

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

June 16, 2014

AGENDA

PLACE: Ventura County Employees' Retirement Association
Second Floor Boardroom
1190 South Victoria Avenue
Ventura, CA 93003

TIME: 9:00 a.m.

ITEM:

- | | Master Page No. |
|--|-----------------|
| I. <u>CALL TO ORDER</u> | |
| II. <u>APPROVAL OF AGENDA</u> | 1 – 2 |
| III. <u>APPROVAL OF MINUTES</u> | |
| A. Disability Meeting of June 2, 2014. | 3 – 9 |
| IV. <u>CONSENT AGENDA</u> | |
| A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of May 2014. | 10 – 11 |
| B. Receive and File Report of Checks Disbursed in May 2014. | 12 – 22 |
| C. Receive and File Budget Summary for FY 2013-14 Month Ending May 2014. | 23 |
| V. <u>STANDING ITEM</u> | |
| A. Receive an Oral Update on Pensionable Compensation and PEPRA. | |
| VI. <u>ANNUAL INVESTMENT PRESENTATIONS</u> | |
| A. Receive Annual Investment Presentation, Grantham, Mayo, Van Otterloo & Co. LLC, Tom Rosalanko, Portfolio Manager, and Lisa Stanton, Client Relationship Manager (30 Minutes). | 24 – 52 |

VI. ANNUAL INVESTMENT PRESENTATIONS (continued)

- B. Receive Annual Investment Presentation, Parametric Clifton, Justin Henne, Senior Portfolio Manager (30 Minutes). 53 – 78

VII. INVESTMENT INFORMATION

- A. NEPC – Don Stracke, Senior Consultant, Allan Martin, Partner.
1. Receive and File Performance Report Month Ending May 31, 2014. 79 – 85
RECOMMENDED ACTION: Receive and File.
2. Approval of Date for Summer Due Diligence Visits and Review of PIMCO Watch Status. 86 – 87
RECOMMENDED ACTION: Approve.
3. Asset Allocation Update and Work Plan Discussion. 88 – 90
RECOMMENDED ACTION: Approve.
4. Receive Direct Lending Educational Discussion, White Oak Global Advisors, LLC, Barbara McKee, Managing Partner and Casey Jones, Managing Director, Marketing. 91 – 105
5. Discussion of Potential Investment Retreat Dates and Subjects. 106 – 107

VIII. NEW BUSINESS

- A. Approval of Hearing Officer Contracts. 108 – 111
RECOMMENDED ACTION: Approve.
- B. Review of Ventura County Employees' Retirement Information System (VCERIS) Project Status Report, Month Ending May 2014. 112
RECOMMENDED ACTION: Receive and File.

IX. PUBLIC COMMENT

X. STAFF COMMENT

XI. BOARD MEMBER COMMENT

XII. ADJOURNMENT

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

DISABILITY MEETING

June 2, 2014

MINUTES

DIRECTORS Tracy Towner, Chair, Safety Employee Member
PRESENT: William W. Wilson, Vice Chair, Public Member
Steven Hintz, Treasurer-Tax Collector
Joseph Henderson, Public Member
Mike Sedell, Public Member
Tom Johnston, General Employee Member
Deanna McCormick, General Employee Member
Arthur E. Goulet, Retiree Member
Will Hoag, Alternate Retiree Member
Chris Johnston, Alternate Safety Employee Member

DIRECTORS Peter C. Foy, Public Member
ABSENT:

STAFF Tim Thonis, Interim Retirement Administrator
PRESENT: Lori Nemiroff, Assistant County Counsel
Henry Solis, Chief Financial Officer
Julie Stallings, Retirement Operations Manager
Donna Edwards, Retirement Benefits Specialist
Chantell Garcia, Retirement Benefits Specialist
Stephanie Caiazza, Program Assistant

PLACE: Ventura County Employees' Retirement Association
Second Floor Boardroom
1190 South Victoria Avenue
Ventura, CA 93003

TIME: 9:00 a.m.

ITEM:

I. **CALL TO ORDER**

Chairman Towner called the Disability Meeting of June 2, 2014, to order at 9:00 a.m.

II. APPROVAL OF AGENDA

Mr. Goulet requested that the agenda be amended to remove New Business Item "VII.C. Authorization to Attend CALAPRS Trustee Roundtable, June 13, 2014", because he no longer desired to attend.

MOTION: Approve the Agenda, as amended.

Moved by T. Johnston, seconded by McCormick.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Towner

No: -

Absent: Foy, Sedell

III. APPROVAL OF MINUTES

A. Business Meeting of May 19, 2014.

MOTION: Approve the Minutes.

Moved by Goulet, seconded by Hintz.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Towner

No: -

Absent: Foy, Sedell

IV. RECEIVE AND FILE PENDING DISABILITY APPLICATION STATUS REPORT

MOTION: Receive and file the Report.

Moved by Goulet, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Towner

No: -

Absent: Foy, Sedell

V. APPLICATIONS FOR DISABILITY RETIREMENT

A. Application for Non-Service Connected Disability Retirement; Romuld, Debbie A.; Case No. 14-001.

Paul Hilbun was present representing the County of Ventura Risk Management. The applicant, Debbie A. Romuld, was present.

Both parties declined to make statements.

The following Motion was made:

MOTION: Grant the applicant, Debbie A. Romuld, a non-service connected disability retirement.

Moved by Wilson, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Towner

No: -

Absent: Foy, Sedell

Both parties agreed to waive Preparation of Findings of Fact and Conclusions of Law.

Mr. Sedell entered the meeting at 9:04 a.m.

- B. Application for Service Connected Disability Retirement, Diaz, Ester V.;
Case No. 12-012.

Paul Hilbun and John I. Gilman, Attorney at Law, were present representing the County of Ventura Risk Management. The applicant was not present.

After discussion by the Board, the following Motion was made:

MOTION: Adopt the Hearing Officer's Supplemental Report to Previously Proposed Findings and Recommendations and deny the applicant, Ester V. Diaz, a service connected disability retirement.

Moved by Wilson, seconded by McCormick.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

- C. Application for Service Connected Disability Retirement; Hillberg, Donald;
Case No. 10-028.

Paul Hilbun and B. Derek Straatsma, Attorney at Law, were present representing the County of Ventura Risk Management. Laurence D. Grossman, Attorney at Law, was present representing the applicant. The

applicant, Donald Hillberg, was also present.

After statements by both parties and discussion by the Board, the following Motion was made:

MOTION: Approve the Hearing Officer's recommendation and grant the applicant, Donald Hillberg, a service connected disability retirement.

Moved by T. Johnston, seconded by McCormick.

Vote: Motion carried

Yes: Hintz, T. Johnston, Henderson, McCormick, Towner

No: Sedell, Wilson, Goulet

Absent: Foy

VI. OLD BUSINESS

A. Consideration of 2014/15 Business Plan.

RECOMMENDED ACTION: Approve.

The Interim Retirement Administrator presented the 2014/15 Business Plan to the Board.

Following discussion between the Board and Staff, Mr. Towner directed the Personnel Review Committee to discuss with Staff the potential investment officer position, and the increase and reclassification of certain positions.

Mr. C. Johnston requested and Staff agreed to provide more detailed information regarding the recommendation to delay implementation of the new disability hearing procedures, including additional projected Information Technology costs.

The following motion was made:

MOTION: Approve the adoption of 2014/15 Business Plan.

Moved by Sedell, seconded by Wilson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

B. Review and Adoption of Proposed Fiscal Year 2014/15 Budget.

RECOMMENDED ACTION: Approve.

Chief Financial Officer Henry Solis presented the 2014/15 Business Plan to the Board.

MOTION: Approve the adoption of the 2014/15 Budget.

Moved by Wilson, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

VII. NEW BUSINESS

- A. Review of Ventura County Employees' Retirement Information System (VCERIS) Project Status Report, Month Ending April 2014.

RECOMMENDED ACTION: Receive and File.

After discussion by the Board and Staff, the following motion was made:

MOTION: Receive and File.

Moved by Sedell, seconded by Wilson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

Chair Towner left the meeting at 11:00 a.m. Mr. Wilson served as Chair for the remainder of the meeting.

- B. Review and Consideration of VCERA Board Travel Policy.

RECOMMENDED ACTION: Approve.

After discussion by the Board and Staff, the following motion was made:

MOTION: Approve the VCERA Board Travel Policy, with direction to Staff to provide more information about meal reimbursement rates.

Moved by Henderson, seconded by T. Johnston.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Sedell, C.
Johnston, Wilson

No: -

Absent: Foy, Towner

C. Authorization to Attend CALAPRS Trustee Roundtable, June 13, 2014.

RECOMMENDED ACTION: Approve.

Removed from Agenda.

VIII. INFORMATIONAL

A. SACRS Public Pension Investment Management Program 2014; July 20 – 23, 2014, U.C. Berkeley.

IX. PUBLIC COMMENT

None.

X. STAFF COMMENT

None.

XI. BOARD MEMBER COMMENT

Mr. Hoag informed the Board that the Personnel Review Committee will review the Cooperative Personnel Services (CPS) contract for the retirement administrator recruitment.

Mr. T. Johnston informed the Board that he will likely be absent for the next three meetings.

Mr. Henderson led the Board in thanking Tim Thonis for his services as Interim Retirement Administrator for VCERA.

XII. ADJOURNMENT

The meeting was adjourned at 11:07 a.m.

Respectfully submitted,



TIM THONIS, Interim Retirement Administrator

Approved,

TRACY TOWNER, Chairman

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

MAY 2014

FIRST NAME	LAST NAME	G/S	DATE OF MEMBERSHIP	TOTAL SERVICE	OTHER SERVICE	DEPARTMENT	EFFECTIVE DATE
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REGULAR RETIREMENTS:

Carol M.	Benson	G	12/27/1987	26.10		Health Care Agency	05/08/14
Leonard	Cooper	G	2/14/2001	12.00		General Services Agency	04/07/14
Gloria I.	Davidson	G	6/5/2014	5.80		Human Services Agency	04/05/14
Luis	De La Rosa	G	3/25/1984	29.90		Health Care Agency	05/01/14
Glenn D.	Garcia	S	9/19/1977	36.50		Fire Protection	03/30/14
David K.	Gurrola	S	3/27/1983	31.00		Fire Protection	03/29/14
Daniel E.	Hartzell	G	2/18/2009	5.50	C = 4.3316 D = 0.3333	Public Works	04/26/14
Sandra D.	Herbert	G	6/16/1996	16.70		Health Care Agency	04/11/14
Reed A.	Kregel	G	7/11/1999	13.80		Public Works	04/18/14
Susan C.	Milani	G	4/18/1999	15.00		Sheriff's Department	05/10/14
Teri L.	Norrdin	G	9/10/2001	12.50		Health Care Agency	
Patricia A.	O'Brien	G	4/1/2002	12.10		Library Services Agency	05/09/14
Ana M.	Ochoa	G	4/2/2001	7.10		Health Care Agency	05/14/14
Martha	Owings	G	10/21/2002	15.30	A = 0.5575	(Deferred) Health Care Agency	05/10/14
Pablo	Paredes	G	1/3/1982	25.10	D = 3.1874 B = 0.1151	Information Services Agency	04/11/14
James E.	Penny	G	6/11/1990	23.40	C = 8.47	Health Care Agency	04/13/14
Julie Ann	Reupert	G	10/15/1989	20.50	B = 0.1162	Sheriff's Department	04/02/14
Judith M.	Ryan	G	7/8/2003	10.70		Information Services Agency	05/09/14
Kelly A.	Ryan	G	6/4/1995	16.80		Sheriff's Department (31725.5)	03/16/14
Corazon	Santos	G	9/12/1993	20.50		Human Services Agency	05/03/14
Charles M.	Saviers	S	8/8/1999	0.10	C = 29.42	Sheriff's Department (Deferred)	07/12/08
Roberta J.	Scott	G	10/25/1993	8.80	C = 17.4158	Health Care Agency (Deferred)	03/29/14
Janet G.	Swingle	G	6/10/2001	4.20		Sheriff's Department (Deferred)	04/28/14
Lincoln B.	Thomas	G	9/10/2006	7.50	C = 2.5122	Resource Management Agency	04/12/14
Mary H.	Velasquez	G	12/23/1990	23.50	B = 0.1162	Probation Agency	05/09/14
Sharon L.	Velasquez	G	8/26/1984	24.60		Child Support Services	05/04/14

DEFERRED RETIREMENTS:

Alvan A.	Arzu	G	12/18/2005	7.90		District Attorney	04/25/2014
Kevin J.	Azbell	G	12/14/2008	5.11		Health Care Agency	04/13/2014
Marlena	Brooker	G	07/23/2000	8.33		Health Care Agency	05/15/2014
Carolyn L.	Consoli	G	02/12/2006	6.73		Health Care Agency	05/12/2014
Grace A.	Deisler-Dunlevy	G	09/24/2006	7.45		Human Service Agency	05/11/2014
Linda	Gibson	G	05/18/2008	5.74		County Executive Office	05/02/2014
Kimberly	Kandarian	G	08/09/1998	15.43		Health Care Agency	05/02/2014
Eric	Kothman	G	03/22/1998	16.22		Health Care Agency	05/09/2014
James	Lebus	G	05/03/1998	15.90		Information Technology Services	05/22/2014
Linda Sue	Norris	G	07/04/2004	8.88		Health Care Agency	04/09/2014

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

MAY 2014

FIRST NAME	LAST NAME	G/S	DATE OF MEMBERSHIP	TOTAL SERVICE	OTHER SERVICE	DEPARTMENT	EFFECTIVE DATE
Angela	Portillo	G	04/24/2005	8.86		Child Support Services	05/23/2014
Yolanda	Ruelas	G	10/21/2007	5.79		Human Services Agency	04/17/2014
Gregory W.	Thaxton	S	02/26/2006	8.13	C=3.97000	Fire Protection District	04/14/2014
Jared S.	Wilkinson	G	05/18/1997	16.94		Information Technology Services	04/28/2014

SURVIVORS' CONTINUANCES:

Laurette J. Dunlap
 Carolyn Garcia
 Ellen A. Liljekvist

*** = Member Establishing Reciprocity**
A = Previous Membership
B = Other County Service (eg Extra Help)
C = Reciprocal Service
D = Public Service

Date: Tuesday, June 03, 2014
 Time: 04:13PM
 User: 108359

Ventura County Retirement Assn
Check Register - Standard
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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
Company: VCERA										
Acct / Sub:	1002		00							
023583	VC	5/8/2014	116637 FRANCISCO S. PEDROZA	11-14 11-14	018395	VO	REFUND	4/3/2014	0.00	-61,350.12
Check Total										-61,350.12
023584	-	023696	Missing							
023697	CK	5/1/2014	F8761 MICHAEL S. MARTINEZ	11-14	018510	VO	PENSION PAYMENT	5/1/2014	0.00	8,184.64
023698	CK	5/1/2014	990002 ARTHUR E. GOULET	11-14	018511	VO	TRAVEL REMIB	5/1/2014	0.00	976.82
023698	CK	5/1/2014	990002 ARTHUR E. GOULET	11-14	018512	VO	MILEAGE REIMB	5/1/2014	0.00	38.08
Check Total										1,014.90
023699	CK	5/1/2014	ADP ADP INC	11-14	018513	VO	ADMIN EXP	5/1/2014	0.00	2,697.60
023700	CK	5/1/2014	CORPORATE STAPLES ADVANTAGE	11-14	018514	VO	ADMIN EXP	5/1/2014	0.00	342.67
023701	CK	5/1/2014	COUNTY COUNTY COUNSEL	11-14	018515	VO	LEGAL FEES	5/1/2014	0.00	27,370.00
023702	CK	5/1/2014	CUSTOM CUSTOM PRINTING	11-14	018516	VO	ADMIN EXP	5/1/2014	0.00	251.81
023703	CK	5/1/2014	LOOMIS LOOMIS, SAYLES & COMP, LF	11-14	018517	VO	INVESTMENT FEES	5/1/2014	0.00	178,622.50
023704	CK	5/1/2014	MF M.F. DAILY CORPORATION	11-14	018518	VO	ADMIN EXP	5/1/2014	0.00	15,008.26
023705	CK	5/1/2014	ROSENTHAL JOHN L. ROSENTHAL	11-14	018519	VO	ADMIN EXP	5/1/2014	0.00	831.25
023706	CK	5/1/2014	SPRUCE SPRUCEGROVE INVESTMEN	11-14	018520	VO	INVESTMENT FEES	5/1/2014	0.00	58,417.70
023707	CK	5/1/2014	TORTOISE TORTOISE CAPITAL ADVISOF	11-14	018521	VO	INVESTMENT FEES	5/1/2014	0.00	208,902.29

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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
023708	CK	5/1/2014	VOLT VOLT	11-14	018522	VO	ADMIN EXP	5/1/2014	0.00	2,360.35
023709	CK	5/1/2014	ZIGMAN LOUIS M. ZIGMAN, ESQ	11-14	018523	VO	ADMIN EXP	5/1/2014	0.00	1,793.75
023710	CK	5/5/2014	F7231 BEVERLY A. RECORD	11-14	018524	VO	PENSION PAYMENT	5/5/2014	0.00	729.37
023711	CK	5/8/2014	101990B1 JESSICA SERRANO	11-14	018525	VO	DEATH BENEFIT	5/8/2014	0.00	7,562.18
023712	CK	5/8/2014	101990B1R FIDELITY	11-14	018526	VO	ROLLOVER	5/8/2014	0.00	27,622.44
023713	CK	5/8/2014	107016 ALEJO E. LABRADOR	11-14	018527	VO	REFUND T2 COL	5/8/2014	0.00	12,059.85
023714	CK	5/8/2014	108500 ZOILA MARIANA VERA	11-14	018528	VO	REFUND	5/8/2014	0.00	241.98
023715	CK	5/8/2014	116378 ELSA M. HERNANDEZ	11-14	018529	VO	REFUND	5/8/2014	0.00	23,565.15
023716	CK	5/8/2014	117498 CARMEN A. ECHEVARRIA	11-14	018530	VO	REFUND	5/8/2014	0.00	7,862.44
023717	CK	5/8/2014	120050 JESS H. HADDOW	11-14	018531	VO	REFUND	5/8/2014	0.00	5,013.52
023718	CK	5/8/2014	120050R FIDELITY INVESTMENTS	11-14	018532	VO	ROLLOVER	5/8/2014	0.00	13,523.70
023719	CK	5/8/2014	120728 EVAN D. DOSS	11-14	018533	VO	REFUND	5/8/2014	0.00	12,436.15
023720	CK	5/8/2014	121347 VENESSA F. CORDELL	11-14	018534	VO	REFUND	5/8/2014	0.00	6,359.43

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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period		Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
				To Post	Closed						
023721	CK	5/8/2014	123375 VANITA BHIKHA STAR	11-14		018535	VO	REFUND	5/8/2014	0.00	2,263.12
023722	CK	5/8/2014	F0242B1 DORIS ELIZABETH BICKETT 1	11-14		018536	VO	DEATH BENEFIT	5/8/2014	0.00	4,500.00
023723	CK	5/8/2014	F0681B1 STEVEN JAMES EVERETT	11-14		018537	VO	DEATH BENEFIT	5/8/2014	0.00	2,491.32
023724	CK	5/8/2014	F0681B2 SUZANNE ANDERSON	11-14		018538	VO	DEATH BENEFIT	5/8/2014	0.00	2,491.31
023725	CK	5/8/2014	F1833 SYDNEY H. SMITH	11-14		018539	VO	PENSION PAYMENT	5/8/2014	0.00	426.48
023726	CK	5/8/2014	F3614S ELLEN A. LILJEKVIST	11-14		018540	VO	DEATH BENEFIT	5/8/2014	0.00	1,415.70
023727	CK	5/8/2014	F5429S JEANNE C. SPIKER	11-14		018541	VO	DEATH BENEFIT	5/8/2014	0.00	1,466.74
023728	CK	5/8/2014	F6563 ANGELA J. RUSSELL	11-14		018542	VO	PENSION PAYMENT	5/8/2014	0.00	3,587.09
023729	CK	5/8/2014	F8692 EDA L. CORTEZ	11-14		018543	VO	PENSION PAYMENT	5/8/2014	0.00	1,415.80
023730	CK	5/8/2014	BROWN BROWN ARMSTRONG	11-14		018544	VO	ADMIN EXP	5/8/2014	0.00	240.00
023731	CK	5/8/2014	CDW GOVERN CDW GOVERNMENT	11-14		018545	VO	IT	5/8/2014	0.00	4,027.50
023732	CK	5/8/2014	COMPUWAVE COMPUWAVE	11-14		018546	VO	IT	5/8/2014	0.00	428.30
023733	CK	5/8/2014	CORPORATE STAPLES ADVANTAGE	11-14		018547	VO	ADMIN EXP	5/8/2014	0.00	431.89
023734	CK	5/8/2014	HANSONBRID HANSON BRIDGETT LLP	11-14		018548	VO	LEGAL FEES	5/8/2014	0.00	590.85

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023735	CK	5/8/2014	HARRIS HARRIS WATER CONDITIONII	11-14	018549	VO	ADMIN EXP	5/8/2014	0.00	109.50
023736	CK	5/8/2014	PIMCO PACIFIC INVESTMENT MGMT	11-14	018550	VO	INVESTMENT FEES	5/8/2014	0.00	105,796.92
023737	CK	5/8/2014	REAMS REAMS ASSET MANAGEMEN	11-14	018551	VO	INVESTMENT FEES	5/8/2014	0.00	112,979.00
023738	CK	5/8/2014	SPRUCE SPRUCEGROVE INVESTMEN	11-14	018552	VO	INVESTMENT FEES	5/8/2014	0.00	59,062.10
023739	CK	5/8/2014	VOLT VOLT	11-14	018553	VO	ADMIN EXP	5/8/2014	0.00	2,377.40
023740	CK	5/8/2014	102661 LORI NEMIROFF	11-14	018555	VO	TRAVEL REIMB	5/8/2014	0.00	418.00
023741	CK	5/8/2014	990007 DEANNA MCCORMICK	11-14	018556	VO	TRAVEL REIMB	5/8/2014	0.00	2,245.52
023742	CK	5/8/2014	CHILD5 STATE DISBURSEMENT UNIT	11-14	018554	VO	CRT ORDERED PMT	5/8/2014	0.00	511.00
023743	CK	5/8/2014	116637 FRANCISCO S. PEDROZA	11-14	018395	VO	REFUND	4/3/2014	0.00	61,350.12
023744	CK	5/9/2014	F7641 ROBERT J. KING	11-14	018557	VO	PENSION PAYMENT	5/9/2014	0.00	775.07
023745	CK	5/15/2014	104658 JOSEPH A. ROMERO	11-14	018558	VO	REFUND	5/15/2014	0.00	15,958.60
023746	CK	5/15/2014	104658R WELLS FARGO BANK	11-14	018559	VO	ROLLOVER	5/15/2014	0.00	31,632.82
023747	CK	5/15/2014	121744 IVAN K. FABIC	11-14	018560	VO	REFUND	5/15/2014	0.00	5,409.45

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				To Post	Closed						
023748	CK	5/15/2014	122545 SUZANNE R. KENEDY	11-14		018561	VO	REFUND	5/15/2014	0.00	6,090.06
023749	CK	5/15/2014	123818 CURTIS SWEET	11-14		018562	VO	REFUND	5/15/2014	0.00	351.86
023750	CK	5/15/2014	F4664B1 JAMES DAVID PRINCE	11-14		018563	VO	DEATH BENEFIT	5/15/2014	0.00	1,245.81
023751	CK	5/15/2014	F4664B2 CINDY D. PRINCE	11-14		018564	VO	DEATH BENEFIT	5/15/2014	0.00	1,245.80
023752	CK	5/15/2014	F4664B3 DEBORAH ANN PRINCE SAM	11-14		018565	VO	DEATH BENEFIT	5/15/2014	0.00	1,346.81
023753	CK	5/15/2014	XXXXX8665 ROBERT G. ROSSI	11-14		018566	VO	REFUND	5/15/2014	0.00	1,878.99
023754	CK	5/15/2014	XXXXX8665R FIDELITY INVESTMENTS	11-14		018567	VO	ROLLOVER	5/15/2014	0.00	5,285.89
023755	CK	5/15/2014	100748 CHRIS JOHNSTON	11-14		018568	VO	TRAVEL REIMB	5/15/2014	0.00	689.08
023756	CK	5/15/2014	ANTHONY RICHARD C. ANTHONY	11-14		018569	VO	ADMIN EXP	5/15/2014	0.00	612.50
023757	CK	5/15/2014	AT&T AT & T MOBILITY	11-14		018570	VO	IT	5/15/2014	0.00	321.90
023758	CK	5/15/2014	BARNEY ABU COURT REPORTING INC	11-14		018571	VO	ADMIN EXP	5/15/2014	0.00	810.00
023759	CK	5/15/2014	BLACKROCK BLACKROCK INSTL TRUST C	11-14		018572	VO	INVESTMENT FEES	5/15/2014	0.00	160,359.44
023760	CK	5/15/2014	BOFA BUSINESS CARD	11-14		018573	VO	ADMIN EXP	5/15/2014	0.00	2,270.46
023761	CK	5/15/2014	BROWN BROWN ARMSTRONG	11-14		018574	VO	ADMIN EXP	5/15/2014	0.00	847.25

