is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

Longview Partners

Global Equity: MSCI ACWI Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Longview	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase				Yes
B4. Number of issues	31.0	30	35	ok
B5. Normal Regional Exposures (* benchmark -/+ min/max):				
United States & Canada	85%	35%	80%	check
Europe incl U.K.	15%	20%	50%	check
Japan	0%	0%	20%	ok
Emerging Markets	0%	0%	15%	ok
Non-Index Countries	0%	0%	10%	ok
Total	100%			
B6. Normal Global Portfolio Characteristics				
Median Mkt Cap (in billions)	88,129	$10		ok
Price/Earnings (Trailing)	24.9	10	17	check
Dividend Yield	2%	0.5%	2.0%	ok
Price/Cash Flow (Trailing)	16.4	10	14	check
C1. No executed forward w/o a corresponding securities position.				Yes
C2. Foreign Currency (cash or cash equiv) <= 8% of Account value				Yes
F2. Brokerage commissions not to exceed $0.06/share for U.S. equities				Yes
F3. Annual turnover	20%	25%	50%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B5. Regional Exposures:	The output of our investment process is a concentrated, yet diversified, portfolio of typically 35 names, unconstrained by geography or sector.
B6. Price/Earnings:	Price/Earnings is not targeted and stands at 24.9 in February.
B6. Price/Cash Flow:	Price/Cash Flow is not targeted and stands at 16.4 in February.
F3. Annual Turnover:	We do not target a specific level of turnover. Annual turnover is calculated on a rolling 12 month period and includes client flows.

Total Firm Assets Under Management ($m) as of: Qtr 1 $ 18,182

Organizational/Personnel Changes

There were no changes to the investment team in February.

Account Turnover

Gained:	Number of Accounts:	0	($m):	$ -
Lost:	Number of Accounts:	0	($m):	$ -
	Reason(s):			

Mondrian Investment Partners

International Equity: MSCI EAFE Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Mondrian	-0.16%	3.81%	12.90%	5.53%	5.34%
MSCI EAFE	1.83%	7.86%	14.41%	4.45%	6.77%

Country Allocation Comparison

Over-weight	Mondrian	EAFE	Under-weight	Mondrian	EAFE
UK	22.19%	14.37%	Australia	1.51%	7.26%
Japan	27.71%	23.66%	Switzerland	3.97%	9.52%
Italy	6.54%	2.72%	France	8.73%	12.08%

Performance Attribution & Strategy Comments

The portfolio lagged the market in February. Returns were held back in Italy by holdings in the utilities sector and in Japan where Sony, the diversified entertainment and electronics group, was weighed down by challenges in the gaming industry. This was partially offset by strong performance from Toyota Industries, the Japanese forklift and auto parts maker, which reported a strong set of results driven by a rebound in forklift orders and continued strength in autos.

With AI euphoria gripping equity markets, portfolio performance was impacted by the lack of exposure to strongly performing semiconductor stocks. However, strong returns and positive stock selection from other holdings in the IT sector including TSMC and Fujitsu, the Japanese IT services provider, offset the impact and supported portfolio returns.

Manager Style Summary

Mondrian (formerly Delaware International) employs a top-down/bottom-up approach, with focus on security selection. The firm identifies attractive investments based on their fundamental, long-term flow of income. Dividend yield and future growth prospects are critical to the decision making process. The portfolio is expected to be fairly concentrated (40-60 securities), with a value bias. As such, we can expect the portfolio characteristics to exhibit low P/B, low P/E and high dividend yield ratios relative to the market.

Mondrian Investment Partners
International Equity: MSCI EAFE Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Mondrian	Calc	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		51		40	60	ok
B5. Normal Regional Exposures:						ok
United Kingdom		22%		0%	45%	ok
Europe ex U.K.		36%		0%	75%	ok
Japan		28%		0%	45%	ok
Pacific ex Japan		11%		0%	40%	ok
Non-Index Countries		2%		0%	20%	ok
Cash		1%		0%	5%	ok
Total		100%				
B6. Normal Portfolio Characteristics						
Capitalization	95,934	59,062	62%	25%	100%	ok
Price/Book Value	1.9	1.2	65%	50%	125%	ok
Price/Earnings (Trailing)	15.3	12.6	82%	50%	100%	ok
Price/Cash Flow	9.8	6.6	68%	50%	100%	ok
Dividend Yield	3.0	4.0	132%	100%	200%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						ok
F2. Annual turnover		16%			40%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management ($m) as of: Qtr 4 $ 45,344

Organizational/Personnel Changes

No Changes.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m)	
Lost:	Number of Accounts:	0	Total Market Value ($m)	
	Reason(s):			

Mountain Pacific Investment Advisers

Domestic Equity: Russell 2500 Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Mountain Pacific	7.77%	14.70%	24.76%	8.30%	12.36%
Russell 2500	5.44%	13.69%	12.25%	2.15%	8.83%

Portfolio Attributes

Characteristics	Mtn Pac	RU 2500
Mkt Value ($m)	1086.97	N/A
Wtd Cap ($b)	29.40	7.06
P/E	23.34	19.25
Beta	1.00	1.00
Yield (%)	0.89	1.55
Earnings Growt	10.18	13.60

Sector Analysis

Over-weight	Mtn Pac	RU 2500
Capital Goods	54.21%	22.32%
Materials	6.10%	3.70%

Under-weight	Mtn Pac	RU 2500
Cons. Cyclical	0.91%	15.36%
Real Estate	0.00%	6.69%
Energy	0.00%	5.04%

Performance Attribution & Strategy Comments

January FOMC minutes released on February 21 indicated a widespread bias by members to wait for further confirmation of durable decreases in inflation before cutting rates. Indeed, this caution appeared vindicated by an eye-popping January payrolls report and hotter than expected CPI, PPI, and PCE reports. The Fed will want to see several strong prints before altering its cautiously optimistic outlook on inflation, however. Short term interest rates retrenched over the month from expecting almost six rate cuts in 2024 to just over three. Equities shrugged off higher rates, rallying about 5.5% across the range of market caps.

The portfolio rose 7.77% in January, outperforming our benchmark, the RU 2500, by 233 bps. Over the past three months, our portfolio has outperformed the index by 101 bps.

Industrials and financials continued to drive portfolio returns in February with most of their 275+ bps contribution from security selection. Detractors from performance included consumer discretionary (allocation) and technology (selection).

Vertiv, a provider of power, cooling, and IT solutions to data centers and communication networks, rose over 20% during the month on AI optimism buoyed by Nvidia's strong earnings report. Healthcare provider Conmed fell 16% on a 4Q earnings miss and steep '24 implied quarterly revenue cadence. We remain confident in the name despite concerns about competition in the laparoscopic insufflator market.

The outlook for common stocks remains mixed as equity valuations look increasingly extended unless validated by future earnings increases; S&P 500 consensus earnings growth for 2024 is 11.1%. The labor market is stabilizing/normalizing and continues to underpin the economy while apparently allowing inflation to ease. Numerous indicators remain at recession levels, but until the labor market normalizes sufficiently, a slowdown in the economy and earnings may remain at bay.

Manager Style Summary

Mountain Pacific manages a mid-to small-cap portfolio, employing a "GARP" (Growth At a Reasonable Price) investment strategy. Their portfolio holdings and characteristics will wander around the average stock in their benchmark, and they tend to favor companies which do not sell directly to the public and therefore, depend on sales to other businesses. Mountain Pacific runs a more concentrated portfolio than most, and as a result, their returns will diverge more dramatically from their benchmark, and sometimes for sustained periods.

Mountain Pacific Investment Advisers
Domestic Equity: Russell 2500 Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Mtn Pac	RU 2500	Calc	Min	Max	Compliance
B2. Security Market Cap (in $m)				$100.0	$7,500.0	ok
B3. Wtd Avg Cap	29395	7057	417%	80%	120%	check
B4. Number of issues	41			35	55	ok
B5. Security Positions <= 4% @ purchase						ok
B6a. P/E (12-mo trail)	30.80	26.56	116%	80%	120%	ok
B6b. Beta	1.00	1.00	1.00	0.80	1.20	ok
B6c. Yield	0.89	1.55	57%	80%	120%	check
B6d. Expected Earnings Growth	10.18	13.60	75%	80%	120%	check
E2. Commissions not to exceed $0.06/share						ok
E3. Annual Turnover	9%				60%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B3. Wtd Avg Cap: Our Wtd Avg Cap exceeds that of the benchmark due to price appreciation. The median cap of the portfolio is $12.9 BN.

B6c. Yield: Our yield is below that of the benchmark as we have been adding companies that reinvest more for growth than pay dividends.

B6d. Earnings Growth: Earnings growth estimates were recently decreased for the portfolio.

Assets Under Management ($m) as of: Qtr 4 $ 1,932

Organizational/Personnel Changes

Rashe Elliott joined our team as an associate in February.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m	$ -
Lost:	Number of Accounts:	0	Total Market Value ($m	$ -
	Reason(s):	N/A		

Peregrine Capital Management

Domestic Equity: Russell 1000 Growth Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Peregrine	3.63%	11.80%	38.48%	3.45%	13.12%
Russell 1000 Growth	6.82%	14.34%	43.85%	13.95%	18.84%

Portfolio Attributes

Characteristics	Peregrine	RU 1000G
Mkt Value ($m)	1167.00	N/A
Wtd Cap ($b)	385.01	1184.83
P/E	35.89	24.79
Beta	1.05	1.00
Yield (%)	0.22	0.67
Earnings Growth	20.58	12.68

Sector Analysis

Over-weight	Peregrine	RU 1000G
Health Care	17.69%	10.23%
Financials	7.44%	2.46%
Cons Disc	23.21%	18.98%

Under-weight	Peregrine	RU 1000G
Technology	37.68%	53.23%
Cons Staples	0.00%	2.52%
Telecomm	0.00%	0.60%

Performance Attribution & Strategy Comments

Equity indices finished higher for the month with the Russell 1000® Growth benchmark up 6.82%. Peregrine's Large Cap Growth portfolio lagged its growth benchmark.

The Nasdaq and Russell 2000® (small cap) lead markets higher in February, a potential positive sign of wider breadth in the market. Despite this, Nvidia continued to put up an outsized return of nearly 29% in the month on strong revenue, earnings, and guidance. AI remains a high-profile tailwind for equities. Fed rate-cutting continues to be delayed. Recent Fed-speak reinforced the need for additional data to give the needed confidence inflation has been tamed. February economic data reinforced the rate-cut timing delay, with a hotter CPI report for January reinforcing inflation's persistence and stubbornly mild jobless claims elevating labor costs. Signs of caution are difficult to ignore in stretched valuations and a still relatively narrow market participation. Trade Desk, Uber Technologies & Cloudflare all added to performance with earnings reports demonstrating strong in-period results and raised outlooks. Several tech holdings (including Adobe, Atlassian, DoubeVerify, ServiceNow, Snowflake and Workday) traded down after reporting solid quarterly results but without providing as upbeat of near-term guidance. We Eliminated our position in Unity and added to our positions in DoubleVerify and Snowflake.

We continue to anticipate a U.S. consumer-led slowdown during the year ahead. The portfolio continues to demonstrate very strong underlying revenue, earnings, and free cash flow gains. History suggests it is difficult to time overall stock market moves, and we believe equity investors will be rewarded by a long-term viewpoint. We believe the Quadrant I growth stock investing backdrop on a macro, fundamental, and valuation basis provides opportunity for positive long-term absolute and relative returns.

Manager Style Summary

Peregrine manages a large cap growth equity portfolio, utilizing a "bottom up" strategy, and focusing more on the future growth prospects of a firm rather than current earnings. We can expect the P/E and P/B ratios to be slightly higher than that of the market, stock volatility to be slightly higher than the market, and dividend yield to be lower than average. Their style encourages overweight positions in traditional growth sectors such as technology, retail, business services, and financial services. Due to the concentrated nature of the portfolio, it will tend to be more volatile than more diversified portfolios.

Peregrine Capital Management
Domestic Equity: Russell 1000 Growth Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	S&P 500	Peregrine	Calc	Min	Max	Compliance
B2. Security Market Cap > $1 billion						ok
B3. Security position <=5% @ purchase, excluding contributions						ok
B4. Number of issues		27		25	35	ok
B5. P/B	4.41	11.72	2.7	1.2	2.0	check
B5. P/E (Projected)	18.84	35.89	1.9	1.0	2.0	ok
B5. Dividend Yield	1.38	0.22	0.2	0.1	0.8	ok
B5. Beta	1.00	1.12	1.1	1.10	1.35	ok
B5. Earnings Growth (5-year)		21%		11%	22%	ok
F2. Commissions not to exceed $0.05/share						ok
F3. Annual Turnover		10%		15%	30%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B5. P/B:

This measure typically is at a premium for faster growing companies earlier in their life-cycle than the more mature mix of companies in the S&P 500®.

The Russell 1000® Growth is at a similar premium of 11.7x. We don't expect this measure to come down to below 2x the S&P 500® in the near-term.

F3. Annual Turnover:

2023 turnover was below normal. Our normalized turnover remains approximately 20%. We expect 2024 to be above 15%.

Total Firm Assets Under Management ($m) as of: Qtr 4 $ 4,721

Organizational/Personnel Changes

There were no organizational or personnel changes during the month.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$ -
Lost:	Number of Accounts:	1	Total Market Value ($m):	$ 1.5
	Reason(s):	They decided to let go of all their active strategies in US Large-cap.		

Walter Scott & Partners Limited

Global Equity: MSCI World Benchmark

For the month of: **February** **2024**

Manager Performance Calculations ** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Walter Scott	3.30%	11.78%	25.73%	9.00%	12.68%
MSCI World	4.24%	10.67%	24.96%	8.64%	11.66%

Performance Attribution & Strategy Comments

From a sector perspective, the portfolio's materials stocks were strong and contributed the most to relative performance; Linde was among the top individual performers. Despite contributing the most to absolute performance, technology stocks, particularly Adobe, trailed their sector index and detracted the most from relative return. Consumer discretionary stocks also underperformed their benchmark counterparts and detracted from relative performance.

From a geographical viewpoint, sole emerging markets holding, Taiwan Semiconductor, contributed the most to relative performance. US stocks underperformed their regional index and detracted the most from relative return.

Equity markets may continue to be supported by hopes of an economic soft landing, and expectations that monetary easing lies just around the corner. However, there remain several risks which could taint the current bullish hue. Both the Fed and the ECB look set to cut interest rates, but the pace and extent of such cuts could disappoint markets if core inflation proves more stubborn than expected. It is also possible that the cumulative effects of higher interest rates and inflation may further impinge on consumer spending, which would erode the more sanguine view of growth. Despite the current chatter over the timing of interest rate cuts, monetary policy has normalised with a return to the days of ultra-cheap money unlikely. The positive aspect of this reset in the cost of capital is that it should act as an enforcer in terms of corporate financial discipline and focus investor attention on the importance of balance sheet rigour.

Manager Style Summary

Walter Scott is a "bottom-up" manager whose process is driven by individual security selection. They invest in companies with high rates of internal wealth generation (IRR > 20%) which translates into total return to the investor over time (real return = 7-10%). Country and sector exposures are by-products of the security selection process. This is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

Walter Scott & Partners Limited

Global Equity: MSCI World Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	WS	Min	Max	Compliance
A2. Cash balance <= 5% of portfolio market value	1%		5%	ok
B3. No more than 5% of the account shall be invested in any one security @ purchase				Yes
B4. Number of issues	48	40	60	ok
B5. No shares of investment companies or pooled funds sponsored/managed by manager or affiliates				Yes
B6. Normal Regional Exposures (* benchmark -/+ min/max):				
North America	62%	52%	64%	ok
Japan	6%	2%	9%	ok
Europe ex UK	20%	18%	30%	ok
UK	4%	0%	12%	ok
Pacific ex Japan	3%	0%	12%	ok
Emerging Markets	3%	0%	12%	ok
Total	99%			
B7. Normal Global Portfolio Characteristics				
ROE	24%	10%	20%	check
CROCE	30%	20%	30%	ok
Operating Margin	18%	15%	25%	ok
Portfolio turnover	1%	0%	20%	ok
Relative P/E	1.3	1.0	1.4	ok
Price/Book Value	7	3	5	check
Price Earnings	29	22	34	ok
Price/Cash Flow	22	13	21	check
Dividend Yield	1%	1%	3%	ok
E2. Brokerage commissions in bps	5	4	13	ok
E3. Annual turnover	8%		30%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B7. ROE: Net income has grown faster than shareholder equity for the portfolio's companies in aggregate.

B7. Price/Book: The price of the portfolio's holdings increased at a faster pace than the most recently reported book values of the portfolio's companies.

B7. Price/Cash Flow: The price of the portfolio's holdings have increased at a faster pace than the most recently reported cash earnings of the portfolio's companies.

Total Firm Assets Under Management ($m) as of: Qtr 4 $ 82,479

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	-
Lost:	Number of Accounts:	1	Total Market Value ($m):	$ 2.2

Reason(s): Termination due to client following their derisking strategy

Organizational/Personnel Changes

Katie Mint, Stewardship & Sustainability, joined 5th Feb 2024. Conal Anderson, Business Governance Analyst - Records Manager, joined 26th Feb 2024. Jeannette Haining, Client Reporting Analyst, joined 26th Feb 2024. Moira Willis, Business Governance Analyst, retired 29th Feb 2024.

Western Asset Management- Core Full Discretion
Global Fixed: BB Aggregate Benchmark

For the month of: **February** **2024**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Western	-1.55%	2.81%	3.91%	-4.52%	0.44%
BB Aggregate	-1.41%	2.08%	3.33%	-3.16%	0.56%

Performance Attribution & Strategy Comments

Performance Review: The portfolio underperformed its benchmark in February. The portfolio returned -1.55% while its benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index, returned -1.41%.

Outlook Summary: US economic growth improved in 2023, almost solely due to a rebound in construction activity. Consumer spending has been credited with improving the economy in 2023. However, the fact is that consumer spending on services grew no faster in 2023 than in 2022, and the improvement in consumer spending on goods was fully offset by declines in inventory investment. Market sentiment is optimistic about construction staying strong in 2024. Our view is that non-residential construction likely will slow as the stimulus from federal government programs fades, and we think residential construction could also be prone to renewed declines as inventories of unsold new homes remain very high and as higher mortgage rates and higher home prices take their toll on demand. Nominal spending growth has continued to decelerate reasonably steadily, and we believe that deceleration will put further downward pressure on inflation in 2024. We expect inflation to be well below Fed targets by late 2024. These trends should drive more Fed easing than is currently expected.

Manager Style Summary

Western manages a customized portfolio for PERSI, which falls outside of their traditional product offerings. While the product is called, "Core Full Discretion" (one of their traditional products), Western has the flexibility to invest in global inflation-linked bonds and to take bigger bets where they see the opportunity. As such, this portfolio is more volatile than the traditional underlying product. This global mandate allows Western to hold foreign, non-dollar denominated securities, take currency positions, and enter into futures, options and swaps contracts.

Western Asset Management- Core Full Discretion
Global Fixed: BB Aggregate Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Western	Min	Max	Compliance
C. Weighted average duration including futures positions	7.07	-30.00	30.00	ok
C4 (2): Sector Allocation				
a. Non-dollar denominated securities		0%	40%	ok
Un-hedged non-dollar denominated securities		0%	20%	ok
b. U.S. securities rated below investment grade (BIG)		0%	40%	ok
c. Non-dollar, Non-U.S. securities rated BIG		0%	20%	ok
d. Non-dollar denominated+emerging mkt+high yield		0%	50%	ok
C4 (3): Issuer				
a. Guaranteed by US gov, agencies, gov-sponsored corp or G-7		0%	100%	ok
b. Other national governments - limit per issuer		0%	10%	ok
c. Private MBS/ABS - limit per issuer		0%	10%	ok
If collateral is credit-independent of issuer & security's credit enhancement is generated internally - limit per is		0%	25%	ok
d. Obligations of other issuers subject to per issuer limit		0%	5%	ok
C4 (5): Credit				
No more than 40% of portfolio below Baa3 or BBB-/A2 or P2		0%	40%	ok
C4 (7): Derivatives				
Original futures margin and options premiums, exclusive any in-the-money portion of the premiums		0%	5%	ok
F2. Annual Turnover	73%	100%	200%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

F2. Annual Turnover: The transactions were the intent of the portfolio manager and the account is in line with strategy's expected turnover

Total Firm Assets Under Management ($m) as of: Qtr 4 $ 388,925

Organizational/Personnel Changes

N/A

Account Turnover

Gained:	Number of Accounts:	3	Total Market Value ($m):	$ 1,501.6
Lost:	Number of Accounts:	11	Total Market Value ($m):	$ 2,296.2

Reason(s): Asset Reallocation/Rebalancing, Merger/Acquisition

PERSI Choice Plan Summary — Feb 2024

Performance - Net of fees

blue = outperform by 50 bp; **red** = underperform by 50 bp *(*Annualized)*

		Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Balanced						
PERSI Total Return Fund ♠	n/a	**1.6%**	**5.5%**	**11.4%**	**4.3%**	**7.6%**
Strategic Policy ☆		2.2%	6.3%	12.5%	4.3%	7.5%
Policy *(55% R3000, 15% MSCI EAFE, 30% BCAgg)*		2.8%	8.5%	19.0%	5.2%	8.9%
Calvert Balanced Fund [1]	**CBARX**	**3.2%**	**9.2%**	**20.5%**	**5.5%**	**9.6%**
Custom Bench *(60% R1000, 40% BCAgg)*		2.7%	8.1%	19.2%	5.1%	8.9%
Capital Preservation						
PERSI Short-Term Investment Portfolio ♠	n/a	**0.3%**	**1.2%**	**5.1%**	**2.4%**	**2.0%**
ICE BofA US 3-month T-bill Index		0.4%	1.3%	5.3%	2.5%	2.0%
Bond						
US Bond Index Fund	n/a	**-1.4%**	**2.1%**	**3.3%**	**-3.2%**	**0.5%**
Dodge and Cox Fixed Income Fund [5]	**DOXIX**	**-1.3%**	**2.7%**	**4.9%**	**-1.6%**	**2.0%**
Bloomberg Aggregate		-1.4%	2.1%	3.3%	-3.2%	0.6%
US TIPS Index Fund	n/a	**-1.1%**	**1.8%**	**2.5%**	**-0.9%**	2.6%
Bloomberg US TIPS Index		-1.1%	1.8%	2.5%	-0.9%	2.7%
U.S. Equity						
Russell 3000		5.4%	12.2%	28.6%	9.9%	13.9%
Large Cap						
U.S. Large Cap Equity Index Fund	n/a	**5.3%**	**12.0%**	**30.3%**	**11.8%**	**14.7%**
Vanguard Growth & Income Fund [2]	VGIAX	**6.1%**	**13.3%**	**30.7%**	**12.6%**	**14.8%**
S&P 500		5.3%	12.0%	30.5%	11.9%	14.8%
Small/Mid Cap						
U.S. Small/Mid Cap Equity Index Fund [3]	n/a	**6.1%**	**14.4%**	**19.0%**	**-0.1%**	**9.3%**
Dow Jones U.S. Completion Total Stock Market Index		6.1%	14.3%	18.7%	-0.4%	9.0%
Small Cap						
T. Rowe Price Small Cap Stock Fund [4]	TRSSX	**4.7%**	**13.3%**	**11.6%**	**0.4%**	**8.8%**
Russell 2000		5.7%	14.0%	10.1%	-0.9%	6.9%
Specialty						
US REIT Index Fund	n/a	**1.9%**	**7.5%**	5.4%	4.4%	3.0%
Dow Jones U.S. Select REIT		1.9%	7.6%	5.6%	4.6%	3.2%
International Equity						
International Equity Index Fund	n/a	**2.5%**	**7.8%**	**15.0%**	**4.7%**	7.1%
T. Rowe Price Overseas Stock	**TROIX**	**3.0%**	7.1%	n/a	n/a	n/a
MSCI EAFE net dividend		1.8%	7.9%	14.4%	4.5%	6.8%
DFA Emerging Markets Core Equity I ^	**DFCEX**	**4.2%**	4.6%	n/a	n/a	n/a
MSCI EMF		4.8%	3.9%	9.2%	-5.9%	2.3%

* *Performance reported by Custodian and may be preliminary; mutual funds identified by corresponding tickers*

☆ *Strategic Policy Benchmark = 8% R2500, 13% S&P500, 4% REIT, 4% PRE, 8% PE, 9% EM, 6% EAFE, 18% World, 15% Agg, 5% ID Mtg, 10% TIPS*

♠ *Fund returns reflect fees beginning 05/01/15*

[1] *Calvert Balanced Social Investment (Sudan-Free) Fund performance begins 10/12/07; effective 05/23: share class change from CBAIX to CBARX*

[2] *Vanguard Growth & Income Admiral Shares (VGIAX) performance begins 08/01/03; previous periods reflect Vanguard Growth & Income Investor Shares (VQNPX)*

[3] *US Small/Mid Cap Equity Index Fund managed by MCM performance begins 10/12/07; previous periods reflect Dreyfus Premier Midcap Stock R Fund (DDMRX)*

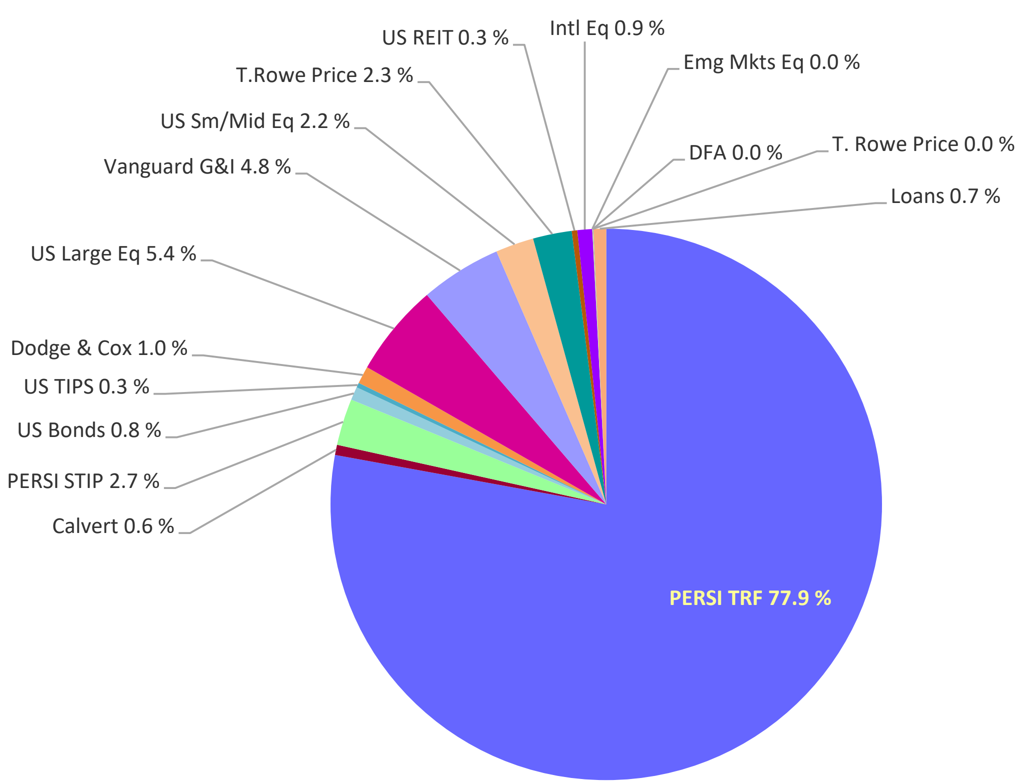
[4] *T. Rowe Price Small Cap Stock Fund (TRSSX) begins 04/01/2017; (OTCFX) performance begins 8/01/2003; previous periods reflect ING Small Company Fund (AESGX)*

