

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

OCTOBER 26, 2020

AGENDA

PLACE: In Accordance with the Governor's Executive Order N-29-20 (3), the Members of the Board will be participating via teleconference. Pursuant to Government Code §54954.3, members of the public, to the extent required by law, will have the opportunity to directly address the Board concerning the below mentioned business.

TIME: 9:00 a.m.

The public may listen to the Public Session and offer comments by calling: 213-338-8477, using Meeting ID: 921-8272-0627#. Persons may also submit written comments to publiccomment@vcera.org prior to and during the Board meeting. Please include your name, agenda item, the last 4 numbers of the telephone number that will be used to call in, and your comment. Public comment emails will be read into the record or summarized if lengthy.

ITEM:

- | | Master Page No. |
|---|-----------------|
| I. <u>CALL TO ORDER</u> | |
| II. <u>APPROVAL OF AGENDA</u> | 1 – 3 |
| III. <u>CONSENT AGENDA</u> | |
| A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of September 2020. | 4 |
| B. Receive and File Report of Checks Disbursed in September 2020. | 5 – 7 |
| C. Receive and File Budget Summary Admin. – Disability for FY 2020-21 Month Ending September 30, 2020. | 8 |
| D. Receive and File Budget Summary Combined for FY 2020-21 Month Ending September 30, 2020. | 9 – 10 |
| E. Receive and File Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position, Statement of Investments, Cash, and Cash Equivalents, and Schedule of Investment Management Fees for the Period Ending September 30, 2020. | 11 – 16 |
| IV. <u>INVESTMENT MANAGER PRESENTATIONS</u> | |
| A. Receive Annual Presentation from Abbott Capital Management, Young Lee, Matthew Smith and Arianna Merrill. | 17 – 52 |

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BUSINESS MEETING**

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IV. INVESTMENT MANAGER PRESENTATIONS (continued)

- B. Recommendation to Approve Updated 2020 Annual Plan.
RECOMMENDED ACTION: Approve.
1. Staff Cover Letter from Chief Investment Officer, Dan Gallagher. 53
 2. Updated 2020 Annual Plan. 54 – 62
- C. Receive Annual Presentation by Abbott Capital Management of CA Govt. Code Section 7514.7 Annual Report. 63 – 69
RECOMMENDED ACTION: Receive and File.
- D. Receive Annual Investment Presentation from Reams Asset Management, Clark W. Holland. 70 – 100
- E. Receive Annual Presentation from Western Asset Management, Henry P. Hamrock and Julien Scholnik. 101 – 143

V. INVESTMENT INFORMATION

- NEPC – Allan Martin.
VCERA – Dan Gallagher, Chief Investment Officer.
- A. Preliminary Performance Report Month Ending September 30, 2019. 144 – 160
RECOMMENDED ACTION: Receive and file.
- B. Receive Annual Presentation by NEPC of CA Govt. Code Section 7514.7 Annual Report. 161 – 164
RECOMMENDED ACTION: Receive and file.

VI. OLD BUSINESS

- A. Update on VCERA Implementation of Alameda Supreme Court Ruling, as Directed by October 12, 2020, Board of Retirement Adopted Resolution.
1. Staff Letter. 165 – 169

VII. NEW BUSINESS

- A. Proposed Board of Retirement Meetings Calendar.
RECOMMENDED ACTION: Approve.
1. Staff Letter. 170
 2. Proposed Board Meeting Calendar for 2021 (Standard). 171
 3. Proposed Board Meeting Calendar for 2021 (Wednesday Meeting Option 1). 172
 4. Proposed Board Meeting Calendar for 2021 (Wednesday Meeting Option 2). 173

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VII. NEW BUSINESS (continued)

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|---|--|-----------|
| 5. | Proposed Board Meeting Calendar for 2021 (Thursday Meeting Option 1). | 174 |
| 6. | Proposed Board Meeting Calendar for 2021 (Thursday Meeting Option 2). | 175 |
| B. SACRS Business Meeting Agenda Items. | | |
| RECOMMENDED ACTION: Give Direction to Voting Delegate. | | |
| 1. | Legislative Proposal Materials for the November 13, 2020 SACRS Business Meeting. | 176 – 263 |
| 2. | SACRS 2020 Fall Conference Agenda. | 264 – 266 |
| C. Quarterly Retirement Administrator's Report for July – September 2020. | | |
| RECOMMENDED ACTION: Receive and file. | | |
| D. Quarterly Chief Investment Officers Report for July – September 2020. | | |
| RECOMMENDED ACTION: Receive and file. | | |

VIII. INFORMATIONAL

- | | | |
|----|--|-----|
| A. | Letter from Chair Goulet Regarding AB 2101. | 272 |
| B. | Invitation for New Course, Private Equity for the Trustee from Institutional Limited Patners Association (ILPA). | 273 |
| C. | Loomis Sayles Firm Update Notice. | 274 |

IX. PUBLIC COMMENT

X. STAFF COMMENT

XI. BOARD MEMBER COMMENT

XII. ADJOURNMENT

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
REPORT OF REGULAR AND DEFERRED RETIREMENTS AND SURVIVORS CONTINUANCES**

September 2020

FIRST NAME	LAST NAME	G/S	DATE OF MEMBERSHIP	BENEFIT SERVICE*	DEPARTMENT	EFFECTIVE DATE
REGULAR RETIREMENTS:						
BRIAN L	BOLES	G	3/4/1990	14.63	Public Defender Office (Deferred-Member)	7/2/2020
ANEITA M	COOK	G	3/18/2001	19.30	Human Services Agency	8/1/2020
ELAINE ROSE	CRANDALL	G	4/24/2005	12.65 *	Health Care Agency (Deferred-Member)	7/13/2020
CHRIS E	GOAD	G	1/10/2010	6.04	Health Care Agency (Deferred-Member)	8/19/2020
KAREN JEAN	GUEVARA	G	3/16/2003	17.39	Child Support Services	8/22/2020
REBECCA KATHERINE	HILL	G	10/19/2008	9.70	Superior Court (Deferred-Member)	9/16/2020
ELIZABETH M	HUFF-VILLAFANA	G	7/4/1982	38.80	Resource Management Agency	7/31/2020
SUNGMIE KIM	JAHNG	G	2/22/2011	9.07 *	Human Services Agency	8/13/2020
STEVEN LEE	MC CLELLAN	G	9/20/1998	21.95	Fire Protection District	9/1/2020
PATRICIA ANN	NUNEZ	G	7/15/1984	36.03	Superior Court	7/29/2020
MANUEL RUDOLPH	PADILLA	S	11/28/1999	20.03	Probation Agency	9/11/2020
SUSAN JY-JEN	PAN	G	9/10/2006	17.87 *	Public Defender Office (Deferred-Member)	7/17/2020
EVELYN C	PEREZ	G	9/9/2007	8.52	Health Care Agency (Deferred-Member)	9/19/2020
TRACEY FRANCES	PIRIE	G	4/16/2000	17.08 *	Sheriff's Office	9/1/2020
PATRICIA MARIA	POEHLER	G	11/20/1994	24.33	Health Care Agency	8/22/2020
SORAIDA MARIA	RODRIGUEZ	S		7.10	Sheriff's Office (DRO Non-Member)	8/1/2020
STEVEN CHRISTOPHER	SAGELY	S	4/16/1989	24.08	Sheriff's Office	8/17/2020
DOREEN RAE	SALZ	G	10/5/1997	22.25	Health Care Agency	8/1/2020
RAUL REYES	SAN JOSE	G	4/15/2001	17.44	Sheriff's Office	7/31/2020
TRACY THOMAS	TILKENS	S	11/1/1998	24.69	Sheriff's Office	8/8/2020
WANDA J	TUTTLE	G	10/19/2008	8.07	County Executive Office	9/15/2020
ELISA	WILLITS-SPOLIN	G	7/17/2005	10.22	Health Care Agency	8/8/2020

DEFERRED RETIREMENTS:

ALLISON P	AKROP	G	9/11/2016	3.52	Health Care Agency	7/25/2020
ADAM	ALONZO	G	4/13/2020	0.23	Regional Sanitation District	7/3/2020
FRANCISCA C	CARRILLO	G	7/31/2016	1.26 *	Human Services Agency	7/17/2020
RENE L	DE HARO	G	7/26/2020	0.01	Health Care Agency	7/30/2020
ROSAURA	DUENES	G	1/27/2008	11.91 **	Health Care Agency	8/15/2020
AMPARO T	ESPARZA	G	1/16/2005	13.20	Health Care Agency	7/2/2020
NICOLE J	FRAZIER	G	4/5/2020	0.26	Health Care Agency	7/13/2020
ERNESTO A	GONZALEZ	G	6/10/2019	1.12	Regional Sanitation District	7/17/2020
FERNANDO A	GUZMAN	G	1/12/2020	0.48	Child Support Services	7/28/2020
CARRIE V	HOLGUIN	G	4/7/2019	0.54	Health Care Agency	7/31/2020
CHRISTINA D	JENSON	G	4/21/1996	24.28	District Attorney	8/15/2020
DUSTIN A E	KERR	G	11/4/2018	1.69	Health Care Agency	7/18/2020
REBECCA	MACIAS	G	8/13/2017	2.75	Health Care Agency	7/8/2020
DEANNA W	MAGANA	G	1/28/2020	0.46	Health Care Agency	7/22/2020
MARIA E	MAGANA	G	6/1/2020	0.10	Health Care Agency	7/23/2020
SWANSON W	NUNNERY	G	7/22/2019	1.00	Regional Sanitation District	7/17/2020
ALICE	OTTEN	G	10/4/1999	20.40	Resource Management Agency	7/18/2020
E DENISE	PATE	G	9/23/2018	1.78	Health Care Agency	7/25/2020
CHARLES J	PEREZ	S	10/8/2017	2.77	Sheriff's Office	7/17/2020
ERIN C	PICKEREL	G	6/2/2019	1.05	Human Services Agency	7/7/2020
LORRI ANN	SPAULDING	G	7/30/2017	2.91	Sheriff's Office	7/1/2020
NATHAN E	THOMAS	G	8/5/2019	0.94	Regional Sanitation District	7/17/2020
JOHN A	ZARATE	S	10/6/2019	0.74	Probation Agency	7/10/2020
GIL	ZAVLODAVER	G	9/16/2012	7.87	Sheriff's Office	8/1/2020

SURVIVORS' CONTINUANCES:

JOSEPH J	ABBRUSCATO
ESTHER	COLTER
TAMBRI E	CRIGER
FRANCES M	KERR

* = Excludes reciprocal service or service from any previous retirements

** = Member establishing reciprocity

Business Meeting Agenda - III. CONSENT AGENDA

Date: Wednesday, October 21, 2020
 Time: 02:28: PM
 User: 123750

Ventura County Retirement Assn

Page: 1 of 4
 Report: 03630.rpt
 Company: VCERA

Check Register - Standard
 Period: 03-21 As of: 10/21/2020

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid	
Company: VCERA												
Acct / Sub: 10300 000000												
028581	*VC	9/9/2020	BLACKROCKI BLACKROCK INSTITUTIONAL TR		03-21	03-21	001392	VO	INVESTMENT FEES	5/12/2020	0.00	-233,070.66
Check Total											-233,070.66	
028582	-		028700	Missing								
028701	CK	9/9/2020	ADP ADP, LLC		03-21	03-21	001513	VO	ADMIN EXP	9/9/2020	0.00	2,506.61
028702	CK	9/9/2020	BRENTWOODI BRENTWOOD IT		03-21	03-21	001528	VO	IT	9/9/2020	0.00	3,710.00
028703	CK	9/9/2020	COMPUWAVE COMPUWAVE		03-21	03-21	001514	VO	IT	9/9/2020	0.00	448.24
028704	CK	9/9/2020	DIGITALDEP DIGITAL DEPLOYMENT		03-21	03-21	001515	VO	IT	9/9/2020	0.00	650.00
028705	CK	9/9/2020	EXECUTIVED EXECUTIVE DATA SYSTEMS, INC		03-21	03-21	001516	VO	IT	9/9/2020	0.00	585.00
028706	CK	9/9/2020	FEDEX FEDEX		03-21	03-21	001517	VO	DISABILITY EXP	9/9/2020	0.00	13.40
028707	CK	9/9/2020	FENNEMORE FENNEMORE CRAIG, P.C		03-21	03-21	001518	VO	LEGAL FEES	9/9/2020	0.00	443.90
028708	CK	9/9/2020	HANSONBRID HANSON BRIDGETT LLP		03-21	03-21	001519	VO	LEGAL FEES	9/9/2020	0.00	2,197.80
028709	CK	9/9/2020	HARRISWATE HARRIS WATER CONDITIONING		03-21	03-21	001520	VO	ADMIN EXP	9/9/2020	0.00	54.50
028710	CK	9/9/2020	SHREDITUSA SHRED-IT		03-21	03-21	001521	VO	ADMIN EXP	9/9/2020	0.00	1,000.59
028711	CK	9/9/2020	SOLISHENRY HENRY SOLIS		03-21	03-21	001522	VO	REIMBURSEMENT	9/9/2020	0.00	250.00
028712	CK	9/9/2020	SPRUCEGROV SPRUCEGROVE INVESTMENT M		03-21	03-21	001523	VO	INVESTMENT FEES	9/9/2020	0.00	59,433.09
028713	CK	9/9/2020	TAYLORDAVI DAVID TAYLOR, M.D		03-21	03-21	001524	VO	DISABILITY EXP	9/9/2020	0.00	3,900.00
028714	CK	9/9/2020	TEAMLEGAL TEAM LEGAL, INC.		03-21	03-21	001525	VO	DISABILITY EXP	9/9/2020	0.00	314.24
028715	CK	9/9/2020	THOMSONREU THOMSON REUTERS- WEST		03-21	03-21	001526	VO	ADMIN EXP	9/9/2020	0.00	508.25

*See legend at end of report for check type code.

Business Meeting Agenda - III. CONSENT AGENDA

Date: Wednesday, October 21, 2020
 Time: 02:28: PM
 User: 123750

Ventura County Retirement Assn

Page: 1 of 4
 Report: 03630.rpt
 Company: VCERA

Check Register - Standard
 Period: 03-21 As of: 10/21/2020

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
028716	CK	9/9/2020	TYLERTECHN TYLER TECHNOLOGIES, INC.	03-21	03-21	001527	VO	IT	9/9/2020	0.00	3,200.00
028717	CK	9/9/2020	BLACKROCKI BLACKROCK INSTITUTIONAL TR	03-21	03-21	001392	VO	INVESTMENT FEES	5/12/2020	0.00	233,070.66
028718	CK	9/16/2020	ACCESSINFO ACCESS INFORMATION PROTEC	03-21	03-21	001529	VO	ADMIN EXP	9/16/2020	0.00	426.39
028719	CK	9/16/2020	ATTMOBILIT AT&T MOBILITY	03-21	03-21	001530	VO	IT	9/16/2020	0.00	365.08
028720	CK	9/16/2020	BANKOFAMER BUSINESS CARD	03-21	03-21	001531	VO	ADMIN/IT	9/16/2020	0.00	5,449.33
028721	CK	9/16/2020	BROWARMST BROWN ARMSTRONG	03-21	03-21	001532	VO	ADMIN EXP	9/16/2020	0.00	6,441.40
028722	CK	9/16/2020	FEDEX FEDEX	03-21	03-21	001533	VO	DISABILITY EXP	9/16/2020	0.00	26.74
028723	CK	9/16/2020	LINEASOLUT LINEA SOLUTIONS	03-21	03-21	001534	VO	ADMIN/IT	9/16/2020	0.00	16,842.64
028724	CK	9/16/2020	TYLERTECHN TYLER TECHNOLOGIES, INC.	03-21	03-21	001535	VO	IT	9/16/2020	0.00	4,800.00
028725	CK	9/25/2020	CALAPRS CALAPRS	03-21	03-21	001536	VO	ADMIN EXP	9/25/2020	0.00	50.00
028725	*VC	9/29/2020	CALAPRS CALAPRS	03-21	03-21	001536	VO	ADMIN EXP	9/25/2020	0.00	-50.00
Check Total										0.00	0.00
028726	CK	9/25/2020	CUSTOMPRIN CUSTOM PRINTING	03-21	03-21	001537	VO	ADMIN EXP	9/25/2020	0.00	3,320.96
028727	CK	9/25/2020	FEDEX FEDEX	03-21	03-21	001538	VO	DISABILITY EXP	9/25/2020	0.00	26.00
028728	CK	9/25/2020	HARTLEYDOR DOROTHEA W. HARTLEY & ASSC	03-21	03-21	001539	VO	DISABILITY EXP	9/25/2020	0.00	3,579.50
028729	CK	9/25/2020	MFDAILYCOR M.F. DAILY CORPORATION	03-21	03-21	001540	VO	ADMIN EXP	9/25/2020	0.00	21,092.45
028730	CK	9/25/2020	PRUDENTIAL PRUDENTIAL INSURANCE	03-21	03-21	001542	VO	INVESTMENT FEES	9/25/2020	0.00	160,526.17
028731	CK	9/25/2020	PUBLICPENS PUBLIC PENSION FINANCIAL FO	03-21	03-21	001541	VO	ADMIN EXP	9/25/2020	0.00	1,200.00
028732	CK	9/25/2020	TIMEWARNER	03-21	03-21	001543	VO	IT	9/25/2020	0.00	294.99

*See legend at end of report for check type code.

Business Meeting Agenda - III. CONSENT AGENDA

Date: Wednesday, October 21, 2020
 Time: 02:28: PM
 User: 123750

Ventura County Retirement Assn

Page: 1 of 4
 Report: 03630.rpt
 Company: VCERA

Check Register - Standard
 Period: 03-21 As of: 10/21/2020

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
TIME WARNER CABLE											
028733	*ZC	9/29/2020	CALAPRS CALAPRS	03-21	03-21	001536	VO	ADMIN EXP	9/25/2020	0.00	50.00
028733	*ZC	9/29/2020	CALAPRS CALAPRS	03-21	03-21	001544	AD	ADMIN EXP	9/29/2020	0.00	-50.00
Check Total											0.00
Acct Sub Total:											303,607.27

Check Count: 35

Check Type	Count	Amount Paid
Regular	32	536,727.93
Hand	0	0.00
Electronic Payment		0.00
Void	2	-233,120.66
Stub	0	0.00
Zero	1	0.00
Mask	0	0.00
Total:	35	303,607.27

Company Disc Total	0.00	Company Total	303,607.27
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Legend:

VC - Voided Check.
 ZC - Zero check. Voided check that was not reissued.

*See legend at end of report for check type code.

Ventura County Employees' Retirement Association
Budget Summary Fiscal Year 2020 -2021
For the Three Months Ended September 30, 2020 and Year-To-Date - 25.00% of Fiscal Year
Admin - Disability (CAP)

	<i>Adopted 2021 Budget</i>	<i>Adjusted 2021 Budget</i>	<i>September 2020</i>	<i>Expended Fiscal Year to Date</i>	<i>Available Balance</i>	<i>Percent Expended</i>
Salaries and Benefits						
Regular Salary	\$274,600.00	\$274,600.00	\$20,512.48	\$47,492.47	\$227,107.53	17.30%
Supplemental Payments	12,500.00	12,500.00	717.92	1,662.23	10,837.77	13.30%
Vacation Redemption	4,300.00	4,300.00	0.00	0.00	4,300.00	0.00%
Retirement Contributions	47,000.00	47,000.00	3,419.92	7,823.99	39,176.01	16.65%
OASDI Contribution	20,600.00	20,600.00	1,332.36	3,059.63	17,540.37	14.85%
FICA-Medicare	4,800.00	4,800.00	311.59	715.56	4,084.44	14.91%
Medical Insurance	39,500.00	39,500.00	2,882.00	6,645.00	32,855.00	16.82%
Life Insurance	100.00	100.00	9.30	21.04	78.96	21.04%
Unemployment Insurance	100.00	100.00	10.84	25.30	74.70	25.30%
Mgmt Disability Insurance	2,000.00	2,000.00	146.36	338.86	1,661.14	16.94%
Workers Compensation Insurance	7,400.00	7,400.00	570.50	1,314.54	6,085.46	17.76%
401K Plan Contribution	5,000.00	5,000.00	371.54	706.95	4,293.05	14.14%
Total Salaries & Benefits	\$417,900.00	\$417,900.00	\$30,284.81	\$69,805.57	\$348,094.43	16.70%
Services & Supplies						
Other Professional Services	\$78,500.00	\$78,500.00	\$7,793.74	\$7,793.74	\$70,706.26	9.93%
Hearing Officers	56,000.00	56,000.00	0.00	0.00	56,000.00	0.00%
Legal	17,300.00	17,300.00	0.00	0.00	17,300.00	0.00%
Postage	500.00	500.00	40.14	72.84	427.16	14.57%
Training/Travel-Staff	1,100.00	1,100.00	0.00	0.00	1,100.00	0.00%
Total Services & Supplies	\$153,400.00	\$153,400.00	\$7,833.88	\$7,866.58	\$145,533.42	5.13%
Total Sal, Ben, Serv & Supp	\$571,300.00	\$571,300.00	\$38,118.69	\$77,672.15	\$493,627.85	13.60%
Total Current Year	\$571,300.00	\$571,300.00	\$38,118.69	\$77,672.15	\$493,627.85	13.60%

Ventura County Employees' Retirement Association
Budget Summary Fiscal Year 2020 -2021
For the Three Months Ended September 30, 2020 and Year-To-Date - 25.00% of Fiscal Year
Combined

	<i>Adopted 2021 Budget</i>	<i>Adjusted 2021 Budget</i>	<i>September 2020</i>	<i>Expended Fiscal Year to Date</i>	<i>Available Balance</i>	<i>Percent Expended</i>
Salaries and Benefits						
Regular Salary	\$3,748,400.00	\$3,748,400.00	\$260,253.76	\$745,825.78	\$3,002,574.22	19.90%
Extra-Help/Temporary Services	166,300.00	166,300.00	16,842.64	38,644.55	127,655.45	23.24%
Supplemental Payments	80,100.00	80,100.00	5,882.06	16,720.11	63,379.89	20.87%
Vacation Redemption	166,600.00	166,600.00	13,306.46	96,223.07	70,376.93	57.76%
Retirement Contributions	599,700.00	599,700.00	38,412.11	114,851.35	484,848.65	19.15%
OASDI Contribution	228,500.00	228,500.00	11,305.42	36,531.04	191,968.96	15.99%
FICA-Medicare	63,500.00	63,500.00	4,044.71	12,403.07	51,096.93	19.53%
Medical Insurance	435,200.00	435,200.00	28,473.00	81,174.84	354,025.16	18.65%
Retiree Health Insurance	26,700.00	26,700.00	2,222.94	6,668.82	20,031.18	24.98%
Life Insurance	1,300.00	1,300.00	91.45	260.46	1,039.54	20.04%
Unemployment Insurance	1,900.00	1,900.00	132.92	381.12	1,518.88	20.06%
Mgmt Disability Insurance	27,800.00	27,800.00	1,615.89	4,622.79	23,177.21	16.63%
Workers Compensation Insurance	101,800.00	101,800.00	7,579.21	23,071.18	78,728.82	22.66%
401K Plan Contribution	90,400.00	90,400.00	6,181.68	17,577.75	72,822.25	19.44%
Total Salaries & Benefits	\$5,738,200.00	\$5,738,200.00	\$396,344.25	\$1,194,955.93	\$4,543,244.07	20.82%
Services & Supplies						
Board Member Stipend	\$13,200.00	\$13,200.00	\$0.00	\$400.00	\$12,800.00	3.03%
Other Professional Services	156,900.00	156,900.00	14,832.23	14,832.23	142,067.77	9.45%
Auditing	101,400.00	101,400.00	6,441.40	6,441.40	94,958.60	6.35%
Hearing Officers	56,000.00	56,000.00	0.00	0.00	56,000.00	0.00%
Legal	442,300.00	442,300.00	2,641.70	34,136.79	408,163.21	7.72%
Election Services	40,000.00	40,000.00	0.00	8,335.29	31,664.71	20.84%
Actuary-Valuation	63,000.00	63,000.00	0.00	0.00	63,000.00	0.00%
Actuary-GASB 67	13,000.00	13,000.00	0.00	0.00	13,000.00	0.00%
Actuary-Assump/Exp	48,000.00	48,000.00	0.00	0.00	48,000.00	0.00%
Actuary-415 Calculation	15,000.00	15,000.00	0.00	0.00	15,000.00	0.00%
Actuary-Misc Hrly Consult	16,000.00	16,000.00	0.00	0.00	16,000.00	0.00%
Printing	45,000.00	45,000.00	3,320.96	3,320.96	41,679.04	7.38%
Postage	68,000.00	68,000.00	9,045.49	9,101.07	58,898.93	13.38%
Copy Machine	4,000.00	4,000.00	0.00	0.00	4,000.00	0.00%
General Liability	15,800.00	15,800.00	0.00	0.00	15,800.00	0.00%
Fiduciary Liability	86,000.00	86,000.00	(75.00)	83,609.00	2,391.00	97.22%
Cost Allocation Charges	42,000.00	42,000.00	0.00	0.00	42,000.00	0.00%
Education Allowance	4,000.00	4,000.00	0.00	0.00	4,000.00	0.00%
Training/Travel-Staff	62,900.00	62,900.00	4,860.00	8,720.00	54,180.00	13.86%
Training/Travel-Trustee	33,200.00	33,200.00	1,000.00	1,500.00	31,700.00	4.52%
Travel-Due Diligence-Staff	12,800.00	12,800.00	0.00	0.00	12,800.00	0.00%
Travel-Due Diligence-Trustee	22,600.00	22,600.00	0.00	0.00	22,600.00	0.00%
Mileage-Staff	4,500.00	4,500.00	0.00	0.00	4,500.00	0.00%
Mileage -Trustee	4,500.00	4,500.00	0.00	0.00	4,500.00	0.00%
Mileage-Due Diligence-Staff	700.00	700.00	0.00	0.00	700.00	0.00%
Mileage-Due Diligence-Trustee	700.00	700.00	0.00	0.00	700.00	0.00%
Auto Allowance	6,900.00	6,900.00	575.00	1,725.00	5,175.00	25.00%
Facilities-Security	2,700.00	2,700.00	90.00	90.00	2,610.00	3.33%
Facilities-Maint & Repairs	3,300.00	3,300.00	210.48	585.48	2,714.52	17.74%
Equipment-Maint & Repairs	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00%
General Office Expense	10,400.00	10,400.00	88.93	307.62	10,092.38	2.96%
Books & Publications	9,000.00	9,000.00	518.24	1,036.48	7,963.52	11.52%
Office Supplies	15,000.00	15,000.00	65.60	817.28	14,182.72	5.45%
Memberships & Dues	17,900.00	17,900.00	450.00	4,600.00	13,300.00	25.70%
Offsite Storage	5,200.00	5,200.00	426.39	1,237.31	3,962.69	23.79%
Rents/Leases-Structures	258,000.00	258,000.00	21,092.45	63,277.35	194,722.65	24.53%
Non-Capital Furniture	15,800.00	15,800.00	0.00	0.00	15,800.00	0.00%
Depreciation /Amortization	1,562,700.00	1,562,700.00	129,313.62	418,330.70	1,144,369.30	26.77%
Total Services & Supplies	\$3,280,400.00	\$3,280,400.00	\$194,897.49	\$662,403.96	\$2,617,996.04	20.19%
Total Sal, Ben, Serv & Supp	\$9,018,600.00	\$9,018,600.00	\$591,241.74	\$1,857,359.89	\$7,161,240.11	20.59%

Ventura County Employees' Retirement Association
Budget Summary Fiscal Year 2020 -2021
For the Three Months Ended September 30, 2020 and Year-To-Date - 25.00% of Fiscal Year
Combined

	<i>Adopted 2021 Budget</i>	<i>Adjusted 2021 Budget</i>	<i>September 2020</i>	<i>Expended Fiscal Year to Date</i>	<i>Available Balance</i>	<i>Percent Expended</i>
Technology						
Technology Hardware	\$98,000.00	\$98,000.00	\$480.55	\$5,608.90	\$92,391.10	5.72%
Technology Hardware Support	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00%
Technology Software Lic & Maint.	75,400.00	75,400.00	1,474.20	31,618.94	43,781.06	41.93%
Technology Software Suppt & Maint.	41,500.00	41,500.00	0.00	43.75	41,456.25	0.11%
Technology Cloud Services	6,100.00	6,100.00	414.00	831.92	5,268.08	13.64%
Technology Website Services	8,900.00	8,900.00	650.00	1,950.00	6,950.00	21.91%
Technology Infrastruct Support	186,100.00	186,100.00	7,233.59	17,885.73	168,214.27	9.61%
Technology V3 Software & VSG	747,000.00	747,000.00	0.00	267,013.04	479,986.96	35.74%
Technology Data Communication & C	88,000.00	88,000.00	10,756.70	17,440.54	70,559.46	19.82%
Total Technology	\$1,261,000.00	\$1,261,000.00	\$21,009.04	\$342,392.82	\$918,607.18	27.15%
Capital Expenses						
Capitalized Structures	\$0.00	\$0.00	\$0.00	\$12,109.95	(\$12,109.95)	0.00%
Total Capitalized Expenses	\$0.00	\$0.00	\$0.00	\$12,109.95	(\$12,109.95)	0.00%
Contingency	\$845,000.00	\$845,000.00	\$0.00	\$0.00	\$845,000.00	0.00%
Total Current Year	\$11,124,600.00	\$11,124,600.00	\$612,250.78	\$2,211,862.66	\$8,912,737.34	19.88%

***Ventura County Employees' Retirement Association
Statement of Fiduciary Net Position
As of September 30, 2020 (Unaudited)***

Assets

Cash & Cash Equivalents **\$245,705,657**

Receivables

Interest and Dividends	3,788,468	
Securities Sold	3,290,763	
Miscellaneous	23,276	
Total Receivables	7,102,507	7,102,507

Investments at Fair Value

Domestic Equity	1,807,712,213	
Non U.S. Equity	935,529,593	
Global Equity	680,378,741	
Private Equity	589,002,082	
Fixed Income	1,043,131,995	
Private Credit	129,412,094	
Real Assets	878,882,221	
Cash Overlay	17,807	
Total Investments	6,064,066,745	6,064,066,745

Capital Assets, Net of Accumulated Depreciation & Amortization		10,676,457
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Total Assets		6,327,551,366
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Liabilities

Securities Purchased	29,740,839	
Accounts Payable	1,724,269	
Tax Withholding Payable	3,596,074	
Deferred Revenue (PrePaid Contributions)	115,597,004	
	150,658,186	

Total Liabilities		150,658,186
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Net Position Restricted for Pensions		\$6,176,893,181
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*Ventura County Employees' Retirement Association
Statement of Changes in Fiduciary Net Position
For the Three Months Ending September 30, 2020 (Unaudited)*

ADDITIONS**Contributions**

Employer	\$39,316,829	
Employee	17,628,941	
Total Contributions	<u>56,945,771</u>	56,945,771

Investment Income

Net Appreciation (Depreciation) in Fair Value of Investments	344,376,309	
Interest Income	6,028,368	
Dividend Income	1,956,037	
Other Investment Income	(1,663,453)	
Real Estate Operating Income, Net	4,208,109	
Security Lending Income	73,936	
Total Investment Income	<u>354,979,306</u>	

Less Investment Expenses

Management & Custodial Fees	6,325,547	
Other Investment Expenses	60,418	
Securities Lending Borrower Rebates	14,400	
Securities Lending Management Fees	21,670	
Total Investment Expenses	<u>6,422,036</u>	

Net Investment Income/(Loss)	<u>348,557,271</u>	348,557,271
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Total Additions	<u>405,503,041</u>	405,503,041
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DEDUCTIONS

Benefit Payments	80,155,204	
Member Refunds and Death Benefit Payments	663,515	
Administrative Expenses	1,363,562	
Other Expenses	787,883	
Total Deductions	<u>82,970,163</u>	82,970,163

Net Increase/(Decrease)	<u>322,532,878</u>	322,532,878
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Net Position Restricted For Pensions

Beginning of Year	<u>5,854,360,303</u>	5,854,360,303
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Ending Balance	<u><u>\$6,176,893,181</u></u>	\$6,176,893,181
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***Ventura County Employees' Retirement Association
Investments, Cash, and Cash Equivalents
As of September 30, 2020 (Unaudited)***

	Investments	Cash & Cash Equivalents
Equity		
Domestic Equity		
Blackrock - Russell 1000	1,501,161,703	0
Blackrock - Russell 2500	66,496,641	0
Western Asset Enhanced Equity Index Plus	240,053,868	28,177,421
Total Domestic Equity	1,807,712,213	28,177,421
Non U.S. Equity		
Blackrock - ACWI ex - US	484,930,595	0
Hexavest	86,219,259	0
Sprucegrove	201,835,645	0
Walter Scott	162,544,093	0
Total Non U.S. Equity	935,529,593	0
Global Equity		
Blackrock - ACWI Index	680,378,741	0
Total Global Equity	680,378,741	0
Private Equity		
Abry Partners	4,672,012	0
Abbott Secondaries	18,284,383	0
Adam Street	189,848,825	0
Advent Int'l	3,926,581	0
Astorg	804,193	0
Battery Ventures	14,808,491	0
Buenaventure One	50,710,636	0
Buenaventure Two	484,727	0
Clearlake Investors	13,600,463	0
GGV Capital	7,552,153	0
Drive Capital	24,302,147	0
Flexpoint	345,892	0
ECI 11 GP LP	3,525,353	0
Genstar Capital	4,473,988	0
Great Hill	790,109	0
GTCR Fund XII	19,680,224	0
Harbourvest	120,455,560	0
Hellman & Friedman	4,178,369	0
Insight Ventures	30,583,384	0
MC Partners	2,705,598	0
Oak/HC/FT	6,069,971	0
Pantheon	45,751,000	0
Resolute Fund IV LP	14,443,187	0
The Riverside Fund V LP	3,026,919	0
TA XIII-A	3,977,917	0
Total Private Equity	589,002,082	0

***Ventura County Employees' Retirement Association
Investments, Cash, and Cash Equivalents
As of September 30, 2020 (Unaudited)***

	Investments	Cash & Cash Equivalents
Fixed Income		
Blackrock - Bloomberg Barclays Aggregate Index	178,123,052	0
Loomis Sayles Multi Sector	85,026,972	2,580,387
Loomis Sayles Strategic Alpha	46,185,548	0
Reams	332,910,294	451
Reams - US Treasury	94,027,500	73,303
Western Asset Management	306,858,629	6,812,571
Total Fixed Income	1,043,131,995	9,466,712
Private Credit		
Arcmont	7,511,188	0
Bridge Debt Strategies	20,103,265	0
Carval	26,729,921	0
Monroe Capital	16,353,627	0
Pimco Corporate Opportunities	58,714,093	0
Total Private Credit	129,412,094	0
Real Assets		
Bridgewater All Weather	353,219,025	0
Brookfield Infrastructure	22,340,801	0
HarbourVest Real Assets	685,567	0
LaSalle	15,560,111	0
Prudential Real Estate	166,741,842	0
Tortoise (MLPs)	62,474,197	883,403
UBS Realty	257,860,678	0
Total Real Assets	878,882,221	883,403
Parametric (Cash Equitization)	17,807	108,838,318
State Street Bank and Trust		96,738,426
County of Ventura Treasury		1,601,377
Total Investments, Cash, and Cash Equivalents	\$6,064,066,745	\$245,705,657

*Ventura County Employees' Retirement Association
Schedule of Investment Management Fees
For the Three Months Ending September 30, 2020 (Unaudited)*

Equity Managers**Domestic Equity**

Blackrock - Russell 1000	\$37,385
Blackrock - Russell 2500	2,488
Western Asset Enhanced Equity Index Plus	115,491
Total Domestic Equity	<u>155,364</u>

Non U.S. Equity

Blackrock - ACWI ex - US	120,652
Hexavest	99,282
Sprucegrove	182,050
Walter Scott	263,147
Total Non U.S. Equity	<u>665,131</u>

Global Equity

Blackrock - ACWI Index	67,809
Total Global Equity	<u>67,809</u>

Private Equity

Abbott Secondary Opportunities	63,343
Abry Partners	53,000
Adams Street	474,442
Advent Int'l	37,500
Astorg	34,590
Battery Ventures	129,880
Buenaventure One	0
Clearlake	11,725
Drive Capital	69,197
ECI 11 GP LP	0
Flexpoint	53,250
Genstar Capital	1,843
GGV Capital	76,625
Great Hills Partners	0
GTCR XII/A & B	111,807
Harbourvest	1,709,953
Hellman & Friedman	21,904
Insight Venture Partners	92,263
Oak/HC/FT	120,301
Pantheon	286,067
Resolute Fund	90,148
Riverside	71,961
TA XIII-A	0
Total Private Equity	<u>3,509,799</u>

Ventura County Employees' Retirement Association
Schedule of Investment Management Fees
For the Three Months Ending September 30, 2020 (Unaudited)

Fixed Income Managers	
Blackrock Bloomberg Barclays Aggregate Index	22,739
Loomis Sayles Multi Sector	82,668
Loomis Sayles Strategic Alpha	46,079
Reams Asset Management	143,591
Reams US Treasury	2,354
Western Asset Management	133,829
Total Fixed Income	431,260
Private Credit	
Arcmont	0
Bridge Debt Strategies	0
Carval Investors	0
Monroe Capital	0
Pimco	0
Total Private Credit	0
Real Assets	
Bridgewater All Weather	322,811
Brookfield Infrastructure	0
HarbourVest Real Assets	0
LaSalle	0
Prudential Real Estate Advisors	349,278
Tortoise (MLPs)	98,733
UBS Realty	471,942
Total Real Assets	1,242,764
Cash Overlay (Parametric)	58,353
Securities Lending	
Borrower's Rebate	14,400
Management Fees	21,670
Total Securities Lending	36,070
Other	
Investment Consultant (NEPC)	77,500
Investment Consultant (Abbott Capital)	34,164
Investment Custodian (State Street)	83,403
Total Other Fees	195,067
Total Investment Management Fees	\$6,361,618

ABBOTT CAPITAL



VCERA
VENTURA COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

**Abbott Capital Management Presentation to:
Ventura County Employees' Retirement Association**

October 2020

Abbott Presenters



Young Lee, CFA – Managing Director

Mr. Lee has 14 years of private equity investment experience. He reviews investment opportunities, with specific emphasis on analysis and due diligence for prospective investments, and is engaged in the negotiation of business and legal issues, ongoing monitoring of investments and profit realization from distributed securities. Mr. Lee also serves on several partnership advisory boards. Prior to joining Abbott in 2007, Mr. Lee was an associate at The Henry J. Kaiser Family Foundation in Menlo Park, sourcing and leading due diligence on prospective private equity and hedge fund investments. Mr. Lee also worked as a product manager in the Online Business Services Division at Silicon Valley Bank and co-founded a company that matched university-based start-ups with angel investors. Mr. Lee received his B.A. in Economics from Stanford University, his M.B.A. from Columbia University and is a CFA® charterholder.



Matthew M. Smith – Managing Director

Mr. Smith has 19 years of private equity investment experience. He is responsible for reviewing investment opportunities with specific emphasis on analysis and due diligence for prospective investments and is engaged in the negotiation of business and legal issues, ongoing monitoring of investments and profit realization from distributed securities. Mr. Smith, as Abbott’s ESG Officer, is responsible for building upon the strong foundation Abbott has set in adopting the UN Principles for Responsible Investment and integrating ESG considerations into Abbott’s investment process. Mr. Smith also serves on several partnership advisory boards. Prior to joining Abbott in 2000, he was a financial examiner at the Federal Reserve Bank of New York. He also worked for First Trust Washington and Bank of America as a trust officer. Mr. Smith received his A.B. in History and his M.B.A. in Finance from Georgetown University.



Arianna Merrill – Vice President

Ms. Merrill reviews investment opportunities with specific emphasis on analysis and due diligence for prospective investments. Prior to joining Abbott Capital in 2018, Ms. Merrill worked at Partners Group where she made investments in private equity funds as well as co-investments, and Top Tier Capital Partners where she focused on investing in venture capital funds. Ms. Merrill received her B.A. in Economics and Political Science from Connecticut College and her M.B.A. from Cornell University.

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VCERA Private Equity Program	7
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Abbott Overview

Abbott Capital Management, LLC

1986

Abbott Founded

\$9.5B+

Assets Under Management¹

\$21B+

Aggregate Commitments Since Inception

9,000+

Funds in Database

\$950M+

Capital Deployed Annually²

130+

Advisory Board Seats

Heritage

- Pioneer in customized private equity solutions
- High-conviction, performance driven portfolio construction
- Independently owned with a 34+ year track record focused exclusively on private equity
- Offices in New York and London

Team

- Highly integrated and collegiate culture, 50+ professionals dedicated to private equity
- Cycle tested; Managing Directors have an average of 22 years of private equity experience
- Relationship and information advantages across the private equity ecosystem

Private Markets Solutions

Separately Managed Accounts	<ul style="list-style-type: none"> ▪ Portfolios tailored to meet specific investment goals and objectives ▪ Customized reporting and administrative support ▪ Access to emerging buyout and venture managers, and other niche strategies
Global, Customizable Commingled Portfolios	<ul style="list-style-type: none"> ▪ Access to multiple investment strategies, secondaries, and co-investments ▪ Simplified administration and reporting
Specialized Strategies	<ul style="list-style-type: none"> ▪ Secondaries, with a focus on the smaller, less competitive transactions ▪ Co-investments sourced through Abbott's GP network
Administrative Support Services	<ul style="list-style-type: none"> ▪ Customized data management, transaction facilitation, and reporting ▪ Fund administration services ▪ Distributed stock liquidation management; data analytics and benchmarking services

¹AUM herein is defined as (unfunded commitments + NAV) and includes non-discretionary assets for which Abbott does not provide continuous and regular supervisory or management services but provides ongoing investment monitoring, valuation, and reporting functions; AUM as of 3/31/2020. Approximately \$556M of the AUM represents assets Abbott manages but does not advise. ²Annual average over past 3 calendar years. **Past performance is not a guide to future results and is not indicative of expected realized returns.** See Important Information pages at the back of this document and Abbott's Form ADV Part 2A for disclosures on risk and performance, and calculation of both AUM and RAUM.

Abbott's Private Equity-Focused Organization

As of 9/30/2020

Investments



Jonathan Roth
Managing Director,
President (1992)



Timothy Maloney
Managing Director
(2004)



Meredith Rerisi
Managing Director
(1998)



Matthew Smith
Managing Director
(2000)



Len Pangburn
Managing Director
(2005)



Young Lee
Managing Director
(2007)



Katie Stokel
Managing Director,
COO (1998)



Jobst Klemme*
Director



Jennie Benza
Principal



Wolf Witt
Vice President



Lance Zhou
Vice President



Arianna Merrill
Vice President



Jonathan Tubiana
Vice President



Moritz Turck*
Vice President



Brian Susetka
Senior Associate



Declan Feeley
Associate



Sean Bacon
Analyst



Taylor McGinnis
Analyst

Client Relations and Business Development



Ryan Green
Director



Melanie Jones
Vice President



Dan Kettner
Vice President



Kristin Kunert
Vice President



Valentine Whittaker
Vice President

Operations, Finance, Legal & Compliance



Lauren Massey
Managing Director,
Chief Admin.
Officer (1995)



Paolo Parziale
Managing Director,
Chief Financial
Officer (2002)



Mary Hornby
Managing Director,
General Counsel
(2004)



Monique Horton
Chief Compliance
Officer

Abbott's Managing Directors have an average of 22 years experience and 18 years working together

VCERA Private Equity Program

VCERA Private Equity Program

Objectives and Key Events in 2020

- Abbott serves as VCERA's private equity oversight consultant, with the following objectives:
 - Implement and monitor VCERA's private equity portfolio through a comprehensive, turn-key solution that covers the development, implementation, management, and administration of the private equity portfolio

- Key 2020 developments:
 - The target allocation to private equity investments was increased by VCERA Board from 13% to 15%
 - VCERA committed approximately \$234 million as of Oct. 15, 2020 compared to budgeted 2020 commitments of \$325 million
 - As of October 15, 2020:
 - \$184 million in Abbott-sourced commitments
 - \$50 million of VCERA-sourced commitments
 - Pipeline:
 - \$30 million of primary commitments currently in diligence
 - Remaining reserved for potential primary, secondary and co-investment opportunities this year or to be rolled into 2021
 - Exposure to private equity investments is expected to increase to 9.3% at yearend 2020 from 8.0% as of December 31, 2019
 - Capital calls, portfolio appreciation, and distributions are tracking closely to the model
 - VCERA-sourced historical commitments continue to develop and mature

- Impact of CoVid-19 Pandemic:
 - There has been a slowdown in private equity investment and fundraising activity and impact on valuations remains moderate

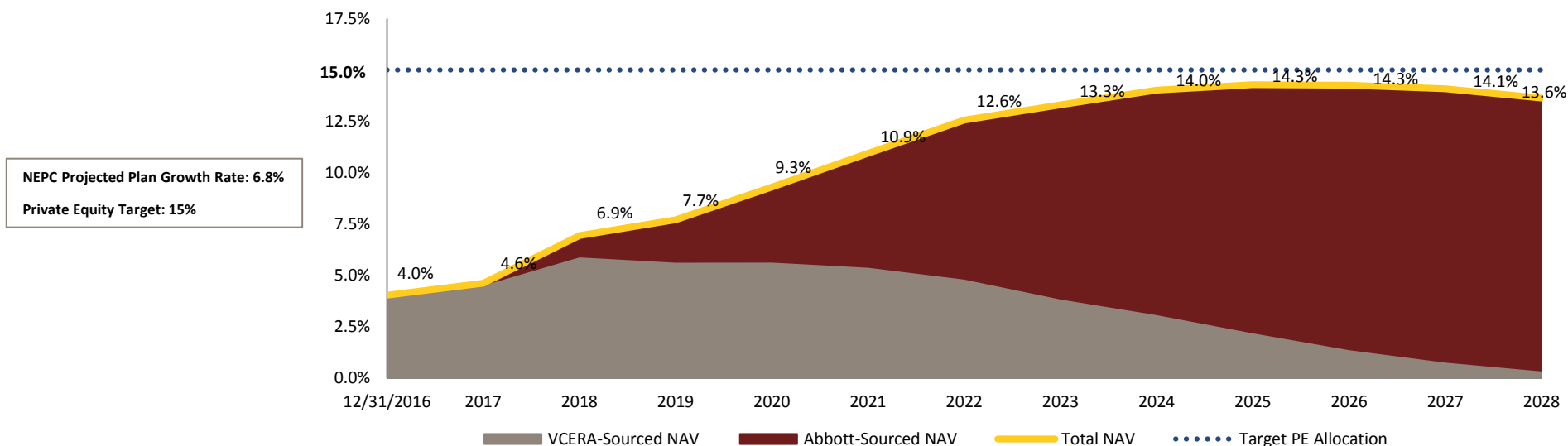
2020 YTD Commitments

Closed Abbott-Sourced Commitments		
Fund	Strategy	VCERA Commitment
Battery Ventures XIII	Venture Capital & Growth Equity	\$9.2
Battery Ventures XIII Side Fund	Venture Capital & Growth Equity	\$6.2
Clearlake Capital Partners VI	North America Buyouts & Special Situations	\$18.7
CRV XVIII	Venture Capital & Growth Equity	\$15.0
CVC VIII ¹	International Buyouts & Special Situations	\$20.6
GGV VIII ²	Venture Capital & Growth Equity	\$9.2
GGV VIII Plus ²	Venture Capital & Growth Equity	\$2.3
GGV Discovery III ²	Venture Capital & Growth Equity	\$3.8
GTCR XIII ²	North America Buyouts & Special Situations	\$30.0
Vitruvian IV ¹	International Buyouts & Special Situations	\$20.0
Buenaventure One Commitments ³	Various	\$49.3
Total Closed Abbott-Sourced Commitments		\$184.3
Closed VCERA-Sourced Commitments		
Fund	Strategy	VCERA Commitment
Pantheon Global Secondary Fund VI	Secondary & Co-Invest	\$25.0
Abbott Secondary Opportunities II	Secondary & Co-Invest	\$25.0
Total Closed VCERA-Sourced Commitments		\$50.0
Total YTD 2020 Commitments		\$234.3
Potential Investments – Active Due Diligence In Progress		\$30.0
Potential Fund X	North America Buyouts & Special Situations	\$30.0
Reserves for other commitments or to be rolled over into 2021⁴		~\$60.0
Estimated Grand Total 2020 Commitments		~\$325.0

As of October 15, 2020. Amounts shown are in USD millions. ¹Total commitment converted to USD using FX as of respective closing dates. ²Committed, but not yet closed. ³The VCERA commitment amount for Buenaventure One consists of five commitments and includes amounts committed, but not yet closed. ⁴Subject to board approval. Figures may not sum due to rounding.

Pacing Plan Update

- VCERA’s target exposure to PE has increased from 13% to 15% of the total Plan
- Net Asset Value in the PE portfolio is tracking in line with modeled projections
- Currently anticipate annual 2021 commitment target of \$275 million plus up to ~\$60 million rolled over from 2020
- Annual targeted commitment expected to level off in 2022 and 2023 as VCERA approaches PE target
- Pacing to be re-evaluated in late-Q4 2020/ early-Q1 2021 given the Plan may continue to experience interim volatility and the “denominator effect” due to CoVid-related influences



Pacing Analysis/Projected Cash flows (millions)

Year	12/2016	12/2017	12/2018	12/2019	12/2020	12/2021	12/2022	12/2023	12/2024	12/2025	12/2026	12/2027	12/2028
Annual Commitments:		\$90.0	\$209.1	\$227.3	\$325.0	\$275.0	\$200.0	\$200.0	\$250.0	\$250.0	\$200.0	\$200.0	\$200.0
PE NAV as % of Plan Assets:	4.0%	4.6%	6.9%	7.7%	9.3%	10.9%	12.6%	13.3%	14.0%	14.3%	14.3%	14.1%	13.6%

As of December 31, 2019. For illustrative purposes only. Actual exposure may differ from amounts shown above due to market conditions, investment opportunities, and other factors, and such differences may be material.

Investment Plan and 2021 Pipeline

Looking Ahead

- Review pacing model to reflect then-current conditions, state of the private equity portfolio, and the overall VCERA Plan
- 2021 Pipeline – \$275+ million of quality investment opportunities including several managers to which Abbott has previously committed
 - Abbott Secondary Opportunities II, held its initial close in January 2020; first investment in Q2 2020; final close TBD
 - Potential co-investment opportunities

2021 Pipeline

Venture Capital & Growth Equity	
Sub-Strategy	# of Funds
Early Stage VC	12
Growth Equity	8
Multi-Stage VC	3
Total	23

North American Buyouts & Special Situations	
Sub-Strategy	# of Funds
Lower Middle-Market	9
Middle-Market	9
Upper Middle-Market	0
Total	18

International Buyouts & Special Situations	
Sub-Strategy	# of Funds
Lower Middle-Market	1
Middle-Market	5
Upper Middle-Market	1
Total	7

Potential 2020/2021 Investments – Active Due Diligence In Progress

Fund	Strategy
Potential Fund VII	Venture Capital & Growth Equity
Potential Fund VII	North American Buyouts & Special Situations
Potential Fund IX	North American Buyouts & Special Situations

Lower Middle-Market typically includes funds that are below \$2 billion in size. Middle-Market typically includes funds that are greater than \$2 billion in size, but lower than \$7 billion in size. Upper Middle-Market typically includes funds that are greater than \$7 billion in size. 2021 Pipeline represents investment opportunities only and an investment decision with respect thereto may not be final. Every investment decision is subject to appropriate due diligence and allocation availability.

VCERA Portfolio Performance as of 12/31/2019

Primary Investments

Venture Capital and Growth Equity	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation ¹	Total Value ¹	TVPI	IRR
Battery Ventures XII	02/01/2018	2018	\$9,050,000	\$3,051,660	\$5,998,340	-	\$6,811,629	\$6,811,629	1.14	15.87%
Battery Ventures XII Side Fund	02/01/2018	2018	\$5,050,000	\$1,201,395	\$3,848,605	-	\$4,529,144	\$4,529,144	1.18	21.13%
Drive Capital Fund II	08/19/2016	2016	\$15,000,000	\$3,320,626	\$11,682,584	-	\$18,067,393	\$18,067,393	1.55	33.51%
Drive Capital Fund III	04/05/2019	2019	\$7,500,000	\$7,463,075	\$36,925	-	(\$1,029)	(\$1,029)	-0.03	NM
Drive Capital Overdrive Fund I	04/05/2019	2019	\$7,500,000	\$4,704,233	\$2,795,767	-	\$2,665,376	\$2,665,376	0.95	NM
GGV Capital VII	08/15/2018	2019	\$10,160,000	\$6,705,600	\$3,454,400	-	\$3,341,804	\$3,341,804	0.97	NM
GGV Capital VII Plus	08/15/2018	2019	\$2,540,000	\$1,714,500	\$825,500	-	\$826,455	\$826,455	1.00	NM
GGV Discovery II	08/15/2018	2019	\$2,100,000	\$1,596,000	\$504,000	-	\$495,512	\$495,512	0.98	NM
Oak HC/FT Partners III	07/31/2019	2019	\$15,000,000	\$14,046,957	\$953,043	-	\$776,109	\$776,109	0.81	NM
Total Venture Capital and Growth Equity			\$73,900,000	\$43,804,046	\$30,099,164	-	\$37,512,393	\$37,512,393	1.25	24.99%

Buyouts and Special Situations	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
ABRY Partners IX	12/06/2018	2019	\$10,600,000	\$8,226,278	\$2,373,722	-	\$2,269,685	\$2,269,685	0.96	NM
Advent International GPE IX	05/23/2019	2019	\$10,000,000	\$8,850,000	\$1,150,000	-	\$1,041,566	\$1,041,566	0.91	NM
Astorg VII	12/17/2018	2019	\$8,625,609	\$7,717,515	\$908,094	-	\$728,891	\$728,891	0.80	NM
CapVest Equity Partners IV	07/11/2018	2019	\$12,346,457	\$12,346,457	-	-	(\$228,147)	(\$228,147)	-	NM
Clearlake Capital Partners V	12/22/2017	2018	\$9,950,000	\$3,326,845	\$7,283,333	\$1,363,988	\$9,779,101	\$11,143,089	1.53	54.18%
ECI 11	07/05/2018	2018	\$9,739,754	\$6,885,900	\$2,853,854	-	\$2,830,351	\$2,830,351	0.99	-1.15%
Flexpoint Fund IV-A	07/02/2019	2019	\$10,650,000	\$10,650,000	-	-	-	-	-	N/A
Flexpoint Overage Fund IV-A	07/02/2019	2019	\$3,550,000	\$3,550,000	-	-	-	-	-	N/A
Genstar Capital Partners IX	02/21/2019	2019	\$7,500,000	\$5,761,755	\$1,738,245	-	\$1,784,383	\$1,784,383	1.03	NM
Genstar Capital Partners IX Opportunities Program	02/21/2019	2019	\$2,500,000	\$1,752,648	\$747,352	-	\$771,621	\$771,621	1.03	NM
Great Hill Equity Partners VII	06/28/2019	2020	\$8,900,000	\$8,900,000	-	-	(\$24,715)	(\$24,715)	-	NM
Green Equity Investors VIII	10/18/2019	2019	\$15,000,000	\$15,000,000	-	-	-	-	-	N/A
GTCR Fund XII	09/29/2017	2017	\$30,000,000	\$20,697,000	\$9,303,000	\$540,067	\$9,828,711	\$10,368,778	1.11	12.20%
Hellman & Friedman Capital Partners IX	09/28/2018	2019	\$19,800,000	\$19,800,000	-	-	(\$182,204)	(\$182,204)	-	NM
Insight Venture Partners X	10/13/2017	2018	\$25,000,000	\$4,375,000	\$20,625,000	\$8,561	\$25,686,577	\$25,695,138	1.25	25.19%
M/C Partners VIII	04/02/2018	2019	\$10,000,000	\$9,044,016	\$955,984	-	\$478,315	\$478,315	0.50	NM
Riverside Micro-Cap Fund V	08/21/2018	2019	\$10,000,000	\$7,979,338	\$2,020,662	-	\$1,932,310	\$1,932,310	0.96	NM
TA XIII	05/02/2019	2019	\$10,000,000	\$8,500,000	\$1,500,000	-	\$1,420,892	\$1,420,892	0.95	NM
The Resolute Fund IV	05/02/2018	2018	\$20,000,000	\$12,874,227	\$8,242,991	\$1,974,204	\$9,610,313	\$11,584,517	1.41	109.48%
Total Buyouts and Special Situations			\$234,161,819	\$176,236,978	\$59,702,237	\$3,886,820	\$67,727,651	\$71,614,471	1.20	27.18%

N/A=Not applicable. NM=Not meaningful due to the age of the fund. ¹Negative valuation is a result of accrued expenses and the use of a credit line early in the life of the fund. Past performance is not a guide to future results and is not indicative of expected realized returns. See attached Important Information page and Abbott's Form ADV Part 2a for disclosures on risk and impact of fees on performance.

VCERA Portfolio Performance as of 12/31/2019, continued

Fund of Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Adams Street 2013 Global Fund	06/27/2013	2013	\$75,000,000	\$13,650,000	\$61,350,000	\$15,450,212	\$79,464,799	\$94,915,011	1.55	12.59%
Adams Street 2016 Global Fund	08/16/2016	2016	\$60,000,000	\$27,120,000	\$32,880,000	\$3,621,043	\$38,423,156	\$42,044,199	1.28	18.36%
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	05/21/2010	2010	\$25,500,000	\$3,174,751	\$22,325,249	\$19,845,682	\$17,046,092	\$36,891,774	1.65	12.58%
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	05/21/2010	2010	\$8,500,000	\$867,000	\$7,633,000	\$2,514,266	\$10,633,328	\$13,147,594	1.72	11.39%
Adams Street Partnership Fund - 2010 U.S. Fund	05/21/2010	2010	\$42,500,000	\$5,057,500	\$37,442,500	\$33,006,870	\$36,489,196	\$69,496,066	1.86	14.63%
Buenaventure One, LLC	01/05/2018	2018	\$102,316,500	\$71,585,910	\$30,730,590	\$403,156	\$32,651,260	\$33,054,416	1.08	8.40%
Total Fund of Funds			\$313,816,500	\$121,455,161	\$192,361,339	\$74,841,229	\$214,707,831	\$289,549,060	1.51	13.38%
Total Primary Investments			\$621,878,319	\$341,496,185	\$282,162,740	\$78,728,049	\$319,947,875	\$398,675,924	1.41	14.27%

Secondary Interests / Co-Investments

Secondary Funds of Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Abbott Secondary Opportunities, L.P.	12/21/2017	2016	\$25,000,000	\$6,254,210	\$19,108,507	\$4,625,000	\$19,396,097	\$24,021,097	1.26	23.65%
HarbourVest - Dover Street IX	07/08/2016	2016	\$60,000,000	\$16,800,000	\$43,200,000	\$15,641,322	\$46,467,956	\$62,109,278	1.44	34.50%
HarbourVest - Dover Street VIII	05/30/2013	2012	\$67,500,000	\$6,075,000	\$61,509,954	\$73,012,162	\$26,202,075	\$99,214,237	1.61	21.14%
HarbourVest - Dover Street X	05/31/2019	2019	\$40,000,000	\$40,000,000	-	-	\$564,413	\$564,413		N/A
Pantheon Global Secondary Fund IV	06/24/2010	2010	\$15,000,000	\$5,040,000	\$9,960,000	\$13,140,543	\$2,651,952	\$15,792,495	1.59	13.49%
Pantheon Global Secondary Fund V	02/06/2015	2015	\$50,000,000	\$14,883,491	\$35,116,509	\$11,637,534	\$36,366,222	\$48,003,756	1.37	14.23%
Total Secondary Funds of Funds			\$257,500,000	\$89,052,701	\$168,894,970	\$118,056,561	\$131,648,715	\$249,705,276	1.48	20.01%

Co-Investment Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Adams Street 2010 Direct Fund	05/21/2010	2010	\$8,500,000	\$433,500	\$8,066,500	\$9,748,384	\$4,927,964	\$14,676,348	1.82	12.90%
Adams Street Co-Investment Fund IV A	09/24/2018	2018	\$30,000,000	\$23,100,000	\$6,967,808	-	\$7,714,666	\$7,714,666	1.11	10.52%
HarbourVest Partners Co-Investment IV	05/31/2017	2016	\$30,000,000	\$5,732,352	\$24,464,388	\$4,951,347	\$28,491,451	\$33,442,798	1.37	17.16%
HarbourVest Partners Co-Investment V	07/31/2018	2019	\$35,000,000	\$29,750,000	\$5,250,000	-	\$5,262,284	\$5,262,284	1.00	NM
Total Co-Investment Funds			\$103,500,000	\$59,015,852	\$44,748,696	\$14,699,731	\$46,396,365	\$61,096,096	1.37	14.19%

Total Secondary Interests / Co-Investments **\$361,000,000** **\$148,068,553** **\$213,643,666** **\$132,756,292** **\$178,045,080** **\$310,801,372** **1.45** **18.68%**

Total Active Portfolio Funds **\$982,878,319** **\$489,564,738** **\$495,806,406** **\$211,484,341** **\$497,992,955** **\$709,477,296** **1.43** **15.99%¹**

Net IRR **15.95%²**

N/A=Not applicable. NM=Not meaningful due to the age of the fund. ¹IRR is net of management fees paid to underlying and/or fund of fund managers, but gross of fees paid directly to Abbott. ²IRR is net of management fees paid to Abbott. Past performance is not a guide to future results and is not indicative of expected realized returns. See attached Important Information page and Abbott's Form ADV Part 2a for disclosures on risk and impact of fees on performance.

VCERA Portfolio Performance as of 6/30/2020

Primary Investments

Venture Capital and Growth Equity	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Battery Ventures XII	02/01/2018	2018	\$9,050,000	\$2,047,110	\$7,002,890	-	\$7,826,191	\$7,826,191	1.12	9.59%
Battery Ventures XII Side Fund	02/01/2018	2018	\$5,050,000	\$969,095	\$4,080,905	-	\$5,010,263	\$5,010,263	1.23	17.19%
Battery Ventures XIII	02/11/2020	2020	\$9,240,000	\$8,870,400	\$369,600	-	\$285,636	\$285,636	0.77	NM
Battery Ventures XIII Side Fund	02/11/2020	2020	\$6,160,000	\$6,098,400	\$61,600	-	\$50,987	\$50,987	0.83	NM
Drive Capital Fund II	08/19/2016	2016	\$15,000,000	\$1,574,317	\$13,428,893	-	\$19,552,755	\$19,552,755	1.46	23.25%
Drive Capital Fund III	04/05/2019	2019	\$7,500,000	\$6,959,318	\$540,682	-	\$423,445	\$423,445	0.78	NM
Drive Capital Overdrive Fund I	04/05/2019	2019	\$7,500,000	\$3,422,512	\$4,077,488	-	\$3,939,187	\$3,939,187	0.97	NM
GGV Capital VII	08/15/2018	2019	\$10,160,000	\$5,689,600	\$4,470,400	-	\$4,455,360	\$4,455,360	1.00	-0.46%
GGV Capital VII Plus	08/15/2018	2019	\$2,540,000	\$1,168,400	\$1,371,600	-	\$1,435,002	\$1,435,002	1.05	8.32%
GGV Discovery II	08/15/2018	2019	\$2,100,000	\$1,260,000	\$840,000	-	\$905,191	\$905,191	1.08	10.63%
Oak HC/FT Partners III	07/31/2019	2019	\$15,000,000	\$11,405,670	\$3,594,330	-	\$3,268,261	\$3,268,261	0.91	NM
Total Venture Capital and Growth Equity			\$89,300,000	\$49,464,822	\$39,838,388	-	\$47,152,278	\$47,152,278	1.18	15.27%

Buyouts and Special Situations	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
ABRY Partners IX	12/06/2018	2019	\$10,600,000	\$6,303,097	\$4,296,903	-	\$3,547,308	\$3,547,308	0.83	-29.27%
Advent International GPE IX	05/23/2019	2019	\$10,000,000	\$7,550,000	\$2,450,000	-	\$2,851,580	\$2,851,580	1.16	NM
Astorg VII	12/17/2018	2019	\$8,658,919	\$7,664,404	\$994,514	-	\$805,593	\$805,593	0.81	-26.19%
CapVest Equity Partners IV	07/11/2018	2019	\$12,400,038	\$12,400,038	-	-	(\$229,137)	(\$229,137)	-	NM
Clearlake Capital Partners V	12/22/2017	2018	\$9,950,000	\$2,180,279	\$9,163,056	\$2,797,682	\$11,054,583	\$13,852,265	1.51	42.72%
Clearlake Capital Partners VI	01/02/2020	2020	\$18,700,000	\$16,875,924	\$1,824,076	\$660	\$1,823,416	\$1,824,076	1.00	NM
CVC Capital Partners VIII	05/22/2020	2020	\$20,694,848	\$20,694,848	-	-	-	-	-	N/A
ECI 11	07/05/2018	2018	\$9,323,061	\$6,469,208	\$2,853,854	-	\$2,623,440	\$2,623,440	0.92	-6.73%
Flexpoint Fund IV-A	07/02/2019	2019	\$10,650,000	\$10,176,441	\$473,559	-	\$350,363	\$350,363	0.74	NM
Flexpoint Overage Fund IV-A	07/02/2019	2019	\$3,550,000	\$3,550,000	-	-	(\$4,471)	(\$4,471)	-	NM
Genstar Capital Partners IX	02/21/2019	2019	\$7,500,000	\$5,801,118	\$1,845,906	\$147,024	\$1,884,788	\$2,031,812	1.10	NM
Genstar Capital Partners IX Opportunities Program	02/21/2019	2019	\$2,500,000	\$1,748,485	\$751,515	-	\$813,756	\$813,756	1.08	NM
Great Hill Equity Partners VII	06/28/2019	2020	\$8,900,000	\$8,900,000	-	-	\$790,109	\$790,109	-	N/A
Green Equity Investors VIII	10/18/2019	2019	\$15,000,000	\$15,000,000	-	-	-	-	-	N/A
GTCR Fund XII	09/29/2017	2017	\$30,000,000	\$16,185,000	\$13,815,000	\$586,016	\$15,874,622	\$16,460,638	1.19	16.97%
Hellman & Friedman Capital Partners IX	09/28/2018	2019	\$19,800,000	\$15,398,567	\$4,401,433	-	\$4,178,369	\$4,178,369	0.95	-20.23%
Insight Venture Partners X	10/13/2017	2018	\$25,000,000	\$1,550,000	\$23,450,000	\$8,561	\$30,583,384	\$30,591,945	1.30	21.91%
M/C Partners VIII	04/02/2018	2019	\$10,000,000	\$6,919,747	\$3,080,253	-	\$2,705,598	\$2,705,598	0.88	-30.77%
Riverside Micro-Cap Fund V	08/21/2018	2019	\$10,000,000	\$7,502,324	\$2,497,676	-	\$2,133,923	\$2,133,923	0.85	-17.51%
TA XIII	05/02/2019	2019	\$10,000,000	\$8,500,000	\$1,500,000	-	\$1,477,917	\$1,477,917	0.99	NM
The Resolute Fund IV	05/02/2018	2018	\$20,000,000	\$9,430,721	\$11,898,922	\$2,186,629	\$14,500,261	\$16,686,890	1.40	62.98%
Vitruvian Investment Partnership IV	06/03/2020	2020	\$20,694,848	\$20,694,848	-	-	-	-	-	N/A
Total Buyouts and Special Situations			\$293,921,714	\$211,495,050	\$85,296,667	\$5,726,572	\$97,765,402	\$103,491,974	1.21	22.53%

N/A = Not applicable. NM = Not meaningful due to the age of the fund. ¹Negative valuation is a result of accrued expenses and the use of a credit line early in the life of the fund. Past performance is not a guide to future results and is not indicative of expected realized returns. See attached Important Information page and Abbott's Form ADV Part 2a for disclosures on risk and impact of fees on performance.