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023762	CK	5/15/2014	COMPUWAVE COMPUWAVE	11-14	018575	VO	IT	5/15/2014	0.00	306.38
023763	CK	5/15/2014	CORPORATE STAPLES ADVANTAGE	11-14	018576	VO	ADMIN EXP	5/15/2014	0.00	354.16
023764	CK	5/15/2014	MEGAPATH MEGAPATH INC.	11-14	018577	VO	IT	5/15/2014	0.00	164.93
023765	CK	5/15/2014	SEGAL SEGAL CONSULTING	11-14	018578	VO	ACTUARY FEES	5/15/2014	0.00	45,532.00
023766	CK	5/15/2014	STATE STATE STREET BANK AND TI	11-14	018579	VO	INVESTMENT FEES	5/15/2014	0.00	8,011.16
023767	CK	5/15/2014	TWC TIME WARNER CABLE	11-14	018580	VO	IT/PAS	5/15/2014	0.00	478.23
023768	CK	5/15/2014	VITECH VITECH SYSTEMS GROUP IN	11-14	018581	VO	PAS	5/15/2014	0.00	2,500.00
023769	CK	5/15/2014	VOLT VOLT	11-14	018582	VO	ADMIN EXP	5/15/2014	0.00	2,302.91
023770	CK	5/15/2014	WESTERN WESTERN ASSET MANAGEM	11-14	018583	VO	INVESTMENT FEES	5/15/2014	0.00	177,956.40
023771	CK	5/22/2014	102958 JAMES E. PENNY	11-14	018584	VO	REFUND T2 COL	5/22/2014	0.00	1,294.10
023772	CK	5/22/2014	120343 JOSEPH T. FLORES	11-14	018585	VO	REFUND	5/22/2014	0.00	4,232.75
023773	CK	5/22/2014	F0625S LAURETTA JO DUNLAP	11-14	018586	VO	DEATH BENEFIT	5/22/2014	0.00	4,272.93
023774	CK	5/22/2014	F4077B1 DAVID WAYNE DEAN	11-14	018587	VO	DEATH BENEFIT	5/22/2014	0.00	414.94

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				To Post	Closed						
023775	CK	5/22/2014	F8466B1 MICHAEL CARONE	11-14		018588	VO	DEATH BENEFIT	5/22/2014	0.00	23,673.98
023776	CK	5/22/2014	F8466B2 VITO FRANK CARONE	11-14		018589	VO	DEATH BENEFIT	5/22/2014	0.00	25,240.91
023777	CK	5/22/2014	104238 TRACY TOWNER	11-14		018590	VO	TRAVEL REIMB	5/22/2014	0.00	227.00
023778	CK	5/22/2014	990002 ARTHUR E. GOULET	11-14		018591	VO	MILEAGE REIMB	5/22/2014	0.00	38.08
023778	CK	5/22/2014	990002 ARTHUR E. GOULET	11-14		018592	VO	TRAVEL REIMB	5/22/2014	0.00	273.40
023779	CK	5/22/2014	990006 MICHAEL SEDELL	11-14		018593	VO	TRAVEL REIMB	5/22/2014	0.00	1,079.65
023780	CK	5/22/2014	990007 DEANNA MCCORMICK	11-14		018594	VO	TRAVEL REIMB	5/22/2014	0.00	218.15
023781	CK	5/22/2014	ACCESS ACCESS INFORMATION MAN	11-14		018595	VO	ADMIN EXP	5/22/2014	0.00	330.49
023782	CK	5/22/2014	ADP ADP INC	11-14		018596	VO	ADMIN EXP	5/22/2014	0.00	8,582.26
023783	CK	5/22/2014	BARNEY ABU COURT REPORTING INC	11-14		018597	VO	ADMIN EXP	5/22/2014	0.00	719.75
023784	CK	5/22/2014	CINTAS CINTAS CORP	11-14		018598	VO	ADMIN EXP	5/22/2014	0.00	130.40
023785	CK	5/22/2014	CLIFTON THE CLIFTON GROUP / PARA	11-14		018599	VO	INVESTMENT FEES	5/22/2014	0.00	34,119.00
023786	CK	5/22/2014	COMPUWAVE COMPUWAVE	11-14		018600	VO	IT	5/22/2014	0.00	4,362.50
023787	CK	5/22/2014	CORPORATE STAPLES ADVANTAGE	11-14		018601	VO	ADMIN EXP	5/22/2014	0.00	113.73
Check Total										0.00	311.48

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023788	CK	5/22/2014	INTERGRATE INTERGRATED FIRE & SAFET	11-14	018602	VO	IT	5/22/2014	0.00	250.00
023789	CK	5/22/2014	LINEA LINEA SOLUTIONS	11-14	018603	VO	IT/PAS	5/22/2014	0.00	73,045.05
023790	CK	5/22/2014	MBS MANAGED BUSINESS SOLUT	11-14	018604	VO	PAS	5/22/2014	0.00	5,916.25
023791	CK	5/22/2014	NAPPA NAPPA	11-14	018605	VO	ADMIN EXP	5/22/2014	0.00	895.00
023792	CK	5/22/2014	PRUDENTIAL PRUDENTIAL INSURANCE	11-14	018606	VO	INVESTMENT FEES	5/22/2014	0.00	185,709.15
023793	CK	5/22/2014	VITECH VITECH SYSTEMS GROUP IN	11-14	018607	VO	PAS	5/22/2014	0.00	150,000.00
023794	CK	5/22/2014	VOLT VOLT	11-14	018608	VO	ADMIN EXP	5/22/2014	0.00	2,191.81
023795	CK	5/29/2014	CA SDU CALIFORNIA STATE	11-14	018609	VO	CRT ORDERED PMT	5/29/2014	0.00	1,175.58
023796	CK	5/29/2014	CALPERS CALPERS LONG-TERM	11-14	018610	VO	INSURANCE	5/29/2014	0.00	18,798.59
023797	CK	5/29/2014	CHILD21 OREGON DEPT OF JUSTICE	11-14	018611	VO	CRT ORDERED PMT	5/29/2014	0.00	171.74
023798	CK	5/29/2014	CHILD9 SHERIDA SEGALL	11-14	018613	VO	CRT ORDERED PMT	5/29/2014	0.00	260.00
023799	CK	5/29/2014	CVMP COUNTY OF VENTURA	11-14	018614	VO	INSURANCE	5/29/2014	0.00	526,221.37
023800	CK	5/29/2014	FTBCA3 FRANCHISE TAX BOARD	11-14	018615	VO	GARNISHMENT	5/29/2014	0.00	137.26
023801	CK	5/29/2014	IRS6 INTERNAL REVENUE SERVIC	11-14	018616	VO	GARNISHMENT	5/29/2014	0.00	321.00

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023802	CK	5/29/2014	IRS7 INTERNAL REVENUE SERVIC	11-14	018617	VO	GARNISHMENT	5/29/2014	0.00	500.00
023803	CK	5/29/2014	SEIU SEIU LOCAL 721	11-14	018618	VO	DUES	5/29/2014	0.00	298.50
023804	CK	5/29/2014	SPOUSE2 KELLY SEARCY	11-14	018619	VO	CRT ORDERED PMT	5/29/2014	0.00	1,874.00
023805	CK	5/29/2014	SPOUSE3 ANGELINA ORTIZ	11-14	018620	VO	CRT ORDERED PMT	5/29/2014	0.00	250.00
023806	CK	5/29/2014	SPOUSE4 CATHY C. PEET	11-14	018621	VO	CRT ORDERED PMT	5/29/2014	0.00	550.00
023807	CK	5/29/2014	SPOUSE5 SUZANNA CARR	11-14	018622	VO	CRT ORDERED PMT	5/29/2014	0.00	829.00
023808	CK	5/29/2014	SPOUSE6 BARBARA JO GREENE	11-14	018623	VO	CRT ORDERED PMT	5/29/2014	0.00	675.00
023809	CK	5/29/2014	VCDSA VENTURA COUNTY DEPUTY	11-14	018624	VO	INSURANCE	5/29/2014	0.00	255,335.33
023810	CK	5/29/2014	VCPFF VENTURA COUNTY PROFES	11-14	018625	VO	INSURANCE	5/29/2014	0.00	74,210.86
023811	CK	5/29/2014	VCREA RETIRED EMPLOYEES' ASSO	11-14	018626	VO	DUES	5/29/2014	0.00	4,239.00
023812	CK	5/29/2014	VRSD VENTURA REGIONAL	11-14	018627	VO	INSURANCE	5/29/2014	0.00	6,147.34
023813	CK	5/29/2014	VSP VISION SERVICE PLAN - (CA)	11-14	018628	VO	INSURANCE	5/29/2014	0.00	8,362.07
023814	CK	5/29/2014	102661 LORI NEMIROFF	11-14	018629	VO	TRAVEL REIMB	5/29/2014	0.00	194.30

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023815	CK	5/29/2014	BARNEY ABU COURT REPORTING INC	11-14	018630	VO	ADMIN EXP	5/29/2014	0.00	295.00
023816	CK	5/29/2014	BOFA BUSINESS CARD	11-14	018631	VO	ADMIN EXP	5/29/2014	0.00	76.02
023817	CK	5/29/2014	COUNTY COUNTY COUNSEL	11-14	018632	VO	LEGAL FEES	5/29/2014	0.00	24,150.00
023818	CK	5/29/2014	MF M.F. DAILY CORPORATION	11-14	018633	VO	ADMIN EXP	5/29/2014	0.00	15,585.21
023819	CK	5/29/2014	ROSENTHAL JOHN L. ROSENTHAL	11-14	018634	VO	ADMIN EXP	5/29/2014	0.00	6,037.50
023820	CK	5/29/2014	TOWERS TOWERS WATSON PENNSYL	11-14	018635	VO	ADMIN EXP	5/29/2014	0.00	20,000.00
023821	CK	5/29/2014	TRI TRI COUNTY OFFICE FURNIT	11-14	018636	VO	ADMIN EXP	5/29/2014	0.00	780.93
023822	CK	5/29/2014	WEST WEST COAST AIR CONDITIOI	11-14	018637	VO	IT	5/29/2014	0.00	75.00
023823	CK	5/29/2014	VOLT VOLT	11-14	018638	VO	ADMIN EXP	5/29/2014	0.00	2,025.16

Check Count: 128

Acct Sub Total: 2,903,694.47

Check Type	Count	Amount Paid
Regular	127	2,965,044.59
Hand	0	0.00
Electronic Payment	0	0.00
Void	1	-61,350.12
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
Total:	128	2,903,694.47

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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post	Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
						Company Disc Total		0.00	Company Total		2,903,694.47

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BUDGET SUMMARY FISCAL YEAR 2013-2014
May 2014 - 91.6% of Fiscal Year Expended

EXPENDITURE DESCRIPTIONS	Adopted 2013/2014 Budget	Adjusted 2013/2014 Budget	May-14	Year to Date Expended	Available Balance	Percent Expended
Salaries & Benefits:						
Salaries	\$ 1,725,600.00	\$ 1,725,600.00	\$ 152,464.35	\$ 1,363,604.28	\$ 361,995.72	79.02%
Extra-Help	25,000.00	25,000.00	11,257.63	73,580.63	(48,580.63)	294.32%
Overtime	1,500.00	1,500.00	36.57	15,428.70	(13,928.70)	1028.58%
Supplemental Payments	53,700.00	53,700.00	4,582.80	41,440.07	12,259.93	77.17%
Vacation Redemption	87,500.00	87,500.00	0.00	111,292.71	(23,792.71)	127.19%
Retirement Contributions	424,800.00	424,800.00	35,367.09	321,621.26	103,178.74	75.71%
OASDI Contributions	107,800.00	107,800.00	9,464.73	85,898.84	21,901.16	79.68%
FICA-Medicare	27,000.00	27,000.00	2,213.51	21,660.23	5,339.77	80.22%
Retiree Health Benefit	16,200.00	16,200.00	1,395.20	15,085.36	1,114.64	93.12%
Group Health Insurance	170,800.00	170,800.00	16,245.00	140,273.08	30,526.92	82.13%
Life Insurance/Mgmt	1,000.00	1,000.00	103.80	885.73	114.27	88.57%
Unemployment Insurance	2,200.00	2,200.00	183.19	1,644.79	555.21	74.76%
Management Disability Insurance	4,200.00	4,200.00	372.48	3,277.56	922.44	78.04%
Worker' Compensation Insurance	10,900.00	10,900.00	1,051.27	9,982.66	917.34	91.58%
401K Plan Contribution	33,800.00	33,800.00	2,617.80	22,052.25	11,747.75	65.24%
Transfers In	60,800.00	60,800.00	5,931.21	60,017.70	782.30	98.71%
Transfers Out	(60,800.00)	(60,800.00)	(5,931.21)	(60,017.70)	(782.30)	98.71%
Total Salaries & Benefits	\$ 2,692,000.00	\$ 2,692,000.00	\$ 237,355.42	\$ 2,227,728.15	\$ 464,271.85	82.75%
Services & Supplies:						
Telecommunication Services - ISF	\$ 46,600.00	\$ 46,600.00	\$ 2,929.08	\$ 36,066.80	\$ 10,533.20	77.40%
General Insurance - ISF	12,300.00	12,300.00	0.00	6,131.00	6,169.00	49.85%
Office Equipment Maintenance	1,000.00	1,000.00	0.00	639.16	360.84	63.92%
Membership and Dues	9,300.00	9,300.00	0.00	7,820.00	1,480.00	84.09%
Education Allowance	6,000.00	6,000.00	0.00	4,000.00	2,000.00	66.67%
Cost Allocation Charges	57,300.00	57,300.00	0.00	57,237.00	63.00	99.89%
Printing Services - Not ISF	6,000.00	6,000.00	251.81	709.86	5,290.14	11.83%
Books & Publications	2,000.00	2,000.00	0.00	1,881.34	118.66	94.07%
Office Supplies	20,000.00	20,000.00	1,385.27	13,819.45	6,180.55	69.10%
Postage & Express	55,000.00	55,000.00	3,354.82	40,684.59	14,315.41	73.97%
Printing Charges - ISF	12,500.00	12,500.00	0.00	2,952.60	9,547.40	23.62%
Copy Machine Services - ISF	7,100.00	7,100.00	0.00	2,730.75	4,369.25	38.46%
Board Member Fees	11,000.00	11,000.00	2,000.00	10,700.00	300.00	97.27%
Professional Services	957,400.00	957,400.00	116,244.21	837,285.43	120,114.57	87.45%
Storage Charges	4,000.00	4,000.00	330.49	4,422.56	(422.56)	110.56%
Equipment	15,000.00	15,000.00	0.00	468.69	14,531.31	3.12%
Office Lease Payments	186,400.00	186,400.00	30,593.47	163,121.11	23,278.89	87.51%
Private Vehicle Mileage	8,300.00	8,300.00	411.14	6,997.30	1,302.70	84.30%
Conference, Seminar and Travel	65,000.00	65,000.00	7,261.94	56,097.32	8,902.68	86.30%
Furniture	11,200.00	11,200.00	780.93	10,189.92	1,010.08	90.98%
Facilities Charges	65,200.00	65,200.00	1,333.26	45,970.72	19,229.28	70.51%
Transfers In	11,300.00	11,300.00	1,069.49	10,822.15	477.85	95.77%
Transfers Out	(11,300.00)	(11,300.00)	(1,069.49)	(10,822.15)	(477.85)	95.77%
Total Services & Supplies	\$ 1,558,600.00	\$ 1,558,600.00	\$ 166,876.42	\$ 1,309,925.60	\$ 248,674.40	84.05%
Total Sal, Ben, Serv & Supp	\$ 4,250,600.00	\$ 4,250,600.00	\$ 404,231.84	\$ 3,537,653.75	\$ 712,946.25	83.23%
Technology:						
Computer Hardware	\$ 22,200.00	\$ 15,200.00	\$ 779.11	8,122.43	\$ 7,077.57	53.44%
Computer Software	46,200.00	36,700.00	155,938.10	181,618.72	(144,918.72)	494.87%
Systems & Application Support	419,900.00	451,400.00	11,592.08	313,020.75	138,379.25	69.34%
Pension Administration System	2,494,400.00	2,692,100.00	81,090.05	2,199,130.85	492,969.15	81.69%
Total Technology	\$ 2,982,700.00	\$ 3,195,400.00	\$ 249,399.34	\$ 2,701,892.75	\$ 493,507.25	84.56%
Contingency	\$ 695,900.00	\$ 483,200.00	\$ -	\$ -	\$ 483,200.00	0.00%
Total Current Year	\$ 7,929,200.00	\$ 7,929,200.00	\$ 653,631.18	\$ 6,239,546.50	\$ 1,689,653.50	78.69%

GMO

North America | Europe | Asia-Pacific

Ventura County Employees' Retirement Association

June 16, 2014

Tom Rosalanko
Lisa Stanton

Presenters



Tom Rosalanko

Mr. Rosalanko is engaged in portfolio management and product management for GMO's Global Equity team. Prior to joining GMO in 2005, he worked at Putnam Investments as a managing director and institutional portfolio manager. Previously, he worked at SEI Corporation and Brown Brothers Harriman. Mr. Rosalanko earned his B.S. in Civil Engineering from MIT and his MBA from The Wharton School at the University of Pennsylvania. He is a CFA charterholder.



Lisa Stanton

Ms. Stanton is engaged in client relationship management efforts in GMO's Berkeley office. Prior to joining GMO in 2012, she was a managing director of iShares at BlackRock. Previously, Ms. Stanton worked at AXA Rosenberg as the global head of product management. She earned her B.B.A in Finance from Southern Methodist University. She is a CFA charterholder.

Firm Overview

GMO's Edge:

We blend proven traditional judgments with innovative quantitative methods to identify undervalued securities and markets.

Success Factors:

Discipline, value orientation, investment research, risk control, size limitation.

Motivation/Focus:

Private partnership founded in 1977; investment management is our only business.

Stability:

GMO has low turnover of investment professionals.



Current Scale:

\$119 billion of assets under management, including:

Equities:	\$73 billion
Fixed Income:	\$14 billion
Natural Resources:	\$2 billion*
Asset Allocation:	\$61 billion**
Absolute Return:	\$13 billion**

More than 100 investment professionals and more than 550 employees worldwide.

Note: The asset breakout above may not include all underlying assets and thus may not add up to the total AUM figure shown.

* Natural Resources include: 1) GMO Renewable Resources' assets; and 2) assets of GMO's Resources Strategy.

** Certain Asset Allocation and Absolute Return assets are also accounted for within Equities and Fixed Income strategies.

Assets managed by GMO Renewable Resources, a joint venture, is not part of the GIPS compliant firm, GMO. GMO Renewable Resources has assets under management of \$1,933,218,482 as of 3/31/14.

Representative Clients – Worldwide

Endowments

Appalachian Mountain Club	Lehigh University
University of Arizona Foundation	University of Michigan
Babson College	Northwestern University
Baylor College of Medicine	Norwich University
Baylor University	Oregon State University
Boston College	Pepperdine University
Boston University	Phillips Academy (Andover)
California Institute of Technology	Phillips Exeter Academy
Carnegie Institute	Pomona College
Carnegie Institution of Washington	Princeton University
Christian Theological Seminary	Santa Clara University
College of William and Mary	Southern Methodist University
Dartmouth College	Spelman College
University of Delaware	Swarthmore College
Duke University	Vassar College
University of Hartford	University of Virginia
Kansas University	Yale University
Lawrenceville School	

Public Funds

Alaska Permanent Fund Corporation	City of Richmond
CalPERS	San Diego City ERS
Dallas Police & Fire Pension System	San Francisco City & County
City of Fairfax, VA	Teacher Retirement System of Texas
Iowa Fire & Police	Ventura County ERA
Massachusetts PRIM	Virginia Retirement System
Milwaukee County Empl. Ret. System	Washington State Investment Board
Orange County ERS	

Sub-Advisory / Advisory

John Hancock	Wells Fargo
Marks & Spencer	

Defined Contribution

Ally Financial	Parker-Hannifin
AMD	Siemens
CenturyLink Investment Management	Sprint
Novartis	SunSuper

Pension Funds

Andersen Corporation	Ministers & Missionaries Benefit Board
APL Limited	Motion Picture Industry Pension & Health Plans
BAE Systems	National Geographic Society
BASF Corporation USA	NCR - Scotland
The Boeing Company	NiSource
Cargill	NRECA
Church Pension Fund	Partners HealthCare
ContiGroup	Pfizer
Corning	Praxair, Inc.
Dominion Resources	Sidley & Austin
Dow Chemical	Siemens
FMC Corporation	SunSuper
John Hancock	Verizon
Mayo Clinic	

Foundations and Cultural Institutions

Abell Foundation	Metropolitan Museum of Art
California Academy of Sciences	Metropolitan Opera
The Cleveland Foundation	Nature Conservancy
Commonwealth Fund	Polk Bros Foundation
Geraldine R. Dodge Foundation	Regenstrief Foundation
Doris Duke Charitable Foundation	The Rockefeller Family Fund
Father Flanagan's Foundation	Rotary International
Fetzer Institute	Surdna Foundation
Ford Foundation	Toledo Museum of Art
Conrad H. Hilton Foundation	Trustees of Reservations
Joyce Foundation	The Wallace Foundation
Kennedy Center for the Performing Arts	Wenner-Gren Foundation
Kresge Foundation	World Wildlife Fund
Robert R. McCormick Foundation	Yawkey Foundation
The Memorial Foundation	

Note: Clients listed here were chosen as generally representative of the types of clients that comprise GMO's worldwide primary client base (Pension Funds, Educational Endowments, Foundations and International Organizations) and were not chosen based on performance-related criteria. It is not known whether the listed clients approve or disapprove of GMO or the advisory services provided.

GMO Investment Capabilities

Multi-Asset Class Capabilities			
Global Asset Allocation	Real Return Global Balanced Asset Allocation ¹	Benchmark-Free Allocation/ Global Real Return (UCITS)	Global Allocation Absolute Return ^{1,2}

Equities	
Global Equity Allocation	Emerging Markets
Global Focused	Emerging Domestic Opportunities
International Equity Allocation	U.K.
International Active	Quality
International Small Cap ²	Resources
U.S. Equity Allocation	

Fixed Income
Global
International
Core Plus
Emerging Country Debt
Emerging Country Local Debt ¹
Debt Opportunities

Absolute Return
Total Equities ^{1,2}
Tactical Opportunities ^{1,2}
Emerging Country Debt Long/Short ¹
Currency Hedge ¹
Fixed Income Hedge ¹
Emerging Currency Hedge ^{1,2}
Credit Opportunities ^{1,2}
Mean Reversion ^{1,2}
Systematic Global Macro ^{1,2}
Multi-Strategy ^{1,2} (combination of strategies above)

Real Assets	
Agriculture ^{1,2}	Forestry ^{1,2}

¹ Privately offered and available only to qualified purchasers. Please call GMO for further information.

² Capacity constrained or closed to new investments.

Ventura County Employees' Retirement Association

*Performance net of fees and expenses in USD
Periods ending April 30, 2014*

Investment	Month	YTD	Annualized			*Since Inception	Market Value (000)
			1 Year	3 Year	5 Year		
Global Equity Allocation '¹ (11/30/2012)	1.78 %	3.85 %	14.82 %	N/A	N/A	19.80 %	217,810
<i>MSCI ACWI +</i>	0.95	2.05	14.40	N/A	N/A	19.14	
Value Added	0.83	1.80	0.42	N/A	N/A	0.66	
<i>MSCI ACWI</i>	0.95	2.05	14.40	N/A	N/A	19.14	
Value Added	0.83	1.80	0.42	N/A	N/A	0.66	
Asset Allocation (11/30/2012)	1.78	3.85	14.82	N/A	N/A	19.80	217,810
Total Account (05/02/2005)	1.78	3.85	14.82	8.97	15.15	7.63	217,810
<i>Policy Benchmark **</i>	0.95	2.05	14.40	7.45	15.42	6.38	
Value Added	0.83	1.80	0.42	1.52	-0.27	1.25	

* Periods of less than a year are not annualized

** 100% MSCI ACWI

Note:

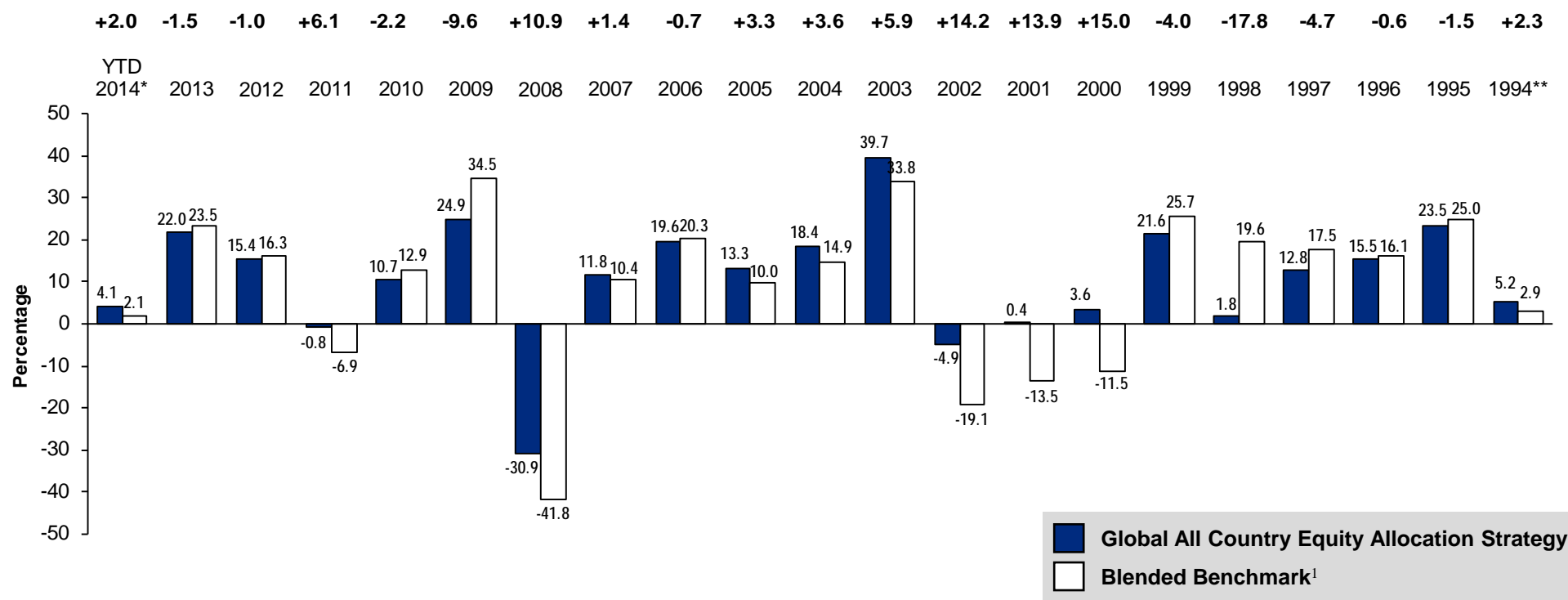
¹ The Fund is generally priced as of the NYSE close. Among other potential adjustments, the Fund fair values non-U.S. securities to take into account general market movements and other events that occur after the non-U.S. markets close but before the close of the NYSE. The Fund's benchmark does not similarly adjust foreign market closing prices. Consequently, on any given day, the Fund's performance may be affected by the differing pricing methodologies. Please see the Fund's prospectus for further details.

