

# VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## BOARD OF RETIREMENT

### BUSINESS MEETING

June 15, 2015

### AGENDA

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

**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:**

- |             |                                                                                                                                                                                                                             |                 |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>I.</b>   | <b><u>CALL TO ORDER</u></b>                                                                                                                                                                                                 | Master Page No. |
| <b>II.</b>  | <b><u>APPROVAL OF AGENDA</u></b>                                                                                                                                                                                            | 1 – 3           |
| <b>III.</b> | <b><u>APPROVAL OF MINUTES</u></b>                                                                                                                                                                                           |                 |
|             | A. Disability Meeting of June 1, 2015.                                                                                                                                                                                      | 4 – 9           |
| <b>IV.</b>  | <b><u>CONSENT AGENDA</u></b>                                                                                                                                                                                                |                 |
|             | A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of May 2015                                                                                                                            | 10 – 11         |
|             | B. Receive and File Report of Checks Disbursed in May 2015                                                                                                                                                                  | 12 – 21         |
|             | C. Receive and File Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position, Schedule of Investment Management Fees, and Investments and Cash Equivalents for the Period Ending March 31, 2015. | 22 - 27         |
|             | D. Receive and File Budget Summary for FY 2014-15 Month Ending May 31, 2015                                                                                                                                                 | 28              |

**V. INVESTMENT MANAGER PRESENTATIONS**

- |                                                                                                                                                                       |          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| A. Receive Annual Investment Presentation, Bridgewater Associates, LP, Joel Whidden, Senior Relationship Manager (30 Minutes)                                         | 29 – 46  |
| B. Receive Annual Investment Presentation, Tortoise Capital Advisors, Andy Goldsmith, Head of Corporate Development and Stephen Pang, Investment Analyst (30 Minutes) | 47 – 73  |
| C. Receive Annual Investment Presentation, GMO, Ryan Dawley, Client Relations Associate, and Tom Rosalanko, Portfolio Strategist (30 Minutes)                         | 74 – 120 |

**VI. INVESTMENT INFORMATION**

- |                                                             |           |
|-------------------------------------------------------------|-----------|
| A. NEPC – Dan LeBeau, Consultant.                           |           |
| 1. Preliminary Performance Report Month Ending May 31, 2015 | 121 – 127 |
| <b>RECOMMENDED ACTION: Receive and file.</b>                |           |

**VII. NEW BUSINESS**

- |                                                                                                                       |           |
|-----------------------------------------------------------------------------------------------------------------------|-----------|
| A. Policy Review and Recommended Approval                                                                             |           |
| 1. Delegation of Authority to Board Chair and Staff to Approve Contract Amendments for Board-Approved Investments     |           |
| a. Memo from Chief Investment Officer                                                                                 | 128 – 129 |
| 2. Oral Update on Unfunded Liability Amortization Policy Review                                                       |           |
| a. Summary of Amortization Periods (Segal, 2013)                                                                      | 130       |
| 3. Periodic Review of Board Policies: Business Planning, Assigned Portable Electronic Device, and Education & Travel. |           |
| a. Staff Letter                                                                                                       | 131 – 132 |
| b. Assigned Portable Electronic Device Policy Proposed (Redline)                                                      | 133 – 134 |
| c. Business Planning Policy Proposed (Redline)                                                                        | 135 – 136 |
| d. Education and Travel Policy Proposed (Redline)                                                                     | 137 – 144 |

**VII. NEW BUSINESS (continued)**

**B. Ventura County Employees' Retirement Information System  
(VCERIS) Pension Administration Project**

1. VCERIS Project Monthly Status Report 145  
**RECOMMENDED ACTION: Receive and file.**

**C. IFEBP Portfolio Concepts and Management Report, 146 – 147  
Submitted by Trustee Winter  
RECOMMENDED ACTION: Receive and file.**

