

PUBLIC
AGENCY
RETIREMENT
SERVICES

PARS

TRUSTED SOLUTIONS. LASTING RESULTS.



EAST CONTRA COSTA FIRE PROTECTION DISTRICT

Other Post-Employment Benefits Trust &
Pension Rate Stabilization Program (PRSP) Board Meeting
March 11, 2020

CONTACTS



Rachael Sanders
Senior Manager, Consulting
(800) 540-6369 x121
rsanders@pars.org

Andrew Brown, CFA
Director, Senior Portfolio Manager
(415) 705-7605
andrew.brown@highmarkcapital.com

Nik Weigand
Senior Coordinator, Client Services
(800) 540-6369 x150
nweigand@pars.org

PARS TRUST TEAM

Trust Administrator & Consultant



- Recordkeeping
- Sub-trust accounting
- Monitors plan compliance
- Processes contributions/disbursements
- Hands-on, dedicated support teams
- Coordinates all agency services

36

Years of Experience
(1984-2020)

1,400+

Plans under
Administration

900+

Public Agency
Clients

500K+

Plan Participants

\$4.2B

Assets under
Administration

Trustee



- 5th largest commercial bank and one of the nation's largest trustees for Section 115 trusts.
- Safeguard plan assets,
- Oversight protection as plan fiduciary
- Custodian of assets

157

Years of Experience
(1863-2020)

\$5.0T

Assets under
Administration

Investment Manager



- Investment sub-advisor to trustee U.S. Bank
- Investment policy assistance
- Uses open architecture
- Active and passive platform options
- Customized portfolios (with minimum asset level)