The MSCI ACWI + is comprised of 75% S&P 500 Index and 25% MSCI ACWI ex USA Index from 5/31/1996 to 5/30/2008 and MSCI ACWI Index thereafter.

Global All Country Equity Allocation Strategy

Annual performance (gross of fees)

GMO Value Added vs. Blended Benchmark:



*Through 4/30/14

**Composite inception date: 12/31/93

This information above is supplemental to the GIPS compliant presentation that was made available on GMO's website in September 2013.

Performance data quoted represents past performance and is not indicative of future performance. Returns are presented gross of management fees, net of transaction costs, and include the reinvestment of dividends and other income. If management fees were deducted performance would be lower. For example, if the strategy were to achieve a 10% annual rate of return each year for ten years and an annual advisory fee of 0.75% were charged during that period, the resulting average annual net return (after the deduction of management fees) would be 9.25%. A GIPS compliant presentation of composite performance has preceded this report in the past 12 months or accompanies this presentation, and is also available at www.gmo.com. Actual fees are disclosed in Part 2 of GMO's Form ADV and are also available in each strategy's compliant presentation.

¹ The blended Global All Country Equity Allocation Composite benchmark consists of a weighted average of account benchmarks; many of the account benchmarks consist of MSCI ACWI or some like proxy for each market exposure they have. For each underlying account benchmark, the weighting of each market index will vary slightly. The index is internally blended by GMO and maintained on a monthly basis. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.

GMO Global Equity Allocation Strategy

Depth and breadth across dedicated teams

Asset Allocation Ben Inker, Co-Head (22) Sam Wilderman, Co-Head (18)	Global Equity David Cowan, Co-Head (10) Tom Hancock, Co-Head (19)	Emerging Markets Arjun Divecha, Head (34)
14 Investment Professionals <hr/> <ul style="list-style-type: none">Overall investment oversightDevelop top down views7-Year Asset Class Forecasts	34 Investment Professionals <hr/> <ul style="list-style-type: none">Developed market security selectionPortfolio managementDay to day implementation	29 Investment Professionals <hr/> <ul style="list-style-type: none">Emerging market security selectionPortfolio management

- Value Orientation
- Focus on Collaborative Research
- Blend Fundamental and Quantitative

(xx) = years of industry experience

GMO Asset Allocation

What really matters



One true advantage: the long horizon



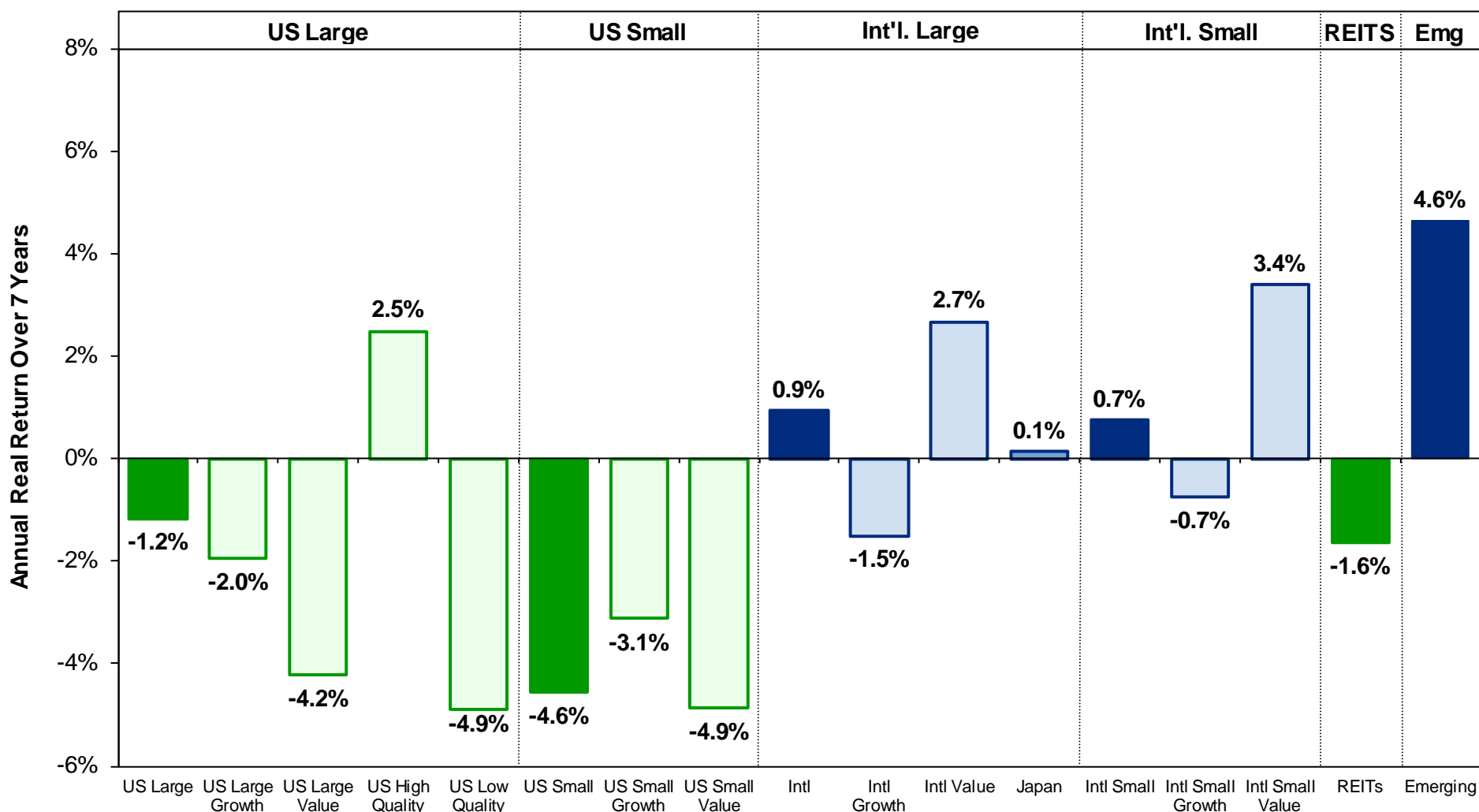
Overpaying is the greatest risk



Career risk governs the short run

GMO 7-Year Global Real Return Equity Forecasts*

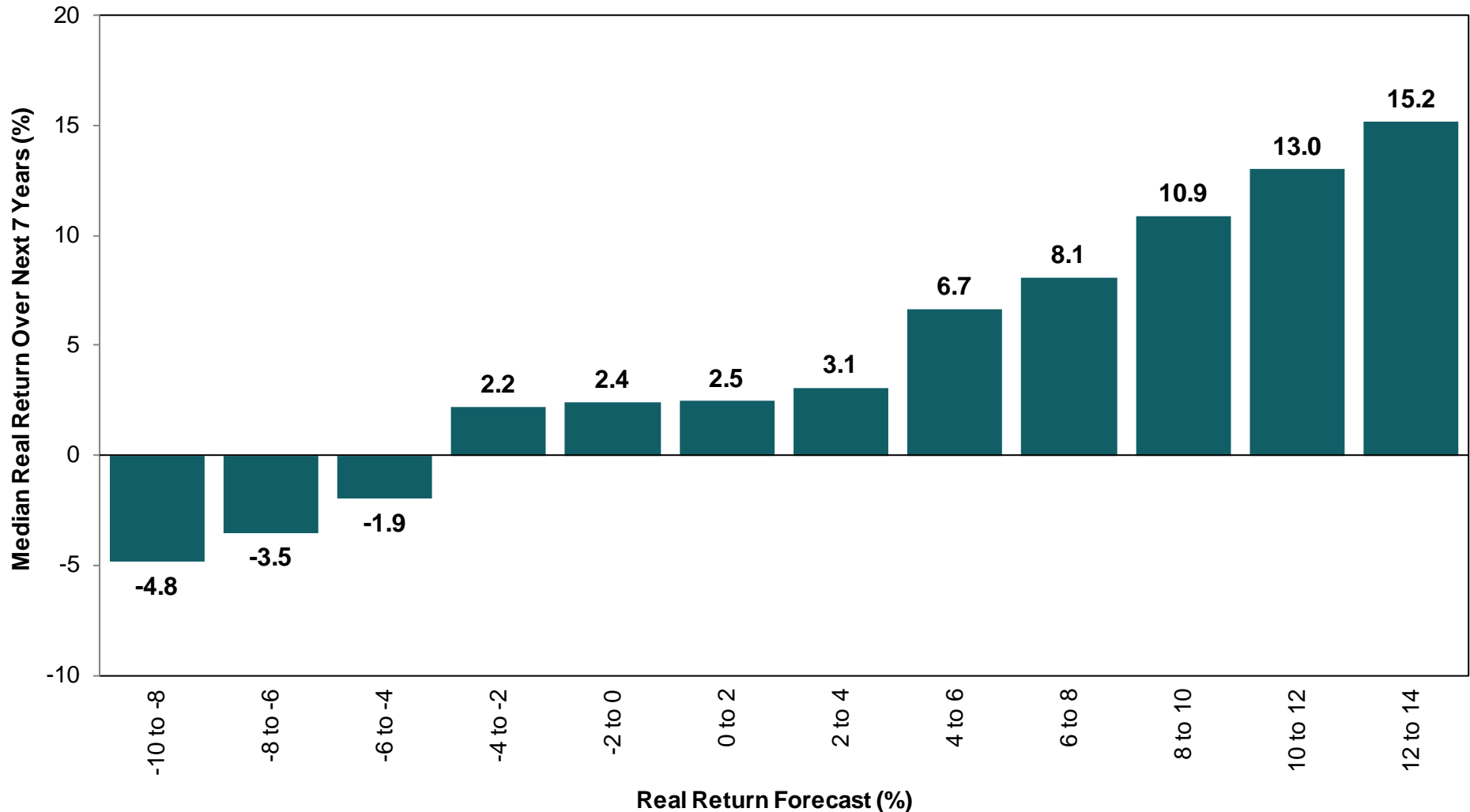
Value and growth within large and small stocks, and REITs, as of April 30, 2014



*The chart represents real return forecasts for several asset classes and not for any GMO fund or strategy. These forecasts are forward-looking statements based upon the reasonable beliefs of GMO and are not a guarantee of future performance. Forward-looking statements speak only as of the date they are made, and GMO assumes no duty to and does not undertake to update forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks, and uncertainties, which change over time. Actual results may differ materially from those anticipated in forward-looking statements. US inflation is assumed to mean revert to long-term inflation of 2.2% over 15 years.

Mean Reversion Drives Everything

The realized performance of our forecasts since June 1994



Analysis uses 7-year GMO asset class forecasts for 21 asset classes from June-1994 until Dec-2006 (start date is September-1996 for REITS, June-1998 for TIPS, and July-2004 for U.S. Quality and U.S. Junk). GMO began making 7-year asset class forecasts in 2002 and previously made 10-year asset class forecasts. 10-year asset class forecasts are converted into 7-year forecasts by assuming 3 years of equilibrium returns at the end of the 7-year period. These forecasts are forward-looking statements based upon the reasonable beliefs of GMO and are not a guarantee of future performance. Forward-looking statements speak only as of the date they are made, and GMO assumes no duty to and does not undertake to update forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks, and uncertainties, which change over time. Actual results may differ materially from those anticipated in forward-looking statements. Returns and forecasts are annualized.

Global All Country Equity Allocation Strategy

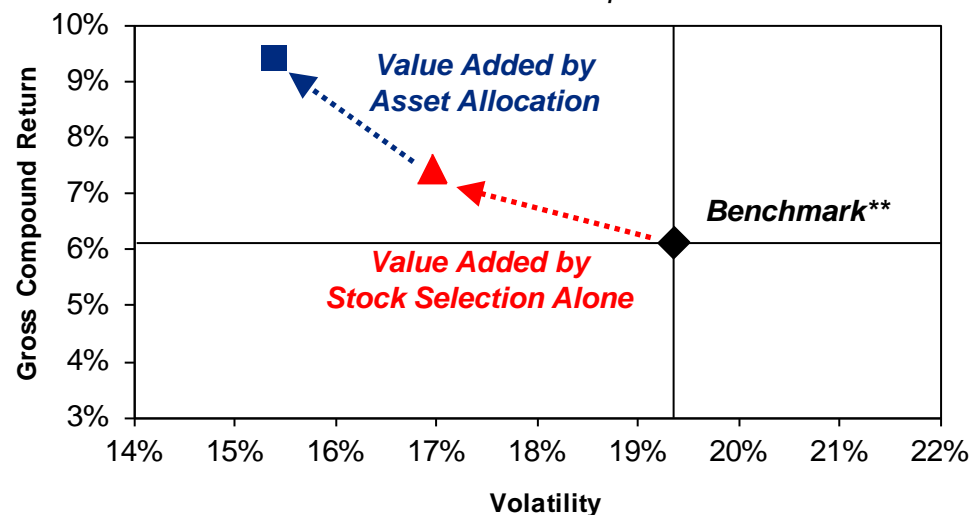
Investment Objectives – and Record

GMO Global All Country Equity Allocation Strategy*

Objectives:

- Annualized excess returns of 2.5% to 3.5%, after fees, above the benchmark
- Expected tracking error of 5% to 7% per year
- Deliver positive *relative* returns, above the market, at lower risk

**GMO Global All Country Equity Allocation Strategy*:
Gross value added by stock selection vs. asset allocation**
November 1996 – April 2014



	Gross Compound Return	Annualized Volatility	Absolute Return Divided by Absolute Risk ¹
GMO Global Equity Allocation Strategy	9.4%	15.4%	0.45
GMO Pure Implementation**†	7.4%	17.0%	0.29
Benchmark*†	6.1%	19.4%	0.19

*† Global Equity Index; **† GMO strategies at benchmark w eights

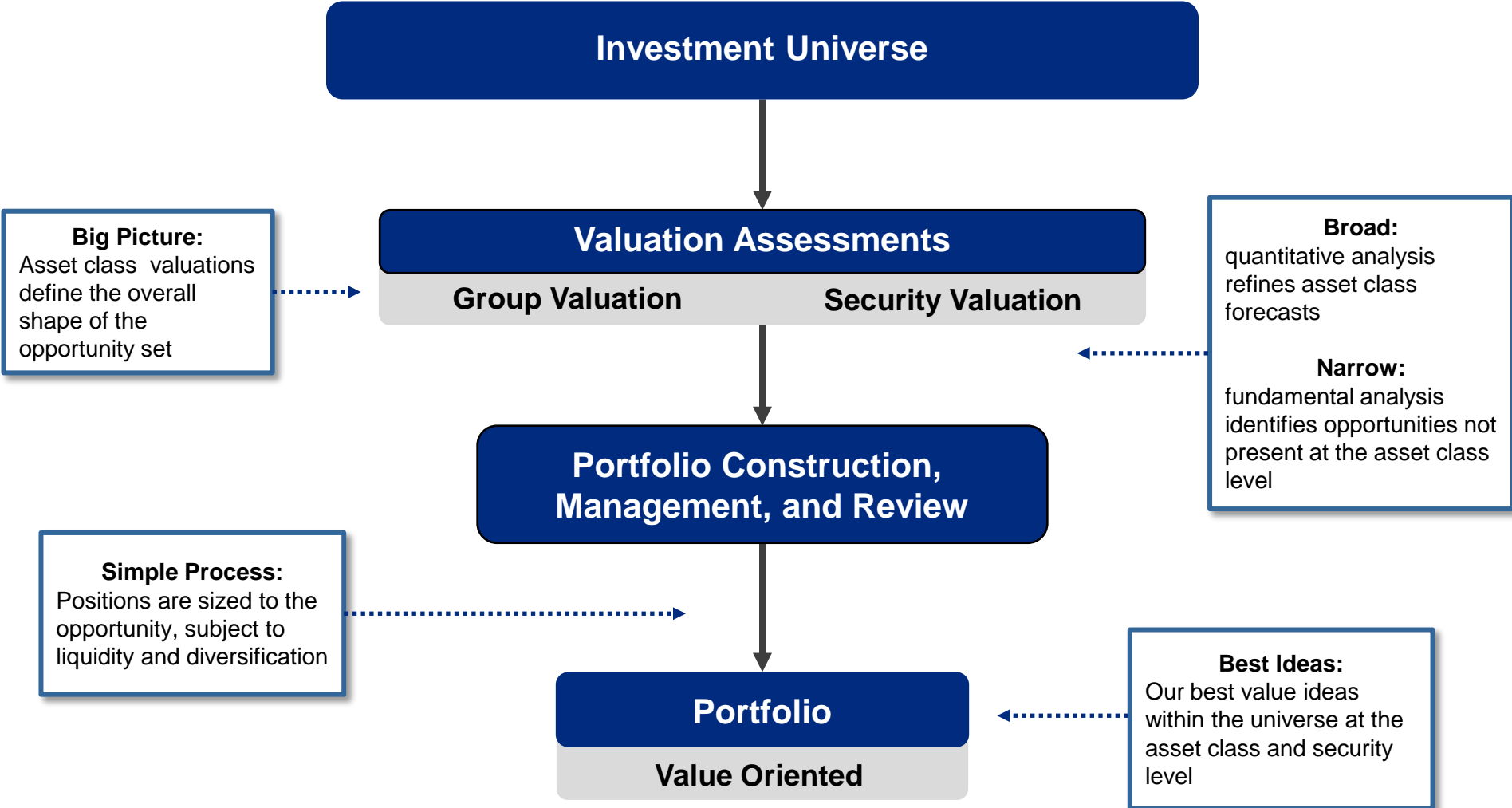
¹ Sharpe ratio = (portfolio return less risk free rate) / volatility of annual returns

This information above is supplemental to the GIPS compliant presentation that was made available on GMO's website in September 2013.

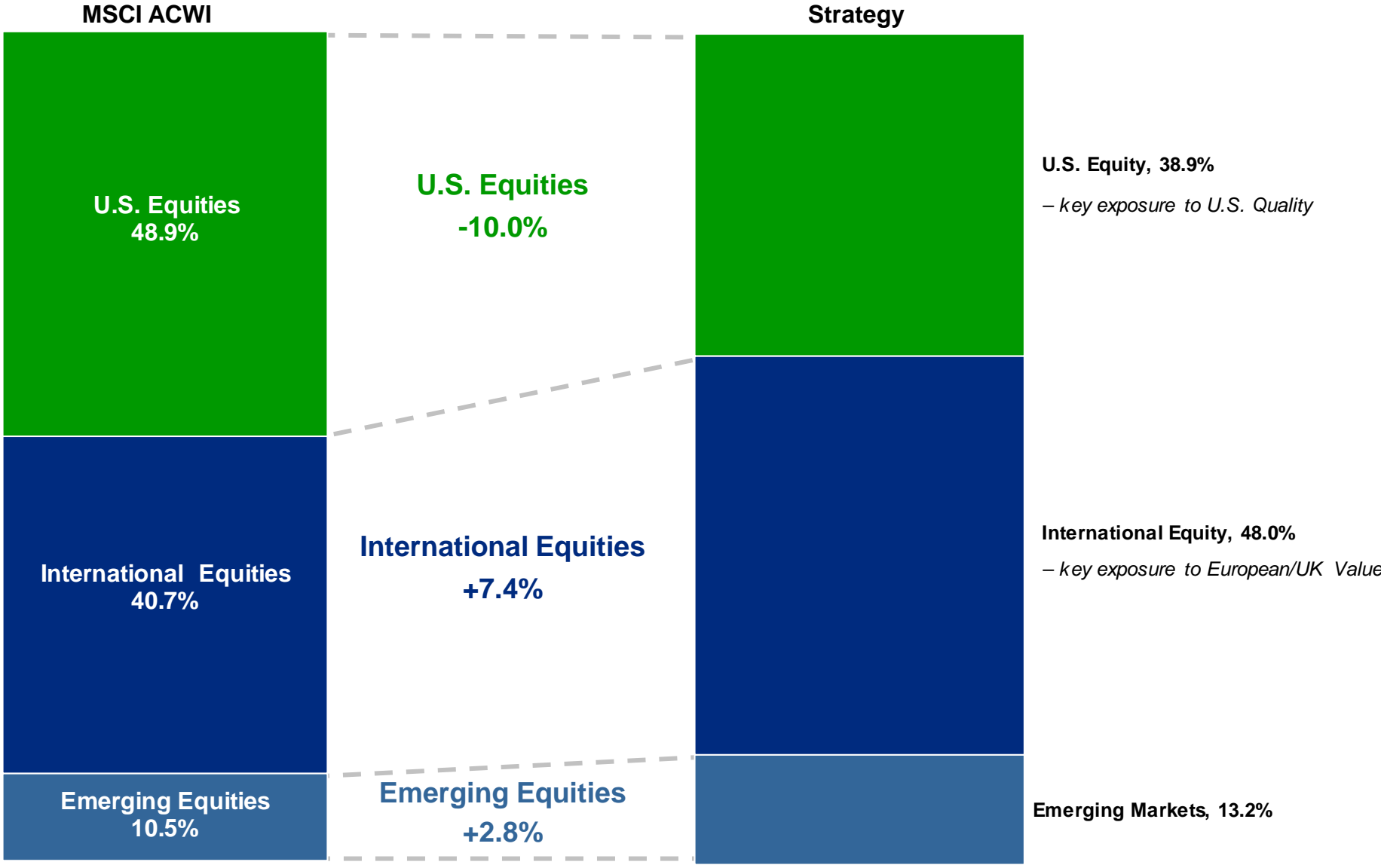
Performance data quoted represents past performance and is not predictive of future performance. Returns are presented gross of management fees, net of transaction costs, and include the reinvestment of dividends and other income. If management fees were deducted performance would be lower. For example, if the strategy were to achieve a 10% annual rate of return each year for ten years and an annual advisory fee of 0.75% were charged during that period, the resulting average annual net return (after the deduction of management fees) would be 9.25%. A GIPS compliant presentation of composite performance has preceded this report in the past 12 months or accompanies this presentation, and is also available at www.gmo.com. Actual fees are disclosed in Part 2 of GMO's Form ADV and are also available in each strategy's compliant presentation. *The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy.

*†The GMO Global Equity Index is a composite benchmark computed by GMO. It consists of (i) the S&P 500 Index (an index of large capitalization U.S. stocks, independently maintained and published by Standard & Poor's) and (ii) the MSCI ACWI ex US Index (an international (excluding U.S. and including emerging countries) equity index, independently maintained and published by Morgan Stanley Capital International). The GMO Global Equity Index is comprised of 75% S&P 500 and 25% MSCI ACWI ex US from 5/31/1996 to 5/30/2008 and 100% MSCI ACWI thereafter. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.

Global Equity Investment Process



GMO Global All Country Equity Allocation Strategy



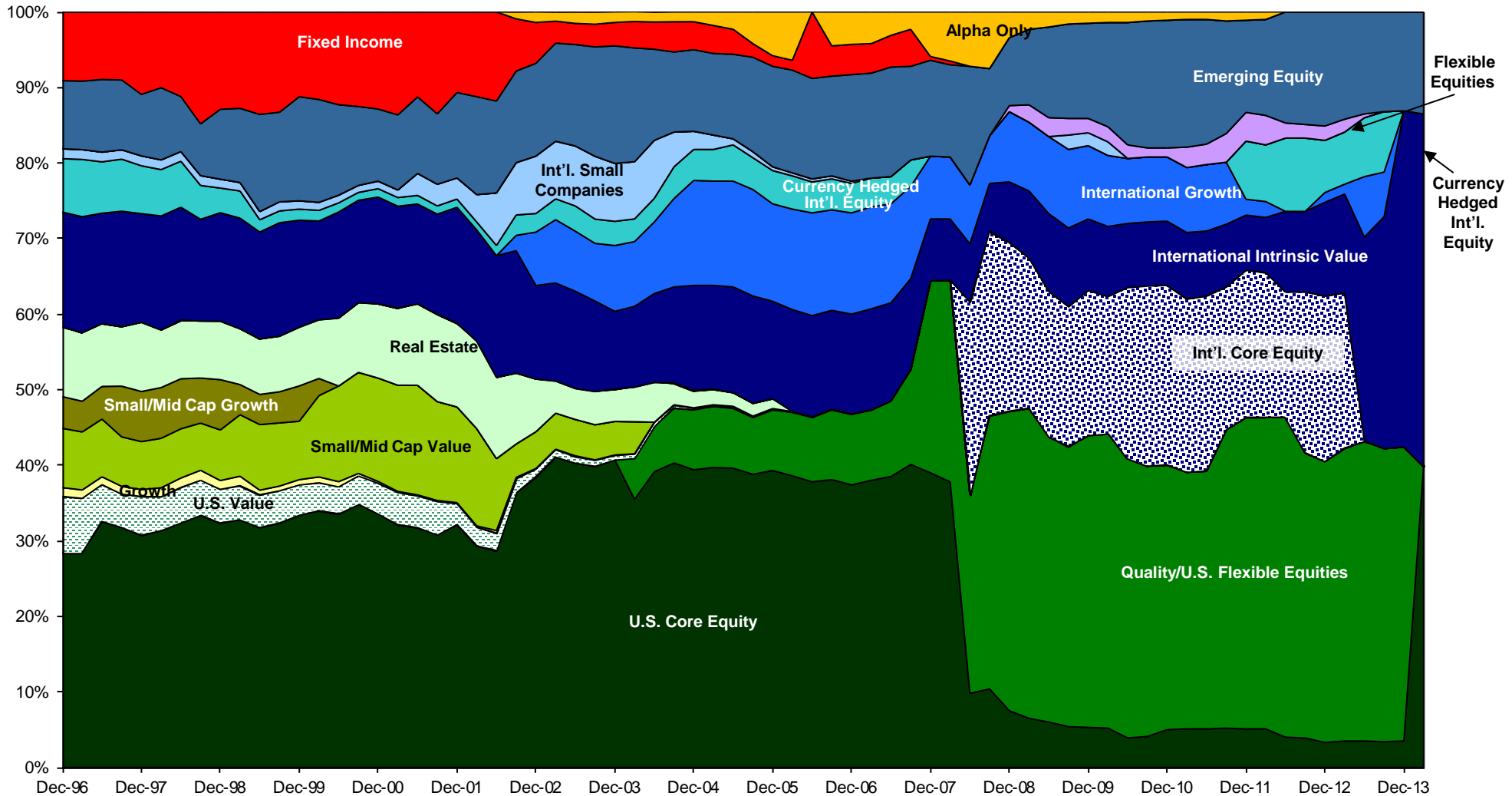
Weightings are subject to change without notice. The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy. The information above is supplemental to the GIPS compliant presentation that was made available on GMO's website in September 2013.