[5] *Effective 05/23:share class change from DODIX to DOXIX*

PERSI Choice Plan Summary — Feb 2024

Performance - Net of fees

			Alloc by Fund	Alloc by Asset Class
Balanced				78.5%
PERSI Total Return Fund	$	1,243,829,574	77.9 %	
Calvert Balanced Fund	$	9,532,896	0.6 %	
Capital Preservation				2.7%
PERSI Short-Term Investment Portfolio *(ML 91-day T-bills)*	$	43,695,016	2.7 %	
Bonds				2.1%
U.S. Bond Index Fund *(BC Aggregate)*	$	12,452,522	0.8 %	
U.S. TIPS Index Fund *(BC US TIPS)*	$	4,462,617	0.3 %	
Dodge and Cox Fixed Income Fund *(BC Aggregate)*	$	16,359,929	1.0 %	
U.S. Equity				15.0 %
Large Cap				
U.S. Large Cap Equity Index Fund *(S&P 500)*	$	86,923,235	5.4 %	
Vanguard Growth & Income Fund *(S&P 500)*	$	75,917,098	4.8 %	
Small/Mid Cap				
U.S. Small/Mid Cap Equity Index Fund *(DJ USTSMI)*	$	35,778,485	2.2 %	
Small Cap				
T. Rowe Price Small Cap Stock Fund *(R2000)*	$	36,357,335	2.3 %	
Specialty				
U.S. REIT Index Fund *(DJ US Select REIT)*	$	5,161,104	0.3 %	
International Equity				0.9 %
International Equity Index Fund *(MSCI EAFE)*	$	13,911,987	0.9 %	
T. Rowe Price Overseas Stock	$	462,190	0.0 %	
Emerging Markets Equity Index Fund *(MSCI EMF)*	$	300	0.0 %	
DFA Emerging Markets Core Equity I	$	530,145	0.0 %	
Other				0.7 %
Loans	$	11,888,219	0.7 %	
Total DC Plan	$	1,597,262,653	100%	100.0 %



* *Performance reported by Custodian; mutual funds identified by corresponding tickers*

BNY MELLON | INVESTMENT MANAGEMENT

MELLON

Public Employee Retirement System of Idaho

March 19, 2024

40 YEARS OF INDEXING

Contact Us

Today's Presenters

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See Additional Information in Disclosure Statements. [28605]

BNY MELLON AT A GLANCE

A leader in Investment Management & Investment Services

Ranked among the highest debt ratings for financial firms globally[1]

Considered a Globally Systemically Important Bank (G-SIB)[2]

World's largest agent lender with access to more than $4.9 trillion in lendable assets[3]

Investment Management

Institutional & Retail Asset Management

$2.0 Trillion
assets under management[4]

5th Largest
US institutional money manager[5]

Investment Services

Full Range of Financial Operations, Cash Management & Global Payments Services

$47.8 Trillion
assets under custody and/or administration[4]

$5.2 Trillion
average tri-party collateral management balances[4]

[1]Source: BNY Mellon. BNY Mellon's ratings are not recommendations to buy, sell, or hold its common stock. Each rating is subject to revision or withdrawal at any time by the assigning rating organization and should be evaluated independently of the other ratings. Current ratings for The Bank of New York Mellon Corporation and its principal subsidiaries are posted at https://www.bnymellon.com/us/en/investor-relations/bondholder-information.html. Applicable to U.S. financial firms with long-term senior debt and/or long-term deposits. [2]Financial Stability Board (FSB) as of November 2023. Consists of a set of policy measures, including stringent risk management protocols, to address the systematic and moral hazard risks associated with being a systemically important financial institution whose failure might trigger a financial crisis. [3]Source: BNY Mellon; Largest program as measured by on loan assets according to S&P Global Market Intelligence as of 12/31/23. [4]Source: BNY Mellon. Data as of 12/31/23. [5]Pensions & Investments, June 2023; ranked by total worldwide institutional AUM, in millions, as of 12/31/22. BNY Mellon pays no compensation to be listed in rankings noted on this page. See Additional Information in Disclosure Statements. [28835]

BEYOND MEASURE

Thinking beyond the benchmark, we are a client-focused index manager committed to the goal of delivering on every basis point.

$470.4 Billion
Index Assets Under Management (AUM)

50%+
AUM invested with the firm for over 15 years

30+
Clients invested for over 20 years

INDUSTRY LEADER

We offer leading-edge research and innovative applications that leverage our index management experience.

1st
Institutional Index Portfolio[1]

8th Largest
Index asset manager globally[2]

18 years
ETF experience

EXTENSIVE EXPERIENCE

Successful outcomes require perspective built from experience and expertise. Our perspective is the result of a 40-year pioneering history in index management.

47
Investment professionals

12 years
Average tenure

19 years
Average industry experience

40 YEARS OF INDEXING

AUM and Staff data are as of 12/31/23. Where applicable, AUM includes discretionary and non-discretionary assets and assets managed by investment personnel acting in their capacity as officers of affiliated entities. ESG assets include assets managed in custom ESG strategies and assets managed in accordance with client directed SRI guidelines. Mellon Investments Corporation (MIC) has two divisions—Mellon and Dreyfus. Shared services are included in the Mellon staff count. Years of experience may include partial year periods. [1]Source: Pensions & Investments (P&I), Article "William L. Fouse," Published 10/27/2003. [2]Source: Pensions & Investments (P&I), data as of 6/30/23. Research on a lag and updated on an annual basis generally in November. MIC pays no compensation to P&I to be listed in rankings. Any collective investment funds (Funds) presented are maintained by The Bank of New York Mellon (the Bank). Employees of Mellon Investments Corporation (MIC) manage the assets of Funds in their capacity as dual officers of the Bank and MIC. See Additional Information in Disclosure Statements. [28814]

Mellon Index Investment Team

Stephanie Hill
MD, Head of Index, Mellon

Marlene Walker Smith
Director, Head of Equity Portfolio Management

Nancy Rogers, CFA
Director, Head of Fixed Income Portfolio Management

Theodore Bair Jr., CFA
SVP, Senior Investment Strategist

Jacqueline Condron
VP, Governance & Proxy Manager

Daphne Du, PhD, CFA
SVP, Senior Portfolio Manager
Equity Team Leader

David France, CFA
SVP, Senior Portfolio Manager
Equity Team Leader

Todd Frysinger, CFA
SVP, Senior Portfolio Manager
Equity Team Leader

Vlasta Sheremeta, CFA
SVP, Senior Portfolio Manager
Equity Team Leader

Michael Stoll
SVP, Senior Portfolio Manager
Equity Team Leader

Danny Lai
SVP, Senior Portfolio Manager
Equity

Matthew Austerberry, CFA, CAIA
VP, Portfolio Manager
Equity

John Bucci
VP, Portfolio Manager
Fixed Income

Lara Dalisay, CFA
VP, Portfolio Manager
Equity

Tracy Gregory
VP, Portfolio Manager
Fixed Income

Davie Lee
VP, Portfolio Manager
Equity

Gregg Lee, CFA
VP, Portfolio Manager
Fixed Income

Robert McGrath
VP, Portfolio Manager
Equity

Eugene Moy
VP, Portfolio Manager
Equity

Mark Munger
VP, Portfolio Manager
Equity

William Newton, CFA
VP, Portfolio Manager
Fixed Income

David Nieman
VP, Portfolio Manager
Fixed Income

Todd Rose
VP, Portfolio Manager
Equity

Jun Shen
VP, Portfolio Manager
Equity

Amy Weimer Dahl
VP, Portfolio Manager
Equity

Roy Willis, CFA
VP, Portfolio Manager
Equity

Anmol Hingorani, CFA
VP, Assistant Portfolio Manager
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Cristy Stovall, CFA
VP, Assistant Portfolio Manager
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Alex DeCandia, CFA
Senior Associate, Senior Portfolio Analyst
Equity

John Henry Doktorski, CFA
Senior Associate, Senior Portfolio Analyst
Equity

Nicholas Durante
Senior Associate, Senior Portfolio Analyst
Equity

Vincent Tumminello, CFA
Senior Associate, Senior Portfolio Analyst
Equity

20 Years
Average Industry Experience

15 Years
Average Firm Experience

Additional Resources

Dragan Skoko[1]
Managing Director, Head of Buy-Side Trading Solutions

Indrajit Sengupta[2]
Head of IM India, North America Firms

Vincent Reinhart
Chief Economist & Macro Strategist

As of December 2023. [1]Employees of xBK LLC acting as dual officers of Mellon Investments Corporation. [2]Employees of BNY Mellon International Operations (India) Private Ltd and not included in employee headcount. Experience averages exclude additional resources. Years of experience may include partial year periods. CFA® and Chartered Financial Analyst® are registered trademarks owned by CFA Institute. See Additional Information in Disclosure Statements. [28835]

PERSI Russell 3000® Strategy Master Account Restructure on January 30, 2024

AUM of the Russell Completer and S&P 500® accounts moved to Russell 1000® Index account

- PERSI Russell Completer Fund: $129,464,087.05
- PERSI S&P 500® Fund: $1,321,863,867.48

Minimal trading done to rebalance Russell 1000® Index account

- Two Way Turnover: $10,869,715 (74.82 bps)
- 4 sells – 3 non-index names, 1 large overweight (Nvidia); maintained overweight less than 2 bps to reduce turnover
- 17 buys – post-transition underweights and reinvesting proceeds from sells; after trading, no names were underweighted more than 1 bp

Minimal trading cost impact

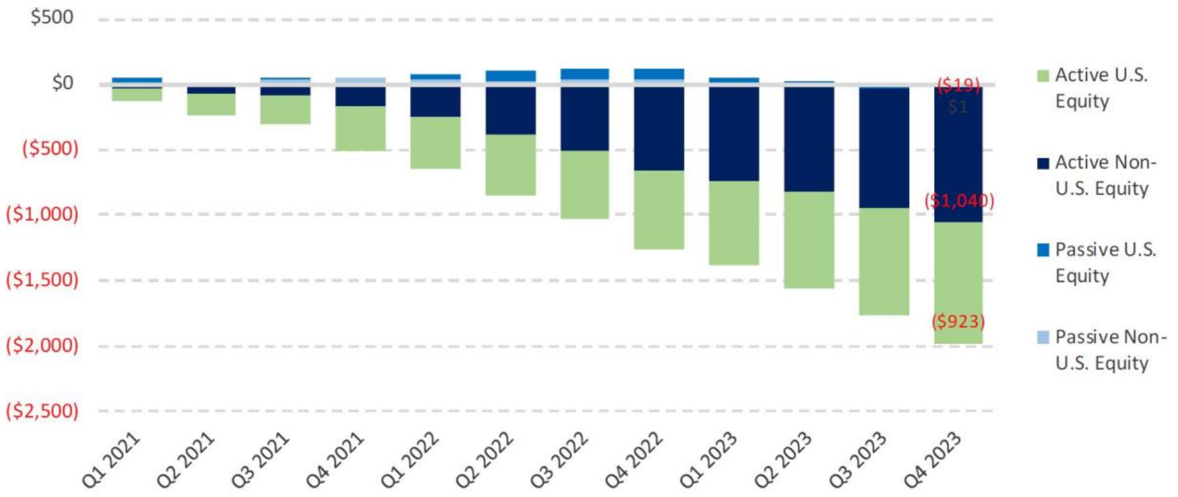
- Explicit Trading Costs (Commissions + Fees)
- $295.98 (0.002 bps of the entire AUM)

Trends in Institutional Investor Flows

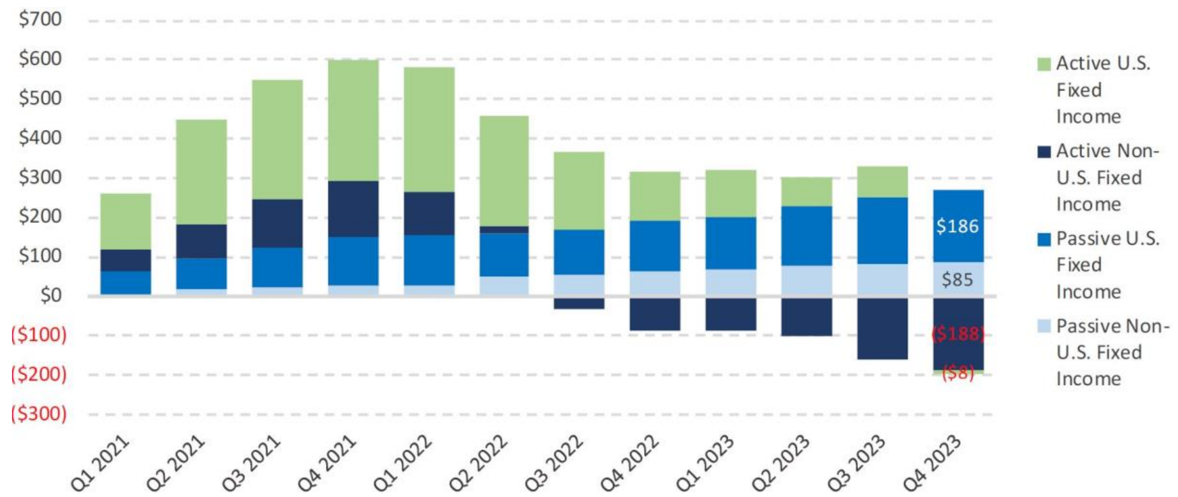
- Active equity strategies (US and ex-US) experienced outflows in 2023 while passive strategies were generally flat
- Active US fixed income strategies were flat, while active ex-US strategies experienced outflows. Both passive US and ex-US strategies saw inflows

Cumulative Net Institutional Investor Flows (USD bn)

Equity



Fixed Income

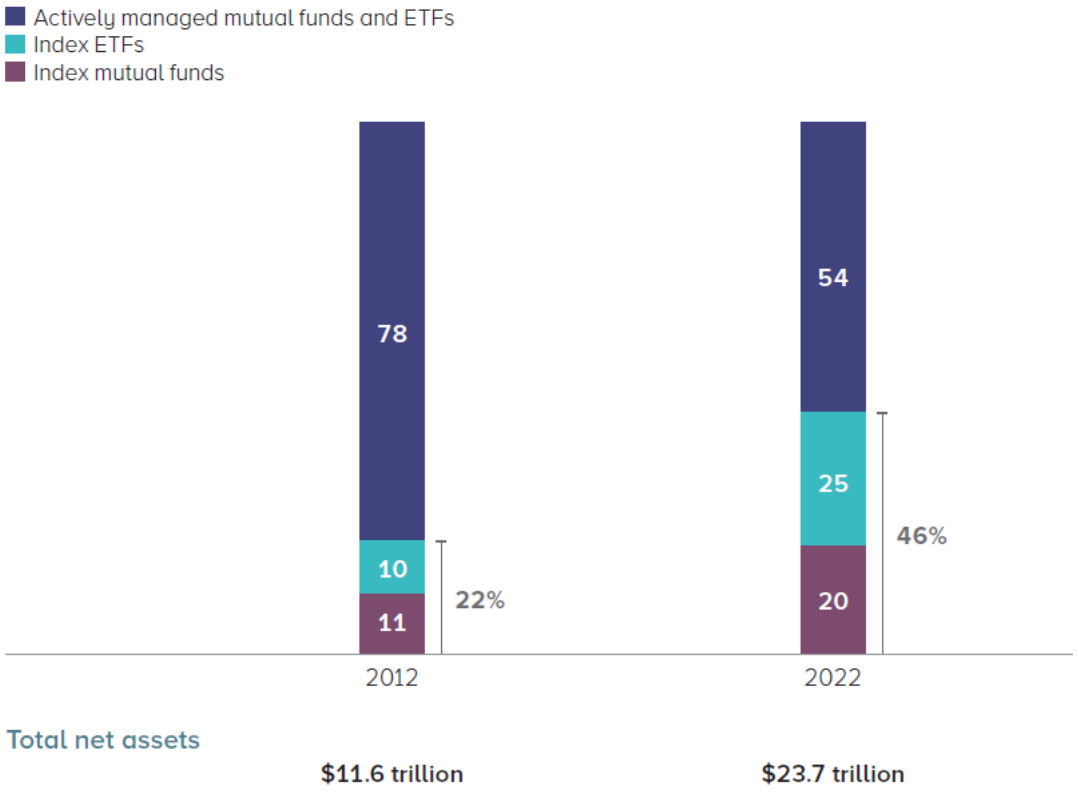


Source: Nasdaq eVestment Asset Flows, "Traditional Asset Flows Report", released February 2024. Right chart: excludes cash management products. See Additional Information in Disclosure Statements. [509467]

Trends in Index Flows – The Growth of Fixed Income Index

Fixed Income Index Investing Continues to Grow

Index Funds Have Grown as a Share of the Fund Market
Percentage of total net assets, year-end



Index ETFs and mutuals funds have more than doubled in percentage of total market share from 2012 to 2022

According to Morningstar[1], 2023 was the tipping point where index mutual fund and ETF assets overtook actively managed funds in total market share

Passive bond strategies lag passive equity strategies in overall penetration of market share, however the growth rate is higher for passive bonds than passive equities

Chart source: Investment Company Institute, 2023 Investment Company Fact Book. Data for ETFs exclude non–1940 Act ETFs. Data for mutual funds exclude money market funds. [1]Morningstar: https: //www.morningstar.com/funds/recovery-us-fund-flows-was-weak-2023. See Additional Information in Disclosure Statements. [509467]

Trends in Index Benchmarks

Dominance of large benchmark providers compounds cost pressures

Bloomberg continues near monopoly in fixed income benchmarks

New benchmark providers continue to enter the (equity) marketplace; most large providers pushing to evolve full multi-asset capabilities

AI-enabled benchmark providers are joining the scene

Emerging markets benchmarks with (or without) China

AI = Artificial Intelligence. See Additional Information in Disclosure Statements. [509467]

Other Trends in Indexing

The Rise of Proxy Voting Choice

Diverging client preferences and rules on shareholder voting

Proxy providers entering to provide voting choice solutions for pooled vehicles, but still early days

Mellon planning to provide choice options in 2H 2024 for CIT plan participants[1]

[1]Any collective investment funds (Funds) presented are maintained by The Bank of New York Mellon (the Bank). Employees of Mellon Investments Corporation (MIC) manage the assets of Funds in their capacity as dual officers of the Bank and MIC. See Additional Information in Disclosure Statements. [509467]

SUMMARY

GLOBAL ECONOMY

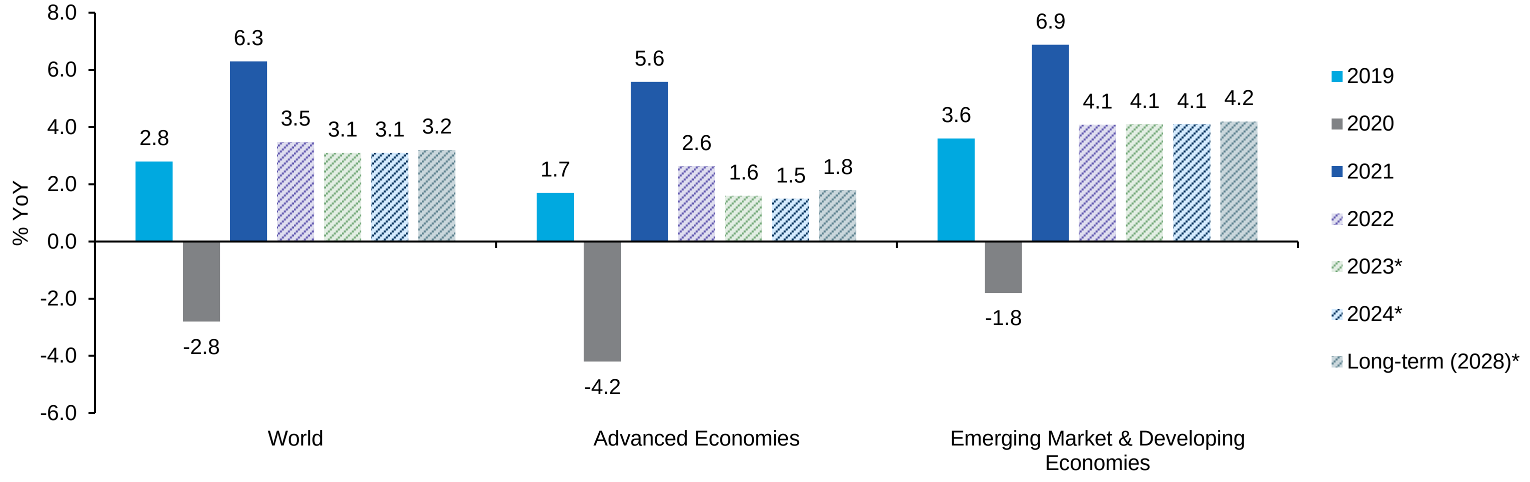
Economic growth should slow as the long and variable lags of monetary policy gain traction, policy uncertainty rises and savings buffers are exhausted.

The 'last mile' of inflation will be hard. We believe the slow progress in lowering services prices will limit how quickly central banks dial back monetary policy restraint given the asymmetric risks surrounding getting the policy choice wrong.

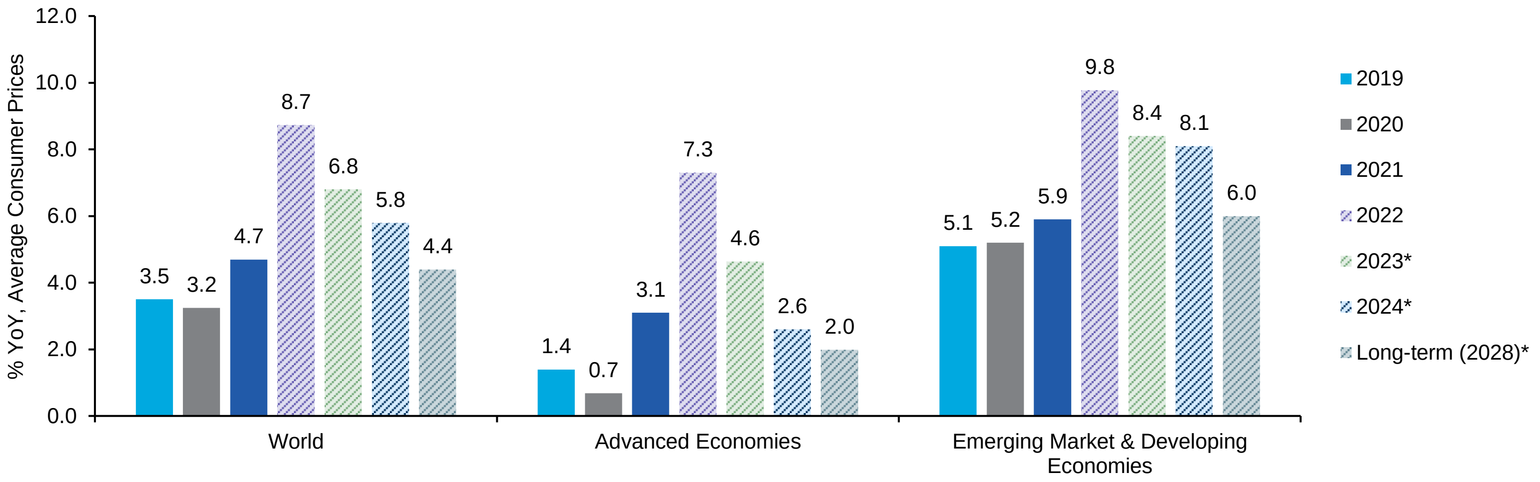
In our view, high real yields and rising debt burdens will constrain governments that want to stimulate their economies. Widespread elections and a tense geopolitical atmosphere add to turbulence.

Disappointment in financial markets most likely awaits, even as investors must fund large government deficits.

REAL GDP



INFLATION



PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Data as of 1/31/24, sourced from IMF.org. IMF's World Economic Outlook database is updated twice a year in April and October. *2023-2028 are projections sourced from the IMF's July 2023 World Economic Outlook Update. World Economic Outlook updates occur in January and July. Projections or other forward-looking statements regarding future events or expectations are only current as of the date indicated. There is no assurance that such events or expectations will be achieved and actual results may be significantly different from that shown here. Investors cannot invest directly in an index. Please see the disclosures for the full benchmark description. See Additional Information in Disclosure Statements. [28888]

SUMMARY

MARKET OVERVIEW

Global equity and fixed income markets got off to a rocky start in 2024, spurred by a growing divergence among regions in terms of economic results and central bank policy. Though the Fed adopted a balanced tone at its latest policy meeting, the continued strong performance of the US economy has led investors to conclude the actual pivot towards lower rates may be further out in the future than expected. Waning economic growth in Europe and China is becoming a growing concern for investors as well as government and central bank officials alike. In terms of central bank policy, Japan remains an outlier and is likely to start raising interest rates in the near term.

