VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

OCTOBER 21, 2019

AGENDA

PLACE: Ventura County Government Center
Hall of Administration Building, Multi-Purpose Room
800 South Victoria Avenue
Ventura, CA 93009

TIME: 9:00 a.m.

Members of the public may comment on any item under the Board's jurisdiction by filling out a speaker form and presenting it to the Clerk. Unless otherwise directed by the Chair, comments related to items on the agenda will be heard when the Board considers that item. Comments related to items not on the agenda will generally be heard at the time designated for Public Comment.

ITEM:

I.	**CALL TO ORDER**	Master Page No.
II.	**APPROVAL OF AGENDA**	1 – 3
III.	**APPROVAL OF MINUTES**	
	A. Disability Minutes of October 7, 2019.	4 – 14
IV.	**CONSENT AGENDA**	
	A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of September 2019.	15
	B. Receive and File Report of Checks Disbursed in September 2019.	16 – 18
	C. Receive and File Budget Summary for FY 2019-20 Month Ending September 30, 2019.	19 – 20
V.	**INVESTMENT MANAGER PRESENTATIONS**	
	A. Presentations from Abbott Capital Management.	
	1. Receive Annual Presentation from Abbott Capital Management, Young Lee and Matthew M. Smith.	21 – 55

V. <u>INVESTMENT MANAGER PRESENTATIONS</u> (continue)

VI. <u>INVESTMENT INFORMATION</u>

NEPC – Allan Martin.
VCERA – Dan Gallagher, Chief Investment Officer.

VII. <u>OLD BUSINESS</u>

None.

VIII. NEW BUSINESS

A. VCERA 2019-20 Business Plan.
RECOMMENDED ACTION: Approve.

1. Proposed 2019-20 Business Plan. 204 – 210

B. Proposed Board of Retirement Meetings Calendar.
RECOMMENDED ACTION: Approve.

1. Staff Letter. 211

2. Proposed Board Meeting Calendar for 2020. 212

C. SACRS Business Meeting Agenda Items.
RECOMMENDED ACTION: Give Direction to Voting Delegate.

1. Legislative Proposal Materials for the November 15, 2019 SACRS Business Meeting. 213 – 273

2. Notice Regarding the SACRS Business Meeting legislative Items. 274

D. Authorization for On Site Due Diligence Visit Travel to UBS and Bridgewater
RECOMMENDED ACTION: Approve.

1. Staff Letter by C.I.O., Dan Gallagher. 275

E. Quarterly Retirement Administrator's Report for July – September 2019. 276 – 277
RECOMMENDED ACTION: Receive and file.

F. Quarterly Chief Investment Officers Report for July – September 2019. 278
RECOMMENDED ACTION: Receive and file.

IX. INFORMATIONAL

A. CarVal Investors Annoucement. 279

X. PUBLIC COMMENT

XI. STAFF COMMENT

XII. BOARD MEMBER COMMENT

XIII. ADJOURNMENT

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

DISABILITY MEETING

OCTOBER 7, 2019

MINUTES

TRUSTEES PRESENT:
Tracy Towner, Chair, Alternate Safety Member
William W. Wilson, Vice-Chair, Public Member
Steven Hintz, Treasurer-Tax Collector
Steve Bennett, Public Member
Mike Sedell, Public Member
Jordan Roberts, General Member
Robert Ashby, Safety Member
Arthur E. Goulet, Retiree Member
Will Hoag, Alternate Retiree Member

TRUSTEES ABSENT:
Steve Bennett, Public Member
Craig Winter, General Member
Ed McCombs, Alternate Public Member

STAFF PRESENT:
Linda Webb, Retirement Administrator
Lori Nemiroff, General Counsel
Dan Gallagher, Chief Investment Officer
Shalini Nunna, Retirement Benefits Manager
Donna Edwards, Disability Benefits Specialist
Nancy Jensen, Disability Benefits Specialist
Chris Ayala, Program Assistant

PLACE:
Ventura County Hall of Administration
Multi-Purpose Room
800 South Victoria Avenue
Ventura, CA 93009

TIME: 9:00 a.m.

ITEM:

I. CALL TO ORDER

Chair Towner called the Disability Meeting of October 7, 2019, to order at 9:01 a.m.

II. APPROVAL OF AGENDA

MOTION: Approve.

Moved by Ashby, seconded by Sedell.

Vote: Motion carried
Yes: Ashby, Goulet, Hintz, Roberts, Sedell, Towner, Wilson
No: -
Absent: Bennett, McCombs, Winter
Abstain: -

III. APPROVAL OF MINUTES

A. Business Meeting and Board Retreat of September 23, 2019.

Trustee Goulet offered the following corrections to the minutes. On Master Page 9, in the first paragraph, Mr. Pettit's title should have appeared as Assistant County Executive Officer, not as CEO. On Master Page 11, the fourth paragraph should have stated that Trustee Towner was appointed as Chair.

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

MOTION: Approve with Corrections.

Moved by Wilson, seconded by Ashby.

Vote: Motion carried
Yes: Ashby, Goulet, Hintz, Roberts, Sedell, Towner, Wilson
No: -
Absent: Bennett, McCombs, Winter
Abstain: -

IV. RECEIVE AND FILE PENDING DISABILITY APPLICATION STATUS REPORT

Disability applicant John La Bellarti submitted a public speaker card and addressed the Board about the amount of time his pending disability case was taking and said the delays had resulted in his loss of COBRA health insurance coverage. He said that even if his disability application were approved immediately, he would still not be eligible for retiree medical insurance. He believed his loss of coverage could have been prevented if his disability application had been processed timely and not connected to his Worker's Compensation case. He noted that he had been discouraged from approaching the Board of Retirement previously by his attorney, who said the Board was happy with the current disability process and that Ventura County Risk Management handled disability retirement cases and Worker's Compensation cases as a "package deal".

Ms. Edwards confirmed that even if Mr. La Bellarti were granted a disability retirement, he would not be eligible for retiree medical insurance through the County of Ventura due to his present lack of County medical coverage. She did not recall staff seeing this happen before because most Safety officers could obtain medical insurance through their unions, but the applicant's Harbor Patrol union did not offer that option.

Chair Towner asked about Mr. La Bellarti's next step in the disability process.

Ms. Webb said staff had no authority to help Mr. La Bellarti regarding his medical insurance, but she did not foresee further delays in his disability case, which was scheduled for a hearing in December.

Mr. La Bellarti said he could tolerate delays with his disability case if he had not lost his medical insurance.

Trustee Sedell suggested that VCERA speak to Mr. La Bellarti's former medical insurance carrier to see if anything could be done to restore his coverage.

Trustee Goulet questioned why Risk Management was challenging Mr. La Bellarti's disability retirement application.

Ms. Laveau from Ventura County Risk Management replied that over the past year there had been discussions regarding Mr. La Bellarti's permanency, and as to service-connection questions regarding whether there was a real and measurable connection to his job duties. She added that his physician, Dr. Rosenberg, issued a supplemental report that failed to address the relevant issues, resulting in another deposition with the doctor. Also, Mr. La Bellarti's counsel had been unresponsive to requests from both staff and Risk Management.

Chair Towner said that Mr. La Bellarti's case was definitely on the Board's "radar" and that staff would be in contact regarding its status.

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

<u>MOTION</u>: Receive and File.

Moved by Goulet, seconded by Ashby.

Vote: Motion carried
Yes: Ashby, Goulet, Hintz, Roberts, Sedell, Towner, Wilson
No: -
Absent: Bennett, McCombs, Winter
Abstain: -

V. APPLICATIONS FOR DISABILITY RETIREMENT

A. Application for Nonservice-connected Disability Retirement – Hawthorne, Patrick E.; Case No. 18-028.

1. Application for Nonservice-connected Disability Retirement, filed November 14, 2018.

2. Medical Analysis and Employer's Statement of Position, including Supporting Medical Documentation, submitted by County of Ventura, Risk Management, in support of the Application for Nonservice-connected Disability Retirement, dated September 23, 2019.

3. Hearing Notice dated September 26, 2019.

Catherine Laveau was present on behalf of Ventura County Risk Management. The applicant, Patrick E. Hawthorne, was also present.

Mr. Hawthorne offered corrections to the Employer's Statement of Position. The date of injury was listed as March 24, 2018, but it should have been March 24, 2017. The last day worked was listed as March 23, 2018, but it should have been March 23, 2017.

Chair Towner asked Ms. Laveau if she agreed with the changes.

Ms. Laveau replied that she agreed.

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

MOTION: Approve Application for Nonservice-Connected Disability Retirement.

Moved by Sedell, seconded by Ashby.

Vote: Motion carried
Yes: Ashby, Goulet, Hintz, Roberts, Sedell, Towner, Wilson
No: -
Absent: Bennett, McCombs, Winter
Abstain: -

Both parties agreed to waive the preparation of findings of fact and conclusions of law.

VI. OLD BUSINESS

A. Results of Disability Retirement Re-Examination Under Government Code Section 31729 – Debra Spafford.
RECOMMENDED ACTION: Adopt Determination of Continued Incapacity.

1. Staff Letter.

2. VCERA Letter to IME Doctor with Job Description.

3. IME Report.

4. VCERA Letter to IME Doctor Requesting Supplemental Report with Job Analysis.

5. Supplemental IME Report.

Ms. Webb summarized the timeline of Ms. Spafford's medical re-examination case, which began as a result of an anonymous claim that her physical activities conflicted with her work restrictions. After staff received the initial IME report from the contracted doctor, it was discovered that the job description given to the doctor was outdated. Staff provided the doctor with the updated job description, and a supplemental IME report was returned stating that Ms. Spafford remained permanently incapacitated from performing the duties of a Fire Captain. Therefore, Ms. Webb said that staff recommended adopting the position of the IME report, which would leave Ms. Spafford's benefits unchanged.

Thomas J. Wicke, Attorney at Law, said he agreed with staff's recommendation.

Trustee Goulet asked why Dr. Rosenberg was chosen as the IME for the re-examination when he was previously the QME on the applicant's disability case.

Ms. Edwards replied that after soliciting names of IME doctors who had represented the County, staff was referred to three doctors. Only one, Dr. Rosenberg, was willing to take the case.

Trustee Goulet commented that Dr. Rosenberg's report was one of the worst he had seen, simply reiterating what other doctors had previously reported.

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

MOTION: Adopt Staff's Position that Debra Spafford Remain Permanently Incapacitated from the Performance of the Duties of Fire Captain.

Moved by Ashby, seconded by Sedell.

Vote: Motion carried
Yes: Ashby, Hintz, Roberts, Sedell, Towner, Wilson
No: -
Absent: Bennett, McCombs, Winter
Abstain: Goulet

VII. NEW BUSINESS

A. $50 Million Additional Commitment to HarbourVest Partners Real Assets Fund IV.
RECOMMENDED ACTION: Approve.

1. Staff Letter by C.I.O., Dan Gallagher.

2. Recommendation Memorandum from NEPC.

3. HarbourVest Real Assets Fund IV, Presentation Deck.

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

MOTION: Approve a $50 Million Increased Commitment to HarbourVest Real Assets Fund IV; and, Subject to the Approval of Board Counsel, the Board Authorizes the Board Chair or the Retirement Administrator to Approve and Execute the Required Contract Addendum.

Moved by Hintz, seconded by Sedell.

Vote: Motion carried
Yes: Ashby, Goulet, Hintz, Roberts, Sedell, Towner, Wilson
No: -
Absent: Bennett, McCombs, Winter
Abstain: -

Trustee Goulet remarked that although he did not oppose investing with HarbourVest, he was concerned with its fee structure, namely that it did not charge fees based on invested capital.

B. Request for Board Direction on Implementation of Fiduciary Counsel Recommendations Regarding Disability Process and Procedures.

1. Staff Letter.

Senior Deputy Executive Officer Chuck Pode from Ventura County Risk Management requested to speak before the Board regarding VCERA's fiduciary counsel recommendations. Mr. Pode said he had submitted a speaker card to address any issues or questions from the Board. He again expressed Risk Management's interest and desire to have a "place at the table" regarding the disability process. He recognized that VCERA had issues to address and that Risk Management wanted to work with the Board and VCERA's staff on those issues.

The president of the Ventura County Professional Firefighters' Association (IAFF), Kevin Aguayo, requested to speak before the Board regarding Ventura County Risk Management. Mr. Aguayo said that he took issue with the way Risk Management treated County employees, particularly its practice of delaying disability retirements up to two or three years in some cases.

Trustee Goulet asked Mr. Aguayo if he was suggesting, as Mr. La Bellarti testified early, that there was a problem with VCERA's disability retirement process due to Risk Management's linkage between disability retirement and Worker's Compensation.

Mr. Aguayo replied yes.

Ms. Webb summarized the timeline of the Board's recent efforts to improve the disability application process, its consideration of delinking VCERA's disability procedures from its bylaws as an addendum, and its hearing of a presentation by VCERA's fiduciary counsel entitled "The Board of Retirement's Roles and Responsibilities in the Disability Retirement Adjudications." Ms. Webb reminded the Board that Ms. Dunning addressed its legal and fiduciary duties, including its plenary authority over the disability retirement process, its duty to investigate, its quasi-judicial role, and the requirement that an employer not advise or make recommendations but merely take a position on applications. She noted that the current disability process model, when viewed in light of the fiduciary responsibilities presented by counsel, revealed certain weaknesses that needed to be addressed. Therefore, staff had developed four potential disability process models for the Board's consideration. She added that, whatever the Board decided, staff would continue to work with Risk Management to carry out the Board's instructions.

Trustee Wilson recalled that Ms. Dunning said no other county governed by the California Employees Retirement Law (CERL) used a similar disability process model. But he wondered if there were delays under those other models and, if so, were they shorter than VCERA's delays.

Ms. Webb remarked that staff had surveyed other CERL systems about that issue. While all disability process models had delays, none shared VCERA's specific experience of delays related to an applicant's pending Worker's Compensation case because their processes did not link the two.

Trustee Wilson said he believed that a major factor in considering a change to the disability process would be an undue hardship placed on employees due to delays, but he also noted the lack of arguments claiming that the Board's disability retirement decisions were unfair.

Ms. Webb said one of the weaknesses in the current model was that VCERA was unable to view aspects of the process that had been delegated to Risk Management, so therefore could not take issue with a process they could not see.

Trustee Wilson said that if Risk Management was putting disability retirement applications on the "back burner" because of Worker's Compensation cases, that would be an issue that would be displeasing to the Board.

Ms. Webb observed that, under the current model, staff could not refute or disagree with Risk Management's position on applications because staff did not have access to all the information collected by the employer. Essentially, VCERA staff's past role was more in the nature of a clerk, and unable to advise the Board on most cases; the role of investigator had been delegated to the employer.

Trustee Goulet reminded the Board that the County of Ventura did not have a fiduciary responsibility to the applicant, but the Board of Retirement did. He said he had realized during Mr. Aguayo's comments that the problem was the linkage between disability retirements and Worker's Compensation. If the Board decided to bring the disability process in-house, any approved service-connected disability retirement applications should have no impact on Worker's Compensation cases. Trustee Goulet speculated that this could prove detrimental to the County in Worker's Compensation cases.

Ms. Webb said another weakness in the current process was that an Independent Medical Examination (IME) rarely occurred in a disability retirement case.

Trustee Sedell acknowledged the fiduciary issues inherent in the current process, but he noted that there had been past situations in which the Board needed to review Worker's Compensation records, albeit not often.

Ms. Webb stated that staff's primary role was to protect the Board and employees from risk by ensuring transparency and compliance with the law. Therefore, the disability procedures required updating, and the Board's decision on the process model options would provide the direction staff needed to make recommended changes to those procedures.

Trustee Sedell asked to hear the County of Ventura's stance on the issues raised.

Mr. Pode said that in discussions with colleagues from other county systems, they expressed envy of Ventura County's Risk Management's "seat at the table" in the disability retirement process. He noted similarities between Worker's Compensation and disability retirement and said that, although they differ, they do inform one another. He reiterated that Risk Management evaluated the facts of a case, applied the law to the facts, took a position, and presented it to the Board for a decision. Mr. Pode believed this helped to ensure that the disability decisions made were the correct decisions, which he believed was owed to taxpayers and County employees.

Trustee Sedell told Mr. Pode that he wanted to know the County's position on which disability process model the Board should adopt.

Chair Towner clarified Trustee Sedell's question by asking which of the four process model options described by staff did the County feel comfortable with.

Mr. Pode said that Risk Management wanted a "seat at the table," which meant taking a position on cases as well as participating in the discovery process and hearing process. Although he had not spoken to his supervisor or the County CEO about it, he personally leaned toward Option 2. He added that, although Option 3 seemed viable, he was concerned that the County would be too far removed from the process in that model, making it more difficult to accomplish some of the County's goals, such as retaining good employees; he referenced a disability reassignment case coming before the Board next month. Mr. Pode concluded that the government code supported this solution, that it was cost effective for VCERA, and that it was good for employees because they continue to receive employee benefits as opposed to retiree benefits.

Trustee Ashby expressed concern about Ventura being the only CERL county using the current disability process model. He cited the Board's duty to resolve disability cases timely and sympathized with Mr. La Bellarti's situation. He believed the Board should bring the disability process in-house, which was Option 4, pursuant to its plenary authority and fiduciary responsibility while still communicating with Risk Management regarding an employee's disability retirement case.

Trustee Sedell questioned using the Option 2 model, noting that the Board had been told many times that it could not review all the records and reports related to disability cases.

Ms. Webb replied that if the Board chose that model, it would have access to all the records, reports and documents that they currently do not receive.

Trustee Sedell thought the access issue was due to a legal issue. But if it was due to a procedural issue, he asked why the Board did not currently receive all records and reports.

Ms. Webb replied that staff had discussed that topic with Risk Management and was told that the County had reservations about providing VCERA with an applicant's entire Worker's Compensation case. She added that VCERA staff had been told previously that Risk Management only provided information that supported its position on a disability retirement case and that the current disability hearing procedures did not require providing information that contradicted its position.

Mr. Pode said he was surprised to hear Ms. Webb and Ms. Nemiroff's past request that Risk Management provide documents that may not support Risk Management's position, adding that the Board may soon see a statement in reports stating, "There were no other documents that took a different position." Mr. Pode was not aware of an instance in which there were opposing medical reports for a disability application supported by Risk Management.

Ms. Webb asked Mr. Pode if there were any situations he was aware of in which VCERA staff believed an IME was warranted but that Risk Management refused to have performed.

Mr. Pode replied that he knew of scenarios that would be uncomfortable for Risk Management, but he said the County would not ask VCERA to not order an IME. He added that there could be competing work restrictions presented that could cause difficulty for the employer. With respect to Trustee Sedell's comment on records availability, Mr. Pode cited attorney-client privileged documents in Worker's Compensation cases that Risk Management would not disclose to VCERA's staff.

Chair Towner believed the issue of attorney-client privileged documents was a good argument for severing the link between Worker's Compensation cases from disability retirement cases.

Mr. Pode said VCERA would have a similar issue if a disability retirement case were challenged, as the challenge would proceed without an attorney-client privilege with the Board's counsel.

Trustee Goulet noted that the Option 3 process model suggested the Board could delegate the investigation component to an outside vendor. When he asked if there were outside vendors that could perform disability retirement case investigations, Ms. Webb replied yes. Trustee Goulet did not believe that the authority for investigations should be delegated. He supported Trustee Ashby's suggestion of bringing the process in-house (Option 4), but he could settle for Option 3.

Ms. Webb said that regardless of the model that the Board selected, the employer would still retain the full rights of a party to the process, and it could make objections and provide input on reassignments or modified job duties. She added that all the process models would require additional staff and training.

Trustee Sedell remarked that he would like to see more information from staff regarding Options 2 and 3, such as the full cost to VCERA and the expected benefits to staff and the Board.

Trustee Hintz said he was not bothered that Ventura County's disability process differed from other counties, nor did the current disability procedures raise red flags for him as long as Risk Management's report was not presumptively conclusive on the Board's decision. However, Trustee Hintz disapproved of the slow resolution of disability cases and wanted the Board's decision on a disability model to speed up the process.

Trustee Wilson said he was concerned about timing, making the right decisions, and all the major changes with bringing the process in-house. He said he supported trying Option 2 for a year, but if that was unsuccessful, then trying Option 3. He believed that the Board had rendered correct decisions on disability cases. He also wondered if the delays in disability retirement cases were largely caused by the many 60-day and 90-day extension requests approved by the Board.

Trustee Ashby thought that the Board should implement a new structure without a phase-in and that the newly adopted model should comply with CERL, thus giving the Board the ability to fulfill its fiduciary responsibilities.

Trustee Sedell cautioned the Board about venturing too far too quickly into a new process. He also noted the possibility of even longer disability cases if the Board would need to review the full investigative record.

Ms. Webb said that VCERA would receive the investigative record at the same time as Risk Management, so it should not cause further delays.

Trustee Sedell said the Board and Risk Management could conduct separate investigations of the file at the same time and reach different conclusions, which could also cause delays.

Ms. Webb said that many delays the Board was witnessing would not be solved by the Option 2 model, unless the disability hearing procedures were changed to address extensions.

Ms. Nemiroff noted that Option 2 did not afford staff the ability to request an IME when VCERA believed the applicant was permanent and stationary. She added that Option 2 also did not allow VCERA to independently investigate disability retirement cases but merely to review Risk Management's investigation.

Chair Towner said he supported Option 4, but he could also support Option 3 with the caveat that if the process was not working, the Board could move to Option 4.

Trustee Sedell said that the Board still did not know the full impact of Option 3 and that he would like to see the item brought back with a much more detailed analysis.

Mr. Pode said that if the Board chose Option 3 or 4, the attorney-client privilege issue would still not be resolved.

Chair Towner agreed, but he added that Option 3 would enable the Board to obtain information directly, to have the authority needed to fulfill its responsibility, and to eliminate the worry of not having documentation currently unavailable to the Board.

Trustee Sedell said he was not against Option 3, but he did not want to make any drastic changes without doing the due diligence to make the decision.

Trustee Goulet thought that the Board should choose Option 3 or 4.

Trustee Hoag said he supported Option 3 or 4, whichever would bring efficiency to the process. He also said that Mr. Bellarti's situation should not have happened.

Trustee Wilson left the meeting at 10:12 a.m., before the vote on this item.

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

<u>MOTION</u>: Adopt Disability Retirement Process Option 3, Full In-House Independent Investigation Performed by VCERA Staff or Through Partial Delegation to VCERA's Outside Vendor.

Moved by Ashby, seconded by Goulet.

Vote: Motion carried
Yes: Ashby, Goulet, Hintz, Roberts, Towner
No: -
Absent: Bennett, McCombs, Wilson, Winter
Abstain: Sedell

Trustee Sedell said he abstained because he had wanted to see more information on the options presented.

VIII. INFORMATIONAL

A. CALAPRS Trustees Round Table.

B. Invitation for Loomis Sayles's "A Candid Market Discussion in Los Angeles."

C. Western Asset Management's 3-Day Client Program Seminar.

D. Western Asset Management's 2-Week Client Program Seminar.

E. Western Asset Management's "Save the Date!"

F. PIMCO Educational Seminar.

G. Invitation for TOIGO's 30th Anniversary Celebration.

IX. PUBLIC COMMENT

None.

X. STAFF COMMENT

Ms. Webb reminded the Board that it would continue to meet in the Hall of Administration's Multi-Purpose Room for the remainder of the calendar year, as renovations at the VCERA office were ongoing. She also noted that staff was waiting on supplemental risk assessment data before presenting VCERA's business plan to the Board, which she hoped to do at October's Business Meeting.

XI. BOARD MEMBER COMMENT

None.

XII. ADJOURNMENT

The meeting was adjourned at 10:22 a.m.

Respectfully submitted,

Linda Webb

LINDA WEBB, Retirement Administrator

Approved,

TRACY TOWNER, Chairman

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
REPORT OF REGULAR AND DEFERRED RETIREMENTS AND SURVIVORS CONTINUANCES
September 2019

FIRST NAME	LAST NAME	G/S	DATE OF MEMBERSHIP	BENEFIT SERVICE*	DEPARTMENT	EFFECTIVE DATE
REGULAR RETIREMENTS:						
Robert	Barnett	S	03/01/1992	27.49	Probation Agency	09/01/2019
Glen	Blevins	G	08/23/1999	19.75	General Services Agency	08/31/2019
David	Bonebright	S	12/04/1994	16.94	Sheriff's Department (deferred)	09/16/2019
Thomas	Boscarelli	G	05/03/2009	9.61	Health Care Agency	09/01/2019
David	Brantley	S	10/30/1988	30.74	Sheriff's Department	08/06/2019
Sabrina	Brewer	G	01/24/1999	15.30	Health Care Agency (deferred)	09/02/2019
Carrie	Broggie	G	02/28/1993	26.48	District Attorney	08/16/2019
Christine	Call	G	03/28/1993	14.03	Information Technology Services (deferred)	09/11/2019
Catherine	Carter	G	03/26/2006	13.25	Human Serivces Agency	08/31/2019
Gerardo	Conway	G	05/02/2005	1.05	Health Care Agency (deferred)	09/03/2019
Eloisa	Delgado	G	01/22/2002	16.84	Health Care Agency (deferred)	09/01/2019
Richard	Denham	G	02/24/2008	11.82	Assessor	07/19/2019
Maureen	Dougherty	G	09/03/2013	5.09	Health Care Agency	08/17/2019
Behnam	Emami	G	08/09/1999	20.11	Public Works Agency	09/07/2019
Marcy	Erickson	G	02/20/2001	14.77	Health Care Agency	08/23/2019
Craig	George	G	02/04/1990	5.52	Resource Management Agency (deferred)	08/03/2019
Estrelita	Gobuyan	G	07/01/1984	12.66	Health Care Agency (deferred)	08/22/2019
Gregory	Guilin	S	01/16/1994	25.51	Sheriff's Department	07/09/2019
George	Hakes	G	01/06/2009	6.56	Board of Supervisors (deferred)	07/31/2019
Yvonne	Hornsby	G	04/19/1987	32.19	Sheriff's Department	08/17/2019
Burrell	Kiser	G	08/24/2008	6.43	General Services Agency (deferred)	08/24/2019
Gary	Lowery	G	03/31/1991	19.00	Health Care Agency	08/03/2019
Susan	Luberto	G	09/07/2008	11.02	Assessor	09/07/2019
Elizabeth	Main	G	03/22/2009	10.15	District Attorney	08/23/2019
Ana-Maria	Maldonado	S	03/26/1995	14.98	Probation Agency	09/04/2019
Jae	McNay	G	10/05/2008	10.87	Sheriff's Department	08/10/2019
Heidi	Mellein	G	01/02/2007	12.70	Assessor	09/07/2019
Deborah E.	Miller	G	11/05/2006	12.79	Health Care Agency	08/31/2019
Vincent	Morda	G	12/15/1996	22.84	Superior Court	08/31/2019
Gail	Perkins	G	03/15/2004	15.45	Health Care Agency	08/31/2019
Rungrat	Piyaman	G	10/14/2003	3.08	Superior Court (deferred)	08/17/2019
Carmen M.	Ramirez	G	10/07/2007	6.50	Health Care Agency (deferred)	08/10/2019
Jo Anne	Ryan				Public Works Agency (DRO, non-member)	08/01/2019
John	Ryan	G	01/03/1993	26.70	Public Works Agency	09/08/2019
Michael	Schwartz	G	12/09/1979	39.85	District Attorney	08/17/2019
Kelley	Thomas	G	09/07/2004	14.98	Human Serivces Agency	08/30/2019
Michael	Villegas	G	01/22/1989	30.64	Air Pollution Control District	08/31/2019
Matthew	Volpe	S	08/14/1994	22.93	Sheriff's Department (deferred)	09/18/2019
Dennis	Wellwood	G	03/09/1986	33.59	Health Care Agency	08/22/2019
Theresa	White	G	05/10/1981	38.11	Superior Court	08/17/2019
Linda	Whobrey	G	08/09/2009	10.01	Child Support Services	08/24/2019
Kerby	Zozula	G	11/26/1989	29.75	Air Pollution Control District	08/23/2019
DEFERRED RETIREMENTS:						
Scott A.D.	Burns	G	09/10/2006	12.89	Information Technology Services	08/24/2019
Laura	Hernandez Alatorre	G	12/18/2016	2.77	County Executive Office	09/21/2019
Silviana	Minero	S	10/08/2006	12.63	Probation Agency	08/20/2019
Elnora E.	Rubio	G	03/01/2004	12.57	Health Care Agency	08/31/2019
James	Seitz	S	06/13/2010	9.01	District Attorney	06/15/2019
Ya-Whey	Wu	G	12/19/2011	7.40	Health Care Agency	08/17/2019
SURVIVORS' CONTINUANCES:						
Suzanne	Blumenfeld					
John	Davidson					
Bernice	Flynn					
Vera	Marin					
Jean	Sorenson					

*** = Excludes reciprocal service or service from any previous retirements**
**** = Member establishing reciprocity**

Date: Wednesday, October 09, 2019
Time: 08:37AM
User: 101602

Ventura County Retirement Assn

Check Register - Standard

Period: 03-20 As of: 10/9/2019

Page: 1 of 3
Report: 03630.rpt
Company: VCERA

Company: VCERA

Acct / Sub: 10300 000000

Check Nbr	Check Type	Check Date	Vendor ID / Vendor Name	Period To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
028240	CK	9/4/2019	DIGITALDEP DIGITAL DEPLOYMENT	03-20		001065	VO	IT	9/4/2019	0.00	650.00
028241	CK	9/4/2019	HARRISCATH CATHERINE HARRIS, ESQ.	03-20		001066	VO	ADMIN EXP	9/4/2019	0.00	10,622.50
028242	CK	9/4/2019	HARRISWATE HARRIS WATER CONDITIONING	03-20		001067	VO	ADMIN EXP	9/4/2019	0.00	144.50
028243	CK	9/4/2019	NOSSAMAN NOSSAMAN LLP	03-20		001068	VO	LEGAL FEES	9/4/2019	0.00	23,795.10
028244	CK	9/4/2019	SPRUCEGROV SPRUCEGROVE INVESTMENT M	03-20		001069	VO	INVESTMENT FEES	9/4/2019	0.00	65,584.88
028245	CK	9/4/2019	TEAMLEGAL TEAM LEGAL, INC.	03-20		001070	VO	ADMIN EXP	9/4/2019	0.00	110.86
028246	CK	9/4/2019	WALLSTREET THE WALL STREET JOURNAL	03-20		001071	VO	INVESTMENT EXP	9/4/2019	0.00	581.72
028247	CK	9/9/2019	ACCESSINFO ACCESS INFORMATION PROTEC	03-20		001072	VO	ADMIN EXP	9/9/2019	0.00	391.51
028248	CK	9/9/2019	BRENTWOODI BRENTWOOD IT	03-20		001073	VO	IT/CAPITAL PROJ	9/9/2019	0.00	10,535.00
028249	CK	9/9/2019	BROWNARMST BROWN ARMSTRONG	03-20		001074	VO	ADMIN EXP	9/9/2019	0.00	8,677.25
028250	CK	9/9/2019	EXECUTIVED EXECUTIVE DATA SYSTEMS, INC	03-20		001075	VO	IT	9/9/2019	0.00	585.00
028251	CK	9/9/2019	TRICOUNTYO TRI COUNTY OFFICE FURNITUR	03-20		001076	VO	CAPITAL PROJECT	9/9/2019	0.00	150,859.98
028252	CK	9/12/2019	BANKOFAMER BUSINESS CARD	03-20		001077	VO	ADMIN/IT	9/12/2019	0.00	2,079.78

Date: Wednesday, October 09, 2019
Time: 08:37AM
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Ventura County Retirement Assn

Check Register - Standard

Period: 03-20 As of: 10/9/2019

Page: 2 of 3
Report: 03630.rpt
Company: VCERA

Check Nbr	Check Type	Check Date	Vendor ID / Vendor Name	Period To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
028253	CK	9/12/2019	CLONINGERJ JAMES P. CLONINGER	03-20		001078	VO	ADMIN EXP	9/12/2019	0.00	9,012.50
028254	CK	9/12/2019	FEDEX FEDEX	03-20		001080	VO	ADMIN EXP	9/12/2019	0.00	13.35
028255	CK	9/12/2019	GALLAGHERD DAN GALLAGHER	03-20		001079	VO	TRAVEL REIMB	9/12/2019	0.00	741.69
028256	CK	9/12/2019	SEGALCONSU SEGAL CONSULTING	03-20		001083	VO	ACTUARY FEES	9/12/2019	0.00	9,886.00
028257	CK	9/12/2019	SHREDITUSA SHRED-IT USA	03-20		001081	VO	ADMIN EXP	9/12/2019	0.00	201.30
028258	CK	9/12/2019	SUBICASSOC SUBIC & ASSOCIATES, INC	03-20		001082	VO	CAPITAL PROJ	9/12/2019	0.00	1,018.74
028259	CK	9/18/2019	ATTMOBILIT AT&T MOBILITY	03-20		001084	VO	IT	9/18/2019	0.00	401.18
028260	CK	9/18/2019	LINEASOLUT LINEA SOLUTIONS	03-20		001085	VO	ADMIN EXP	9/18/2019	0.00	8,468.25
028261	CK	9/18/2019	NEMIROFFLO LORI NEMIROFF	03-20		001086	VO	TRAVEL REIMB	9/18/2019	0.00	455.60
028262	CK	9/18/2019	NEPC NEPC, LLC	03-20		001087	VO	INVESTMENT FEES	9/18/2019	0.00	77,500.00
028263	CK	9/18/2019	NUNNASHALI SHALINI NUNNA	03-20		001088	VO	REIMBURSEMENT	9/18/2019	0.00	35.90
028264	CK	9/18/2019	SEDELLMIKE MICHAEL SEDELL	03-20		001089	VO	TRAVEL REIMB	9/18/2019	0.00	594.97
028265	CK	9/26/2019	CBRE CBRE	03-20		001090	VO	CAPITAL PROJ	9/26/2019	0.00	17,499.99

Date:	Wednesday, October 09, 2019	Page:	3 of 3
Time:	08:37AM	Report:	03630.rpt
User:	101602	Company:	VCERA

Ventura County Retirement Assn

Check Register - Standard

Period: 03-20 As of: 10/9/2019

Check Nbr	Check Type	Check Date	Vendor ID / Vendor Name	Period To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
028266	CK	9/26/2019	DRAGANTROL VICKIE DRAGAN	03-20		001091	VO	ADMIN EXP	9/26/2019	0.00	7,168.20
028267	CK	9/26/2019	KALISHER ART IS LOVE, LLC	03-20		001093	VO	CAPITAL PROJ	9/26/2019	0.00	100.00
028268	CK	9/26/2019	MEGAPATH FUSION CLOUD COMPANY, LLC	03-20		001092	VO	IT	9/26/2019	0.00	595.57
028269	CK	9/26/2019	MFDAILYCOR M.F. DAILY CORPORATION	03-20		001094	VO	ADMIN EXP	9/26/2019	0.00	17,974.92
028270	CK	9/26/2019	NOSSAMAN NOSSAMAN LLP	03-20		001095	VO	LEGAL FEES	9/26/2019	0.00	11,756.70
028271	CK	9/26/2019	THOMSONREU THOMSON REUTERS- WEST	03-20		001097	VO	IT	9/26/2019	0.00	484.05
028272	CK	9/26/2019	TIMEWARNER TIME WARNER CABLE	03-20		001096	VO	IT	9/26/2019	0.00	294.99
028273	CK	9/26/2019	VITECHSYST VITECH SYSTEMS GROUP, INC.	03-20		001098	VO	IT	9/26/2019	0.00	19,515.50

Check Count: 34

Acct Sub Total: **458,337.48**

Check Type	Count	Amount Paid
Regular	34	458,337.48
Hand	0	0.00
Electronic Payment	0	0.00
Void	0	0.00
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
Total:	**34**	**458,337.48**

Company Disc Total **0.00** **Company Total** **458,337.48**

Ventura County Employees' Retirement Association
Budget Summary Fiscal Year 2019-2020
For the Three Months Ended September 30, 2019 and Year-To-Date - 25.00% of Fiscal Year Expended

	Adopted 2020 Budget	Adjusted 2020 Budget	September 2019	Expended Fiscal Year to Date	Available Balance	Percent Expended
Salaries and Benefits						
Regular Salary	$3,299,200.00	$3,299,200.00	$244,769.07	$724,329.38	$2,574,870.62	21.95%
Extra-Help/Temporary Services	170,900.00	170,900.00	8,468.25	21,975.25	148,924.75	12.86%
Supplemental Payments	65,400.00	65,400.00	4,642.88	13,901.05	51,498.95	21.26%
Vacation Redemption	162,200.00	162,200.00	13,345.73	67,347.20	94,852.80	41.52%
Retirement Contributions	603,400.00	603,400.00	41,172.43	124,423.32	478,976.68	20.62%
OASDI Contribution	200,400.00	200,400.00	10,532.08	34,681.41	165,718.59	17.31%
FICA-Medicare	55,300.00	55,300.00	3,796.03	11,501.95	43,798.05	20.80%
Medical Insurance	360,600.00	360,600.00	25,658.00	75,785.71	284,814.29	21.02%
Retiree Health Insurance	0.00	0.00	1,046.06	3,138.18	(3,138.18)	0.00%
Life Insurance	1,300.00	1,300.00	88.82	261.76	1,038.24	20.14%
Unemployment Insurance	1,700.00	1,700.00	124.00	341.46	1,358.54	20.09%
Mgmt Disability Insurance	24,400.00	24,400.00	1,579.57	5,151.45	19,248.55	21.11%
Workers Compensation Insurance	114,000.00	114,000.00	8,779.24	26,938.02	87,061.98	23.63%
401K Plan Contribution	86,600.00	86,600.00	5,835.92	17,197.01	69,402.99	19.86%
Total Salaries & Benefits	$5,145,400.00	$5,145,400.00	$369,838.08	$1,126,973.15	$4,018,426.85	21.90%
Services & Supplies						
Board Member Stipend	$13,200.00	$13,200.00	$800.00	$2,300.00	$10,900.00	17.42%
Other Professional Services	93,000.00	93,000.00	13,990.36	23,667.23	69,332.77	25.45%
Auditing	101,400.00	101,400.00	8,677.25	13,501.15	87,898.85	13.31%
Hearing Officers	40,000.00	40,000.00	19,635.00	19,635.00	20,365.00	49.09%
Legal	425,000.00	425,000.00	35,551.80	36,415.40	388,584.60	8.57%
Actuary-Valuation	62,000.00	62,000.00	0.00	0.00	62,000.00	0.00%
Actuary-GASB 67	13,000.00	13,000.00	0.00	0.00	13,000.00	0.00%
Actuary-415 Calculation	110,000.00	110,000.00	(29.00)	(29.00)	110,029.00	(0.03%)
Actuary-Misc Hrly Consult	16,000.00	16,000.00	(85.00)	(85.00)	16,085.00	(0.53%)
Printing	40,000.00	40,000.00	8,966.62	11,610.62	28,389.38	29.03%
Postage	65,000.00	65,000.00	13,556.74	13,588.44	51,411.56	20.91%
Copy Machine	4,500.00	4,500.00	0.00	0.00	4,500.00	0.00%
General Liability	15,200.00	15,200.00	0.00	0.00	15,200.00	0.00%
Fiduciary Liability	86,000.00	86,000.00	0.00	83,629.00	2,371.00	97.24%
Cost Allocation Charges	34,400.00	34,400.00	0.00	0.00	34,400.00	0.00%
Education Allowance	6,000.00	6,000.00	0.00	305.00	5,695.00	5.08%
Training/Travel-Staff	64,600.00	64,600.00	2,063.72	5,553.62	59,046.38	8.60%
Training/Travel-Trustee	38,200.00	38,200.00	1,071.69	1,071.69	37,128.31	2.81%
Travel-Due Diligence-Staff	9,300.00	9,300.00	0.00	1,654.99	7,645.01	17.80%
Travel-Due Diligence-Trustee	13,600.00	13,600.00	203.30	786.54	12,813.46	5.78%
Mileage-Staff	4,800.00	4,800.00	146.45	222.67	4,577.33	4.64%
Mileage -Trustee	5,000.00	5,000.00	38.28	77.72	4,922.28	1.55%
Mileage-Due Diligence-Staff	1,000.00	1,000.00	0.00	79.69	920.31	7.97%
Mileage-Due Diligence-Trustee	1,000.00	1,000.00	0.00	77.72	922.28	7.77%
Auto Allowance	6,900.00	6,900.00	575.00	1,725.00	5,175.00	25.00%
Facilities-Security	2,700.00	2,700.00	768.00	768.00	1,932.00	28.44%
Facilities-Maint & Repairs	3,300.00	3,300.00	0.00	0.00	3,300.00	0.00%
Equipment-Maint & Repairs	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00%
General Office Expense	10,400.00	10,400.00	180.40	569.90	9,830.10	5.48%
Books & Publications	2,500.00	2,500.00	581.72	651.70	1,848.30	26.07%
Office Supplies	17,000.00	17,000.00	65.60	65.60	16,934.40	0.39%
Memberships & Dues	16,300.00	16,300.00	0.00	4,150.00	12,150.00	25.46%
Bank Service Charges	500.00	500.00	107.99	186.13	313.87	37.23%
Offsite Storage	5,200.00	5,200.00	391.51	803.92	4,396.08	15.46%
Rents/Leases-Structures	210,900.00	210,900.00	17,974.92	54,202.09	156,697.91	25.70%
Depreciation /Amortization	1,460,600.00	1,460,600.00	121,716.16	365,148.48	1,095,451.52	25.00%
Total Services & Supplies	$3,000,500.00	$3,000,500.00	$246,948.51	$642,333.30	$2,358,166.70	21.41%
Total Sal, Ben, Serv & Supp	$8,145,900.00	$8,145,900.00	$616,786.59	$1,769,306.45	$6,376,593.55	21.72%

Ventura County Employees' Retirement Association
Budget Summary Fiscal Year 2019-2020
For the Three Months Ended September 30, 2019 and Year-To-Date - 25.00% of Fiscal Year Expended

	Adopted 2020 Budget	Adjusted 2020 Budget	September 2019	Expended Fiscal Year to Date	Available Balance	Percent Expended
Technology						
Technology Hardware	$118,500.00	$118,500.00	$0.00	$16.16	$118,483.84	0.01%
Technology Software Lic & Maint.	60,000.00	60,000.00	1,851.05	30,392.20	29,607.80	50.65%
Technology Software Suppt & Maint.	41,500.00	41,500.00	544.68	3,936.32	37,563.68	9.49%
Technology Systems Support	0.00	0.00	(650.00)	64,948.20	(64,948.20)	0.00%
Technology Cloud Services	3,600.00	3,600.00	500.00	500.00	3,100.00	13.89%
Technology Website Services	8,900.00	8,900.00	1,300.00	1,300.00	7,600.00	14.61%
Technology Infrastruct Support	168,100.00	168,100.00	0.00	0.00	168,100.00	0.00%
Technology V3 Software & VSG	754,900.00	754,900.00	23,090.70	45,998.60	708,901.40	6.09%
Technology Data Communication	55,700.00	55,700.00	4,021.35	11,721.77	43,978.23	21.04%
Total Technology	$1,211,200.00	$1,211,200.00	$30,657.78	$158,813.25	$1,052,386.75	13.11%
Capital Expenses						
Capitalized Structures	1,184,000.00	1,184,000.00	173,868.66	195,634.19	988,365.81	16.52%
Total Capitalized Expenses	$1,184,000.00	$1,184,000.00	$173,868.66	$195,634.19	$988,365.81	16.52%
Congtingency	$747,700.00	$747,700.00	$0.00	$0.00	$747,700.00	0.00%
Total Current Year	$11,288,800.00	$11,288,800.00	$821,313.03	$2,123,753.89	$9,165,046.11	18.81%

ABBOTT CAPITAL

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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

October 2019

ABBOTT CAPITAL MANAGEMENT, LLC | 1290 AVENUE OF THE AMERICAS, NEW YORK, NY 10104 | +1 212 757 2700

Abbott Presenters

Young Lee, CFA – Managing Director

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

Matthew M. Smith – Managing Director

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

Table of Contents

Abbott Overview

Abbott Capital Management, LLC

Abbott's platform offers a distinctive combination of scale and focus to benefit our clients

1986
Abbott Founded

$9B+
Assets Under Management

$20B+
Aggregate Commitments

50+
Professionals Dedicated to Private Equity

$900M+
Capital Deployed Annually[1]

100+
Advisory Board Seats

Firm Overview

- First customized mandate launched in 1986; first commingled fund raised in 1995
- Independently owned with a 30-year track record focused exclusively on private equity
- SEC-registered and FCA-authorized investment adviser with offices in New York and London, UNPRI Signatory
- Investment capabilities across primary, secondary, and co-investments
- Stable, multi-generational management team

Experience

Relationship Advantage

- Deep **relationships** and **networks** among GPs and LPs
- Recognized across the asset class as a sophisticated **investor of scale**
- Long-standing tenure and relationships give access to **capacity-constrained** opportunities

Information Advantage

- Customized database of information on **over 8,000** funds
- **Over 500** primary investments and an average of **$15 billion** in secondary deal flow reviewed annually[1]
- Over **120** co-investment opportunities offered by Abbott GPs to LPs, representing **>$13 billion** of equity value[2]

Focus Advantage

- **Disciplined** underwriting standards
- Rigorous **due diligence** process, honed over several decades of private equity investing

[1]Annual average over past 3 calendar years. [2]Over the past 5 calendar years. All metrics as of 12/31/2018. Past performance is not a guide to future results and is not indicative of expected realized returns. See Important Information pages at the back of this document and Abbott's Form ADV Part 2A for disclosures on risk and performance.

Abbott's Private Equity-Focused Organization

As of 9/30/2019

Investments


Jonathan Roth
Managing Director, President (1992)


Timothy Maloney
Managing Director (2004)


Meredith Rerisi
Managing Director (1998)


Matthew Smith
Managing Director (2000)


Len Pangburn
Managing Director (2005)


Young Lee
Managing Director (2007)


Katie Stokel
Managing Director, COO (1998)


Jobst Klemme
Director


Jennie Benza
Principal


Wolf Witt
Vice President


Lance Zhou
Vice President

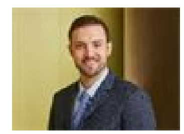

Martha Cassidy
Consultant / Director


Arianna Merrill
Senior Associate


Brian Susetka
Senior Associate

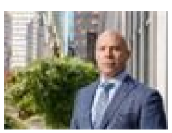

Jonathan Tubiana
Senior Associate


Moritz Turck
Senior Associate


Declan Feeley
Senior Analyst


Taylor McGinnis
Analyst

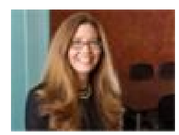
Client Relations and Business Development


Ryan Green
Director


Dan Kettner
Vice President


Sean Long
Vice President

Operations, Finance, Legal & Compliance


Lauren Massey
Managing Director (1995)


Paolo Parziale
Managing Director (2002)


Mary Hornby
Managing Director, General Counsel (2004)

Abbott's Managing Directors have an average of 21 years experience and 18 years working together

ABBOTT CAPITAL

(Year Managing Director joined Abbott)

VCERA Private Equity Program

VCERA Private Equity Program

Objectives and Key Events in 2019

- Abbott manages a customized private equity separate account with the following objectives:
  - Monitor and manage VCERA's private equity portfolio through a comprehensive, turn-key solution that covers the development, implementation, management, and administration of the private equity portfolio
- Key 2019 developments:
  - The target allocation in private equity investments was increased from 10% to 13%
  - VCERA committed approximately $240 million year-to-date and is on pace for budgeted 2019 commitments of $250 million
    - $140 million in Abbott-directed commitments
    - $110 million of VCERA-initiated commitments
  - Exposure to private equity investments is expected to increase to 8.0% at year end 2019 from 6.9% as of December 31, 2018
    - Credit line use implies an estimated additional ~1% of NAV exposure
  - Capital calls of Abbott-directed commitments are beginning to ramp as the portfolio gains momentum
  - VCERA-initiated historical commitments continue to develop and mature

2019 YTD Commitments – Abbott-Directed and VCERA-Initiated

Closed Abbott-Directed Commitments		
Fund	**Strategy**	**VCERA Commitment**
Astorg VII[1]	International Buyouts & Special Situations	$8.7
Genstar Capital Fund IX / Genstar Capital IX Overage Fund	North America Buyouts & Special Situations	$10.0
TA XIII	North America Buyouts & Special Situations	$10.0
Advent GPE IX	International Buyouts & Special Situations	$10.0
Great Hill Partners VII	North America Buyouts & Special Situations	$8.9
Flexpoint IV / Flexpoint Overage Fund IV	North America Buyouts & Special Situations	$14.2
Oak HC/FT Partners III	Venture Capital & Growth Equity	$15.0
Green Equity Investors VIII	North America Buyouts & Special Situations	$15.0
Buenaventure One Commitments[2]	Various	$34.6
Total Closed Abbott-Directed Commitments		**$126.4**

Closed VCERA-Initiated Commitments		
Fund	**Strategy**	**VCERA Commitment**
HarbourVest Co-Investment V	Secondary & Co-Invest	$35.0
HarbourVest Dover Street X	Secondary & Co-Invest	$60.0
Drive III & Drive Capital Overdrive I	Venture Capital & Growth Equity	$15.0
Total Closed VCERA-Directed Commitments		**$110.0**

Total YTD 2019 Commitments		***$236.4***

Potential Investments – Active Due Diligence In Progress		$110.0
Potential Fund VI	North America Buyouts & Special Situations	~$10.0

Estimated Grand Total 2019 Commitments		***$246.4***

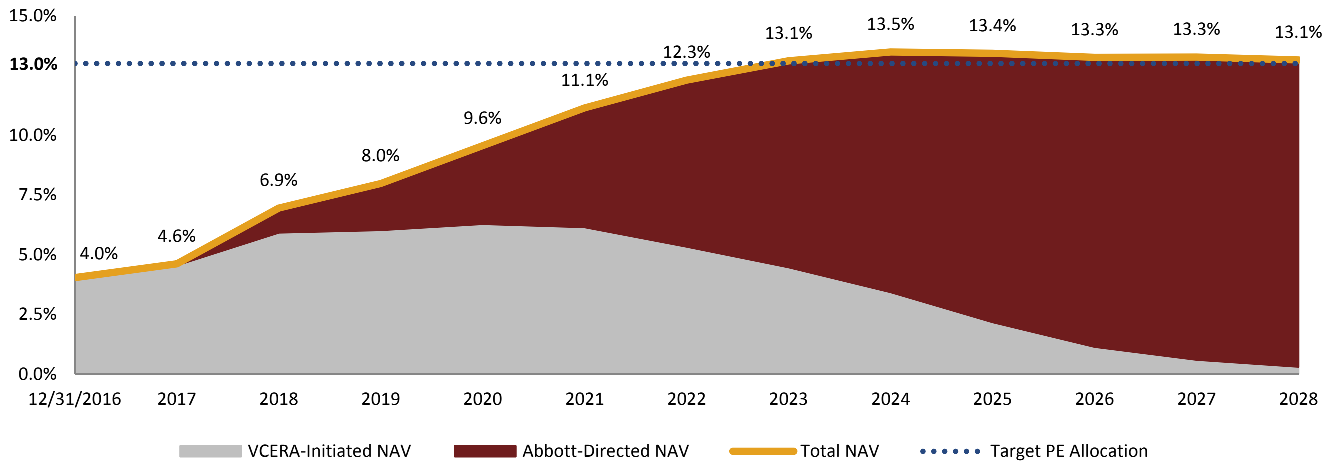
As of September 30, 2019. Amounts shown are in USD millions. [1]Total commitment converted to USD using FX as of 12/17/18. [2]The VCERA commitment amount for Buenaventure One consists of three commitments. Figures may not sum due to rounding.

Pacing Plan Update

- Two important developments affecting pacing have occurred
  - VCERA's target exposure to PE has increased from 10% to 13% of the total Plan
  - Net Asset Value in the PE portfolio is developing more slowly than modeled
    - Due to credit lines and delayed capital calls
- Impact to pacing
  - Currently anticipate annual 2020 and 2021 commitment targets of $250 million and $225 million, respectively
  - Annual targeted commitment expected to taper off in 2022 and 2023; reduced need for significant commitments to secondaries and co-investments

Projected Plan Growth Rate: 6.8%

Private Equity Target: 13%



Pacing Analysis/Projected Cash flows (millions)

Year	12/2016	12/2017	12/2018	12/2019	12/2020	12/2021	12/2022	12/2023	12/2024	12/2025	12/2026	12/2027	12/2028
Annual Commitments:		$90.0	$208.6	$250.0	$250.0	$225.0	$150.0	$150.0	$250.0	$250.0	$200.0	$200.0	$200.0
PE NAV as % of Plan Assets:	4.0%	4.6%	6.9%	8.0%	9.6%	11.1%	12.3%	13.1%	13.5%	13.4%	13.3%	13.3%	13.1%

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

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Investment Plan and 2020 Pipeline

Looking Ahead

- Review pacing model to reflect then-current conditions, state of the private equity portfolio, and the overall VCERA Plan
- 2020 Pipeline – many quality funds including several buyout managers to which Abbott has previously committed
- ASO II is expected to complete fundraising in 2020

2020 Pipeline

Venture Capital & Growth Equity	
Sub-Strategy	**# of Funds**
Early Stage VC	7
Growth Equity	5
Multi-Stage VC	3
Total	**15**

North American Buyouts & Special Situations	
Sub-Strategy	**# of Funds**
Lower Middle-Market	5
Middle-Market	9
Upper Middle-Market	4
Total	**18**

International Buyouts & Special Situations	
Sub-Strategy	**# of Funds**
Lower Middle-Market	4
Middle-Market	3
Upper Middle-Market	1
Total	**8**

Potential Investments – Active Due Diligence In Progress	
Fund	**Strategy**
Fund III	Venture Capital & Growth Equity
Fund V	International Buyouts & Special Situations
Fund VI	North American Buyouts & Special Situations
Fund VI	North American Buyouts & Special Situations
Fund XI	North American Buyouts & Special Situations

Lower Middle-Market typically includes funds that are below $2 billion in size. Middle-Market typically includes funds that are greater than $2 billion in size, but lower than $7 billion in size. Upper Middle-Market typically includes funds that are greater than $7 billion in size. 2019 Pipeline represents investment opportunities only and an investment decision with respect thereto may not be final. Every investment decision is subject to appropriate due diligence and allocation availability.

VCERA Portfolio Performance as of 12/31/2018

Primary Investments

Venture Capital and Growth Equity	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation[1]	Total Value[1]	TVPI	IRR
Battery Ventures XII	02/01/2018	2018	$9,050,000	$7,004,700	$2,045,300	-	$1,850,367	$1,850,367	0.90	NM
Battery Ventures XII Side Fund	02/01/2018	2018	$5,050,000	$3,782,450	$1,267,550	-	$1,220,298	$1,220,298	0.96	NM
Drive Capital Fund II	08/19/2016	2016	$15,000,000	$8,647,908	$6,355,302	-	$5,726,693	$5,726,693	0.90	-9.13%
GGV Capital VII	08/15/2018	2019	$10,160,000	$10,160,000	-	-	-	-		N/A
GGV Capital VII Plus	08/15/2018	2019	$2,540,000	$2,540,000	-	-	-	-		N/A
GGV Discovery II	08/15/2018	2019	$2,100,000	$2,100,000	-	-	-	-		N/A
Total Venture Capital and Growth Equity			**$43,900,000**	**$34,235,058**	**$9,668,152**	**-**	**$8,797,358**	**$8,797,358**	**0.91**	**NM**

Buyouts and Special Situations	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
ABRY Partners IX	12/06/2018	2019	$7,600,000	$7,600,000	-	-	($6,243)	($6,243)		NM
Astorg VII	12/17/2018	2019	$8,807,183	$8,807,183	-	-	-	-		N/A
CapVest Equity Partners IV	07/11/2018	2019	$12,610,285	$12,610,285	-	-	($53,445)	($53,445)		NM
Clearlake Capital Partners V	12/22/2017	2018	$9,950,000	$5,974,799	$3,976,011	$38,823	$4,970,029	$5,008,852	1.26	NM
ECI 11	07/05/2018	2018	$9,532,886	$8,280,356	$1,252,530	-	$1,157,595	$1,157,595	0.92	NM
GTCR Fund XII	09/29/2017	2018	$30,000,000	$25,547,792	$4,548,000	$264,502	$2,303,978	$2,568,480	0.56	NM
Hellman & Friedman Capital Partners IX	09/28/2018	2019	$19,800,000	$19,800,000	-	-	-	-		NM
Insight Venture Partners X	10/13/2017	2018	$25,000,000	$14,750,000	$10,250,000	$8,561	$10,410,846	$10,419,407	1.02	NM
M/C Partners VIII	04/02/2018	2019	$10,000,000	$10,000,000	-	-	-	-		NM
Riverside Micro-Cap Fund V	08/21/2018	2019	$10,000,000	$10,000,000	-	-	($91,203)	($91,203)		NM
The Resolute Fund IV	05/02/2018	2018	$20,000,000	$18,096,145	$1,903,855	-	$2,361,452	$2,361,452	1.24	NM
Total Buyouts and Special Situations			**$163,300,353**	**$141,466,559**	**$21,930,396**	**$311,887**	**$21,053,009**	**$21,364,896**	**0.97**	**NM**

Fund of Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Adams Street 2013 Global Fund	06/27/2013	2013	$75,000,000	$18,375,000	$56,625,000	$8,075,792	$72,149,438	$80,225,230	1.42	12.25%
Adams Street 2016 Global Fund	08/16/2016	2016	$60,000,000	$31,800,000	$28,200,000	$3,621,043	$28,662,488	$32,283,531	1.14	20.60%
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	05/21/2010	2010	$25,500,000	$3,174,751	$22,325,249	$15,702,344	$18,169,510	$33,871,854	1.52	11.93%
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	05/21/2010	2010	$8,500,000	$867,000	$7,633,000	$2,030,308	$10,058,649	$12,088,957	1.58	11.50%
Adams Street Partnership Fund - 2010 U.S. Fund	05/21/2010	2010	$42,500,000	$5,057,500	$37,442,500	$25,869,869	$37,984,957	$63,854,826	1.71	14.49%
Buenaventure One, LLC	01/05/2018	2018	$57,172,500	$38,816,910	$18,355,590	$403,156	$18,414,139	$18,817,295	1.03	NM
Total Fund of Funds			**$268,672,500**	**$98,091,161**	**$170,581,339**	**$55,702,512**	**$185,439,181**	**$241,141,693**	**1.41**	**13.18%**
Total Primary Investments			**$475,872,853**	**$273,792,778**	**$202,179,887**	**$56,014,398**	**$215,289,549**	**$271,303,947**	**1.34**	**12.70%**

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

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VCERA Portfolio Performance as of 12/31/2018, continued

Secondary Interests / Co-Investments

Secondary Funds of Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation[1]	Total Value[1]	TVPI	IRR
Abbott Secondary Opportunities, L.P.	12/21/2017	2016	$25,000,000	$12,014,011	$13,348,706	$2,625,000	$12,956,056	$15,581,056	1.17	35.25%
HarbourVest - Dover Street IX	07/08/2016	2016	$60,000,000	$28,200,000	$31,800,000	$7,282,016	$33,986,447	$41,268,463	1.30	43.10%
HarbourVest - Dover Street VIII	05/30/2013	2012	$67,500,000	$6,750,000	$60,834,954	$66,622,008	$27,798,351	$94,420,359	1.55	21.63%
Pantheon Global Secondary Fund IV	06/24/2010	2010	$15,000,000	$5,040,000	$9,960,000	$12,450,001	$3,165,594	$15,615,595	1.57	13.79%
Pantheon Global Secondary Fund V	02/06/2015	2015	$50,000,000	$16,433,491	$33,566,509	$9,600,205	$35,390,433	$44,990,638	1.34	18.68%
Total Secondary Funds of Funds			**$217,500,000**	**$68,437,502**	**$149,510,169**	**$98,579,230**	**$113,296,881**	**$211,876,111**	**1.42**	**20.86%**

Co-Investment Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Adams Street 2010 Direct Fund	05/21/2010	2010	$8,500,000	$453,900	$8,046,100	$9,077,781	$5,022,336	$14,100,117	1.75	12.95%
Adams Street Co-Investment Fund IV A	09/24/2018	2018	$30,000,000	$25,500,000	$4,567,808	-	$4,154,711	$4,154,711	0.91	NM
HarbourVest Partners Co-Investment IV	05/31/2017	2016	$30,000,000	$7,768,149	$22,428,591	$1,736,653	$24,634,163	$26,370,816	1.18	14.67%
HarbourVest Partners Co-Investment V	07/31/2018	2019	$35,000,000	$35,000,000	-	-	($822,921)	($822,921)		NM
Total Co-Investment Funds			**$103,500,000**	**$68,722,049**	**$35,042,499**	**$10,814,434**	**$32,988,289**	**$43,802,723**	**1.25**	**12.02%**
Total Secondary Interests / Co-Investments			**$321,000,000**	**$137,159,551**	**$184,552,668**	**$109,393,664**	**$146,285,170**	**$255,678,834**	**1.39**	**18.99%**
Total Active Portfolio Funds			**$796,872,853**	**$410,952,329**	**$386,732,555**	**$165,408,063**	**$361,574,719**	**$526,982,781**	**1.36**	**15.24%[2]**
Net IRR									**1.36**	**15.22%[3]**

N/A=Not applicable. NM=Not meaningful due to the age of the fund. [1]Negative valuation is a result of accrued expenses and the use of a credit line early in the life of the fund. [2]IRR is net of management fees paid to underlying and/or fund of fund managers, but gross of fees paid to Abbott. [3]IRR is net of management fees paid to Abbott. Past performance is not a guide to future results and is not indicative of expected realized returns. See attached Important Information page and Abbott's Form ADV Part 2a for disclosures on risk and impact of fees on performance.