VCERA Portfolio Performance as of 6/30/2020, continued

Primary Investments

Fund of Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Adams Street 2013 Global Fund	06/27/2013	2013	\$75,000,000	\$13,650,000	\$61,350,000	\$18,266,197	\$78,283,474	\$96,549,671	1.57	11.76%
Adams Street 2016 Global Fund	08/16/2016	2016	\$60,000,000	\$22,620,000	\$37,380,000	\$3,621,043	\$42,674,426	\$46,295,469	1.24	13.30%
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	05/21/2010	2010	\$25,500,000	\$3,174,751	\$22,325,249	\$21,963,688	\$15,135,062	\$37,098,750	1.66	12.16%
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	05/21/2010	2010	\$8,500,000	\$867,000	\$7,633,000	\$3,174,328	\$9,988,708	\$13,163,036	1.72	10.62%
Adams Street Partnership Fund - 2010 U.S. Fund	05/21/2010	2010	\$42,500,000	\$5,057,500	\$37,442,500	\$38,957,294	\$31,604,541	\$70,561,835	1.88	14.28%
Buenaventure One, LLC	01/05/2018	2018	\$140,134,500	\$99,503,910	\$40,630,590	\$403,156	\$43,285,636	\$43,688,792	1.08	6.65%
Total Fund of Funds			\$351,634,500	\$144,873,161	\$206,761,339	\$86,385,706	\$220,971,847	\$307,357,553	1.49	12.43%
Total Primary Investments			\$734,856,214	\$405,833,033	\$331,896,394	\$92,112,278	\$365,889,527	\$458,001,805	1.38	13.22%

Secondary Interests / Co-Investments

Secondary Funds of Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Abbott Secondary Opportunities II, L.P.	01/31/2020	2020	\$25,000,000	\$25,000,000	-	-	-	-		N/A
Abbott Secondary Opportunities, L.P.	12/21/2017	2016	\$25,000,000	\$3,253,127	\$22,109,590	\$8,125,000	\$21,471,039	\$29,596,039	1.34	25.20%
HarbourVest - Dover Street IX	07/08/2016	2016	\$60,000,000	\$13,800,000	\$46,200,000	\$18,530,164	\$46,066,415	\$64,596,579	1.40	25.78%
HarbourVest - Dover Street VIII	05/30/2013	2012	\$67,500,000	\$6,075,000	\$61,509,954	\$74,139,836	\$24,017,306	\$98,157,142	1.60	20.04%
HarbourVest - Dover Street X	05/31/2019	2019	\$40,000,000	\$36,000,000	\$4,000,000	-	\$5,794,949	\$5,794,949	1.45	NM
Pantheon Global Secondary Fund IV	06/24/2010	2010	\$15,000,000	\$5,040,000	\$9,960,000	\$13,410,543	\$2,147,882	\$15,558,425	1.56	12.99%
Pantheon Global Secondary Fund V	02/06/2015	2015	\$50,000,000	\$14,633,491	\$35,366,509	\$14,059,911	\$32,512,747	\$46,572,658	1.32	10.94%
Pantheon Global Secondary Fund VI	02/24/2020	2020	\$25,000,000	\$25,000,000	-	\$12,543	\$6,446,560	\$6,459,103		N/A
Total Secondary Funds of Funds			\$307,500,000	\$128,801,618	\$179,146,053	\$128,277,997	\$138,456,898	\$266,734,895	1.49	19.22%

Co-Investment Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Adams Street 2010 Direct Fund	05/21/2010	2010	\$8,500,000	\$331,500	\$8,168,500	\$10,138,211	\$4,249,289	\$14,387,500	1.76	12.11%
Adams Street Co-Investment Fund IV A	09/24/2018	2018	\$30,000,000	\$20,250,000	\$9,844,931	-	\$10,922,837	\$10,922,837	1.11	9.09%
HarbourVest Partners Co-Investment IV	05/31/2017	2016	\$30,000,000	\$5,732,352	\$24,464,388	\$4,951,347	\$27,438,976	\$32,390,323	1.32	12.51%
HarbourVest Partners Co-Investment V	07/31/2018	2019	\$35,000,000	\$22,750,000	\$12,250,000	-	\$14,268,776	\$14,268,776	1.16	32.08%
Total Co-Investment Funds			\$103,500,000	\$49,063,852	\$54,727,819	\$15,089,558	\$56,879,878	\$71,969,436	1.32	12.76%

Total Secondary Interests / Co-Investments			\$411,000,000	\$177,865,470	\$233,873,872	\$143,367,555	\$195,336,776	\$338,704,331	1.45	17.73%
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Total Active Portfolio Funds			\$1,145,856,214	\$583,698,502	\$565,770,265	\$235,479,833	\$561,226,303	\$796,706,136	1.41	14.96%¹
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Net IRR										14.92%²
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N/A = Not applicable. NM = Not meaningful due to the age of the fund. ¹IRR is net of management fees paid to underlying and/or fund of fund managers, but gross of fees paid directly to Abbott. ²IRR is net of management fees paid to Abbott. Past performance is not a guide to future results and is not indicative of expected realized returns. See attached Important Information page and Abbott's Form ADV Part 2a for disclosures on risk and impact of fees on performance.

VCERA Portfolio Net Performance as of 6/30/2020

VCERA Portfolio – Net Performance						
Period	1 year	2 years	3 years	5 years	7 years	Since inception
VCERA Portfolio ¹	11.70%	13.17%	14.90%	13.98%	14.84%	14.96%
Russell 3000 (PME+) +300bps	9.98%	11.09%	12.73%	13.03%	13.60%	13.97%
Difference	1.72%	2.08%	2.17%	0.95%	1.24%	0.99%

¹IRR is net of management fees paid to underlying and/or fund of fund managers, but gross of fees paid directly to Abbott. Past performance is not a guide to future results and is not indicative of expected realized returns. See attached Important Information page and Abbott's Form ADV Part 2a for disclosures on risk and impact of fees on performance.

California Disclosure Reporting

California Code, Government Code - GOV § 7514.7

Private Equity Investments as of December 31, 2019				
Name of Fund	Address of Fund Manager	Closing Date	Commitment	Vintage Year
Abbott Secondary Opportunities, L.P.	1290 Avenue of the Americas, 9th Floor, New York, NY 10104	12/21/17	\$25,000,000	2016
ABRY Partners IX	888 Boylston St, Suite 1600, Boston, MA 02199	12/6/18	\$10,600,000	2019
Adams Street 2010 Direct Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	\$8,500,000	2010
Adams Street 2013 Global Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	6/27/13	\$75,000,000	2013
Adams Street 2016 Global Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	8/16/16	\$60,000,000	2016
Adams Street Co-Investment Fund IV A	One North Wacker Drive, Suite 2200, Chicago, IL 60606	9/24/18	\$30,000,000	2018
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	\$25,500,000	2010
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	\$8,500,000	2010
Adams Street Partnership Fund - 2010 U.S. Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	\$42,500,000	2010
Advent International GPE IX	800 Boylston Street, Boston, MA, 02199	5/23/19	\$10,000,000	2019
Astorg VII	68 rue du Faubourg Saint-Honoré, Paris 75008	12/17/18	\$8,625,609	2019
Battery Ventures XII	One Marina Park Drive, Suite 1100, Boston, MA 02210	2/1/18	\$9,050,000	2018
Battery Ventures XII Side Fund	One Marina Park Drive, Suite 1100, Boston, MA 02210	2/1/18	\$5,050,000	2018
Buenaventure One, LLC	1290 Avenue of the Americas, 9th Floor, New York, NY 10104	1/5/18	\$102,316,500	2018
CapVest Equity Partners IV	100 Pall Mall, London SW1Y 5NQ	7/11/18	\$12,346,457	2019
Clearlake Capital Partners V	233 Wilshire Blvd, Suite 800, Santa Monica, CA 90401	12/22/17	\$9,950,000	2018
Drive Capital Fund II	629 N. High Street, Columbus, OH 43215	8/19/16	\$15,000,000	2016
Drive Capital Fund III	629 N. High Street, Columbus, OH 43215	4/5/19	\$7,500,000	2019
Drive Capital Overdrive Fund I	629 N. High Street, Columbus, OH 43215	4/5/19	\$7,500,000	2019
ECI 11	Brettenham House, Lancaster Place, London WC2E 7EN	7/5/18	\$9,739,754	2018
Flexpoint Fund IV-A	676 North Michigan Ave, Suite 3300, Chicago, IL 60611	7/2/19	\$10,650,000	2019
Flexpoint Overage Fund IV-A	676 North Michigan Ave, Suite 3300, Chicago, IL 60611	7/2/19	\$3,550,000	2019
Genstar Capital Partners IX	Four Embarcadero Center, Suite 1900, San Francisco, CA 94111	2/21/19	\$7,500,000	2019
Genstar Capital Partners IX Opportunities Program	Four Embarcadero Center, Suite 1900, San Francisco, CA 94111	2/21/19	\$2,500,000	2019
GGV Capital VII	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	\$10,160,000	2019
GGV Capital VII Plus	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	\$2,540,000	2019
GGV Discovery II	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	\$2,100,000	2019
Great Hill Equity Partners VII	200 Clarendon Street, 29th Floor, Boston, MA 02116	6/28/19	\$8,900,000	2020
Green Equity Investors VIII	11111 Santa Monica Boulevard, Suite 2000, Los Angeles, CA 90025	10/18/19	\$15,000,000	2019
GTCR Fund XII	300 North LaSalle Street, Suite 5600, Chicago, IL 60654	9/29/17	\$30,000,000	2017
HarbourVest - Dover Street IX	One Financial Center, Boston, MA 02111	7/8/16	\$60,000,000	2016
HarbourVest - Dover Street VIII	One Financial Center, Boston, MA 02111	5/30/13	\$67,500,000	2012
HarbourVest - Dover Street X	One Financial Center, Boston, MA 02111	5/31/19	\$40,000,000	2019
HarbourVest Partners Co-Investment IV	One Financial Center, Boston, MA 02111	5/31/17	\$30,000,000	2016
HarbourVest Partners Co-Investment V	One Financial Center, Boston, MA 02111	7/31/18	\$35,000,000	2019
Hellman & Friedman Capital Partners IX	415 Mission Street, Suite 5700, San Francisco, CA 94105	9/28/18	\$19,800,000	2019
Insight Venture Partners X	1114 Avenue of the Americas, 36th Floor, New York, NY 10036	10/13/17	\$25,000,000	2018
M/C Partners VIII	75 State Street, Suite 2500, Boston, MA 02109	4/2/18	\$10,000,000	2019

California Disclosure Reporting, continued

California Code, Government Code - GOV § 7514.7

Private Equity Investments as of December 31, 2019				
Name of Fund	Address of Fund Manager	Closing Date	Commitment	Vintage Year
M/C Partners VIII	75 State Street, Suite 2500, Boston, MA 02109	4/2/18	\$10,000,000	2019
Oak HC/FT Partners III	3 Pickwick Plaza, Suite 302, Greenwich, CT 06830	7/31/19	\$15,000,000	2019
Pantheon Global Secondary Fund IV	10 Finsbury Square, 4th Floor, London EC2A1AF	6/24/10	\$15,000,000	2010
Pantheon Global Secondary Fund V	10 Finsbury Square, 4th Floor, London EC2A1AF	2/6/15	\$50,000,000	2015
Riverside Micro-Cap Fund V	630 Fifth Avenue, Suite 400, New York, NY 10111	8/21/18	\$10,000,000	2019
TA XIII	200 Clarendon Street, 56th Floor, Boston, MA 02116	5/2/19	\$10,000,000	2019
The Resolute Fund IV	399 Park Avenue, 30th Floor, New York, NY 10022	5/2/18	\$20,000,000	2018
Abbott Secondary Opportunities, L.P.	1290 Avenue of the Americas, 9th Floor, New York, NY 10104	12/21/17	\$25,000,000	2016
ABRY Partners IX	888 Boylston St, Suite 1600, Boston, MA 02199	12/6/18	\$10,600,000	2019
Total			\$982,878,319	

California Disclosure Reporting, continued

California Code, Government Code - GOV § 7514.7

Name of Fund	Performance and Fee Information ¹											
	As of December 31, 2019 (Since Inception)						For the Year Ended December 31, 2019					
	Contributions	Distributions	Valuation	TVPI	Gross IRR	Net IRR	Distributions	Cash Profit Received ²	Management Fees ³	Carried Interest Paid	Other Expenses	Fees & Expenses Paid by Portfolio Cos. ⁵
Abbott Secondary Opportunities, L.P.	\$19,108,507	\$4,625,000	\$19,396,097	1.26	24.93%	23.65%	\$2,000,000	\$1,033,714	\$233,710	\$24,142	\$199,989	\$0
ABRY Partners IX	\$2,373,722	\$0	\$2,269,685	0.96	13.30%	-13.27%	\$0	\$0	\$177,256	\$0	\$54,682	\$0
Adams Street 2010 Direct Fund	\$8,066,500	\$9,748,384	\$4,927,964	1.82	18.81%	12.90%	\$670,603	\$206,862	\$100,963	\$55,849	\$5,325	\$565
Adams Street 2013 Global Fund	\$61,350,000	\$15,450,212	\$79,464,799	1.55	14.62%	12.59%	\$7,374,420	\$2,187,648	\$596,365	\$0	\$39,127	\$0
Adams Street 2016 Global Fund	\$32,880,000	\$3,621,043	\$38,423,156	1.28	24.43%	18.36%	\$0	\$0	\$578,029	\$0	\$413,407	\$0
Adams Street Co-Investment Fund IV A	\$6,967,808	\$0	\$7,714,666	1.11	22.10%	10.52%	\$0	\$0	\$300,000	\$0	\$199,603	\$0
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	\$22,325,249	\$19,845,682	\$17,046,092	1.65	15.33%	12.58%	\$4,143,338	\$2,009,236	\$157,208	\$82,080	\$5,966	\$0
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	\$7,633,000	\$2,514,266	\$10,633,328	1.72	13.13%	11.39%	\$483,958	\$102,434	\$52,403	\$0	\$3,283	\$0
Adams Street Partnership Fund - 2010 U.S. Fund	\$37,442,500	\$33,006,870	\$36,489,196	1.86	17.17%	14.63%	\$7,137,001	\$3,933,104	\$262,014	\$78,127	\$15,999	\$0
Advent International GPE IX	\$1,150,000	\$0	\$1,041,566	0.91	2.00%	-39.90%	\$0	\$0	\$86,554	\$0	\$28,695	\$0
Astorg VII	\$908,094	\$0	\$728,891	0.80	0.00%	-58.41%	\$0	\$0	\$99,501	\$0	\$46,530	\$0
Battery Ventures XII	\$5,998,340	\$0	\$6,811,629	1.14	25.60%	15.87%	\$0	\$0	\$214,938	\$0	\$48,675	\$0
Battery Ventures XII Side Fund	\$3,848,605	\$0	\$4,529,144	1.18	25.30%	21.13%	\$0	\$0	\$66,118	\$0	\$29,720	\$0
Buenaventure One, LLC	\$30,730,590	\$403,156	\$32,651,260	1.08	8.40%	8.40%	\$0	\$0	\$0	\$0	\$5,892	\$0
CapVest Equity Partners IV	\$0	\$0	(\$228,147) ⁴	N/A	N/A	N/A	\$0	\$0	\$124,479	\$0	\$51,341	\$0
Clearlake Capital Partners V	\$7,283,333	\$1,363,988	\$9,779,101	1.53	66.40%	54.18%	\$1,325,164	\$665,796	\$52,192	\$10,833	\$42,546	\$107
Drive Capital Fund II	\$11,682,584	\$0	\$18,067,393	1.55	NR	33.51%	\$0	\$0	\$300,000	\$0	\$26,591	\$0
Drive Capital Fund III	\$36,925	\$0	(\$1,029) ⁵	(0.03)	NR	-100.00%	\$0	\$0	\$23,425	\$0	\$14,529	\$0
Drive Capital Overdrive Fund I	\$2,795,767	\$0	\$2,665,376	0.95	NR	-12.01%	\$0	\$0	\$110,032	\$0	\$30,359	\$0
ECI 11	\$2,853,854	\$0	\$2,830,351	0.99	6.48%	-1.15%	\$0	\$0	\$156,951	\$0	\$60,281	\$0
Flexpoint Fund IV-A	\$0	\$0	\$0	N/A	N/A	N/A	\$0	\$0	\$0	\$0	\$0	\$0
Flexpoint Overage Fund IV-A	\$0	\$0	\$0	N/A	N/A	N/A	\$0	\$0	\$0	\$0	\$0	\$0
Genstar Capital Partners IX	\$1,738,245	\$0	\$1,784,383	1.03	16.20%	14.67%	\$0	\$0	\$0	\$0	\$52,594	\$0
Genstar Capital Partners IX Opportunities Program	\$747,352	\$0	\$771,621	1.03	18.80%	14.60%	\$0	\$0	\$1,216	\$0	\$445	\$0
GGV Capital VII	\$3,454,400	\$0	\$3,341,804	0.97	14.20%	-7.81%	\$0	\$0	\$238,478	\$0	\$12,547	\$0
GGV Capital VII Plus	\$825,500	\$0	\$826,455	1.00	0.00%	0.30%	\$0	\$0	\$0	\$0	\$767	\$0
GGV Discovery II	\$504,000	\$0	\$495,512	0.98	30.50%	-3.30%	\$0	\$0	\$49,292	\$0	\$3,559	\$0
Great Hill Equity Partners VII	\$0	\$0	(\$24,715) ⁴	N/A	N/A	N/A	\$0	\$0	\$0	\$0	\$24,713	\$0
Green Equity Investors VIII	\$0	\$0	\$0	N/A	N/A	N/A	\$0	\$0	\$0	\$0	\$0	\$0
GTCR Fund XII	\$9,303,000	\$540,067	\$9,828,711	1.11	21.80%	12.20%	\$275,565	\$103,894	\$412,145	\$0	\$321,935	\$39,266

Please see footnotes on page 20. Past performance is not a guide to future results and is not indicative of expected realized returns. See attached Important Information page and Abbott's Form ADV Part 2a for disclosures on risk and impact of fees on performance.

California Disclosure Reporting, continued

California Code, Government Code - GOV § 7514.7

Name of Fund	Performance and Fee Information ¹											
	As of December 31, 2019 (Since Inception)						For the Year Ended December 31, 2019					
	Contributions	Distributions	Valuation	TVPI	Gross IRR	Net IRR	Distributions	Cash Profit Received ²	Management Fees ³	Carried Interest Paid	Other Expenses	Fees & Expenses Paid by Portfolio Cos. ⁵
HarbourVest - Dover Street IX	\$43,200,000	\$15,641,322	\$46,467,956	1.44	41.93%	34.50%	\$8,359,306	\$3,710,910	\$642,464	\$294,223	\$591,765	\$0
HarbourVest - Dover Street VIII	\$61,509,954	\$73,012,162	\$26,202,075	1.61	24.65%	21.14%	\$6,390,154	\$3,478,721	\$837,531	\$268,579	\$230,345	\$0
HarbourVest - Dover Street X	\$0	\$0	\$564,413	N/A	N/A	N/A	\$0	\$0	\$46,864	\$0	\$154,396	\$0
HarbourVest Partners Co-Investment IV	\$24,464,388	\$4,951,347	\$28,491,451	1.37	19.34%	17.16%	\$3,214,694	\$1,277,250	\$253,184	\$0	\$189,975	\$0
HarbourVest Partners Co-Investment V	\$5,250,000	\$0	\$5,262,284	1.00	1.12%	0.58%	\$0	\$0	\$22,983	\$0	\$229,812	\$0
Hellman & Friedman Capital Partners IX	\$0	\$0	(\$182,204) ⁴	N/A	N/A	N/A	\$0	\$0	\$83,501	\$0	\$103,841	\$0
Insight Venture Partners X	\$20,625,000	\$8,561	\$25,686,577	1.25	31.00%	25.19%	\$0	\$0	\$385,768	\$0	\$96,612	\$0
M/C Partners VIII	\$955,984	\$0	\$478,315	0.50	-30.90%	-86.19%	\$0	\$0	\$147,581	\$0	\$67,557	\$0
Oak HC/FT Partners III	\$953,043	\$0	\$776,109	0.81	0.00%	-85.37%	\$0	\$0	\$107,157	\$0	\$69,777	\$0
Pantheon Global Secondary Fund IV	\$9,960,000	\$13,140,543	\$2,651,952	1.59	14.70%	13.49%	\$690,542	\$596,092	\$98,415	\$0	\$4,818	\$0
Pantheon Global Secondary Fund V	\$35,116,509	\$11,637,534	\$36,366,222	1.37	14.70%	14.23%	\$2,037,329	\$510,916	\$500,000	\$0	\$236,569	\$0
Riverside Micro-Cap Fund V	\$2,020,662	\$0	\$1,932,310	0.96	36.00%	-9.10%	\$0	\$0	\$205,302	\$0	\$59,584	\$0
TA XIII	\$1,500,000	\$0	\$1,420,892	0.95	19.10%	-73.24%	\$0	\$0	\$51,113	\$0	\$33,963	\$0
The Resolute Fund IV	\$8,242,991	\$1,974,204	\$9,610,313	1.41	24.20%	109.48% ⁶	\$1,974,204	\$854,576	\$171,205	\$0	\$222,408	\$37,006

NR = Information was not reported. N/A = Not Applicable.

¹With the exception of fund level information for Abbott Secondary Opportunities, L.P. (ASO) and Buenaventure One, LLC (BO), the information included herein is sourced from data provided by the managers of the funds. Such information has not been independently verified and no representation or warranty, express or implied, is given by or on behalf of Abbott as to the accuracy, fairness, correctness or completeness of the information. Certain amounts provided above have been estimated based on fund level information disclosed in the December 31, 2019 audited portfolio fund financial statements. Differences between such estimates and actual amounts may exist and such differences could be material.

²Represents amounts included in distributions received during the year that are classified as gain, dividend, interest or income per the fund's distribution notice.

³Management fees may reflect fee waivers in lieu of general partner capital contributions and offsets related to transaction fees, board fees and other items.

⁴Negative valuation is a result of accrued expenses and the use of a credit line early in the life of the fund.

⁵Negative valuation is a result of accrued expenses.

⁶Due to the use of a credit line, gross IRR is lower than net IRR.

Note: Contributions include closing interest payments made by VCERA, if any.

Past performance is not a guide to future results and is not indicative of expected realized returns. See attached Important Information page and Abbott's Form ADV Part 2a for disclosures on risk and impact of fees on performance.

Appendix

Private Equity Market Overview

Glossary of Terms

Important Information

Private Equity Environment – 1H 2020 Market Review

Private Markets

- Fundraising across all geographies remained relatively strong in the first half of 2020; however several capital raising processes began prior to the pandemic
- Amid the challenging backdrop of COVID-19, private equity-backed transaction activity declined meaningfully during Q2 2020, both in terms of new investments and monetization events
- Executing new investments in this environment is difficult for multiple reasons, such as a lack of clarity regarding current and projected company operating performance (EBITDA versus EBITDAC – with the “C” being the perceived impact of COVID-19) and divergent views of buyer and seller price expectations

Private Equity	Venture Capital and Growth Equity	Secondaries
<ul style="list-style-type: none"> ▪ 1H 2020 U.S. fundraising activity was buoyed by mega-funds (\$5+ billion); 1H 2020 European fundraising fell by 50% from the same period last year ▪ U.S. Investment activity was strong during the first two months of 2020 but declined sharply mid-March. Q2 2020 European deal activity began to decline shortly into the year due to an earlier COVID-19 outbreak ▪ In general, exit activity slowed within the U.S. and European markets as sponsors delayed exits in light of COVID-19 ▪ The already vulnerable U.S. retail sector was severely impacted by COVID-19, as several PE-backed businesses declared bankruptcy 	<ul style="list-style-type: none"> ▪ U.S. fundraising remained robust throughout the first half of 2020 and was up 107% by value year-over-year. Fundraising activity was driven by mega-funds, while first-time fundraising remains depressed ▪ Investment activity in 1H 2020 was down 21% by deal volume and relatively flat by deal value year-over-year, with 5,058 deals closed totaling \$69.1 billion ▪ While overall venture-backed exit activity is down, significant appreciation of many venture-backed public technology stocks has led to an increase in stock distributions by existing venture investors 	<ul style="list-style-type: none"> ▪ During the first half of 2020, deal volume within the secondaries market saw a steep reversal from its long-term growth trend, driven primarily by the economic uncertainty due to the COVID-19 pandemic ▪ Transaction volumes declined substantially and deals that were closed did so at depressed pricing levels relative to recent years ▪ GP-led deals remain an important part of the secondaries market, despite overall COVID-19-related volume declines. GP-led deals continue to represent roughly a third of the overall secondaries market

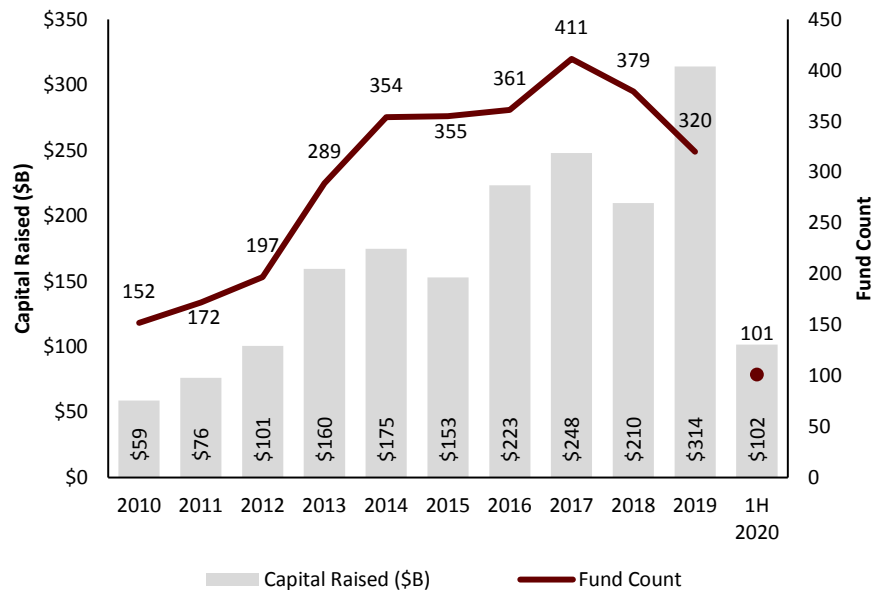
The views expressed are Abbott’s opinion as of Q3 2020 and are subject to change without notice. Data provided is as of June 30, 2020. Sources consulted: PitchBook 2Q 2020 US PE Breakdown; PitchBook 2Q 2019 European PE Breakdown; PitchBook 2Q 2020 European PE Breakdown; 2Q 2020 PitchBook-NVCA Venture Monitor; Greenhill Global Secondary Market Trends & Outlook, July 2020.

Private Equity Fundraising Environment

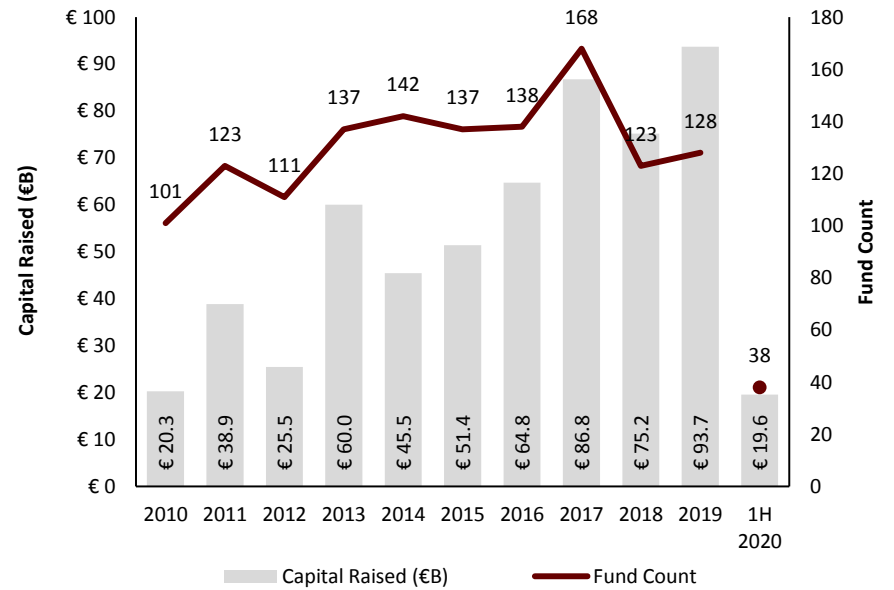
As of 6/30/2020

- U.S. fundraising activity was down year-over-year, but on pace to match full-year 2018 figures, with \$101.6 billion raised by 101 funds. Large and mega funds (defined as fund sizes of \$5 billion or greater) with established brand names and strong historical track records continued to drive fundraising during the period, while special purpose acquisition companies, or SPACs, had their most active quarter on record
- European fundraising activity in 1H 2020 declined meaningful year-over year; as of June 30, 2020, €20 billion was raised across 38 vehicles compared with 49 funds that raised €40 billion during the same 1H period last year

U.S. Private Equity Fundraising Activity
Through June 30, 2020



Europe PE Fundraising Activity
Through June 30, 2020



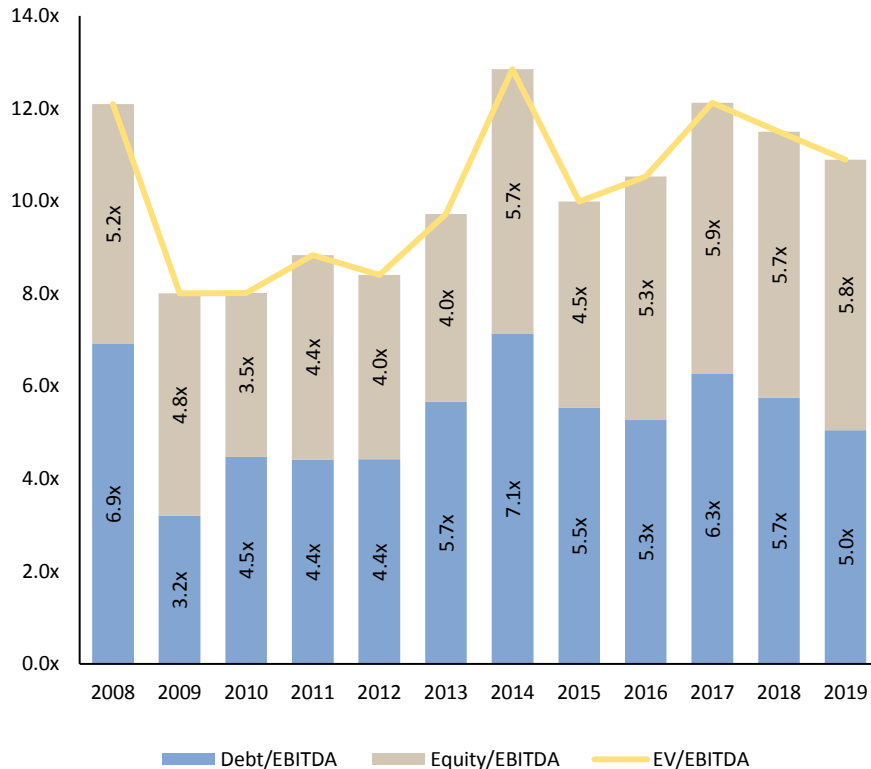
Data Source: PitchBook 2Q 2020 US PE Breakdown; PitchBook 2Q 2019 European PE Breakdown; PitchBook 2Q 2020 European PE Breakdown. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

Private Equity Investment Environment

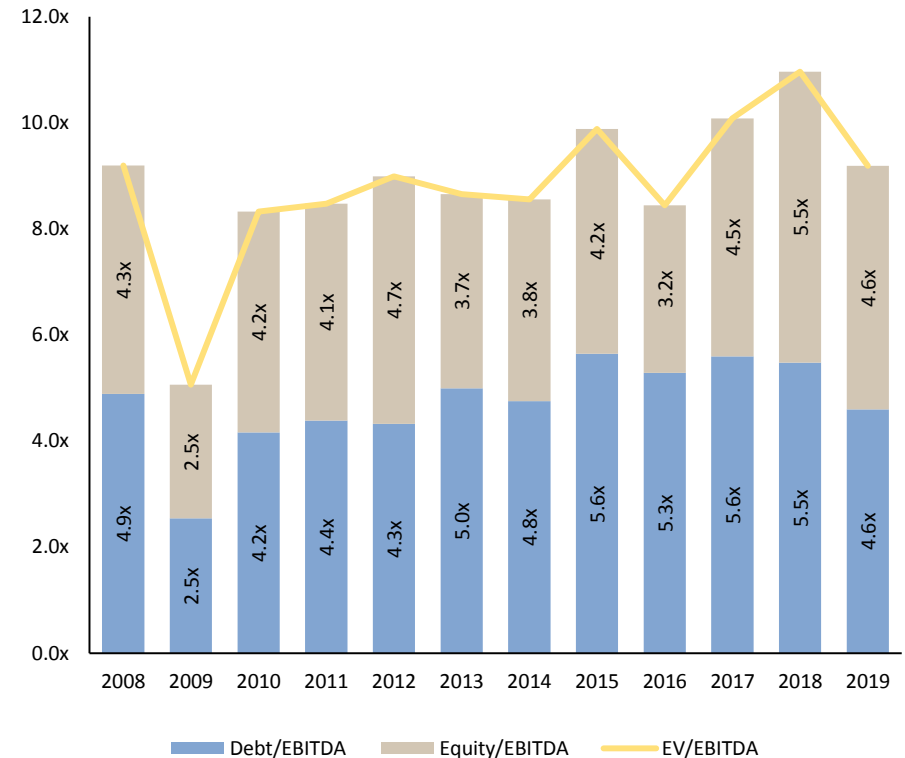
As of 12/31/2019

- The median purchase price multiple in the U.S. remained elevated, but was down slightly year-over-year, at 10.9x EV/EBITDA in 2019 compared with 11.5x in 2018

U.S. Median PE EV/EBITDA Multiples Through December 31, 2019



European Median PE EV/EBITDA Multiples Through December 31, 2019

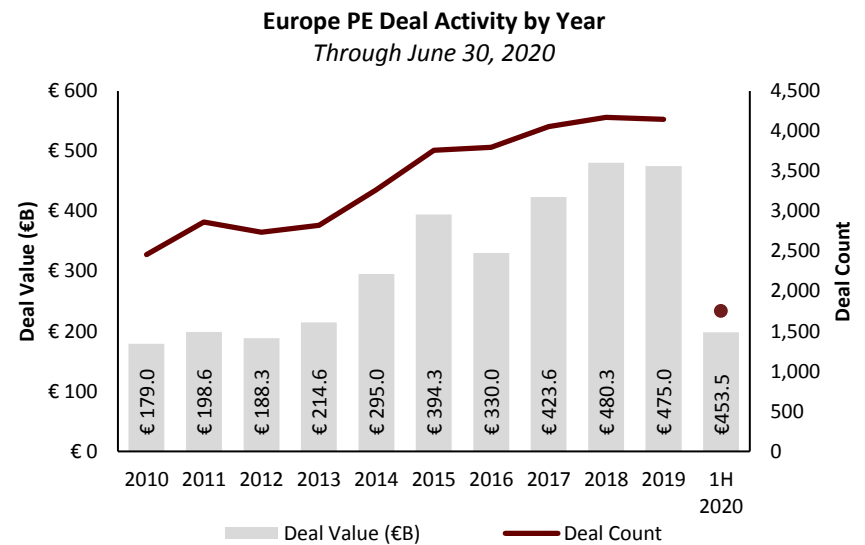
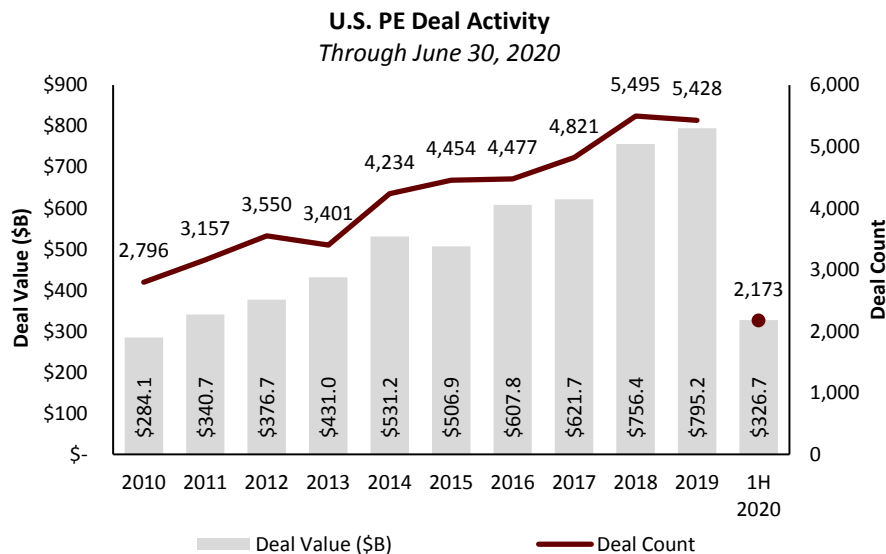


Data Source: PitchBook 2019 Annual US PE Breakdown; PitchBook 2019 Annual European PE Breakdown. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

Private Equity Investment Environment

As of 6/30/2020

- Through the first half of 2020, U.S. private equity dealmakers closed on 2,173 transactions totaling \$326.7 billion, a nearly 20% decline in deal value from the first half of 2019
- U.S. median deal size declined for the first time in five years as private equity funds turned away from larger sponsor-to-sponsor transactions in favor of backing family-owned businesses, which tend to be smaller and perhaps owned by more motivated sellers in times of stress
- New investment activity in Europe slowed considerably in 2Q 2020 after a robust start to the year, as both deal count and value plunged to their lowest quarterly figures since 3Q 2013 and 4Q 2016, respectively
- During the second quarter, 650 European private equity-backed transactions closed with a total deal value of €79.8 billion, year-over-year decreases of 32% and 19%, respectively



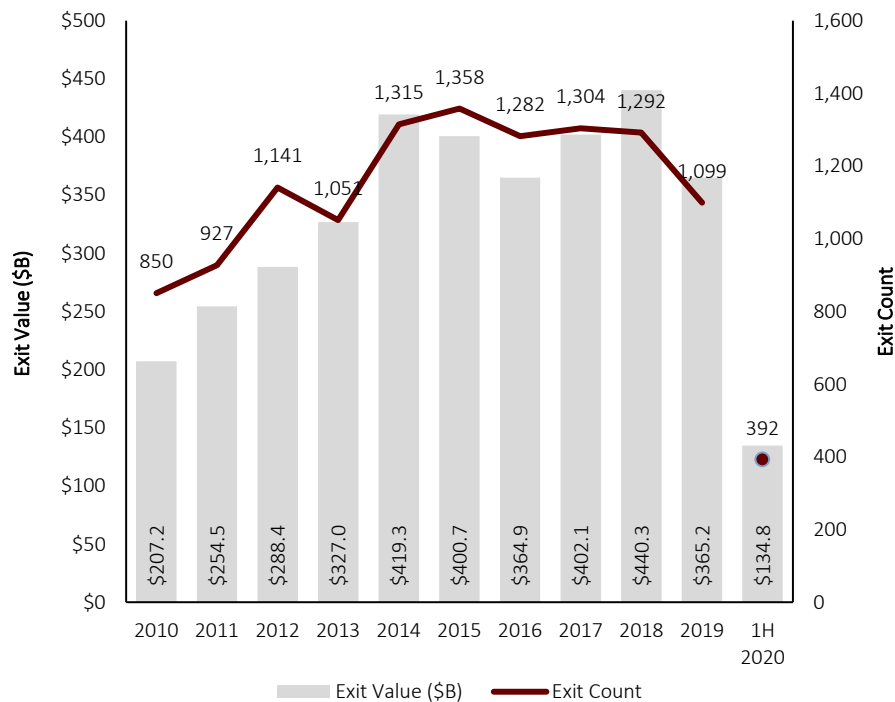
Data Source: PitchBook 2Q 2020 US PE Breakdown; PitchBook 2Q 2020 European PE Breakdown. U.S. PE Deal Activity by Year includes estimated deals totaling \$27.1 billion in value and 167 in number for 2019, and \$80.5 billion in value and 495 in number for 2020. European PE Deal Activity by Year includes estimated deals totaling €25.0 billion in value and 184 in number for 2019, and €61.1 billion in value and 540 in number for 2020. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

Private Equity Exit Environment

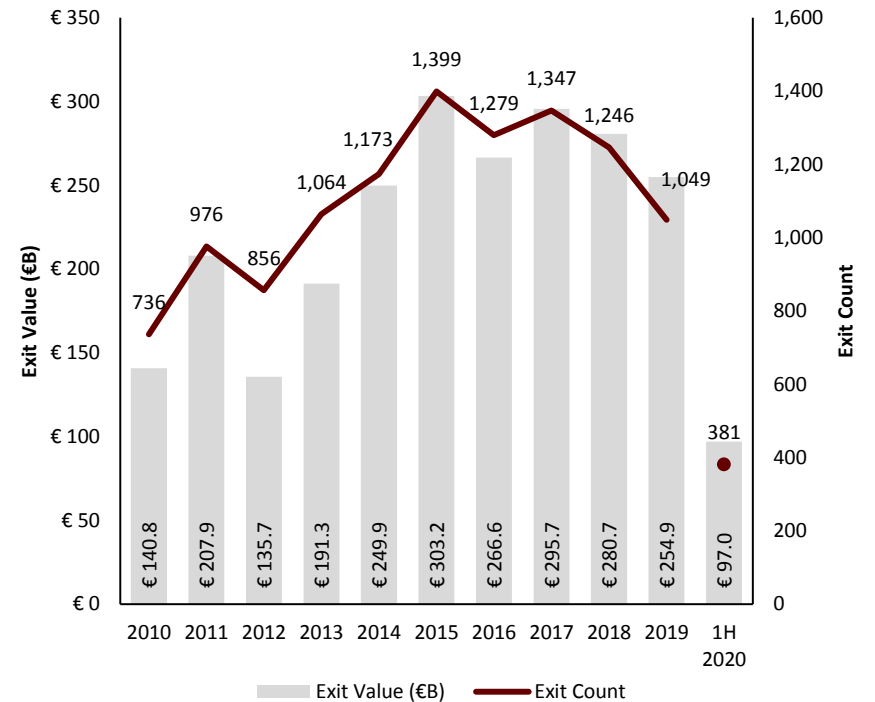
As of 6/30/2020

- In the first half of 2020, U.S. exits totaled \$134.8 billion across 392 transactions. Announced global PE exits were down approximately 70% in May 2020 compared to May 2019 as sponsors delayed exits due to COVID-19
- Private equity exit value in Europe continued its declining trajectory in 1H 2020, putting the year on pace for its lowest annual total in six years. However, 2Q 2020 alone saw approximately €55 billion in exit value, compared with 2Q 2019 exit value totaling €34 billion

U.S. PE Exit Activity
Through June 30, 2020



Europe PE Exit Activity by Year
Through June 30, 2020

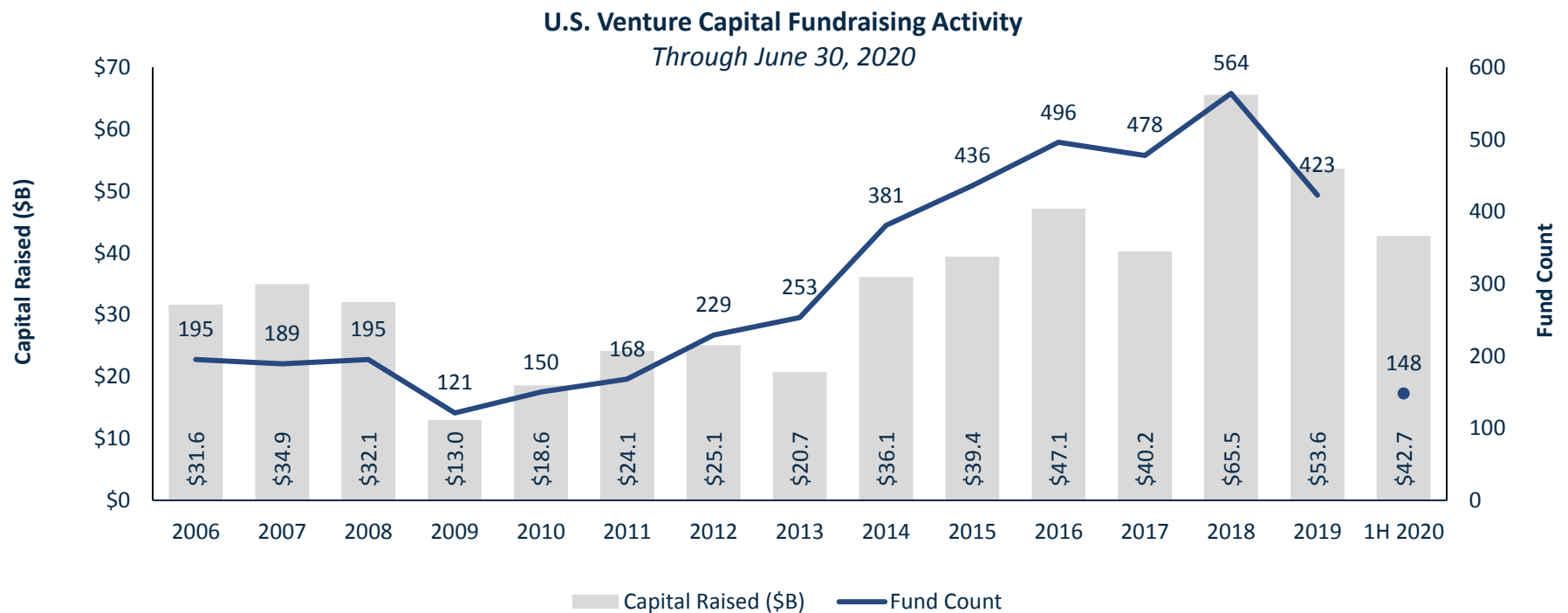


Data Source: PitchBook 2Q 2020 US PE Breakdown; PitchBook 2Q 2020 European PE Breakdown. U.S. PE Exit Activity includes estimated exits totaling \$7.1 billion in exit value and 38 in number for 2019, and \$24.0 billion in exit value and 85 in number for 2020. European PE Exit Activity by Year includes estimated exits totaling 26 in number for 2019, and €23.8 billion in exit value and 96 in number for 2020. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

Venture Capital Fundraising Environment

As of 6/30/2020

- Venture capital fundraising remained robust throughout the first half of 2020 with \$42.7 billion raised across 148 funds, compared with \$20.6 billion raised across 103 funds during the same period last year
- As of June 30, 2020, 24 mega-funds (defined as fund sizes of \$500 million or greater) have closed, which nearly equals the total number raised in 2019. Notably, the top 15 largest funds alone accounted for over half of the capital raised during the first six months of 2020
- Mega-funds drove median fund size to slightly over \$300 million, the highest level in the last decade and well over the median fund size for 2019 of \$146 million



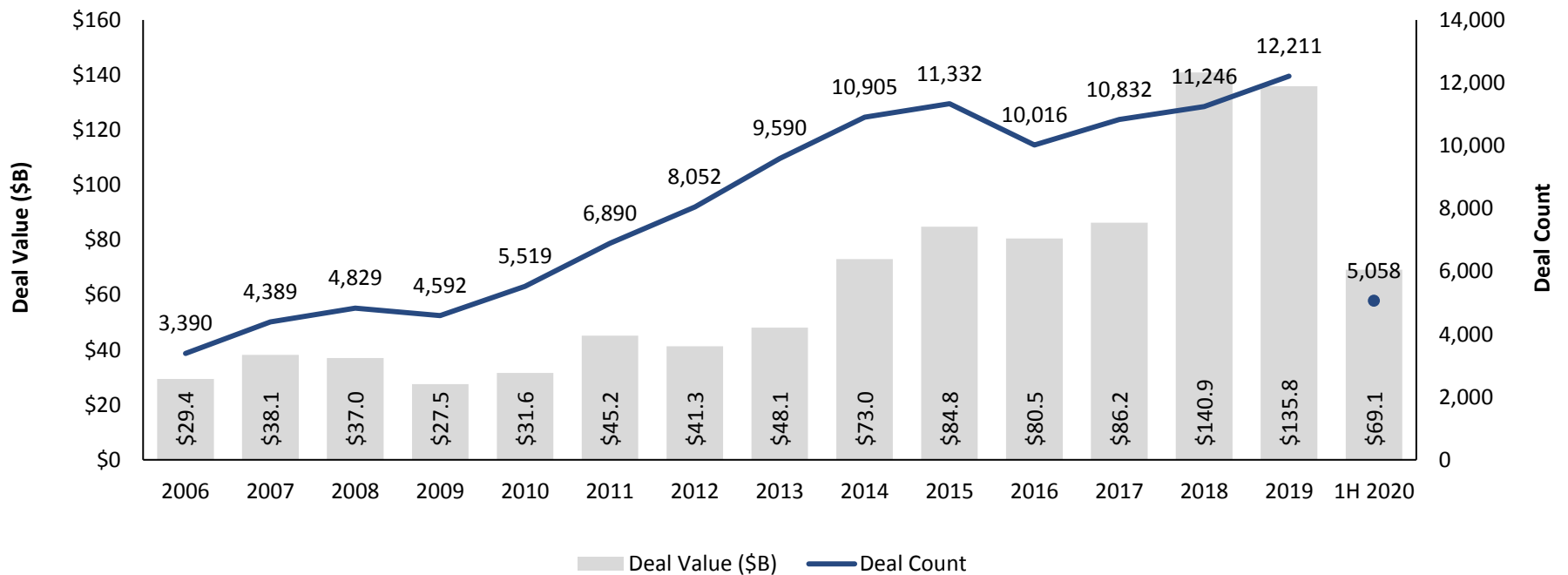
Data Source: Q2 2020 PitchBook-NVCA Venture Monitor. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

Venture Capital Investment Environment

As of 6/30/2020

- Deal activity in 1H 2020 was down 21% by deal volume and relatively flat by deal value year-over-year, with 5,058 deals closed totaling \$69.1 billion
- In 1H 2020, \$46.8 billion was invested in 1,501 late-stage financing rounds compared to \$42 billion invested in 1,497 deals in 1H 2019
- Mega-rounds (defined as rounds sized at \$100 million or greater) continue to dominate late-stage financings with 57 mega-deals closed in 2Q 2020 alone

U.S. Venture Capital Deal Activity
Through June 30, 2020



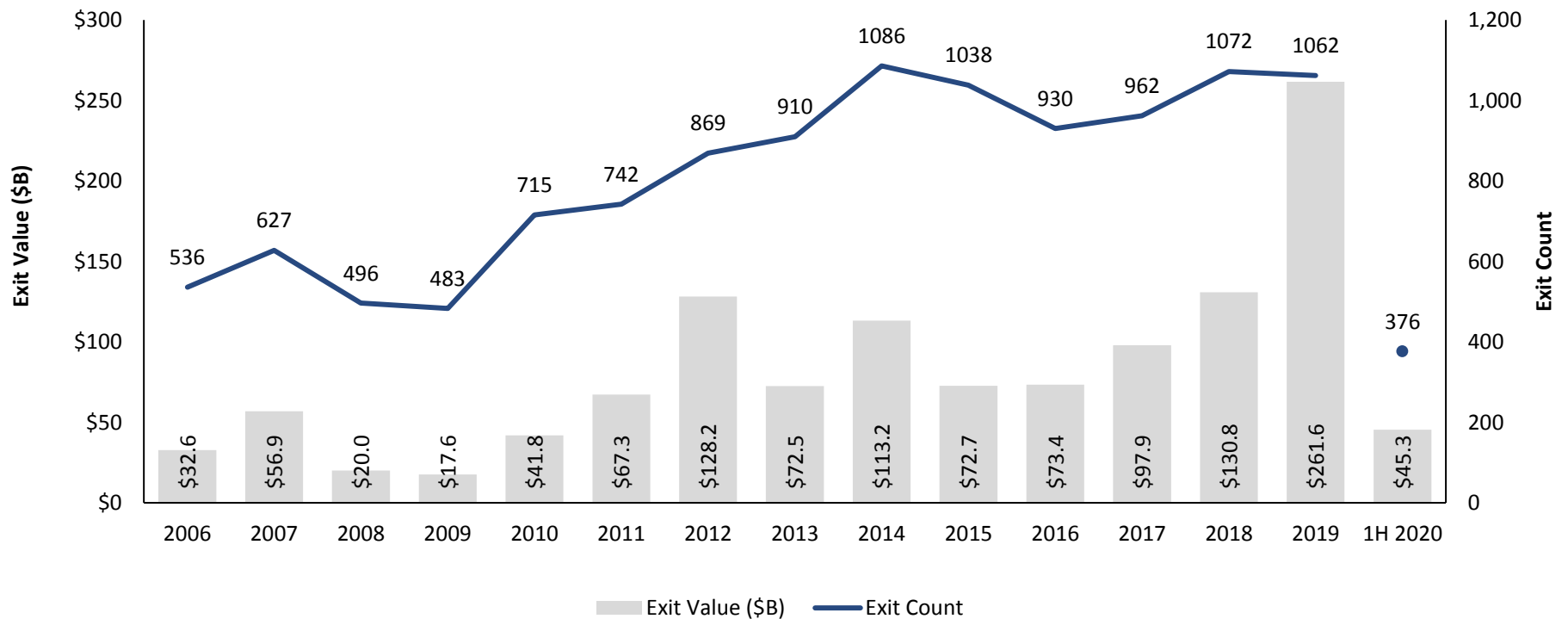
Data Source: Q2 2020 PitchBook-NVCA Venture Monitor. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

Venture Capital Exit Environment

As of 6/30/2020

- In 2Q 2020, there were 147 exits totaling \$21.2 billion in value, bringing the year-to-date total to 376 exits valued at \$45.3 billion
- While overall venture-backed exit activity is down, significant appreciation of many venture-backed public stocks has led to an increase in stock distributions by existing venture investors

U.S. Venture Capital Exit Activity
Through June 30, 2020

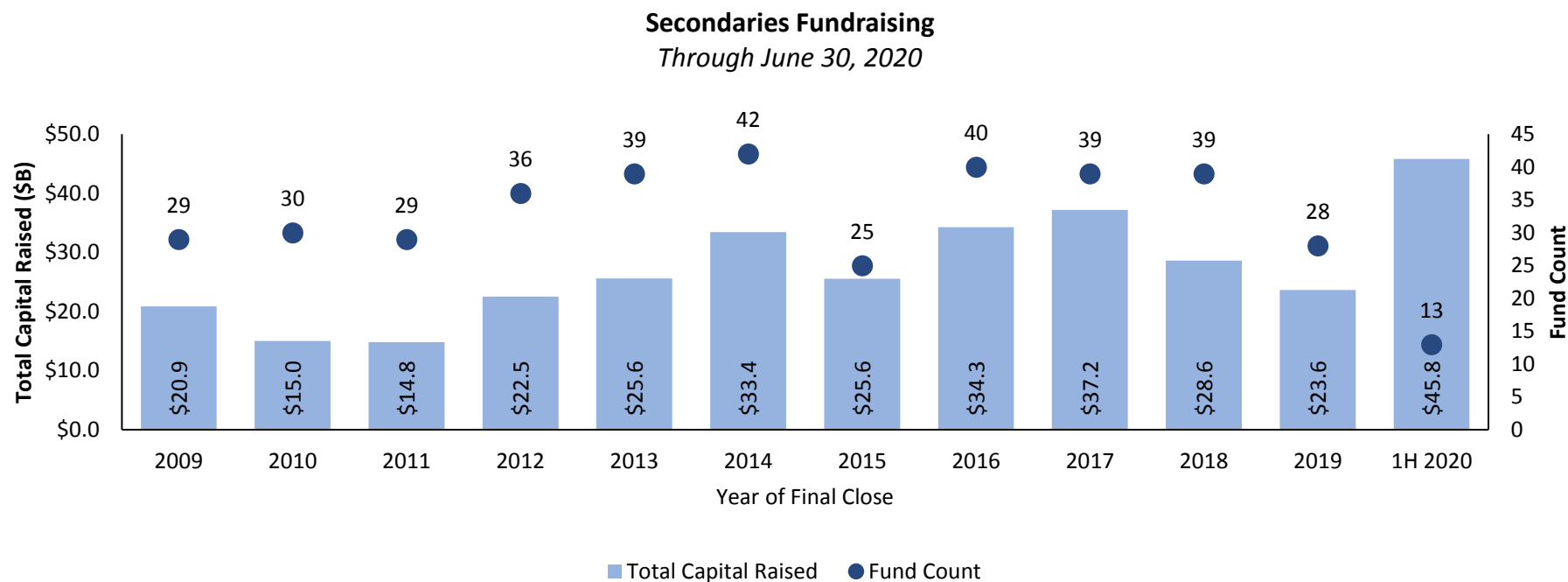


Data Source: Q2 2020 PitchBook-NVCA Venture Monitor. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

Secondary Fundraising

As of 6/30/2020

- Despite the challenges of COVID-19, fundraising hit record levels for 1H 2020, largely driven by two mega funds that held final closings at \$14 billion and \$19 billion in the month of June
- According to Greenhill, the ratio of near-term available capital to LTM deal volume spiked in 1H 2020 as a result of the drop in deal activity due to COVID-19



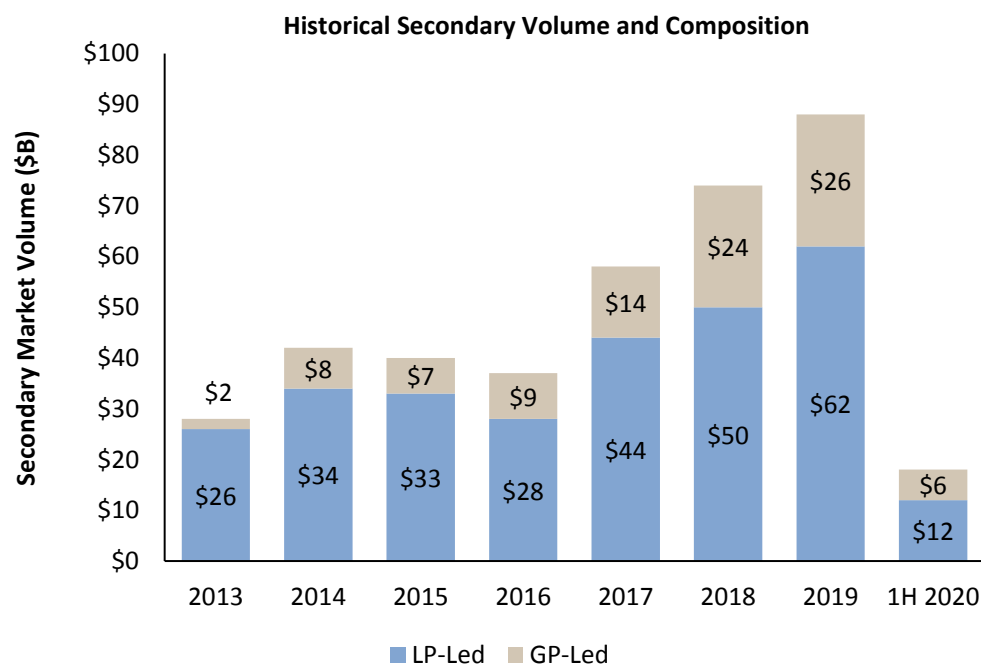
- 2019 fundraising fell slightly from 2018 levels, with a 22% drop in capital raised and a 36% drop in number of funds closed
- According to *Secondaries Investor*, the ratio of dry powder to deal volume fell during 2019, favoring buyers, who can afford to be more selective in deal execution

Data Source: PitchBook. Secondaries Fundraising through June 30, 2020; restated data sourced on 8/11/2020; Greenhill Global Secondary Market Trends & Outlook; July 2020. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

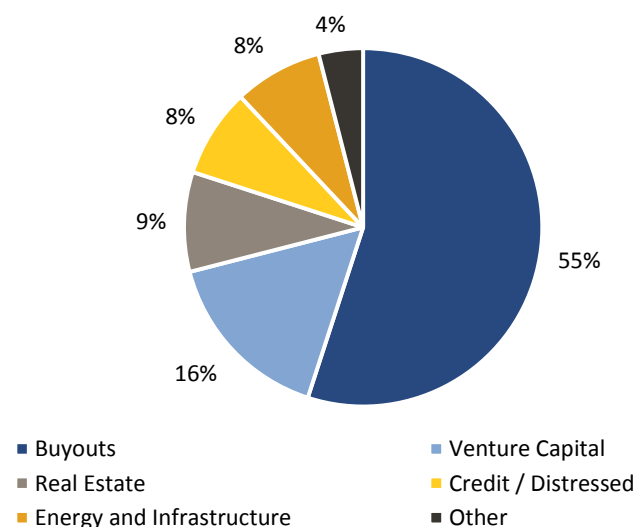
Secondary Volume

As of 6/30/2020

- Transaction volume totaled \$88 billion in 2019, a record high. Slightly more than half of the year’s transaction volume occurred in 2H 2019. 1H 2020 transaction volume totaled \$18 billion due to the impact of COVID-19, a significant decline from 1H 2019 transaction volume which totaled \$42 billion
- GP-led transactions continued to grow in 2019, accounting for \$26 billion in transaction volume – a modest uptick from last year’s \$24 billion, but a \$17 billion increase since YE 2016. In 1H 2020 GP-led transactions accounted for 33% of secondary deal volume, which is consistent with the last two calendar years, despite the lower overall deal volume
- Due to market uncertainty, wide bid-ask spreads, and slowed bidding activity, many secondary transactions were put on hold in 1H 2020
- While multi-asset deals dominated the GP-led secondaries space in 2019, single asset transactions gained in popularity – such transactions accounted for 26% of GP-led secondaries transaction value, compared with 4% in 2018
- By GP-led transaction volume, buyouts accounted for a majority of transaction activity in 2019



2019 GP-Led Transaction Volume by Strategy (% of Volume)

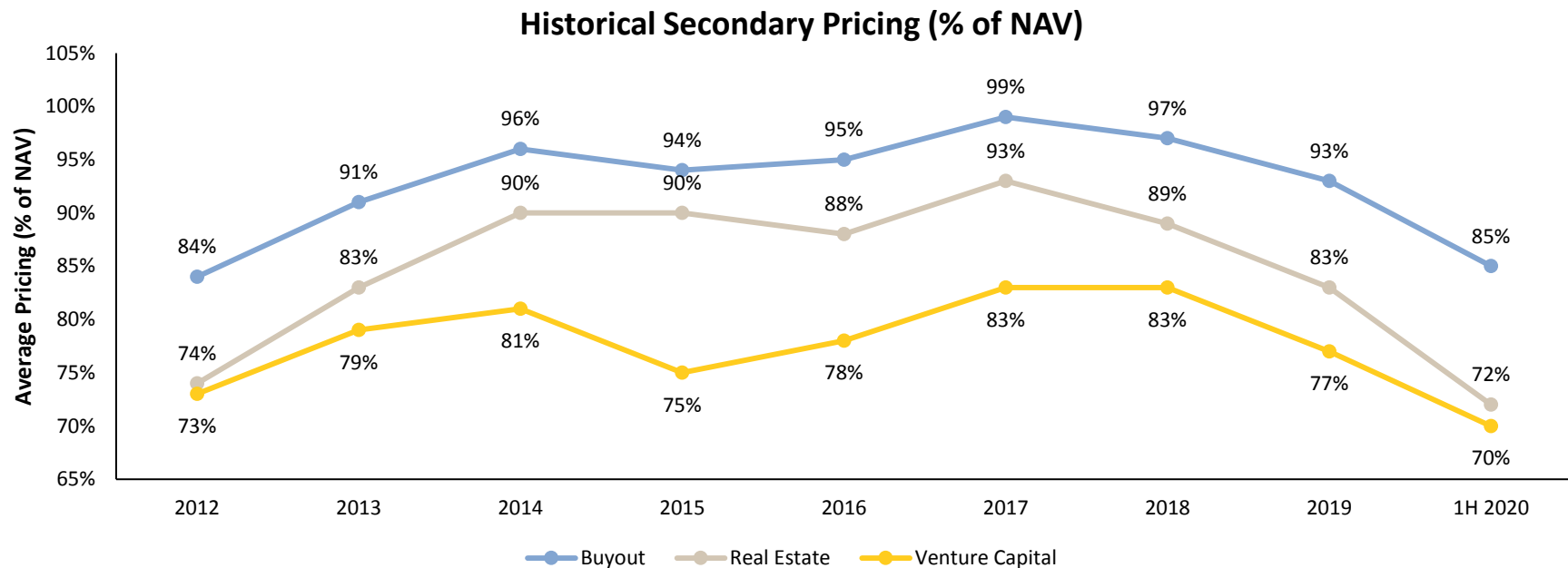


Data Source: Greenhill Global Secondary Market Trends & Outlook; July 2020; Greenhill Global Secondary Market Trends & Outlook; January 2020. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

Secondary Market Pricing Evolution Over Time

As of 6/30/2020

- Pricing across buyouts, real estate, and venture capital declined in 1H 2020, driven in part by less activity, slowing distribution activities, and anticipated write-downs due to COVID-19
- Buyout pricing declined by 1,400 basis points as hospitality and retail industries saw massive COVID-19-related losses



- Pricing across buyouts, real estate, and venture capital declined in 2019 despite strong public market performance
- The appetite for pre-crisis funds has softened, and declining pricing for such funds has diluted pricing across all strategies

Data Source: Greenhill Global Secondary Market Trends & Outlook; July 2020, Greenhill Global Secondary Market Trends & Outlook; January 2020. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

Glossary of Terms

Strategy: The portfolio shall be diversified by the broad strategies described below. Further, the portfolio shall be diversified by stage (in the case of Venture Capital), by target company size (in the case of Buyout and Special Situations), and by fund size.

Venture Capital: Venture capital is an investment strategy that provides primary capital for young companies aiming for, or already exhibiting, rapid growth. Venture investing can involve various stages from Seed and Early Stage to Later Stage, reflecting the development of the company. Regardless of stage, Venture Capital investments are generally made into companies that are not yet profitable. Venture capital funds may specialize in one or more stages of investment and/or sectors (e.g., information technology, healthcare/life sciences).

Growth Equity: Growth Equity blends characteristics of Venture Capital and Buyouts. The strategy can include investments made directly into a company (primary capital) or acquired from earlier shareholders, often the founder (secondary capital). The target portfolio company is generally profitable or near profitability. The primary capital provided by the Growth Equity fund is frequently used to expand the company quickly via investments in production, in sales and marketing or through acquisitions while the secondary capital received by the current shareholders (founders, angel investors) provides for a partial or full liquidity event. The investor may hold a minority or controlling interest in the company.