Note: Totals may not add due to rounding.

GMO Global All Country Equity Allocation Strategy – Allocation History*

December 1996 – March 31, 2014



* The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy. The information above is supplemental to the GIPS compliant presentation that was made available on GMO's website in September 2013.

Global All Country Equity Allocation Strategy

Top 15 equity holdings as of March 31, 2014*

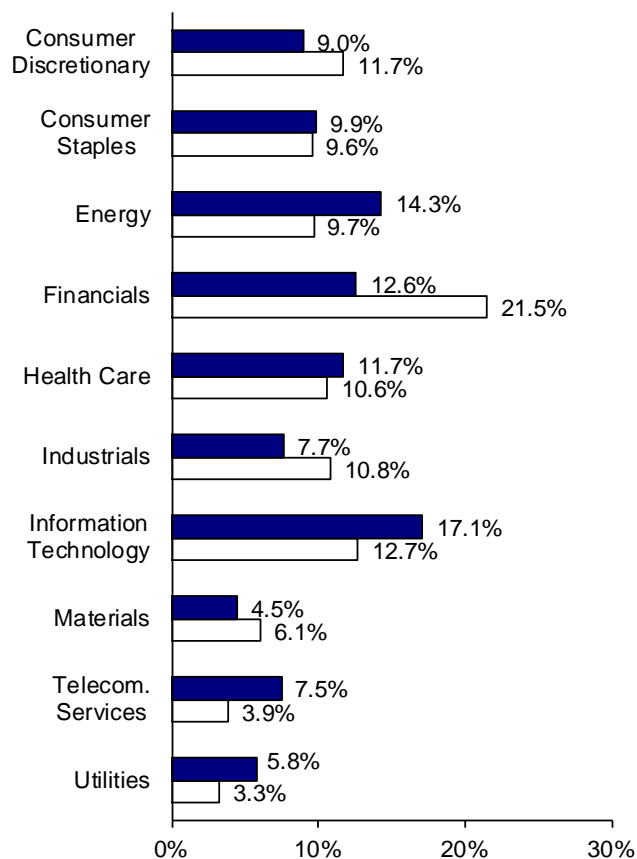
	Country	Sector	% of Equity
Total S.A.	France	Energy	2.6 %
Royal Dutch Shell PLC	United Kingdom	Energy	2.4
Oracle Corp.	United States	Information Technology	2.0
International Business Machines Corp.	United States	Information Technology	2.0
Microsoft Corp.	United States	Information Technology	2.0
Johnson & Johnson	United States	Health Care	1.9
Google Inc. (Cl A)	United States	Information Technology	1.8
BP PLC	United Kingdom	Energy	1.8
Philip Morris International Inc.	United States	Consumer Staples	1.7
Procter & Gamble Co.	United States	Consumer Staples	1.7
Cisco Systems Inc.	United States	Information Technology	1.6
AstraZeneca PLC	United Kingdom	Health Care	1.2
Chevron Corp.	United States	Energy	1.2
Express Scripts Holding Co	United States	Health Care	1.2
Telefonica S.A.	Spain	Telecommunication Services	1.2
		Total	26.3 %

* The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy. The information above is supplemental to the GIPS compliant presentation that was made available on GMO's website in September 2013.

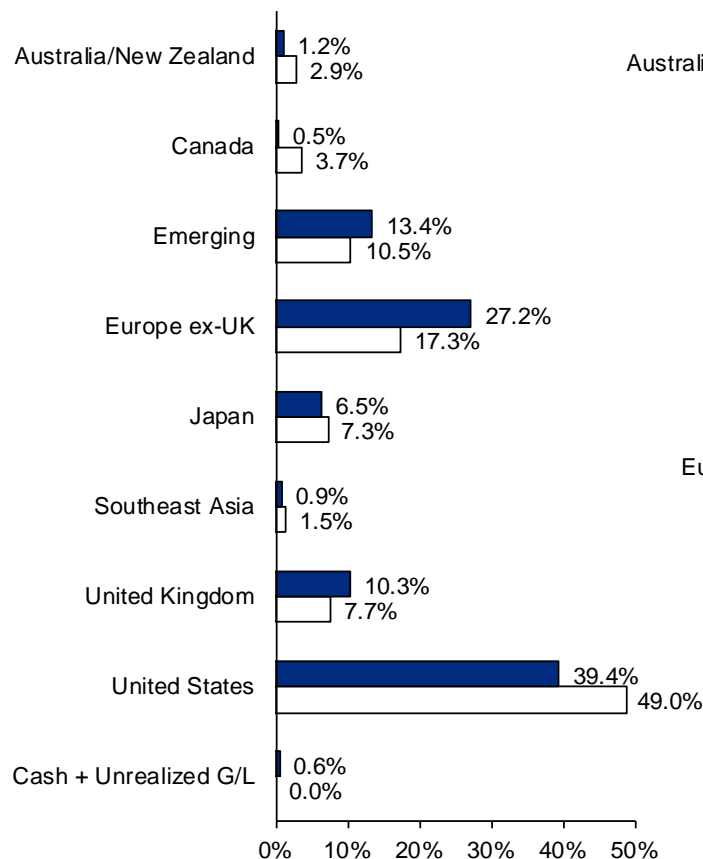
Global All Country Equity Allocation Strategy

Sectors, regions and currencies* as of March 31, 2014

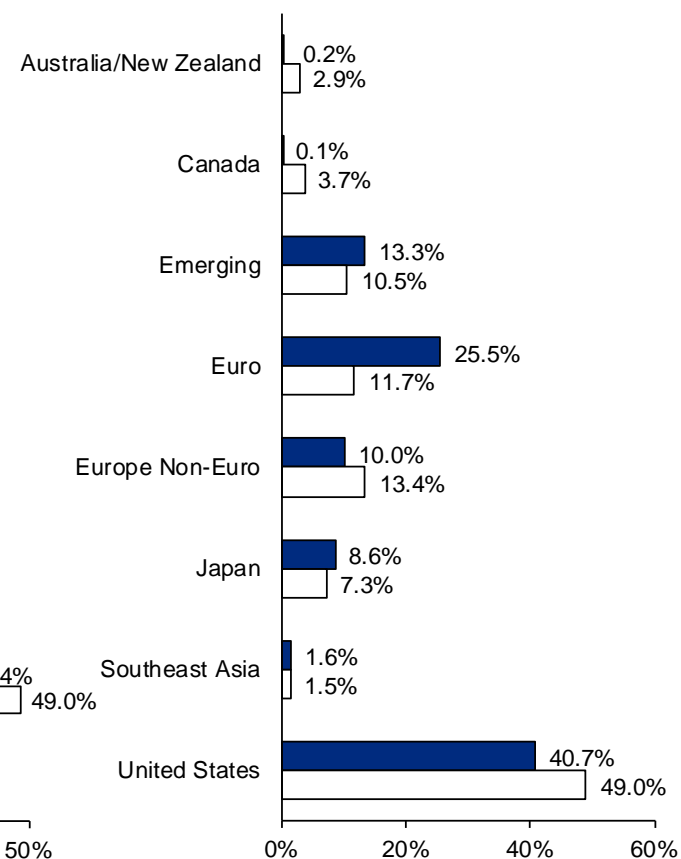
Sector Allocation



Regional Allocation



Currency Allocation



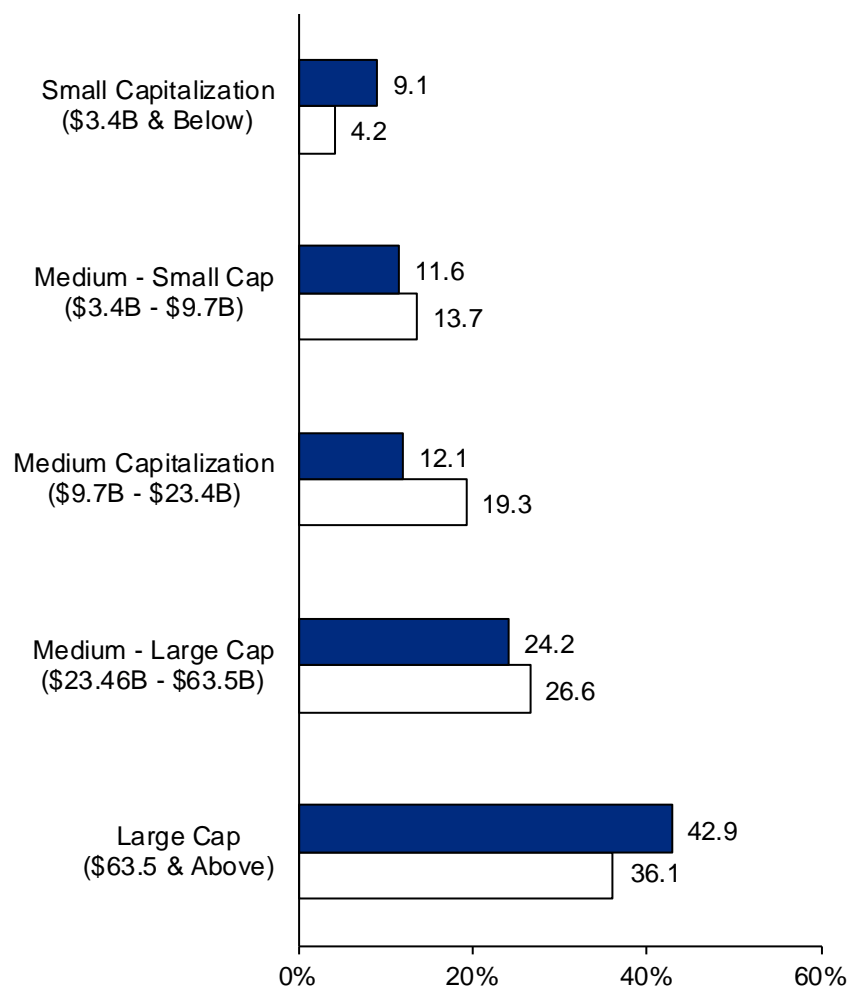
■ Global All Country Equity Allocation Strategy □ MSCI ACWI

* The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy. The information above is supplemental to the GIPS compliant presentation that was made available on GMO's website in September 2013.

Global All Country Equity Allocation Strategy

Portfolio characteristics* as of March 31, 2014

Cap Size Allocation



Valuation Measures

	Global All Country Equity Allocation Strategy	MSCI ACWI
Price/Earnings - Hist 1 Yr Wtd Median	14.5 x	18.2 x
Price/Book - Hist 1 Yr Wtd Avg	1.6 x	2.0 x
Return on Equity - Hist 1 Yr Med	12.4 %	13.9 %
Market Cap - Weighted Median \$Bil	\$50.5	\$39.2
Dividend Yield - Hist 1 Yr Wtd Avg	3.1 %	2.5 %

■ Global All Country Equity Allocation Strategy
 MSCI ACWI

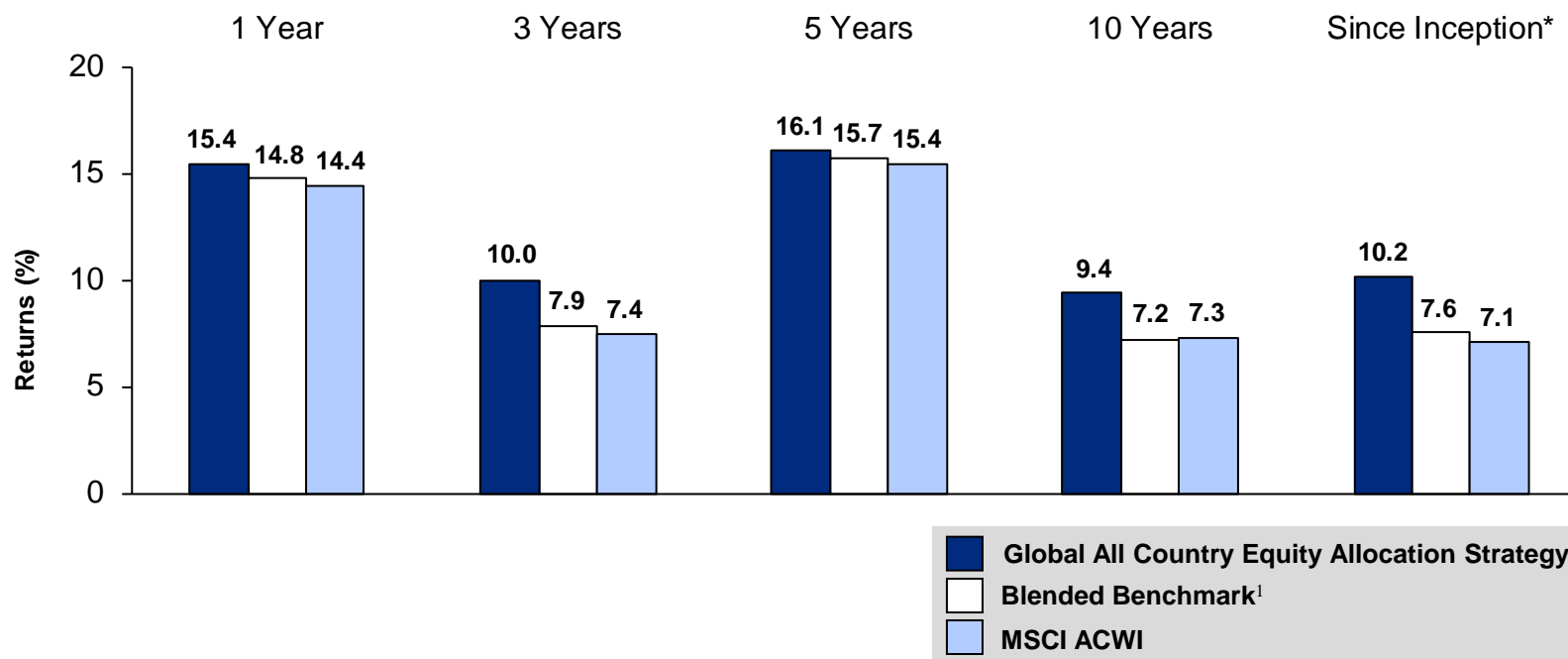
* The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy. The information above is supplemental to the GIPS compliant presentation that was made available on GMO's website in September 2013.

Global All Country Equity Allocation Strategy

Annualized performance (gross returns) periods ending April 30, 2014

GMO Value Added vs.

Blended Benchmark*:	+0.6	+2.1	+0.3	+2.2	+2.6
MSCI ACWI:	+1.0	+2.5	+0.6	+2.1	+3.1



*Composite inception date: 12/31/93

This information above is supplemental to the GIPS compliant presentation that was made available on GMO's website in September 2013.

Performance data quoted represents past performance and is not indicative of future performance. Returns are presented gross of management fees, net of transaction costs, and include the reinvestment of dividends and other income. If management fees were deducted during that period, the resulting average annual net return (after the deduction of management fees) would be lower. For example, if the strategy were to achieve a 10% annual rate of return each year for ten years and an annual advisory fee of 0.75% were charged during that period, the resulting average annual net return (after the deduction of management fees) would be 9.25%. A GIPS compliant presentation of composite performance has preceded this report in the past 12 months or accompanies this presentation, and is also available at www.gmo.com. Actual fees are disclosed in Part 2 of GMO's Form ADV and are also available in each strategy's compliant presentation.

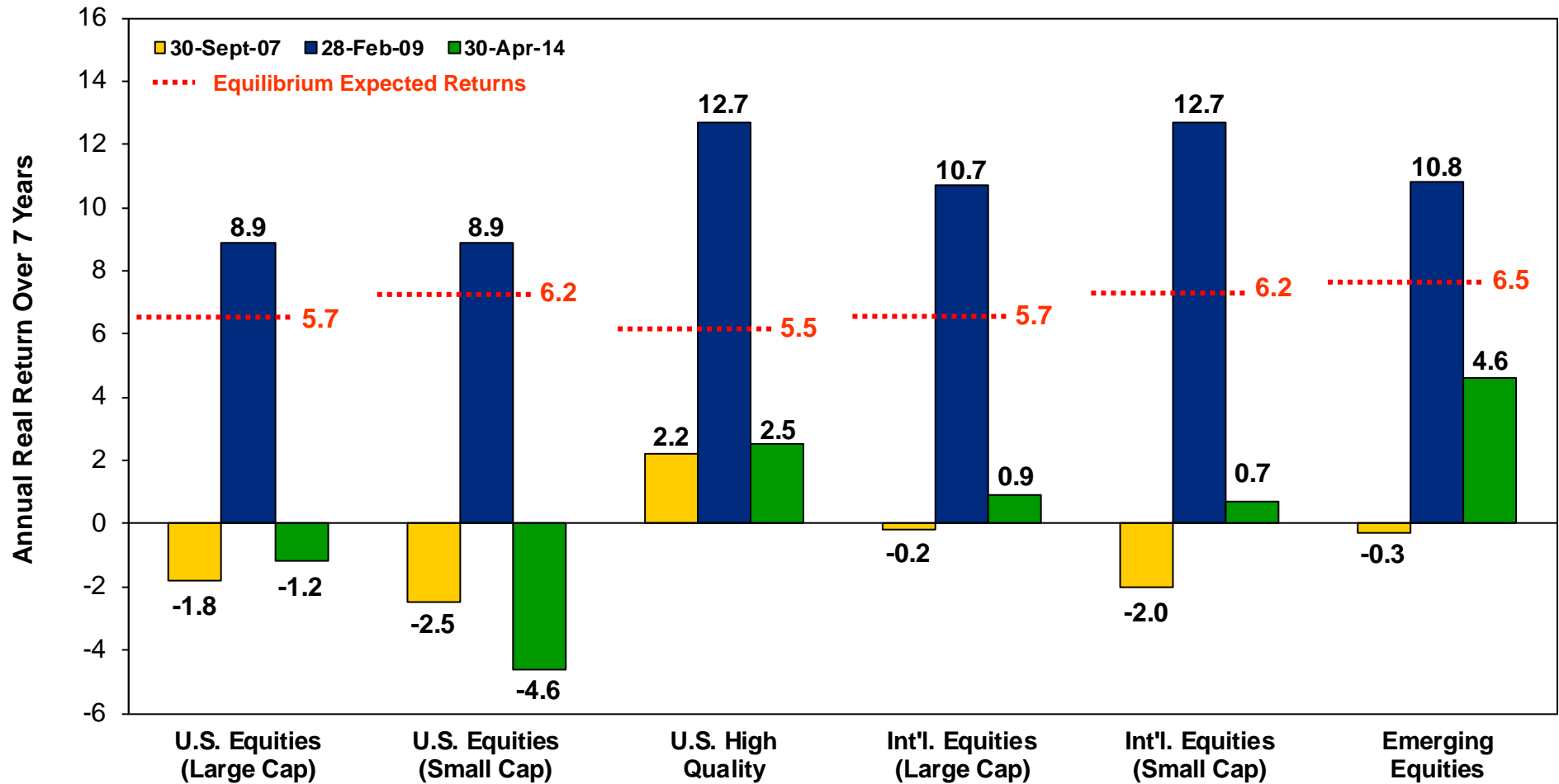
¹ The blended Global All Country Equity Allocation Composite benchmark consists of a weighted average of account benchmarks; many of the account benchmarks consist of MSCI ACWI or some like proxy for each market exposure they have. For each underlying account benchmark, the weighting of each market index will vary slightly. The index is internally blended by GMO and maintained on a monthly basis. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.

Appendix

Evolution of Real Equity Valuations

As of April 30, 2014

GMO 7-Year Asset Class Return Forecasts*
Stocks



*The chart represents real return forecasts for several asset classes made as of the date stated and not for any GMO fund or strategy. These forecasts are forward-looking statements based upon the reasonable beliefs of GMO and are not a guarantee of future performance. Forward-looking statements speak only as of the date they are made, and GMO assumes no duty to and does not undertake to update forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks, and uncertainties, which change over time. Actual results may differ materially from those anticipated in forward-looking statements. Forecasts are tools used by GMO and do not necessarily reflect actual asset allocation portfolio construction.

GMO Value Discipline Favors Higher Quality Companies

Bottom-Up Value: Quality-adjusted value discipline




Price to: - Earnings historical - Earnings forecast - Cash flow - Book value - Sales - Dividends	GMO Quality means: - Higher profitability - Stable profitability - Low debt	For example: L'Oreal $1.43/1.41 = 1.01 (+1.4\%)$
--	---	---

	Price vs. Peers	GMO Quality-Adjusted Fair Price vs. Peers	Potential Opportunity		
L'Oreal	41%	43%	1%	Fair Value	High Quality
Sanofi	6%	31%	24%	Cheap	
Novo Nordisk	97%	32%	-33%	Expensive	
Inditex	78%	29%	-27%	Expensive	
Swedbank	-30%	-32%	-3%	Fair Value	Low Quality
E.ON	-52%	-21%	63%	Cheap	
Peugeot	-47%	-27%	38%	Cheap	
Intesa Sanpaolo	7%	-28%	-32%	Expensive	

Source: GMO As of 3/31/14

The securities identified above represent a selection of securities identified by GMO quantitative measures. These specific securities are selected for presentation by GMO based on their underlying characteristics and are not selected on the basis of their investment performance. These securities are not necessarily representative of the securities purchased, sold or recommended for advisory clients, and it should not be assumed that the investment in the securities identified will be profitable.

Three Examples of the Investment Approach in Action

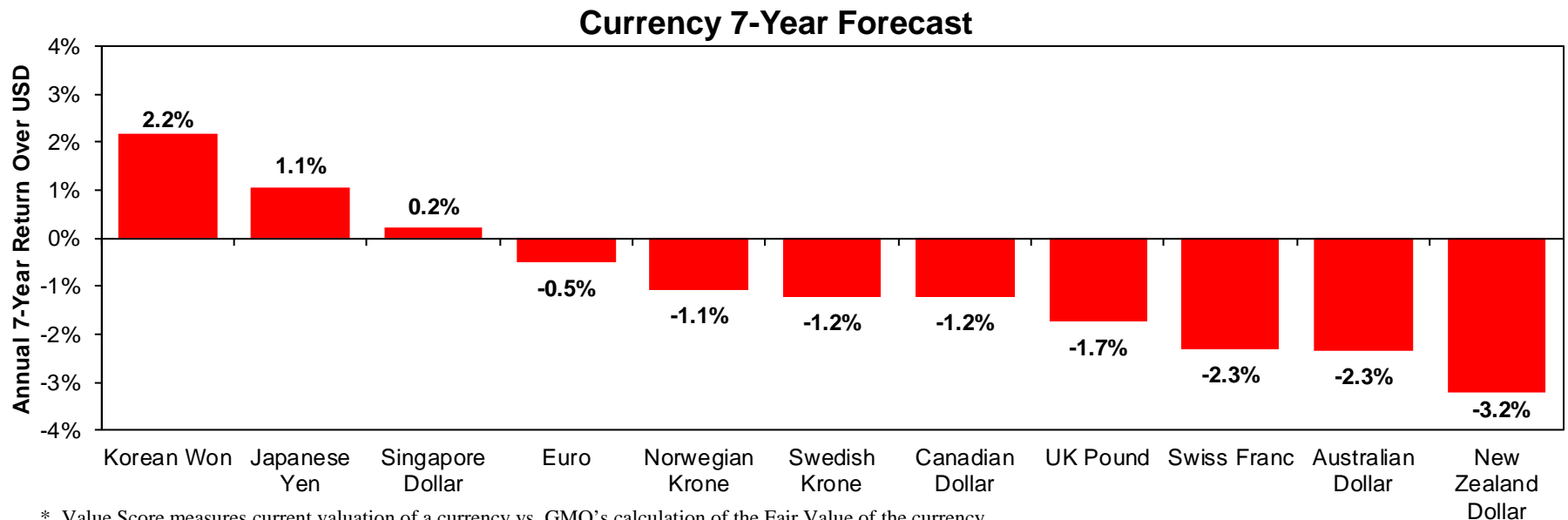
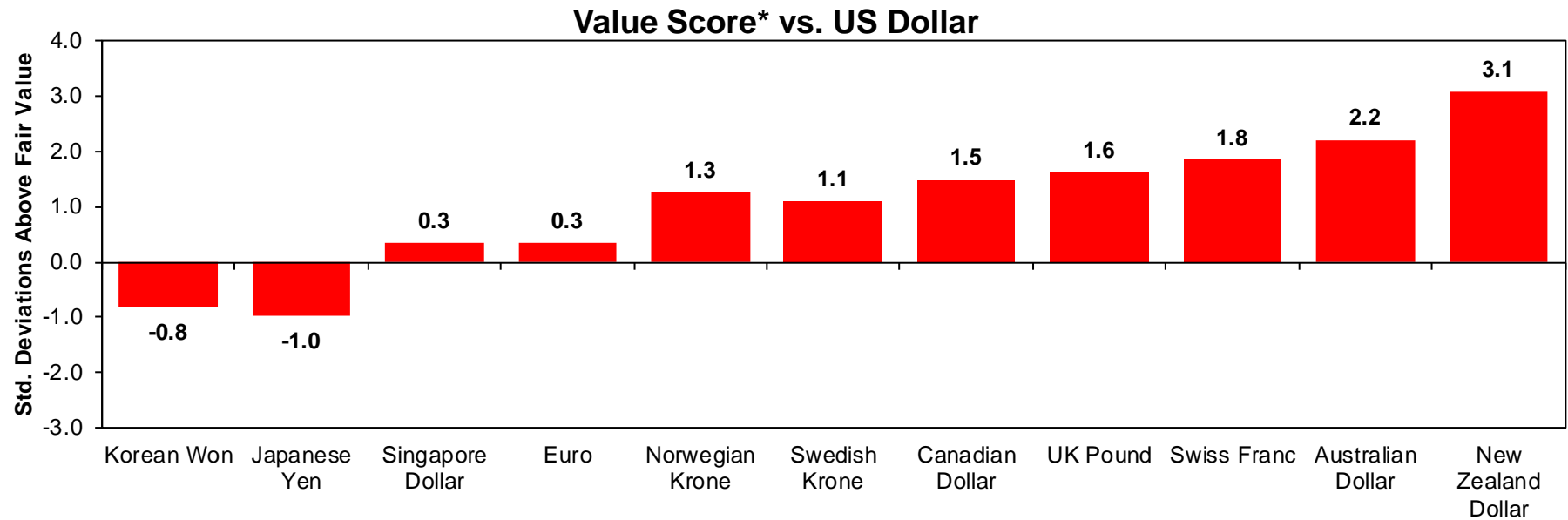
	Group Valuation	Security Valuation		Result
	7yr Return Forecast	Quantitative Analysis	Fundamental Analysis	
	✓	✓	N/A	✓
	✓	✗	N/A	✗
	✗	✗	✓	✓

Telefonica and Volvo are both European value companies. While this group is well positioned from a return forecast perspective, Telefonica's shares trade at a more compelling individual security valuation.

