

AGENDA ITEM 10.a

Recommendations from Raymond James

**RECOMMENDED DIRECTIVE:** The board hereby approved the recommendations from Raymond James for: 1) reduction of International Equity from 20% to 15%; 2) inception of Adelante REIT at 5%; 3) reduction of Lazard Emerging Markets asset allocation from 10% to 5%; 4) reduction of Templeton Global Bond fund from 7.5 to 5%, 5) increase of Pacific Income Core Fixed Income by 2.5%; and 6) full rebalance of our portfolio.

**DISCUSSION:** Following the December 2019 board meeting where the board approved several recommendations from Raymond James, we were informed that those changes did not cover all necessary changes. They informed us that the following changes are needed:

- ***Reduction of International Equity from 20% to 15% , Inception of Adelante REIT at 5%. This will further diversify the portfolio away from international equities space and move it into a different asset class, REIT.***
- ***Reduction of Lazard Emerging Markets asset allocation from 10% to 5%, (\*\*Inception of Private Market). This will diversify your portfolio away from the emerging market asset class and allocate it to the Private Markets. As the Private Market allocation is pending, the 5% will be allocated to the existing asset classes until the PM deal is implemented.***
- ***Reduction of Templeton Global Bond fund from 7.5% to 5%, Increase of Pacific Income Core Fixed Income by 2.5%. This will reallocate Global Bonds to the less volatile Fixed Income, lowering the overall risk of your portfolio.***

In a later message, they also recommended:

- ***Full rebalance. Due to recent market volatility, we also recommend a full rebalance of your portfolio, which will occur when the above changes are executed.***

**ACTION TAKEN:**

\_\_\_\_\_Approved as presented

\_\_\_\_\_Approved w/modifications

\_\_\_\_\_Disapproved

\_\_\_\_\_Deferred to a later meeting

**VOTE:**

\_\_\_\_\_aye \_\_\_\_\_nay \_\_\_\_\_abstain

DATE: \_\_\_\_\_