Buyouts: Buyout transactions involve the acquisition of a controlling or non-controlling stake in the share capital of a company. These transactions are often also funded with a varying degree of debt (leveraged buyouts or LBOs), and/or alongside existing management (management buyouts or MBOs). Buyout transactions (and the funds that sponsor them) are further differentiated by size, including Small Buyouts (funds less than approximately \$750 million), Mid-Cap (funds up to \$5 billion), Large (funds up to \$10 billion) and Mega (funds larger than \$10 billion).

Special Situations: Special Situations funds may incorporate a specific strategy (e.g., build-ups or roll-ups of existing industries), may focus on a specific industry, may invest across a wide spectrum from venture capital to large buyouts, or may focus on distressed or turnaround situations. These funds may incorporate a combination of minority and majority ownership structures. Special Situations also encompasses funds that may be not be easily classified in other strategies.

Secondaries: A Secondary purchase is the acquisition of a fund interest from an existing investor. The purchaser acquires the existing net asset value and assumes any remaining unfunded commitment. A Direct Secondary is the acquisition of one or more portfolio companies from a private equity fund.

Co-Investments: Co-Investment is a direct investment into a company alongside a private equity sponsor.

Private Debt: Private Debt investments include loans, at various levels of seniority in the capital structure, to companies. This strategy can also include distressed debt investing. Other strategies with shorter average duration and predictable cash flows, such as the purchase of interests in royalty streams associated with intellectual property, could also be considered Private Debt. Please note, private debt is no longer included in VCERA's private equity portfolio.

Commitment: Amount committed by the LP to its portfolio funds and direct co-investments (if any) as of the Report Date.

NAV: Net Asset Value

Paid In: Amount Paid-in by the LP to its portfolio funds as of the Report Date.

Undrawn: Balance of uncalled commitments made by the LP to its portfolio funds and may not include all recallable capital (Undrawn = Commitment – Paid In).

Exposure: The total of the Net Asset Value and uncalled committed capital (Exposure = NAV + Undrawn)

Distribution: Amount Distributed by the relevant VCERA fund to VCERA as of the Report Date.

DPI: Distributions to Paid In (DPI = Distribution / Paid In)

TVPI: Total Value to Paid In (TVPI = (Distribution + Market Value) / Paid In)

Important Information

Past performance is not a guide to future results and is not indicative of expected realized returns. This material contains confidential and trade secret information regarding Abbott Capital Management, LLC (“Abbott”), its affiliates, funds sponsored by Abbott (the “Abbott Funds”) and Abbott’s managed account clients (collectively along with the Abbott Funds, the “Abbott Clients”) as well as underlying portfolio funds held by the Abbott Clients and portfolio companies held by these funds. This material and the information contained in this material may not be reproduced or distributed to persons other than the recipient or its advisors, but solely to the extent such advisors are bound by a duty of confidentiality.

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Private equity investments are highly illiquid and are not suitable for all investors. All investments are subject to risk of loss, including the loss of principal. Private Equity performance is volatile and the value of investment(s) will fluctuate. Additional risks include, among others, those associated with the use of leverage, illiquidity and restrictions on transferability and resale of private equity investments, dependence on the performance and judgment of underlying portfolio investment managers over which Abbott has no control, Abbott’s ability to access suitable investment opportunities sufficient to satisfy each client’s investment objectives, and the speculative nature of private equity investments in general. Diversification will not guarantee profitability or protection against loss. There is no assurance that any Abbott Client’s objective will be attained.

The views and information provided are as of October 15, 2020 unless otherwise indicated and are subject to frequent change, update, revision, verification and amendment, materially or otherwise, without notice, as market or other conditions change. There can be no assurance that terms and trends described herein will continue or that forecasts are accurate. **Certain statements contained herein are statements of future expectations or forward-looking statements that are based on Abbott’s views and assumptions as of the date hereof and involve known and unknown risks and uncertainties (including those discussed below and in Abbott’s Form ADV Part 2A, available on the SEC’s website at www.adviserinfo.sec.gov) that could cause actual results, performance or events to differ materially and adversely from what has been expressed or implied in such statements.** Forward-looking statements may be identified by context or words such as “may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential or continue” and other similar expressions. Neither Abbott, its affiliates, nor any of Abbott’s or its affiliates’ respective advisers, members, directors, officers, partners, agents, representatives or employees or any other person (collectively “Abbott Entities”) is under any obligation to update or keep current the information contained in this document.

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Important Information

Public Market Equivalent (PME+) is an internal rate of return calculated as if investor cash flows were used to purchase and sell shares of a public market index. PME+ scales distributions by a constant proportion such that the net remaining investment in the index equals the actual net asset value at the measurement date. PME+ is provided because if a portfolio significantly outperforms the public market index due to a high level of distributions, the net remaining investment in the index may be in a short position. A PME+ return calculation permits the net remaining investment in the index to equal the net asset value of the private equity portfolio at the measurement date. Any PME+ analysis is based on illiquid and unrealized values which will vary considerably over the life of an investment, thus making this type of comparison more relevant with respect to mature funds (i.e., where net asset value is a small fraction of total distributions). Horizon PME+ are calculated using actual daily cash flows of each portfolio investment. For purposes hereof, PME has been calculated based on "A Private Investment Benchmark", a 1996 white paper by Austin M. Long III and Craig J. Nickels.

The Russell 3000 Index ("Russell 3000") is a public market index representing the largest 3000 U.S. companies based on market capitalization. Data provided by Russell Indexes includes the reinvestment of dividends and income. Market volatility, liquidity and other characteristics of publicly traded securities may be materially different from private equity investments. The Russell 3000 Index is used herein due to its wide acceptance as a benchmark for the performance of U.S. public equity markets, as opposed to any relevance to the private equity market. A different methodology of calculating public market equivalent benchmarks may result in significant differences in performance.

The Net IRR represents the annualized internal rate of return over the relevant period using Latest Valuation and is calculated by Abbott based on the monthly net cash flows between the account and the partnership investments and the estimated fair value of the Account as of June 30, 2020. Estimated Fair Value of the partnership investments is based on the most recently available capital account balances reported to Abbott by the Portfolio Funds as of the report date, excluding allocations of unrealized gain or loss on the underlying portfolio company investments. Any net asset value reported to Abbott in a foreign currency is translated at the relevant exchange rate at the close of business on the report date. The capital account balances may have been adjusted by other amounts necessary to reflect the fair value of the Portfolio Funds as determined by Abbott during its most recently completed valuation review. Fair Value may also include the value of distributed stock that is unsold or unsettled as of the report date. Fair Value of distributed stock currently held and unsold is based on the closing sale price of the stock as of the report date. Fair Value of distributed stock pending settlement is based on the sale price of the stock on the trade date. Net IRR is net of all fees, expenses and carried interest charged by the underlying partnership investments, as well as adjustments resulting from the gains and losses realized upon the sale of distributed stock and other expenses payable by the account, if any.

Abbott and Portfolio Investment Performance:

Internal Rate of Return (IRR) represents the annualized internal rate of return over the relevant period using Latest Valuation. Latest Valuation refers to the fair value of net assets as of the report date. Total Value equals Distributions plus Latest Valuation. TVPI represents the Total Value over Contributions. DPI represents Distributions over Contributions.

A Net IRR or a net multiple is net of underlying portfolio fund investment fees and expenses, net of fees paid (or pro forma fees paid) to Abbott as the investment adviser, and net of allocations of carried interest to Abbott, if any.

A Gross IRR or a gross multiple, and unless otherwise noted, any composite level or individual portfolio investment return, is net of underlying portfolio investment fees and expenses, but NOT net of fees paid, or allocations of carried interest made, to Abbott as the investment adviser, account level expenses and adjustments resulting from the gains and losses realized upon the sale of distributed stock. Actual returns to an individual investor or client would be further reduced for any such fees and expenses not accounted for in the performance calculations.

Expenses, management fees and performance fees/carried interest paid by existing or past Abbott Clients may not be comparable to the expenses, management fees and performance fees/carried interest that another or future Abbott Client will pay in respect of its investments and such amounts may be lower or higher than amounts actually paid with respect to investors in prior or subsequent Abbott Funds or paid by discretionary separate account clients. Results portrayed may reflect the reinvestment of realized proceeds and other earnings by the Abbott Funds and the underlying portfolio investments. Exchange rate fluctuations may affect returns. Interim performance data may not accurately reflect the actual current or expected future performance of an Abbott Client. Performance data should not be used to compare returns among private equity funds due to, among other factors, differences in vintage year, investment strategy, investment size, etc. The performance herein has not been calculated, reviewed, verified or in any way sanctioned or approved by the general partners of the portfolio funds. There can be no assurance that any Abbott Client, its portfolio investments and underlying portfolio companies, or the private and public equity and debt markets in general, will perform, or continue to perform, similarly to prior periods, funds, investments, or accounts. It should not be assumed that any fund organized, or investment made, in the future will ultimately be profitable or will equal the performance of the funds, investments, or accounts listed in this presentation.

Unrealized valuations depend upon assumptions that may be reasonable under the circumstances and at the time made, but actual realized returns on unrealized investments will depend upon, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions used for the valuations incorporated herein. Actual realized returns on unrealized investments may differ materially and adversely from the returns indicated herein.

Important Information

Abbott Fund Performance: Unless otherwise noted, performance metrics are presented as net to the limited partners in the relevant Abbott Fund as a whole, and exclude Abbott's general partner interest. Performance for each individual limited partner will differ from the performance disclosed due to varying limited partner closing dates, negotiated or scaled management/performance fees, strategy allocations, and commitment amounts and such differences may be material. In addition, certain designated limited partners, including without limitation certain employees and affiliates of Abbott, maintain a separate mandate with Abbott and are subject to a negotiated management and performance fee arrangement that differs from the management and performance fee arrangement applicable in general to limited partners in the Abbott Fund and otherwise set forth in the Abbott Fund's organizational documents. Such amounts may be paid by the investor out of assets not applicable to the Abbott Fund and are not taken into account when Abbott calculates and presents Abbott Fund returns.

Certain Abbott Funds use a subscription line of credit. Performance may be favorably impacted when the Abbott Fund uses this line of credit to facilitate portfolio investments, or to pay expenses, because it defers the calling of capital from investors. Since IRR generally is calculated as of the date the Abbott Fund's capital is called, rather than at the earlier time of funding the portfolio investment or payment of the expense, the use of a subscription line of credit could have a favorable impact on performance returns. If a subscription line had not been used, the Net LP IRR may have been materially different due to the increased time an investor's capital was at risk.

Abbott may have arrangements with certain or prospective investors pursuant to which those investors receive additional information concerning the Abbott Fund portfolios.



October 26,2020

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: BOARD APPROVAL OF AN UPDATED 2020 PRIVATE EQUITY INVESTMENT ANNUAL PLAN

Dear Board Members:

At its meeting of May 1, 2017, the Board selected Abbott Capital to provide private equity investment management services including consulting, investment management, and back office support.

Each year the Board reviews and approves a Private Equity Annual Plan for continued build-out of the private equity program. In combination with the Board's adopted Private Equity Investment Policy, the Private Equity Annual Plan presented by Abbott provides a framework for the management and oversight of the PE assets and commitments of VCERA. A Private Equity Annual Plan was last approved by the Board in April 2020.

At its meeting of June 22, 2020, the Board increased the Private Equity allocation target from 13% to 15%. Staff and NEPC have worked with Abbott in the continuing program development and believe that Board approval of the proposed Updated 2020 Annual Plan is in the best interest of VCERA.

RECOMMENDATION: APPROVAL OF THE UPDATED 2020 PRIVATE EQUITY ANNUAL PLAN AS PROPOSED AND PRESENTED BY ABBOTT CAPITAL MANAGEMENT.

Respectfully submitted,

Dan Gallagher
Chief Investment Officer



Private Equity Revised Annual Plan

*Ventura County Employees' Retirement Association
2020*

Section A1 of this document, the supporting pacing model, and references to the annual commitment target were updated to reflect the Board's June 2020 decision to increase the Private Equity Target from 13% to 15%.



Ventura County Employees' Retirement Association

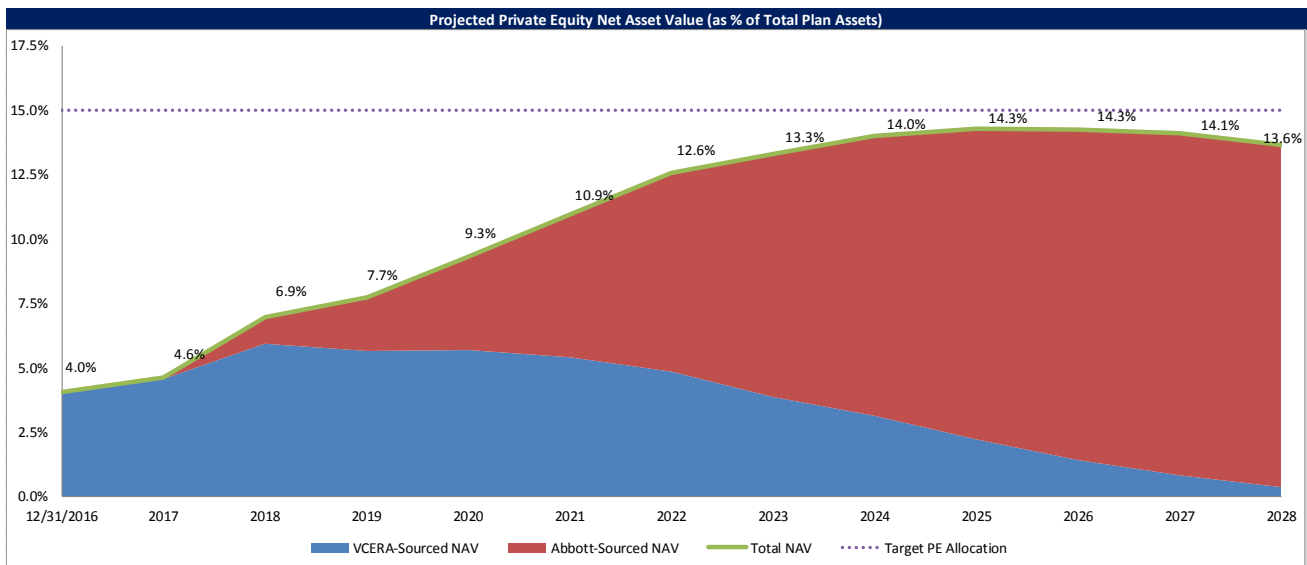
ANNUAL PLAN

For the period 1/1/20 through 12/31/20

A. FUNDING LEVEL ANALYSIS

I. FUNDING LEVEL

<u>Actual Funding Position</u>	<u>1/1/2020</u>
Total Fund Market Value:	\$6,148.5 million
% Target for Private Equity:	15%
Total Private Equity Target Allocation:	\$922.3 million
VCERA-Sourced Portfolio Net Asset Value:	\$347.7 million
Abbott-Sourced Portfolio Net Asset Value:	\$126.4 million
Total Net Asset Value:	\$474.1 million
NAV in excess of (short of) Target	(\$448.2 million)
<u>Projected Funding Position</u>	<u>12/31/2024</u>
Fund Market Value:	\$8,543.3 million
% Target for Private Equity:	15%
Total Private Equity Allocation:	\$1,281.5 million
2020 Commitment Target:	\$325 million
<i>Actual commitment may be greater or less depending on market opportunities</i>	





Ventura County Employees' Retirement Association

II. FUNDING BY STRATEGY

ABBOTT-SOURCED PORTFOLIO		12/31/2019	
Strategy	NAV	Undrawn	Exposure
Venture Capital & Growth Equity (Global)	\$26.8m	\$64.4m	\$91.3m
North American Buyouts & Special Situations	\$48.3m	\$116.0m	\$164.3m
International Buyouts & Special Situations	\$21.5m	\$51.6m	\$73.0m
Secondary & Co-Investment	\$29.4m	\$56.7m	\$86.0m
TOTAL Abbott-Sourced Portfolio	\$126.0m	\$288.7m	\$414.7m

VCERA-SOURCED PORTFOLIO			
Strategy	NAV	Undrawn	Exposure
Venture Capital & Growth Equity (Global)	\$27.3m	\$27.4m	\$54.8m
North American Buyouts & Special Situations	\$83.0m	\$39.4m	\$122.4m
International Buyouts & Special Situations	\$76.7m	\$38.3m	\$115.0m
Secondary & Co-Investment	\$160.6m	\$159.4m	\$320.0m
TOTAL VCERA-Sourced Portfolio	\$347.7m	\$264.4m	\$612.1m

TOTAL PORTFOLIO			
Strategy	NAV	Undrawn	Exposure
Venture Capital & Growth Equity (Global)	\$54.2m	\$91.9m	\$146.1m
North American Buyouts & Special Situations	\$131.3m	\$155.4m	\$286.7m
International Buyouts & Special Situations	\$98.2m	\$89.8m	\$188.0m
Secondary & Co-Investment	\$190.0m	\$216.0m	\$406.0m
TOTAL Portfolio	\$473.7m	\$553.1m	\$1,026.8m

NAV is estimated based on September 30, 2019 net asset values, adjusted by net cash flows through December 31, 2019. Undrawn represents the balance of uncalled commitments as of December 31, 2019 (Commitment – Paid In). Totals may not sum due to rounding.

III. STRATEGIC PORTFOLIO STRUCTURE

VCERA's Private Equity Portfolio will be constructed over time and in accordance with the diversification guidelines described in the Private Equity Investment Policy ("PE Policy"). The projected year-end 2024 Private Equity Target Allocation is \$1,281.5 million. The projected NAV and Exposure by strategy will be approximately as shown in the table below. Note that the actual NAV and Exposure will depend on market conditions, investment opportunities available to VCERA and other factors.

Total Private Equity Target 12/31/2024:		\$1,281.5m
Strategy	Projected NAV and Exposure	Range
Venture Capital & Growth Equity (Global)	20%	10%-30%
North American Buyouts & Special Situations	40%	35%-55%
International Buyouts & Special Situations	20%	10%-30%
Secondary & Co-Investment	20%	5%-40%
TOTAL	100%	



Ventura County Employees' Retirement Association

B. 2019 INVESTMENT ACTIVITY: ABBOTT-SOURCED PORTFOLIO**I. PRIMARY COMMITMENTS**

Fund	Strategy	Commitment	Paid In	Undrawn
Advent International GPE IX	International Buyouts & Special Situations	\$10.0m	\$1.2m	\$8.9m
Astorg VII^	International Buyouts & Special Situations	\$8.6m	\$0.9m	\$7.7m
Flexpoint Fund IV-A	North American Buyouts & Special Situations	\$10.7m	\$0.0m	\$10.7m
Flexpoint Overage Fund IV-A	North American Buyouts & Special Situations	\$3.6m	\$0.0m	\$3.6m
Genstar Capital Partners IX	North American Buyouts & Special Situations	\$7.5m	\$1.7m	\$5.8m
Genstar Capital Partners IX Opportunities	North American Buyouts & Special Situations	\$2.5m	\$0.7m	\$1.8m
Great Hill Equity Partners VII	North American Buyouts & Special Situations	\$8.9m	\$0.0m	\$8.9m
Green Equity Investors VIII	North American Buyouts & Special Situations	\$15.0m	\$0.0m	\$15.0m
Oak HC/FT Partners III	Venture Capital & Growth Equity (Global)	\$15.0m	\$1.0m	\$14.0m
TA XIII	North American Buyouts & Special Situations	\$10.0m	\$1.5m	\$8.5m
Buenaventure One, LLC	Various	\$45.6m	\$2.1m	\$43.5m
TOTAL		\$137.3	\$9.1	\$128.2

[^]Non-USD denominated funds. Commitment amounts, which may fluctuate due to exchange rate changes, were converted as of 12/31/2019. Commitment and Paid In as of December 31, 2019. Undrawn represents the balance of uncalled commitments as of December 31, 2019 (Commitment – Paid In). Amounts for Buenaventure One, LLC reflect aggregate amounts committed, paid-in, and undrawn for portfolio fund commitments made in 2019 held in the Buenaventure One, LLC portfolio. Totals may not sum due to rounding.

In 2019, on behalf of VCERA, Abbott made 14 primary commitments totaling \$137.3 million, of which four commitments are through Buenaventure One. In addition, a further \$90.0 million of VCERA-sourced commitments closed during the year, as detailed in Section C. In aggregate, VCERA closed on \$227.3 million of fund commitments during the year, against a target of \$230 million.

II. SECONDARY PURCHASES

No direct secondary purchases were made during 2019.

III. OTHER INVESTMENT ACTIVITY

In 2017, the Board approved the formation of Buenaventure One, LLC, a fund of one, to facilitate VCERA's participation in certain fund investments. Buenaventure One made its first commitment to an underlying fund in 2018. In total through year end 2019, the fund has made ten investments across Venture Capital & Growth Equity and North American Buyouts & Special Situations.

IV. DIVESTMENT, LIQUIDATION AND TERMINATION ACTIVITY

No funds in the Abbott-sourced portfolio were divested, liquidated or terminated during the year.

V. PERFORMANCE COMMENTARY

VCERA approved its Private Equity Policy and first Annual Plan in June 2017, at which time Abbott began pursuing investments on VCERA's behalf. From the inception of VCERA's program through December 31, 2019, Abbott has committed in aggregate \$406 million to Abbott Secondary Opportunities (ASO) and 35 private equity funds with 28



Ventura County Employees' Retirement Association

managers. For the full year 2019, Abbott made 14 commitments across 12 managers totaling approximately \$137 million (as shown above). Of the commitments made in 2019, three-quarters of the funds have started drawing capital. The pace of cash flows is slower than modeled, likely due to the increased use of credit lines by fund managers.

In 2017, VCERA committed \$25 million to ASO. The fund reached a final close in December 2017, with total commitments amounting to \$208 million. As of December 31, 2019, ASO invested \$209.5 million into 20 transactions, translating to invested capital of 101%. ASO closed four transactions in 2019 including two LP interests and two GP-led transactions.

VI. SPECIFIC SITUATIONS REQUIRING ADDITIONAL MONITORING

Abbott generally seeks advisory board or valuation committee seats for the funds to which it commits on behalf of its clients. Abbott's practice is to attend the annual meetings for each of the funds in our clients' portfolios. In addition, Abbott regularly visits managers in their offices as part of its ongoing monitoring and due diligence of new fund offerings, and managers frequently visit Abbott to provide updates. Beyond formal updates, Abbott speaks to managers on a regular basis using these opportunities to deepen its understanding of the general partner groups, as well as the performance of the underlying portfolio companies. This active monitoring enables Abbott to make informed decisions regarding whether groups in the portfolio should be supported in the future. Abbott also carefully evaluates requests for amendments to Limited Partnership Agreements that can occur over the life of a fund.

As of year-end, there were no situations requiring additional monitoring. Recently, the outbreak of the novel coronavirus (COVID-19) has impacted global economies and contributed to significant declines and volatility in financial markets. Abbott is actively monitoring recent events related to the COVID-19 pandemic and working closely with fund managers to assess the potential impact on the portfolio. As the situation continues to evolve rapidly, Abbott is fully committed to keeping VCERA apprised of any changes to the status of their portfolio.

C. 2019 INVESTMENT ACTIVITY: VCERA-SOURCED PORTFOLIO

I. PRIMARY COMMITMENTS

Fund	Strategy	Commitment	Paid In	Undrawn
HarbourVest Co-Investment V	Secondary & Co-Investment	\$35.0m	\$5.3m	\$29.8m
HarbourVest Dover Street X	Secondary & Co-Investment	\$40.0m	\$0.0m	\$40.0m
Drive Capital Fund III	Venture Capital & Growth Equity (Global)	\$7.5m	\$0.0m	\$7.5m
Drive Capital Overdrive Fund I	Venture Capital & Growth Equity (Global)	\$7.5m	\$2.8m	\$4.7m
TOTAL		\$90.0m	\$8.1m	\$81.9m

Commitment and Paid In as of December 31, 2019. Undrawn represents the balance of uncalled commitments as of December 31, 2019 (Commitment – Paid In). Totals may not sum due to rounding.

The total commitment target for 2019 was \$230 million. In 2019, VCERA met that target with \$90 million of VCERA-sourced commitments and \$137 million of Abbott-sourced commitments, as noted above.

II. SECONDARY PURCHASES

There were no direct secondary purchases in 2019.

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III. OTHER INVESTMENT ACTIVITY

There was no other investment activity in the VCERA-sourced portfolio in 2019.

IV. DIVESTMENT, LIQUIDATION AND TERMINATION ACTIVITY

No funds were divested, liquidated or otherwise terminated in the VCERA-sourced portfolio in 2019.

V. TOTAL VCERA-SOURCED PORTFOLIO

Fund	Commitment	Cumulative Distributions	NAV
Adams Street 2010 Direct Fund	\$60.0m	\$3.6m	\$36.7m
Adams Street 2010 Non-US Developed Markets Fund	\$25.5m	\$19.8m	\$16.4m
Adams Street 2010 Non-US Emerging Markets Fund	\$8.5m	\$2.5m	\$10.5m
Adams Street 2010 US Fund	\$8.5m	\$9.7m	\$4.8m
Adams Street 2013 Global Fund	\$42.5m	\$33.0m	\$36.1m
Adams Street 2016 Global Fund	\$75.0m	\$15.5m	\$78.2m
Adams Street Co-Investment Fund IV	\$30.0m	\$0.0m	\$7.2m
Drive II	\$15.0m	\$0.0m	\$15.7m
Drive III	\$7.5m	\$0.0m	\$0.0m
Drive Overdrive I	\$7.5m	\$0.0m	\$2.7m
HarbourVest ColInvest IV	\$30.0m	\$1.7m	\$27.0m
HarbourVest ColInvest V	\$35.0m	\$0.0m	\$4.7m
HarbourVest Dover IX	\$60.0m	\$15.6m	\$44.1m
HarbourVest Dover VIII	\$67.5m	\$73.0m	\$25.0m
HarbourVest Dover X	\$40.0m	\$0.0m	\$0.4m
Pantheon Global Secondary Fund IV	\$15.0m	\$13.1m	\$2.5m
Pantheon Global Secondary Fund V	\$50.0m	\$11.6m	\$35.7m
Total	\$577.5m	\$199.4m	\$347.7m

Commitment and Distributions as of December 31, 2019. NAV is estimated based on September 30, 2019 net asset values, adjusted by net cash flows through December 31, 2019. Totals may not sum due to rounding.

As of December 31, 2019, the VCERA-sourced portfolio included total commitments of \$577.5 million of which \$338 million had been paid-in. From inception through December 31, 2019, VCERA had received cumulative distributions of approximately \$200 million, resulting in a DPI (Distributions to Paid In) of 0.59x. The reported remaining fair market value was \$347.7 million and the TVPI (Total Value to Paid In) was 1.61x.

VI. MONITORING OF THE VCERA-SOURCED PORTFOLIO

Abbott will continue to collect performance data on and to monitor developments in the VCERA-sourced portfolio. Abbott is currently not aware of any specific situations requiring additional monitoring. As mentioned above, Abbott is closely monitoring the COVID-19 pandemic and its potential effects on all aspects of VCERA's portfolio.

Overall the portfolio met expectations for 2019 in terms of portfolio NAV. However, capital calls and distributions received were slightly slower than expected. The lag in capital calls and distributions can largely be attributed to



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secondary funds in VCERA's portfolio, in particular, Adams Street and HarbourVest funds, both of which drew capital and distributed capital more slowly than those managers had modeled.

D. 2020 INVESTMENT PLAN**I. POTENTIAL PIPELINE**

To build a portfolio capable of withstanding market cycles, VCERA will seek to diversify the portfolio over multiple vintage years with the goal of achieving the Strategic Portfolio Structure as shown on page 2.

Abbott is currently in active due diligence on seven Venture Capital & Growth Equity, North American Buyout & Special Situations, or International Buyouts & Special Situations funds that may be appropriate for VCERA's portfolio. These funds represent approximately \$140 million of possible commitments for VCERA (assuming they receive Abbott Investment Committee approval). The currently identified forward pipeline (not yet in due diligence) includes five Venture Capital & Growth Equity funds, nine North American Buyouts & Special Situations funds, and seven International Buyouts & Special Situations funds. This pipeline represents well in excess of \$250 million of potential 2020 commitments for VCERA.

II. DOLLAR AMOUNT TO BE INVESTED

Based on the current state of the portfolio, the projected capital calls, distributions, NAV appreciation, and Plan growth rate, VCERA should commit approximately \$325 million in 2020 and an average of approximately \$250 million per year for the next five years to reach the Private Equity Target Allocation.

As of April 2020, Abbott committed to six private equity funds, totaling approximately \$57 million, on behalf of VCERA and VCERA committed \$25 million to Abbott Secondary Opportunities II. The VCERA-sourced portfolio includes total commitments of \$25 million.

Abbott-Sourced Commitments

Fund	Strategy	Commitment	Paid In	Undrawn
Battery Ventures XIII	Venture Capital & Growth Equity (Global)	\$9.2m	\$0.0m	\$9.2m
Battery Ventures XIII Side Fund	Venture Capital & Growth Equity (Global)	\$6.2m	\$0.0m	\$6.2m
Clearlake Capital Partners VI	North American Buyouts & Special Situations	\$18.7m	\$0.0m	\$18.7m
Buenaventure One, LLC	Various	\$23.3m	\$0.4m	\$22.9m
TOTAL		\$57.4m	\$0.4m	\$57.0m

VCERA-Sourced Commitments

Fund	Strategy	Commitment	Paid In	Undrawn
Abbott Secondary Opportunities II	Secondary & Co-Investment	\$25.0m	\$0.0m	\$25.0m
Pantheon Global Secondary Fund VI	Secondary & Co-Investment	\$25.0m	\$0.0m	\$25.0m
TOTAL		\$50.0m	\$0.0m	\$50.0m

TOTAL	\$107.4m	\$0.4m	\$107.0m
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Commitment and Paid In as of December 31, 2019. Undrawn represents the balance of uncalled commitments as of December 31, 2019 (Commitment – Paid In). Amounts for Buenaventure One, LLC reflect aggregate amounts committed, paid-in, and undrawn for portfolio fund commitments made in 2019 held in the Buenaventure One, LLC portfolio. Totals may not sum due to rounding.



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At present, Abbott has a strong pipeline across all segments in 2020, consisting of both new groups and existing relationships. While the program continues to focus on larger dollar commitments, capacity in top-tier private equity partnerships remains a constraint. As such, the program will remain flexible with commitment sizes to gain exposure to high-quality investment opportunities.

E. SUMMARY

Across both the Abbott-sourced portion and the VCERA-sourced portion of the portfolio, VCERA closed on \$227 million of commitments in 2019. VCERA's goal is to build upon the solid foundation of its current private equity portfolio and to increase the allocation from the current level of 7.7% to reach the target allocation of 15% over the next several years. Current modeling of the portfolio supports a commitment pace of **\$325 million** in 2020, followed by commitments of \$275 million in 2021, \$200 million in 2022, and an average commitment level from 2020 through 2024 of approximately \$250 million per year. Note that market conditions, especially the Plan's actual attained growth rate, and the pace of capital calls, distributions and NAV appreciation in the private equity portfolio, may cause the projected commitment pace to change in the future.

In the first quarter of 2020, VCERA committed approximately \$107 million. With a robust pipeline visible for the balance of the year, VCERA expects to reach the commitment target for 2020.

While VCERA should continue to receive some level of distribution activity from the portfolio, the overall program remains in its development phase. Thus, capital calls are expected to continue to exceed distributions for several years.

The 2020 Annual Plan is being presented during a time of uncertainty, which will be marked by great challenges and opportunities. The overall VCERA Plan will face volatility, and the "denominator effect," a shrinking of overall plan size and lagging downward valuation adjustments, may cause exposure to private equity on a reported NAV basis to approach or exceed the target. However, the pacing model is based on 20 years of cash flow patterns, which encompass various economic cycles. Historically, investors who have remained true to their long-term pacing plan have experienced benefits from dollar-cost averaging into private equity through access to attractive vintage years during and immediately following times of economic and capital markets disruption. Despite interim volatility, long-term private equity investors may benefit from market dislocations to achieve compelling returns and short-term changes in the environment should not materially influence long-term strategic portfolio decisions.

We believe our long-standing commitment to portfolio diversification and our thorough due diligence processes will continue to provide the best potential for attractive risk-adjusted returns for our clients. As always, the program will maintain its rigorous selection criteria with the goal of building a diversified portfolio across Global Venture Capital and Growth Equity, North American Buyouts and Special Situations, International Buyouts and Special Situations, as well as other private equity strategies.



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ABBOTT CAPITAL



Abbott Capital Management Presentation to:
Ventura County Employees' Retirement Association

California Disclosure Reporting
California Code, Government Code - GOV § 7514.7

October 2020

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Private Equity Investments as of December 31, 2019					
Name of Fund	Address of Fund Manager	Closing Date	Commitment	Vintage Year	
Abbott Secondary Opportunities, L.P.	1290 Avenue of the Americas, 9th Floor, New York, NY 10104	12/21/17	\$25,000,000	2016	
ABRY Partners IX	888 Boylston St, Suite 1600, Boston, MA 02199	12/6/18	\$10,600,000	2019	
Adams Street 2010 Direct Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	\$8,500,000	2010	
Adams Street 2013 Global Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	6/27/13	\$75,000,000	2013	
Adams Street 2016 Global Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	8/16/16	\$60,000,000	2016	
Adams Street Co-Investment Fund IV A	One North Wacker Drive, Suite 2200, Chicago, IL 60606	9/24/18	\$30,000,000	2018	
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	\$25,500,000	2010	
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	\$8,500,000	2010	
Adams Street Partnership Fund - 2010 U.S. Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	\$42,500,000	2010	
Advent International GPE IX	800 Boylston Street, Boston, MA, 02199	5/23/19	\$10,000,000	2019	
Astorg VII	68 rue du Faubourg Saint-Honoré, Paris 75008	12/17/18	\$8,625,609	2019	
Battery Ventures XII	One Marina Park Drive, Suite 1100, Boston, MA 02210	2/1/18	\$9,050,000	2018	
Battery Ventures XII Side Fund	One Marina Park Drive, Suite 1100, Boston, MA 02210	2/1/18	\$5,050,000	2018	
Buenaventure One, LLC	1290 Avenue of the Americas, 9th Floor, New York, NY 10104	1/5/18	\$102,316,500	2018	
CapVest Equity Partners IV	100 Pall Mall, London SW1Y 5NQ	7/11/18	\$12,346,457	2019	
Clearlake Capital Partners V	233 Wilshire Blvd, Suite 800, Santa Monica, CA 90401	12/22/17	\$9,950,000	2018	
Drive Capital Fund II	629 N. High Street, Columbus, OH 43215	8/19/16	\$15,000,000	2016	
Drive Capital Fund III	629 N. High Street, Columbus, OH 43215	4/5/19	\$7,500,000	2019	
Drive Capital Overdrive Fund I	629 N. High Street, Columbus, OH 43215	4/5/19	\$7,500,000	2019	
ECI 11	Brettenham House, Lancaster Place, London WC2E 7EN	7/5/18	\$9,739,754	2018	
Flexpoint Fund IV-A	676 North Michigan Ave, Suite 3300, Chicago, IL 60611	7/2/19	\$10,650,000	2019	
Flexpoint Overage Fund IV-A	676 North Michigan Ave, Suite 3300, Chicago, IL 60611	7/2/19	\$3,550,000	2019	
Genstar Capital Partners IX	Four Embarcadero Center, Suite 1900, San Francisco, CA 94111	2/21/19	\$7,500,000	2019	
Genstar Capital Partners IX Opportunities Program	Four Embarcadero Center, Suite 1900, San Francisco, CA 94111	2/21/19	\$2,500,000	2019	
GGV Capital VII	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	\$10,160,000	2019	
GGV Capital VII Plus	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	\$2,540,000	2019	
GGV Discovery II	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	\$2,100,000	2019	
Great Hill Equity Partners VII	200 Clarendon Street, 29th Floor, Boston, MA 02116	6/28/19	\$8,900,000	2020	
Green Equity Investors VIII	11111 Santa Monica Boulevard, Suite 2000, Los Angeles, CA 90025	10/18/19	\$15,000,000	2019	
GTCR Fund XII	300 North LaSalle Street, Suite 5600, Chicago, IL 60654	9/29/17	\$30,000,000	2017	
HarbourVest - Dover Street IX	One Financial Center, Boston, MA 02111	7/8/16	\$60,000,000	2016	
HarbourVest - Dover Street VIII	One Financial Center, Boston, MA 02111	5/30/13	\$67,500,000	2012	
HarbourVest - Dover Street X	One Financial Center, Boston, MA 02111	5/31/19	\$40,000,000	2019	
HarbourVest Partners Co-Investment IV	One Financial Center, Boston, MA 02111	5/31/17	\$30,000,000	2016	
HarbourVest Partners Co-Investment V	One Financial Center, Boston, MA 02111	7/31/18	\$35,000,000	2019	
Hellman & Friedman Capital Partners IX	415 Mission Street, Suite 5700, San Francisco, CA 94105	9/28/18	\$19,800,000	2019	
Insight Venture Partners X	1114 Avenue of the Americas, 36th Floor, New York, NY 10036	10/13/17	\$25,000,000	2018	
M/C Partners VIII	75 State Street, Suite 2500, Boston, MA 02109	4/2/18	\$10,000,000	2019	

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Private Equity Investments as of December 31, 2019				
Name of Fund	Address of Fund Manager	Closing Date	Commitment	Vintage Year
M/C Partners VIII	75 State Street, Suite 2500, Boston, MA 02109	4/2/18	\$10,000,000	2019
Oak HC/FT Partners III	3 Pickwick Plaza, Suite 302, Greenwich, CT 06830	7/31/19	\$15,000,000	2019
Pantheon Global Secondary Fund IV	10 Finsbury Square, 4th Floor, London EC2A1AF	6/24/10	\$15,000,000	2010
Pantheon Global Secondary Fund V	10 Finsbury Square, 4th Floor, London EC2A1AF	2/6/15	\$50,000,000	2015
Riverside Micro-Cap Fund V	630 Fifth Avenue, Suite 400, New York, NY 10111	8/21/18	\$10,000,000	2019
TA XIII	200 Clarendon Street, 56th Floor, Boston, MA 02116	5/2/19	\$10,000,000	2019
The Resolute Fund IV	399 Park Avenue, 30th Floor, New York, NY 10022	5/2/18	\$20,000,000	2018
Abbott Secondary Opportunities, L.P.	1290 Avenue of the Americas, 9th Floor, New York, NY 10104	12/21/17	\$25,000,000	2016
ABRY Partners IX	888 Boylston St, Suite 1600, Boston, MA 02199	12/6/18	\$10,600,000	2019
Total			\$982,878,319	

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Name of Fund	Performance and Fee Information ¹											
	As of December 31, 2019 (Since Inception)						For the Year Ended December 31, 2019					Fees & Expenses Paid by Portfolio Cos. ⁵
	Contributions	Distributions	Valuation	TVPI	Gross IRR	Net IRR	Distributions	Cash Profit Received ²	Management Fees ³	Carried Interest Paid	Other Expenses	
Abbott Secondary Opportunities, L.P.	\$19,108,507	\$4,625,000	\$19,396,097	1.26	24.93%	23.65%	\$2,000,000	\$1,033,714	\$233,710	\$24,142	\$199,989	\$0
ABRY Partners IX	\$2,373,722	\$0	\$2,269,685	0.96	13.30%	-13.27%	\$0	\$0	\$177,256	\$0	\$54,682	\$0
Adams Street 2010 Direct Fund	\$8,066,500	\$9,748,384	\$4,927,964	1.82	18.81%	12.90%	\$670,603	\$206,862	\$100,963	\$55,849	\$5,325	\$565
Adams Street 2013 Global Fund	\$61,350,000	\$15,450,212	\$79,464,799	1.55	14.62%	12.59%	\$7,374,420	\$2,187,648	\$596,365	\$0	\$39,127	\$0
Adams Street 2016 Global Fund	\$32,880,000	\$3,621,043	\$38,423,156	1.28	24.43%	18.36%	\$0	\$0	\$578,029	\$0	\$413,407	\$0
Adams Street Co-Investment Fund IV A	\$6,967,808	\$0	\$7,714,666	1.11	22.10%	10.52%	\$0	\$0	\$300,000	\$0	\$199,603	\$0
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	\$22,325,249	\$19,845,682	\$17,046,092	1.65	15.33%	12.58%	\$4,143,338	\$2,009,236	\$157,208	\$82,080	\$5,966	\$0
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	\$7,633,000	\$2,514,266	\$10,633,328	1.72	13.13%	11.39%	\$483,958	\$102,434	\$52,403	\$0	\$3,283	\$0
Adams Street Partnership Fund - 2010 U.S. Fund	\$37,442,500	\$33,006,870	\$36,489,196	1.86	17.17%	14.63%	\$7,137,001	\$3,933,104	\$262,014	\$78,127	\$15,999	\$0
Advent International GPE IX	\$1,150,000	\$0	\$1,041,566	0.91	2.00%	-39.90%	\$0	\$0	\$86,554	\$0	\$28,695	\$0
Astorg VII	\$908,094	\$0	\$728,891	0.80	0.00%	-58.41%	\$0	\$0	\$99,501	\$0	\$46,530	\$0
Battery Ventures XII	\$5,998,340	\$0	\$6,811,629	1.14	25.60%	15.87%	\$0	\$0	\$214,938	\$0	\$48,675	\$0
Battery Ventures XII Side Fund	\$3,848,605	\$0	\$4,529,144	1.18	25.30%	21.13%	\$0	\$0	\$66,118	\$0	\$29,720	\$0
Buenaventure One, LLC	\$30,730,590	\$403,156	\$32,651,260	1.08	8.40%	8.40%	\$0	\$0	\$0	\$0	\$5,892	\$0
CapVest Equity Partners IV	\$0	\$0	(\$228,147) ⁴	N/A	N/A	N/A	\$0	\$0	\$124,479	\$0	\$51,341	\$0
Clearlake Capital Partners V	\$7,283,333	\$1,363,988	\$9,779,101	1.53	66.40%	54.18%	\$1,325,164	\$665,796	\$52,192	\$10,833	\$42,546	\$107
Drive Capital Fund II	\$11,682,584	\$0	\$18,067,393	1.55	NR	33.51%	\$0	\$0	\$300,000	\$0	\$26,591	\$0
Drive Capital Fund III	\$36,925	\$0	(\$1,029) ⁵	(0.03)	NR	-100.00%	\$0	\$0	\$23,425	\$0	\$14,529	\$0
Drive Capital Overdrive Fund I	\$2,795,767	\$0	\$2,665,376	0.95	NR	-12.01%	\$0	\$0	\$110,032	\$0	\$30,359	\$0
ECI 11	\$2,853,854	\$0	\$2,830,351	0.99	6.48%	-1.15%	\$0	\$0	\$156,951	\$0	\$60,281	\$0
Flexpoint Fund IV-A	\$0	\$0	\$0	N/A	N/A	N/A	\$0	\$0	\$0	\$0	\$0	\$0
Flexpoint Overage Fund IV-A	\$0	\$0	\$0	N/A	N/A	N/A	\$0	\$0	\$0	\$0	\$0	\$0
Genstar Capital Partners IX	\$1,738,245	\$0	\$1,784,383	1.03	16.20%	14.67%	\$0	\$0	\$0	\$0	\$52,594	\$0
Genstar Capital Partners IX Opportunities Program	\$747,352	\$0	\$771,621	1.03	18.80%	14.60%	\$0	\$0	\$1,216	\$0	\$445	\$0
GGV Capital VII	\$3,454,400	\$0	\$3,341,804	0.97	14.20%	-7.81%	\$0	\$0	\$238,478	\$0	\$12,547	\$0
GGV Capital VII Plus	\$825,500	\$0	\$826,455	1.00	0.00%	0.30%	\$0	\$0	\$0	\$0	\$767	\$0
GGV Discovery II	\$504,000	\$0	\$495,512	0.98	30.50%	-3.30%	\$0	\$0	\$49,292	\$0	\$3,559	\$0
Great Hill Equity Partners VII	\$0	\$0	(\$24,715) ⁴	N/A	N/A	N/A	\$0	\$0	\$0	\$0	\$24,713	\$0
Green Equity Investors VIII	\$0	\$0	\$0	N/A	N/A	N/A	\$0	\$0	\$0	\$0	\$0	\$0
GTCR Fund XII	\$9,303,000	\$540,067	\$9,828,711	1.11	21.80%	12.20%	\$275,565	\$103,894	\$412,145	\$0	\$321,935	\$39,266

Please see footnotes on page 4. Past performance is not a guide to future results and is not indicative of expected realized returns. See attached Important Information page and Abbott's Form ADV Part 2a for disclosures on risk and impact of fees on performance.

California Disclosure Reporting, continued

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Name of Fund	Performance and Fee Information ¹											
	As of December 31, 2019 (Since Inception)						For the Year Ended December 31, 2019					
	Contributions	Distributions	Valuation	TVPI	Gross IRR	Net IRR	Distributions	Cash Profit Received ²	Management Fees ³	Carried Interest Paid	Other Expenses	Fees & Expenses Paid by Portfolio Cos. ⁵
HarbourVest - Dover Street IX	\$43,200,000	\$15,641,322	\$46,467,956	1.44	41.93%	34.50%	\$8,359,306	\$3,710,910	\$642,464	\$294,223	\$591,765	\$0
HarbourVest - Dover Street VIII	\$61,509,954	\$73,012,162	\$26,202,075	1.61	24.65%	21.14%	\$6,390,154	\$3,478,721	\$837,531	\$268,579	\$230,345	\$0
HarbourVest - Dover Street X	\$0	\$0	\$564,413	N/A	N/A	N/A	\$0	\$0	\$46,864	\$0	\$154,396	\$0
HarbourVest Partners Co-Investment IV	\$24,464,388	\$4,951,347	\$28,491,451	1.37	19.34%	17.16%	\$3,214,694	\$1,277,250	\$253,184	\$0	\$189,975	\$0
HarbourVest Partners Co-Investment V	\$5,250,000	\$0	\$5,262,284	1.00	1.12%	0.58%	\$0	\$0	\$22,983	\$0	\$229,812	\$0
Hellman & Friedman Capital Partners IX	\$0	\$0	(\$182,204) ⁴	N/A	N/A	N/A	\$0	\$0	\$83,501	\$0	\$103,841	\$0
Insight Venture Partners X	\$20,625,000	\$8,561	\$25,686,577	1.25	31.00%	25.19%	\$0	\$0	\$385,768	\$0	\$96,612	\$0
M/C Partners VIII	\$955,984	\$0	\$478,315	0.50	-30.90%	-86.19%	\$0	\$0	\$147,581	\$0	\$67,557	\$0
Oak HC/FT Partners III	\$953,043	\$0	\$776,109	0.81	0.00%	-85.37%	\$0	\$0	\$107,157	\$0	\$69,777	\$0
Pantheon Global Secondary Fund IV	\$9,960,000	\$13,140,543	\$2,651,952	1.59	14.70%	13.49%	\$690,542	\$596,092	\$98,415	\$0	\$4,818	\$0
Pantheon Global Secondary Fund V	\$35,116,509	\$11,637,534	\$36,366,222	1.37	14.70%	14.23%	\$2,037,329	\$510,916	\$500,000	\$0	\$236,569	\$0
Riverside Micro-Cap Fund V	\$2,020,662	\$0	\$1,932,310	0.96	36.00%	-9.10%	\$0	\$0	\$205,302	\$0	\$59,584	\$0
TA XIII	\$1,500,000	\$0	\$1,420,892	0.95	19.10%	-73.24%	\$0	\$0	\$51,113	\$0	\$33,963	\$0
The Resolute Fund IV	\$8,242,991	\$1,974,204	\$9,610,313	1.41	24.20%	109.48% ⁶	\$1,974,204	\$854,576	\$171,205	\$0	\$222,408	\$37,006

NR = Information was not reported. N/A = Not Applicable.

¹With the exception of fund level information for Abbott Secondary Opportunities, L.P. (ASO) and Buenaventure One, LLC (BO), the information included herein is sourced from data provided by the managers of the funds. Such information has not been independently verified and no representation or warranty, express or implied, is given by or on behalf of Abbott as to the accuracy, fairness, correctness or completeness of the information. Certain amounts provided above have been estimated based on fund level information disclosed in the December 31, 2019 audited portfolio fund financial statements. Differences between such estimates and actual amounts may exist and such differences could be material.

²Represents amounts included in distributions received during the year that are classified as gain, dividend, interest or income per the fund's distribution notice.

³Management fees may reflect fee waivers in lieu of general partner capital contributions and offsets related to transaction fees, board fees and other items.

⁴Negative valuation is a result of accrued expenses and the use of a credit line early in the life of the fund.

⁵Negative valuation is a result of accrued expenses.

⁶Due to the use of a credit line, gross IRR is lower than net IRR.

Note: Contributions include closing interest payments made by VCERA, if any.

Past performance is not a guide to future results and is not indicative of expected realized returns. See attached Important Information page and Abbott's Form ADV Part 2a for disclosures on risk and impact of fees on performance.

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Important Information

Abbott and Portfolio Investment Performance:

Internal Rate of Return (IRR) represents the annualized internal rate of return over the relevant period using Latest Valuation. Latest Valuation refers to the fair value of net assets as of the report date. Total Value equals Distributions plus Latest Valuation. TVPI represents the Total Value over Contributions. DPI represents Distributions over Contributions.

A Net IRR or a net multiple is net of underlying portfolio fund investment fees and expenses, net of fees paid (or pro forma fees paid) to Abbott as the investment adviser, and net of allocations of carried interest to Abbott, if any.

A Gross IRR or a gross multiple, and unless otherwise noted, any composite level or individual portfolio investment return, is net of underlying portfolio investment fees and expenses, but NOT net of fees paid, or allocations of carried interest made, to Abbott as the investment adviser, account level expenses and adjustments resulting from the gains and losses realized upon the sale of distributed stock. Actual returns to an individual investor or client would be further reduced for any such fees and expenses not accounted for in the performance calculations.

Expenses, management fees and performance fees/carried interest paid by existing or past Abbott Clients may not be comparable to the expenses, management fees and performance fees/carried interest that another or future Abbott Client will pay in respect of its investments and such amounts may be lower or higher than amounts actually paid with respect to investors in prior or subsequent Abbott Funds or paid by discretionary separate account clients. Results portrayed may reflect the reinvestment of realized proceeds and other earnings by the Abbott Funds and the underlying portfolio investments. Exchange rate fluctuations may affect returns. Interim performance data may not accurately reflect the actual current or expected future performance of an Abbott Client. Performance data should not be used to compare returns among private equity funds due to, among other factors, differences in vintage year, investment strategy, investment size, etc. The performance herein has not been calculated, reviewed, verified or in any way sanctioned or approved by the general partners of the portfolio funds. There can be no assurance that any Abbott Client, its portfolio investments and underlying portfolio companies, or the private and public equity and debt markets in general, will perform, or continue to perform, similarly to prior periods, funds, investments, or accounts. It should not be assumed that any fund organized, or investment made, in the future will ultimately be profitable or will equal the performance of the funds, investments, or accounts listed in this presentation.

Unrealized valuations depend upon assumptions that may be reasonable under the circumstances and at the time made, but actual realized returns on unrealized investments will depend upon, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions used for the valuations incorporated herein. Actual realized returns on unrealized investments may differ materially and adversely from the returns indicated herein.

Abbott Fund Performance: Unless otherwise noted, performance metrics are presented as net to the limited partners in the relevant Abbott Fund as a whole, and exclude Abbott's general partner interest. Performance for each individual limited partner will differ from the performance disclosed due to varying limited partner closing dates, negotiated or scaled management/performance fees, strategy allocations, and commitment amounts and such differences may be material. In addition, certain designated limited partners, including without limitation certain employees and affiliates of Abbott, maintain a separate mandate with Abbott and are subject to a negotiated management and performance fee arrangement that differs from the management and performance fee arrangement applicable in general to limited partners in the Abbott Fund and otherwise set forth in the Abbott Fund's organizational documents. Such amounts may be paid by the investor out of assets not applicable to the Abbott Fund and are not taken into account when Abbott calculates and presents Abbott Fund returns.

Certain Abbott Funds use a subscription line of credit. Performance may be favorably impacted when the Abbott Fund uses this line of credit to facilitate portfolio investments, or to pay expenses, because it defers the calling of capital from investors. Since IRR generally is calculated as of the date the Abbott Fund's capital is called, rather than at the earlier time of funding the portfolio investment or payment of the expense, the use of a subscription line of credit could have a favorable impact on performance returns. If a subscription line had not been used, the Net LP IRR may have been materially different due to the increased time an investor's capital was at risk.

Abbott may have arrangements with certain or prospective investors pursuant to which those investors receive additional information concerning the Abbott Fund portfolios.

Presented to

Ventura County Employees' Retirement Association

October 26, 2020

Presented by:

Clark W. Holland, CFA
Portfolio Manager



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Presenter Biography



Clark W. Holland, CFA
Portfolio Manager

Clark Holland is a portfolio manager at Reams Asset Management. He is a co-portfolio manager of the Carillon Reams Bond Funds. Clark has over 25 years of experience as a portfolio manager, analyst, and client service specialist. Prior to joining Reams in 2002, Clark was a portfolio manager and investment product specialist at Wells Fargo Investment Management Group. Mr. Holland earned his master's in business administration from Rice University and his bachelor's degree from Taylor University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.



Agenda

Section

- 1 Organizational Updates
- 2 Fixed Income Market Dashboard
- 3 Market Insights and Investment Themes
- 4 Ventura Unconstrained Portfolio Update
- 5 Ventura Treasury Portfolio Update
- 6 Investment Philosophy and Process
- 7 Supplemental Materials



Reams Overview

An investment management partner since 1981

An exclusive focus on U.S. fixed income portfolios for institutional clients and individual investors through separate account and fund vehicles

Long-term client relationships are a result of strong historical performance and attentive client service

The investment team includes 12 investment professionals with an average of 23 years industry experience

Reams Asset Management is a division of Scout Investments, an affiliate of Carillon Tower Advisers (a wholly-owned subsidiary of Raymond James Financial, Inc.)



Reams Leadership Team

Investment Committee

Mark M. Egan, CFA (34/30)
Chief Investment Officer
Managing Director

Todd C. Thompson, CFA (26/19)
Managing Director

Robert A. Crider, CFA (43/39)
Managing Director

Operations and Administration

David B. McKinney, JD, CPA (40/22)
President, Reams Division

Daniel P. Spurgeon (24/16)
Vice President, Operations

Greg VanDuesen (24/12)
Chief Information Officer

Nancy Morey (39/39)
Director of Portfolio Systems
and Accounting

Structured Products

Stephen T. Vincent, CFA (29/26)
Portfolio Manager
Structured Products Team Leader

Credit

Todd C. Thompson, CFA (26/19)
Managing Director
Portfolio Manager
Credit Research Team Leader

Client Services

Sarah M. Couch (24/2)
Director of Client Services



Reams Representative Client List

Corporate

American Honda Motor Company
Cummins Inc.
Emerson Electric Company
NCR Corporation
Omaha Public Power District
Southern California Rock Products

Health Care

University of Colorado Health
Johns Hopkins Health System
NorthShore University HealthSystem
Northwestern Memorial HealthCare
OhioHealth Corporation
Shirley Ryan AbilityLab

Non-Profit

American Heart Association
Archdiocese of Miami
Board of Pensions/Presbyterian Church, USA
Chicago Symphony Orchestra
Cleveland Museum of Art
Veterans of Foreign Wars of the U.S.

Sub-Advisory

Prudential Retirement Insurance and Annuity Company
Russell Investment Management Company

Public

Arkansas Teacher Retirement System
Employees' Retirement System of Baltimore County
Indiana State Police Pension Trust
Los Angeles Fire & Police Pensions
City of Milwaukee Employees' Retirement System
Montana Board of Investments
City of Oakland Police & Fire Retirement System
San Francisco Bay Area Rapid Transit District
Sonoma County Employees' Retirement Association
Spokane Firefighters' Pension Fund
Ventura County Employees' Retirement Association

Taft-Hartley

Carpenters District Council of Kansas City Pension Fund
Carpenters Pension Fund of Illinois
Gulf Coast Carpenters and Millwrights Health Trust
IBEW 8th District Electrical Pension Trust
Inter-Local Pension Fund, GCC/IBT

University/Endowment/Foundation

Trustees of Indiana University
University of Kentucky
Purdue University
Regents of the University of Minnesota



Reams Fixed Income Products

PRODUCTS

Core Plus	\$6.0 billion
Core	\$1.6 billion
Intermediate	\$0.6 billion
Long Duration	\$3.8 billion
Low Duration	\$3.3 billion
Real Return	\$0.9 billion
Ultra Low Duration	\$0.8 billion
Unconstrained	\$4.5 billion
Total Firm AUM	\$21.5 billion

VEHICLES

Separate Accounts

Institutional Commingled Funds:

- Columbus Core Plus Bond Fund
- Columbus Ultra Low Duration Bond Fund
- Columbus Unconstrained Bond Fund

Institutional Mutual Funds:

- Core Plus
- Core
- Unconstrained

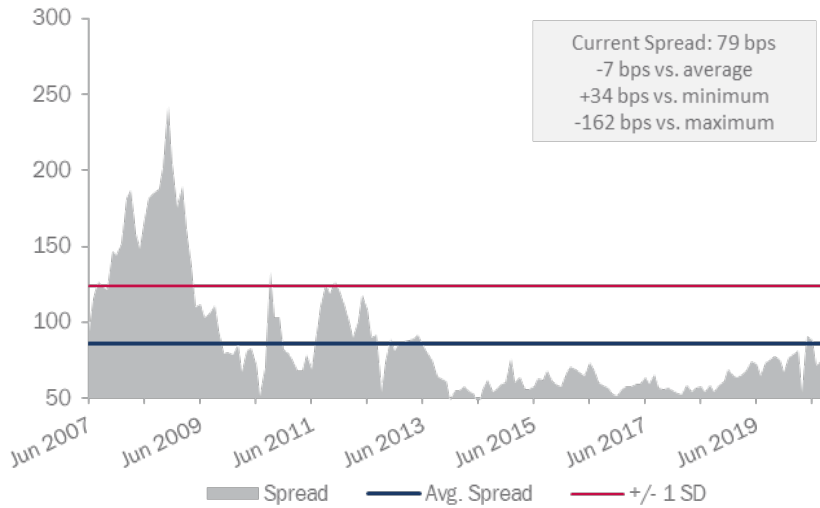
Non-U.S. Fund:

- Raymond James Funds Reams Unconstrained Bond

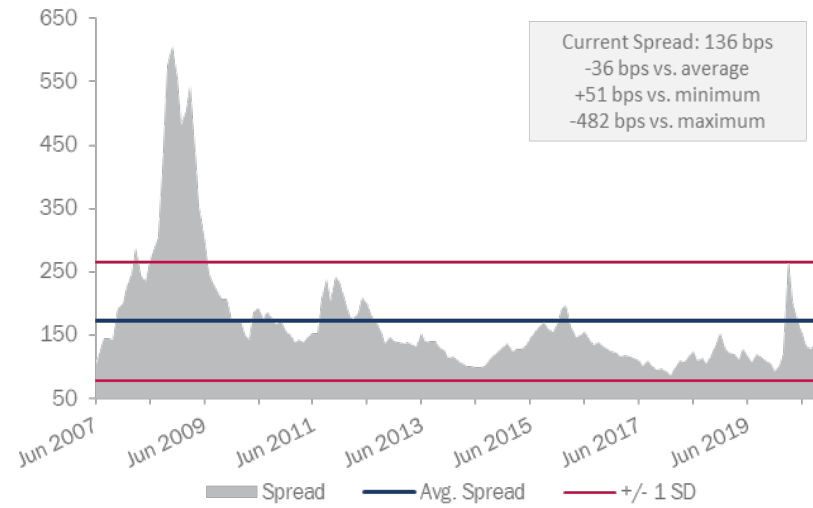


Fixed Income Market Dashboard

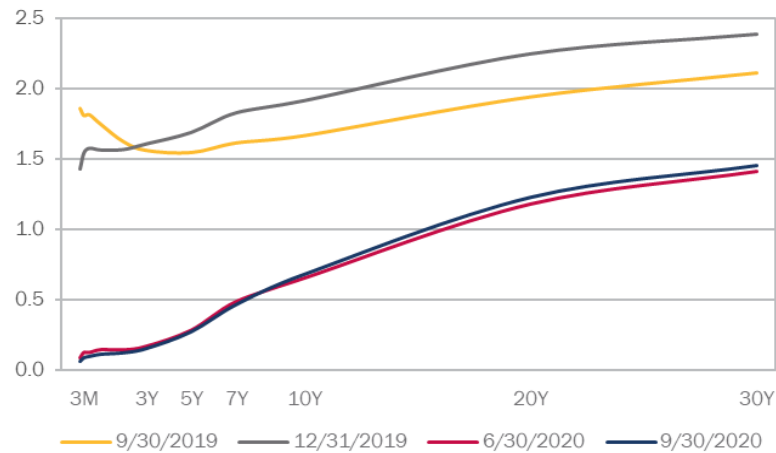
Agency MBS Zero-Volatility Spread (Basis Points)



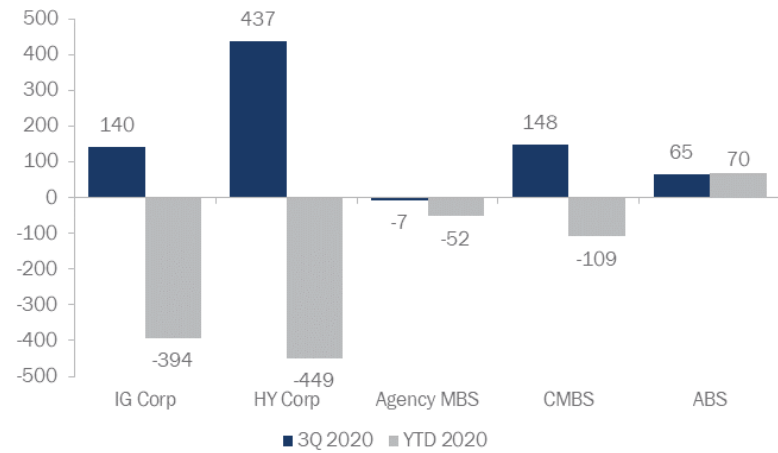
Investment Grade Corporate OAS (Basis Points)



U.S. Treasury Yield Curves (Percent)

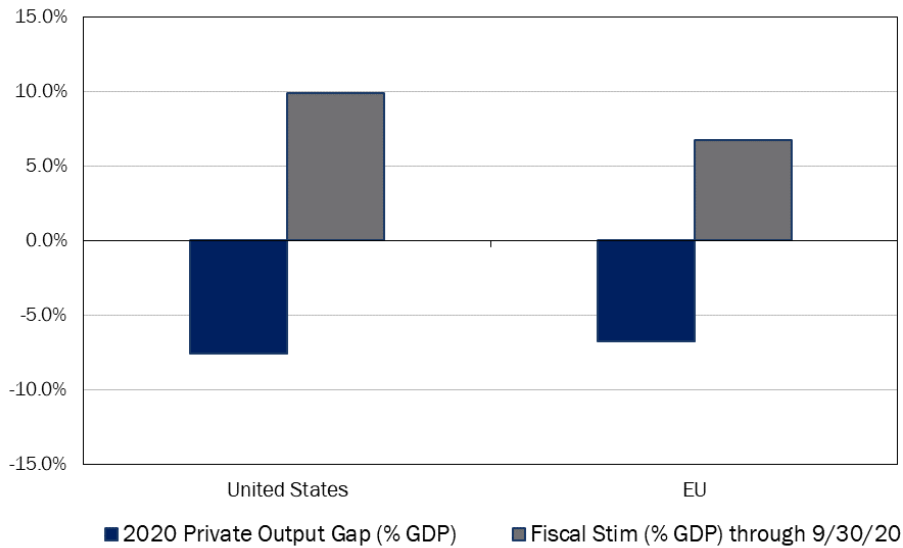


Sector Excess Returns (Basis Points)



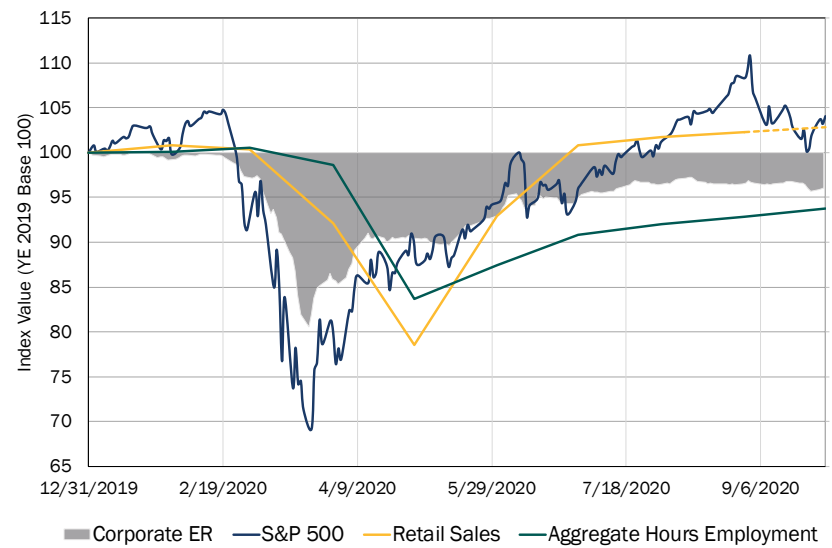
Market Insights

Private Output Gaps vs. Stimulus Offsets



- U.S. and E.U. fiscal authorities responded quickly to address a gaping hole left by the pandemic. Stimulus figures roughly approximated the likely output gap created by a drawdown in private sector activity.

Economic Fundamentals vs. Asset Prices



- After cutting rates to zero and instituting large scale asset purchases to prop up financial markets, the Federal Reserve has few additional tools left, and Congressional action is required to drive further fiscal stimulus. Possible deadlock in Washington raises a crucial question: what is the encore for the consumer and risk markets?



Investment Themes

Risk markets advanced despite still weak, but improving fundamentals

- A structural shift in leisure/travel behavior, as well as in how business is conducted, could remain in place indefinitely.
- Risk markets continued their ascent, still benefitting from the wave of monetary stimulus; the valuation gap relative to fundamentals continued to widen.
- The Federal Reserve altered its policy approach, allowing more flexibility in regard to labor resources in order to achieve higher inflation; such a move may be a tacit admission that there are limits to what can be accomplished with monetary stimulus.

As uncertainty factors mount, risk seeking will likely face near-term resistance

- Risk markets appear to have reached a near-term resistance point, waiting for validation from economic fundamentals.
- Several risk factors that could restrain markets loom, including the upcoming U.S. election, the potential of a third wave of rising COVID cases, the failure to progress on economic reopening, or a delayed vaccine launch.
- Another key risk is market expectations for the Federal Reserve commitment for additional capital market support moving forward; so far, they have only committed to not raising rates, whereas the market may demand further commitment on asset purchases.
- Much focus is now on an encore installment of fiscal stimulus; with payroll support expired, many companies are now facing layoffs without additional governmental assistance. Although posturing would suggest an imminent deal, failure to reach such a compromise could lead to adverse economic implications.

Respecting the narrowing in spreads, we reduced exposure during the quarter to more balanced levels

- In credit, we reduced risk exposure on a contribution-to-duration (CTD) basis and rotated into lower beta positions as well.
- In securitized, we reduced exposure outright, as well as rotated into positions with more favorable convexity, including lower coupon and shorter amortizing pools, as well as new issue Asset-Backed Securities (ABS).



Investment Objective and Guidelines

Objective

- To maximize risk-adjusted total return by systematically pursuing relative value opportunities throughout all sectors of the fixed income market.