**VIII. INFORMATIONAL**

**A. Save the Date- Ventura County Board of Retirement 148  
Investment Retreat, September 16, 2015**

**B. Tortoise Capital Advisors Press Release dated May 19, 149 – 150  
2015**

**C. World Pension Forum's 5<sup>th</sup> Annual Summer Summit, August 151 – 154  
18 – 21, 2015, Aspen Meadows Resort, CO**

**D. Chickasaw Capital MLP Investor Conference 2015, 155  
September 16 – 17, 2015, Houston, TX**

**IX. PUBLIC COMMENT**

**X. STAFF COMMENT**

**XI. BOARD MEMBER COMMENT**

**XII. ADJOURNMENT**

# **VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

## **BOARD OF RETIREMENT**

### **DISABILITY MEETING**

**June 1, 2015**

### **MINUTES**

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

**DIRECTORS** Peter C. Foy, Public Member  
**ABSENT:** Will Hoag, Alternate Retiree Member

**STAFF** Linda Webb, Retirement Administrator  
**PRESENT:** Henry Solis, Chief Financial Officer  
Lori Nemiroff, Assistant County Counsel  
Julie Stallings, Chief Operations Officer  
Vickie Williams, Retirement Benefits Manager  
Gina Simonelli, Retirement Benefits Specialist  
Chantell Garcia, Retirement Benefits Specialist  
Richard Burke, Retirement Benefits Specialist  
Stephanie Caiazza, Program Assistant

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

**TIME:** 9:00 a.m.

**ITEM:**

**I. CALL TO ORDER**

Chair Towner called the Disability Meeting of June 1, 2015, to order at 9:00 a.m.

**II. APPROVAL OF AGENDA**

Chair Towner amended the agenda by removing item "V.B.", because the applicant's attorney for Case 11-021 reported that he would be absent for the meeting due to illness.

The following motion was made:

MOTION: Approve the agenda, as amended.

Moved by Henderson, seconded by Sedell.

Vote: Motion carried

Yes: Goulet, Hintz, Johnston, Sedell, Winter, Henderson, McCormick,  
Wilson

No: -

Absent: Foy

**III. APPROVAL OF MINUTES**

**A. Business Meeting of May 18, 2015.**

Trustee Goulet offered a correction to the minutes on page 8 under item "XII. Board Member Comment" by replacing "Treasurer" with "Secretary", correcting the sentence to "The Board congratulated Trustee Goulet for being elected Treasurer of the SACRS Board of Directors."

The following motion was made:

MOTION: Approve the minutes, as amended.

Moved by Goulet, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Hintz, Johnston, Sedell, Winter, Henderson, McCormick,  
Wilson

No: -

Absent: Foy

IV. **RECEIVE AND FILE PENDING DISABILITY APPLICATION STATUS REPORT**

MOTION: Approve.

Moved by Henderson, seconded by Hintz.

Vote: Motion carried

Yes: Goulet, Hintz, Johnston, Sedell, Winter, Henderson, McCormick,  
Wilson

No: -

Absent: Foy

V. **APPLICATIONS FOR DISABILITY RETIREMENT**

A. Application for Non-Service Connected Disability Retirement, Thomas J. Buckley; Case No. 15-002.

1. Application for Non-Service Connected Disability Retirement and Supporting Documentation.

2. Hearing Notice Served on May 22, 2015.

Paul Hilbun was present on behalf of County of Ventura Risk Management. The applicant, Thomas J. Buckley, was also present.

Both parties declined to make a statement.

The following motion was made:

MOTION: Grant the applicant, Thomas J. Buckley, a non-service connected disability retirement.

Moved by Wilson, seconded by Johnston.

Vote: Motion carried

Yes: Goulet, Hintz, Johnston, Sedell, Winter, Henderson, McCormick,  
Wilson

No: -

Absent: Foy

The parties agreed to waive preparations of Findings of Fact and Conclusions of Law.

B. Application for Service Connected Disability Retirement, Karen Anderson; Case No. 11-021.

1. Hearing Officer's Proposed Findings of Fact, Conclusions of Law and Recommendation, submitted by Hearing Officer Kenneth A. Perea, dated March 18, 2015.
2. Hearing Notice Served on May 8, 2015.