ABBOTT CAPITAL

VCERA Preliminary Portfolio Performance as of 6/30/2019

Primary Investments

Venture Capital and Growth Equity	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation[1]	Total Value[1]	TVPI	IRR
Battery Ventures XII	02/01/2018	2018	$9,050,000	$4,920,485	$4,129,515	-	$4,205,174	$4,205,174	1.02	NM
Battery Ventures XII Side Fund	02/01/2018	2018	$5,050,000	$2,140,695	$2,909,305	-	$3,162,017	$3,162,017	1.09	NM
Drive Capital Fund II	08/19/2016	2016	$15,000,000	$6,186,075	$8,817,135	-	$12,482,841	$12,482,841	1.42	30.16%
Drive Capital Fund III	04/05/2019	2019	$7,500,000	$7,500,000	-	-	-	-		N/A
Drive Capital Overdrive Fund I	04/05/2019	2019	$7,500,000	$7,148,049	$351,951	-	$298,061	$298,061	0.85	NM
GGV Capital VII	08/15/2018	2019	$10,160,000	$8,534,400	$1,625,600	-	$1,506,916	$1,506,916	0.93	NM
GGV Capital VII Plus	08/15/2018	2019	$2,540,000	$2,082,800	$457,200	-	$457,200	$457,200	1.00	NM
GGV Discovery II	08/15/2018	2019	$2,100,000	$1,858,500	$241,500	-	$221,826	$221,826	0.92	NM
Total Venture Capital and Growth Equity			**$58,900,000**	**$40,371,004**	**$18,532,206**	**-**	**$22,334,035**	**$22,334,035**	**1.21**	**NM**

Buyouts and Special Situations	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
ABRY Partners IX	12/06/2018	2019	$10,600,000	$10,600,000	-	-	($165,568)	($165,568)		NM
Advent International GPE IX	05/23/2019	2019	$10,000,000	$10,000,000	-	-	-	-		N/A
Astorg VII	12/17/2018	2019	$8,752,740	$8,314,741	$437,999	-	$353,424	$353,424	0.81	NM
CapVest Equity Partners IV	07/11/2018	2019	$12,531,787	$12,531,787	-	-	($53,112)	($53,112)		NM
Clearlake Capital Partners V	12/22/2017	2018	$9,950,000	$5,258,013	$4,781,476	$150,190	$7,111,354	$7,261,544	1.52	NM
ECI 11	07/05/2018	2018	$9,532,625	$8,280,095	$1,252,530	-	$1,097,570	$1,097,570	0.88	NM
Genstar Capital Partners IX	02/21/2019	2019	$7,500,000	$7,500,000	-	-	($31,519)	($31,519)		NM
Genstar Capital Partners IX Opportunities Program	02/21/2019	2019	$2,500,000	$2,500,000	-	-	-	-		N/A
Great Hill Equity Partners VII	06/28/2019	2019	$8,900,000	$8,900,000	-	-	-	-		N/A
GTCR Fund XII	09/29/2017	2018	$30,000,000	$22,667,792	$7,428,000	$264,502	$6,014,578	$6,279,080	0.85	NM
Hellman & Friedman Capital Partners IX	09/28/2018	2019	$19,800,000	$19,800,000	-	-	($99,871)	($99,871)		NM
Insight Venture Partners X	10/13/2017	2018	$25,000,000	$7,250,000	$17,750,000	$8,561	$19,440,049	$19,448,611	1.10	NM
M/C Partners VIII	04/02/2018	2019	$10,000,000	$9,495,486	$504,514	-	$393,657	$393,657	0.78	NM
Riverside Micro-Cap Fund V	08/21/2018	2019	$10,000,000	$9,130,891	$869,109	-	$669,906	$669,906	0.77	NM
TA XIII	05/02/2019	2019	$10,000,000	$10,000,000	-	-	-	-		N/A
The Resolute Fund IV	05/02/2018	2018	$20,000,000	$16,918,300	$4,198,918	$1,937,960	$3,588,305	$5,526,265	1.32	NM
Total Buyouts and Special Situations			**$205,067,151**	**$169,147,104**	**$37,222,546**	**$2,361,214**	**$38,318,774**	**$40,679,987**	**1.09**	**NM**

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

ABBOTT CAPITAL

VCERA Preliminary Portfolio Performance as of 6/30/2019, continued

Primary Investments

Fund of Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Adams Street 2013 Global Fund	06/27/2013	2013	$75,000,000	$13,650,000	$61,350,000	$11,799,337	$78,776,740	$90,576,077	1.48	12.73%
Adams Street 2016 Global Fund	08/16/2016	2016	$60,000,000	$28,380,000	$31,620,000	$3,621,043	$34,470,696	$38,091,739	1.20	19.36%
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	05/21/2010	2010	$25,500,000	$3,174,751	$22,325,249	$17,994,687	$17,798,014	$35,792,701	1.60	12.55%
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	05/21/2010	2010	$8,500,000	$867,000	$7,633,000	$2,212,616	$10,458,206	$12,670,822	1.66	11.55%
Adams Street Partnership Fund - 2010 U.S. Fund	05/21/2010	2010	$42,500,000	$5,057,500	$37,442,500	$27,801,095	$40,169,394	$67,970,489	1.82	14.99%
Buenaventure One, LLC	01/05/2018	2018	$67,072,500	$46,241,910	$20,830,590	$403,156	$21,510,263	$21,913,419	1.05	NM
Total Fund of Funds			**$278,572,500**	**$97,371,161**	**$181,201,339**	**$63,831,934**	**$203,183,313**	**$267,015,247**	**1.47**	**13.60%**
Total Primary Investments			**$542,539,651**	**$306,889,269**	**$236,956,091**	**$66,193,147**	**$263,836,121**	**$330,029,269**	**1.39**	**13.86%**

Secondary Interests

Secondary Funds of Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Abbott Secondary Opportunities, L.P.	12/21/2017	2016	$25,000,000	$9,424,874	$15,937,843	$2,625,000	$16,439,952	$19,064,952	1.20	24.47%
HarbourVest - Dover Street IX	07/08/2016	2016	$60,000,000	$22,200,000	$37,800,000	$11,992,086	$38,859,773	$50,851,859	1.35	35.90%
HarbourVest - Dover Street VIII	05/30/2013	2012	$67,500,000	$6,750,000	$60,834,954	$69,159,275	$27,519,216	$96,678,491	1.59	21.43%
HarbourVest - Dover Street X	05/31/2019	2019	$40,000,000	$40,000,000	-	-	$186,467	$186,467		N/A
Pantheon Global Secondary Fund IV	06/24/2010	2010	$15,000,000	$5,040,000	$9,960,000	$12,681,543	$3,007,529	$15,689,072	1.58	13.61%
Pantheon Global Secondary Fund V	02/06/2015	2015	$50,000,000	$16,433,491	$33,566,509	$10,437,534	$35,399,989	$45,837,523	1.37	16.20%
Total Secondary Funds of Funds			**$257,500,000**	**$99,848,365**	**$158,099,306**	**$106,895,438**	**$121,412,926**	**$228,308,364**	**1.44**	**20.22%**

Co-Investment Funds	Initial Closing Date	Vintage Year	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Adams Street 2010 Direct Fund	05/21/2010	2010	$8,500,000	$433,500	$8,066,500	$9,546,815	$4,664,178	$14,210,993	1.76	12.68%
Adams Street Co-Investment Fund IV A	09/24/2018	2018	$30,000,000	$23,100,000	$6,967,808	-	$7,168,225	$7,168,225	1.03	NM
HarbourVest Partners Co-Investment IV	05/31/2017	2016	$30,000,000	$5,732,352	$24,464,388	$2,641,347	$29,192,551	$31,833,898	1.30	18.68%
HarbourVest Partners Co-Investment V	07/31/2018	2019	$35,000,000	$35,000,000	-	-	$2,950,891	$2,950,891		N/A
Total Co-Investment Funds			**$103,500,000**	**$64,265,852**	**$39,498,696**	**$12,188,162**	**$43,975,845**	**$56,164,007**	**1.42**	**16.61%**
Total Secondary Interests / Co-Investment Funds			**$361,000,000**	**$164,114,217**	**$197,598,002**	**$119,083,600**	**$165,388,771**	**$284,472,371**	**1.44**	**19.37%**
Total Active Portfolio Funds			**$903,539,651**	**$471,003,486**	**$434,554,093**	**$185,276,748**	**$429,224,892**	**$614,501,640**	**1.41**	**16.06%[1]**
Net IRR									**1.41**	**16.03%[2]**

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

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VCERA Portfolio Net Performance as of 12/31/2018

VCERA Portfolio – Net Performance						
Period	**1 year**	**2 years**	**3 years**	**5 years**	**7 years**	**Since inception**
VCERA Portfolio[1]	13.56%	16.63%	14.72%	14.41%	15.27%	15.24%
Russell 3000 (PME) +300bps	(4.05%)	8.09%	10.39%	9.65%	11.85%	11.73%
Difference	**17.61%**	**8.54%**	**4.33%**	**4.76%**	**3.42%**	**3.51%**

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

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California Disclosure Reporting

California Code, Government Code - GOV § 7514.7

Private Equity Investments as of December 31, 2018				
Name of Fund	**Address of Fund Manager**	**Closing Date**	**Commitment**	**Vintage Year**
Abbott Secondary Opportunities, L.P.	1290 Avenue of the Americas, 9th Floor, New York, NY 10104	12/21/17	$25,000,000	2016
ABRY Partners IX	888 Boylston St, Suite 1600, Boston MA 02199	12/6/18	$7,600,000	2019
Adams Street 2010 Direct Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	$8,500,000	2010
Adams Street 2013 Global Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	6/27/13	$75,000,000	2013
Adams Street 2016 Global Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	8/16/16	$60,000,000	2016
Adams Street Co-Investment Fund IV A	One North Wacker Drive, Suite 2200, Chicago, IL 60606	9/24/18	$30,000,000	2018
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	$25,500,000	2010
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	$8,500,000	2010
Adams Street Partnership Fund - 2010 U.S. Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	$42,500,000	2010
Astorg VII	68 rue du Faubourg Saint-Honoré, Paris 75008	12/17/18	$8,807,183	2019
Battery Ventures XII	One Marina Park Drive, Suite 1100, Boston MA 02210	2/1/18	$9,050,000	2018
Battery Ventures XII Side Fund	One Marina Park Drive, Suite 1100, Boston MA 02210	2/1/18	$5,050,000	2018
Buenaventure One, LLC	1290 Avenue of the Americas, 9th Floor, New York NY 10104	1/5/18	$57,172,500	2018
CapVest Equity Partners IV	100 Pall Mall, London SW1Y 5NQ	7/11/18	$12,610,285	2019
Clearlake Capital Partners V	233 Wilshire Blvd, Suite 800, Santa Monica CA 90401	12/22/17	$9,950,000	2018
Drive Capital Fund II	629 N. High Street, Columbus, OH 43215	8/19/16	$15,000,000	2016
ECI 11	Brettenham House, Lancaster Place, London WC2E 7EN	7/5/18	$9,532,886	2018
GGV Capital VII	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	$10,160,000	2019
GGV Capital VII Plus	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	$2,540,000	2019
GGV Discovery II	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	$2,100,000	2019
GTCR Fund XII	300 North LaSalle Street, Suite 5600, Chicago, IL 60654	9/29/17	$30,000,000	2018
HarbourVest - Dover Street IX	One Financial Center, Boston, MA 02111	7/8/16	$60,000,000	2016
HarbourVest - Dover Street VIII	One Financial Center, Boston, MA 02111	5/30/13	$67,500,000	2012
HarbourVest Partners Co-Investment IV	One Financial Center, Boston, MA 02111	5/31/17	$30,000,000	2016
HarbourVest Partners Co-Investment V	One Financial Center, Boston, MA 02111	7/31/18	$35,000,000	2019
Hellman & Friedman Capital Partners IX	415 Mission Street, Suite 5700, San Francisco, CA 94105	9/28/18	$19,800,000	2019
Insight Venture Partners X	1114 Avenue of the Americas, 36th Floor, New York, NY 10036	10/13/17	$25,000,000	2018
M/C Partners VIII	75 State Street, Suite 2500, Boston, MA 02109	4/2/18	$10,000,000	2019
Pantheon Global Secondary Fund IV	10 Finsbury Square, 4th Floor, London EC2A1AF	6/24/10	$15,000,000	2010
Pantheon Global Secondary Fund V	10 Finsbury Square, 4th Floor, London EC2A1AF	2/6/15	$50,000,000	2015
Riverside Micro-Cap Fund V	630 Fifth Avenue, Suite 400, New York, NY 10111	8/21/18	$10,000,000	2019
The Resolute Fund IV	399 Park Avenue, 30th Floor, New York, NY 10022	5/2/18	$20,000,000	2018
Total			**$796,872,853**	

California Disclosure Reporting, continued

California Code, Government Code - GOV § 7514.7

Performance and Fee Information[1]													
	As of December 31, 2018 (Since Inception)						For the Year Ended December 31, 2018						
Name of Fund	Contributions	Distributions	Valuation	TVPI	Gross IRR	Net IRR	Distributions	Cash Profit Received[2]	Management Fees[3]	Carried Interest Accrued[4]	Carried Interest Paid	Other Expenses	Fees & Expenses Paid by Portfolio Cos.[5]
Abbott Secondary Opportunities, L.P.	$13,348,706	$2,625,000	$12,956,056	1.17	43.07%	35.25%	$1,125,000	$647,250	$139,591	$160,780	$5,969	$117,147	N/A
ABRY Partners IX	$0	$0	($6,243)[6]	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
Adams Street 2010 Direct Fund	$8,046,100	$9,077,781	$5,022,336	1.75	18.95%	12.95%	$1,384,262	$408,694	$118,223	$210,704	$736,584	$3,506	$305
Adams Street 2013 Global Fund	$56,625,000	$8,075,792	$72,149,438	1.42	14.66%	12.25%	$3,396,162	$1,033,144	$611,348	$181,982	$0	$40,579	N/A
Adams Street 2016 Global Fund	$28,200,000	$3,621,043	$28,662,488	1.14	31.01%	20.60%	$3,621,043	$1,256,344	$567,036	$204,362	$0	$575,270	N/A
Adams Street Co-Investment Fund IV A	$4,567,808	$0	$4,154,711	0.91	(1.01%)	(32.51%)	$0	$0	$300,000	$0	$0	$140,275	$0
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	$22,325,249	$15,702,344	$18,169,510	1.52	14.90%	11.93%	$3,918,321	$2,260,581	$179,667	$11,405	$50,498	$5,958	N/A
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	$7,633,000	$2,030,308	$10,058,649	1.58	13.45%	11.50%	$522,510	$230,909	$59,889	($144)[10]	$0	$3,661	N/A
Adams Street Partnership Fund - 2010 U.S. Fund	$37,442,500	$25,869,869	$37,984,957	1.71	17.24%	14.49%	$5,564,416	$3,396,228	$299,444	$21,195	$112,861	$14,934	N/A
Astorg VII	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
Battery Ventures XII	$2,045,300	$0	$1,850,367	0.90	(0.60%)	(24.22%)	$0	$0	$143,336	$0	$0	$45,155	$12,022
Battery Ventures XII Side Fund	$1,267,550	$0	$1,220,298	0.96	(0.90%)	(11.77%)	$0	$0	$9,348	$0	$0	$31,513	$0
Buenaventure One, LLC	$18,355,590	$403,156	$18,414,139	1.03	10.90%	9.27%	$403,156	$403,156	$0	$0	$0	$20,702	N/A
CapVest Equity Partners IV	$0	$0	($53,445)[7]	N/A	N/A	N/A	$0	$0	$0	$0	$0	$53,665	$0
Clearlake Capital Partners V	$3,976,011	$38,823	$4,970,029	1.26	77.00%	68.58%	$38,823	$38,013	$49,016	$258,210	$0	$52,645	$25,561
Drive Capital Fund II	$6,355,302	$0	$5,726,693	0.90	NR	(9.13%)	$0	$0	$292,910	$0	$0	$56,311	$0
ECI 11	$1,252,530	$0	$1,157,595	0.92	0.80%	(71.93%)	$0	$0	$55,281	$0	$0	$25,542	$0
GGV Capital VII	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
GGV Capital VII Plus	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
GGV Discovery II	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
GTCR Fund XII	$4,548,000	$264,502	$2,303,978	0.56	(23.10%)	(87.45%)	$264,502	$39,332	$394,047	$0	$0	$287,610	$58,039
HarbourVest - Dover Street IX	$31,800,000	$7,282,016	$33,986,447	1.30	53.09%	43.10%	$3,893,655	$1,847,164	$416,673	$832,384	$0	$488,874	N/A
HarbourVest - Dover Street VIII	$60,834,954	$66,622,008	$27,798,351	1.55	25.46%	21.63%	$20,055,078	$4,917,489	$835,975	$652,130	$0	$447,766	N/A
HarbourVest Partners Co-Investment IV	$22,428,591	$1,736,653	$24,634,163	1.18	16.79%	14.67%	$1,736,653	$779,345	$210,074	$272,257	$0	$233,078	$0
HarbourVest Partners Co-Investment V	$0	$0	($822,921)[7]	N/A	N/A	N/A	$0	$0	$0	$0	$0	$145,110	$0

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

ABBOTT CAPITAL

California Disclosure Reporting, continued

California Code, Government Code - GOV § 7514.7

Performance and Fee Information[1]													
	As of December 31, 2018 (Since Inception)						For the Year Ended December 31, 2018						
Name of Fund	Contributions	Distributions	Valuation	TVPI	Gross IRR	Net IRR	Distributions	Cash Profit Received[2]	Management Fees[3]	Carried Interest Accrued[4]	Carried Interest Paid	Other Expenses	Fees & Expenses Paid by Portfolio Cos.[5]
Hellman & Friedman Capital Partners IX	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
Insight Venture Partners X	$10,250,000	$8,561	$10,410,846	1.02	19.96%	4.58%	$8,561	$8,561	$394,021	$0	$0	$107,876	$0
M/C Partners VIII	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
Pantheon Global Secondary Fund IV	$9,960,000	$12,450,001	$3,165,594	1.57	15.00%	13.79%	$915,000	$468,822	$109,350	($1,347)[10]	$27,086	$22,859	N/A
Pantheon Global Secondary Fund V	$33,566,509	$9,600,205	$35,390,433	1.34	18.60%[8]	18.68%	$4,825,000	$0	$500,916	$291,808	$64,263	$354,814	N/A
Riverside Micro-Cap Fund V	$0	$0	($91,203)[7]	N/A	N/A	N/A	$0	$0	$72,283	$0	$0	$18,920	$0
The Resolute Fund IV	$1,903,855	$0	$2,361,452	1.24	44.30%[8]	>1,000.00%	$0	$0	$98,085	$155,824	$0	$112,141	$53,487
Total	**$386,732,555**	**$165,408,063**	**$361,574,719**	**1.36**		**15.22%[9]**	**$51,672,142**	**$17,735,032**	**$5,856,513**	**$3,251,550**	**$997,261**	**$3,405,911**	**$149,414**

NR = Information was not reported.

[1]With the exception of fund level information for Abbott Secondary Opportunities, L.P. (ASO) and Buenaventure One, LLC (BO), the information included herein is sourced from data provided by the managers of the funds. Such information has not been independently verified and no representation or warranty, express or implied, is given by or on behalf of Abbott as to the accuracy, fairness, correctness or completeness of the information. Certain amounts provided above have been estimated based on fund level information disclosed in the December 31, 2018 audited portfolio fund financial statements. Differences between such estimates and actual amounts may exist and such differences could be material.

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

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

[4]Amounts represent realized and unrealized carried interest allocations for the year ended December 31, 2018.

[5]NA = Not Applicable. Fund of funds do not have direct portfolio company investments.

[6]Negative valuation is a result of accrued expenses.

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

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

[9]IRR is net of management fees paid to Abbott.

[10]Negative figures represent a reallocation of unpaid carried interest from the GP to the VCERA for the year ended 12/31/18.

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

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

Appendix

Private Equity Environment

Macroeconomic Environment

- Trade tensions between the U.S. and China, as well as other geopolitical developments, most notably Brexit, have added an additional level of complexity and uncertainty to the global economic outlook
- The U.S. Federal Reserve cut interest rates once already in 2019 as a precaution against slowing European and Chinese growth as well as trade tensions, and indicated further cuts are likely as U.S. inflation remains subdued

Private Markets

- Fundraising within all segments of the private markets was robust
- GPs continued to raise increasing amounts of capital in shorter time periods, and in some cases, diversifying their product offerings
- Valuations remained elevated across both the U.S. and Europe, which impacted the pace of new private equity investments, but aided selling motivations
- Add-on acquisitions remained a frequently used tool to expedite growth and average down platform purchase prices

Private Equity

- U.S. fundraising remained strong during 1H 2019, driven by large and mega funds; European fundraising remained relatively flat when compared with the same period last year
- Investment pace increased 13% in the U.S., but decreased by 18% in Europe
- Pricing remained elevated with average purchase price multiples now over 12x EV/EBITDA
- Exit value rose 40% in the U.S. and 24% in Europe during 1H 2019 compared with the same period last year
- U.S. IPO activity reached $21.8 billion in the second quarter alone and represents the highest value by quarter since Q2 2014

Venture Capital and Growth Equity

- U.S. VC fundraising was strong with $21 billion raised during the 1H 2019, mostly by funds over $500 million in size
- During 1H 2019, 123 deals in excess of $100 million closed
- Larger financing rounds at increased valuations persisted as companies are choosing to stay private for longer
- Record breaking exit activity dominated headlines: $189 billion in exit value was recorded for the first half of 2019, surpassing the $127 billion in full-year 2018
- Robust IPO market as evidenced by 34 VC-backed IPOs that raised $130 billion
  - High-profile companies included Lyft, Uber, Pinterest, Slack, Zoom, CrowdStrike, and Beyond Meat

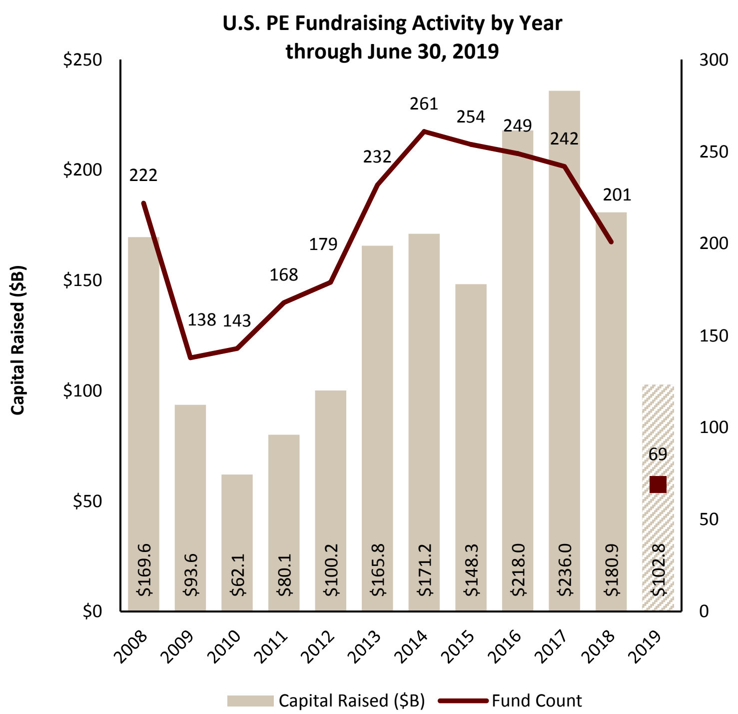
Secondaries

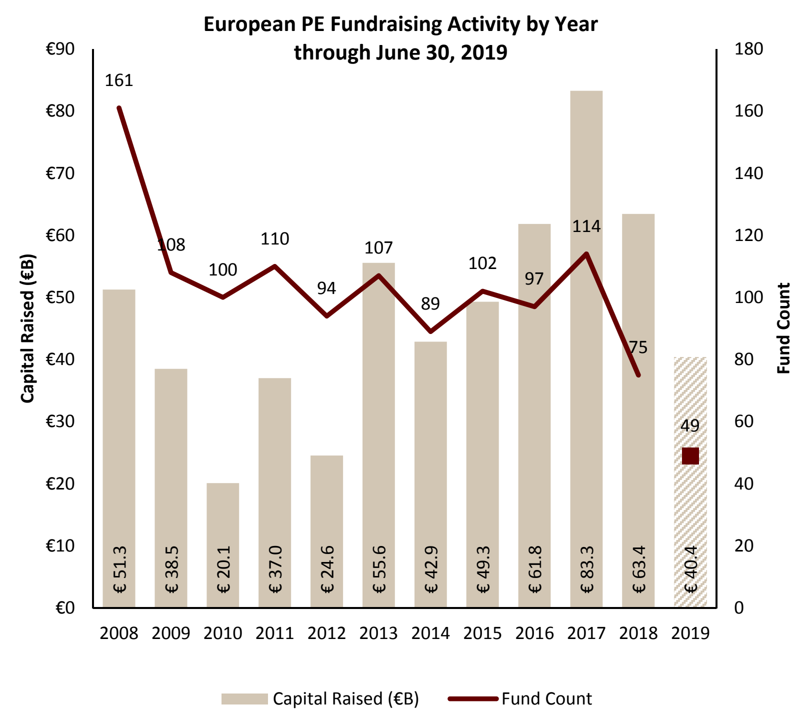
- $42 billion in transaction volume during 1H 2019 surpassed the previous first half record of $27 billion set last year
- Buyout funds dominated the secondary market, as they comprised 54% of all transactions in 1H 2019, with Venture Capital a distant second at 17%
- Secondary dry powder has reach $169 billion as of June 30, 2019
- GP-led transactions totaled $14 billion, accounting for one-third of total transaction volume, a 7X increase from 2015 levels

The views expressed are Abbott's opinion as of Q3 2019 and are subject to change without notice. There is no assurance that any trends depicted or described will continue.
Sources consulted: Pitchbook's 2Q 2019 US PE Breakdown; Pitchbook's 2Q 2019 European PE Breakdown; 2Q 2019 Pitchbook-NVCA Venture Monitor, Greenhill & Co., Inc., Global Secondary Market; July 2019

Private Equity Fundraising Environment

Globally, private equity fundraising in 2019 is on pace to surpass 2018 levels





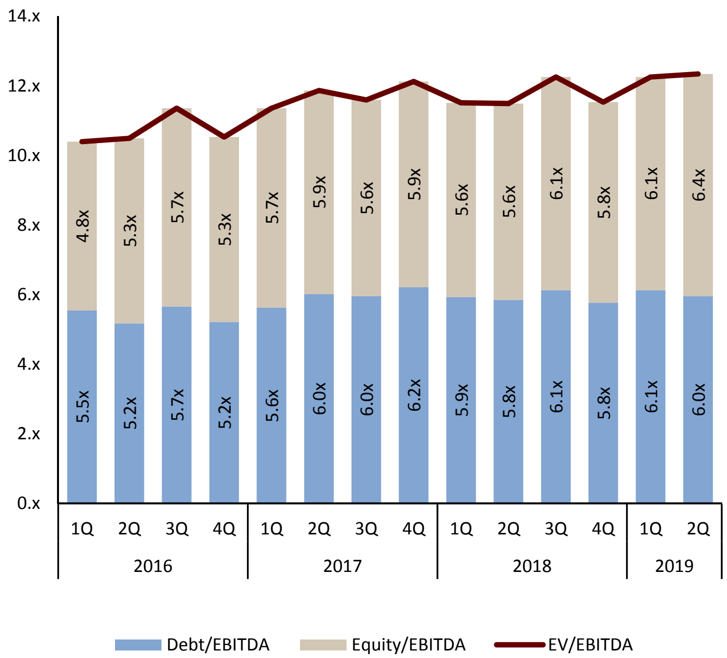
- U.S. private equity fundraising remained strong, driven by large and mega funds – more than $100 billion was raised across 69 funds during 1H 2019, compared with $69 billion raised by 111 funds during the same period in 2018
- European fundraising remained relatively consistent year-over-year: 49 funds raised a combined €40 billion, compared with €46 billion raised by 38 funds during the same period last year

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

Private Equity Investment Environment

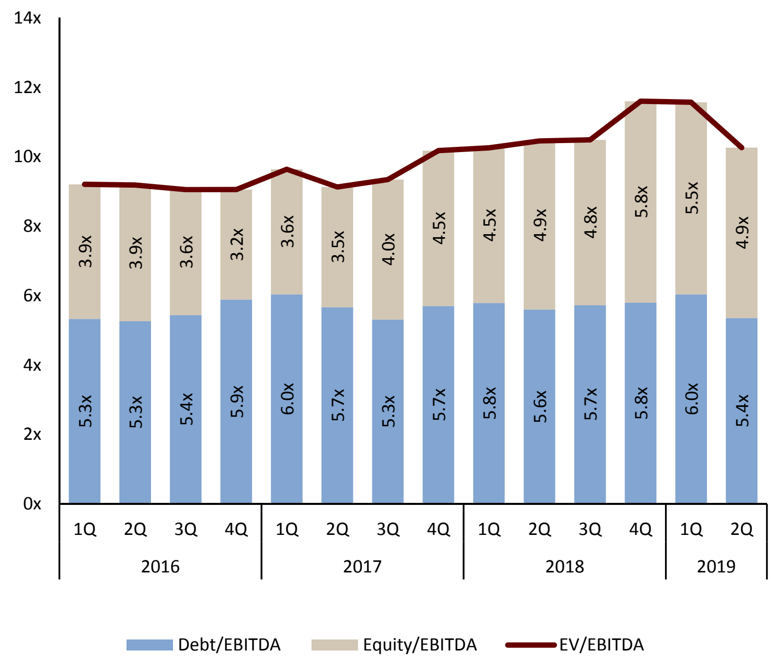
EV/EBITDA multiples remained elevated in the U.S., but fell slightly in Europe

Median U.S. PE buyout EV/EBITDA multiples (four-quarter rolling median)



- Average EV/EBITDA multiples rose to above 12x from 11.6x at the end of 2018
- As long as dry powder continues to build and the cost of debt remains low, EV/EBITDA multiples may remain at around the 12x mark

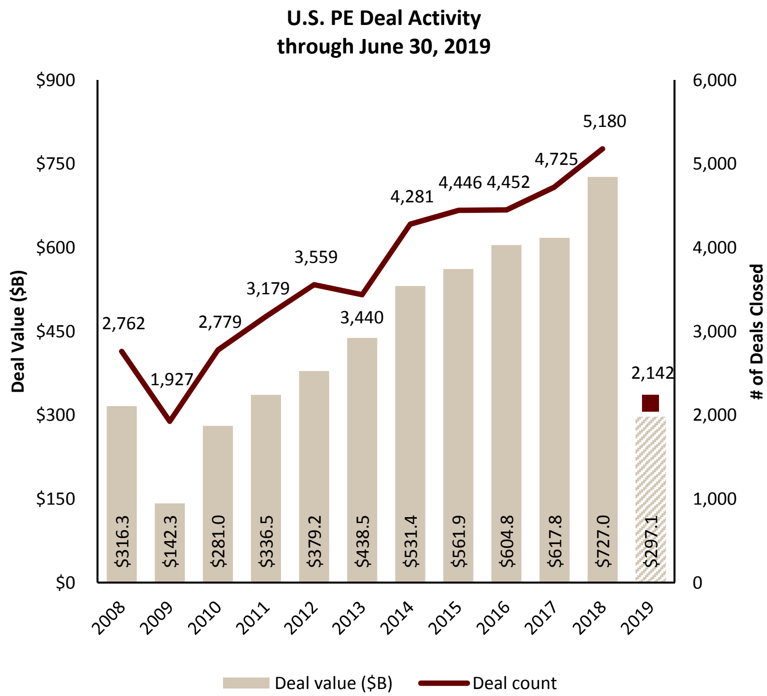
European PE buyout EV/EBITDA multiples (four-quarter rolling median)



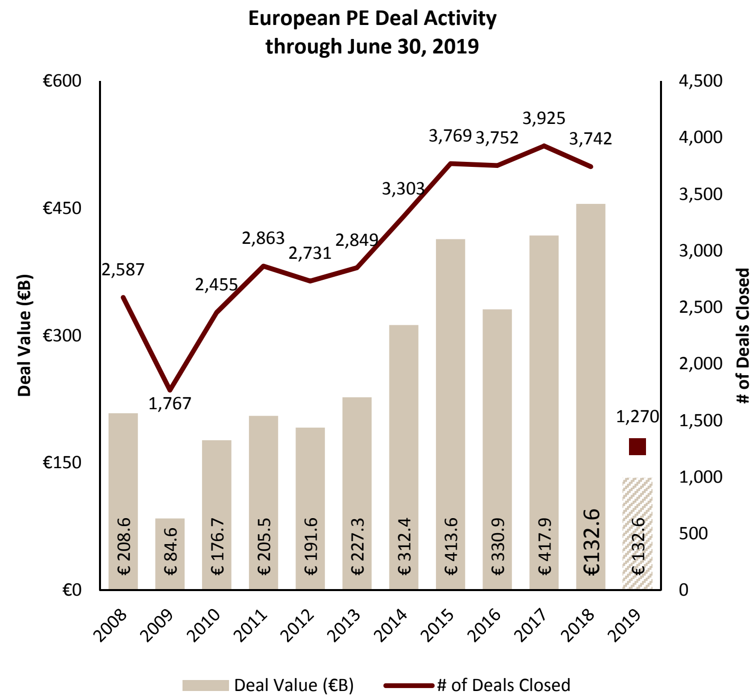
- The LTM rolling median EV/EBITDA multiple dipped during the quarter due to the rise in add-on acquisitions
- Overall valuation multiples are expected to remain elevated as favorable financing conditions are likely to persist

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

Private Equity Investment Environment



- New investment activity in the U.S. during 1H 2019 was down 5% by deal volume, but up 12.5% by deal value year-over-year
- U.S. new investment activity was driven by a recovery in the leveraged loan markets, as well as the continued increase in average purchase price multiples



- 1H 2019 European new investment activity declined 14% in terms of deal count and 18% in terms of deal value compared with the same period last year
- The slowdown in deal activity is largely driven by political uncertainly, particularly in the U.K., concerns over market multiples, and increased competition from cash-rich corporate buyers

Source: Pitchbook's 2Q 2019 US PE Breakdown; Pitchbook 2Q 2018 US PE Breakdown; Pitchbook's 2Q 2019 European PE Breakdown; Pitchbook's 2Q 2018 European PE Breakdown. U.S. PE Deal Activity by Year includes estimated deals totaling $36.2 billion in value and 231 in number. European PE Deal Activity by Year includes estimated deals totaling €16.4 billion in value and 130 in number. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

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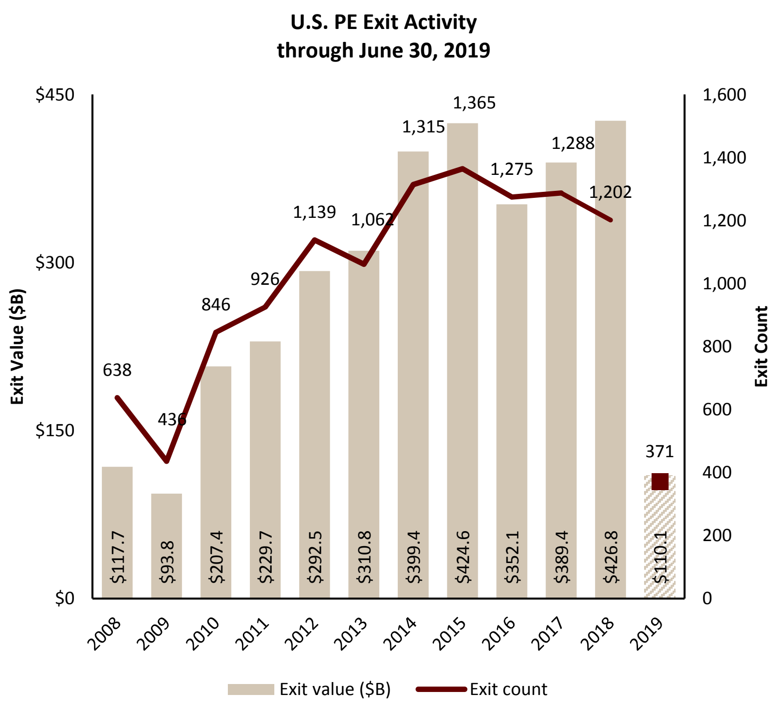
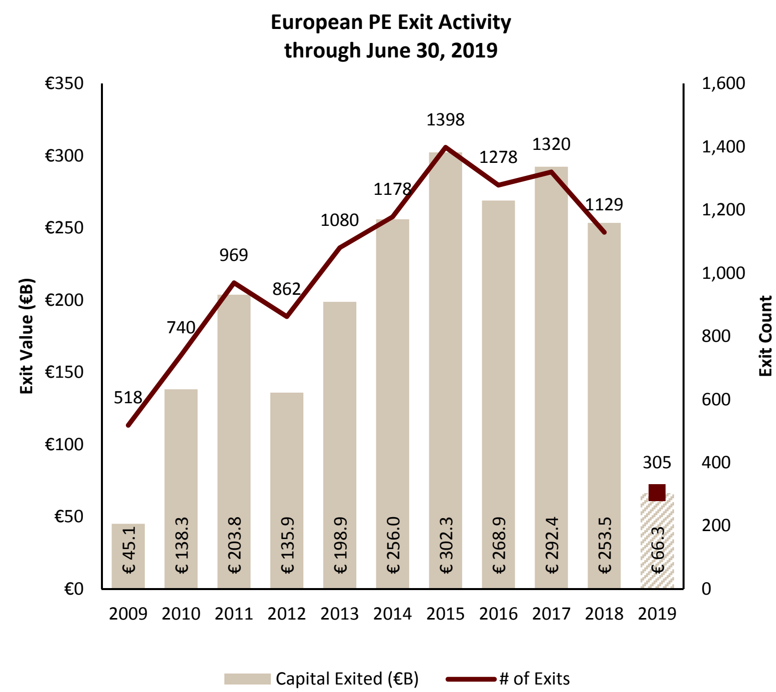
Private Equity Exit Environment





- Median private equity-backed exits in the U.S. averaged $300 million in 1H 2019, a difference of $25 million when compared to 2018
- The decrease in exit value was driven by several large IPOs given the more favorable U.S. public markets during the second quarter
- European exit activity slowed to €66 billion across 305 transactions, a 36% decline by number, but a 24% increase by value from 1H 2018
- Exit activity across the continent was similarly impacted by geopolitical uncertainty and trade tensions

Source: Pitchbook's 2Q 2019 US PE Breakdown; Pitchbook 2Q 2018 US PE Breakdown; Pitchbook's 2Q 2019 European PE Breakdown; Pitchbook's 2Q 2018 European PE Breakdown. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

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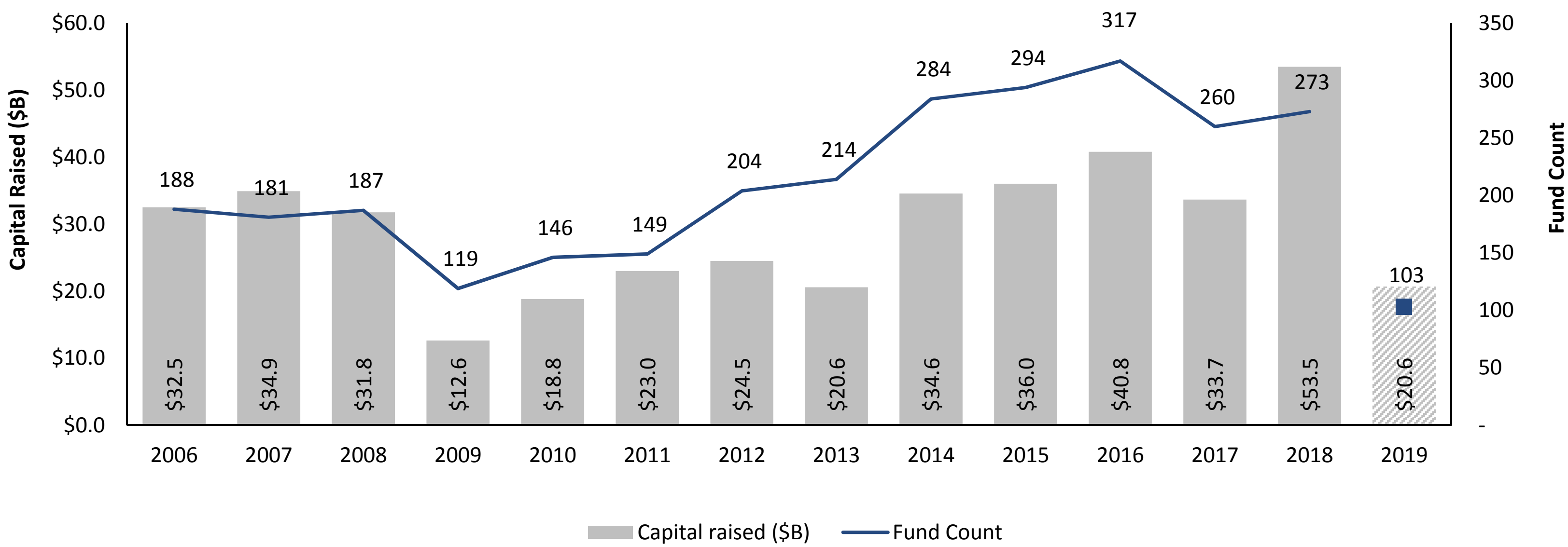
Venture Capital Fundraising Environment

Venture capital fundraising rebounded in the second quarter after a relatively slow start to the year

- 103 venture capital funds raised $21 billion during the first six months of 2019, compared with 157 funds that raised $20 billion during the same time period last year
- Fundraising for first-time funds had a sluggish start to the year, as larger and more established venture capital and growth equity funds have attracted the vast majority of limited partner capital

U.S. Venture Capital Fundraising by Year through June 30, 2019



Source: 2Q 2019 Pitchbook-NVCA Venture Monitor; 2Q 2018 Pitchbook-NVCA Venture Monitor. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

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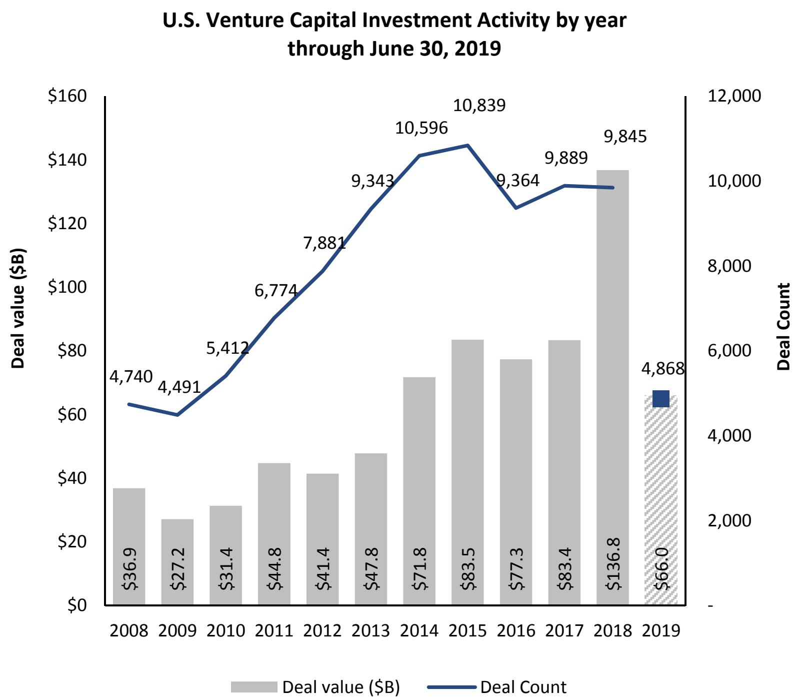
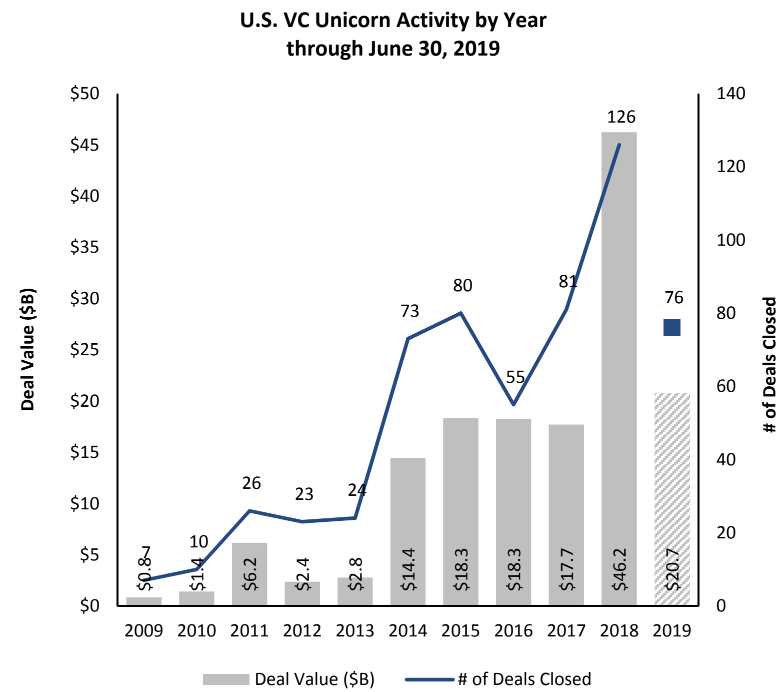
Venture Capital Investment Environment

- There were 123 so-called “mega-deals” in 1H 2019, or rounds with in excess of $100 million raised, putting this year on pace to break the previous high of 208 set in 2018
- With the continued trend of venture-backed companies staying private longer, larger financing rounds at increased valuations remained the norm
- 1H 2019 unicorn deal value increased 94% compared with the same period last year as $21 billion was invested across 76 deals into “unicorns,” or private companies with post-money valuations over $1 billion





Source: 2Q 2019 Pitchbook-NVCA Venture Monitor. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

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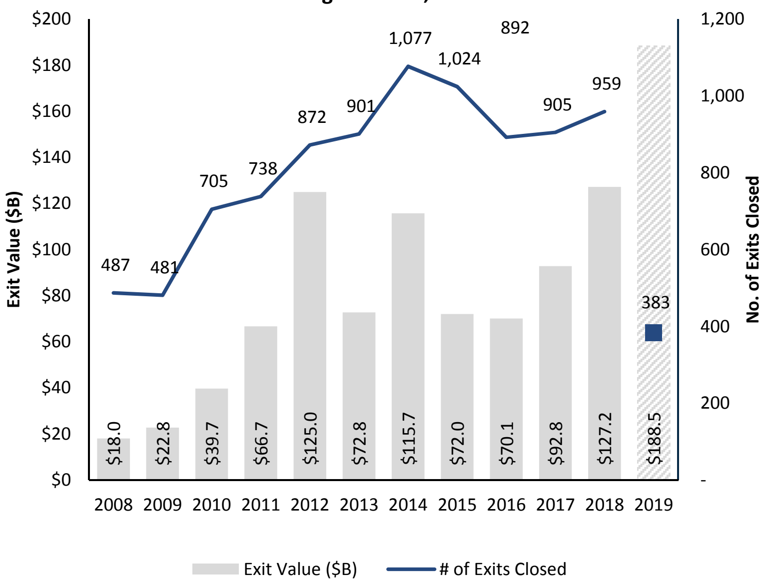
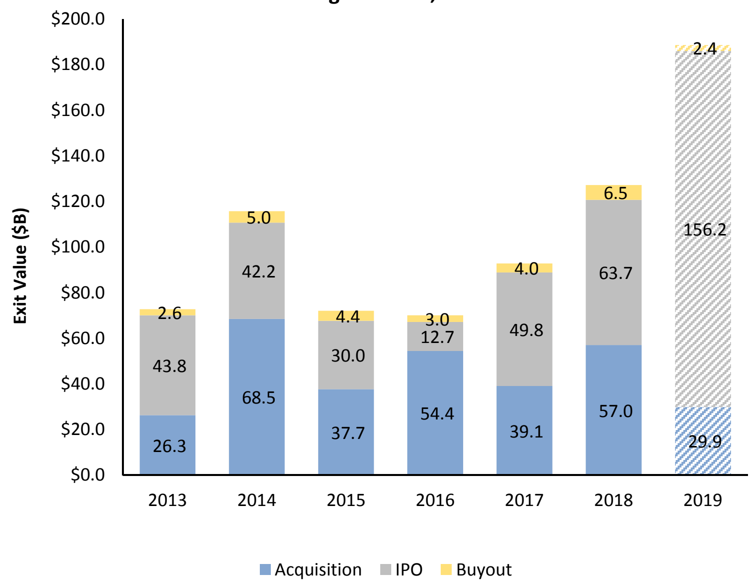
Venture Capital Exit Environment

- Venture-backed exit activity had a record breaking 1H with $188.5 billion in value generated across 383 exits, powered by 48 IPOs that raised $156 billion
- 1H 2019 saw nearly $189 billion in exit value, 83% of which was from value raised through IPOs
- Q2 2019 was a standout quarter with $138 billion in exit value, shattering the previous quarterly high of $80 billion set in Q2 2012, itself an outlier due to Facebook's IPO
- The IPO market is expected to remain strong during the second half of 2019 absent material changes within the public markets or broader economy

U.S. VC Exit Activity by Year through June 30, 2019



U.S. VC Exit Value by Type through June 30, 2019

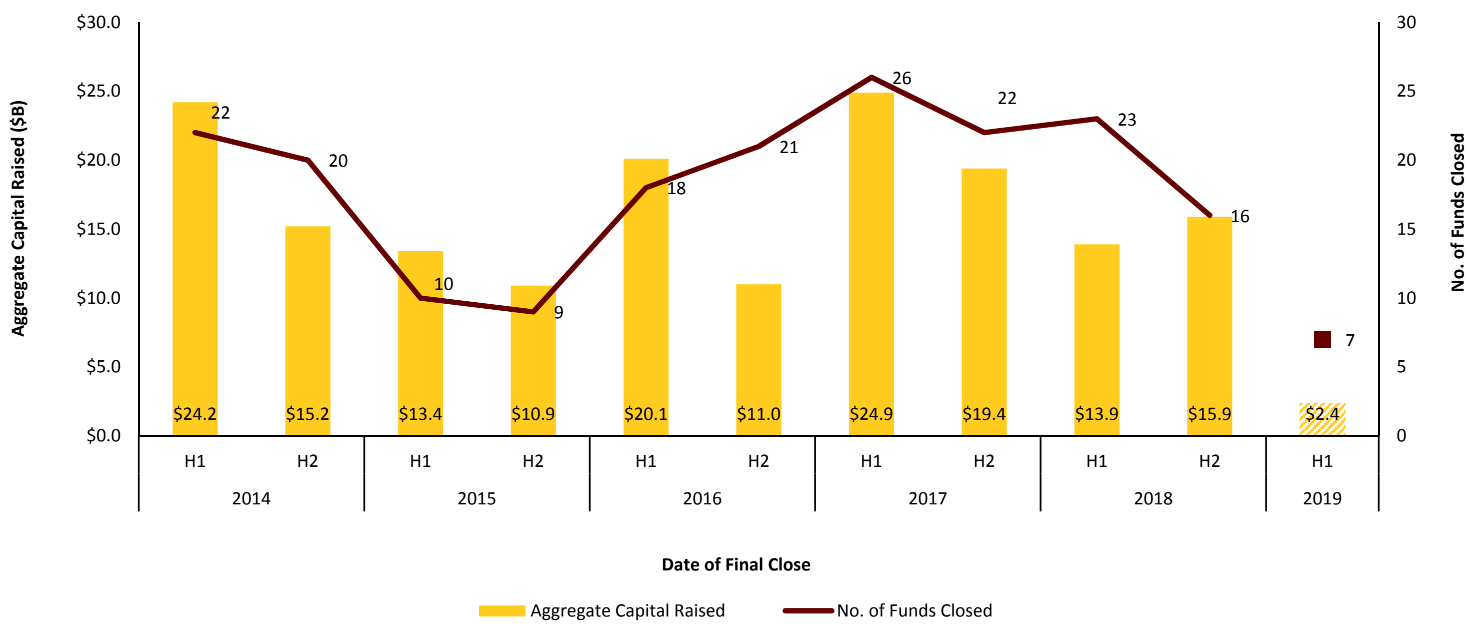


Source: 2Q 2019 Pitchbook-NVCA Venture Monitor. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

Secondary Fundraising

- $2.4B was raised in 1H 2019 representing a nearly 83% decline when compared to the same period last year when $14B was raised
- Average fund size in 1H 2019 was $395 million, which is a significant drop from the 2018 full-year average of $876 million.
- Preqin suggests that fundraising metrics are expected to rise over the second half of 2019 as several large funds in the market have yet to close. There are currently 51 secondaries vehicles in the market targeting approximately $77B in aggregate

Global Secondaries Fundraising, 2014 - H1 2019



Source: Preqin Secondary Market Update, H1 2019. For illustrative purposes only. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

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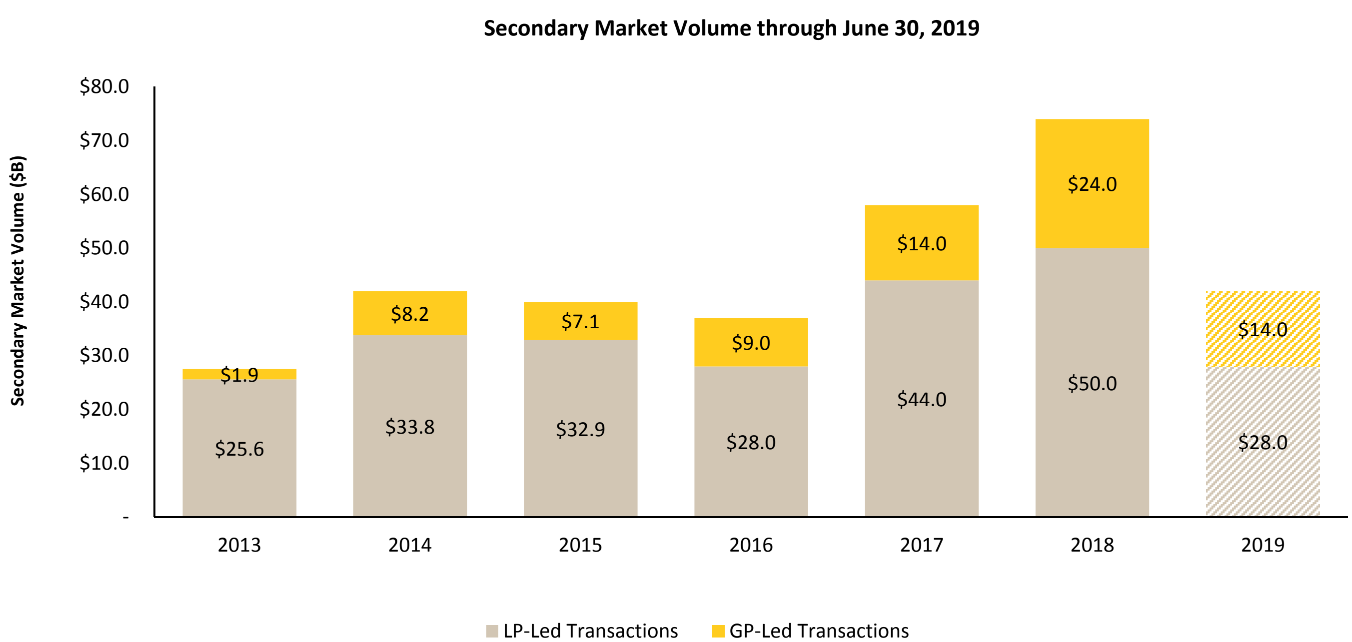
Secondary Volume

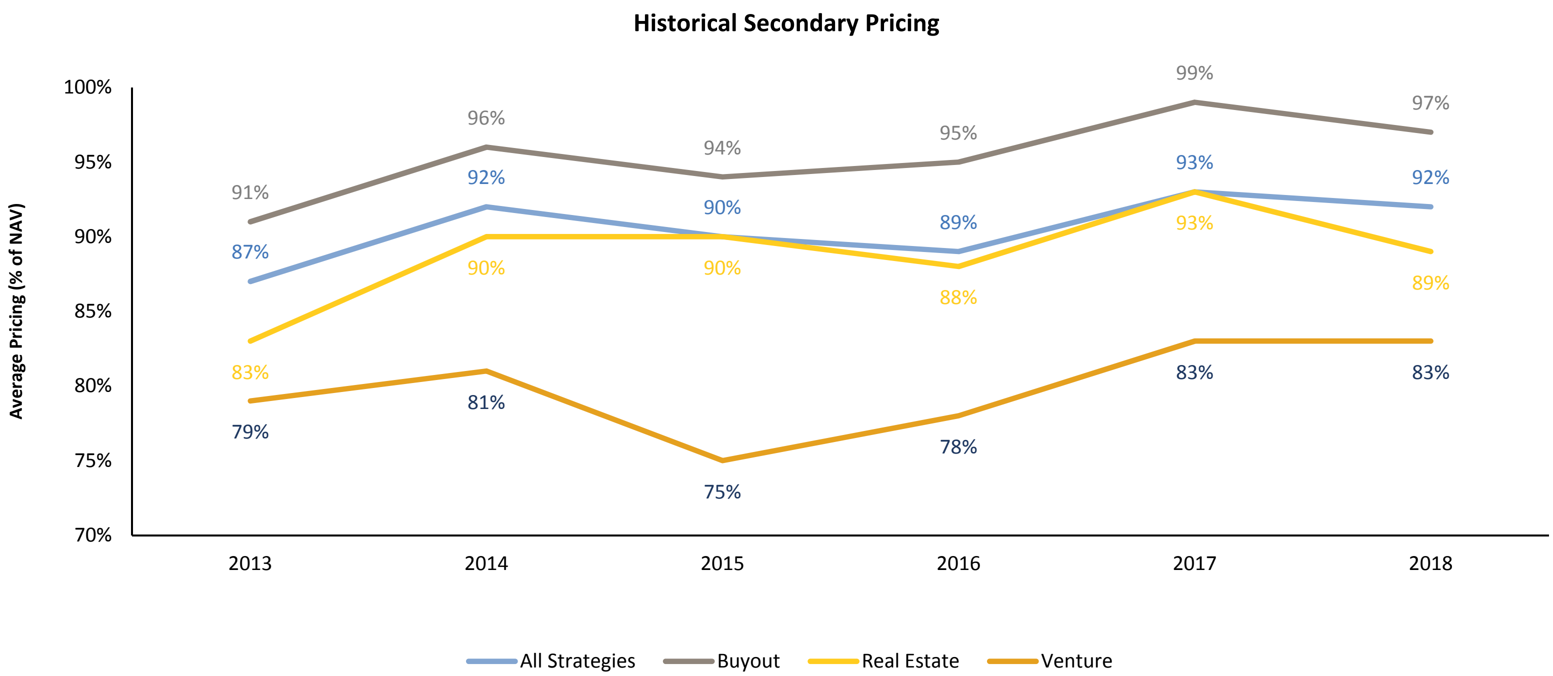
- According to Greenhill, transaction volume totaled $42 billion in 1H 2019, a 56% increase from the $27 billion during the same period last year
- GP-led transactions remained robust in 1H 2019, continuing to constitute approximately one-third of total market volume
- Among GP-led transactions, buyouts accounted for 68% of transaction value, followed by credit at 20%. Real estate and infrastructure accounted for 12%, and venture capital accounted for less than 1%



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

Secondary Market Pricing Evolution Over Time

- Strong pricing remained driven by the large amount of dry powder in the market, exacerbated by the continued use of leverage, particularly at the larger end of the market
- Competition at the larger end of the market was fierce, given that many of the mega funds are significantly increasing their new target fund size, in some cases by more than 50%



Source: Greenhill & Co., Inc., Global Secondary Market Trends & Outlook; January 2019. For illustrative purposes only. There is no assurance that any trends depicted or described will continue.