Performance Benchmark

- ICE BAML LIBOR 3-Month Constant Maturity Index

Guidelines

- Average portfolio duration shall be within a range of -3 to 8 years. No restriction on individual holdings.
- No limit on the ratings of individual securities.
- No single credit industry shall exceed 25% of the portfolio at purchase.
- Emerging market securities shall not exceed 30% of the portfolio at purchase.
- Non-U.S. dollar holdings shall not exceed 30% of the portfolio at purchase, including positions hedged and unhedged.
- Futures, forwards, options and swaps (including credit default swaps) may be used to enhance returns, increase liquidity and/or gain exposure to certain instruments or markets in a more efficient way. Borrowing will not be permitted to create leverage in the portfolio. Investments in derivatives will only be used to gain exposure to underlying assets that are otherwise permitted by the investment guidelines.



Relationship Summary

Ventura County Employees' Retirement Association

Relationship Inception	October 1, 2001
Investment Style	Unconstrained Fixed Income
Performance Benchmark	ICE BAML 3-Month LIBOR Index
Financial Data as of September 30, 2020:	
Initial Investment	\$225.7 million
Contributions	\$128.4 million
(Withdrawals)	(\$306.3 million)
Portfolio Gains	\$285.1 million
Portfolio Value	\$332.9 million



Performance Review

For Periods Ending September 30, 2020

	Percent Gain or Loss							
	Quarter Ending	Last 12 Months	Two Years (annualized)	Three Years (annualized)	Five Years (annualized)	Seven Years (annualized)	Ten Years (annualized)	Since Inception* (annualized)
Ventura County Employees' Retirement Association**	2.23	9.36	8.27	5.18	4.73	3.19	4.03	5.42
Benchmark***	0.08	1.57	2.10	1.99	1.50	1.14	1.79	3.63
Difference	2.15	7.79	6.17	3.19	3.23	2.05	2.24	1.79

* Inception Date: 10/1/2001

**Net of Investment Management Fees (recorded on cash basis)

***The portfolio was managed under a Core Plus mandate from 10/1/2001 - 2/5/2013. Beginning 2/6/2013, the portfolio was transitioned to an Unconstrained mandate. The benchmark consists of the Bloomberg Barclays U.S. Aggregate through 2/5/2013 and the ICE BAML 3-Month LIBOR Constant Maturity Index as of 2/6/2013.



Calendar Year Performance

	Percent Gain or Loss									
	Year Ending 2019	Year Ending 2018	Year Ending 2017	Year Ending 2016	Year Ending 2015	Year Ending 2014	Year Ending 2013	Year Ending 2012	Year Ending 2011	Year Ending 2010
Ventura County Employees' Retirement Association*	6.60	0.71	2.49	5.98	0.30	(3.50)	2.51	9.96	8.44	10.03
Benchmark**	2.60	2.08	1.11	0.66	0.23	0.23	(0.52)	4.22	7.84	6.54
Difference	4.00	(1.37)	1.38	5.32	0.07	(3.73)	3.03	5.74	0.60	3.49

*Net of Investment Management Fees (recorded on cash basis)

**The portfolio was managed under a Core Plus mandate from 10/1/2001 - 2/5/2013. Beginning 2/6/2013, the portfolio was transitioned to an Unconstrained mandate. The benchmark consists of the Barclays U.S. Aggregate through 2/5/2013 and the BofA Merrill Lynch 3-Month LIBOR Constant Maturity Index as of 2/6/2013.



Performance Review

	3 Year Rolling, Annualized Returns										
	Year Ending 2019	Year Ending 2018	Year Ending 2017	Year Ending 2016	Year Ending 2015	Year Ending 2014	Year Ending 2013	Year Ending 2012	Year Ending 2011	Year Ending 2010	Year Ending 2009
Ventura County Employees' Retirement Association*	3.42	3.22	3.08	1.03	(0.08)	3.03	7.11	9.66	17.04	9.57	8.70
Benchmark**	1.93	1.28	0.67	0.38	(0.02)	1.29	3.79	6.19	6.77	5.90	6.04
Difference	1.49	1.93	2.41	0.66	(0.06)	1.74	3.32	3.48	10.27	3.66	2.66

*Gross of Investment Management Fees (recorded on cash basis)

**The portfolio was managed under a Core Plus mandate from 10/1/2001 - 2/5/2013. Beginning 2/6/2013, the portfolio was transitioned to an Unconstrained mandate. The benchmark consists of the Barclays U.S. Aggregate through 2/5/2013 and the BofA Merrill Lynch 3-Month LIBOR Constant Maturity Index as of 2/6/2013.

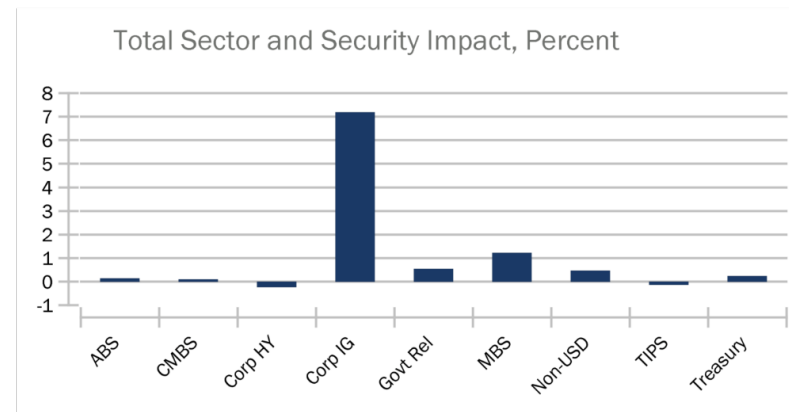
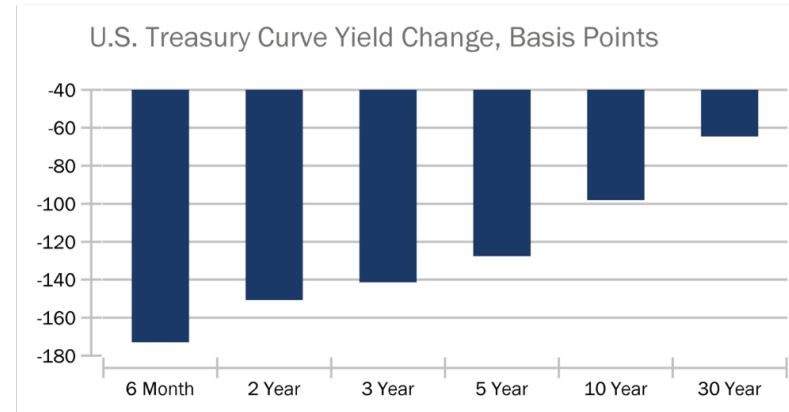


Total Return Detail

Ventura County Employees' Retirement Association (Unconstrained): 10/1/2019 - 9/30/2020

	Portfolio (%)
Total Return	9.55

Sector	Total Impact
ABS	0.14
CMBS	0.11
Corp HY	-0.23
Corp IG	7.18
Govt Rel	0.55
MBS	1.22
Non-USD	0.48
TIPS	-0.14
Treasury	0.24
	9.55



Portfolio Characteristics

Columbus Unconstrained Bond Fund: 9/30/2020

	Portfolio
Avg. Duration (Years)	-0.1
Avg. Convexity	0.16
Avg. Yield to Worst (%)	2.0
Avg. Maturity (Years)	4.0
Avg. Quality	A2

Quality Structure (% of Portfolio)	Portfolio *
AAA	36.4
AA	3.7
A	15.6
BBB	35.8
Other	8.5
Total	100.0

* The methodology used is consistent with client investment guidelines.

Duration Distribution (Years)	Portfolio
0 - 1 yr.	0.1
1 - 3	0.7
3 - 4	0.1
4 - 6	-0.9
6 - 8	-0.8
8 +	0.7
Total	-0.1

Sector Structure (% of Portfolio)	Portfolio
Treasury	11.3
Govt Related	1.9
Mortgage-Backed	9.3
Asset-Backed	4.1
Corporate IG	48.5
Corporate HY	8.3
Non-US Dollar	3.2
Cash and Equivalents	13.4
Total	100.0

Maturity Distribution (%)	Portfolio
0 - 1 yr.	33.4
1 - 3	20.0
3 - 5	19.6
5 - 7	5.8
7 - 10	10.3
10 - 20	9.8
20 +	1.1
Total	100.0



Relationship Summary

Ventura County Employees' Retirement Association (Treasury)

Relationship Inception	March 21, 2019
Investment Style	Treasury Only
Performance Benchmark	Not Applicable
Financial Data as of September 30, 2020:	
Initial Investment	\$100.0 million
Contributions	\$0.0 million
(Withdrawals)	(\$25.0 million)
Portfolio Gains	\$19.2 million
Portfolio Value	\$94.2 million



Performance Review

For Periods Ending September 30, 2020

	Percent Gain or Loss			
	Quarter Ending	Year To Date	Last 12 Months	Since Inception* (annualized)
Ventura County Employees' Retirement Association (Treasury) (a)	0.17	12.93	11.08	12.55
Ventura County Employees' Retirement Association Treasury (b)	0.17	12.92	11.07	12.54

* Inception Date: 3/21/2019

(a) Gross of Investment Management Fees

(b) Net of Investment Management Fees (recorded on cash basis)



Portfolio Characteristics

Ventura County Employees' Retirement Association (Treasury): 9/30/2020

	Portfolio	Index
Total Market Value (\$)	94,176,221	97,040 million
Avg. Duration (Years)	9.6	9.5
Avg. Convexity	1.00	0.98
Avg. Yield to Worst (%)	0.6	0.7
Avg. Maturity (Years)	9.9	9.8
Avg. Quality	Aaa	Aaa

Quality Structure (% of Portfolio)	Portfolio *	Index
AAA	100.0	100.0
AA	0.0	0.0
A	0.0	0.0
BBB	0.0	0.0
Other	0.0	0.0
Total	100.0	100.0

* The methodology used is consistent with client investment guidelines.

Duration Distribution (Years)	Portfolio	Index
0 - 1 yr.	0.0	0.0
1 - 3	0.0	0.0
3 - 4	0.0	0.0
4 - 6	0.0	0.0
6 - 8	0.0	0.0
8 +	9.6	9.5
Total	9.6	9.5

Sector Structure (% of Portfolio)	Portfolio	Index
Treasury	99.9	100.0
Govt Related	0.0	0.0
Mortgage-Backed	0.0	0.0
Asset-Backed	0.0	0.0
Corporate	0.0	0.0
Non-US Dollar	0.0	0.0
Cash and Equivalents	0.1	0.0
Total	100.0	100.0

Maturity Distribution (%)	Portfolio	Index
0 - 1 yr.	0.1	0.0
1 - 3	0.0	0.0
3 - 5	0.0	0.0
5 - 7	0.0	0.0
7 - 10	99.9	100.0
10 - 20	0.0	0.0
20 +	0.0	0.0
Total	100.0	100.0



Reams Investment Philosophy

Many investors define risk as volatility or tracking error versus a benchmark

Reams defines risk as permanent loss of principal or the inability to meet investment objectives

Reams Portfolio Management Principles:

- Focus on creating a diversified bond portfolio in an attempt to outperform over market cycles
 - Stress test/scenario analysis on individual bonds and the overall portfolio
 - More focused on reacting to market opportunities than trying to predict where the market is headed
 - Avoid backward looking risk measures, i.e., “risk budgeting”
 - Borrowing is not used to leverage the portfolios
-

Reams utilizes a proprietary risk analytics and attribution system

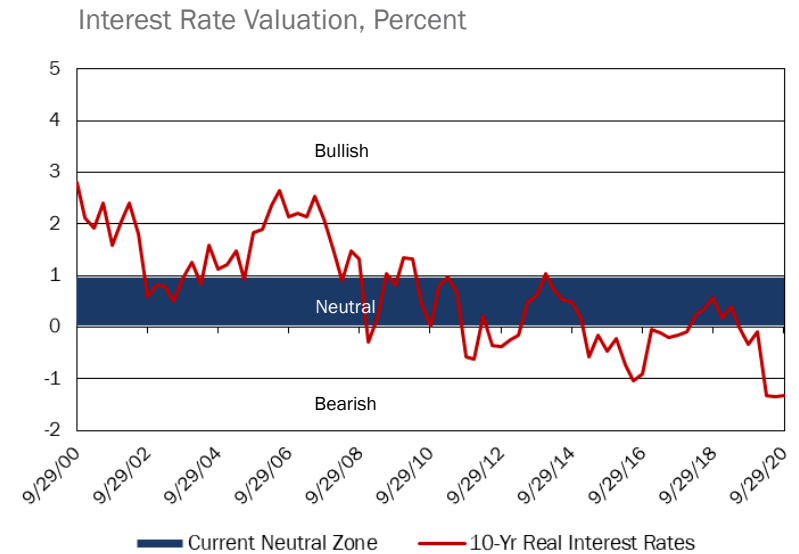


Reams Investment Process

Step One: Duration and Yield-Curve Decision

Goal: Determine whether the bond market is cheap or rich

- Emphasize *real* interest rates and formulate a long term view
- Position portfolio when real rates vary from 0.0% to 1.0% neutral range
- Take advantage of yield curve opportunities



Source: Bloomberg



Reams Investment Process

Step Two: Sector Decision and Bond Selection

Goal: Purchase bonds with the opportunity to offer the highest risk-adjusted returns

- Focus on sectors offering relative value
 - Monitor spreads and price levels
 - Over/under weight sectors based on relative value

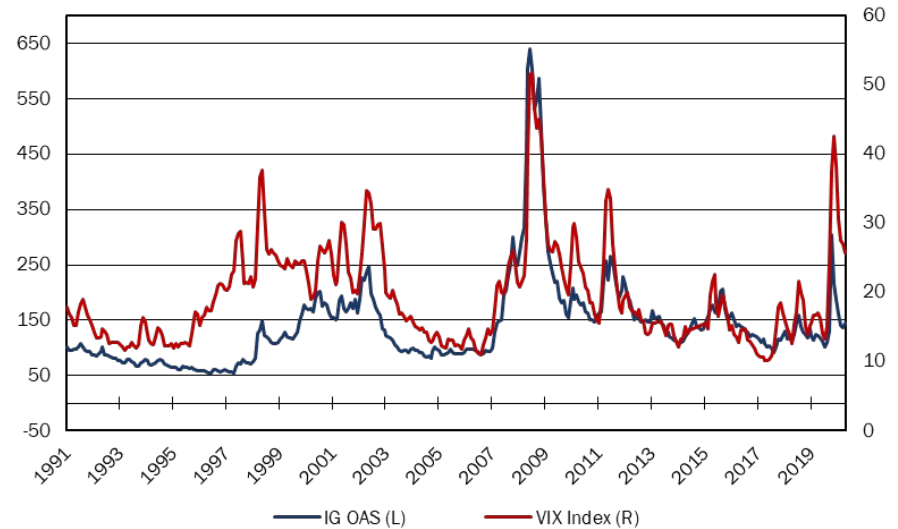
- Select bonds that have the opportunity to perform well in dynamic interest rate and credit environments
 - Use scenario analysis to evaluate possible outcomes
 - Focus on senior positions within the capital structure
 - Evaluate underlying asset values and collateral

- Seek unique opportunities to add value
 - Looking for niche parts of the market overlooked by larger managers

Example of Market Volatility

■ Number of years since 1981 that interest rates have changed at least 1.0%: 37 of 39

Corporate Spreads and Equity Volatility



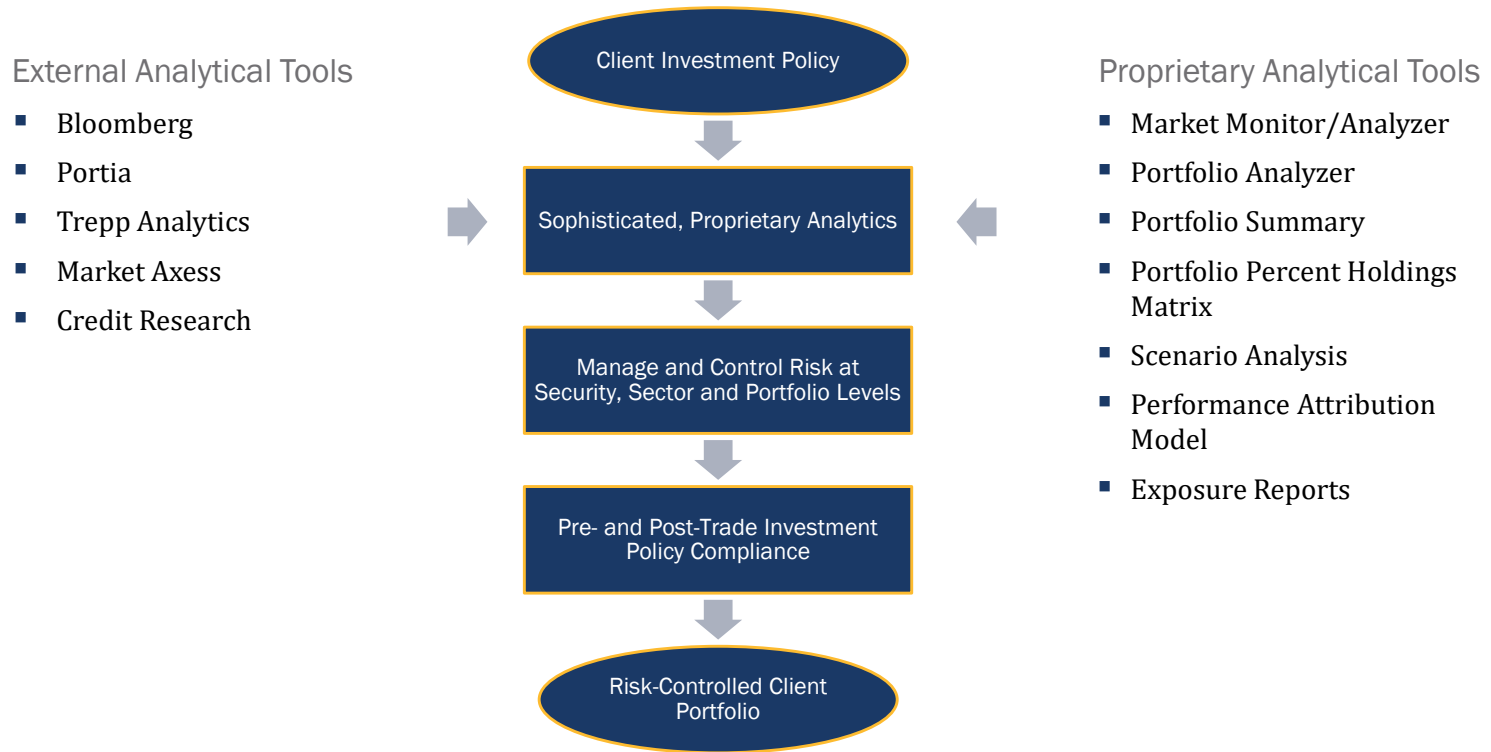
Source: Bloomberg and Barclays



Reams Investment Process

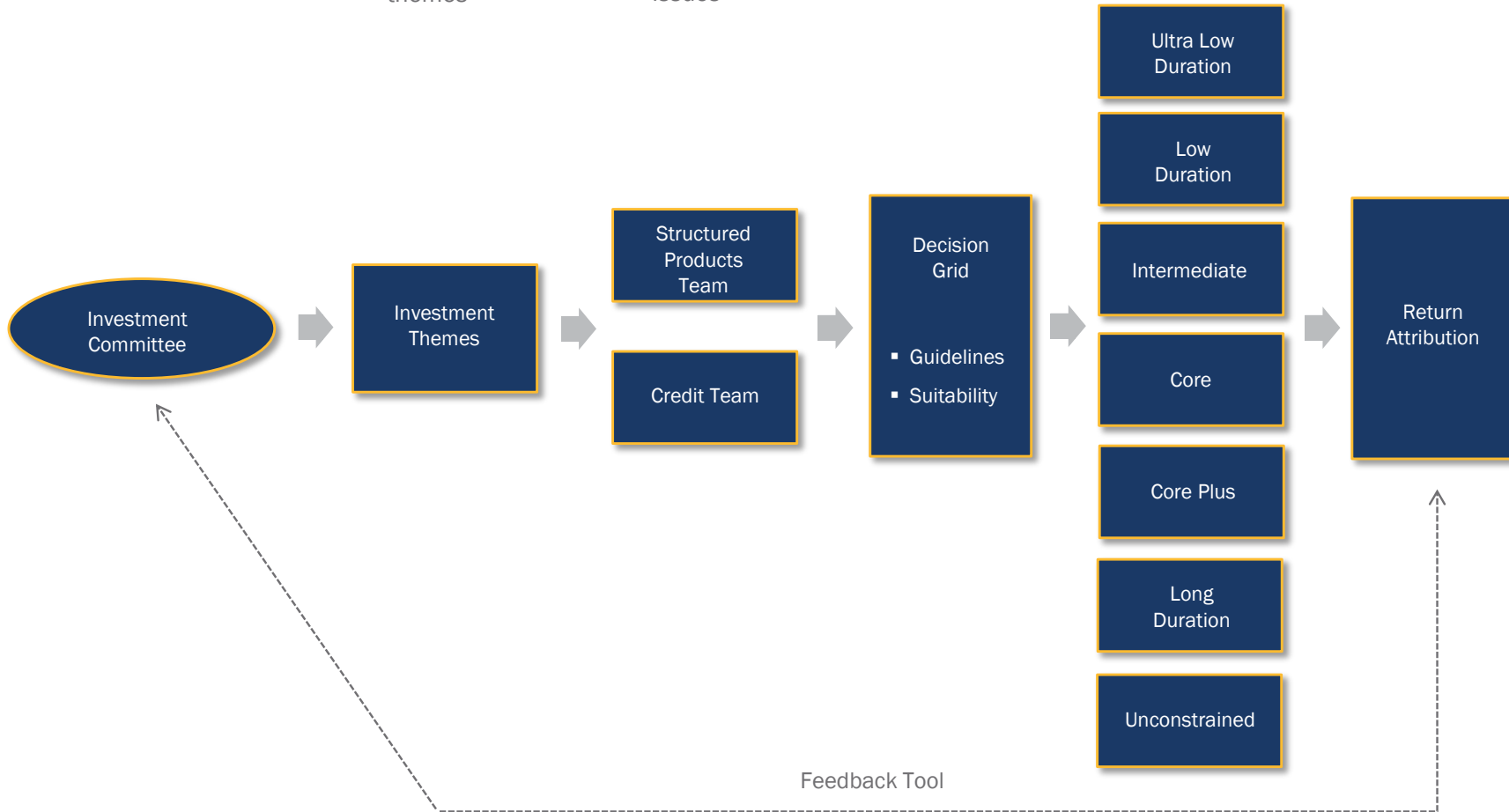
Step Three: Risk Analysis and Control

Goal: Continually measure and control exposure to risk



Reams Investment Process

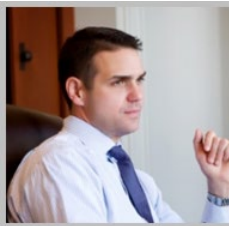
- Committee formulates strategy with specialists' input
- Output is opportunity set of investment themes
- With strategy set, teams identify individual issues
- Consistent application of themes, tailored to strategy
- Real-time feedback with return attribution



Reams Key Investment Professionals



Mark Egan, chief investment officer, a managing director, and portfolio manager at Reams Asset Management, is the lead portfolio manager of the Carillon Reams Bond Funds. Mark has over 30 years of experience managing fixed income portfolios. Prior to joining Reams in 1990, Mark was a Portfolio Manager at National Investment Services of America. Mr. Egan earned his master's in business administration from the University of Wisconsin – Madison and his bachelor's degree from Marquette University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.



Todd Thompson is a managing director and portfolio manager and leads the fixed income credit research team at Reams Asset Management. He is a co-portfolio manager of the Carillon Reams Bond Funds. Todd has over 25 years of experience as a fixed income portfolio manager and analyst. Prior to joining Reams in 2001, Todd worked for Consec Capital Management Company and The Ohio Public Employees' Retirement System. Mr. Thompson earned his master's in business administration from Clemson University and his bachelor's degree from Bob Jones University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.



Bob Crider is a managing director at Reams Asset Management. Bob was a founding partner of Reams and has over 30 years of experience managing fixed income portfolios. Prior to joining Reams in 1981, he worked for Cummins Engine Co., Inc. and the State Teachers Retirement System of Ohio. Mr. Crider earned his master's and bachelor's degrees from Ohio State University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.



Reams Key Investment Professionals (Cont'd.)



Steve Vincent is a portfolio manager and leads the fixed income structured products research team at Reams Asset Management. He is a co-portfolio manager of the Carillon Reams Bond Funds. Steve has over 25 years of experience as a fixed income portfolio manager and analyst. Prior to joining Reams in 1994, Steve worked for the Federal Deposit Insurance Corp. and First Security Corporation. Mr. Vincent earned his master's in business administration from Indiana University and his bachelor's degree from Brigham Young University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.



Clark Holland is a portfolio manager at Reams Asset Management. He is a co-portfolio manager of the Carillon Reams Bond Funds. Clark has over 25 years of experience as a portfolio manager, analyst, and client service specialist. Prior to joining Reams in 2002, Clark was a portfolio manager and investment product specialist at Wells Fargo Investment Management Group. Mr. Holland earned his master's in business administration from Rice University and his bachelor's degree from Taylor University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.



Jason Hoyer is a portfolio manager at Reams Asset Management. He is a co-portfolio manager of the Carillon Reams Bond Funds. Jason has 17 years of experience as a portfolio manager and analyst. Prior to joining Reams in 2015, Jason was a senior credit analyst at 40|86 Advisors and a director in the research department at Fiduciary Management Associates. Mr. Hoyer earned his bachelor's degree from the University of Michigan. He holds the *Chartered* Financial Analyst (CFA) designation and is a member of the CFA Institute.



Reams Fixed Income Analysts



Bobby Flynn is a fixed income analyst at Reams Asset Management. In this role, he is responsible for security research and trading for Reams' credit research team. Bobby joined Reams in 2012 and has 8 years of experience in investment research and analysis. Mr. Flynn earned his bachelor's degree in economics from Augustana College. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.



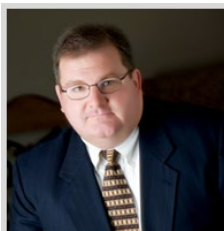
Taylor Harris is a fixed income analyst at Reams Asset Management. In this role, he is responsible for security research and trading for Reams' structured products team. Prior to joining Reams in 2017, he was a laboratory analyst at Bristol-Myers Squibb and Aerotek. Mr. Harris earned his master's and bachelor's degrees from Indiana University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.



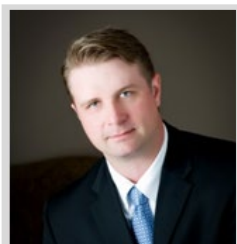
Trey Harrison is a fixed income analyst and actuary at Reams Asset Management. Prior to joining Reams in 2010, Trey was as an asset-liability portfolio manager at 40|86 Advisors, played a lead role in the development of in-house asset-liability profiles for CNO Financial Group's individual statutory entities, and served as a modeling actuary for Unum's Asset-Liability Working Group. Mr. Harrison earned a master's degree from Georgia State's J. Mack Robinson College of Business and a bachelor's degree in finance from Georgia Southern University. He holds the Chartered Financial Analyst (CFA) designation, is an Associate of the Society of Actuaries, and is a member of the CFA Institute.



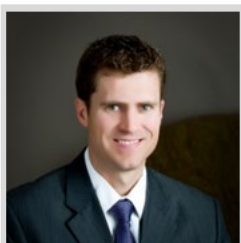
Reams Fixed Income Analysts (Cont'd)



Patrick Laughlin is a fixed income analyst at Reams Asset Management. In this role, he is responsible for security research and trading for Reams' structured products team. Pat has 25 years of experience in investment research and analysis. Prior to joining Reams in 2004, Pat was a portfolio manager at St. Francis Bank and a director at SF Investment Corp. Mr. Laughlin earned his bachelor's degree from the University of Wisconsin – Stevens Point.



Scott Rosener is a fixed income analyst at Reams Asset Management. In this role, he is responsible for security research and trading for Reams' credit team. Scott has 23 years of experience in investment research and analysis. Prior to joining Reams in 2005, Scott was an investment analyst at the Lincoln Financial Group. Mr. Rosener earned his master's and bachelor's degrees from Indiana University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.



Kevin Salsbery is a fixed income analyst at Reams Asset Management. In this role, he is responsible for security research and trading for Reams' structured products team. Kevin has 19 years of experience in investment research and analysis. Prior to joining Reams in 2004, he was an investment analyst at 40|86 Advisors. Mr. Salsbery earned his bachelor's degree from Taylor University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.



Reams Administration, Operations, and Client Services Management Team



Dave McKinney is president of Reams Asset Management. In this role, he is responsible for the administrative functions of the Reams division. Dave has 40 years of combined experience in public accounting, administration and compliance. Prior to joining Reams in 1998, he was a partner with Blue & Company, LLC and worked for Ernst & Young. Mr. McKinney earned his juris doctorate from Indiana University School of Law and his bachelor's degree from Miami University. He is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants and the Indiana CPA Society.



Dan Spurgeon is vice president of Operations at Reams Asset Management. In this role, he is responsible for overseeing operations at Reams, including trade settlement and reconciliation, portfolio accounting, information systems and data security. Dan has 25 years of experience in fixed income operations and administration. Prior to joining Reams in 2004, he was Operations Manager for 40|86 Advisors and worked for Bank One. Mr. Spurgeon earned his bachelor's degree from Purdue University.



Greg VanDuesen is chief information officer at Reams Asset Management. In this role, he is responsible for development and implementation of Reams' information technology strategy, including proprietary software development, data architecture and business continuity. Greg has over 20 years of experience in information technology leadership. Prior to joining Reams in 2007, he was lead application architect for 40|86 Advisors, developing propriety trade order management, compliance and risk management systems. Mr. VanDuesen earned his master's in business administration from Indiana University and his bachelor's degree from Purdue University.



Nancy Morey is director of Portfolio Systems and Accounting at Reams Asset Management. In this role, she oversees portfolio and composite performance reporting, investment policy compliance, as well as accounting and trading systems data integrity and reporting. Nancy joined Reams in 1981 and has over 35 years of experience in portfolio accounting systems management and reporting.



Sarah Couch is director of Client Services at Reams Asset Management. In this role, she leads the Client Services team and is responsible for providing Reams' clients with outstanding client service. Sarah has over 20 years of combined experience in client service, relationship management, and financial reporting and analysis. Prior to joining Reams in 2018, Sarah was the manager of Member Services for I-Light, Indiana's research and education network for higher education, and she held various financial management and analyst positions at Indiana University and Indiana Bank and Trust. Ms. Couch earned her master's in business administration from Indiana University and her bachelor's degree from Harvard University.



Important Disclosures

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The bond quality ratings indicated are assigned by credit rating agencies Standard & Poor's, Moody's, and Fitch as an indication of an issuer's creditworthiness. Unless specified by client investment guidelines, the middle of three or highest of two credit quality ratings available from these rating agencies is used. Credit quality is subject to change. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). Ratings information from Standard & Poor's ("S&P") may not be reproduced. S&P credit ratings are statements of opinion and are not statements of fact or recommendations to purchase, hold, or sell securities, nor do they address the suitability of securities for investment purposes, and should not be relied on as investment advice. S&P does not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings, and is not responsible for errors or omissions (negligent or otherwise). S&P gives no express or implied warranties, including but not limited to any warranties of merchantability or fitness for a particular purpose or use. S&P shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use of ratings.

NOT FDIC INSURED/NO BANK GUARANTEE/MAY LOSE VALUE





Ventura County Employees' Retirement Association

October 26, 2020



Biographies



HENRY P. HAMROCK

40 Years' Experience

- *Western Asset Management Company, LLC, 2006-, Head of Public/Multi-Employer Relationships*
- *Citigroup Asset Management, 2002-2006, Head of Global Sovereign Business Development and Channel Management*
- *Citigroup Asset Management, 1999-2002, Head of Global Consultant Relationships*
- *Citibank Global Asset Management, 1990-1999, Asia Regional Business Director*
- *Citibank, N.A., 1980-1990, Fixed Income Sales and Trading*
- *University of Pennsylvania, B.A.*



JULIEN A. SCHOLNICK

23 Years' Experience

- *Western Asset Management Company, LLC, 2003-, Portfolio Manager*
- *Salomon Smith Barney, 2000-2001, Associate, Private Client Group*
- *Digital Coast Partners, 1999-2000, Senior Analyst*
- *Arthur Andersen, LLP, 1997-1999, Senior Analyst*
- *Cornell University, M.B.A.*
- *University of California, Los Angeles, B.A., magna cum laude*
- *Chartered Financial Analyst*

Western Asset experience reflects current position title and hire date.

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- I. About Western Asset
- II. Philosophy, Process and People
- III. Portfolio Review
- IV. Index Plus Review
- V. Investment Outlook
- VI. Appendix

About Western Asset

About Western Asset

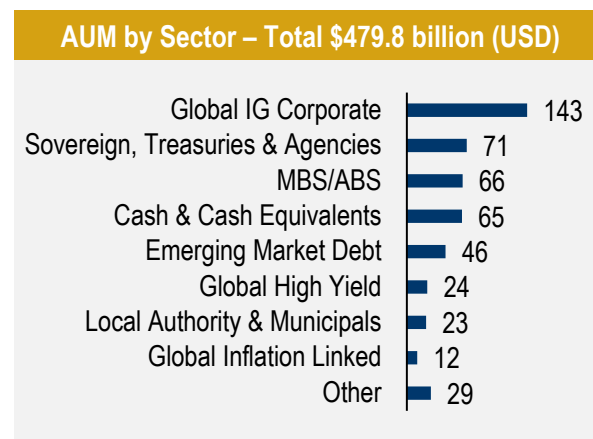
Western Asset is a globally integrated fixed-income manager, sourcing ideas and investment solutions worldwide.

Western Asset At a Glance

- Founded in 1971. Specialist Investment Manager of Franklin Resources, Inc. since July 31, 2020
- Fixed-income value investors
- \$479.8 billion (USD) AUM
 - \$414.4 billion (USD) long-term assets
 - \$65.4 billion (USD) cash and cash equivalent assets
- 828 employees

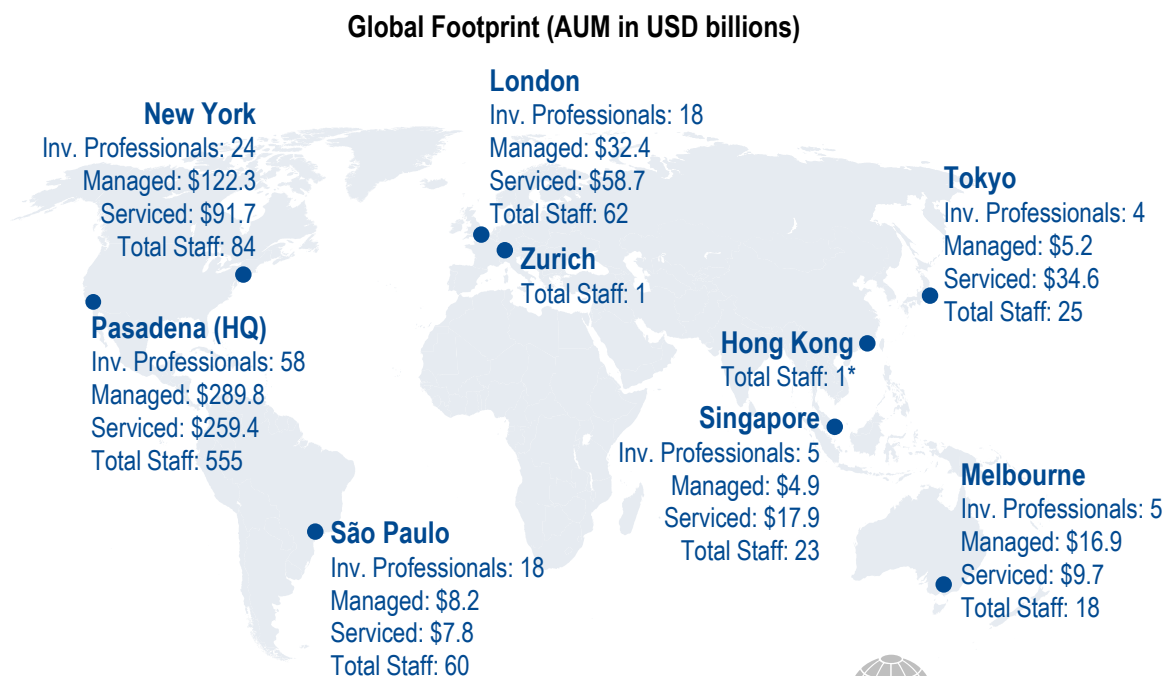
Organizational Pillars

- Clients first
- Globally integrated
- Team-based
- Active fixed-income
- Integrated risk management



Western Asset's Deep Global Integration Allows Us to Source Investment Ideas and Investment Solutions Across Regions

Investment Management	<ul style="list-style-type: none"> ▪ 132 investment professionals on five continents and in seven offices ▪ 23 years average experience ▪ 42 portfolio and quantitative analysts in portfolio operations
Client Service & Marketing	<ul style="list-style-type: none"> ▪ 172 staff dedicated to client service ▪ Specialized teams to meet individual client needs
Risk Management & Operations	<ul style="list-style-type: none"> ▪ Independent risk management function with 37 professionals including 14 PhDs ▪ 357 staff dedicated to globally integrated operations



Source: Western Asset. As of 30 Sep 20
 *Splits time between Hong Kong and Singapore offices

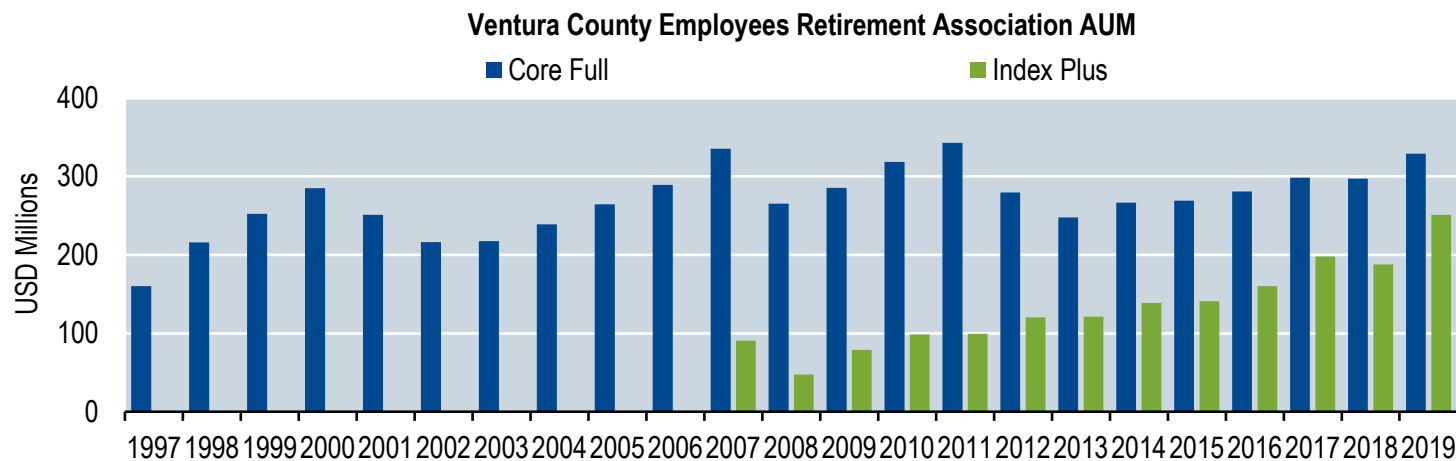


Relationship Summary

Ventura County Employees Retirement Association

September 30, 2020

Ventura County Employees Retirement Association		
Mandate	Core Full Discretion	Index Plus
Initial Funding	\$140,000,000	\$100,000,000
Portfolio Inception	January 2, 1997	May 31, 2007
Market Value	\$302,404,955	\$260,988,608
Investment Objective	Outperform the index while approximating benchmark risk	Outperform the index while controlling portfolio risk
Benchmark	Bloomberg Barclays U.S. Aggregate Index	S&P 500
Alpha Target	125 bps	75 bps
Tracking Error Budget	250 bps	150 bps
5-Year Net Return	5.59% (exceeded the Index by 141 bps)	14.45% (exceeded the Index by 30 bps)
Consulting Firm	NEPC	NEPC
Consultant(s)	Allan Martin	Allan Martin
Risk Controls		
	Duration +/- 20% of the benchmark	Maximum one year
	Quality Average portfolio credit quality AA	Average portfolio credit quality AA-
	Diversification Max 10% below IG; Max 20% Non-US	Max 10% below IG; Max 10% non-US with a Max 5% unhedged



Source: Western Asset

About Western Asset – Clients

Committed to excellence in client service

Representative Client List

Corporate	Public / Gov. / Sovereign Wealth	Multi-Employer / Unions	Eleemosynary
ArcelorMittal USA Inc. AT&T Services, Inc. Atmos Energy Corporation Bayer Corporation British Airways (US) Campbell Soup Company Caterpillar Inc. Chrysler LLC Clark Enterprises, Inc. Consolidated Edison Company Of New York, Inc. Consolidated Rail Corporation Hanes Brands Inc. International Paper Company John Lewis Partnership Pensions Trust Kvaerner Lee Enterprises LifeWay Christian Resources Meijer, Inc. Nestle USA, Inc. NiSource Inc. NXP Semiconductor, Inc. Pensioenfonds Horeca & Catering Southern California Edison Company Springpoint Senior Living Stolt-Nielsen S.A. (Bermuda) The Ashforth Company Thomson Reuters Thyssenkrupp North America, Inc. Unisys Corporation Verizon Westlake Chemical Corporation XPO Logistics Inc	Anne Arundel (MD) Retirement Systems Arkansas Local Police and Fire Retirement System Baltimore County (MD) Employees Retirement System California State Teachers' Retirement System City of Aurora City of Grand Rapids Fire and Police City of Phoenix Employees' Retirement System compenswiss Employees' Retirement System of the City of Baton Rouge and Parish of East Baton Rouge Employees' Retirement System of the State of Rhode Island Fife Council Pension Fund Firemen's Annuity and Benefit Fund of Chicago Fresno County Employees' Retirement Association Gloucestershire County Council Government of Bermuda Public Funds Indiana State Treasurer's Office Iowa Public Employees' Retirement System Kansas Public Employees Retirement System Los Angeles County Employees Retirement Association Louisiana Sheriff's Pension & Relief Fund Marin County Employees' Retirement Association Minnesota State Board of Investment Municipality of Anchorage Ohio Police & Fire Pension Fund Oklahoma City Employee Retirement System Oregon Public Employees Retirement System (PERS) Public Employee Retirement System of Idaho Public School Teachers' Pension and Retirement Fund of Chicago Salt River Project Agricultural Improvement and Power District School Employees Retirement System of Ohio State of Ohio Bureau of Workers Compensation Surrey County Council Tennessee Valley Authority Ventura County Employees' Retirement Association Washington Metro Area Transit Authority Wichita (KS) Retirement Systems Wyoming Retirement System	1199SEIU Health Care Employees Pension Fund Alaska Electrical Trust Funds Automotive Machinists Pension Trust Boilermaker Blacksmith National Pension Trust Carpenters District Council of Kansas City Construction Industry Laborers Directors Guild of America-Producer Pension and Health Plans (DGA - PPHP) Electrical Workers, IBEW, Local 531 Heavy & General Laborers' Locals 472/172 IBEW Local No. 9 Iron Workers Local #11 Benefit Funds IUOEE Construction Ind Ret Plan, Locals 302 and 612 Line Construction Benefit Fund National Education Association of the United States New England Healthcare Employees Union, District 1199, AFL-CIO New Jersey Transit Operating Engineers Local #428 Trust Funds Pacific Coast Roofers Retail Wholesale & Department Store Union SIU Rivers Pension Trust Southern Nevada Culinary & Bartenders Pension Trust Fund Teamsters Union Local No. 52 Pension Fund United Association Union Local No. 290 Plumber, Steamfitter & Shipfitter Industry Pension Trust United Food and Commercial Workers Union Local 919 Western Washington Laborers Employers Pension Trust	Abilene Christian University Allergan, Inc. Foundation American Academy in Rome Baha'i World Centre Catholic Relief Services Catholic Umbrella Pool Commonfund Communities Foundation of Texas Community Foundation of North Central Wisconsin Domestic & Foreign Missionary Society ECUSA Glass-Glen Burnie Foundation Rockford Woodlawn Fund, Inc Saint Louis University Sisters of St. Francis of the Neumann Communities Strada Education Network, Inc. Texas Presbyterian Foundation The Catholic Foundation of Central Florida The Diocese of Allentown The Donald B. and Dorothy L. Stabler Foundation University of Southern California Wallace H. Coulter Foundation Washington State University
			Insurance
			American Contractors Insurance Group Anthem Companies, Inc. AXA France AXA XL Ltd. Blue Cross and Blue Shield of Massachusetts, Inc. Capital BlueCross Inc. CONTASSUR s.a./n.v Genworth Financial, Inc. Great-West Life & Annuity Insurance Company Oil Investment Corporation Ltd. Pacific Life Insurance Company
			Financial Services
			Asset Management One Co., Ltd. GuideStone Capital Management, LLC Highbury Pacific Capital Corp. Morgan Stanley Custom Solutions (OCIO) Morgan Stanley Global Wealth Management Russell Investments SEI Investments Company (OCIO) SMBN Nikko Securities Inc. Tokio Marine Asset Management Co., Ltd. Wells Fargo & Company
		Healthcare	
		Ascension Investment Management Baptist Healthcare System, Inc. Baylor Scott & White Holdings CHRISTUS Health Holy Name Medical Center Kaiser Permanente LCMC Health NorthShore University HealthSystem Sisters of Charity of St. Augustine Health System, Inc. St. George Corporation	

As of 31 Aug 20. Please see the Representative Client List Disclosure in the Appendix for more information. All have authorized the use of their names by Western Asset for marketing purposes. Such authorization does not imply approval, recommendation or otherwise of Western Asset or the advisory services provided.

About Western Asset

Public/Multi-Employer Channel Update

September 30, 2020

Business Update


Assets under management (as of 30 Sept 20)


- Total global Public Fund/Multi-Employer AUM of \$36.8 billion (USD)
 - \$32.4 billion (USD) Public Fund assets
 - \$4.4 billion (USD) Multi-Employer assets

Client solutions/conversations

- Attractive opportunities in fixed-income
 - ESG Core Plus
 - Macro Opportunities
 - US High Quality High Yield
- Hires and Departures for 3Q20
 - Additions:
 - Tim Boss, Portfolio Manager, New York
 - Departures:
 - None.

Follow us on social media

 @westernasset

 Western Asset Management

Notable Communications

Noteworthy publications (available at www.westernasset.com)

- US Election Outlook 2020: Market Implications For Fixed-Income Investors
- Market Commentary: Glimmers of Optimism From the Depths by Ken Leech, CIO

The Western Asset Blog

- Infrastructure Investments—Where Politics Meets Progress by Robert E. Amodeo, Michael Linko, Sam Weitzman
- The Next US Presidency—The Agenda for Trade and International Cooperation by Andreas Billmeier, PhD
- Emerging Markets—Batteries Not Included by Chia-Liang Lian
- Foreign Trade Largely Recovered to Pre-Covid Trends, but Weakness Remains in Capital Goods and Oil by Michael J. Bazdarich, PhD
- The “October Surprise” Arrives on Cue by Robert O. Abad
- Private-Sector Payrolls Gain 877,000 Jobs in September With Nice Gains in Manufacturing by Michael J. Bazdarich, PhD

Webcast (available at www.westernasset.com)

- After the Selloff and Rebound: What’s Ahead in Q3? with Deputy CIO Michael Buchanan
- 3Q20 Market and Strategy Update with CIO Ken Leech

Recent media appearances (available at www.westernasset.com)

- The Fed Says Easy Policy Not Changing Soon: CNBC’s Power Lunch: John L. Bellows, PhD, Portfolio Manager

Philosophy, Process and People

Investment Philosophy

These are the core beliefs that drive our investment decision-making.

Long-term fundamental value

- **Markets often misprice securities.** Prices can deviate from fundamental fair value, but over time, they typically adjust to reflect inflation, credit quality fundamentals and liquidity conditions. Consistently investing in undervalued securities may deliver attractive investment returns.
- **We can systematically identify mispricings.** We believe we can identify and capitalize on markets and securities that are priced below fundamental fair value. We do this through disciplined and rigorous analysis, comparing prices to the fundamental fair values estimated by our macroeconomic and credit research teams around the globe.
- **Our portfolios emphasize our highest convictions.** The greater the difference between our view of fair value and markets' pricing, the bigger the potential value opportunity. The greater the degree of confidence in our view of fundamentals, the greater the emphasis of the strategies in our portfolios.

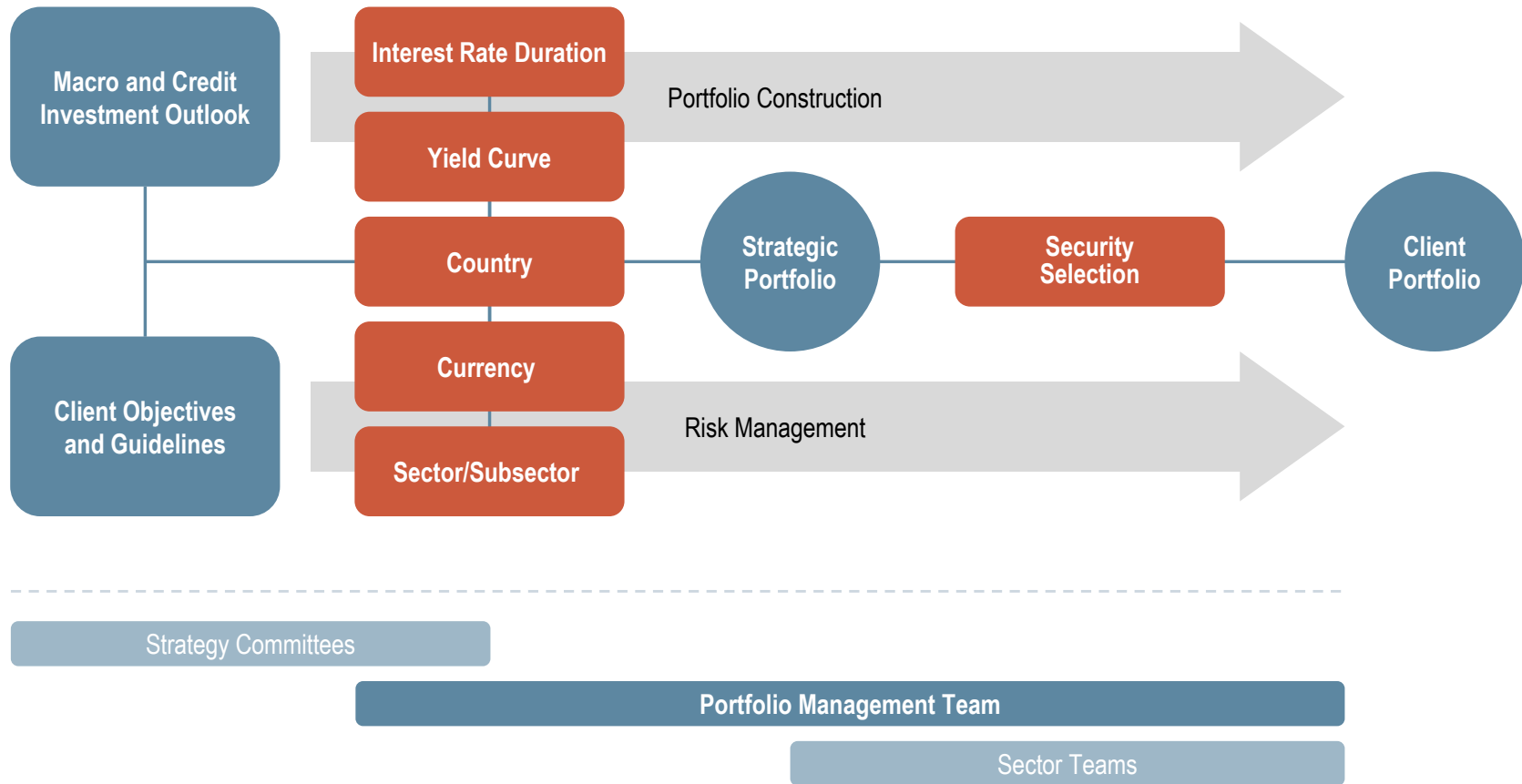
Multiple diversified strategies

- **We seek diversified sources of returns.** Our objective is to meet or exceed our investors' performance objectives within their tolerances for risk. We seek to diversify investments and add value across interest rate duration, yield curve, sector allocation, security selection, country and currency strategies. We deploy multiple diversified strategies that benefit in different environments so no one strategy dominates performance, helping to dampen volatility.

Investment Process

Our time-tested investment process is designed around our value philosophy and our team-based approach.

Western Asset Investment Process and Team Interaction



People

The US Broad Market Team leverages Western Asset's global investment capabilities.

US Broad Market Team

Portfolio Management

- S. Kenneth Leech**
Portfolio Manager / CIO
- Scott M. Beatty, CFA**
Portfolio Manager
- John L. Bellows, PhD, CFA**
Portfolio Manager
- Amit Chopra, CFA**
Portfolio Manager
- Mark S. Lindbloom**
Portfolio Manager
- Keith A. Luna, CFA**
Portfolio Manager
- Frederick R. Marki, CFA**
Portfolio Manager
- Julien A. Scholnick, CFA**
Portfolio Manager
- Molly Schwartz, CFA**
Portfolio Manager

Derivatives

- Scott M. Beatty, CFA¹**
Portfolio Manager
- Jim K. Huynh**
Portfolio Manager
- Keith A. Luna, CFA¹**
Portfolio Manager

Risk Management

- Robert Gingrich, PhD**
Manager of Alternatives & Derivatives Risk
- Porntawee Nantamanasikarn, PhD**
Portfolio Risk Manager

Product

- Travis M. Carr, CFA**
Product Specialist
- Nicole C. Stoller**
Product Analyst
- Douglas Wade, CFA**
Product Specialist

Trading

- Nicholas Mastroianni, CFA²**
Trader
- Ian J. Smith, CFA²**
Trader
- Rafael Zielonka, CFA²**
Trader

Portfolio Analysis

- Sung Kim**
Portfolio Analyst
- Zachary Klein, CFA**
Portfolio Analyst
- John Rodli, CFA**
Portfolio Analyst

Western Asset Investment Team

Investment Management Professionals

- Chief Investment Officer: S. Kenneth Leech
- Deputy CIO: Michael C. Buchanan
- 132 Investment Professionals on five continents and seven offices, as of September 30, 2020
- 23 years of average experience

Major Investment Committees

- Global Investment Strategy Committee
- Global Credit Committee
- US Broad Strategy Committee
- Global Emerging Markets Strategy Committee
- Unconstrained Asset Allocation Committee

Sector and Regional Teams

- | | |
|--------------------------------|---------------------------|
| ▪ Global credit | ▪ US |
| ▪ Investment-grade | ▪ Europe |
| ▪ High-yield | ▪ UK |
| ▪ Emerging markets | ▪ Japan |
| ▪ Mortgage and consumer credit | ▪ Asia |
| ▪ Long duration | ▪ Brazil |
| ▪ US municipal | ▪ Australia / New Zealand |
| ▪ Liquidity | |
| ▪ Insurance | |

Independent Risk Management Function

- Chief Risk Officer: Ahmet E. Kocagil
- Independent evaluation of strategies and risks
- Market and Credit Risk Committee
- 37 investment risk professionals

As of 30 Sep 20

¹Dual role with Portfolio Management

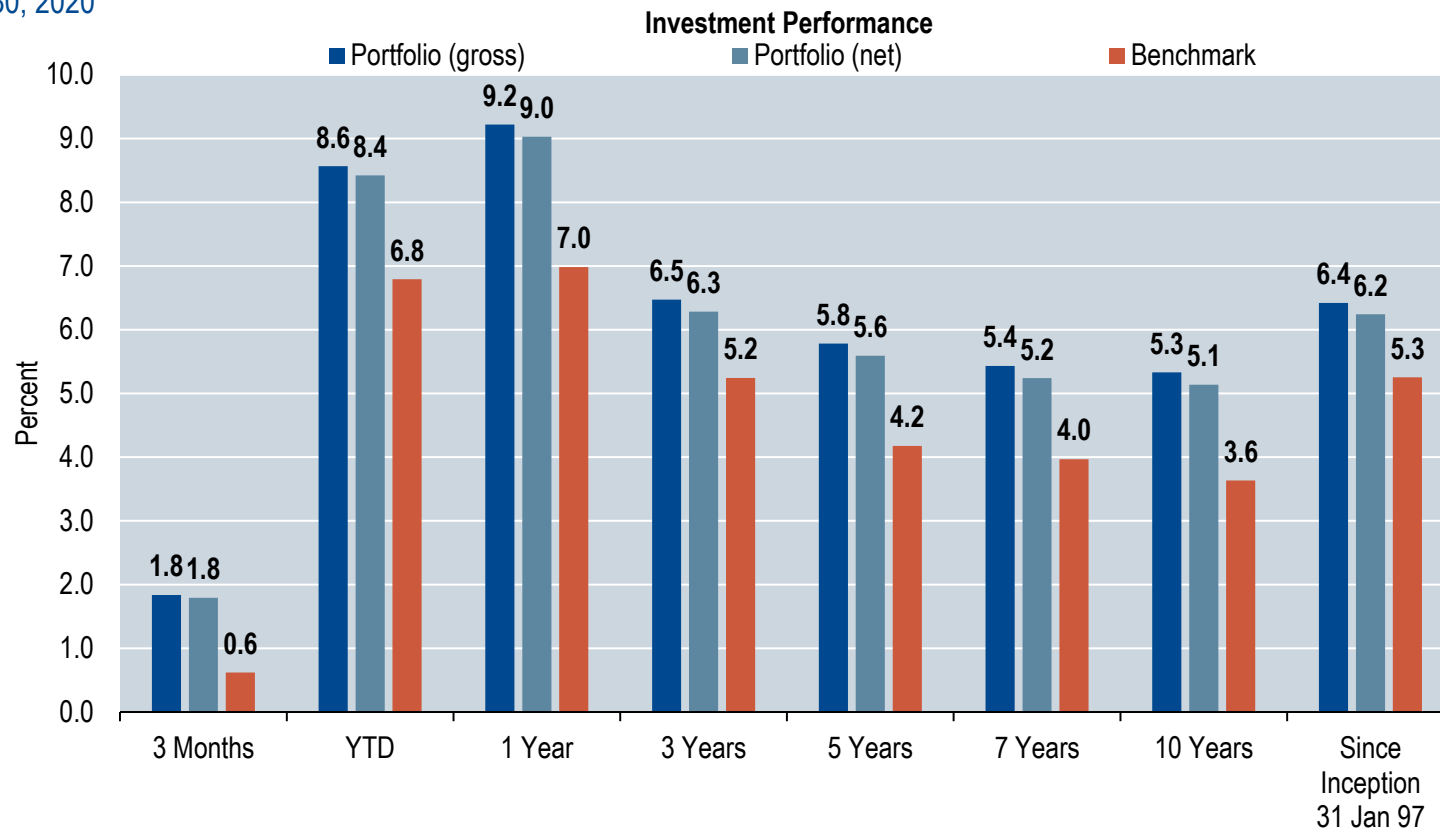
²Dual role with Derivatives

Portfolio Review

Investment Results

Ventura County Employees' Retirement Association Core Fixed Income Portfolio vs. Bloomberg Barclays US Aggregate USD Unhedged Index

September 30, 2020



Manager Calendar Year Performance (net of fees)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Investment Product	10.84	-0.46	6.15	4.30	1.02	7.64	-0.95	9.94	7.50	11.55	19.11
Benchmark	8.72	0.01	3.54	2.65	0.55	5.97	-2.02	4.21	7.84	6.54	5.93
Difference	2.12	-0.47	2.60	1.65	0.47	1.67	1.08	5.73	-0.34	5.01	13.18

Source: Western Asset. Returns for periods greater than one year are annualized. Returns since inception are as of the indicated close of business day.

Investment Results

Ventura County Employees' Retirement Association Core Fixed Income Portfolio Rolling Performance

September 30, 2020

	Annual (%)		3 Years (%)		5 Years (%)		7 Years (%)		10 Years (%)	
	Core Full	US Agg	Core Full	US Agg	Core Full	US Agg	Core Full	US Agg	Core Full	US Agg
31 Dec 1998	8.69	8.69								
31 Dec 1999	-1.46	-0.82								
31 Dec 2000	12.92	11.63	6.54	6.36						
31 Dec 2001	9.16	8.44	6.70	6.28						
31 Dec 2002	9.92	10.26	10.66	10.10	7.73	7.55				
31 Dec 2003	9.27	4.10	9.45	7.57	7.85	6.62				
31 Dec 2004	6.72	4.34	8.63	6.20	9.58	7.71	7.81	6.59		
31 Dec 2005	3.40	2.43	6.44	3.62	7.67	5.87	7.04	5.69		
31 Dec 2006	5.33	4.33	5.14	3.70	6.90	5.06	8.06	6.45		
31 Dec 2007	5.00	6.97	4.57	4.56	5.93	4.42	6.95	5.81	6.83	5.97
31 Dec 2008	-8.69	5.24	0.33	5.51	2.19	4.65	4.25	5.36	4.98	5.63
31 Dec 2009	19.11	5.93	4.52	6.04	4.46	4.97	5.45	4.75	6.99	6.33
31 Dec 2010	11.55	6.54	6.65	5.90	6.05	5.80	5.77	5.10	6.86	5.84
31 Dec 2011	7.50	7.84	12.62	6.77	6.49	6.50	5.88	5.60	6.69	5.78
31 Dec 2012	9.94	4.21	9.65	6.19	7.47	5.95	6.81	5.86	6.70	5.18
31 Dec 2013	-0.95	-2.02	5.39	3.26	9.24	4.44	5.87	4.91	5.65	4.55
31 Dec 2014	7.64	5.97	5.44	2.66	7.05	4.45	6.25	4.77	5.74	4.71
31 Dec 2015	1.02	0.55	2.51	1.44	4.94	3.25	7.80	4.09	5.50	4.51
31 Dec 2016	4.30	2.65	4.28	3.03	4.31	2.23	5.77	3.63	5.39	4.34
31 Dec 2017	6.15	3.54	3.80	2.24	3.58	2.10	5.02	3.20	5.51	4.01
31 Dec 2018	-0.46	0.01	3.29	2.06	3.68	2.52	3.87	2.10	6.42	3.48
31 Dec 2019	10.84	8.72	5.40	4.03	4.29	3.05	4.00	2.72	5.66	3.75
Periods										
Outperformed	73%		90%		83%		94%		92%	
Number of										
Years	16/22		15/18		15/16		15/16		12/13	

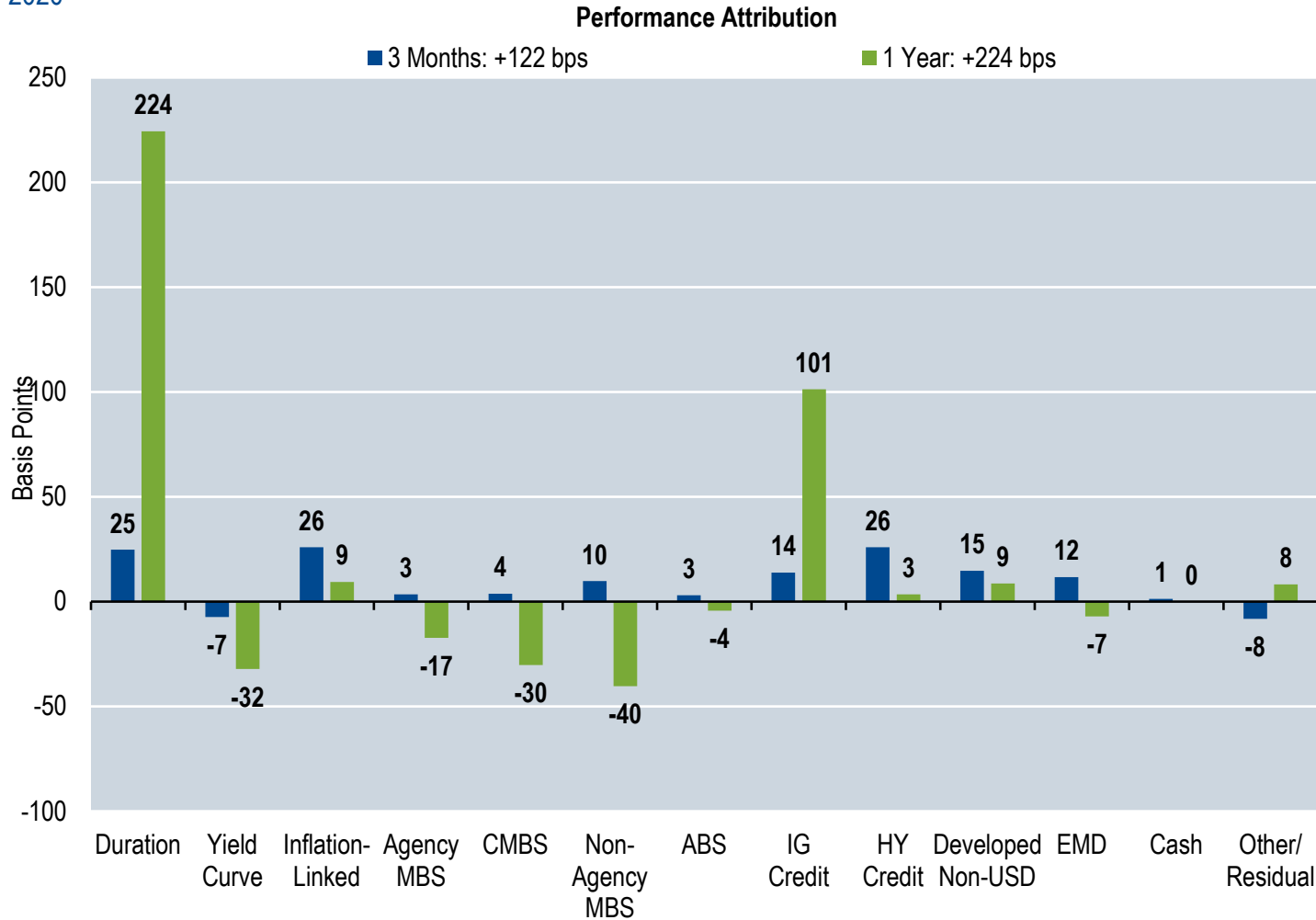
Source: Bloomberg Barclays, Western Asset

Returns are gross of fees. Returns for periods greater than one year are annualized. Returns since inception are as of the indicated close of business day.