This item was removed from the agenda during item II. "Approval of Agenda" and was postponed to a future disability meeting.

**VI. NEW BUSINESS**

**A. Review and Adoption of Proposed Fiscal Year 2015/16 Budget.**

Ms. Webb and Mr. Solis presented the FY 2015-16 proposed budget. The Board discussed and deliberated the budget and made the following recommended changes:

In the Administrative Budget, Detail (pg. 157), under Professional Services, Trustee Sedell proposed changing the description of Schott and Lites Associates to "Legislative Advocate".

In the Information Technology – Operations Budget (Exempt from CAP), Detail (pg. 169), Trustee Goulet proposed changing "Replace Board Tablets" to "Replace Board and Staff Tablets".

The following motion was made:

MOTION: Approve with proposed changes.

Moved by Sedell, seconded by Wilson.

Vote: Motion carried

Yes: Goulet, Hintz, Johnston, Sedell, Winter, Henderson, McCormick,  
Wilson

No: -

Absent: Foy

**B. Recommendation to Approve Trustees' Attendance at Public Funds Forum, September 8 – 10, 2015, Laguna Beach, CA.**

The following motion was made:

MOTION: Approve.

Moved by Hintz, seconded by McCormick.

Vote: Motion carried

Yes: Goulet, Hintz, Johnston, Sedell, Winter, Henderson, McCormick,  
Wilson

No: -

Absent: Foy

**C. Renewal of Hearing Officer Contracts.**

The following motion was made:

MOTION: Approve.

Moved by Goulet, seconded by Johnston.

Vote: Motion carried

Yes: Goulet, Hintz, Johnston, Sedell, Winter, Henderson, McCormick,  
Wilson

No: -

Absent: Foy

**D. Update on VCERA's General Counsel Position**

**1. Draft Amendments to Assembly Bill No. 1291**

The following motion was made:

MOTION: Approve.

Moved by Sedell, seconded by Henderson.

Vote: Motion carried

Yes: Hintz, Johnston, Sedell, Winter, Henderson, McCormick, Wilson

No: Goulet

Absent: Foy

**VII. INFORMATIONAL**

**A. SACRS Public Pension Investment Management Program 2015, UC  
Berkeley**

**VIII. PUBLIC COMMENT**

None.



**IX. STAFF COMMENT**

Ms. Webb invited the Board to attend monthly VCERA staff meetings. Trustee McCormick volunteered to attend the June staff meeting.

The Board was introduced to VCERA staff members Gina Simonelli, Retirement Specialist, and Richard Burke, Retirement Specialist.

**X. BOARD MEMBER COMMENT**

Trustee Johnston requested a discussion of the following items at the upcoming June 15, 2015 Business Meeting: Methodology used by NEPC to measure investment results, the Watch List Policy, and actuarial audit.

Chair Towner informed the Board that he will speak in support of AB 1291 at the California State Senate Public Employee and Retirement Committee hearing on June 8, 2015.

**XI. ADJOURNMENT**

The meeting was adjourned at 10:00 a.m.

Respectfully submitted,



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LINDA WEBB, Retirement Administrator