VCERA Portfolio Performance as of 12/31/2018: Summary

ACTIVE PORTFOLIO

VCERA-Initiated Investments

	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Total Venture Capital and Growth Equity	$15,000,000	$8,647,908	$6,355,302	-	$5,726,693	$5,726,693	0.90	(9.13%)
Total Primary Fund of Funds	$211,500,000	$59,274,251	$152,225,749	$55,299,356	$167,025,042	$222,324,398	1.46	13.21%
Total Secondary Funds of Funds	$192,500,000	$56,423,491	$136,161,463	$95,954,230	$100,340,825	$196,295,055	1.44	20.65%
Total Co-Investment Funds	$103,500,000	$68,722,049	$35,042,499	$10,814,434	$32,988,289	$43,802,723	1.25	12.02%
Total Active Portfolio Funds	**$522,500,000**	**$193,067,699**	**$329,785,013**	**$162,068,020**	**$306,080,849**	**$468,148,869**	**1.42**	**15.33%**

Abbott-Directed Investments

	Commitment	Unfunded Commitment	Amount Paid-in	Distributions	Valuation	Total Value	TVPI	IRR
Total Venture Capital and Growth Equity	$28,900,000	$25,587,150	$3,312,850	-	$3,070,665	$3,070,665	0.93	(20.06%)
Total Buyouts and Special Situations	$163,300,353	$141,466,559	$21,930,396	$311,887	$21,053,009	$21,364,896	0.97	(7.99%)
Total Buenaventure One	$57,172,500	$38,816,910	$18,355,590	$403,156	$18,414,139	$18,817,295	1.03	9.27%
Total Secondary Funds of Funds	$25,000,000	$12,014,011	$13,348,706	$2,625,000	$12,956,056	$15,581,056	1.17	35.25%
Total Active Portfolio Funds	**$274,372,853**	**$217,884,630**	**$56,947,542**	**$3,340,042**	**$55,493,870**	**$58,833,912**	**1.03**	**9.73%**

Total Active VCERA Portfolio	**$796,872,853**	**$410,952,329**	**$386,732,555**	**$165,408,063**	**$361,574,719**	**$526,982,781**	**1.36**	**15.24%[1]**
Net IRR							**1.36**	**15.22%[2]**

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

ABBOTT CAPITAL

Glossary of Terms

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

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

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

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

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

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

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

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

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

NAV: Net Asset Value

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

Undrawn: Balance of uncalled commitments made by the LP to its portfolio funds (Undrawn = Commitment – Paid In).

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

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

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

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

Important Information

Past performance is not a guide to future results and is not indicative of expected realized returns.

This presentation is for informational purposes only and is not an offer or a solicitation to subscribe to any fund and does not constitute investment, legal, regulatory, business, tax, financial, accounting or other advice or a recommendation regarding any securities of Abbott, of any fund or vehicle managed by Abbott, or of any other issuer of securities. Interests in the Abbott Funds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, any U.S. State securities laws or the laws of any non-US Jurisdiction. None of the Abbott Funds are registered as an Investment Company under the U.S. Investment Company Act of 1940, as amended nor is it expected that they will be in the future. Interests in the Abbott Funds, and information provided herein, have not been approved or disapproved by the U.S. Securities and Exchange Commission ("SEC") or by any securities regulatory authority of any U.S. State or non-U.S. jurisdiction and neither the SEC nor any such authority has passed upon the accuracy or adequacy of this communication or the merits of Abbott or any Abbott Fund, nor is it intended that the SEC or any such authority will do so. Investment in the Abbott Funds may not be suitable for all investors; investors should carefully consider risks and other information and consult their professional advisers regarding suitability, legal, tax and economic consequences of an investment. Abbott's registration as an investment adviser under the Investment Advisers Act of 1940, as amended to date, does not imply any certain level of skill or training.

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

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

No representation or warranty, express or implied, is given by or on behalf of the Abbott Entities as to the accuracy, fairness, correctness or completeness of third party sourced data or opinions contained herein and no liability (in negligence or otherwise) is accepted by the Abbott Entities for any loss howsoever arising, directly or indirectly, from any use of this document or its contents, or otherwise arising in connection with the provision of such third party data.

Market Performance and Indices: Market indices, benchmarks or other measures of relative market performance are provided for information only and do not imply that an Abbott Client will achieve, or should expect, similar returns, volatility or results, or that these are appropriate benchmarks to be used for comparison. The market volatility, liquidity and other characteristics of private equity investments are materially different from publicly-traded securities and the composition of these indices does not reflect the manner in which any Abbott Client portfolio is constructed with respect to expected or actual returns, portfolio guidelines/restrictions, investment strategies/sectors, or volatility, all of which change. Index returns will generally reflect the reinvestment of dividends, if any, but do not reflect the deduction of any fees or expenses which would reduce returns. An investor cannot invest directly in the indices.

With respect to publicly-traded securities, Abbott generally calculates or provides performance using the following indices:

- **S&P 500**: Annualized time-weighted total returns of the S&P 500 (represents the 500 most widely-held large cap US stocks on the NYSE or NASDAQ) includes the reinvestment of dividends and income.
- **MSCI World**: Annualized time-weighted total returns of the MSCI World (represents large and mid-cap equity performance across 23 developed markets countries) are based on values provided by MSCI and include the reinvestment of dividends and income.
- **MSCI World Ex-US**: The same as MSCI World, but excluding the United States.
- **NASDAQ Composite**: Annualized time-weighted total returns of the NASDAQ Composite (a broad, market cap-weighted index which includes a large percentage of finance, health care, technology, and consumer services businesses) are based on values provided by NASDAQ and include the reinvestment of dividends.
- **Russell 3000**: Annualized time-weighted total returns of the Russell 3000 (a broad-based, market cap-weighted index of 3,000 U.S.-traded stocks) are based on values provided by Russell Investment Group and include the reinvestment of dividends.

Important Information

Where indicated, returns are calculated as a **Public Market Equivalent (PME or PME+)** as described in “A Private Investment Benchmark”, a 1996 white paper by Austin M. Long III and Craig J. Nickels, and PME+ as described in “Private Equity Benchmarking with PME+”, an article published in the Venture Capital Journal (August 2003) by Christophe Rouvinez of Capital Dynamics. PME analysis/return is calculated without adjustment for management fee and carried interest paid to Abbott. PME is an internal rate of return calculated as if investor cash flows were used to purchase and sell shares of a public market index. PME+ scales distributions by a constant proportion such that the net remaining investment in the index equals the actual net asset value at the measurement date. PME+ is provided because if a portfolio significantly outperforms the public market index due to a high level of distributions, the net remaining investment in the index may be in a short position. A PME+ return calculation permits the net remaining investment in the index to equal the net asset value of the private equity portfolio at the measurement date. Any PME (or PME+) analysis is based on illiquid and unrealized values which will vary considerably over the life of an investment, thus making this type of comparison more relevant with respect to mature funds (i.e., where net asset value is a small fraction of total distributions). **Horizon PMEs** are calculated using actual daily cash flows of each portfolio investment; **Abbott Fund PMEs** are calculated using cash flows between the relevant Abbott Fund and its limited partners.

Abbott and Portfolio Investment Performance:

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

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

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

Since Inception refers to an Abbott inception date of March 31, 1987.

Not Meaningful (NM): with respect to primary portfolio investments, Abbott deems only those returns greater than three years of age to be mature enough to provide meaningful performance information.

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

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

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

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

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

October 21, 2019

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

SUBJECT: CALIFORNIA GOVERNMENT CODE SECTION 7514.7 ANNUAL REPORTING

Dear Board Members:

Presented to the Board are reports meeting the public disclosure requirements for alternative investments under California Government Code Section 7514.7 for private equity by Abbott, and under separate cover for private credit by NEPC. Reports from open-ended commingled fund real estate managers Prudential and UBS are expected to be presented to the Board at the November business meeting.

RECOMMENDATION: RECEIVE AND FILE THE PRESENTED ALTERNATIVE INVESTMENT DISCLOSURE REPORTS

Respectfully submitted,

Daniel P. Gallagher

Dan Gallagher
Chief Investment Officer

H:\Investment Mgrs\PRIVATE EQUITY\Abbott\Reports

1190 S. VICTORIA AVENUE, SUITE 200 • VENTURA, CA 93003
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ABBOTT CAPITAL

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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

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

October 2019

ABBOTT CAPITAL MANAGEMENT, LLC | 1290 AVENUE OF THE AMERICAS, NEW YORK, NY 10104 | +1 212 757 2700

California Disclosure Reporting

California Code, Government Code - GOV § 7514.7

Private Equity Investments as of December 31, 2018				
Name of Fund	**Address of Fund Manager**	**Closing Date**	**Commitment**	**Vintage Year**
Abbott Secondary Opportunities, L.P.	1290 Avenue of the Americas, 9th Floor, New York, NY 10104	12/21/17	$25,000,000	2016
ABRY Partners IX	888 Boylston St, Suite 1600, Boston MA 02199	12/6/18	$7,600,000	2019
Adams Street 2010 Direct Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	$8,500,000	2010
Adams Street 2013 Global Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	6/27/13	$75,000,000	2013
Adams Street 2016 Global Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	8/16/16	$60,000,000	2016
Adams Street Co-Investment Fund IV A	One North Wacker Drive, Suite 2200, Chicago, IL 60606	9/24/18	$30,000,000	2018
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	$25,500,000	2010
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	$8,500,000	2010
Adams Street Partnership Fund - 2010 U.S. Fund	One North Wacker Drive, Suite 2200, Chicago, IL 60606	5/21/10	$42,500,000	2010
Astorg VII	68 rue du Faubourg Saint-Honoré, Paris 75008	12/17/18	$8,807,183	2019
Battery Ventures XII	One Marina Park Drive, Suite 1100, Boston MA 02210	2/1/18	$9,050,000	2018
Battery Ventures XII Side Fund	One Marina Park Drive, Suite 1100, Boston MA 02210	2/1/18	$5,050,000	2018
Buenaventure One, LLC	1290 Avenue of the Americas, 9th Floor, New York NY 10104	1/5/18	$57,172,500	2018
CapVest Equity Partners IV	100 Pall Mall, London SW1Y 5NQ	7/11/18	$12,610,285	2019
Clearlake Capital Partners V	233 Wilshire Blvd, Suite 800, Santa Monica CA 90401	12/22/17	$9,950,000	2018
Drive Capital Fund II	629 N. High Street, Columbus, OH 43215	8/19/16	$15,000,000	2016
ECI 11	Brettenham House, Lancaster Place, London WC2E 7EN	7/5/18	$9,532,886	2018
GGV Capital VII	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	$10,160,000	2019
GGV Capital VII Plus	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	$2,540,000	2019
GGV Discovery II	3000 Sand Hill Road, Building 4, Suite 230, Menlo Park, CA 94025	8/15/18	$2,100,000	2019
GTCR Fund XII	300 North LaSalle Street, Suite 5600, Chicago, IL 60654	9/29/17	$30,000,000	2018
HarbourVest - Dover Street IX	One Financial Center, Boston, MA 02111	7/8/16	$60,000,000	2016
HarbourVest - Dover Street VIII	One Financial Center, Boston, MA 02111	5/30/13	$67,500,000	2012
HarbourVest Partners Co-Investment IV	One Financial Center, Boston, MA 02111	5/31/17	$30,000,000	2016
HarbourVest Partners Co-Investment V	One Financial Center, Boston, MA 02111	7/31/18	$35,000,000	2019
Hellman & Friedman Capital Partners IX	415 Mission Street, Suite 5700, San Franciso, CA 94105	9/28/18	$19,800,000	2019
Insight Venture Partners X	1114 Avenue of the Americas, 36th Floor, New York, NY 10036	10/13/17	$25,000,000	2018
M/C Partners VIII	75 State Street, Suite 2500, Boston, MA 02109	4/2/18	$10,000,000	2019
Pantheon Global Secondary Fund IV	10 Finsbury Square, 4th Floor, London EC2A1AF	6/24/10	$15,000,000	2010
Pantheon Global Secondary Fund V	10 Finsbury Square, 4th Floor, London EC2A1AF	2/6/15	$50,000,000	2015
Riverside Micro-Cap Fund V	630 Fifth Avenue, Suite 400, New York, NY 10111	8/21/18	$10,000,000	2019
The Resolute Fund IV	399 Park Avenue, 30th Floor, New York, NY 10022	5/2/18	$20,000,000	2018
Total			**$796,872,853**	

ABBOTT CAPITAL

California Disclosure Reporting, continued

California Code, Government Code - GOV § 7514.7

Performance and Fee Information[1]

Name of Fund	As of December 31, 2018 (Since Inception)						For the Year Ended December 31, 2018						
	Contributions	Distributions	Valuation	TVPI	Gross IRR	Net IRR	Distributions	Cash Profit Received[2]	Management Fees[3]	Carried Interest Accrued[4]	Carried Interest Paid	Other Expenses	Fees & Expenses Paid by Portfolio Cos.[5]
Abbott Secondary Opportunities, L.P.	$13,348,706	$2,625,000	$12,956,056	1.17	43.07%	35.25%	$1,125,000	$647,250	$139,591	$160,780	$5,969	$117,147	N/A
ABRY Partners IX	$0	$0	($6,243)[6]	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
Adams Street 2010 Direct Fund	$8,046,100	$9,077,781	$5,022,336	1.75	18.95%	12.95%	$1,384,262	$408,694	$118,223	$210,704	$736,584	$3,506	$305
Adams Street 2013 Global Fund	$56,625,000	$8,075,792	$72,149,438	1.42	14.66%	12.25%	$3,396,162	$1,033,144	$611,348	$181,982	$0	$40,579	N/A
Adams Street 2016 Global Fund	$28,200,000	$3,621,043	$28,662,488	1.14	31.01%	20.60%	$3,621,043	$1,256,344	$567,036	$204,362	$0	$575,270	N/A
Adams Street Co-Investment Fund IV A	$4,567,808	$0	$4,154,711	0.91	(1.01%)	(32.51%)	$0	$0	$300,000	$0	$0	$140,275	$0
Adams Street Partnership Fund - 2010 Non-U.S. Developed Markets Fund	$22,325,249	$15,702,344	$18,169,510	1.52	14.90%	11.93%	$3,918,321	$2,260,581	$179,667	$11,405	$50,498	$5,958	N/A
Adams Street Partnership Fund - 2010 Non-U.S. Emerging Markets Fund	$7,633,000	$2,030,308	$10,058,649	1.58	13.45%	11.50%	$522,510	$230,909	$59,889	($144)[10]	$0	$3,661	N/A
Adams Street Partnership Fund - 2010 U.S. Fund	$37,442,500	$25,869,869	$37,984,957	1.71	17.24%	14.49%	$5,564,416	$3,396,228	$299,444	$21,195	$112,861	$14,934	N/A
Astorg VII	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
Battery Ventures XII	$2,045,300	$0	$1,850,367	0.90	(0.60%)	(24.22%)	$0	$0	$143,336	$0	$0	$45,155	$12,022
Battery Ventures XII Side Fund	$1,267,550	$0	$1,220,298	0.96	(0.90%)	(11.77%)	$0	$0	$9,348	$0	$0	$31,513	$0
Buenaventure One, LLC	$18,355,590	$403,156	$18,414,139	1.03	10.90%	9.27%	$403,156	$403,156	$0	$0	$0	$20,702	N/A
CapVest Equity Partners IV	$0	$0	($53,445)[7]	N/A	N/A	N/A	$0	$0	$0	$0	$0	$53,665	$0
Clearlake Capital Partners V	$3,976,011	$38,823	$4,970,029	1.26	77.00%	68.58%	$38,823	$38,013	$49,016	$258,210	$0	$52,645	$25,561
Drive Capital Fund II	$6,355,302	$0	$5,726,693	0.90	NR	(9.13%)	$0	$0	$292,910	$0	$0	$56,311	$0
ECI 11	$1,252,530	$0	$1,157,595	0.92	0.80%	(71.93%)	$0	$0	$55,281	$0	$0	$25,542	$0
GGV Capital VII	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
GGV Capital VII Plus	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
GGV Discovery II	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
GTCR Fund XII	$4,548,000	$264,502	$2,303,978	0.56	(23.10%)	(87.45%)	$264,502	$39,332	$394,047	$0	$0	$287,610	$58,039
HarbourVest - Dover Street IX	$31,800,000	$7,282,016	$33,986,447	1.30	53.09%	43.10%	$3,893,655	$1,847,164	$416,673	$832,384	$0	$488,874	N/A
HarbourVest - Dover Street VIII	$60,834,954	$66,622,008	$27,798,351	1.55	25.46%	21.63%	$20,055,078	$4,917,489	$835,975	$652,130	$0	$447,766	N/A
HarbourVest Partners Co-Investment IV	$22,428,591	$1,736,653	$24,634,163	1.18	16.79%	14.67%	$1,736,653	$779,345	$210,074	$272,257	$0	$233,078	$0
HarbourVest Partners Co-Investment V	$0	$0	($822,921)[7]	N/A	N/A	N/A	$0	$0	$0	$0	$0	$145,110	$0

Please see footnotes on page 3. **Past performance is not a guide to future results and is not indicative of expected realized returns.** See attached Important Information page and Abbott's Form ADV Part 2a for disclosures on risk and impact of fees on performance.

ABBOTT CAPITAL

California Disclosure Reporting, continued

California Code, Government Code - GOV § 7514.7

Performance and Fee Information[1]													
	As of December 31, 2018 (Since Inception)						For the Year Ended December 31, 2018						
Name of Fund	Contributions	Distributions	Valuation	TVPI	Gross IRR	Net IRR	Distributions	Cash Profit Received[2]	Management Fees[3]	Carried Interest Accrued[4]	Carried Interest Paid	Other Expenses	Fees & Expenses Paid by Portfolio Cos.[5]
Hellman & Friedman Capital Partners IX	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
Insight Venture Partners X	$10,250,000	$8,561	$10,410,846	1.02	19.96%	4.58%	$8,561	$8,561	$394,021	$0	$0	$107,876	$0
M/C Partners VIII	$0	$0	$0	N/A	N/A	N/A	$0	$0	$0	$0	$0	$0	$0
Pantheon Global Secondary Fund IV	$9,960,000	$12,450,001	$3,165,594	1.57	15.00%	13.79%	$915,000	$468,822	$109,350	($1,347)[10]	$27,086	$22,859	N/A
Pantheon Global Secondary Fund V	$33,566,509	$9,600,205	$35,390,433	1.34	18.60%[8]	18.68%	$4,825,000	$0	$500,916	$291,808	$64,263	$354,814	N/A
Riverside Micro-Cap Fund V	$0	$0	($91,203)[7]	N/A	N/A	N/A	$0	$0	$72,283	$0	$0	$18,920	$0
The Resolute Fund IV	$1,903,855	$0	$2,361,452	1.24	44.30%[8]	>1,000.00%	$0	$0	$98,085	$155,824	$0	$112,141	$53,487
Total	**$386,732,555**	**$165,408,063**	**$361,574,719**	**1.36**		**15.22%[9]**	**$51,672,142**	**$17,735,032**	**$5,856,513**	**$3,251,550**	**$997,261**	**$3,405,911**	**$149,414**

NR = Information was not reported.

[1]With the exception of fund level information for Abbott Secondary Opportunities, L.P. (ASO) and Buenaventure One, LLC (BO), the information included herein is sourced from data provided by the managers of the funds. Such information has not been independently verified and no representation or warranty, express or implied, is given by or on behalf of Abbott as to the accuracy, fairness, correctness or completeness of the information. Certain amounts provided above have been estimated based on fund level information disclosed in the December 31, 2018 audited portfolio fund financial statements. Differences between such estimates and actual amounts may exist and such differences could be material.

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

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

[4]Amounts represent realized and unrealized carried interest allocations for the year ended December 31, 2018.

[5]NA = Not Applicable. Fund of funds do not have direct portfolio company investments.

[6]Negative valuation is a result of accrued expenses.

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

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

[9]IRR is net of management fees paid to Abbott.

[10]Negative figures represent a reallocation of unpaid carried interest from the GP to the VCERA for the year ended 12/31/18.

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

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

ABBOTT CAPITAL

Important Information

Past performance is not a guide to future results and is not indicative of expected realized returns.

This presentation is for informational purposes only and is not an offer or a solicitation to subscribe to any fund and does not constitute investment, legal, regulatory, business, tax, financial, accounting or other advice or a recommendation regarding any securities of Abbott, of any fund or vehicle managed by Abbott, or of any other issuer of securities. Interests in the Abbott Funds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, any U.S. State securities laws or the laws of any non-US Jurisdiction. None of the Abbott Funds are registered as an Investment Company under the U.S. Investment Company Act of 1940, as amended nor is it expected that they will be in the future. Interests in the Abbott Funds, and information provided herein, have not been approved or disapproved by the U.S. Securities and Exchange Commission ("SEC") or by any securities regulatory authority of any U.S. State or non-U.S. jurisdiction and neither the SEC nor any such authority has passed upon the accuracy or adequacy of this communication or the merits of Abbott or any Abbott Fund, nor is it intended that the SEC or any such authority will do so. Investment in the Abbott Funds may not be suitable for all investors; investors should carefully consider risks and other information and consult their professional advisers regarding suitability, legal, tax and economic consequences of an investment. Abbott's registration as an investment adviser under the Investment Advisers Act of 1940, as amended to date, does not imply any certain level of skill or training.

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

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

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Market Performance and Indices: Market indices, benchmarks or other measures of relative market performance are provided for information only and do not imply that an Abbott Client will achieve, or should expect, similar returns, volatility or results, or that these are appropriate benchmarks to be used for comparison. The market volatility, liquidity and other characteristics of private equity investments are materially different from publicly-traded securities and the composition of these indices does not reflect the manner in which any Abbott Client portfolio is constructed with respect to expected or actual returns, portfolio guidelines/restrictions, investment strategies/sectors, or volatility, all of which change. Index returns will generally reflect the reinvestment of dividends, if any, but do not reflect the deduction of any fees or expenses which would reduce returns. An investor cannot invest directly in the indices.

With respect to publicly-traded securities, Abbott generally calculates or provides performance using the following indices:

- **S&P 500**: Annualized time-weighted total returns of the S&P 500 (represents the 500 most widely-held large cap US stocks on the NYSE or NASDAQ) includes the reinvestment of dividends and income.
- **MSCI World**: Annualized time-weighted total returns of the MSCI World (represents large and mid-cap equity performance across 23 developed markets countries) are based on values provided by MSCI and include the reinvestment of dividends and income.
- **MSCI World Ex-US**: The same as MSCI World, but excluding the United States.
- **NASDAQ Composite**: Annualized time-weighted total returns of the NASDAQ Composite (a broad, market cap-weighted index which includes a large percentage of finance, health care, technology, and consumer services businesses) are based on values provided by NASDAQ and include the reinvestment of dividends.
- **Russell 3000**: Annualized time-weighted total returns of the Russell 3000 (a broad-based, market cap-weighted index of 3,000 U.S.-traded stocks) are based on values provided by Russell Investment Group and include the reinvestment of dividends.

Important Information

Where indicated, returns are calculated as a **Public Market Equivalent (PME or PME+)** as described in "A Private Investment Benchmark", a 1996 white paper by Austin M. Long III and Craig J. Nickels, and PME+ as described in "Private Equity Benchmarking with PME+", an article published in the Venture Capital Journal (August 2003) by Christophe Rouvinez of Capital Dynamics. PME analysis/return is calculated without adjustment for management fee and carried interest paid to Abbott. PME is an internal rate of return calculated as if investor cash flows were used to purchase and sell shares of a public market index. PME+ scales distributions by a constant proportion such that the net remaining investment in the index equals the actual net asset value at the measurement date. PME+ is provided because if a portfolio significantly outperforms the public market index due to a high level of distributions, the net remaining investment in the index may be in a short position. A PME+ return calculation permits the net remaining investment in the index to equal the net asset value of the private equity portfolio at the measurement date. Any PME (or PME+) analysis is based on illiquid and unrealized values which will vary considerably over the life of an investment, thus making this type of comparison more relevant with respect to mature funds (i.e., where net asset value is a small fraction of total distributions). **Horizon PMEs** are calculated using actual daily cash flows of each portfolio investment; **Abbott Fund PMEs** are calculated using cash flows between the relevant Abbott Fund and its limited partners.

Abbott and Portfolio Investment Performance:

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

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

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

Since Inception refers to an Abbott inception date of March 31, 1987.

Not Meaningful (NM): with respect to primary portfolio investments, Abbott deems only those returns greater than three years of age to be mature enough to provide meaningful performance information.

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

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

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

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

Presented to

Ventura County Employees' Retirement Association

October 21, 2019

Presented by:

Clark W. Holland, CFA
Portfolio Manager

REAMS ASSET MANAGEMENT
A Division of Scout Investments

227 Washington Street, PO Box 727 Columbus, IN 47202 812.372.6606 www.reamsasset.com

Agenda

Section

Reams Overview

An investment management partner since 1981

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

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

The investment team includes 13 investment professionals with an average of 23 years industry experience

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

Reams Leadership Team

Investment Committee

Mark M. Egan, CFA (33/29)
Chief Investment Officer
Managing Director

Thomas M. Fink, CFA (33/19)
Managing Director

Robert A. Crider, CFA (42/38)
Managing Director

Operations and Administration

David B. McKinney, JD, CPA (39/21)
President, Reams Division

Daniel P. Spurgeon (23/15)
V.P. Operations

Greg VanDuesen (23/11)
Chief Information Officer

Nancy Morey (38/38)
Director of Portfolio Systems and Accounting

Structured Products

Stephen T. Vincent, CFA (28/25)
Portfolio Manager
Structured Products Team Leader

Credit

Todd C. Thompson, CFA (25/18)
Portfolio Manager
Credit Research Team Leader

Client Services

Sarah M. Couch (23/1)
Director of Client Services

Note: Names of **Key Investment Professionals** are emboldened.
Please see Supplemental Materials for detailed biographies.

(Years of Industry/Reams Experience)

Reams Representative Client List

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

University/Endowment/Foundation
Trustees of Indiana University
University of Kentucky
Purdue University
Regents of the University of Minnesota

Health Care
University of Colorado Health
Gavi, The Vaccine Alliance
Johns Hopkins Health System
NorthShore University HealthSystem
Northwestern Memorial HealthCare
Shirley Ryan AbilityLab

Sub-Advisory
Jackson National Life
Prudential Retirement Insurance and Annuity Company
Russell Investment Management Company

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

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

Taft-Hartley
Carpenters District Council of Kansas City Pension Fund
Carpenters Pension Fund of Illinois
IBEW 8th District Electrical Pension Trust
ILWU-Pacific Maritime Association
Inter-Local Pension Fund, GCC/IBT
Louisiana Carpenters Regional Council Pension Plan

This Representative Client List includes institutional clients whose permission has been received for inclusion. No specific selection criteria were used. It is not known whether or not the listed clients approve of the advisory services provided by Reams Asset Management or Scout Investments.

Reams Fixed Income Products

PRODUCTS	
Core Plus	$5.0 billion
Core	$0.9 billion
Intermediate	$0.3 billion
Long Duration	$3.5 billion
Low Duration	$3.0 billion
Real Return	$0.7 billion
Ultra Low Duration	$0.4 billion
Unconstrained	$4.7 billion
Total Firm AUM	$18.5 billion

VEHICLES

Separate Accounts

Institutional Commingled Funds:

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

Institutional Mutual Funds:

- Core Plus
- Core
- Unconstrained

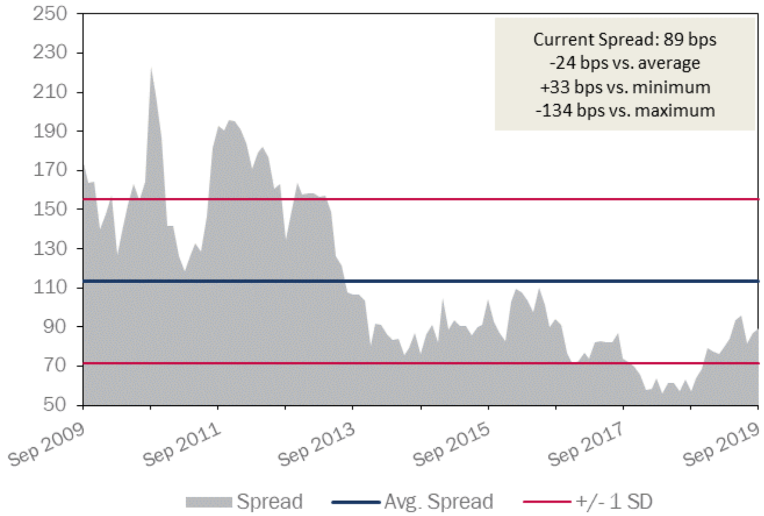
Non-U.S. Fund:

- Raymond James Funds Reams Unconstrained Bond

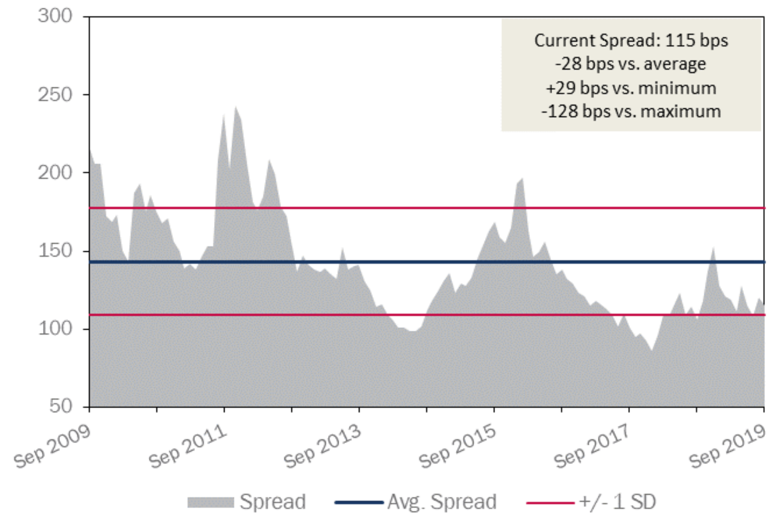
As of September 30, 2019

Fixed Income Market Dashboard

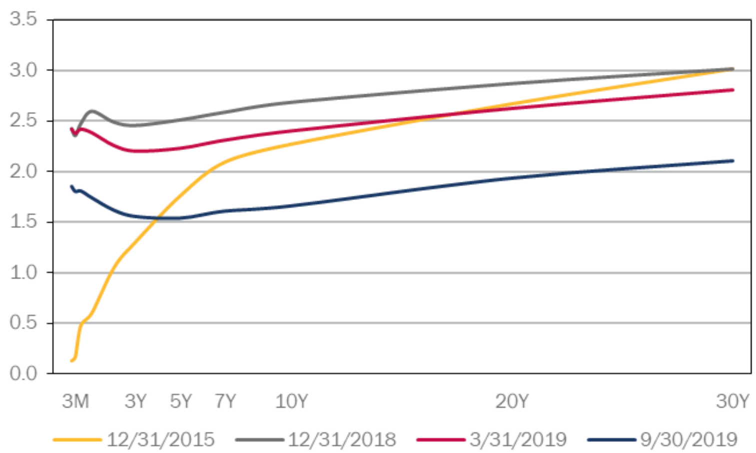
Agency MBS Zero-Volatility Spread (Basis Points)



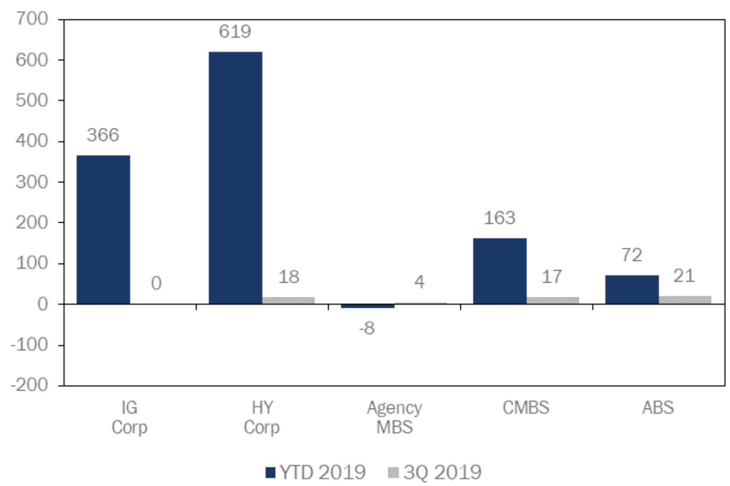
Investment Grade Corporate OAS (Basis Points)



U.S. Treasury Yield Curves (Percent)



Sector Excess Returns (Basis Points)

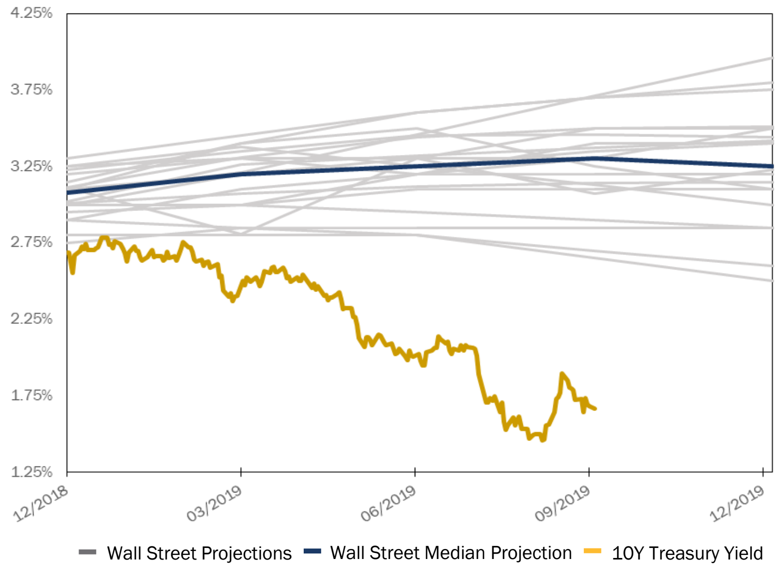


Sources: Bloomberg, US DoT, Barclays

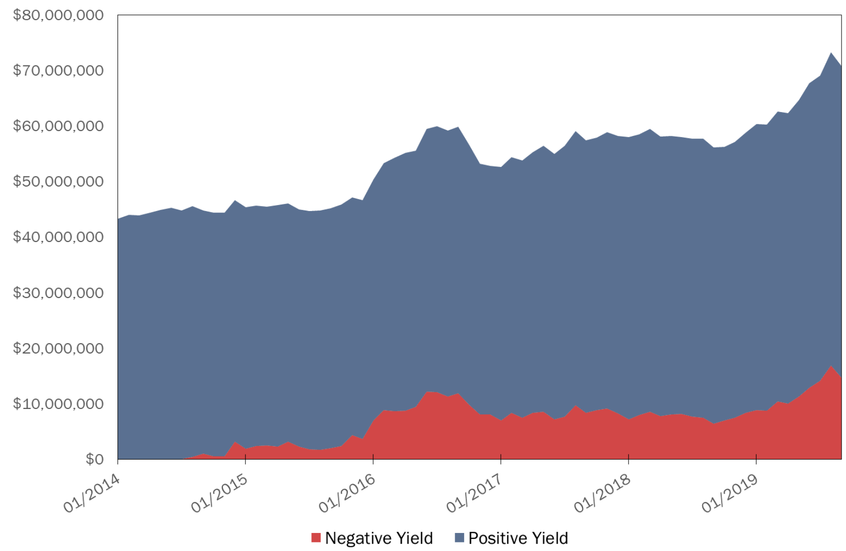
As of September 30, 2019

Market Insights

Wall Street vs. the Market - 10 Year Treasury Yield



Total Sovereign Debt, Millions



- Interest rates departed even further from economists' estimates during the third quarter. Rates decreased as the market continued to push central banks for additional monetary policy accommodation.

- Total sovereign debt continues to grow unabated. Despite the steady increase in supply, negative yielding securities peaked at almost 30% of total outstanding sovereign debt during the third quarter, with much of the increase occurring in Europe. This is symptomatic of central bank manipulation and the overall dour outlook for the region.

Source: Bloomberg

As of September 30, 2019

Investment Themes

Rates fell on anticipation of central bank action

- The third quarter was defined by the collapse in sovereign rates globally, spurred initially by the escalation in trade tensions.
- The market reacted as if it were a foregone conclusion that all sovereign rates would converge into negative territory, as central banks resorted to even more draconian steps to avoid deflation.
- Running counter to market sentiment, the Federal Reserve and European Central Bank pushed back, refusing to commit to aggressive easing, and dissention within central banks increased.

Policy direction remains vague

- The future direction of monetary policy is highly uncertain, as fundamentals are fragile and the efficacy of policy tools is in question.
- Notwithstanding weakness in both China and Europe, U.S. economic activity seems to have found stability, albeit at a lower growth rate. Businesses seem to have adapted to current trade uncertainty.
- In contrast to the manufacturing sector, the service sector has been a noteworthy bright spot, insulated for the most part from foreign trade. We expect this bifurcated performance to persist going forward.

The mortgage sector is attractive on a relative basis, and credit valuations are still high

- Corporate spreads were unscathed despite heavy new issue supply and heightened volatility in the sovereign rates markets.
- This translated to wider spreads in the MBS sector, as prepayment fears mounted and presented what we believed was a reasonable entry point for residential pass-throughs, an area we rarely find attractive after factoring in volatility.

Investment Objective and Guidelines

Objective

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

Performance Benchmark

- ICE BAML LIBOR 3-Month Constant Maturity Index

Guidelines

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

Relationship Summary

Ventura County Employees' Retirement Association

Relationship Inception	October 1, 2001
Investment Style	Unconstrained Fixed Income
Performance Benchmark	ICE BAML 3-Month LIBOR Index
Financial Data as of September 30, 2019:	
Initial Investment	$225.7 million
Contributions	$128.4 million
(Withdrawals)	($281.3 million)
Portfolio Gains	$257.2 million
Portfolio Value	$330.0 million

Performance Review

For Periods Ending September 30, 2019

	Percent Gain or Loss							
	Quarter Ending	Last 12 Months	Two Years (annualized)	Three Years (annualized)	Five Years (annualized)	Seven Years (annualized)	Ten Years (annualized)	Since Inception* (annualized)
Ventura County Employees' Retirement Association**	1.31	7.19	3.15	2.82	2.58	2.15	4.32	5.21
Benchmark***	0.62	2.64	2.21	1.81	1.24	0.86	2.43	3.74
Difference	0.69	4.55	0.94	1.01	1.34	1.29	1.89	1.47

* Inception Date: 10/1/2001

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

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

Calendar Year Performance

	Percent Gain or Loss									
	Year Ending 2018	Year Ending 2017	Year Ending 2016	Year Ending 2015	Year Ending 2014	Year Ending 2013	Year Ending 2012	Year Ending 2011	Year Ending 2010	Year Ending 2009
Ventura County Employees' Retirement Association*	0.71	2.49	5.98	0.30	(3.50)	2.51	9.96	8.44	10.03	33.64
Benchmark**	2.08	1.11	0.66	0.23	0.23	(0.52)	4.22	7.84	6.54	5.93
Difference	(1.37)	1.38	5.32	0.07	(3.73)	3.03	5.74	0.60	3.49	27.71

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

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

Performance Review

3 Year Rolling, Annualized Returns

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

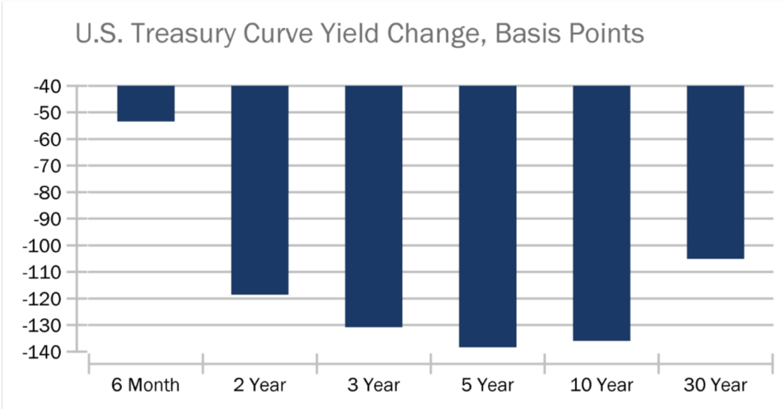
*Gross of Investment Management Fees (recorded on cash basis)

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

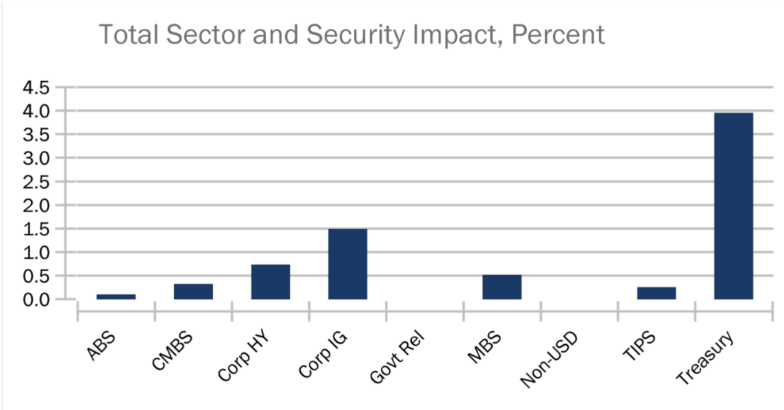
Total Return Detail

Ventura County Employees' Retirement Association (Unconstrained): 10/1/2018 - 9/30/2019

	Portfolio (%)
Total Return	7.38



Sector	Total Impact
ABS	0.10
CMBS	0.32
Corp HY	0.74
Corp IG	1.49
Govt Rel	0.00
MBS	0.52
Non-USD	0.00
TIPS	0.26
Treasury	3.95
	7.38



Performance is gross of fees.

Portfolio Characteristics

Columbus Unconstrained Bond Fund: 9/30/2019

	Portfolio
Avg. Duration (Years)	2.8
Avg. Convexity	-0.06
Avg. Yield to Worst (%)	2.2
Avg. Maturity (Years)	3.2
Avg. Quality	Aa2

Quality Structure (% of Portfolio)	Portfolio *
AAA	74.8
AA	2.3
A	7.0
BBB	11.9
Other	4.0
Total	100.0

* The methodology used is consistent with client investment guidelines.

Sector Structure (% of Portfolio)	Portfolio
Treasury	47.7
Govt Related	0.0
Mortgage-Backed	15.6
Asset-Backed	1.9
Corporate IG	21.2
Corporate HY	3.8
Non-US Dollar	0.0
Cash and Equivalents	9.7
Total	100.0

Duration Distribution (Years)	Portfolio
0 - 1 yr.	0.1
1 - 3	0.8
3 - 4	0.3
4 - 6	0.9
6 - 8	0.6
8 +	0.0
Total	2.8

Maturity Distribution (%)	Portfolio
0 - 1 yr.	13.4
1 - 3	39.3
3 - 5	32.3
5 - 7	12.6
7 - 10	2.0
10 - 20	0.4
20 +	0.0
Total	100.0

Relationship Summary

Ventura County Employees' Retirement Association (Treasury)

Relationship Inception	March 21, 2019
Investment Style	Treasury Only
Performance Benchmark	Not Applicable
Financial Data as of September 30, 2019:	
Initial Investment	$100.0 million
Contributions	$0.0 million
(Withdrawals)	($0.0 million)
Portfolio Gains	$7.9 million
Portfolio Value	$107.9 million

Performance Review

For Periods Ending September 30, 2019

	Percent Gain or Loss		
	Quarter Ending	Year To Date	Since Inception* (cumulative)
Ventura County Employees' Retirement Association (Treasury) (a)	3.17	7.88	7.88
Ventura County Employees' Retirement Association Treasury (b)	3.16	7.88	7.88

* Inception Date: 3/21/2019

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

Portfolio Characteristics

Ventura County Employees' Retirement Association (Treasury): 9/30/2019

	Portfolio	Index
Total Market Value ($)	107,882,453	68,619 million
Avg. Duration (Years)	9.1	9.1
Avg. Convexity	0.92	0.91
Avg. Yield to Worst (%)	1.7	1.7
Avg. Maturity (Years)	9.9	9.9
Avg. Quality	Aaa	Aaa

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

* The methodology used is consistent with client investment guidelines.

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

Duration Distribution (Years)	Portfolio	Index
0 - 1 yr.	0.0	0.0
1 - 3	0.0	0.0
3 - 4	0.0	0.0
4 - 6	0.0	0.0
6 - 8	0.0	0.0
8 +	9.1	9.1
Total	9.1	9.1

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

Reams Investment Philosophy

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

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

Reams Portfolio Management Principles:

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

Reams utilizes a proprietary risk analytics and attribution system

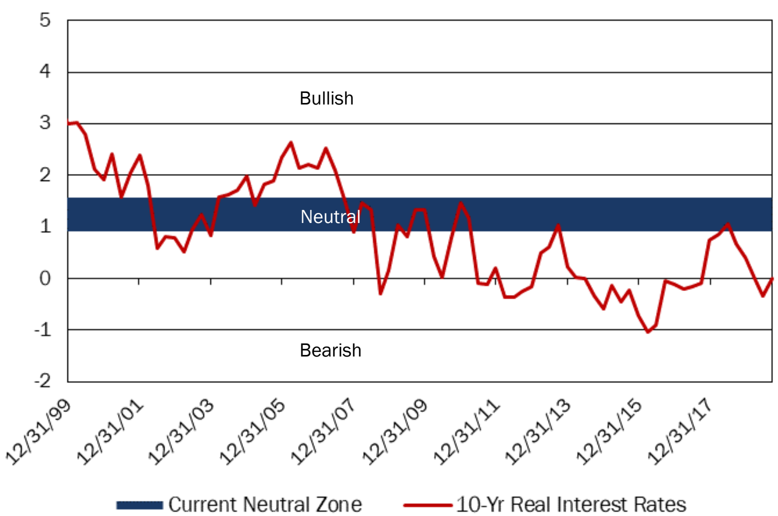
Reams Investment Process

Step One: Duration and Yield-Curve Decision

Goal: Determine whether the bond market is cheap or rich

- Emphasize *real* interest rates and formulate a long term view
- Position portfolio when real rates vary from 1.0% to 1.5% neutral range
- Take advantage of yield curve opportunities

Interest Rate Valuation, Percent



Source: Bloomberg

Reams Investment Process

Step Two: Sector Decision and Bond Selection

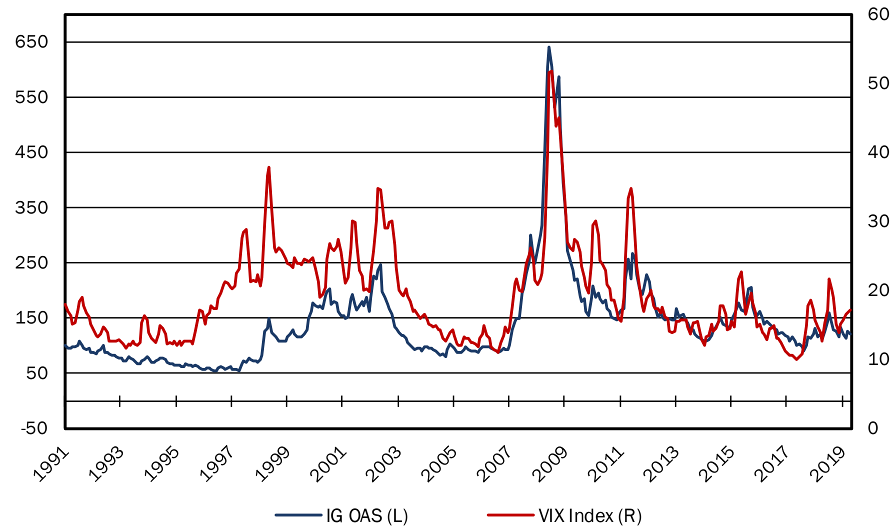
Goal: Purchase bonds with the opportunity to offer the highest risk-adjusted returns

- Focus on sectors offering relative value
  - Monitor spreads and price levels
  - Over/under weight sectors based on relative value
- Select bonds that have the opportunity to perform well in dynamic interest rate and credit environments
  - Use scenario analysis to evaluate possible outcomes
  - Focus on senior positions within the capital structure
  - Evaluate underlying asset values and collateral
- Seek unique opportunities to add value
  - Looking for niche parts of the market overlooked by larger managers

Example of Market Volatility

- Number of years since 1981 that interest rates have changed at least 1.0%: 36 of 38

Corporate Spreads and Equity Volatility



Source: Bloomberg and Barclays

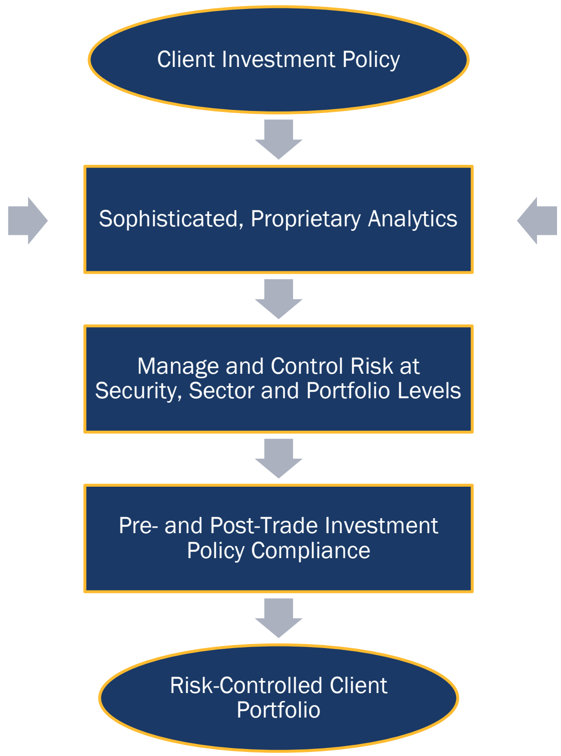
Reams Investment Process

Step Three: Risk Analysis and Control

Goal: Continually measure and control exposure to risk

External Analytical Tools

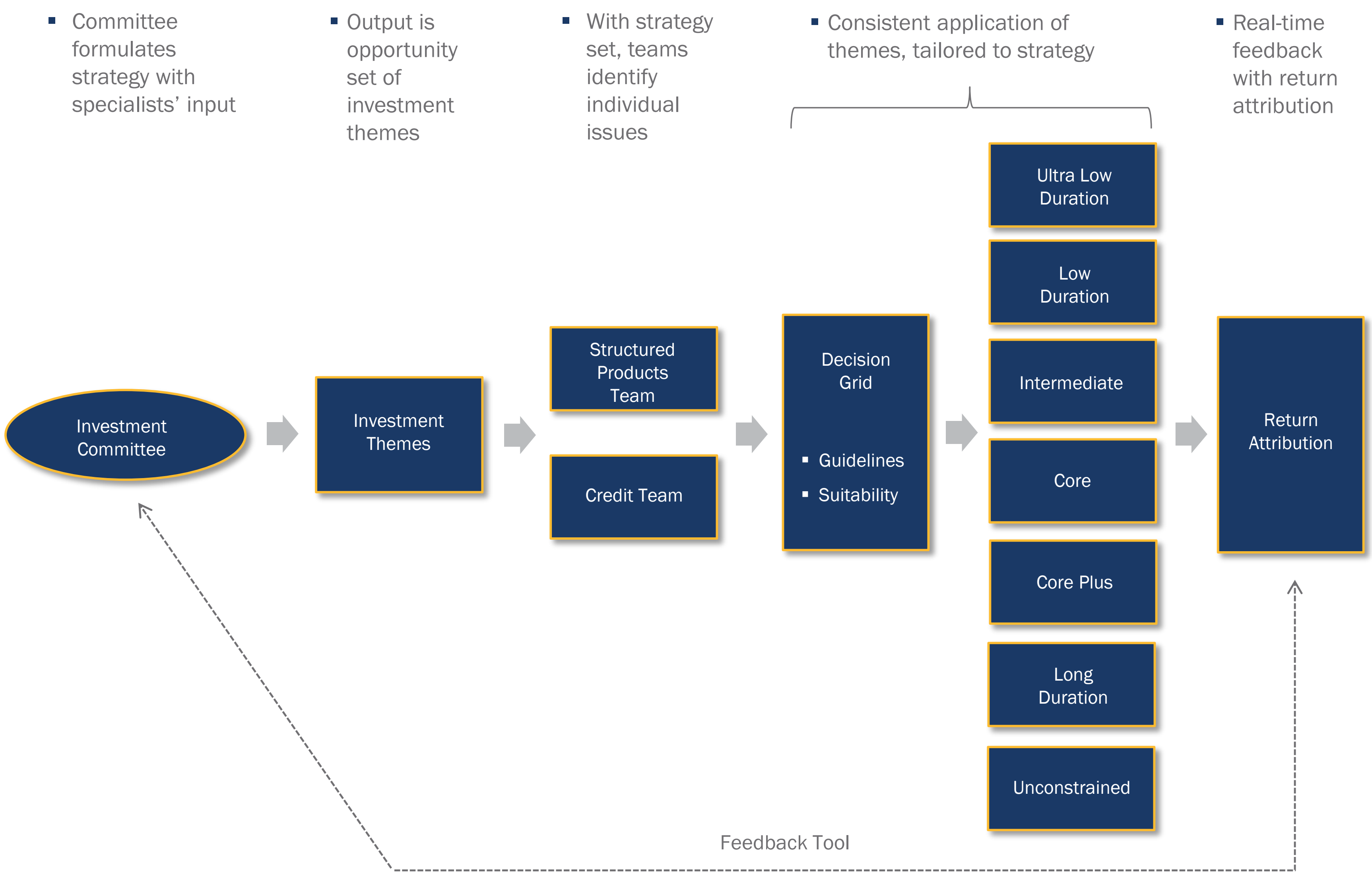
- Bloomberg
- Portia
- Trepp Analytics
- Market Axess
- Credit Research



Proprietary Analytical Tools

- Market Monitor/Analyzer
- Portfolio Analyzer
- Portfolio Summary
- Portfolio Percent Holdings Matrix
- Scenario Analysis
- Performance Attribution Model
- Exposure Reports

Reams Investment Process



Reams Key Investment Professionals

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

Tom Fink, a managing director and portfolio manager at Reams Asset Management, is co-portfolio manager of the Carillon Reams Bond Funds. Tom has over 30 years of experience managing fixed income portfolios. Prior to joining Reams in 2000, Tom was a partner with Brandes Fixed Income Partners/Hilltop Capital, and held senior portfolio management roles with Zurich Financial Services in Bermuda and First Wisconsin Asset Management Company. Mr. Fink earned his master's in business administration from the University of Wisconsin – Madison and his bachelor's degree from Marquette University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.

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

Reams Key Investment Professionals (Cont'd.)

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

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

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

Jason Hoyer is a portfolio manager at Reams Asset Management. Jason has 16 years of experience as a portfolio manager and analyst. Prior to joining Reams in 2015, Jason was a senior credit analyst at 40|86 Advisors and a director in the research department at Fiduciary Management Associates. Mr. Hoyer earned his bachelor's degree from the University of Michigan. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.

Reams Fixed Income Analysts

Bobby Flynn is a fixed income analyst at Reams Asset Management. In this role, he is responsible for security research and trading for Reams' credit research team. Bobby joined Reams in 2012 and has 7 years of experience in investment research and analysis. Mr. Flynn earned his bachelor's degree in economics from Augustana College. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.

Taylor Harris is a fixed income analyst at Reams Asset Management. In this role, he is responsible for security research and trading for Reams' structured products team. Prior to joining Reams in 2017, he was a laboratory analyst at Bristol-Myers Squibb and Aerotek. Mr. Harris earned his master's and bachelor's degrees from Indiana University.

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

Reams Fixed Income Analysts (Cont'd)

Patrick Laughlin is a fixed income analyst at Reams Asset Management. In this role, he is responsible for security research and trading for Reams' structured products team. Pat has 24 years of experience in investment research and analysis. Prior to joining Reams in 2004, Pat was a portfolio manager at St. Francis Bank and a director at SF Investment Corp. Mr. Laughlin earned his bachelor's degree from the University of Wisconsin – Stevens Point.

Scott Rosener is a fixed income analyst at Reams Asset Management. In this role, he is responsible for security research and trading for Reams' credit team. Scott has 22 years of experience in investment research and analysis. Prior to joining Reams in 2005, Scott was an investment analyst at the Lincoln Financial Group. Mr. Rosener earned his master's and bachelor's degrees from Indiana University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.

Kevin Salsbery is a fixed income analyst at Reams Asset Management. In this role, he is responsible for security research and trading for Reams' structured products team. Kevin has 18 years of experience in investment research and analysis. Prior to joining Reams in 2004, he was an investment analyst at 40|86 Advisors. Mr. Salsbery earned his bachelor's degree from Taylor University. He holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.

Reams Administration, Operations, and Client Services Management Team

Dave McKinney is president of Reams Asset Management. In this role, he is responsible for the administrative functions of the Reams division. Dave has over 30 years of combined experience in public accounting, administration and compliance. Prior to joining Reams in 1998, he was a partner with Blue & Company, LLC and worked for Ernst & Young. Mr. McKinney earned his juris doctorate from Indiana University School of Law and his bachelor's degree from Miami University. He is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants and the Indiana CPA Society.

Dan Spurgeon is vice president of Operations at Reams Asset Management. In this role, he is responsible for overseeing operations at Reams, including trade settlement and reconciliation, portfolio accounting, information systems and data security. Dan has over 20 years of experience in fixed income operations and administration. Prior to joining Reams in 2004, he was Operations Manager for 40|86 Advisors and worked for Bank One. Mr. Spurgeon earned his bachelor's degree from Purdue University.

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

Nancy Morey is director of Portfolio Systems and Accounting at Reams Asset Management. In this role, she oversees portfolio and composite performance reporting, investment policy compliance, as well as accounting and trading systems data integrity and reporting. Nancy joined Reams in 1981 and has over 30 years of experience in portfolio accounting systems management and reporting.