Attribution Analysis

Ventura County Employees' Retirement Association Core Fixed Income Portfolio vs. Bloomberg Barclays US Aggregate USD Unhedged Index

September 30, 2020



Source: Bloomberg Barclays, Western Asset

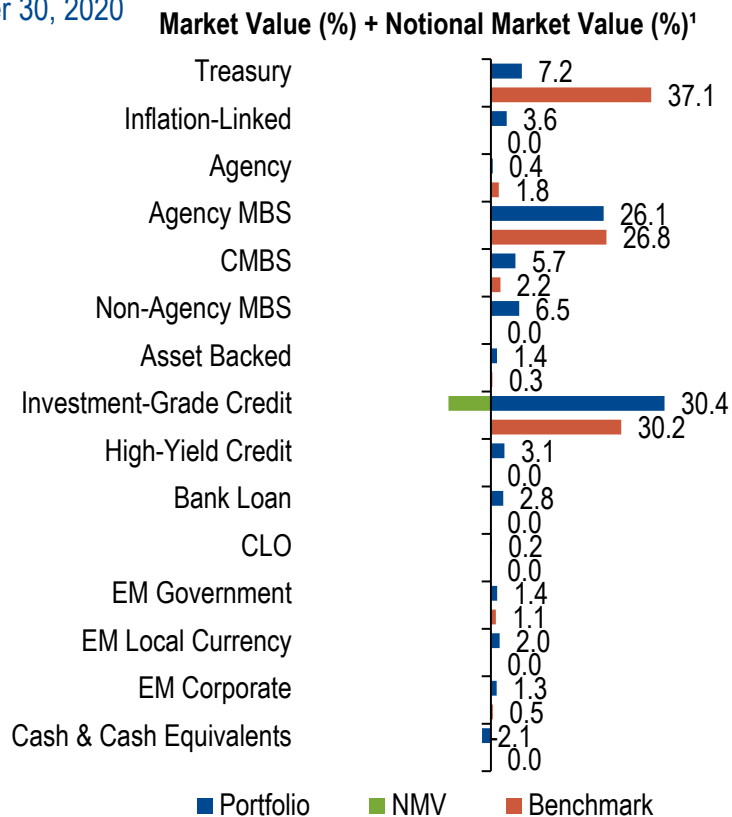
Western Asset believes that attribution is not a hard science, but rather a means of evaluating strategies to determine their relative impact on overall portfolio performance. The intent of the manager, therefore, is critical in the evaluation of different strategies, and the return attribution for any sector or strategy could be over or understated due to its inclusion in another component.

Data may not sum to total due to rounding.

Sector Exposure

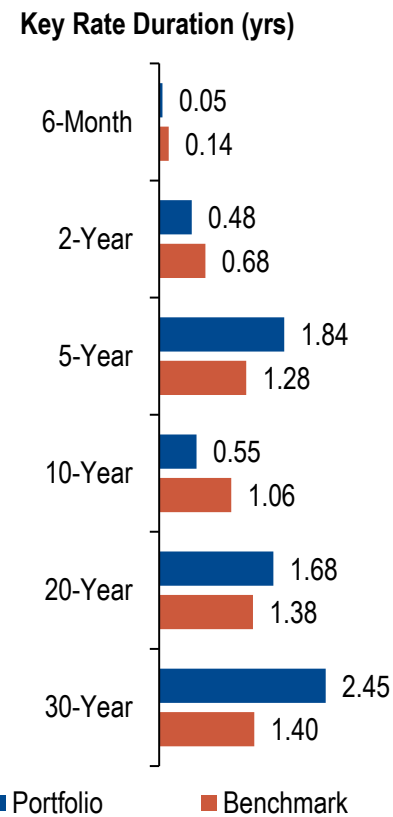
Ventura County Employees' Retirement Association Core Fixed Income Portfolio vs. Bloomberg Barclays US Aggregate USD Unhedged Index

September 30, 2020



Yield

Portfolio:	2.40
Benchmark:	1.03



Total Duration

Portfolio:	7.08
Benchmark:	5.95

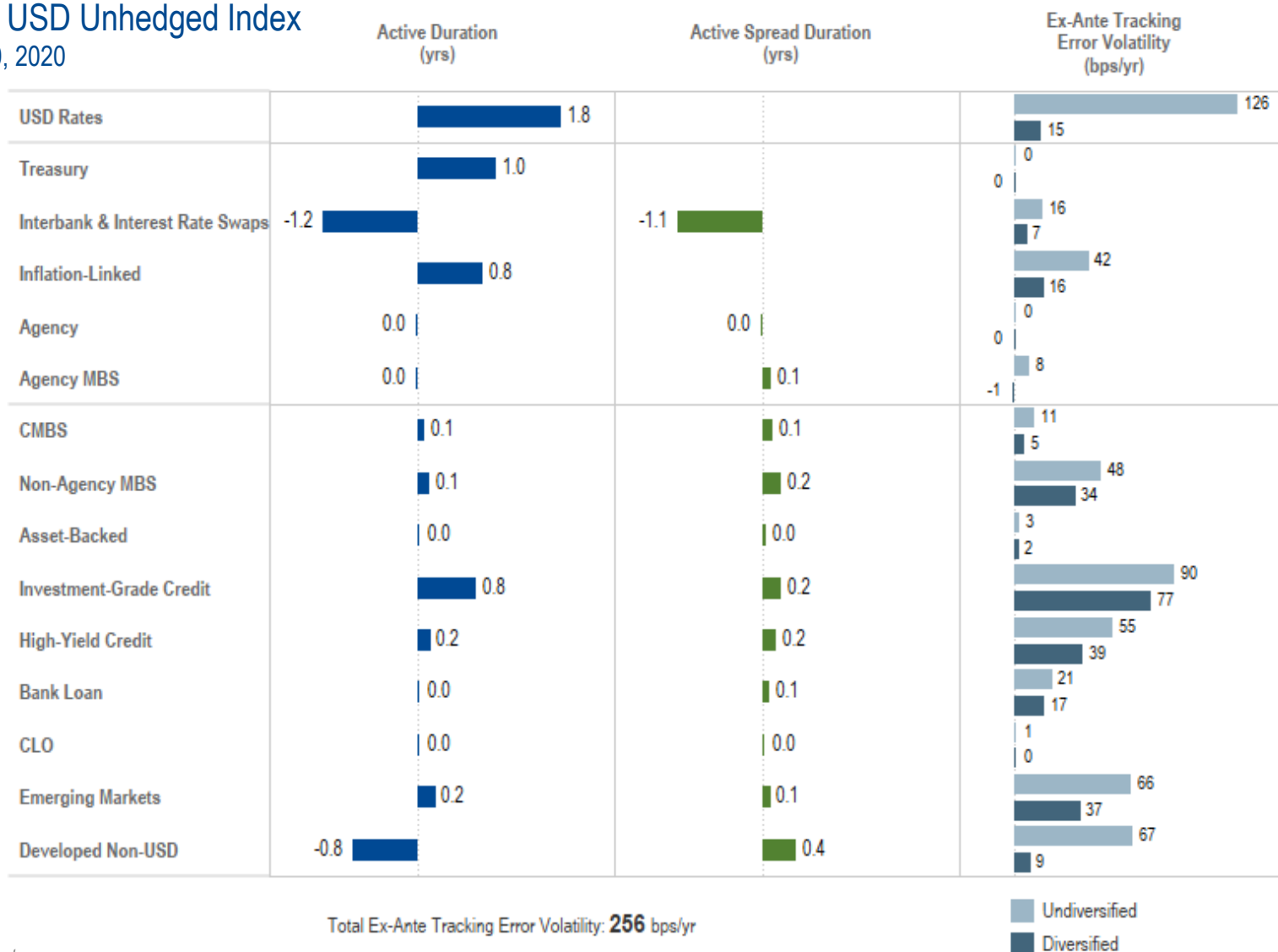
Source: Western Asset

¹Notional market value represents derivatives notional market value excluding interbank derivatives.

Note: Sector exposure includes look-through to any underlying commingled vehicles if held. All weightings are a percentage of total market value. A negative cash position may be reported, which is primarily due to the portfolio's unsettled trade activity. Data may not sum to 100% due to rounding. The benchmark does not provide an allocation to the "Emerging Markets" sector. The emerging market sector allocation shown for the benchmark above is based on Western Asset's emerging market countries definition for comparison purposes.

Portfolio Positioning

Ventura County Employees' Retirement Association Core Fixed Income Portfolio vs. Bloomberg Barclays US Aggregate USD Unhedged Index September 30, 2020



Source: Western Asset

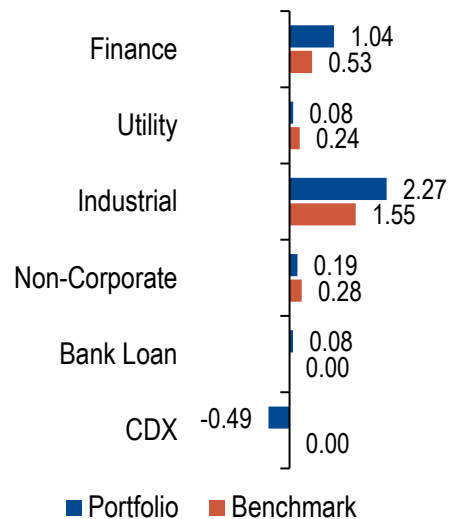
Note: Sector exposure and tracking error contribution include look-through to any underlying commingled vehicles if held. For active duration exposures and tracking error contribution, "USD Rates" includes rates risk from all USD securities in the portfolio, including emerging market hard currency bonds. The sum of the active duration overweights may not total the overall portfolio's duration overweight. "Emerging Markets" and "Developed Non-USD" include risks from non-USD rates, FX, and spread. All other buckets include only spread risk (excluding rates and FX).

Credit Sector Exposure

Ventura County Employees' Retirement Association Core Fixed Income Portfolio vs. Bloomberg Barclays US Aggregate USD Unhedged Index

September 30, 2020

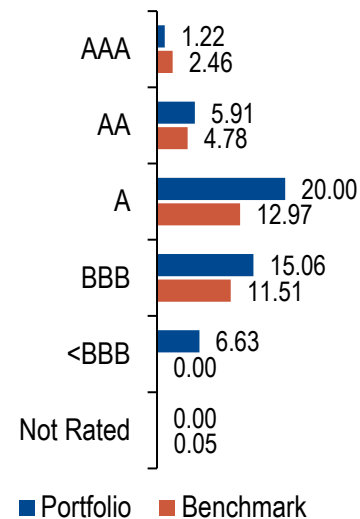
Spread Duration Contribution (yrs)



Credit Spread Duration

Portfolio: 3.17
Benchmark: 2.60

Quality Exposure (%)¹



48.83% of Portfolio

Bloomberg Barclays U.S. Credit Index Excess Returns

	2019	2020*
Finance	6.23%	-2.10%
Utility	4.74%	-4.45%
Industrial	7.28%	-4.83%
Non-Corporate	3.31%	-3.86%

*As of 30 Sep 20

	2019	2020*
AAA	1.15%	-0.84%
AA	3.14%	-2.53%
A	5.28%	-2.78%
BBB	8.53%	-5.54%
<BBB**	9.36%	-4.48%

*As of 30 Sep 20; **Bloomberg Barclays U.S. High-Yield Index

Source: Bloomberg Barclays, Western Asset

Note: Sector exposure includes look-through to any underlying commingled vehicles if held. Data may not sum to total due to rounding. Includes investment-grade, high-yield, bank loans, emerging market governments and emerging market corporates.

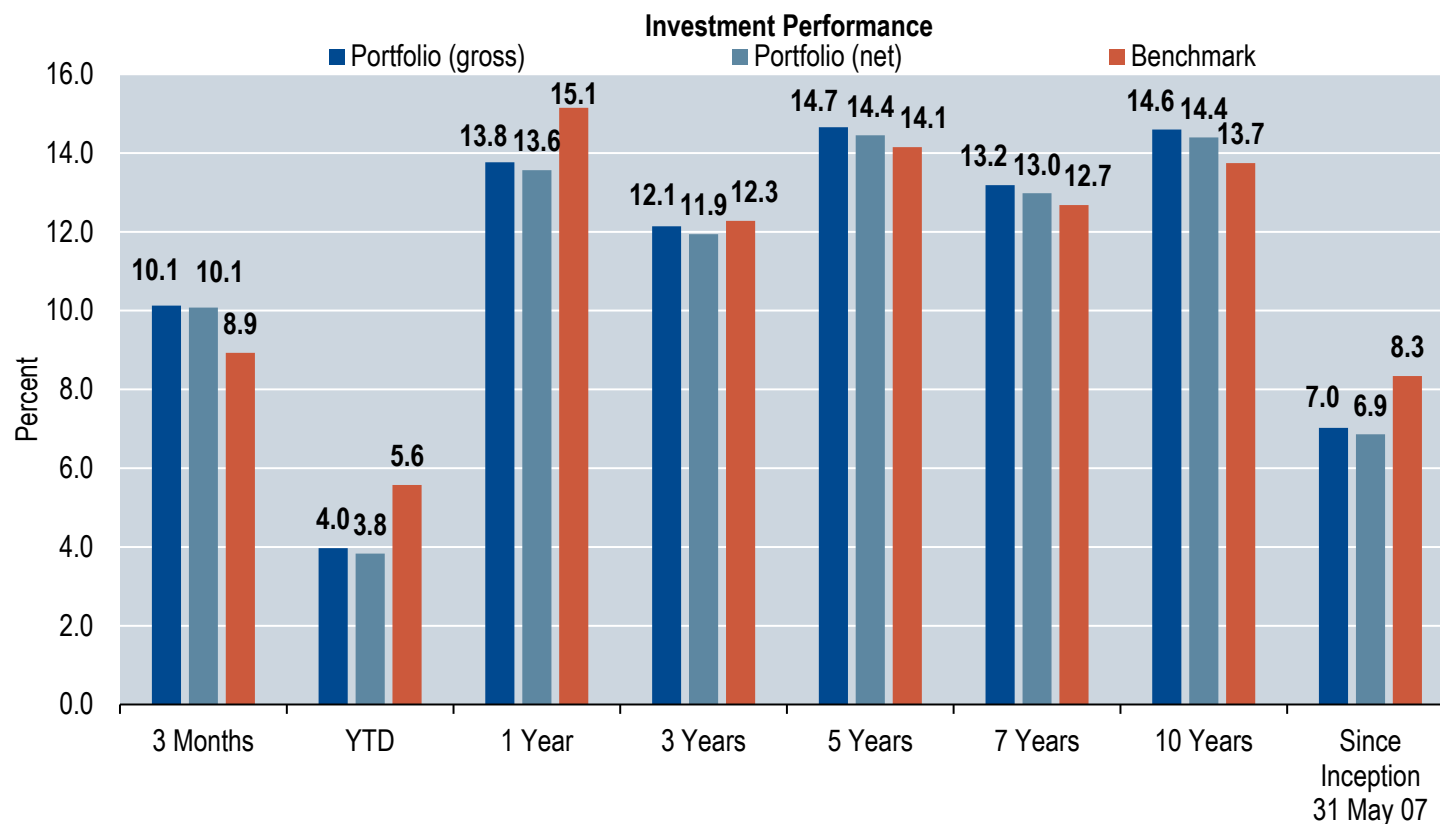
¹All weightings are a percentage of total market value.

Index Plus Review

Investment Results

Ventura County Employees' Retirement Association vs. S&P 500 Total Return Index USD Unhedged Index

September 30, 2020



Manager Calendar Year Performance (net of fees)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Investment Product	33.76	-5.13	23.45	13.65	1.35	14.52	33.16	20.96	1.16	24.82	42.68
Benchmark	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46
Difference	2.27	-0.74	1.62	1.69	-0.03	0.83	0.77	4.96	-0.95	9.76	16.21

Source: Western Asset. Returns for periods greater than one year are annualized. Returns since inception are as of the indicated close of business day.

Investment Results

Ventura County ERA Index Plus Rolling Performance

September 30, 2020

	Annual (%)		3 Years (%)		5 Years (%)		7 Years (%)		10 Years (%)	
	Index Plus	S&P 500	Index Plus	S&P 500	Index Plus	S&P 500	Index Plus	S&P 500	Index Plus	S&P 500
31 Dec 2008	-56.22	-37.00								
31 Dec 2009	42.68	26.46								
31 Dec 2010	24.82	15.06	-7.96	-2.86						
31 Dec 2011	1.16	2.11	21.68	14.11						
31 Dec 2012	20.96	16.00	15.16	10.87	-0.94	1.66				
31 Dec 2013	33.16	32.39	17.67	16.18	23.75	17.94				
31 Dec 2014	14.52	13.69	22.64	20.41	18.42	15.45	5.50	7.27		
31 Dec 2015	1.35	1.38	15.62	15.13	13.59	12.57	18.94	14.81		
31 Dec 2016	13.65	11.96	9.67	8.87	16.27	14.66	15.14	12.83		
31 Dec 2017	23.45	21.83	12.45	11.41	16.74	15.79	14.96	13.76	7.54	8.50
31 Dec 2018	-5.13	-4.38	10.00	9.26	9.09	8.49	13.91	12.70	16.19	13.12
31 Dec 2019	33.76	31.49	16.14	15.27	12.53	11.70	15.56	14.73	15.44	13.56
Periods										
Outperformed	67%		90%		88%		83%		67%	
Number of										
Years	8/12		7/8		5/6		5/6		2/3	

Source: S&P, Western Asset

Returns are gross of fees. Returns for periods greater than one year are annualized. Returns since inception are as of the indicated close of business day.

Attribution Analysis

Ventura County ERA Index Plus vs. S&P 500 Total Return Index USD Unhedged Index

September 30, 2020

	3 Months	1 Year
Ventura County ERA Index Plus	1013	1376
S&P 500 Total Return Index USD Unhedged Index	893	1515
Excess Return	120	-138
Duration	23	83
Yield Curve	-6	55
TIPS	21	7
IG Credit	24	-68
High Yield	6	19
Agency MBS	5	-9
NARMBS	18	-60
CMBS	6	-95
ABS	13	-18
Non USD	0	-2
EMD	12	-50
Overlay Costs	-2	0
Cash	0	0
Other / Residual	0	0

Source: Bloomberg Barclays, Western Asset

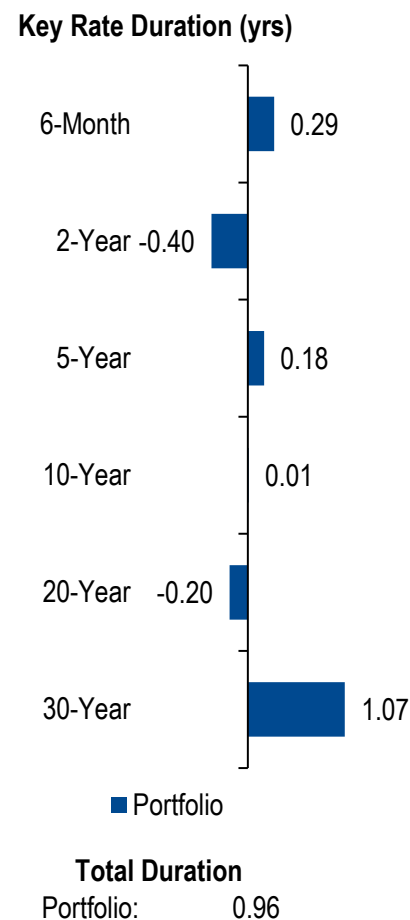
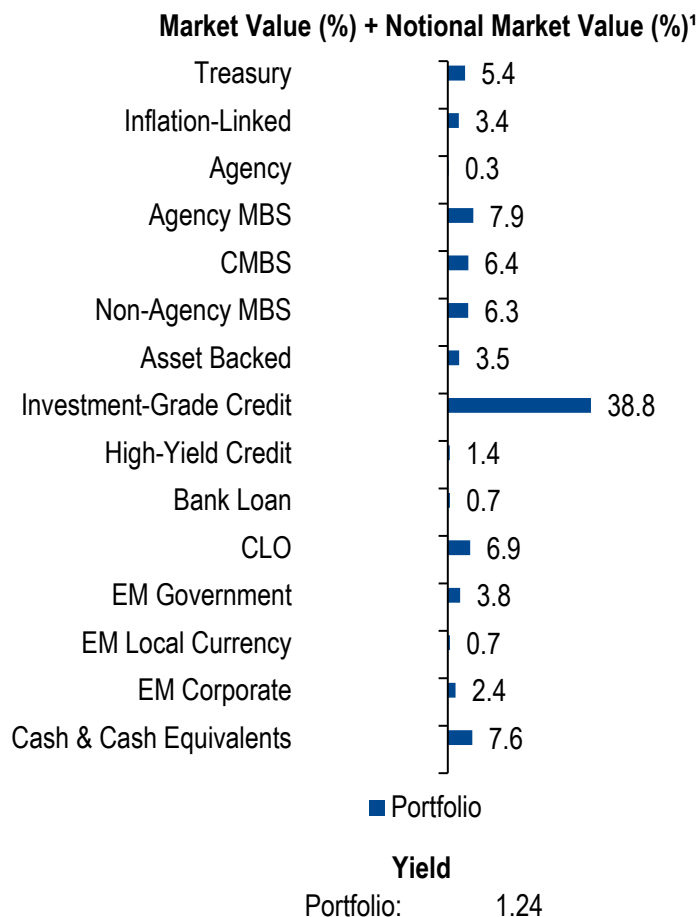
Western Asset believes that attribution is not a hard science, but rather a means of evaluating strategies to determine their relative impact on overall portfolio performance. The intent of the manager, therefore, is critical in the evaluation of different strategies, and the return attribution for any sector or strategy could be over or understated due to its inclusion in another component.

Data may not sum to total due to rounding.

Sector Exposure

Ventura County ERA Index Plus

September 30, 2020



Source: Western Asset

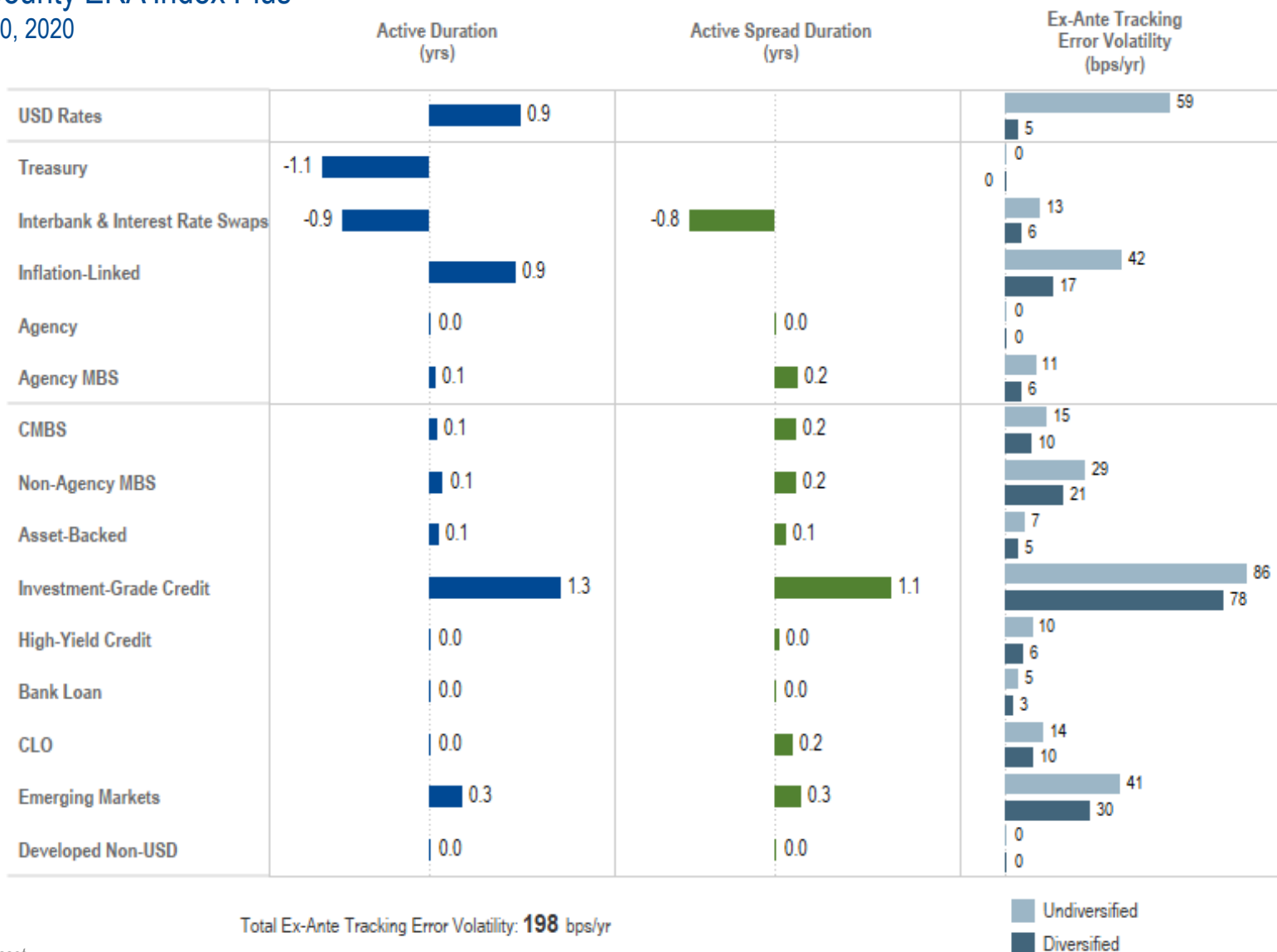
¹Notional market value represents derivatives notional market value excluding interbank derivatives.

Note: Sector exposure includes look-through to any underlying commingled vehicles if held. All weightings are a percentage of total market value. A negative cash position may be reported, which is primarily due to the portfolio's unsettled trade activity. Data may not sum to 100% due to rounding. The benchmark does not provide an allocation to the "Emerging Markets" sector. The emerging market sector allocation shown for the benchmark above is based on Western Asset's emerging market countries definition for comparison purposes.

Portfolio Positioning

Ventura County ERA Index Plus

September 30, 2020



Source: Western Asset

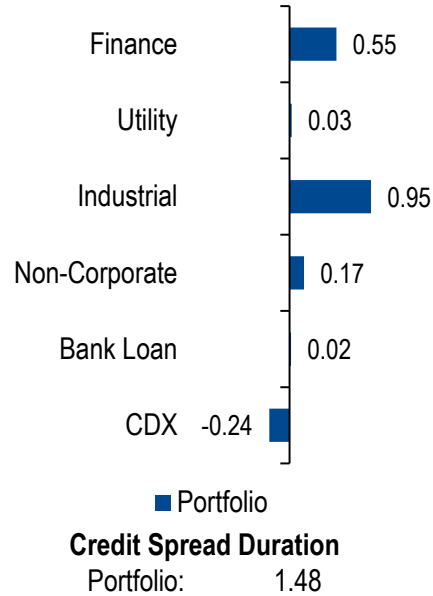
Note: Sector exposure and tracking error contribution include look-through to any underlying commingled vehicles if held. For active duration exposures and tracking error contribution, "USD Rates" includes rates risk from all USD securities in the portfolio, including emerging market hard currency bonds. The sum of the active duration overweights may not total the overall portfolio's duration overweight. "Emerging Markets" and "Developed Non-USD" include risks from non-USD rates, FX, and spread. All other buckets include only spread risk (excluding rates and FX).

Credit Sector Exposure

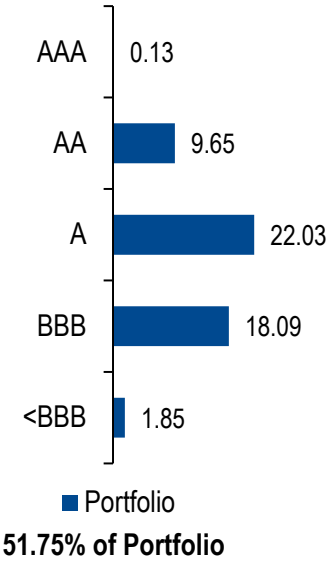
Ventura County ERA Index Plus

September 30, 2020

Spread Duration Contribution (yrs)



Quality Exposure (%)¹



Source: Bloomberg Barclays, Western Asset

Note: Sector exposure includes look-through to any underlying commingled vehicles if held. Data may not sum to total due to rounding. Includes investment-grade, high-yield, bank loans, emerging market governments and emerging market corporates.

¹All weightings are a percentage of total market value.

Investment Outlook

4th Quarter 2020 – 2021 Outlook

The Road Ahead Will Be A Long Hard Slog

Coronavirus-related growth setbacks have meaningfully reduced global and US growth

Incipient global recovery appears to be gaining traction

The medical battle will take time and prolonged efforts; recent developments are encouraging

US and global inflation rates are expected to be very subdued

Central banks will need to remain extraordinarily accommodative

Fiscal policy will have to remain very supportive

Even after recovery begins, central banks are expected to keep rates ultra low

Spread products ultimately should be beneficiaries of recovery

The timing and slope of eventual recovery remains the largest uncertainty

As of 05 Oct 20. Outlook concerning financial market trends are based on current market conditions, which will fluctuate

COVID-19 Related Developments

Uncertainty over the COVID-19 virus has decreased considerably

Surge in cases implies more cautious consumer behavior

Diminished death rate suggests renewed lockdowns are unlikely

Vaccine hopefulness — no news is good news

Treatments have improved dramatically

The Downside Economic Stress Is Enormous and Economic Uncertainty is High

Following recent economic data releases which have been better than expected, we are cautiously optimistic that the economy has entered the early stages of recovery, however, there remains a wide range of possible outcomes.

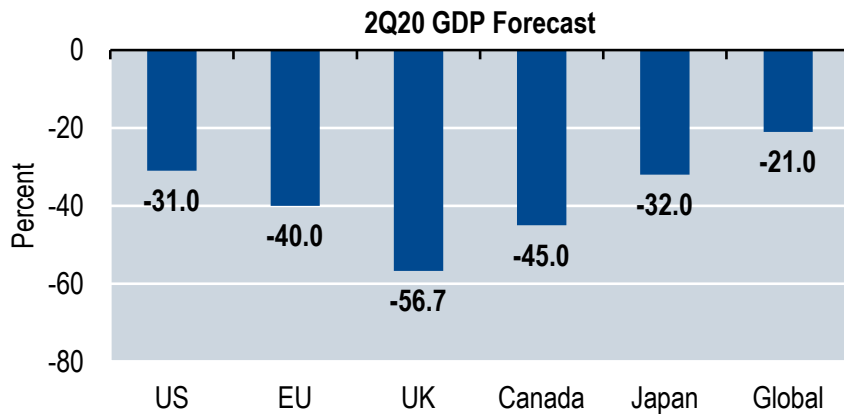


Source: U.S. Bureau of Labor Statistics. As of 31 May 20

Bloomberg Economic Survey

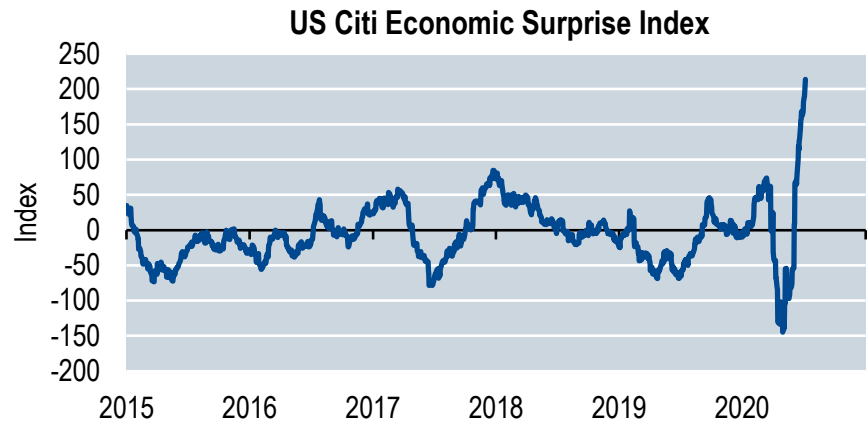
	Estimate	2020	2021	2022
GDP	High	-0.6	6.7	6.6
	Low	-9.5	0.4	1.5
Core PCE	High	2.5	2.5	2.8
	Low	-0.1	0.3	0.8
Unemployment Rate	High	12.7	11.6	9.7
	Low	7.5	4.5	3.4
Consumption	High	2.4	10.1	7.0
	Low	-11.8	-0.1	1.4
Investment	High	-3.2	13.6	21.6
	Low	-31.6	-8.0	2.5

Source: Bloomberg



Source: J.P. Morgan

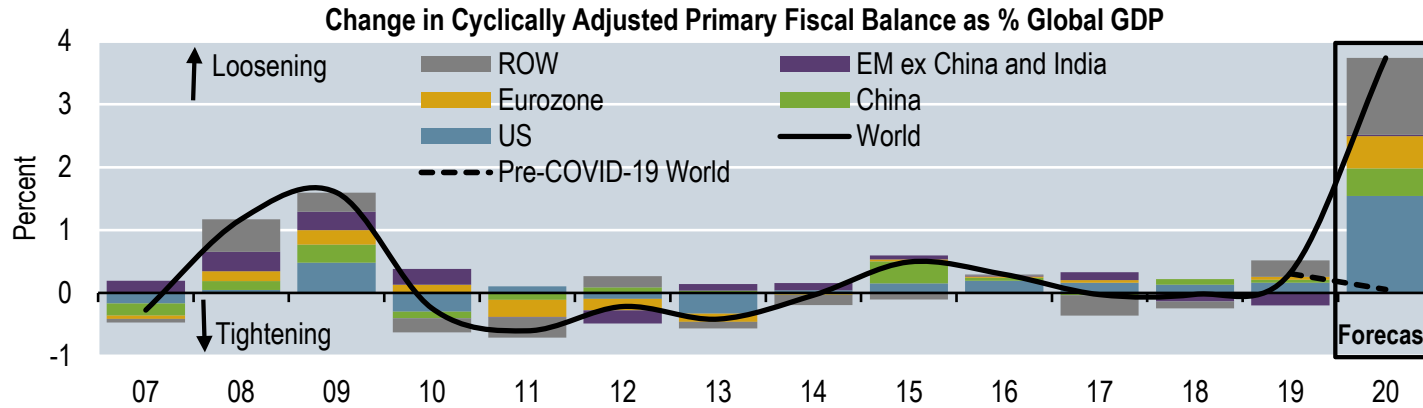
*J.P. Morgan forecast for 2Q20, quarter over quarter, seasonally adjusted annual rate



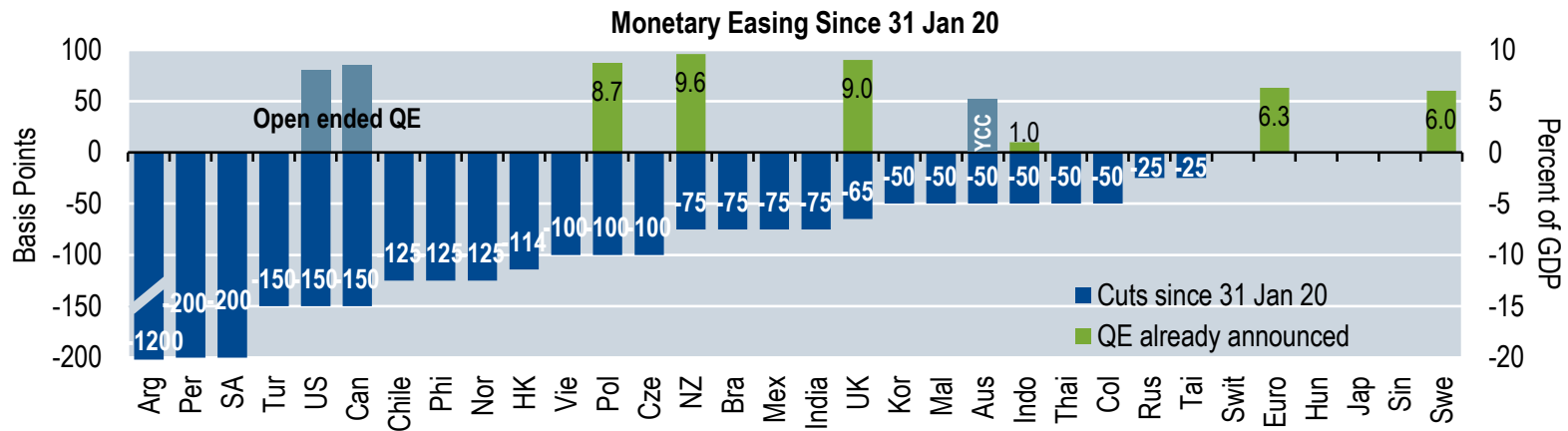
Source: Bloomberg. As of 06 Jul 20

Global Governments Have Provided Enormous Amounts of Stimulus

While the stimulus to-date has been substantial, the question remains if current stimulus will be sufficient in mitigating permanent damage to global economies or if more will be required.



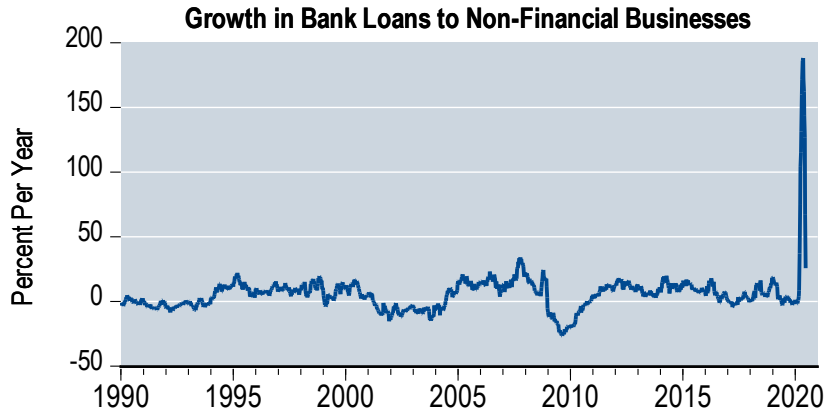
Source: UBS, Haver, European Commission, CBO. Reflects latest data available March – April 17, 2020



Source: UBS, Haver. As of 31 Jan 20

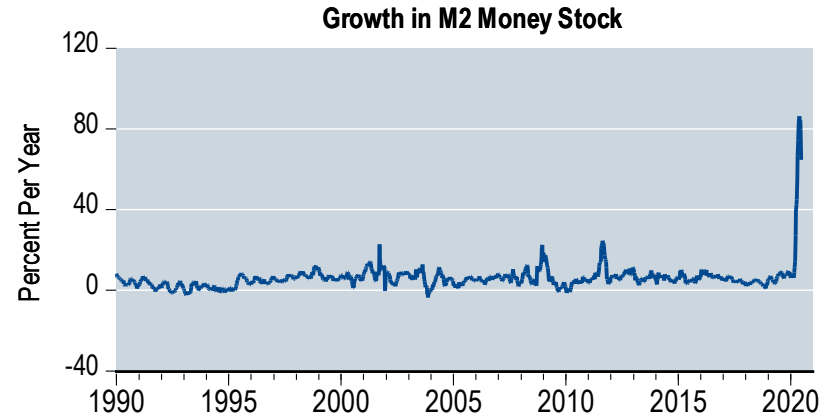
The Monetary and Fiscal Response Has Been Astounding in Both Size and Immediacy

Actions by the Federal Reserve have helped restore liquidity in markets while the CARES Act and extended unemployment compensation provided direct support to households, helping turn personal income growth positive.



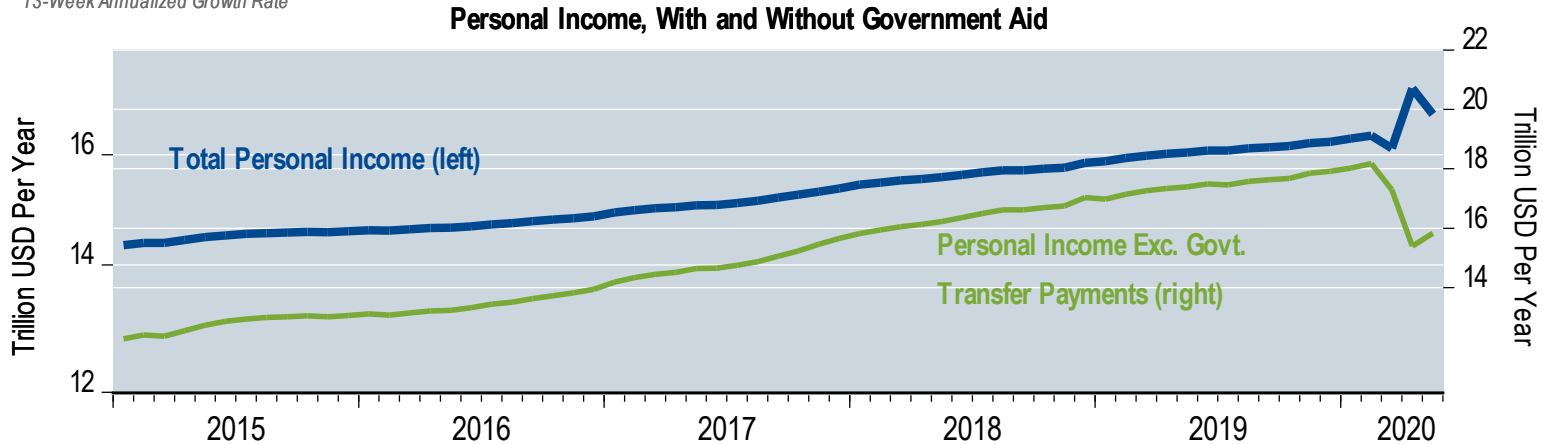
Source: Federal Reserve Board. As of 22 Jun 20

13-Week Annualized Growth Rate



Source: Federal Reserve Board. As of 22 Jun 20

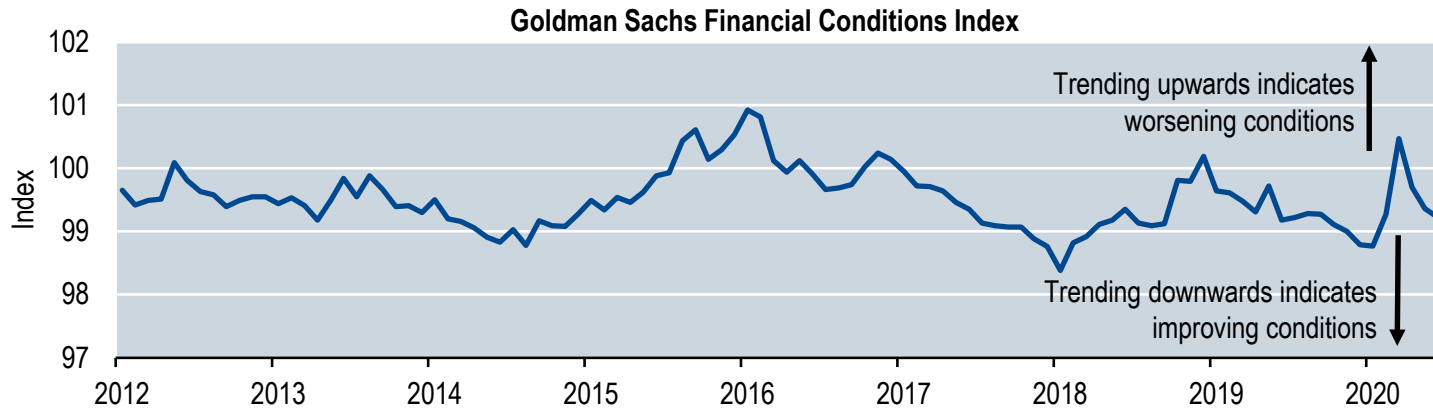
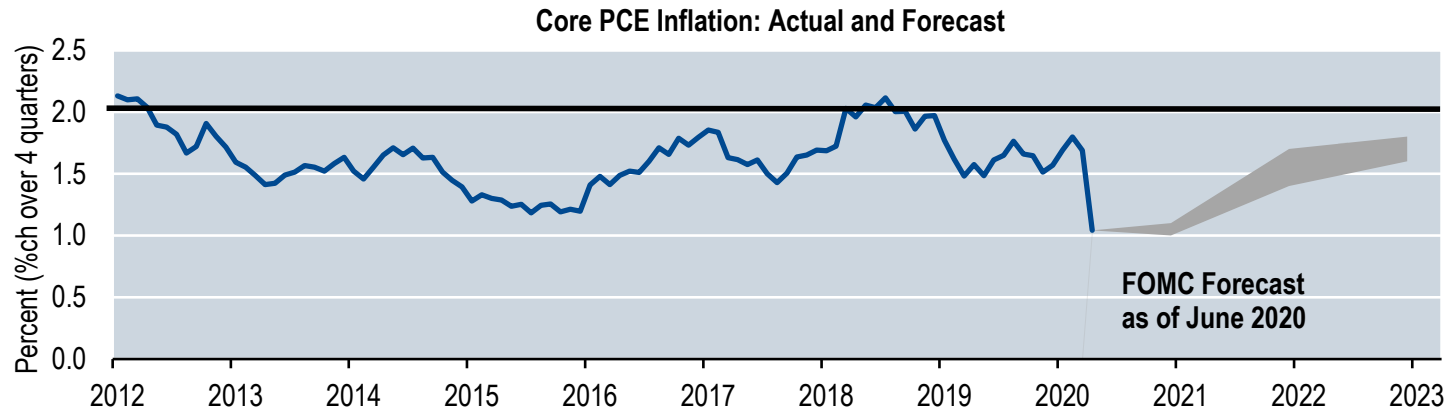
13-week Annualized growth rate



Source: Bureau of Economic Analysis. As of 31 May 20

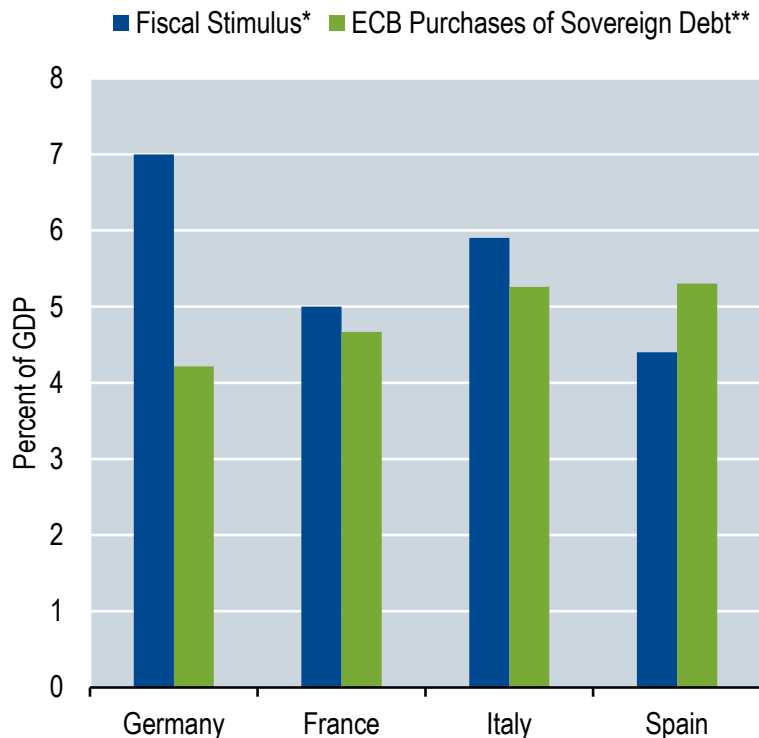
Though Financial Conditions Have Improved, the Fed Will Be Very Slow to Raise Rates

With inflation expected to remain low for some time, the Fed will continue to keep providing monetary stimulus to support financial conditions. Additionally, we expect the Fed to be more explicit in tying its policy to labor market conditions with easy Fed policy helping to support those most disadvantaged by high unemployment.



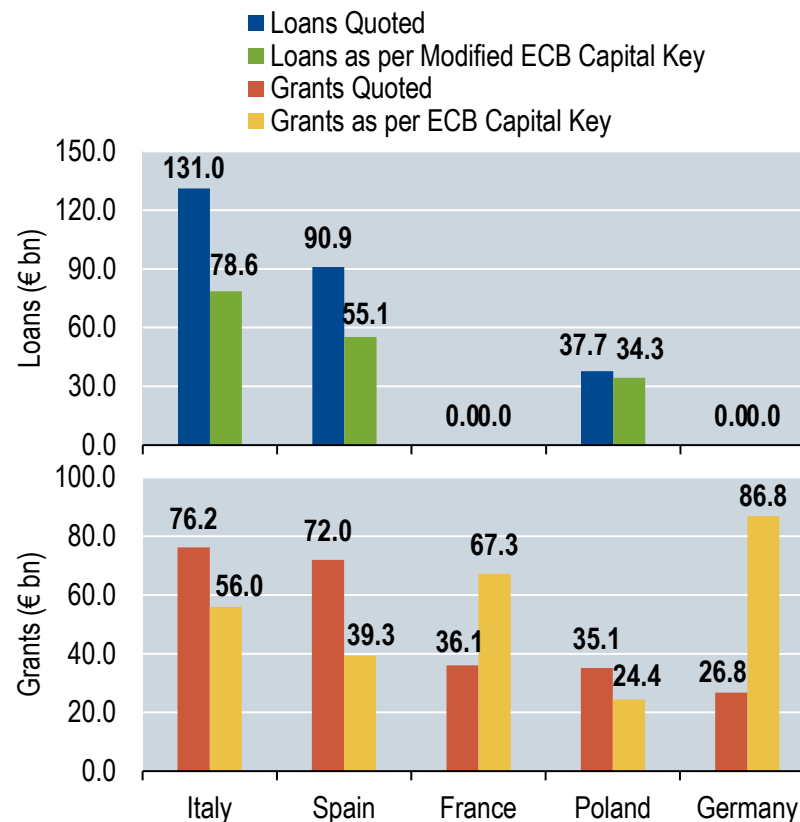
Source: Bloomberg. As of 30 Jun 20

Europe Responds Forcefully



Source: UBS, Western Asset. As of 08 Sep 20
 *Appropriations; does not include contingent liabilities such as guarantees.
 **Very approximate
 Western Asset estimates/calculations are based on published data by UBS.

Next Generation EU - Where Does The Money Go?



Source: ECB, European Commission, FAZ, Western Asset. As of 28 Jul 20.
 Western Asset estimates/calculations based off published data by the European Central Bank.

China's Recovery Is Picking Up Steam

The spread of COVID-19 has been largely arrested in China, allowing for the start of an economic recovery.

The pandemic-induced economic shock in China is coming to a close:

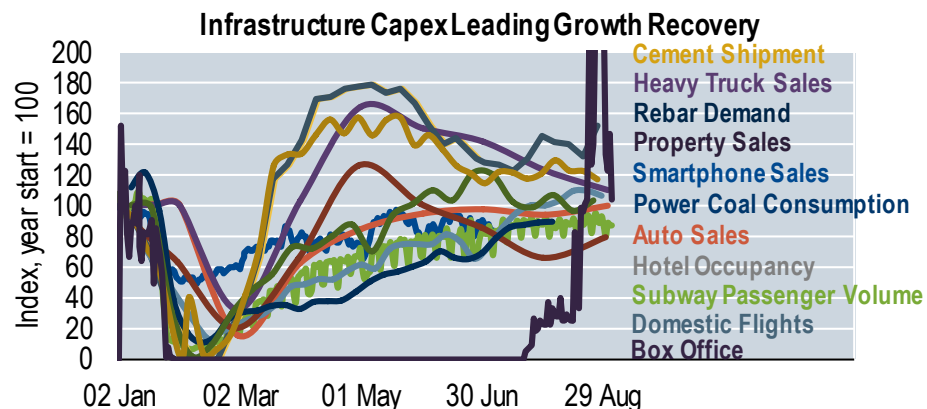
- China had the ability to arrest the 1st wave of COVID-19 infections. The low reservoir of active cases, and use of non-pharmaceutical interventions (e.g., intensive testing, contract tracing, quarantine and mobility restrictions) have been successful in arresting the 2nd wave of virus flare-ups.

China's recovery is picking up steam:

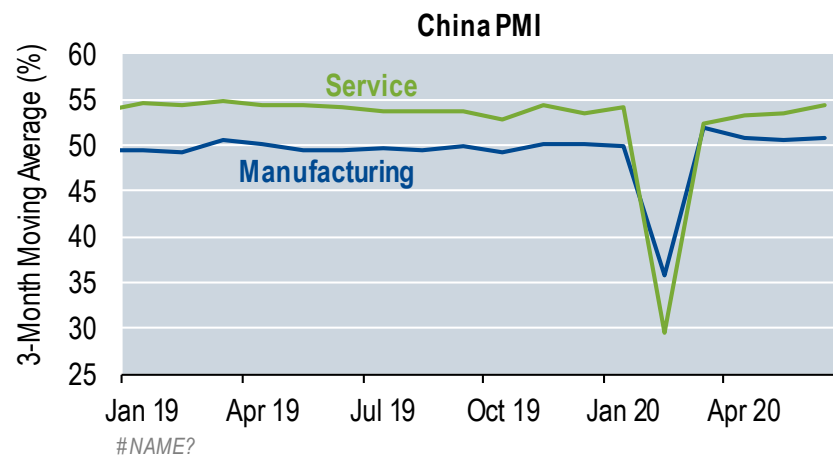
- While the road will be bumpy, government support measures to stimulate the economy have underpinned the recovery, and growth is expected to have turned positive in 2Q20. China continues to have sufficient headroom to implement fiscal and monetary measures to maintain growth momentum.

Key vulnerability to China's post COVID-19 economic recovery lies on the external front.

- The pandemic has led to overseas demand destruction, supply chain disruption and nationalization amid a backdrop of increasing US-China geopolitical tensions.



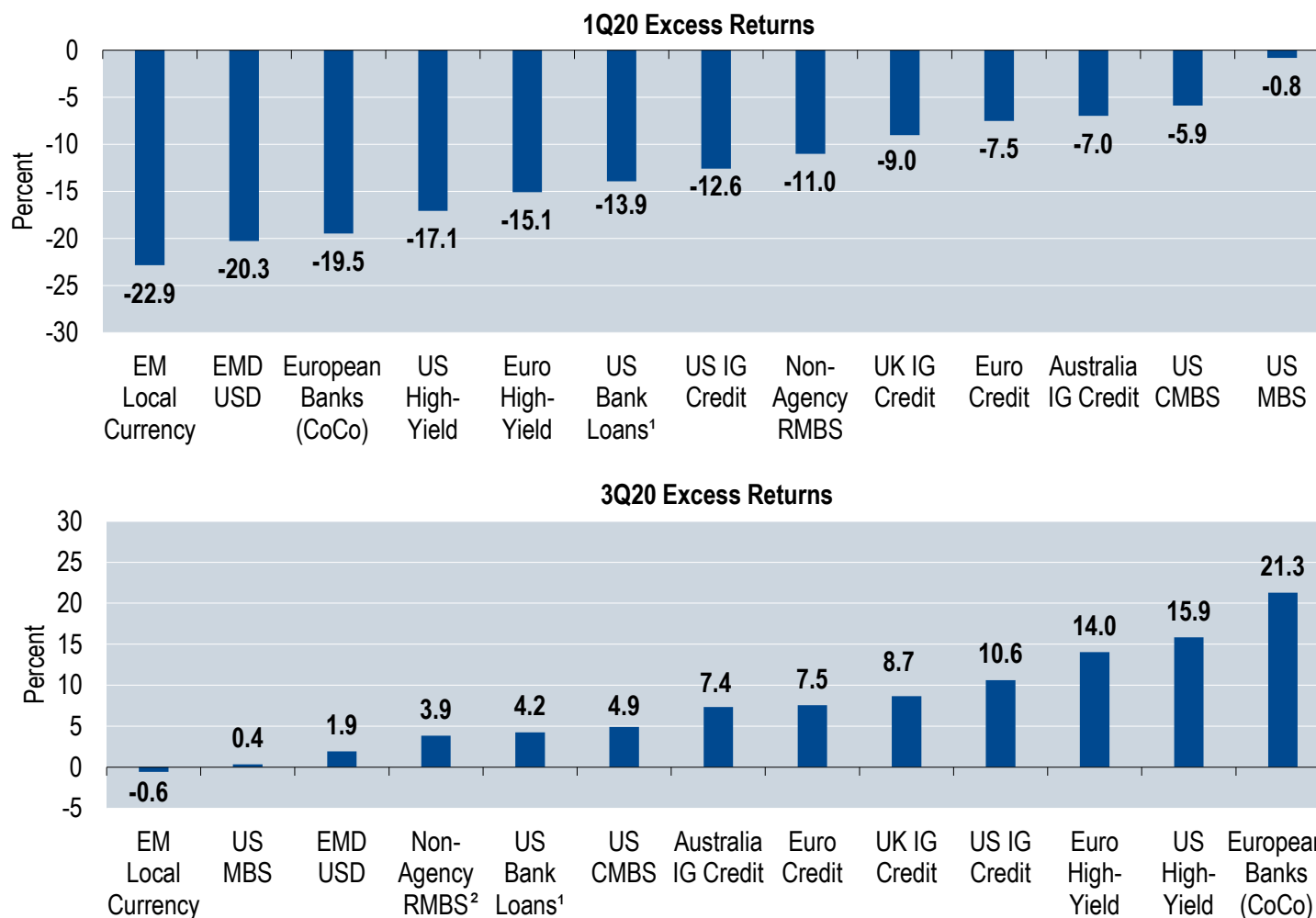
Source: CEIC, Wind, STR, CPCA, Company Data, TravelSky, Morgan Stanley Research
As of 11 Oct 20



The above reflects current opinions of Western Asset and are subject to change with market conditions. As of 30 Sep 20

A Tale of Two Markets

Spread Sector Excess Returns – 1Q20 vs. 3Q20



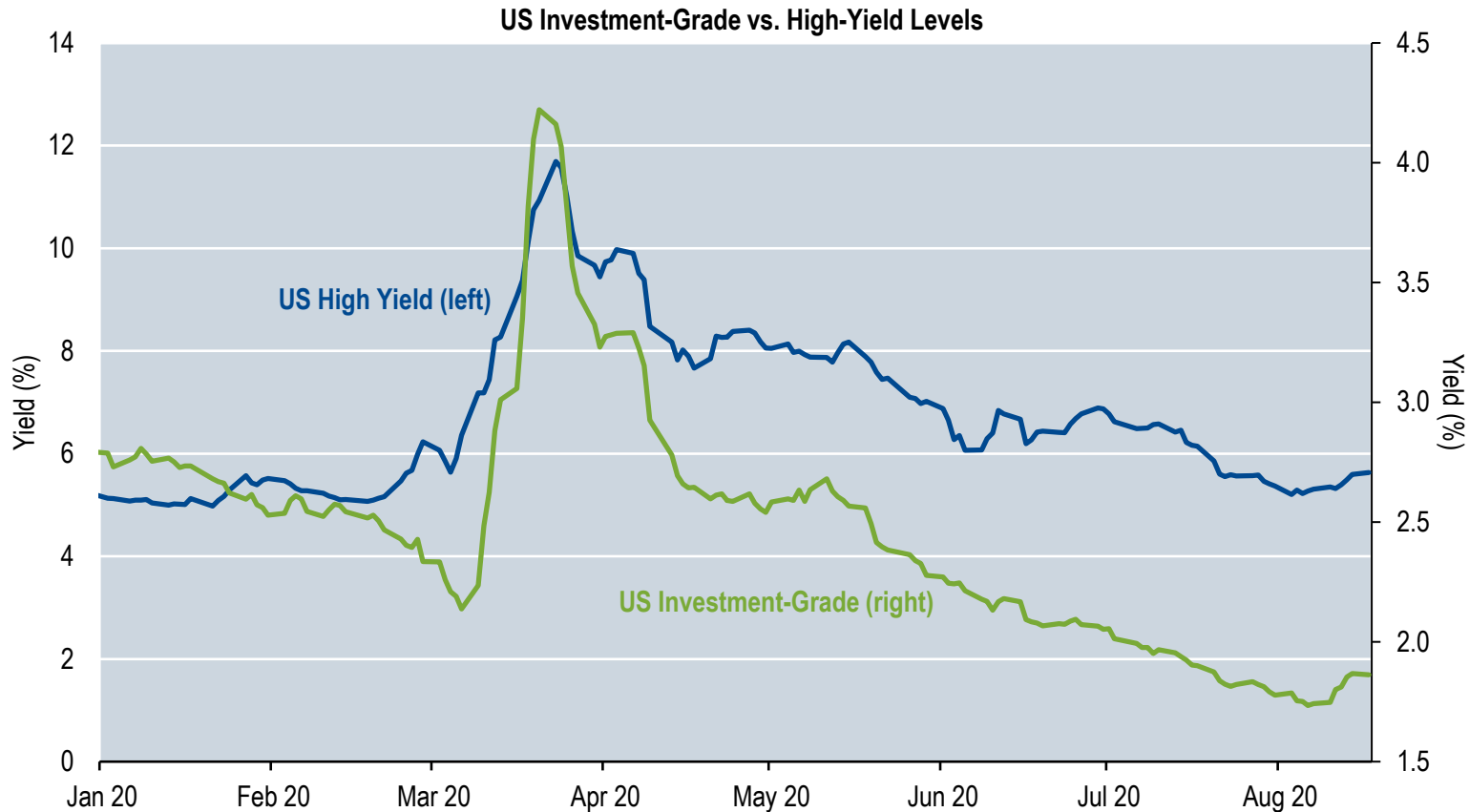
Source: Bloomberg Barclays, J.P. Morgan, S&P Global Market Intelligence, a division of S&P Global Inc, Western Asset

¹S&P/LSTA Performing Loans Index excess return vs. 3-Month LIBOR

²Non-Agency RMBS returns for 3Q20 are preliminary

Investment-Grade as “Cornerstone Investment”

Credit spreads have staged a spectacular rally from their March 23rd wides. Unprecedented Fed policy has provided a significant tailwind for corporate credit and will continue to do so for the foreseeable future.



Source: Bloomberg Barclays. As of 17 Aug 20

High-Yield Appears Selectively Attractive

Corporate fundamentals have deteriorated given earnings headwinds and additional debt levels many companies have taken on to bolster liquidity, however, the bifurcation between credits that are more impacted by COVID-19 and those that are less so provides select opportunities in both segments via the primary and secondary markets.



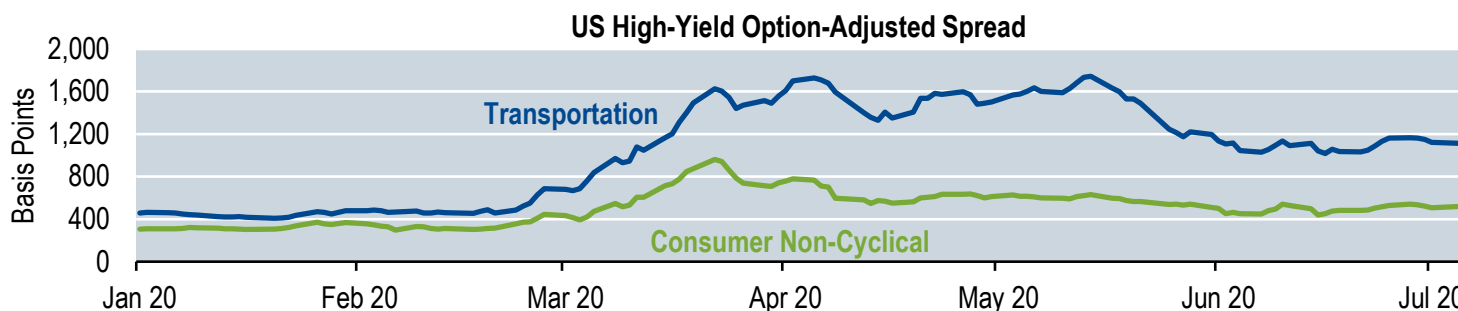
Source: Bloomberg Barclays. As of 07 Jul 20

Bloomberg Barclays U.S. High-Yield Index OAS: +589 bps

Recovery Rate: 30%	Year 1	Year 2	Year 3	Year 4	Year 5
Annual Default Rate	8.1%	8.1%	8.1%	8.1%	8.1%
Cumulative Default Rate	8.1%	15.5%	22.3%	28.6%	34.3%

Recovery Rate: 40%	Year 1	Year 2	Year 3	Year 4	Year 5
Annual Default Rate	9.4%	9.4%	9.4%	9.4%	9.4%
Cumulative Default Rate	9.4%	17.8%	25.5%	32.5%	38.8%

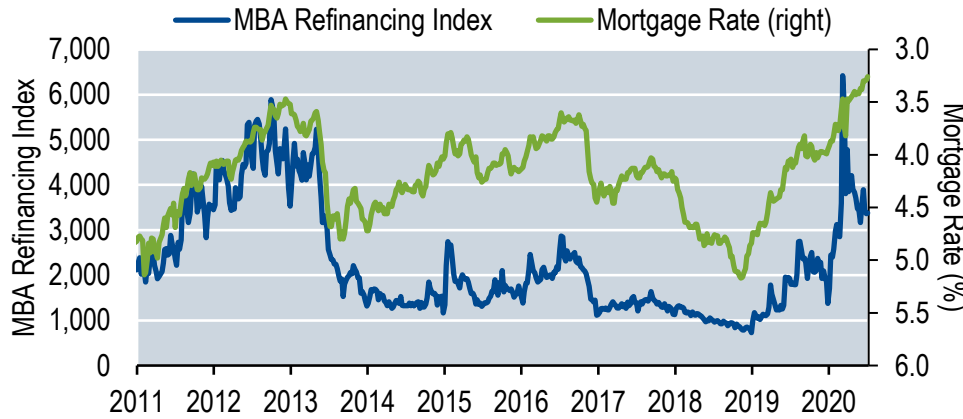
Source: Bloomberg Barclays, Western Asset. As of 07 Jul 20



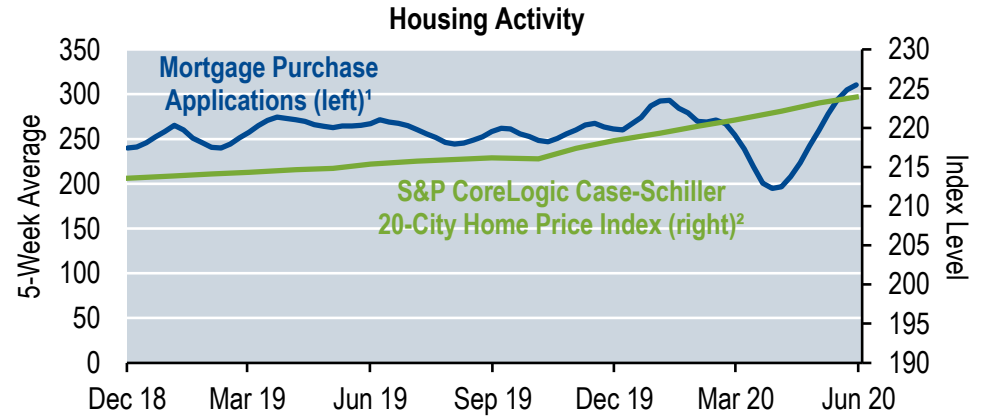
Source: Bloomberg Barclays. As of 07 Jul 20

Housing Market Shows Signs of a Recovery Path

Housing has experienced a V-shaped recovery but spreads have lagged due to continued uncertainty and less direct Fed intervention. Additionally, as low rates persist, pre-payment risk has accelerated.