Company specific fundamental analysis (including emphasis on demand scenarios and management) indicates attractive valuation.

The securities identified above are for informational purposes only. The specific securities were selected for presentation by GMO based on their underlying characteristics and are meant to be an illustrative example of the types of securities considered. The specific securities were not selected on the basis of their investment performance. Securities identified are not necessarily representative of the securities purchased, sold or recommended for advisory clients, and it should not be assumed that the investment in the securities identified will be or was profitable.

Currency Forecasts



* Value Score measures current valuation of a currency vs. GMO's calculation of the Fair Value of the currency.

The chart represents currency forecasts for several currencies and not for any GMO fund or strategy. These forecasts are forward-looking statements based upon the reasonable beliefs of GMO and are not a guarantee of future performance. Forward-looking statements speak only as of the date they are made, and GMO assumes no duty to and does not undertake to update forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks, and uncertainties, which change over time. Actual results may differ materially from those anticipated in forward-looking statements.

Source: GMO As of 4/30/14 24

MASTER PAGE NO. 48

GMO Asset Allocation Investment Team

Responsible for \$61 billion of client accounts

Global Asset Allocation

Asset Allocation

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Ben Inker, *Co-Head of Asset Allocation*

Sam Wilderman, *Co-Head of Asset Allocation*

Nick Nanda

Matt Kadnar

Edmund Bellord

Erik Norton

Chris Hudson

James Montier

Peter Chiappinelli

Jamie Lee

Anna Chetoukhina

Tariq Ali

Catherine LeGraw

Robert Brannan

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David Cowan, *Global Equities*

Arjun Divecha, *Emerging Equities*

Marc Seidner, *Fixed Income*

Drew Spangler, *International Active*

Jason Halliwell, *Systematic Global Macro*

GMO Global Equity

Investment team

Co-Heads

Tom Hancock (19) David Cowan (8)

Research

Quantitative

Neil Constable (8)
 Simon Harris (26) Joe Stein (11)
 Carl O'Rourke (8) Martin Tarlie (7)
 Paul Wang (7) Yifei Shea (1)
 Prasun Agarwal (6)

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 Eric Liu (6) Chris Fortson (5)
 Sofia Hou (1) James Mendelson (1)

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 Tara Oliver (19) Tom Smith (17)
 Leanne Kunz (16) Tom Rosalanko (10)
 Seth Glattstein (14) Sam Klar (8)
 Naser Bashir (9) Alex Hebert (8)
 Kim Mayer (8) Hassan Chowdhry (7)
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 Chris Snow (12) Kelly Shannon (7)
 Stefan Loridas (1)

Important Performance and Benchmark Disclosures

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June 16, 2014

Performance Review

Disclosure

About Parametric Portfolio Associates, LLC (Parametric):

Parametric, headquartered in Seattle, WA, is a leading global asset management firm, providing investment strategies and implementation services to institutions and individual investors around the world. Parametric offers a variety of rules-based, risk-controlled investment strategies, including alpha-seeking equity, alternative and options strategies, as well as implementation services, including customized equity, traditional overlay and centralized portfolio management. Parametric Clifton is the institutional business unit of Parametric, comprised of applicable client services and marketing personnel across all of Parametric sales and investment centers. Parametric is an affiliate of Eaton Vance Corp. and currently offers these institutional strategies through investment centers in Seattle, WA, Minneapolis, MN and Westport, CT (home to Parametric subsidiary Parametric Risk Advisors, LLC, a registered investment adviser).

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Derivatives such as futures, swaps, and other investment strategies, have certain disadvantages and risks. Futures require the posting of initial and variation margin. Therefore, a portion of risk capital must be preserved for this purpose rather than being allocated to a manager. Liquid futures may not exist for published benchmarks which may result in tracking error. Also, some intra-period mispricing may occur. Swaps require periodic payments, which may be less liquid than futures, and have counterparty/credit risk. Some investment strategies require a cash investment equal to the desired amount of exposure.

We encourage you to consult with your legal and tax advisors regarding derivative instruments and their possible legal and tax issues.

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There is no representation or warranty as to the current accuracy of, nor liability for, decisions based on this information.

Past performance is no guarantee of future results.

Table of Contents

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TCG@thecliftongroup.com

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Firm Overview

Parametric - Who We Are

- We provide systematic, disciplined portfolio management solutions
 - Majority-owned affiliate of Eaton Vance Corp.
 - Parametric equity ownership is broadly distributed among senior management and investment professionals
 - Approximately \$121.6 Billion* in assets under management; 80 investment professionals*
- We dismiss traditional market forecasts, and instead add value through portfolio construction, a rules-based, transparent investment process, and extensive risk management
- Solutions are managed from three investment centers:

Seattle, WA	Minneapolis, MN	Westport, CT
<ul style="list-style-type: none">– Leaders in rules-based, engineered portfolio solutions– Strategies ranging from index tracking portfolios to managed smart beta– Founded 1987– An affiliate of Eaton Vance since 2003	<ul style="list-style-type: none">– Pioneers in overlay strategies and custom risk management solutions (formerly The Clifton Group)– Expertise in derivatives and comprehensive exposure management– Founded 1972– Acquired by Parametric in 2012	<ul style="list-style-type: none">– Specialists in option portfolio management (formerly Managed Risk Advisors)– Provide product-based and custom option overlay solutions– Founded 2003– A part of Parametric since 2007

Helping Investors Intelligently Build, Manage, and Protect their Portfolios

*As of 3/31/2014, includes the investment professionals and AUM of Parametric's wholly-owned subsidiary, Parametric Risk Advisors LLC, a registered investment adviser.

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Our Key Differentiators

– Philosophy

- Rules trump emotion
- Risks and costs matter
- Experience drives design

– Engineered Portfolio Management

INTELLIGENT DESIGN	Rules are developed from sound observations, rigorous testing and critical thinking.
RULES-BASED IMPLEMENTATION	Once established, the rules are systematically applied to avoid the disruptive elements of human emotion.
RISK CONTROL	Risks, such as volatility and tracking error, are carefully measured and managed.
EXECUTION FOCUS	Efficiency and accuracy are imperative. We seek to minimize costs, adhere strictly to policy guidelines and deliver exceptional client service.

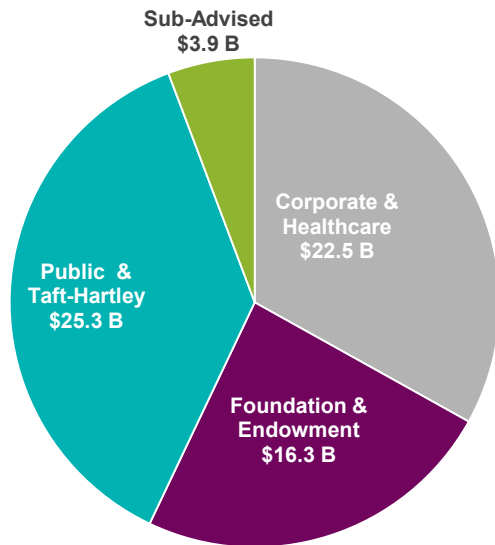
– Culture

- Self-managed, boutique environment with an emphasis on innovation
- Scientific, pragmatic, and mathematical
- Client-centered with a focus on service

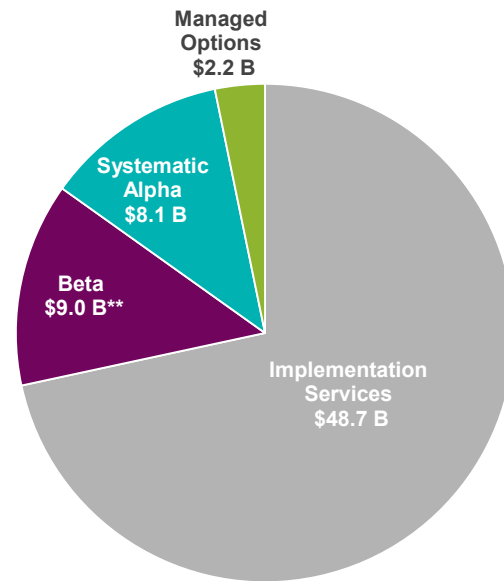
Institutional Assets Under Management

Total Institutional Assets of Approximately \$68.0 Billion
 Consists of Funded and Overlay Assets as of 3/31/14

Assets by Client Type*



Assets by Suite*



*All numbers are approximate.

**Taxable and Tax Exempt Beta Strategies

Includes the AUM of Parametric's wholly-owned subsidiary, Parametric Risk Advisors LLC, a registered investment adviser.

Note: For overlay services programs, the absolute value of futures and swap based synthetic index exposure is included as assets under management. For Enhancement/Risk Control programs, the notional hedge target value of the options positions held for clients is included in assets under management.

Parametric (Minneapolis) Update March 31, 2014

Organization Personnel Totals	Total
Investment Professionals	24
Marketing and Sales Support	8
Operations/Accounting	22
Information Technology	8
Compliance/Legal* (Parametric/Eaton Vance)	2
Total	64

New Client Relationships	Initiated 2014
Traditional Overlay (PIOS®)	10
Defensive Equity	10
Total	20

Parametric Minneapolis Highlights for 1st Quarter 2014

- Assets under management were approximately \$47.7 billion and we welcomed 20 new clients, including 10 clients to our Traditional Overlay strategy, and 10 clients to our Defensive Equity strategy.
- In the News: aiCIO announced the 2013 Asset Management/Servicing Award winners and Parametric Minneapolis won in the Core Investments (Beta Equity) category for its low cost, effective execution, and extremely client-centric culture.
- Additional Research Portal: The website is updated on a regular basis with news, strategy updates, webcasts, and other timely content. We encourage our clients to visit our new “Additional Research” section to gain password protected access to personalized, interactive functionality as well as selected internal research. Parametric Minneapolis additional research portal gives you access to: a PIOS® calculator, option matrices, fact sheets, monthly performance flashes, newsletters, white papers, and Parametric Minneapolis risk dashboard.

* Dedicated resources at Parametric Minneapolis location with additional compliance and legal resources available in Seattle and Boston.

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Representative Client List (3/31/14)

<p>Public</p>	<p>Alaska Retirement Management Board Arizona State Retirement System Fairfax County Employees' Retirement System Houston Police Officers' Pension System Manhattan and Bronx Surface Transit Operating Authority Pension Plan Marin County Employees' Retirement Association Massachusetts Pension Reserves Investment Management Board New Mexico Public Employees' Retirement Association San Joaquin County Employees' Retirement Association San Luis Obispo County State of Wisconsin Investment Board Ventura County Employees' Retirement Association</p>	<p>Healthcare</p>	<p>Advocate Health and Hospitals Corporation Cook Children's Health Care System North Memorial Health Care OhioHealth Corporation Rochester General Master Investment Trust Trinity Health Corporation</p>
<p>Endowments</p>	<p>Baylor University Pepperdine University Texas Christian University University of Chicago The University of Pittsburgh University of Missouri System University of St. Thomas</p>	<p>Taft-Hartley</p>	<p>1199 SEIU Health Care Employees' Pension Fund Boilermaker-Blacksmith National Pension Trust Central Laborers' Pension Fund National Automatic Sprinkler Pension Fund National Retirement Fund</p>
<p>Corporate</p>	<p>Cargill, Inc. Macy's, Inc. Minnesota Mining and Manufacturing Company Nestlé in the USA Pension Trust Northeast Utilities Target Corporation United Technologies Corporation Master Retirement Trust</p>	<p>Foundations</p>	<p>Auburn University The California Endowment Doris Duke Charitable Foundation The John D. & Catherine T. MacArthur Foundation Indiana University Foundation The McKnight Foundation The Minneapolis Foundation University of Minnesota Foundation</p>
		<p>Faith Based</p>	<p>Covenant Ministries of Benevolence The Minister & Missionaries' Benefit Board of American Baptist Churches Pension Fund of the Christian Church</p>

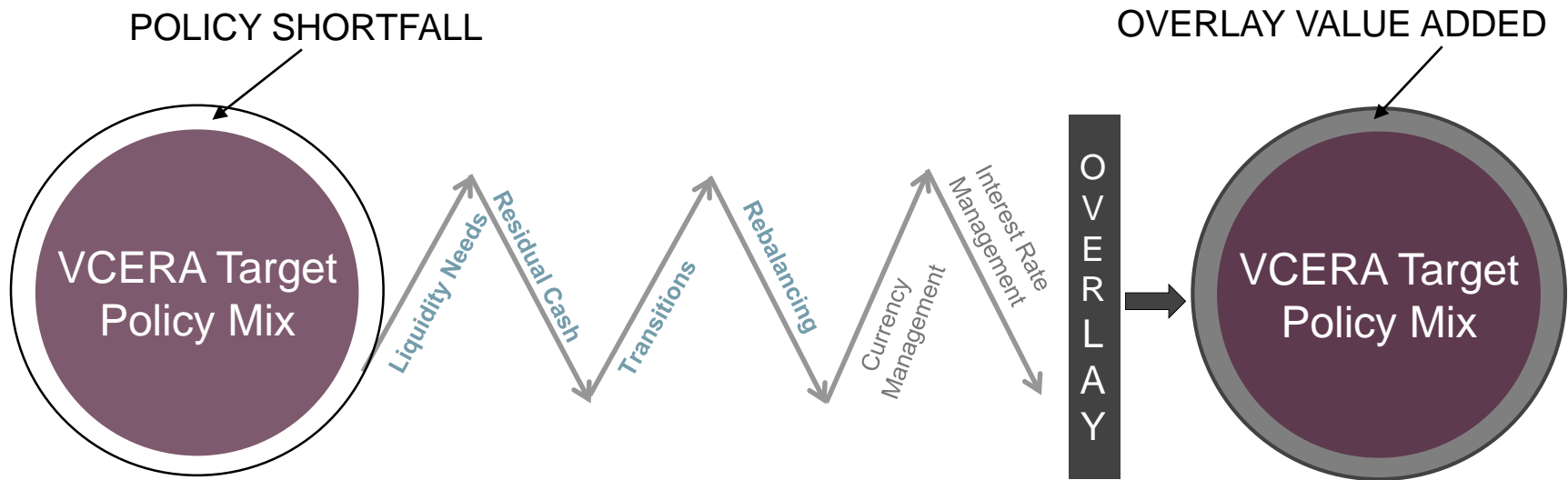
It is not known whether the listed clients approve or disapprove of the adviser. The partial list of clients included herein were selected as being representative of the different types of institutional clients and businesses serviced by Parametric Clifton. Performance-based data was not a determining factor in their selection.

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Traditional Overlay - PIOS[®] (Policy Implementation Overlay Service)

Program Review for VCERA

Performance Enhancement and Risk Control



Each Client selects one, a combination, or all of the overlay components to best satisfy their specific needs. VCERA is currently using the highlighted components.

Overall Program Results

Program Results

- Unwanted cash exposure was dramatically reduced.
- Market environment through April 30, 2014 produced a synthetic index overlay return of \$26,287,788 or 0.16% of fund assets since inception.*
- On a net basis, the overlay return since inception is \$25,804,570.**
- Increased liquidity and flexibility (e.g. transitions) in fund management.
- Portfolio tracking working well with high level of confidence in portfolio reports.
- The PIOS® program is in compliance with the current investment guidelines.

*Returns presented are gross of management fees.

**April 2014 fees are an estimate.

The deduction of an advisory fee would reduce an investor's return. Past performance is not indicative of future results.

Source: Parametric Minneapolis Date created: May 23, 2014

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Program Highlights

Highlights

- Parametric Minneapolis realigned the VCERA portfolio to the long-term targets on January 31, 2014.
- Deployed the \$165 million corporate contribution via the overlay on July 2, 2013 and removed exposure for the subsequent funding of Bridgewater All Weather on July 31, 2013.

Securitize Liquidity Needs

CHALLENGE

- Holding cash to facilitate liquidity needs results in tracking error relative to the investment policy and creates long-term expected performance drag

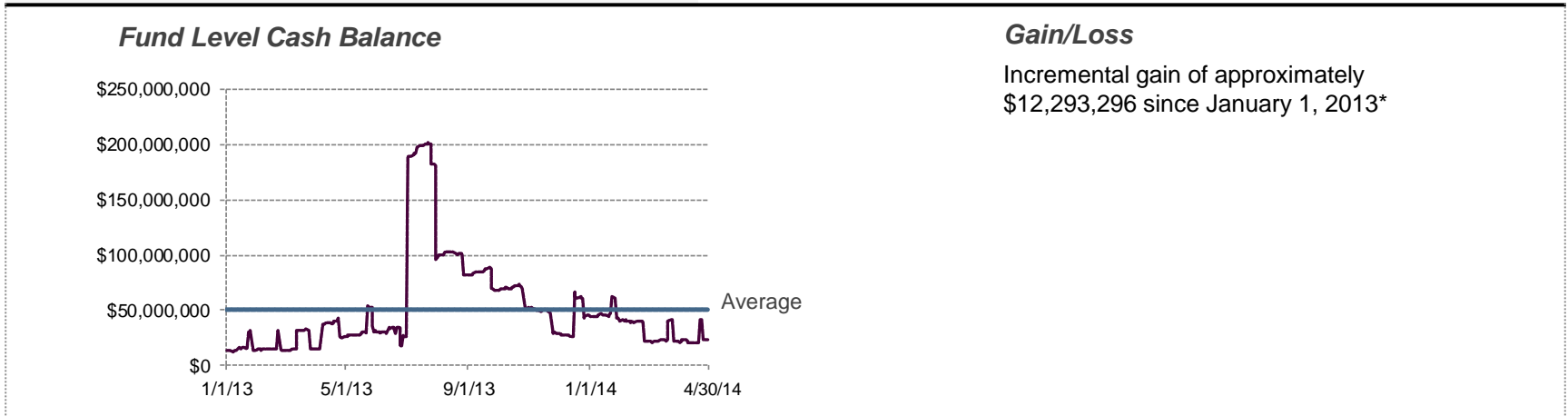
VCERA IMPLEMENTATION

- Fund level cash balances are invested with the objective of reducing the Fund's deviation from the target asset allocation

EXPECTED BENEFITS

- Increase expected return
- Increase day-to-day liquidity
- Reduced transaction costs
- Simplify the management of inflows and outflows resulting in time savings for staff

FUND CASH RESULTS*



*Returns are through 4/30/14 and gross of management fees.
Please refer to disclosures in Appendices.
Source: Parametric Minneapolis Date created: May 23, 2014

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Securitize Residual Manager Cash

CHALLENGE

- Residual or transactional manager cash exposure (e.g. 1-3% of portfolio) creates an expected long-term performance drag

VCERA IMPLEMENTATION

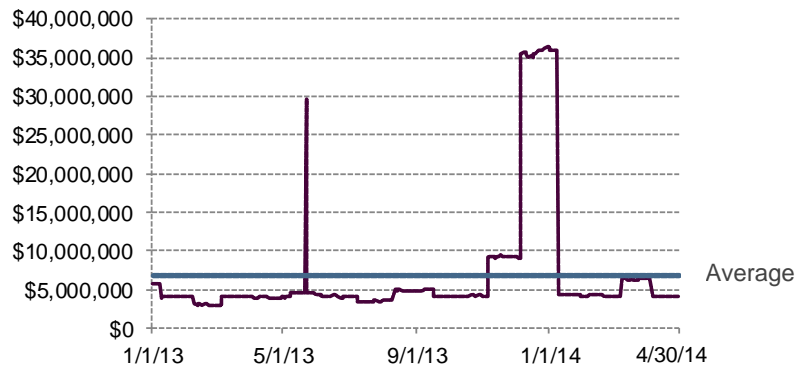
- Manager cash balances are invested with the objective of reducing the Fund's deviation from the target asset allocation

EXPECTED BENEFITS

- Increase expected return
- Maintain exposure across multiple asset classes
- Ability to customize cash overlay for each manager

MANAGER CASH RESULTS*

Manager Cash Balance



Gain/Loss

- Incremental return of approximately \$545,551 since January 1, 2013*

*Returns are through 4/30/14 and gross of management fees.

Please refer to disclosures in Appendices. The deduction of an advisory fee would reduce an investor's return. Past performance is not indicative of future results.

For illustrative purposes only.

Source: Parametric Minneapolis Date created: May 23, 2014

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Overlay Transition Management*

CHALLENGE

- Manager changes, manager reallocations, liquidation of illiquid holdings (e.g. hedge funds), change to target allocations, etc. which cause the fund to meaningfully deviate from target exposures

VCERA IMPLEMENTATION

- Reduce or eliminate exposure gaps using index overlays or ETF's

EXPECTED BENEFITS

- Mitigation of exposure gaps which reduces performance risk
- The manager termination point can be accelerated or new manager search period can be extended as long as needed without losing targeted market exposure

TRANSITION RESULTS*

- Since January 1, 2013, transition management has returned \$3,683,923**

*Parametric Minneapolis works closely with transition service providers but does not transition physical portfolio holdings

**Through 4/30/14. Returns are gross of management fees.

Please refer to disclosures in Appendices. The deduction of an advisory fee would reduce an investor's return. Past performance is not indicative of future results. For illustrative purposes only.

Source: Parametric Minneapolis Date created: May 23, 2014

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Rebalancing

CHALLENGE

- Asset class exposures which deviate meaningfully from long-term policy targets or short-term tactical preferences results in unwanted exposures and increased tracking error

VCERA IMPLEMENTATION

- In addition to using cash to move exposures closer to the Fund's target asset allocation, short futures positions can be utilized for rebalancing purposes. Additionally, if the Fund's exposures deviate from target by a predetermined threshold, a full rebalance trade is implemented.

EXPECTED BENEFITS

- Reduced transaction costs
- Timely and efficient reallocation of portfolio exposures
- Reduction of tracking error

REBALANCING RESULTS*

- Rebalancing via the overlay program has added approximately (\$7,041,444) since January 1, 2013*

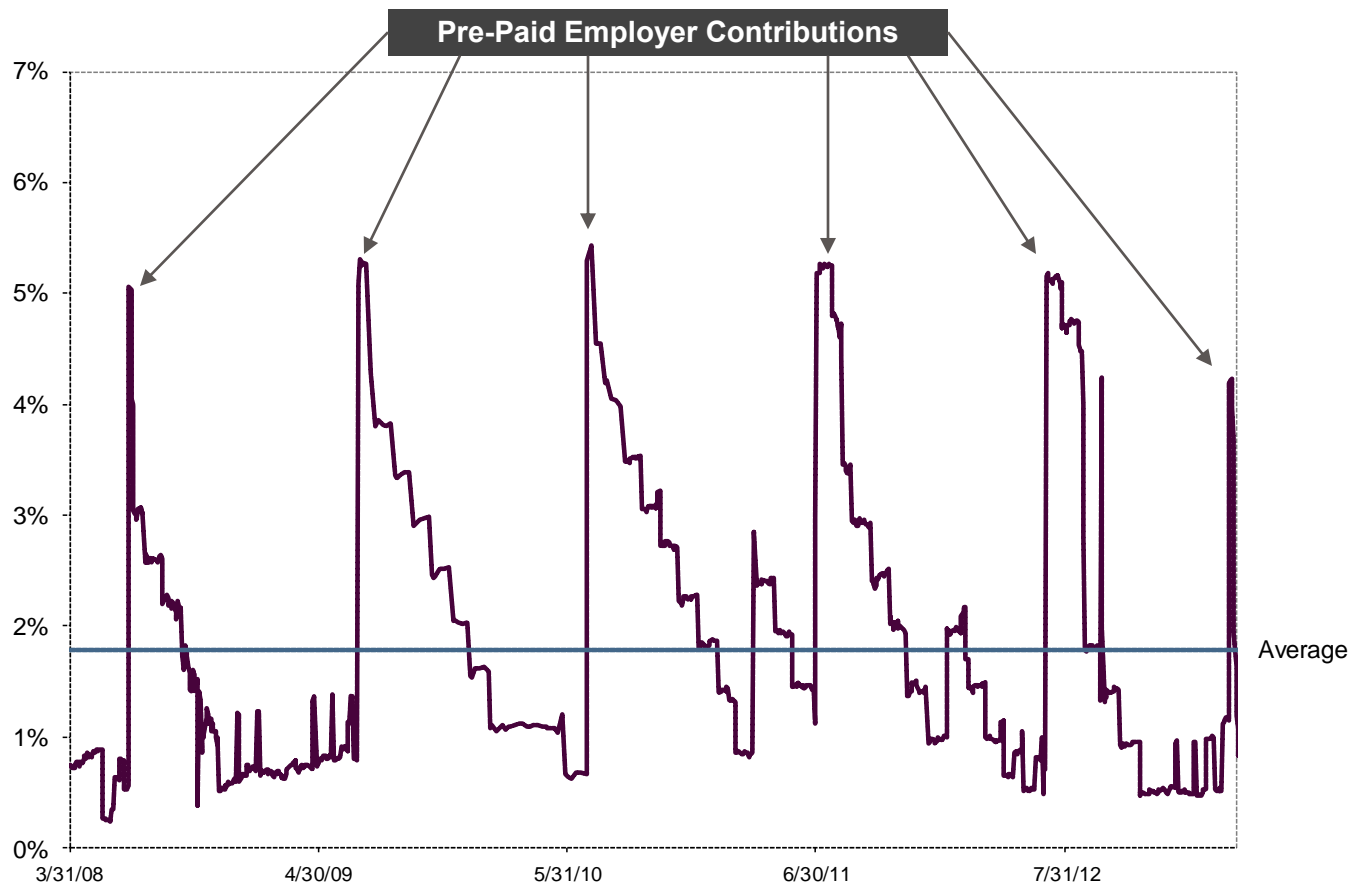
*Through 4/30/14. Returns are gross of management fees.