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

Important Disclosures

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

NOT FDIC INSURED/NO BANK GUARANTEE/MAY LOSE VALUE

Ventura County Employees' Retirement Association

October 21, 2019

Henry P. Hamrock

Julien A. Scholnick, CFA

WESTERN ASSET

Table of Contents

About Western Asset

About Western Asset

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

Western Asset At a Glance

- Founded in 1971. Independent affiliate of Legg Mason since 1986
- Fixed-income value investors
- $450.0 billion (USD) AUM
  - $386.8 billion (USD) long-term assets
  - $63.2 billion (USD) cash and cash equivalent assets
- 838 employees

Organizational Pillars

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

AUM by Sector – Total $450.0 billion (USD)

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

Investment Management	126 investment professionals on five continents and in seven offices 23 years average experience 39 portfolio and quantitative analysts in portfolio operations
Client Service & Marketing	175 staff dedicated to client service Specialized teams to meet individual client needs
Risk Management & Operations	Independent risk management function with 37 professionals including 15 PhDs 368 staff dedicated to globally integrated operations

Global Footprint (AUM in USD billions)

Source: Western Asset. As of 30 Jun 19

**Splits time between Hong Kong and Singapore offices*

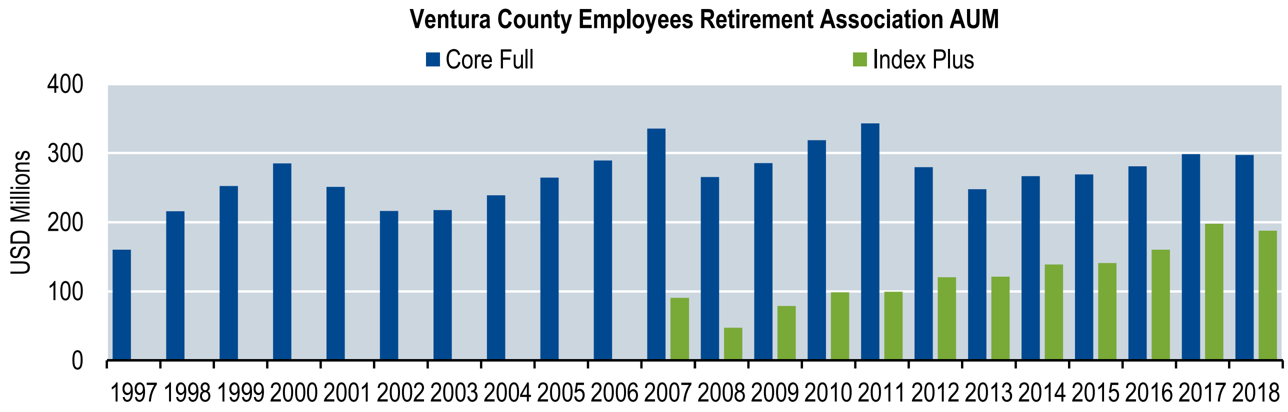
WESTERN ASSET

Relationship Summary

Ventura County Employees Retirement Association

September 30, 2019

	Ventura County Employees Retirement Association	
Mandate	Core Full Discretion	Index Plus
Initial Funding	$140,000,000	$100,000,000
Portfolio Inception	January 2, 1997	May 31, 2007
Market Value	$327,275,663	$229,410,987
Investment Objective	Outperform the index while approximating benchmark risk	Outperform the index while controlling portfolio risk
Benchmark	Bloomberg Barclays U.S. Aggregate Index	S&P 500
Alpha Target	125 bps	75 bps
Tracking Error Budget	250 bps	150 bps
5-Year Net Return	3.73% (exceeded the Index by 154 bps)	15.22% (exceeded the Index by 88 bps)
Consulting Firm	NEPC	NEPC
Consultant(s)	Allan Martin	Allan Martin
Risk Controls		
Duration	+/- 20% of the benchmark	Maximum one year
Quality	Average portfolio credit quality AA	Average portfolio credit quality AA-
Diversification	Max 10% below IG; Max 20% Non-US	Max 10% below IG; Max 10% non-US with a Max 5% undhedged



Source: Western Asset

About Western Asset – Clients

Committed to excellence in client service

Representative Client List

Corporate

American Cast Iron Pipe Company
ArcelorMittal USA Inc.
Arconic Inc.
Arconic Inc. Foundation
AT&T Services, Inc.
Atmos Energy Corporation
Bayer Corporation
British Airways (US)
Campbell Soup Company
Caterpillar Inc.
Chrysler LLC
Clark Enterprises, Inc.
CNH Global N.V. (Retirement - VEBA)
Consolidated Edison Company Of New York, Inc.
Consolidated Rail Corporation
Hanesbrands Inc.
International Paper Company
John Lewis Partnership Pensions Trust
Kennametal
Kvaerner
Lee Enterprises
Lennox International, Inc.
LifeWay Christian Resources
Meijer, Inc.
Meredith Corporation
Nestle USA, Inc.
Nisource, Inc.
NXP Semiconductor, Inc.
PCS Administration (USA), Inc
Pensioenfonds Horeca & Catering
PPG Industries
Southern California Edison
Springpoint Senior Living
Stolt-Nielsen S.A. (Bermuda)
The Ashforth Company
Thomson Reuters
ThyssenKrupp North America, Inc
Unisys Corporation
Verizon
Westlake Chemical Corporation
XPO Logistics

Public / Gov. / Sovereign Wealth

Anne Arundel (MD) Retirement Systems
Arkansas Local Police and Fire Retirement System
Baltimore County (MD) Employees Retirement System
California State Teachers' Retirement System
City of Aurora
City of Grand Rapids Fire and Police
City of Medford (Mass.) Contributory Retirement System
City of Orlando
City of Phoenix Employees' Retirement System
compenswiss
CONTASSUR s.a./n.v
East Bay Municipal Utility District
Employees' Retirement System of the City of Baton Rouge and Parish of East Baton Rouge
Employees' Retirement System of the State of Rhode Island
Fife Council Pension Fund
Firemen's Annuity and Benefit Fund of Chicago
Fresno County Employees' Retirement Association
Gloucestershire County Council
Government of Bermuda Public Funds
Indiana State Treasurer's Office
Iowa Public Employees' Retirement System
Kansas Public Employees Retirement System
Los Angeles County Employees Retirement Association
Louisiana Sheriff's Pension & Relief Fund
Marin County Employees' Retirement Association
Maryland-National Capital Park and Planning Commission Employees Retirement System
Minnesota State Board of Investment
Municipality of Anchorage
Ohio Police & Fire Pension Fund
Oklahoma City Employee Retirement System
Oregon Public Employees Retirement System (PERS)
Public Employee Retirement System of Idaho
Public School Teachers' Pension and Retirement Fund of Chicago
Salt River Project Agricultural Improvement and Power District
School Employees Retirement System of Ohio
State of Ohio Bureau of Workers Compensation
Surrey County Council
Tennessee Valley Authority
Ventura County Employees' Retirement Association
Washington Metro Area Transit Authority
Wichita (KS) Retirement Systems
Wyoming Retirement System

Multi-Employer / Unions

1199SEIU Health Care Employees Pension Fund
Alaska Electrical Trust Funds
Austin Firefighters Relief & Retirement Fund
Automotive Machinists Pension Trust
Boilermaker Blacksmith National Pension Trust
Carpenters District Council of Kansas City
Construction Industry Laborers
Directors Guild of America-Producer Pension and Health Plans (DGA - PPHP)
Electrical Workers, IBEW, Local 531
Heavy & General Laborers' Locals 472/172
IBEW Local No. 9
Iron Workers Local #11 Benefit Funds
IUOEE Construction Ind Ret Plan, Locals 302 and 612
Line Construction Benefit Fund
National Asbestos Workers
National Education Association of the United States
New England Healthcare Employees Union, District 1199, AFL-CIO
New Jersey Transit
Operating Engineers Local #428 Trust Funds
Pacific Coast Roofers
Retail Wholesale & Department Store Union
SIU Rivers Pension Trust
Southern Nevada Culinary & Bartenders Pension Trust Fund
Teamsters Union Local No. 52 Pension Fund
United Association Union Local No. 290 Plumber, Steamfitter & Shipfitter Industry Pension Trust
United Food and Commercial Workers Union Local 919
Western Washington Laborers Employers Pension Trust

Healthcare

Ascension Investment Management
Baptist Healthcare System, Inc.
Baylor Scott & White Holdings
Catholic Health Initiatives
CHRISTUS Health
Holy Name Medical Center
Kaiser Permanente
LCMC Health
NorthShore University HealthSystem
Sisters of Charity of St. Augustine Health System, Inc.
St. George Corporation

Eleemosynary

Abilene Christian University
Allergan, Inc. Foundation
American Academy in Rome
Baha'i' World Centre
Catholic Relief Services
Catholic Umbrella Pool
Commonfund
Communities Foundation of Texas
Community Foundation of North Central Wisconsin
Domestic & Foreign Missionary Society ECUSA
Glass—Glen Burnie Foundation
Rockford Woodlawn Fund, Inc
Saint Louis University
Sisters of St. Francis of the Neumann Communities
Strada Education Network, Inc.
Texas Presbyterian Foundation
The Catholic Foundation of Central Florida
The Diocese of Allentown
The Donald B. and Dorothy L. Stabler Foundation
University of Southern California
University of Wisconsin Foundation
Wallace H. Coulter Foundation
Washington State University

Insurance

American Contractors Insurance Group
Anthem, Inc.
AXA France
AXA XL Catlin
Blue Cross Blue Shield of Massachusetts
Capital Blue Cross
Catalina Holdings (Bermuda) Ltd
Genworth Financial US
Great-West Life & Annuity Insurance Company
Oil Investment Corporation Ltd.

Financial Services

Asset Management One Co., Ltd.
GuideStone Capital Management, LLC
Highbury Pacific Capital Corp.
LyonRoss Capital Management LLC
Morgan Stanley Custom Solutions - OCIO Relationship
Morgan Stanley Global Wealth Management
Russell Investments
SEI Investments Company
SMBC Nikko Securities Inc.
Tokio Marine Asset Management Co., Ltd.
Wells Fargo & Company

As of 31 Aug 19. Please see the Representative Client List Disclosure in the Appendix for more information. All have authorized the use of their names by Western Asset for marketing purposes. Such authorization does not imply approval, recommendation or otherwise of Western Asset or the advisory services provided.

WESTERN ASSET

About Western Asset

Public/Multi-Employer Channel Update

September 30, 2019

Business Update

Assets under management *(as of 30 Jun 19)*

- Total global Public Fund/Multi-Employer AUM of $37.0 billion (USD)
  - $31.9 billion (USD) Public Fund assets
  - $5.1 billion (USD) Multi-Employer assets

Client solutions/conversations

- Attractive opportunities in fixed-income
  - SCORE – Select Credit Opportunities in Real Estate
  - CLO
  - Multi-Asset Credit
- New hires
  - Andreas Billmeier as Sovereign Research Analyst, London
  - Mariam Bahmane as ESG Research Analyst, Pasadena

Client Seminar

- Fixed-Income Markets and Investment Solutions, Pasadena, October 21 - November 1, 2019, featuring:
  - "Behind the Vision" Investment Summit
  - Unleash Your Bonds
  - Credit Trends
  - Intersection of Finance and Technology

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@westernasset   Western Asset Management

Notable Communications

Noteworthy publications (available at www.westernasset.com)

- The Shifting Investment Landscape by Ken Leech, CIO
- Global Outlook for 3Q 2019
- On the Fed's Changing Reaction Function by John Bellows, PhD, CFA
- Multi-Asset Credit (MAC): Resilient in the Face of Global Trade Tensions by Robert O. Abad

The Western Asset Blog

- Making Sense of the Repo Market Mayhem by Kevin K. Kennedy
- From "Whatever It Takes" to "As Long As It Takes"—The ECB's New Monetary Policy Stance is a Cry for Fiscal Support by Andreas Billmeier
- The Case for Front-End Credit by Kurt D. Halvorson, CFA

Webcast (available at www.westernasset.com)

- Markets on Edge. A Conversation with Michael C. Buchanan, Deputy CIO
- Market & Strategy Update with Ken Leech, CIO

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

- September 12, 2019: Yahoo Finance's "On the Move" : ECB Cuts rate, Explicitly Targets Inflation, John Bellows, PhD, CFA
- September 6, 2019: CNBC's Squawk Alley: Recession Fears are Premature, John Bellows, PhD, CFA
- August 28, 2019: CNBC's Squawk on the Street: We Watch Fundamentals Over Headlines, Bonnie M Wongtrakool, CFA

WESTERN ASSET

Philosophy, Process and People

Investment Philosophy

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

Long-term fundamental value

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

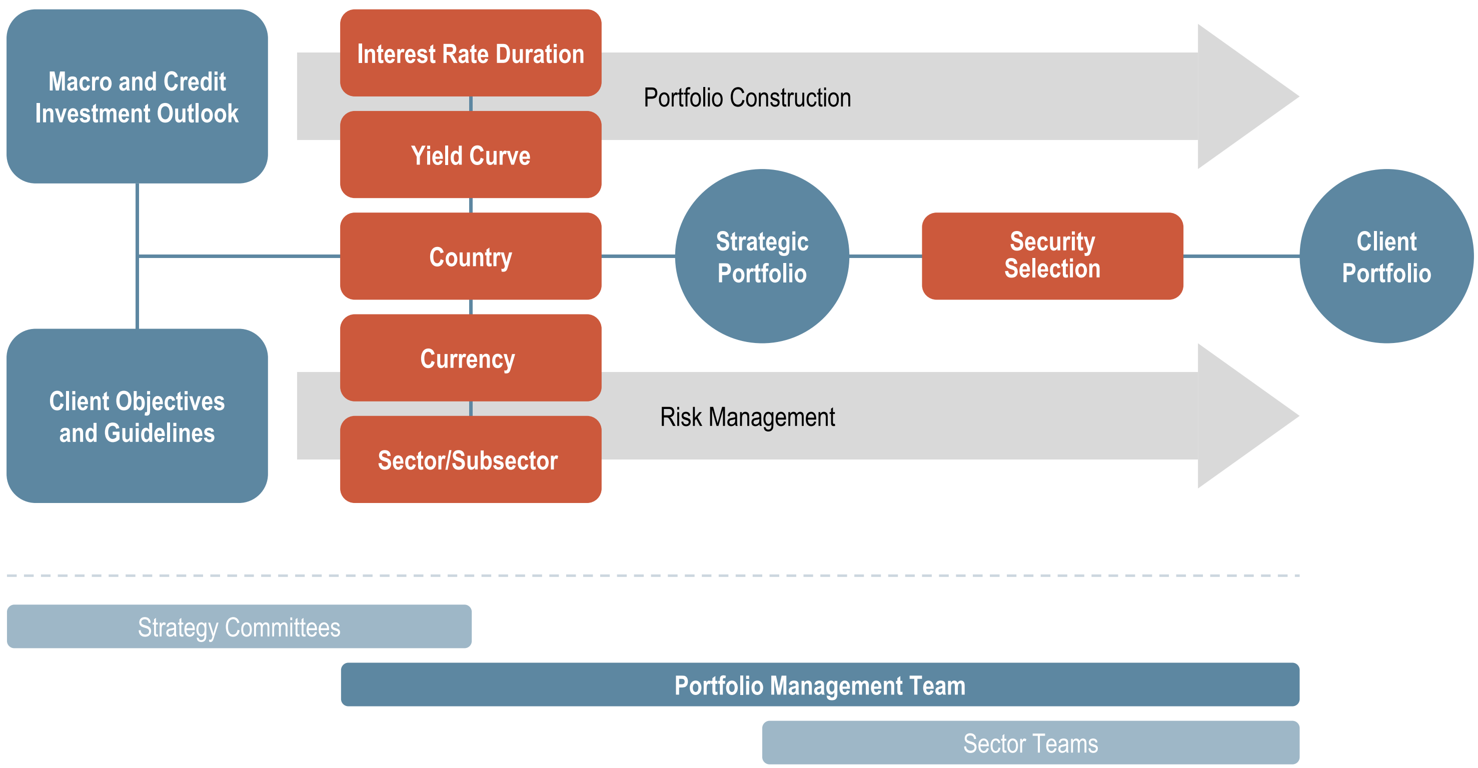
Multiple diversified strategies

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

Investment Process

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

Western Asset Investment Process and Team Interaction



People

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

US Broad Market Team

Portfolio Management

S. Kenneth Leech
Portfolio Manager / CIO

Scott M. Beatty, CFA
Portfolio Manager

John L. Bellows, PhD, CFA
Portfolio Manager

Amit Chopra, CFA
Portfolio Manager

Mark S. Lindbloom
Portfolio Manager

Keith A. Luna, CFA
Portfolio Manager

Frederick R. Marki, CFA
Portfolio Manager

Julien A. Scholnick, CFA
Portfolio Manager

Derivatives

Scott M. Beatty, CFA[1]
Portfolio Manager

Jim K. Huynh
Portfolio Manager

Keith A. Luna, CFA[1]
Portfolio Manager

Risk Management

Robert Gingrich, PhD
Manager of Alternatives & Derivatives Risk

Porntawee Nantamanasikarn, PhD
Portfolio Risk Manager

Product

Travis M. Carr, CFA
Product Specialist

Douglas Wade, CFA
Product Specialist

Trading

Nicholas Mastroianni, CFA[2]
Trader

Ian J. Smith, CFA[2]
Trader

Rafael Zielonka, CFA[2]
Trader

Portfolio Analysis

Sung Kim
Portfolio Analyst

Zachary Klein, CFA
Portfolio Analyst

Western Asset Investment Team

Investment Management Professionals

- Chief Investment Officer: S. Kenneth Leech
- Deputy CIO: Michael C. Buchanan
- 126 Investment Professionals on five continents and seven offices, as of June 30, 2019
- 23 years of average experience

Major Investment Committees

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

Sector and Regional Teams

- Global credit
- Investment-grade
- High-yield
- Emerging markets
- Mortgage and consumer credit
- Long duration
- US municipal
- Liquidity
- Insurance

- US
- Europe
- UK
- Japan
- Asia
- Brazil
- Australia / New Zealand

Independent Risk Management Function

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

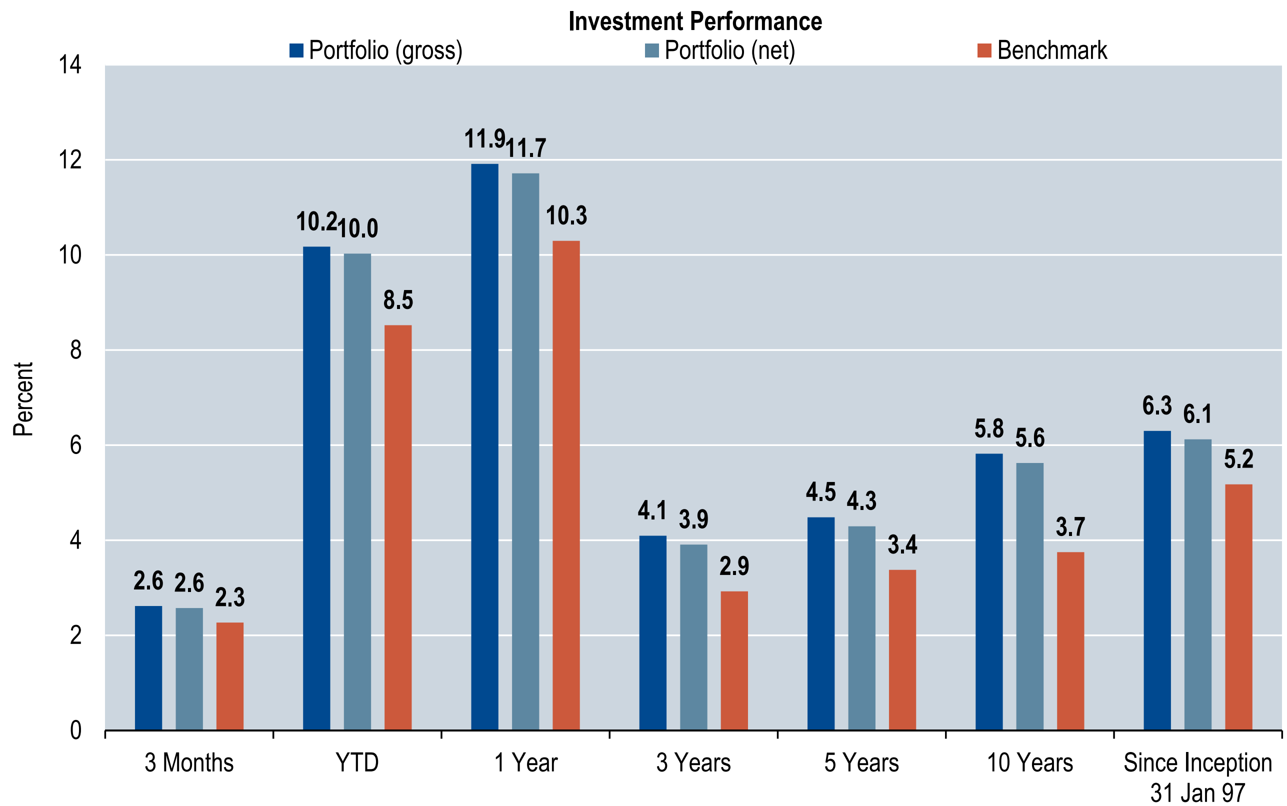
As of 30 Sep 19
[1]Dual role with Portfolio Management
[2]Dual role with Derivatives

Portfolio Review

Investment Results

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

September 30, 2019



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

Investment Results

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

December 31, 2018

	Annual (%)		3 Years (%)		5 Years (%)		7 Years (%)		10 Years (%)	
	Core Full	US Agg	Core Full	US Agg	Core Full	US Agg	Core Full	US Agg	Core Full	US Agg
31 Dec 1998	8.69	8.69								
31 Dec 1999	-1.46	-0.82								
31 Dec 2000	12.92	11.63	6.54	6.36						
31 Dec 2001	9.16	8.44	6.70	6.28						
31 Dec 2002	9.92	10.26	10.66	10.10	7.73	7.55				
31 Dec 2003	9.27	4.10	9.45	7.57	7.85	6.62				
31 Dec 2004	6.72	4.34	8.63	6.20	9.58	7.71	7.81	6.59		
31 Dec 2005	3.40	2.43	6.44	3.62	7.67	5.87	7.04	5.69		
31 Dec 2006	5.33	4.33	5.14	3.70	6.90	5.06	8.06	6.45		
31 Dec 2007	5.00	6.97	4.57	4.56	5.93	4.42	6.95	5.81	6.83	5.97
31 Dec 2008	-8.69	5.24	0.33	5.51	2.19	4.65	4.25	5.36	4.98	5.63
31 Dec 2009	19.11	5.93	4.52	6.04	4.46	4.97	5.45	4.75	6.99	6.33
31 Dec 2010	11.55	6.54	6.65	5.90	6.05	5.80	5.77	5.10	6.86	5.84
31 Dec 2011	7.50	7.84	12.62	6.77	6.49	6.50	5.88	5.60	6.69	5.78
31 Dec 2012	9.94	4.21	9.65	6.19	7.47	5.95	6.81	5.86	6.70	5.18
31 Dec 2013	-0.95	-2.02	5.39	3.26	9.24	4.44	5.87	4.91	5.65	4.55
31 Dec 2014	7.64	5.97	5.44	2.66	7.05	4.45	6.25	4.77	5.74	4.71
31 Dec 2015	1.02	0.55	2.51	1.44	4.94	3.25	7.80	4.09	5.50	4.51
31 Dec 2016	4.30	2.65	4.28	3.03	4.31	2.23	5.77	3.63	5.39	4.34
31 Dec 2017	6.15	3.54	3.80	2.24	3.58	2.10	5.02	3.20	5.51	4.01
31 Dec 2018	-0.46	0.01	3.29	2.06	3.68	2.52	3.87	2.10	6.42	3.48
Periods Outperformed	**71%**		**89%**		**82%**		**93%**		**92%**	
Number of Years	**15/21**		**14/17**		**14/15**		**14/15**		**11/12**	

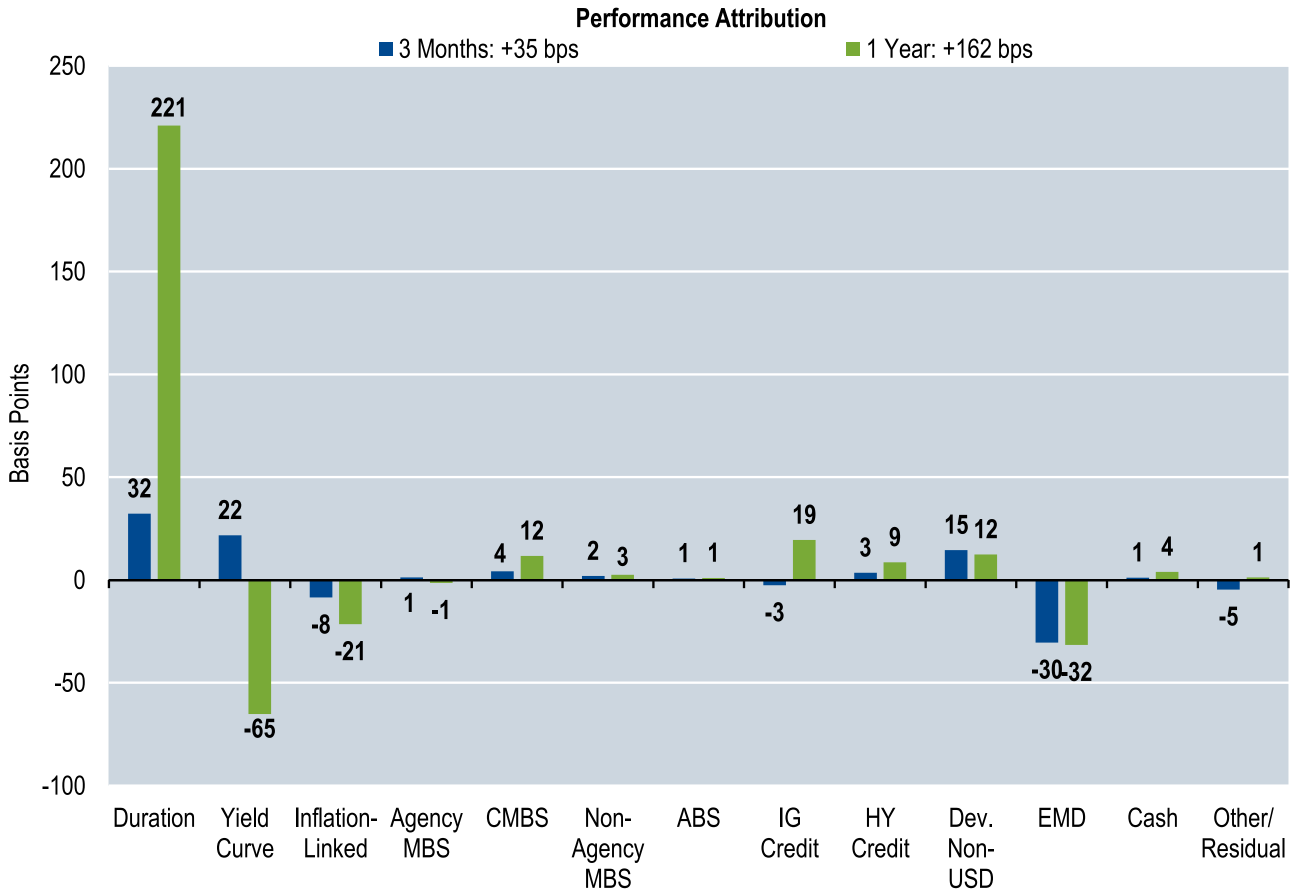
Source: Bloomberg Barclays, Western Asset
Returns for periods greater than one year are annualized. Returns since inception are as of the indicated close of business day.

WESTERN ASSET

Attribution Analysis

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

September 30, 2019



Source: Bloomberg Barclays, Western Asset

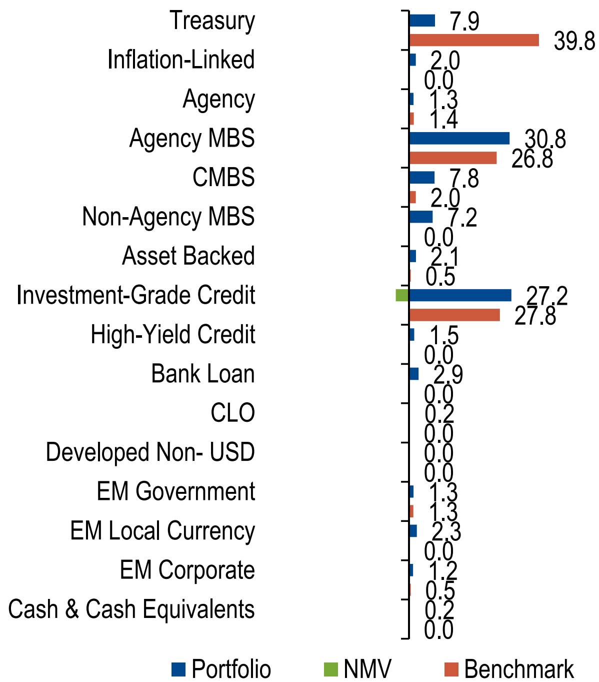
Western Asset believes that attribution is not a hard science, but rather a means of evaluating strategies to determine their relative impact on overall portfolio performance. The intent of the manager, therefore, is critical in the evaluation of different strategies, and the return attribution for any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

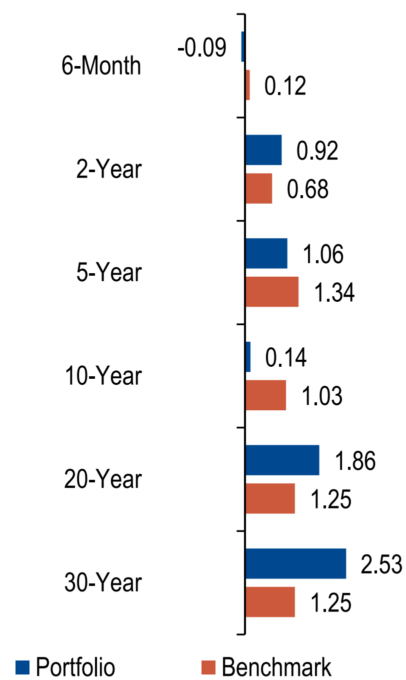
Data may not sum to total due to rounding.

Sector Exposure

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

September 30, 2019





Yield

Portfolio:	2.95
Benchmark:	2.27

Total Duration

Portfolio:	6.44
Benchmark:	5.68

Source: Western Asset

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

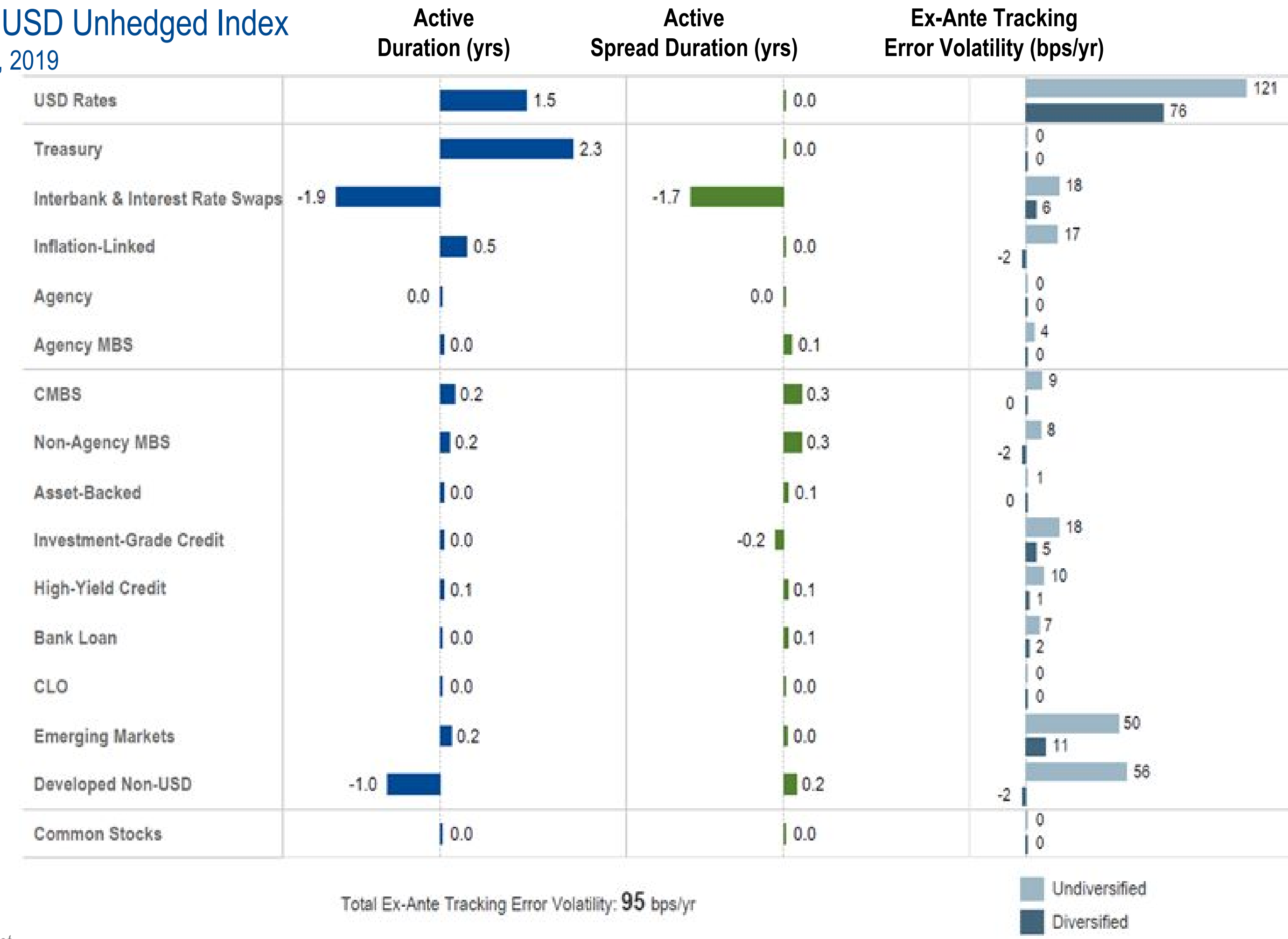
Note: Sector exposure includes look-through to any underlying commingled vehicles if held. All weightings are a percentage of total market value. A negative cash position may be reported, which is primarily due to the portfolio's unsettled trade activity. Data may not sum to 100% due to rounding. The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

WESTERN ASSET

Portfolio Positioning

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

September 30, 2019



Source: Western Asset

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

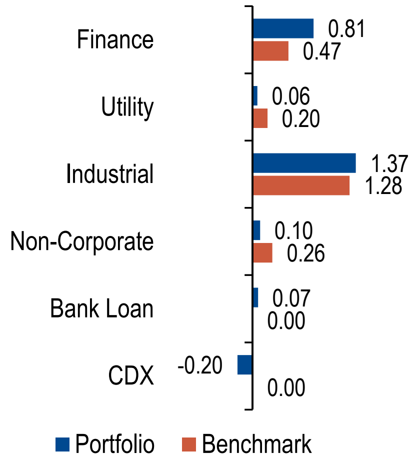
WESTERN ASSET

Credit Sector Exposure

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

September 30, 2019

Spread Duration Contribution (yrs)

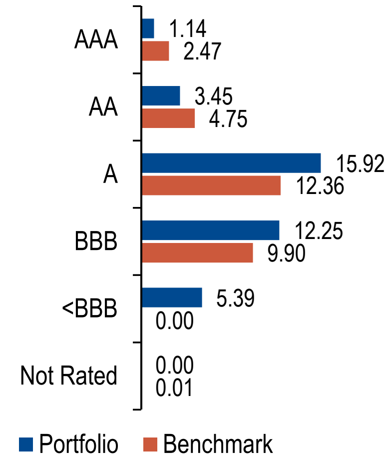


Credit Spread Duration

Portfolio: 2.21

Benchmark: 2.21

Quality Exposure (%)[1]



38.1% of Portfolio

Bloomberg Barclays U.S. Credit Index Excess Returns

	2018	2019*
Finance	-2.62%	3.67%
Utility	-3.94%	2.13%
Industrial	-3.34%	3.78%
Non-Corporate	-1.01%	2.00%

**As of 31 Aug 19*

	2018	2019*
AAA	-0.21%	0.68%
AA	-1.04%	1.77%
A	-3.01%	2.88%
BBB	-3.52%	4.60%
<BBB**	-3.59%	5.84%

As of 31 Aug 19;Bloomberg Barclays U.S. High-Yield Index*

Source: Bloomberg Barclays, Western Asset

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

[1]All weightings are a percentage of total market value.

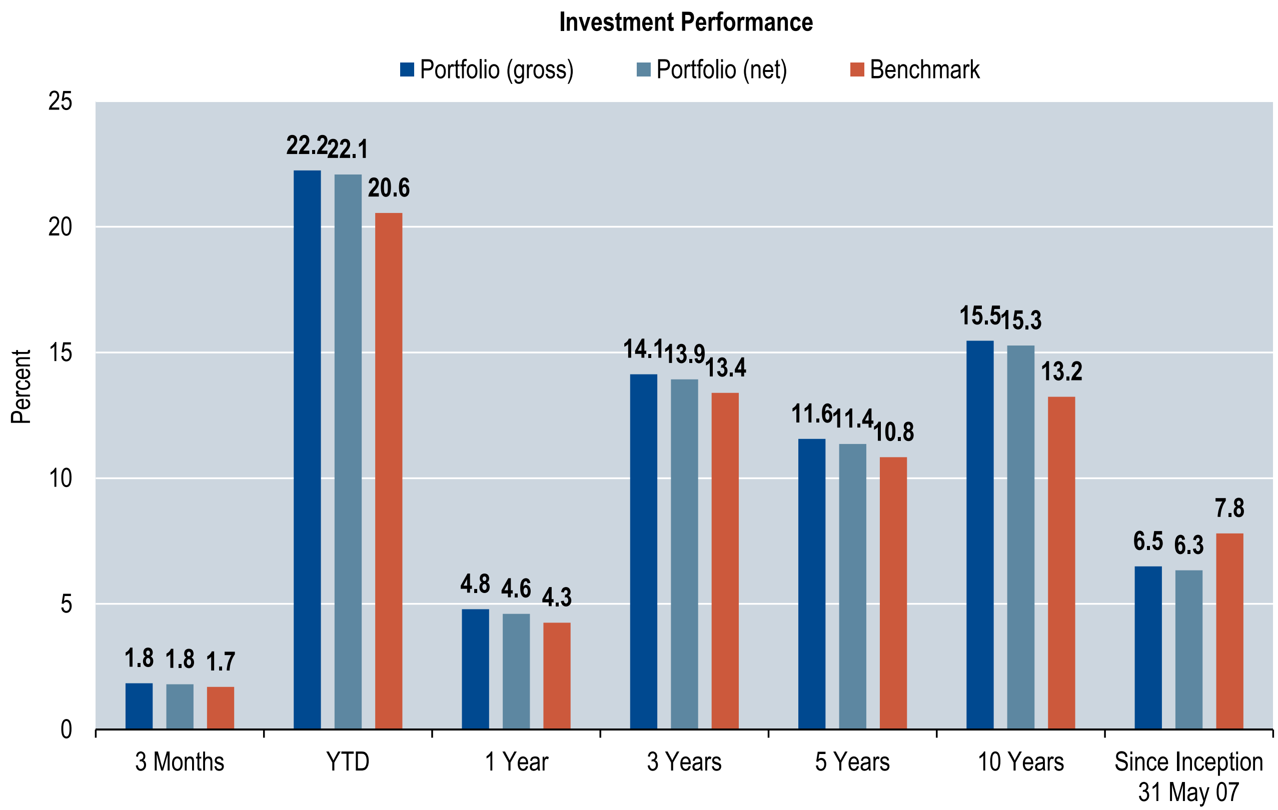
WESTERN ASSET

Index Plus Review

Investment Results

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

September 30, 2019



Source: Western Asset. Returns for periods greater than one year are annualized. Returns since inception are as of the indicated close of business day.
Note: Information ratio is defined as excess returns versus the benchmark, divided by the standard deviation of excess returns.
Tracking error is the annualized standard deviation of the differences between portfolio returns and benchmark returns.

WESTERN ASSET

Investment Results

Ventura County ERA Index Plus Rolling Performance

December 31, 2018

	Annual (%)		3 Years (%)		5 Years (%)		7 Years (%)		10 Years (%)	
	Index Plus	S&P 500	Index Plus	S&P 500	Index Plus	S&P 500	Index Plus	S&P 500	Index Plus	S&P 500
31 Dec 2008	-56.22	-37.00								
31 Dec 2009	42.68	26.46								
31 Dec 2010	24.82	15.06	-7.96	-2.86						
31 Dec 2011	1.16	2.11	21.68	14.11						
31 Dec 2012	20.96	16.00	15.16	10.87	-0.94	1.66				
31 Dec 2013	33.16	32.39	17.67	16.18	23.75	17.94				
31 Dec 2014	14.52	13.69	22.64	20.41	18.42	15.45	5.50	7.27		
31 Dec 2015	1.35	1.38	15.62	15.13	13.59	12.57	18.94	14.81		
31 Dec 2016	13.65	11.96	9.67	8.87	16.27	14.66	15.14	12.83		
31 Dec 2017	23.45	21.83	12.45	11.41	16.74	15.79	14.96	13.76	7.54	8.50
31 Dec 2018	-5.13	-4.38	10.00	9.26	9.09	8.49	13.91	12.70	16.19	13.12
Periods Outperformed	**64%**		**89%**		**86%**		**80%**		**50%**	
Number of Years	**7/11**		**6/7**		**4/5**		**4/5**		**1/2**	

Source: S&P, Western Asset

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

Attribution Analysis

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

September 30, 2019

	3 Months	1 Year
Ventura County ERA Index Plus	185	479
S&P 500 Total Return Index USD Unhedged Index	170	425
Excess Return	**15**	**54**
Duration	63	312
Yield Curve	18	-22
TIPS	-8	-14
IG Credit	7	15
High Yield	1	1
Agency MBS	0	-2
NARMBS	3	11
CMBS	4	9
ABS	5	21
Non USD	-2	-9
EMD	-19	-18
Overlay Costs	-51	-266
Cash	2	12
Other / Residual	-9	3

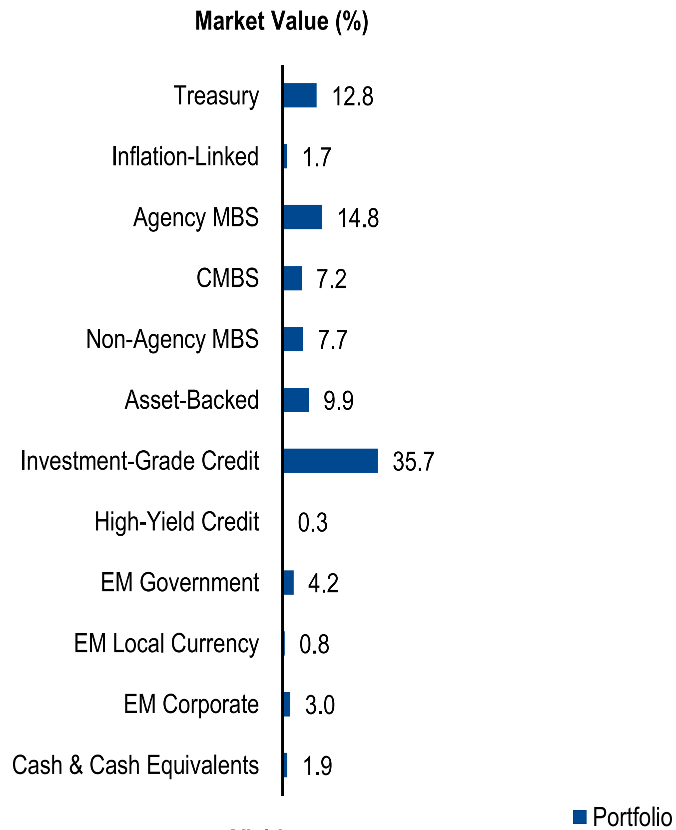
Source: Bloomberg Barclays, Western Asset
Western Asset believes that attribution is not a hard science, but rather a means of evaluating strategies to determine their relative impact on overall portfolio performance. The intent of the manager, therefore, is critical in the evaluation of different strategies,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

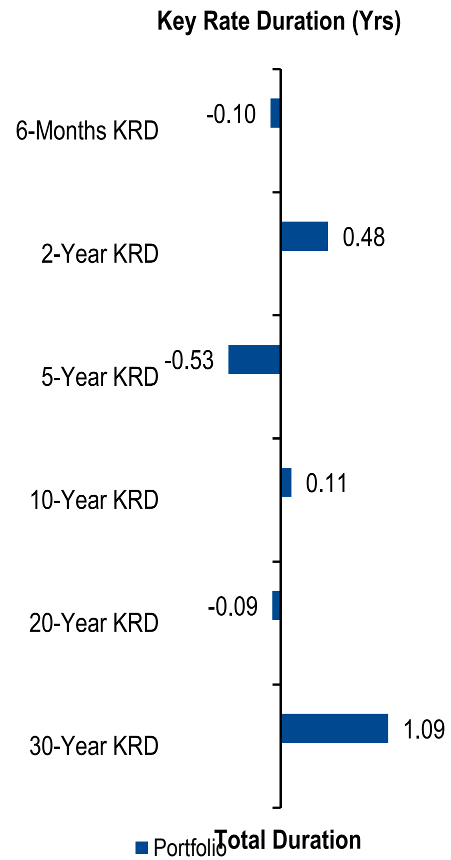
WESTERN ASSET

Sector Exposure

Ventura County ERA Index Plus

September 30, 2019





Yield

Portfolio: 0.60

Total Duration

Portfolio: 0.96

Source: Bloomberg Barclays, Western Asset

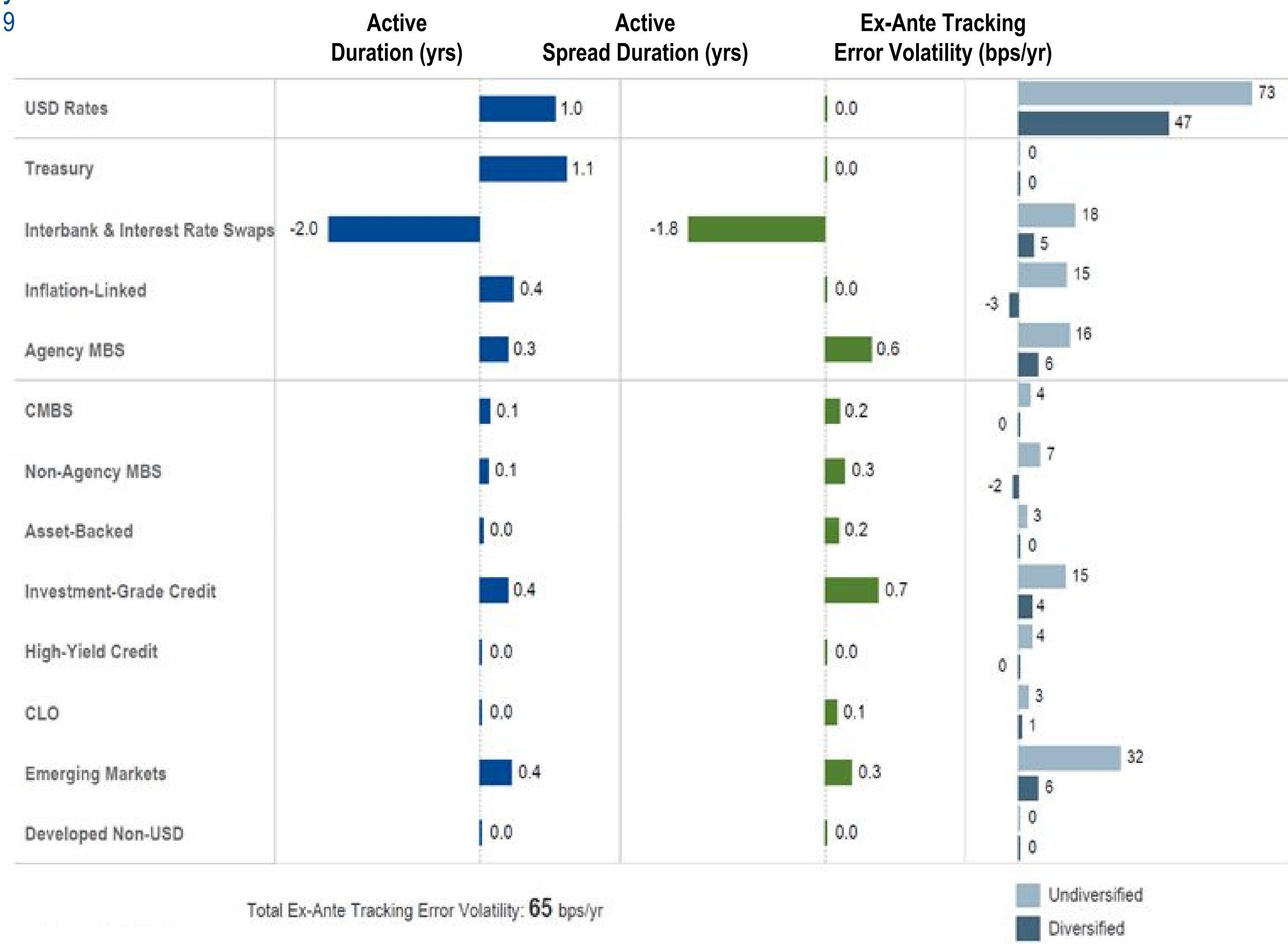
Note: Sector exposure includes look-through to any underlying commingled vehicles if held. All weightings are a percentage of total market value. A negative cash position may be reported, which is primarily due to the portfolio's unsettled trade activity. Data may not sum to 100% due to rounding. The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

WESTERN ASSET

Portfolio Positioning

Ventura County ERA Index Plus vs. S&P 500

September 30, 2019



Source: Western Asset

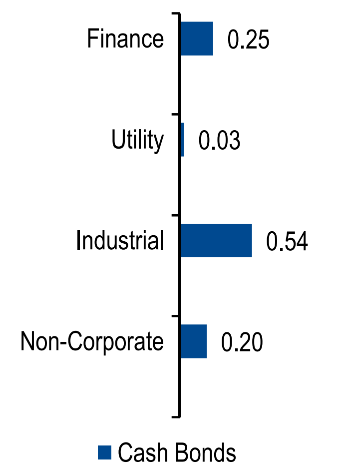
Note: Sector exposure and tracking error contribution include look-through to any underlying commingled vehicles if held. For active duration exposures and tracking error contribution, "USD Rates" includes rates risk from all USD securities in the portfolio, including emerging market hard currency bonds.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

Credit Sector Exposure

Ventura County ERA Index Plus

September 30, 2019

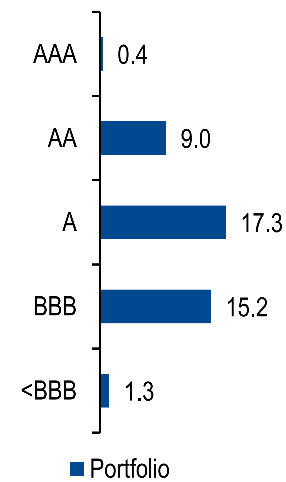
Spread Duration Contribution (yrs)



Credit Spread Duration

Portfolio: 1.02

Quality Exposure (%)[1]



43.2% of Portfolio

Source: Bloomberg Barclays, Western Asset

Note: Sector exposure includes look-through to any underlying commingled vehicles if held. Data may not sum to total due to rounding.

[1]All weightings are a percentage of total market value.

Investment Outlook

Outlook

September 2019

Downside risks have risen, but global growth should prove to be resilient

US and global inflation rates continue to moderate

Aggressive central bank easing is designed to truncate downside risks

Central bank focus on core inflation outcomes suggests “low for long”

Trade friction will be an ongoing source of risk

Spread products should outperform government bonds

Emerging markets, though volatile, should outperform

As of 26 Sep 19

Global Growth Has Downshifted, But Should Be Resilient at Current Levels

Trade and manufacturing concerns have weighed on expectations for global growth; however, the US remains a bright spot in comparison to other developed markets.

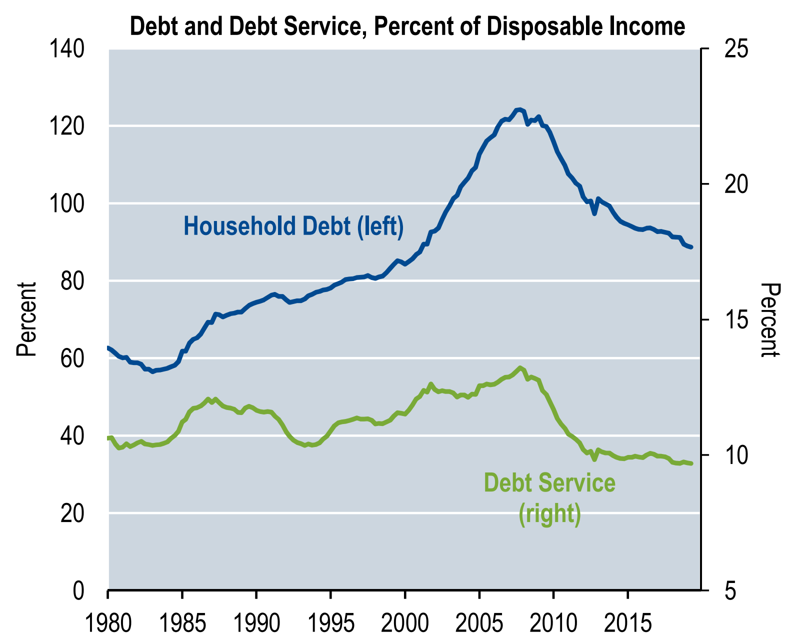
Source: International Monetary Fund. As of 30 Apr 19

Source: J.P. Morgan. As of 20 Sep 19

US Economy Remains Solid on the Back of Good Consumer Fundamentals

Key components of the US economy are holding in and don't yet show signs of concern. A stable consumer backdrop, coupled with supportive financial conditions, bodes well for modest growth.

Source: U.S. Bureau of Economic Analysis, Board of Governors of the Federal Reserve System (US). As of 01 Jan 19

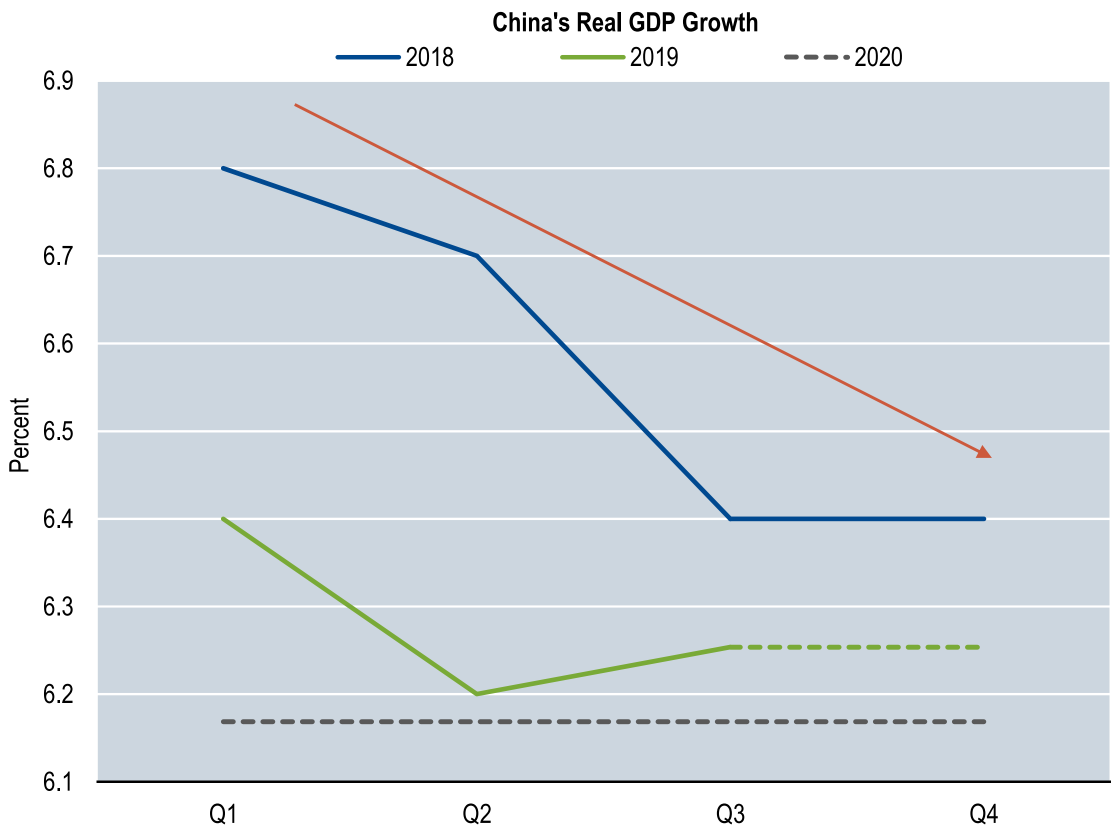


Source: Bureau of Economic Analysis, Federal Reserve. As of 31 Mar 19

WESTERN ASSET

China's GDP Has Been Slowing Steadily

Realized and forecasted growth for China has downshifted as the country faces long-term headwinds including the impact of an aging population and the lack of open global free trade.



Source: IMF. As of 30 Ap r 19
Note: Dotted lines represent forecasted periods

Three biggest challenges in the coming decades

- Loss of low-cost advantage
- Population ageing
- De-globalization

China Growth: Healthy Domestic Demand and Robust Stimulus Is Supportive

We expect stimulus measures to remain in place until signs of economic stabilization appear.

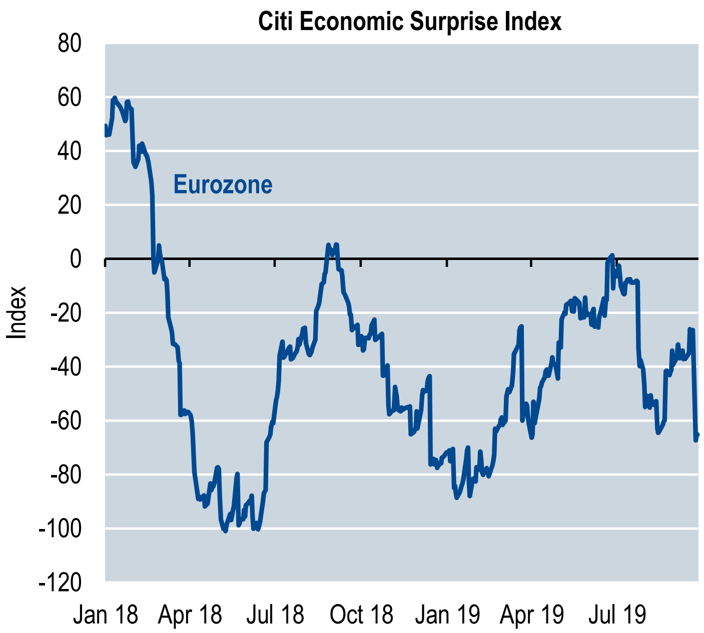
	China's Recent Measures to Ease Credit and Stabilize Growth	Room to Ease Further?	Comments
Reserve Requirement Ratios (RRR)	▪ 6 broad-based cuts and 5 targeted cuts since 2018	Yes	Current RRR of 13% for major banks remains high compared with other markets
Interest Rate Reform	▪ Loan prime rate (LPR), anchored by PBoC's medium-term lending facility (MLF) rates and to be set according to quotes from 18 contributor banks, replaced PBoC benchmark lending rates in August 2019. This is expected to lower the funding costs for the real economy	Yes	Room to guide MLF rate (1-year at 3.3%) lower
Tax cuts	▪ Lowered VAT for manufacturing and other sectors by 1% in May 2018 and another 1%-3% in April 2019 ▪ Raised the annual maximum taxable income threshold of SMEs eligible for preferential corporate income tax from CNY500,000 to CNY1mm ▪ Raised the minimum threshold for personal income tax exemption from CNY3,500 to CNY5,000 per month	Yes	e.g. Further VAT cut and targeted cut of corporate income tax on selected supported sectors
Fiscal stimulus	▪ Increased headline budget deficit by 0.2 percentage points to 2.8% of GDP in 2019 ▪ Expanded Local Government Special Bond issuance quota to CNY2.15tn in 2019 from CNY1.35tn in 2018	Yes	
Credit market easing	▪ PBoC injecting capital into China Bond Insurance Co ▪ Reviving Credit Risk Mitigation Warrant (CRMW) to help Privately Owned-Enterprises (POE) to tap the domestic bond market by offering credit insurance ▪ Broadening the range of collateral for Medium-Term Lending Facility (MTL) operations to include lower-rated bonds	Yes	Government has room to lever up given manageable government debt (central+local) at 70% of GDP
Other measures	▪ Lowered employers' contribution rates for basic pension insurance to 16% (from 19%~20%) in May 2019 - this expected to benefit labor-intensive POEs and SMEs the most ▪ Expanded the scope of eligible loans to be classified as SME loans by increasing the minimum size to CNY10mm from CNY5mm, thus allowing more banks to benefit from lower RRR rates based on targeted RRR cut criteria announced earlier ▪ Expanding debt-to-equity swap program ▪ Set up asset management plans (with funds contributed by 11 brokerages) for supporting POEs ▪ PBoC window guidance to banks for lending to POEs	Yes	Room to loosen bond issuance regulation and quota for targeted corporates

Source: Bloomberg, Western Asset. As of 06 Sep 19

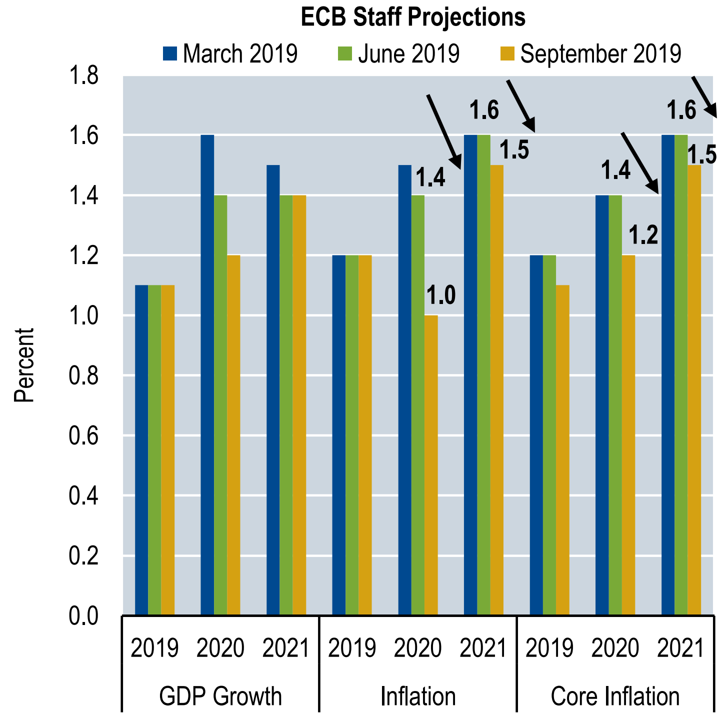
WESTERN ASSET

Eurozone Growth Remains the Principal Source of Global Growth Worries

Weak manufacturing data has continued to weigh on growth prospects for the Eurozone. Most recently, we've seen the ECB make a strong show of support by easing policy and we expect monetary accommodation to continue.