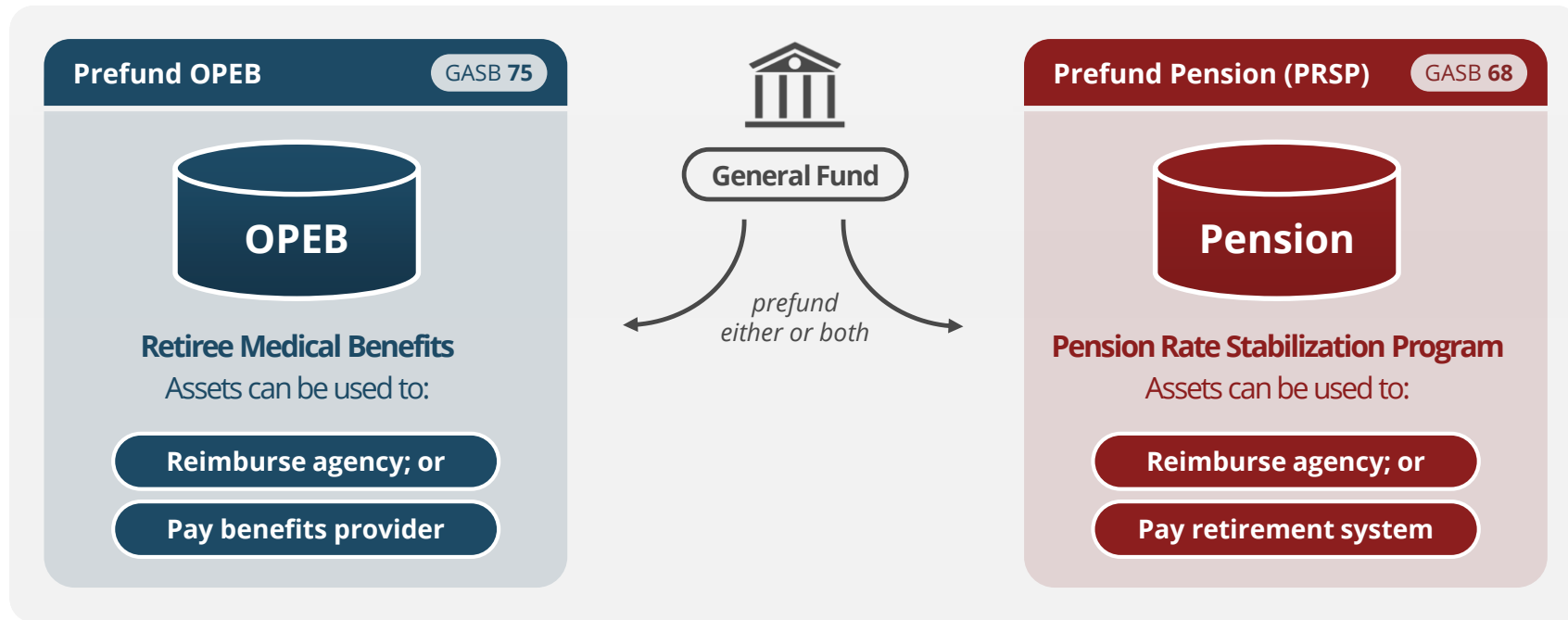
101

Years of Experience
(1919-2020)

\$17.4B

Assets under
Management

PARS IRS-APPROVED SECTION 115 TRUST



Subaccounts

OPEB and pension assets are individually sub-accounted, and can be divided by dept., bargaining group, or cost center



Financial Stability

Assets in the PARS Section 115 Combination Trust can be used to address unfunded liabilities.



Flexible Investing

Allows separate investment strategies for OPEB and pension subaccounts.



Anytime Access

Trust funds are available anytime; OPEB for OPEB and pension for pension.



Economies-of-Scale

OPEB and pension assets aggregate and reach lower fees on tiered schedule sooner – saving money!



No Set Up Cost or Minimums

No set-up costs, no minimum annual contribution amounts, and no fees until assets are added.

SUMMARY OF AGENCY'S OPEB PLAN

Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	November 1, 2018
Plan Administrators:	Brian J. Helmick - Fire Chief
Current Investment Strategy:	Balanced HighMark Plus (Active) Strategy; Pooled Account

AS OF JANUARY 31, 2020:

Initial Contribution:	\$2,858,756
Additional Contributions:	\$832,605
Total Contributions:	\$3,691,361
Disbursements:	\$0
Total Investment Earnings:	\$370,164
Account Balance:	\$4,047,893

SUMMARY OF AGENCY'S PENSION PLAN

Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	June 26, 2019
Plan Administrator:	Brian J. Helmick – Fire Chief
Current Investment Strategy:	Moderately Conservative HighMark Plus (Active) Strategy; Pooled Account

AS OF JANUARY 31, 2020:

Initial Contribution:	\$1,500,000
Additional Contributions:	\$375,000
Total Contributions:	\$1,875,000
Disbursements:	\$0
Total Investment Earnings:	\$103,122
Account Balance:	\$1,975,564

East Contra Costa Fire Protection District

Fourth Quarter 2019

**Presented by:
Andrew Brown, CFA**

Selected Period Performance
PARS/PRSP BALANCED HM PLUS
Account 6746050108
Period Ending: 12/31/2019

	Quarter to Date (3 Months)	6 Months	Inception to Date (11 Months)
Cash Equivalents	.40	.93	1.90
<i>Lipper Money Market Funds Index</i>	<i>.38</i>	<i>.87</i>	<i>1.78</i>
Total Fixed Income	.20	2.13	6.99
<i>BBG Barclays US Aggregate Bd Index</i>	<i>.18</i>	<i>2.45</i>	<i>7.57</i>
Total Equities	9.14	8.83	17.13
Large Cap Funds	9.71	10.31	19.26
<i>S&P 500 Composite Index</i>	<i>9.07</i>	<i>10.92</i>	<i>21.73</i>
Mid Cap Funds	7.10	7.56	17.67
<i>Russell Midcap Index</i>	<i>7.06</i>	<i>7.58</i>	<i>17.83</i>
Small Cap Funds	10.46	5.75	14.38
<i>Russell 2000 Index</i>	<i>9.94</i>	<i>7.30</i>	<i>12.83</i>
International Equities	9.95	8.35	14.44
<i>MSCI EAFE Index</i>	<i>8.17</i>	<i>7.01</i>	<i>14.49</i>
<i>MSCI EM Free Index</i>	<i>11.84</i>	<i>7.09</i>	<i>8.89</i>
REIT Funds	.53	7.93	14.96
<i>Wilshire REIT Index</i>	<i>-1.14</i>	<i>6.65</i>	<i>12.83</i>
Total Managed Portfolio	5.47	5.88	12.07

