

OVERVIEW

The pension was formed in 1953. The County Code establishes the Retirement Board, which manages and oversees investment assets in a single trust. Benefits are determined and administered by the County. ACERS is well-positioned to meet current and future obligations, given consistent funding, realistic assumptions, and solid long-term investment performance.

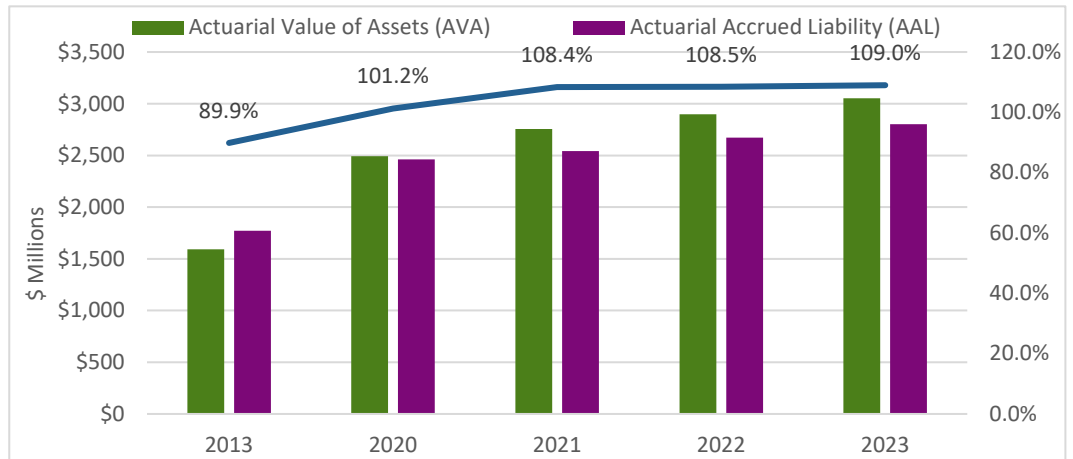
ACERS PARTICIPANTS (June 30, 2023)

Retirees, Disabled Members, and Beneficiaries	4,240
DROP Participants	152
Vested Deferred	773
Active Employees	3,649
Total	8,814

There are 4,392 Retirees (including DROP), which has increased from 3,000 members twenty years ago and continues to grow, while the active workforce has remained relatively steady.

ACERS ACTUARIAL ASSETS & LIABILITIES (FUNDING)

Over the past decade, assets have almost doubled from \$1.6 Billion to \$3.0 Billion, growing faster than liabilities (\$1.8 Billion 2013 to \$2.8 Billion 2023), with the actuarial funding ratio increasing above 100%, and most recently at 109%.



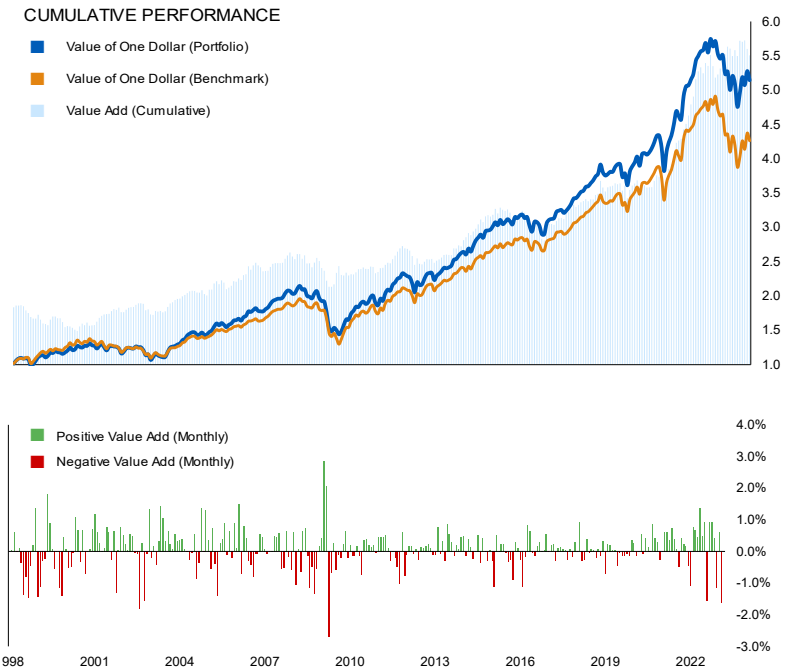
PERFORMANCE AND ASSET ALLOCATION

Financial health is ACERS portfolio's (Fund) primary investment objective. The portfolio seeks to earn 3.75% above inflation over rolling five-year periods, net of all fees and other expenses, consistent with the Board's risk tolerance. A secondary objective is to exceed public market benchmarks based on the policy benchmark of 63% Equity and 37% Income. The table below shows performance over various periods; over the long term, performance exceeds its policy benchmark.