Source: Bloomberg. As of 25 Sep 19



Source: European Central Bank. As of 12 Sep 19

WESTERN ASSET

Central Banks Around the World Are Easing Aggressively

While some global central banks have pursued dramatic rate cuts, others have implemented additional forms of stimulus, including balance sheet expansion.

Country/Region	Policy Rate	1-Year Change	6-Month Change
Turkey	16.50%	-125	-750
Egypt	15.25%	-250	-150
Ukraine	16.50%	-150	-150
Brazil	5.50%	-100	-100
Chile	2.00%	-50	-100
India	5.40%	-110	-85
Iceland	4.50%	-50	-75
New Zealand	1.00%	-75	-75
Russia	7.00%	-25	-75
Venezuela	20.12%	-93	-66
Australia	1.00%	-50	-50
Hong Kong	2.25%	0	-50
Philippines	4.25%	75	-50
Saudi Arabia	2.50%	0	-50
U.A.E.	2.25%	0	-50
U.S.	2.00%	0	-50
Oman	2.52%	-15	-47
Bahrain	4.25%	25	-25
Malaysia	3.00%	-25	-25
Mexico	8.00%	25	-25
Peru	2.50%	-25	-25
Qatar	2.25%	-25	-25
South Africa	6.50%	0	-25
South Korea	1.50%	0	-25
Thailand	1.50%	0	-25

Source: Bloomberg. As of 25 Sep 19

WESTERN ASSET

Global Governments

The prevalence of negative yields remains.

Country	1-Year	2-Year	3-Year	4-Year	5-Year	6-Year	7-Year	8-Year	9-Year	10-Year	15-Year	20-Year	30-Year	Lowest Credit Rating
Switzerland	-1.05	-1.01	-1.00	-0.97	-0.93	-0.90	-0.87	-0.83	-0.85	-0.80	-0.58	-0.49	-0.36	AAA
Germany	-0.68	-0.73	-0.78	-0.77	-0.72	-0.72	-0.69	-0.64	-0.58	-0.51	-0.37	-0.22	0.02	AAA
Austria	-0.59	-0.66	-0.66	-0.63	-0.54	-0.51	-0.44	-0.40	-0.35	-0.26	-0.01	0.08	0.34	AA+
Japan	-0.25	-0.27	-0.27	-0.28	-0.29	-0.30	-0.30	-0.29	-0.25	-0.18	0.03	0.20	0.33	A
Sweden		-0.63		-0.64	-0.60	-0.53		-0.43	-0.34	-0.22	-0.05	0.21		AAA
Netherlands		-0.73	-0.76	-0.73	-0.65	-0.60	-0.56	-0.49	-0.44	-0.37	-0.26	-0.03	0.00	AAA
Finland	-0.63	-0.68	-0.68	-0.64	-0.61	-0.50	-0.47	-0.38	-0.32	-0.25	-0.05		0.24	AA+
Denmark	-0.80	-0.78		-0.76	-0.70			-0.61		-0.49		-0.26		AAA
Belgium	-0.62	-0.66	-0.67	-0.60	-0.50	-0.46	-0.41	-0.34	-0.26	-0.18	0.12	0.35	0.69	AA-
France	-0.61	-0.68	-0.70	-0.67	-0.60	-0.53	-0.46	-0.39	-0.32	-0.23	0.09	0.20	0.64	AA
Ireland	-0.52		-0.52	-0.50	-0.43	-0.33	-0.25		-0.08	0.02	0.32	0.51	0.88	A+
Spain	-0.45	-0.48	-0.45	-0.31	-0.24	-0.11	-0.02	0.06	0.14	0.23	0.66	0.67	1.15	BBB
Italy	-0.24	-0.25	-0.03	0.07	0.31	0.33	0.55	0.65	0.67	0.87	1.41	1.58	1.96	BBB+
United Kingdom				0.65	0.50	0.46	0.45	0.45	0.40	0.43	0.74	0.89	1.06	AA
United States	1.85	1.76	1.70		1.68		1.75			1.80			2.24	AA+
Norway		1.18		1.29	1.28	1.27	1.28	1.27	1.30	1.32				AAA
Poland	1.18	1.46	1.59	1.74	1.81	1.91	1.97	2.01	2.04	2.07				A-
Singapore	1.81	1.62			1.66					1.75	1.83	1.95	2.10	AAA
South Korea	1.19	1.36	1.38		1.45					1.48		1.47	1.44	AA-
China		2.68	2.74		2.95		3.15			3.12			3.70	A+
Malaysia	3.05		3.10		3.25		3.33			3.35	3.59	3.67	3.87	A-
Mexico	7.72	7.10	6.93	6.93	6.95	6.96		7.02		7.17		7.51	7.55	BBB+
Indonesia	6.01	6.28	6.43	6.55	6.60	6.96	7.00	7.10	7.23	7.22	7.65	7.78	8.03	BBB-
South Africa		6.66	7.30				8.21			8.89	9.51	9.78	9.81	BB

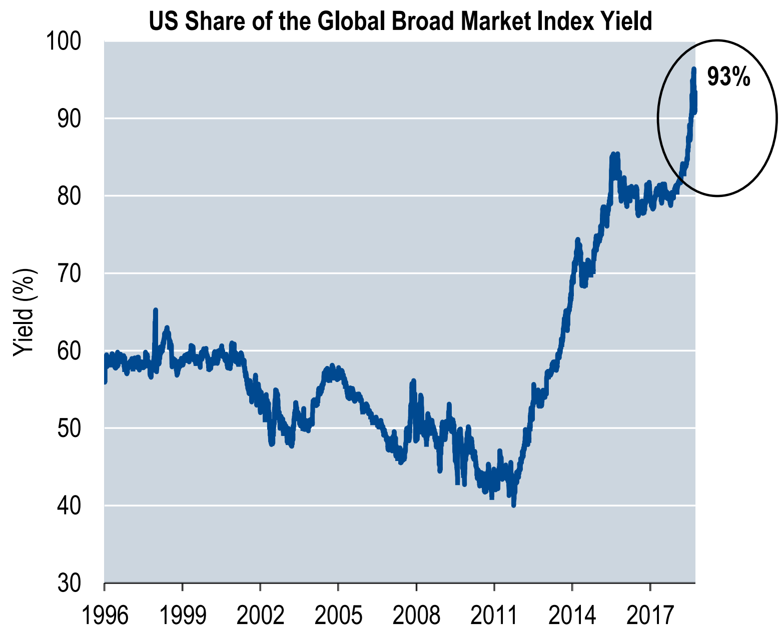
Total Negative Yielding Global Aggregate Debt: $14.22 Trillion

Source: Bloomberg. As of 18 Sep 19

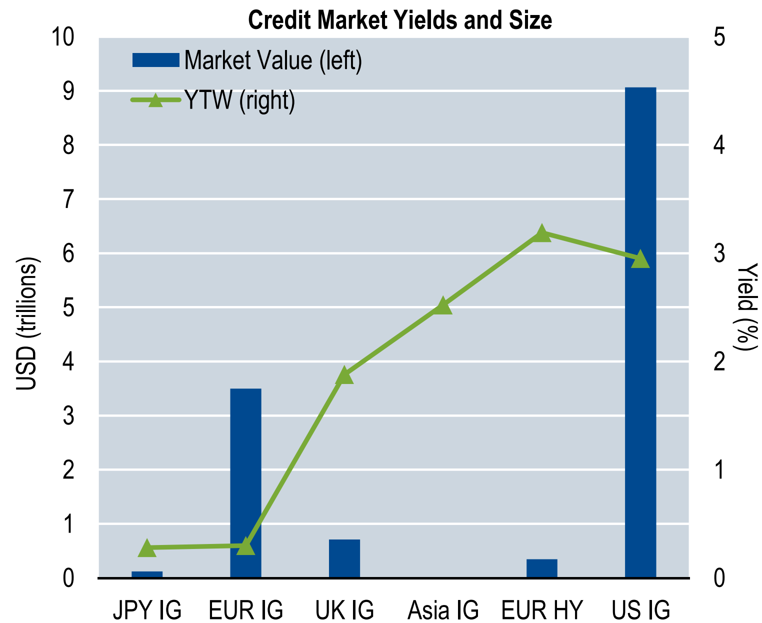
WESTERN ASSET

The US Is Virtually the Only Destination in the Global Search for Yield

Relative to other mature markets, US credit markets are attractive to a global investor as they offer both size and yield.



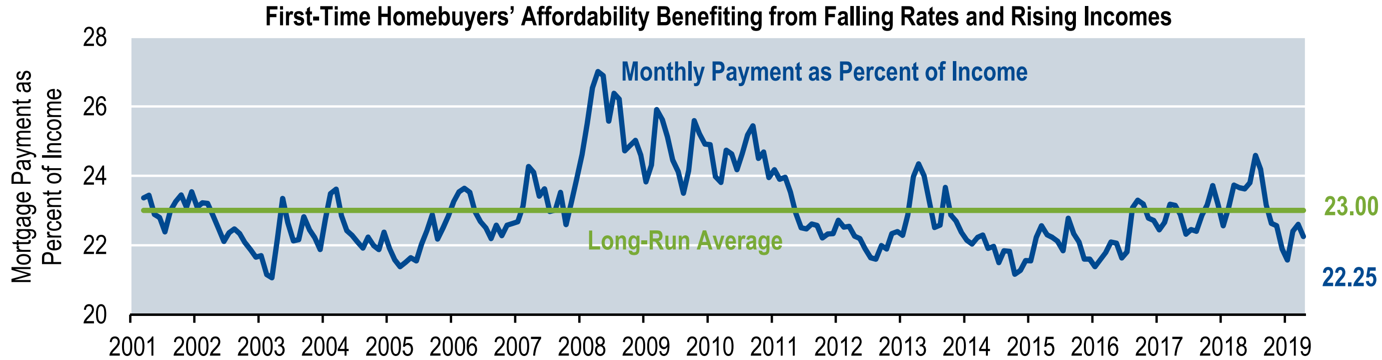
Note: Based on index eligible debt in the BofA Global Broad Market Index
Source: ICE Data Indices, BofA Merrilll Lynch Global Research. As of 24 Sep 19



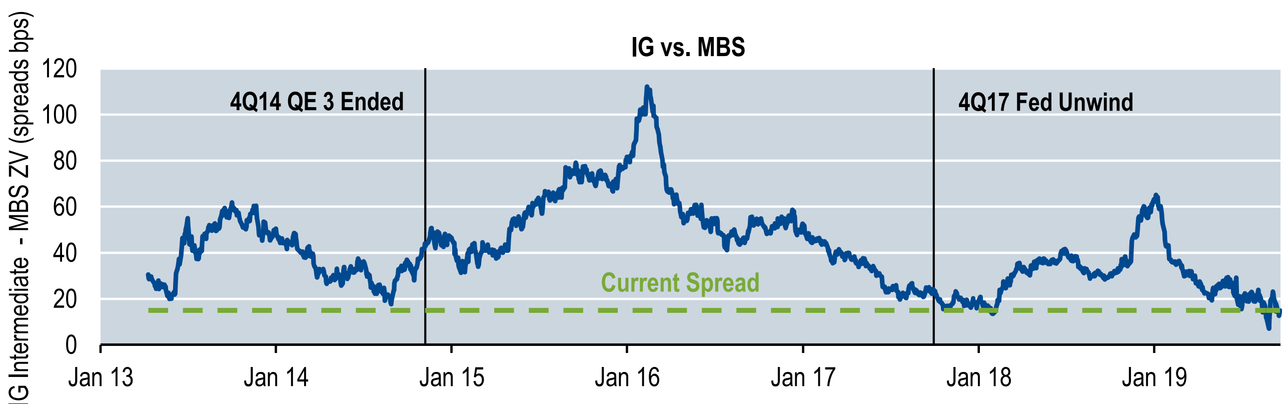
Source: Bloomberg Barclays. As of 19 Sep 19
Bloomberg Barclays Global Credit Index by Currency

Agency Mortgages Offer Attractive Value Relative to Investment-Grade Credit

Agency mortgages currently offer attractive spreads relative to investment grade credit and benefit from higher quality. Looking ahead, we expect interest rate volatility to come down and fundamentals to remain sound.



Source: Case-Shiller, FHA, Morgan Stanley Research, NAR. As of 31 Jul 19



Source: Bloomberg Barclays, Western Asset. As of 19 Sept 19

Western Asset

Investment-Grade Credit – No Near-Term "Avalanche" of BBB Downgrades

The management teams of the largest issuers are focused on lowering, or at least maintaining, their leverage levels.

YTD Excess Returns[1]	bps
Bloomberg Barclays US Credit Index	+389
BBB	+541
A	+321

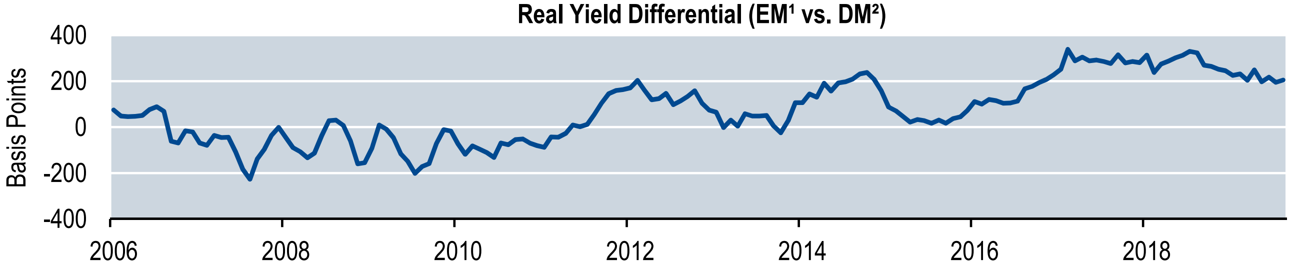
25 Largest BBB Issuers

	Ticker	Company Name	Index Rating	Total IG Index Debt[2], (USD, billions)	US IG Index Weight[2] (%)	Industry	Leverage Trend	Management Explicitly Stated Leverage Target?
1	T	AT&T	Baa2	$100	1.6	Wireline	Lower	Yes
2	VZ	Verizon Communications	Baa1	$73	1.2	Wireline	Lower	Yes
3	CVS	CVS Health	Baa2	$66	1.1	Health Care	Lower	Yes
4	ABIBB	Anheuser-Busch Inbev	Baa1	$64	1.0	Food & Beverage	Lower	Yes
5	GE	General Electric	Baa1	$45	0.7	Diversified Manufacturing	Lower	Yes
6	GM	General Motors	Baa2	$41	0.7	Automotive	Stable	No
7	CHTR	Charter Communications	Baa3	$38	0.6	Cable Satellite	Stable	Yes
8	ABBV	Abbvie	Baa2	$33	0.5	Pharmaceuticals	Stable	No
9	F	Ford Motor	Baa2	$33	0.5	Automotive	Higher	No
10	CI	Cigna	Baa2	$33	0.5	Health Care Insurance	Lower	No
11	ETP	Energy Transfer	Baa3	$30	0.5	Midstream	Lower	Yes
12	UTX	United Technologies	Baa1	$29	0.5	Aerospace/Defense	Lower	No
13	KMI	Kinder Morgan	Baa2	$27	0.5	Midstream	Lower	Yes
14	AMGN	Amgen Inc	Baa1	$25	0.4	Pharmaceuticals	Stable	No
15	BATSLN	British American Tobacco	Baa2	$25	0.4	Tobacco	Lower	Yes
16	DWDP	DowDupont	Baa2	$24	0.4	Chemical	Stable	No
17	EPD	Enterprise Products Partners	Baa1	$24	0.4	Midstream	Lower	Yes
18	MO	Altria Group	Baa2	$22	0.3	Tobacco	Lower	No
19	UNP	Union Pacific	Baa1	$22	0.3	Railroad	Higher	No
20	KHC	Kraft Heinz	Baa3	$22	0.3	Food & Beverage	Lower	Yes
21	WMB	Williams Cos	Baa2	$21	0.3	Midstream	Lower	Yes
22	CELG	Celgene	Baa2	$20	0.3	Pharmaceuticals	Lower	No
23	VOD	Vodafone Group	Baa1	$18	0.3	Wireless	Lower	Yes
24	MCD	McDonald's	Baa1	$18	0.3	Restaurants	Stable	No
25	AGN	Allergan	Baa3	$17	0.3	Pharmaceuticals	Lower	Yes

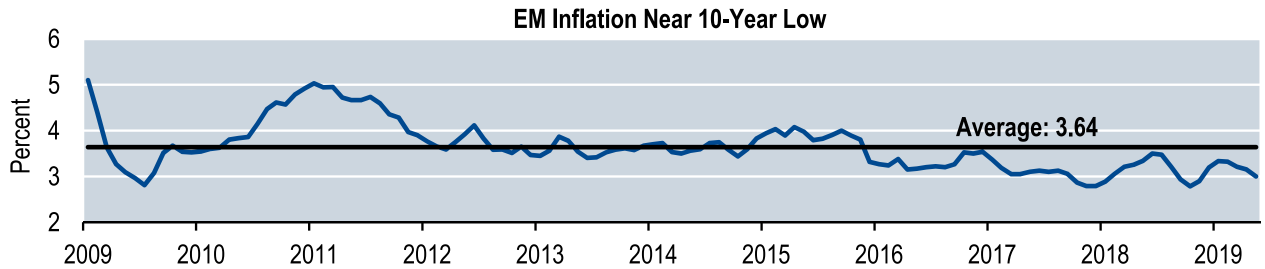
Source: Bloomberg, Western Asset
[1]As of 19 Sep 19
[2]As of 14 Mar 19

Emerging Markets: EM Economies Should Regain Their Footing

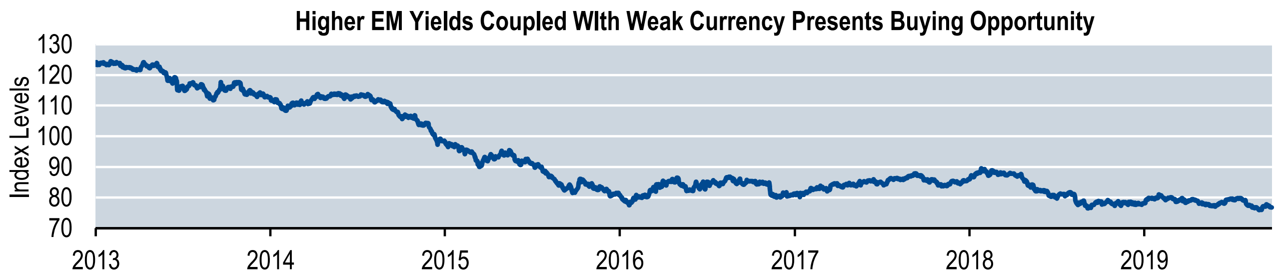
Headwinds faced by the EM asset class in 2018 have largely abated. The asset class stands to benefit further from an accommodative backdrop given the US Fed's dovish pivot.



Source: Bloomberg. HSBC. As of 31 Aug 19
[1]EM (Emerging Markets): weighted average of Brazil, China, India, Indonesia, Mexico, Poland, Russia, S. Africa, and Turkey
[2]DM (Developed Markets): weighted average of Germany, Japan, UK, and the US



Source: Bloomberg. As of 31 Jul 19



Source: J.P. Morgan, Bloomberg. As of 24 Sep 19

WESTERN ASSET

Appendix

Biographies

HENRY P. HAMROCK

39 Years' Experience

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

JULIEN A. SCHOLNICK

22 Years' Experience

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

Note: Western Asset experience reflects current position title and hire date.

Representative Client List Disclosure

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

The clients listed in the Corporate company type have portfolios with an AUM of $1.89(M) or greater.
The clients listed in the Financial Services company type have portfolios with an AUM of $5.67(M) or greater.
The clients listed in the Healthcare company type have portfolios with an AUM of $9.42(M) or greater.
The clients listed in the Insurance company type have portfolios with an AUM of $15.42(M) or greater.
The clients listed in the Eleemosynary company type have portfolios with an AUM of $1.05(M) or greater.
The clients listed in the Public company type have portfolios with an AUM of $4.94(M) or greater.
The clients listed in the Multi-Employer / Unions company type have portfolios with an AUM of $3.57(M) or greater.

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

As of 31 Aug 19

Risk Disclosure

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NEPC, LLC

To: Ventura County Employees' Retirement Association

From: Allan Martin, Partner, Tony Ferrara, CAIA, Consultant, Michael Miranda, CFA, Senior Analyst

Date: October 21, 2019

Subject: Alternative Investment Fee Reporting

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

The law defines alternative investments to include: private equity fund, venture fund, hedge fund or absolute return fund.

Specifically, the law requires reporting on the following items:

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

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

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

NEPC, LLC

Fund	Address	Date of Investment	Vintage Year	2018 Fees and Expenses paid directly to Partnership or General Partner	2018 Fees and Expenses paid from the Partnership	2018 Carried Interest paid	2018 Fees and Expenses paid by all portfolio companies	VCERA Net Internal Rate of Return Since Inception
CVI Credit Value Fund IV	9320 Excelsior Blvd. 7th Fl Hopkins, MN 55343	12/1/2017	2018	$55,598	$44,036*	$0	$0	N/M***
Monroe Capital Private Credit Fund III, LP	311 South Wacker Drive, Suite 6400 Chicago, IL 60606	11/15/2018	2018	$0	$89,047**	$0	$0	N/M***

Fund	Commitment Amount	Contributions Since Inception	Remaining Value of VCERA Investment	Distributions Year End 2018	Distributions + Remaining Value of Partnership ending 2018	Profit received as of Year End 2018	Partnership Net Internal Rate of Return Since Inception	Partnership Gross Internal Rate of Return Since Inception	Investment Multiple Since Inception
CVI Credit Value Fund IV	$30,000,000	$10,500,000	$10,498,887	$0	$10,498,887	$0	N/M***	N/M***	1.00
Monroe Capital Private Credit Fund III, LP	$25,000,000	$6,250,000	$6,318,753	$245,146	$6,563,899	$245,146	N/M***	N/M***	1.05

**Since inception as of 12/31/2018*
***Monroe's net management fee is $0 as fees have been offset by upfront fees on underlying loans*
****N/M: Not Meaningful*

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

October 21, 2019

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

SUBJECT: $50 MILLION COMMITMENT TO BROOKFIELD INFRASTRUCTURE FUND IV

Dear Board Members:

Attached are recommendation and research memos from NEPC in support of a $50 million commitment to Brookfield Infrastructure Fund (BIF) IV. Staff concurs with NEPC's investment recommendation.

Discussion
The Board adopted a revised asset allocation plan at its meeting of May 20, 2019, with a dedicated 7% allocation to real assets. Real assets are intended to provide long-term uncorrelated and "real" after inflation returns. NEPC's 2019 5 - 7 years asset class assumptions include a 7.8% return for diversified real assets. BIF IV is an infrastructure fund, which is a sub-strategy of real assets, and complements VCERA's commitment to HarbourVest's Real Assets Fund IV. BIF IV is targeting a net IRR of 10%, and a net multiple of 1.8x invested capital. Brookfield has exceeded these returns to date on prior funds. Management fees will be based on committed capital during the investment period, and invested capital after the investment period.

BIF IV will be VCERA's first dedicated, diversified infrastructure commitment. The product will be diversified by geography across North and South America, Australia, Asia, and Europe. It will also be diversified across transportation, renewable power, utilities, energy, and data infrastructure sectors. Deal sizes are expected to range from $500 million to $1.5 billion. Brookfield anticipates that the Fund will be oversubscribed, and likely the fund's final close will be in January 2020 at its hard-cap of $20 billion.

Of special note is that Brookfield will invest directly into the fund from its balance sheet in an amount up to 25% of the fund. It's highly unusual to see a manager invest such a large percentage into its fund. This size investment into the fund by the investment manager demonstrates a very large and direct alignment of interest in the Fund's success with the other fund investors.

THEREFORE, IT IS RECOMMENDED THAT THE BOARD:

1. **Approve an investment commitment of $50 million to Brookfield Infrastructure Fund IV; and,**
2. **Subject to successful contract negotiations and legal approval, the Board authorize the Board Chair or the Retirement Administrator to approve and execute the required documentation.**

Respectfully submitted,

Daniel P. Gallagher

Dan Gallagher
Chief Investment Officer

NEPC, LLC

To: Ventura County Employees' Retirement Association

From: NEPC Consulting Team

Date: October 21, 2019

Subject: Brookfield Infrastructure Fund IV, L.P. Recommendation

---

Recommendation

VCERA staff and NEPC recommend that the Board of the Ventura County Employees' Retirement Association ("VCERA" or the "Plan") commit $50 million to the Brookfield Infrastructure Fund IV, L.P. ("Fund"). This commitment will complete VCERA's $150 million commitment pacing for 2019. Brookfield has demonstrated strong relative and absolute performance across all three-prior closed-end infrastructure funds; has a vertically integrated platform that provides operational expertise and sourcing capabilities; has a proven track record of successfully investing in large, complex transactions; and, has the ability to opportunistically invest in regions where Brookfield has a significant presence. As cited below, the firm invests a significant portion of its own assets in its fund vehicles, significantly aligning the firm's interest with that of its funds' investors.

Brookfield expects Infrastructure Fund IV to provide at least a 10% net internal rate of return or IRR, and at least a 1.8x net total value to paid-in capital, or TVPI which represents the total value projected to be created by the fund per $ of investment. The NEPC Alternative Assets Committee has high conviction in the strategy and a result, the strategy has a "1" rating.

Summary

Brookfield Asset Management ("Brookfield," or the "Firm") expects to reach its hard-capped $20 billion fund size for the Brookfield Infrastructure Fund IV ("BIF IV" or the "Fund"). Like Brookfield's previous direct infrastructure funds, the Fund will target high-quality core infrastructure assets in North America, Europe, South America, Australia and Asia, all of which are markets where the Firm has a local operating presence. The Fund will target transportation, renewable power, utilities, data and energy investments and will seek to have controlling stakes. Brookfield will employ an opportunistic strategy, seeking to add value through operational improvements and strategic growth initiatives post acquisition. In general, Brookfield will utilize in-house expertise from its multiple operating platforms to source deals, underwrite transactions, and implement post-acquisition improvements.

Brookfield was founded in 1899 as the São Paulo Tramway, Light and Power Company and had previously operated under the name Brascan until 2005. Initially an owner-operator, Brookfield has transitioned over the past decade to an asset manager, building out a platform of private fund vehicles. The Firm has maintained the owner-operator mentality through significant investment in all its strategies. Today, Brookfield Asset Management is a global investment manager focusing on alternative asset strategies, including real estate, infrastructure, power and private equity. Brookfield has approximately $300 billion of assets under management, primarily in real estate and real assets. The Firm is headquartered in New York and Toronto with additional investment offices in London, Rio de Janeiro, Sydney, Abu Dhabi, Hong Kong and Mumbai. Brookfield employs approximately 80,000 operating employees, including over 750 investment professionals. The Firm is a publicly-traded company (NYSE: BAM).

The Firm has a successful track record of investing in infrastructure and has invested more than $40 billion in equity across 100 prior infrastructure transactions. The Fund held a first close in May 2019 and anticipates holding a final close in January 2020.

Fund Description

Sam Pollock, head of Brookfield's Infrastructure Group and Sachin Shah, Head of Renewables, lead Brookfield's Senior Management Team, which includes sector CIOs, regional heads and members of the executive team. The executive team includes senior managing partners in finance, legal, operations and broad oversight roles and is responsible for preserving and guiding the overall group to provide continuity to the Brookfield model. The entire Senior Management Team has an average of 20 years combined investing, finance and operating experience and 13 years with Brookfield.

The Senior Management Team is structured as a "matrix," with global CIOs for each infrastructure sector and then separate regional heads for each region (the Americas, Europe and Australasia). Brookfield believes that this strategy allows for a unique approach towards investing the Fund and provides structure around resource management for a group that has over 140 investment professionals located in offices in North America, South America, Europe, Australia and Asia.

The Investment Committee ("IC") consists of Bruce Flatt, Jeff Blinder, Brian Kingtson, Barry Blattman, Sam Pollock and Sachin Shah. These members include the group's CEO along with senior investment team members and other senior members of the broader Brookfield platform. The infrastructure IC averages over 29 years of investment experience and 20 years working at Brookfield.

BIF IV will be a continuation of the strategy employed by its predecessor funds which is to make direct investments in high-quality core infrastructure assets. Brookfield attempts to be a value buyer of these assets in geographies in which the Firm has an operating presence, including North and South America, Australia/ Asia and Europe. The Fund will generally seek to make investments in transportation, renewable power, utilities, data and energy assets/ platform companies.

Brookfield views assets as infrastructure if they are long-lived real assets that provide essential products or services to the global economy. The Firm believes that infrastructure assets should be critical to support sustainable economic development and demand for their services should be relatively inelastic. It believes that representative assets should include some, if not all, of the following classic infrastructure characteristics:

1. Sustainable, long-term cash flows

2. Provide an essential service
3. Inflation-linked revenue streams
4. Strong competitive position with high barriers to entry
5. High operating margins and predictable maintenance capital requirements

The Fund will make control investments in these assets to grow its platform companies by influencing operations through more efficient operations or strategic acquisitions. The team typically targets two types of investments: a "marquee business" or a "roll-up strategy." A "marquee business" is best described as a single asset or company with high-quality assets that provides essential services with a strong defensive position in a market. In this strategy, Brookfield may seek to help a business capitalize on a backlog of expansion opportunities by using its development and operating capabilities to execute on the business plan. The "roll-up strategy" takes a different approach of acquiring a portfolio of assets and businesses through multiple transactions. Brookfield has found that this type of strategy provides potential buyers with an integrated company benefitting from the synergies and best practices implemented over the holding period, which can command a premium when positioning a company for exit.

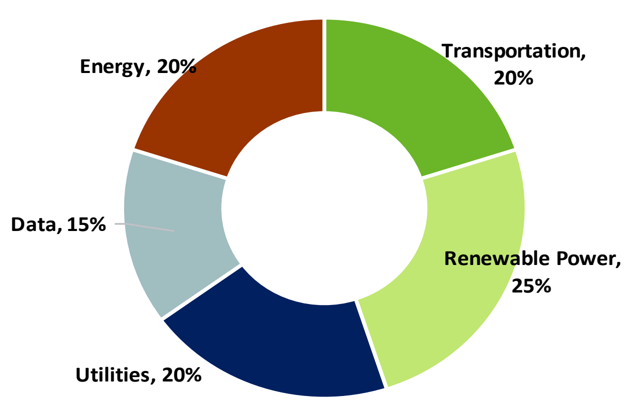
Firm Track Record

Fund-Level Returns									
Fund	Vintage Year	Capital Committed	Capital Funded	Reported Value	Amount Distributed	Total Value, Net of Carry	TVPI Multiple	DPI Multiple	Current Net IRR
BIF I	2009	$2,655.00	$2,540.00	$3,704.00	$1,447.00	$5,151.00	1.8x	0.5x	11.4%
BIF II	2013	$7,000.00	$6,201.00	$8,056.00	$1,521.00	$9,577.00	1.4x	0.2x	10.5%
BIF III	2016	$14,000.00	$5,467.00	$6,329.00	$890.00	$7,219.00	1.2x	0.2x	13.5%

**Data in Millions ($) as of 9/30/2018*

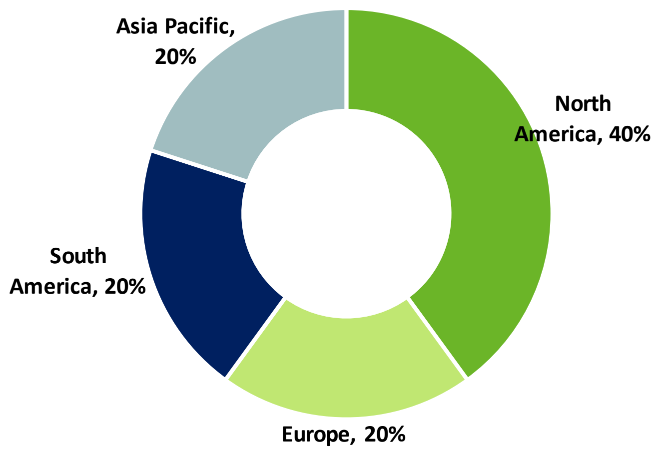
Target Investment Type

Brookfield has experience investing in most asset types and will continue targeting a wide range of asset types in BIF IV. The Manager anticipates the following allocation across the Fund's target sectors:



Target Geographic Allocation

Brookfield will invest on a global basis, with a focus on regions in which Brookfield has an operating history. As the Firm's footprint has grown, the target investment regions have followed to include areas outside of the Firm's historical operating regions of North and South America. When cost efficient, Brookfield will seek to hedge its principal exposure, along with a portion of expected profits. Brookfield anticipates the following allocation across the Fund's target geographies:



Target Deal Size
The Fund is expected to make investments in deals requiring equity investments of $400 million to $1 billion. The Fund may invest in larger transactions, likely through a consortium of large stakeholders and may also invest in smaller deals as part of a roll-up strategy. The Fund is expected to make 20-25 distinct transactions through about 10 portfolio companies.

Use of Leverage
Brookfield intends to use leverage at the portfolio company level that enhances fund returns in a conservative manner. Leverage decisions for each investment are done on an individual basis and the Manager typically targets investment-grade credit metrics with no recourse to other Fund assets.

The Fund does not anticipate utilizing material leverage at the Fund level outside of a credit facility used to bridge capital calls or to provide credit support in the form of a line of credit to underlying portfolio companies. Fund leverage will may not exceed 10% of commitments at any time.

Fee Structure
- Annual management fee of 1.5% on committed capital during the investment period and 1.5% on invested capital following the investment period.
- GP consulting fees earned for portfolio investment transactions, monitoring and advisory work will be used to offset Fund operating costs (for instance, audit, accounting and legal expenses)
- Organization Costs: Up to $8 million
- Carried Interest: 20% carried interest, with an 80% GP catch-up

- Preferred Return: 8%
- Waterfall Distribution:
  - 100%/ 0% LP/ GP split until capital is returned plus an 8% LP preferred return
  - 20%/ 80% LP/ GP split until the GP has received 20% of profits
  - 80%/ 20% LP/ GP split thereafter

NEPC Research Ratings Definitions

Rating	Definition
1	A high conviction investment product. Product has a clear and economically-grounded investment thesis, and is managed by an investment team that is sufficiently resourced and incented to execute on the thesis.
2	NEPC has a positive view of the strategy. Strategy has a compelling and sound investment thesis. The manager is sufficiently resourced and incented to execute on the thesis. Strengths outweigh the weaknesses, but the strategy does not meet all requirements for a 1 rating.
3	A satisfactory investment product. The strategy lacks a compelling investment thesis, however there are no significant concerns around the manager's viability.
4	The strategy may have an unclear or ambiguous investment thesis or the manager may lack the ability to execute on the stated thesis. The strategy likely has strengths and weaknesses and the weaknesses may outweigh the strengths.
5	A strategy that lacks an investment thesis or NEPC has no confidence in the manager's ability to execute on the thesis, and/or the investment firm may not be viable. Serious issues have been identified with an investment manager or product. This rating aligns with a Terminate Due Diligence status for client-owned products.
NR	Due diligence has not been sufficiently completed on the product or manager.

NEPC Private Markets
Investment Due Diligence Report

Brookfield Asset Management

Brookfield Infrastructure Fund IV, L.P.

October 2019

Product Rating: 1

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

Brookfield Infrastructure IV, L.P.

Brookfield Asset Management

Table of Contents

Brookfield Infrastructure IV, L.P.

Brookfield Asset Management

Executive Summary

Brookfield Asset Management ("Brookfield," the "Manager," the "General Partner," "GP," or the "Firm") is targeting $17 billion for Brookfield Infrastructure Fund IV ("BIF IV" or the "Fund"). Similar to Brookfield's previous direct infrastructure funds, the Fund will target high-quality core infrastructure assets in North America, Europe, South America, Australia and Asia, all of which are markets where the Firm has a local operating presence. The Fund will target transportation, renewable power, utilities, data and energy investments and will seek to have controlling stakes. The Manager will employ an opportunistic strategy, seeking to add value through operational improvements and strategic growth initiatives post acquisition. In general, Brookfield will try to utilize in-house expertise from its multiple operating platforms in order to source deals, underwrite transactions, and implement post-acquisition improvements.

Brookfield was founded in 1899 as the São Paulo Tramway, Light and Power Company and had previously been operating under the name Brascan until 2005. Initially an owner-operator, Brookfield has transitioned over the past decade to an asset manager, building out a platform of private fund vehicles. The Firm has maintained the owner-operator mentality through significant investment in all of its strategies. Today, Brookfield Asset Management is a global investment manager focusing on alternative asset strategies, including real estate, infrastructure, power and private equity. Brookfield has approximately $300 billion of assets under management, primarily in real estate and real assets. The Firm is headquartered in New York and Toronto with additional investment offices in London, Rio de Janeiro, Sydney, Abu Dhabi, Hong Kong and Mumbai. Brookfield employs approximately 80,000 operating employees, including over 750 investment professionals. The Firm is a publicly-traded company (NYSE: BAM).

The Firm has a successful track record of investing in infrastructure and has invested more than $40 billion in equity across 100 prior infrastructure transactions. The Fund is targeting at least a 10% net internal rate of return or IRR, and at least a 1.8x net total value to paid-in capital, or TVPI. The Fund held a first close in May 2019 and anticipates holding a final close during Q4 2019.

Brookfield Infrastructure IV, L.P.

Brookfield Asset Management

Positives:

- ***Strong relative and absolute performance:*** Brookfield has raised three closed-end infrastructure funds since 2009 with over $23.7 billion in total commitments. Two of the funds have generated strong performance on an absolute and relative basis.

- ***Vertically integrated platform provides operational expertise and sourcing capabilities:*** Brookfield's strategy of investing in large infrastructure companies provides operational expertise to BIF IV. The deep team of investment professionals is able to leverage operating professionals throughout the organization, which provides a unique edge for the Firm.

- ***Competitive advantage with large, complex platform transactions:*** Brookfield has a proven track record of successfully investing in large, complex transactions. Few other managers are large enough to access and create these deals. In addition, as compared to a specialist manager, Brookfield's deep experience in most asset types and geographies allows it to compete for a wide array of opportunities.

- ***Target markets:*** BIF IV will have the ability to opportunistically invest in regions where Brookfield has a significant presence. An example of this is Brazil; where the Manager has observed growing demand for electricity transmission buildouts combined with growing public and private sector partnerships. Brookfield also finds Brazil attractive due to its growing middle classes, favorable demographics and significant infrastructure deficits. While some of Brookfield's prior investments in Brazil have been negatively impacted by currency, we think that the contrarian approach that led to the investments is valuable.

Negatives:

- ***Complicated corporate structure and uncertain holding period:*** Brookfield has a complicated corporate structure as a result of the Firm's transition from an operating company to an asset manager. This has created multiple legacy vehicles that may compete for the team's time. Additionally, the Firm views itself as a long-term holder of assets which can be helpful when sourcing strategic assets crucial to local economies. The Firm has indicated a willingness to manage these assets past the Fund's term for certain investors who would prefer not to sell these assets. The Firm has indicated that it would run a process that is fair to all LPs if this were to occur but has not laid a framework for how this could potentially function. This means that one must trust Brookfield to follow its fiduciary duty at the end of the Fund term for all LPs.

- ***GP commitment is made by Firm rather than by individuals***: Brookfield invests significant capital in each fund (generally it is the largest investor). This capital is funded from the Firm's balance sheet rather than from Firm individuals. A potential concern with this is that there will be less alignment with LPs than if the investment had come from individuals on the Fund's investment team.

- ***Limited Realizations:*** Brookfield has executed 33 deals since 2009 and has realized three deals as of December 31, 2018. The lack of realizations can be attributed to Brookfield's strategy of buying high-quality assets and enhancing value through operation improvements as well as the nature of the infrastructure asset class which will tend to have longer holding periods. Brookfield typically underwrites investments to an 8-10 year holding period.

Brookfield Infrastructure IV, L.P.

Brookfield Asset Management

Fund Characteristics

Investment Vehicle	Brookfield Infrastructure Fund IV, L.P.
Investment Manager	Brookfield Asset Management
Target Size/Max Size	$17 billion / $20 billion
Amount Raised	$15.25 billion
Minimum Investment Size	$10 million (the GP may accept smaller amounts)
Target Final Close Date	Q4 2019
Investment Period	Four years from the date of the final close
Fund Term	12 years from the date of the final close, subject to two one-year extensions
Sponsor's Investment	$4.25 billion
Capital Commitments	TBD
Investment Focus	Core infrastructure
Geographic Focus	Global
Projected Number of Investments	20-25 investments
Deal Size	$500 million to $1.5 billion
Target Fund Return	10% net IRR and 1.8x net equity multiple
Leverage	10% maximum at fund level for guarantees or to bridge capital calls
Annual Management Fee	Annual management fee of 1.5% on committed capital during the investment period and 1.5% on invested capital following the investment period
Other Fees	Fund operating costs (for instance, audit, accounting and legal); other fees, such as transactions, monitoring and advisory costs, will be used to offset LP management fees
Organizational Costs	Up to $8 million
Carried Interest	20% carried interest, with an 80% GP catch-up
Preferred Return	8%
Distribution Waterfall	• 100%/ 0% LP/ GP split until capital is returned plus an 8% LP preferred return • 20%/ 80% LP/ GP split until the GP has received 20% of profits • 80%/ 20% LP/ GP split thereafter
ERISA Fiduciary	No
Fund Auditor	Deloitte & Touche LLP
Fund Legal Counsel	Weil, Gotshal & Manges LLP
Placement Agents	None
Website	https://www.brookfield.com/

Brookfield Infrastructure IV, L.P.

Brookfield Asset Management

Firm Description

Firm Overview

Brookfield Asset Management is a global investment manager focusing on alternative asset strategies, including real estate, infrastructure, power and private equity. The Firm is headquartered in New York with additional offices in Toronto, London, Rio de Janeiro, Sydney, Abu Dhabi, Hong Kong and Mumbai. Brookfield was founded in 1899 as the São Paulo Tramway, Light and Power Company and had previously been operating under the name Brascan until 2005. Initially an owner-operator, Brookfield has transitioned over the past decade to an asset manager, building out a platform of private fund vehicles. The Firm has maintained the owner-operator mentality through significant investment in all of its private fund vehicles. Brookfield has approximately $300 billion of assets under management, primarily in real estate and real assets. Brookfield employs approximately 80,000 operating employees, including over 750 investment professionals.

Team Overview

Sam Pollock, head of Brookfield's Infrastructure Group and Sachin Shah, Head of Renewables, lead Brookfield's Senior Management Team, which includes sector CIOs, regional heads and members of the executive team. The executive team includes senior managing partners in finance, legal, operations and broad oversight roles and is responsible for preserving and guiding the overall group to provide continuity to the Brookfield model. The entire Senior Management Team has an average of 20 years combined investing, finance and operating experience and 13 years with Brookfield.

The Senior Management Team is structured as a "matrix," with global CIOs for each infrastructure sector and then separate regional heads for each region (the Americas, Europe and Australasia). Brookfield believes that this strategy allows for a unique approach towards investing the Fund and provides structure around resource management for a group that has over 140 investment professionals located in offices in North America, South America, Europe, Australia and Asia.

The Investment Committee ("IC") consists of Bruce Flatt, Jeff Blinder, Brian Kingtson, Barry Blattman, Sam Pollock and Sachin Shah. These members include the group's CEO along with senior investment team members and other senior members of the broader Brookfield platform. The infrastructure IC averages over 29 years of investment experience and 20 years working at Brookfield.

Brookfield Infrastructure IV, L.P.

Brookfield Asset Management

Fund Investment Strategy

Investment Strategy

BIF IV will be a continuation of the strategy employed by its predecessor funds which is to make direct investments in high-quality core infrastructure assets. Brookfield attempts to be a value buyer of these assets in geographies in which the Firm has an operating presence, including North and South America, Australia/ Asia and Europe. The Fund will generally seek to make investments in transportation, renewable power, utilities, data and energy assets/ platform companies

Brookfield views assets as infrastructure if they are long-lived real assets that provide essential products or services to the global economy. The Firm believes that infrastructure assets should be critical to support sustainable economic development and demand for their services should be relatively inelastic. It believes that representative assets should include some, if not all of the following classic infrastructure characteristics:

1. Sustainable, long-term cash flows
2. Provide an essential service
3. Inflation-linked revenue streams
4. Strong competitive position with high barriers to entry
5. High operating margins and predictable maintenance capital requirements

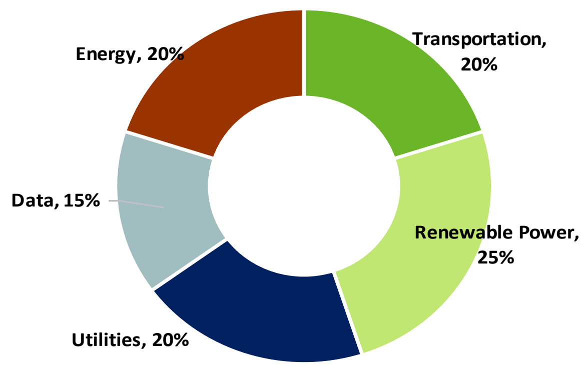
The Fund will make control investments in these assets in order to grow its platform companies by influencing operations through more efficient operations or strategic acquisitions to grow. The team typically targets two types of investments: a "marquee business" or a "roll-up strategy." A "marquee business" is best described as a single asset or company with high-quality assets that provides essential services with a strong defensive position in a market. In this strategy, Brookfield may seek to help a business capitalize on a backlog of expansion opportunities by using its development and operating capabilities to execute on the business plan. The "roll-up strategy" takes a different approach of acquiring a portfolio of assets and businesses through multiple transactions. The Manager has found that this type of strategy provides potential buyers with an integrated company benefitting from the synergies and best practices implemented over the holding period, which can command a premium when positioning a company for exit.

Brookfield Infrastructure IV, L.P.

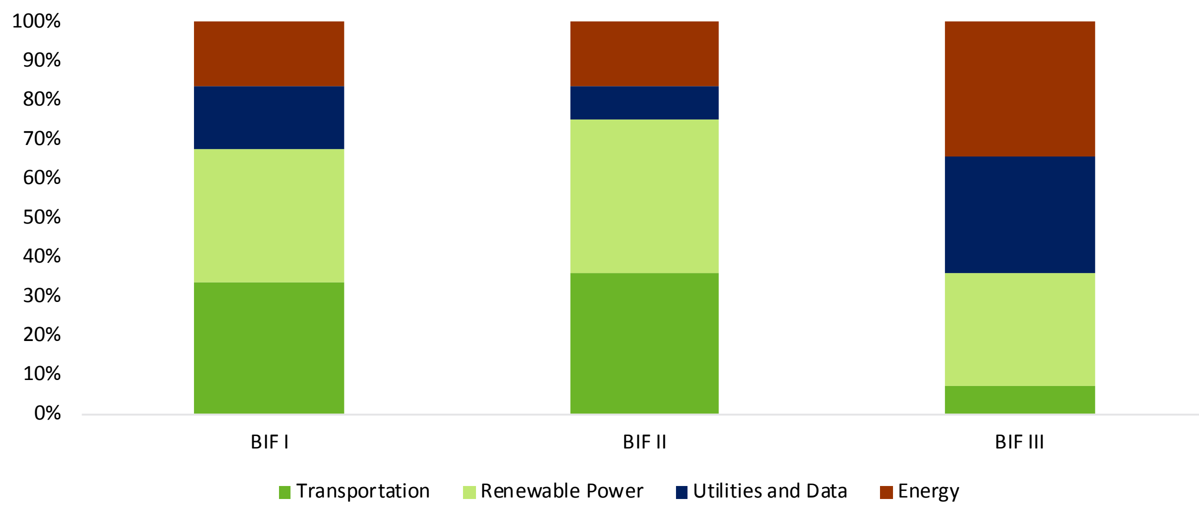
Brookfield Asset Management

Target Investment Type

Brookfield has experience investing in most asset types and will continue targeting a wide range of asset types in BIF IV. The Manager anticipates the following allocation across the Fund's target sectors:

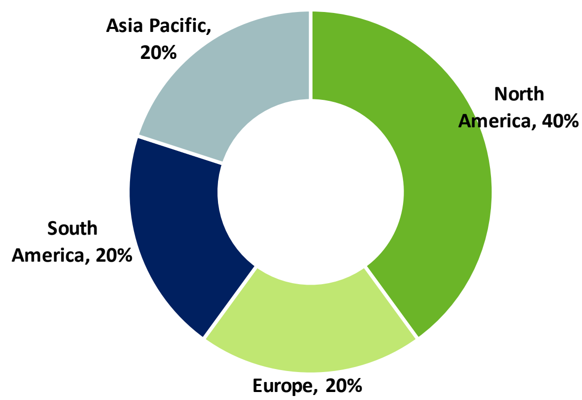


BIF IV will primarily target mature assets with sustainable and growing cash flows due to the lower risk profile. The Fund may invest in Greenfield development projects in certain situations if the Manager believes the risk-adjusted return profile to be attractive and that the risks can be mitigated. Historical sector exposure for Brookfield's prior funds is shown below. Note that the data is as of 6/30/19; since that date, BIF III has closed on three energy deals.

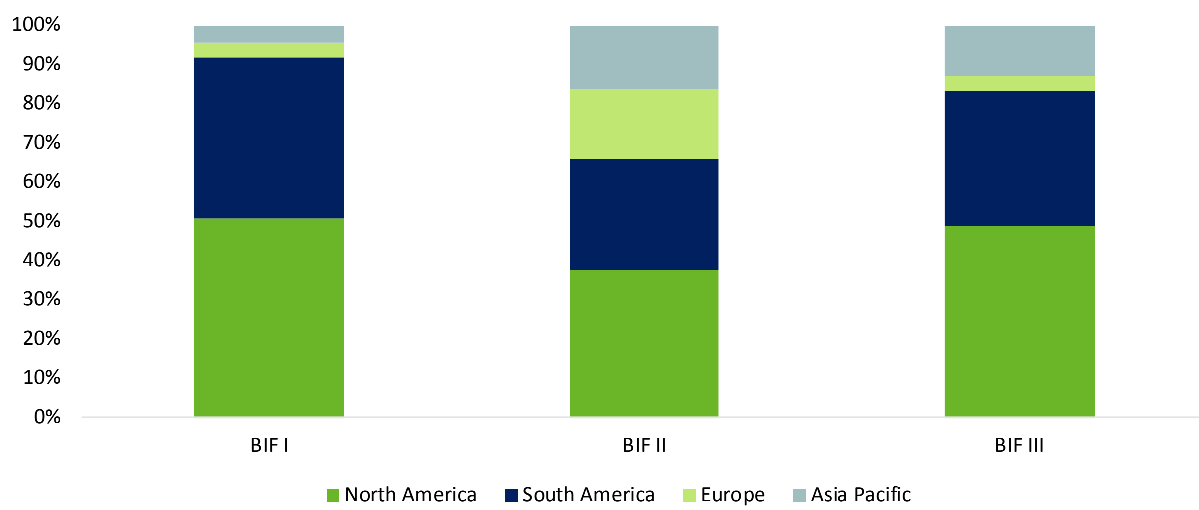


Brookfield Infrastructure IV, L.P.
Brookfield Asset Management

Target Geographic Focus
The Manager will invest on a global basis, with a focus on regions in which Brookfield has an operating history. As the Firm's footprint has grown, the target investment regions have followed to include areas outside of the Firm's historical operating regions of North and South America. When cost efficient, Brookfield will seek to hedge its principal exposure, along with a portion of expected profits. Brookfield anticipates the following allocation across the Fund's target geographies:



Historical geographic exposure for Brookfield's prior funds is shown below, as of 6/30/19.



Brookfield Infrastructure IV, L.P.

Brookfield Asset Management

Target Deal Size

The Fund is expected to make investments in deals requiring equity investments of $400 million to $1 billion. The Fund may invest in larger transactions, likely through a consortium of large stakeholders and may also invest in smaller deals as part of a roll-up strategy. The Fund is expected to make 20-25 distinct transactions through about 10 portfolio companies.

Use of Leverage

The Manager intends to use leverage at the portfolio company level that enhances fund returns in a conservative manner. Leverage decisions for each investment are done on an individual basis and the Manager typically targets investment-grade credit metrics with no recourse to other Fund assets.

The overall capital structure for each portfolio company evaluates debt-to-total capital along with other metrics. Other items the Manager might consider when making leverage decisions includes the cash flow coverage projects for debt service, the debt term relative to the asset life, refinancing risk and market conditions, covenant packages and asset quality and the stability of the underlying cash flows. Brookfield has typically utilized fixed-rate non-recourse term financing that prevents any material impact of fluctuations in long-term interest rates. This does not mean that the Fund may not employ floating-rate debt but if this is used, it will typically be combined with interest rate swaps with the same duration.

The Fund does not anticipate utilizing material leverage at the Fund level outside of a credit facility used to bridge capital calls or to provide credit support in the form of a line of credit to underlying portfolio companies. Fund leverage will may not exceed 10% of commitments at any time.

Brookfield Infrastructure IV, L.P.

Brookfield Asset Management

Fund Administration, Structure and Policies

Fund Structure

The Fund will be structured as a series of Delaware Limited Partnerships. The General Partner will be Brookfield Infrastructure Fund IV GP LLC, a Delaware limited liability company, which is a wholly-owned subsidiary of Brookfield Asset Management Inc. The investment manager of the Fund will be Brookfield Asset Management Private Institutional Capital Adviser Canada, LP.

ERISA Provisions

The General Partner will use its reasonable best efforts to ensure that the Fund's assets do not constitute "plan assets" under ERISA. The Fund may require certain representation or assurances from ERISA-subjected LPs.

UBTI Considerations

The General Partner will use its reasonable best efforts to minimize unrelated business taxable income (UBTI) through various ownership and vehicle structures. According to Brookfield, "Partnership C" will be structured as a US blocker to prevent generating UBTI for a tax-exempt US investor subject to tax on UBTI.

Labor Policy

The Firm does not have a union labor policy.

LP Advisory Committee

The General Partner will form an LP Advisory Committee. The members will receive no fees but will be entitled to reasonable out-of-pocket expenses incurred in connection with their service to the LP Advisory Committee. The LP Advisory Committee will resolve conflicts of interest and will advise the GP in certain matters.

Reporting

Within 60 calendar days after the end of each of the first three-quarterly periods of each fiscal year and within 90 calendar days of the fiscal year end, Brookfield will provide investors with an "Investor Report" containing:

1. A fund summary, which contains commitments and available commitments, the net asset value and the gross IRR multiple of the Fund
2. The General Partner's report, which contains a market overview, review of fund performance and principal activities during the period, and outlooks and initiatives for the Fund
3. Investment portfolio profiles, which provide investment updates
4. Unaudited financial statements

In addition, the Fund will provide investors' capital accounts at the same time of the Investor Report, and an audit report within 90 calendar days of the fiscal year end.

Valuation Policy

The valuation policy utilized by the Fund will be consistent with the policies employed by Brookfield's prior infrastructure funds. The Manager will determine a fair market value for an asset internally at least once per year with a valuation review performed quarterly to adjust asset values based on significant changes at the investment/ asset level. Additionally, the Firm may engage an independent valuation firm to determine the fair value of the investments or engage third-party expertise to confirm the reasonableness of internally prepared valuations. Investments will be carried at fair value in the financial statements and the investment valuations will be reviewed by the independent auditor within the context of the annual audit. The Manager will have ultimate accountability for the valuations of investments.

Brookfield Infrastructure IV, L.P.

Brookfield Asset Management

Litigation, Regulation and Compliance

Current Litigation

Brookfield has indicated it is not aware of any criminal or civil action relating to investments or investment-related businesses that the Firm believes would be material to an investor's evaluation of BIF IV.

Compliance Staff and Philosophy

The Manager has a compliance manual of written policies and procedures to prevent violations and enforce rules and regulations. The manual includes details on: books and records, portfolio management processes, advertising and marketing, custody, rules of conduct, privacy laws and regulations, proxy voting policies and procedures, anti-money laundering program and business continuity plan.

The Manager has a dedicated compliance department, led by the Firm's regulatory counsel and Chief Compliance Officer (CCO), which is responsible for the Firm's compliance program, including its design, development, implementation and enforcement. The CCO reports to Brookfield's head of risk management, who reports to Brookfield's Chief Financial Officer (CFO).

SEC Oversight

Brookfield Asset Management has been registered with the SEC since 2009.

Subject to Other Regulators

The Fund is not subject to other regulators.

Personal Trading Restrictions

The personal trading policy ("PTP") is monitored by the Firm's compliance department and the Firm's code of business conduct and ethics. The PTP discusses trading on material non-public information, front-running trades and other prohibited trading transactions. Designated "access persons" are required to pre-clear certain securities transactions such as private placements and initial public offerings. The code also contains provisions relating to the disclosure of material transactions or relationships that create actual or potential conflicts of interest, where an employee's personal interest may interfere or appear to interfere with the interest of the Firm.

Brookfield Infrastructure IV, L.P.

Brookfield Asset Management

Firm Infrastructure

Office Locations

The Firm's 750 investment professionals are primarily headquartered in Brookfield's corporate offices in Toronto and New York, with regional offices in London, Sydney, Mumbai, Rio de Janeiro, São Paulo, Dubai and Seoul. Brookfield has more than 80,000 operating employees in over 100 regional offices and operating locations in North America, Europe, Brazil, Australia and other strategic regions globally.

Business Continuity Planning

Brookfield has a continuity plan for all of its major Fund activities and operations. Most professionals are given laptops and smart phones to maintain communications in the event of a technology-related event. The business continuity plan includes: a system for maintaining communications with clients and personnel, alternative methods of communication in the event of failure, data back-up and recovery systems, continuity plans for third-party service providers, and maintenance of records in alternate locations.

All production data is replicated hourly between the production and disaster recovery site. In addition, user and system databases are backed up to tape on a daily basis. All backup tapes are removed from the production facility on a daily basis and securely stored offsite. For those employees who are subject to the compliance program of the Manager, all email is logged and retained for a period of five years. On an annual basis or when a significant change in the production environment occurs, a full disaster recovery test is performed.