As measured by the MSCI All-Country World Index, global equities posted a modest return of +0.6% during the month as developed market equities continued to outpace emerging market shares. Yields across most sovereign bond markets rose slightly during the month, contributing to a -1.4% return for the Bloomberg Global Aggregate Index.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Data as of 1/31/24, sourced from Bloomberg. [1]Bloomberg Emerging Markets Hard Currency (USD) Aggregate Index. [2]Chicago Board Options Exchange Volatility Index. [3]US Fed Trade Weighted Dollar Emerging Market Economies Index. [4]US Fed Trade Weighted Nominal Emerging Market Economies Dollar Index. Investors cannot invest directly in an index. Please see the disclosures for the full benchmark description. Level = index or price level. Green shading = positive; Red shading = negative. See Additional Information in Disclosure Statements. [28888]

	Level	1M	YTD	1Y	3Y
Equities (MSCI) – Returns					
MSCI All-Country World	1,665	0.6%	0.6%	15.3%	21.2%
MSCI All-Country ex-US	782	-1.0%	-1.0%	6.4%	5.0%
MSCI Emerging Markets	2,518	-4.6%	-4.6%	-2.5%	-19.9%
MSCI Europe	13,718	-0.1%	-0.1%	10.9%	22.3%
MSCI Asia Pacific	339	-1.7%	-1.7%	1.9%	-11.5%
MSCI EAFE Small Cap	552	-1.6%	-1.6%	4.1%	-2.0%
Country Equities – Returns					
US (S&P 500®)	10,501	1.7%	1.7%	20.8%	36.7%
US (NASDAQ)	18,399	1.0%	1.0%	32.0%	18.8%
US (Russell 1000®)	16,441	1.4%	1.4%	20.2%	32.3%
US (Russell 2000®)	10,392	-3.9%	-3.9%	2.4%	-2.3%
Japan (NIKKEI 225 JPY)	63,659	8.4%	8.4%	35.6%	39.2%
EU (STOXX 600 USD Hedged)	283	1.5%	1.5%	10.8%	34.4%
UK (FTSE 100)	8,160	-1.3%	-1.3%	2.1%	33.2%
France (CAC 40 EUR)	23,198	1.6%	1.6%	11.5%	54.3%
Germany (DAX 40 EUR)	294	1.0%	1.0%	14.5%	33.8%
China (MSCI China USD)	103	-10.6%	-10.6%	-28.9%	-54.6%
Canada (S&P/TSX 60 CAD)	4,160	0.5%	0.5%	4.9%	36.0%
Australia (S&P ASX 200 AUD)	96,904	1.2%	1.2%	7.1%	31.5%
Fixed Income – Total Return, Unhedged					
Bloomberg US Aggregate	2,156	-0.3%	-0.3%	2.1%	-9.2%
Bloomberg Global Aggregate	465	-1.4%	-1.4%	0.9%	-16.1%
Bloomberg Global Treasury	548	-1.9%	-1.9%	-0.8%	-20.3%
Bloomberg US Treasury	2,271	-0.3%	-0.3%	1.2%	-10.4%
Bloomberg Global Aggregate Credit	265	-0.7%	-0.7%	4.6%	-12.0%
Bloomberg Global High Yield	1,519	-0.2%	-0.2%	9.3%	0.5%
Bloomberg EMD USD Aggregate	374	-1.3%	-1.3%	5.9%	-10.4%

	Level	1M	YTD	1Y	3Y
Commodities – Returns					
Bloomberg Commodity Index	99	-0.1%	-0.1%	-11.8%	23.0%
Oil (WTI, USD/Barrel)	76	5.9%	5.9%	-3.8%	45.3%
Gold (USD/Troy Ounce)	2,040	-1.1%	-1.1%	5.8%	10.4%
Copper (USD/MT)	8,501	0.4%	0.4%	-7.6%	8.1%
Spreads – bps					
Bloomberg US Corporate	96	-3	-3	-21	-1
Bloomberg US Corporate High Yield	344	21	21	-76	-18
Bloomberg EM HC Aggregate[1]	1,164	-7	-7	57	-113
Bloomberg EuroAgg Corporate	131	-7	-7	-21	38
Bloomberg Pan-European High Yield	381	-18	-18	-79	29
Key Rates – change in yield, %					
3M Treasury Bill	5.37	0.02	0.02	0.70	5.32
2Y US Treasuries	4.21	-0.04	-0.04	0.01	4.10
10Y US Treasuries	3.91	0.03	0.03	0.41	2.85
10Y German Bund	2.17	0.14	0.14	-0.12	2.68
10Y UK Gilt	3.79	0.26	0.26	0.46	3.47
10Y Japanese Bond	0.73	0.12	0.12	0.24	0.68
US 30Y Fixed Rate Mortgage	6.96	-0.03	-0.03	0.58	4.08
Volatility Indicators					
CBOE VIX[2]	14.35	1.90	1.90	-5.05	-18.74
ICE BofA MOVE Index	107.28	-7.34	-7.34	7.74	59.87
Currencies – change in exchange rate					
Foreign Economies US Dollar Index[3]	114.90	1.9%	1.9%	0.8%	11.4%
EM Economies US Dollar Index[4]	128.43	1.5%	1.5%	2.1%	4.8%
Euro	1.08	-2.0%	-2.0%	-0.4%	-10.9%
British pound	1.27	-0.3%	-0.3%	3.0%	-7.4%
Japanese yen	146.92	-4.2%	-4.2%	-12.9%	-40.4%
Chinese yuan	7.17	-1.0%	-1.0%	-6.1%	-11.5%

The Magnificent Seven

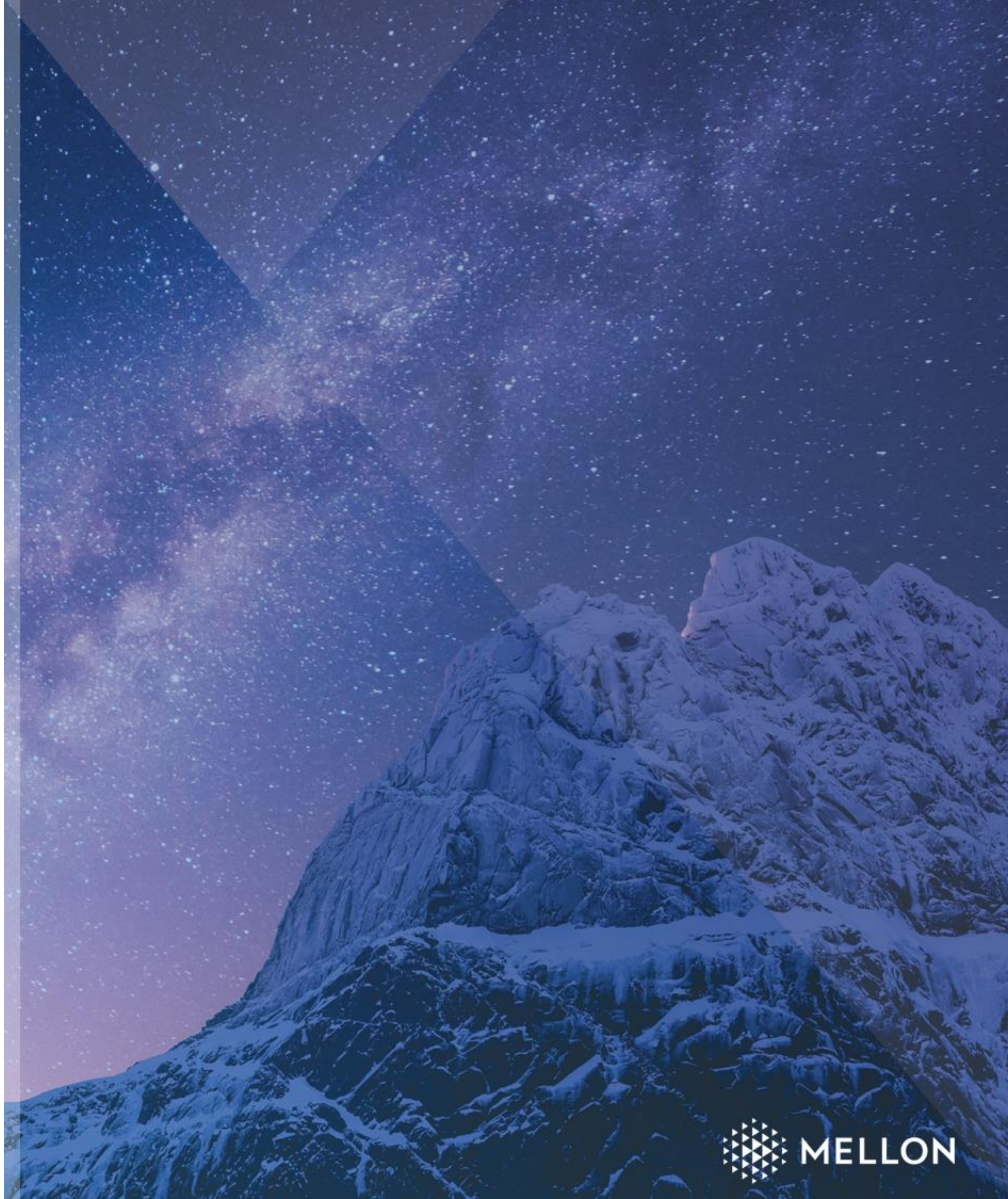
The following stocks are frequently referred to as "The Magnificent 7"

Apple (AAPL)	Microsoft (MSFT)	Alphabet (GOOG and GOOGL)	Amazon (AMZN)	NVIDIA (NVDA)	Tesla (TSLA)	Meta Platforms (META)

- The Market Cap of the Magnificent 7 is now 4x that of the Russell 2000® Index[1]
- Microsoft (MSFT) alone is the size of the entire stock market in Canada[1]
- The Magnificent 7 has the same market cap of the stock markets in the UK, Canada & Japan combined[1]
- These securities are part of the S&P 500® Index and accounted for roughly 60% of the index's total return in 2023[2]

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. [1]Source: Bloomberg as of 1/9/24. [2]Source: Statista, 1/4/24. Listed securities are being presented for illustrative purposes only. This is not a recommendation to buy, sell, or hold these securities. It should not be assumed that securities identified were or will be profitable or that decisions we make in the future will be profitable. The use of logos in this presentation is for illustrative purposes only and rights to any logos, trademarks or servicemarks are owned by their respective entities. See Additional Information in Disclosure Statements. [507340]

Disclosures



INDEX DESCRIPTIONS

Bankrate.com US Home Mortgage 30 Year Fixed National Avg Index	The Bankrate.com US Home Mortgage 30 Year Fixed National Avg Index includes only 30-Year Fixed Mortgage products, with and without points. This index is the Overnight National Average. You will see daily rate averages on Bankrate.com in boxes labeled overnight averages (these calculations are run after the close of the business day). Included there are rates we have collected on the previous day for a specific banking product. Overnight averages tend to be volatile. They help consumers see the movement of rates day to day. The institutions included in the overnight averages tables will be different from one day to the next, depending on which institutions' rates we gather on a particular day for presentation on the site.
Bloomberg Commodity Index	The Bloomberg Commodity Index is a broadly diversified index that tracks the commodities markets through commodity futures contracts. These are subindices of the Bloomberg Commodity Index: Agriculture, Aluminum, Brent Crude, Cocoa, Coffee, Copper, Corn, Cotton, Energy, Gold, Heat Oil, Lean Hogs, Live Cattle, Natural Gas. Nickel, Silver, Soybean Oil, Soybeans, Sugar, Unleaded Gas, Wheat, WTI Crude Oil, Zinc
Bloomberg Emerging Markets Hard Currency (USD) Aggregate Index	The Bloomberg Emerging Markets Hard Currency (USD) Aggregate Index is a flagship hard currency Emerging Markets debt benchmark that includes USD-denominated debt from sovereign, quasi-sovereign, and corporate EM issuers.
Bloomberg Emerging Markets USD Aggregate Bond Index	The Bloomberg Emerging Markets USD Aggregate Bond Index is a flagship hard currency Emerging Markets debt benchmark that includes fixed and floating-rate US dollar-denominated debt issued from sovereign, quasi-sovereign, and corporate EM issuers. Country eligibility and classification as Emerging Markets is rules-based and reviewed annually using World Bank income group and International Monetary Fund (IMF) country classifications.
Bloomberg Euro Aggregate Corporate Index	The Bloomberg Euro Aggregate Corporate Index measures the corporate component of the Euro Aggregate Index. It includes investment grade, euro-denominated, fixed-rate securities
Bloomberg Global Aggregate Bond Index	The Bloomberg Global Aggregate Bond Index is a measure of global investment-grade debt performance. This multicurrency benchmark includes Treasury, government-related, corporate, and securitized fixed-rate bonds from both developed and emerging market issuers.
Bloomberg Global Aggregate Credit Index	The Bloomberg Global Aggregate Credit Index contains publicly issued corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements.
Bloomberg Global High Yield Corporate Bond Index	The Bloomberg Global High Yield Corporate Bond Index is a rules-based market-value-weighted index engineered to measure the below-investment-grade, fixed-rate, global corporate bond market. Eligible denominations include USD, EUR, GBP, and CAD.
Bloomberg Global Treasury Index	The Bloomberg Global Treasury Index tracks fixed-rate, local currency government debt of investment-grade countries, including both developed and emerging markets. The index represents the treasury sector of the Global Aggregate Index and contains issues from 37 countries denominated in 24 currencies.
Bloomberg Pan-European High Yield Index	The Bloomberg Pan-European High Yield Index measures the market of non-investment grade, fixed-rate corporate bonds denominated in the following currencies: euro, pounds sterling, Danish krone, Norwegian krone, Swedish krona, and Swiss franc. Inclusion is based on the currency of issue, and not the domicile of the issuer. The index excludes emerging market debt.

INDEX DESCRIPTIONS

Bloomberg US Aggregate Bond Index	The Bloomberg US Aggregate Bond Index is a broad-based benchmark that measures the investment-grade, US-dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities, and commercial mortgage-backed securities.
Bloomberg US Corporate Bond Index	The Bloomberg US Corporate Bond Index is an unmanaged market-value-weighted index of investment-grade corporate fixed-rate debt issues with maturities of one year or more.
Bloomberg US Corporate High Yield Index	The Bloomberg US Corporate High Yield Index is an unmanaged, US dollar-denominated, nonconvertible, non-investment-grade debt index. The index consists of domestic and corporate bonds rated Ba and below with a minimum outstanding amount of $150 million.
Bloomberg US Treasury Bond Index	The Bloomberg US Treasury Bond Index is an unmanaged index of prices of US Treasury bonds with maturities of 1 to 30 years.
Bloomberg US Treasury Inflation-Linked Bond Index	The Bloomberg US Treasury Inflation-Linked Bond Index measures the performance of the US Treasury Inflation Protected Securities (TIPS) market. Federal Reserve holdings of US TIPS are not index eligible and are excluded from the face amount outstanding of each bond in the index. Inception date is 03/01/1997. It's a USD, unhedged index.
British Pound Sterling	The British Pound Sterling is the official currency of The United Kingdom.
CAC 40	The CAC 40 is a benchmark French stock market index. The index represents a capitalization-weighted measure of the 40 most significant stocks among the 100 largest market caps on the Euronext Paris.
Chicago Board Options Exchange Volatility Index (VIX)	The Chicago Board Options Exchange Volatility Index (VIX) is calculated from options on the S&P 500 Index and is supposed to reflect the market expectation of the index's annualized 30-day volatility. The volatility measured by the VIX reflects both the possibility of upside movements as well as the possibility of downside movements
Chinese renminbi (yuan)	The Chinese renminbi (yuan) is the official currency of The People's Republic of China.
DAX	The DAX is a stock market index consisting of the 40 major German blue-chip companies trading on the Frankfurt Stock Exchange.
Euro	The Euro is the official currency of the European Economic & Monetary Union.
Financial Times Stock Exchange 100 Index	The Financial Times Stock Exchange 100 Index, also called the FTSE 100 Index, FTSE 100, FTSE, or, informally, the "Footsie", is a share index of the 100 companies listed on the London Stock Exchange with the highest market capitalization.

INDEX DESCRIPTIONS

Generic 1st Crude Oil Commodity	The Generic 1st Crude Oil Commodity measures the performance of the nearest expiration date of the WTI Crude Oil Future.
Generic German Bund 10 Year Bond Index	The Generic German Bund 10 Year Bond Index measures the performance of a 10 Year German Government Bond.
Generic Japan 10 Year Bond Index	The Generic Japan 10 Year Bond Index measures the performance of a 10 Year Japanese Government Bond.
Generic UK 10 Year Bond Index	The Generic UK 10 Year Bond Index measures the performance of a 10 Year British Government Bond.
Generic US 3 Month Government Bill	The Generic United States 3 Month Government Bill represents the yield for the current 3 month US Treasury Bill.
Generic US Government 10 Year Bond Index	The Generic US Government 10 Year Bond Index measures the performance of a 10 Year US Treasury.
Generic US Government 2 Year Bond Index	The Generic US Government 2 Year Bond Index measures the performance of a 2 Year US Treasury.
Gold Spot	The Gold Spot price measures the gold spot price quoted as US Dollars per Troy Ounce.
ICE BofaA MOVE Index	The ICE BofaA MOVE Index measures the implied volatility of US Treasury options across various maturities.
ICE LIBOR USD 3 month Index	The ICE LIBOR USD 3 month Index is based on the London - Interbank Offered Rate - ICE Benchmark Administration Fixing for US Dollar. The fixing is conducted each day at 11am & released at 11.45am (London time). The rate is an average derived from the quotations provided by the banks determined by the ICE Benchmark Administration. The top and bottom quartile is eliminated and an average of the remaining quotations calculated to arrive at fixing. The fixing is rounded up to 5 decimal places where the sixth digit is five or more. ICE Libor day count follows normal market convention: 365 days for GBP, 360 days for the other currencies and for value two business days after the fixing. Please note that for the overnight rate, the value date is on the same day as the fixing date, with the maturity date falling the next business day in both centres.
Japanese yen	The Japanese yen is the official currency of Japan.
LME Copper Cash	The LME Copper Cash measures the copper cash price from the end of LME day Final Evening Evaluations.

INDEX DESCRIPTIONS

MSCI ACWI ex USA Index	The MSCI ACWI ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries. With 2,258 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.
MSCI ACWI Index	The MSCI ACWI Index, MSCI's flagship global equity index, is designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 24 emerging markets. As of May 2022, it covers more than 2,933 constituents across 11 sectors and approximately 85% of the free float-adjusted market capitalization in each market.
MSCI Asia Pacific Index	The MSCI Asia Pacific Index is a free float–adjusted market capitalization–weighted index of the stock markets of Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan and Thailand.
MSCI Brazil Index	The MSCI Brazil Index is designed to measure the performance of the large- and mid-cap segments of the Brazilian market. The index covers about 85% of the Brazilian equity universe.
MSCI Chile Index	The MSCI Chile Index is designed to measure the performance of the large, mid and small cap segments of the Chilean market. The index covers approximately 85% of the Chile equity universe.
MSCI China Index	The MSCI China Index is a free-float-adjusted market-capitalization-weighted index that is designed to measure equity market performance in China.
MSCI Czech Republic Index	The MSCI Czech Republic Index is designed to measure the performance of the large and mid cap segments of the Czech Republic market. Th index covers approximately 85% of the free float-adjusted market capitalization in Czech Republic.
MSCI EAFE Small Cap Index	The MSCI EAFE Small Cap Index is an equity index which captures small cap representation across 21 Developed Markets countries around the world, excluding the US and Canada.
MSCI Emerging Markets (EM) Asia Index	The MSCI Emerging Markets (EM) Asia Index captures large and mid cap representation across 8 Emerging Markets countries (China, India, Indonesia, Korea, Malaysia, the Philippines, Taiwan and Thailand).
MSCI Emerging Markets (EM) Europe & Middle East & Africa (EMEA) Index	The MSCI Emerging Markets (EM) Europe & Middle East & Africa (EMEA) Index captures large and mid cap representation across 11 EM countries in EMEA (Czech Republic, Egypt, Greece, Hungary, Kuwait, Poland, Qatar, Saudi Arabia, South Africa, Turkey and United Arab Emirates).
MSCI Emerging Markets (EM) Latin America Index	The MSCI Emerging Markets (EM) Latin America Index captures large and mid cap representation across 5 EM countries in Latin America (Brazil, Chile, Colombia, Mexico, and Peru).
MSCI Emerging Markets Index	The MSCI Emerging Markets Index captures large and mid cap representation across 24 Emerging Markets (EM) countries. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

INDEX DESCRIPTIONS

MSCI Europe Index	The MSCI Europe Index represents the performance of large and mid-cap equities across 15 developed countries in Europe. The index covers approximately 85% of the free float-adjusted market capitalization in each country.
MSCI Hungary Index	The MSCI Hungary Index is designed to measure the performance of the large and mid cap segments of the Hungarian market. The index covers approximately 85% of the Hungarian equity universe.
MSCI India Index	The MSCI India Index is designed to measure the performance of the large- and mid-cap segments of the Indian market. The index covers approximately 85% of the Indian equity universe
MSCI Indonesia Index	The MSCI Indonesia Index is designed to measure the performance of the large- and mid-cap segments of the Indonesian market. The index covers about 85% of the Indonesian equity universe.
MSCI Japan Index	The MSCI Japan Index represents 8% of the MSCI World Index. It is designed to measure the performance of the large and mid-cap segments and aims to represent ~85% of the Japanese market.
MSCI Korea Index	The MSCI Korea Index is designed to measure the performance of the large- and mid-cap segments of the South Korean market. With 107 constituents, the index covers about 85% of the Korean equity universe.
MSCI Mexico Index	The MSCI Mexico Index is designed to measure the performance of the large- and mid-cap segments of the Mexican market. With 27 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Mexico.
MSCI Poland Index	The MSCI Hungary Index is designed to measure the performance of the large and mid cap segments of the Hungarian market. The index covers approximately 85% of the Hungarian equity universe.
MSCI Saudi Arabia Index	The MSCI Saudi Arabia Index is designed to measure the performance of the large- and mid-cap segments of the Saudi Arabian market.
MSCI South Africa Index	The MSCI South Africa Index is designed to measure the performance of the large- and mid-cap segments of the South African market. With 54 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in South Africa.
MSCI Taiwan Index	The MSCI Taiwan Index is designed to measure the performance of the large- and mid-cap segments of the Taiwan market. With 88 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Taiwan.
MSCI Thailand Index	The MSCI Thailand Index is designed to measure the performance of the large- and mid-cap segments of the Thailand market. With 36 constituents, the index covers about 85% of the Thailand equity universe.

INDEX DESCRIPTIONS

MSCI Turkey Index	The MSCI Turkey Index is designed to measure the performance of the large and mid cap segments of the Turkish market. The index covers about 85% of the equity universe in Turkey.
Nasdaq Composite Index	The Nasdaq Composite Index is a stock market index that includes almost all stocks listed on the Nasdaq stock exchange.
Nikkei 225	The Nikkei 225, or the Nikkei Stock Average, more commonly called the Nikkei or the Nikkei index, is a stock market index for the Tokyo Stock Exchange.
Russell 1000® Basic Materials Index	The Russell 1000® Basic Materials Index measures the performance of the Basic Materials sector of the Russell 1000® Index.
Russell 1000® Consumer Discretionary Index	The Russell 1000® Consumer Discretionary Index measures the performance of the Consumer Discretionary sector of the Russell 1000® Index.
Russell 1000® Consumer Staples Index	The Russell 1000® Consumer Staples Index measures the performance of the Consumer Staples sector of the Russell 1000® Index.
Russell 1000® Energy Index	The Russell 1000® Energy Index measures the performance of the Energy sector of the Russell 1000® Index.
Russell 1000® Financials Index	The Russell 1000® Financials Index measures the performance of the Financials sector of the Russell 1000® Index.
Russell 1000® Growth Index	The Russell 1000® Growth Index measures the performance of the large-cap growth segment of the US equity universe.
Russell 1000® Health Care Index	The Russell 1000® Health Care Index measures the performance of the Health Care sector of the Russell 1000® Index.
Russell 1000® Industrials Index	The Russell 1000® Industrials Index measures the performance of the Industrials sector of the Russell 1000® Index.
Russell 1000® Real Estate Index	The Russell 1000® Real Estate Index measures the performance of the Real Estate sector of the Russell 1000® Index.
Russell 1000® Technology Index	The Russell 1000® Technology Index measures the performance of the Technology sector of the Russell 1000® Index.
Russell 1000® Telecommunications Index	The Russell 1000® Telecommunications Index measures the performance of the Telecommunications sector of the Russell 1000® Index.
Russell 1000® Utilities Index	The Russell 1000® Utilities Index measures the performance of the Utilities sector of the Russell 1000® Index.

INDEX DESCRIPTIONS

Russell 1000® Value Index	The Russell 1000® Value Index measures the performance of the large-cap value segment of the US equity universe.
Russell 2000® Index	The Russell 2000® Index is a small-cap U.S. stock market index that makes up the smallest 2,000 stocks in the Russell 3000® Index.
Russell 2000® Basic Materials Index	The Russell 2000® Basic Materials Index measures the performance of the Basic Materials sector of the Russell 2000® Index.
Russell 2000® Consumer Discretionary Index	The Russell 2000® Consumer Discretionary Index measures the performance of the Consumer Discretionary sector of the Russell 2000® Index.
Russell 2000® Consumer Staples Index	The Russell 2000® Consumer Staples Index measures the performance of the Consumer Staples sector of the Russell 2000® Index.
Russell 2000® Energy Index	The Russell 2000® Energy Index measures the performance of the Energy sector of the Russell 2000® Index.
Russell 2000® Financials Index	The Russell 2000® Financials Index measures the performance of the Financials sector of the Russell 2000® Index.
Russell 2000® Health Care Index	The Russell 2000® Health Care Index measures the performance of the Health Care sector of the Russell 2000® Index.
Russell 2000® Industrials Index	The Russell 2000® Industrials Index measures the performance of the Industrials sector of the Russell 2000® Index.
Russell 2000® Real Estate Index	The Russell 2000® Real Estate Index measures the performance of the Real Estate sector of the Russell 2000® Index.
Russell 2000® Technology Index	The Russell 2000® Technology Index measures the performance of the Technology sector of the Russell 2000® Index.
Russell 2000® Telecommunications Index	The Russell 2000® Telecommunications Index measures the performance of the Telecommunications sector of the Russell 2000® Index.
Russell 2000® Utilities Index	The Russell 2000® Utilities Index measures the performance of the Utilities sector of the Russell 2000® Index.
S&P 500® Index	The S&P 500® Index includes 500 leading companies and covers approximately 80% of available market capitalization.
S&P/ASX 200 Index	The S&P/ASX 200 Index is a market-capitalization weighted and float-adjusted stock market index of stocks listed on the Australian Securities Exchange.

INDEX DESCRIPTIONS

S&P/TSX 60 Index	The S&P/TSX 60 Index is a stock market index of 60 large companies listed on the Toronto Stock Exchange.
STOXX Europe 600	The STOXX Europe 600, also called STOXX 600, SXXP, is a stock index of European stocks designed by STOXX Ltd.
US Fed Trade Weighted Nominal Advanced Foreign Economies Dollar Index	A weighted average of the foreign exchange value of the U.S. dollar against a subset of the broad index currencies that are advanced foreign economies.
US Fed Trade Weighted Nominal Emerging Market Economies Dollar Index	A weighted average of the foreign exchange value of the U.S. dollar against a subset of the broad index currencies that are emerging market economies.

GLOSSARY

Advanced Economies

The IMF World Economic Outlook classifies 39 economies as “advanced,” based on such factors as high per capita income, exports of diversified goods and services, and greater integration into the global financial system.

Country Spot

Country Spot rate is expressed as the home currency per one unit of foreign currency.

Emerging Market & Developing Economies

Countries classified as emerging market economies are those with an economy that is transitioning into being developed. These countries have a unified currency, stock market, and banking system, and they're in the process of industrialization.