Account Inception: 02/01/2019

First contribution was invested in the PARS/PRSP Highmark Balanced portfolio #6746050108 on January 4, 2019. The initial contribution was dollar cost averaged into the market over a four-month period. Performance inception begins February 1, 2019. Returns are gross of account level investment advisory fees and net of any fees, including fees to manage mutual fund or exchange traded fund holdings. Returns for periods over one year are annualized. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns. Securities are not FDIC insured, have no bank guarantee, and may lose value.

Asset Allocation – PARS/PRSP BALANCED HM PLUS OPEB As of December 31, 2019

Current Asset Allocation		Investment Vehicle	
Equity		Range: 50%-70%	61.08%
Large Cap Core	COFYX	Columbia Contrarian Core Inst3	5.04%
	VGIAX	Vanguard Growth & Income Adm	13.50%
Large Cap Value	DODGX	Dodge & Cox Stock Fund	6.00%
	IVE	iShares S&P 500 Value ETF	2.00%
Large Cap Growth	HNACX	Harbor Capital Appreciation Retirement	3.02%
	PRUFX	T. Rowe Price Growth Stock Fund I	3.03%
Mid Cap Core	IWR	iShares Russell Mid-Cap ETF	4.71%
Small Cap Value	UBVFX	Undiscovered Managers Behavioral Val R6	4.47%
Small Cap Growth	RSEJX	Victory RS Sm Cap Growth #279	4.92%
International Core	DFALX	DFA Large Cap International I	3.05%
International Value	DODFX	Dodge & Cox International Stock Fund	1.97%
International Growth	MGRDX	MFS® International Growth R6	1.98%
Emerging Markets	HHHFX	Hartford Schrodgers Emerging Mkts Eq F	4.01%
Real Estate	VNQ	Vanguard Real Estate ETF	3.38%
Fixed Income		Range: 30%-50%	37.78%
Short-Term	VFSUX	Vanguard Short-Term Investment-Grade Adm	5.97%
Intermediate-Term	DBLFX	DoubleLine Core Fixed Income I	10.59%
	PTTRX	PIMCO Total Return Instl Fund	10.59%
	PTRQX	Prudential Total Return Bond Q	10.62%
Cash		Range: 0%-20%	1.15%
	FGZXX	First American Government Oblig Z	1.15%
TOTAL			100.00%

Asset Allocation – PARS/PRSP MODERATELY CONSERVATIVE HM PLUS PENSION As of December 31, 2019

Current Asset Allocation		Investment Vehicle	
Equity		Range: 20%-40%	29.97%
Large Cap Core	COFYX	Columbia Contrarian Core Inst3	2.41%
	VGIAX	Vanguard Growth & Income Adm	6.25%
Large Cap Value	DODGX	Dodge & Cox Stock Fund	2.91%
	IVE	iShares S&P 500 Value ETF	1.00%
Large Cap Growth	HNACX	Harbor Capital Appreciation Retirement	1.45%
	PRUFX	T. Rowe Price Growth Stock Fund I	1.45%
Mid Cap Core	IWR	iShares Russell Mid-Cap ETF	2.35%
Small Cap Value	UBVFX	Undiscovered Managers Behavioral Val R6	2.29%
Small Cap Growth	RSEJX	Victory RS Sm Cap Growth #279	2.29%
International Core	DFALX	DFA Large Cap International I	1.68%
International Value	DODFX	Dodge & Cox International Stock Fund	1.08%
International Growth	MGRDX	MFS® International Growth R6	1.09%
Emerging Markets	HHHFX	Hartford Schrodgers Emerging Mkts Eq F	2.02%
Real Estate	VNQ	Vanguard Real Estate ETF	1.71%
Fixed Income		Range: 50%-80%	67.05%
Short-Term	VFSUX	Vanguard Short-Term Investment-Grade Adm	12.19%
Intermediate-Term	DBLFX	DoubleLine Core Fixed Income I	18.23%
	PTTRX	PIMCO Total Return Instl Fund	18.36%
	PTRQX	Prudential Total Return Bond Q	18.27%
Cash		Range: 0%-20%	2.98%
	FGZXX	First American Government Oblig Z	2.98%
TOTAL			100.00%