Fund Administration/ Back Office Resources

The Fund's finance and operations team has oversight and responsibility for reviewing and approving all financial aspects of the Fund. In addition, the Fund team is supported by Brookfield's private funds group, which manages finance and operational matters across all Brookfield platforms. This group assists in the development and monitoring of effective internal controls, policies and procedures and establishing best practices and operational frameworks across fund platforms.

Brookfield Infrastructure IV, L.P.

Brookfield Asset Management

Firm Track Record

Past Fund Track Record and Benchmarking Analysis

Fund-Level Returns

Fund	Vintage Year	Capital Committed	Capital Funded	Reported Value	Amount Distributed	Total Value, Net of Carry	TVPI Multiple	DPI Multiple	Current Net IRR
BIF I	2009	$2,655.00	$2,540.00	$3,704.00	$1,447.00	$5,151.00	1.8x	0.5x	11.4%
BIF II	2013	$7,000.00	$6,201.00	$8,056.00	$1,521.00	$9,577.00	1.4x	0.2x	10.5%
BIF III	2016	$14,000.00	$5,467.00	$6,329.00	$890.00	$7,219.00	1.2x	0.2x	13.5%

Note: $ in millions; data as of 9/30/2018 and provided by the Manager.

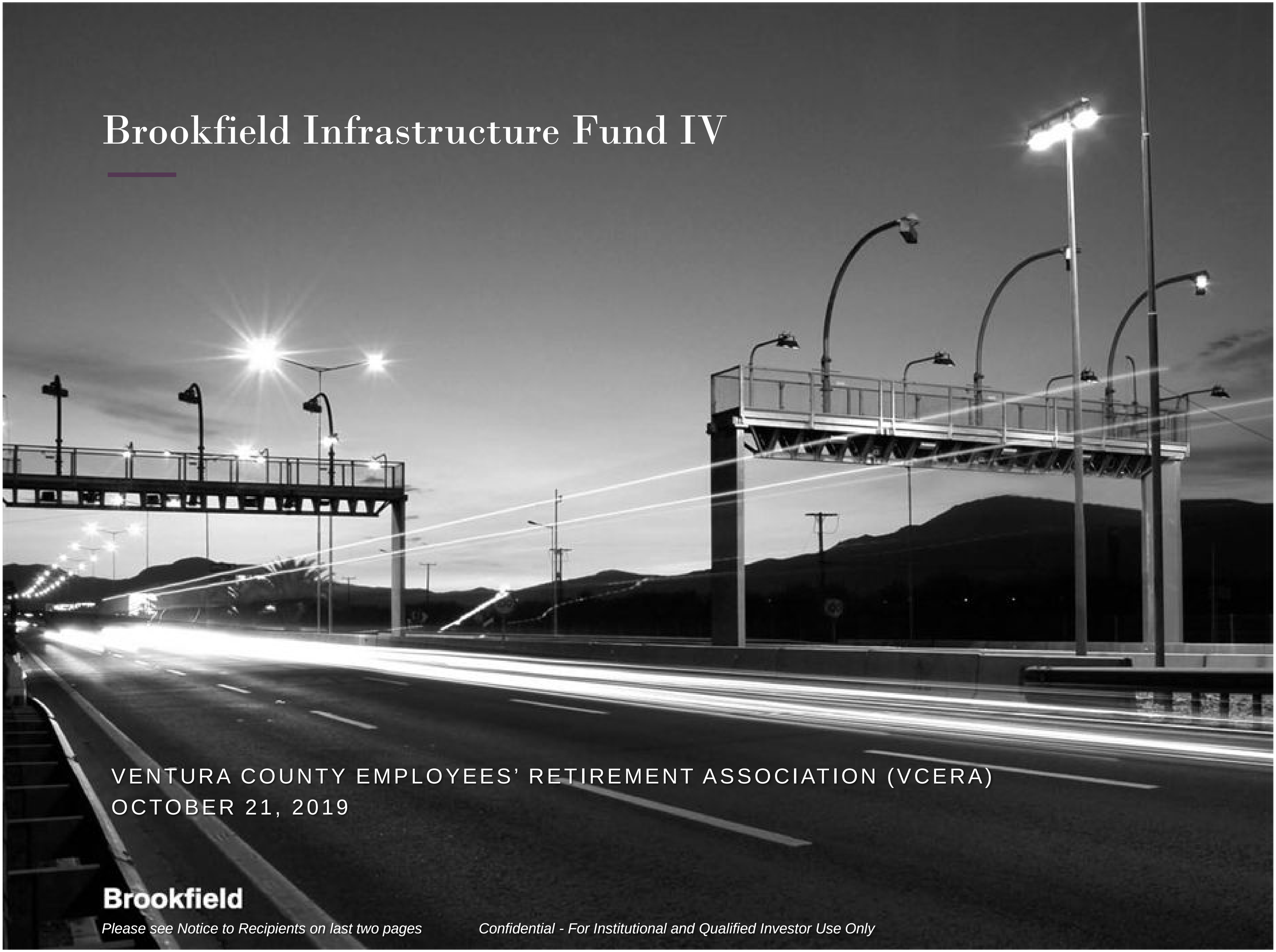
Brookfield Infrastructure IV, L.P.
Brookfield Asset Management

Disclaimers and Disclosures

- Past performance is no guarantee of future results.
- The opinions presented herein represent the good faith views of NEPC as of the date of this report and are subject to change at any time.
- Information on market indices was provided by sources external to NEPC, and other data used to prepare this report was obtained directly from the investment manager(s). While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

In addition, it is important that investors understand the following characteristics of non-traditional investment strategies including hedge funds, real estate and private equity:

1. Performance can be volatile and investors could lose all or a substantial portion of their investment
2. Leverage and other speculative practices may increase the risk of loss
3. Past performance may be revised due to the revaluation of investments
4. These investments can be illiquid, and investors may be subject to lock-ups or lengthy redemption terms
5. A secondary market may not be available for all funds, and any sales that occur may take place at a discount to value
6. These funds are not subject to the same regulatory requirements as registered investment vehicles
7. Managers may not be required to provide periodic pricing or valuation information to investors
8. These funds may have complex tax structures and delays in distributing important tax information
9. These funds often charge high fees
10. Investment agreements often give the manager authority to trade in securities, markets or currencies that are not within the manager's realm of expertise or contemplated investment strategy



Brookfield Infrastructure Fund IV

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (VCERA)
OCTOBER 21, 2019

Brookfield

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Presenter Biographies

Brookfield

Scott Peak

Managing Partner, Infrastructure

Scott Peak is a Managing Partner in Brookfield's Infrastructure Group, where he is responsible for energy infrastructure investments and is Head of the Houston office. Prior to joining Brookfield in early 2016, Mr. Peak spent a decade at Macquarie based in New York and Houston focused on the infrastructure sector. Previously, Mr. Peak spent a number of years in the M&A investment banking group at Dresdner Kleinwort Wasserstein in New York.

Mr. Peak holds a Master of Finance with distinction from INSEAD and a Bachelor of Arts in Economics from Bates College.

Dan Heffernan

Senior Vice President, Private Funds Group

Dan Heffernan is a Senior Vice President in Brookfield's Private Funds Group and is responsible for institutional account coverage on the West Coast. Mr. Heffernan joined Brookfield in 2013 in the listed securities division marketing hedge funds. He transitioned to his current role in 2014 and his responsibilities include the marketing of all real estate, infrastructure and private equity private funds. Prior to Brookfield, Mr. Heffernan held senior alternative investment marketing roles at Morgan Stanley, Goldman Sachs and Deutsche Bank after serving as an officer in the US Marine Corps. He earned a BA from Ohio Wesleyan University and an MBA from the Kellogg School of Management at Northwestern University.

Brookfield Infrastructure Fund IV

Brookfield

Ventura County Employees' Retirement Association (VCERA)

Finalist Presentation

Brookfield Asset Management Inc. ("BAM" or "Brookfield Asset Management", together with its affiliates, "Brookfield" or the "Firm") is pleased to present to VCERA, at its request, with the following information pertaining to Brookfield Infrastructure Fund IV ("BIF IV" or the "Fund"). The following information/response contains references to certain key terms and practices of the Fund and is necessarily general in nature. No agreement is being made hereby as to the terms and scope of your investment in any particular investment vehicle sponsored by Brookfield or its affiliates, the terms of which will be determined through a negotiation with you or your representative(s) and any other limited partners. Any information provided herein is qualified in its entirety by the Fund's confidential private placement memorandum (together with any supplements, the "PPM"), partnership agreement (as amended, the "LPA" or "Partnership Agreement") and other governing documents. Please refer to, and review carefully, such materials for additional details and prior to making an investment in the Fund. Capitalized terms used herein, but not otherwise defined, have the meanings ascribed to them in the PPM.

October 2019

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Executive Summary

Brookfield

BIF IV is the continuation of Brookfield's flagship series of private infrastructure funds, utilizing an investment approach consistently executed for nearly 20 years

Investment Strategy	• Seek to acquire high-quality, core infrastructure assets on a value basis • Leverage operations-oriented approach to enhance sourcing and execution, and add value post-acquisition • Pursue investments in markets globally where Brookfield has an established investment presence • Focus on sectors where Brookfield possesses extensive operating expertise—including transportation, renewable power, utilities, energy and data infrastructure
Leading Infrastructure Business	• One of the largest global infrastructure investors and operators, with $113 billion of infrastructure AUM[1] • ~220 professionals and ~35,000 operating employees on five continents[2] • Senior management team averages 21 years of industry experience and 14 years with Brookfield
Established Track Record	• Invested over $45 billion of equity capital in more than 100 infrastructure transactions since 2000[3]

Please refer to endnotes on pages 15-16.

Brookfield's Investment Businesses

Brookfield

Brookfield invests in sectors where it believes that its in-depth operating experience gives it a competitive advantage

Infrastructure

$113 billion

AUM[1]

Transportation, Renewable Power, Utilities, Energy, Data, Sustainable Resources

Real Estate

$194 billion

AUM[1]

Office, Retail, Multifamily, Logistics, Hospitality and Other

Private Equity

$61 billion

AUM[1]

Business Services, Industrial Operations and Residential Development

Credit

$120 billion

AUM[1]

Performing Credit, Opportunistic Credit, Private and Listed Equities, Real Estate

Please refer to endnotes on pages 15-16.

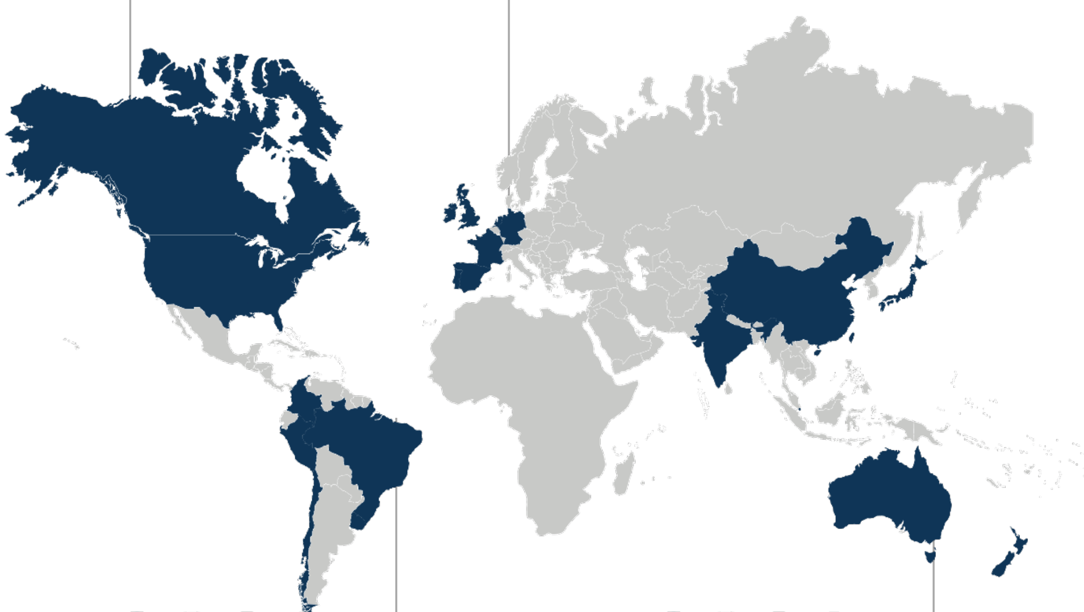
Brookfield Is a Leading Infrastructure Manager

Brookfield

Brookfield's infrastructure group owns and operates high-quality, long-life assets that provide essential services to the global economy

NORTH AMERICA
$45B AUM

EUROPE
$22B AUM



SOUTH AMERICA
$33B AUM

ASIA PACIFIC
$13B AUM

~220
Professionals[1]

~35,000
Operating Employees[1]

$113B
Managed AUM[2]

Transportation
- ~4,200 km of toll roads
- Over 10,000 km of rail operations
- 13 ports

Renewable Power
- 219 hydroelectric power plants
- 106 wind farms
- 547 solar facilities
- 4 storage facilities

Utilities
- ~6.8 million electricity and gas connections
- ~2,200 km of electric transmission lines
- ~1.2 million smart meters installed

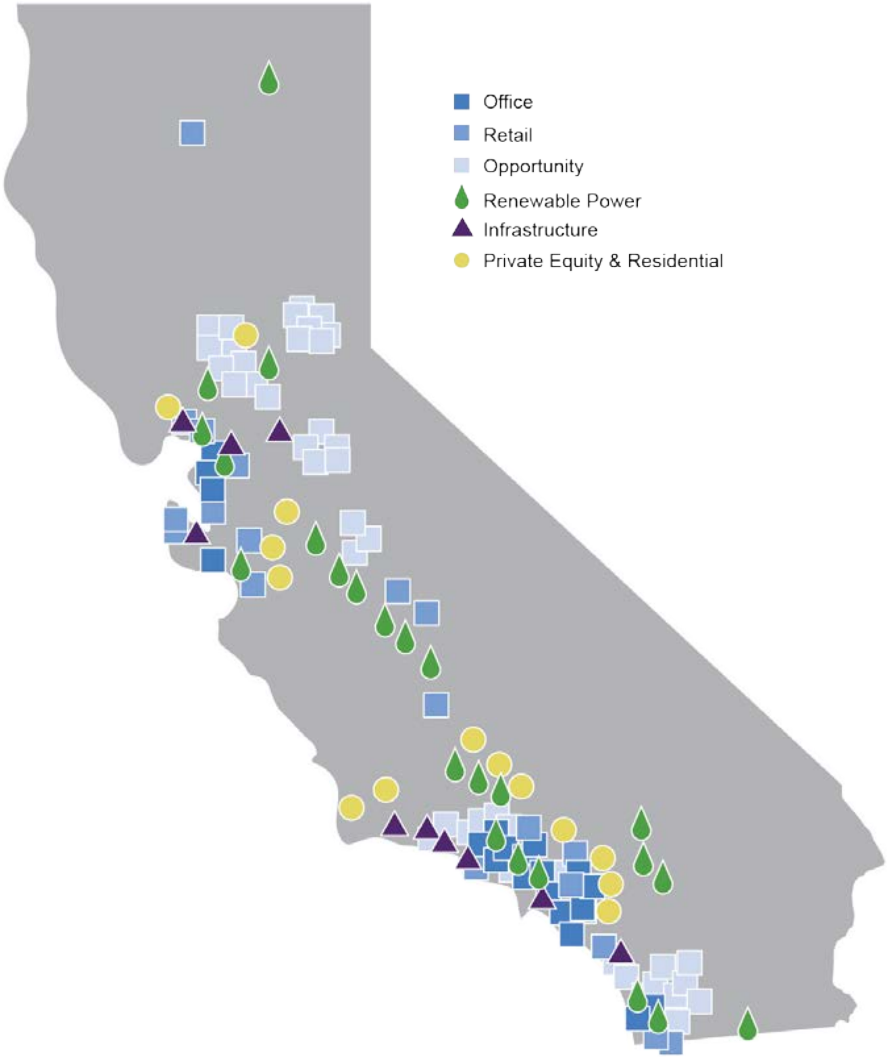
Energy
- Approximately 22,000 km of natural gas pipelines[3]
- 600 bcf of gas storage systems
- ~1.6 million residential customers
- District heating and cooling systems

Data
- ~7,000 multi-purpose communication towers
- 10,000 km of fiber backbone
- 54 data centers[4]

Figures may not sum due to rounding
Please refer to endnotes on pages 15-16.

Brookfield in California

Brookfield



- **Investing in California (AUM)[1]:**
  - Real Estate: $18.4 billion
  - Renewable Power: $2.3 billion
  - Infrastructure: $2.1 billion
  - Private Equity: $43 million
  - Residential Development: $1.3 billion
- **Corporate Headquarters:**
  - Fairfield Residential (San Diego, CA)
- **Regional Offices:**
  - Brookfield Property Partners (Los Angeles, CA)
  - Brookfield Renewable Partners (Los Angeles, CA)
  - Brookfield Infrastructure Partners (San Francisco, CA)
  - Brookfield Residential Properties Inc. (San Diego, San Francisco, Los Angeles, CA)
  - Various infrastructure energy service depots and data centers
- **People**
  - Approximately **20 investment professionals** and an additional **1,630 operating employees[2]**

Please refer to endnotes on pages 15-16.

Brookfield in California: Infrastructure Investments[1]

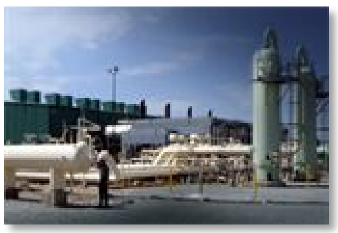
Brookfield

Renewable Power

Renewable Power Portfolio (BIF I)

Portfolio of hydro, wind, and solar generation facilities, including ~850 MW of generating capacity in California

Energy



North American Gas Storage (BIF I)

Portfolio consists of over 300 Bcf of gas storage capacity, including ~100 Bcf of gas storage facilities located in Northern California

Enwave USA - District Energy (BIF II)

Sustainable energy provider of district heating and cooling systems in several major U.S. and Canadian cities, including Los Angeles

North American Residential Energy Infrastructure (BIF III)

Leading provider of residential energy infrastructure, such as water heaters, heating, ventilation and air conditioning systems ("HVAC") and other home services across North America, including California

Transportation

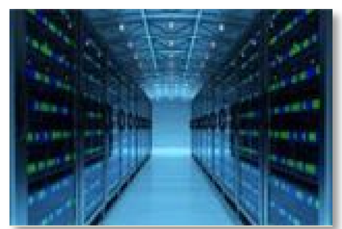
North American Rail Business (BIF IV)

G&W operates the Ventura County Railway, a Class III rail operation supporting the Port of Hueneme and Naval Base Ventura County

North American Container Terminal (BIF II)

Portfolio of two container terminals at the ports of Los Angeles and Oakland, the 1st and 7th busiest ports, respectively, in North America[2]

Data



U.S. Data Center Business (BIF III)

Portfolio of 31 retail colocation data centers, including five across CA in the cities of Hawthorne, Irvine, Redwood City, San Diego and San Jose

Utilities

Water Desalination (BIF III)

Largest desalination facility in the U.S., located in Carlsbad, CA, which delivers clean water to the City of San Diego. Additionally, a similar plant is under development in Huntington Beach, CA.[3]

Please refer to endnotes on pages 15-16.

Established Investment Strategy[1]

Brookfield

Brookfield's infrastructure group has differentiated itself by consistently adhering to the following principles:

Acquire High-Quality Core Assets + **Invest On a Value Basis** + **Enhance Value With Operations-Oriented Approach**

Acquire High-Quality Core Assets

- Focus on **essential services** with inelastic demand
- Identify **strong barriers to entry**, due to regulatory and/or contractual frameworks and attractive locations
- Seek **sustainable, long-term, inflation-linked cash flows** with high operating margins

Invest On a Value Basis

- Tap into **proprietary deal flow** utilizing Brookfield's **proactive outreach program** and advantages of **scale** and **operating expertise**
- Capitalize on broad global mandate to **invest opportunistically where pockets of value exist**
- Leverage ability to execute **large, multifaceted transactions,** where there is less competition

Enhance Value With Operations-Oriented Approach

- Focus on acquiring **control** or co-control of investments
- Implement **active management approach** through business plans
- Originate accretive **organic growth projects** and **add-on acquisitions**
- Seek to execute **opportunistic exits** in order to maximize value

Please refer to endnotes on pages 15-16.

Investing in High-Quality Core Assets[1]

Brookfield

Brookfield's infrastructure group seeks to acquire core assets that serve as the backbone of the global economy while generating secure and stable cash flows

Marquee Businesses

Acquiring large-scale standalone businesses with high scarcity value providing essential services

Western Canadian Midstream Business[2]

Natural gas gathering and processing in Canada

Colombian Renewable Power

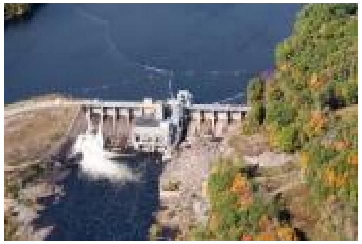
A leading power generation company in Colombia with over 3,000 MW of capacity

French Telecom Infrastructure

Largest tower operator in France with ~7,000 towers and active rooftop sites

Rollup Strategies

Leveraging existing operations in key industries to develop portfolios of scale through small or single-asset acquisitions



Renewable Power Portfolios

Regional hydroelectric, wind and solar operations benefitting from centralized control and operations

Electricity Transmission

~5,100 km of electricity transmission lines in Northeast Brazil[3]

District Energy

Heating and cooling systems in several major U.S. and Canadian cities

Please refer to endnotes on pages 15-16.

Organizational Matrix Leverages Brookfield's Operating Groups

Brookfield

Experienced Investment Oversight

Bruce Flatt[1] *BAM CEO*	**Jeff Blidner**[1] *Vice Chair*	**Brian Kingston**[1] *Managing Partner*	**Barry Blattman**[1] *Vice Chair*	**Sam Pollock**[2] *Managing Partner*	**Sachin Shah**[2] *Managing Partner*

Senior Management Team

Sam Pollock *Managing Partner*	**Sachin Shah** *Managing Partner*	**Ben Vaughan** *Managing Partner*	**Harry Goldgut** *Vice Chair*	**Jennifer Mazin** *Managing Partner*	**Bahir Manios** *Managing Partner*
Eduardo Salgado *Managing Partner*	**John Stinebaugh** *Managing Partner*	**Michael Botha** *Managing Director*	**Wyatt Hartley** *Managing Director*	**Mabel Wong** *Managing Director*	**Rene Lubianski** *Managing Director*

Sector Chief Investment Officers

RENEWABLE POWER	UTILITIES & DATA	ENERGY & TRANSPORTATION
Connor Teskey, *Managing Partner* **Julian Thomas**, *Managing Director*	**Jonathan Kelly**, *Managing Partner*	**Brian Baker**, *Managing Partner* **Scott Peak**, *Managing Partner*

Regional Investment Heads

NORTH AMERICA	SOUTH AMERICA	EUROPE	ASIA PACIFIC
Ben Vaughan, *Managing Partner*	**Marcos Almeida**, *Managing Partner* **Henrique Martins**, *Managing Partner*	**Jonathan Kelly**, *Managing Partner* **Alfredo Zamarriego**, *Managing Partner*	**Stewart Upson**, *Managing Partner*
70 Investment & Asset Managers **56** Corporate Professionals	**22** Investment & Asset Managers **3** Corporate Professionals	**27** Investment & Asset Managers **3** Corporate Professional	**19** Investment & Asset Managers **17** Corporate Professionals

Extensive Resources from Brookfield's Infrastructure Business Groups[3]

~35,000 operating employees globally

~100	**~60**	**~100**	**~15**
Senior Operations Professionals	Development & Construction Professionals	Energy Marketing Professionals	Market Research Professionals

Please refer to endnotes on pages 15-16.

Brookfield Infrastructure Fund IV (BIF IV)

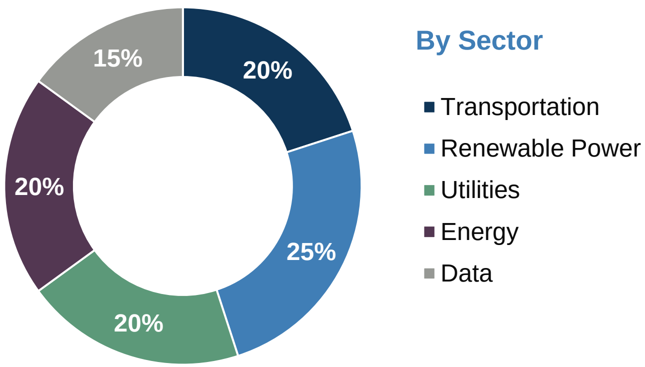
Brookfield

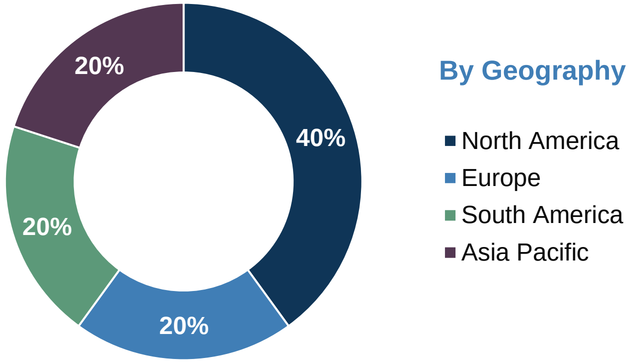
BIF IV seeks **attractive, risk-adjusted returns** by employing Brookfield's infrastructure group's longstanding, successful investment approach

KEY FUND HIGHLIGHTS

- Seek to acquire high-quality core assets on a value basis
- Leverage operations-oriented approach to enhance transaction sourcing, execution and add value post-acquisition

ILLUSTRATIVE DEPLOYMENT TARGETS[1]





Please refer to endnotes on pages 15-16.

BIF IV: Executing on Brookfield's Advantage

Brookfield

The Fund is expected to benefit from Brookfield's scale and expertise as one of the leading owners and operators of infrastructure assets globally

A Leading Infrastructure Asset Manager

- One of the largest infrastructure owners globally, with a diverse, broad-based presence on five continents
- 120-year history of investing in, owning and operating real assets, including infrastructure

Established Investment Strategy

- Track record of profitably investing and divesting significant capital in various market conditions and phases of the business cycle[1]
- Demonstrated ability to generate proprietary deal flow, with over two-thirds of total investments in BIF IV and its predecessor funds, BIF I-III, secured through bilateral discussions[2]
- Well-established structuring capability to execute multifaceted transactions—such as recapitalizations and financial restructurings—in order to acquire assets on a value basis
- Conservative financing strategy generally targeting investment-grade credit metrics at the asset level, with long-term maturities, few restrictive covenants and no recourse to the Fund

Operational Excellence

- Business groups with scale in the transportation, renewable power, utilities, energy and data infrastructure sectors
- Operational expertise that Brookfield believes enhances deal sourcing, formulation of investment theses, due diligence and asset management
- Extensive development and construction capability that is expected to drive additional value creation

Experienced Leadership

- Investment Committee members average over 30 years of investment experience and have worked together for an average of 21 years
- Brookfield's infrastructure group is supported by ~220 professionals globally[3]

Please refer to endnotes on pages 15-16.

Demonstrated Ability to Invest Throughout Market Cycles

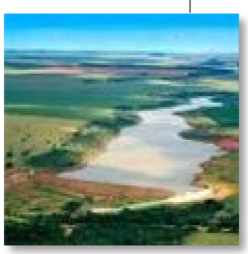
Brookfield

Brookfield has deployed over $45 billion of equity capital in more than 100 transactions since 2000[1]

2006

$2.0B
8 acquisitions

2007



$350M
7 acquisitions

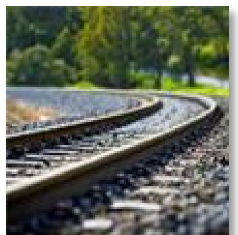
2008

$450M
2 acquisitions

2009

$2.4B
5 acquisitions

2010

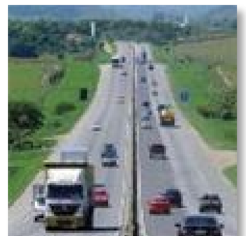


$1.2B
3 acquisitions

2011

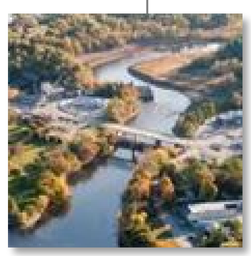
$700M
5 acquisitions

2012



$2.6B
9 acquisitions

2013



$1.6B
7 acquisitions

2014

$2.6B
11 acquisitions

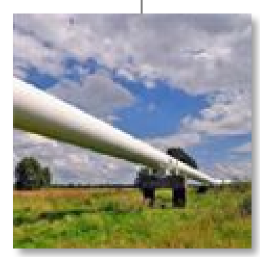
2015

$5.3B
15 acquisitions

2016

$5.1B
7 acquisitions

2017



$7.4B
7 acquisitions

2018

$8.3B
11 acquisitions

2019

$4.6B
7 acquisitions

Please refer to endnotes on pages 15-16.

Endnotes

Brookfield

Page 4

1) As of June 30, 2019. "AUM" is calculated as total assets presented on a fair value basis, and at 100%, for investments that Brookfield consolidates for accounting purposes or actively manages, including investments of which Brookfield or a controlled investment vehicle is the largest shareholder or the primary operator or manager. For all other investments, AUM is presented at Brookfield's or its controlled investment vehicles', as applicable, proportionate share of the investment's total assets on a fair value basis. Note that this includes Brookfield's publicly traded affiliates, Brookfield Renewable Partners L.P. ("BEP") and Brookfield Infrastructure Partners L.P. ("BIP"), as well as sustainable resources investments managed by Brookfield's infrastructure group. AUM excludes public securities managed by Brookfield Investment Management Inc. ("Brookfield's Public Securities Group" or "PSG"). PSG is a separate and walled-off business unit of Brookfield that focuses on investments in the public securities markets through institutional portfolios, mutual funds and structured products.
2) Headcount figures are as of December 31, 2018 and include infrastructure business professionals and operating employees of Brookfield, its publicly-traded affiliates, BIP and BEP, and related operating businesses and portfolio companies, and exclude sustainable resources employees. Infrastructure business professionals includes investment professionals, and asset management professionals, and employees in corporate functions including finance, tax, legal and investor relations.
3) Includes equity invested and committed as of August 2019. There can be no assurance that Brookfield will successfully execute on deals which have not yet closed. There can be no guarantee that Brookfield will continue to deploy capital at a similar rate.

Page 5

1) As of June 30, 2019. "AUM" is calculated as total assets presented on a fair value basis, and at 100%, for investments that Brookfield consolidates for accounting purposes or actively manages, including investments of which Brookfield or a controlled investment vehicle is the largest shareholder or the primary operator or manager. For all other investments, AUM is presented at Brookfield's or its controlled investment vehicles', as applicable, proportionate share of the investment's total assets on a fair value basis. Note that this includes Brookfield's publicly traded affiliates, Brookfield Property Partners L.P. ("BPY"), Brookfield Business Partners ("BBU"), BEP and BIP, as well as sustainable resources investments managed by Brookfield's infrastructure group. AUM excludes public securities managed by PSG. AUM figure includes $120 billion of capital from Oaktree Capital Management, which was acquired by Brookfield in September 2019.

Page 6

1) Headcount figures are as of December 31, 2018 and include infrastructure business professionals and operating employees of Brookfield, its publicly-traded affiliates, BIP and BEP, and related operating businesses and portfolio companies, and exclude sustainable resources employees. Infrastructure business professionals includes investment professionals, and asset management professionals, and employees in corporate functions including finance, tax, legal and investor relations.
2) As of June 30, 2019. "AUM" is calculated as total assets presented on a fair value basis, and at 100%, for investments that Brookfield consolidates for accounting purposes or actively manages, including investments of which Brookfield or a controlled investment vehicle is the largest shareholder or the primary operator or manager. For all other investments, AUM is presented at Brookfield's or its controlled investment vehicles', as applicable, proportionate share of the investment's total assets on a fair value basis. Note that this includes Brookfield's publicly traded affiliates, Brookfield Renewable Partners L.P. ("BEP") and Brookfield Infrastructure Partners L.P. ("BIP"), as well as sustainable resources investments managed by Brookfield's infrastructure group. AUM excludes public securities managed by Brookfield Investment Management Inc. ("Brookfield's Public Securities Group" or "PSG"). PSG is a separate and walled-off business unit of Brookfield that focuses on investments in the public securities markets through institutional portfolios, mutual funds and structured products.
3) Figures for natural gas pipelines reflect inclusion of transactions not yet closed as of June 30, 2019, but for which there exist definitive, binding agreements to complete the transactions subject to customary closing conditions. There can be no assurance that Brookfield will successfully execute on these transactions.
4) Includes five data centers under construction in South America.

Page 7

1) As of June 30, 2019. "AUM" is calculated as total assets presented on a fair value basis, and at 100%, for investments that Brookfield consolidates for accounting purposes or actively manages, including investments of which Brookfield or a controlled investment vehicle is the largest shareholder or the primary operator or manager. For all other investments, AUM is presented at Brookfield's or its controlled investment vehicles', as applicable, proportionate share of the investment's total assets on a fair value basis. Note that this includes Brookfield's publicly traded affiliates, Brookfield Renewable Partners L.P. ("BEP") and Brookfield Infrastructure Partners L.P. ("BIP"), as well as sustainable resources investments managed by Brookfield's infrastructure group. AUM excludes public securities managed by Brookfield Investment Management Inc. ("Brookfield's Public Securities Group" or "PSG"). PSG is a separate and walled-off business unit of Brookfield that focuses on investments in the public securities markets through institutional portfolios, mutual funds and structured products.
2) Headcount figures are as of December 31, 2018 and include infrastructure business professionals and operating employees of Brookfield, its publicly-traded affiliates, BIP and BEP, and related operating businesses and portfolio companies, and exclude sustainable resources employees. Infrastructure business professionals includes investment professionals, and asset management professionals, and employees in corporate functions including finance, tax, legal and investor relations.

Page 8

1) It should not be assumed that any of the investments discussed were or will be profitable, or that investments made in the future will be profitable or will equal the performance of the investments discussed herein. In addition, there can be no assurance that the Fund will be able to make investments similar to the investments discussed herein (because of economic conditions, the availability of investment opportunities and otherwise).
2) Certain information provided herein has been prepared based on Brookfield's internal research and is based on various assumptions made by Brookfield, any of which may prove to be incorrect. Brookfield may have not verified (and disclaims any obligation to verify) the accuracy or completeness of any information included herein including information that has been provided by third parties and you cannot rely on Brookfield as having verified such information.
3) There can be no guarantee of completion of desalination project in Huntington Beach.

Page 9

1) An investment in infrastructure involves substantial risks and there is no assurance that any such investments will avoid losses.

Endnotes (cont.)

Brookfield

Page 10

1) It should not be assumed that any of the investments discussed were or will be profitable, or that investments made in the future will be profitable or will equal the performance of the investments discussed herein. In addition, there can be no assurance that the Fund will be able to make investments similar to the investments discussed herein (because of economic conditions, the availability of investment opportunities and otherwise).
2) Represents transactions that have not yet closed as at June 30, 2019 but for which there exist definitive, binding agreements to complete the transactions subject to customary closing conditions, or represents future development projects which have not yet commenced construction. There can be no assurance that Brookfield will successfully execute on such deals or fund such developments.
3) Includes 3,600km of electric transmission lines under development. There is no guarantee that this development will be completed.

Page 11

1) Investment Committee Member – each of their consent is required prior to any investment being made.
2) Investment Committee Member – Sam Pollock's consent is required for investments in sectors outside of the renewable power sector, Sachin Shah's consent is required for renewable power investments.
3) Headcount figures are as of December 31, 2018 and include infrastructure business professionals and operating employees of Brookfield, its publicly-traded affiliates, BIP and BEP, and related operating businesses and portfolio companies, and exclude sustainable resources employees. Infrastructure business professionals includes investment professionals, and asset management professionals, and employees in corporate functions including finance, tax, legal and investor relations.

Page 12

1) Based on investment amount. There can be no guarantee that comparable diversifications or asset allocations will be met or that BIF IV will be able to implement its investment strategy or achieve its investment objectives.

Page 13

1) Prior performance is not indicative of future results and there can be no guarantee that Brookfield will achieve comparable results or be able to avoid losses.
2) As calculated based on number of transactions as of August 2019.
3) Headcount figures are as of December 31, 2018 and include infrastructure business professionals of Brookfield, its publicly-traded affiliates, BIP and BEP, and related operating businesses and portfolio companies, and exclude sustainable resources employees. Infrastructure business professionals includes investment professionals, and asset management professionals, and employees in corporate functions including finance, tax, legal and investor relations.

Page 14

1) Includes equity invested and committed as of August 2019. An additional $1+ billion of equity was invested and committed between 2000-2005 in over 15 transactions that are not depicted on the timeline. There can be no assurance that Brookfield will successfully execute on deals which have not yet closed. There can be no guarantee that Brookfield will continue to deploy capital at a similar rate.

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Brookfield

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Except where otherwise indicated herein, the information provided herein is based on matters as they exist as of the date of preparation and not as of any future date, is subject to change, and will not be updated or otherwise revised to reflect information that subsequently becomes available or circumstances existing or changes occurring after the date hereof.

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This document includes Brookfield's estimates of the projected performance of certain unrealized investments currently held by other Brookfield-managed funds, including any predecessor funds, and investment programs managed by Brookfield. Although this information is forward-looking by its nature and actual results are likely to differ, perhaps materially, from these estimates, Brookfield believes that the estimates have a reasonable basis.

Notice to Recipients (cont'd)

Brookfield

Any changes to assumptions could have a material impact on projections and actual returns. Actual returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, legal and contractual restrictions on transfer that may limit liquidity, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the valuations used in the prior performance data contained herein are based. Accordingly, the actual realized returns on unrealized investments may differ materially from the returns indicated herein. Brookfield will provide more detailed information on the material factors or assumptions that were applied in making the projections and the material factors that could cause actual results to differ materially from the projections to any investor on request.

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Certain of the information provided herein has been prepared based on Brookfield's internal research and certain information is based on various assumptions made by Brookfield, any of which may prove to be incorrect. Brookfield may have not verified (and disclaims any obligation to verify) the accuracy or completeness of any information included herein based on such assumptions, including information that has been provided by third parties, and you cannot rely on Brookfield as having verified such information. Certain information provided herein reflects Brookfield's perspectives and beliefs, is for illustrative and discussion purposes only, and may vary from actual terms of other products and market practice. As such, you should not place undue reliance on it. Investors should consult with their advisors prior to making an investment in any fund, including a Brookfield-sponsored fund.

Unless otherwise noted, all references to "$" or "Dollars" are to U.S. Dollars. All representations are made as of June 30, 2019, unless otherwise expressly indicated, and no duty to update said representations is assumed.

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

October 21, 2019

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

SUBJECT: $25 MILLION ADDITIONAL COMMITMENT TO PIMCO PRIVATE INCOME FUND

Dear Board Members:

Attached is joint recommendation from NEPC and I for a $25 million additional commitment to PIMCO's Private Income Fund, bringing the total fund commitment to $55 million.

Discussion
The Board's adopted asset allocation of May 21, 2018 included a dedicated 3% allocation targeted to private credit to be phased-in over 3 years.

In 2017-2018, the Board approved a $30 million commitment to globally diversified **CarVal Credit Value Fund IV**, a $25 million commitment to U.S. direct lending **Monroe Capital Private Credit Fund III**, and a $25 million commitment to European **BlueBay Direct Lending Fund III**. In 2019, the Board committed $30 million to the U.S. diversified, open-ended **PIMCO Private Investment Fund**, and $25 million to real estate debt **Bridge Debt Strategies Fund III**.

The recommended addition to the PIMCO fund will further diversify the private credit allocation consistent with the Board approved investment Pacing Plan. Also, as this is an open-ended fund vehicle, it offers greater liquidity and quicker deployment than traditional closed-ended vehicles, and if closing prior to November 15 will be eligible for a 12.5 basis points early investment fee discount, an annual fee savings of $31,250 over the standard pricing.

THEREFORE, IT IS RECOMMENDED THAT THE BOARD:
1. **Approve a $25 million increased commitment to PIMCO's Private Income Fund; and,**
2. **Subject to approval of Board Counsel, the Board authorize the Board Chair or the Retirement Administrator to approve and execute the required contract addendum.**

Respectfully submitted,

Daniel P. Gallagher

Dan Gallagher
Chief Investment Officer

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NEPC, LLC

To: Ventura County Employees' Retirement Association

From: NEPC Consulting Team

Date: October 21, 2019

Subject: $25 Million additional Commitment to PIMCO Private Income Fund

Recommendation

NEPC and staff recommend that the Board of the Ventura County Employees' Retirement Association ("VCERA" or the "Plan") commit an additional $25 million to the PIMCO (the "Firm") Private Income Fund ("PIF" or the "Fund"). The Fund has been rated "2" by the NEPC Alternative Assets Committee, indicating NEPC's conviction in this product. PIF was not rated a "1", NEPC's top rating, due to the lack of a track record specific to PIF. VCERA approved an original commitment of $30 million in March of this year. By increasing the commitment to PIMCO, we avoid manager proliferation, an important objective for VCERA.

NEPC and staff believe that the additional commitment to the Private Income Fund makes sense for the following reasons:

- PIF will provide supplemental diversified US and European private credit exposure.
- The expected exposures in PIF, including those to residential and commercial credit, specialty finance, and hard asset credit will further diversify the Plan's existing private credit exposures.
- A commitment to the first closing of PIF is expected to be drawn expeditiously, helping the Plan to quickly build the private credit allocation to target.
- The Fund will target net returns of 8%-12%, with 6%-7% of the return coming from current income.
- The liquidity profile of PIF is somewhat unique when compared to those of other private credit funds. PIF will allow investors to redeem annually after an initial 2-year lock period.
- This commitment would classify as a "Series C" investor at a reduced management fee of 1.125% (vs. the standard management fee of 1.25%).

Overview of Ventura Private Credit Program

The 2019 Private Credit pacing plan called for $75-80 million in commitments. VCERA has approved $30 million to the PIMCO PIF and this additional $25 million commitment would bring that total for PIF to $55 million this year. Coupled with the $25 million commitment to the Bridge Debt Strategies III Fund, we will have met our target commitment pace to Private Debt for the year.

PIF Overview

PIMCO is targeting $1.0 billion-$1.5 billion in total commitments for the Private Income Fund. The Fund is targeting 8%-12% net returns primarily driven by income (with a 6%-7% annual distribution yield) through an opportunistic private credit strategy focusing on global private residential, commercial, corporate and specialty finance markets, among others. The Fund will leverage PIMCO's broad platform, including the Firm's experience managing income and opportunistic credit strategies, to source, execute, and manage deals for PIF. PIMCO will use similar asset allocation and risk management principles to that of PIMCO's other income-focused strategies as well as the origination and underwriting capabilities of its private investment platform. Because of its opportunistic nature, PIF's mandate may overlap with some of PIMCO's other funds, in particular, Tactical Opportunities Fund ("Tac Opps"), an opportunistic global credit strategy, Global Credit Opportunity Fund ("GCOF"), a global relative value credit hedge fund and the BRAVO fund series, a multi-asset strategy.

In the near term, PIF is expected to be focused mostly on residential lending (25%-45%) and specialty finance (25%-45%). Residential lending includes new origination loans, seasoned, sub-performing loans, mortgage servicing rights, and other residential-backed loans. Specialty finance includes consumer lending, commercial finance (aircraft and rail cars) and trade finance. PIF is expected to focus to a lesser extent on commercial real estate lending (10%-30%). This area includes senior mortgage lending, mezzanine lending, credit tenant leases, land banking/development lending, and US & European Commercial Mortgage Backed Security ("CMBS") and Real Estate Investment Trust ("REIT") debt, among other instruments. The Firm is cautious on the corporate lending space because of the amount of competition and the mature credit cycle. Although corporate lending (10%-30%) will have a wide range, the Firm doesn't anticipate much activity in the space initially.

The Fund is an evergreen structure with an initial 2-year lock-up. PIMCO anticipates deploying $1 billion-$2 billion per year within the Fund. The evergreen structure is attractive for investors looking for a more efficient way of accessing a diversified platform of private credit investments. Combined with the opportunistic approach to private credit, the evergreen fund structure for PIF is designed to enable investors to efficiently allocate to private credit across cycles while seeking to limit the cash drag and operational complexity associated with managing multiple drawdown structured private credit relationships. The Fund may use up to 2x leverage (a debt-to-equity ratio of 2:1), but PIMCO expects to target a 1.5x leverage value.

NEPC has completed its diligence of the PIMCO Private Income Fund, with a "2" rating assigned, noting that the Firm has a strong track record as a private credit investor and a long-standing reputation for effectively navigating credit markets.

Rating	Definition
1	A high conviction investment product. Product has a clear and economically-grounded investment thesis, and is managed by an investment team that is sufficiently resourced and incented to execute on the thesis.
2	NEPC has a positive view of the strategy. Strategy has a compelling and sound investment thesis. The manager is sufficiently resourced and incented to execute on the thesis. Strengths outweigh the weaknesses, but the strategy does not meet all requirements for a 1 rating.
3	A satisfactory investment product. The strategy lacks a compelling investment thesis, however there are no significant concerns around the manager's viability.
4	The strategy may have an unclear or ambiguous investment thesis or the manager may lack the ability to execute on the stated thesis. The strategy likely has strengths and weaknesses and the weaknesses may outweigh the strengths.
5	A strategy that lacks an investment thesis or NEPC has no confidence in the manager's ability to execute on the thesis, and/or the investment firm may not be viable. Serious issues have been identified with an investment manager or product. This rating aligns with a Terminate Due Diligence status for client-owned products.
NR	Due diligence has not been sufficiently completed on the product or manager.

PIMCO

Ventura County Employee Retirement Association
October 2019

Private Income Fund Update

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

For Qualified Investor Use Only/Not for Public Distribution

A company of Allianz

Disclosures

This material (the "Material") is being furnished at the request of client ("Recipient"). The Material is being provided to give the Recipient additional information on PIMCO's Private Income Fund (the "Fund" or "PIF"). The Material does not constitute an offer to sell or a solicitation of an offer to buy interests in a fund or any other PIMCO trading strategy or investment product.

Offers of fund interests are made solely pursuant to a fund's Private Placement Memorandum (the "PPM"). The information contained herein is qualified in its entirety by reference to the relevant PPM, which contains additional information about the investment objective, terms and conditions of an investment in a fund and certain disclosures that are important to consider when making an investment decision regarding a fund, as well as by reference to the limited partnership (or similar) agreement, subscription agreement, and other definitive fund documents (together with the PPM, the "Documents"). Prior to investing in a fund, investors should read the PPM, paying particular attention to the risk factors contained therein, and the other Documents. In the case of any inconsistency between the terms contained herein and the Documents, the terms set forth in the Documents shall control.

In the event that an offer were to be made in a fund, any such offer would be made only after a prospective purchaser has had the opportunity to conduct its own independent evaluation of the fund and has received all information required to make its own investment decision, including a copy of Documents. No person has been authorized to give any information or to make any representation with respect to a fund other than those contained in this summary and, if given or made, such information or representations must not be relied upon as having been authorized.

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For qualified investor use only.

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Fees and expenses charged in connection with an investment in a fund may be higher than the fees and expenses of other investment alternatives and may offset investment profits.

It should not be assumed, and no representation is made, that past investment performance is reflective of future results. Nothing herein should be deemed to be a prediction or projection of future performance.

None of the information contained herein has been filed with the U.S. Securities and Exchange Commission (the "SEC"), any securities administrator under any securities laws of any U.S. or non-U.S. jurisdiction or any other U.S. or non-U.S. governmental or self-regulatory authority. No such governmental or self-regulatory authority will pass on the merits of any offering of interests by the fund or the adequacy of the information contained herein. Any representation to the contrary is unlawful. The interests in the fund have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or qualified or registered under any applicable state, local, provincial or other statutes, rules or regulations. The fund has not been and will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended.

The Material contains statements of opinion and belief. Any views expressed herein are those of PIMCO as of the date indicated, are based on information available to PIMCO as of such date, and are subject to change, without notice, based on market and other conditions. No representation is made or assurance given that such views are correct. PIMCO has no duty or obligation to update the information contained herein.

Certain information contained herein concerning economic trends and/or data is based on or derived from information provided by independent third-party sources. PIMCO believes that the sources from which such information has been obtained are reliable; however, it cannot guarantee the accuracy of such information and has not independently verified the accuracy or completeness of such information or the assumptions on which such information is based.

Certain information contained in this presentation constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "project," "estimate," "intend," "continue," or "believe," or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of any investment may differ from those reflected or contemplated in such forward-looking statements. Prospective investors should not rely on these forward-looking statements when making an investment decision.

See Appendix for additional disclosures.

A Broad Approach vs Narrow Approach to Private Credit

Broad Mandates	Narrow Mandates
▪ Performance fees netted at fund level	▪ Performance fees paid per fund
▪ Relative value-oriented investment approach	▪ Seeks opportunities within a given sub-sector
▪ Flexibility to react to dislocation across credit markets	▪ Inability to move outside of target assets
▪ Seeks to optimize funding across the portfolio	▪ Dependent on the availability of financing in a given sector
▪ Greater scale to compete for large deals	▪ Narrow mandates often are highly constrained by size
▪ Efficient reinvestment of cash flows	▪ Distributions and re-investment may create cash drag
▪ Cohesive investment team and risk management	▪ Completely separate investment and risk management teams per mandate

An integrated and broad approach to private credit may lead to attractive outcomes across market cycles

As of 30 June 2019
SOURCE: PIMCO
The views expressed herein are opinions of PIMCO as of the date hereof and PIMCO is under no obligation to update for changes in market. There can be no assurance that the Fund will be able to implement its investment strategy. An investment in any PIMCO managed fund entails a high degree of risk and investors could lose all or a portion of their investment.
Refer to Appendix for additional forecast, investment strategy and risk information.

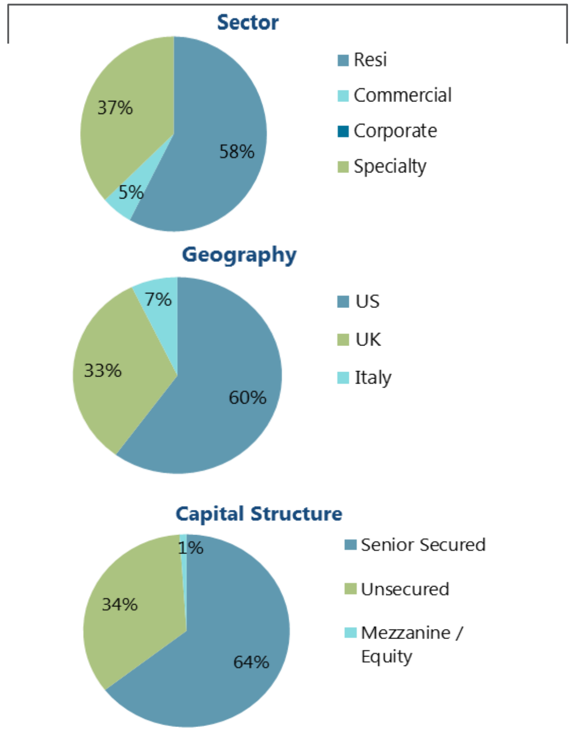
Private Income Fund overview

Size	• Total fund size: $875,755,000 • Capital Contributions: $211,577,100

Investment stats	• Number of total investments: 7
	  • Residential: 3
	  • Specialty finance: 3
	  • Commercial: 1

Portfolio stats	• Yield to Maturity: 8.1%[1] • Duration 1.6 years[2] • USD Exposure: 99.9%[3] • Direct Borrowings: 0.69x[4]

Portfolio Exposure as of June 30, 2019[5]



As of 30 June 2019 unless stated otherwise

Past performance is not an indication or guarantee of future results.

[1] Yield to Maturity is the total Fund return anticipated if all assets are held to maturity, and includes the market value of assets financed using the subscription facility in the denominator.

[2]Duration weighted exposure measures the sum of the duration exposures for all positions in the portfolio divided by the sum of the market value, including the market value of assets financed using the subscription facility. Duration exposure is the sensitivity to parallel shocks of the par yield curve.

[3]USD exposure shows the currency exposure of the fund net of FX hedges.

[4] Direct borrowings, as a multiple of the greater of the Master Fund's NAV or the aggregate capital commitments of the funds, represents the level of leverage and otherwise incurred indebtedness employed by the Master Fund. Please refer to the PPM for further detail regarding the calculation methodology and the Fund's limits.

[5] Portfolio breakdowns are calculated as the sum of the fair market value of the investments, as of the most recent quarter end, within a sector, geography or capital structure divided by the total fair market value of all investments, excluding short term investments and derivatives. The Fund’s portfolio composition is subject to change.

Refer to Appendix for additional investment strategy, portfolio structure and risk information.

Private Income Portfolio breakdown

$286mm

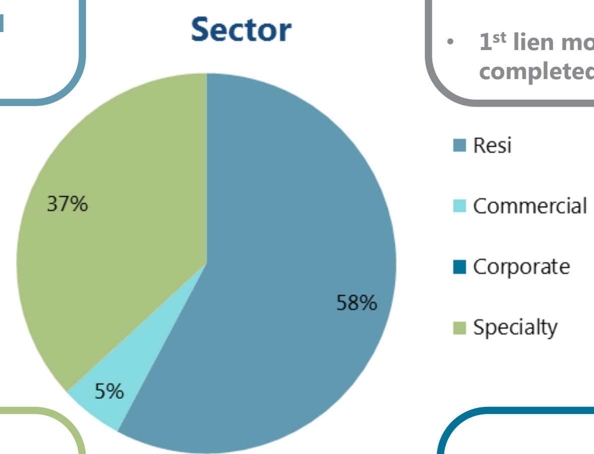
Residential Real Estate
(3 investments)

- U.S. re-performing mortgage loans and pool of seasoned U.K. owner-occupied mortgage loans and unsecured personal loans

Commercial Real Estate
(1 investments)

$27mm

- 1st lien mortgage backed by a nearly completed hotel in New York City



$182mm

Specialty Finance
(3 investments)

- Newly originated consumer loans, credit card receivables, and non-performing loan financing

Corporate
(0 investments)

$0mm

As of 30 June 2019
*Sector exposure based on the current fair market value of the Fund and is subject to change.
Portfolio breakdowns are calculated as the sum of the fair market value of the investments, as of the most recent quarter end, within a sector, geography or capital structure divided by the total fair market value of all investments, excluding short term investments and derivatives. The Fund's portfolio composition is subject to change.

Market Views

Corporate

- Imbalanced demand / supply in middle market direct lending has compressed pricing and terms
- Robust corporate credit and CLO issuance
- Opportunities to leverage the PIMCO platform for large, direct corporate loans

Residential

- Significant reduction in leverage since housing bottomed in 2012
- Continued disposition of seasoned legacy loans and servicing rights
- Potential opportunities to responsibly extend credit

Commercial real estate

- CRE equity valuations fully valued in major markets CBDs
- CMBS issuance a fraction of pre-crisis norms
- We believe lending opportunities in moderate LTV and transitional assets remain attractive

Specialty finance

- U.S. consumer benefitting from low unemployment and strength in housing market and solid lending standards
- Complexity in global trade receivables creating potential opportunities in trade finance

As of 30 June 2019
There can be no guarantee that the trends above will continue. The views expressed herein are opinions of PIMCO as of the date hereof and PIMCO is under no obligation to update for changes in market conditions or other factors.

Appendix

This material represents a high-level update of certain matters relating to PIMCO's Private Income Fund (the "Fund"), and must be kept strictly confidential and used solely in connection with your existing investment in the Fund. In the event of any conflict between this information and the Fund's definitive governing documents, the latter will control. This material does not represent (and should not be construed as) legal, tax, accounting or other advice; you should consult with your advisers as to such matters. In addition, the Fund is closed to new investment, and this material does not represent (and should not be construed as) an offer to sell nor a solicitation of an offer to buy interests in the Fund or any other PIMCO-advised investment product. **Past performance is not a guarantee or reliable indicator of future results.**

The information presented herein is as of a specific date, may have changed since such time and is subject to future change. Such information should not be considered as an indication of the actual or potential returns of any particular strategy or investment product , or their respective investments.

This material contains the current opinions of PIMCO and such opinions are subject to change without notice. There can be no assurance that such opinions are or will remain accurate, or that other opinions or methodologies would not produce different results. None of the Fund, PIMCO or any of their affiliates shall have any duty to update any of the information presented herein.

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FORECAST
Forecasts, estimates and certain information contained herein are based upon proprietary research and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. There is no guarantee that results will be achieved.

INVESTMENT STRATEGY
There is no guarantee that these investment strategies will work under all market conditions or are suitable for all investors and each investor should evaluate their ability to invest for a long-term especially during periods of downturn in the market. No representation is being made that any account, product, or strategy will or is likely to achieve profits, losses, or results similar to those shown.

OUTLOOK
Statements concerning financial market trends or portfolio strategies are based on current market conditions, which will fluctuate. There is no guarantee that these investment strategies will work under all market conditions or are suitable for all investors and each investor should evaluate their ability to invest for the long term, especially during periods of downturn in the market. Outlook and strategies are subject to change without notice.

PORTFOLIO STRUCTURE
Portfolio structure is subject to change without notice and may not be representative of current or future allocations.

RISK
The Fund is not subject to the same regulatory requirements as mutual funds. The Fund may be, and is expected to be, leveraged and may engage in speculative investment practices that may increase the risk of investment loss. **The Fund's performance can be volatile; an investor could lose all or a substantial amount of its investment**. The Fund manager has broad trading authority over the Fund. The use of a single adviser applying generally similar trading programs could mean lack of diversification and, consequently, higher risk. There is no secondary market for Fund interests and none is expected to develop. There are restrictions on transferring interests in the Fund and limited liquidity provisions. The Fund's high fees and expenses may offset the Fund's trading profits. The Fund involves complex tax structures and there may be delays in distributing important tax information.

Appendix

A word about risk: The Fund's investments are expected to give rise to numerous risks. Investments in **residential/commercial mortgage, consumer loans** and other loans are subject to risks that include (but are not limited to) prepayment, delinquency, workout/restructuring, foreclosure, under collateralization, bankruptcy, risks of loss, servicing risks, adverse regulatory developments and changes in economic and/or market conditions. Such risks may be heightened in respect of loans that are or become **non-performing or re-performing,** which are generally subject to higher delinquency, foreclosure and loss rates than performing loans. **Investing in foreign denominated and/or domiciled securities** may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. **Collateralized Loan Obligations (CLOs)** may involve a high degree of risk and are intended for sale to qualified investors only. Investors may lose some or all of the investment and there may be periods where no cash flow distributions are received. CLOs are exposed to risks such as credit, default, liquidity, management, volatility, interest rate and credit risk. Structured products such as **collateralized debt obligations** are also highly complex instruments, typically involving a high degree of risk; use of these instruments may involve derivative instruments that could lose more than the principal amount invested. **Derivatives** may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. **Equity investments** may decline in value due to both real and perceived general market, economic and industry conditions, while debt investments are subject to credit, interest rate and other risks.

Return information presented herein is as of the specified reference date, may have changed since such date, includes both realized and unrealized returns and is likely to change over the Fund's life. The actual realized returns of unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale. Investors should bear in mind that the past or targeted performance of these investments is not necessarily indicative of future results, and that there can be no assurance that these returns will be achieved or that the Fund will achieve comparable results. In addition, an investor's return on its Fund investment will be impacted by Fund fees and expenses, and particular feeder funds or other investment vehicles may be subject to specific fees, expenses and/or other factors that may further impact investor returns. Performance information for individual Fund transactions contained herein is net of transaction-level fees and expenses, but gross of Fund-level fees and expenses.

The portfolio composition of the Fund presented herein is as of the specified reference date, and is subject to change over time. The Fund may invest in assets not presently held or referred to herein in the future.

This material (including, without limitation, certain price and other information presented herein) reflects the current opinions of the manager, and such opinions are subject to change without notice. None of PIMCO, the Fund, the general partner or any of their respective affiliates will have any duty to update this information. There can be no assurance that such opinions are or will remain accurate, or that other opinions or methodologies would not produce different results. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed. Actual events or results may differ materially from those reflected or contemplated in any opinions contained herein.