Please refer to disclosures in Appendices.

Source: Parametric Minneapolis Date created: May 23, 2014

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Actual Cash Exposure¹



Parametric Minneapolis' Policy Implementation Overlay Service program eliminates residual fund cash exposure on a daily basis. The VCERA fund held an average cash balance of 1.78% with a high of 9.02% and low of 0.24%.

¹Cash exposure illustrated is since VCERA inception February 29, 2008 through April 30, 2014
For illustrative purposes only.

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Client Performance Summary
Ventura County Employees' Retirement Association

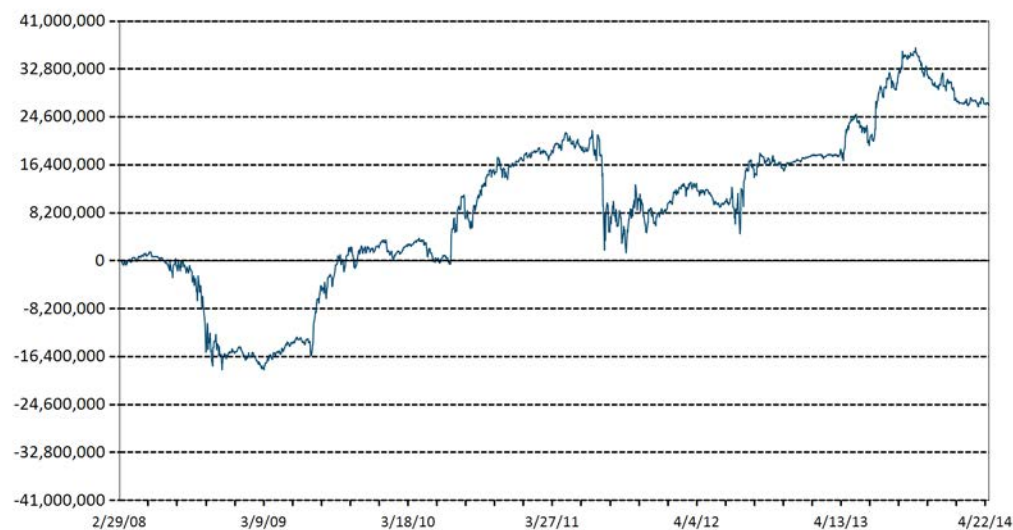
Account Number: 667600
 Base Currency: USD

Market Returns

	Synthetic Wilshire 5000	Wilshire 5000	Synthetic ACWI ex. U.S.	ACWI ex. U.S.	Synthetic MSCI ACWI	MSCI ACWI	Synthetic BCA	BCA	LIBOR 3-Month
April	0.05 %	0.17 %	1.54 %	1.32 %	1.14 %	0.95 %	0.66 %	0.84 %	0.02 %
QTD	0.05 %	0.17 %	1.54 %	1.32 %	1.14 %	0.95 %	0.66 %	0.84 %	0.02 %
YTD	1.80 %	2.21 %	1.22 %	1.83 %	1.83 %	2.05 %	2.39 %	2.70 %	0.08 %
Inception	8.40 %	8.44 %	0.92 %	1.43 %	18.91 %	18.89 %	4.18 %	4.60 %	0.74 %

02/29/2008

PIOS Incremental Return (Inception to Date)



Average Target Overlay Balance	Domestic Equity	International Equity	Global Equity	Fixed Income
4/1/2014 to 4/30/2014	-7,911,303	-25,536,996	3,694,962	58,831,332

Clifton Group Portfolio Gain/Loss	Domestic Equity	International	Fixed Income	Interest	Total Gain/Loss	PIOS Only Gain/Loss	PIOS Only %
April	-45,508	-543,047	386,329	954	-201,273	-202,226	0.00 %
QTD	-45,508	-543,047	386,329	954	-201,273	-202,226	0.00 %
YTD	4,290,470	-10,716,827	1,041,439	5,266	-5,379,652	-5,384,918	-0.13 %
Inception	12,889,491	7,856,933	5,541,364	772,468	27,060,256	26,287,788	0.16 %

Past performance is no guarantee of future results

- Note 1: Linked monthly PIOS returns relative to total fund
- Note 2: Source: Goldman Sachs, Bloomberg, and Parametric Clifton
- Note 3: ACWI returns start from 7/1/12

19 Returns are gross of management fees. The deduction of an advisory fee would reduce investor's return. Information subject to change. It is not possible to invest directly in an index. All investments are subject to loss. Material provided is supplemental to the GIPS compliant presentation. Please refer to the GIPS compliant presentation and other disclosures at the end of this presentation. Source: Goldman Sachs, Bloomberg, Parametric Date Created: May 27, 2014

Overlay Services: What are the Risks?

Risk	Description	How Parametric Minneapolis Mitigates
<i>Market</i>	Market performs in a way that was not anticipated. For example, cash outperforms capital markets.	Systematic market risk is an inherent part of the PIOS® program and can neither be diversified away nor mitigated. Client specific policy guidelines are established to clearly define desired market risk based on client asset allocation targets.
<i>Communication/ Information</i>	Overlay index exposures are maintained based on underlying investment values provided by one or more third parties. There are often delays in the receipt of updated information which can lead to exposure imbalance risks. Inadequate communication regarding cash flow moves into and out of fund and manager changes can lead to unwanted asset class exposures and loss.	Parametric Minneapolis establishes communication links with custodial, manager, and other sources to obtain and verify positions and cash flow data as soon as it is available. Suspect data may be researched and staff notified.
<i>Margin/Liquidity</i>	Potential that the market moves in a manner adverse to the overlay position causing a mark-to-market loss of capital to the fund and a resulting need to raise liquidity or to close positions; this situation could happen at a time when underlying fund or positions are also declining in value.	Parametric Minneapolis strives to be aware of potential collateral and cash requirements to reduce the risk of needing to remove positions. Additional margin requirements are communicated via electronic mail and margin adequacy is available to the client daily.
<i>Tracking Error</i>	Futures (synthetic) index returns do not perfectly track benchmark index returns. This divergence between the price behavior of a position or portfolio and the price behavior of a benchmark is tracking error and impacts performance.	Parametric seeks to minimize tracking error by utilizing liquid futures contracts with sufficient daily trading volume and open interest. All derivative contracts will have some tracking error that cannot be mitigated by an overlay manager.

Appendices

Biographies: Parametric Minneapolis Investment Center

Orison “Kip” Chaffee, CFA

Managing Principal

Kip Chaffee joined Parametric in 2008* as Managing Principal. His responsibilities include formulating strategic direction and day to day management of the Minneapolis Investment Center. Kip has held a number of executive positions within the financial services industry including VP of Corporate Strategy and Development for Ameriprise Financial Services and President and COO of Hantz Financial Services. Kip earned his BS in Economics from Harvard University and an MBA with a finance concentration from The Wharton School of Business. He is a CFA charterholder and a member of the CFA Society of Minnesota.

Jack Hansen, CFA

Chief Investment Officer

Jack Hansen joined Parametric in 1985*. As Chief Investment Officer (Minneapolis Investment Center), his responsibilities include the management of investment operations and portfolio management. Jack has managed futures, swaps, options, and other derivative based programs since 1986. Jack earned a BS degree in finance and economics from Marquette University and a MS in finance from the University of Wisconsin, Madison. He is a CFA charterholder and member of the CFA Society of Minnesota. Jack writes and lectures on the use of derivatives in portfolio management.

Thomas Lee, CFA

Managing Director - Investment Strategy and Research

Thomas Lee joined Parametric in 1994*. Tom is currently responsible for managing a team that oversees all of the Parametric Minneapolis Investment Center's investment strategies. In his current position he chairs the Investment Committee that has oversight responsibility of all the Parametric Minneapolis Investment Center's investment strategies and leads the research efforts that support all existing and new strategies. He was instrumental in the creation and development of the firm's implementation service. Tom took the lead developing customized solutions for many of the firm's clients. The solutions ranged from custom liability driven mandates to creation of fund wide risk balanced allocations. Tom has co-authored articles on topics ranging from liability driven investments to risk parity. Prior to joining Parametric, he spent two years working for the Federal Reserve in Washington, D.C. In this position, he gained experience in modeling and forecasting interest rates and related monetary variables. Tom earned a BS in economics and an MBA in finance from the University of Minnesota. He is a CFA charterholder and a member of the CFA Society of Minnesota.

Jay Strohmaier, CFA

Senior Portfolio Manager

Jay Strohmaier returned to Parametric in 2009*. Jay has extensive experience with futures and options-based strategies and has been active in the investment industry since 1984. As a Sr. Portfolio Manager, Jay leads a team of investment professionals responsible for designing, trading and managing overlay portfolios with an emphasis on Defensive Equity, hedging, and other asymmetric strategies. Prior to rejoining Parametric, Jay worked for Cargill, Peregrine Capital Management, and Advantus Capital Management where his responsibilities included research, portfolio management, trading, marketing, and client service. He holds a BS degree in Agricultural Economics from Washington State University and MS in Applied Economics from the University of Minnesota. He is a CFA charterholder and a member of the CFA Society of Minnesota.

Justin Henne, CFA

Senior Portfolio Manager

Justin Henne joined Parametric in 2004* as an Investment Analyst. In 2012, he was promoted to Senior Portfolio Manager and is a member of the Portfolio Management Team. He has overlay portfolio management responsibilities with an emphasis on international index and currency management strategies. He leads a team which continues to enhance overlay programs to meet clients ever changing risk management needs. Justin holds a BA in Financial Management from the University of St. Thomas. Prior to joining Parametric, he was a fixed income research analyst intern at Jeffrey Slocum & Associates. He is a CFA charterholder and a member of the CFA Society of Minnesota.

*Reflects the year employee was hired by The Clifton Group, which was acquired by Parametric Portfolio Associates LLC on December 31, 2012.

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Disclosure

Parametric Portfolio Associates LLC and Parametric Risk Advisors LLC (collectively "Parametric") are affiliated investment advisory firms separately registered with the U.S. Securities and Exchange Commission. Parametric Portfolio Associates LLC is headquartered in Seattle, Washington and has investment centers in Seattle, Washington; Minneapolis, Minnesota; and Westport, Connecticut providing investment management services. The Minneapolis investment center resulted after the purchase of Clifton Group Investment Management in December 2012. The Westport investment center, Parametric Risk Advisors LLC was formed in 2007. This presentation may not be forwarded or reproduced in whole or in part without the written consent of Parametric.

Parametric is divided into two segments: Parametric Investment & Overlay Strategies and Parametric Custom Tax-Managed & Centralized Portfolio Management. For compliance with the Global Investment Performance Standards (GIPS®), the Firm is defined and held out to the public as Parametric Investment & Overlay Strategies. Parametric Investment & Overlay Strategies provides rules-based investment management services to institutional investors, individual clients and registered investment vehicles, including Engineered Alpha Strategies, Specialty Index, and Policy Implementation Overlay Service (PIOS). The Firm has complied with the GIPS standards retroactive to January 1, 2000.

The PIOS® Composite is offered through the Parametric Investment & Overlay Strategies segment of Parametric. Parametric Investment & Overlay Strategies AUM as of 12/31/2013 is \$80.9 billion. GIPS® compliant presentations are included along with other supplemental materials that further define or explain the strategy, investment process or composite.

This information is intended solely to report on investment strategies and opportunities identified by Parametric. Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. Past performance does not indicate future returns. The views and strategies described may not be suitable for all investors. Parametric does not provide legal, tax and/or accounting advice or services. Clients should consult with their own tax or legal advisor prior to entering into any transaction or strategy described here.

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This presentation contains back-tested hypothetical and/or model performance data and may not be relied upon for investment decisions. This material may contain confidential and/or proprietary information and/or assumptions and may only be relied on for this report. Detailed account inclusion/exclusion policies and back-tested data are available upon request. Perspectives, opinions, and testing data may change without notice. Decisions and information were based on available research at the time and as data may contain back-tested hypothetical results, returns may not be realized and specific action or lack of action is not known for certainty. No securities, sectors, industries, or other information mentioned herein may be considered as an offer to purchase or sell a firm product or security. The information presented, including, but not limited to, objectives, allocations and portfolio characteristics, is intended to provide a general example of the implementation of the strategy and does not represent the experience of any particular client. Actual client portfolio holdings, performance, allocations and portfolio characteristics will vary for each client. Any positive comments regarding specific data may no longer be applicable and should not be relied on for investment purposes.

Returns presented were generated using Parametric's proprietary investment methodology as described in Parametric's Form ADV Part 2A. Returns are unaudited, and may not correspond to quarterly calculated performance for any other client account in the stated discipline. Returns are calculated in U.S. dollars using the internal rate of return, reflect the reinvestment of dividends, interest, gains and other income, include transaction costs but exclude account and custodial services fees, and do not take individual investor tax categories into consideration. After-tax estimates are a "best scenario" provision for illustrative purposes. Specific periods of returns are not meant to imply that the portfolio would have been profitable had the client only invested in the market for this time period. All investments are subject to loss.

Disclosure (continued)

Hypothetical performance results have many inherent limitations, some of which are described below. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. In fact, there are frequently sharp differences between hypothetical performance results and the actual results subsequently achieved by any particular trading program. One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, simulated trading does not involve financial risk, and no simulated trading record can completely account for the impact of financial risk in actual trading. For example, the ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points which can also adversely affect actual trading results. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual trading results. Because there are no actual trading results to compare to the simulated performance results, clients should be particularly wary of placing undue reliance on these simulated results.

Benchmark/index information provided is for illustrative purposes only. Investors cannot invest directly in an index. Returns for indexes are calculated gross of management fees. Deviations from the benchmarks provided herein may include but are not limited to factors such as: the purchase of higher risk securities, over/under weighting specific sectors and countries, limitations in market capitalization, company revenue sources, and/or client restrictions. Parametric's proprietary investment process considers factors such as additional guidelines, restrictions, weightings, allocations, market conditions and other investment characteristics. Thus returns may at times materially differ from the stated benchmark and/or other disciplines and funds provided for comparison.

The **Wilshire 5000 Total Market Index**, or more simply the **Wilshire 5000**, is a market-capitalization-weighted index of the market value of all stocks actively traded in the United States.

The **MSCI ACWI Index ex-US** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets excluding the US.

The **MSCI ACWI Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.

The **Barclays Capital Aggregate Bond Index ("BarCap Agg")** is a market-capitalization-weighted index, maintained by Barclays Capital and is often used to represent investment grade bonds being traded in the United States.

Parametric is located at 1918 8th Avenue, Suite 3100, Seattle, WA 98101. For more information regarding Parametric and its investment strategies, or to request a copy of Parametric's Form ADV, please contact us at 206.694.5575 or visit our website, www.parametricportfolio.com.

Parametric Minneapolis is located at 3600 Minnesota Drive, Suite 325, Minneapolis, MN 55435. For more information regarding Parametric Minneapolis and its investment strategies, or to request a copy of Parametric's Form ADV, please contact us at 612.870.8800 or visit our website, www.thecliftongroup.com.

PIOS® Composite

Parametric Investment & Overlay Strategies

PIOS Composite Performance Presentation

Reported in: USD

Period	Returns			3 Yr. Annualized Standard Deviation		Dispersion	Assets		
	Total Gross Return AWR	Total Net Return AWR	Index	Composite	Index	Internal Equal Wtd.	Number of Portfolios *	Composite (MM) *	Total Firm (MM) *
2004	1.35%	1.19%	-	-	-	2.68%	-	-	771
2005	0.38%	0.23%	-	-	-	0.73%	-	-	1,005
2006	0.53%	0.38%	-	-	-	2.47%	-	-	1,481
2007	0.23%	0.08%	-	-	-	1.66%	-	-	4,469
2008	-2.07%	-2.22%	-	-	-	10.70%	-	-	4,396
2009	2.12%	1.97%	-	-	-	7.59%	-	-	12,621
2010	1.60%	1.45%	-	1.39%	-	5.81%	-	-	17,579
2011	1.18%	1.03%	-	1.17%	-	6.29%	-	-	19,548
2012	2.02%	1.87%	-	1.13%	-	4.66%	167	27,813	63,431
2013	2.79%	2.64%	-	1.30%	-	9.30%	182	38,121	80,896

* The composite was not included in the Firm Assets prior to 2012 as it was being managed by a prior firm.

Index: None

Parametric Portfolio Associates LLC and Parametric Risk Advisors LLC (collectively "Parametric") are affiliated investment advisory firms separately registered with the U.S. Securities and Exchange Commission. Parametric Portfolio Associates LLC is headquartered in Seattle, Washington and has investment centers in Seattle, Washington; Minneapolis, Minnesota; and Westport, Connecticut providing investment management services. The Minneapolis investment center resulted after the purchase of Clifton Group Investment Management in December 2012. The Westport investment center, Parametric Risk Advisors LLC was formed in 2007.

Parametric is divided into two segments: Parametric Investment & Overlay Strategies and Parametric Custom Tax-Managed & Centralized Portfolio Management. For compliance with the Global Investment Performance Standards (GIPS®), the Firm is defined and held out to the public as Parametric Investment & Overlay Strategies. Parametric Investment & Overlay Strategies provides rules-based investment management services to institutional investors, individual clients and registered investment vehicles, including Engineered Alpha Strategies, Specialty Index, and Policy Implementation Overlay Service (PIOS). The Firm has complied with the GIPS standards retroactive to January 1, 2000.

Parametric Investment & Overlay Strategies claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Investment & Overlay Strategies segment of Parametric has not been independently verified.

Parametric Investment & Overlay Strategies Division

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PIOS[®] Composite (continued)

Parametric Investment & Overlay Strategies

The PIOS (Policy Implementation Overlay Service) Composite is comprised of all fully discretionary separate accounts that create custom overlay solutions designed to help investors achieve policy objectives. The PIOS strategy utilizes an array of investment instruments to achieve client objectives through adherence to detailed investment guidelines. Objectives can include Interest Rate Management, Currency Management, Rebalancing, Transition Management, Cash Securitization and Neutralizing Policy Performance Shortfalls.

Composite creation date is December 2013.

No benchmark is presented as our strategy composite dynamically invests in a wide variety of investments. The strategy may invest in domestic and international markets, and utilizes derivative instruments. We do not believe that any benchmark is a proper point of reference for our strategy.

Derivative securities are used in the accounts which comprise this composite. The firm's strategies contain derivatives such as futures, options, swaps, and other investment strategies that may involve certain advantages and risks. Futures require the posting of initial and variation margin. Therefore, a portion of risk capital must be preserved for this purpose rather than being allocated to a manager. Swaps require periodic payments, which may be less liquid than futures, and certain swaps may have counterparty/credit risk. Some investment strategies may require a collateral investment equal to the desired amount of exposure.

Portfolio returns reflect the reinvestment of dividend and interest income.

Performance results are expressed in U.S. dollars.

Composite gross returns are after transactions costs and other direct expenses, but before management fees. Net returns reflect the deduction of model investment management fees, 0.15%. The fees for the investment management services herein are described in the fee schedule.

The separate account management fee schedule is as follows: First \$50M @0.15%; Thereafter 0.10%

The dispersion of annual returns is measured by equal-weighted standard deviation of portfolio returns within the Composite for the full year.

Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

A list of composite descriptions is available upon request.

Performance prior to January 2013 was achieved by the Clifton Group Investment Management prior to its merger with Parametric Portfolio Associates, LLC and has been linked to the performance history of Parametric Investment & Overlay Strategies. Performance results prior to January 2013 should not be interpreted as the actual historical performance of Parametric Investment & Overlay Strategies. Parametric Investment & Overlay Strategies has adhered to the performance record portability requirements of the GIPS standards in regard to the presentation and linking of this performance track record.

Past performance is not a guarantee of future results.



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Ventura County Employees' Retirement Association

**Performance Report Month
Ending May 31, 2014**

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Ventura County Employees' Retirement Association

Total Fund Performance Detail

Performance Summary

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund	4,189,363,034	100.0	1.6	3.2	4.6	16.6	14.7	10.0	13.8	7.2	8.4	Apr-94
Policy Index			<u>1.6</u>	<u>2.7</u>	<u>4.1</u>	<u>16.0</u>	<u>13.8</u>	<u>9.3</u>	<u>12.6</u>	<u>7.3</u>	<u>8.3</u>	<u>Apr-94</u>
Over/Under			0.0	0.5	0.5	0.6	0.9	0.7	1.2	-0.1	0.1	
Total Fund ex Clifton	4,174,310,526	99.6	1.5	3.2	4.6	16.4	14.6	10.0	13.5	7.1	8.4	Apr-94
Total Fund ex Private Equity	4,105,755,755	98.0	1.6	3.1	4.6	15.2	13.1	--	--	--	14.1	Jan-12
Policy Index			<u>1.6</u>	<u>2.7</u>	<u>4.1</u>	<u>16.0</u>	<u>13.8</u>	<u>9.3</u>	<u>12.6</u>	<u>7.3</u>	<u>14.2</u>	<u>Jan-12</u>
Over/Under			0.0	0.4	0.5	-0.8	-0.7				-0.1	
Total US Equity	1,303,496,836	31.1	2.2	2.8	4.4	22.9	21.2	15.1	19.5	7.8	9.0	Dec-93
Total U.S. Equity Benchmark			<u>2.2</u>	<u>2.7</u>	<u>4.3</u>	<u>21.9</u>	<u>20.4</u>	<u>14.8</u>	<u>18.9</u>	<u>8.3</u>	<u>9.4</u>	<u>Dec-93</u>
Over/Under			0.0	0.1	0.1	1.0	0.8	0.3	0.6	-0.5	-0.4	
BlackRock Extended Equity Index	44,003,223	1.1	1.5	-1.7	1.6	21.4	20.2	13.5	21.1	10.2	12.7	Oct-02
Dow Jones U.S. Completion Total Stock Market			<u>1.5</u>	<u>-1.8</u>	<u>1.7</u>	<u>21.4</u>	<u>20.2</u>	<u>13.2</u>	<u>21.0</u>	<u>10.1</u>	<u>12.7</u>	<u>Oct-02</u>
Over/Under			0.0	0.1	-0.1	0.0	0.0	0.3	0.1	0.1	0.0	
Western U.S. Index Plus	128,367,906	3.1	2.5	4.3	5.6	23.2	20.9	16.2	24.1	--	2.7	May-07
S&P 500			<u>2.3</u>	<u>4.0</u>	<u>5.0</u>	<u>22.1</u>	<u>20.4</u>	<u>15.1</u>	<u>18.4</u>	<u>7.8</u>	<u>5.6</u>	<u>May-07</u>
Over/Under			0.2	0.3	0.6	1.1	0.5	1.1	5.7		-2.9	
BlackRock Equity Market Fund	1,131,125,708	27.0	2.2	2.8	4.3	22.1	20.5	14.8	18.9	--	7.1	Dec-07
Dow Jones U.S. Total Stock Market			<u>2.2</u>	<u>2.8</u>	<u>4.3</u>	<u>21.9</u>	<u>20.4</u>	<u>14.8</u>	<u>18.9</u>	<u>8.4</u>	<u>7.1</u>	<u>Dec-07</u>
Over/Under			0.0	0.0	0.0	0.2	0.1	0.0	0.0		0.0	

Policy Index: Uses an estimated CPI+4% index due to CPI monthly lag

Policy Index: Currently, 30% Total U.S. Equity Benchmark, 19% Barclays Aggregate, 14% MSCI ACWI ex U.S., 10% MSCI ACWI, 5% Barclays Global Aggregate, 5% DJ U.S. Total Stock Market Index + 3%, 10% CPI+4% Index, and 7% NCREIF ODCE Real Estate Index

Total U.S. Equity Benchmark: The Benchmark is 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

Western U.S. Index Plus uses the Manager's stated market value as of 5/31/2014, and performance is preliminary