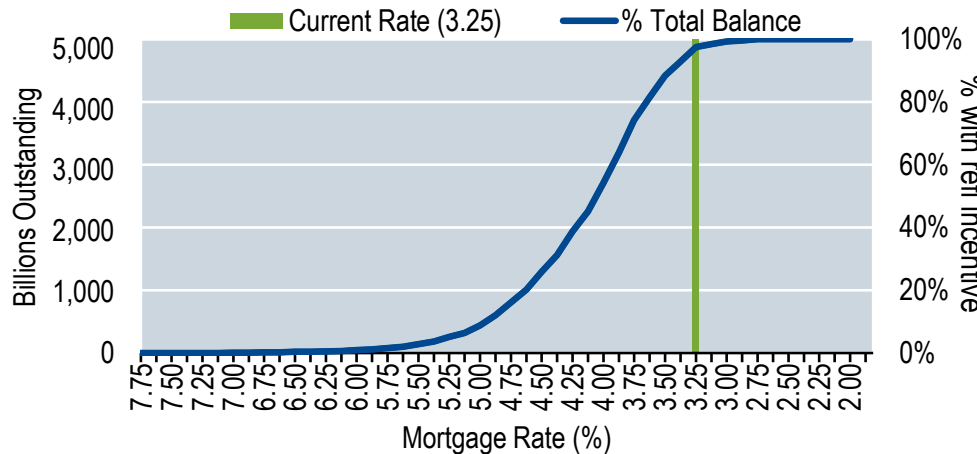


Source: MBA, Bloomberg. As of 07 Jul 20

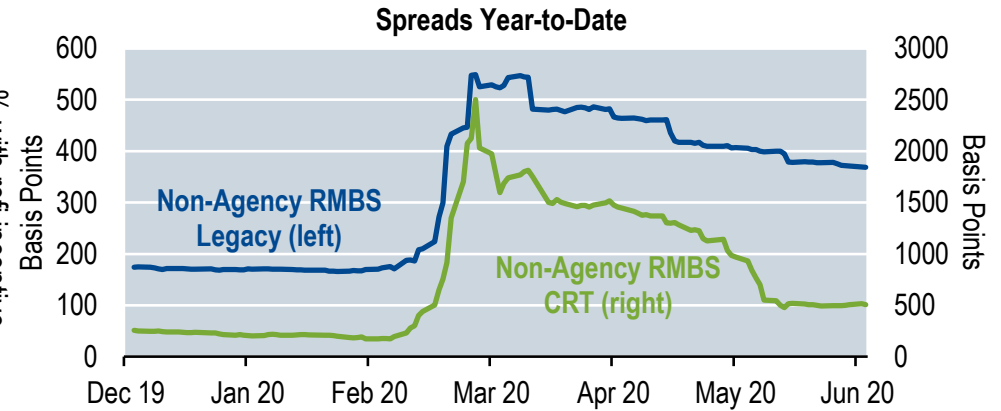


¹Source: Bloomberg, MBA. As of 26 Jun 20

²Source: S&P CoreLogic Case-Schiller. As of released date 29 Jun 20



Source: CPRCDR, Mortgage Bankers Association, Western Asset. As of 06 Jul 20



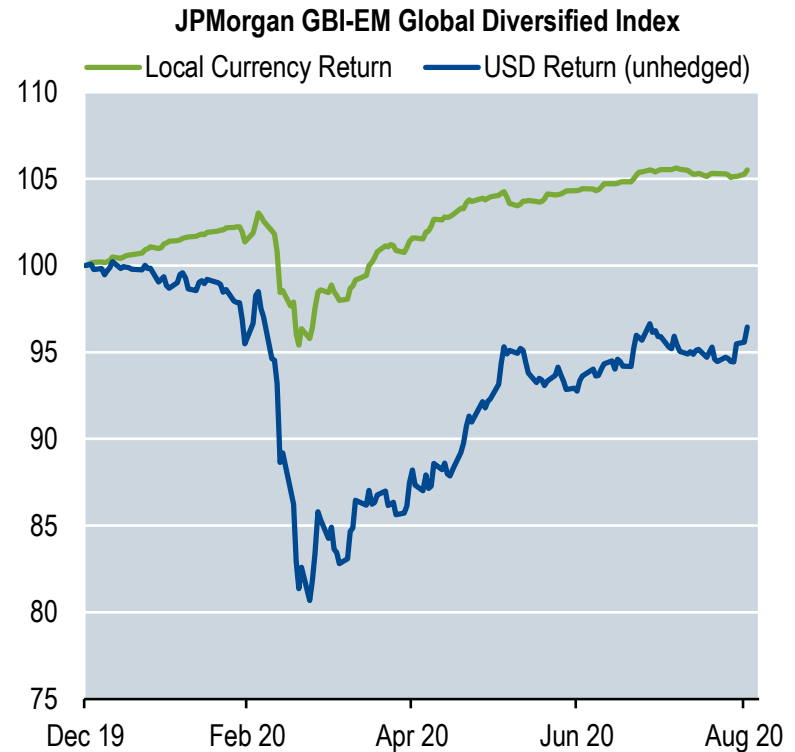
Source: Bloomberg Barclays, J.P. Morgan. As of 30 Jun 20

Emerging Markets: Containing Downside Growth Risk Is Overriding Priority

Aggressive policy ease will anchor rates, while EM FX acts as macro relief valve

	Policy Rate Ease	
	Current (%)	YTD Rate Change (%)
Brazil	2.00	-2.50
Chile	0.50	-1.25
Colombia	2.00	-2.25
Indonesia	4.00	-1.00
Malaysia	1.75	-1.25
Mexico	4.50	-2.75
Peru	0.25	-2.00
Philippines	2.25	-1.75
Poland	0.10	-1.40
Russia	4.25	-2.00
South Africa	3.50	-3.00
Turkey	8.25	-3.75

Source: Bloomberg. As of 03 Sep 20



Source: J.P. Morgan. As of 01 Sep 20

Appendix

Representative Client List Disclosure

The clients listed are invested in a wide range of mandates, and are located in a variety of countries or regions of the United States.

The clients listed in the Corporate company type have portfolios with an AUM of \$3.62(M) or greater.

The clients listed in the Financial Services company type have portfolios with an AUM of \$10.44(M) or greater.

The clients listed in the Healthcare company type have portfolios with an AUM of \$10.44(M) or greater.

The clients listed in the Insurance company type have portfolios with an AUM of \$11.23(M) or greater.

The clients listed in the Eleemosynary company type have portfolios with an AUM of \$0.85(M) or greater.

The clients listed in the Public company type have portfolios with an AUM of \$4.87(M) or greater.

The clients listed in the Multi-Employer / Unions company type have portfolios with an AUM of \$4.10(M) or greater.

Clients that have advised Western Asset of account terminations have been excluded from the lists.

Risk Disclosure

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PRELIMINARY MONTHLY PERFORMANCE REPORT

Ventura County Employees' Retirement Association



VCERA
VENTURA COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

September 30, 2020

Allan Martin, Partner
Michael Miranda, CFA, Sr. Consulting Specialist



BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | PORTLAND | SAN FRANCISCO

Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	6,277,285,338	100.0	100.0	-1.5	5.8	2.3	7.6	6.8	8.7	8.4	7.9	Apr-94
<i>Policy Index</i>				<u>-2.1</u>	<u>5.9</u>	<u>3.6</u>	<u>10.0</u>	<u>7.9</u>	<u>9.5</u>	<u>8.8</u>	<u>8.1</u>	<i>Apr-94</i>
Over/Under				0.6	-0.1	-1.3	-2.4	-1.1	-0.8	-0.4	-0.2	
60% MSCI ACWI (Net) / 40% FTSE WGBI				-2.0	6.1	4.2	9.6	6.4	8.0	6.1	6.5	<i>Apr-94</i>
60% S&P 500 / 40% BBgBarc Aggregate				-2.3	5.6	6.7	12.5	9.8	10.4	9.8	8.5	<i>Apr-94</i>
Total Fund ex Parametric	6,166,579,726	98.2	--	-1.6	5.6	2.0	7.1	6.6	8.5	8.3	7.9	Apr-94
Total Fund ex Private Equity	5,704,548,825	90.9	--	-2.1	5.6	1.9	7.8	6.5	8.5	--	8.3	Jan-12
<i>Policy Index</i>				<u>-2.1</u>	<u>5.9</u>	<u>3.6</u>	<u>10.0</u>	<u>7.9</u>	<u>9.5</u>	<u>8.8</u>	<u>9.2</u>	<i>Jan-12</i>
Over/Under				0.0	-0.3	-1.7	-2.2	-1.4	-1.0		-0.9	
Total US Equity	1,828,652,243	29.1	25.0	-3.7	9.4	5.5	15.1	12.0	14.0	13.7	9.5	Dec-93
<i>Russell 3000</i>				<u>-3.6</u>	<u>9.2</u>	<u>5.4</u>	<u>15.0</u>	<u>11.6</u>	<u>13.7</u>	<u>13.5</u>	<u>9.8</u>	<i>Dec-93</i>
Over/Under				-0.1	0.2	0.1	0.1	0.4	0.3	0.2	-0.3	
Western U.S. Index Plus	260,993,898	4.2		-4.0	10.1	3.8	13.5	11.9	14.4	14.4	6.8	<i>May-07</i>
S&P 500				-3.8	8.9	5.6	15.1	12.3	14.1	13.7	8.3	<i>May-07</i>
Over/Under				-0.2	1.2	-1.8	-1.6	-0.4	0.3	0.7	-1.5	
Blackrock Russell 1000 Index	1,501,161,703	23.9		-3.7	9.5	6.4	16.0	12.4	--	--	12.9	<i>May-17</i>
<i>Russell 1000</i>				<u>-3.7</u>	<u>9.5</u>	<u>6.4</u>	<u>16.0</u>	<u>12.4</u>	<u>14.1</u>	<u>13.8</u>	<u>12.9</u>	<i>May-17</i>
Over/Under				0.0	0.0	0.0	0.0	0.0			0.0	
Blackrock Russell 2500 Index	66,496,641	1.1		-2.6	5.9	-5.8	2.2	4.5	--	--	5.8	<i>May-17</i>
<i>Russell 2500</i>				<u>-2.6</u>	<u>5.9</u>	<u>-5.8</u>	<u>2.2</u>	<u>4.5</u>	<u>9.0</u>	<u>10.8</u>	<u>5.7</u>	<i>May-17</i>
Over/Under				0.0	0.0	0.0	0.0	0.0			0.1	

Policy Index: Currently, 25% Russell 3000, 20% BBgBarc US Aggregate, 16% MSCI ACWI ex U.S., 10% MSCI ACWI, 15% Russell 3000 Index + 3%, 6% CPI+2%, and 8% NCREIF ODCE Real Estate Index.

Prior to January 2016 the Total U.S. Equity Benchmark was a dynamic hybrid using the respective managers' market value weights within the U.S. Equity component toward their benchmark. Prior to May 2013, the Dow Jones U.S. Total Stock Market Index. Prior to May 2007, the Russell 3000 Index.

Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Non-US Equity	935,529,593	14.9	16.0	-1.9	6.6	-6.6	1.9	1.1	6.5	4.5	6.0	Mar-94
<i>MSCI ACWI ex USA</i>				<u>-2.5</u>	<u>6.3</u>	<u>-5.4</u>	<u>3.0</u>	<u>1.2</u>	<u>6.2</u>	<u>4.0</u>	<u>4.9</u>	<i>Mar-94</i>
Over/Under				0.6	0.3	-1.2	-1.1	-0.1	0.3	0.5	1.1	
<i>MSCI EAFE</i>				-2.6	4.8	-7.1	0.5	0.6	5.3	4.6	4.5	<i>Mar-94</i>
<i>MSCI ACWI ex USA NR LCL</i>				-1.3	3.5	-5.8	0.0	2.3	6.4	6.2	--	<i>Mar-94</i>
<i>MSCI EAFE NR LCL</i>				-1.0	1.2	-9.4	-4.7	0.6	4.8	6.3	4.5	<i>Mar-94</i>
BlackRock ACWI ex-U.S. Index	484,930,595	7.7		-2.3	6.8	-5.1	3.6	1.3	6.5	4.4	2.6	Mar-07
<i>MSCI ACWI ex USA IMI</i>				<u>-2.3</u>	<u>6.8</u>	<u>-5.2</u>	<u>3.5</u>	<u>1.1</u>	<u>6.3</u>	<u>4.2</u>	<u>2.3</u>	<i>Mar-07</i>
Over/Under				0.0	0.0	0.1	0.1	0.2	0.2	0.2	0.3	
<i>MSCI ACWI ex USA NR LCL</i>				-1.3	3.5	-5.8	0.0	2.3	6.4	6.2	3.2	<i>Mar-07</i>
Sprucegrove	201,835,645	3.2		-2.4	5.6	-16.4	-8.1	-3.7	4.2	3.6	6.0	Mar-02
<i>MSCI ACWI ex USA</i>				<u>-2.5</u>	<u>6.3</u>	<u>-5.4</u>	<u>3.0</u>	<u>1.2</u>	<u>6.2</u>	<u>4.0</u>	<u>5.9</u>	<i>Mar-02</i>
Over/Under				0.1	-0.7	-11.0	-11.1	-4.9	-2.0	-0.4	0.1	
<i>MSCI EAFE</i>				-2.6	4.8	-7.1	0.5	0.6	5.3	4.6	5.4	<i>Mar-02</i>
<i>MSCI ACWI ex USA NR LCL</i>				-1.3	3.5	-5.8	0.0	2.3	6.4	6.2	5.0	<i>Mar-02</i>
<i>MSCI EAFE NR LCL</i>				-1.0	1.2	-9.4	-4.7	0.6	4.8	6.3	4.0	<i>Mar-02</i>
Hexavest	86,219,259	1.4		-2.5	3.6	-12.7	-6.4	-2.6	2.4	--	2.6	Dec-10
<i>MSCI EAFE</i>				<u>-2.6</u>	<u>4.8</u>	<u>-7.1</u>	<u>0.5</u>	<u>0.6</u>	<u>5.3</u>	<u>4.6</u>	<u>4.1</u>	<i>Dec-10</i>
Over/Under				0.1	-1.2	-5.6	-6.9	-3.2	-2.9		-1.5	
<i>MSCI EAFE NR LCL</i>				-1.0	1.2	-9.4	-4.7	0.6	4.8	6.3	5.8	<i>Dec-10</i>
Walter Scott	162,544,093	2.6		0.4	9.0	8.2	17.5	10.4	12.7	--	7.4	Dec-10
<i>MSCI ACWI ex USA</i>				<u>-2.5</u>	<u>6.3</u>	<u>-5.4</u>	<u>3.0</u>	<u>1.2</u>	<u>6.2</u>	<u>4.0</u>	<u>3.4</u>	<i>Dec-10</i>
Over/Under				2.9	2.7	13.6	14.5	9.2	6.5		4.0	
<i>MSCI ACWI ex USA NR LCL</i>				-1.3	3.5	-5.8	0.0	2.3	6.4	6.2	5.7	<i>Dec-10</i>
<i>MSCI EAFE</i>				-2.6	4.8	-7.1	0.5	0.6	5.3	4.6	4.1	<i>Dec-10</i>
Total Global Equity	680,378,741	10.8	10.0	-3.2	8.2	1.7	10.9	7.5	10.7	8.5	6.4	May-05
<i>MSCI ACWI</i>				<u>-3.2</u>	<u>8.1</u>	<u>1.4</u>	<u>10.4</u>	<u>7.1</u>	<u>10.3</u>	<u>8.5</u>	<u>7.0</u>	<i>May-05</i>
Over/Under				0.0	0.1	0.3	0.5	0.4	0.4	0.0	-0.6	
BlackRock MSCI ACWI Equity Index	680,378,741	10.8		-3.2	8.2	1.7	10.9	7.5	10.8	--	10.0	Aug-12
<i>MSCI ACWI</i>				<u>-3.2</u>	<u>8.1</u>	<u>1.4</u>	<u>10.4</u>	<u>7.1</u>	<u>10.3</u>	<u>8.5</u>	<u>9.5</u>	<i>Aug-12</i>
Over/Under				0.0	0.1	0.3	0.5	0.4	0.5		0.5	



Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Private Equity	572,736,512	9.1	15.0	4.7	7.9	8.4	6.6	12.8	12.4	--	13.8	Jan-12
<i>Russell 3000 + 3%</i>				<i>-3.4</i>	<i>10.0</i>	<i>7.8</i>	<i>18.4</i>	<i>15.0</i>	<i>17.1</i>	<i>16.9</i>	<i>17.4</i>	<i>Jan-12</i>
Over/Under				8.1	-2.1	0.6	-11.8	-2.2	-4.7		-3.6	
<i>CJA Global All PE (Qtr Lag)</i>				<i>10.1</i>	<i>10.1</i>	<i>5.0</i>	<i>5.5</i>	<i>11.1</i>	<i>10.3</i>	<i>12.5</i>	<i>12.0</i>	<i>Jan-12</i>
Adams Street Global Fund Series	189,816,647	3.0		11.4	11.4	14.1	7.8	14.1	12.1	--	13.0	Jan-12
<i>Russell 3000 + 3%</i>				<i>-3.4</i>	<i>10.0</i>	<i>7.8</i>	<i>18.4</i>	<i>15.0</i>	<i>17.1</i>	<i>16.9</i>	<i>17.4</i>	<i>Jan-12</i>
Over/Under				14.8	1.4	6.3	-10.6	-0.9	-5.0		-4.4	
Harbourvest	103,795,471	1.7		0.0	2.4	-2.4	-2.6	10.7	12.6	--	16.2	Aug-13
<i>Russell 3000 + 3%</i>				<i>-3.4</i>	<i>10.0</i>	<i>7.8</i>	<i>18.4</i>	<i>15.0</i>	<i>17.1</i>	<i>16.9</i>	<i>15.3</i>	<i>Aug-13</i>
Over/Under				3.4	-7.6	-10.2	-21.0	-4.3	-4.5		0.9	
Pantheon Global Secondary Funds	42,649,069	0.7		3.8	3.8	-3.0	-2.6	5.1	9.9	--	10.2	Jan-12
<i>Russell 3000 + 3%</i>				<i>-3.4</i>	<i>10.0</i>	<i>7.8</i>	<i>18.4</i>	<i>15.0</i>	<i>17.1</i>	<i>16.9</i>	<i>17.4</i>	<i>Jan-12</i>
Over/Under				7.2	-6.2	-10.8	-21.0	-9.9	-7.2		-7.2	
Drive Capital Fund II	19,869,229	0.3		0.0	-1.1	12.2	14.7	17.6	--	--	-5.7	Sep-16
<i>Russell 3000 + 3%</i>				<i>-3.4</i>	<i>10.0</i>	<i>7.8</i>	<i>18.4</i>	<i>15.0</i>	<i>17.1</i>	<i>16.9</i>	<i>16.5</i>	<i>Sep-16</i>
Over/Under				3.4	-11.1	4.4	-3.7	2.6			-22.2	
Abbott Secondary Opportunities	18,221,037	0.3		17.2	16.9	30.6	28.3	--	--	--	23.7	Jan-18
<i>Russell 3000 + 3%</i>				<i>-3.4</i>	<i>10.0</i>	<i>7.8</i>	<i>18.4</i>	<i>15.0</i>	<i>17.1</i>	<i>16.9</i>	<i>13.6</i>	<i>Jan-18</i>
Over/Under				20.6	6.9	22.8	9.9				10.1	
Clearlake Capital Partners V	11,054,580	0.2		0.0	15.5	12.4	28.0	--	--	--	35.5	Mar-18
<i>Russell 3000 + 3%</i>				<i>-3.4</i>	<i>10.0</i>	<i>7.8</i>	<i>18.4</i>	<i>15.0</i>	<i>17.1</i>	<i>16.9</i>	<i>13.7</i>	<i>Mar-18</i>
Over/Under				3.4	5.5	4.6	9.6				21.8	
Battery Ventures XII	14,808,493	0.2		0.0	1.3	10.9	12.0	--	--	--	3.0	Apr-18
<i>Russell 3000 + 3%</i>				<i>-3.4</i>	<i>10.0</i>	<i>7.8</i>	<i>18.4</i>	<i>15.0</i>	<i>17.1</i>	<i>16.9</i>	<i>15.0</i>	<i>Apr-18</i>
Over/Under				3.4	-8.7	3.1	-6.4				-12.0	
Insight Venture Partners X	30,583,389	0.5		0.0	12.3	14.7	23.1	--	--	--	11.9	May-18
<i>Russell 3000 + 3%</i>				<i>-3.4</i>	<i>10.0</i>	<i>7.8</i>	<i>18.4</i>	<i>15.0</i>	<i>17.1</i>	<i>16.9</i>	<i>15.2</i>	<i>May-18</i>
Over/Under				3.4	2.3	6.9	4.7				-3.3	

Please Note: Private Equity performance is shown on a time-weighted return basis. Values are cash adjusted with current month cash flows. Private Equity composite includes an additional \$268,037 from custodian pass through value.



Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
GTCR Fund XII	19,418,236	0.3		0.0	27.3	33.6	15.1	--	--	--	-18.1	Jun-18
<i>Russell 3000 + 3%</i>				-3.4	10.0	7.8	18.4	15.0	17.1	16.9	14.3	Jun-18
Over/Under				3.4	17.3	25.8	-3.3				-32.4	
Buenaventure One, LLC	50,710,625	0.8		3.7	3.7	4.3	4.5	--	--	--	4.5	Jul-18
<i>Russell 3000 + 3%</i>				-3.4	10.0	7.8	18.4	15.0	17.1	16.9	14.4	Jul-18
Over/Under				7.1	-6.3	-3.5	-13.9				-9.9	
ECl 11	4,471,106	0.1		-0.2	20.2	7.2	21.1	--	--	--	20.2	Dec-18
<i>Russell 3000 + 3%</i>				-3.4	10.0	7.8	18.4	15.0	17.1	16.9	16.4	Dec-18
Over/Under				3.2	10.2	-0.6	2.7				3.8	
The Resolute Fund IV L.P.	14,443,184	0.2		0.0	10.8	15.9	39.6	--	--	--	53.0	Jan-19
<i>Russell 3000 + 3%</i>				-3.4	10.0	7.8	18.4	15.0	17.1	16.9	23.8	Jan-19
Over/Under				3.4	0.8	8.1	21.2				29.2	
GGV Capital VII L.P.	5,064,958	0.1		0.0	2.9	5.7	-13.0	--	--	--	-11.6	Feb-19
<i>Russell 3000 + 3%</i>				-3.4	10.0	7.8	18.4	15.0	17.1	16.9	19.0	Feb-19
Over/Under				3.4	-7.1	-2.1	-31.4				-30.6	
GGV Discovery II, L.P.	1,052,191	0.0		0.0	3.8	7.8	11.5	--	--	--	3.0	Feb-19
<i>Russell 3000 + 3%</i>				-3.4	10.0	7.8	18.4	15.0	17.1	16.9	19.0	Feb-19
Over/Under				3.4	-6.2	0.0	-6.9				-16.0	
Drive Capital Overdrive Fund I	3,900,390	0.1		0.0	0.0	-1.9	-5.4	--	--	--	-3.9	May-19
<i>Russell 3000 + 3%</i>				-3.4	10.0	7.8	18.4	15.0	17.1	16.9	14.7	May-19
Over/Under				3.4	-10.0	-9.7	-23.8				-18.6	
Riverside Micro Cap Fund V, LP	2,923,546	0.0		-4.8	-1.0	-8.6	-7.7	--	--	--	-26.0	May-19
<i>Russell 3000 + 3%</i>				-3.4	10.0	7.8	18.4	15.0	17.1	16.9	14.7	May-19
Over/Under				-1.4	-11.0	-16.4	-26.1				-40.7	
GGV Capital VII Plus, LP	1,435,002	0.0		0.0	4.5	4.4	4.8	--	--	--	3.6	Jun-19
<i>Russell 3000 + 3%</i>				-3.4	10.0	7.8	18.4	15.0	17.1	16.9	21.4	Jun-19
Over/Under				3.4	-5.5	-3.4	-13.6				-17.8	

Please Note: Private Equity performance is shown on a time-weighted return basis. Values are cash adjusted with current month cash flows. Private Equity composite includes an additional \$268,037 from custodian pass through value.



Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Astorg VII L.P.	983,147	0.0		-3.6	28.1	26.9	0.9	--	--	--	-25.8	Jul-19
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>16.2</u>	<i>Jul-19</i>
Over/Under				-0.2	18.1	19.1	-17.5				-42.0	
M/C Partners Fund VIII LP. Limited Partnership	2,705,599	0.0		0.0	11.4	-33.8	-43.8	--	--	--	-38.8	Jul-19
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>16.2</u>	<i>Jul-19</i>
Over/Under				3.4	1.4	-41.6	-62.2				-55.0	
Genstar Capital Partners IX	2,886,819	0.0		0.0	10.6	10.4	12.9	--	--	--	--	Aug-19
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>15.8</u>	<i>Aug-19</i>
Over/Under				3.4	0.6	2.6	-5.5					
Genstar IX Opportunities Fund I	1,517,085	0.0		0.0	6.9	6.2	5.9	--	--	--	5.0	Aug-19
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>15.8</u>	<i>Aug-19</i>
Over/Under				3.4	-3.1	-1.6	-12.5				-10.8	
ABRY Partners IX, LP	4,601,974	0.1		-1.4	13.8	-22.4	-17.1	--	--	--	-32.0	Sep-19
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>19.0</u>	<i>Sep-19</i>
Over/Under				2.0	3.8	-30.2	-35.5				-51.0	
Advent International GPE IX LP	3,847,073	0.1		-2.2	19.9	16.3	-25.0	--	--	--	9.3	Nov-19
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>15.6</u>	<i>Nov-19</i>
Over/Under				1.2	9.9	8.5	-43.4				-6.3	
Drive Capital Fund III LP	532,664	0.0		0.0	0.0	-17.4	--	--	--	--	-17.4	Dec-19
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>11.1</u>	<i>Dec-19</i>
Over/Under				3.4	-10.0	-25.2					-28.5	
Oak HC/FT Partners III LP	6,011,983	0.1		0.0	-2.0	-13.0	--	--	--	--	-13.0	Dec-19
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>11.1</u>	<i>Dec-19</i>
Over/Under				3.4	-12.0	-20.8					-24.1	
TA XIII A LP	3,977,916	0.1		0.0	15.2	-3.4	--	--	--	--	-3.4	Dec-19
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>7.8</u>	<i>Dec-19</i>
Over/Under				3.4	5.2	-11.2					-11.2	



Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Dover Street X, LP	3,868,260	0.1		0.0	-0.4	--	--	--	--	--	-11.4	Feb-20
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>7.6</u>	<i>Feb-20</i>
Over/Under				3.4	-10.4						-19.0	
Hellman & Friedman CP IX	4,178,368	0.1		0.0	19.7	--	--	--	--	--	-7.9	Apr-20
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>35.2</u>	<i>Apr-20</i>
Over/Under				3.4	9.7						-43.1	
Clearlake Capital Partners VI	2,545,879	0.0		0.0	0.0	--	--	--	--	--	0.0	Jun-20
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>12.8</u>	<i>Jun-20</i>
Over/Under				3.4	-10.0						-12.8	
Flexpoint Fund IV	350,363	0.0		0.0	26.9	--	--	--	--	--	26.9	Jun-20
<i>Russell 3000 + 3%</i>				<u>-3.4</u>	<u>10.0</u>	<u>7.8</u>	<u>18.4</u>	<u>15.0</u>	<u>17.1</u>	<u>16.9</u>	<u>12.8</u>	<i>Jun-20</i>
Over/Under				3.4	16.9						14.1	



Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total US Fixed Income	946,707,461	15.1	15.0	-0.2	1.9	8.2	8.9	5.6	5.1	4.5	5.9	Feb-94
<i>BBgBarc US Aggregate TR</i>				<i>-0.1</i>	<i>0.6</i>	<i>6.8</i>	<i>7.0</i>	<i>5.2</i>	<i>4.2</i>	<i>3.6</i>	<i>5.4</i>	<i>Feb-94</i>
Over/Under				<i>-0.1</i>	<i>1.3</i>	<i>1.4</i>	<i>1.9</i>	<i>0.4</i>	<i>0.9</i>	<i>0.9</i>	<i>0.5</i>	
BlackRock U.S. Debt Fund	178,123,052	2.8		0.0	0.6	6.9	7.1	5.3	4.2	3.7	5.3	Nov-95
<i>BBgBarc US Aggregate TR</i>				<i>-0.1</i>	<i>0.6</i>	<i>6.8</i>	<i>7.0</i>	<i>5.2</i>	<i>4.2</i>	<i>3.6</i>	<i>5.2</i>	<i>Nov-95</i>
Over/Under				<i>0.1</i>	<i>0.0</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.0</i>	<i>0.1</i>	<i>0.1</i>	
Western	302,547,579	4.8		-0.1	1.8	8.5	9.1	6.3	5.6	5.1	6.2	Dec-96
<i>BBgBarc US Aggregate TR</i>				<i>-0.1</i>	<i>0.6</i>	<i>6.8</i>	<i>7.0</i>	<i>5.2</i>	<i>4.2</i>	<i>3.6</i>	<i>5.2</i>	<i>Dec-96</i>
Over/Under				<i>0.0</i>	<i>1.2</i>	<i>1.7</i>	<i>2.1</i>	<i>1.1</i>	<i>1.4</i>	<i>1.5</i>	<i>1.0</i>	
Reams	332,910,745	5.3		-0.3	2.2	8.4	9.4	5.2	4.7	4.0	5.4	Sep-01
<i>Reams Custom Index</i>				<i>0.0</i>	<i>0.1</i>	<i>0.6</i>	<i>1.0</i>	<i>1.9</i>	<i>1.5</i>	<i>1.8</i>	<i>3.6</i>	<i>Sep-01</i>
Over/Under				<i>-0.3</i>	<i>2.1</i>	<i>7.8</i>	<i>8.4</i>	<i>3.3</i>	<i>3.2</i>	<i>2.2</i>	<i>1.8</i>	
<i>BBgBarc US Aggregate TR</i>				<i>-0.1</i>	<i>0.6</i>	<i>6.8</i>	<i>7.0</i>	<i>5.2</i>	<i>4.2</i>	<i>3.6</i>	<i>4.6</i>	<i>Sep-01</i>
3-Month LIBOR + 3%				<i>0.3</i>	<i>0.8</i>	<i>2.8</i>	<i>4.1</i>	<i>4.9</i>	<i>4.5</i>	<i>3.9</i>	<i>4.8</i>	<i>Sep-01</i>
Loomis Strategic Alpha	46,185,548	0.7		-0.2	3.2	6.0	6.8	3.8	3.9	--	3.2	Jul-13
<i>BBgBarc US Aggregate TR</i>				<i>-0.1</i>	<i>0.6</i>	<i>6.8</i>	<i>7.0</i>	<i>5.2</i>	<i>4.2</i>	<i>3.6</i>	<i>3.9</i>	<i>Jul-13</i>
Over/Under				<i>-0.1</i>	<i>2.6</i>	<i>-0.8</i>	<i>-0.2</i>	<i>-1.4</i>	<i>-0.3</i>		<i>-0.7</i>	
3-Month LIBOR + 3%				<i>0.3</i>	<i>0.8</i>	<i>2.8</i>	<i>4.1</i>	<i>4.9</i>	<i>4.5</i>	<i>3.9</i>	<i>4.1</i>	<i>Jul-13</i>
Loomis Sayles Multi Strategy	86,940,537	1.4		-0.4	2.7	7.9	9.4	5.7	6.3	6.0	6.5	Jul-05
<i>Loomis Custom Index</i>				<i>-0.4</i>	<i>1.9</i>	<i>4.8</i>	<i>5.8</i>	<i>4.9</i>	<i>4.9</i>	<i>4.4</i>	<i>5.2</i>	<i>Jul-05</i>
Over/Under				<i>0.0</i>	<i>0.8</i>	<i>3.1</i>	<i>3.6</i>	<i>0.8</i>	<i>1.4</i>	<i>1.6</i>	<i>1.3</i>	
<i>BBgBarc US Govt/Credit TR</i>				<i>0.0</i>	<i>0.8</i>	<i>8.0</i>	<i>8.0</i>	<i>5.9</i>	<i>4.7</i>	<i>3.9</i>	<i>4.6</i>	<i>Jul-05</i>
Treasuries	94,100,803	1.5	2.0	0.3	0.6	13.4	10.9	--	--	--	12.7	Apr-19
Reams 10-Year Treasuries	94,100,803	1.5		0.3	0.6	13.4	10.9	--	--	--	12.7	Apr-19
<i>BBgBarc US Treasury 7-10 Yr TR</i>				<i>0.3</i>	<i>0.3</i>	<i>11.4</i>	<i>10.1</i>	<i>6.8</i>	<i>4.5</i>	<i>4.2</i>	<i>11.4</i>	<i>Apr-19</i>
Over/Under				<i>0.0</i>	<i>0.3</i>	<i>2.0</i>	<i>0.8</i>				<i>1.3</i>	

Reams Custom Index: Merrill Lynch 3 Month Libor Constant Maturity Index, prior to February 2013 the Barclays Aggregate.
 Loomis Custom Index: 65% BBgBarc US Aggregate, 30% Citigroup High Yield Market Index and 5% JPM Non-US Hedged Bond Index.



Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Debt	133,900,162	2.1	3.0	0.5	2.9	-2.4	-0.3	--	--	--	3.8	Jan-18
50% BofA ML US HY BB-B Constrained Index/ 50% Credit Suisse Leveraged Loan Index +150bps				-0.1	4.6	1.0	3.5	--	--	--	5.4	Jan-18
Over/Under				0.6	-1.7	-3.4	-3.8				-1.6	
CVI Credit Value Fund	29,920,090	0.5		2.1	11.9	-1.9	0.0	--	--	--	3.5	Jan-18
50% BofA ML US HY BB-B Constrained Index/ 50% Credit Suisse Leveraged Loan Index +150bps				-0.1	4.6	1.0	3.5	--	--	--	5.4	Jan-18
Over/Under				2.2	7.3	-2.9	-3.5				-1.9	
Monroe Capital Private Credit Fund III	17,370,090	0.3		0.0	6.1	5.9	8.8	--	--	--	9.3	Dec-18
50% BofA ML US HY BB-B Constrained Index/ 50% Credit Suisse Leveraged Loan Index +150bps				-0.1	4.6	1.0	3.5	--	--	--	6.5	Dec-18
Over/Under				0.1	1.5	4.9	5.3				2.8	
Bluebay Direct Lending Fund III	7,804,729	0.1		0.0	4.7	4.7	9.0	--	--	--	8.5	Apr-19
50% BofA ML US HY BB-B Constrained Index/ 50% Credit Suisse Leveraged Loan Index +150bps				-0.1	4.6	1.0	3.5	--	--	--	5.3	Apr-19
Over/Under				0.1	0.1	3.7	5.5				3.2	
Pimco Private Income Fund	54,407,427	0.9		0.0	0.0	0.3	0.3	--	--	--	0.3	Nov-19
50% BofA ML US HY BB-B Constrained Index/ 50% Credit Suisse Leveraged Loan Index +150bps				-0.1	4.6	1.0	3.5	--	--	--	3.5	Nov-19
Over/Under				0.1	-4.6	-0.7	-3.2				-3.2	
Bridge Debt Strategies III Limited Partner	20,103,252	0.3		0.0	-3.4	-14.7	--	--	--	--	-14.7	Jan-20
50% BofA ML US HY BB-B Constrained Index/ 50% Credit Suisse Leveraged Loan Index +150bps				-0.1	4.6	1.0	3.5	--	--	--	1.0	Jan-20
Over/Under				0.1	-8.0	-15.7					-15.7	
PIMCO Corp Opps Fund III	4,294,574	0.1		0.0	0.0	--	--	--	--	--	15.5	May-20
50% BofA ML US HY BB-B Constrained Index/ 50% Credit Suisse Leveraged Loan Index +150bps				-0.1	4.6	1.0	3.5	--	--	--	10.3	May-20
Over/Under				0.1	-4.6						5.2	



Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Real Estate	440,471,428	7.0	8.0	0.0	0.0	-1.7	-1.3	2.5	4.2	8.0	7.2	Mar-94
<i>NCREIF ODCE Net</i>				<i>0.3</i>	<i>0.3</i>	<i>-0.7</i>	<i>0.5</i>	<i>4.3</i>	<i>5.7</i>	<i>9.3</i>	<i>7.7</i>	<i>Mar-94</i>
Over/Under				<i>-0.3</i>	<i>-0.3</i>	<i>-1.0</i>	<i>-1.8</i>	<i>-1.8</i>	<i>-1.5</i>	<i>-1.3</i>	<i>-0.5</i>	
Prudential Real Estate	166,104,605	2.6		0.0	0.0	0.3	1.6	5.4	6.5	10.3	6.0	Jun-04
<i>NCREIF ODCE Net</i>				<i>0.3</i>	<i>0.3</i>	<i>-0.7</i>	<i>0.5</i>	<i>4.3</i>	<i>5.7</i>	<i>9.3</i>	<i>6.6</i>	<i>Jun-04</i>
Over/Under				<i>-0.3</i>	<i>-0.3</i>	<i>1.0</i>	<i>1.1</i>	<i>1.1</i>	<i>0.8</i>	<i>1.0</i>	<i>-0.6</i>	
<i>NCREIF ODCE</i>				<i>0.5</i>	<i>0.5</i>	<i>-0.1</i>	<i>1.4</i>	<i>5.2</i>	<i>6.6</i>	<i>10.3</i>	<i>7.5</i>	<i>Jun-04</i>
UBS Real Estate	258,806,718	4.1		0.0	0.0	-2.4	-2.5	1.0	3.0	6.8	6.3	Mar-03
<i>NCREIF ODCE Net</i>				<i>0.3</i>	<i>0.3</i>	<i>-0.7</i>	<i>0.5</i>	<i>4.3</i>	<i>5.7</i>	<i>9.3</i>	<i>6.8</i>	<i>Mar-03</i>
Over/Under				<i>-0.3</i>	<i>-0.3</i>	<i>-1.7</i>	<i>-3.0</i>	<i>-3.3</i>	<i>-2.7</i>	<i>-2.5</i>	<i>-0.5</i>	
<i>NCREIF ODCE</i>				<i>0.5</i>	<i>0.5</i>	<i>-0.1</i>	<i>1.4</i>	<i>5.2</i>	<i>6.6</i>	<i>10.3</i>	<i>7.8</i>	<i>Mar-03</i>
LaSalle Income + Growth VIII Limited Partnership	15,560,105	0.2		0.0	0.0	--	--	--	--	--	-13.0	Mar-20
<i>NCREIF ODCE Net</i>				<i>0.3</i>	<i>0.3</i>	<i>-0.7</i>	<i>0.5</i>	<i>4.3</i>	<i>5.7</i>	<i>9.3</i>	<i>-0.7</i>	<i>Mar-20</i>
Over/Under				<i>-0.3</i>	<i>-0.3</i>						<i>-12.3</i>	
<i>NCREIF ODCE</i>				<i>0.5</i>	<i>0.5</i>	<i>-0.1</i>	<i>1.4</i>	<i>5.2</i>	<i>6.6</i>	<i>10.3</i>	<i>-0.1</i>	<i>Mar-20</i>

Total Real Estate Benchmark: NCREIF ODCE; prior to January 2006, the NCREIF Property Index.

Total Real Assets Benchmark CPI + 4% from inception until 6/30/2019; CPI +2% from 6/30/2019 to present.

Real Estate managers and NCREIF ODCE are valued on a quarterly basis. Performance is not applicable in mid-quarter months, therefore 0% return is shown.

Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Real Assets	442,584,937	7.1	6.0	-2.7	1.2	-9.4	-8.1	-0.4	2.8	--	2.6	Apr-13
Real Assets Index				<u>0.3</u>	<u>1.5</u>	<u>2.8</u>	<u>3.4</u>	<u>5.0</u>	<u>5.4</u>	<u>--</u>	<u>5.8</u>	Apr-13
Over/Under				-3.0	-0.3	-12.2	-11.5	-5.4	-2.6		-3.2	
Bridgewater All Weather Fund	353,219,025	5.6		-2.2	4.2	1.3	3.9	5.4	6.5	--	5.2	Aug-13
CPI + 5% (Unadjusted)				<u>0.5</u>	<u>2.2</u>	<u>5.1</u>	<u>6.4</u>	<u>6.9</u>	<u>6.9</u>	<u>--</u>	<u>6.6</u>	Aug-13
Over/Under				-2.7	2.0	-3.8	-2.5	-1.5	-0.4		-1.4	
Tortoise Energy Infrastructure	63,189,379	1.0		-11.6	-15.7	-44.2	-45.2	-19.7	-9.8	--	-7.7	Apr-13
Tortoise MLP Index				<u>-12.9</u>	<u>-13.8</u>	<u>-44.3</u>	<u>-46.0</u>	<u>-19.1</u>	<u>-10.7</u>	<u>--</u>	<u>-9.9</u>	Apr-13
Over/Under				1.3	-1.9	0.1	0.8	-0.6	0.9		2.2	
Brookfield Infra Fund IV B LP	21,536,425	0.3		0.0	-5.6	--	--	--	--	--	-5.6	Apr-20
CPI + 2% (Unadjusted)				<u>0.3</u>	<u>1.5</u>	<u>2.8</u>	<u>3.4</u>	<u>3.8</u>	<u>3.8</u>	<u>3.8</u>	<u>1.8</u>	Apr-20
Over/Under				-0.3	-7.1						-7.4	
Harbourvest Real Assets Fund IV L.P.	4,640,108	0.1										
CPI + 2% (Unadjusted)				<u>0.3</u>	<u>1.5</u>	<u>2.8</u>	<u>3.4</u>	<u>3.8</u>	<u>3.8</u>	<u>3.8</u>	<u>3.4</u>	Sep-19
Over/Under												
Overlay	202,223,457	3.2	0.0									
Parametric	105,293,167	1.7										
Abbott Capital Cash	96,930,289	1.5										

Please Note: Private Equity performance is shown on a time-weighted return basis. Values are cash adjusted with current month cash flows.



VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION PRIVATE DEBT LIMITED PARTNERSHIP PERFORMANCE

Fund Name	Vintage Year	Initial Investment Date	Commitment	Capital Called to Date ¹	Outstanding Commitment ¹	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
												Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
BlueBay Direct Lending III	2019	02/12/2019	\$25,000,000	\$9,353,314	\$15,646,686	37%	\$2,438,679	\$7,804,729	\$10,243,408	\$890,094	12.6%	0.26x	1.1x
Bridge Debt Strategies III	2019	12/20/2019	\$25,000,000	\$24,072,665	\$927,335	96%	\$659,816	\$20,103,252	\$20,763,069	-\$3,309,596	-16.5%	0.03x	0.86x
CVI Credit Value Fund IV	2017	12/31/2017	\$30,000,000	\$29,100,000	\$900,000	97%	\$6,147	\$29,920,090	\$29,926,237	\$826,237	2.0%	0x	1.03x
Monroe Capital Private Credit Fund III	2018	09/05/2018	\$25,000,000	\$17,652,142	\$7,347,858	71%	\$2,735,617	\$17,370,090	\$20,105,707	\$2,453,565	10.0%	0.15x	1.14x
PIMCO Corporate Opportunities Fund III	2020	01/26/2020	\$50,000,000	\$3,750,000	\$46,250,000	8%	\$37,190	\$4,294,574	\$4,331,764	\$581,764	15.5%	0.01x	1.16x
PIMCO Private Income Fund	2019	03/25/2019	\$55,000,000	\$55,000,000	\$0	100%	\$0	\$54,407,427	\$54,407,427	-\$592,573	-2.1%	0x	0.99x
Total VCERA Private Debt Program	--		\$210,000,000	\$138,928,121	\$71,071,879	66%	\$5,877,450	\$133,900,163	\$139,777,612	\$849,491	0.7%	0.04x	1.01x

1. Includes recycled/recallable distributions received to date.

Note: Private debt performance data is reported net of fees.

Performance shown is based on 9/30/2020 cash-adjusted market values.



Ventura County Employees' Retirement Association

TOTAL FUND

Cash Flow Summary								
Month Ending September 30, 2020								
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Fees	Net Investment Change	Ending Market Value	Month Return
Abbott Capital Cash	\$131,334,950	\$12,595,008	-\$47,016,152	-\$34,421,144	\$0	\$16,483	\$96,930,289	0.01%
Abbott Secondary Opportunities	\$15,548,267	\$0	\$0	\$0	\$0	\$2,672,769	\$18,221,037	17.19%
ABRY Partners IX, LP	\$4,318,255	\$343,213	\$0	\$343,213	\$0	-\$59,494	\$4,601,974	-1.36%
Adams Street Global Fund Series	\$174,074,332	\$0	-\$3,946,803	-\$3,946,803	\$0	\$19,689,118	\$189,816,647	11.37%
Advent International GPE IX LP	\$3,651,580	\$275,001	\$0	\$275,001	\$0	-\$79,507	\$3,847,073	-2.16%
Astorg VII L.P.	\$1,019,677	\$0	\$0	\$0	\$0	-\$36,530	\$983,147	-3.58%
Battery Ventures XII	\$14,808,493	\$0	\$0	\$0	\$0	\$0	\$14,808,493	0.00%
BlackRock ACWI ex-U.S. Index	\$496,303,396	\$0	\$0	\$0	-\$42,078	-\$11,372,801	\$484,930,595	-2.30%
BlackRock MSCI ACWI Equity Index	\$702,909,798	\$0	\$0	\$0	-\$24,346	-\$22,531,057	\$680,378,741	-3.21%
Blackrock Russell 1000 Index	\$1,558,114,999	\$0	\$0	\$0	-\$12,926	-\$56,953,296	\$1,501,161,703	-3.66%
Blackrock Russell 2500 Index	\$68,287,717	\$0	\$0	\$0	-\$1,108	-\$1,791,076	\$66,496,641	-2.62%
BlackRock U.S. Debt Fund	\$178,185,272	\$0	\$0	\$0	-\$9,271	-\$62,220	\$178,123,052	-0.04%
Bluebay Direct Lending Fund III	\$7,804,736	\$0	\$0	\$0	\$0	-\$7	\$7,804,729	0.00%
Bridge Debt Strategies III Limited Partner	\$20,103,252	\$0	\$0	\$0	\$0	\$0	\$20,103,252	0.00%
Bridgewater All Weather Fund	\$361,012,407	\$0	\$0	\$0	-\$106,921	-\$7,793,382	\$353,219,025	-2.16%
Brookfield Infra Fund IV B LP	\$17,817,704	\$3,718,723	\$0	\$3,718,723	\$0	-\$3	\$21,536,425	0.00%
Buenaventure One, LLC	\$46,451,257	\$2,475,000	\$0	\$2,475,000	\$0	\$1,784,367	\$50,710,625	3.71%
Buenaventure Two, LLC	\$469,205	\$25,000	\$0	\$25,000	\$0	\$18,024	\$512,229	3.70%
Clearlake Capital Partners V	\$11,054,580	\$0	\$0	\$0	\$0	\$0	\$11,054,580	0.00%
Clearlake Capital Partners VI	\$2,545,879	\$0	\$0	\$0	\$0	\$0	\$2,545,879	0.00%



Ventura County Employees' Retirement Association

TOTAL FUND

	Month Ending September 30, 2020							Month Return
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Fees	Net Investment Change	Ending Market Value	
CVI Credit Value Fund	\$29,300,827	\$0	\$0	\$0	\$0	\$619,263	\$29,920,090	2.11%
Dover Street X, LP	\$3,868,260	\$0	\$0	\$0	\$0	\$0	\$3,868,260	0.00%
Drive Capital Fund II	\$19,869,229	\$0	\$0	\$0	\$0	\$0	\$19,869,229	0.00%
Drive Capital Fund III LP	\$532,664	\$0	\$0	\$0	\$0	\$0	\$532,664	0.00%
Drive Capital Overdrive Fund I	\$3,900,390	\$0	\$0	\$0	\$0	\$0	\$3,900,390	0.00%
ECI 11	\$3,805,159	\$675,000	\$0	\$675,000	\$0	-\$9,054	\$4,471,106	-0.24%
Flexpoint Fund IV	\$350,363	\$0	\$0	\$0	\$0	\$0	\$350,363	0.00%
Genstar Capital Partners IX	\$2,349,875	\$536,945	\$0	\$536,945	\$0	-\$1	\$2,886,819	0.00%
Genstar IX Opportunities Fund I	\$1,043,134	\$473,952	\$0	\$473,952	\$0	-\$1	\$1,517,085	0.00%
GGV Capital VII L.P.	\$4,810,962	\$254,000	\$0	\$254,000	\$0	-\$4	\$5,064,958	0.00%
GGV Capital VII Plus, LP	\$1,435,002	\$0	\$0	\$0	\$0	\$0	\$1,435,002	0.00%
GGV Discovery II, L.P.	\$1,052,191	\$0	\$0	\$0	\$0	\$0	\$1,052,191	0.00%
GTCR Fund XII	\$19,418,236	\$0	\$0	\$0	\$0	\$0	\$19,418,236	0.00%
Harbourvest	\$104,426,332	\$1,200,000	-\$1,830,863	-\$630,863	\$0	\$2	\$103,795,471	0.00%
Harbourvest Real Assets Fund IV L.P.	\$685,567	\$0	\$0	\$0	\$0	\$3,954,541	\$4,640,108	576.83%
Hellman & Friedman CP IX	\$4,178,368	\$0	\$0	\$0	\$0	\$0	\$4,178,368	0.00%
Hexavest	\$88,370,926	\$0	\$0	\$0	-\$32,906	-\$2,151,667	\$86,219,259	-2.47%
Insight Venture Partners X	\$30,583,389	\$0	\$0	\$0	\$0	\$0	\$30,583,389	0.00%
LaSalle Income + Growth VIII Limited Partnership	\$13,074,356	\$2,485,761	\$0	\$2,485,761	\$0	-\$12	\$15,560,105	0.00%
Loomis Sayles Multi Strategy	\$87,219,280	\$0	\$0	\$0	-\$27,568	-\$278,743	\$86,940,537	-0.35%
Loomis Strategic Alpha	\$46,252,923	\$0	\$0	\$0	-\$15,395	-\$67,375	\$46,185,548	-0.18%
M/C Partners Fund VIII LP. Limited Partnership	\$2,705,599	\$0	\$0	\$0	\$0	\$0	\$2,705,599	0.00%
Monroe Capital Private Credit Fund III	\$17,370,090	\$0	\$0	\$0	\$0	\$0	\$17,370,090	0.00%



Ventura County Employees' Retirement Association

TOTAL FUND

	Month Ending September 30, 2020							
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Fees	Net Investment Change	Ending Market Value	Month Return
Oak HC/FT Partners III LP	\$4,645,068	\$1,368,790	\$0	\$1,368,790	\$0	-\$1,875	\$6,011,983	-0.03%
Pantheon Global Secondary Funds	\$39,071,252	\$3,100,000	-\$1,076,301	\$2,023,699	\$0	\$1,554,117	\$42,649,069	3.76%
Parametric	\$104,742,642	\$0	\$0	\$0	-\$11,139	\$550,525	\$105,293,167	0.51%
PIMCO Corp Opps Fund III	\$4,319,672	\$0	-\$25,098	-\$25,098	\$0	\$0	\$4,294,574	0.00%
Pimco Private Income Fund	\$54,407,427	\$0	\$0	\$0	\$0	\$0	\$54,407,427	0.00%
Prudential Real Estate	\$166,104,605	\$0	\$0	\$0	\$0	\$0	\$166,104,605	0.00%
Reams	\$333,925,775	\$0	\$0	\$0	-\$47,864	-\$1,015,030	\$332,910,745	-0.32%
Reams 10-Year Treasuries	\$93,858,768	\$0	\$0	\$0	\$0	\$242,035	\$94,100,803	0.26%
Riverside Micro Cap Fund V, LP	\$2,133,922	\$892,996	\$0	\$892,996	\$0	-\$103,372	\$2,923,546	-4.78%
Sprucegrove	\$206,727,754	\$0	\$0	\$0	-\$61,632	-\$4,892,109	\$201,835,645	-2.40%
TA XIII A LP	\$2,677,917	\$1,300,000	\$0	\$1,300,000	\$0	-\$1	\$3,977,916	0.00%
The Resolute Fund IV L.P	\$14,443,184	\$0	\$0	\$0	\$0	\$0	\$14,443,184	0.00%
Tortoise Energy Infrastructure	\$71,407,172	\$0	\$0	\$0	-\$32,911	-\$8,217,794	\$63,189,379	-11.55%
UBS Real Estate	\$258,806,718	\$0	\$0	\$0	\$0	\$0	\$258,806,718	0.00%
Walter Scott	\$161,829,897	\$0	\$0	\$0	-\$103,147	\$714,196	\$162,544,093	0.38%
Western	\$302,803,971	\$0	\$0	\$0	-\$50,318	-\$256,392	\$302,547,579	-0.10%
Western U.S. Index Plus	\$271,708,959	\$0	\$0	\$0	-\$45,124	-\$10,715,061	\$260,993,898	-3.96%
Total	\$6,396,033,584	\$31,719,389	-\$53,895,217	-\$22,175,828	-\$624,656	-\$96,572,419	\$6,277,285,338	-1.52%



Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodian bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may be preliminary and subject to change.
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Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC generally reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.





To: Board Members, Ventura County Employees' Retirement Association
From: Allan Martin, Partner
Date: October 26, 2020
Subject: Alternative Investment Fee Reporting

California Government Code Section 7514.7 (Assembly Bill 2833) requires that public pension plans collect fee and expense detail on the alternative investments included in the plan. It is required that this information be disclosed at a public meeting once each year commencing with all new capital commitments made on or after January 1, 2017. Additionally, each public pension plan should take reasonable efforts to collect this fee data for all existing contracts for which no new capital commitment was made on or after January 1, 2017.

The law defines alternative investments to include: private equity fund, venture fund, hedge fund or absolute return fund. We have included information on all the alternative investment limited partnerships VCERA has invested in, including real estate and private debt.

Specifically, the law requires reporting on the following items:

1. The fees and expenses that VCERA pays directly to the alternative investment vehicle, the fund manager or related parties.
2. VCERA's pro rata share of fees and expenses that are paid from the alternative investment vehicle to the fund manager or related parties.
3. VCERA's pro rata share of carried interest distributed to the fund manager or related parties.
4. VCERA's pro rata share of aggregate fees and expenses paid by all of the portfolio companies held within the alternative investment vehicle to the fund manager or related parties.
5. The gross and net internal rate of return of the fund, since inception.
6. Any additional information described in the California Public Records Act [Government Code Section 6254.26(b)]:
 - a. The name, address and vintage year of each alternative investment vehicle.
 - b. The dollar amount of the commitment made by VCERA to each alternative investment vehicle since inception.
 - c. The dollar amount of cash contributions made by VCERA to each alternative investment vehicle since inception.
 - d. The dollar amount, on a fiscal year-end basis, of cash distributions received by VCERA from each alternative investment vehicle.



- e. The dollar amount, on a fiscal year-end basis, of cash distributions received by VCERA plus remaining value of partnership assets attributable to VCERA's investment in each alternative investment vehicle.
- f. The net internal rate of return of each alternative investment vehicle since inception.
- g. The investment multiple of each alternative investment vehicle since inception.
- h. The dollar amount of the total management fees and costs paid on an annual fiscal year-end basis, by VCERA to each alternative investment vehicle.
- i. The dollar amount of cash profit received by VCERA from each alternative investment vehicle on a fiscal year-end basis.

Attached to this memo is the required information to satisfy California Government Code Section 7514.7.



Fund	Address	Date of Investment	Vintage Year	2019 Fees and Expenses paid directly to Partnership or General Partner	2019 Fees and Expenses paid from the Partnership	2019 Carried Interest paid	2019 Fees and Expenses paid by all portfolio companies	VCERA Net Internal Rate of Return Since Inception
CVI Credit Value Fund IV	9320 Excelsior Blvd. 7th Fl Hopkins, MN 55343	12/01/2017	2018	\$193,832	\$115,628	\$0	\$0	7.39%
Monroe Capital Private Credit Fund III, LP	311 South Wacker Drive, Suite 6400 Chicago, IL 60606	11/15/2018	2018	\$0	\$314,655*	\$0	\$0	15.33%
BlueBay Direct Lending Fund III (USD-L), SLP	77 Grosvenor Street, Suite 1510 London, England W1K3JR	03/08/2019	2019	\$0	\$468,381	\$0	\$0	10.03%
Lasalle Income and Growth Fund VIII, LP**	333 South Wacker Drive, Suite 2300 Chicago, IL 60606	02/15/2020	2019	\$0	\$304,110	\$0	\$0	N/A
PIMCO Private Income Fund, LP	650 Newport Center Drive, Newport Beach, CA 92660	04/01/2019	2019	\$0	\$146,301	\$0	\$0	N/M**
Lasalle Income and Growth Fund VIII, LP	200 East Randolph Drive, Chicago, IL 60601	02/15/2020	2019	\$0	\$304,110	\$0	\$0	N/A
Bridge Debt Strategies Fund III, LP	111 Sego Lily Drive #400, Salt Lake City, UT 84070	12/20/2019	2019	\$218,912	\$411,606	\$0	\$0	N/A
Brookfield Infrastructure Fund IV B, LP	250 Vesey Street 15th Floor, New York, NY 10281	03/20/2020	2019	\$484,932	\$37,665	\$0	\$0	N/M**
Harbourvest Real Assets Fund IV, LP	1 Financial Center 44th Floor, Boston, MA 02111	09/30/2019	2019	\$46,164	\$422,652	\$0	\$0	N/M**



Fund	Commitment Amount	Contributions Since Inception	Remaining Value of VCERA Investment	Distributions Year End 2019	Distributions + Remaining Value of Partnership ending 2019	Profit received as of Year End 2019	Partnership Net Internal Rate of Return Since Inception	Partnership Gross Internal Rate of Return Since Inception	Investment Multiple Since Inception
CVI Credit Value Fund IV	\$30,000,000	\$22,500,000	\$24,035,102	\$6,147	\$24,041,249	\$1,541,249	7.39%	N/A	1.07
Monroe Capital Private Credit Fund III, LP	\$25,000,000	\$17,652,142	\$18,215,769	\$1,273,921	\$19,489,690	\$1,837,548	15.33%	17.05%	1.10
BlueBay Direct Lending Fund III (USD-L), SLP	\$25,000,000	\$8,710,019	\$8,978,235	\$407,475	\$9,385,710	\$596,552	10.03%	N/A	1.07
Lasalle Income and Growth Fund VIII, LP	\$100,000,000	\$0	\$0	\$0	\$0	\$0	N/A	N/A	0.00
PIMCO Private Income Fund, LP	\$55,000,000	\$8,250,000	\$8,250,000	\$0	\$8,250,000	\$0	N/M**	N/M**	1.00
Bridge Debt Strategies Fund III, LP	\$25,000,000	\$15,090,893	\$15,266,332	\$682,103	\$15,948,435	-\$52,065	N/M**	N/M**	1.06
Brookfield Infrastructure Fund IV B, LP	\$50,000,000	\$0	-\$97,785	\$0	-\$97,785	-\$97,785	N/M**	N/M**	N/A
Harbourvest Real Assets Fund IV, LP	\$100,000,000	\$0	\$3,230,710	\$0	\$3,230,710	\$3,230,710	N/M**	N/M**	N/A

*Monroe's net management fee is \$0 as fees have been offset by upfront fees on underlying loans

**N/M: Not Meaningful



October 26, 2020

Board of Retirement
 Ventura County Employees' Retirement Association
 1190 South Victoria Avenue, Suite 200
 Ventura, CA 93003

SUBJECT: UPDATE ON VCERA IMPLEMENTATION OF ALAMEDA SUPREME COURT RULING, AS DIRECTED BY OCTOBER 12, 2020, BOARD OF RETIREMENT ADOPTED RESOLUTION

Dear Board Members:

On October 12, 2020, the Board of Retirement adopted a Resolution to implement changes to compensation earnable in compliance with the California Supreme Decision, *Alameda County Sheriff's Assoc. et al., v. Alameda County Employees' Retirement Assn., et al (2020) 9 Cal.5th 1032 ("Alameda")*. The Board adopted the proposed Resolution, but deferred action on the "Alameda Exclusions" (paragraphs 3, 6, and 9), pending a filing of declaratory relief with the Court. In the meantime, the Board took action by adopting a Resolution excluding pay codes for payments for services outside of normal working hours ("PEPRA Exclusions"). For reference the two categories are shown below.

Category	Description	Examples
PEPRA	Stand-by, on call, other payments outside normal working hours.	Standby pay, On-call pay, Leave "straddling"
Alameda	In-kind payments made to 3rd party, not paid in cash.	Flex Credit, Leave Donations

On October 15, 2020, VCERA staff met with the Auditor-Controller ("A-C") staff, because that office's cooperation is required through payroll system configurations for the Board of Retirement's action and direction to be fully completed, as CERL requires that the employer certify the accurate compensation earnable and pensionable compensation reported to the retirement system. **The payroll system must be configured to exclude pay items as directed.**

The group reviewed the attached list of pay items, which was categorized as Included, Excluded, and Situational.

Included: pay codes used for leave redemptions;

Excluded: pay codes used for services outside normal working hours;

Situational: pay codes used for **both** services within normal working hours and outside normal working hours, depending on the situations in which they are used.

“Included” Group

For the “Included” group, contributions are currently paid on these codes in all cases, though it should be noted that these are pensionable within the limits described in Government Code section 31461.

ANALYSIS: “INCLUDED”			
Earn Code	Earn Code Description	VCERA Analysis	VCERA Comments
RSP	RSP-RETRO SICK PAYDOWN	Included	Limited to 31461
RBD	RBD-RETRO SICK & VAC BUYDOWN	Included	Limited to 31461
SLP	SLP-SICK LEAVE PAYDOWN 25%	Included	Limited to 31461
SVB	SVB-VACATION BUYDOWN - VCDSA	Included	Limited to 31461
VAB	VAB-VACATION BUYDOWN (GROSSUP)	Included	Limited to 31461
VBD	VBD-VACATION BUYDOWN	Included	Limited to 31461
VMB	VMB-VACATION MGT BUYDOWN	Included	Limited to 31461
VPD	VPD-VACATION PAYDOWN - VCPFA	Included	Limited to 31461
VACBUY	VACBUY-(R) CAL BUY OUT	Included	Limited to 31461

STATUS: These codes require no immediate action by A-C staff, as the manual exclusion of items are done by VCERA staff when calculating each member’s permissible compensation earnable amount.

“Excluded” Group

In compliance with the Board’s action, VCERA requested that these codes immediately be excluded from compensation earnable – *and thus no retirement contributions be withheld* – at the earliest possible date.

ANALYSIS: “EXCLUDED”			
Earn Code	Earn Code Description	VCERA Analysis	VCERA Comments
CBN	CBN-CALL BACK RETIREMENT CNA	Excluded	Payment for services outside of normal working hours.
CBR	CBR-CALL BACK CNA RETIREMENT	Excluded	Payment for services outside of normal working hours.
CBS	CBS-CALL BACK STRAIGHT TIME 1.0X	Excluded	Payment for services outside of normal working hours.
CRJ	CRJ-PP CNA CALL BACK RET ADJ	Excluded	Payment for services outside of normal working hours.
CRT	CRT-SHERIFF COURT TIME	Excluded	Payment for services outside of normal working hours.
CSF	CSF-CALL BACK STRAIGHT TIME FCW	Excluded	Payment for services outside of normal working hours.
EHN	EHN-Emergency In-House <40 NOC	Excluded	Payment for services outside of normal working hours.
EHP	EHP-Emergency In-House <40 PM	Excluded	Payment for services outside of normal working hours.
EHR	Emergency In-House <40 Hours	Excluded	Payment for services outside of normal working hours.
ELC	ELECTION WORKER PAY	Excluded	One-time ad hoc payments.
HDP	HOLIDAY DAY OFF PAID SPOAVC	Excluded	Payment for holiday outside of regular working hours.
HDS	SHERIFF HOLIDAY ON REG DAY OFF	Excluded	Payment for holiday outside of regular working hours.
IHN	IN-HOUSE REGISTRY <40 NOC	Excluded	Payment for services outside of normal working hours.
IHP	IN-HOUSE REGISTRY <40 PM	Excluded	Payment for services outside of normal working hours.
IHR	IN-HOUSE REGISTRY <40 HOURS	Excluded	Payment for services outside of normal working hours.

NHO	4850 NON TAX HOLIDAY RDO-SHF	Excluded	Payment for holiday outside of regular working hours.
RCB	RCB-RETRO CALL BACK STRAIGHT	Excluded	Payment for services outside of normal working hours.
SBP	SBP-STAND BY PAY	Excluded	Payment for services outside of normal working hours.
SSB	SSB-SHERIFF STANDBY PAY	Excluded	Payment for services outside of normal working hours.
STU	STU-STUDENT LOAN PAYMENT	Excluded	Other

STATUS: The A-C reports that these changes will be effective with the current pay period (ending 10/31/2020.)

“Situational” Group

This is a large group of codes that typically *may be included* in compensation earnable under most circumstances. However, because these codes are often “attached” to an employee’s base pay rate, such as a bilingual pay, assignment pay, or premium pays, and therefore are paid whenever base pay is applied, even when such an employee performs work outside normal working hours. Accordingly, these codes are applied, and the payments are reported as pensionable with corresponding contributions remitted as pensionable, to those situations as well. Some pay codes function in this capacity because of VCHRP “accumulators” and other underlying long-standing payroll programming.

Others are “differentials” that are paid frequently on overtime. Clearly, if overtime is mandatorily excluded from compensation earnable, differentials paid on overtime are mandatorily excluded as well.

ANALYSIS: “SITUATIONAL”		
Earn Code	Earn Code Description	VCERA Comments
ANM	ANIMAL REGULATION DIFFERENTIAL	Includable only for services rendered within normal working hours.
ARP	ARMED PREMIUM VCPPOA PVP 8.5%	Based on the ARP Spec Accumulator, which includes all overtime.
ASN	ASSIGNMENT BONUS - NURSES	Includable only for services rendered within normal working hours.
B1A	BILINGUAL LEVEL 1 - CNA	Based on the NRS Spec Accumulator, which includes all overtime.
B2A	BILINGUAL LEVEL 2 - CNA	Based on the NRS Spec Accumulator, which includes all overtime.
B3A	BILINGUAL LEVEL 3 - CNA	Based on the NRS Spec Accumulator, which includes all overtime.
CRN	TRUCK CRANE ASSIGNMENT PAY	Includable only for services rendered within normal working hours.
DFT	FLOAT NURSE PREMIUM PAY	Includable only for services rendered within normal working hours.
DTN	DISPATCHER TRAINING BONUS	Includable only for services rendered within normal working hours.
EAT	SHERIFF MEAL PAY 4/2 SCHEDULE	Includable only for services rendered within normal working hours.
F30	30-YEAR RETIREMENT VCPFA LINE	Based on HPP Special Accumulator, which has situational pay codes.
F32	30-YEAR RETIREMENT VCPFA STAFF	Based on HPP Special Accumulator, which has situational pay codes.
FPA	Fire Pumps & Accessories 1.5%	Includable only for services rendered within normal working hours.
FTO	FIELD TRAINING OFFICER BONUS	Includable only for services rendered within normal working hours.
HPP	HIRT POOL PREMIUM PAY VCPFA	Includable only for services rendered within normal working hours.
HSP	HOUSE SUPERVISOR PAY VCMC	Includable only for services rendered within normal working hours.
ICD	Inter-Campus Drift Premium	Includable only for services rendered within normal working hours.