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PRELIMINARY MONTHLY PERFORMANCE REPORT

Ventura County Employees' Retirement Association

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

September 30, 2019

Anthony Ferrara, CAIA, Consultant
Allan Martin, Partner
Michael Miranda, CFA, Sr. Analyst

NEPC

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

Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	**5,897,394,721**	**100.0**	**100.0**	**1.5**	**0.7**	**12.8**	**4.3**	**8.4**	**6.5**	**8.8**	**8.0**	**Apr-94**
Policy Index				*1.4*	*0.8*	*13.7*	*4.6*	*8.9*	*7.3*	*8.7*	*8.0*	*Apr-94*
Over/Under				0.1	-0.1	-0.9	-0.3	-0.5	-0.8	0.1	0.0	
60% MSCI ACWI (Net) / 40% FTSE WGBI				*0.7*	*0.4*	*12.4*	*4.4*	*6.4*	*4.9*	*5.9*	*6.4*	*Apr-94*
60% S&P 500 / 40% BBgBarc Aggregate				*0.9*	*2.0*	*15.9*	*7.1*	*9.3*	*8.0*	*9.6*	*8.4*	*Apr-94*
Total Fund ex Parametric	**5,865,021,230**	**99.5**	**--**	**1.4**	**0.7**	**12.7**	**3.9**	**8.4**	**6.4**	**8.7**	**7.9**	**Apr-94**
Total Fund ex Private Equity	**5,456,970,528**	**92.5**	**--**	**1.2**	**0.4**	**12.9**	**3.7**	**8.0**	**6.2**	**--**	**8.4**	**Jan-12**
Policy Index				*1.4*	*0.8*	*13.7*	*4.6*	*8.9*	*7.3*	*8.7*	*9.1*	*Jan-12*
Over/Under				-0.2	-0.4	-0.8	-0.9	-0.9	-1.1		-0.7	
Total US Equity	**1,650,156,154**	**28.0**	**26.0**	**1.8**	**1.4**	**20.6**	**3.7**	**13.2**	**10.7**	**13.5**	**9.3**	**Dec-93**
Russell 3000				*1.8*	*1.2*	*20.1*	*2.9*	*12.8*	*10.4*	*13.1*	*9.6*	*Dec-93*
Over/Under				0.0	0.2	0.5	0.8	0.4	0.3	0.4	-0.3	
Western U.S. Index Plus	229,398,461	3.9		2.1	1.8	22.1	4.6	13.9	11.3	15.2	6.3	May-07
S&P 500				*1.9*	*1.7*	*20.6*	*4.3*	*13.4*	*10.8*	*13.2*	*7.8*	*May-07*
Over/Under				0.2	0.1	1.5	0.3	0.5	0.5	2.0	-1.5	
Blackrock Russell 1000 Index	1,355,717,249	23.0		1.7	1.4	20.5	3.9	--	--	--	11.6	May-17
Russell 1000				*1.7*	*1.4*	*20.5*	*3.9*	*13.2*	*10.6*	*13.2*	*11.6*	*May-17*
Over/Under				0.0	0.0	0.0	0.0				0.0	
Blackrock Russell 2500 Index	65,040,443	1.1		1.8	-1.2	17.8	-4.0	--	--	--	7.3	May-17
Russell 2500				*1.8*	*-1.3*	*17.7*	*-4.0*	*9.5*	*8.6*	*12.2*	*7.2*	*May-17*
Over/Under				0.0	0.1	0.1	0.0				0.1	

Policy Index: Currently, 26% Russell 3000, 19% BBgBarc US Aggregate, 17% MSCI ACWI ex U.S., 10% MSCI ACWI, 13% Russell 3000 Index + 3%, 7% CPI+2%, and 8% NCREIF ODCE Real Estate Index.

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

Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Non-US Equity	**915,243,992**	**15.5**	**17.0**	**2.6**	**-2.3**	**10.9**	**-1.3**	**6.6**	**3.7**	**5.2**	**6.2**	**Mar-94**
MSCI ACWI ex USA				2.6	-1.8	11.6	-1.2	6.3	2.9	4.5	5.0	Mar-94
Over/Under				0.0	-0.5	-0.7	-0.1	0.3	0.8	0.7	1.2	
MSCI EAFE				2.9	-1.1	12.8	-1.3	6.5	3.3	4.9	4.7	Mar-94
MSCI ACWI ex USA NR LCL				3.9	1.7	15.1	2.6	8.5	6.0	6.8	--	Mar-94
MSCI EAFE NR LCL				3.5	1.8	15.7	1.6	8.3	6.0	7.0	4.9	Mar-94
BlackRock ACWI ex-U.S. Index	467,397,110	7.9		2.6	-1.7	11.6	-1.6	6.3	3.3	4.8	2.5	Mar-07
MSCI ACWI ex USA IMI				2.6	-1.7	11.4	-1.8	6.1	3.0	4.7	2.2	Mar-07
Over/Under				0.0	0.0	0.2	0.2	0.2	0.3	0.1	0.3	
MSCI ACWI ex USA NR LCL				3.9	1.7	15.1	2.6	8.5	6.0	6.8	3.4	Mar-07
Sprucegrove	218,927,679	3.7		2.9	-5.5	6.7	-5.2	6.4	3.0	5.5	6.8	Mar-02
MSCI ACWI ex USA				2.6	-1.8	11.6	-1.2	6.3	2.9	4.5	6.1	Mar-02
Over/Under				0.3	-3.7	-4.9	-4.0	0.1	0.1	1.0	0.7	
MSCI EAFE				2.9	-1.1	12.8	-1.3	6.5	3.3	4.9	5.7	Mar-02
MSCI ACWI ex USA NR LCL				3.9	1.7	15.1	2.6	8.5	6.0	6.8	5.3	Mar-02
MSCI EAFE NR LCL				3.5	1.8	15.7	1.6	8.3	6.0	7.0	4.5	Mar-02
Hexavest	91,705,172	1.6		2.2	-1.0	8.7	-0.4	4.0	2.1	--	3.7	Dec-10
MSCI EAFE				2.9	-1.1	12.8	-1.3	6.5	3.3	4.9	4.5	Dec-10
Over/Under				-0.7	0.1	-4.1	0.9	-2.5	-1.2		-0.8	
MSCI EAFE NR LCL				3.5	1.8	15.7	1.6	8.3	6.0	7.0	7.1	Dec-10
Walter Scott	137,214,031	2.3		2.3	-0.1	17.4	6.1	9.5	7.2	--	6.3	Dec-10
MSCI ACWI ex USA				2.6	-1.8	11.6	-1.2	6.3	2.9	4.5	3.4	Dec-10
Over/Under				-0.3	1.7	5.8	7.3	3.2	4.3		2.9	
MSCI ACWI ex USA NR LCL				3.9	1.7	15.1	2.6	8.5	6.0	6.8	6.4	Dec-10
MSCI EAFE				2.9	-1.1	12.8	-1.3	6.5	3.3	4.9	4.5	Dec-10
Total Global Equity	**635,952,625**	**10.8**	**10.0**	**2.1**	**0.1**	**16.6**	**1.8**	**10.2**	**6.5**	**8.2**	**6.0**	**May-05**
MSCI ACWI				2.1	0.0	16.2	1.4	9.7	6.7	8.3	6.7	May-05
Over/Under				0.0	0.1	0.4	0.4	0.5	-0.2	-0.1	-0.7	
BlackRock MSCI ACWI Equity Index	635,952,625	10.8		2.1	0.1	16.6	1.8	10.2	7.1	--	9.8	Aug-12
MSCI ACWI				2.1	0.0	16.2	1.4	9.7	6.7	8.3	9.4	Aug-12
Over/Under				0.0	0.1	0.4	0.4	0.5	0.4		0.4	

Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Private Equity	**440,424,192**	**7.5**	**13.0**	**4.4**	**4.6**	**10.2**	**13.7**	**16.5**	**13.9**	**--**	**14.8**	**Jan-12**
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	17.2	*Jan-12*
Over/Under				2.4	2.7	-12.5	7.7	0.3	0.2		-2.4	
Cambridge Associates Global All PE (Qtr Lag)				*3.5*	*3.5*	*7.0*	*10.5*	*14.5*	*10.9*	*13.7*	*12.9*	*Jan-12*
Adams Street Global Fund Series	188,002,128	3.2		4.9	4.9	10.2	15.0	15.5	12.6	--	13.7	Jan-12
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	17.2	*Jan-12*
Over/Under				2.9	3.0	-12.5	9.0	-0.7	-1.1		-3.5	
Harbourvest	97,349,703	1.7		9.1	5.8	12.5	15.6	20.6	18.4	--	19.5	Aug-13
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	14.8	*Aug-13*
Over/Under				7.1	3.9	-10.2	9.6	4.4	4.7		4.7	
Pantheon Global Secondary Funds	38,232,925	0.6		3.7	3.7	-0.9	2.1	15.1	11.6	--	11.9	Jan-12
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	17.2	*Jan-12*
Over/Under				1.7	1.8	-23.6	-3.9	-1.1	-2.1		-5.3	
Drive Capital Fund II	13,073,592	0.2		0.0	12.0	49.7	47.5	-11.9	--	--	-11.6	Sep-16
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	15.9	*Sep-16*
Over/Under				-2.0	10.1	27.0	41.5	-28.1			-27.5	
Abbott Secondary Opportunities	16,439,950	0.3		2.6	2.6	10.9	15.3	--	--	--	21.1	Jan-18
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	10.9	*Jan-18*
Over/Under				0.6	0.7	-11.8	9.3				10.2	
Clearlake Capital Partners V	7,659,117	0.1		0.0	8.4	32.0	55.2	--	--	--	40.4	Mar-18
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	10.8	*Mar-18*
Over/Under				-2.0	6.5	9.3	49.2				29.6	
Battery Ventures XII	9,527,891	0.2		0.0	6.6	4.6	2.3	--	--	--	-2.5	Apr-18
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	12.7	*Apr-18*
Over/Under				-2.0	4.7	-18.1	-3.7				-15.2	
Insight Venture Partners X	19,440,057	0.3		0.0	5.0	13.0	13.7	--	--	--	4.6	May-18
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	13.0	*May-18*
Over/Under				-2.0	3.1	-9.7	7.7				-8.4	
GTCR Fund XII	6,132,507	0.1		0.0	0.0	-5.8	-11.1	--	--	--	-36.6	Jun-18
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	11.3	*Jun-18*
Over/Under				-2.0	-1.9	-28.5	-17.1				-47.9	

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 PERFORMANCE DETAIL NET OF FEES

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Buenaventure One, LLC	26,460,264	0.4		0.0	-0.3	6.4	5.6	--	--	--	4.5	Jul-18
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	11.3	*Jul-18*
Over/Under				-2.0	-2.2	-16.3	-0.4				-6.8	
ECI 11	3,134,735	0.1		2.1	8.7	18.8	--	--	--	--	15.7	Dec-18
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	11.6	*Dec-18*
Over/Under				0.1	6.8	-3.9					4.1	
The Resolute Fund IV L.P	5,076,223	0.1		0.0	6.2	50.8	--	--	--	--	50.8	Jan-19
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	22.7	*Jan-19*
Over/Under				-2.0	4.3	28.1					28.1	
GGV Capital VII L.P.	1,760,916	0.0		0.0	-6.3	--	--	--	--	--	-6.3	Feb-19
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	12.8	*Feb-19*
Over/Under				-2.0	-8.2						-19.1	
GGV Discovery II, L.P.	410,826	0.0		0.0	-5.9	--	--	--	--	--	-5.9	Feb-19
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	12.8	*Feb-19*
Over/Under				-2.0	-7.8						-18.7	
Drive Capital Overdrive Fund I	2,013,359	0.0		0.0	0.0	--	--	--	--	--	0.0	May-19
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	2.5	*May-19*
Over/Under				-2.0	-1.9						-2.5	
Riverside Micro Cap Fund V, LP	1,763,440	0.0		-8.2	21.3	--	--	--	--	--	-29.2	May-19
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	2.5	*May-19*
Over/Under				-10.2	19.4						-31.7	

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

Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
GGV Capital VII Plus, LP	546,100	0.0		0.0	0.0	--	--	--	--	--	0.0	Jun-19
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	9.3	*Jun-19*
Over/Under				-2.0	-1.9						-9.3	
Astorg VII L.P.	340,057	0.0		-9.9	-31.8	--	--	--	--	--	-31.8	Jul-19
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	1.9	*Jul-19*
Over/Under				-11.9	-33.7						-33.7	
M/C Partners Fund VIII LP. Limited Partnership	393,657	0.0		0.0	-3.8	--	--	--	--	--	-3.8	Jul-19
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	1.9	*Jul-19*
Over/Under				-2.0	-5.7						-5.7	
Genstar Capital Partners IX	778,621	0.0		--	--	--	--	--	--	--	--	Aug-19
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	0.2	*Aug-19*
Over/Under												
Genstar IX Opportunities Fund I	366,591	0.0		0.0	--	--	--	--	--	--	0.0	Aug-19
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	0.2	*Aug-19*
Over/Under				-2.0							-0.2	
ABRY Partners IX, LP	1,254,257	0.0		-20.6	--	--	--	--	--	--	-20.6	Sep-19
Russell 3000 + 3%				2.0	1.9	22.7	6.0	16.2	13.7	16.4	2.0	*Sep-19*
Over/Under				-22.6							-22.6	

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

PRIVATE EQUITY LIMITED PARTNERSHIP PERFORMANCE

													Since Inception		
Fund Name	Vintage Year	Initial Investment Date	Commitment	Capital Called to Date[1]	Outstanding Commitment[1]	Call Ratio	Add'l Fees[2]	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Abbott Secondary Opportunities, LP.	2017	12/21/2017	$25,000,000	$15,937,843	$9,424,874	64%	--	$2,625,000	$16,439,952	$19,064,952	$3,127,109	19.0%	0.16x	1.2x
ABRY Partners IX	2019	12/6/2018	$10,600,000	$1,579,565	$9,020,435	0%	--	--	$1,254,256	$1,254,256	($325,309)	-79.6%	--	0.79x
Adams Street 2010 U.S. Fund	2010	5/21/2010	$42,500,000	$37,442,500	$5,057,500	88%	$15,213	$29,417,857	$38,552,632	$67,970,489	$30,512,776	14.6%	0.79x	1.82x
Adams Street 2010 Non-U.S. Dev. Mkts Fund	2010	5/21/2010	$25,500,000	$22,325,249	$3,174,751	88%	$1,589	$19,382,964	$16,409,737	$35,792,701	$13,465,863	12.2%	0.87x	1.6x
Adams Street 2010 Non-U.S. Emg Mkts Fund	2010	1/3/2011	$8,500,000	$7,633,000	$867,000	90%	--	$2,514,266	$10,156,556	$12,670,822	$5,037,822	11.1%	0.33x	1.66x
Adams Street 2010 Direct Fund	2010	5/21/2010	$8,500,000	$8,066,500	$433,500	95%	$6,697	$9,611,317	$4,599,676	$14,210,993	$6,137,796	12.5%	1.19x	1.76x
Adams Street 2013 Global Fund	2013	6/27/2013	$75,000,000	$61,350,000	$13,650,000	82%	$10,728	$13,610,624	$76,965,453	$90,576,077	$29,215,349	11.9%	0.22x	1.48x
Adams Street 2016 Global Fund	2016	12/22/2016	$60,000,000	$31,620,000	$28,380,000	53%	--	$3,621,043	$34,470,696	$38,091,739	$6,471,739	15.8%	0.11x	1.2x
Adams Street Co-Investment Fund IV A	2018	9/24/2018	$30,000,000	$6,967,808	$23,100,000	23%	$67,808	$0	$7,168,225	$7,168,225	$132,609	3.8%	0x	1.03x
Advent International GPE IX	2019	5/23/2019	$10,000,000	--	$10,000,000	--	--	--	--	--	--	--	--	--
Astorg VII	2019	12/17/2018	$8,438,268	$437,999	$8,000,269	5%	--	$0	$340,057	$340,057	($97,942)	-59.9%	0x	0.78x
Battery Ventures XII	2018	2/1/2018	$9,050,000	$5,658,965	$3,391,035	63%	--	$0	$5,734,624	$5,734,624	$75,659	2.1%	0x	1.01x
Battery Ventures XII Side Fund	2018	2/1/2018	$5,050,000	$3,540,555	$1,509,445	70%	--	$0	$3,793,267	$3,793,267	$252,712	11.1%	0x	1.07x
Buenaventure One, LLC	2018	1/5/2018	$91,426,500	$25,780,590	$65,645,910	28%	--	$403,156	$26,460,263	$26,863,419	$1,082,829	5.3%	0.02x	1.04x
CapVest Equity Partners IV	2019	7/11/2018	$12,057,822	--	$12,057,822	0%	--	--	($51,103)	($51,103)	--	--	--	--
Clearlake Capital Partners V	2017	12/22/2017	$9,950,000	$6,420,101	$4,137,237	65%	$46,158	$1,241,050	$7,611,075	$8,852,125	$2,385,866	45.5%	0.19x	1.38x
CVI Credit Value Fund IV	2017	12/31/2017	$30,000,000	$18,000,000	$12,000,000	60%	--	$6,147	$18,953,238	$18,959,385	$959,385	6.2%	0x	1.05x
Drive Capital Fund II	2016	9/1/2016	$15,000,000	$9,407,887	$5,595,323	63%	$3,210	$0	$13,073,593	$13,073,593	$3,662,496	24.8%	0x	1.39x
Drive Capital Fund III	2019	4/5/2019	$7,500,000	--	$7,500,000	--	--	--	--	--	--	--	--	--
Drive Capital Overdrive Fund I	2019	4/5/2019	$7,500,000	$2,013,359	$5,486,641	27%	--	$0	$1,959,469	$1,959,469	($53,890)	-13.9%	0x	0.97x
ECI 11	2018	7/5/2018	$9,302,954	$2,853,854	$6,449,100	31%	--	$0	$2,543,810	$2,543,810	($310,044)	-22.6%	0x	0.89x
Flexpoint Fund IV-A	2019	7/2/2019	$10,650,000	--	$10,650,000	--	--	--	--	--	--	--	--	--
Flexpoint Overage Fund IV-A	2019	7/2/2019	$3,550,000	--	$3,550,000	--	--	--	--	--	--	--	--	--
Genstar Capital Partners IX	2019	2/21/2019	$7,500,000	$850,731	$6,649,269	11%	--	--	$778,621	$778,621	($72,110)	-87.4%	--	0.92x
Genstar Capital Partners IX Opportunities Program	2019	2/21/2019	$2,500,000	$366,591	$2,133,409	0%	--	$0	$366,591	$366,591	$0	0.0%	0x	1x
GGV Capital VII	2019	8/15/2018	$10,160,000	$1,879,600	$8,280,400	19%	--	$0	$1,760,916	$1,760,916	($118,684)	-13.6%	0x	0.94x
GGV Capital VII Plus	2019	8/15/2018	$2,540,000	$546,100	$1,993,900	22%	--	$0	$546,100	$546,100	$0	0.0%	0x	1x
GGV Discovery II	2019	8/15/2018	$2,100,000	$430,500	$1,669,500	21%	--	$0	$410,826	$410,826	($19,674)	-13.6%	0x	0.95x
Great Hill Equity Partners VII	2019	6/28/2019	$8,900,000	--	$8,900,000	--	--	--	--	--	--	--	--	--
GTCR Fund XII	2017	9/29/2017	$30,000,000	$7,728,000	$22,367,792	26%	--	$540,067	$5,823,243	$6,363,310	($1,364,690)	-21.0%	0.07x	0.82x
HarbourVest - Dover Street VIII	2013	5/30/2013	$67,500,000	$61,509,954	$6,075,000	91%	$84,954	$71,696,542	$25,656,949	$97,353,491	$35,758,583	20.9%	1.17x	1.58x
HarbourVest - Dover Street IX	2016	12/16/2016	$60,000,000	$40,800,000	$19,200,000	68%	--	$11,992,086	$41,859,773	$53,851,859	$13,051,859	29.6%	0.29x	1.32x
HarbourVest - Dover Street X	2019	5/31/2019	$40,000,000	--	$40,000,000	--	--	--	$186,467	$186,467	--	--	--	--
HarbourVest - PRTNS CO INVEST IV L.P.	2017	6/2/2017	$30,000,000	$24,464,388	$5,732,352	82%	--	$4,951,347	$26,882,551	$31,833,898	$7,369,510	16.2%	0.2x	1.3x
HarbourVest - PRTNS CO INVEST V L.P.	2019	7/31/2018	$35,000,000	--	$35,000,000	--	--	$0	$2,950,891	$2,950,891	--	--	--	--
Hellman & Friedman Capital Partners IX	2019	9/28/2018	$19,800,000	--	$19,800,000	0%	--	--	($99,871)	($99,871)	--	--	--	--
Insight Venture Partners X	2017	10/13/2017	$25,000,000	$17,750,000	$7,250,000	71%	--	$8,561	$19,440,049	$19,448,610	$1,698,610	11.5%	0x	1.1x
M/C Partners VIII	2019	4/2/2018	$10,000,000	$504,514	$9,495,486	0%	--	$0	$393,657	$393,657	($110,857)	-60.7%	0x	0.78x
Monroe Capital Private Credit Fund III	2018	9/5/2018	$25,000,000	$17,652,142	$7,347,858	71%	--	$878,524	$17,632,108	$18,510,632	$858,490	11.0%	0.05x	1.05x
Oak HC/FT Partners III	2019	7/31/2019	$15,000,000	--	$15,000,000	--	--	--	--	--	--	--	--	--
Pantheon Global Secondary Fund IV	2010	8/20/2010	$15,000,000	$9,960,000	$5,040,000	66%	--	$12,843,543	$2,845,529	$15,689,072	$5,729,072	13.5%	1.29x	1.58x
Pantheon Global Secondary Fund V	2015	2/26/2015	$50,000,000	$33,566,509	$16,433,491	67%	($162,514)	$10,437,534	$35,399,989	$45,837,523	$12,433,528	14.8%	0.31x	1.37x
The Resolute Fund IV	2018	5/2/2018	$20,000,000	$5,775,291	$15,341,927	29%	--	$1,971,794	$5,076,222	$7,048,016	$1,272,725	65.7%	0.34x	1.22x
Riverside Micro-Cap Fund V	2018	8/21/2018	$10,000,000	$2,020,662	$7,979,338	20%	--	$0	$1,763,440	$1,763,440	($257,222)	-47.9%	0x	0.87x
TA XIII	2019	5/2/2019	$10,000,000	--	$10,000,000	--	--	--	--	--	--	--	--	--
Total VCERA Private Equity Program	***--***	***5/21/2010***	***$1,011,075,544***	***$492,840,757***	***$520,770,564***	***49%***	***$73,843***	***$197,753,422***	***$476,109,527***	***$673,862,949***	***$177,961,965***	***14.9%***	***0.4x***	***1.37x***

1. Includes recycled/recallable distributions received to date.
2. Add'l Fees represents notional interest paid/(received).
2. Add'l Fees for Pantheon Global Secondary Fund V includes notional interest paid/(received) and management fee rebates paid to VCERA.
Note: Private equity performance data is reported net of fees.
Performance shown is based on 9/30/2019 statement of investments produced by Abbott Capital.

Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total US Fixed Income	**1,039,740,171**	**17.6**	**14.0**	**-0.2**	**1.8**	**7.8**	**9.1**	**3.3**	**3.4**	**4.9**	**5.8**	**Feb-94**
BBgBarc US Aggregate TR				*-0.5*	*2.3*	*8.5*	*10.3*	*2.9*	*3.4*	*3.7*	*5.3*	*Feb-94*
Over/Under				0.3	-0.5	-0.7	-1.2	0.4	0.0	1.2	0.5	
BlackRock U.S. Debt Fund	244,507,946	4.1		-0.5	2.3	8.6	10.3	3.0	3.4	3.8	5.2	Nov-95
BBgBarc US Aggregate TR				*-0.5*	*2.3*	*8.5*	*10.3*	*2.9*	*3.4*	*3.7*	*5.1*	*Nov-95*
Over/Under				0.0	0.0	0.1	0.0	0.1	0.0	0.1	0.1	
Western	327,361,716	5.6		-0.3	2.6	10.0	11.7	3.9	4.3	5.6	6.1	Dec-96
BBgBarc US Aggregate TR				*-0.5*	*2.3*	*8.5*	*10.3*	*2.9*	*3.4*	*3.7*	*5.2*	*Dec-96*
Over/Under				0.2	0.3	1.5	1.4	1.0	0.9	1.9	0.9	
Reams	329,970,489	5.6		0.2	1.3	5.7	7.2	2.8	2.6	4.3	5.2	Sep-01
Reams Custom Index				*0.2*	*0.6*	*1.9*	*2.6*	*1.9*	*1.3*	*2.5*	*3.8*	*Sep-01*
Over/Under				0.0	0.7	3.8	4.6	0.9	1.3	1.8	1.4	
BBgBarc US Aggregate TR				*-0.5*	*2.3*	*8.5*	*10.3*	*2.9*	*3.4*	*3.7*	*4.5*	*Sep-01*
3-Month LIBOR + 3%				*0.4*	*1.3*	*4.1*	*5.6*	*5.0*	*4.4*	*3.9*	*4.8*	*Sep-01*
Loomis Strategic Alpha	48,323,810	0.8		0.3	-0.1	3.5	2.4	3.0	2.5	--	2.6	Jul-13
BBgBarc US Aggregate TR				*-0.5*	*2.3*	*8.5*	*10.3*	*2.9*	*3.4*	*3.7*	*3.5*	*Jul-13*
Over/Under				0.8	-2.4	-5.0	-7.9	0.1	-0.9		-0.9	
3-Month LIBOR + 3%				*0.4*	*1.3*	*4.1*	*5.6*	*5.0*	*4.4*	*3.9*	*4.2*	*Jul-13*
Loomis Sayles Multi Strategy	89,576,210	1.5		0.0	1.0	7.8	7.8	4.3	4.1	6.6	6.3	Jul-05
Loomis Custom Index				*-0.3*	*1.8*	*9.2*	*8.9*	*3.8*	*3.9*	*4.9*	*5.1*	*Jul-05*
Over/Under				0.3	-0.8	-1.4	-1.1	0.5	0.2	1.7	1.2	
BBgBarc US Govt/Credit TR				*-0.8*	*2.6*	*9.7*	*11.3*	*3.2*	*3.6*	*3.9*	*4.3*	*Jul-05*

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

Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Debt	**43,699,809**	**0.7**	**3.0**	**0.7**	**1.7**	**6.1**	**7.2**	**--**	**--**	**--**	**6.2**	**Jan-18**
50% BofA ML US HY BB-B Constrained Index/ 50% Credit Suisse Leveraged Loan Index +150bps				*0.5*	*1.7*	*10.5*	*7.1*	--	--	--	*6.5*	*Jan-18*
Over/Under				0.2	0.0	-4.4	0.1				-0.3	
CVI Credit Value Fund	18,953,232	0.3		-0.8	1.4	5.1	6.1	--	--	--	5.6	Jan-18
50% BofA ML US HY BB-B Constrained Index/ 50% Credit Suisse Leveraged Loan Index +150bps				*0.5*	*1.7*	*10.5*	*7.1*	--	--	--	*6.5*	*Jan-18*
Over/Under				-1.3	-0.3	-5.4	-1.0				-0.9	
Monroe Capital Private Credit Fund III	17,632,109	0.3		2.1	2.1	8.2	--	--	--	--	8.2	Dec-18
50% BofA ML US HY BB-B Constrained Index/ 50% Credit Suisse Leveraged Loan Index +150bps				*0.5*	*1.7*	*10.5*	*7.1*	--	--	--	*8.3*	*Dec-18*
Over/Under				1.6	0.4	-2.3					-0.1	
Bluebay Direct Lending Fund III	7,114,469	0.1		1.9	1.9	--	--	--	--	--	3.6	Apr-19
50% BofA ML US HY BB-B Constrained Index/ 50% Credit Suisse Leveraged Loan Index +150bps				*0.5*	*1.7*	*10.5*	*7.1*	--	--	--	*4.3*	*Apr-19*
Over/Under				1.4	0.2						-0.7	
Treasuries	**107,883,030**	**1.8**	**2.0**	**-1.4**	**4.2**	**--**	**--**	**--**	**--**	**--**	**7.8**	**Apr-19**
Reams 10-Year Treasuries	107,883,030	1.8		-1.4	4.2	--	--	--	--	--	7.8	Apr-19
BBgBarc US Treasury 7-10 Yr TR				*-1.1*	*2.7*	*9.8*	*14.0*	*2.4*	*3.8*	*4.4*	*6.8*	*Apr-19*
Over/Under				-0.3	1.5						1.0	

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

PRIVATE DEBT LIMITED PARTNERSHIP PERFORMANCE

Fund Name	Vintage Year	Initial Investment Date	Commitment	Capital Called to Date[1]	Outstanding Commitment[1]	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	Since Inception IRR	Since Inception Distributions to Paid In Multiple (DPI)	Since Inception Total Value to Paid In Multiple (TVPI)
BlueBay Direct Lending III	2017	2/12/2019	$25,000,000	$6,887,418	$18,112,582	28%	$0	$7,114,468	$7,114,468	$227,049	4.2%	0x	1.03x
CVI Credit Value Fund IV	2017	12/31/2017	$30,000,000	$18,000,000	$12,000,000	60%	$6,147	$18,953,232	$18,959,379	$959,379	6.2%	0x	1.05x
Monroe Capital Private Credit Fund III	2018	9/5/2018	$25,000,000	$17,652,142	$7,347,858	71%	$878,524	$17,632,109	$18,510,633	$858,491	10.9%	0.05x	1.05x
Total VCERA Private Debt Program	*--*		***$80,000,000***	***$42,539,560***	***$37,460,440***	***53%***	***$884,671***	***$43,699,809***	***$44,584,480***	***$2,044,919***	***8.2%***	***0.02x***	***1.05x***

1. Includes recycled/recallable distributions received to date.

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

Performance shown is based on 9/30/2019 cash-adjusted market values.

Ventura County Employees' Retirement Association

TOTAL FUND PERFORMANCE DETAIL NET OF FEES

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Real Estate	**428,649,569**	**7.3**	**8.0**	**0.0**	**0.0**	**-1.0**	**0.6**	**4.4**	**6.8**	**8.8**	**7.5**	**Mar-94**
NCREIF ODCE Net				*1.1*	*1.1*	*3.1*	*4.6*	*6.3*	*8.4*	*9.8*	*8.0*	*Mar-94*
Over/Under				-1.1	-1.1	-4.1	-4.0	-1.9	-1.6	-1.0	-0.5	
Prudential Real Estate	161,263,535	2.7		0.0	0.0	3.1	4.9	6.9	8.9	10.7	6.2	Jun-04
NCREIF ODCE Net				*1.1*	*1.1*	*3.1*	*4.6*	*6.3*	*8.4*	*9.8*	*7.0*	*Jun-04*
Over/Under				-1.1	-1.1	0.0	0.3	0.6	0.5	0.9	-0.8	
NCREIF ODCE				*1.3*	*1.3*	*3.8*	*5.6*	*7.3*	*9.3*	*10.9*	*8.0*	*Jun-04*
UBS Real Estate	267,386,034	4.5		0.0	0.0	-3.4	-1.9	3.1	5.7	7.8	6.8	Mar-03
NCREIF ODCE Net				*1.1*	*1.1*	*3.1*	*4.6*	*6.3*	*8.4*	*9.8*	*7.2*	*Mar-03*
Over/Under				-1.1	-1.1	-6.5	-6.5	-3.2	-2.7	-2.0	-0.4	
NCREIF ODCE				*1.3*	*1.3*	*3.8*	*5.6*	*7.3*	*9.3*	*10.9*	*8.2*	*Mar-03*
Total Real Assets	**454,395,092**	**7.7**	**7.0**	**0.3**	**-0.5**	**12.7**	**3.9**	**3.7**	**0.9**	**--**	**4.4**	**Apr-13**
Real Assets Index				*0.2*	*0.7*	*4.7*	*5.3*	*6.0*	*5.5*	*--*	*6.2*	*Apr-13*
Over/Under				0.1	-1.2	8.0	-1.4	-2.3	-4.6		-1.8	
Bridgewater All Weather Fund	339,831,982	5.8		-0.1	1.6	13.7	8.6	5.9	4.4	--	5.4	Aug-13
CPI + 5% (Unadjusted)				*0.5*	*1.5*	*6.0*	*6.8*	*7.2*	*6.6*	*--*	*6.6*	*Aug-13*
Over/Under				-0.6	0.1	7.7	1.8	-1.3	-2.2		-1.2	
Tortoise Energy Infrastructure	114,563,110	1.9		1.5	-6.2	9.9	-8.1	-1.8	-6.6	--	0.2	Apr-13
Tortoise MLP Index				*1.2*	*-4.2*	*14.3*	*-4.8*	*-1.2*	*-8.0*	*--*	*-2.4*	*Apr-13*
Over/Under				0.3	-2.0	-4.4	-3.3	-0.6	1.4		2.6	
Overlay	**181,250,086**	**3.1**	**0.0**									
Parametric	32,373,491	0.5										
Abbott Capital Cash	148,876,595	2.5										

Total Real Estate Benchmark: NCREIF ODCE; prior to January 2006, the NCREIF Property Index.
Total Real Assets Benchmark CPI + 4% from inception until 6/30/2019; CPI +2% from 6/30/2019 to present.
Real Estate managers and NCREIF ODCE are valued on a quarterly basis. Performance is not applicable in mid-quarter months, therefore 0% return is shown.
Real Estate Valuation is as of 6/30/2019.

Ventura County Employees' Retirement Association

TOTAL FUND

Cash Flow Summary

Month Ending September 30, 2019

	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Fees	Net Investment Change	Ending Market Value
Abbott Capital Cash	$171,430,352	$13,995,649	-$36,832,860	-$22,837,211	$0	$283,454	$148,876,595
Abbott Secondary Opportunities	$16,024,589	$0	$0	$0	$0	$415,361	$16,439,950
ABRY Partners IX, LP	$1,579,565	$0	$0	$0	$0	-$325,308	$1,254,257
Adams Street Global Fund Series	$180,467,935	$0	-$1,388,277	-$1,388,277	$0	$8,922,470	$188,002,128
Astorg VII L.P.	$377,361	$0	$0	$0	$0	-$37,304	$340,057
Battery Ventures XII	$9,129,691	$398,200	$0	$398,200	$0	$0	$9,527,891
BlackRock ACWI ex-U.S. Index	$455,638,156	$0	$0	$0	-$40,616	$11,758,953	$467,397,110
BlackRock MSCI ACWI Equity Index	$622,638,727	$0	$0	$0	-$22,865	$13,313,898	$635,952,625
Blackrock Russell 1000 Index	$1,332,561,979	$0	$0	$0	-$11,714	$23,155,270	$1,355,717,249
Blackrock Russell 2500 Index	$63,889,648	$0	$0	$0	-$1,084	$1,150,795	$65,040,443
BlackRock U.S. Debt Fund	$245,817,248	$0	$0	$0	-$11,484	-$1,309,302	$244,507,946
Bluebay Direct Lending Fund III	$6,981,611	$0	$0	$0	$0	$132,858	$7,114,469
Bridgewater All Weather Fund	$340,188,536	$0	$0	$0	-$104,132	-$356,554	$339,831,982
Buenaventure One, LLC	$26,460,264	$0	$0	$0	$0	$0	$26,460,264
Buenaventure Two, LLC	$268,037	$0	$0	$0	$0	-$761	$267,275
Clearlake Capital Partners V	$7,659,117	$0	$0	$0	$0	$0	$7,659,117
CVI Credit Value Fund	$17,595,329	$1,500,000	$0	$1,500,000	$0	-$142,098	$18,953,232
Drive Capital Fund II	$13,073,592	$0	$0	$0	$0	$0	$13,073,592
Drive Capital Overdrive Fund I	$2,013,359	$0	$0	$0	$0	$0	$2,013,359
ECI 11	$3,070,112	$0	$0	$0	$0	$64,624	$3,134,735
Genstar Capital Partners IX	$27,998	$822,734	$0	$822,734	$0	-$72,111	$778,621
Genstar IX Opportunities Fund I	$250,227	$116,364	$0	$116,364	$0	$0	$366,591

Ventura County Employees' Retirement Association

TOTAL FUND

	Month Ending September 30, 2019						
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Fees	Net Investment Change	Ending Market Value
GGV Capital VII L.P.	$1,760,916	$0	$0	$0	$0	$0	$1,760,916
GGV Capital VII Plus, LP	$546,100	$0	$0	$0	$0	$0	$546,100
GGV Discovery II, L.P.	$316,326	$94,500	$0	$94,500	$0	$0	$410,826
GTCR Fund XII	$6,132,507	$0	$0	$0	$0	$0	$6,132,507
Harbourvest	$90,937,255	$0	-$1,862,267	-$1,862,267	$0	$8,274,715	$97,349,703
Hexavest	$89,715,099	$0	$0	$0	-$34,735	$1,990,073	$91,705,172
Insight Venture Partners X	$19,440,057	$0	$0	$0	$0	$0	$19,440,057
Loomis Sayles Multi Strategy	$89,546,629	$0	$0	$0	-$28,227	$29,581	$89,576,210
Loomis Strategic Alpha	$48,172,680	$0	$0	$0	-$16,108	$151,130	$48,323,810
M/C Partners Fund VIII LP. Limited Partnership	$393,657	$0	$0	$0	$0	$0	$393,657
Monroe Capital Private Credit Fund III	$13,296,379	$4,051,134	$0	$4,051,134	$0	$284,596	$17,632,109
Pantheon Global Secondary Funds	$37,038,400	$0	-$174,603	-$174,603	$0	$1,369,128	$38,232,925
Parametric	$29,163,348	$0	$0	$0	-$3,739	$3,210,143	$32,373,491
Prudential Real Estate	$161,263,535	$0	$0	$0	$0	$0	$161,263,535
Reams	$329,416,232	$0	$0	$0	-$47,496	$554,258	$329,970,489
Reams 10-Year Treasuries	$109,410,871	$0	$0	$0	$0	-$1,527,841	$107,883,030
Riverside Micro Cap Fund V, LP	$669,906	$1,151,553	$0	$1,151,553	$0	-$58,019	$1,763,440
Sprucegrove	$212,685,337	$0	$0	$0	-$65,193	$6,242,343	$218,927,679
The Resolute Fund IV L.P	$5,076,223	$0	$0	$0	$0	$0	$5,076,223
Tortoise Energy Infrastructure	$112,770,948	$0	$0	$0	-$59,668	$1,792,162	$114,563,110
UBS Real Estate	$267,386,034	$0	$0	$0	$0	$0	$267,386,034
Walter Scott	$134,002,339	$0	$0	$0	-$90,482	$3,211,692	$137,214,031
Western	$328,231,037	$0	$0	$0	-$53,420	-$869,321	$327,361,716
Western U.S. Index Plus	$224,647,330	$823	-$1,097	-$274	-$41,175	$4,751,405	$229,398,461
Total	**$5,829,162,579**	**$22,130,956**	**-$40,259,104**	**-$18,128,148**	**-$632,140**	**$86,360,289**	**$5,897,394,721**

Information Disclaimer

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

Reporting Methodology

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

2019 - 20 BUSINESS PLAN

Ventura County Employees' Retirement Association

1190 S. Victoria, Suite 200
Ventura, CA 93003

Introduction

On an annual basis, VCERA adopts a one-year business plan which is drafted by the Retirement Administrator and reviewed and adopted by the Board of Retirement. The broad purpose of the business plan is to identify, manage and mitigate organizational risks, while advancing the strategic goals of VCERA, through a formal process. The specific requirements of the formal document are defined in VCERA's Business Planning Policy, and this document was developed in adherence to that policy.

Progress from Previous Year's Business Plan

Over the past year, VCERA accomplished several critical objectives, and we have seen many positive changes to enhance our procedures and service to members. In short, the Board and staff made significant progress with the objectives that were established in the 2018-2019 business plan.

The following shows the scale that was used to determine both priority and time horizon and the current status of these objectives.

Priority #1: to be accomplished within the next year
Priority #2: to be accomplished within a 2-3 year period
Priority #3: to be accomplished within a 5-year period

Funding:

Objective #1: Continued Improvement of Funded Ratio **(Priority #3) – ONGOING**
VCERA's funded status, the ratio of valuation value of assets to accrued liabilities, was 87.8% as of June 30, 2018, an improvement of 0.9% since June 30, 2017. While the 2019 valuation is not yet calculated, staff's best estimate is a modest improvement in the funded ratio to somewhere between 88%-89%.

Investments:

Objective #1: Commit approximately $180 million across nine to twelve 2018 vintage-year private equity funds. **(Priority #1) - ACCOMPLISHED**
VCERA committed to 12 investments in an amount of $178.3 million

Objective #2: Begin implementing the revised investment portfolio asset allocation adopted by the Board in May/June 2018. **(Priority #2) – ON TRACK; ONGOING.**
VCERA began the May 2018 asset allocation with implementation of commitments to private credit managers CarVal and Monroe, and to non-core real estate manager LaSalle.

General Administration:

Objective #1: Complete hiring progress for CTO and Communications Officer, and successfully transition and onboard these new staff members. **(Priority #1 - CRITICAL) – ACCOMPLISHED**
VCERA filled both critical vacancies, and both employees are now effective members of the VCERA team.

Objective #2: Working with the Board-appointed committee and real estate vendor, secure office space for VCERA and if necessary, develop moving plan that minimizes service disruptions. **(Priority #1 - CRITICAL) – ACCOMPLISHED**
VCERA staff worked closely with the Board committee, and ultimately secured a long-term lease renewal in the current office building. Renovations are currently underway for a refreshed office in terms of space, functionality, efficiency, etc. The renovation timetable is slightly ahead of schedule.

Objective #3: Examine and revise VCERA's disability retirement application process and Disability Hearing Procedures. **(Priority #1, #2, #3) - PROGRESSING**
Over the past year, staff has had several meetings with County Risk Management about the current procedures and has reported developments to the Board. In September 2019, VCERA's fiduciary counsel presented important information to the Board regarding their role as fiduciaries in the disability retirement process, and staff followed up with the Board at the October 7, 2019 disability meeting regarding specific direction going forward. The Board adopted a new disability retirement application processing model, which must be fully developed and the next steps identified. Staff is just beginning this work.

Benefit Administration:

Objective #1: Work with County Auditor-Controller's Office to Accelerate Correction Process **(Priority #1) – PROGRESS ECLIPSED BY NEW ERRORS**
Despite staff's best efforts, the number of errors in V3 that are a result of incorrect data transmitted from the County (Auditor-Controller's Office) exceeds last year's number. Details to be provided in pending Supplemental Risk Assessment, to be presented in November.

Governance & Fiduciary:

Objective #1: Develop Long-Term Operational Compliance Program **(Priority #3) – MODEST PROGRESS**
An overall agency "program" has yet to be established; though this will be a multi-year effort, there has been notable progress in I.T. related processes to decrease vulnerabilities in conjunction with the recent I.T. audit. Further, as the Board is aware, under the heading of "fiduciary," staff has increased its scrutiny of disability applications and analyses in an effort to better protect VCERA and our members.

Technology:

Objective #1: Fill Vacant Technology Officer Position **(Priority #1) – COMPLETED**

Objective #2: Pursue Co-Development Opportunities with Current Vendor to Increase Independence and Reduce Costs. **(Priority #1/#2) – ONGOING EVALUATION**
The hiring of the new CTO allowed the efforts to truly begin in this area. VCERA's CTO is currently working to evaluate and identify areas in which co-development are achievable.

Objective #3: Complete the launch of the Member Self-Service (MSS) Portal with incorporated enhancements developed since the previous year. **(Priority #1) - COMPLETED**
VCERA's Member Self-Service (MSS) Portal has been fully deployed, including additional security measured not included in original scope.

Communication & Member Education:

Objective #1: Develop Comprehensive Member Education Program **(Priority #2) – AHEAD OF SCHEDULE**

Almost immediately upon hiring a Communications Officer, VCERA's member communication efforts improved. The website has been expanded, seminar content has been updated, and the VCERA newsletter has been relaunched. Initial efforts in video content have been successful, and recently an informational video generated unprecedented interest and participation in the last General member trustee election.

Current Risk Assessment

In order to fulfill VCERA's mission, staff has identified the following risks, challenges or areas for development, prioritized by Board direction and overall impact.

Funding (Perpetual):
a) VCERA as a pension plan has an ongoing risk of increased actuarial liabilities.

Investments (Perpetual):
a) Achieving VCERA's assumed rate of return;
b) Market risk related to political and global events as they impact growth and asset pricing.

General Administration:
a) Strain on service and continuity resulting from ongoing office renovation.
b) Human capital risk, such as staff turnover through retirements or terminations.

Benefit Administration: **CRITICAL**
a) The backlog of County payroll corrections and the complete suspension of programming changes of County payroll system (VCHRP) up until early in 2019, combined with insufficient dedicated resources from the Auditor-Controller's office has resulted in a critical V3 data integrity issue. The number of members impacted has risen, and errors continue to compound. The details of this risk will be addressed in a pending Supplemental Risk Assessment to be provided in November.

Governance & Fiduciary:
a) The absence of a comprehensive agency-wide compliance program.
b) Vulnerabilities from outdated disability procedures and processing.
c) Loss of tenured trustees, Board turnover resulting in loss of expertise and historical perspective.

Legal/Legislative: (Perpetual)
a) Potential legislative changes to the County Employees' Retirement Law (CERL) and the California Public Employees' Pension Reform Act (PEPRA).

Information Technology & Security:
a) Risk of insufficient I.T. staffing to attend to all necessary tasks and ongoing monitoring.
b) Risk of insufficient protections of systems, data, and protected member information from threats or vulnerabilities. This includes vendor-hosted infrastructure vulnerabilities as yet undetected.
c) Risk of undetected "point of entry" vulnerability in public-facing services.

Communication & Member Education:
a) Lack of sufficient educational resources to allow for members to equip themselves to understand their benefits, options, and to achieve retirement planning.

2019-20 Business Plan Objectives

The following are the proposed business objectives for 2018-2019, using the previous priority and timeline guidelines, with the addition of a new priority to allow for objectives that are, by nature, perpetual or that require continuous efforts and/or monitoring.

Priority #1:	to be accomplished within the next year
Priority #2:	to be accomplished within a 2-3 year period
Priority #3:	to be accomplished within a 5-year period
Priority #4:	*perpetual; a continuous effort for VCERA (NEW)*

Funding:

Objective #1: Continued Improvement of Funded Ratio **(Priority #4)**
The Board and staff, in consultation with VCERA's actuary and investment consultant, to take prudent steps to minimize actuarial liabilities and maximize returns to achieve improvements in funded ratio.

Investments:

Objective #1: Commit approximately $250 million across twelve to fourteen 2019 vintage-year private equity funds. **(Priority #1)**

Objective #2: Begin implementing the revised investment portfolio asset allocation adopted by the Board in May 2019. **(Priority #2)**

General Administration:

Objective #1: Complete office renovation within project timeline with minimal disruption to administration of benefits. **(Priority #1)**
Continue to adhere to renovation budget and timeline, continually monitoring turnaround times and backlogs to minimize impact to staff and members.
NOTE: Due to the substantial I.T./technical components of the move (servers, PCs, cabling, boardroom, etc.), I.T. resources experience additional strain.

Benefit Administration:

Objective #1: Work with County Auditor-Controller's Office to Accelerate Correction Process **(Priority #1, #2, #3) - CRITICAL**

Governance & Fiduciary:

Objective #1: Develop Long-Term Operational Compliance Program **(Priority #3)**
As a long-term strategic goal, identify areas of vulnerability and future risk, and establish an overall plan for ongoing operational compliance.

Objective #2: Implement Measures to Enable Board of Retirement to Fulfill Fiduciary Duties with Respect to Disability Retirement Benefits **(Priority #1, #2 #3)**

Develop new disability model fully, including the training and preparation of staff. Prepare and propose comprehensive edits and recommendations regarding disability retirement application processing consistent with CERL and fiduciary counsel guidance.

Objective #3: Develop New Trustee Onboarding Materials and Trustee Resources **(Priority #1, #2)**
Develop tools to assist new trustees in learning and training, accelerating practical effectiveness. Provide accessible tools and resources to allow for easier trustee research and study.

Information Technology & Security:

Objective #1: Fill vacant technical IT staff position **(Priority #1)**
Complete hiring progress for IT staff position, and successfully transition and onboard new staff member.

Objective #2: **(Priority #4)**
Conduct cybersecurity testing of both internal and vendor-hosted infrastructures and applications.

Legal:

Objective #1: Monitor proposed and pending legislation that may impact VCERA and its membership. **(Priority #4)**

Communication & Member Education:

Objective #1: Develop Comprehensive Member Education Program **(Priority #2)**
Continue current progress on the expansion of member educational resources, including development of additional video content and topic-related informational pieces.

Summary

Overall, VCERA's critical vulnerabilities have been reduced or minimized, and the objectives classified as "CRITICAL" in last year's business plan have been completed, with the notable exceptions of the V3 data issue mentioned in the Risk Assessment, and those inherent in VCERA's outdated disability procedures.

The current office renovation is demanding a great deal of time and effort from several key staff members, but thus far not significantly impacting daily work and service. This is largely due to extraordinary efforts of the Chief Technology Officer and Chief Operations Officer who have provided strong leadership in the planning and execution of the transition.

It is noteworthy that, when accomplishing objectives is within staff's control, significant progress or full completion is nearly always achieved.

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

October 21, 2019

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

SUBJECT: BOARD OF RETIREMENT MEETING CALENDAR FOR 2019

Dear Board Members:

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

The meeting frequency can create difficulty when legal holidays or other factors trigger meetings on consecutive Mondays. As with the 2019 calendar, staff recommends avoiding consecutive Monday meetings to allow for better efficiency and preparation time when bringing the Board items for consideration. Bearing these factors in mind, staff has drafted the provided 2020 Board meeting calendar.

Staff will be happy to answer any questions at the October 21, 2019 business meeting.

RECOMMENDATION: APPROVE THE PROPOSED 2019 BOARD CALENDAR

Sincerely,

Linda Webb
Retirement Administrator

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

2020 PROPOSED BOARD OF RETIREMENT MEETING CALENDAR

JANUARY

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

FEBRUARY

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

MARCH

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

APRIL

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

MAY

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

JUNE

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

JULY

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

AUGUST

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

SEPTEMBER

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

OCTOBER

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

NOVEMBER

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

DECEMBER

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

Disability Meeting | Business Meeting | Holiday | Combined Disability & Business Meeting

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SACRS Business Meeting Packet

Friday, November 15, 2019

10:00 AM - Upon Adjournment

Hyatt Regency Monterey Hotel and Spa

1 Old Golf Course Rd
Monterey, CA 93940

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

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

1. SACRS System Roll Call
Kathryn Cavness, Mendocino CERA, SACRS Secretary

2. Secretary's Report - Receive and File
Kathryn Cavness, Mendocino CERA, SACRS Secretary

A. May 2019 SACRS Business Meeting Minutes

3. Treasurer's Report - Receive and File
Harry Hagen, Santa Barbara CERS, SACRS Treasurer

A. July 2019 – August 2019 Financials

4. SACRS President Report - No Action
Dan McAllister, San Diego CERA, SACRS President

A. SACRS President Update

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

A. 2019 Legislative Report – No Action
B. SACRS Omnibus Bill SB 783- Vote
C. Los Angeles CERA Proposal – Vote

6. SACRS Nomination Committee - 2020-2021 SACRS Election Notice – No Action
Ray McCray, San Joaquin CERA, SACRS Nomination Committee Chair

A. SACRS Election Notice 2020-2021

7. SACRS Audit Report – No Action
Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS Audit Committee Update

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8. SACRS Education Committee Report – No Action
JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

A. SACRS Fall Conference Evaluations 2019

9. SACRS Program Committee Report – No Action
Vivian Gray, Los Angeles CERA, SACRS Program Committee Chair

A. SACRS Fall Conference Report 2019

10. SACRS Affiliate Committee Report – No Action
Ben Lazarus, Parametric, SACRS Affiliate Committee Chair

A. Affiliate Committee Update

11. SACRS Bylaws Committee Report – No Action
Johanna Fontenot, Los Angeles CERA, SACRS Bylaws Committee Chair

A. Bylaws Committee Update

12. SACRS Fall Conference Breakout Reports – No Action
A representative from each breakout will give report on their meetings.

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

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

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1. SACRS System Roll Call
Kathryn Cavness, Mendocino CERA, SACRS Secretary

SACRS

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1. SACRS System Roll Call
Kathryn Cavness, SACRS Secretary

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

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2. Secretary's Report - Receive and File
Kathryn Cavness, Mendocino CERA, SACRS Secretary

A. May 2019 SACRS Business Meeting Minutes

Providing insight. Fostering oversight.

SACRS Business Meeting Minutes
Friday, May 10, 2019
10:00 AM - Upon Adjournment
Resort at Squaw Creek
Lake Tahoe, CA

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

Meeting called to order at 9:48 AM by President Dan McAllister

SACRS Board Members Present: Dan McAllister, President; Vivian Gray, Vice President; Kathryn Cavness, Secretary; Harry Hagen, Treasurer; Chris Cooper, Board Member; Roger Hilton, Board Member; Ray McCray, Immediate Past President; and Ben Lazarus, Affiliate Chair

1. SACRS System Roll Call
Kathryn Cavness, Mendocino CERA, SACRS Secretary

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

At the time of roll call, San Bernardino CERA did not have a voting proxy present. Louis Fiorino arrived as SBCERA's delegate after the meeting was called to order and item 4.

2. Secretary's Report - Receive and File
Kathryn Cavness, Mendocino CERA, SACRS Secretary

A. November 2018 SACRS Business Meeting Minutes

Motion: A motion to adopt the November 2018 Business Meeting Minutes was made by San Diego CERA.
2nd: Santa Barbara CERS
Yes: 19
No: 0
Abstain: 0
Absent: 1 - San Bernardino CERS
Motion Passes

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3. Treasurer's Report - Receive and File
Harry Hagen, Santa Barbara CERS, SACRS Treasurer

A. July 2018 – February 2019 Financials

Motion: A motion to approve the Treasurers report was made by Los Angeles CERA.
2nd: Imperial CERS
Yes: 19
No: 0
Abstain: 0
Absent: 1 - San Bernardino CERS
Motion Passes

4. SACRS President Report - No Action
Dan McAllister, San Diego CERA, SACRS President

A. SACRS President Update

Discussion: No action taken, information only.

5. SACRS Legislative Committee Update – No Action
Eric Stern, Sacramento CERS & Dave Nelsen, Alameda CERA, SACRS Legislative Committee Co-Chairs

A. 2019 Legislative Report

Discussion: No action taken, information only. Bills to watch; SACRS Bill SB 783 is a technical cleanup bill for the CERL; AB 664 (Cooper) County Employees Permanent Incapacity; AB 1212 (Levine) Infrastructure Investment; AB 1320 (Nazarian) Divestment in Turkey; ab 233 (Bonta) Divestment in Private Prisons; AB 1332 (Bonta) Sanctuary State Contracting.

6. SACRS Nomination Committee - 2019-2020 SACRS Elections – Action
Ray McCray, San Joaquin CERA, SACRS Nomination Committee Chair

A. SACRS Election 2019-2020

Motion: A motion to approve the Nomination Committee recommendation for the 2019-2020 Board of Directors was made by Fresno CERA. Recommendation includes - Dan McAllister, President; Vivian Gray, Vice President; Kathryn Cavness, Secretary; Harry Hagen, Treasurer; Chris Cooper, Board Member and Roger Hilton, Board Member.
2nd: San Diego CERA
Yes: 20
No: 0
Abstain: 0
Motion Passes

Providing insight. Fostering oversight.

7. SACRS Audit Report – Action
Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS 2017-2018 Audit Report

Motion: A motion to approve the Audit report was made by Los Angeles CERA.
2nd: Imperial CERS
Yes: 19
No: 0
Abstain: 1 - Contra Costa
Motion Passes

8. SACRS Education Committee Report – No Action
JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

A. SACRS Spring Conference Evaluations 2019

Discussion: No action taken, information only, a verbal report was provided by JJ Popowich, Committee Chair. Feedback was positive and the committee had many attendees at their meeting. Many attendees utilized the online survey during the conference, more communication/instructions on how to access accounts will be needed in future conferences. Attendees were reminded to complete their evaluations online to receive credit toward their 24 hours of required continuing education.

9. SACRS Program Committee Report – No Action
Vivian Gray, Los Angeles CERA, SACRS Program Committee Chair

A. SACRS Spring Conference Report 2019

Discussion: No action taken, information only, a verbal report was provided by Vivian Gray, Committee Chair. Vivian thanked the committee members for their efforts and hard work developing a great program. Vivian asked members to please submit ideas for topics and suggestion online at the sacrs.org website.

10. SACRS Affiliate Committee Report – No Action
Ben Lazarus, Parametric, SACRS Affiliate Committee Chair

A. Affiliate Committee Update

Discussion: No action taken, information only, a verbal report was provided by Ben Lazarus, Committee Chair. Ben thanked the Affiliate Committee members and Tim Price for assisting with the developing the Affiliate Breakout session on Wednesday. The Affiliates also discussed the UC Berkeley program, Affiliate Member Guideline amendments and elections for the committee.

Providing insight. Fostering oversight.

11. SACRS Bylaws Committee Report – No Action
Johanna Fontenot, Los Angeles CERA, SACRS Bylaws Committee Chair

A. Bylaws Committee Update

Discussion: No action taken, information only, a verbal report was provided by Sulema Peterson. Update on bylaw amendments are forthcoming, the committee is reviewing for changes in management and structure for committees.

12. SACRS Fall Conference Breakout Reports – No Action
A representative from each breakout will give report on their meetings.

A. Administrators – Eric Stern reported that Debby Cherney will moderate the Administrators session at the Fall 2019 Conference.
B. Counsel – Johanna Fontenot will moderate the Counsel session at the Fall 2019 Conference.
C. Disability/ Operations & Benefits Combo – No Report, Arlene Owens will moderate the Tuesday Disability/Ops session at the Fall 2019 Conference.
D. Internal Auditors – No Report
E. Investment Officers – Tim Price will moderate the Investment session at the Fall 2019 Conference. They will have a closed-door session separate from the Affiliate breakout.
F. Safety Trustees – Brian Williams will moderate the Safety session at the Fall 2019 Conference.
G. General Trustees – Dan McAllister reported that Gina Sanchez will moderate the Tuesday Trustee session at the Fall 2019 Conference.

13. Adjournment
Next scheduled SACRS Association Business Meeting will be held Friday, November 15, 2019, Hyatt Regency Hotel & Spa, Monterey, CA.

Motion: A motion to adjourn at 10:08 am was made by Mendocino CERA.
2nd: Fresno CERA
Yes: 20
No: 0
Motion Passes

Providing insight. Fostering oversight.

