

# SBCERS

Santa Barbara County Employees' Retirement System

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**DATE:** April 26, 2023

**Agenda Item #12**

**TO:** SBCERS BOARD OF RETIREMENT

**FROM:** SBCERS Investment Staff

**RE:** **2023 Private Credit Portfolio Strategic Plan**

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## **Recommendation**

That the Board of Retirement receive and accept the 2023 Private Credit Portfolio Strategic Plan presented by Principals and Co-Lead Consultants Marcia Beard and Matthias Bauer, CFA of RVK, Inc. and affirm the existing allocation or provide direction for further study on additional policy options.

## **Summary**

RVK's objective is to assist SBCERS in establishing a diversified and conservative Private Credit Portfolio. The long-term objective of the Private Credit Portfolio is to enhance the risk-adjusted returns within the Non-Core Fixed Income allocation. RVK believes a strong foundation has already been laid for the Private Credit Portfolio through several high-qualified managers added consistently since inception in 2018. As of December 31, 2022, Private Credit represented 3.48% of the overall portfolio. The strategic plan intends to grow the allocation to 4.95% by 2026 through commitments of \$55 million per year from 2023 through 2027.

## **Attachments**

- 2023-04-26 - SBCERS 2023 Private Credit Strategic Plan (Final)