JCP	Jail Cook Premium 5%	Based on the JCP Spec Accumulator, which includes overtime.
MED	MEDI PICK-UP	Based on the MDI Spec Accumulator, which includes all overtime.
MHD	MH INPATIENT DIFFERENTIAL IUOE	Includable only for services rendered within normal working hours.
MIC	Mobile Intensive Care Cert	Based on the NRS Spec Accumulator, which includes all overtime.
MSC	OTHER COMPENSATION	Includable only for services rendered within normal working hours.
NB1	NURSES CERTIFICATION BONUS 1	Based on the NRS Spec Accumulator, which includes all overtime.
NB2	NURSES CERTIFICATION BONUS 2	Based on the NRS Spec Accumulator, which includes all overtime.
NB3	NURSES CERTIFICATION BONUS 3	Based on the NRS Spec Accumulator, which includes all overtime.
NB4	NURSES CERTIFICATION BONUS 4	Based on the NRS Spec Accumulator, which includes all overtime.
NB5	NURSES CERTIFICATION BONUS 5	Based on the NRS Spec Accumulator, which includes all overtime.
NS1	NOCS - IUOE 7.5%	Includable only for services rendered within normal working hours.
NS2	NOCS - 10%	Includable only for services rendered within normal working hours.
NS3	NOCS - HOSPITAL 15% - CNA	Includable only for services rendered within normal working hours.
NS4	NOCS - 10% - ADDL PAY	Includable only for services rendered within normal working hours.
NS5	NOCS-12.5% SPOAVC	Includable only for services rendered within normal working hours.
NSM	NURSE SPECIALTY PAY - MGMT	Includable only for services rendered within normal working hours.
NSP	NURSE SPECIALTY PAY	Includable only for services rendered within normal working hours.
PCN	PSYCH CHARGE NURSE VCMC	Includable only for services rendered within normal working hours.
PCP	Charge Nurse Patient Premium	Includable only for services rendered within normal working hours.
PM1	NIGHT SHIFT - MGMT & CJA AVC	Includable only for services rendered within normal working hours.
PM2	P.M. SHIFT - 5%	Includable only for services rendered within normal working hours.
PM3	P.M. SHIFT - HOSPITAL 7.5%	Includable only for services rendered within normal working hours.
PM4	P.M. SHIFT - 5% - ADDL PAY	Includable only for services rendered within normal working hours.
PRC	PRECEPTOR PAY RN VCMC	Includable only for services rendered within normal working hours.
RF1	RETRO INCENTIVE PAY VCPFA FF1	Includable only for services rendered within normal working hours.
RF2	RETRO INCENTIVE PAY VCPFA FF2	Includable only for services rendered within normal working hours.
RIM	RETRO INCENTIVES MANAGEMENT	Includable only for services rendered within normal working hours.
RIP	RETRO INCENTIVES	Includable only for services rendered within normal working hours.
RIS	RETRO INCENTIVES SAFETY	Includable only for services rendered within normal working hours.
RXM	RETRO XTRA INCENTIVE MGMT	Includable only for services rendered within normal working hours.
RXP	RETRO XTRA INCENTIVES	Includable only for services rendered within normal working hours.
RXS	RETRO XTRA INCENTIVES SAFETY	Includable only for services rendered within normal working hours.
TAP	TEMPORARY ASSIGNMENT PREMIUM	Includable only for services rendered within normal working hours.
TWR	RADIO TOWER PREMIUM - IUOE	Includable only for services rendered within normal working hours.
WCP	WATCH COMMANDER PREMIUM 5%	Includable only for services rendered within normal working hours.
WKD	WEEKEND WORKED-CNA	Includable only for services rendered within normal working hours.
WKM	Weekend Worked MGMT	Includable only for services rendered within normal working hours.
WKS	WEEKEND WORKED SEIU	Includable only for services rendered within normal working hours.
WKV	WEEKEND WORKED-VCPPOA	Includable only for services rendered within normal working hours.
XTR	ONE TIME PAYMENT	Includable only if paid to all similarly situated members.

STATUS: The A-C staff related that the programming to make distinctions between pensionable pay and non-pensionable pay will be difficult and time consuming, making immediate implementation an administrative challenge. Such changes require programming changes to the “bolt-on” – which is their term for the module built to convert the VCHRP payroll system data to V3-compliant data for import into VCERA’s system.

VCERA has asked A-C staff to provide a description of the programming challenges involved in making pay distinctions between pensionable scenarios and non-pensionable, and we understand that analysis is currently underway.

(NOTE: VCERA has one district employer, VRSD, that has a separate payroll system. Staff has been working with VRSD to implement the necessary payroll changes and we do not anticipate any significant delays at this time.)

Interim Implementation

In order to comply with the law and the Board’s Resolution in the meantime, VCERA staff is manually excluding the “situational” pay codes, which in the case of retirement estimates, triples the amount of work involved. Thus, turnaround times for these requests are unknown at present.

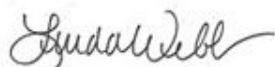
In accordance with the Board’s direction regarding implementation of *Alameda* in processing retirements, VCERA staff continues to include the full amount of flex credit but is manually calculating the final average compensation by excluding situational and excluded pay codes, excluding employee assistance donations and eliminating any straddling of vacation redemptions. For benefit estimates, Staff is following this same process but is excluding flex credits, with proper disclosure to the member, as a conservative measure.

Conclusion

VCERA staff is working diligently to adhere to the Board’s direction, while also providing information to members to empower them to make decisions on their retirement.

Staff will be happy to answer any questions at the October 22, 2020, Business meeting.

Sincerely,



Linda Webb
Retirement Administrator



October 26, 2020

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: BOARD OF RETIREMENT MEETING CALENDAR FOR 2021

Dear Board Members:

Near the end of each calendar year, the Board of Retirement adopts a meeting schedule for the following year. This schedule reflects provisions in the bylaws that the Board meet on the 1st and 3rd Mondays of each month. The bylaws provide for meetings to be scheduled differently if approved by a majority of the Board. August is traditionally the "dark" month with no scheduled meeting and the Board has a retreat in September or October.

The meeting frequency can create difficulty when legal holidays or other factors trigger meetings on consecutive Mondays. As with the 2020 calendar, staff recommends avoiding consecutive Monday meetings to allow for better efficiency and preparation time when bringing the Board items for consideration. Bearing these factors in mind, staff has drafted the provided 2021 Board meeting calendar.

Staff will be happy to answer any questions at the October 26, 2020 business meeting.

RECOMMENDATION: APPROVE THE PROPOSED 2021 BOARD CALENDAR

Sincerely,

Linda Webb
Retirement Administrator



2021 PROPOSED BOARD OF RETIREMENT MEETING CALENDAR (STANDARD)

JANUARY						
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FEBRUARY						
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MARCH						
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AUGUST						
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NOVEMBER						
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Disability Meeting
Business Meeting
Holiday
Combined Disability & Business Meeting



2021 PROPOSED BOARD OF RETIREMENT MEETING CALENDAR (WEDNESDAY MEETING OPTION 1)

JANUARY						
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MARCH						
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AUGUST						
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 Disability Meeting
 Business Meeting
 Holiday
 Combined Disability & Business Meeting



2021 PROPOSED BOARD OF RETIREMENT MEETING CALENDAR (WEDNESDAY MEETING OPTION 2)

JANUARY						
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DECEMBER						
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 Disability Meeting
 Business Meeting
 Holiday
 Combined Disability & Business Meeting



2021 PROPOSED BOARD OF RETIREMENT MEETING CALENDAR (THURSDAY MEETING OPTION 1)

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FEBRUARY						
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MARCH						
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 Disability Meeting
 Business Meeting
 Holiday
 Combined Disability & Business Meeting



2021 PROPOSED BOARD OF RETIREMENT MEETING CALENDAR (THURSDAY MEETING OPTION 2)

JANUARY						
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AUGUST						
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

SEPTEMBER						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

OCTOBER						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

NOVEMBER						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

DECEMBER						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

 Disability Meeting
 Business Meeting
 Holiday
 Combined Disability & Business Meeting



SACRS Business Meeting Packet

Friday, November 13, 2020

9:00 AM - Upon Adjournment

SACRS Event Tech Platform

(Link will be sent via email to all registered attendees. Access is email specific to attendee)



SACRS Business Meeting Agenda
Friday, November 13, 2020
9:00 AM - Upon Adjournment
Online Via SACRS Conference Platform

SACRS Parliamentarian – TBD
Sergeant at Arms – Bob Goodchild, San Diego CERA

1. SACRS System Roll Call

Kathryn Cavness, Mendocino CERA, SACRS Secretary

2. Secretary's Report - Receive and File

Kathryn Cavness, Mendocino CERA, SACRS Secretary

- A. November 2019 SACRS Business Meeting Minutes

3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

- A. July 2020 – August 2020 Financials
- B. 2020 – 2021 Annual Budget

4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

- A. SACRS President Update

5. SACRS Legislative Committee Update – No Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

- A. 2020 Legislative Report – No Action
- B. Los Angeles CERA Proposal – No Action

6. SACRS Nomination Committee - 2021-2022 SACRS Election Notice – No Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

- A. SACRS Election Notice 2021-2022

7. SACRS Audit Report – Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

- A. SACRS 2018-2019 Annual Audit
Carry over item from Spring 2020 Conference that was cancelled due to COVID-19



8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. SACRS Annual Virtual Fall 2020 Conference Evaluations/Feedback

9. SACRS Program Committee Report – No Action

Roger Hilton, Orange CERS, SACRS Program Committee Chair

- A. SACRS Annual Virtual Fall Conference Report 2020

10. SACRS Affiliate Committee Report – No Action

Teri Noble, Pathway, SACRS Affiliate Committee Chair

- A. Affiliate Committee Update

11. SACRS Bylaws Committee Report – Action

Johanna Fontenet, Los Angeles CERA, SACRS Bylaws Committee Chair

- A. Use of SACRS' Intellectual Property
- B. Termination of Membership
- C. Electronic Meetings

12. SACRS Fall Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

- A. Administrators
- B. Counsel
- C. Disability/ Operations & Benefits Combo
- D. Internal Auditors
- E. Investment Officers
- F. Safety Trustees
- G. General Trustees

13. Adjournment

Next scheduled SACRS Association Business Meeting will be held Friday, May 14, 2021 at the Long Beach Renaissance.



Providing insight. Fostering oversight.

1. SACRS System Roll Call

Kathryn Cavness, Mendocino CERA, SACRS Secretary



1. SACRS System Roll Call

Kathryn Cavness, SACRS Secretary

System	In Attendance	Absent	Delegate/Alternate Name
Alameda			
Contra Costa			
Fresno			
Imperial			
Kern			
Los Angeles			
Marin			
Mendocino			
Merced			
Orange			
Sacramento			
San Bernardino			
San Diego			
San Joaquin			
San Mateo			
Santa Barbara			
Sonoma			
Stanislaus			
Tulare			
Ventura			
Total			



Providing insight. Fostering oversight.

2. Secretary's Report - Receive and File

Kathryn Cavness, Mendocino CERA, SACRS Secretary

- A. November 2019 SACRS Business Meeting Minutes



SACRS Business Meeting Minutes
Friday, November 15, 2019
10:00 AM - Upon Adjournment
Hyatt Regency Monterey
Monterey, CA

Sergeant at Arms – Bob Goodchild, San Diego CERA

SACRS Board of Directors in Attendance: Dan McAllister; President, Vivian Gray, Vice President; Harry Hagan, Treasurer; Kathryn Cavness, Secretary; Ray McCray, Past President; Roger Hilton, Board member; Chris Cooper, Board member; and Ben Lazarus, Affiliate Chair

1. SACRS System Roll Call

Kathryn Cavness, Mendocino CERA, SACRS Secretary

20 SACRS Member Systems Present

Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

2. Secretary's Report - Receive and File

Kathryn Cavness, Mendocino CERA, SACRS Secretary

A. May 2019 SACRS Business Meeting Minutes

Motion: Mendocino CERA made motion to approve the minutes as presented.

2nd: San Mateo CERA

Yes: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Motion Passes 20-0

3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

A. July 2019 – August 2019 Financials

Motion: Santa Barbara made a motion to approve the Treasurers report on the July 2019 – August 2019 financials.



2nd: Imperial

Yes: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Abstain: 0

Motion Passes 20-0-0

4. SACRS President Report - No Action

Dan McAllister, San Diego CERA, SACRS President

A. SACRS President Update

Discussion: No action, verbal report given by Dan McAllister, SACRS President

5. SACRS Legislative Committee Update - Vote

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

A. 2019 Legislative Report – No Action

B. SACRS Omnibus Bill SB 783- Vote

C. Los Angeles CERA Proposal – Vote

1st Motion: A motion to approve support of SB783, SACRS Omnibus bill, to address clean up, tax law and alignment with CalPERS and CalSTRS was made by San Mateo.

2nd: San Joaquin

Yes: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Abstain: 0

Motion Passes 20-0-0

2nd Motion: A motion to support the LACERA legislative proposal was made by Los Angeles.

2nd: Ventura

Yes: Alameda, Contra Costa, Fresno, Imperial, Los Angeles, Marin, Mendocino, Orange, Sacramento, San Bernardino, San Diego, San Mateo, Santa Barbara, Sonoma, Tulare and Ventura



No: Kern, Merced, San Joaquin, Stanislaus
Motion Passes 16-4-0

6. SACRS Nomination Committee - 2020-2021 SACRS Election Notice – No Action

Ray McCray, San Joaquin CERA, SACRS Nomination Committee Chair

A. SACRS Election Notice 2020-2021

Discussion: Ray McCray gave a verbal update; elections begin in January 2020. No action taken, information only.

7. SACRS Audit Report – No Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS Audit Committee Update

Discussion: Dominic Brown, Kern CERA, gave a verbal update that the audit would be presented at the Spring 2020 conference. No action taken, information only.

8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

A. SACRS Fall Conference Evaluations 2019

Discussion: A verbal report was provided by JJ Popowich, Committee Chair, great conference! Danny Glover and Suneel Gupta were really well received. Encouragement to submit evaluations when people return home, feedback at conferences was positive. No action taken, verbal report on committee meeting. Evaluations are electronic, therefore will be presented at the Board meeting in January 2020.

9. SACRS Program Committee Report – No Action

Vivian Gray, Los Angeles CERA, SACRS Program Committee Chair

A. SACRS Fall Conference Report 2019

Discussion: Verbal report provided by Vivian Gray, feedback on conference was very positive. No action taken, Vivian thanked the Program Committee and Education Committee for their time and dedication to the conference.



Suggestions for future conferences can be submitted online at the SACRS website.

10. SACRS Affiliate Committee Report – No Action

Ben Lazarus, Parametric, SACRS Affiliate Committee Chair

A. Affiliate Committee Update

Discussion: Ben Lazarus, Committee Chair gave a verbal update, really appreciate the commitment and dedication of the Board and fellow committee members. No action taken, Ben Lazarus gave a verbal update on the Affiliate Breakout, attendance was great and members really enjoyed the format. The committee will be selecting a new Chair at their meeting following the conference. Affiliate committee will be presenting Affiliate Membership Bylaws to the Board in December.

11. SACRS Bylaws Committee Report – No Action

Johanna Fontenot, Los Angeles CERA, SACRS Bylaws Committee Chair

A. Bylaws Committee Update

Discussion: Vivian Gray gave a quick verbal report on upcoming Bylaws to be submitted. No action, no report.

12. SACRS Fall Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

- A. Administrators – Dave Nelsen, Alameda CERA, reported that the meeting was very productive. Leanne Malison, Tulare CERA, will moderate the Spring 2020 Conference.
- B. Counsel – Jason Moorish Los Angeles CERA, Johana did a great job along with Ashley Dunning in the session. Jason Moorish will be moderating the Spring 2020 Conference.
- C. Disability/ Operations & Benefits Combo – JJ Popowich, Los Angeles CERA, reported that the session was really well balanced. Preliminary discussion on reciprocity. No volunteer for Spring 2020 Conference.



- D. Internal Auditors – Dave Nelsen, Alameda CERA, reported that the group had a great meeting and that Harsh would continue to serve as moderator in the Spring 2020 conference.
- E. Investment Officers – Tim Price, Contra Costa CERA, reported that the Breakfast meeting they had was really productive and they also participated in an afternoon session with the Affiliates. Tim will volunteer for the Spring 2020 Conference moderator.
- F. Safety Trustees – Roger Hilton, Orange CERA, reported that the meeting was well attended and Brian Williams, Sonoma CERA will continue to serve as moderator for Spring 2020 Conference.
- G. General Trustees – Kathryn Cavness, Mendocino CERA, reported that the session was fantastic. Harvey Leiderman and Von Hughes were great presenters and hope they can return in the future. Great meeting. Kathryn Cavness will serve as the moderator for Spring 2020 Conference.

13. Adjournment

Motion: A motion to adjourn the SACRS Annual Business Meeting Fall 2019 at 10:31 am was made by Orange.

2nd: Santa Barbara

Yes:

No: 0

Abstain: 0

Motion passes 20-0-0

Next scheduled SACRS Association Business Meeting will be held Friday, May 15, 2020 at the Paradise Point Hotel and Resort in San Diego, CA.

Minutes respectfully submitted by:

Cathryn Cavness, SACRS Secretary

Sulema Peterson, SACRS Executive Director



Providing insight. Fostering oversight.

3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

- A. July 2020 – August 2020 Financials
- B. 2020 – 2021 Annual Budget

11:36 AM
09/30/20
Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Balance Sheet As of August 31, 2020

Aug 31, 20

ASSETS

Current Assets

Checking/Savings

1000 - First Foundation Bank-Checking	325,335.60
1001 - BofA Interest Checking 4389	130,026.68
1002 - First Foundation Bank ICS Acct	<u>57,524.35</u>

Total Checking/Savings 512,886.63

Other Current Assets

1100 - CalTrust - Medium Term	978,222.40
1107 - CalTrust Liquidity Fund	8,221.15
1110 - CAMP-SACRS Liquidity Fund	790,343.64
1201 - Deposits in Transit	<u>13,139.33</u>

Total Other Current Assets 1,789,926.52

Total Current Assets 2,302,813.15

TOTAL ASSETS **2,302,813.15**

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

2200 - First Foundation Credit Card 705.06

Total Credit Cards 705.06

Other Current Liabilities

2100 - Unrealized Gain (Loss) 137,709.20

Total Other Current Liabilities 137,709.20

Total Current Liabilities 138,414.26

Total Liabilities 138,414.26

Equity

32000 - Retained Earnings 1,847,593.74

Net Income 316,805.15

Total Equity 2,164,398.89

TOTAL LIABILITIES & EQUITY **2,302,813.15**

12:08 PM
09/30/20
Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**Profit & Loss**

July through August 2020

Jul - Aug 20

Ordinary Income/Expense

Income

4100 · Membership Dues	
4101 · Affiliates	186,250.00
4102 · Non Profit - Organizations	2,250.00
4103 · Non Profit - Systems	4,500.00
4104 · Systems - Medium	52,000.00
4105 · Systems - Large	42,000.00
Total 4100 · Membership Dues	287,000.00
4200 · Webinar Symposium Registration	350.00
4270 · UC Berkeley Program	
4271 · Registrations	11,500.00
4272 · Sponsorships	21,000.00
Total 4270 · UC Berkeley Program	32,500.00
4300 · Fall Conference Registration	
4306 · Non-Members	2,670.00
4307 · Fun Run	10.00
Total 4300 · Fall Conference Registration	2,680.00
4900 · Interest Earned	106.28

Total Income	322,636.28
---------------------	-------------------

Gross Profit	322,636.28
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Expense

5000 · Administrative Fee	30,000.00
5003 · Bank Charges/Credit Card Fees	3,700.37
5010 · Berkeley & Symposium	
5017 · UC Berkeley	-20,301.00
Total 5010 · Berkeley & Symposium	-20,301.00
5020 · Webinar Symposium	
5022 · Webinar Technology	22,550.00
Total 5020 · Webinar Symposium	22,550.00
5041 · Consulting	7,832.00
5050 · Fall Conference	
5054 · Hotel	0.00
Total 5050 · Fall Conference	0.00
5071 · Legal & Professional Fees	5,180.00
5072 · Legislative Advocacy	10,002.00
6010 · Office Expenses / Supplies	-55.47
6011 · Postage & Delivery	1,758.92
6020 · Spring Conference	
6022 · Delivery & Shipping	122.41
6024 · Hotel	
6024.2 · Conference	0.00
6024 · Hotel - Other	-60,000.00
Total 6024 · Hotel	-60,000.00
6026 · Speakers	-210.36

12:08 PM
09/30/20
Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss

July through August 2020

	<u>Jul - Aug 20</u>
Total 6020 - Spring Conference	-60,087.95
6053 - Technology/AMS/Website	5,021.07
6054 - Travel	231.19
Total Expense	<u>5,831.13</u>
Net Ordinary Income	<u>316,805.15</u>
	<u><u>316,805.15</u></u>

12:12 PM
09/30/20
Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July through August 2020

	Jul - Aug 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4100 · Membership Dues				
4101 · Affiliates	186,250.00	268,750.00	-82,500.00	69.3%
4102 · Non Profit - Organizations	2,250.00	3,000.00	-750.00	75.0%
4103 · Non Profit - Systems	4,500.00	6,000.00	-1,500.00	75.0%
4104 · Systems - Medium	52,000.00	52,000.00	0.00	100.0%
4105 · Systems - Large	42,000.00	42,000.00	0.00	100.0%
Total 4100 · Membership Dues	287,000.00	371,750.00	-84,750.00	77.2%
4200 · Webinar Symposium Registration	350.00			
4250 · Product Income				
4255 · Magazine Advertising	0.00	2,000.00	-2,000.00	0.0%
Total 4250 · Product Income	0.00	2,000.00	-2,000.00	0.0%
4270 · UC Berkeley Program				
4271 · Registrations	11,500.00	100,000.00	-88,500.00	11.5%
4272 · Sponsorships	21,000.00	55,000.00	-34,000.00	38.18%
Total 4270 · UC Berkeley Program	32,500.00	155,000.00	-122,500.00	20.97%
4300 · Fall Conference Registration				
4301 · Affiliates - Early	0.00	30,000.00	-30,000.00	0.0%
4302 · Affiliates - Regular	0.00	26,250.00	-26,250.00	0.0%
4303 · Affiliates - Late/Onsite	0.00	10,000.00	-10,000.00	0.0%
4304 · Non Profit	0.00	1,000.00	-1,000.00	0.0%
4305 · Systems	0.00	12,000.00	-12,000.00	0.0%
4306 · Non-Members	2,670.00	25,000.00	-22,330.00	10.68%
4307 · Fun Run	10.00	1,000.00	-990.00	1.0%
4308 · Yoga	0.00	100.00	-100.00	0.0%
Total 4300 · Fall Conference Registration	2,680.00	105,350.00	-102,670.00	2.54%
4350 · Spring Conference Registration				
4351 · Affiliates - Early	0.00	80,000.00	-80,000.00	0.0%
4352 · Affiliates - Regular	0.00	50,000.00	-50,000.00	0.0%
4353 · Affiliates - Late/Onsite	0.00	17,500.00	-17,500.00	0.0%
4354 · Non Profit	0.00	500.00	-500.00	0.0%
4355 · Systems	0.00	11,250.00	-11,250.00	0.0%
4356 · Non-Members	0.00	127,500.00	-127,500.00	0.0%
4357 · Fun Run	0.00	700.00	-700.00	0.0%
4358 · Yoga	0.00	350.00	-350.00	0.0%
Total 4350 · Spring Conference Registration	0.00	287,800.00	-287,800.00	0.0%
4900 · Interest Earned	106.28			
Total Income	322,636.28	921,900.00	-599,263.72	35.0%
Gross Profit	322,636.28	921,900.00	-599,263.72	35.0%
Expense				
5000 · Administrative Fee	30,000.00	180,000.00	-150,000.00	16.67%
5001 · Administrative Services	0.00	500.00	-500.00	0.0%
5002 · Awards	0.00	500.00	-500.00	0.0%

12:12 PM
09/30/20
Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July through August 2020

	Jul - Aug 20	Budget	\$ Over Budget	% of Budget
5003 · Bank Charges/Credit Card Fees	3,700.37	36,000.00	-32,299.63	10.28%
5010 · Berkeley & Symposium				
5011 · Audio/Visual	0.00	2,200.00	-2,200.00	0.0%
5013 · Hotel	0.00	12,000.00	-12,000.00	0.0%
5014 · Food & Beverage	0.00	13,000.00	-13,000.00	0.0%
5015 · Materials/Printing/Design	0.00	2,900.00	-2,900.00	0.0%
5016 · Travel	0.00	2,500.00	-2,500.00	0.0%
5017 · UC Berkeley	-20,301.00	206,000.00	-226,301.00	-9.86%
Total 5010 · Berkeley & Symposium	-20,301.00	238,600.00	-258,901.00	-8.51%
5020 · Webinar Symposium				
5022 · Webinar Technology	22,550.00			
Total 5020 · Webinar Symposium	22,550.00			
5030 · CERL				
5031 · Materials/Printing/Design	0.00	16,500.00	-16,500.00	0.0%
5032 · Shipping	0.00	1,300.00	-1,300.00	0.0%
Total 5030 · CERL	0.00	17,800.00	-17,800.00	0.0%
5040 · Commissions & Fees	0.00	20,000.00	-20,000.00	0.0%
5041 · Consulting	7,832.00	19,992.00	-12,160.00	39.18%
5042 · Dues & Subscriptions	0.00	3,700.00	-3,700.00	0.0%
5050 · Fall Conference				
5051 · Audio/Visual	0.00	50,000.00	-50,000.00	0.0%
5053 · Entertainment	0.00	4,000.00	-4,000.00	0.0%
5054 · Hotel	0.00			
5055 · Program Material	0.00	10,000.00	-10,000.00	0.0%
5056 · Speakers	0.00	50,000.00	-50,000.00	0.0%
5057 · Supplies	0.00	1,000.00	-1,000.00	0.0%
5058 · Travel	0.00	15,000.00	-15,000.00	0.0%
Total 5050 · Fall Conference	0.00	130,000.00	-130,000.00	0.0%
5070 · Insurance	0.00	5,000.00	-5,000.00	0.0%
5071 · Legal & Professional Fees	5,180.00	35,000.00	-29,820.00	14.8%
5072 · Legislative Advocacy	10,002.00	60,012.00	-50,010.00	16.67%
5080 · Magazine				
5081 · Delivery & Shipping	0.00	600.00	-600.00	0.0%
5082 · Design/Printing/Etc.	0.00	20,000.00	-20,000.00	0.0%
5083 · Magazine - Other	0.00	5,200.00	-5,200.00	0.0%
Total 5080 · Magazine	0.00	25,800.00	-25,800.00	0.0%
6000 · Board & Committees				
6001 · Board of Directors				
6001.1 · Food & Beverage	0.00	5,950.00	-5,950.00	0.0%
6001.2 · Printing/Supplies	0.00	2,800.00	-2,800.00	0.0%
6001.3 · Travel - BOD Meetings	0.00	7,700.00	-7,700.00	0.0%
6001.4 · Travel - Miscellaneous BOD	0.00	840.00	-840.00	0.0%
6001.5 · Board Of Directors - Other	0.00	3,000.00	-3,000.00	0.0%
Total 6001 · Board of Directors	0.00	20,290.00	-20,290.00	0.0%

12:12 PM
09/30/20
Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July through August 2020

	Jul - Aug 20	Budget	\$ Over Budget	% of Budget
6002 · Legislative Committee Meetings	0.00	250.00	-250.00	0.0%
6003 · Program Committee Meetings	0.00	2,500.00	-2,500.00	0.0%
Total 6000 · Board & Committees	0.00	23,040.00	-23,040.00	0.0%
6010 · Office Expenses / Supplies	-55.47	2,500.00	-2,555.47	-2.22%
6011 · Postage & Delivery	1,758.92	3,000.00	-1,241.08	58.63%
6020 · Spring Conference				
6021 · Audio/Visual	0.00	50,000.00	-50,000.00	0.0%
6022 · Delivery & Shipping	122.41	3,000.00	-2,877.59	4.08%
6023 · Entertainment	0.00	6,500.00	-6,500.00	0.0%
6024 · Hotel				
6024.1 · Wednesday Night Event	0.00	52,500.00	-52,500.00	0.0%
6024.2 · Conference	0.00			
6024.4 · Hotel - Other	0.00	192,500.00	-192,500.00	0.0%
6024 · Hotel - Other	-60,000.00			
Total 6024 · Hotel	-60,000.00	245,000.00	-305,000.00	-24.49%
6025 · Program Material	0.00	24,500.00	-24,500.00	0.0%
6026 · Speakers	-210.36	50,000.00	-50,210.36	-0.42%
6027 · Supplies	0.00	1,000.00	-1,000.00	0.0%
6028 · Travel	0.00	15,000.00	-15,000.00	0.0%
Total 6020 · Spring Conference	-60,087.95	395,000.00	-455,087.95	-15.21%
6050 · Strategic Facilitator	0.00	10,000.00	-10,000.00	0.0%
6051 · Taxes & Licenses	0.00	50.00	-50.00	0.0%
6053 · Technology/AMS/Website	5,021.07	35,000.00	-29,978.93	14.35%
6054 · Travel	231.19	7,500.00	-7,268.81	3.08%
Total Expense	5,831.13	1,248,994.00	-1,243,162.87	0.47%
Net Ordinary Income	316,805.15	-327,094.00	643,899.15	-96.85%
	316,805.15	-327,094.00	643,899.15	-96.85%



Providing insight. Fostering oversight.

4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

A. SACRS President Update



Providing insight. Fostering oversight.

No Printed Materials For This Item



Providing insight. Fostering oversight.

5. SACRS Legislative Committee Update – No Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

- A. 2020 Legislative Report – No Action
- B. Los Angeles CERA Proposal – No Action



EDELSTEIN GILBERT ROBSON & SMITH ^{LLC}

Donald B. Gilbert Michael R. Robson Trent E. Smith Jason D. Ikerd ^{Associate}

October 2, 2020

TO: State Association of County Retirement Systems

FROM: Mike Robson, Trent Smith, and Bridget McGowan, Edelstein Gilbert Robson & Smith, LLC

RE: **Legislative Update – October 2020**

The Governor just finished working his way through the few hundred bills that made their way to his desk at the end of session. Among those bills that were signed was AB 2101, the SACRS sponsored cleanup bill we have discussed in previous updates.

Meanwhile, legislators have returned to their districts and are preparing for the November 3 election, which is fast approaching and unlike past elections, due to COVID-19, all California voters will be mailed a ballot that can be returned to election officials by mail or dropped off at designated locations. California's voter registration statistics show that a record-high 83 percent of those eligible are registered to vote and that number will climb as California allows voters to register right up until the election. Record-high voter registration, combined with the high interest generated from a Presidential election year and ease of casting a ballot means we are expecting a high and early voter turnout in California.

Below is a rundown of what you will see on November 3, with the biggest fights and most relevant propositions listed first, followed by an overview of key races in the Senate and Assembly.

Proposition 15: Split Roll Tax

Proposition 13 (1978) limited property taxes for residential, commercial, and industrial properties by basing taxes on the purchase price of the property rather than current market value. Proposition 15 would "split" the property tax roll allowing commercial and industrial properties worth more than \$3 million to be assessed at current market value. This change would go into effect in 2022 but is delayed until 2025 for those properties where more than 50% of the tenants are small businesses.

Prop. 15 is expected to raise between \$6.5 billion and \$11.5 billion in new tax revenue with 60% allocated to local governments and 40% to K-12 schools and community colleges. Democrats and public employee unions have long bemoaned the provisions of Prop. 13 which had serious impacts on local government funding. Having raised some \$20 million in support of the measure, public employee unions hope that Prop. 15, which continues to protect residents but increases the tax burden of businesses, will be palatable to voters who have historically been very wary of any change to Prop. 13.

Last Friday, Governor Newsom endorsed Prop. 15 while rejecting other proposals to tax high income earners in California. This could be a much needed boost to the proponents of Prop. 15 which is currently polling at 51% support and 40% opposition among likely voters.

At the same time, opponents led by the Small Business Roundtable are hoping sympathy for small businesses forced to close due to the pandemic will tip the scales in their favor. With \$5 million in their campaign account and tens of millions more ready for independent expenditure, Prop. 15 will likely be one of the most hard fought measures on the November ballot.

Proposition 22: Classifying Gig Economy Workers

In 2018, the California Supreme Court made its landmark “Dynamex” decision (Dynamex), changing the rules governing when a worker is an independent contractor, and when they are an employee. The upshot of the decision is that the standards established by Dynamex make it far harder to classify a worker as an independent contractor. The distinction is very important as employees are entitled to the minimum wage, overtime pay, unemployment insurance, and workers’ compensation.

In 2019 the Legislature passed AB 5, which effectively carved some industries and some business relationships out of Dynamex. While subsequent legislation has expanded the exemptions in AB 5, many industries continue to seek an exemption.

For app-based companies like Uber, Lyft, Postmates, and Doordash, this issue is life and death. These companies have historically classified their drivers/deliverers as independent contractors. Shortly after AB 5 passed, they qualified Prop. 22 for the ballot. Prop. 22 would treat drivers for these companies as independent contractors. While the measure would guarantee better compensation and healthcare, it falls short of what would be required if drivers were classified as employees.

Prop. 22 will be another big money fight on the ballot. The companies listed above have dumped a whopping \$180 million into the campaign. Meanwhile, the opponents, particularly the Teamsters Union, have raised just shy of \$5 million. While organized labor could invest more heavily in the fight via independent expenditure before the election, they will be forced to prioritize between Prop. 22 and Prop. 15.

Proposition 24: The California Privacy Rights Act (CPRA).

This initiative comes just two years after the California Consumer Privacy Act of 2018 (CCPA), was pulled off the ballot in exchange for a legislative compromise. The CCPA, as negotiated and passed by the Legislature two years ago provides rights to consumers to know the types of data being collected about them, the right to request that this data be deleted and the right to request that this data not be sold.

Among its provisions, Prop. 24 builds upon the CCPA and establishes an enforcement agency known as the California Privacy Protection Agency to implement the law and

impose fines on businesses for violations. The initiative also contains a provision that prohibits the Legislature from adopting any future laws that reduce the privacy of Californians. This provision is concerning to the business community as it essentially blocks any future attempts to amend California privacy statute.

The coalition opposing Prop. 24 is particularly interesting because it contains both privacy/consumer advocacy groups and entities from the advertising and internet industry. Privacy and consumer protection groups oppose the initiative because they do not believe it goes far enough in protecting consumer privacy, while the advertising and internet industry have concerns that the initiative's broad changes come at a time when businesses are still learning to comply with the CCPA of 2018.

Proposition 16: Affirmative action.

Prop. 16 would reverse California's voter-approved 1996 ban on affirmative action (Prop. 209). Prop. 209 prohibits public universities, schools and government agencies from using race or sex in their admissions criteria, hiring and contract decisions. While introduced earlier in the year, Prop. 16 was placed on the November ballot by legislators in the months following the murder of George Floyd. While proponents of the measure are well funded, recent polls have indicated that only 31% of likely voters supported Prop. 16 compared to 47% who oppose.

Proposition 20: Criminal Justice

In 2009, federal judges ordered California to reduce overcrowding in its prison system. In 2011, newly re-elected Governor Jerry Brown, facing both the court order and a massive state budget deficit, championed AB 109 which transferred the "supervision" of some felons to Counties and made it easier for some to qualify for parole. In an effort to further reduce prison populations, Governor Brown backed Proposition 47 in 2014. Prop. 47 made certain theft-related misdemeanors instead of felonies. Most notably, theft involving property worth \$950 or less is considered a misdemeanor under Prop. 47.

The provisions of Prop. 47 were not well received by some retailers and by some in law enforcement. Assemblymember Jim Cooper, a career police officer and candidate for Sacramento County Sheriff, has championed Prop. 20 which would change the provisions of Prop. 47 to make it easier to once again prosecute certain acts of retail theft as a felony. The measure also makes changes to Prop. 56 (2016) which loosened certain parole restrictions for non-violent offenders.

Prop. 14: Stem cell research.

Prop. 14 would re-fund the California Institute for Regenerative Medicine, the state's stem cell agency, by allowing it to issue \$5.5 billion in bonds for research, training and facilities construction.

Proposition 17: Parolee voting.

Prop. 17 would restore the voting rights of all people on parole if they've completed their state or federal prison terms.

Proposition 18: Voting age.

Democrats in the Legislature have made a number of changes to election years including allowing online voter registration and increased reliance on mail-in balloting coupled with the ability to allow campaign workers to return your ballot. While there are legitimate arguments for these changes, they have thus far helped increase voter turnout among Democrats. Prop. 18 was also passed by Democrats in the Legislature and would allow 17-year-olds to vote in primary elections if they would turn 18 before the general election.

Proposition 19: Property tax transfers.

Prop. 19 would allow people age 55 and older, and victims of wildfires and other disasters, to keep lower property tax rates when they move to new homes.

Proposition 21: Rent control

Backed by the Aids Healthcare Foundation, Prop. 21 would allow local governments to impose rent control on certain properties. Prop. 21 is strikingly similar to a 2018 measure rejected soundly by voters. Governor Newsom, who negotiated a statewide rent control law with legislators, property owners, realtors, and tenant groups last year, is opposing Prop. 21.

Proposition 23: Kidney Dialysis

Among other things, Prop. 23 would require a physician to be on site at a dialysis clinic when patients are being treated. Prop. 23 is another round in a running labor dispute between the two companies operating most dialysis clinics in California, and the union who has been attempting to organize their workforce since 2016. That union, SEIU-UHW, has lobbied several bills and a failed 2018 ballot measure at the companies while their dispute is ongoing.

Proposition 25: Money Bail

In 2018, the Legislature passed and the Governor signed SB 10 (Hertzberg), which would end the use of money bail in California in favor of pre trial assessments of a defendants likelihood to be a flight risk. The bill was hard fought and controversial in the Legislature with the bail industry defending its right to exist vigorously. Prop. 25 extends that fight to the November 2020 ballot.

Legislative Races

At the time of this writing, California's voter registration numbers show that there are almost twice as many registered Democrats versus Republicans and No-Party Preference (NPP) voters with 46 percent registered as Democrats and 24 percent registered as Republicans and NPP. With such a huge statewide advantage in registration and with NPP voters tending to vote for Democrats, there is an obvious reason that 75 percent of the Legislature is comprised of Democrats.

Heading into the November 3 election, the question is whether Republican legislators can maintain the status quo, gain seats, or continue the decades-long reduction in representation and relevancy.

SENATE RACES

Democrat vs. Republican

The State Senate is currently comprised of 29 Democrats and 11 Republicans. Heading into the election there is little-to-no-chance for the Republicans to pick up seats in the State Senate. As discussed below, the Democrat versus Republican races involve four Republican seats, while the Democrat held seats involve Democrats facing off against Democrats.

Senate District 29 – Senator Ling Ling Chang (R) vs. Josh Newman (D) --

This three-county (LA, Orange, San Bernardino) race is the third ballot fight involving Josh Newman and Ling Ling Chang. In 2016, Newman surprised many by defeating Chang in a close election and thereby exposed the Republicans' vulnerability in what was previously thought to be safe Republican territory. Senator Newman was then recalled by voters due to his vote to increase gas taxes in 2018 and replaced by Chang in a Special Election. Now, they are facing each other in a rematch from 2016. This time, however, the voter registration is strongly in favor of Newman who also enjoys a significant fundraising advantage having raised approximately \$3 million to date.

Senate District 37 – Senator John Moorlach (R) vs. Dave Min (D) – This race, which is fully in Orange County, pits Senator John Moorlach against a former congressional aide and UC Irvine Professor, Dave Min. Moorlach, an accountant by profession, is widely recognized as a serious and thoughtful legislator on matters pertaining to the state budget and long-term debt. His views on public pension obligations raise the ire of public employee unions who have contributed heavily to his challenger. The voter registration in this district is essentially even. It would be expected that Senator Moorlach would benefit from significant name identification having previously held countywide office as the Orange County Treasurer and as a County Supervisor. However, Min will likely have a significant fundraising advantage to get his name and message out.

Senate District 23 – Rosilicie Ochoa Bogh (R) vs Abigail Medina (D) – This Inland Empire seat is currently held by a Republican Senator who declined to run for re-election. Comprising both San Bernardino and Riverside Counties, this historically Republican seat has seen significant Democratic voter registration gains in recent years and now Democrats have a registration advantage in this district. Bogh is a realtor by profession and it would be expected that the CA Realtors Association would devote financial resources to an independent expenditure effort on her behalf. Medina is a school board member and community organizer and she has received and will continue to receive significant support from the Democratic Party establishment. This is expected to be a close race.

Senate District 21 – Senator Scott Wilk (R) vs. Kipp Mueller (D) – This Los Angeles County portion of this seat stretches from Santa Clarita up through Lancaster to the High Desert communities of Apple Valley and Victorville. Again, another historically Republican seat that has undergone a change in voter registration where the Democrats now have significant 7-point registration advantage. Senator Wilk is known for his hard work representing his district and has prevailed over previous well-funded efforts to unseat him. In recent weeks, however, significant financial resources have poured into the Mueller campaign making this a race to watch on election night.

Democrat vs. Democrat

There are two races that will not impact the Democrat versus Republican split in the Senate. Though, they could impact the ideological split within the Senate Democratic Caucus between moderate Democrats and progressive Democrats.

SD 15 Dave Cortese (D) vs. Ann Ravel (D) – This race in San Jose/Silicon Valley is between two Democrats. Ann Ravel is an attorney and former election compliance official in the Obama Administration while Dave Cortese has been a locally elected county supervisor, city council member and rancher. Cortese has the support of traditional Democratic allies in organized labor and public employee unions who spent heavily in the March primary. Ravel is supported by broader base of business, community groups and enjoys editorial support for her election. While Cortese significantly outpolled Ravel in the primary, with only the two Democrats on the ballot it becomes a matter of whether Ravel can pick up the voters who voted for the Republican and NPP candidates in the primary.

SD 9 Senator Scott Wiener (D) vs. Jackie Fielder (D) – Only in San Francisco can one of the most progressive and liberal legislators in the Capitol be considered a moderate. That is the situation facing incumbent Senator Scott Wiener who is facing a challenge from the left by community activist Jackie Fielder. As a challenger to an incumbent, Fielder is getting a surprising amount of fundraising support from groups within labor and tribal gaming. We believe Senator Wiener will prevail on election day. But, the dynamics of the race and its implications on intra party politics make it a race worth watching.

ASSEMBLY RACES

Republican Gains: Assembly District 38 – Open Seat --- Suzette Valladares (R)

This Assembly seat in Santa Clarita is currently held by Democrat Christy Smith who is running for Congress in the seat that was vacated by Katie Hill. The March primary featured a slew of candidates on the Democratic side who proceeded to split the primary vote among themselves. That left the top-two vote getters as Republicans and the Republicans have rallied around Suzette Valladares, a former congressional staffer and childcare and non-profit executive director. This is the only certain partisan change in the Assembly.

Contested Seats Held by Democrats

Defending incumbents is typically a higher priority and takes the first call on available resources. The Democrats must defend three seats that were won from Republicans in 2018.

Assembly District 74 – Assemblymember Cottie Petrie-Norris (D) vs. Diane Dixon (R). This Orange County Coastal seat was one of the safest seats for the Republicans for years. Registration is now almost even. Most likely, it will be the hardest of all the seats the Democrats must defend. In 2018, as part of the anti-Trump wave, Assemblymember Petrie-Norris beat the Republican incumbent Matt Harper who, by all accounts, was an uninspired candidate and fundraiser who spent little time working in his district. Assemblymember Petrie-Norris has been the opposite. She has been district-focused, especially with issues involving the pandemic and the economy. She has raised a lot of money and has a great deal of financial support from the Democratic Party. Her opponent, Diane Dixon is a Newport Beach City Councilmember, who if not running against an incumbent, would probably be considered a front-runner and a natural fit for this seat. This race will be close.

Assembly District 76 – Assemblymember Tasha Boerner-Horvath (D) vs. Melanie Burkholder (R). Boerner-Horvath won this coastal North San Diego County seat in 2018 when the Republicans failed to place a candidate in the general election. The primary that year featured strong Republican candidates who split the vote and left the door open for the two Democrats to make the top two. It was thought that a strong Republican candidate would emerge in 2020 and easily defeat Boerner-Horvath. However, one front running candidate dropped out during the primary leaving Burkholder as the candidate to run against Boerner-Horvath. It remains to be seen whether Burkholder, who is a faith-based counselor with views against school-mandated vaccinations, is a fit for this coastal, socially moderate district.

Assembly District 77 – Assemblymember Brian Maienschein (D) vs. June Yang-Cutter (R). Maienschein is a four-term Assemblyman from suburban San Diego who was a moderate Republican until 2019. The voters in this seat resoundingly voted against Trump in 2016 and in 2018 Maienschein barely won by 600 votes. After the election, Maienschein, saying that the Trump Republican party does not reflect his values, became a Democrat. Some would say he saw the writing on the wall – either become a Democrat or get defeated by one in 2020. Now he is running against June Yang-Cutter, an employment lawyer who is campaigning on government accountability and as a government outsider. With an approximate 3-1 fundraising advantage and registration advantage, it is expected Maienschein will prevail.

Contested Republican Held Seats

Continuing the trend started in 2018, the remaining Republican-held Assembly seats in Orange County, could turn to the Democrats in 2020. With unlimited financial resources and given the likelihood of a high Democratic turnout due to the presidential election, the Democrats could sweep up just as they did in 2018.

Assembly District 68 – Assemblymember Steven Choi (R) vs. Melissa Fox (D).

This eastern Orange County seat comprises the communities of Tustin, Lake Forest, Orange and parts of Irvine is currently represented by Steven Choi who has served as a traditional smaller government, lower taxes, fewer regulations Republican. He is running again Melissa Fox who is campaigning on similar themes as a Democrat. The voter registration in this district has recently shifted to become a slight advantage for the Democrats. Fox has raised more money than any challenger in the state. This race will turn on whether Republicans in this district turn out for Trump or stay home.

Assembly District 72 – Janet Nguyen (R) vs. Deidre Nguyen (D). This seat comprising the cities of Fountain Valley, Seal Beach, and Westminster still has a slight Republican voter registration advantage. The Republican, former State Senator Janet Nguyen, has successfully won elections in races where Democrats outnumber the Republicans. Her challenger is a research scientist and City Councilmember in Garden Grove. As in all other contested races, the Democrat challenger has a significant fundraising advantage.

Assembly District 55 – Assemblymember Phil Chen (R) vs. Andrew Rodriguez (D)

This three-county district bordering Orange, Los Angeles, and San Bernardino Counties has been held reliably by Republicans even as voter registration and Presidential voter sentiment has turned to Democrats. Chen, a moderate Republican who has worked at bipartisanship, is being challenged by 27-year old Andrew Rodriguez. Chen has a sizable campaign account but will still be outspent by his Democratic challenger. This could be a close race.

Assembly District 35 – Assemblymember Jordan Cunningham (R) vs. Dawn Addis

(D). Because the Democrats have so much money to spend, it allows the Assembly Democrats to target seats that would otherwise look untouchable. Republican Assemblyman Jordan Cunningham in the San Luis Obispo County Assembly seat is very popular, has bipartisan appeal, and has consistently run ahead of his party registration. Yet, the Democrats have enough financial resources to mount a serious campaign against him.

Conclusion

Ballots are being received now. We believe underlying concerns over the post office and ballot counting will lead to ballots being returned early. Therefore, the ability of campaigns to influence voters in the last month will be more limited than previous elections. Further, the campaigns and party efforts to get ballots from voters and have them returned for counting will be paramount. In past elections, the Democrats have shown superiority at this practice, deemed “ballot harvesting” and have turned election night defeats into victories once all ballots were counted.



October 21, 2020

To: SACRS Systems
Fr: SACRS Board of Directors
Re: COVID-19 Presumption for Disability Retirement Legislative Proposal

Attached please find a proposal brought forward by LACERA that was presented to the Legislative Committee at their September 18th meeting.

The proposal would establish an additional presumption for certain members who apply for disability retirement due to COVID-19.

After discussion and consideration by the Legislative Committee, the Committee ultimately recommended that SACRS not sponsor the legislation this upcoming session. There was concern among the committee members that creating a new COVID-19 presumption is considered a benefit enhancement. Historically, SACRS has taken the view that such issues should be decided by the plan sponsors and their employees.

The Legislative Committee's decision was discussed at the following SACRS Board meeting on October 12. The Board decided that at the November Business Meeting, the SACRS membership would discuss this proposal as a body once it has been reviewed by the member systems. The purpose of this packet is to inform the SACRS systems of the proposal on the table as well as the discussions held by the Legislative Committee and Board on the subject.

In the meantime, the proposal will be vetted further to determine language and the proposal's impact on plan sponsors and systems. After the systems have vetted the proposal and more of the specifics have been developed by LACERA, SACRS will consider the proposal further next year.



EDELSTEIN GILBERT ROBSON & SMITH LLC

Donald B. Gilbert Michael R. Robson Trent E. Smith Alan L. Edelstein OF COUNSEL

TO: SACRS ADMINISTRATORS AND RETIREMENT BOARD CHAIRS
FROM: Mike Robson and Trent Smith on behalf of SACRS Legislative Committee
SUBJECT: SACRS 2021 LEGISLATIVE TIMELINES

If you intend to propose legislation to be sponsored by SACRS, please return your request, EXPLAINED ON THE ATTACHED WORKSHEET, before August 30, 2020 to:

Mike Robson & Trent Smith
Edelstein, Gilbert, Robson & Smith LLC
1127 11th Street, Suite 1030
Sacramento, CA 95814

Email to both:

Mike@EGRSlobby.com

Trent@EGRSlobby.com

SACRS also encourages the use of the Legislative Proposal survey found on the SACRS website. <https://www.surveymonkey.com/r/sacrslegislativeproposals>

Below is the SACRS Legislative Committee calendar for soliciting legislative proposals from SACRS retirement associations for consideration in the 2021 Legislative Session:

July 3, 2020

Emailing of Committee request that retirement associations submit proposals for inclusion in the SACRS 2021 Legislative Platform.

August 30, 2020

Deadline for requests to be received by Edelstein, Gilbert, Robson & Smith LLC.

September 18, 2020

Date of Legislative Committee meeting at which requests will be discussed.

October 16, 2020

Legislative Committee will submit proposals, (both those that the Legislative Committee recommends by inclusion in SACRS Legislative Platform, and other proposals received) to all retirement associations for consideration.

November 13, 2020

Those legislative proposals recommended by the Legislative Committee, as well as other proposals, will be discussed at the SACRS Fall Conference.

**2021 SACRS LEGISLATIVE PLATFORM WORKSHEET
PLEASE COMPLETE AND RETURN BY AUGUST 30, 2020**

Title of Issue: COVID-19 Disability Retirement Presumption

Association: LACERA

Contact Person: Barry Lew

Phone #: 626-564-2370

Fax #: N/A

Please answer the following questions as fully as possible:

1. Description of issue.

A member who applies for service-connected disability retirement generally has the burden of proving that his or her permanent incapacity was the result of injury or disease arising out of and in the course of employment and that the employment contributed substantially to the incapacity.

However, for certain diseases and injuries, presumptions exist under the rationale that those diseases and injuries appear to be service-connected but would be difficult for a member to prove as being service-connected.

Given the challenges of contact tracing¹ due to the increasingly widespread nature² of the COVID-19 pandemic, there may be cases where members contracted COVID-19 and became permanently incapacitated but have difficulty proving that the disease arose out of and in the course of employment.

2. Recommended solution.

A rebuttable presumption related to a service-connected permanent incapacity due to COVID-19 would provide that members are presumed to have contracted COVID-19 arising out of and in the course of employment, unless the presumption is controverted by other evidence.

¹ Steinhauer, J., & Goodnough, A. (2020, July 31). Contact Tracing Is Failing in Many States. Here's Why. *New York Times*. <https://www.nytimes.com/2020/07/31/health/covid-contact-tracing-tests.html>; Petersen, M. (2020, July 31). L.A. County's Tracing Team Repeatedly Failed to Detect Coronavirus Outbreaks at Workplaces. *Los Angeles Times*. <https://www.latimes.com/california/story/2020-07-31/la-contact-tracers-struggle-to-keep-up-with-coronavirus-cases>

² The Johns Hopkins Center for Health Security. (2020, July 29). *Resetting Our Response: Changes Needed in the US Approach to COVID-19*. https://www.centerforhealthsecurity.org/our-work/pubs_archive/pubs-pdfs/2020/200729-resetting-our-response.pdf

Although an award of workers' compensation benefits does not necessarily mean that a member also qualifies for disability retirement benefits under CERL, courts have found that the two types of benefits are related in subject matter and harmonious in purpose.

There are currently three workers' compensation bills (AB 196, AB 664, and SB 1159) in the California Legislature that provide a disputable presumption for COVID-19-related injuries that can assist us in the formulation of a new disability retirement presumption. Each bill uses different approaches as noted in the staff memo dated August 4, 2020 to the IBLC. However, SB 1159 appears to be the most comprehensive of the three bills in that it codifies Governor Newsom's Executive Order N-62-20, which provided a COVID-19 presumption for workers' compensation benefits for a specified period of time that has since expired for essential workers, and provides a presumption after that period for employees who are safety members and health care workers whose jobs cannot be done remotely and require contact with members of the public and who may be at higher risk of contracting COVID-19.

Therefore, the proposed COVID-19 presumption for disability retirement in CERL is modeled after the provisions of SB 1159 and CERL's existing disability retirement presumption that deals with other infectious diseases. The proposed presumption would apply to members in county service during the period of March 19, 2020—July 5, 2020 who are considered essential workers and were unable to shelter in place by working remotely.

Beginning July 6, 2020, the workers' compensation presumption expired. However, SB 1159 extends the presumption on and after this date for safety members and certain health care workers whose jobs require contact with members of the public potentially infected with the coronavirus. The proposed disability retirement presumption follows this rationale by designating county workers whose jobs cannot be done remotely but require contact with the public and who may be at higher risk of contracting COVID-19.

If this proposal is enacted in the 2021 legislative year, it will be effective January 1, 2022. However, there may be disability retirement applications for COVID-19-related illnesses that are filed before the effective date of the presumption. The proposal would provide that the presumption applies to new and pending applications as of the effective date and that the board may reconsider COVID-19-related applications that were denied before the effective date.

3. Specific language that you would like changed in, or added to, '37 Act Law, and suggested code section numbers.

Add a new Section 31720.10:

(a) If a member becomes ill or dies due to a COVID-19-related illness, the illness so developing or manifesting itself in those cases shall be presumed to arise out of, and in the course of, employment. The illness so developing or manifesting itself in those cases shall in no case be attributed to any illness

existing prior to that development or manifestation.

(b) Any member described in subdivision (a) permanently incapacitated for the performance of duty as a result of a COVID-19-related illness shall receive a service-connected disability retirement.

(c) The presumption described in subdivision (a) is rebuttable by other evidence. Unless so rebutted, the board is bound to find in accordance with the presumption. The presumption shall be extended to a member following termination of service for a period of 14 days.

(d) "COVID-19" means the coronavirus disease 2019 caused by the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2).

(e) "Member" means a person—

(1) (A) in county service on or after March 19, 2020, and on or before July 5, 2020, who was designated by the State Public Health Officer in a list of essential critical infrastructure workers in accordance with the Governor's Executive Order of March 19, 2020 (Executive Order N-33-20); and

(B) who is diagnosed with COVID-19 within 14 days after a day on or after March 19, 2020, and on or before July 5, 2020 that the person performed labor or services at the person's place of employment at the employer's direction. For the purpose of this subdivision, "person's place of employment" does not include a person's home or residence.

(2) (A) in county service on or after July 6, 2020, who is a safety member, firefighter, member active in law enforcement, county probation officer, nurse or physician who provides direct patient care at a health facility, or a custodial employee in contact with COVID-19 patients at a health facility; and

(B) who is diagnosed with COVID-19 within 14 days on or after July 6, 2020 that the person performed labor or services at the person's place of employment at the employer's direction. For the purpose of this subdivision, "person's place of employment" does not include a person's home or residence.

(f) This section applies to new and pending applications for disability retirement. This section also applies to applications for disability retirement due to COVID-19 that the board denied prior to the effective date of this section but in its discretion may reconsider after the effective date of this section.

4. Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association?

The current disability retirement presumptions apply to all SACRS systems and not just to any individual retirement system. The proposed presumption would also apply to all SACRS systems.

5. Do you anticipate that the proposed legislation would create any major problems such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations?

The proposed legislation should not cause any conflicts with Proposition 162 or any administrative issues with the other SACRS retirement associations.

6. Who will support or oppose this proposed change in the law?

Support: labor organizations. Opposition: plan sponsors and plan sponsor organizations such as the California State Association of Counties, Urban Counties of California, and Rural County Representatives of California.

7. Who will be available from your association to testify before the Legislature?

Barry Lew and Joe Ackler.

Email or mail your legislative proposals to:

Mike Robson and Trent Smith
Edelstein, Gilbert, Robson, & Smith LLC
1127 11th Street, Suite 1030
Sacramento, CA 95814

Email to both:

Mike@EGRSlobby.com

Trent@EGRSlobby.com

COVID-19 Presumption for Disability Retirement Fact Sheet

Summary

The County Employees Retirement Law of 1937 currently has four presumptions that certain injuries and diseases arise out of and in the course of employment for purposes of determining a service-connected disability retirement for certain members: heart trouble, cancer, blood-borne infectious diseases, and exposure to biochemical substances.

This proposal would establish an additional presumption for certain members who apply for disability retirement due to COVID-19 that the disease arose out of and in the course of employment.

Background

Members who apply for service-connected disability retirement generally have the burden of proving that their permanent incapacity was the result of injury or disease arising out of and in the course of employment and that the employment contributed substantially to the incapacity.

Presumption of Service Connection

For certain injuries and diseases, presumptions exist under the rationale that those injuries and diseases appear to be service-connected but would be difficult for members to prove as being service-connected. Although the presumption relates to the service connection of the injury or disease, members are never presumed to be permanently incapacitated and have the burden of proving permanent incapacity.

Disability Retirement Benefits

A disability retirement provides benefits to members whose careers are cut short by permanent incapacity and who may not qualify for a service retirement. However, for those disabled members who are eligible for a service retirement, their disability retirement benefit may be equal to a service retirement benefit.

Service-connected disability retirement: the benefit is the greater of 50 percent of final compensation or a service retirement benefit. The benefit is tax excludable, and survivors receive 100 percent of the benefit.

Nonservice-connected disability retirement: the benefit is the greater of a service retirement

benefit or, depending on the member's age and service, a benefit that is up to 1/3 of final compensation. The benefit is not tax excludable, and survivors receive 60 percent of the benefit.

Issue

Members who contract COVID-19 on the job and become permanently incapacitated may be granted a service-connected disability retirement.

Given the challenges of contact tracing due to the increasingly widespread nature of the COVID-19 pandemic, there may be cases where certain members in high-risk jobs contracted COVID-19 at work and became permanently incapacitated but have difficulty proving that the disease arose out of and in the course of employment.

Solution

A rebuttable presumption related to COVID-19 would provide that certain members who contracted COVID-19 are presumed to have contracted the disease arising out of and in the course of employment, unless the presumption is controverted by other evidence.

The presumption would apply to members who were essential workers during the time period defined in Governor Newsom's Executive Order N-62-20 (March 19, 2020 – July 5, 2020), which provided a presumption for COVID-19 for workers' compensation claims. Beginning July 6, 2020, it would apply to safety members and certain health care workers who may be at higher risk of contracting COVID-19 because their jobs cannot be performed remotely and require frequent contact with members of the public.

The proposal would apply to new and pending disability retirement applications as of its effective date of enactment into law and would provide that a retirement board may reconsider COVID-19-related applications that were denied prior to the effective date.

Contact

Barry Lew, LACERA
blew@lacera.com



Providing insight. Fostering oversight.

6. SACRS Nomination Committee - 2021-2022 SACRS Election Notice – No Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

A. SACRS Election Notice 2021-2022



October 1, 2020

To: SACRS Trustees & SACRS Administrators/CEO's
 From: Dan McAllister, SACRS Immediate Past President, Nominating Committee Chair
 SACRS Nominating Committee
 Re: SACRS Board of Director Elections 2021-2022 - Elections Notice

SACRS BOD 2021-2022 election process will begin January 2021. Please provide this election notice to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2021	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.
March 25, 2021	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 15, 2021	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 15, 2021	Board of Directors take office for 1 year

Per SACRS Bylaws, Article VIII, Section 1. Board of Director and Section 2. Elections of Directors:

Section 1. Board of Directors. The Board shall consist of the officers of SACRS as described in Article VI, Section 1, the immediate Past President, and two (2) regular members

A. Immediate Past President. *The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate Past President is unable to serve on the Board, the most recent Past President who qualifies shall serve as a member of the Board.*

B. Two (2) Regular Members. *Two (2) regular members shall also be members of the Board with full voting rights.*

Section 2. Elections of Directors. *Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.*

The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25. The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.



Director elections shall take place during the first regular meeting of each calendar year. The election shall be conducted by an open roll call vote, and shall conform to Article V, Sections 6 and 7 of these Bylaws.

Newly elected Directors shall assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer shall co-serve with the newly elected Treasurer through the completion of the current fiscal year.

The elections will be held at the SACRS Spring Conference May 11-14, 2021 at the Hyatt Regency Long Beach, Long Beach, CA. Elections will be held during the Annual Business meeting on Friday, May 14, 2021.

If you have any questions, please contact Dan McAllister, Dan.McAllister@sdcounty.ca.gov

Thank you for your prompt attention to this timely matter.

Sincerely,

Dan McAllister

Dan McAllister, San Diego CERA Trustee & San Diego County Treasurer Tax Collector
SACRS Nominating Committee Chair

CC: SACRS Board of Directors
SACRS Nominating Committee Members
Sulema H. Peterson, SACRS Executive Director



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name:
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: Email Address: Phone:
Name of Retirement System Candidate Currently Serves On	System Name:
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio	



Providing insight. Fostering oversight.

7. SACRS Audit Report – Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS 2018-2019 Annual Audit

Carry over item from Spring 2020 Conference that was cancelled due to COVID-19



JAMES MARTA & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

**STATE ASSOCIATION OF
COUNTY RETIREMENT SYSTEMS**

**FINANCIAL STATEMENT
WITH
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEARS ENDED
JUNE 30, 2019 AND 2018**

701 HOWE AVENUE, E3
SACRAMENTO, CA 95825

(916) 993-9494
(916) 993-9489 FAX
WWW.JPMCPA.COM

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

JUNE 30, 2019

BOARD OF DIRECTORS

Dan McAllister
President

Vivian Gray
Vice President

Harry Hagen
Treasurer

Kathryn Cavness
Secretary

Raymond McCray
Immediate Past President

Benjamin Lazarus
Affiliate Chair

Roger Hilton
Board Member

Chris Cooper
Board Member

* * * *

Sulema Peterson
Association Management

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

JUNE 30, 2019 AND 2018

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James Marta & Company LLP
Certified Public Accountants

Accounting Auditing Tax and Consulting

INDEPENDENT AUDITOR'S REPORT

Board of Directors
State Association of County Retirement Systems
Sacramento, California

Report on the Financial Statement

We have audited the accompanying statement of cash receipts and disbursements, of the State Association of County Retirement Systems (SACRS) for the fiscal years ended June 30, 2019 and 2018, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

701 Howe Avenue, Suite E3, Sacramento, CA 95825 916-993-9494 fax 916-993-9489

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jmarta@jpmcpa.com

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James Marta & Company LLP
Certified Public Accountants

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the State Association of County Retirement Systems for the years ended June 30, 2019 and 2018, in accordance with the cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 to the financial statement, which describes the basis of accounting. The financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Information

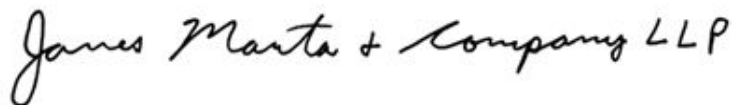
Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report, on pages 7 to 12, are presented for purposes of additional analysis and are not a required part of the financial statement.

The Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, on pages 7 to 11, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, on pages 7 to 11 is fairly stated in all material respects in relation to the financial statement as a whole.

The Conference Summary Report, on page 12, has not been subjected to the auditing procedures applied in the audit of the basic financial statement, and accordingly, we do not express an opinion or provide any assurance on it.

Restricted Use

This report is intended solely for the information and use of management and the board of directors of State Association of County Retirement Systems and is not intended to be and should not be used by anyone other than these specified parties.



James Marta & Company LLP
Certified Public Accountants
March 2, 2020

FINANCIAL SECTION

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

	2018-19	2017-18
<u>Cash Receipts</u>		
Dues	\$ 372,250	\$ 324,000
Conference		
Fall	616,640	581,490
Spring	590,260	546,710
Seminars	118,500	181,000
Other Admin Receipts	2,830	18,180
Other Conference Receipts	-	40
Interest	63,668	11,510
Total Cash Receipts	1,764,148	1,662,930
<u>Cash Disbursements</u>		
Conference		
Fall - 2018 and 2017		
Hotel and meals	307,724	304,155
Audio and visual	52,180	43,826
Program materials	102,702	78,637
Spring - 2019 and 2018		
Hotel and meals	81,224	167,017
Audio and visual	48,498	40,300
Program materials	80,389	56,567
Seminars	243,450	247,190
Conference Administration	27,228	12,416
Prior Year and Other Expenses	162,462	216,357
Total conference disbursements	1,105,857	1,166,465
Administration	375,233	345,134
Legislative representation	237	836
Lobbying	71,627	76,477
Committee meetings	27,315	24,997
Special projects	17,458	17,642
Total administration disbursements	491,870	465,086
Total Cash Disbursements	1,597,727	1,631,551
Excess (Deficit) of Cash Receipts over Cash Disbursements	166,421	31,379
Cash and Investments, Beginning	2,206,001	2,174,622
Cash and Investments, Ending	\$ 2,372,422	\$ 2,206,001
<i>Supplementary Information</i>		
<u>Cash and Investments at June 30,</u>	2019	2018
Cash and cash equivalents	\$ 1,195,688	\$ 1,075,711
Non current portion of investments	1,176,734	1,130,290
Total Cash and Investments	\$ 2,372,422	\$ 2,206,001

The accompanying notes are an integral part of this financial statement.

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

NOTES TO THE FINANCIAL STATEMENT

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ORGANIZATION

State Association of County Retirement Systems (SACRS) is a not-for-profit association of 20 California county retirement systems, enacted under the County Employees Retirement Law of 1937. SACRS was formed in the early 1970's to provide forums for disseminating knowledge of, and developing expertise in, the operation of county retirement systems existing under current law, as well as to foster and take an active role in the legislative process. To accomplish SACRS' mission of addressing issues of importance to members, SACRS, contracting with Shaw/Yoder/Antwih, LLC from July 2018 to April 2019 and Sulema Peterson & Associates from April 2019 to June 2019, provides a variety of association management services, including three magazines a year, membership directory, semi-annual conferences, and oversight of SACRS.org. The Association is supported primarily through membership dues and conference fees.

B. BASIS OF ACCOUNTING

The accompanying financial statement has been prepared on the cash receipts and disbursements basis of accounting, which is a basis of accounting other than generally accepted accounting principles. Under that basis, the only assets recognized are cash and investments, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized. The cash basis differs from generally accepted accounting principles primarily because the effects of outstanding dues and obligations for assessments unpaid at the date of the financial statement are not included in the financial statement.

Management has elected to use the cash basis of accounting for this entity given the nature of its receipts and disbursements: revenue is almost always received and earned in the same period (e.g. at the beginning of the year for annual memberships, and shortly prior to events for conference attendance) and most expenses are incurred evenly over the year, with the exception of the billing for the conference hotel expense. Financial results by conference are presented in the Conference Summary Report in the Supplementary Information section of this document.

C. INCOME TAXES

The Association is exempt from federal and state income taxes under Section 501(c)(4) of the Internal Revenue Code and Section 23701f of the California Revenue and Taxation Code.

D. CONTRACTUAL AGREEMENTS

The Association has entered into various contractual agreements for professional services. These agreements include compensation for services rendered to the Association.