EUR/MWh

Euros per mega-watt hour.

Last Mile

The ‘last mile’ refers to the final stages of the disinflation process in the US.

OAS

Option-Adjusted Spread is a yield spread which is added to the benchmark yield curve to price security with an embedded option. This spread measures the deviation of the security’s performance from the benchmark on the back of an embedded option.

Real Effective Exchange Rates

Real effective exchange rate is the nominal effective exchange rate (a measure of the value of a currency against a weighted average of several foreign currencies) divided by a price deflator or index of costs. International Monetary Fund, International Financial Statistics.

Spreads

Spread is the measurement, in basis points, of the difference or gap between a fixed-income security rate and the risk-free rate of return.

Z-score

Z-score is a statistical measurement that describes a value's relationship to the mean of a group of values. Values are rankings on z-scores of real effective exchange rates.

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EXPERIENCE BEYOND MEASURE

Memo

Date: March 13, 2024

To: PERSI Board

From: Richelle A. Sugiyama, Chief Investment Officer
Chris Brechbuhler, Deputy Chief Investment Officer

Re: Investment Policy Statement (IPS) – Revisions

We recommend the Board approve and adopt the Investment Policy Statement (IPS) as revised. Both a red-lined version and a clean draft copy are attached for your review.

In addition to minor grammatical and punctuation revisions, the IPS has been revised to reflect the following: (1) addition of investment manager termination language; (2) the outsourcing of class action claims processing from the custodian; and (3) the broad array of trust products (collective investment vehicles) available to governmental, tax-exempt funds.

1. Add the investment manager termination language approved by the Board at the January meeting:

    IPS Section IV.C.1.(a)(3): [The CIO will] seek approval from the Board with respect to termination of managers and agents. If situations arise which require immediate action, the Board has delegated the authority to the CIO to prudently terminate managers and agents, with notification to the Board as soon as reasonably practicable.

2. Reflect the Board's decision to outsource class action claims processing services from the Custodian to a third-party agent:
    a. Section IV.C.1.(a)(5): Revise the responsibilities of the CIO to explicitly exclude oversight of agents responsible for "opt-in" (class action claims), "opt-out" (securities litigation, including lead and co-lead plaintiff securities litigation), and non-securities-based ("anti-trust") litigation.

    b. Section IV.D.1.(a): Revise the responsibilities of the Custodian to reflect the Board's decision to delegate class action claims processing and related services to the Executive Director.

Background:

The last sentence of IPS Section IV.D.1.(a) currently reads, "Unless the Board provides otherwise, the custodian will also be responsible for monitoring class action litigation, filing and collecting claims on PERSI's behalf…" (full section copied here):

> ***D. Agents: Custodian and Investment Managers with Delegated Responsibilities***
>
> **1. Custodian**
>
> ***(a) Responsibilities***
>
> Custodians and other agents will be fiduciaries of the Trust and will assume full responsibility for the safekeeping and accounting of all assets held on behalf of the Trust. Among other duties, as may be agreed to, the custodian will be responsible for: (a) the receipt, delivery, and safekeeping of securities; (b) the transfer, exchange, or redelivery of securities; (c) the claiming, receipt, and deposit of all dividend, interest, and other corporate actions due the Trust; (d) the daily sweep of all uninvested funds into a cash management account or accounts; and, (e) the provision of reports to PERSI at agreed time intervals that will include all purchases and sales of securities, all dividend declarations on securities held by the Trust, a list of securities held by the Trust, a valuation of those securities, and a cash statement of all transactions for the account of the Trust. Unless the Board provides otherwise, the custodian will also be responsible for monitoring class action litigation, filing and collecting claims on PERSI's behalf, and reporting to PERSI on such activities.

The proposed language explicitly provides that these services (class action claims processing, securities litigation, and non-securities-based litigation) are delegated to the Executive Director and refers to the PERSI Securities Litigation Policy.

We recommend that this program (class action claims processing and related activities) be documented in the Securities Litigation Policy, including the delegation to a third-party agent, program objectives, roles and responsibilities, deliverables, benchmark, fees, reimbursements, and any other details, including processes and procedures, as it relates to investment operations.

3. Revise Section IV.D.1.(b) – Authorization of Collective Investment Vehicles to broaden the language to accurately reflect the array of trust products available to governmental, tax-exempt funds.

Recognizing that implementation of this IPS requires both the Executive Director and Chief Investment Officer to "acknowledge" and "understand' this policy, the affirmation above the signature lines have been revised accordingly.

It is important to note that there is no change to our investment philosophy or asset allocation.

Staff recommendation:

Approve and adopt the Investment Policy Statement as revised.

PERSI

Public Employee Retirement System of Idaho

Statement of Investment Policy

for the

Defined Benefit Plan

Adopted March 2024

TABLE OF CONTENTS

I. Introduction

The Retirement Board ("Board") of the Public Employee Retirement System of Idaho ("PERSI", "System") hereby establishes its Statement of Investment Policy for the investment of the trust funds ("Trust", "Fund", "Plan") in accord with Idaho Code Chapter 13, Title 59.

The Board will review this Investment Policy Statement following actuarial experience studies (that review the economic and market return assumptions for the Fund), which occur at least once every four (4) years, and/or whenever any material change in investment circumstances arise.

II. Statutory Requirements

The investments of the Trust will be in accord with all applicable laws of the state of Idaho.

A. Sole Interest of Beneficiaries

Investments will be solely in the interest of the members and their beneficiaries and for the exclusive purpose of providing benefits to the members and their beneficiaries and defraying reasonable expenses of administration.

B. Prudent Investments

Investments will be made with the judgment and care under the circumstances then prevailing, which people of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable outcome as well as the probable safety of their capital. Investments will be diversified so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly prudent not to do so.

C. Fiduciary Duties

The Board and its agents, including staff, consultants, and investment managers, will discharge their duties with respect to the Trust assets solely in the interest of the members and their beneficiaries, and with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

III. Investment Goals

A. General Objective

1. Purpose

The purpose of the investment of Trust assets is to provide funds to meet the obligations of PERSI while incurring the appropriate amount of risk consistent with attaining that goal. The Board will invest the assets of the Trust and will reduce risk through diversification of the assets of the Trust.

2. Considerations

In determining the investment returns needed by the System, the acceptable risk levels, and the allowable investments, the Board will consider:

* the purpose of the plan,
* the projected return of the portfolio as it relates to the funding objectives of the plan,
* the effect of particular investments on the total portfolio,
* the diversification of the portfolio, and
* the liquidity needs and the current return relative to the anticipated cash flow requirements.

B. Specific PERSI return and risk objectives

1. Investment Returns

(a) Actuarial Assumptions

In projecting obligations and the returns needed to meet those obligations, the Board will consider studies performed by the System's actuaries.

The expected rate of return will consist of an expected real return and an expected inflation assumption, and will consider relevant factors, including the expected growth of the benefits over the life of the plan including assumptions for salary growth rates (and mortality), inflation, a 1% annual cost of living adjustment (COLA) and the costs of managing the Trust.

The actuary uses an investment return assumption in balancing projected obligations, projected contributions, and projected returns on assets. Assuming all the actuarial assumptions are accurate, the required return will suffice to: (1) assure the payment of statutorily required benefits including a 1% COLA; and (2) maintain the reduction of the level of the unfunded liability (if any) on the scheduled amortization (one year at a time). The required return will not be sufficient to fund either discretionary COLAs, retroactive COLAs, accelerate the amortization of the unfunded liability, build a stabilization reserve, or allow for gain-sharing distributions.

2. Investment Risk and Asset Allocation

(a) Diversification Among Asset Classes

In controlling the risk level that is appropriate for the Trust, assets will be diversified among various asset classes. The specific asset classes to be used will be set in conjunction with the asset allocation.

(b) Review of Asset Classes and Asset Allocation

The long-term allocation will focus on the goal that expected long-term returns of the Trust will meet the expected long-term obligations of the System with the appropriate level of risk sufficient to meet those objectives. Unless circumstances materially change, the long-term allocation will be reviewed at least once every five (5) years to determine the appropriate asset classes for the investment of Trust assets and conduct asset allocation studies to help determine the long-term allocations among desired asset classes so as to meet long term return objectives with the appropriate level of risk.

(c) Content of Asset Allocations

The asset allocation will set out:

- the asset classes to be used,
- the long-term “normal” percentage of assets to be invested in each asset class,
- the ranges that will be considered allowable deviations from the normal allocation,
- the investment risk and return expectations for each asset class,
- the numerical investment return and risk expected to be realized, and

* the relation of the expected investment return to the real return and the actuarially assumed investment return.

(d) Strategic Allocation

In addition to the long-term allocation, the Board may adopt strategic allocations. "Strategic allocations" allow investment in asset types that have not been singled out as "asset classes" in the asset allocation process, to overweight particular sectors within an asset class, or to employ particular strategies in the investment of Trust assets. The purpose of the strategic allocation is to either increase the return above the expected return and/or to reduce risk.

IV. Investment Structure

A. Overall Structure

In making specific investment policy decisions, the Board will have as an overall goal a flexible, simplified structure with clear roles and accountability.

1. Board Responsible

The Board is responsible for all investment activities. In exercising this responsibility, the Board will hire investment staff and agents and may delegate various investment functions to them. Where the Board does not delegate investment powers or duties, the Board will either satisfy itself that it is familiar with such matters or will retain persons who are familiar with such matters to consult or assist the Board in the exercise of those responsibilities. Where the Board delegates a responsibility, it will be delegated to a person who is familiar with such matters, and the Board will monitor and review the actions of those to whom responsibilities are delegated.

2. General Roles and Responsibilities of Board and Agents

The Board will favor a structure that accommodates a citizen Board and a small investment staff. The Board and investment staff will concentrate their activities on:

* making strategic decisions, primarily concerning asset allocation and strategic allocations;

* adjusting the mix between passive and active managers depending on, among other considerations, near-term concerns regarding the U.S. and other capital markets;

* delegating and monitoring all other activities, including hiring and monitoring investment managers; and

* maintaining a reporting system that provides a clear picture of the status of the fund on a reasonably concurrent basis to both the Board and PERSI's constituencies.

The Board will delegate the implementation of its investment policy to investment staff and external investment managers and other investment agents. This responsibility includes those investment decisions with shorter-term consequences such as the selection of securities, regions, asset types, or asset classes.

B. Direct (Non-Delegated) Responsibilities of the Board

The Board is responsible for:

* Approving investment policy;
* Determining the investment structure of the Trust;
* Determining the asset classes to be utilized;
* Setting the asset allocation;
* Determining or authorizing strategic allocations;
* Hiring agents to implement the asset allocation;
* Hiring agents to implement strategic allocations;
* Monitoring the compliance of those agents with the investment policies and allocations; and
* Monitoring the investments of the Trust through periodic reports from its staff or consultants.

C. Agents: Chief Investment Officer, Actuaries, Consultants, and Advisors to the Board

1. Chief Investment Officer

(a) Duties of Chief Investment Officer

The Board will hire a Chief Investment Officer who will be generally responsible for the oversight of the investment of Trust assets, and, as part of that overall responsibility, will:

(1) supervise, monitor, and evaluate the performance of the investment managers and other investment agents hired by the Board to assure compliance with investment policy and individual guidelines;

(2) recommend to the Board adjustments to the investment policy, including reviewing and modifying the asset allocation as conditions warrant;

(3) seek approval from the Board with respect to termination of managers and agents. If situations arise which require immediate action, the Board has delegated the authority to the CIO to prudently terminate managers and agents, with notification to the Board as soon as reasonably practicable.

(4) research current market conditions, evaluate new products, and seek out new approaches to improve portfolio return, reduce risk, and reduce costs and fees;

(5) work with the consultants, custodians, investment managers, and other agents in the performance of the assigned duties, with the exception of "opt-in" (class action claims), "opt-out" (securities litigation, including lead and co-lead) and non-securities-based ("anti-trust") litigation;

(6) assist the Board with education and other efforts to promote good decision making;

(7) hire and manage investment staff/personnel and outside investment advisors to staff;

(8) Except in special circumstances, will not buy/sell/transact in specific securities; and

(9) Coordinate with the Executive Director staff to implement investment actions/decisions and reporting needs.

(b) Allocation of New Net Contributions

The Chief Investment Officer shall allocate new net contributions to or withdraw net distributions from the System among investment managers in accordance with the long term and strategic ranges established in the asset allocation. The Chief Investment

Officer shall report to the Board regularly on the allocation of new net contributions or the withdrawal of net distributions.

(c) Tactical Asset Allocation and Rebalancing

The Chief Investment Officer may shift assets among managers (including between passive and active managers) as long as the asset allocation is maintained within the stated ranges. When possible, net cash flows will be used to efficiently accommodate rebalancing and/or tactical asset shifts.

(d) Minimum Qualifications of Chief Investment Officer

The Chief Investment Officer shall at least: (a) have a graduate degree in finance, law, or business administration or (b) be a Chartered Financial Analyst; or (c) have three or more years of experience in the investment of trust assets.

2. Actuaries

The Board will hire an actuary. The actuary will provide studies that will assist in (1) determining the long-term obligations faced by the System through annual actuarial valuations and (2) setting the expected investment return objectives or assumptions that will be sufficient to meet those obligations. The actuary will provide reviews of the actuarial valuation process at least once every four (4) years, including updating the projections and assumptions in light of the experience of the System. These studies will be considered in setting the expected investment return objective.

3. Investment Consultants

The Board will hire a qualified independent consultant, whose relationship does not impose a conflict of interest with the Board or staff, to provide investment performance measurement at least quarterly with the report available to the Board within two months of the quarter end. The report will at least compare actual investment returns of the Trust -- in total, by each asset class, and for each managed portfolio -- with both the investment objectives of the System and a composite benchmark and peer group. Independent investment consultants may be hired to assist the Board in the management of its investment responsibilities, including, but not limited to: (1) performing asset allocation studies, and reviewing and recommending modifications to the asset allocation as conditions warrant; (2) assisting in monitoring the investment managers to assure they are in compliance with the investment policy and their individual guidelines; (3) performing manager evaluations and searches as may be necessary; and (4) assisting in the development and adjustment of investment policy. Except for consultants retained solely for purposes of performance measurement, consultants will be fiduciaries of the Trust.

D. Agents: Custodian and Investment Managers with Delegated Responsibilities

1. Custodian

(a) Responsibilities

Custodians and other agents will be fiduciaries of the Trust and will assume full responsibility for the safekeeping and accounting of all assets held on behalf of the Trust. Among other duties, as may be agreed to, the custodian will be responsible for: (a) the receipt, delivery, and safekeeping of securities; (b) the transfer, exchange, or redelivery of securities; (c) the claiming, receipt, and deposit of all dividend, interest, and other corporate actions due the Trust; (d) the daily sweep of all uninvested funds into a cash management account or accounts; and, (e) the provision of reports to PERSI at agreed time intervals that will include all purchases and sales of securities, all dividend declarations on securities held by the Trust, a list of securities held by the Trust, a valuation of those securities, and a cash statement of all transactions for the account of the Trust. Unless the Board provides otherwise, the custodian will also be responsible for monitoring class action litigation, filing and collecting claims on PERSI's behalf, and reporting to PERSI on such activities.

The Board provides that the Executive Director shall be responsible for the monitoring of class action litigation, filing and collecting claims on PERSI's behalf, including "opt-in" (class action claims), and recommending whether to "opt-out" (securities litigation) and/or to participate in non-securities-based ("anti-trust") litigation activities and reporting to PERSI on such activities (please refer to PERSI Securities Litigation policy).

(b) Authorization of Collective Investment Vehicles

Assets of the Trust may be invested in any collective investment trust (CIT), pooled group trust, or similar collective investment vehicle which at the time of the investment provides for the pooling of the assets of plans described in Section 401(a) of the Internal Revenue Code of 1986, as amended, and which is exempt from Federal income tax. Assets of the Trust may be commingled with assets of other trusts if invested in any such CIT, pooled group trust, or similar collective investment vehicle authorized by this policy. The provisions of the CIT, pooled group trust, or similar collective investment vehicle agreements, as amended by the trustee or fiduciary thereof from time to time, of each collective investment vehicle in which PERSI Trust assets are invested are by this reference incorporated as a part of the CIT, pooled group trust, or similar collective investment vehicle estate comprising the PERSI Trust. The provisions of any collective investment vehicle will govern any investment of PERSI Trust assets in that CIT.

2. Investment Managers

The Board will hire investment managers who will be fiduciaries of the Trust and who will be responsible for the investment of Trust assets in specific securities or assets within or among the asset classes.

(a) Minimum Qualifications

Investment managers shall be registered with the Securities and Exchange Commission (unless they are banks, insurance companies, or other category exempted from such registration requirements), have been in the business of investment management at least two years (or the main personnel of the investment management firm have worked together in the business of investment management for at least two years), and usually have other United States pension fund assets under management.

(b) Guidelines

Investment managers shall manage assets in accordance with guidelines established by contract and as may be added to or modified from time to time. The guidelines will contain minimum diversification requirements that must be followed by that manager. These guidelines will also set out the investment return expected to be achieved by that manager and shall be linked to a benchmark that represents the passive index fund that would be used to replace the manager's assignment.

(c) Responsibilities and Discretion

Subject to the restrictions set out in this policy or as may be set out in individual contracts or guidelines, an investment manager shall have full discretionary power to direct the investment, exchange, and liquidation of the assets entrusted to that manager. The manager shall place orders to buy and sell securities and, by notice to the custodian, cause the custodian to deliver and receive securities on behalf of the Trust.

(d) Voting of Proxies

The Board, unless otherwise stated, will delegate the voting of proxies to the investment managers or custodian. Proxy voting is considered to be a component of the investment decision process; therefore, the investment managers are responsible for voting all proxies in a manner consistent with the best economic interest of the System for the exclusive benefit of the System, prudent and otherwise consistent with Idaho Code section 59-1301(2), the Idaho Uniform Prudent Investor Act (Title 68, Chapter 5, Idaho Code), and applicable Federal law.

(e) Transactions and Brokerage

All securities transactions shall be executed by reputable broker/dealers or banks and shall be on a best price and best execution basis.

3. Use of Passive and Active Managers

(a) Purpose and Use of Active Management

The Board recognizes that passive (index fund) investing has lower costs than active investing, with regard to both management fees and transaction costs. Further, the Board also recognizes that there is uncertainty concerning whether active investing can generally outperform passive investing, particularly in the large, liquid, and efficient portions of the capital markets. Also, the Board has great confidence that a passive investment of assets in an efficient asset allocation will likely meet long-term obligations.

Active managers will be hired for the purpose of providing greater stability of returns, and better returns, than would be achievable under purely passive management. Active managers will be responsible for timing of markets and the tactical allocation of assets among and within the capital markets (including between the U.S. and international markets). Some asset classes, such as private investments, do not have passive alternatives available.

In addition to providing extra returns, active managers will also be employed to smooth returns, provide higher long-term returns, provide protection in adverse markets, and to add exposure and additional diversification to the portfolio than that achievable solely through investment in passive indices representing the strategic asset allocation and strategic policies.

(b) Structure

In using external managers, a structure using a reasonable number of managers with broad mandates and benchmarks will be employed. Passive managers will be favored for the core, liquid, efficient markets (such as S&P 500 stocks and U.S. Government/Credit bonds).

Active managers will be favored for relatively inefficient markets.

Global managers will be used to provide flexibility in reacting to near-term concerns that may arise concerning any particular region or market, particularly the U.S. capital markets, and to provide an appropriate balance between efficient long-term asset allocations (which favor U.S. assets) and near-term allocations (which may have a greater preference for international assets) to meet the real (inflation adjusted) return needs of the System.

Assets under the management of global equity managers will be considered U.S. equity assets for purposes of asset allocation. Consequently, actual allocations to international equities in the overall portfolio from time to time may be above that in the stated asset allocation due to the activities of the global equity managers.

(c) Balance between Passive and Active Management

The balance between active and passive management will be managed by the Chief Investment Officer with the following considerations in mind: concentration of active investment efforts where there is the most potential for excess returns, implementation of views concerning the state of the U.S. and international capital markets, and reduction of fees and other costs.

(d) Monitoring Standards for Investment Managers

External managers are expected to maintain key personnel, a consistent style, and investment capability to successfully implement their mandate. Past performance is not a predictor of future performance; thus, it is just one factor to consider in the overall evaluation of a manager.

Passive managers are expected to provide the returns of the assigned benchmark' thus they will be evaluated based on their ability to generate performance that closely tracks their benchmark index.

Active managers will be evaluated based on their ability to generate performance that exceeds, after fees, the benchmark index that represents the passive alternative to their mandate over full market cycles (typically over rolling 5-10 years). Performance evaluation will take into consideration any anomalies in a given period attributable to style cycles, interest rate cycles, sector cycles, geopolitical considerations, or any other factors that might meaningfully impact relative performance.

Other relevant information may be considered in determining whether to retain or terminate managers.

V. Asset Class Policies

A. U.S. Equities

1. Objective

The overall objective of the U.S. equity or Broad Domestic Equity asset class is to obtain, over time, a return after fees that equals or exceeds the returns of the Russell 3000 Index, both absolutely and on a risk-adjusted basis. For assets under the management of global equity managers, the objective for near-term periods will be to achieve a return after fees that is equal to or exceeds the returns of the MSCI World Index or MSCI All Country World Index (MSCI ACWI Index), both absolutely and on a risk-adjusted basis.

2. Allowable Investments

Managers may invest in stocks that do not pay dividends. Managers may invest in equity securities outside of the Russell 3000 Index, and global equity managers may invest in equity securities outside of the MSCI World Index. Managers may use derivative securities for purposes of enhancing liquidity, reducing transaction or other costs, or partially hedging an existing exposure in the portfolio.

3. Manager Styles

Managers for the U.S. equity asset class may include index funds, style managers (such as value, growth, and capitalization), "core" managers, and global managers.

4. Benchmarks

The Russell 3000 index will be the benchmark for the passive index funds, core managers, and global managers. For near term periods, the MSCI World or MSCI ACWI indexes are the benchmarks for global equity managers. Other style or capitalization indices maintained by a qualified organization may be used as the benchmark for style managers.

B. International Equities

1. Objective

The overall objective of the International Equity Asset Class is to obtain, over time, a return after fees that equals or exceeds the returns of the MSCI Europe, Australasia, and Far East (MSCI EAFE) Index (unhedged), or the MSCI ACWI ex U.S. Index, both absolutely and on a risk-adjusted basis.

2. Allowable Investments

Managers may invest in stocks that do not pay dividends. Managers may invest in American Depository Receipts or American Depository Shares. Managers may invest in equity securities of companies or in countries that are not included in the indices. Managers may use derivative securities for purposes of enhancing liquidity, reducing transaction or other costs, or partially hedging an existing exposure in the portfolio. Managers may, at their discretion, hedge the currency exposure of all or part of their portfolios. Managers may not over-hedge their portfolio, although proxy hedging for purposes of liquidity and cost savings is allowed.

3. Manager Styles

Managers for the International Equity asset class may include index funds, general international managers, and regional or specialized managers (such as emerging markets). The Board may from time to time hire a currency overlay manager to hedge the currency exposure in those portfolios where managers do not actively or normally consider hedging their exposure.

4. Benchmarks

The MSCI EAFE Index (unhedged), will be the benchmark for the developed markets passive index fund. Active international developed markets managers may use as their benchmark either the MSCI EAFE index or the MSCI ACWI ex US index (unhedged). The MSCI Emerging Markets (MSCI EMF) index will be the benchmark for the emerging markets managers, both active and passive. Regional or specialized indices (unhedged) maintained by a qualified organization may be used as the benchmark for other active managers.

C. Fixed Income

1. Objectives

The overall objective of the Fixed Income asset class is to obtain, over time, a return after fees that equals or exceeds the returns of the Bloomberg Barclays Aggregate Bond Index (Aggregate Bond Index) both absolutely and on a risk-adjusted basis.

The Fixed Income Asset Class shall consist of investments in mortgages and in both dollar and non-dollar fixed income securities. Mortgages shall consist of investments in mortgage-backed securities, and direct ownership of commercial mortgages through the Idaho Commercial Mortgage Program.

The objective of the non-mortgage fixed income securities other than real return portfolios is to obtain, over time, a return after fees that equals or exceeds the returns of the Bloomberg Barclays Government/Credit Bond Index (Government/Credit Bond Index) on a risk-adjusted basis. The overall objective of the mortgage securities is to obtain, over time, a return after fees that equals or exceeds the returns of the Bloomberg Barclays Mortgage Index (Mortgage Index) on a risk-adjusted basis. The overall objective of the real return fixed income is to obtain, over time, a return after fees that equals or exceeds the returns of the Bloomberg Barclays TIPS Index (US? TIPS Index) on a risk-adjusted basis.

2. Allowable Investments

Managers may invest in debt securities that do not pay interest. Active managers may invest in securities in companies or countries that are not included in the indices.

Managers may use derivative securities for purposes of enhancing liquidity, reducing transaction or other costs, or partially hedging an existing exposure in the portfolio. Fixed income managers may, at their discretion and to the extent allowed by their contracts and guidelines, use currency forward or futures markets as may be considered appropriate to implement fixed income strategies.

3. Manager Styles

Managers in the Fixed Income asset class may include index funds, domestic bond managers, specialized managers, and global managers.

4. Benchmarks

The Government/Credit Bond Index or Aggregate Bond Index will be the benchmark for all non-mortgage fixed income managers except real return fixed income managers. The TIPS index will be the benchmark for real return fixed income managers. The Mortgage Index will be the benchmark for all mortgage managers. The Aggregate Bond Index will be the benchmark for the asset class.

D. Real Estate

1. Objectives

Equity real estate investments will be considered part of the U.S. Equity asset class. The overall objective of equity real estate investments is to attain a 5% real rate of return overall, over a long-term holding period, as long as this objective is consistent with maintaining the safety of principal. The 5% real rate of return includes both income and appreciation, is net of investment management fees, and is net of inflation as measured annually by the Consumer Price Index. Over a short-term basis, the objective is to earn a nominal minimum income yield of 4% at the portfolio level, allowing flexibility for individual investments to pursue select value-added and development strategies which typically provide little to no current income return.

2. Allowable Investments

Allowable equity real estate investments include open-end and closed-end commingled real estate funds, direct real estate investments, publicly traded real estate investment trusts (REITs), passive REIT index funds, and other public real estate companies, private real estate companies and real estate operating venture entities. Allowable investments must be originated and managed by real estate advisors with substantial experience originating and managing similar investments with other institutional investors. The real estate asset sector is not intended to include solely debt investments; in particular, straight mortgage interests are considered part of the fixed income asset class. The real estate asset sector may include equity-oriented debt investments, including mezzanine loans, that conform with the return targets of the sector.