Approved,

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TRACY TOWNER, Chairman

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

**MAY 2015**

FIRST NAME	LAST NAME	G/S	DATE OF MEMBERSHIP	TOTAL SERVICE	OTHER SERVICE	DEPARTMENT	EFFECTIVE DATE
<b>REGULAR RETIREMENTS:</b>							
Tessie T.	Bigornia	G	8/2/1981	33.60		Superior Court	04/04/15
Constance M.	Breedlove	G	12/27/1999	15.40		Sheriff's Department	05/02/15
Lance M.	Brooks	S	9/20/1987	10.50	C= 16.877	Sheriff's Department (Deferred)	12/31/14
Patrick N.	Bryan	G	5/5/1985	30.00	B= .0943	Animal Regulations	04/04/15
Vera L.	Cabrera	G	8/22/1999	26.60	A=11.6962	Probation Agency	03/28/15
Peggy L.	Eads	G	8/2/1992	22.80	B= .0938	Child Support Services	05/02/15
Teresa S.	Eddy	G	11/6/2004	1.50	C= 8.69203	Health Care Agency (Deferred)	03/30/15
Maria	Fisher	G	11/1/1998	15.60		Human Services Agency	04/17/15
Lakhir K.	Juarez	G	7/10/1988	25.50		Health Care Agency	03/29/15
Patrick J.	Kinnear	G	1/18/2005	10.10		Resource Management Agency	04/01/14
Cynthia D.	Lazenby	G	7/12/1998	14.90		Sheriff's Department	04/26/14
Richard J.	Mackey	G	3/8/1987	28.10		Information Services Department	04/07/15
Rodney L.	Megli	S	8/18/1986	28.60	C=7.8840	Fire Protection	03/28/15
Mickey L.	Moodhard	G	5/14/1989	27.10	A= 1.3240	Human Services Agency	03/31/15
Yvonne L.	Ollada	G	4/30/2002	13.70	C= .8050 D= 5.9618	Health Care Agency (Deferred)	05/12/15
Thomas	O'Malley	S	2/4/1980	35.20		Fire Protection	03/29/15
Jose	Pulido III	S	1/11/1981	34.20		Fire Protection	03/29/15
Celia	Ramirez	G	10/27/2003	11.50		Health Care Agency	04/25/15
Monica B.	Robles	G	3/26/2001	1.30	C= 22.6214	Health Care Agency (Deferred)	03/28/15
Theresa	Sabedra	G	4/24/2005	9.50		Assessor (Deferred)	04/24/15
Dawn	Schneider	G	4/29/1990	25.00	B= .0959	Superior Court	04/04/15
Deborah L.	Schubert	G	4/5/1998	16.90	B= .1189	Local Agency Formation	03/01/15
Kimberly B.	Shropshire	G	7/8/1990	23.80		Health Care Agency	04/17/15
James R.	Stallings	G	6/26/1977	24.20		Sheriff's Department	03/28/15
Steven J.	Sullivan	G	10/15/2000	14.00		Sheriff's Department	03/28/15
Bryan A.	Vanden Bossche	S	5/18/1986	29.00	B= .0829	Fire Protection	04/30/15
Bonnie L.	Walker	G	3/20/1988	27.20	B= .1162	Child Support Services	05/02/15
Michael D.	Wheat	S	8/4/2002	5.80		Sheriff's Department	08/07/11
Darla D.	Wise	G	11/13/2000	5.50		Public Works	04/05/15

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

**MAY 2015**

FIRST NAME	LAST NAME	G/S	DATE OF MEMBERSHIP	TOTAL SERVICE	OTHER SERVICE	DEPARTMENT	EFFECTIVE DATE
(Deferred)							
Daryl R.	Woodward	G	3/17/1991	27.00	A= 1.3365 B= 1.5556	Human Services Agency	05/02/15

**DEFERRED RETIREMENTS:**

Michelle M.	Avila	G	12/01/2000	7.93		Health Care Agency	05/13/2015
Justine P.	Avtjoglou	G	11/04/2007	6.46		Superior Court	04/17/2015
Michelle Nicole	Bean	G	08/10/2008	5.98		Health Care Agency	03/10/2015
April Lyn	Bolenbaugh	G	05/31/2011	3.94	C=5.4038	Superior Court	05/06/2015
John E.	Braden-Kaneski	G	05/13/2012	4.32 *		CEO	05/12/2015
John R.	Braganza	S	02/29/2004	11.03		Fire Protection District	05/12/2015
Keith T.	Cooper	S	02/20/2000	9.27 *		Probation Agency	05/15/2015
Valencia A.	Spaccia	G	03/14/1993	8.05		Health Care Agency	04/13/2015
Mary Louise	Stahlhuth	G	09/03/2001	13.68		Health Care Agency	05/08/2015
Carley Y.	Vailu'u	G	04/07/2014	0.40 *		Area Agency on Aging	08/28/2014
Ricardo R.	Vargas	G	10/05/2008	6.45		Health Care Agency	04/16/2015