May 31, 2014

Ventura County Employees' Retirement Association

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Non-US Equity	642,247,234	15.3	1.7	3.6	3.7	19.1	14.5	5.5	11.3	7.6	7.1	Mar-94
<i>Total Non-US Equity Benchmark</i>			<u>1.9</u>	<u>3.6</u>	<u>3.8</u>	<u>19.7</u>	<u>14.5</u>	<u>4.6</u>	<u>10.5</u>	<u>7.8</u>	<u>5.8</u>	<i>Mar-94</i>
Over/Under			-0.2	0.0	-0.1	-0.6	0.0	0.9	0.8	-0.2	1.3	
BlackRock ACWI ex-U.S. Index	269,193,383	6.4	2.0	3.4	4.1	20.3	15.0	4.9	11.1	--	2.6	Mar-07
<i>MSCI ACWI ex USA</i>			<u>1.9</u>	<u>3.6</u>	<u>3.8</u>	<u>19.7</u>	<u>14.5</u>	<u>4.6</u>	<u>10.5</u>	<u>7.8</u>	<u>2.1</u>	<i>Mar-07</i>
Over/Under			0.1	-0.2	0.3	0.6	0.5	0.3	0.6		0.5	
Sprucegrove	195,253,369	4.7	1.3	4.6	5.0	21.0	16.7	7.4	13.5	8.5	9.1	Mar-02
<i>MSCI EAFE</i>			<u>1.6</u>	<u>2.4</u>	<u>3.8</u>	<u>22.4</u>	<u>18.0</u>	<u>7.3</u>	<u>11.4</u>	<u>7.1</u>	<u>7.3</u>	<i>Mar-02</i>
Over/Under			-0.3	2.2	1.2	-1.4	-1.3	0.1	2.1	1.4	1.8	
<i>MSCI ACWI ex USA</i>			<u>1.9</u>	<u>3.6</u>	<u>3.8</u>	<u>19.7</u>	<u>14.5</u>	<u>4.6</u>	<u>10.5</u>	<u>7.8</u>	<u>8.0</u>	<i>Mar-02</i>
Hexavest	82,676,228	2.0	1.6	2.2	2.5	17.7	14.1	6.3	--	--	7.1	Dec-10
<i>MSCI EAFE</i>			<u>1.6</u>	<u>2.4</u>	<u>3.8</u>	<u>22.4</u>	<u>18.0</u>	<u>7.3</u>	<u>11.4</u>	<u>7.1</u>	<u>8.3</u>	<i>Dec-10</i>
Over/Under			0.0	-0.2	-1.3	-4.7	-3.9	-1.0			-1.2	
Walter Scott	95,124,253	2.3	1.9	3.5	1.2	11.8	8.6	5.2	--	--	6.4	Dec-10
<i>MSCI ACWI ex USA</i>			<u>1.9</u>	<u>3.6</u>	<u>3.8</u>	<u>19.7</u>	<u>14.5</u>	<u>4.6</u>	<u>10.5</u>	<u>7.8</u>	<u>5.7</u>	<i>Dec-10</i>
Over/Under			0.0	-0.1	-2.6	-7.9	-5.9	0.6			0.7	
Total Global Equity	443,244,124	10.6	1.9	4.1	4.9	20.8	17.6	9.4	13.3	--	6.3	May-05
<i>MSCI ACWI</i>			<u>2.1</u>	<u>3.6</u>	<u>4.2</u>	<u>20.7</u>	<u>17.2</u>	<u>9.0</u>	<u>13.7</u>	<u>7.5</u>	<u>7.1</u>	<i>May-05</i>
Over/Under			-0.2	0.5	0.7	0.1	0.4	0.4	-0.4		-0.8	
GMO Global Equity	221,174,872	5.3	1.5	4.6	5.5	20.9	17.8	10.2	13.7	--	7.8	Apr-05
<i>MSCI ACWI</i>			<u>2.1</u>	<u>3.6</u>	<u>4.2</u>	<u>20.7</u>	<u>17.2</u>	<u>9.0</u>	<u>13.7</u>	<u>7.5</u>	<u>7.1</u>	<i>Apr-05</i>
Over/Under			-0.6	1.0	1.3	0.2	0.6	1.2	0.0		0.7	
BlackRock MSCI ACWI Equity Index	222,069,253	5.3	2.2	3.7	4.4	20.9	17.4	--	--	--	--	May-12
<i>MSCI ACWI</i>			<u>2.1</u>	<u>3.6</u>	<u>4.2</u>	<u>20.7</u>	<u>17.2</u>	<u>9.0</u>	<u>13.7</u>	<u>7.5</u>	<u>21.5</u>	<i>May-12</i>
Over/Under			0.1	0.1	0.2	0.2	0.2					

Total Non-U.S. Equity Benchmark: MSCI ACWI ex US Free, prior to May 2002, the MSCI EAFE

Ventura County Employees' Retirement Association

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total US Fixed Income	716,979,268	17.1	0.6	1.2	2.7	4.7	2.6	5.1	8.6	6.4	6.5	Feb-94
<i>Barclays Aggregate</i>			<u>1.1</u>	<u>1.8</u>	<u>3.9</u>	<u>4.3</u>	<u>2.7</u>	<u>3.5</u>	<u>5.0</u>	<u>5.0</u>	<u>5.9</u>	<i>Feb-94</i>
Over/Under			-0.5	-0.6	-1.2	0.4	-0.1	1.6	3.6	1.4	0.6	
Western	260,910,830	6.2	1.3	2.6	5.3	6.1	3.9	5.5	8.8	6.0	6.7	Dec-96
<i>Barclays Aggregate</i>			<u>1.1</u>	<u>1.8</u>	<u>3.9</u>	<u>4.3</u>	<u>2.7</u>	<u>3.5</u>	<u>5.0</u>	<u>5.0</u>	<u>5.8</u>	<i>Dec-96</i>
Over/Under			0.2	0.8	1.4	1.8	1.2	2.0	3.8	1.0	0.9	
BlackRock U.S. Debt Fund	136,283,807	3.3	1.2	1.8	3.9	4.3	2.7	3.6	5.0	5.1	5.8	Nov-95
<i>Barclays Aggregate</i>			<u>1.1</u>	<u>1.8</u>	<u>3.9</u>	<u>4.3</u>	<u>2.7</u>	<u>3.5</u>	<u>5.0</u>	<u>5.0</u>	<u>5.7</u>	<i>Nov-95</i>
Over/Under			0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.1	
Reams	248,371,651	5.9	-0.8	-1.1	-1.4	1.0	0.0	5.3	8.4	6.9	6.4	Sep-01
<i>Reams Custom Index</i>			<u>0.0</u>	<u>0.1</u>	<u>0.1</u>	<u>0.2</u>	<u>0.3</u>	<u>2.8</u>	<u>4.5</u>	<u>4.8</u>	<u>4.8</u>	<i>Sep-01</i>
Over/Under			-0.8	-1.2	-1.5	0.8	-0.3	2.5	3.9	2.1	1.6	
<i>Barclays Aggregate</i>			<u>1.1</u>	<u>1.8</u>	<u>3.9</u>	<u>4.3</u>	<u>2.7</u>	<u>3.5</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<i>Sep-01</i>
Loomis Sayles Multi Strategy	71,412,981	1.7	1.6	3.2	6.5	9.9	5.2	7.2	12.5	--	7.7	Jul-05
<i>Loomis Custom Index</i>			<u>1.1</u>	<u>1.8</u>	<u>4.0</u>	<u>6.1</u>	<u>4.2</u>	<u>5.2</u>	<u>7.6</u>	--	<u>6.0</u>	<i>Jul-05</i>
Over/Under			0.5	1.4	2.5	3.8	1.0	2.0	4.9		1.7	
<i>Barclays Aggregate</i>			<u>1.1</u>	<u>1.8</u>	<u>3.9</u>	<u>4.3</u>	<u>2.7</u>	<u>3.5</u>	<u>5.0</u>	<u>5.0</u>	<u>4.9</u>	<i>Jul-05</i>
Total Global Fixed Income	265,175,532	6.3	0.6	1.6	3.7	6.7	4.7	--	--	--	2.5	Jun-12
<i>Barclays Global Aggregate</i>			<u>0.6</u>	<u>1.7</u>	<u>4.2</u>	<u>6.6</u>	<u>5.4</u>	<u>2.3</u>	<u>4.5</u>	<u>5.0</u>	<u>2.2</u>	<i>Jun-12</i>
Over/Under			0.0	-0.1	-0.5	0.1	-0.7				0.3	
Loomis Sayles Global Fixed Income	95,537,210	2.3	0.7	1.9	4.2	6.5	4.3	--	--	--	2.9	Jun-12
<i>Barclays Global Aggregate</i>			<u>0.6</u>	<u>1.7</u>	<u>4.2</u>	<u>6.6</u>	<u>5.4</u>	<u>2.3</u>	<u>4.5</u>	<u>5.0</u>	<u>2.2</u>	<i>Jun-12</i>
Over/Under			0.1	0.2	0.0	-0.1	-1.1				0.7	
PIMCO Global Fixed Income	128,077,580	3.1	0.6	1.5	4.1	6.8	5.0	--	--	--	0.2	Sep-12
<i>Barclays Global Aggregate</i>			<u>0.6</u>	<u>1.7</u>	<u>4.2</u>	<u>6.6</u>	<u>5.4</u>	<u>2.3</u>	<u>4.5</u>	<u>5.0</u>	<u>0.6</u>	<i>Sep-12</i>
Over/Under			0.0	-0.2	-0.1	0.2	-0.4				-0.4	
Loomis Strategic Alpha	41,560,743	1.0	0.7	1.3	1.6	3.3	--	--	--	--	3.0	Jul-13
<i>Barclays Global Aggregate</i>			<u>0.6</u>	<u>1.7</u>	<u>4.2</u>	<u>6.6</u>	<u>5.4</u>	<u>2.3</u>	<u>4.5</u>	<u>5.0</u>	<u>5.3</u>	<i>Jul-13</i>
Over/Under			0.1	-0.4	-2.6	-3.3					-2.3	

Reams Custom Index: Merrill Lynch 3 Month Libor Constant Maturity Index, prior to February 2013 the Barclays Aggregate

Loomis Custom Index: 65% Barclays Aggregate, 30% Citigroup High Yield Market Index and 5% JPM Non-US Hedged Bond Index

Reams is preliminary as of report date

Ventura County Employees' Retirement Association

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Real Estate	298,330,294	7.1	0.0	2.3	2.3	7.7	10.9	10.7	5.8	4.7	7.5	Mar-94
<i>Total Real Estate Benchmark</i>			<u>0.0</u>	<u>2.5</u>	<u>2.5</u>	<u>9.5</u>	<u>13.8</u>	<u>13.1</u>	<u>7.3</u>	<u>7.2</u>	<u>8.6</u>	<i>Mar-94</i>
Over/Under			0.0	-0.2	-0.2	-1.8	-2.9	-2.4	-1.5	-2.5	-1.1	
Prudential Real Estate	97,522,348	2.3	0.0	2.3	2.3	9.4	12.9	12.4	6.2	--	4.5	Jun-04
<i>NCREIF-ODCE</i>			<u>0.0</u>	<u>2.5</u>	<u>2.5</u>	<u>9.5</u>	<u>13.8</u>	<u>13.1</u>	<u>7.3</u>	<u>7.2</u>	<u>6.9</u>	<i>Jun-04</i>
Over/Under			0.0	-0.2	-0.2	-0.1	-0.9	-0.7	-1.1		-2.4	
UBS Real Estate	192,583,732	4.6	0.0	2.3	2.3	6.9	10.3	9.8	6.4	6.9	7.0	Mar-03
<i>NCREIF-ODCE</i>			<u>0.0</u>	<u>2.5</u>	<u>2.5</u>	<u>9.5</u>	<u>13.8</u>	<u>13.1</u>	<u>7.3</u>	<u>7.2</u>	<u>7.3</u>	<i>Mar-03</i>
Over/Under			0.0	-0.2	-0.2	-2.6	-3.5	-3.3	-0.9	-0.3	-0.3	
RREEF	8,224,214	0.2	0.0	3.8	3.8	11.4	16.9	28.5	4.6	--	-9.8	Sep-07
<i>NCREIF-ODCE</i>			<u>0.0</u>	<u>2.5</u>	<u>2.5</u>	<u>9.5</u>	<u>13.8</u>	<u>13.1</u>	<u>7.3</u>	<u>7.2</u>	<u>1.8</u>	<i>Sep-07</i>
Over/Under			0.0	1.3	1.3	1.9	3.1	15.4	-2.7		-11.6	
Total Liquid Alternatives	421,229,958	10.1	3.3	7.1	11.3	20.0	24.6	--	--	--	21.6	Apr-13
<i>CPI + 4% (Unadjusted)</i>			<u>0.7</u>	<u>2.3</u>	<u>3.7</u>	<u>5.6</u>	<u>6.2</u>	<u>5.8</u>	<u>6.2</u>	<u>6.4</u>	<u>6.2</u>	<i>Apr-13</i>
Over/Under			2.6	4.8	7.6	14.4	18.4				15.4	
Tortoise Energy Infrastructure	145,620,621	3.5	5.1	12.2	18.0	29.0	33.8	--	--	--	29.8	Apr-13
<i>Wells Fargo MLP Index</i>			<u>3.2</u>	<u>8.8</u>	<u>10.0</u>	<u>15.5</u>	<u>17.7</u>	<u>17.3</u>	--	--	<u>15.6</u>	<i>Apr-13</i>
Over/Under			1.9	3.4	8.0	13.5	16.1				14.2	
Bridgewater All Weather Fund	275,609,338	6.6	2.4	4.6	8.1	--	--	--	--	--	11.8	Aug-13
<i>DJ U.S. Total Stock Market Index + 3%</i>			<u>2.4</u>	<u>3.6</u>	<u>5.6</u>	<u>25.2</u>	<u>23.9</u>	--	--	--	<u>21.7</u>	<i>Aug-13</i>
Over/Under			0.0	1.0	2.5						-9.9	

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

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.

Total Liquid Alternatives index, the CPI+4% is not available as the Consumer Price Index has not yet been released as of the date of report production

Ventura County Employees' Retirement Association

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Overlay	15,052,508	0.4										
Clifton	15,052,508	0.4										
Total Private Equity	83,607,279	2.0	0.0	5.9	5.8	16.7	16.7	--	--	--	--	Jul-10
<i>DJ U.S. Total Stock Market Index + 3%</i>			<u>2.4</u>	<u>3.6</u>	<u>5.6</u>	<u>25.2</u>	<u>23.9</u>	--	--	--	--	<i>Jul-10</i>
Over/Under			-2.4	2.3	0.2	-8.5	-7.2					
Adams Street Partners	51,615,319	1.2	0.0	5.9	5.9	18.1	18.1	--	--	--	--	Jul-10
<i>DJ U.S. Total Stock Market Index + 3%</i>			<u>2.4</u>	<u>3.6</u>	<u>5.6</u>	<u>25.2</u>	<u>23.9</u>	--	--	--	--	<i>Jul-10</i>
Over/Under			-2.4	2.3	0.3	-7.1	-5.8					
Panteon Ventures	9,665,079	0.2	0.0	5.8	5.8	10.0	10.0	--	--	--	--	Aug-10
<i>DJ U.S. Total Stock Market Index + 3%</i>			<u>2.4</u>	<u>3.6</u>	<u>5.6</u>	<u>25.2</u>	<u>23.9</u>	--	--	--	--	<i>Aug-10</i>
Over/Under			-2.4	2.2	0.2	-15.2	-13.9					
Harbourvest	22,326,882	0.5	-0.1	5.8	5.5	15.0	--	--	--	--	--	May-13
<i>DJ U.S. Total Stock Market Index + 3%</i>			<u>2.4</u>	<u>3.6</u>	<u>5.6</u>	<u>25.2</u>	<u>23.9</u>	--	--	--	<u>23.9</u>	<i>May-13</i>
Over/Under			-2.5	2.2	-0.1	-10.2						

Performance for Clifton Overlay is not meaningful on an individual account basis

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

Total Fund

Cash Flow Summary

Month Ending May 31, 2014

	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Fees	Net Investment Change	Ending Market Value
Adams Street Partners	\$49,805,589	-\$759,265	\$2,569,000	\$1,809,735	\$0	-\$5	\$51,615,319
BlackRock ACWI ex-U.S. Index	\$281,384,758	-\$17,500,000	\$0	-\$17,500,000	-\$24,099	\$5,308,626	\$269,193,383
BlackRock Equity Market Fund	\$1,106,874,354	\$0	\$0	\$0	-\$20,935	\$24,251,354	\$1,131,125,708
BlackRock Extended Equity Index	\$43,347,721	\$0	\$0	\$0	-\$2,934	\$655,502	\$44,003,223
BlackRock MSCI ACWI Equity Index	\$217,300,903	\$0	\$0	\$0	-\$9,069	\$4,768,350	\$222,069,253
BlackRock U.S. Debt Fund	\$134,719,658	\$0	\$0	\$0	-\$7,876	\$1,564,149	\$136,283,807
Bridgewater All Weather Fund	\$269,034,037	\$0	\$0	\$0	-\$90,752	\$6,575,301	\$275,609,338
Clifton	\$17,646,805	-\$4,215,019	\$2,923,021	-\$1,291,998	-\$1,882	-\$1,302,299	\$15,052,508
GMO Global Equity	\$217,810,142	\$0	\$0	\$0	-\$101,372	\$3,364,729	\$221,174,872
Harbourvest	\$19,315,325	\$3,037,500	\$0	\$3,037,500	\$0	-\$25,944	\$22,326,882
Hexavest	\$81,326,732	\$0	\$0	\$0	-\$31,725	\$1,349,496	\$82,676,228
Loomis Sayles Global Fixed Income	\$94,840,493	\$0	\$0	\$0	-\$23,884	\$696,716	\$95,537,210
Loomis Sayles Multi Strategy	\$70,280,925	\$0	\$0	\$0	-\$23,687	\$1,132,055	\$71,412,981
Loomis Strategic Alpha	\$41,258,483	\$0	\$0	\$0	-\$13,854	\$302,260	\$41,560,743
Panteon Ventures	\$9,935,077	-\$270,000	\$0	-\$270,000	\$0	\$1	\$9,665,079
PIMCO Global Fixed Income	\$127,307,748	\$0	\$0	\$0	-\$36,186	\$769,832	\$128,077,580
Prudential Real Estate	\$97,522,348	\$0	\$0	\$0	\$0	\$0	\$97,522,348
Reams	\$250,281,623	\$0	\$0	\$0	-\$37,296	-\$1,909,972	\$248,371,651
RREEF	\$8,224,214	\$0	\$0	\$0	\$0	\$0	\$8,224,214
Sprucegrove	\$192,705,242	\$0	\$0	\$0	-\$60,261	\$2,548,126	\$195,253,369
Tortoise Energy Infrastructure	\$138,480,255	\$0	\$0	\$0	-\$86,261	\$7,140,366	\$145,620,621
UBS Real Estate	\$192,583,732	\$0	\$0	\$0	\$0	\$0	\$192,583,732
Walter Scott	\$93,301,030	\$0	\$0	\$0	-\$69,437	\$1,823,224	\$95,124,253
Western	\$257,539,343	\$0	\$0	\$0	-\$45,114	\$3,371,486	\$260,910,830
Western U.S. Index Plus	\$125,231,338	\$0	\$0	\$0	-\$28,546	\$3,136,567	\$128,367,906
Total	\$4,138,057,876	-\$19,706,784	\$5,492,021	-\$14,214,763	-\$715,170	\$65,519,921	\$4,189,363,034



NEPC, LLC

To: Ventura County Employees' Retirement Association ("VCERA") Board
From: Don Stracke, CFA, CAIA, Allan Martin, Partner
Date: June 16, 2014
Subject: PIMCO June Watch Status Update/LA Onsite Visits

Summary

As of March 31, 2014, VCERA had approximately \$126 million invested in the PIMCO Global Fixed Income strategy. NEPC has put all PIMCO strategies on WATCH as a result of recent organizational changes, and at the March board meeting the VCERA board officially put the strategy on watch.

While there continues to be significant press coverage regarding PIMCO since they were placed on watch by the VCERA board, there has been no substantive change at the firm in the last month.

We recommend that an appropriate next step is the completion of the planned summer due diligence trips to Western and PIMCO. We would suggest conducting these meetings on July 29th.

Firm AUM Update

PIMCO manages \$1.94 trillion in total assets as of March 31, 2014. That is a slight increase from \$1.91 trillion one quarter prior. The flagship Total Return complex has a total of \$414 billion in assets as of March 31, 2014 compared to \$425 billion at the end of 2013; these numbers represent all assets across separate accounts, commingled funds, and retail/institutional mutual funds. Most of the \$11 billion of outflows (or 2.5% of assets) came from the mutual funds which had approximately \$8 billion in outflows. On a percentage basis, the outflows have slowed after the fund lost \$40 billion in 2013. It is feasible that PIMCO could experience more outflows as the institutional market completes their due diligence of the recent events and assesses opportunities outside of PIMCO. The shift away from PIMCO has been an exercise in determining what an appropriate level of exposure is to any one firm, which for many clients has led them to diversify managers.

Organizational Update:

PIMCO announced a few organizational changes to the Treasury and Inflation Linked Bond teams – three additions and one departure. The three additions – Rich Chan, Jason Goldberg, and Harley Bassman will be focusing primarily on rates, derivatives, and volatility markets (biographies below). The departure is Jeremie Banet, senior VP and portfolio manager on the Real Return team. Jeremie joined PIMCO 3 years ago and has been heavily involved in the management of real return strategies. PIMCO shared that Jeremie intends to leave the asset management industry. He worked closely with Deputy CIO Mihir Worah and Rahul Seksaria on the TIPS desk. Jeremie was not named a portfolio manager on any of the PIMCO mutual funds, but did manage several separate accounts for TIPS, Global Inflation Linked Bonds, and Real Return mandates. Rahul Seksaria will assume all of Jeremie's

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portfolio management responsibilities and Brian Hayes (Treasuries, agencies and rate derivatives) will be transitioning to the real return team, effectively immediately. As a side note, none of the three hires were made in response to Jeremie's departure.

The Real Return team at PIMCO has considerable depth with a total of 18 professionals located in several offices around the globe. One departure, though a senior member of the team, is easily overcome by the current team of professionals (including the planned transitions). It is the goal of NEPC to keep our clients updated with the happenings at PIMCO. It is also important to note that we should expect a moderate level of turnover from a large entity such as PIMCO due to normal attrition. This departure is unfortunate for them, but not overly concerning as it does not appear to be connected to the recent happenings at the firm and the team should be able to assume the responsibilities left behind relatively seamlessly.

Biographies:

Rick Chan

Rick Chan has joined PIMCO as an Executive Vice President and Portfolio Manager, based in the Newport Beach office and reporting to Josh Thimons. Rick will focus on interest rate derivatives. Rick was most recently a managing director of interest-rate derivatives trading at Merrill Lynch, based in New York. In that role, he helped the bank rebuild a trading platform to integrate the legacy infrastructure of Bank of America after the two financial institutions merged. He worked for the bank for more than a decade. Rick holds a B.A. of Commerce Specialization: Finance from the University of British Columbia in Vancouver and is a CFA charter holder.

Jason Goldberg

Jason Goldberg has joined PIMCO as an Executive Vice President and Portfolio Manager, based in the Newport Beach office and reporting to Josh Thimons. Jason will focus on equity derivatives. Prior to joining PIMCO, Jason built and managed a dispersion and volatility portfolio for the hedge fund Och-Ziff Capital Management, based in New York. In 1998, he founded Onyx Capital Management, a hedge fund based in New York. Jason earned a B.A. in Mathematics and Economics from Claremont McKenna College in California.

Harley Bassman

Harley S. Bassman will join PIMCO in July 2014 as Executive Vice President and Portfolio Manager based in Newport Beach, reporting to Josh Thimons and Steve Rodosky. Harley brings 30 years of investment experience on the sell side to PIMCO. He created, marketed and traded a wide variety of derivative and structured products. Harley was most recently a Managing Director at Credit Suisse in the Investment Banking division, based in New York. While there, he was a member of the Fixed Income Department's Global Rates business where under the moniker "The Convexity Maven" he identified and integrated investment and hedging opportunities for sophisticated investors. Prior to his tenure at Credit Suisse, he spent 26 years at Merrill Lynch in a variety of senior roles, including creating, marketing and trading a wide variety of derivative and structured products. Harley earned his B.A. in Management Science from the University of California, San Diego, and an M.B.A. from the University of Chicago.



NEPC, LLC

To: Ventura County Employees' Retirement Association ("VCERA") Board
From: Don Stracke, CFA, CAIA, Allan Martin, Partner
Date: June 16, 2014
Subject: AA Update/Workplan Discussion

Recommendation

In light of the board's direction last month for us to focus first on completing the Asset/Liability study, NEPC recommends that the board move towards adopting Mix A over the next few months, with a longer-term plan to evaluate Mix B over the course of the year.

	Current Target	Mix A	Mix B
Large Cap Equities	27%	25%	23%
Small/Mid Cap Equities	3%	3%	2%
Int'l Equities (Unhedged)	12%	10%	8%
Emerging Int'l Equities	2%	2%	2%
Global Equity	10%	8%	7%
Total Equity	54%	48%	42%
Core Bonds	12%	9%	7%
Global Bonds (Unhedged)	5%	2%	2%
Absolute Return Fixed Income	7%	7%	7%
Total Fixed Income	24%	18%	16%
Private Equity	5%	6%	7%
US Credit/Non-US Credit	0%	10%	10%
Real Estate	7%	8%	8%
Real Assets (Liquid)	0%	2%	4%
Hedge Fund - L/S	0%	0%	2%
Hedge Funds - Credit	0%	0%	2%
Total Alternatives	12%	26%	33%
Risk Parity	6%	4%	4%
MLPs	4%	4%	5%
Total Liquid Alternatives	10%	8%	9%
Expected Return 5-7 Years	6.3%	6.8%	6.8%
Expected Return 30 Year	7.6%	7.9%	7.9%
Standard Dev of Asset Return	12.4%	13.0%	12.8%
Probability of 5-7 Yr over 7.75%	39.8%	43.3%	43.5%
Sortino Ratio MAR @ 0%	0.71	0.66	0.72
Sharpe Ratio	0.39	0.41	0.42



Summary

Mix A achieves a number of important goals:

- Lowering of overall equity exposure
- Lowering of US and non-US core bond exposure
- Maintenance of absolute return fixed income exposure
- Increase in private equity
- Creation of US/non-US credit allocation
- Move of 2% into liquid real assets

There are some attractive characteristics of Mix B, however the amount of time and deliberation that would be needed for the board to get comfortable with initiating a hedge fund program would be significant. NEPC believes that adopting Mix A would materially improve the risk/return positioning of the fund. Mix B essentially represents an incremental improvement over Mix A.

Next Steps

We recommend that the board receive an educational presentation from a multi-strategy credit manager at the July meeting, and then consider adopting Mix A as the target allocation at that time.