EAST CONTRA COSTA FIRE PROTECTION DISTRICT

For Period Ending December 31, 2019

LARGE CAP EQUITY FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to-Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Columbia Contrarian Core Inst3	3.65	9.21	33.08	33.08	13.94	10.69	13.33
Vanguard Growth & Income Adm	2.94	8.79	29.77	29.77	14.35	11.33	13.57
Harbor Capital Appreciation Retirement	2.58	12.45	33.39	33.39	21.77	14.68	14.58
iShares S&P 500 Value ETF	3.10	9.88	31.71	31.71	11.31	9.35	11.97
Dodge & Cox Stock	3.40	10.09	24.83	24.83	11.13	9.72	12.60
T. Rowe Price Growth Stock I	2.36	10.08	30.98	30.98	20.22	14.38	15.11
S&P 500 TR USD	3.02	9.07	31.49	31.49	15.27	11.70	13.56
MID CAP EQUITY FUNDS							
iShares Russell Mid-Cap ETF	2.28	7.04	30.31	30.31	11.90	9.17	13.02
Russell Mid Cap Index	2.29	7.06	30.54	30.54	12.06	9.33	13.19
SMALL CAP EQUITY FUNDS							
Undiscovered Managers Behavioral Val R6	3.37	7.29	23.34	23.34	5.90	8.26	13.28
Victory RS Small Cap Growth R6	3.64	13.46	38.38	38.38	20.10	11.83	15.11
Russell 2000 TR USD	2.88	9.94	25.52	25.52	8.59	8.23	11.83
INTERNATIONAL EQUITY FUNDS							
Dodge & Cox International Stock	4.99	10.61	22.77	22.77	7.66	3.67	5.76
DFA Large Cap International I	3.11	8.02	22.04	22.04	9.52	5.65	5.44
MFS International Growth R6	3.35	9.03	27.31	27.31	15.47	9.70	7.79
MSCI EAFE NR USD	3.25	8.17	22.01	22.01	9.56	5.67	5.50
Hartford Schroders Emerging Mkts Eq F	7.38	11.32	22.32	22.32	13.40	7.05	4.19
MSCI EM Free Index	7.46	11.84	18.42	18.42	11.57	5.61	3.68

Source: SEI Investments, Morningstar Investments

Returns less than one year are not annualized. Past performance is no indication of future results. The information presented has been obtained from sources believed to be accurate and reliable. Securities are not FDIC insured, have no bank guarantee and may lose value.

EAST CONTRA COSTA FIRE PROTECTION DISTRICT

For Period Ending December 31, 2019

REAL ESTATE FUNDS							
Vanguard Real Estate ETF	0.80	0.60	28.91	28.91	8.36	7.17	11.97
BOND FUNDS							
DoubleLine Core Fixed Income I	0.23	0.32	7.99	7.99	4.16	3.44	--
PIMCO Total Return Instl	-0.25	-0.30	8.26	8.26	4.31	3.25	4.19
PGIM Total Return Bond R6	0.08	0.35	11.13	11.13	5.62	4.33	5.52
Vanguard Short-Term Investment-Grade Adm	0.25	0.63	5.84	5.84	2.96	2.56	2.76
BBgBarc US Agg Bond TR USD	-0.07	0.18	8.72	8.72	4.03	3.05	3.75

Source: SEI Investments, Morningstar Investments

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