**SURVIVORS' CONTINUANCES:**

Barbara A. Easton  
Christine S. Heckerman  
Dorothy J. Lanquist  
Evangelia A. Lazaris

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

Date: Wednesday, June 10, 2015  
 Time: 11:33AM  
 User: 101602

**Ventura County Retirement Assn**  
**Check Register - Standard**  
 Period: 11-15 As of: 6/10/2015

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 Report: 03630.rpt  
 Company: VCERA

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
<b>Company: VCERA</b>										
Acct / Sub:	1002		00							
025020	VC	5/13/2015	102039B1R JP MORGAN CHASE - JPMCC	11-15 11-15	019880	VO	ROLLOVER	4/15/2015	0.00	-137,310.73
<b>Check Total</b>										<b>-137,310.73</b>
025021	-	025092	Missing							
025093	CK	5/6/2015	101231 PATRICK N. BRYAN	11-15	019953	VO	REFUND T2 COL	5/6/2015	0.00	13,636.56
025094	CK	5/6/2015	101709 LAKHVIR K. JUAREZ	11-15	019954	VO	REFUND T2 COL	5/6/2015	0.00	12,068.32
025095	CK	5/6/2015	102304 KIMBERLY B. SHROPSHIRE	11-15	019955	VO	REFUND T2 COL	5/6/2015	0.00	12,077.97
025096	CK	5/6/2015	105611B1 JENNIFER THORSEN	11-15	019956	VO	DEATH BENEFIT	5/6/2015	0.00	69,217.72
025097	CK	5/6/2015	106020 JAMES B. HALL	11-15	019957	VO	REFUND T2 COL	5/6/2015	0.00	11,463.96
025098	CK	5/6/2015	106522 IVOR F. BENCI-WOODWARD	11-15	019958	VO	REFUND T2 COL	5/6/2015	0.00	1,427.43
025099	CK	5/6/2015	112657 JOHNNY J. MATA JR.	11-15	019959	VO	REFUND CONTRIB	5/6/2015	0.00	27,773.01
025100	CK	5/6/2015	118074 ASADULLAH SAMADI	11-15	019960	VO	REFUND CONTRIB	5/6/2015	0.00	263.13
025101	CK	5/6/2015	119485 NATHAN M. NARIO	11-15	019961	VO	REFUND CONTRIB	5/6/2015	0.00	19,249.66
025102	CK	5/6/2015	120361 WILLIAM CHARLES REY	11-15	019962	VO	REFUND CONTRIB	5/6/2015	0.00	5,537.74
025103	CK	5/6/2015	120361R EDWARD JONES	11-15	019963	VO	ROLLOVER	5/6/2015	0.00	21,469.02