3. Treasurer's Report - Receive and File
Harry Hagen, Santa Barbara CERS, SACRS Treasurer

A. July 2019 – August 2019 Financials

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9:44 PM
09/30/19
Accrual Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Balance Sheet
As of August 31, 2019

	Aug 31, 19
ASSETS	
Current Assets	
Checking/Savings	
1000 · First Foundation Bank-Checking	263,995.07
1001 · BofA Interest Checking 4389	363,111.91
1002 · First Foundation Bank ICS Acct	57,453.38
1107 · CalTrust Liquidity Fund	8,131.39
Total Checking/Savings	692,691.75
Other Current Assets	
1100 · CalTrust - Medium Term	1,189,358.25
1104 · CalTrust - BlackRock FedFund	781,346.23
1201 · Deposits in Transit	10,534.17
Total Other Current Assets	1,981,238.65
Total Current Assets	2,673,930.40
TOTAL ASSETS	**2,673,930.40**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 · Unrealized Gain (Loss)	89,757.88
2150 · Refund Liability	2,510.00
Total Other Current Liabilities	92,267.88
Total Current Liabilities	92,267.88
Total Liabilities	92,267.88
Equity	
32000 · Retained Earnings	2,298,166.07
Net Income	283,496.45
Total Equity	2,581,662.52
TOTAL LIABILITIES & EQUITY	**2,673,930.40**

10:02 PM
09/30/19
Accrual Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss
July through August 2019

	Jul - Aug 19
Ordinary Income/Expense	
Income	
4100 · Membership Dues	
4101 · Affiliates	173,750.01
4102 · Non Profit - Organizations	2,000.00
4103 · Non Profit - Systems	6,000.00
4104 · Systems - Medium	52,000.00
4105 · Systems - Large	42,000.00
Total 4100 · Membership Dues	275,750.01
4270 · UC Berkeley Program	
4271 · Registrations	7,500.00
4272 · Sponsorships	20,500.00
4270 · UC Berkeley Program - Other	-2,500.00
Total 4270 · UC Berkeley Program	25,500.00
4300 · Fall Conference Registration	
4301 · Affiliates - Early	142,790.00
4304 · Non Profit	240.00
4305 · Systems	5,400.00
4306 · Non-Members	125,490.00
4300 · Fall Conference Registration - Other	-2,670.00
Total 4300 · Fall Conference Registration	271,250.00
4350 · Spring Conference Registration	
4352 · Affiliates - Regular	30,510.00
4356 · Non-Members	0.00
4357 · Fun Run	150.00
4358 · Yoga	100.00
Total 4350 · Spring Conference Registration	30,760.00
4900 · Interest Earned	129.22
Total Income	603,389.23
Gross Profit	603,389.23
Expense	
5000 · Administrative Fee	15,000.00
5001 · Administrative Services	825.70
5002 · Awards	387.35
5003 · Bank Charges/Credit Card Fees	12,005.02
5010 · Berkeley & Symposium	
5013 · Hotel	10,625.53
5015 · Materials/Printing/Design	570.94
5016 · Travel	510.53
Total 5010 · Berkeley & Symposium	11,707.00
5041 · Consulting	9,332.00
5050 · Fall Conference	
5054 · Hotel	
5054.2 · Conference	2,000.00
Total 5054 · Hotel	2,000.00

10:02 PM
09/30/19
Accrual Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss
July through August 2019

	Jul - Aug 19
5056 · Speakers	5,385.00
5058 · Travel	813.87
Total 5050 · Fall Conference	8,198.87
5071 · Legal & Professional Fees	2,744.00
5072 · Legislative Advocacy	10,002.00
5080 · Magazine	
5082 · Design/Printing/Etc.	2,640.00
Total 5080 · Magazine	2,640.00
6000 · Board & Committees	
6001 · Board of Directors	
6001.1 · Food & Beverage	4,733.62
6001.2 · Printing/Supplies	598.13
6001.3 · Travel - BOD Meetings	1,854.11
6001 · Board of Directors - Other	698.82
Total 6001 · Board of Directors	7,884.68
6002 · Legislative Committee Meetings	10.95
Total 6000 · Board & Committees	7,895.63
6010 · Office Expenses / Supplies	1,929.58
6011 · Postage & Delivery	368.50
6020 · Spring Conference	
6021 · Audio/Visual	6,155.29
6022 · Delivery & Shipping	5,966.48
6024 · Hotel	
6024.1 · Wednesday Night Event	72,476.97
6024.2 · Conference	8,306.40
6024.3 · Food & Beverage	100,844.41
6024 · Hotel - Other	8,476.54
Total 6024 · Hotel	190,104.32
6025 · Program Material	3,573.24
6026 · Speakers	10,875.84
6028 · Travel	8,855.81
Total 6020 · Spring Conference	225,530.98
6053 · Technology/AMS/Website	10,223.07
6054 · Travel	1,103.14
66900 · Reconciliation Discrepancies	-0.06
Total Expense	319,892.78
Net Ordinary Income	283,496.45
Net Income	**283,496.45**

11:02 PM
09/30/19
Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July through August 2019

	Jul - Aug 19	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4100 · Membership Dues				
4101 · Affiliates	173,750.01	268,750.00	-94,999.99	64.65%
4102 · Non Profit - Organizations	2,000.00	3,000.00	-1,000.00	66.67%
4103 · Non Profit - Systems	6,000.00	6,000.00	0.00	100.0%
4104 · Systems - Medium	52,000.00	52,000.00	0.00	100.0%
4105 · Systems - Large	42,000.00	42,000.00	0.00	100.0%
Total 4100 · Membership Dues	275,750.01	371,750.00	-95,999.99	74.18%
4250 · Product Income				
4255 · Magazine Advertising	0.00	2,000.00	-2,000.00	0.0%
Total 4250 · Product Income	0.00	2,000.00	-2,000.00	0.0%
4270 · UC Berkeley Program				
4271 · Registrations	7,500.00	100,000.00	-92,500.00	7.5%
4272 · Sponsorships	20,500.00	55,000.00	-34,500.00	37.27%
4270 · UC Berkeley Program - Other	-2,500.00			
Total 4270 · UC Berkeley Program	25,500.00	155,000.00	-129,500.00	16.45%
4300 · Fall Conference Registration				
4301 · Affiliates - Early	142,790.00	165,230.00	-22,440.00	86.42%
4302 · Affiliates - Regular	0.00	100,000.00	-100,000.00	0.0%
4303 · Affiliates - Late/Onsite	0.00	35,000.00	-35,000.00	0.0%
4304 · Non Profit	240.00	1,000.00	-760.00	24.0%
4305 · Systems	5,400.00	25,000.00	-19,600.00	21.6%
4306 · Non-Members	125,490.00	255,000.00	-129,510.00	49.21%
4307 · Fun Run	0.00	1,000.00	-1,000.00	0.0%
4308 · Yoga	0.00	300.00	-300.00	0.0%
4300 · Fall Conference Registration - Other	-2,670.00			
Total 4300 · Fall Conference Registration	271,250.00	582,530.00	-311,280.00	46.56%
4350 · Spring Conference Registration				
4351 · Affiliates - Early	0.00	160,000.00	-160,000.00	0.0%
4352 · Affiliates - Regular	30,510.00	100,000.00	-69,490.00	30.51%
4353 · Affiliates - Late/Onsite	0.00	35,000.00	-35,000.00	0.0%
4354 · Non Profit	0.00	1,000.00	-1,000.00	0.0%
4355 · Systems	0.00	22,500.00	-22,500.00	0.0%
4356 · Non-Members	0.00	255,000.00	-255,000.00	0.0%
4357 · Fun Run	150.00	1,000.00	-850.00	15.0%
4358 · Yoga	100.00	350.00	-250.00	28.57%
Total 4350 · Spring Conference Registration	30,760.00	574,850.00	-544,090.00	5.35%
4900 · Interest Earned	129.22			
Total Income	603,389.23	1,686,130.00	-1,082,740.77	35.79%
Gross Profit	603,389.23	1,686,130.00	-1,082,740.77	35.79%
Expense				
5000 · Administrative Fee	15,000.00	180,000.00	-165,000.00	8.33%
5001 · Administrative Services	825.70	500.00	325.70	165.14%

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Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July through August 2019

	Jul - Aug 19	Budget	$ Over Budget	% of Budget
5002 · Awards	387.35	500.00	-112.65	77.47%
5003 · Bank Charges/Credit Card Fees	12,005.02	36,000.00	-23,994.98	33.35%
5010 · Berkeley & Symposium				
5011 · Audio/Visual	0.00	2,200.00	-2,200.00	0.0%
5013 · Hotel	10,625.53	12,000.00	-1,374.47	88.55%
5014 · Food & Beverage	0.00	13,000.00	-13,000.00	0.0%
5015 · Materials/Printing/Design	570.94	2,900.00	-2,329.06	19.69%
5016 · Travel	510.53	2,500.00	-1,989.47	20.42%
5017 · UC Berkeley	0.00	206,000.00	-206,000.00	0.0%
Total 5010 · Berkeley & Symposium	11,707.00	238,600.00	-226,893.00	4.91%
5030 · CERL				
5031 · Materials/Printing/Design	0.00	16,500.00	-16,500.00	0.0%
5032 · Shipping	0.00	1,300.00	-1,300.00	0.0%
Total 5030 · CERL	0.00	17,800.00	-17,800.00	0.0%
5040 · Commissions & Fees	0.00	20,000.00	-20,000.00	0.0%
5041 · Consulting	9,332.00	19,992.00	-10,660.00	46.68%
5042 · Dues & Subscriptions	0.00	3,700.00	-3,700.00	0.0%
5050 · Fall Conference				
5051 · Audio/Visual	0.00	50,000.00	-50,000.00	0.0%
5052 · Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
5053 · Entertainment	0.00	6,500.00	-6,500.00	0.0%
5054 · Hotel				
5054.1 · Wednesday Night Event	0.00	75,000.00	-75,000.00	0.0%
5054.2 · Conference	2,000.00	15,000.00	-13,000.00	13.33%
5054 · Hotel - Other	0.00	275,000.00	-275,000.00	0.0%
Total 5054 · Hotel	2,000.00	365,000.00	-363,000.00	0.55%
5055 · Program Material	0.00	30,000.00	-30,000.00	0.0%
5056 · Speakers	5,385.00	50,000.00	-44,615.00	10.77%
5057 · Supplies	0.00	1,000.00	-1,000.00	0.0%
5058 · Travel	813.87	15,000.00	-14,186.13	5.43%
Total 5050 · Fall Conference	8,198.87	520,000.00	-511,801.13	1.58%
5070 · Insurance	0.00	5,000.00	-5,000.00	0.0%
5071 · Legal & Professional Fees	2,744.00	35,000.00	-32,256.00	7.84%
5072 · Legislative Advocacy	10,002.00	60,012.00	-50,010.00	16.67%
5080 · Magazine				
5081 · Delivery & Shipping	0.00	600.00	-600.00	0.0%
5082 · Design/Printing/Etc.	2,640.00	20,000.00	-17,360.00	13.2%
5080 · Magazine - Other	0.00	5,200.00	-5,200.00	0.0%
Total 5080 · Magazine	2,640.00	25,800.00	-23,160.00	10.23%
6000 · Board & Committees				
6001 · Board of Directors				
6001.1 · Food & Beverage	4,733.62	8,500.00	-3,766.38	55.69%
6001.2 · Printing/Supplies	598.13	4,000.00	-3,401.87	14.95%
6001.3 · Travel - BOD Meetings	1,854.11	11,000.00	-9,145.89	16.86%

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Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July through August 2019

	Jul - Aug 19	Budget	$ Over Budget	% of Budget
6001.4 · Travel - Miscellaneous BOD	0.00	1,200.00	-1,200.00	0.0%
6001 · Board of Directors - Other	698.82	3,000.00	-2,301.18	23.29%
Total 6001 · Board of Directors	7,884.68	27,700.00	-19,815.32	28.47%
6002 · Legislative Committee Meetings	10.95	250.00	-239.05	4.38%
6003 · Program Committee Meetings	0.00	2,500.00	-2,500.00	0.0%
6000 · Board & Committees - Other	0.00	175.00	-175.00	0.0%
Total 6000 · Board & Committees	7,895.63	30,625.00	-22,729.37	25.78%
6010 · Office Expenses / Supplies	1,929.58	2,500.00	-570.42	77.18%
6011 · Postage & Delivery	368.50	2,500.00	-2,131.50	14.74%
6020 · Spring Conference				
6021 · Audio/Visual	6,155.29	50,000.00	-43,844.71	12.31%
6022 · Delivery & Shipping	5,966.48	3,000.00	2,966.48	198.88%
6023 · Entertainment	0.00	6,500.00	-6,500.00	0.0%
6024 · Hotel				
6024.1 · Wednesday Night Event	72,476.97	75,000.00	-2,523.03	96.64%
6024.2 · Conference	8,306.40			
6024.3 · Food & Beverage	100,844.41			
6024 · Hotel - Other	8,476.54	275,000.00	-266,523.46	3.08%
Total 6024 · Hotel	190,104.32	350,000.00	-159,895.68	54.32%
6025 · Program Material	3,573.24	35,000.00	-31,426.76	10.21%
6026 · Speakers	10,875.84	50,000.00	-39,124.16	21.75%
6027 · Supplies	0.00	1,000.00	-1,000.00	0.0%
6028 · Travel	8,855.81	15,000.00	-6,144.19	59.04%
Total 6020 · Spring Conference	225,530.98	510,500.00	-284,969.02	44.18%
6050 · Strategic Facilitator	0.00	10,000.00	-10,000.00	0.0%
6051 · Taxes & Licenses	0.00	50.00	-50.00	0.0%
6053 · Technology/AMS/Website	10,223.07	30,000.00	-19,776.93	34.08%
6054 · Travel	1,103.14	10,000.00	-8,896.86	11.03%
66900 · Reconciliation Discrepancies	-0.06			
Total Expense	319,892.78	1,759,079.00	-1,439,186.22	18.19%
Net Ordinary Income	283,496.45	-72,949.00	356,445.45	-388.62%
Net Income	**283,496.45**	**-72,949.00**	**356,445.45**	**-388.62%**

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
2019-2020 Budget

	Budget
Ordinary Income/Expense	
Income	
4100 · Membership Dues	
4101 · Affiliates	268,750.00
4102 · Non Profit - Organizations	3,000.00
4103 · Non Profit - Systems	6,000.00
4104 · Systems - Medium	52,000.00
4105 · Systems - Large	42,000.00
Total 4100 · Membership Dues	371,750.00
4250 · Product Income	
4255 · Magazine Advertising	2,000.00
Total 4250 · Product Income	2,000.00
4270 · UC Berkeley Program	
4271 · Registrations	100,000.00
4272 · Sponsorships	55,000.00
4270 · UC Berkeley Program - Other	
Total 4270 · UC Berkeley Program	155,000.00
4300 · Fall Conference Registration	
4301 · Affiliates - Early	165,230.00
4302 · Affiliates - Regular	100,000.00
4303 · Affiliates - Late/Onsite	35,000.00
4304 · Non Profit	1,000.00
4305 · Systems	25,000.00
4306 · Non-Members	255,000.00
4307 · Fun Run	1,000.00
4308 · Yoga	300.00
4300 · Fall Conference Registration - Other	
Total 4300 · Fall Conference Registration	582,530.00
4350 · Spring Conference Registration	
4351 · Affiliates - Early	160,000.00
4352 · Affiliates - Regular	100,000.00
4353 · Affiliates - Late/Onsite	35,000.00
4354 · Non Profit	1,000.00
4355 · Systems	22,500.00
4356 · Non-Members	255,000.00
4357 · Fun Run	1,000.00
4358 · Yoga	350.00
Total 4350 · Spring Conference Registration	574,850.00
4900 · Interest Earned	
Total Income	1,686,130.00
Gross Profit	1,686,130.00
Expense	
5000 · Administrative Fee	180,000.00
5001 · Administrative Services	500.00

5002 · Awards	500.00
5003 · Bank Charges/Credit Card Fees	36,000.00
5010 · Berkeley & Symposium	
5011 · Audio/Visual	2,200.00
5013 · Hotel	12,000.00
5014 · Food & Beverage	13,000.00
5015 · Materials/Printing/Design	2,900.00
5016 · Travel	2,500.00
5017 · UC Berkeley	206,000.00
Total 5010 · Berkeley & Symposium	238,600.00
5030 · CERL	
5031 · Materials/Printing/Design	16,500.00
5032 · Shipping	1,300.00
Total 5030 · CERL	17,800.00
5040 · Commissions & Fees	20,000.00
5041 · Consulting	19,992.00
5042 · Dues & Subscriptions	3,700.00
5050 · Fall Conference	
5051 · Audio/Visual	50,000.00
5052 · Delivery & Shipping	2,500.00
5053 · Entertainment	6,500.00
5054 · Hotel	
5054.1 · Wednesday Night Event	75,000.00
5054.2 · Conference	15,000.00
5054 · Hotel - Other	275,000.00
Total 5054 · Hotel	365,000.00
5055 · Program Material	30,000.00
5056 · Speakers	50,000.00
5057 · Supplies	1,000.00
5058 · Travel	15,000.00
Total 5050 · Fall Conference	520,000.00
5070 · Insurance	5,000.00
5071 · Legal & Professional Fees	35,000.00
5072 · Legislative Advocacy	60,012.00
5080 · Magazine	
5081 · Delivery & Shipping	600.00
5082 · Design/Printing/Etc.	20,000.00
5080 · Magazine - Other	5,200.00
Total 5080 · Magazine	25,800.00
6000 · Board & Committees	
6001 · Board of Directors	
6001.1 · Food & Beverage	8,500.00
6001.2 · Printing/Supplies	4,000.00
6001.3 · Travel - BOD Meetings	11,000.00
6001.4 · Travel - Miscellaneous BOD	1,200.00
6001 · Board of Directors - Other	3,000.00

Total 6001 · Board of Directors	27,700.00
6002 · Legislative Committee Meetings	250.00
6003 · Program Committee Meetings	2,500.00
6000 · Board & Committees - Other	175.00
Total 6000 · Board & Committees	30,625.00
6010 · Office Expenses / Supplies	2,500.00
6011 · Postage & Delivery	2,500.00
6020 · Spring Conference	
6021 · Audio/Visual	50,000.00
6022 · Delivery & Shipping	3,000.00
6023 · Entertainment	6,500.00
6024 · Hotel	
6024.1 · Wednesday Night Event	75,000.00
6024.2 · Conference	
6024.3 · Food & Beverage	
6024 · Hotel - Other	275,000.00
Total 6024 · Hotel	350,000.00
6025 · Program Material	35,000.00
6026 · Speakers	50,000.00
6027 · Supplies	1,000.00
6028 · Travel	15,000.00
Total 6020 · Spring Conference	510,500.00
6050 · Strategic Facilitator	10,000.00
6051 · Taxes & Licenses	50.00
6053 · Technology/AMS/Website	30,000.00
6054 · Travel	10,000.00
66900 · Reconciliation Discrepancies	
Total Expense	1,759,079.00
Net Ordinary Income	-72,949.00
Net Income	**-72,949.00**

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4. SACRS President Report - No Action
Dan McAllister, San Diego CERA, SACRS President

A. SACRS President Update

SACRS

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No Printed Materials For This Item

SACRS

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5. SACRS Legislative Committee Update - Vote

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

A. 2019 Legislative Report – No Action
B. SACRS Omnibus Bill SB 783- Vote
C. Los Angeles CERA Proposal – Vote

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SACRS Legislative Committee
Ad Hoc Committee on Employer Liabilities
August 2019

On February 15, 2019, the Legislative Committee established an ad hoc committee to study the statutory tools that county retirement systems can use to ensure payment of contributions from employers. Dave Nelsen (Alameda), Gina Ratto (Orange), Eric Stern (Sacramento), Julie Wyne (Sonoma), and actuarial adivisor Andy Yeung (Segal Consulting) were appointed to the ad hoc committee.

This memo reflects the ad hoc committee's findings and recommendations.

Background

This issue gained media attention in recent years as CalPERS exercised its statutory authority for the first time to reduce benefit payments for retirees after two employers terminated membership and stopped making required pension payments. CalPERS also has statutory authority to place a lien on the assets of a terminating agency.

County retirement systems do not have the same enforcement tools as CalPERS, though several CERL statutes address the retirement board's authority to require payments from counties and districts.

- **Policy question:** Is more legislation needed to provide CERL systems with sufficient tools to ensure payments from employers?

Recommendations

The ad hoc committee does not recommend any significant legislative changes.

- We believe the current statutory structure and case law provide the necessary legal support for collecting contributions from employers.
- We advise CERL systems to adopt declining employer payroll and/or terminating employer liability policies to establish a process to identify liabilities and collect payments from employers.
- We also recommend that CERL systems use strong language in participation agreements with district employers that include contractual remedies for a breach.
- We recommend affirming the *Mijares* ruling in the CERL omnibus bill, SB 783, to emphasize the Board's authority to collect contributions from employers,

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regardless of whether the county or district has active employees participating in the retirement system.

- We do not recommend pursuing CalPERS-type remedies, such as reducing member's benefits or securing a lien for collection purposes, though those tools may be appropriate for a larger system like CalPERS, with 3,000 participating employers and more resources.

Analysis

- Public employees have a contractual right to an actuarially sound retirement system. *Board of Administration v. Wilson* (1997) 52 Cal.App.4th 1109 at 1137
- Retirement Boards have the sole and exclusive duty to administer the system in a manner that will assure prompt delivery of benefits and to provide for actuarial services to assure the competency of assets. *County of Orange v. Association of Orange County Deputy Sheriffs* (2011) 192 Cal.App.4th 21 at 34; Cal. Constitution Article XVI, Sec. 17
- Contribution rates are binding on the County and participating districts and are set by law. *City of Oakland v. PERS* (2002) 95 Cal.App.4th 29 at 49; *In re Retirement Cases* (2003) 110 Cal.App.4th 421 at 453 and CERL Section 31586
- The obligation to pay the unfunded liability arises from predictions and future estimates about often-fluctuating factors over the years and is a highly variable amount. *Orange*, supra at 37
- The court in the *Mijares* case that OCERS took up on appeal found that Section 31453.5 applied to both active and inactive employers who have retired employees currently receiving benefits from the County retirement system. *Mijares v. Orange County Employees Retirement System*, 32 Cal.App. 5th 316
- The *Mijares* court also found that the unfunded liability payment is not required to be deducted from active employee payroll and recognized the system's right to recommend changes in county and district appropriations as necessary. (Section 31453)
- The *Mijares* court also found that the board's plenary constitutional authority to administer the system in a manner that will assure prompt delivery of benefits and related services to participants and beneficiaries supports the ability to collect from an employer that has no active payroll but still has deferred or retired members.

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2020 CERL Clean-Up/Omnibus Bill

August 28, 2019

Dear SACRS Board of Directors:

At its August 16, 2019 meeting, the Legislative Committee approved bill language for a CERL Omnibus Bill and recommended approval by the SACRS Board of Directors.

A "shell" bill – SB 783 – has been filed on behalf of SACRS by the Senate Committee on Labor, Public Employment and Retirement. If approved by the SACRS membership at the Fall Conference, SB 783 can be amended in January 2020 for consideration during the 2020 legislative session.

The enclosed language reflects the work of Legislative Committee members, in collaboration with system administrators, over the past six months to develop non-controversial, technical, and clarifying amendments to the CERL. The proposed amendments will help the 1937 Act systems administer benefits in accordance with changes in federal law and recent appellate court rulings, provide more flexibility to Retirement Boards, and add parity to the CERL by aligning certain statutes with CalPERS and CalSTRS laws. Specifically, the amendments:

- Consolidate the military service-credit statues to better conform to federal law and ensure members who are called to duty are made whole for their time away.
- Affirm the recent Mijares v. OCERS appellate case regarding an employer's liability and obligation to make contributions for pension benefits.
- Allow counties to authorize members to purchase parental leave service credit, aligning with CalPERS and CalSTRS statutes and evolving law about family leave.
- Clarify existing law regarding which benefit tier a member rejoins when reinstated to active service after an involuntary separation is overturned.
- Allow Boards to delegate to staff the authority to finalize retirement applications and put retirees on payroll, in compliance with the Wilmot vs CCCERA ruling.
- Provide flexibility to Retirement Boards to accept retirement applications earlier than the current 60-day limit.
- Allow for the lump-sum distribution of contributions when a member reaches mandatory distribution age instead of requiring a pension benefit that may be only a few dollars.
- Update incorrect statutory references, and make other technical changes.

The bill language and a summary matrix are enclosed.

Respectfully,

Dave Nelsen and Eric Stern
Legislative Committee Co-Chairs

STATE ASSOCIATION of COUNTY RETIREMENT SYSTEMS
1225 8th St., Suite 550, Sacramento, CA 95814 | T (916) 701-5158 | SACRS.ORG

Amendments to SB 783

VERSION 5

As Adopted by SACRS Legislative Committee
August 16, 2019

Additional Member Contributions; Removes Incorrect Cross Reference

Amend Section 31465:

"Additional contributions" means contributions made by members in addition to normal contributions under ~~Sections 31504 and~~ **Section** 31627.

Additional Member Contributions; Removes Incorrect Cross Reference

Amend Section 31627.1:

A member who has additional contributions under Section 31627 of the Government ~~Code, or under Section 31504 of the Government Code,~~ **Code** may, within 30 days prior to retirement, elect in writing to have all or any part of ~~his~~ **the member's** accumulated additional contributions returned to ~~him.~~ **the member**. The portion returned shall not be included in the calculation of the member's annuity.

Additional Member Contributions; Removes Incorrect Cross Reference

Amend Section 31627.2:

In any county in which the provisions of Section 31676.1 apply, any member who has additional contributions under Section ~~31504 of the Government Code, or under Section~~ 31627 of the Government ~~Code,~~ **Code** may elect in writing to have all or any part of ~~his~~ **the member's** accumulated additional contributions returned to ~~him.~~ **the member**. The portion returned shall not be included in the calculation of the member's annuity. The board may order payment in whole or in part withheld for a period not to exceed 90 days after receipt of such written election.

Amend Section 31631.5:

Member Contributions; Removes Incorrect Cross Reference

(a) (1) Notwithstanding any other provision of this chapter, a board of supervisors or the governing body of a district may require that members pay 50 percent of the normal cost of benefits. However, that contribution shall be no more than 14 percent above the

applicable normal rate of contribution of members established pursuant to this article for local general members, no more than 33 percent above the applicable normal rate of contribution of members established pursuant to Article 6.8 (commencing with Section ~~21639)~~ **31639**) for local police officers, local firefighters, county peace officers, and no more than 37 percent above the applicable normal rate of contribution of members established pursuant to Article 6.8 (commencing with Section 31639) for all local safety members other than police officers, firefighters, and county peace officers.
(2) Before implementing any change pursuant to this subdivision for any represented employees, the public employer shall complete the good faith bargaining process as required by law, including any impasse procedures requiring mediation and factfinding. This subdivision shall become operative on January 1, 2018. This subdivision shall not apply to any bargaining unit when the members of that unit are paying at least 50 percent of the normal cost of their pension benefit or are subject to an agreement reached pursuant to paragraph (1). Applicable normal rate of contribution of members means the statutorily authorized rate applicable to the member group as the statutes read on December 31, 2012.
(b) Nothing in this section shall modify a board of supervisors' or the governing body of a district's authority under law as it existed on December 31, 2012, including any restrictions on that authority, to change the amount of member contributions.

Employer Liabilities; Affirming the Mijares vs OCERS Ruling

Amend Section 31453:

(a) An actuarial valuation shall be made within one year after the date on which any system established under this chapter becomes effective, and thereafter at intervals not to exceed three years. The valuation shall be conducted under the supervision of an actuary and shall cover the mortality, service, and compensation experience of the members and beneficiaries, and shall evaluate the assets and liabilities of the retirement fund. Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 45 days prior to the beginning of the succeeding fiscal year, recommend to the board of supervisors the changes in the rates of interest, in the rates of contributions of members, and in county and district appropriations as are necessary. With respect to the rates of interest to be credited to members and to the county or district, the board may, in its sound discretion, recommend a rate which is higher or lower than the interest assumption rate established by the actuarial survey. No adjustment shall be included in the new rates for time prior to the effective date of the revision. (b)(1) Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 45 days prior to the beginning of the succeeding fiscal year, recommend to the governing body of a district within the county system that is not governed by the board of supervisors the changes in the rates of contributions of district members and in district appropriations as are necessary. (2) This subdivision shall not be operative in any county until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable in that county.

(c) The legislature affirms the ruling of *Mijares v. Orange County Employees Retirement System* (2019) 32 Cal.App.5th 316 with respect to the board's plenary authority to recommend adjustments to county and district contributions as necessary to ensure the appropriate funding of the system, and with respect to the mandate of Section 31454 that the county and districts adjust the rates of contributions of members and appropriations in accordance with the board's recommendations. Under all circumstances, the county and districts shall each remain liable to the retirement system for their respective share of any unfunded actuarial liability of the system, as determined by the board.

Member Refunds; Removes Incorrect Cross Reference

Amend Section 31641.45:

Whenever a member is entitled to redeposit funds previously withdrawn from a retirement system and thereby becomes eligible to receive a pension or retirement allowance for the service for which he was granted public service credit as authorized in Section 31641.1, regardless of whether or not the member elects to exercise such entitlement, the member shall be refunded the amount deposited by him in accordance with Section 31641.2 plus interest which has been credited to such amount and shall receive no credit in the system for such service.

This section applies only to a member who would be eligible to receive the benefit of Section 31835 or ~~20023.1~~**20638** on making the redeposit.

Concurrent Retirement; Clarifies Age Requirement for PEPRA members

Amend Section 31835.1 to read:

Notwithstanding the provisions of Sections 31835 and 31836, a member of a retirement system established under this chapter who is eligible to retire at age 50 pursuant to Section 31672 **or Section 7522.25, or at age 52 pursuant to Section 7522.20**, or who is required to retire because of age while a member of the Public Employees' Retirement System, a retirement system established under this chapter in another county, the State Teachers' Retirement System, or a retirement system of any other public agency of the state that has established reciprocity with the Public Employees' Retirement System subject to the conditions of Section 31840.2, but who cannot retire concurrently from the Public Employees' Retirement System, a retirement system established under this chapter in another county, the State Teachers' Retirement System, or a retirement system of any other public agency of the state that has established reciprocity with the Public Employees' Retirement System subject to the conditions of Section 31840.2, shall be entitled to have his final compensation and service determined under Sections 31835 and 31836 as if he had retired concurrently under such other system.

Service Credit Purchases for Parental Leave

Amend 31646:

(a) A member who returns to active service following an uncompensated leave of absence on account of illness may receive service credit for the period of such absence upon the payment of the contributions that the member would have paid during such period, together with the interest that such contributions would have earned had they been on deposit, if the member was not absent. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit may not be received for any period of such absence in excess of 12 consecutive months.

(b) <u>**(1) A member who returns to active service following an uncompensated leave of absence on account of parental leave, may receive service credit for the period of such absence upon the payment of the contributions that the member and the employer would have paid during such period, together with the interest that such contributions would have earned had they been on deposit, if the member was not absent. For purposes of this subsection, parental leave is defined as any time, up to one year, during which a member is granted an approved maternity or paternity leave and returns to employment at the end of the approved leave for a period of time at least equal to that leave. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit may not be received for any period of such absence in excess of 12 consecutive months.**</u>
<u>**(2) This subsection shall not be operative until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable to that county, and applies to parental leave that commences after the adoption by the board of supervisors.**</u>

Military Leave; Streamlines Military Service Credit Provisions

Government Code section 31649 should be amended to read:

~~(a) Any member who resigns to enter and does enter the Armed Forces of the United States on a voluntary or involuntary basis, and within 90 days after the termination of that service under honorable conditions, reenters county service, or~~

~~(b) Any member who obtains a leave of absence to enter and does enter the Armed Forces of the United States on a voluntary or involuntary basis, and within one year after the termination under honorable conditions of~~

~~leave of absence reenters county service, if he or she has not contributed to the retirement fund the total percentage of his or her compensation earnable due pursuant to Section 31461 or pensionable compensation as defined in Section 7522.34, whichever is applicable, due under this chapter for the entire period during which he or she was out of county service and in military service, may, not more than 90 days after his or her reentrance into county service, file with the board his or her election that no further contributions be deducted from his or her compensation except contributions due because of current service.~~

~~(c) A member who reenters county service under either (a) or (b) above may be allowed up to five years credit for vesting in the system~~

(a) **This chapter shall comply with the Uniformed Services Employment and Reemployment Act of 1994 (USERRA) (38 U.S.C. § 4301 et. seq.) as amended from time to time. Any member who was absent from county or district employment for military service and is eligible for reemployment benefits pursuant to USERRA, may, as provided in USERRA, make contributions and receive service credit for the time absent.**

(b) **Any member who does not qualify for reemployment benefits under (a) due to the length of the military service and who returns to county or district employment within one year of being honorably discharged from the Armed Forces of the United States, shall receive credit for service for all or any part of his or her military service, if, before retirement from the county or district, he or she contributes what he or she would have paid to the fund based on his or her compensation earnable as defined by section 31461 or pensionable compensation as defined in section 7522.34, whichever is applicable, at the time of the beginning of the absence together with regular interest thereon.**

(c) **Nothing in this section shall affect any arrangement to pay contributions pursuant to section 31653.**

Sections 31649.5, 31649.6, 31650, and 31651 should be repealed.

Board Approval/Notification of Retirement Applications; Delegation to Staff

Amend Section 31670:

(a) Retirement of a member who has met the requirements for age and service shall be made by the board pursuant to this article or pursuant to the California Public Employees' Pension Reform Act of 2013, whichever is applicable.

(b) **The board may authorize the administrator or other personnel to exercise the board's power and perform its duty to retire members under this section. The administrator or other personnel shall report service**

retirements to the board at the next public meeting of the board after the retirement.

Amend Section 31662.2:

(a) Retirement of a safety member in a county subject to the provisions of 31676.1, or of Section 31695.1, if applicable, who has met the requirements for age and service shall be made by the board pursuant to this article or pursuant to the California Public Employees' Pension Reform Act of 2013, whichever is applicable.
(b) The board may authorize the administrator or other personnel to exercise the board's power and perform its duty to retire members under this section. The administrator or other personnel shall report service retirements to the board at the next public meeting of the board after the retirement.

60-Day Application Window; Provides Option for Longer Period

Amend Sections 31672, 31672.1, 31672.2, 31672.3 et al:

…may be retired upon filing with the board a written application, setting forth the date upon which he or she desires his or her retirement to become effective ~~not earlier than the date the application is filed with the board and not more than 60 days after the date of filing the application~~. **That effective retirement date shall not be:**
(a) earlier than the date the application is filed with the board, and
(b) more than 60 days after the date of filing the application, or such number of days as approved by the Board.

Reinstatement to Prior Benefit Level

Add Section 31680.10:

(a) A person who has been retired under this chapter for service following an involuntary termination of his or her employment, and who is subsequently reinstated to that employment pursuant to an administrative or judicial proceeding that is final and not subject to appeal, shall be reinstated from retirement as if there were no intervening period of retirement. Except as provided in subdivision (b), the requirements of Sections 31680.4, 31680.5, and 31680.7 shall not apply to that reinstatement.
(b) The allowance received by the person during retirement shall be repaid by him or her to the retirement system from which he or she retired in accordance with the retirement system's repayment policy. Contributions shall be made for any period for which salary is awarded in the administrative or judicial proceedings in the amount that would have contributed had the member's employment not been terminated, and he or

she shall receive credit for the period for which salary is awarded. If the person fails to repay the allowance received during retirement, then his or her contributions and allowance upon retirement subsequent to reinstatement shall be calculated under Sections 31680.5 or 31680.7, as applicable.

(c) **As used in this section, "administrative proceeding" means the process for appeal of an involuntary termination established by county or district ordinance or charter.**

(d) **This section shall only apply to persons reinstated to such employment by final action on or after the effective date of this section pursuant to an administrative or judicial proceeding.**

Minimum Age Distributions; Timing and Lump-Sum Option

Amend Section 31706:

Any member who has left county service and has elected to leave accumulated contributions in the retirement fund or who is deemed to have elected a deferred retirement pursuant to subdivision (b) of Section 31700 and has attained age 70 but has not yet applied for a deferred retirement allowance and who is not a reciprocal member of a retirement system established pursuant to this chapter or the Public Employees' Retirement Law shall be notified in writing by the treasurer, or other entity authorized by the board, that the member is eligible to apply for and shall begin receiving **either;** a deferred retirement allowance by April 1 of the year following the year in which the member attains age 70 ½**, or, a one-time distribution of all accumulated contributions and interest.** The notification shall be made at the time the deferred member attains age 70 and shall be sent by certified mail to the member's last known address, or to the member's last known employer, as shown by the records of the retirement system. If the member can be located but does not make proper application for a deferred retirement allowance with retirement to be effective by April 1 of the year **following the year** in which the member attains age 70 ½, the retirement system shall commence paying **either** an unmodified allowance to the member **if the member was eligible to begin receiving a deferred retirement allowance under the provisions of 31485.22, or, a one-time distribution of all accumulated contributions and interest if the member is otherwise ineligible for a deferred retirement allowance.** If the member cannot be located by April 1 of the year following the year in which the member attains age 70 ½, all of the member's accumulated contributions and interest thereon shall be deposited in, and become a part of, the current pension reserve fund of the retirement system. The board may at any time after transfer of proceeds to the reserve fund upon receipt of proper information satisfactory to it, redeposit the proceeds to the credit of the claimant, to be administered in the manner provided under this law. This section shall not apply to a member while the member is actively employed past mandatory retirement age in a retirement system established under the provisions of this chapter or the Public Employees' Retirement Law.

Optional Retirement Allowances and Survivor Benefits; Clarifies Age for Children

Amend sections 31760.1, 31760.2, 31765, 31765.1, 31781.1, 31781.2, 31785, 31785.1, 31786, 31786.1, 31787, and 31787.5:

…Notwithstanding any other provisions of this section, the benefits otherwise payable to the children of the member shall be paid to ~~such children through the age of 21~~**<u>those children up to the 22nd birthday of the children</u>** if such children remain unmarried and are regularly enrolled as full-time students in and accredited school as determined by the board.

And, amend section 31855.3 (c) to read:

(c) ~~Between 18 and 22 years of age,~~ **<u>Over age 18 but under age 22,</u>** and enrolled as a full-time student in an accredited school, as determined by the board.

As Approved by Legislative Committee
August 16, 2019

SB 783 -- 1937 Act Omnibus Bill

Gov Code	Topic	Issue/Justification
31465	Additional member contributions	Removes incorrect reference to GC 31504, which was repealed
31627.1	Additional member contributions, refunds	Removes incorrect cross reference to GC 31504; adds gender neutral language
31627.2	Additional member contributions, refunds	Removes incorrect cross reference to GC 31504; adds gender neutral language
31631.5	Member contributions, normal cost-sharing	Fixes incorrect cross reference to GC 31639 (currently 21639)
31453	Withdrawn Employer Liabilities	Affirms *Mijares vs. OCERS* ruling to emphasize Board's authority to set contributions for employers (even if they no longer have active members) to ensure sustainability of the fund.
31641.45	Refunds	Removes incorrect cross reference to 20023.1, which was repealed in 1995.
31646	Service Purchase for Uncompensated Illness	Allows members to purchase parental leave time, similar to CalPERS (GC 21013) and CalSTRS (EC 22803). Current statute does not permit purchases for unpaid absences other than for illness. This amendment adds parity for county retirement systems in an area of law and practice that has been evolving regarding parental leave. Unlike current statute that requires only member contributions for service purchases related to unpaid medical leave, this amendment requires the member to pay ALL contributions (employee and employer). This provision also require BOS approval, and applies prospectively to future parental leave to ensure compliance with PEPRA's ban on retroactive benefit increases.
31649 31649.5, 31649.5, 31649.6, 31650, and 31651	Military Leave	Consolidates military service credit statutes to conform to federal laws to ensure members who have been called to duty and return to work can be made whole for retirement purposes due to their leave of absence. These amendments do not contain policy changes, but add clarity and remove potential conflict with federal law regarding the treatment of military service purchases.

As Approved by Legislative Committee
August 16, 2019

31662.2 31670	Board Approval of Retirements	Delegates authority to the system administrator or other personnel to accept and process service retirement applications, approve effective retirement dates, and pay members, and directs staff to notify Board at the next public meeting. The recent Wilmot v. CCCERA appellate ruling raised a question as to when a member officially retires. The court, citing section 31670, held that a member was not retired until the Board formally approved the member's retirement application. There are various approaches that retirement boards currently use to approve, ratify, or review service retirement applications. By formally delegating the authority to staff to process service retirements, current practices can be codified to comply with section 31670 to ensure members can be paid in a timely manner.
31672, 31672.1, 31672.2, 31672.3	60-Day Advance Application Window	Allows each system to set an application window based on business needs/ability. Statute currently prohibits members from submitting applications more than 60 days before retirement, which will remain the default unless proactively changed by the Board. The 60-day rule is arbitrary and likely reflected the constraints on a manual processes. Technology solutions today can accommodate applications filed earlier, which can help facilitate retirement planning for the individual and succession planning for the employer.
31680	Reinstatement from Retirement	Reinstates to prior status members who had involuntarily termination overturned by administrative or judicial proceeding. This amendment clarifies what Tier the member should return to, if the member was separated from service during the appeal that may have stretched for long periods. Similar to CalPERS (GC 21198)
31706	Minimum Age Distribution	Conforms to IRC regulations the timing of notice for mandatory distribution by clarifying that member deadline to retire/take action is April 1 of **<u>year following the</u>** year in which the member attains age 70 ½. Adds language for flexibility for lump sum distribution of contributions instead of an "allowance." There are frequent situations in which a deferred member who worked for the county many years ago may have a small amount of member contributions on file. It is cumbersome and inefficient to provide an annual pension on what may amount to a few dollars, instead of providing a lump sum distribution.

31760.1, 31760.2, 31765, 31765.1, 31781.1, 31782.2, 31785, 31785.1, 31787, 31787.5, 31853.3	Optional Retirement Allowances and Death Benefits: Age 21	Amends CERL sections to clarify survivor benefit are to be paid up to the child's 22nd birthday as long as the child remains unmarried and enrolled full time. CERL provides for a benefit to be paid to a child over the age of 18 who is regularly enrolled as a full-time student in an accredited school. The benefit is to be paid "through the age of 21." "Through the age of 21" could mean up to the date that the child turns 21 because as of that date the child is 21 plus one day. On the other hand, it could mean up to the child's 22nd birthday. This amendment reflects the majority interpretation and practice.
31835.1	Concurrent Retirement: PEPRA members	Adds clarifying language regarding early retirement for PEPRA members who also have legacy status in another system. This section deals with concurrent retirement for reciprocal members who can retire in one system at age 50 but aren't eligible to retire in the reciprocal system until after age 50, and ensures reciprocity is maintained if they retire in the earlier eligible system. There could be a situation where a member is a Legacy member in the first system, and leaves for more than 180 days and enters the second system as a PEPRA member. If the Legacy system has not passed a resolution to lower age 55 to age 50, then the member could be subject to an age 55 requirement in one system, and an age 50 or 52 requirement in the other system. This amendments adds PEPRA reference to age 52.

SACRS Legislative Proposals SurveyMonkey

#1

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Page 1

Q1 Title of Issue:

Nonservice-connected Disability Retirement and Intemperate Use of Alcoholic Liquor or Drugs

Q2 Retirement Association/System:

Los Angeles County Employees Retirement Association

Q3 Contact Person:

Barry Lew, Legislative Affairs Officer

Q4 Contact e-mail:

blew@lacera.com

Q5 Contact Phone #:

626-564-2370

Q6 Description of issue:

Government Code Sections 31726 and 31726.5 were added to CERL in 1937 and 1951, respectively. These sections limit a member's nonservice-connected disability retirement allowance to an annuity that is the actuarial equivalent of his accumulated contributions if the member's disability is due to intemperate use of alcoholic liquor or drugs, willful misconduct, or violation of law on the member's part. In the successive decades since 1937 and 1951, views on alcohol and drug use have evolved from a legal and moral perspective to a medical, scientific, and public health perspective—from temperance and prohibition to treatment, recovery, and counseling. The public policy underlying the limitation on nonservice-connected disability retirement allowances due to intemperate use of alcoholic liquor or drugs may no longer reflect contemporary views of alcohol and drug use. If alcohol and drug use were viewed from a disease perspective rather than a moral failure, the benefit limitation as a consequence would be financially punitive and discriminatory for members.

Q7 Recommended solution:

Amend the CERL sections related to nonservice-connected disability retirement to remove the element related to intemperate use of alcoholic liquor or drugs.

Q8 Specific language that you would like changed in, or added to, '37 Act Law, and suggested code section numbers:

Section 31726: Upon retirement for nonservice-connected disability a member who has attained age 65 shall receive his or her service retirement allowance. Every member under age 65 who is retired for nonservice-connected disability and who is not simultaneously retired as a member on deferred retirement of the State Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of the following: (a) The sum to which he or she would be entitled as service retirement. (b) A sum which shall consist of any of the following: (1) An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement. (2) If, in the opinion of the board, his or her disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district. (3) If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district. This paragraph shall only apply to a person who becomes a member of the system on or after January 1, 1988. Section 31726.5: Upon retirement for nonservice-connected disability a safety member who has attained age 55 shall receive his or her service retirement allowance. Every safety member under age 55 who is retired for nonservice-connected disability and who is not simultaneously retired as a member on deferred retirement of the Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of: (a) The sum to which he or she would be entitled to as service retirement; or (b) A sum which shall consist of: (1) An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement. (2) If, in the opinion of the board, his or her disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district. (3) If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district. Paragraph (3) shall only apply to a person who becomes a member of the association on or after January 1, 1988 Section 31728: If, in the opinion of the board, the disability is due to intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct or violation of law on the part of the member, and his annuity is less than two hundred forty dollars ($240) a year, the board may pay the member his accumulated contributions in one lump sum in lieu of his annuity. Section 31838: Every safety member under age 55 years and every other member under age 65 years who is retired for nonservice-connected disability and who is retired simultaneously under a disability retirement allowance from the Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a retirement allowance equal to the greater of the following amounts: (1) The sum to which he would be entitled as service retirement; or (2) A sum which shall consist of: (a) An annuity which is the actuarial equivalent of his accumulated contributions at the time of his retirement, and (b) If, in the opinion of the board, his disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct or violation of law on his part, a disability retirement pension purchased by contributions of the county or district, all computed as provided in Sections 31727 or 31727.2.

Q9 Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association/system?

The nonservice-connected disability retirement provisions apply to all SACRS systems.

Q10 Do you anticipate that the proposed legislation would create any major problems such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations/systems?

As plan administrators, the other SACRS systems may not be amenable to this proposal that would substantively change the policy underlying the benefit structure for nonservice-connected disability retirements. This proposal may put a plan administrator at odds with its plan sponsor.

Q11 Who will support or oppose this proposed change in the law?

SACRS systems that view the benefit limitation as financially punitive and discriminatory may support this proposal. Plan sponsors may oppose this proposal because it is a substantive change to the benefit structure of a nonservice-connected disability retirement allowance.

Q12 Who will be available from your retirement association/system to testify before the Legislature?

Barry Lew, Legislative Affairs Officer Joe Ackler, Ackler & Associates

SACRS 2020 Legislative Platform
Submission Information

- **Title of Issue**
  Nonservice-connected Disability Retirement and Intemperate Use of Alcoholic Liquor or Drugs

- **Retirement Association/Name**
  Los Angeles County Employees Retirement Association

- **Contact Name**
  Barry Lew, Legislative Affairs Officer

- **Contact Phone Number**
  626-564-2370

- **Contact Email Address**
  blew@lacera.com

- **Description of Issue**
  Government Code Sections 31726 and 31726.5 were added to CERL in 1937 and 1951, respectively. These sections limit a member's nonservice-connected disability retirement allowance to an annuity that is the actuarial equivalent of his accumulated contributions if the member's disability is due to intemperate use of alcoholic liquor or drugs, willful misconduct, or violation of law on the member's part.

  In the successive decades since 1937 and 1951, views on alcohol and drug use have evolved from a legal and moral perspective to a medical, scientific, and public health perspective—from temperance and prohibition to treatment, recovery, and counseling. The public policy underlying the limitation on nonservice-connected disability retirement allowances due to intemperate use of alcoholic liquor or drugs may no longer reflect contemporary views of alcohol and drug use. If alcohol and drug use were viewed from a disease perspective rather than a moral failure, the benefit limitation as a consequence would be financially punitive and discriminatory for members.

- **Recommended Solution**
  Amend the CERL sections related to nonservice-connected disability retirement to remove the element related to intemperate use of alcoholic liquor or drugs.

- **Specific language changed or added to the 1937 Act and suggested code section number(s)**

Section 31726
Upon retirement for nonservice-connected disability a member who has attained age 65 shall receive his or her service retirement allowance.

Every member under age 65 who is retired for nonservice-connected disability and who is not simultaneously retired as a member on deferred retirement of the ~~State~~ Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of the following:

(a) The sum to which he or she would be entitled as service retirement.

(b) A sum which shall consist of any of the following:

(1) An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement.

(2) If, in the opinion of the board, his or her disability is not due to ~~intemperate use of alcoholic liquor or drugs, willful misconduct,~~willful misconduct or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district.

(3) If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district. This paragraph shall only apply to a person who becomes a member of the system on or after January 1, 1988.

Section 31726.5
Upon retirement for nonservice-connected disability a safety member who has attained age 55 shall receive his or her service retirement allowance. Every safety member under age 55 who is retired for nonservice-connected disability and who is not simultaneously retired as a member on deferred retirement of the Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of:

(a) The sum to which he or she would be entitled to as service retirement; or

(b) A sum which shall consist of:

(1) An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement.

(2) If, in the opinion of the board, his or her disability is not due to ~~intemperate use of alcoholic liquor or drugs, willful misconduct,~~willful misconduct or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district.

(3) If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district. Paragraph (3) shall only apply to a person who becomes a member of the association on or after January 1, 1988

Section 31728
If, in the opinion of the board, the disability is due to ~~intemperate use of alcoholic liquor or drugs, willful misconduct,~~willful misconduct or violation of law on the part of the member, and his annuity is less than two hundred forty dollars ($240) a year, the board may pay the member his accumulated contributions in one lump sum in lieu of his annuity.

Section 31838
Every safety member under age 55 years and every other member under age 65 years who is retired for nonservice-connected disability and who is retired simultaneously under a disability retirement allowance from the Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a retirement allowance equal to the greater of the following amounts:

(1) The sum to which he would be entitled as service retirement; or

(2) A sum which shall consist of:

(a) An annuity which is the actuarial equivalent of his accumulated contributions at the time of his retirement, and

(b) If, in the opinion of the board, his disability is not due to ~~intemperate use of alcoholic liquor or drugs, willful misconduct,~~willful misconduct or violation of law on his part, a disability retirement pension purchased by contributions of the county or district, all computed as provided in Sections 31727 or 31727.2.

- **Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association/system?**
  The nonservice-connected disability retirement provisions apply to all SACRS systems.

- **Do you anticipate the proposed legislation would create any major problems such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations/systems?**
  As plan administrators, the other SACRS systems may not be amenable to this proposal that would substantively change the policy underlying the benefit structure for nonservice-connected disability retirements. This proposal may put a plan administrator at odds with its plan sponsor.

- **Who will support or oppose this proposed change in the law?**
  SACRS systems that view the benefit limitation as financially punitive and discriminatory may support this proposal. Plan sponsors may oppose this proposal because it is a substantive change to the benefit structure of a nonservice-connected disability retirement allowance.

- **Who will be available from your association/system to testify before the Legislature?**
  Barry Lew, Legislative Affairs Officer
  Joe Ackler, Ackler & Associates

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6. SACRS Nomination Committee - 2020-2021 SACRS Election Notice – No Action
Ray McCray, San Joaquin CERA, SACRS Nomination Committee Chair

A. SACRS Election Notice 2020-2021

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October 1, 2019

To: SACRS Trustees & SACRS Administrators/CEO's
From: Ray McCray, SACRS Immediate Past President, Nominating Committee Chair
SACRS Nominating Committee
Re: SACRS Board of Director Elections 2020-2021 - Elections Notice

SACRS BOD 2020-2021 election process will begin January 2020. Please provide this elections notice to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2020	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.
March 25, 2020	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 15, 2020	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference (May 12-15, 2020)
May 15, 2020	Board of Directors take office for 1 year

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

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

> ***A. Immediate Past President.*** *The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate Past President is unable to serve on the Board, the most recent Past President who qualifies shall serve as a member of the Board.*
> ***B. Two (2) Regular Members****. Two (2) regular members shall also be members of the Board with full voting rights.*

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

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

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

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

The elections will be held at the SACRS Spring Conference May 12-15, 2020 at the Paradise Point Hotel and Spa, San Diego, CA. Elections will be held during the Annual Business meeting on Friday, May 15, 2020.

If you have any questions, please contact me at Ray McCray, raym1@sbcglobal.net or (209) 471-4472.

Thank you for your prompt attention to this timely matter.

Sincerely,

Ray McCray

Ray McCray, San Joaquin CERA Trustee
SACRS Nominating Committee Chair

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

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7. SACRS Audit Report – No Action
Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS Audit Committee Update

STATE ASSOCIATION *of* COUNTY RETIREMENT SYSTEMS

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8. SACRS Education Committee Report – No Action
JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

A. SACRS Fall Conference Evaluations 2019

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9. SACRS Program Committee Report – No Action
Vivian Gray, Los Angeles CERA, SACRS Program Committee Chair

A. SACRS Fall Conference Report 2019

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10. SACRS Affiliate Committee Report – No Action
Ben Lazarus, Parametric, SACRS Affiliate Committee Chair

A. Affiliate Committee Update

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11. SACRS Bylaws Committee Report – No Action
Johanna Fontenot, Los Angeles CERA, SACRS Bylaws Committee Chair

A. Bylaws Committee Update

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12. SACRS Fall Conference Breakout Reports – No Action

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

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

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13. Adjournment

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

From: Sulema Peterson <sulema@sacrs.org>
Sent: Tuesday, October 15, 2019 10:46 AM

Subject: RE: SACRS Fall Conference - Business Meeting Packet, Conference Agenda, What's New and Proxy Information

All,
Its come to our attention that the Legislative items in the packet did not include text or instructions that a favorable "Recommendation" from the Legislative committee was included.

Both the SACRS Board of Directors and the SACRS Legislative committee voted to "Recommend/Support" both items up for a vote - the SACRS bill and the LACERA bill.

Hope that clears up any confusion.

Thanks,
Sulema

Sulema H. Peterson
SACRS Executive Director
1225 8th St., Suite 550
Sacramento, CA 95814
(916) 701-5158 O
(916) 316-7632 M
sulema@sacrs.org

From: Sulema Peterson
Sent: Monday, October 14, 2019 4:42 PM

Subject: SACRS Fall Conference - Business Meeting Packet, Conference Agenda, What's New and Proxy Information
Importance: High

Good afternoon SACRS,

Hope you are all having a wonderful day, attached is the SACRS Annual Business Meeting Packet Fall 2019 for the upcoming business meeting being held on Friday, November 15, 2019 being held at the Hyatt Regency Monterey, Monterey, CA.

Please provide the attached packet to your Board of Trustees no later than ten (10) days prior to the meeting. (per the SACRS Bylaws Article V - Member Meetings)

Also attached is the agenda for the Fall Conference, please feel free to share with Trustees and Staff attending the conference.

If you have not already provided our office with your Systems "What's New" and Voting Proxy, please do so asap. As a reminder, "What's New" and Voting Proxies were due October 1.

SACRS Hotel wait list is long, if you have any EXTRA rooms being held that wont be used, please let us know asap. Contact our office to transfer to another System – do not cancel with the hotel. **Call us first to release hotel rooms at the host hotel.**

If you have any questions, or would like additional information, please feel free to contact our office.

Have a great week and see you all in November!
~Sulema

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

October 21, 2019

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

SUBJECT: REQUEST FOR AUTHORIZATION FOR TRUSTEE AND CIO ON-SITE DUE DILIGENCE VISIT TO BRIDGEWATER AND UBS

Dear Board Members:

Due diligence visits to VCERA risk parity manager Bridgewater and to VCERA real estate manager UBS, are tentatively scheduled between November 20th and 22nd in Connecticut.

The estimated cost per traveler is around $2,200, including airfare, hotel, meals and other related expenses.

Staff requests designation/confirmation of attendees and approval of corresponding costs, so travel arrangements may be completed.

Respectfully submitted,

Daniel P. Gallagher

Dan Gallagher
Chief Investment Officer

1190 S. VICTORIA AVENUE, SUITE 200 • VENTURA, CA 93003
PHONE: 805-339-4250 • FAX: 805-339-4269 • WWW.VCERA.ORG

October 21, 2019

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

SUBJECT: QUARTERLY RETIREMENT ADMINISTRATOR'S REPORT FOR THE PERIOD OF JULY – SEPTEMBER 2019

Dear Board Members:

In compliance with VCERA's Monitoring & Reporting Policy, this report includes information regarding travel, training, key meetings and media communications, as well as other key issues for July through September of 2019.

General

The renovation of VCERA's office space has been a major focus in the 3rd quarter, requiring a great deal of senior staff's focus and attention. The agency as a whole has proven to be patient and flexible, keeping member service levels high and turnaround times stable.

Also, in the 3rd quarter, staff worked through the processing recoupment of overpayments from a small group of retirees for whose supplemental benefit amounts were calculated in error. One member filed an appeal with the Board, but staff's recommendation was supported by tax counsel and upheld by the Board.

Cyclical tasks related to fiscal year end were completed, with data prepared for the actuary in preparation for the annual valuation. Brown Armstrong completed field work, and interest crediting was completed in accordance with policy. Fiscal began a comprehensive review of its procedures.

The Member Portal saw more than 1200 new enrollments in the 3rd quarter, and staff continued to improve the VCERA website, and to develop targeted messaging regarding the retirement process, reciprocity and other topics.

For the first time in its history, VCERA produced informational videos. In fact, when the last General member election notification was sent to County employees, a link to a new video about the duties of a trustee was sent as well. The election had 12 candidates, and voter turnout increased by 28% from the previous General member election.

Enhancements were made to V3 for some long-standing requests. Office photocopiers were updated with newer hardware, and office telephones were upgraded, which will allow for wireless headsets.

Board/Policy/Compliance

In the 3rd quarter, VCERA conducted an election to replace General elected member Dan Shapiro. Newly-elected trustee Jordan Roberts attended his first Board meeting in October. Trustee Bianchi vacated his seat because of his move out of the County, and appointment of his replacement by the County is still pending. Trustee Towner returned to the Board in the 3rd quarter, and was elected Chair in September.

The Board reviewed and updated the Business Planning and Mobile Device policies, and staff met with a Board committee on updating the Education and Travel Policy.

Staff also worked to prepare for the annual Board retreat, scheduling speakers and arranging details.

The VCERA Bylaws (Regulations) were updated in September after 20 years, resulting in considerable streamlining.

Travel & Training

Though the Board approved my travel as Administrator to the annual CALAPRS Administrators' Institute, I did not attend because of a death in my family at that time.

Media

During the 3rd Quarter, staff responded to a media inquiry related to Trustee Towner's return to the Board in July and subsequent election to Chair in September.

Key Meetings

Key meetings during the 2nd quarter focused on the work and issues described within this report.

Please contact me with any questions you may have regarding this quarterly report.

Sincerely,

Linda Webb
Retirement Administrator

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

October 21, 2019

SUBJECT: CHIEF INVESTMENT OFFICER'S QUARTERLY REPORT FOR THE PERIOD JULY THROUGH SEPTEMBER 2019

Dear Board Members:

Below is a summary of third quarter 2019 investment activity.

Private investment commitments:

- $53.8 million new direct fund commitments by Abbott Capital Management of which $24.6 million was by the Fund of One
- $50 million commitment to HarbourVest Real Assets Fund IV
- $25 million commitment to Bridge Debt Strategies Fund III

Investment presentations:

- Walter Scott
- Hexavest
- NEPC Performance reports for Q2 2019 and preliminary monthly July and August 2019

2019 Board Retreat:

- Paul Podolsky, Bridgewater Head of China Research & Senior Portfolio Strategist "Perspectives on China"
- Approval of CarVal management led buyout

On-site investment due diligence visits:

- Completed with no due diligence concerns: VCERA custodian bank State Street Bank and Trust
- Completed with no due diligence concerns: VCERA overlay manager Parametric and private equity manager Adams Street Partners

Other:

- Board received and filed a budget update for greater than expected legal costs due to greater than anticipated investment activity.
- Board received and filed on-site due diligence reports for State Street Bank and Trust; Parametric; and Adams Street Partners.
- Board authorized CIO attendance at Abbott's ASO LPAC and annual meetings, and at ILPA conference.

Respectfully submitted,

Daniel P. Gallagher

Dan Gallagher
Chief Investment Officer

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PHONE: 805-339-4250 • FAX: 805-339-4269 • WWW.VCERA.ORG

CARVAL INVESTORS®

October 16, 2019

Dear Investor,

We are pleased to announce that CarVal Investors has closed on the transaction with Cargill to purchase its ownership and economic interest in the company, making CarVal an employee-owned firm – CarVal Investors L.P. Thanks to your support, we were able to complete this transaction and begin the next chapter in the CarVal story.

The transition has been smooth and uneventful, but the markets have been keeping us busy. As we prepare to launch CVI Credit Value Fund V, we are excited about the global opportunities we are seeing in strategies we know well – loan portfolios, corporate securities, structured credit and hard assets.

As we previously communicated, Cargill will remain an important limited partner for us and we thank them for the continued support.

This is a major milestone for CarVal, and we feel privileged to be able to lead the firm through this transition. In an environment where many of our peers and competitors are selling stakes in their firms, we are going all in!

We enjoyed seeing many of you at our investor conference in Minneapolis this week and look forward to seeing others in London and Asia in November.

Thank you for your commitment to CarVal.

Sincerely,

Lucas Detor, James Ganley and Jody Gunderson
Managing Principals, CarVal Investors