3. Need for Income Component of Return

Upon closing, each real estate investment must have as a goal the expectation of an annual income return and overall holding period return measured primarily by realized return rather than expected capital appreciation. Thus, a significant portion of real estate investments made should be in existing income producing properties with measurable return expectations rather than purely development properties. However, existing properties with potential for physical enhancement, including development or redevelopment, are acceptable investments. Select development properties can be considered so long as they don't comprise more than 20% of the total real estate portfolio at any given time.

4. Protection of the Trust

Investment vehicles should be chosen that will protect the Trust, including provision for investments that do not contain debt or liability with recourse beyond the Trust commitment to the related business entity, provision for inspection and evaluation of environmental hazards prior to the purchase of any specific property, and the provision of insurance coverage to protect against environmental and natural hazards.

5. Reporting

A comprehensive reporting system for individual investments, entities and funds will be maintained so that primary operational and economic characteristics are continually defined, and underperforming investments can be identified and remediated. Active asset and portfolio management is required for the management of all non-publicly traded real estate investments. Investment managers shall be required to present periodic operational reports within approved formats, including statements of fair market value, audited financial statements and annual business plans.

6. Benchmarks

The MSCI US REIT, Dow Jones Select REIT, NAREIT all Equity, or Wilshire REIT index will be the benchmark for the passive REIT index fund. The National Council of Real Estate Investment Fiduciaries (NCREIF) Property Index or the Open-End Core Equity (NFI-ODCE) Value Weight net will be the benchmarks for the open-end and closed-end funds and private real estate. The asset class in total will be benchmarked against the Russell 3000 index.

7. Asset Allocation

For purposes of asset allocation, real estate investments will be treated as part of the U.S. equity asset class.

E. Alternative Investments

1. Definition and Board Approval

The Board may from time to time authorize the investment of Trust assets in entities or structures that do not fit the asset descriptions listed above. Examples of such investments are venture capital partnerships, private equity, leveraged buy-out funds, private debt, and direct ownership of individual assets such as oil and gas partnerships. These investments shall only be entered into upon the recommendation of a qualified consultant after due diligence and with approval by the Board or a subcommittee appointed by the Board to review the recommendation. Subsequent investments with a previously approved alternative investment manager do not require additional specific approvals by the Board or subcommittee.

2. Objectives and Benchmarks

If the alternative investment is an equity investment, the objective for the investment will be to exceed, over time and after fees, the return achieved by the Russell 3000 Index. If the alternative investment is a debt investment, then the objective will be to exceed, over time and after fees, the returns achieved by the Government/Credit Bond Index. It is recognized that these investments may experience greater volatility than the comparable publicly traded securities and indices.

3. Asset Allocation

For purposes of asset allocation, alternative equity investments will be treated as part of the U.S. equity asset class, and alternative debt investments will be treated as part of the fixed income asset class.

VI. Asset Allocation

The tables in Appendix I summarize the asset allocation of the Trust, including the expected net return and risk of each asset class, the normal asset allocation and allowable ranges, and the expected risk and net return of the Trust as compared to the actuarial assumptions [see section III.B.1.(a)].

VII. Deposit and Investment Risk Policy - GASB 40

A. Purpose

The Governmental Accounting Standards Board (GASB) has identified that state and local governments have deposits and investments which are exposed to risks that may result in losses. GASB Statement number 40 (GASB 40) is intended to inform users of financial statements about the risks that could affect the ability of a government entity to meet its obligations. GASB 40 has identified general deposit and investment risks as credit risk, including concentration of credit risk and custodial credit risk, interest rate risk, and foreign currency risk and requires disclosures of these risks and of policies related to these risks. This portion of the Investment Policy addresses the monitoring and reporting of those risks.

In general, the risks identified in GASB 40, while present, are diminished when the entire portfolio is viewed as whole. For example, interest rate risk experienced by fixed income instruments often react in the exact opposite direction as that experienced by equities. Thus, interest rate exposure as set out in GASB 40 will not reflect the cross-influences of impacts across the broad range of investments that make up the PERSI portfolio. And, in fact, the general underlying measures used in GASB 40 across most of the risks identified (credit, concentration, and interest rate risk in particular) were tools that were developed primarily for portfolios dominated by fixed income investments, and are often only poorly transferred, if at all, to portfolios, like PERSI's, that are dominated by equity interests.

Consequently, it is the policy of PERSI that the risks addressed in GASB 40 are to be monitored and addressed primarily through the guidelines agreed to by those managers, and by regular disclosures in reports by managers of levels of risks that may exceed expected limits for those portfolios.

B. Specific Areas of Risk

1. Credit Risk
Summary: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to PERSI.

Policy: Managers will provide PERSI with expected credit risk exposures in their portfolio guidelines. If the actual credit risk exposure falls outside of these expectations, managers will be required to report these occurrences to Staff and these disclosures are to be made available to the Board.

2. Custodial Credit Risk
Summary: Custodial credit risk is the risk that in the event of a financial institution or bank failure, the System would not be able to recover the value of their deposits and investments that are in the possession of an outside party.

Policy: PERSI minimizes exposure to custodial credit risk by requiring that investments, to the extent possible, be clearly marked as to PERSI ownership and further to the extent possible, be held in the System's name.

3. Concentration of Credit Risk
Summary: Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issue.

Policy: Managers will provide PERSI with expected concentration of credit risk exposures in their portfolio guidelines. If the concentration of credit risk exceeds expectations, managers are to be required to report these occurrences to Staff and these disclosures are to be made available to the Board. For the portfolio as a whole, staff will report to the Board at a regular Board meeting if the exposure to a non-US government guaranteed credit instrument exceeds 5% of the total PERSI portfolio.

4. Interest Rate Risk
Summary: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk to PERSI's fixed income portfolio is monitored using the effective duration methodology. Effective duration measures the volatility of the price of a bond given a change in interest rates, taking into account the optionality on the underlying bond.

Policy: Managers will provide PERSI with the expected portfolio duration in their portfolio guidelines. If the duration of the portfolio differs from expectations, managers are to be required to report these occurrences to Staff and these disclosures are to be made available to the Board.

5. Foreign Currency Risk
Summary: Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. PERSI's currency risk exposures, or exchange rate risk, primarily reside within the international equity investment holdings.

Policy: International investments (equity and fixed income) will have a component of currency risk associated with it. Currency risk and hedging exposures are dependent on the underlying international exposure, which fluctuates over time. The individual manager guidelines will outline the expected currency exposures (either specifically or through ranges of security exposures to particular currency areas) of the underlying portfolio and if the actual currency exposure differs from the expected, managers are to be required to report these occurrences to Staff, and these disclosures are to be made available to the Board.

ADOPTION: The Board of Trustees of the Public Employee Retirement System of Idaho (PERSI) adopts this Statement of Investment Policy dated March 2024, which supersedes the Statement adopted November 2019. We hereby certify that this statement incorporates the full and current text of adopted policies and objectives and do hereby charge the staff, consultants, and investment managers to employ good judgment in exercising the intent expressed within this Statement.

____
JEFF CILEK, Chairman

____
JOY FISHER, Trustee

____
LORI WOLFF, Trustee

____
PARK PRICE, Trustee

____
DARIN DEANGELI, Trustee

Acknowledged and Understood by:

________________________________ ________________________________

MICHAEL L. HAMPTON Date
Executive Director

________________________________ ________________________________

RICHELLE A. SUGIYAMA Date
Chief Investment Officer

Appendix I

Asset Class	Expected Return*	Expected Risk	Normal	Ranges
Equities			**70%**	**66% - 77%**
Broad Domestic Equity	8.3%	18.3%	55%	50% - 65%
International	8.5%	19.7%	15%	10% - 20%
Fixed Income	**3.1%**	**3.8%**	**30%**	**23% - 33%**
Cash	**2.3%**	**0.9%**	**0%**	**0% - 5%**

(Expected returns are net of fees and expenses)

Total Fund	Expected Return*	Expected Inflation	Expected Real Return	Expected Risk
Actuary	7.00%	3.00%	4.00%	n/a
Portfolio	6.39%	2.25%	4.14%	14.16%

** Expected arithmetic return*

Data provided by Callan & Milliman - 2018

Asset Class	Long Term Allocation Target	Strategic Allocation Target	Ranges	Benchmarks
Equities	**70%**	**70%**	**66% - 77%**	**R3000**
Broad Domestic Equity	55%	21%	50% - 65%	R3000
Global		18%		ACWI/World
Real Estate		8%		NAREIT/NFI-ODCE
Private Equity		8%		R3000
International Developed	15%	6%	10% - 20%	EAFE
International EM		9%		EM
Fixed Income	**30%**	**30%**	**23% - 33%**	**Aggregate**
U.S. Fixed		20%		Aggregate
U.S. TIPS		10%		U.S. TIPS
Cash			**0% - 5%**	
Total Fund	**100%**	**100%**		**Composite***

** Composite returns are the target weighted returns of the asset class benchmarks*

PERSI

Public Employee Retirement System of Idaho

Statement of Investment Policy

for the

Defined Benefit Plan

Adopted ~~November 2019~~ ~~August~~ ~~November~~ March 2024

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I. Introduction

The Retirement Board ("Board") of the Public Employee Retirement System of Idaho ("PERSI", "System") hereby establishes its Statement of Investment Policy for the investment of the trust funds ("Trust", "Fund", "Plan") in accord with Idaho Code Chapter 13, Title 59.

The Board will review this Investment Policy Statement following actuarial experience studies (that review the economic and market return assumptions for the Fund), which occur at least once every four (4) years, and/or whenever any material change in investment circumstances arise.

II. Statutory Requirements

The investments of the Trust will be in accord with all applicable laws of the state of Idaho.

A. Sole Interest of Beneficiaries

Investments will be solely in the interest of the members and their beneficiaries and for the exclusive purpose of providing benefits to the members and their beneficiaries and defraying reasonable expenses of administration.

B. Prudent Investments

Investments will be made with the judgment and care under the circumstances then prevailing, which people of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable outcome as well as the probable safety of their capital. Investments will be diversified so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly prudent not to do so.

C. Fiduciary Duties

The Board and its agents, including staff, consultants, and investment managers, will discharge their duties with respect to the Trust assets solely in the interest of the members and their beneficiaries, and with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

III. Investment Goals

A. General Objective

1. Purpose

The purpose of the investment of Trust assets is to provide funds to meet the obligations of PERSI while incurring the appropriate amount of risk consistent with attaining that goal. The Board will invest the assets of the Trust and will reduce risk through diversification of the assets of the Trust.

2. Considerations

In determining the investment returns needed by the System, the acceptable risk levels, and the allowable investments, the Board will consider:

* the purpose of the plan,
* the projected return of the portfolio as it relates to the funding objectives of the plan,
* the effect of particular investments on the total portfolio,
* the diversification of the portfolio, and
* the liquidity needs and the current return relative to the anticipated cash flow requirements.

B. Specific PERSI return and risk objectives

1. Investment Returns

(a) Actuarial Assumptions

In projecting obligations and the returns needed to meet those obligations, the Board will consider studies performed by the System's actuaries.

The expected rate of return will consist of an expected real return and an expected inflation assumption, and will consider relevant factors, including the expected growth of the benefits over the life of the plan including assumptions for salary growth rates (and mortality), inflation, a 1% annual cost of living adjustment (COLA) and the costs of managing the Trust.

The actuary uses an investment return assumption in balancing projected obligations, projected contributions, and projected returns on assets. Assuming ~~all of~~all the actuarial assumptions are accurate, the required return will suffice to: (1) assure the payment of statutorily required benefits~~,~~ including a 1% COLA; and (2) maintain the reduction of the level of the unfunded liability (if any) on the scheduled amortization (one year at a time). The required return will not be sufficient to fund either discretionary COLAs, retroactive COLAs, accelerate the amortization of the unfunded liability, build a stabilization reserve, or allow for gain-sharing distributions.

2. Investment Risk and Asset Allocation

(a) Diversification Among Asset Classes

In controlling the risk level that is appropriate for the Trust, assets will be diversified among various asset classes. The specific asset classes to be used will be set in conjunction with the asset allocation.

(b) Review of Asset Classes and Asset Allocation

The long-~~-~~term allocation will focus on the goal that expected long-~~-~~term returns of the Trust will meet the expected long-term obligations of the System with the appropriate level of risk sufficient to meet those objectives. Unless circumstances materially change, the long-~~-~~term allocation will be reviewed at least once every five (5) years to determine the appropriate asset classes for the investment of Trust assets and conduct asset allocation studies to help determine the ~~long term~~long-term allocations among desired asset classes so as to meet long term return objectives with the appropriate level of risk.

(c) Content of Asset Allocations

The asset allocation will set out:

- the asset classes to be used,
- the long-~~-~~term "normal" percentage of assets to be invested in each asset class,
- the ranges that will be considered allowable deviations from the normal allocation,
- the investment risk and return expectations for each asset class,
- the numerical investment return and risk expected to be realized, and

* the relation of the expected investment return to the real return and the actuarially assumed investment return.

(d) Strategic Allocation

In addition to the long~~-~~-term allocation, the Board may adopt strategic allocations. "Strategic allocations" allow investment in asset types that have not been singled out as "asset classes" in the asset allocation process, to overweight particular sectors within an asset class, or to employ particular strategies in the investment of Trust assets. The purpose of the strategic allocation~~s~~ ~~are~~is to either increase the return above the expected return and/or to reduce risk.

IV. Investment Structure

A. Overall Structure

In making specific investment policy decisions, the Board will have as an overall goal a flexible, simplified structure with clear roles and accountability.

1. Board Responsible

The Board is responsible for all investment activities. In exercising this responsibility, the Board will hire investment staff and agents and may delegate various investment functions to them. Where the Board does not delegate investment powers or duties, the Board will either satisfy itself that it is familiar with such matters~~,~~ or will retain persons who are familiar with such matters to consult or assist the Board in the exercise of those responsibilities. Where the Board delegates a responsibility, it will be delegated to a person who is familiar with such matters, and the Board will monitor and review the actions of those to whom responsibilities are delegated.

2. General Roles and Responsibilities of Board and Agents

The Board will favor a structure that accommodates a citizen Board and a small investment staff. The Board and investment staff will concentrate their activities on:

* making strategic decisions, primarily concerning asset allocation and strategic allocations;

* adjusting the mix between passive and active managers depending on, among other considerations, near-term concerns regarding the U.S. and other capital markets;

* delegating and monitoring all other activities, including hiring and monitoring investment managers; and

* maintaining a reporting system that provides a clear picture of the status of the fund on a reasonably concurrent basis to both the Board and PERSI's constituencies.

The Board will delegate the implementation of its investment policy to investment staff and external investment managers and other investment agents. This responsibility includes those investment decisions with shorter-term consequences such as the selection of securities, regions, asset types, or asset classes.

B. Direct (Non-Delegated) Responsibilities of the Board

The Board is responsible for:

* Approving investment policy;
* Determining the investment structure of the Trust;
* Determining the asset classes to be utilized;
* Setting the asset allocation;
* Determining or authorizing strategic allocations;
* Hiring agents to implement the asset allocation;
* Hiring agents to implement strategic allocations;
* Monitoring the compliance of those agents with the investment policies and allocations; and
* Monitoring the investments of the Trust through periodic reports from its staff or consultants.

C. Agents: Chief Investment Officer, Actuaries, Consultants, and Advisors to the Board

1. Chief Investment Officer

(a) Duties of Chief Investment Officer

The Board will hire a Chief Investment Officer who will be generally responsible for the oversight of the investment of Trust assets, and, as part of that overall responsibility, will:

(1) supervise, monitor, and evaluate the performance of the investment managers and other investment agents hired by the Board to assure compliance with investment policy and individual guidelines;

(2) recommend to the Board adjustments to the investment policy, including reviewing and modifying the asset allocation as conditions warrant;

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~~(2)~~(3) seek approval from the Board with respect to termination of managers and agents. If situations arise which require immediate action, the Board has delegated the authority to the CIO to prudently terminate managers and agents, with notification to the Board as soon as reasonably practicable.

~~(3)~~(4) research current market conditions, evaluate new products, and seek out new approaches to improve portfolio return, reduce risk, and reduce costs and fees;

~~(4)~~(5) work with the consultants, custodians, investment managers, and other agents in the performance of the assigned duties, with the exception of "opt-in" (class action claims), "opt-out" (securities litigation, including lead and co-lead) and non-securities-based ("anti-trust") litigation;

~~(5)~~(6) assist the Board with education and other efforts to promote good decision making;

~~(6)~~(7) hire and manage investment staff/personnel and outside investment advisors to staff;

~~(7)~~(8) Except in special circumstances, will not buy/sell/transact in specific securities; and

~~(8)~~(9) Coordinate with the Executive Director staff to implement investment actions/decisions and reporting needs.

(b) Allocation of New Net Contributions

The Chief Investment Officer shall allocate new net contributions to or withdraw net distributions from the System among investment managers in accordance with the long term and strategic ranges established in the asset allocation. The Chief Investment

Officer shall report to the Board regularly on the allocation of new net contributions or the withdrawal of net distributions.

(c) Tactical Asset Allocation and Rebalancing

The Chief Investment Officer may shift assets among managers (including between passive and active managers) as long as the asset allocation is maintained within the stated ranges. When possible, net cash flows will be used to efficiently accommodate rebalancing and/or tactical asset shifts.

(d) Minimum Qualifications of Chief Investment Officer

The Chief Investment Officer shall at least: (a) have a graduate degree in finance, law, or business administration or (b) be a Chartered Financial Analyst; or (c) have three or more years of experience in the investment of trust assets.

2. Actuaries

The Board will hire an actuary. The actuary will provide studies that will assist in (1) determining the ~~the~~ long-term obligations faced by the System through annual actuarial valuations and (2) setting the expected investment return objectives or assumptions that will be sufficient to meet those obligations. The actuary will provide reviews of the actuarial valuation process at least once every four (4) years, including updating the projections and assumptions in light of the experience of the System. These studies will be considered in setting the expected investment return objective.

3. Investment Consultants

The Board will hire a qualified independent consultant, whose relationship does not impose a conflict of interest with the Board or staff, to provide investment performance measurement at least quarterly with the report available to the Board within two months of the quarter end. The report will at least compare actual investment returns of the Trust -- in total, by each asset class, and for each managed portfolio -- with both the investment objectives of the System and a composite benchmark and peer group. Independent investment consultants may be hired to assist the Board in the management of its investment responsibilities, including, but not limited to: (1) performing asset allocation studies, and reviewing and recommending modifications to the asset allocation as conditions warrant; (2) assisting in monitoring the investment managers to assure they are in compliance with the investment policy and their individual guidelines; (3) performing manager evaluations and searches as may be necessary; and (4) assisting in the development and adjustment of investment policy. Except for consultants retained solely for purposes of performance measurement, consultants will be fiduciaries of the Trust.

D. Agents: Custodian and Investment Managers with Delegated Responsibilities

1. Custodian

(a) Responsibilities

Custodians and other agents will be fiduciaries of the Trust and will assume full responsibility for the safekeeping and accounting of all assets held on behalf of the Trust. Among other duties, as may be agreed to, the custodian will be responsible for: (a) the receipt, delivery, and safekeeping of securities; (b) the transfer, exchange, or redelivery of securities; (c) the claiming, receipt, and deposit of all dividend, interest, and other corporate actions due the Trust; (d) the daily sweep of all uninvested funds into a cash management account or accounts; and, (e) the provision of reports to PERSI at agreed time intervals that will include all purchases and sales of securities, all dividend declarations on securities held by the Trust, a list of securities held by the Trust, a valuation of those securities, and a cash statement of all transactions for the account of the Trust. Unless the Board provides otherwise, the custodian will also be responsible for monitoring class action litigation, filing and collecting claims on PERSI's behalf, and reporting to PERSI on such activities.

The Board provides that the Executive Director shall be responsible for the monitoring of class action litigation, filing and collecting claims on PERSI's behalf, including "opt-in" (class action claims), and recommending whether to "opt-out" (securities litigation) and/or to participate in non-securities-based ("anti-trust") litigation activities and reporting to PERSI on such activities (please refer to PERSI Securities Litigation policy).

(b) Authorization of Collective Investment ~~Trusts~~Vehicles

Assets of the Trust may be invested in any collective investment trust (CIT), pooled group trust, or similar collective investment vehicle which at the time of the investment provides for the pooling of the assets of plans described in Section 401(a) of the Internal Revenue Code of 1986, as amended, and which is exempt from Federal income tax. Assets of the Trust may be commingled with assets of other trusts if invested in any such CIT, pooled group trust, or similar collective investment vehicle ~~CIT~~ authorized by this policy. The provisions of the CIT, pooled group trust, or similar collective investment vehicle agreements, as amended by the ~~CIT~~ trustee or fiduciary thereof from time to time, of each collective investment vehicle ~~CIT~~ in which PERSI Trust assets are invested are by this reference incorporated as a part of the CIT, pooled group trust, or similar collective investment vehicle estate comprising the PERSI Trust. The provisions of any ~~the CIT~~ collective investment vehicle will govern any investment of PERSI Trust assets in that CIT.

2. Investment Managers

The Board will hire investment managers who will be fiduciaries of the Trust and who will be responsible for the investment of Trust assets in specific securities or assets within or among the asset classes.

(a) Minimum Qualifications

Investment managers shall be registered with the Securities and Exchange Commission (unless they are banks, insurance companies, or other category exempted from such registration requirements), have been in the business of investment management at least two years (or the main personnel of the investment management firm have worked together in the business of investment management for at least two years), and usually have other United States pension fund assets under management.

(b) Guidelines

Investment managers shall manage assets in accordance with guidelines established by contract and as may be added to or modified from time to time. The guidelines will contain minimum diversification requirements that must be followed by that manager. These guidelines will also set out the investment return expected to be achieved by that manager~~,~~ and shall be linked to a benchmark that represents the passive index fund that would be used to replace the manager's assignment.

(c) Responsibilities and Discretion

Subject to the restrictions set out in this policy or as may be set out in individual contracts or guidelines, an investment manager shall have full discretionary power to direct the investment, exchange, and liquidation of the assets entrusted to that manager. The manager shall place orders to buy and sell securities and, by notice to the custodian, cause the custodian to deliver and receive securities on behalf of the Trust.

(d) Voting of Proxies

The Board, unless otherwise stated, will delegate the voting of proxies to the investment managers or custodian. Proxy voting is considered to be a component of the investment decision process;~~,~~ therefore, the investment managers are responsible for voting all proxies in a manner consistent with the best economic interest of the System for the exclusive benefit of the System, prudent and otherwise consistent with Idaho Code section 59-1301(2), the Idaho Uniform Prudent Investor Act (Title 68, Chapter 5, Idaho Code), and applicable Federal law.

(e) Transactions and Brokerage

All securities transactions shall be executed by reputable broker/dealers or banks~~,~~ and shall be on a best price and best execution basis.

3. Use of Passive and Active Managers

(a) Purpose and Use of Active Management

The Board recognizes that passive (index fund) investing has lower costs than active investing, with regard to both management fees and transaction costs. Further, the Board also recognizes that there is uncertainty concerning whether active investing can generally outperform passive investing, particularly in the large, liquid, and efficient portions of the capital markets. Also, the Board has great confidence that a passive investment of assets in an efficient asset allocation will likely meet long-term obligations.

Active managers will be hired for the purpose of providing greater stability of returns, and better returns, than would be achievable under purely passive management. Active managers will be responsible for timing of markets and the tactical allocation of assets among and within the capital markets (including between the U.S. and international markets). Some asset classes, such as private investments, do not have passive alternatives available.

In addition to providing extra returns, active managers will also be employed to smooth returns, provide higher long-term returns, provide protection in adverse markets, and to add exposure and additional diversification to the portfolio than that achievable solely through investment in passive indices representing the strategic asset allocation and strategic policies.

(b) Structure

In using external managers, a structure using a reasonable number of managers with broad mandates and benchmarks will be employed. Passive managers will be favored for the core, liquid, efficient markets (such as S&P 500 stocks and U.S. Government/Credit bonds).

Active managers will be favored for relatively inefficient markets.

Global managers will be used to provide flexibility in reacting to near-term concerns that may arise concerning any particular region or market, particularly the U.S. capital markets, and to provide an appropriate balance between efficient long-term asset allocations (which favor U.S. assets) and near-term allocations (which may have a greater preference for international assets) to meet the real (inflation adjusted) return needs of the System.

Assets under the management of global equity managers will be considered U.S. equity assets for purposes of asset allocation. Consequently, actual allocations to international equities in the overall portfolio from time to time may be above that in the stated asset allocation due to the activities of the global equity managers.

(c) Balance between Passive and Active Management

The balance between active and passive management will be managed by the Chief Investment Officer with the following considerations in mind: concentration of active investment efforts where there is the most potential for excess returns, implementation of views concerning the state of the U.S. and international capital markets, and reduction of fees and other costs.

(d) Monitoring Standards for Investment Managers

External managers are expected to maintain key personnel, a consistent style, and investment capability to successfully implement their mandate. Past performance is not a predictor of future performance~~,~~; ~~thus~~thus, it is just one factor to consider in the overall evaluation of a manager.

Passive managers are expected to provide the returns of the assigned benchmark~~,~~' thus they will be evaluated based on their ability to generate performance that closely tracks their benchmark index.

Active managers will be evaluated based on their ability to generate performance that exceeds, after fees, the benchmark index that represents the passive alternative to their mandate over full market cycles (typically over rolling 5-10 years). Performance evaluation will take into consideration any anomalies in a given period attributable to style cycles, interest rate cycles, sector cycles, geopolitical considerations, or any other factors that might meaningfully impact relative performance.

Other relevant information may be considered in determining whether to retain or terminate managers.

V. Asset Class Policies

A. U.S. Equities

1. Objective

The overall objective of the U.S. equity or Broad Domestic Equity asset class is to obtain, over time, a return after fees that equals or exceeds the returns of the Russell 3000 Index, both absolutely and on a risk-adjusted basis. For assets under the management of global equity managers, the objective for near-term periods will be to achieve a return after fees that is equal to or exceeds the returns of the MSCI World Index or MSCI All Country World Index (MSCI ACWI Index), both absolutely and on a risk-adjusted basis.

2. Allowable Investments

Managers may invest in stocks that do not pay dividends. Managers may invest in equity securities outside of the Russell 3000 Index, and global equity managers may invest in equity securities outside of the MSCI World Index. Managers may use derivative securities for purposes of enhancing liquidity, reducing transaction or other costs, or partially hedging an existing exposure in the portfolio.

3. Manager Styles

Managers for the U.S. equity asset class may include index funds, style managers (such as value, growth, and capitalization), "core" managers, and global managers.

4. Benchmarks

The Russell 3000 index will be the benchmark for the passive index funds, core managers, and global managers. For near term periods, the MSCI World or MSCI ACWI indexes are the benchmarks for global equity managers. Other style or capitalization indices maintained by a qualified organization may be used as the benchmark for style managers.