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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
025104	CK	5/6/2015	122379 CHRISTOPHER VASQUEZ	11-15		019964	VO	REFUND CONTRIB	5/6/2015	0.00	5,112.27
025105	CK	5/6/2015	122660 RAILEEN R. MORALES	11-15	11-15	019965	VO	REFUND CONTRIB	5/6/2015	0.00	2,457.35
025105	VC	5/13/2015	122660 RAILEEN R. MORALES	11-15	11-15	019965	VO	REFUND CONTRIB	5/6/2015	0.00	-2,457.35
<b>Check Total</b>											<b>0.00</b>
025106	CK	5/6/2015	123816R PERSHING, LLC	11-15		019966	VO	ROLLOVER	5/6/2015	0.00	6,398.72
025107	CK	5/6/2015	124128B1 DEREK DEAVENPORT	11-15		019967	VO	DEATH BENEFIT	5/6/2015	0.00	1,028.49
025108	CK	5/6/2015	F1777B2R MORGAN STANLEY CUSTODIAN	11-15		019968	VO	ROLLOVER	5/6/2015	0.00	2,480.78
025109	CK	5/6/2015	F3206B2R MORGAN STANLEY	11-15		019969	VO	ROLLOVER	5/6/2015	0.00	3,819.80
025110	CK	5/6/2015	F3618 SHERRY J. OLSON	11-15		019970	VO	PENSION PAYMENT	5/6/2015	0.00	948.06
025111	CK	5/6/2015	XXXXX3793 ROBERT F. MITCHELL JR.	11-15		019971	VO	REFUND CONTRIB	5/6/2015	0.00	7,503.42
025112	CK	5/6/2015	XXXXX3793R CALSTRS	11-15		019972	VO	ROLLOVER	5/6/2015	0.00	10,567.47
025113	CK	5/6/2015	F6944 VALERIE NORMAN	11-15		019973	VO	PENSION PAYMENT	5/6/2015	0.00	585.73
025114	CK	5/6/2015	ADP ADP LLC	11-15		019974	VO	ADMIN EXP	5/6/2015	0.00	2,711.43
025115	CK	5/6/2015	BARNEY ABU COURT REPORTING INC	11-15		019975	VO	ADMIN EXP	5/6/2015	0.00	500.00
025116	CK	5/6/2015	CORPORATE STAPLES ADVANTAGE	11-15		019976	VO	ADMIN EXP	5/6/2015	0.00	304.16

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 Company: VCERA

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
025117	CK	5/6/2015	CDW GOVERN CDW GOVERNMENT		11-15	019977	VO	IT	5/6/2015	0.00	378.06
025118	CK	5/6/2015	CPS COOPERATIVE PERSONNEL SEF		11-15	019978	VO	ADMIN EXP	5/6/2015	0.00	1,385.42
025119	CK	5/6/2015	MEGAPATH GLOBAL CAPACITY		11-15	019979	VO	IT/PAS	5/6/2015	0.00	598.68
025120	CK	5/6/2015	HARRIS HARRIS WATER CONDITIONING		11-15	019980	VO	ADMIN EXP	5/6/2015	0.00	159.50
025121	CK	5/6/2015	PIMCO PACIFIC INVESTMENT MGMT CC		11-15	019981	VO	INVESTMENT FEES	5/6/2015	0.00	106,624.44
025122	CK	5/6/2015	SEGAL SEGAL CONSULTING		11-15	019982	VO	ACTUARY FEES	5/6/2015	0.00	55,893.00
025123	CK	5/6/2015	SPRUCE SPRUCEGROVE INVESTMENT M		11-15	019983	VO	INVESTMENT FEES	5/6/2015	0.00	57,949.74
025124	CK	5/6/2015	TOWERS TOWERS WATSON DELAWARE II		11-15	019984	VO	ADMIN EXP	5/6/2015	0.00	23,134.00
025125	CK	5/6/2015	VSG VSG HOSTING, INC		11-15	019985	VO	PAS	5/6/2015	0.00	19,500.00
025126	CK	5/6/2015	VOLT VOLT		11-15	019986	VO	ADMIN EXP	5/6/2015	0.00	3,411.72
025127	ZC	5/13/2015	102039B1R JP MORGAN CHASE - JPMCC		11-15	019880	VO	ROLLOVER	4/15/2015	0.00	137,310.73
025127	ZC	5/13/2015	102039B1R JP MORGAN CHASE - JPMCC		11-15	019987	AD	CANCEL	5/13/2015	0.00	-137,310.73
025128	CK	5/13/2015	122660 RAILEEN R. MORALES		11-15	019965	VO	REFUND CONTRIB	5/6/2015	0.00	2,457.35
025129	CK	5/13/2015	102039B1 EVAN W. WATSON		11-15	019988	VO	DEATH BENEFIT	5/13/2015	0.00	25,573.59
<b>Check Total</b>										<b>0.00</b>	<b>0.00</b>