E. COMPARATIVE DATA

Comparative data for the prior year have been presented in certain sections of the accompanying financial statement in order to provide an understanding of changes in the Association's financial position and operations.

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

NOTES TO THE FINANCIAL STATEMENT

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**E. COMPARATIVE DATA (CONTINUED)**

Since SACRS uses the cash basis of accounting, the timing of events and the ultimate settlement of bills may vary from year to year. For example; the Spring conference costs could be settled by June (by year end) or be extended into the subsequent year. Also the timing of events could affect when payments are made from year to year. Payments after year end will be paid out of the surplus generated out of the prior year conference receipts. So the surplus cash at year end may have future demands for prior expenses. Management prepares a conference summary report that reconciles these payments when settled; this report is presented as supplementary information.

2. CASH AND INVESTMENTSCash and Cash Equivalents

SACRS considers short-term highly liquid investments to be cash equivalents provided that they are both readily convertible to cash and had an original maturity of three months or less when purchased. The balance in cash and cash equivalents at June 30 include:

	2019	2018
Bank accounts	\$ 409,088	\$ 305,726
Money market accounts	786,600	769,985
Total cash and cash equivalents	<u>\$ 1,195,688</u>	<u>\$ 1,075,711</u>

Cash in bank accounts at June 30, 2019 consisted of the following:

	Bank of America	Community First Bank	Total
Per bank	\$ 297,541	\$ 89,588	\$ 387,129
Deposits in transit	-	21,959	21,959
Total bank accounts	<u>\$ 297,541</u>	<u>111,547</u>	<u>\$ 409,088</u>

Cash in bank accounts at June 30, 2018 consisted of the following:

	Bank of America	Community First Bank	Total
Per bank	\$ 186,544	\$ 137,881	\$ 324,425
Checks outstanding	(1,186)	(17,513)	(18,699)
Total bank accounts	<u>\$ 185,358</u>	<u>120,368</u>	<u>\$ 305,726</u>

Cash balances on interest-bearing accounts held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). There was \$47,541 in excess of FDIC as of June 30, 2019. There was no amount in excess of FDIC as of 2018.

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

NOTES TO THE FINANCIAL STATEMENT

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

Investments

In March 2015, SACRS invested in the CalTRUST Medium-Term Fund (the "Fund"), depositing \$1,104,130. The balance as of June 30, 2019 and 2018 presented in the financial statement is \$1,176,734 and \$1,130,290; respectively. This balance includes reinvested interest income totaling \$62,336 and \$15,892, respectively, but does not include changes in fair market value for the year ended June 30, 2019 and 2018 totaling \$4,661 and (\$1,140) respectively. The fair market value of SACRS' investment in the Fund at June 30, 2019 and 2018 is \$1,181,395 and \$1,129,150, respectively. The current portion of the investment account represents underlying securities which are immediately redeemable (e.g. equities), or will mature within one year. The current portion of investments at June 30, 2019 and 2018 was \$0. The Fund is not rated or insured. Total return on the Fund for the years ended June 30, 2019 and 2018 was 2.43% and 1.41%, respectively.

3. CONTRACTS

SACRS has entered into contracts with various hotels to reserve facilities and guest rooms for its upcoming conferences and events. Cancellation fees associated with these contracts vary by date of notice. All hotel contracts specify the total number of guest room nights reserved at a group rate. If guest nights attributed to the convention fall below a specified minimum, SACRS is obligated to pay a room attrition rate for every guest night below the contracted minimum; standard room rates exceed the attrition rate. The organization is also responsible for food and beverage minimums as specified below. Hotel contracts entered into as of the audit date are summarized here:

Conference	Cancellation Fees	Food and Beverage Minimums	Guest Room Nights Reserved	Guest Room Nights Minimum	Rooms Attrition
Fall 2019	\$84,596-\$181,192	\$120,000	875	700	\$199 plus tax
Spring 2020	\$214,705-\$316,464	\$170,000	1145	973	\$229 plus tax
Fall 2020	\$49,194-\$408,276	\$80,000	890	700	\$226 plus tax
Spring 2021	\$174,603-\$279,364	\$150,000	1145	916	\$239 plus tax
Fall 2021	\$184,462-\$332,031	\$165,000	1145	916	\$239 plus tax
Spring 2022	\$135,682-\$421,365	\$150,000	1185	948	\$229 plus tax
Fall 2022	\$136,762-\$288,524	\$150,000	1145	916	\$249 plus tax
Spring 2023	\$224,848-\$404,726	\$170,000	1145	916	\$247 plus tax
Fall 2023	\$123,832-\$397,665	\$150,000	1185	948	\$209 plus tax

4. DONATED SERVICES

Directors and officers have made a significant contribution of their time to develop the organization and its programs. No amounts have been recognized in the accompanying statement of cash receipts and disbursements as no cash changed hands as a result of the donated services.

5. SUBSEQUENT EVENTS

SACRS' management has evaluated subsequent events through March 2, 2020, the date which the financial statement was issued. Management is not aware of any subsequent events that would require recognition or disclosure in the financial statement.

SUPPLEMENTARY INFORMATION

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
COMBINING STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

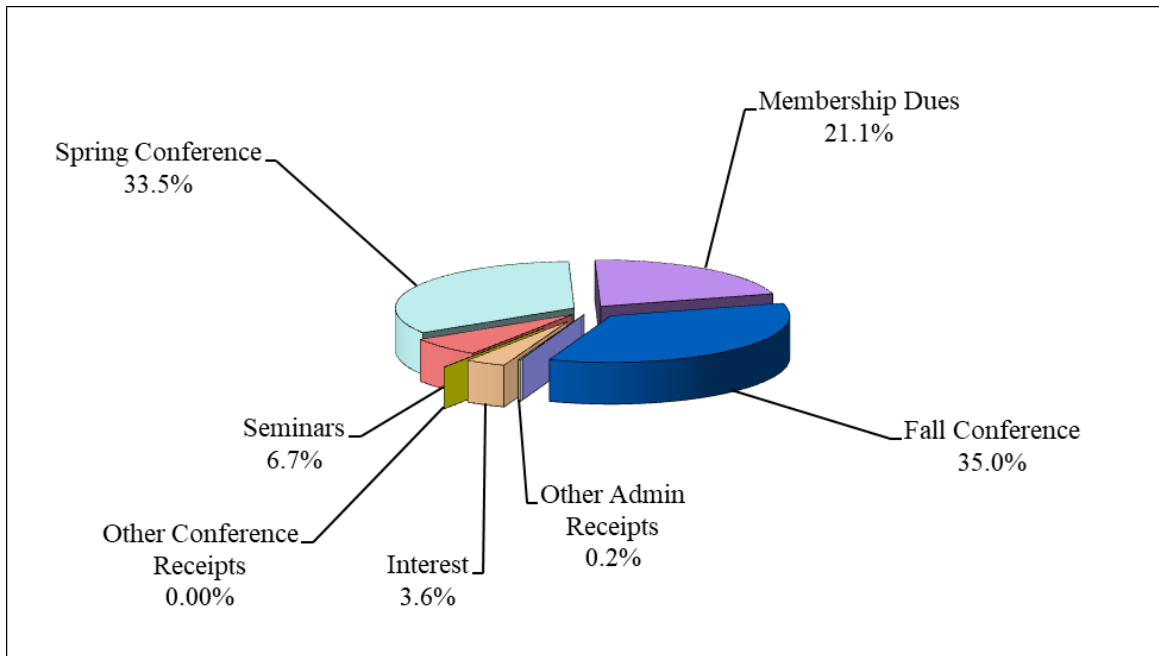
	<u>Conference</u>	<u>Administration</u>	<u>Total</u>
<u>Cash Receipts</u>			
Dues	\$ -	\$ 372,250	\$ 372,250
Conference			
Fall	616,640	-	616,640
Spring	590,110	-	590,110
Seminars	118,500		118,500
Other Admin Receipts	-	2,980	2,980
Interest	63,668	-	63,668
Total Cash Receipts	<u>1,388,918</u>	<u>375,230</u>	<u>1,764,148</u>
<u>Cash Disbursements</u>			
Conference			
Fall - 2018			
Hotel and meals	307,724	-	307,724
Audio and visual	52,180	-	52,180
Program materials	102,702	-	102,702
Spring - 2019			
Hotel and meals	81,224	-	81,224
Audio and visual	48,498	-	48,498
Program materials	80,389	-	80,389
Seminars	243,450	-	243,450
Conference Administration	27,228	-	27,228
Prior Year and Other Expenses	162,462	-	162,462
Total conference disbursements	<u>1,105,857</u>	<u>-</u>	<u>1,105,857</u>
Administration	-	375,233	375,233
Legislative representation	-	237	237
Lobbying	-	71,627	71,627
Committee meetings	-	27,315	27,315
Special projects	-	17,458	17,458
Total administration disbursements	<u>-</u>	<u>491,870</u>	<u>491,870</u>
Total Cash Disbursements	<u>1,105,857</u>	<u>491,870</u>	<u>1,597,727</u>
Excess (Deficit) of Cash Receipts over Cash Disbursements	283,061	(116,640)	166,421
Cash and Investments, Beginning	<u>3,037,923</u>	<u>(831,922)</u>	<u>2,206,001</u>
Cash and Investments, Ending	<u>3,320,984</u>	<u>(948,562)</u>	<u>2,372,422</u>

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

GRAPHICAL PRESENTATION OF CASH RECEIPTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

CASH RECEIPTS BY SOURCE

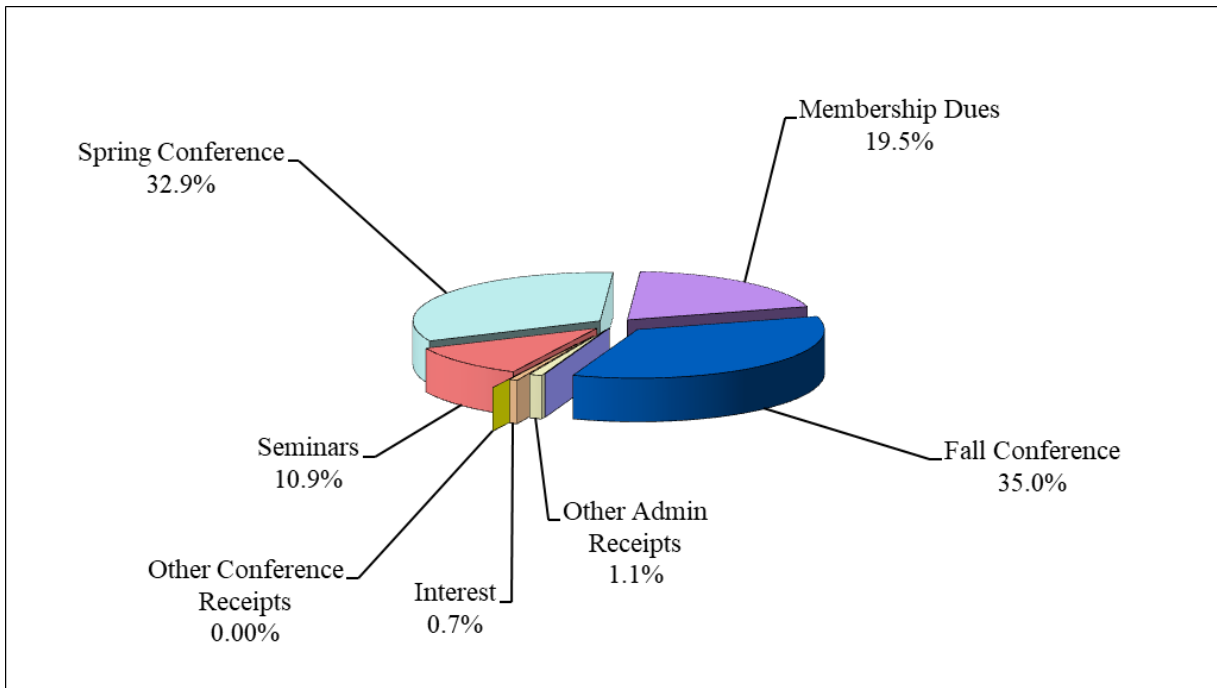


STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

GRAPHICAL PRESENTATION OF CASH RECEIPTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

CASH RECEIPTS BY SOURCE

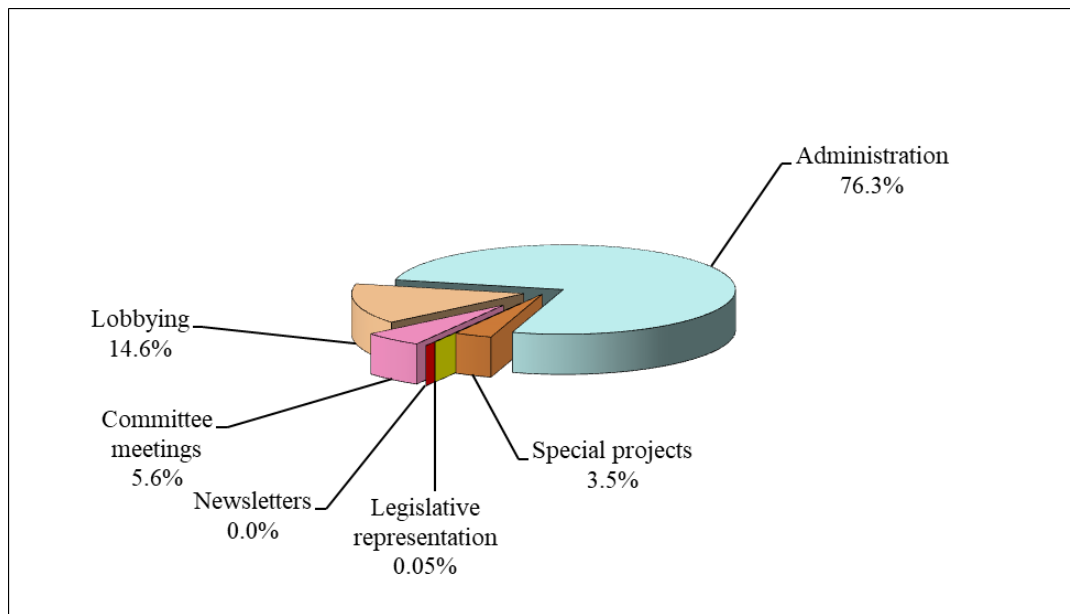


STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

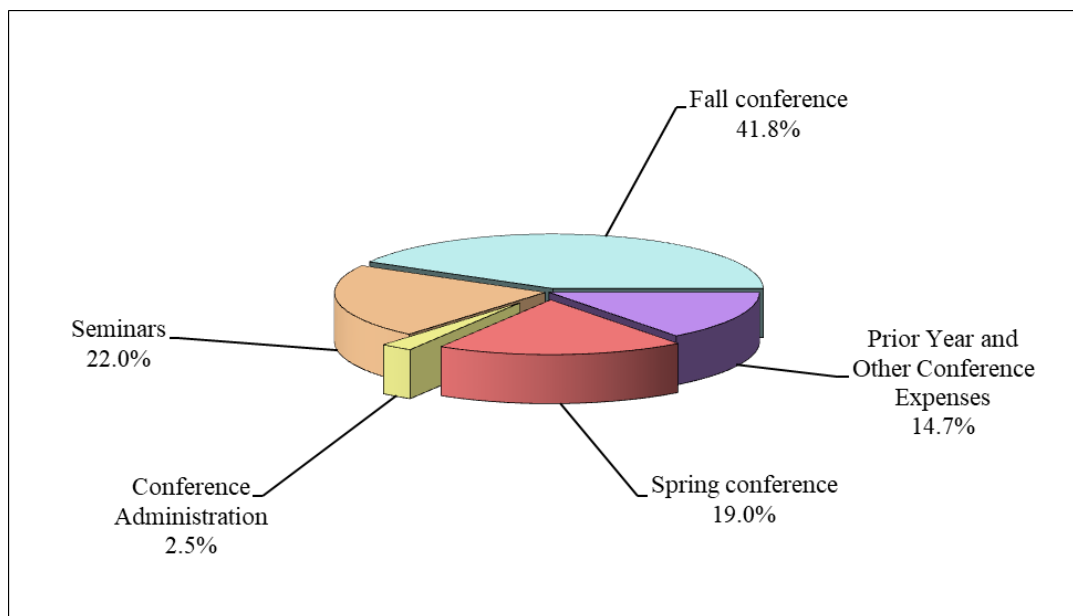
GRAPHICAL PRESENTATION OF CASH DISBURSEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

ADMINISTRATION CASH DISBURSEMENTS



CONFERENCE CASH DISBURSEMENTS

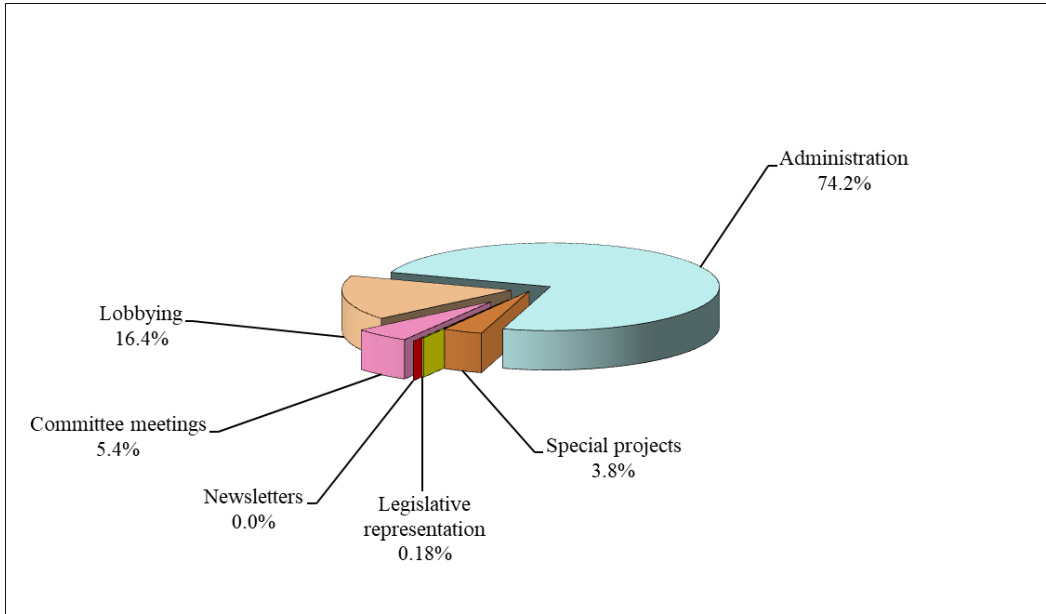


STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

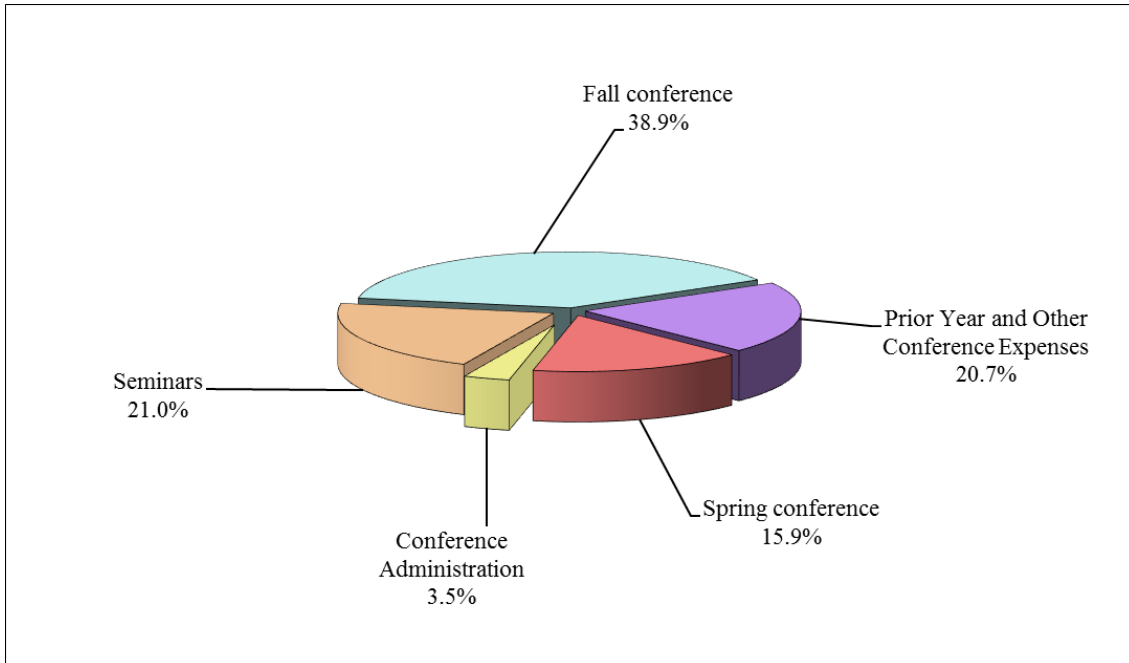
GRAPHICAL PRESENTATION OF CASH DISBURSEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

ADMINISTRATION CASH DISBURSEMENTS



CONFERENCE CASH DISBURSEMENTS



STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

CONFERENCE SUMMARY REPORT

	Spring 2019 Lake Tahoe	Fall 2018 Indian Wells	Spring 2018 Anaheim	Fall 2017 San Francisco	Spring 2017 Napa	Fall 2016 Indian Wells
Cash receipts						
Conference	\$ 592,590	\$ 591,530	\$ 546,750	\$ 581,490	\$ 572,159	\$ 566,265
Total cash receipts	<u>592,590</u>	<u>591,530</u>	<u>546,750</u>	<u>581,490</u>	<u>572,159</u>	<u>566,265</u>
Cash disbursements						
Hotel and meals	195,278	312,670	152,017	304,155	295,157	310,266
Audio and visual	57,731	52,180	40,300	43,826	10,000	49,186
Program materials	42,342	32,086	20,909	26,722	42,282	77,666
Program Speakers	3,974	74,457	35,159	50,363	-	-
Conference Administration	14,094	9,634	7,183	11,333	6,921	7,198
Total cash disbursements	<u>313,419</u>	<u>481,027</u>	<u>255,568</u>	<u>436,400</u>	<u>354,361</u>	<u>444,317</u>
Net cash provided by conference	<u>\$ 279,171</u>	<u>\$ 110,503</u>	<u>\$ 291,182</u>	<u>\$ 145,090</u>	<u>\$ 217,798</u>	<u>\$ 121,948</u>
Total attendees	590	588	599	603	611	597



James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
INDEPENDENT AUDITOR'S REPORT**

Board of Directors
State Association of County Retirement Systems
Sacramento, California

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of State Association of County Retirement Systems (SACRS), as of and for the years ended June 30, 2019 and 2018 the related notes to the financial statement, which collectively comprise the State Association of County Retirement Systems' basic financial statement, and have issued our report thereon dated March 2, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered SACRS' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control. This report is an integral part of an audit performed in accordance with auditing standards generally accepted in the United States of America in considering the entity's internal control. Accordingly, this communication is not suitable for any other purpose.

James Marta & Company LLP
Certified Public Accountants
March 2, 2020



James Marta & Company LLP
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Accounting Auditing Tax and Consulting

**COMMUNICATION WITH THOSE CHARGED
WITH GOVERNANCE**

Board of Directors
State Association of County Retirement Systems
Sacramento, California

We have audited the financial statement of the State Association of County Retirement Systems (SACRS) for years ended June 30, 2019 and 2018, and have issued our report thereon dated March 2, 2020. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 4, 2019, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with the cash basis of accounting described in Note 1 to the financial statement. Our audit of the financial statement does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statement is free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of SACRS solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our report on internal control over financial reporting in a separate letter to you dated March 2, 2020.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

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Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.

We follow the AICPA Ethics Standard Rule 201C, in conjunction with this, we annually review with all engagement staff potential conflicts and obtain a conflict certification. In addition, we inquire on each engagement about potential conflicts with staff. We have not identified any relationships or other matters that in the auditor's judgment may be reasonably thought to bear on independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by SACRS is included in Note 1 to the financial statement. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year 2019. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are typically an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. As the accounting of SACRS is prepared on a cash basis, no estimates are necessary for the preparation of the financial statement.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. We are not aware of any sensitive disclosures affecting SACRS' financial statement.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

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Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statement as a whole and each applicable opinion unit. We did not identify any uncorrected misstatements as a result of our audit procedures.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to SACRS' financial statement or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated March 2, 2020.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with SACRS, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as SACRS' auditors.

We are contracted to prepare the fiscal year 2019 federal Return of Organization Exempt From Income Tax, and related state filings, as well as the calendar year Forms 1099-MISC for SACRS. These returns will be prepared using audited financial data, where applicable, but our preparation of these returns does not constitute an audit. No audit opinion will be issued on the tax returns referred to above.

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This report is intended solely for the information and use of the Board of Directors, and management of State Association of County Retirement Systems and is not intended to be and should not be used by anyone other than these specified parties.

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
March 2, 2020

James Marta & Company LLP
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MANAGEMENT REPRESENTATION LETTER

March 2, 2020

James Marta & Company LLP
Certified Public Accountants
Sacramento, California

This representation letter is provided in connection with your audit of the statement of cash receipts and disbursements of the State Association of County Retirement Systems (SACRS) for the fiscal years ended June 30, 2019 and 2018, and the related notes to the financial statement, for the purpose of expressing an opinion on whether the financial statement is presented fairly, in all material respects, in accordance with the cash basis of accounting described in Note 1 to the financial statement.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of March 2, 2020:

Financial Statement

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated June 4, 2019, for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting described in Note 1 to the financial statement.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed.

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- All events subsequent to the date of the financial statement which requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed.
- We have complied with all contractual agreements, grants, and donor restrictions.
- We have maintained an appropriate composition of assets in amounts needed to comply with all donor restrictions.
- We have accurately presented the entity's position regarding taxation and tax-exempt status.
- The bases used for allocation of functional expenses are reasonable and appropriate.
- We have included in the financial statement all assets under the entity's control.
- We have designed, implemented, and maintained adequate internal controls over the receipt and recording of contributions.
- Methods and significant assumptions used by management to determine fair values, their consistency in application, and the completeness and adequacy of fair value information for financial statement measurement and disclosure purposes are appropriate.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statement, such as records, documentation, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statement in accordance with the cash basis of accounting described in Note 1 to the financial statement.
- We have disclosed to you the results of our assessment of the risk that the financial statement may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others when the fraud could have a material effect on the financial statement.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statement communicated by employees, former employees, analysts, regulators, or others.

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- We have no knowledge of any noncompliance or suspected noncompliance with laws, regulations, contracts, and grant agreements whose effects should be considered when preparing financial statements.
- We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statement and we have not consulted legal counsel concerning litigation or claims.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Supplementary Information in Relation to the Financial Statement as a Whole

With respect to the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report accompanying the financial statement:

- We acknowledge our responsibility for the presentation of the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements in accordance with the cash basis accounting as described in Note 1 to the financial statement. We acknowledge our responsibility for the presentation of the Conference Summary Report which presents all cash receipts and expenses related to a specific regardless of timing of the underlying receipt or disbursement.
- We believe the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, including its form and content, is fairly presented in accordance with the cash basis accounting as described in Note 1 to the financial statement. We believe the Conference Summary Report, including its form and content, is fairly presented and inclusive of all cash receipts and expenses related to a specific regardless of timing of the underlying receipt or disbursement.
- The methods of measurement or presentation have not changed from those used in the prior period.
- When the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report are not presented with the audited financial statement, management will make the audited financial statement readily available to the intended users of the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

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Additional Representations

- We have reviewed, approved, and taken responsibility for the financial statement and related notes.
- We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statement.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- All disbursements have been properly classified in the financial statement and allocations, if any, have been made on a reasonable basis.
- Deposit and investment risks have been properly and fully disclosed.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- We have disclosed to you all guarantees, whether written or oral, under which SACRS is contingently liable.
- SACRS has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have provided to you our views on reported audit findings, conclusions, and recommendations, as well as planned corrective actions.
- Regarding our tax filings prepared by James Marta & Company LLP:
 - We are responsible for complying with tax filing requirements with the Internal Revenue Service, Franchise Tax Board, and other agencies, as applicable.
 - We are responsible for establishing and maintaining effective internal control over compliance.
 - We have performed an evaluation of the Association's compliance with tax filing requirements and we are not aware of any instances of noncompliance.
 - We have reviewed and approved the tax returns prepared by your office.
 - We have made available to you all documentation related to compliance with specified requirements.
 - We assume all management responsibilities in regards to the tax filings and have designated an individual in management who possesses suitable skill, knowledge and experience to oversee these services.
 - We have performed an evaluation of the adequacy and results of the services performed and assume all management responsibilities.
 - We accept responsibility for the results of the services.

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Sulema H. Peterson 3/2/2020
Sulema Peterson, SACRS Executive Director

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Adjusting Journal Entries:

Adjusting Journal Entry JE # 1

To reclass unrealized gain that was instead recognized in the PY.

1100	Unrealized Gain	11,197	
2020	Retained Earnings		11,197
Total		11,197	11,197

Reclassifying Journal Entries:

None



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8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. SACRS Annual Virtual Fall 2020 Conference Evaluations/Feedback



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No Printed Materials For This Item



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9. SACRS Program Committee Report – No Action

Roger Hilton, Orange CERS, SACRS Program Committee Chair

- A. SACRS Annual Virtual Fall Conference Report 2020



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No Printed Materials For This Item



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10. SACRS Affiliate Committee Report – No Action

Teri Noble, Pathway, SACRS Affiliate Committee Chair

A. Affiliate Committee Update



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No Printed Materials For This Item



11. SACRS Bylaws Committee Report – Action

Johanna Fontenot, Los Angeles CERA, SACRS Bylaws Committee Chair

- A. Use of SACRS' Intellectual Property
- B. Termination of Membership
- C. Electronic Meetings



October 21, 2020

To: SACRS Membership**From:** SACRS Board of Directors**Re:** SACRS Bylaw Amendments – Section 7 Article I; Section 8, 9 & 10 Article III;

The following suggested Bylaws are being submitted by SACRS Board of Directors with approval from the SACRS Bylaws committee.

- Item A limits the use of SACRS and SACRS logo as SACRS Intellectual Property.
- Item B addresses the process of termination of membership.
- Item C implements the ability to hold meetings electronically.

Item A.

Add the following **new Section 7 to Article I, Name, Mission, Purposes and General Policy**:

Section 7. Use of SACRS' Intellectual Property. The SACRS' name, logo, member database, copyrighted materials, trademarks, intellectual property, or any photographs and materials appearing on SACRS' website or in any SACRS' written materials (collectively, the "SACRS' Intellectual Property") cannot be used for advertising, solicitation, or for any other purpose by any member without the prior written approval of the Board. In addition, no member may write for publication, hold any type seminar, or conduct a member survey under the name or authority of SACRS without the prior written approval of the Board.

Item B.

Add the following **new Sections 8, 9 & 10 to Article III, Membership**:

Section 8. Termination of Membership. A membership shall terminate on the occurrence of any of the following events:

- A. *Resignation of the member;*
- B. *The member's failure to pay dues, fees, or assessments as set by the Board [within 30 days after they are due and payable] **OR** [by July 31 of each year];*
- C. *Any event that renders the member ineligible for membership, or failure to satisfy membership qualifications; or*
- D. *Termination of membership pursuant to Section 10 of these Bylaws based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed to observe these Bylaws and/or SACRS' rules of conduct, or has engaged in conduct prejudicial to SACRS' purposes, interests and tax-exempt status.*



Section 9. Suspension of Membership. A member may be suspended, under Section 10 of these Bylaws, based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed to observe these Bylaws and/or SACRS' rules of conduct, or has engaged in conduct prejudicial to SACRS' purposes, interests and tax-exempt status.

Section 10. Procedure for Termination or Suspension of Membership. If grounds appear to exist for terminating or suspending a member under Sections 8 and 9, respectively, of these Bylaws, the following procedure shall be followed:

- A. The Board shall give the member at least 15 days' prior notice of the proposed suspension or termination, and the reasons for the proposed suspension or termination. Notice shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first-class or registered mail to the member's last address as shown on SACRS' records.*
- B. The member shall be given an opportunity to be heard, either orally or in writing, at least 5 days before the effective date of the proposed suspension or termination. The hearing shall be held, or the written statement considered, by the Board or by a committee or person authorized by the Board, to determine whether the suspension or termination should occur.*
- C. The Board, committee, or person shall decide whether the member should be suspended, expelled, or sanctioned in any way. The decision of the Board, committee, or person shall be final.*
- D. Any action challenging an expulsion, suspension, or termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of the expulsion, suspension, or termination.*

Item C.

Add the following language to ARTICLE V MEMBER MEETINGS

Section 1. Regular Meeting – Remains the same

Section 2. Special Meeting – Remains the same

Section 3. Site Selection for Meetings – Remains the same

Section 4. Agenda for Business Meetings. The Board shall be responsible for the final agenda of all SACRS meetings. The business meeting agendas shall be mailed by first-class postage or provided by electronic transmission to all members no later than ten (10) days prior to any meeting.

Section 5. Quorum. The presence of eleven (11) credentialed delegates (as defined in Article IV, Section 4) shall constitute a quorum for the transaction of business at all SACRS meetings.



If, however, the attendance or participation by mail or electronic transmission at any SACRS meeting, whether in person or by proxy, is less than one-third (1/3) of the voting power, the credentialed delegates may vote only on those matters specified in the meeting agenda described in Article V, Section 4 herein. Meetings may be restricted to regular members only by a majority vote of the quorum present.

Section 6. Voting. Voting at meetings of SACRS shall be the exclusive privilege of the delegates or alternate delegates. Voting delegates or alternate delegates must have proper credentials on file consistent with Article IV, Section 4 herein prior to voting. Each delegate or alternate delegate may cast one (1) vote on each matter submitted to vote of the members. A simple majority vote of the quorum present at a meeting shall pass all issues considered by the regular membership unless otherwise specified in the Articles of Incorporation or these Bylaws.

- A. Voting at In-Person Meetings. Voting at in-person meetings shall be by open roll-call. A roll-call vote of delegates and alternate delegates shall decide any voice vote in doubt by the regular members present.
- B. Voting by Mail or Electronic Transmission. Any matter of business to be voted upon by the delegates or alternate delegates, including the election of officers and Directors, may be submitted by mail or electronic transmission to all of the delegates or alternate delegates for their written vote without a meeting at the motion and approval of a majority of the members of the Board.

The Board shall prescribe in a written resolution the procedures necessary to conduct the election or obtain approval by the members on any matter submitted by mail to all the delegates or alternate delegates entitled to vote.

Voting by mail or electronic transmission shall be valid only if the following conditions are met:

- (1) The number of votes cast must equal or exceed the number of delegates or alternate delegates constituting a quorum as provided in Article V, Section 5, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting of the delegates or alternate delegates present in person or proxy as provided in this Section.
- (2) The written ballots shall be mailed or transmitted to the address appearing on the delegates or alternate delegates list that shall be maintained by SACRS.
- (3) All solicitations of written ballots by mail or electronic transmission shall (i) indicate the number of responses needed to meet the quorum requirement, (ii) state the percentage of approvals necessary to pass the matter submitted to the delegates or



alternate delegates, and (iii) specify the date and time by which and the address at which the ballot must be received in order to be counted.

- (4) The results of an election or the vote to approve or disapprove any matter submitted by written ballot to the delegates or alternate delegates by mail and electronic transmission must be certified by the President and the Secretary in the minutes of the Board meeting following the determination of the results of the vote. The certification shall also certify that the written ballot was conducted in conformity with the provisions of applicable law and these Bylaws.

Nothing in this section shall preclude the Board of Directors from employing third parties to conduct or assist in conducting a written ballot by mail in accordance with applicable law, regulations and these bylaws.

Section 7. Proxy – THIS SECTION REMAINS THE SAME, NO CHANGES

Section 8. Procedures - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 9. Resolutions - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 10. Travel Expenses - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 11. Meetings of Members by Electronic Transmission. A meeting of the members may also be conducted, in whole or in part, by electronic transmission by and to SACRS under Article V, Section 12, or by electronic video screen communication if SACRS implements reasonable measures to provide members a reasonable opportunity to participate in and for the delegates or alternate delegates to vote on matters submitted to the members, including an opportunity to read or hear the proceedings substantially concurrently with the proceedings. A record of any votes or other actions taken at a meeting by electronic transmission shall be maintained by SACRS.

Section 12. Notice, Ballots and Other Communications to Members by Electronic Transmission.

- A. Notices, Ballots and Other Communications. For any notice, ballot, or other communication which is required by these Bylaws or the Board to be mailed to members, mailed by member to SACRS, or given to Directors or committees, such notice, ballot, or other communication may be delivered by electronic transmission, provided that the electronic transmission meets the requirements in Article XVII, Section 2-B.
- B. Consent. Electronic transmission of notices or other communications shall only be made to members who have provided an unrevoked consent to the use of that means of electronic communication in accordance with this paragraph, The consent must describe (i) any right of the recipient to have the record provided or made available on paper or in non-electronic form; (ii) whether the consent applies only to



that transmission, to specified categories of communications, or to all communications from SACRS; and (iii) the procedures required to withdraw consent.

Any request by SACRS to members to conduct meetings by electronic transmission shall also include a notice that absent consent of the member to communicate by electronic transmission or hold a meeting by electronic means, the meeting shall be held at the physical location established in accordance with these Bylaws.

ARTICLE VIII BOARD OF DIRECTORS

Section 1. Board of Directors.

Section 2. Elections of Directors. Any regular member may submit nominations for the election of a Director to the Nominating Committee by mail or electronic transmission, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.

The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25 by mail or electronic transmission.

The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.

Director elections shall take place during the first regular meeting of each calendar year. The election shall be conducted by an open roll call vote if an in-person meeting or by written ballot if the election is by mail or electronic transmission, and shall conform to Article V of these Bylaws.

Newly elected Directors shall assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer shall co-serve with the newly elected Treasurer through the completion of the current fiscal year.

Section 3. General Powers - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 4. Special Powers - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 5. Term - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 6. Vacancies - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 7. Resignation of Directors - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 8. Conflicts of Interest - THIS SECTION REMAINS THE SAME, NO CHANGES



Section 9. Compensation/Travel Policy - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 10. Non-Liability of Directors - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 11. Insurance for Corporate Agents - THIS SECTION REMAINS THE SAME, NO CHANGES

ARTICLE IX MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Place of Meeting - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 2. Annual Meeting - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 3. Special Meetings - THIS SECTION REMAINS THE SAME, NO CHANGES

Section 4. Notice of Meetings. Written notice of the time and place of any special meeting shall be given to each Director by one of the following methods (i) personal delivery, (ii) first class mail, postage prepaid, (iii) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, or (iv) electronic transmission if the Director has consented to accept notice in this manner. All notices shall specify the purpose of the special meeting and shall be given or sent to the Director's address, phone number, facsimile number or email address as shown on SACRS' records.

Notices sent by first class mail shall be deposited into a United States mail box at least four (4) days prior to the time set the meeting. Notices given by personal delivery, telephone, voice messaging system, electronic transmission, or other similar means of communication shall be delivered at least forty-eight (48) hours prior to the time set for the meeting. Any notice given personally or by telephone may be communicated directly to the Director or to a person who would reasonably be expected to promptly communicate such notice to the Director.

Section 5. Meeting by Telephone, Electronic Transmission, or Other Telecommunications Equipment. Any Board meeting may be held by conference telephone, electronic video screen communication, or electronic transmission. Participation in a meeting under this Section shall constitute presence of the Director at the meeting if the following requirements are satisfied:

- A. When the meeting is through the use of conference telephone or electronic video screen communication, all the Directors participating in the meeting must be able to hear one another.
- B. When the meeting is through the use of electronic transmission (i) each Director participating in the meeting can communicate concurrently with all other Directors; and (ii) each Director is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Board.

Section 6. Validation of Meeting - THIS SECTION REMAINS THE SAME, NO CHANGES



- Section 7. Waiver of Notice - THIS SECTION REMAINS THE SAME, NO CHANGES
- Section 8. Quorum - THIS SECTION REMAINS THE SAME, NO CHANGES
- Section 9. Majority Action as Board Action - THIS SECTION REMAINS THE SAME, NO CHANGES
- Section 10. Prohibition against Voting by Proxy - THIS SECTION REMAINS THE SAME, NO CHANGES
- Section 11. Adjournment - THIS SECTION REMAINS THE SAME, NO CHANGES

ARTICLE XVII CONSTRUCTION AND DEFINITIONS

Section 1. Construction and Definitions.

Section 2. Specific Definitions. For purposes of these Bylaws, the following terms have the following meanings specified:

- A. Business Day.

- B. Electronic Transmissions. Electronic transmission means a communication delivered by (i) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively; (ii) posting on an electronic message board or network which has been designated for those communications, as further described below; or (iii) such other electronic communication.
 - (1) Electronic Transmission by SACRS. For electronic transmission by SACRS, the applicable notice or other communication shall be directed to the facsimile number or electronic mail address appearing on SACRS' membership list; or posted on an electronic message board or network that SACRS has designated for those communications, together with a separate notice to the members of the posting, which transmission shall be validly delivered upon the later of the posting or delivery of the separate notice thereof; or by such other electronic communication means as designated by the Board. The recipient of the electronic transmission must have provided an unrevoked consent to the use of those means of transmission for communications. Any electronic communication shall be made in such a way as to create a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

Notice shall not be given by electronic transmission by SACRS after either of the following: (1) SACRS is unable to deliver two (2) consecutive notices to the recipient by that means, or (2) the inability so to deliver the notices to the recipient becomes known to the Secretary or any other person responsible for the giving of the notice.



- (2) Electronic Transmission to SACRS. For any electronic transmission to SACRS, the communication shall be delivered when directed to the facsimile number or electronic mail address which SACRS has provided for sending the applicable communication; or posted to an electronic message board or network that SACRS has designated for those communications and which transmissions shall be validly delivered upon posting; or by such other electronic communication means as designated by the Board. SACRS shall put into effect reasonable measures to verify that the sender is the member, Director, or committee member purporting to send any transmission to which this Section applies. Any electronic communication to which this Section applies shall be made in such a way as to create a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.



12. SACRS Fall Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

- A. Administrators
- B. Counsel
- C. Disability/ Operations & Benefits Combo
- D. Internal Auditors
- E. Investment Officers
- F. Safety Trustees
- G. General Trustees



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No Printed Materials For This Item



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13. Adjournment

Next scheduled SACRS Association Business Meeting will be held Friday, May 14, 2021 at the Long Beach Renaissance.

CONFERENCE AGENDA



SACRS ANNUAL FALL CONFERENCE

NOVEMBER 10-13, 2020

TUESDAY, NOVEMBER 10

1:00PM – 3:00PM ETHICS TRAINING FOR TRUSTEES AND STAFF

This two-hour mandatory bi-annual training for public officials covers conflict of interest rules, public meeting and record requirements, due process requirements and other significant rules for legal compliance by public officials, with a particular focus on how these rules apply to retirement board trustees and senior staff. *This class is pending approval for MCLE credit

SPEAKERS: *Ashley Dunning and Peter Mixon, Nossaman, LLP*

3:00PM – 5:00PM SEXUAL HARASSMENT PREVENTION TRAINING FOR LOCAL AGENCY OFFICIALS (AB1661)

Nossaman LLP attorneys John Kennedy and Allison Callaghan will present "Sexual Harassment Prevention Training for Local Agency Officials (AB1661)". AB 1661 requires that if a local agency provides any type of compensation, salary, or stipend to its officials, then all local agency officials of the agency shall receive at least two hours of sexual harassment prevention and education training within the first six months of taking office or commencing employment and every two years thereafter. This interactive training session will meet the requirements under AB 1661 and AB 1825 (sexual harassment prevention training to employees who perform supervisory functions) and assist attendees in preventing and effectively responding to complaints of sexual harassment. *This class pending approval for MCLE credit

SPEAKERS: *John Kennedy and Allison Callaghan, Nossaman LLP*

5:00PM – 6:00PM NETWORK RECEPTION

SACRS first ever virtual networking reception! SACRS virtual networking reception is a one-of-a-kind event where you can network with other conference attendees – Trustees Staff and Affiliates, all from the comfort of your desk. Grab a drink and log into our "virtual networking reception" for an hour of meaningful networking. Visit the Exhibit Hall and stop by our Affiliate Booths! Trustees and Staff members that stop by each Booth will automatically qualify you for a free Amazon Gift Card. You'll walk away with new connections, friends and insights!

WEDNESDAY, NOVEMBER 11

SACRS FALL CONFERENCE VIRTUAL FUN RUN

Staying active during this time of social distancing is important for our mental and physical well-being! Sign up for the Virtual Run and be rewarded for your efforts! The SACRS Fall Conference Virtual Fun Run event can be run or walked from any location you choose. You can run, jog, or walk on the road, on the trail, or on the treadmill. Send us a selfie or walk with friends, don't forget to send us your picture for the annual photo! Pre-registration is required, participation fee is \$15 and includes a fun run T-shirt. Registration cut off to receive a shirt prior to conference is October 31, all shirts will be mailed to participants directly.

9:00AM – 9:15AM WELCOME OPENING CEREMONIES AND AWARDS

SPEAKER: *Vivian Gray, SACRS President*

AWARDS: *Dan McAllister, SACRS Immediate Past President*

WEDNESDAY, NOVEMBER 11 (continued)

9:15AM – 10:15AM 2020 VISION – THE CONSEQUENCES OF THE PRESIDENTIAL ELECTION

The big highlights of the primaries and the general election. As this historic and wildly unpredictable election comes to a close on Election Day, it won't be hard to remember how America got here. Over a dozen candidates hoping to be the Democratic nominee and the GOP supporting President Donald J. Trump for a second term.

SPEAKER: *Ron Insana, CNBC*

MODERATOR: *Frank Mottek*

10:15AM – 10:30AM NETWORKING BREAK

10:30AM – 11:30AM CALIFORNIA RECOVERY/COVID-19

A new California rule requires everyone to wear face masks in public as more businesses and public spaces have reopened in the state. For some residents, the mandate is controversial even as COVID-19 hospitalizations are surging. Eric Feigl-Ding will discuss how public health officials are considering how to boost economic activity in the safest way possible.

SPEAKER: *Eric Feigl-Ding, Harvard T.H. Chan School of Public Health*

MODERATOR: *Frank Mottek*

11:30AM – 1:00PM NETWORKING LUNCH BREAK

SACRS first ever virtual networking lunch! SACRS virtual networking lunch is a one-of-a-kind event where you can network with other conference attendees – Trustees Staff and Affiliates, all from the comfort of your desk. Grab a bite to eat and log into our "virtual networking lunch" for an hour and a half of meaningful networking. You'll walk away with new connections, friends and insights! Visit the Exhibit Hall and stop by our Affiliate Booths! Trustees and Staff members that stop by each Booth will automatically qualify you for a free Amazon Gift Card.

1:15PM – 3:30PM AFTERNOON BREAKOUTS

Build interactive collaborations, uncover new opportunities, and enjoy a great networking experience from the comfort of your desk. Interact in real-time just by joining a breakout. You'll video chat with other professionals from the conference.

Administrators Breakout

MODERATOR: *Eric Stern, Sacramento CERA*

Affiliate Breakout

MODERATOR: *Teri Noble, Pathway*

Attorneys Breakout

MODERATOR: *TBD*

Internal Auditors Breakout

MODERATOR: *Harsh Jadhav, Alameda CERA*

CONFERENCE AGENDA



SACRS ANNUAL FALL CONFERENCE

NOVEMBER 10-13, 2020

WEDNESDAY, NOVEMBER 11 (continued)

Investment Staff Breakout

MODERATOR: TBD

Operations/Disability Breakout

MODERATOR: TBD

Safety Breakout

MODERATOR: Brian Williams, Sonoma CERA

Trustee Breakout

A comprehensive overview to mastering the roles and responsibilities of a public pension fiduciary in the U.S.

In an ever-changing financial and political landscape, your job as a public pension fiduciary continues to get more difficult.

The U.S. Public Pension Handbook is the only one-stop resource that covers the various areas of public pension governance, investment management, infrastructure, accounting, and law.

This comprehensive session presents critical data, information, and insights in topic-specific, easy-to-understand ways—providing the knowledge you need to elevate your expertise and overall contribution to your pension plan or system.

SPEAKER: Von Hughes, PAAMCO

MODERATOR: Kathryn Cavness, Mendocino CERA

3:45PM – 4:45PM NETWORKING RECEPTION

Make time to visit the Exhibit Hall during SACRS virtual networking reception! SACRS virtual networking reception is a one-of-a-kind event where you can network with other conference attendees – Trustees Staff and

Affiliates, all from the comfort of your desk. Grab a drink and log into our “virtual networking reception” for an hour of meaningful networking. Visit the Exhibit Hall and stop by our Affiliate Booths! Trustees and Staff members that stop by each Booth will automatically qualify you for a free Amazon Gift Card. You’ll walk away with new connections, friends and insights!

THURSDAY, NOVEMBER 12

7:00AM – 8:00AM SACRS WELLNESS SESSION – VIRTUAL YOGA

Need some Wellness in your life? Join us for a virtual Yoga Class to start your conference day. Attendees will receive a link to participate in a yoga session for all levels. Class is taught by a professional yoga instructor, preregistration is required, fees apply.

9:15AM – 9:30AM WELCOME TO DAY TWO!

SPEAKER: Vivian Gray, SACRS President

THURSDAY, NOVEMBER 12 (continued)

9:30AM – 10:30AM BACKABLE 2.0

Backable people have a seemingly mysterious superpower that lies at the intersection of “creativity” and “persuasion”. When they express themselves, we feel moved. When they share an idea, we take action. In 2019, Suneel Gupta introduced Backable to SACRS. This time around, you’ll walk away with 5 immediately actionable, never-shared-before techniques on how to make yourself Backable for any occasion - whether that’s raising money, pitching a client, applying for a role, or convincing your kids to clean their room.

SPEAKER: Suneel Gupta, Author

MODERATOR: Frank Mottek

10:30AM – 11:00AM NETWORKING BREAK

11:00AM – 12:00PM LAND OF THE FREE, HOME OF THE COLOR BRAVE

This year, America has experienced an unprecedented national introspection while attempting to reconcile the enlightened promises of our 18th-century founding documents with our 21st-century views on racial and gender equality. This fireside chat with Melody Hobson, Co-CEO of Ariel Investments and one of the country’s most successful business leaders, will be a frank conversation on diversity as a source of excellence that pension leaders should actively seek.

SPEAKER: Melody Hobson, Ariel Investments

MODERATOR: Sam Austin, NEPC

12:00PM – 12:30PM NETWORKING LUNCH BREAK

SACRS first ever virtual networking lunch! SACRS virtual networking lunch is a one-of-a-kind event where you can network with other conference attendees – Trustees Staff and Affiliates, all from the comfort of your desk. Grab a bite to eat and log into our “virtual networking lunch” for half an hour of meaningful networking. You’ll walk away with new connections, friends and insights!

12:30PM – 1:30PM PANDEMIC ECONOMY: A PERSPECTIVE LOOKING FORWARD

This panel of two distinguished economists and strategists, moderated by Sam Austin from NEPC, will discuss the current state of US and Global economy/markets as well as forward looking expectations. Topics likely to be covered include:

- » Earnings expectations and impact of prolonged Covid virus?
- » Digital transformation and drivers of growth by region?
- » View on China / US relations and impact on supply chain?
- » Decoupling of regional economies and implications?
- » Central Bank policy and implications?
- » Impact of US election?
- » Positioning for the next 3-5 years?

SPEAKERS: Dr. Richard Jerram, Special Economic Advisor to Bank of Singapore and Chief Economist for Top Down Macro and Bob Doll, Senior Portfolio Manager and Chief Equity Strategist, Nuveen

MODERATOR: Frank Mottek



CONFERENCE AGENDA

SACRS ANNUAL FALL CONFERENCE

NOVEMBER 10-13, 2020

THURSDAY, NOVEMBER 12 (continued)

1:45PM – 2:45PM CONCURRENT SESSIONS – 1ST TRACK

■ CONCURRENT SESSION A – Take the Bull by the Horns in your Farmland and Real Estate Debt investments

Commercial real estate has been unevenly impacted by Covid-19. Secular trends underway before the pandemic have accelerated, causing some property types to perform well in the current environment and challenging others. This period of uncertainty is creating unique investment opportunities in real estate debt supported by a priority claim on property cash flow and value.

SPEAKERS: *Steve Rosen – Real Estate Debt PM; Bill Maclay Real Estate Debt PM; and Andy Rubin – Real Estate Debt IPM, Fidelity Institutional Asset Management*

■ CONCURRENT SESSION B – Aging in America - current realities and how do we plan for the future?

Aging adults, especially those with dementia and other disabilities - how are we addressing this? Local impacts, national, solutions, demographics, politics, potential investment opportunities?

SPEAKER: *Debbie Toth, Choice in Aging*

■ CONCURRENT SESSION C – Operations/Benefits

2:45AM – 3:00PM NETWORKING BREAK

3:00PM – 4:00PM CONCURRENT SESSIONS – 2ND TRACK

■ CONCURRENT SESSION A – Renewable Energy and Sustainable Infrastructure An Overview of Project Financing

We invite you to join us for a webinar where we will help investors understand how lending in the construction/operation stage of project development can potentially lead to attractive, equity like returns with consistent cash flow and an attractive risk/reward profile.

SPEAKER: *Tom Emmons, Co-Head of Direct Infrastructure and Ed Levin, Co-Head of Direct Infrastructure, Voya Investment Management*

■ CONCURRENT SESSION B – The Impact of Pension Dollars in Rural Counties

This session would highlight the findings of a new NIRS report on the economic impact of pension dollars in rural counties, particularly on California counties.

SPEAKER: *Tyler Bond, National Institute on Retirement Security*

■ CONCURRENT SESSION C – SACRS 2020 Legislative Update

FRIDAY, NOVEMBER 13

9:00AM – 10:00AM SACRS ANNUAL BUSINESS MEETING

SPEAKERS: *SACRS Board of Directors*



Oct 26, 2020

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: QUARTERLY RETIREMENT ADMINISTRATOR'S REPORT FOR THE PERIOD OF JULY – SEPTEMBER 2020

Dear Board Members:

In compliance with VCERA's Monitoring & Reporting Policy, this report includes information regarding travel, training, key meetings and media communications, as well as other key issues for July through September of 2020. The information provided reflects not only the work associated with the Retirement Administrator, but also of other staff.

General

The 3rd quarter was, like the 2nd quarter, heavily impacted by the effects of COVID-19 on VCERA operations. Most staff members worked remotely, or partly so. While VCERA maintained continuity of all operations, the challenges of workarounds and virtual meetings were sometimes an issue – though employees (myself included) are becoming more skilled in the technical aspects. These skills were put to the test following the Alameda decision, which triggered an unprecedented flurry of activity, analysis, meetings, research, and communication. August and September were dominated by work related to Alameda, and its impact is still requiring an enormous amount of staff effort.

Overall, the VCERA staff has really risen to the occasion and performed well, despite the complications of COVID-19 and the Alameda decision. The Board should be proud of their perseverance and work ethic; as Administrator, I certainly am.

Personnel

In July, VCERA welcomed Karla Mairena as the new Fiscal Manager, replacing Karen Scanlan who had retired. Karla previously worked for the Health Services Agency (HSA) as a Financial Analyst. In September, Chris Olivo joined VCERA as a Retirement Benefits Specialist. He also came from HSA, where he worked as an Office Assistant III.

We have engaged Pamela Bowman as a temporary Legal Management Assistant (LMA) for our General Counsel, and plan to open a recruitment shortly to fill the previously-authorized half-time position.

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October 26, 2020
Page 2

The prior LMA, Su Park, had been our Counsel's assistant for many years and is now ready to be fully-retired, as she has been working limited hours as a retiree.

Chief Financial Officer Henry Solis had originally planned to retire, but following the *Alameda* decision, he reconsidered and decided to stay for the foreseeable future. Efforts were made to place an Interim CFO for some time, but his decision to stay made those efforts unnecessary.

Board/Policy/Compliance

Of course, the passing of Trustee Wilson was a difficult blow, and his wisdom and guidance have been missed. His seat is now vacant, as is the seat of former Trustee Bianchi and former Alternate Trustee McCombs, until the County appoints new trustees for those vacancies. The Fall elections were completed, with Retired Trustee Goulet and Alternate Retired Trustee Hoag retained their seats without the need to hold an election, as they were the only candidates. The Safety Member election was held, with new Safety Trustee Aaron Grass will be joining the Board in January. Trustee Ashby will serve as Alternate Safety Trustee.

Senior staff worked to provide training and orientation to new Trustee Hernandez-Garcia.

On July 13th, the Board approved the biennial Conflict of Interest Code, with one small correction of staff title. The Board also implemented a new policy to suspend the monthly mailing of retiree pay advices for a considerable cost savings.

The Board of Retirement approved a new Disability Retirement Model on July 27th, and this was the culmination of many months of work and development. This important event will pave the way for a much more transparent and compliant process, to the benefit of future applicants.

Operations

Operations staff have been profoundly impacted by *Alameda*, with a surge in member questions, concerns and correspondence. Many staff members are performing manual calculations, applying the new rules. Processing for some tasks were put on hold while the ruling was reviewed and instructions were given. They are now attempting to catch up on the accumulated requests, often making multiple manual calculations to show with/without flex credit in compensation earnable and as well as other scenario-based work. Senior Operations staff have been heavily involved in comp earnable analyses to advance the work on *Alameda* implementation.

The Actives Unit assisted in reviewing interest posting, adopting contribution rate changes and reviewing the actuarial data extract in advance of the valuation report.

The first new-model disability applications were received, and the new forms and member materials are now in use. Disability staff provided information and training to some trustees who wanted a better understanding of the new processing model.

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October 26, 2020
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Fiscal

Fiscal staff closed out the 2019-2020 fiscal year, generating financial statements and statement of reserves. The annual financial audit fieldwork took place in late September; no significant issues were noted during the exit conference, though not all fieldwork was completed at that point.

Information Technology

The Chief Technology Officer (CTO) and her staff continued their cybersecurity review, and the results will be provided to the Board in November. Demo sessions have been scheduled with vendors to explore new agenda management software. SQL training was provided to the two system administrators. The CTO has completed the tasks related to the office remodel, and Ms. Oliver's leadership on that effort was outstanding and the entire staff appreciates her work. As part of that, the Boardroom was completed, and the new technology installed. Ongoing tasks related to security, software upgrades and transitions, etc., were completed throughout the quarter.

The review of the new Vitech contract moved along in the 3rd quarter, thanks to the tenacious efforts of the CTO. Legal review of the document was performed by an attorney at Ice Miller who specializes in these types of contracts, and VCERA staff and counsel have sent feedback to the attorney.

The new Board member iPads were ordered as well, and the new models will soon be distributed to the individual trustees.

Legal

VCERA's General Counsel is involved in most major endeavors, reviewing important documents, correspondence, and of course, advising on contracts and legal issues. Her expertise has been invaluable in VCERA's response to Alameda, and has made herself available at every turn to assist in the critical interpretation and implementation.

In addition, during this past quarter, VCERA was successful in obtaining an order dismissing the case of Scott v. VCERA, et al., pending in the United States District Court, for the District of Arizona. The action was initiated by the Registered Domestic Partner (RDP) of a deceased retiree who claims entitlement to benefits as the beneficiary, payable upon the death of the VCERA member. With Nossaman's assistance, VCERA engaged local counsel in Arizona for the defense. A companion case in the family law division of the Ventura County Superior Court is pending and a ruling on the proper beneficiary, as between the RDP and former spouse is anticipated within the next 6 to 8 months. VCERA is joined as a "claimant" because we hold the benefits.

Communications

The VCERA Communications Officer assisted in Alameda-related communication on the website and in related research. Work began with the CFO on the Comprehensive Annual Financial Report (CAFR), and a virtual Retirement Workshop presentation was recorded in coordination with the County's Deferred Compensation staff.

Q3 2020 Report
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Travel & Training

No travel or training this quarter by the Retirement Administrator, though I served as a presenter at the CALAPRS Communications Roundtable to speak about the use of video content.

Media

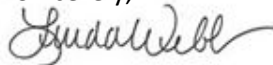
Both the Retirement Administrator (RA) and the CFO provided information to the Ventura County Star on the recent amortization layer being paid off and the impact of that on the County budget. In September, the RA gave considerable information to the Star on the Alameda decision.

Key Meetings

There were numerous key meetings in the 3rd quarter, most of which centered around the implications of the *Alameda* decision, primarily between the RA, General Counsel and VCERA's fiduciary counsel, Ashley Dunning from Nossaman. Because the Chair appointed an ad hoc litigation committee in response to County, union and member objections to implementation of the Alameda ruling, that committee met with Ms. Dunning as well, along with the RA and General Counsel.

Please contact me with any questions you may have regarding this quarterly report.

Sincerely,



Linda Webb
Retirement Administrator



October 26, 2020

SUBJECT: CHIEF INVESTMENT OFFICER'S 3rd QUARTER 2020 INVESTMENT ACTIVITY REPORT

Dear Board Members:

Below is a summary of third quarter 2020 investment activity.

Private investments:

- \$15 million new commitment by Abbott Capital to an early stage North American venture fund.

Investment presentations:

VCERA Chief Investment Officer:

- CIO
 - UBS Trumbull Property Fund (TPF) Loyalty Discount Fee analysis and recommendation.
 - Reported that three of VCERA's managers were impacted by the computer hack of cloud-based data room provider SEI's subcontractor. Some client information was compromised, but the damage appears to have been limited to disclosure of clients' user IDs and passwords.
 - Investment Policy updates and enhancements including descriptions of VCERA's investment strategies; commingled funds and separate accounts differences; refined Watch status description; consolidated securities lending program features; regrouped and clarified management control duties and responsible parties.
- NEPC
 - Development of a Pacing Plan for VCERA's Real Assets portfolio.
 - 2020 Second Quarter Investment Performance Report.
 - 2020 June, July, and August Preliminary Investment Performance Reports.
- Investment Managers
 - Walter Scott Annual Investment Presentation.
 - Hexavest Annual Investment Presentation.

Respectfully submitted,

Dan Gallagher

Chief Investment Officer



MEMORANDUM

TO: Board of Retirement

FROM: Art Goulet, Chair *Art Goulet*

DATE: October 26, 2020

SUBJECT: Information Regarding Assembly Bill 2101

AB 2101 was an omnibus Assembly Public Employment and Retirement Committee bill. It was non-controversial and passed through all the committees and both houses of the Legislature without a single “no” vote. It was finally passed by the Legislature on September 30 and signed by the Governor on September 29.

It contained a number of provisions recommended by the SACRS Legislative Committee, of which I am a member. Actually, all these provisions were in SACRS-sponsored SB 783, which was amended wholesale into AB 2101.

Most were technical, for clarification, or essentially ratifying current practice in most CERL systems. Among these were the provisions regarding (1) service credit for military leaves of absence, (2) the age of eligibility for continuances to children; (3) the codification/affirmation of the ruling in *Mijares v. OCERS* (adjustment of employer contribution rate when district no longer has active employees to insure appropriate funding of the retirement system), and (4) specifying that the Retirement Administrator/staff may exercise the Board’s power to grant a retirement application, which will then be ratified by the Board in open session.

The provision that changed the age for required minimum distributions and notices conformed CERL to the provisions of the federal SECURE Act.

The substantive changes were (1) the provision enabling someone who is challenging their termination to take a voluntary retirement, and then pay back the benefits if a final determination is made by the Civil Service Commission or Court that the termination was wrongful and the employee is reinstated to active employment. (This is a provision that is in the PERL and CalSTRS statutes); (2) the provision that gives counties the option to allow employees to purchase service credit for parental leave, for up to 12 months, effective for Leaves of Absence after the date the Board of Supervisors makes the provision applicable in the county, and (3) the provision giving retirement boards the option to allow applications for retirement to be accepted more than 60 days prior to the member’s requested date of retirement.

New ILPA Virtual Institute Program!

Email not displaying correctly?
[View it in your browser.](#)

NEW COURSE - EXCLUSIVE INVITATION PRIVATE EQUITY FOR THE TRUSTEE

ILPA is thrilled to announce the launch of our newly designed program ***Private Equity for the Trustee***. The course explores the basic aspects of the private equity asset class, the economics of a private equity investment, the current state of the market and its external perception.

We know that you have expressed an interest as ILPA worked to create this course, and we would like to offer you the first opportunity to enroll alongside your trustee(s). To start we will be offering this class virtually in two instances on the 16 and 17 of November and the 19 and 20 of November.

If you're familiar with other Institute courses, the virtual format is designed to feel as close to an in-person experience as possible, all delivered remotely. We've made the following adaptations to seamlessly convert our world-class in-person experience to virtual:

- Classes will take place via Zoom technology, so that you can see and engage with your fellow attendees
- Classes will run in 4-hour sessions on designated dates allowing for reasonable integration with your work schedule and in digestible amounts of content
- Reduced virtual registration fees apply – rates are discounted 20% from our ordinary early-bird rates
- Course materials will be delivered to your home, or office, in advance so you have all the materials you'd have in an in-person class
- Certificates of completion will be provided after the course so you can celebrate your accomplishment

PRIVATE EQUITY FOR THE TRUSTEE

November 16-17 / November 19-20

Each session will run 1pm - 5pm EST

[REGISTER NOW](#)

For more information on the curriculum and event, please contact [Mandy Ilk](#).



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ILPA
1776 Eye Street N.W., Suite 525
Washington, D.C.
20006, USA

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I am writing to inform you that Jae Park, EVP and Chief Investment Officer, will retire on March 31, 2021, (at age 66) after 19 years at Loomis Sayles. In keeping with recent senior management retirements, we are announcing Jae's retirement well in advance of the effective date in order to inform our clients and ensure a seamless transition.

Deputy Chief Investment Officer David Waldman, EVP, will assume the role of Loomis Sayles CIO effective March 31, 2021. As CIO, David will assume leadership responsibilities for all Loomis Sayles investment, research, and trading teams with the exception of the Growth Equity Strategies (GES) team. GES is led by Aziz Hamzaogullari, EVP and founder, CIO and portfolio manager of the Growth Equity Strategies team. He will report directly to Kevin Charleston, CEO.

David is the ideal successor to Jae. He and Jae have been longtime partners responsible for overseeing Loomis Sayles' investment and research teams, and David has been instrumental in building key components of the firm's investment infrastructure over the past 13 years. David was named Deputy CIO in 2013, a position established in part to provide a succession plan for Jae. David has dedicated his career to investment excellence and will continue to lead our ongoing efforts to refine our investment processes and promote rigor, repeatability and discipline. You should not expect any impact to the investment philosophies or processes associated with your portfolios now or at the time of David's transition to CIO.

Jae joined Loomis Sayles as director of fixed income in 2002 after 21 years with IBM, where he served as director of fixed income investments for the firm's retirement fund. As a client of Loomis Sayles, Jae worked closely with Dan Fuss and several others within our organization. Recruiting a client is rather unconventional, but those who knew and worked with Jae were convinced there was no better candidate.

Jae's vision for Loomis Sayles' investment teams and the foundations he put in place to support our investment teams have led to tremendous firm-wide growth, product expansion and a global reputation for investment excellence. During his tenure, AUM have grown from \$54 billion to our current all-time high of \$328 billion. We are grateful to Jae for his commitment and contributions and wish him the best in his next chapter.

Please contact me if you have any questions or would like to discuss further.

Best Regards,
Stephanie

Stephanie S. Lord, CFA, CIC

Vice President, Senior Relationship Manager
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