B. International Equities

1. Objective

The overall objective of the International Equity Asset Class is to obtain, over time, a return after fees that equals or exceeds the returns of the MSCI Europe, Australasia, and Far East (MSCI EAFE) Index (unhedged), or the MSCI ACWI ex U.S. Index, both absolutely and on a risk-adjusted basis.

2. Allowable Investments

Managers may invest in stocks that do not pay dividends. Managers may invest in American Depository Receipts or American Depository Shares. Managers may invest in equity securities of companies or in countries that are not included in the indices. Managers may use derivative securities for purposes of enhancing liquidity, reducing transaction or other costs, or partially hedging an existing exposure in the portfolio. Managers may, at their discretion, hedge the currency exposure of all or part of their portfolios. Managers may not over-hedge their portfolio, although proxy hedging for purposes of liquidity and cost savings is allowed.

3. Manager Styles

Managers for the International Equity asset class may include index funds, general international managers, and regional or specialized managers (such as emerging markets). The Board may from time to time hire a currency overlay manager to hedge the currency exposure in those portfolios where managers do not actively or normally consider hedging their exposure.

4. Benchmarks

The MSCI EAFE Index (unhedged), will be the benchmark for the developed markets passive index fund. Active international developed markets managers may use as their benchmark either the MSCI EAFE index or the MSCI ACWI ex US index (unhedged). The MSCI Emerging Markets (MSCI EMF) index will be the benchmark for the emerging markets managers, both active and passive. Regional or specialized indices (unhedged) maintained by a qualified organization may be used as the benchmark for other active managers.

C. Fixed Income

1. Objectives

The overall objective of the Fixed Income asset class is to obtain, over time, a return after fees that equals or exceeds the returns of the Bloomberg Barclays Aggregate Bond Index (Aggregate Bond Index) both absolutely and on a risk-adjusted basis.

The Fixed Income Asset Class shall consist of investments in mortgages and in both dollar and non-dollar fixed income securities. Mortgages shall consist of investments in mortgage~~-~~backed securities, and direct ownership of commercial mortgages through the Idaho Commercial Mortgage Program.

The objective of the non-mortgage fixed income securities other than real return portfolios is to obtain, over time, a return after fees that equals or exceeds the returns of the Bloomberg Barclays Government/Credit Bond Index (Government/Credit Bond Index) on a risk-adjusted basis. The overall objective of the mortgage securities is to obtain, over time, a return after fees that equals or exceeds the returns of the Bloomberg Barclays Mortgage Index (Mortgage Index) on a risk-adjusted basis. The overall objective of the real return fixed income is to obtain, over time, a return after fees that equals or exceeds the returns of the Bloomberg Barclays TIPS Index (US? TIPS Index) on a risk-adjusted basis.

2. Allowable Investments

Managers may invest in debt securities that do not pay interest. Active managers may invest in securities in companies or countries that are not included in the indices.

Managers may use derivative securities for purposes of enhancing liquidity, reducing transaction or other costs, or partially hedging an existing exposure in the portfolio. Fixed income managers may, at their discretion and to the extent allowed by their contracts and guidelines, use currency forward or futures markets as may be considered appropriate to implement fixed income strategies.

3. Manager Styles

Managers in the Fixed Income asset class may include index funds, domestic bond managers, specialized managers, and global managers.

4. Benchmarks

The Government/Credit Bond Index or Aggregate Bond Index will be the benchmark for all non-mortgage fixed income managers except real return fixed income managers. The TIPS index will be the benchmark for real return fixed income managers. The Mortgage Index will be the benchmark for all mortgage managers. The Aggregate Bond Index will be the benchmark for the asset class.

D. Real Estate

1. Objectives

Equity real estate investments will be considered part of the U.S. Equity asset class. The overall objective of equity real estate investments is to attain a 5% real rate of return overall, over a long-term holding period, as long as this objective is consistent with maintaining the safety of principal. The 5% real rate of return includes both income and appreciation, is net of investment management fees, and is net of inflation as measured annually by the Consumer Price Index. Over a ~~short term~~short-term basis, the objective is to earn a nominal minimum income yield of 4% at the portfolio level, allowing flexibility for individual investments to pursue select value-added and development strategies which typically provide little to no current income return.

2. Allowable Investments

Allowable equity real estate investments include open-end and closed-end commingled real estate funds, direct real estate investments, publicly traded real estate investment trusts (REITs), passive REIT index funds, and other public real estate companies, private real estate companies and real estate operating venture entities. Allowable investments must be originated and managed by real estate advisors with substantial experience originating and managing similar investments with other institutional investors. The real estate asset sector is not intended to include solely debt investments; in particular, straight mortgage interests are considered part of the fixed income asset class. The real estate asset sector may include equity-oriented debt investments, including mezzanine loans, that conform with the return targets of the sector.

3. Need for Income Component of Return

Upon closing, each real estate investment must have as a goal the expectation of an annual income return and overall holding period return measured primarily by realized return rather than expected capital appreciation. Thus, a significant portion of real estate investments made should be in existing income producing properties with measurable return expectations rather than purely development properties. However, existing properties with potential for physical enhancement, including development or redevelopment, are acceptable investments. Select development properties can be considered so long as they don't comprise more than 20% of the total real estate portfolio at any given time.

4. Protection of the Trust

Investment vehicles should be chosen that will protect the Trust, including provision for investments that do not contain debt or liability with recourse beyond the Trust commitment to the related business entity, provision for inspection and evaluation of environmental hazards prior to the purchase of any specific property, and the provision of insurance coverage to protect against environmental and natural hazards.

5. Reporting

A comprehensive reporting system for individual investments, entities and funds will be maintained so that primary operational and economic characteristics are continually defined, and underperforming investments can be identified and remediated. Active asset and portfolio management is required for the management of all non-publicly traded real estate investments. Investment managers shall be required to present periodic operational reports within approved formats, including statements of fair market value, audited financial statements and annual business plans.

6. Benchmarks

The MSCI US REIT, Dow Jones Select REIT, NAREIT all Equity, or Wilshire REIT index will be the benchmark for the passive REIT index fund. The National Council of Real Estate Investment Fiduciaries (NCREIF) Property Index or the ~~Open-End~~Open-End Core Equity (NFI-ODCE) Value Weight net will be the benchmarks for the open-end and closed-end funds and private real estate. The asset class in total will be benchmarked against the Russell 3000 index.

7. Asset Allocation

For purposes of asset allocation, real estate investments will be treated as part of the U.S. equity asset class.

E. Alternative Investments

1. Definition and Board Approval

The Board may from time to time authorize the investment of Trust assets in entities or structures that do not fit the asset descriptions listed above. Examples of such investments are venture capital partnerships, private equity, leveraged buy-out funds, private debt, and direct ownership of individual assets such as oil and gas partnerships. These investments shall only be entered into upon the recommendation of a qualified consultant after due diligence and with approval by the Board or a subcommittee appointed by the Board to review the recommendation. Subsequent investments with a previously approved alternative investment manager do not require additional specific approvals by the Board or subcommittee.

2. Objectives and Benchmarks

If the alternative investment is an equity investment, the objective for the investment will be to exceed, over time and after fees, the return achieved by the Russell 3000 Index. If the alternative investment is a debt investment, then the objective will be to exceed, over time and after fees, the returns achieved by the Government/Credit Bond Index. It is recognized that these investments may experience greater volatility than the comparable publicly traded securities and indices.

3. Asset Allocation

For purposes of asset allocation, alternative equity investments will be treated as part of the U.S. equity asset class, and alternative debt investments will be treated as part of the fixed income asset class.

VI. Asset Allocation

The tables in Appendix I summarize the asset allocation of the Trust, including the expected net return and risk of each asset class, the normal asset allocation and allowable ranges, and the expected risk and net return of the Trust as compared to the actuarial assumptions [see section III.B.1.(a)].

VII. Deposit and Investment Risk Policy - GASB 40

A. Purpose

The Governmental Accounting Standards Board (GASB) has identified that state and local governments have deposits and investments which are exposed to risks that may result in losses. GASB Statement number 40 (GASB 40) is intended to inform users of ~~the financial~~financial statements about the risks that could affect the ability of a government entity to meet its obligations. GASB 40 has identified general deposit and investment risks as credit risk, including concentration of credit risk and custodial credit risk, interest rate risk, and foreign currency risk and requires disclosures of these risks and of policies related to these risks. This portion of the Investment Policy addresses the monitoring and reporting of those risks.

In general, the risks identified in GASB 40, while present, are diminished when the entire portfolio is viewed as whole. For example, interest rate risk experienced by fixed income instruments often react in the exact opposite direction as that experienced by equities. Thus, interest rate exposure as set out in GASB 40 will not reflect the cross-influences of impacts across the broad range of investments that make up the PERSI portfolio. And, in fact, the general underlying measures used in GASB 40 across most of the risks identified (credit, concentration, and interest rate risk in particular) were tools that were developed primarily for portfolios dominated by fixed income investments, and are often only poorly transferred, if at all, to portfolios, like PERSI's, that are dominated by equity interests.

Consequently, it is the policy of PERSI that the risks addressed in GASB 40 are to be monitored and addressed primarily through the guidelines agreed to by those managers, and by regular disclosures in reports by managers of levels of risks that may exceed expected limits for those portfolios.

B. Specific Areas of Risk

1. Credit Risk
Summary: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to PERSI.

Policy: Managers will provide PERSI with expected credit risk exposures in their portfolio guidelines. If the actual credit risk exposure falls outside of these expectations, managers will be required to report these occurrences to Staff and these disclosures are to be made available to the Board.

2. Custodial Credit Risk
Summary: Custodial credit risk is the risk that in the event of a financial institution or bank failure, the System would not be able to recover the value of their deposits and investments that are in the possession of an outside party.

Policy: PERSI minimizes exposure to custodial credit risk by requiring that investments, to the extent possible, be clearly marked as to PERSI ownership and further to the extent possible, be held in the System's name.

3. Concentration of Credit Risk
Summary: Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issue.

Policy: Managers will provide PERSI with expected concentration of credit risk exposures in their portfolio guidelines. If the concentration of credit risk exceeds expectations, managers are to be required to report these occurrences to Staff and these disclosures are to be made available to the Board. For the portfolio as a whole, staff will report to the Board at a regular Board meeting if the exposure to a non-US government guaranteed credit instrument exceeds 5% of the total PERSI portfolio.

4. Interest Rate Risk
Summary: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk to PERSI's fixed income portfolio is monitored using the effective duration methodology. Effective duration measures the volatility of the price of a bond given a change in interest rates, taking into account the optionality on the underlying bond.

Policy: Managers will provide PERSI with the expected portfolio duration in their portfolio guidelines. If the duration of the portfolio differs from expectations, managers are to be required to report these occurrences to Staff and these disclosures are to be made available to the Board.

5. Foreign Currency Risk
Summary: Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. PERSI's currency risk exposures, or exchange rate risk, primarily reside within the international equity investment holdings.

Policy: International investments (equity and fixed income) will have a component of currency risk associated with it. Currency risk and hedging exposures are dependent on the underlying international exposure, which fluctuates over time. The individual manager guidelines will outline the expected currency exposures (either specifically or through ranges of security exposures to particular currency areas) of the underlying portfolio and if the actual currency exposure differs from the expected, managers are to be required to report these occurrences to Staff, and these disclosures are to be made available to the Board.

ADOPTION: The Board of Trustees of the Public Employee Retirement System of Idaho (PERSI) adopts this Statement of Investment Policy dated ~~November 2019~~~~August~~~~November~~March 2024, which supersedes the Statement adopted ~~February 2016~~November 2019. We hereby certify that this statement incorporates the full and current text of adopted policies and objectives and do hereby charge the staff, consultants, and investment managers to employ good judgment in exercising the intent expressed within this Statement.

____
JEFF CILEK, Chairman

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JOY FISHER, Trustee

____
~~CELIA GOULD~~LORI WOLFF, Trustee

____
PARK PRICE, Trustee

____
DARIN DEANGELI, Trustee

Acknowledged and ~~Received~~ Understood by:

_____________________________ _____________________________

~~Don Drum~~Michael L. Hampton Date
Executive Director

~~Acknowledged and Understood by:~~

_____________________________ _____________________________

~~Robert M. Maynard~~Richelle A. Sugiyama Date
Chief Investment Officer

Appendix I

Asset Class	Expected Return*	Expected Risk	Normal	Ranges
Equities			**70%**	**66% - 77%**
Broad Domestic Equity	8.3%	18.3%	55%	50% - 65%
International	8.5%	19.7%	15%	10% - 20%
Fixed Income	**3.1%**	**3.8%**	**30%**	**23% - 33%**
Cash	**2.3%**	**0.9%**	**0%**	**0% - 5%**

(Expected returns are net of fees and expenses)

Total Fund	Expected Return*	Expected Inflation	Expected Real Return	Expected Risk
Actuary	7.00%	3.00%	4.00%	n/a
Portfolio	6.39%	2.25%	4.14%	14.16%

** Expected arithmetic return*

Data provided by Callan & Milliman - 2018

Asset Class	Long Term Allocation Target	Strategic Allocation Target	Ranges	Benchmarks
Equities	**70%**	**70%**	**66% - 77%**	**R3000**
Broad Domestic Equity	55%	21%	50% - 65%	R3000
Global		18%		ACWI/World
Real Estate		8%		NAREIT/NFI-ODCE
Private Equity		8%		R3000
International Developed	15%	6%	10% - 20%	EAFE
International EM		9%		EM
Fixed Income	**30%**	**30%**	**23% - 33%**	**Aggregate**
U.S. Fixed		20%		Aggregate
U.S. TIPS		10%		U.S. TIPS
Cash			**0% - 5%**	
Total Fund	**100%**	**100%**		**Composite***

** Composite returns are the target weighted returns of the asset class benchmarks*

PERSI
Public Employee Retirement System of Idaho

March 19, 2024

TO: Retirement Board Trustees
FROM: Mike Hampton, Executive Director
SUBJECT: Current Governance Review Process

Background:

1) The Board adopted the full Governance Policy Manual on May 17, 2022.
2) Each subsection of the manual has a separate "date adopted", which ranges from August 17, 2020 to March 23, 2022.

The original plan was to go through and review and re-adopt each subsection of the manual on a rolling three-year cycle. The intent was that staff and the Board could address the manual in little chunks of information on an ongoing basis.

Consideration:

Removal of the "date adopted" by subsection and utilize adoption date of the full manual (May 17, 2022). Institute a scheduled annual full review and adoption of the Governance Policy manual at a fixed board meeting each year.

This change would not remove the need for review and adoption of changes identified during the interim period. Changes needed could come from staff, the Board or outside influences.

The benefit would be a dedicated annual review and adoption process that would engage both staff and the Board.

Interim Changes / Discussion:

Staff would appreciate any discussion on any Governance Policy Manual items the Board would like reviewed in the interim.

PERSI Governance Policy Manual
Issued May 17, 2022

	Original Adoption	Updated & Adopted
Section I. Board Governance Matters		
1. PERSI Organizational Accountability	08/17/20	04/24/23
2. Board Authority, Roles, and Responsibilities	08/17/20	04/24/23
3. Trustee Responsibilities	08/17/20	04/24/23
4. Board Chair Responsibilities	08/17/20	04/24/23
5. Executive Director Responsibilities	08/17/20	
6. Chief Investment Officer Responsibilities	10/27/20	
7. Statement of Delegation .	08/17/20	
8. Board Meeting Operations	08/17/20	
9. Board Communication	02/17/21	
10. Standards of Ethics and Professional Conduct	05/16/22	
11. Indemnity and Defense	03/29/21	
12. Board Education	09/14/20	
13. Trustee Travel and Expense Reimbursement	04/19/21	
14. Board Self-Evaluation	01/25/21	
15. Board Long-Range Planning	09/14/20	
16. Board Consultant Selection and Evaluation	01/25/21	
Section II. Organizational Governance Matters		
17. Executive Director Evaluation	08/17/20	
18. Chief Investment Officer Evaluation	10/27/20	
19. Budget Approval Process	03/23/22	
20. Succession Planning	11/08/21	
Section III. Governance Matters Related to PERSI's Plans, Programs and Services		
21. Base Plan Funding Guidelines	01/18/22	
22. Securities Litigation	07/13/21	
23. Defined Benefit Plan Investment Policy Statement	11/12/19	
24. Sick Leave Trust Fund Investment Policy Statement	03/29/21	
25. Choice Plan Policy Statement	11/30/20	
Section IV. Governance Policy Manual Appendices		
Appendix A. PERSI Governance Responsibilities Framework	08/01/20	
Appendix B. State Travel Policy	07/01/96	11/21/23
Appendix C. Funding Policy Glossary of Key Terms	05/17/22	

PERSI
Public Employee Retirement System of Idaho

March 19, 2024

TO: Retirement Board Trustees
FROM: Mike Hampton, Executive Director
SUBJECT: Executive Summary

Update:

- Deputy Director recruitment.
- Legislative update 2024
- Legislative Ideas 2025 – Actuarial Analysis
- Internal Audit Risk Review and Audit Plan

PERSI
Public Employee Retirement System of Idaho

March 19, 2024

TO: Retirement Board Trustees
FROM: Mike Hampton, Executive Director
SUBJECT: Deputy Director Recruitment

Update:

- Twelve initial candidates were selected for initial interviews. The initial round of interviews is scheduled to be completed by March 15th.

- The initial pool of candidates included four internal candidates and eight external candidates.

- The second round of interviews is scheduled to commence March 22nd.

- The goal is to identify and make an offer to the final candidate by the end of March.

PERSI
Public Employee Retirement System of Idaho

March 19, 2024

TO: Retirement Board Trustees
FROM: Mike Hampton, Executive Director
SUBJECT: Legislative Update

2024 Legislative Update:

Attached, please find the updated list of 2024 legislation:

1) PERSI proposed legislation and rules,
2) Proposed legislation that impacts PERSI statute, and
3) Proposed legislation that impacts governmental entities, including PERSI

2025 Legislative Ideas:

Attached is a draft of an amendment to Idaho Code 59-1322 to add language that would give the PERSI Board authority to create a reserve account to:

- Prevent any deficit in the fund by reason of insolvency of a participating employer.
- Pay legal expenses that may arise from fulfilling the board's powers and duties as outlined under 59-1305.
- Offset unfunded actuarial liability at the board's discretion.
- Provide for any other contingency that the board may determine to be appropriate.

This draft was modeled after a similar law in Oregon.

Considerations:

- This would address the Board's stated intent of protecting the members' benefit. Members' benefit would not be reduced in the case of insolvency and the full withdrawal penalty was not paid.
- It provides the Board with a wide range of discretion. This could be viewed either positively or negatively.
- Limiting discretion may be more appealing to both the Board and others. For example, the Oregon legislature amended their statute to put a limit ($50 million) on total funds in reserve.
- Limits on Board discretion could be impactful if fully funded. Does reserve just sit there?
- Will create the opportunity for others to create their own narrative.

PERSI

Public Employee Retirement System of Idaho

LEGISLATION FOR 2024 LEGISLATIVE SESSION

PERSI Legislation:

H 429	90-day time requirement for purchase of service.	Signed by Governor. Law effective 7/1/24.
H 430	Adding teacher class to disability section of code.	Signed by Governor. Law effective 7/1/24.
H 431	Amended to allow for Roth (after-tax) contributions to Choice Plan.	Signed by Governor. Law effective 7/1/24.
H 432	Penalty for disclosing confidential information.	Signed by Governor. Law effective 7/1/24.
Docket #: 59-0101-2301	PERSI rules.	Passed out of committee by both House and Senate without change.
Docket #: 59-0201-2301	JRF rules.	Passed out of committee by both House and Senate without change.

Impacts PERSI Statute:

H 508	Adds supervisor titles to police officer definition for supervisory positions in dispatch, juvinile detention and probation and parole. Also included language to limit future changes without board recommendation.	Passed both bodies.
S 1246	Amends requirements to allow classified personnel who are hired by the SBOE to elect to remain in PERSI, if they have previous PERSI service.	
S 1283	Adds soil and water conservation districts and invasive species inspectors to definition of 8 month seasonal exclusion from PERSI.	Passed Senate. At House Comm & HR.
S 1315	Repeal section 59-1356(6) - return to work for public safety.	Passed Senate. At House Comm & HR.

Impacts to governmental entities, including PERSI:

H 416	Use of public funds for membership fees and dues prohibited.	House - General Orders
H 456	Remove requirement of SCO to maintain digital copies of all agreements entered into. SCO to maintain list while entity maintains agreement.	Passed both bodies.
H 665	Requires providing a report to State Treasure of total dollar amount invested in any foreign advasary, as defined in this bill.	Passed House. At Senate State Affairs.
S 1261	Limits teleworking employees to 15% or less of workforce and excludes anyone with in-person or on phone interactions.	Passed Senate. At House State Affairs.
S 1291	Prohibits contracts with companies boycotting certain industries, but provides exemption for entities where this would be contrary to their statutory requirements.	Passed Senate. At House State Affairs.
S 1304	Requires allowing public testimony at all public meetings.	Still in committee

59-1322. EMPLOYER CONTRIBUTIONS — AMOUNTS — RATES — AMORTIZATION. (1) Each employer shall contribute to the cost of the system. The amount of the employer contributions shall consist of the sum of a percentage of the salaries of members to be known as the "normal cost" and a percentage of such salaries to be known as the "amortization payment." The rates of such contributions shall be determined by the board on the basis of assets and liabilities as shown by actuarial valuation, and such rates shall become effective no later than January 1 of the second year following the year of the most recent actuarial valuation, and shall remain effective until next determined by the board.

(2) The normal cost rate shall be computed to be sufficient, when applied to the actuarial present value of the future salary of the average new member entering the system, to provide for the payment of all prospective benefits in respect to such member, which benefits are not provided by the member's own contribution.

(3) The amortization rate shall not be less than the minimum amortization rate computed pursuant to subsection (5) of this section, unless a one (1) year grace period has been made effective by the board. During a grace period, the amortization rate shall be no less than the rate in effect during the immediately preceding year. A grace period may not be made effective if more than one (1) other grace period has been effective in the immediately preceding four (4) year period.

(4) Each of the following terms used in this subsection and in subsection (5) of this section shall have the following meanings:

(a) "Valuation" means the most recent actuarial valuation.

(b) "Valuation date" means the date of such valuation.

(c) "Effective date" means the date the rates of contributions based on the valuation become effective pursuant to subsection (1) of this section.

(d) "End date" means the date thirty (30) years after the valuation date until July 1, 1993. On and after July 1, 1993, "end date" means twenty-five (25) years after the valuation date.

(e) "Unfunded actuarial liability" means the excess of the actuarial present value of (i) over the sum of the actuarial present values of (ii), (iii), (iv) and (v) as follows, all determined by the valuation as of the valuation date:

(i) all future benefits payable to all members and contingent annuitants;

(ii) the assets then held by the funding agent for the payment of benefits under this chapter;

(iii) the future normal costs payable in respect of all then active members;

(iv) the future contributions payable under sections 59-1331 through 59-1334, Idaho Code, by all current active members;

(v) the future contributions payable to the retirement system under sections 33-107A and 33-107B, Idaho Code.

(f) "Projected salaries" means the sum of the annual salaries of all members in the system.

(g) "Scheduled amortization amount" means the actuarial present value of future contributions payable as amortization payment from the valuation date until the effective date.

(5) The minimum amortization payment rate shall be that percentage, calculated as of the valuation date, of the then actuarial present value of the projected salaries from the effective date to the end date which is equivalent to the excess of the unfunded actuarial liability over the scheduled amortization amount.

(6) The board, in its discretion, may determine separate rates of contribution for employers as described in subsection (1) of this section for each of the following groups in accordance with differences in normal costs between the groups:

(a) Police officers and firefighters;

(b) School employees; and

(c) All other members.

(7) Where net investment earnings equal or exceed the assumed rate of return as of the last actuarial valuation adopted by the board, the board may set aside an amount it may deem advisable, not to exceed one percent (1%) of the amount by which such net investment earnings exceeds such assumed rate of return in any one fiscal year, to establish and maintain a reserve account. Moneys set aside shall remain in the fund and constitute therein a reserve account. The reserve account may be used by the board for the following purposes:

(a) To prevent any deficit in the fund by reason of insolvency of a participating public employer.

(b) To pay any legal expenses that may arise from fulfilling the board's powers and duties under 59-1305, Idaho Code.

(c) To offset unfunded actuarial liability at the board's discretion.

(d) To provide for any other contingency that the board may determine to be appropriate.

Public Employee Retirement System of Idaho (“PERSI”) Targeted Reserve Account Analysis

Mike Schmitz, FCAS, MAAA, Principal and Consulting Actuary
Leighton Hunley, MBA, Principal and Financial Consultant
Robert Schmidt, FSA, MAAA, EA Principal and Consulting Actuary
Ryan Cook, FSA, EA, CERA, MAAA, Consulting Actuary

MARCH 19, 2024

Milliman

Overview

Problem

PERSI employer goes bankrupt and is unable to pay full withdrawal penalty.

No mechanism exists in the system to cover this unpaid penalty, so employees' benefits would need to be reduced.

Proposed Solution

Create a reserve account that can be used to cover unpaid withdrawal penalties.

The reserve account could be funded, at the discretion of the Board, through a portion of excess investment returns.

Analysis

What level of reserve is appropriate?

Looked at each of the 854 employers and determined:

- The likelihood of the employer going bankrupt over the next 10 years and
- The potential size of the withdrawal penalty at bankruptcy.

Simulated 10,000 trials of outcomes and summed up the unpaid withdrawal penalties due to bankruptcies in each trial.