2014 Proposed Board Meeting Agenda Items

Board Meeting	Agenda Item
January 27, 2014	<ul style="list-style-type: none"> ✓ December monthly performance ✓ 2014 NEPC Outlook – high level VCERA plan observations ✓ Investment Policy Statement and manager guideline review ✓ Tactical rebalancing review ✓ Recommendation for benchmark change
February 24, 2014	<ul style="list-style-type: none"> ✓ Quarterly performance report ✓ Update on real estate markets ✓ January monthly performance ✓ Fixed income structure review
March 24, 2014	<ul style="list-style-type: none"> ✓ Private equity market update ✓ Potential approaches to reach PE target ✓ February monthly performance
April 21, 2014	<ul style="list-style-type: none"> ✓ March monthly performance ✓ Non-US equity structure review ✓ Review asset/liability study ✓ Prioritize search activity
May 19, 2014	<ul style="list-style-type: none"> ✓ April monthly performance ✓ Education on fixed income alternatives ✓ Quarterly performance report
June 16, 2014	<ul style="list-style-type: none"> • May monthly performance • Retreat agenda discussion • Asset Allocation Discussion • Educational presentation direct lending
July 21, 2014	<ul style="list-style-type: none"> • June monthly performance • Educational presentation multi-strat FI • Review asset allocation target • Discuss search process • Approve and finalize retreat agenda
September 22, 2014	<ul style="list-style-type: none"> • Quarterly performance report • August monthly performance • Initiate direct lending search
October 20, 2014	<ul style="list-style-type: none"> • September performance report
November 17, 2013	<ul style="list-style-type: none"> • October performance report • Review direct lending managers • Quarterly Investment Report
December 15, 2014	<ul style="list-style-type: none"> • November performance report • Review 2015 agenda



Investor Presentation
Direct Lending Strategy

June 16, 2014



Ventura County Employees'
Retirement Association

 **White Oak**
Global Advisors, LLC

Agenda: Presentation to Ventura County

- I. Introduction to White Oak**
- II. Introduction to Direct Lending**
- III. Types of Loans and Structures**
- IV. Manager Differentiation**
- V. Deal Example**

- Appendix**



I. Introduction to White Oak

Introduction Casey Jones, Managing Director
Telephone: 512-306-1961
Email: cjones@whiteoaksf.com

Presenters Barbara McKee, Co-founder and Managing Partner
Telephone: 415-644-4101
Email: barbara@whiteoaksf.com

David Hackett, Partner and Head of Originations
Telephone: 415-644-4150
Email: dave@whiteoaksf.com



II. Introduction to Direct Lending

1. What is it?

- Background information and history

2. Size of the market place.

- Lenders & companies, and
- Types of borrowers

3. Regulatory changes and sustainability of strategy.

- Basel II and III / Risk-based capital charges
- State of the union: Banks and finance companies

4. Return expectation.

- Direct lending vs. high yield or syndicated bank loans



III. Types of Loans and Structures

1. Types of Loans:

- First Lien / Senior Secured
- Second Lien
- Mezzanine with Warrants

2. Self Originated, Club or Broadly Syndicated.

3. Credit Underwriting.

4. Covenants.

5. Risks:

- Asset Coverage or Loan to Value (LTV)
- Turn of Leverage
- Other



IV. Manager Differentiation

1. Things to look for:

- Track Record and “Delivering the Promise” in an unbiased way
- Self-originated Loans vs. Syndicated Loans
- Seniority of the Loans: First or Second Lien
- Covenants and Structure
- Credit Underwriting and Workouts
- Leverage and Tax Implications
- Risk Management:
 - Asset-liability Management and Portfolio Management
 - Role as a Fiduciary



V. Deal Example: Project Sail



SUMMARY OF TERMS

Company Code Name:	Sail Group, LLC
Location:	Gloversville, New York
Business Description:	Leading manufacturer of high quality glass systems and accessories to the recreational boating industry, and fabricated glass systems for recreational vehicles and industrial applications.
Security:	First Lien Senior Secured Term Loan
Use of Proceeds:	Refinance existing debt
Loan Amount:	\$38.25 million
OID:	1.50%
Investment Amount:	\$37.7 million
Term of Loan:	3.5 years
Interest Rate:	13.50%
Transaction Fee:	2.00%
Sector:	Consumer Discretionary



Case Study: Project Sail (Continued)

SUMMARY OF TERMS	
FY2013A (9/30/13) Revenue:	\$111.9 million
FY2013A (9/30/13) EBITDA:	\$10.4 million
Senior Leverage Ratio:	3.66x
Loan-to-Value (at origination):	61.7%
Excess Cash Flow Sweep:	50%
Call Premium:	103 / 102 / 101, plus 12 months of yield maintenance
Collateral Package:	All assets, PP&E, A/R, inventory, cash flow, equity guaranty
Deal Source:	Houlihan Lokey
Exit Strategy:	Cash flow sweep, strategic sale, refinancing
Number of Employees:	50+
Investment Strengths:	<p>Strong hard-asset collateral base</p> <p>Reputable and long-standing customer base</p> <p>Strong brand recognition - 105 year old business</p> <p>Key component to nearly every company within the boating sector</p> <p>Diversifying into the industrial sector</p> <p>Proven management team and valuable industry relationships</p> <p>High barriers to entry with significant intellectual property and expertise</p>



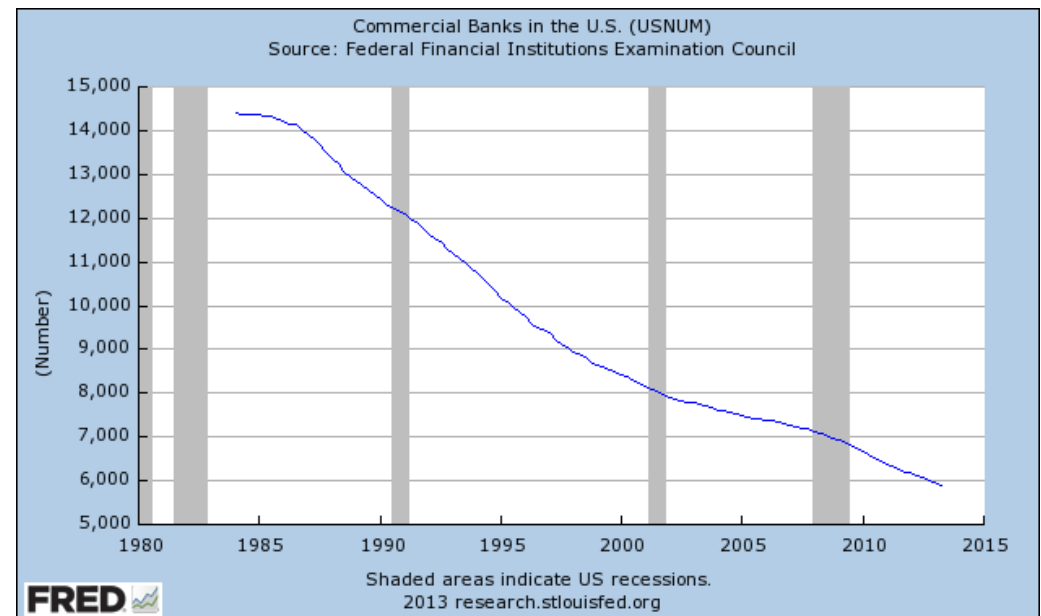
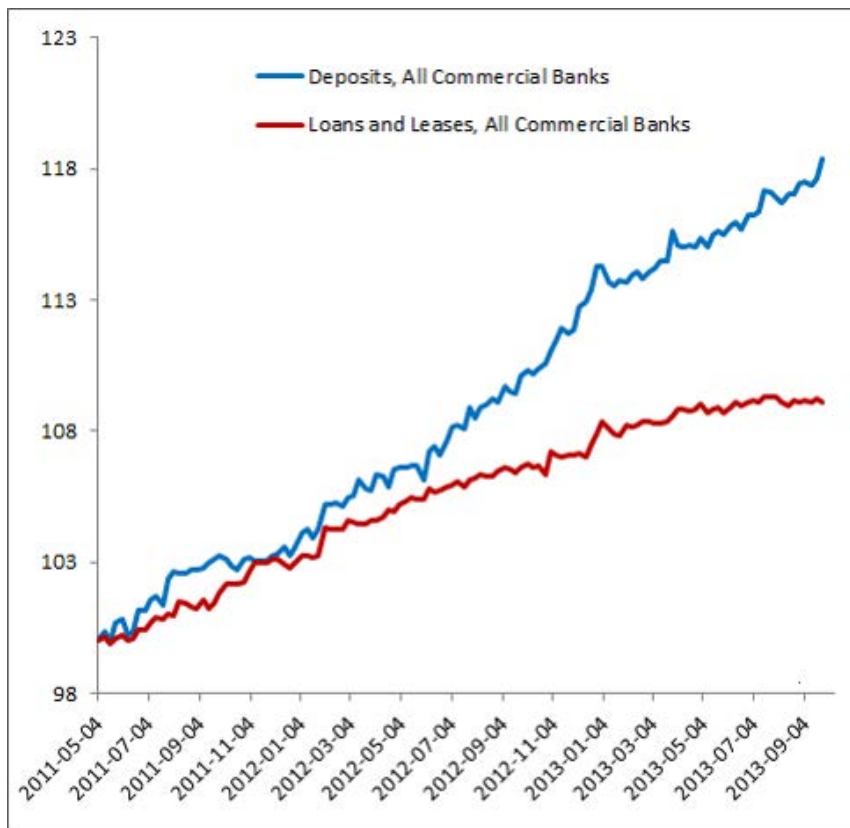


Investor Presentation
Direct Lending Strategy
Appendix:
Direct Lending Market Information

Direct Lending – An Opportunity Driven by Market Dislocations

DEMAND for financing small and middle market business is strong and growing as the economy gradually recovers.

- There's over \$1 trillion in loans to this segment of borrowers.
- Much of it will need to be refinanced in the near term.
- Banks are in retreat - bank lending is down even as the industry continues to consolidate.



Source: Federal Reserve Economic Research (FRED). October 7, 2013



White Oak

Macro Trend

CREDIT OPPORTUNITY

- **Large and Important Market.** Small- to mid-size enterprises in the U.S. are a large, dynamic and highly fragmented component of the U.S. economy. These companies have historically been too small to access the capital markets directly and have historically been served by regional banks and specialty finance companies with limited capabilities and capital.
- **Banks are Structurally Disadvantaged.** Risk-based capital rules encouraged banks to move away from lending to smaller companies starting in the early 1990s. This tendency has only deepened as banks have focused predominantly on underwriting and “packaging to sell” commercial and residential loans. Furthermore, banks have used their branch networks as a means to gather retail assets and serve those customers with retail products and services rather than focusing on corporate clients.
- **The Era of Securitization.** Banks and other middle-market specialty finance companies (*e.g.*, CIT, GE Capital and others) concentrated their corporate lending activities in syndicated, highly levered and covenant-light loans that were rated and packaged into structured investment products. Banks packaged and sold these off-balance-sheet investments earning fees, while specialty finance lenders predominantly held them in their accounts after securing financing from the banks to provide portfolio leverage. This phenomenon de-emphasized loan origination, fundamental credit underwriting and servicing.
- **De-levering.** The 2007-2009 financial trauma caused banks and other specialty lenders that survived bankruptcy to grossly de-lever their balance sheets, focus a great deal of attention on portfolio stress and re-establish credibility with their stakeholders, customers and employees. This tightened liquidity in the corporate loan market, putting downward pressure on further lending activities.



Direct Lending - Manager Differentiation

DIRECT LENDING is a broad category, offered by approximately 100 managers.

- These include BDCs, specialty finance and commercial firms, as well as some large institutions.
- It does not include bank loans.

DIRECT LENDING encompasses many strategies that differ significantly in terms of

- Target borrowers – size and creditworthiness.
- Debt capital structure – first lien vs. lower/subordinated positions.
- Origination – focus on sponsored vs. non-sponsored deals.
- Target loan profile – duration, covenants, etc.
- Risk-adjusted return profile – illiquidity premium.

IT'S IMPORTANT to understand how the product offered meets the goals of your allocation.

Types of Deals	Types of Transactions	Borrowers (Market Cap)	Direct Origination	Under-writing	Approximate Unlevered Returns (Net)	Covenants	Turn of Leverage	Avg. Tenor
Traditional Middle Market Sponsored	Mostly Syndicated	\$300m – 5bn	Some	Mostly Cash Flows	8-12%	Light	Medium to High	6+ Years
Unitranche Middle-Market	Mostly Sole Lender	\$100m – 3bn	Some	Mostly Cash Flows	6-10%	Light/Medium	Medium to High	6+ Years
Blend of 1 st and 2 nd Lien & Mezzanine	Mostly Syndicated	\$50m – 3bn	Some	Mostly Cash Flows	8-15%	Light	Medium to High	5+ Years

WHITE OAK	1st Lien	Mostly Sole Lender	\$50m - \$1b	All	Collateral and Cash Flows	10-14%	Heavy	Low	2 to 3 Years
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WHITE OAK targets 3-6% in illiquidity premium.



WHITE OAK GLOBAL ADVISORS, LLC

- Approximately \$1.308 billion in assets under management, as of 3/31/2014.*
- SEC-registered Investment Advisor.
- Founded in 2007.
- DIRECT LENDING is the primary investment strategy and core competency. White Oak has an established and time-tested track record originating, underwriting and investing in private credit opportunities.
 - 70 loans originated and executed, totaling \$1.136 billion invested assets from inception through 3/31/2014.
 - 45 loans, with \$530 million total assets, realized from inception through 3/31/2014.
- WHITE OAK and its affiliates employ 49 dedicated professionals.
- LOCATIONS - Headquartered in San Francisco, with offices in New York and Dallas.

WHITE OAK's investors are supported by experienced investment and operations professionals. Our dynamic risk mitigation process and robust compliance environment feature strong financial controls and a comprehensive reporting methodology.

WORKING TOGETHER, the White Oak team brings experience, discipline and integrity to Direct Lending.

*The Firm's AUM is calculated as of 3/31/2014 and includes the Regulatory Assets under Management in addition to the uncalled capital commitments of the separate accounts managed by the Firm.



Disclaimer

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Risk Factors Related to White Oak’s Investment Program

No Assurance of Investment Return; Risk of Loss. White Oak’s investment program is speculative and involves a high degree of risk, including a total loss of capital. There can be no assurance that the investment objectives of any White Oak-managed vehicle will be achieved or that there will be any return of capital. There is no assurance that the technical and risk management techniques utilized by White Oak, as well as the investment decisions made by White Oak, will not expose investors to risk of significant losses. **Leverage.** White Oak may utilize leverage. While White Oak expects that it will enhance the ability of investors to acquire investments, it will also increase investors’ exposure to losses. **Lack of Liquidity of Interests; Redemptions.** Investors will generally not be able to redeem their investments for a lock-up period from the date of investment, and then only periodically with prior notice to White Oak. The risk of any decline in value of the investment during the period from the date of notice of the redemption until the redemption date will be borne by the investors requesting a redemption. An investor’s ability to redeem capital at any time may be further substantially restricted by the illiquid nature of investments in certain asset strategies pursued by White Oak. **Reliance on White Oak.** Investors rely on White Oak for the management of their investment portfolios. There could be adverse consequences to investors in the event that White Oak’s principals cease to be available to devote their services to White Oak. In addition, White Oak’s past experience may not improve investors’ results. **Changes in Applicable Law.** Changes in applicable tax laws could affect, perhaps adversely, the tax consequences of an investment. **Fees and Expenses.** Certain fees and expenses charged to investors may not be represented in some of White Oak’s performance presentations and would have the effect of lowering an investor’s actual results. **Interest Rate Risk.** The value of debt security investments may fluctuate with changes in interest rates. When interest rates rise, prices of debt securities generally fall, and when interest rates fall, debt securities generally increase in price. Interest rate changes may adversely affect an investor’s return. **Default Risk; Credit Risk.** The performance of White Oak debt investments could be adversely affected if the issuers of the instruments default or if events occur that reduce the creditworthiness of those issuers. If a bond or other debt instrument were to become subject to such an event, the value of the instrument could be significantly reduced, conceivably to zero. **Limited Diversification.** An investor’s portfolio could become significantly concentrated in any one issuer, industry, sector, strategy, country or geographic region, and such concentration of risk may increase the loss of capital. **Non-Investment Grade/Low Quality Instruments/Distressed Debt, Generally.** White Oak may invest in non-investment grade securities and similar obligations and instruments. Investing and trading in debt instruments are subject to various risks, including issuer risk, credit risk, market risk, interest rate risk, prepayment risk, derivatives risk and liquidity risk, as well as the risk of improper valuation. Many of these risks are greater as to non-investment grade debt instruments than they are as to higher quality instruments. Trading and investing in non-investment grade instruments can be highly speculative. **Additional Risk Factors Related to an Investment in Alternative Investment Asset Classes.** As further described in White Oak’s relevant offering documents, an investment in an alternative investment asset class (including hedge funds, private equity funds and managed accounts making similar investments) can be speculative and not suitable for all investors. Investing in such alternative investment asset classes is only intended for experienced and sophisticated investors who are willing to bear the risks associated with such an investment. Investors should carefully review and consider potential risks before investing in a White Oak-managed vehicle, which may include: Loss of all or a substantial portion of their investment; Lack of liquidity in that there is no secondary market for interests in the vehicle and none is expected to develop, and investors may be required to retain their exposure to the vehicle for an indefinite period of time; Volatility of returns; Restrictions on transferring interests in the vehicle; Potential lack of diversification and resulting higher risk due to concentration of trading authority in a single advisor is utilized; Fees and expenses may offset the vehicle’s profits; White Oak-managed vehicles may not be required to provide periodic pricing or valuation information to investors; White Oak-managed vehicles may involve complex tax structures and delays in distributing important tax information; and Private funds are not subject to the same regulatory requirements as mutual funds.





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NEPC, LLC

To: Ventura County Employees' Retirement Association ("VCERA") Board
From: Don Stracke, CFA, CAIA, Allan Martin, Partner
Date: June 16, 2014
Subject: Board Retreat Discussion

Summary

We are now at an appropriate time to begin planning for the Board Retreat in September from the perspective of both educational topics as well as the actual structure and purpose of the day. This is a valuable opportunity for the board to discuss and examine a broad range of topics to a deeper degree than can be accomplished as part of the typical monthly meeting cycle and as such is being increasingly adopted by public funds in California and across the country.

Your interim retirement administrator has also proposed that the Board Retreat become more of a general strategic planning session this year with little or no investment education. That is certainly a very viable direction to take, and we seek direction from the board.

Structure/Focus on the Board Retreat

Thoughts for consideration:

- Should the focus be on strategic planning, investment education, or both?
- Should managers participate in the entire session, part of it, or none?
- Is a full day too short, or too long?

Investment Educational Topics

Should the decision be made to entertain investment topics at this Board Retreat we would like to suggest that we pursue a two-step process to identify the appropriate topics. Below, we have listed a number of potential investment topics, but feel that it would be beneficial to have the board add additional potential topics that are perhaps of greater interest. To that end, we would suggest that board members take the first step of adding up to three additional general investment topics to the list below. Then we would recirculate the larger list and suggest that each board member rank their top three choices on a scale of 1-3 with 1 being the highest. That would help insure that we developed an agenda that was of the broadest interest possible to the board.

We look forward to the deliberation on June 16th.



Potential topics include:

1. Two hour “intermediate-level” session in investment basics
2. Dynamic portfolio management tools
3. Smart beta strategies
4. Theory of active vs. passive investment
5. Role of real assets in the portfolio
6. Public fund investment trends
7. Fund Governance trends
8. Tactical Asset Allocation use

Additional Topics for consideration:

- 1.
- 2.
- 3.

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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Ventura, CA 93003-6572
(805) 339-4250 • Fax: (805) 339-4269
<http://www.ventura.org/vcera>

June 16, 2014

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

SUBJECT: RENEWAL OF HEARING OFFICER CONTRACTS

Dear Board Members:

Recommendation:

Approve and authorize the Chairman to sign fiscal year 2014/15 contracts for the following members of VCERA's Hearing Officer Panel (Panel):

Irene P. Ayala
Paul E. Crost
Kenneth A. Perea
John L. Rosenthal
Deborah Z. Wissley
Louis M. Zigman

Background and Discussion:

Earlier this year, the Board offered contracts to five new Hearing Officers for the 2014/15 fiscal year. The six individuals listed above have all been active hearing disability cases on VCERA's behalf. Many have served on VCERA's Panel for more than four years.

Attached for your review is the pro forma Hearing Officer contract. Staff has completed contracts for the individuals named above and placed the contracts in the Chairman's signature folder, pending your approval. The contracts all expire on June 30, 2015 and the hourly compensation rate remains unchanged from the prior fiscal year. There have been no changes to any contract terms from the prior fiscal year.

June 16, 2014

Page 2 of 2

Conclusion:

A Panel consisting of eleven members provides VCERA staff with options in managing disability case workloads that require the services of a Hearing Officer.

Staff will respond to any questions you may have on this matter at the June 16, 2014 business meeting.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tim Thonis". The signature is fluid and cursive, with the first name "Tim" being more prominent than the last name "Thonis".

Tim Thonis
Interim Retirement Administrator

Attachment

REFEREE SERVICES AGREEMENT

THIS AGREEMENT, to be effective as of the 1st day of July, 2014, by and between the BOARD OF RETIREMENT (hereinafter referred to as "Board") of the VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (hereinafter referred to as "Association"), and _____ (hereinafter referred to as "Contractor").

Recitals

Pursuant to the provisions of section 31533 of the Government Code, the Board is authorized to provide for the conduct of hearings by a referee in connection with the determination of applications of members of the Association for disability benefits under the County Employees Retirement Law of 1937 (ch. 3 of div. 4 of tit. 3 of the Government Code).

Contractor has experience with respect to evidentiary hearings, and is a member of the State Bar of California (active membership no. _____).

The Board intends to retain the services of Contractor as a referee to conduct said hearings.

IT IS THEREFORE AGREED:

Services to be Performed

1. Contractor agrees, when available, to act as a referee in connection with the conduct of hearings and the review of cases pursuant to section 31533 of the Government Code.
2. Such services shall be performed in accordance with the applicable provisions of the County Employees Retirement Law of 1937, as amended, and pursuant to any specific requirements imposed by the Board, and such services shall include, but shall not be limited to, the conduct of hearings, the review of evidence, and the rendering of a written report which shall contain proposed findings of fact, conclusions of law, and a recommended decision provided, however, that said written report shall be rendered within ninety (90) days after the case has been submitted to Contractor and include service of said written report to all parties.
3. Contractor may request an extension from the Board of any time limitation established in this contract, on an individual case basis, when done in writing, and upon a showing of "good cause" as to said request.
4. Contractor shall be familiar with the Association's "Disability Hearing Procedures".
5. The Board is under no obligation to submit cases to the Contractor, but may do so at its pleasure.

Compensation

6. Compensation to Contractor for the above services shall be at the following rates:

- (a) If the written report is rendered within ninety (90) days after the case has been submitted, or within any time extension granted by the Board pursuant to paragraph 3 above, Contractor shall be entitled to One Hundred and Seventy-five Dollars (\$175.00) per hour;
- (b) Contractor shall be compensated for necessary and reasonable travel time to and from Ventura County pursuant to the rate set forth above;
- (c) If the written report is not rendered within ninety (90) days from the date the case has been submitted, or within any time extension granted by the Board pursuant to paragraph 3 above, the Board may transfer the case to another referee, in which event the original referee shall not receive any fee for services performed in connection with said case;
- (d) If a hearing scheduled before the Contractor is continued or cancelled less than fourteen (14) calendar days before the date agreed upon by all parties, or set by the Board, the Board shall pay to the Contractor the sum of Eight Hundred and Seventy-five Dollars (\$875.00) which includes all costs associated with the hearing including, but not limited to, travel, time, mileage reimbursement and other associated hearing costs.

Term of Contract

7. This agreement shall apply for all services provided by the Contractor, performed on or after July 1, 2014, and shall continue through the date of June 30, 2015, at which time it shall terminate. However, either party may terminate this agreement sooner upon ten (10) days written notice to the other party. Any cases pending before the Contractor at the time of termination shall be immediately transferred to the Board. If this agreement is terminated at the request of the Contractor, the Contractor shall not receive any fees for services performed in connection with any cases that are pending as of the effective date of the termination, except those wherein a written report has been provided to the Board. If this agreement is terminated at the request of the Board, the Contractor shall be entitled to the compensation earned prior to the effective date of termination as provided for in this agreement, computed pro rata up to and including that date. The Contractor shall be entitled to no further compensation as of the date of termination.

Dated: _____

By: _____
Tracy Towner, Chairman

Dated: _____

By: _____
_____, Contractor



**Ventura County Employees' Retirement
Information System
Project Status Report
Month Ending: May 2014**



Reporting to: Board of Retirement
Written by: Brian Colker

Report Date:

06/15/14

PROJECT STATUS SUMMARY

Actual Percentage Complete: 57.06%*
Planned Percentage Complete: 59.51%*

***Note: The updated Sprint Schedule went into effect with the approval of the PEPR change order. The completion percentages have been adjusted to take into account the updates and changes per the new sprint schedule.*

Scope	Schedule	Cost	Risks	Quality
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Schedule

The project schedule is currently 2.45% behind schedule. There are two primary factors causing the schedule impacts:

- VCERA staffing issues –No new staffing issues occurred during May. The on-going staffing issues in operations are still impacting VCERA management’s availability to participate in project activities, so the rate of progress has still been slower than expected. Linea and VCERA management will continue to closely monitor resource levels to determine if additional staff are needed to reduce the risk of schedule impact.
- Third party vendor issues – Novanis has delivered all of the sample documents required for Vitech to complete testing on document conversion. The project team is still targeting August as the earliest opportunity to work with County IT on the Kofax configuration. The project team will continue to monitor progress on other scheduled development activities to determine if August will work.

Risks

There are two project risks that are being closely monitored.

- Plan sponsor payroll transmittal – The Auditor-Controller submitted the contributions file for testing on May 20th. The project team has been working closely with Auditor-Controller’s developer to test and update the file. The file still does not contain all required elements, but the quality of the elements that have been delivered has been very good. The project team cannot yet determine any potential impacts to the project schedule until all required elements have been received and evaluated. The project team will provide an analysis of the schedule impact and potential options to the Board as soon as the information is available.
- VCERA staffing issues –The project team is continuing to work with VCERA’s two new project staff to get them fully acclimated to all project activities and systems as quickly as possible. The project team is also continuing to actively pursuing alternative resourcing options for project activities such as creating training materials.

KEY ACCOMPLISHMENTS LAST MONTH

- Performed a demonstration of delivered V3 functionality to the Board on 5/19/14.
- Wrote 11 test cases and executed 45 tests.