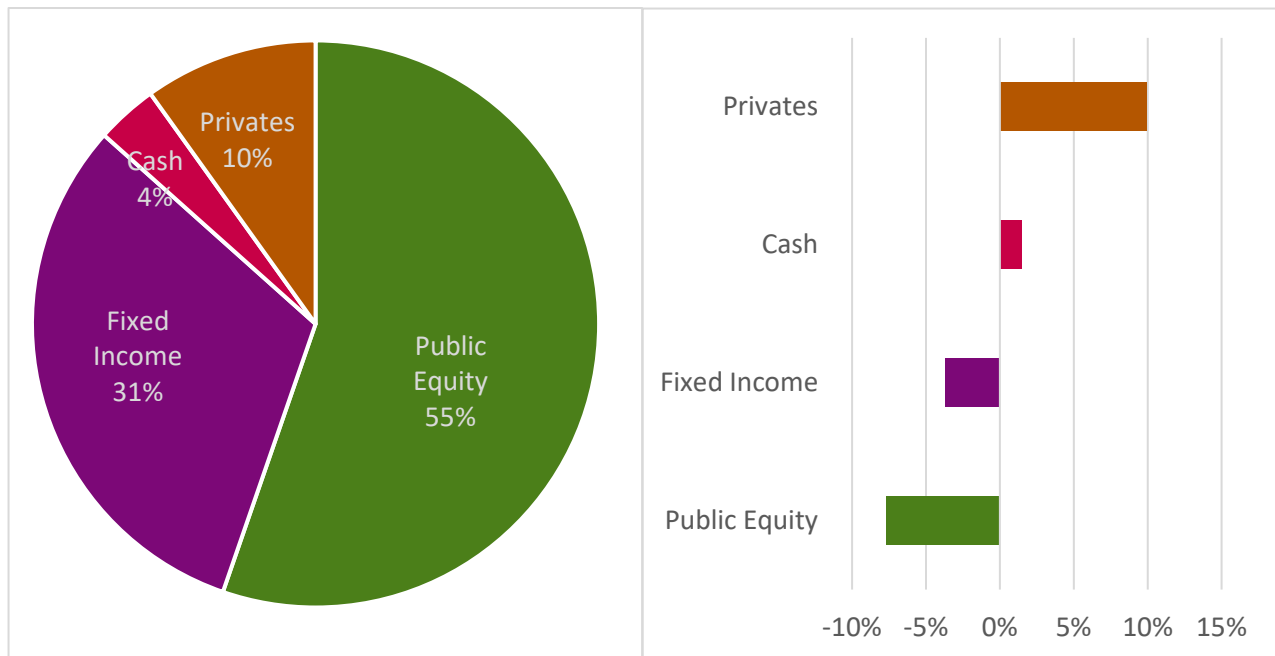
June 30, 2023	QUARTER (3-MONTHS)	FISCAL YEAR (1-YEAR)	3-YEARS	5-YEARS	10-YEARS	15-YEARS	20-YEARS
ACERS	2.8%	7.8%	7.5%	7.2%	7.6%	7.0%	7.5%
POLICY	3.9%	10.8%	5.8%	6.1%	6.8%	6.3%	6.7%

For the period ending June 30, 2023, ACERS held \$3.0 Billion, an increase from \$2.8 Billion at the end of June 30, 2022. During the fiscal year, market gains were +\$218 million and cash outflow of -\$55 million, with a fiscal year gain of 7.8%.

Over the past 25 years, the investments and steady contributions grew the portfolio five-fold, as shown in the chart to the right, which compares its growth to its benchmark. The bars below the graph show the monthly value add (portfolio return – benchmark return); more than 75% of the time, the value add was positive.



The portfolio's asset and risk allocation is adequately positioned. Equity exposure is the primary contributor to risk and return. The portfolio had 55% public equity, underweight by 8%. Fixed income and cash allocation was 35%, and non-benchmark exposure of 10% to alternatives (privates).



ACERS is a strongly funded pension plan. The County's consistent contributions, funding corridor, reasonable assumptions, and long-term investment performance contribute to its success.