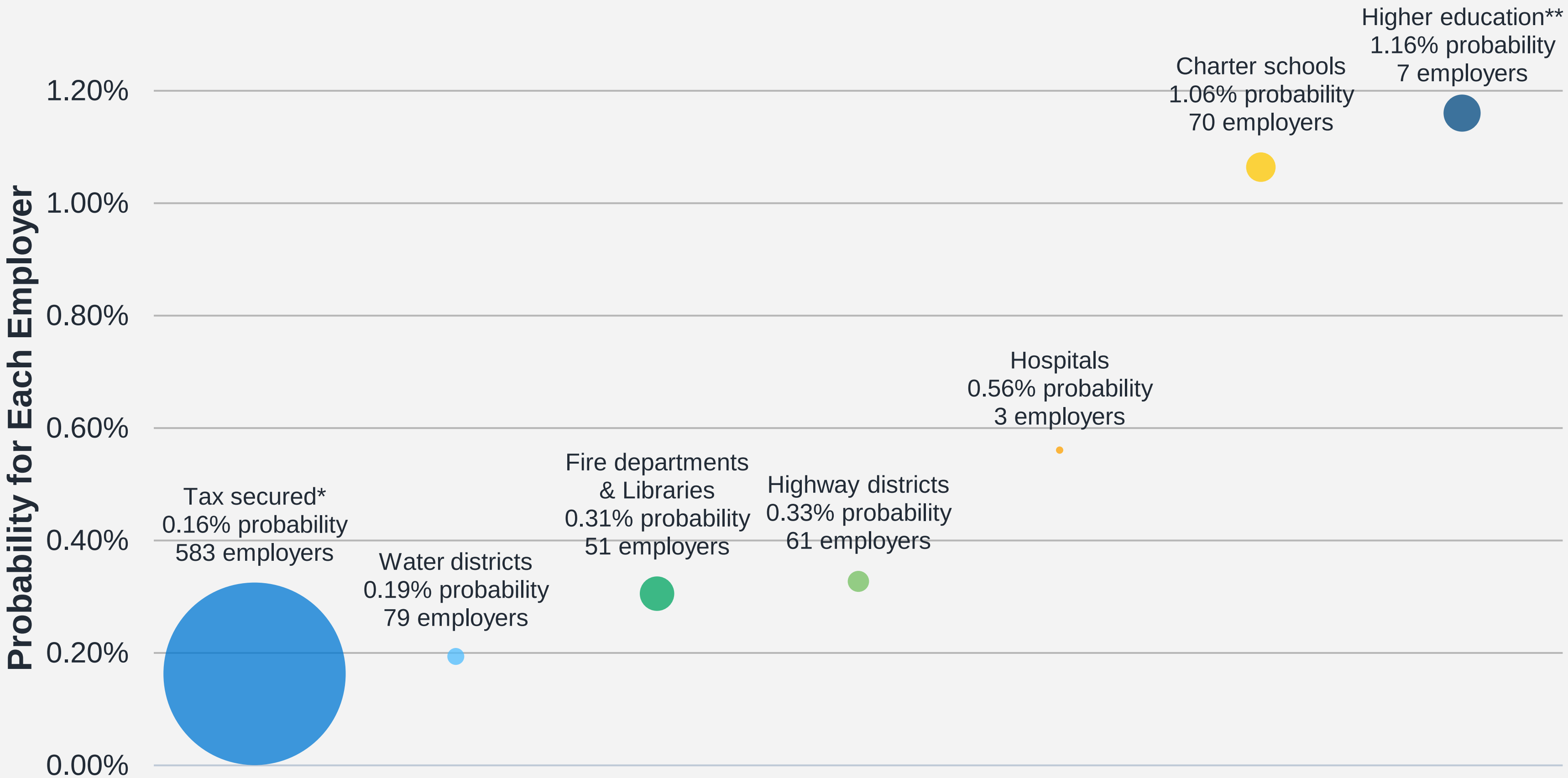
Results support a reserve level of around $10 - $20 million.

Probability of Bankruptcy within the Next 10 Years Based on Employer Classification

- The bubble size is proportional to the 2024 withdrawal penalties (see our letter issued December 5, 2023).
- Almost 90% of the liability is in the tax secured category (lowest probability of bankruptcy).
- 6% of the liability is with charter schools or higher education (highest probability of bankruptcy).

*Local government ratings are a combination of two security types: tax secured and appropriation. Tax-secured debt covers state or local government general obligations (GOs), while appropriation debt is subject to annual appropriations by issuers and is typically rated one notch lower than the GO debt ratings. (Source: S&P Global Ratings Default, Transition, and Recovery: 2022 Annual U.S. Public Finance Default And Rating Transition Study)

**Most of the higher education employers in PERSI had Aa or A credit ratings (discussed on the next slide), so a lower probability of bankruptcy was used in the final analysis for those employers.



Probability of Bankruptcy within the Next 10 Years Based on Employer Credit Ratings

Researched PERSI active employers through our Bloomberg Terminal subscription to see if a credit rating had been issued by any rating agency.

Only found 38 of the 854 employers.

For these, used actual credit ratings to determine the likelihood of bankruptcy.

For remaining 816 employers, used employer classification to determine the likelihood of bankruptcy.

Latest Available Issuer Credit Rating from Bloomberg		
Credit Rating	**PERSI Employer Count**	**Probability of Bankruptcy within the next 10 years**
Aaa	13	0.02%
Aa	16	0.05%
A	7	0.11%
Baa	1	0.55%
Ba	1	3.59%
Unavailable	816	N/A

Unpaid Withdrawal Penalty at Bankruptcy

How is withdrawal penalty calculated?

- Laid out in Idaho statute 59-1326(7)
- Unfunded accrued liability of PERSI calculated each year using special rules specified in Idaho statute 59-1326(7)(a).
- Each employer is assigned a portion of this unfunded accrued liability proportional to the liability of their active membership in PERSI (Idaho statute 59-1326(7)(b) – (c))

Withdrawal penalties for FYE 2024

Based on 2023 valuation results

- Smallest: $29
- Largest: ~ $150,000,000
- Median: ~ $370,000

Projection of future withdrawal penalties

- Simulated 10,000 possible future asset return scenarios and projected funded status for each to estimate potential withdrawal penalties.
- Employers are slightly more likely to go bankrupt during bear markets than bull markets, so assumed a negative 20% correlation between asset return and probability of bankruptcy.
- Conservatively assumed PERSI would recover 0% of the withdrawal penalty in the case of a bankruptcy. In practice there could be a partial or full recovery.

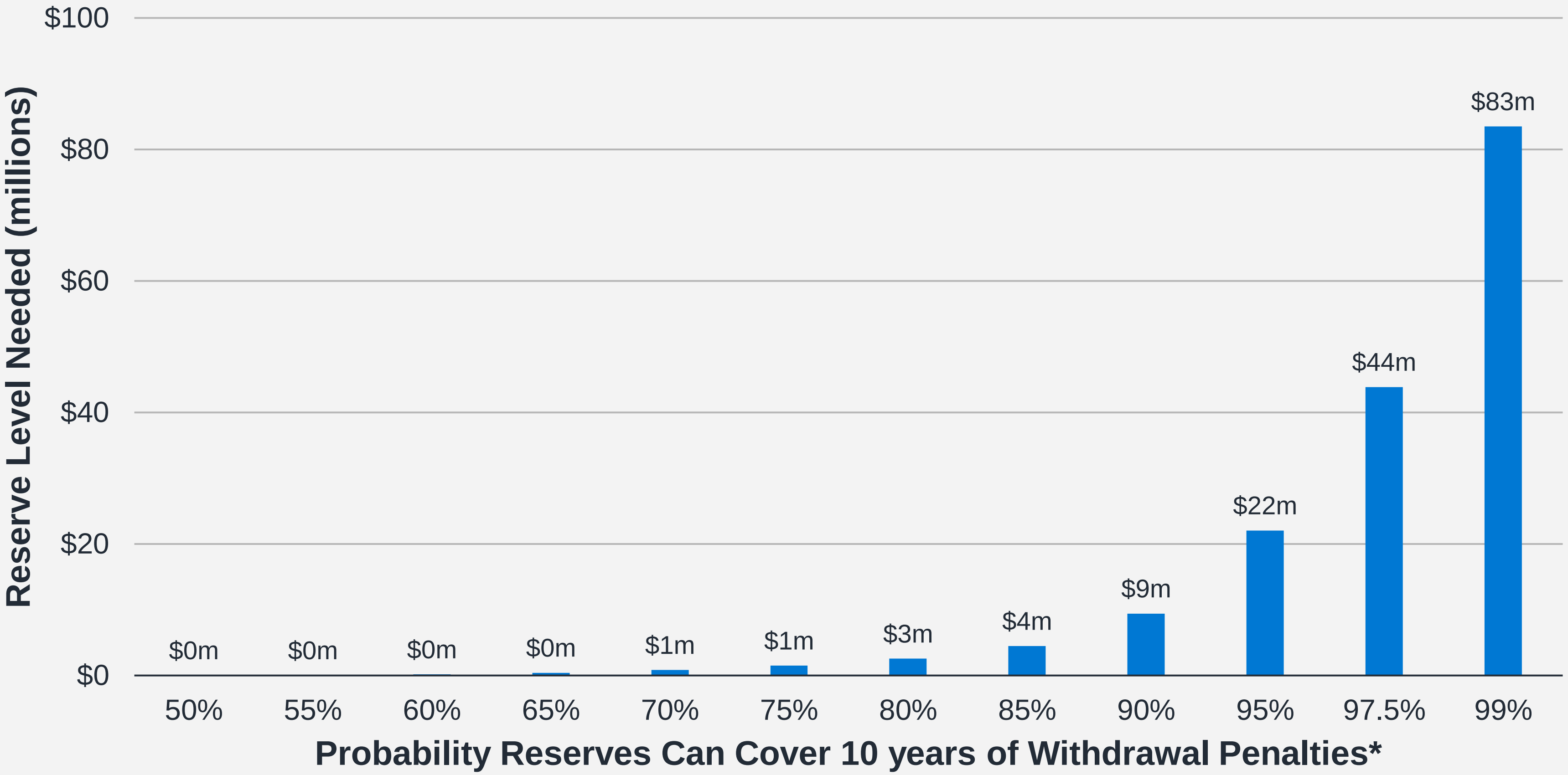
Simulated unpaid withdrawal penalties at bankruptcies

- Smallest: $0 if an employer goes bankrupt when PERSI is over 100% funded
- Largest: ~ $310,000,000
- Median: ~ $165,000

Reserve Account Needed to Cover Unpaid Withdrawal Penalties due to Bankruptcies Over the Next 10 years

- Financial reserve levels are often set with consideration given to the tail of distribution outcomes since average years produce minimal default exposure.
- Given the distribution of these results, we would recommend targeting a probability of around 90% to 95%.
- This would support a reserve level of $10 – $20 million.

*Assumes no investment returns or losses on reserve account.



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Assumptions and Data Sources

Projecting future withdrawal penalties

- Assumed a long term mean investment return of 6.30% with a 13.0% annual standard deviation.
- Plan liabilities projected using data, assumptions, methods, and plan provisions from 2023 Actuarial Valuation Report. New entrants assumed to have similar demographics to hires during FYE 2023.
- To account for potential contribution rate changes in reaction to investment gains and losses, we simplified and used the currently scheduled contribution rates but limited the system assets to 105% to 80% of the withdrawal liability (specifically item A1 from Exhibit 1 of the 2023 withdrawal penalty calculations).

Determining probabilities of bankruptcy

- A 10-year mean default rate was selected based on public debt issued by the employer or indications based on industry sources provided by US rating agencies.
  - Each employer was slotted into the most specific municipal finance sub-sector for each source based on the rating agency's definitions for each sub-sector.
- The US rating agency sources (along with sub-sectors) for municipal finance used in our analysis were:
  - Fitch (Class 1-least likely to default, Class 2, Class 3-most likely to default)
  - Moody's (Municipal Finance, General Governments, Municipal Utilities, Competitive Enterprises)
  - S&P (USPF, Tax Secured, Utility, Higher Education, Healthcare, Transportation, Charter Schools)
- To estimate 10-year default rates across the credit spectrum for each US rating agency we used a Markov Chain approach incorporating one-year credit rating transition rates.
  - Modeled credit ratings in each year of the projected 10-year period to determine default rates and default term structure
  - Used judgement to assign weights to each rating agency indication to select a single 10-year mean default rate for each employer
- Lognormal and beta distribution fits were used with the selected 10-year means to simulate default rate outcomes.
- Assumed a -20% correlation between default rates and asset returns.

Qualifications and Limitations

In performing this analysis, we relied on data and other information provided by others. We have not audited or verified this data and information. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete.

The analysis and any conclusions provided in Milliman's deliverables are based on data provided to Milliman by third-party sources. Milliman does not warrant the accuracy or completeness of any third-party data, and Milliman disclaims any and all liability in connection with such third-party data. Any errors in the data provided may affect the results of our analysis. Milliman shall not be liable for the results of its analysis to the extent errors are contained in third-party data sources.

Actuarial estimates are subject to uncertainty from various sources, including changes in claim reporting patterns, claim settlement patterns, judicial decisions, legislation, and economic conditions.

Any study of future operating results involves estimates of future contingencies. While our analysis represents our best professional judgment, arrived at after careful analysis of the available information, it is important to note that a significant degree of variation from our projections is not only possible, but is in fact probable. The sources of this variation are numerous.

Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions to be used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience is better or worse than expected.

Qualifications and Limitations (con’t)

The uncertainty associated with this analysis is also magnified by the nature of US public finance credit risk. Municipal bond performance is sensitive to economic conditions. Past experience may not be indicative of future conditions. Future economic developments that give rise to additional default events will impact ultimate performance.

A simulation model illustrates the projected impact of actual results varying from projected results due to estimated variability inherent in credit risk. This variability is referred to as process risk. Our simulation does not reflect the variation of actual results from projections due to parameter risk or specification risk. Parameter risk refers to the risk or uncertainty associated with the selection of the parameters underlying the applicable projection model. Specification risk refers to the risk or uncertainty surrounding the selection of the type of model used for the forecast. We have not attempted to quantify the impact of parameter or specification risk. Other risks, including but not limited to: operational, asset, investment, liquidity, legal, regulatory, and strategic are outside the scope of our analysis.

We are not lawyers, and nothing in our analysis will be intended to provide legal assurance that the requirements of laws are met. We are also not accountants or auditors, and we express no opinion as to whether PERSI’s program complies with any applicable accounting or auditing standards. The projections used by Milliman involve actuarial analysis and judgment. Our analysis is from an actuarial perspective based on our assessment of appropriate practice at the time this analysis was performed.

Limited Distribution

Milliman's work is prepared solely for the internal business use of PERSI and is not to be distributed to third parties except as otherwise agreed in writing. Milliman does not intend to benefit any third party recipient of its work product, even if Milliman consents to the release of its work product to such third party.

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Notwithstanding the above, Milliman consents to the following:

(a) PERSI may provide a copy of Milliman’s work to its accounting auditor (“auditor”) to be used solely for audit purposes. In the event the audit reveals any error or inaccuracy in the data underlying Milliman’s work, Milliman requests the auditor or PERSI notify Milliman as soon as possible.

(b) PERSI may provide a copy of Milliman’s work, in its entirety, to governmental entities, as required by law.

(c) PERSI may provide a copy of Milliman’s work to its attorney, provided attorney agrees not to use Milliman’s work for any purpose other than to provide services to PERSI and agrees not to distribute the work to any other person or entity other than those listed in (a) and (b) above.

Any reader of these workpapers agrees that they shall not use Milliman’s name, trademarks or service marks, or refer to Milliman directly or indirectly any third party communication without Milliman’s prior written consent for each such use, which consent shall be given in Milliman’s sole discretion.

Any reader of these workpapers must possess a certain level of expertise in areas relevant to this analysis to appreciate the significance of the assumptions and the impact of these assumptions on the illustrated results. The reader should be advised by, among other experts, actuaries or other professionals competent in the area of actuarial projections of the type in these workpapers, so as to properly interpret the projection results.

Thank you

PERSI 2024 Internal Audit Plan

2024 Risk Assessment Results & Proposed Internal Audit Plan

Agenda

1. Project objectives
2. Risk assessment themes and results
3. Proposed internal audit plan
4. Next Steps
5. Q & A

Project objectives

Risk Assessment

Identify the agency's highest priority risks through risk assessment surveys and interviews.

Analyze Findings

Analyze risk assessment findings and document current state mitigation activities.

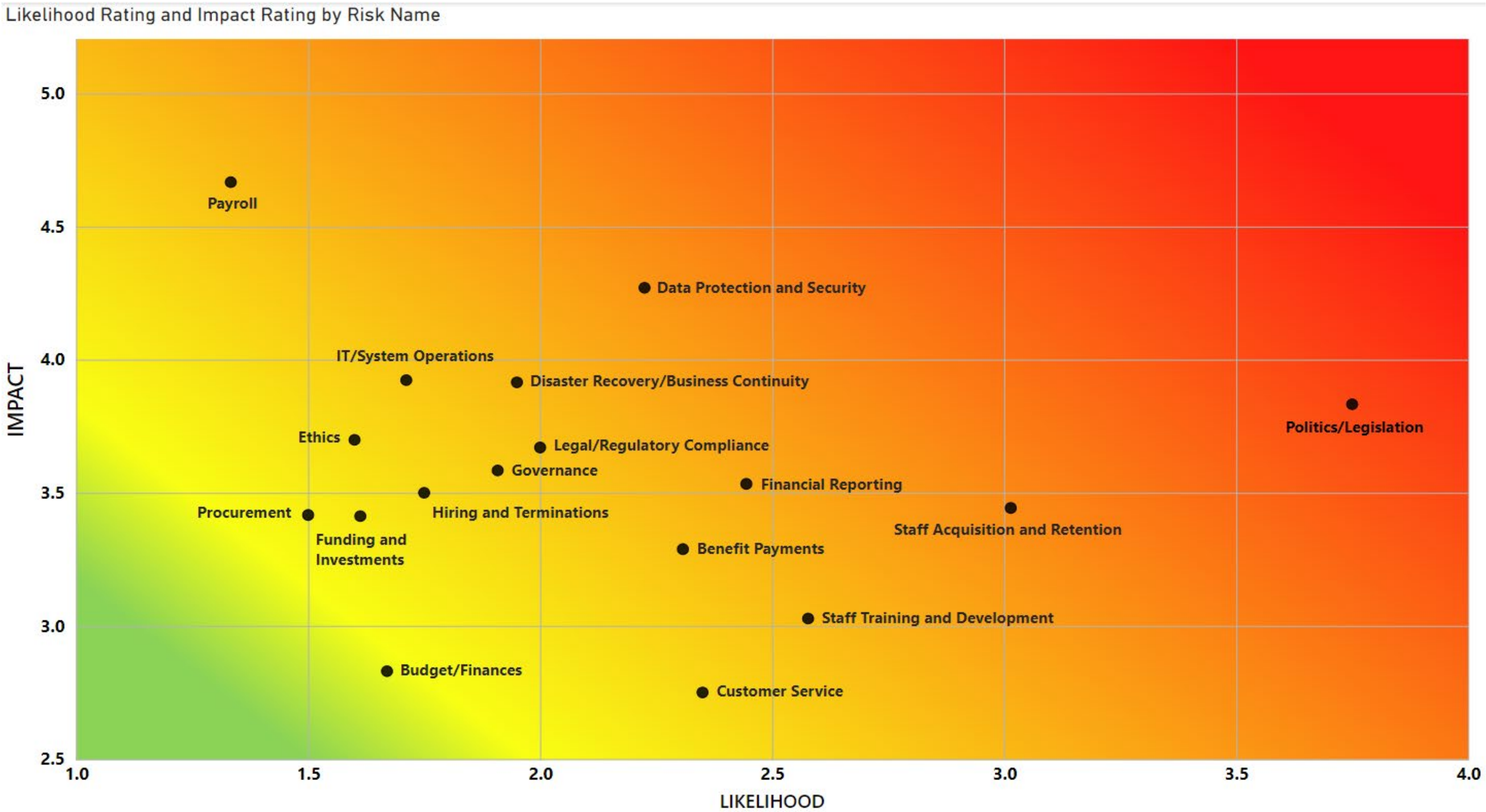
Internal Audit Plan

Develop proposed internal audit plan for the calendar year based on potential gaps and areas requiring stronger risk mitigation.

Summary risk assessment themes

No.	Risk	Theme
1	Politics/Legislation	• Management is significantly concerned with how politics and legislation may impact the agency as the risk is external and out of their control • The proposed state bill to limit remote work for state employees is a common concern as it impacts theme #2
2	Staff acquisition and retention	• Staff salaries are typically below market value compared to private sector • Compensation and pay raises are determined by external legislative bodies
3	Staff training and development	• Some departments lack comprehensive department specific training programs • There has been reliance on long term staff requiring significant knowledge transfer to less experienced staff

Risk assessment results



Proposed internal audit units

Internal Audit Hours Budget: 2080

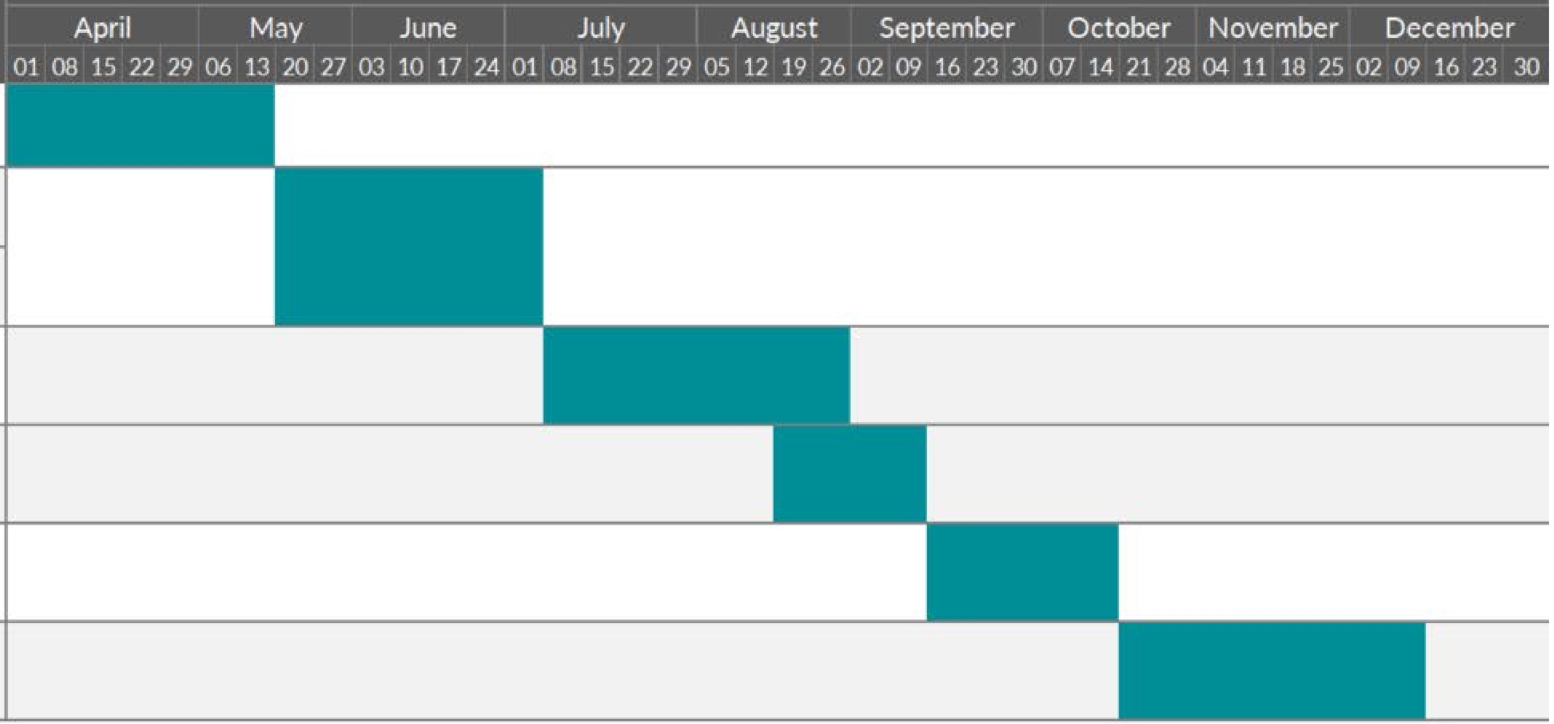
Audit Unit No.	Risk Name	Audit Unit Objective(s)	Estimated hours
0	Risk Assessment		210
1	Financial Reporting	Assess internal controls over financial reporting to ensure completeness and accuracy of financial data	350
2	Staff training and development Staff acquisition and retention	1. Assess the adequacy of training programs and resources available to employees 2. Evaluate mechanisms to preserve and syndicate PESRI knowledge	300
3	Data security and access	1. Evaluate the effectiveness of controls in place to prevent unauthorized disclosure of confidential information 2. Verify compliance with PERSI confidentiality policy 3. Assess user access to sensitive member data in the system	400
4	Disaster recovery	Assess PERSI's business continuity and disaster recovery plans to ensure key components are included and the plans are reviewed	160
5	Legal/regulatory compliance	Evaluate PERSI's compliance with state statues and plan requirements relating to retirement eligibility and computation of benefit payments	280
6	Benefit Termination	1. 1. Assess process of initiating beneficiary or survivor payments 2. Assess monitoring controls over the establishment and changes to beneficiary and survivor designations 3. Assess the process of benefit termination upon death notification	380

Internal audit unit proposed timing

Note: The timing of each unit is not finalized. We will collaborate with management to determine optimal timing for each unit

PERSI - Risk-Based Internal Audit Plan

Audit Unit No.	Audit Unit	Audit Unit Risks
1	Financial Reporting Controls	Financial Reporting
2	Staff training and development	Staff training and development Staff acquisition and retention
3	Data security and access	Data protection and security
4	Disaster Recovery	Disaster recovery/Business continuity
5	Benefit payment compliance	Legal/regulatory compliance
6	Benefit Termination	Benefit Payments



Next steps

1. Agree upon proposed internal audits
2. Finalize timeline with management
3. Kick-off internal audits according to timeline
4. Provide progress updates to the Board

Q & A

Thank you!

PERSI

Public Employee Retirement System of Idaho

HELPING YOU BUILD A SECURE RETIREMENT

Governor
Brad Little

Retirement Board
Jeff Cilek, Chairman
Joy Fisher
Park Price
Darin DeAngeli
Lori Wolff

Executive Director
Donald D. Drum

PHONES
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Employer Line 1-866-887-9525

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Boise ID 83702-5518

POCATELLO
Office Location Address
305 N. 3rd Avenue, Ste. B
Pocatello ID 83201

COEUR D'ALENE
Office Location Address
250 W. Ironwood Drive, Ste. 316
Coeur d' Alene ID 83814

Choice Plan Recordkeeper
1-866-437-3774

www.persi.idaho.gov

Equal Opportunity Employer

Date: March 19, 2024

TO: PERSI Retirement Board

FROM: Alex Simpson
Financial Executive Officer

SUBJECT: **UPDATE ON FISCAL ISSUES**

- **2024 EXPENSE REPORTS:** PERSI's year-to-date expense reports for the Administrative and Portfolio funds are enclosed.

  - **Administration:** The report is for FY2024 expenditures as of the end of February. There are also prior year expenses that were encumbered from the FY 2023 budget. Personnel, Operating, and Capital Outlay expenses are all below the target rate of 66.7%.

  - **Portfolio:** Our year-to-date expense ratio is 34.5 basis points of projected average net assets compared to the budgeted projection of 35.6 basis points. Both the budget and actual are below the 50-basis point target ratio. The total budgeted for FY 2024 assumed asset growth of 6.3% net. The reports are on a cash basis and, therefore, will vary from the expenses reported in the accrual-based financial statements.

- **MONTHLY OUT OF STATE TRAVEL REPORT:** There is no travel to report for this month.

- **BUDGET SETTING PREVIEW:** I will go over the FY 2026 budget setting process and timelines that management wants to present to the board.

PUBLIC EMPLOYEE RETIREMENT SYSTEM
FY 2024 CASH BASIS ADMINISTRATION EXPENSES

SUMMARY REPORT
ADMINITRATIVE BUDGET
FEBRUARY 29, 2024

TARGET: 66.7%

	FY 2023 BUDGETED	FY 2023 ACTUAL	FY 2024 BUDGETED	PRIOR MONTHS	JANUARY	FEBRUARY	FY 2024 Total Expenses	Current Spending Balance	Actual as % of Budget
PERSONNEL	5,518,500	4,977,907	6,478,600	2,722,396	447,709	474,244	3,644,352	2,834,248	56.3%
OPERATING	5,593,400	3,305,061	5,652,900	1,292,968	581,281	70,293	1,944,542	3,708,358	34.4%
CAPITAL	184,000	200,497	200,500	6,483	-	3,430	9,913	190,587	4.9%
TOTAL	**11,295,900**	**8,483,465**	**12,332,000**	**4,021,847**	**1,028,990**	**547,968**	**5,598,806**	**6,733,194**	**45.4%**

Amount Encumbered
FY 2023 Appropriations
FEBRUARY 29, 2024

						ENCUMBRANCES	
	ENCUMBERED	PRIOR MONTHS	JANUARY	FEBRUARY	FY 2024 YTD Actual	Current Spending Balance	Actual as % of Budget
Capital Outlay for Pocatello Building Remodel	14,582				-	14,582	
TOTAL	**14,582**	-	-	-	-	**14,582**	
TOTAL EXPENSES = FY 2024 APPROPRIATION + FY2023 ENCUN	**12,346,582**	**4,021,847**	**1,028,990**	**547,968**	**5,598,806**	**6,747,776**	

ADMINISTRATIVE BUDGET
By Cost Center and Account Category
FEBRUARY 29, 2024

DESCRIPTION	FY 2023 BUDGETED	FY 2023 ACTUAL	FY 2024 BUDGETED	PRIOR MONTHS	JANUARY	FEBRUARY	FY 2024 Total Expenses	Current Spending Balance	Actual as % of Budget
ADMINISTRATION									
Personnel	893,684	615,993	740,170	317,484	48,815	76,619	442,917	297,253	59.8%
Operating	188,100	124,095	157,600	33,538	11,455	12,694	57,688	99,912	36.6%
Capital	-	-	-	-	-	-	-	-	0.0%
BOARD									
Personnel	7,750	8,184	10,985	2,694	862	323	3,879	7,106	35.3%
Operating	15,100	31,062	21,300	15,812	9,912	9,292	35,016	(13,716)	164.4%
Capital	-	20,599	-	-	-	-	-	-	0.0%
LEGAL									
Personnel	-	-	-	-	-	-	-	-	0.0%
Operating	121,390	120,302	129,575	143,490	-	4,153	147,643	(18,068)	113.9%
Capital	-	-	-	-	-	-	-	-	0.0%
QUALITY ASSURANCE									
Personnel	394,072	449,785	503,313	274,299	40,198	39,127	353,624	149,689	70.3%
Operating	4,400	6,063	5,900	11,738	104	104	11,946	(6,046)	202.5%
Capital	-	-	-	-	-	-	-	-	0.0%
FISCAL ADMINISTRATION									
Personnel	785,898	805,172	928,982	451,932	75,281	76,525	603,738	325,244	65.0%
Operating	106,230	99,597	108,500	38,868	1,535	1,454	41,856	66,644	38.6%
Capital	-	-	-	-	-	-	-	-	0.0%
EMPLOYER SERVICE CENTER									
Personnel	230,761	212,665	306,266	123,340	19,300	19,509	162,149	144,117	52.9%
Operating	2,700	1,686	2,700	52,115	120	156	52,390	(49,690)	1940.4%
Capital	-	-	-	-	-	-	-	-	0.0%

ADMINISTRATIVE BUDGET (Cont.) By Cost Center and Acco FEBRUARY 29, 2024	FY 2023 BUDGETED	FY 2023 ACTUAL	FY 2024 BUDGETED	PRIOR MONTHS	JANUARY	FEBRUARY	FY 2024 Total	Current Spending Balance	Actual as % of Budget
OVERHEAD									
Personnel	-	13,039	90,956	10,951	2,533	-	13,484	77,472	14.8%
Operating	601,475	611,495	640,605	344,879	95,889	(41,048)	399,720	240,885	62.4%
Capital	-	4,060	-	98	-	3,430	3,528	(3,528)	0.0%
IT - ADMINISTRATION									
Personnel	843,581	804,101	900,469	449,521	69,877	71,282	590,680	309,789	65.6%
Operating	55,800	46,967	52,000	16,232	998	13,067	30,297	21,703	58.3%
Capital	-	-	-	-	-	-	-	-	0.0%
IT - SYSTEM MAINTENANCE									
Personnel	-	-	-	-	-	-	-	-	0.0%
Operating	948,765	934,594	965,850	91,953	112,871	40,613	245,436	720,414	25.4%
Capital	184,000	163,339	200,500	6,185	-	-	6,185	194,315	3.1%
IT - PROJECTS									
Personnel	-	-	-	-	-	-	-	-	0.0%
Operating	3,000,000	798,480	3,000,000	372,000	269,620	-	641,620	2,358,380	21.4%
Capital	-	-	-	-	-	-	-	-	0.0%
MEMBER SERVICES									
Personnel	345,501	364,037	434,558	115,158	15,986	17,415	148,559	285,999	34.2%
Operating	17,900	55,817	17,900	12,221	1,037	75	13,332	4,568	74.5%
Capital	-	-	-	-	-	-	-	-	0.0%
DISABILITY ASSESSMENT									
Personnel	-	-	-	-	-	-	-	-	0.0%
Operating	227,000	214,448	227,000	78,924	21,958	9,780	110,661	116,339	48.7%
Capital	-	-	-	-	-	-	-	-	0.0%
FIELD SERVICES - CSO									
Personnel	121,351	69,141	130,215	62,428	10,760	9,437	82,624	47,591	63.5%
Operating	23,450	30,897	30,350	4,105	21,044	554	25,703	4,647	84.7%
Capital	-	-	-	200	-	-	200	(200)	0.0%
FIELD SERVICES - PSO									
Personnel	121,351	124,115	134,191	67,562	6,767	6,809	81,138	53,053	60.5%
Operating	36,720	48,125	37,220	10,328	18,873	1,959	31,160	6,060	83.7%
Capital	-	12,500	-	-	-	-	-	-	0.0%
PERSI RETIREMENT CENTER									
Personnel	434,791	265,202	471,986	108,860	18,296	16,346	143,503	328,483	30.4%
Operating	20,450	12,642	35,950	1,200	1,203	76	2,479	33,471	6.9%
Capital	-	-	-	-	-	-	-	-	0.0%
PERSI ANSWER CENTER									
Personnel	449,660	333,778	541,449	167,296	32,108	31,691	231,095	310,354	42.7%
Operating	36,400	16,254	36,400	2,008	546	258	2,811	33,589	7.7%
Capital	-	-	-	-	-	-	-	-	0.0%
PERSI PROCESSING CENTER									
Personnel	171,585	219,233	250,858	177,837	33,836	34,341	246,014	4,844	98.1%
Operating	12,600	12,533	12,600	2,333	548	350	3,231	9,369	25.6%
Capital	-	-	-	-	-	-	-	-	0.0%
IMAGING									
Personnel	62,653	63,079	68,196	34,040	5,321	5,343	44,704	23,492	65.6%
Operating	1,700	1,437	1,700	133	-	-	133	1,567	7.8%
Capital	-	-	-	-	-	-	-	-	0.0%
TRAINING									
Personnel	414,602	383,214	628,311	228,744	47,480	48,656	324,881	303,430	51.7%
Operating	61,420	55,386	62,950	13,478	9,727	3,228	26,433	36,517	42.0%
Capital	-	-	-	-	-	-	-	-	0.0%
COMMUNICATIONS									
Personnel	79,959	80,624	86,988	43,660	6,801	7,234	57,695	29,293	66.3%
Operating	96,900	80,888	91,900	45,998	3,727	12,876	62,601	29,299	68.1%
Capital	-	-	-	-	-	-	-	-	0.0%
DC PLAN ADMINISTRATION									
Personnel	161,301	166,543	250,707	86,590	13,489	13,588	113,667	137,040	45.3%
Operating	14,900	2,294	14,900	1,615	117	652	2,384	12,516	16.0%
Capital	-	-	-	-	-	-	-	-	0.0%
TOTAL									
PERSONNEL	**5,518,500**	**4,977,907**	**6,478,600**	**2,722,396**	**447,709**	**474,244**	**3,644,352**	**2,834,248**	**56.3%**
OPERATING	**5,593,400**	**3,305,061**	**5,652,900**	**1,292,968**	**581,281**	**70,293**	**1,944,542**	**3,708,358**	**34.4%**
CAPITAL	**184,000**	**200,497**	**200,500**	**6,483**	**-**	**3,430**	**9,913**	**190,587**	**4.9%**
	11,295,900	**8,483,465**	**12,332,000**	**4,021,847**	**1,028,990**	**547,968**	**5,598,806**	**6,733,194**	**45.4%**

PUBLIC EMPLOYEE RETIREMENT SYSTEM
FY 2024 CASH BASIS PORTFOLIO EXPENSES

SUMMARY REPORT - PORTFOLIO
FEBRUARY 29, 2024

TARGET: 66.7%

INVESTMENTS	FY 2023 BUDGETED	FY 2023 ACTUAL	FY 2024 BUDGETED	PRIOR MONTHS	JANUARY	FEBRUARY	FY 2024 Total Expenses	Actual as % of Budget
MANAGEMENT FEES	58,450,000	59,733,915	62,023,608	28,458,230	4,653,511	6,338,320	39,450,061	63.6%
CONSULTANTS	1,030,000	947,863	1,626,000	913,790	201,904	92,057	1,207,750	74.3%
CUSTODIAL SERVICES	3,000,000	2,659,361	3,000,000	1,427,571	144,895	148,534	1,721,001	57.4%
REPORTING SERVICES								
1. Investment Related	115,000	120,002	121,000	62,626	21,069	-	83,695	69.2%
2. Non-Investment Related	550,000	496,118	550,000	303,662	61,656	34,873	400,192	72.8%
LEGAL	555,000	539,195	805,000	346,248	99,265	68,569	514,081	63.9%
STAFF EXPENSE	1,125,800	740,298	1,220,100	467,795	83,087	63,662	614,545	50.4%
ENCUMBRANCES*	-	-	-	-	-	-	-	
TOTAL MONTHLY EXPENDITURES*	64,825,800	65,236,751	69,345,708	31,979,922	5,265,387	6,746,015	43,991,324	63.4%
ADMINISTRATION	11,295,900	8,483,465	12,346,582	4,021,848	1,028,990	547,968	5,598,806	45.3%
YTD EXPENDITURES INCLUSIVE	76,121,700	73,720,217	81,692,290	36,001,770	6,294,377	7,293,983	49,590,130	60.7%

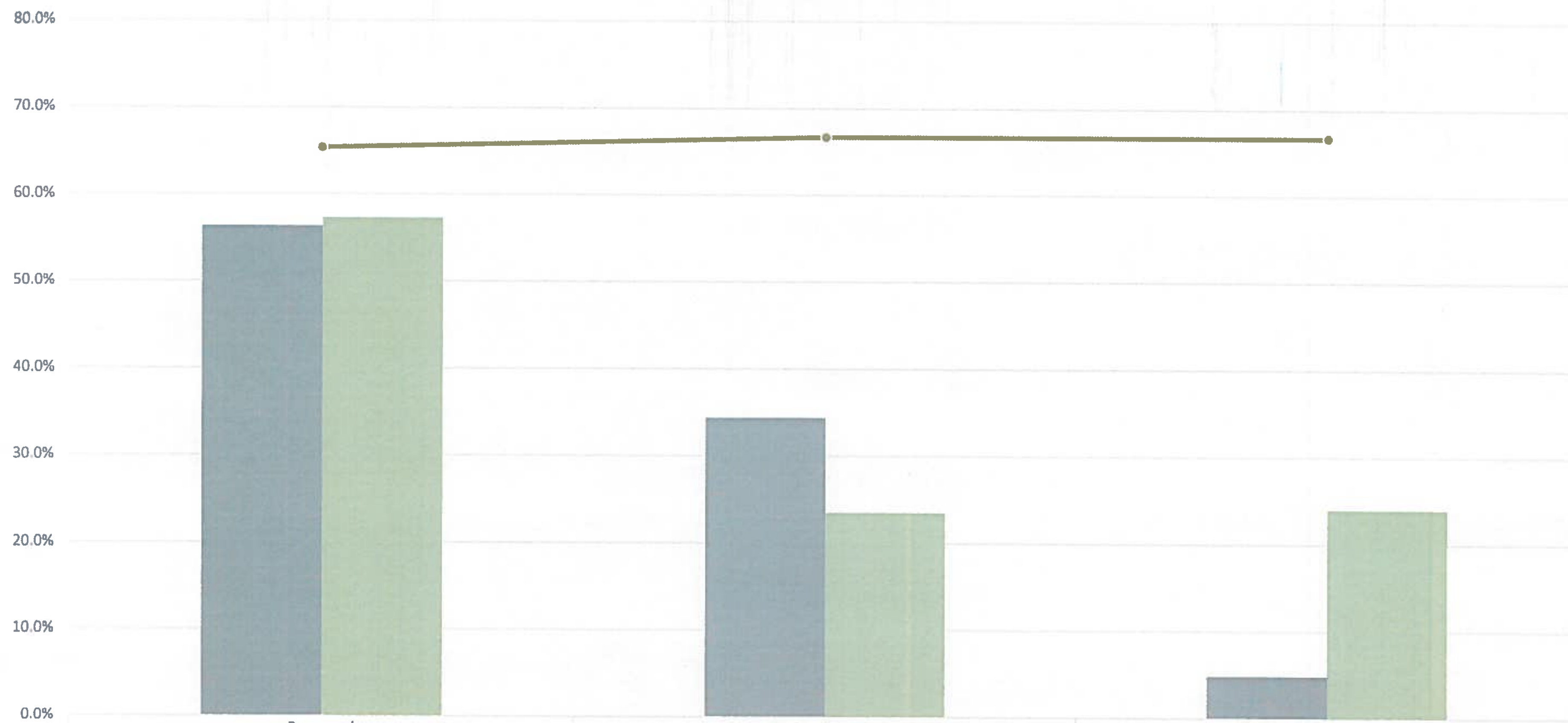
	FY 2023 Actual	FY 2024 Budgeted
Investment Related Services	64,740,633	68,795,708
Non-Investement Related Services	496,118	550,000
Judges Retirement Fund	431,871	444,900
PERSI Administration[1]	8,483,465	12,346,582
1) TOTAL PERSI COSTS	74,152,088	82,137,190
2) ESTIMATED NET AVERAGE ASSETS	21,353,151,346	23,062,138,738
3) RATIO OF COSTS TO NET ASSETS	0.347%	0.356%
Investment Expense	0.303%	0.298%
Non-Investment Contracted Services	0.002%	0.002%
Judges Retirement Fund	0.002%	0.002%
PERSI Administration	0.040%	0.054%
4) BUDGETED EXPENSE RATIO		35.6
5) ACTUAL EXPENSE RATIO[2]		34.5

PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO
DETAIL REPORT
FEBRUARY 29, 2024

TARGET: 66.7%

DESCRIPTION	FY 2023 BUDGETED	FY 2023 ACTUAL	FY 2024 BUDGETED	PRIOR MONTHS	JANUARY	FEBRUARY	FY 2024 Total Expenses	Actual as % of Budget
MANAGEMENT FEES								
Equity - Domestic	10,000,000	9,208,037	9,788,143	5,015,325	2,496,697	139,853	7,651,875	78.2%
Equity - International	8,400,000	7,259,238	7,716,570	1,618,343	-	682,282	2,300,625	29.8%
Fixed Income	2,750,000	2,675,348	2,843,895	1,367,860	195,062	499,484	2,062,406	72.5%
Real Estate	13,800,000	16,100,854	16,500,000	7,118,884	615,146	-	7,734,030	46.9%
Idaho Mortgage Program	3,500,000	3,675,142	3,675,000	1,869,719	316,295	316,509	2,502,523	68.1%
Equity Global	20,000,000	20,815,296	21,500,000	11,468,100	1,030,310	4,700,192	17,198,602	80.0%
CONSULTANTS								
Callan LLC	500,000	478,172	500,000	264,937	128,922	-	393,859	78.8%
Hamilton Lane Advs - Private Equity	210,000	120,000	210,000	45,000	-	22,500	67,500	32.1%
Hamilton Lane Advs - Real Estate	50,000	49,444		-	-	-	-	0.0%
Korn Ferry		1,866		120,000	-	-	120,000	
Berkadia Commercial Mortgage	-	-		-	-	-	-	
Advisors	250,000	294,414	380,000	181,908	29,242	25,936	237,087	62.4%
Other Consultants	20,000	3,966	20,000	-	-	-	-	0.0%
CUSTODIAL SERVICES								
Trust/Custody	3,000,000	2,348,402	3,000,000	1,427,571	144,895	148,534	1,721,001	57.4%
Clearwater Analytics, LLC		310,959	516,000	301,945	43,740	43,620	389,305	75.4%
REPORTING SERVICES								
1. Auditors Fees								
a. Annual Audit	100,000	75,450	100,000	60,000	-	-	60,000	60.0%
2. Actuarial Fees								
Milliman USA	250,000	270,668	250,000	143,662	44,990	18,207	206,858	82.7%
Cavanaugh MacDonald	200,000	150,000	200,000	100,000	16,667	16,667	133,333	0.0%
3. Bloomberg LP & Other	115,000	120,002	121,000	62,626	21,069	-	83,695	69.2%
LEGAL								
1. Legal Fees								
Legal Advice - Other	5,000	30,307	5,000	135,730	73,052	38,638	247,419	4948.4%
Legal Advice - Priv Equity	350,000	487,638	600,000	193,706	23,226	29,931	246,862	41.1%
Legal Advice - Fiduciary/Liability	200,000	21,250	200,000	16,813	2,988	-	19,800	9.9%
STAFF EXPENSE								
Personnel	884,100	602,785	976,600	368,829	59,507	65,337	493,673	50.6%
Operations	220,100	134,365	224,600	81,401	23,580	(1,674)	103,307	46.0%
Capital Outlay	21,600	3,148	18,900	17,565	-	-	17,565	92.9%
Encumbrances	-	-	-	-	-	-	-	0.0%
Total Monthly Expenditures	64,825,800	65,236,751	69,345,708	31,979,922	5,265,387	6,746,015	43,991,324	63.4%
JUDGES RETIREMENT FUND								
Invest, Mgmt, Consulting, Custody, Reporting	325,000	314,645	325,000	152,412	24,688	32,407	209,508	64.5%
Accounting, Auditing	11,000	10,750	11,000	-	-	-	-	0.0%
Other Professional Services	-	-	-	-	-	-	-	0.0%
Actuary	30,000	34,189	30,000	-	-	-	-	0.0%
Legal	2,000	2,676	2,000	1,710	489	338	2,537	126.8%
Administration	72,300	69,612	76,900	484,446	(482,757)	-	1,689	2.2%
Publication	-	-	-	-	-	-	-	0.0%
	440,300	431,871	444,900	638,569	(457,580)	32,745	213,734	48.0%

Administration

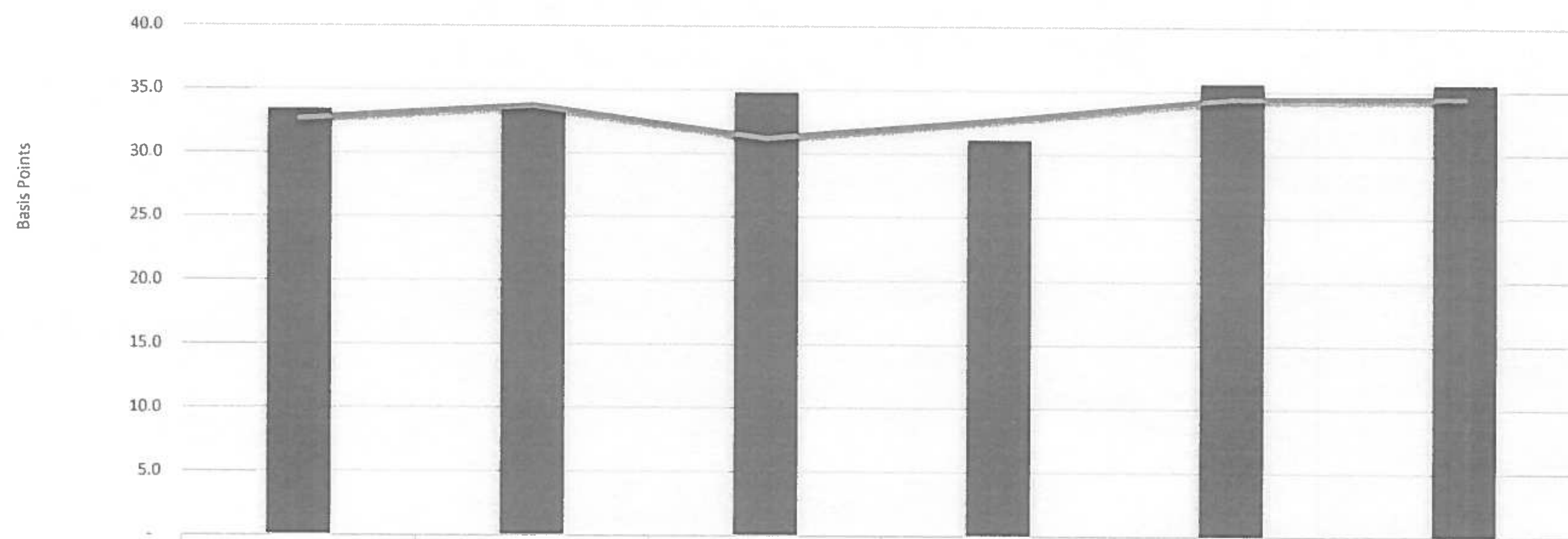


	Personnel	Operating	Capital
2024	56.3%	34.4%	4.9%
2023	57.3%	23.5%	24.0%
Target Rate	65.4%	66.7%	66.7%

2024 2023 Target Rate

Expense Ratio Comparison

Cash Basis



	2019	2020	2021	2022	2023	2024
Budg Exp Ratio	33.4	33.6	34.8	31.1	35.6	35.6
YTD Actual	32.7	33.7	31.2	32.7	34.4	34.5

Meeting of the PERSI Retirement Board

April 29, 2024 | 2:00 P.M. - 4:30 P.M.
April 30, 2024 | 8:30 A.M. - 12:00 P.M.

PERSI Office - 607 N. 8th St. Boise, ID 83702

www.persi.idaho.gov

AGENDA

Monday, April 29

2:00 PM		*Call to Order*
		Executive Director
	30	Legislative Update
	20	Governance Policies *
	10	Securities Litigation Policy Update
	10	CEC Update
	45	Milliman (TBD)
3:55 PM		*Chief Financial Officer*
	5	*Fiscal Update/Travel/Expense Reports*
4:00 PM	30	Executive Session**
		Idaho Code § 74-206 (1)(a)(b)(f)*
4:30 PM		*Recess*
5:30 PM		*Reconvene*
		Informal Board Dinner with spouses and paid personally
		TBD, Boise 83702
8:30 PM		*Adjournment*

Tuesday, April 30

8:30 AM		*Call to Order*
	5	Meeting Minutes of the March 19th*
8:35 AM		*Chief Investment Officer and Deputy Chief Investment Officer*
	15	Monthly Portfolio Update
		Real Estate Review
	30	Callan (Placeholder)
	30	Placeholder
9:50 AM	15	Break
10:05 AM		Idaho Commercial Mortgage Program Review
	25	Callan (Placeholder)
	20	DBF (Placeholder)
10:50 AM		*Board*
	5	May Draft Agenda Review
	5	Trustee Call For Future Agenda Items*
11:00 AM	60	Executive Session**
		Idaho Code § 74-206 (1)(a)(b)(f)*
12:00 PM	Adjournment	

**Decision of the Board Requested*

***For purposes of entering executive session*

2024 Regular Meeting Schedule

May 29
July 16
August 13
September 24
October 29
December 17

Board Investment Report

3/14/2024	PERSI Portfolio					Sick Leave	
	Custodian: BNY Mellon					Custodian: State Street	
Total Market Value:	23,703,334,948					668,385,600	
Total No. of Shares/Units	51,815,191						
	DB	**TRF**	**FRF**	**IFP**	**JRF**	**State**	**Schools**
Fund Allocation Rate	92.60%	4.38%	2.27%	0.05%	0.47%	41.43%	58.57%
Assets	21,949,856,330	1,038,473,918	538,455,386	10,887,179	112,020,302	276,900,234	391,485,366
No. of Shares/Units	47,982,109	2,270,091	1,177,057	23,799	244,875		
Returns							
Daily	-0.47%	-0.47%	-0.47%	-0.47%	-0.47%	-0.52%	-0.52%
MTD	1.03%	1.03%	1.03%	1.03%	1.03%	0.67%	0.66%
FYTD Gross	7.49%	7.49%	7.49%	7.49%	7.49%	8.84%	8.70%
FYTD Net*	7.14%	7.14%	7.14%	7.14%	7.14%	8.79%	8.65%
CYTD	2.48%	2.48%	2.48%	2.48%	2.48%	2.94%	2.85%
Gross NAV	457.4591791	457.4591791	457.4591791	457.4591791	457.4591791	534.166000	534.166000
Net NAV		446.661137					
Asset Allocation of Fund							
Cash	0.29%	0.29%	0.29%	0.29%	0.29%	N/A	
Equity	58.67%	58.67%	58.67%	58.67%	58.67%		
Fixed Income	27.16%	27.16%	27.16%	27.16%	27.16%		
Emerging Markets	13.88%	13.88%	13.88%	13.88%	13.88%		
Global Passive Equity/MSCI All Country ex-U.S.	N/A					10.67%	10.91%
US Passive Fixed Income/Govt Credit Index						45.11%	46.14%
US Passive Equity/Russell 3000 Index						44.22%	42.95%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Funding Ratio Net of Fees**	86.1%		212.3%		86.7%	231.8%	126.8%
Amortization Period in Years***	10.8				9.7		

*FYTD Net of Fees Return for DB, TRF, FRF, IFP, and JRF are based on estimated total fees equal to 35 basis points.

**Funding Ratio Net of Fees is estimated using Milliman modeling templates, which are based upon the most recent completed annual valuation. Estimates are prepared solely for internal informational purposes and are not intended for any other purposes.

***Plans with a funding ratio over 100% do not have an amortization period.