Date: Wednesday, June 10, 2015  
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 Period: 11-15 As of: 6/10/2015

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 Company: VCERA

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
025130	CK	5/13/2015	102039B1R JP MORGAN CHASE - JPMCC	11-15	019989	VO	ROLLOVER	5/13/2015	0.00	111,737.14
025131	CK	5/13/2015	106670R WELLS FARGO, N.A.	11-15	019990	VO	ROLLOVER	5/13/2015	0.00	48,170.12
025132	CK	5/13/2015	123586 DANE W. MCGUIRE	11-15	019991	VO	REFUND CONTRIB	5/13/2015	0.00	71.52
025133	CK	5/13/2015	F0281B1 FLORENCE MCALARY	11-15	019992	VO	DEATH BENEFIT	5/13/2015	0.00	3,800.62
025134	CK	5/13/2015	F4427 RHETT L. SEARCY	11-15	019993	VO	PENSION PAYMENT	5/13/2015	0.00	1,575.97
025135	CK	5/13/2015	104238 TRACY TOWNER	11-15	019994	VO	TRAVEL REIMB	5/13/2015	0.00	558.10
025136	CK	5/13/2015	COUNTY COUNTY COUNSEL	11-15	019995	VO	ADMIN EXP	5/13/2015	0.00	22,681.25
025137	CK	5/13/2015	CORPORATE STAPLES ADVANTAGE	11-15	019996	VO	ADMIN EXP	5/13/2015	0.00	968.03
025138	CK	5/13/2015	LOOMIS LOOMIS, SAYLES & CO., LP	11-15	019997	VO	INVESTMENT FEES	5/13/2015	0.00	181,872.95
025139	CK	5/13/2015	REAMS REAMS ASSET MANAGEMENT	11-15	019998	VO	INVESTMENT FEES	5/13/2015	0.00	123,873.00
025140	CK	5/13/2015	S&L ADV SCHOTT & LITES ADVOCATES	11-15	019999	VO	ADMIN EXP	5/13/2015	0.00	2,500.00
025141	CK	5/13/2015	TORTOISE TORTOISE CAPITAL ADVISORS	11-15	020000	VO	INVESTMENT FEES	5/13/2015	0.00	219,410.33
025142	CK	5/20/2015	104385 CYNTHIA D. LAZENBY	11-15	020001	VO	REFUND T2 COL	5/20/2015	0.00	22,314.23
025143	CK	5/20/2015	108384 CELIA RAMIREZ	11-15	020002	VO	REFUND T2 COL	5/20/2015	0.00	12,381.50

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025144	CK	5/20/2015	122093R FIDELITY MGMT TRUST CO.	11-15	020003	VO	ROLLOVER	5/20/2015	0.00	17,857.20
025145	CK	5/20/2015	123476 CHRISTINA N. CORONADO	11-15	020004	VO	REFUND CONTRIB	5/20/2015	0.00	3,440.25
025146	CK	5/20/2015	123996R EDWARD JONES	11-15	020005	VO	ROLLOVER	5/20/2015	0.00	3,997.38
025147	CK	5/20/2015	124473 PAUL RIZZO	11-15	020006	VO	REFUND CONTRIB	5/20/2015	0.00	2,521.87
025148	CK	5/20/2015	F0637S BARBARA A. EASTON	11-15	020007	VO	DEATH BENEFIT	5/20/2015	0.00	3,871.19
025149	CK	5/20/2015	F2609S DOROTHY J. LANQUIST	11-15	020008	VO	DEATH BENEFIT	5/20/2015	0.00	3,932.54
025150	CK	5/20/2015	F2694B1 DIANA GLEASON	11-15	020009	VO	DEATH BENEFIT	5/20/2015	0.00	3,668.83
025151	CK	5/20/2015	F3474S EVANGELIA A. LAZARIS	11-15	020010	VO	DEATH BENEFIT	5/20/2015	0.00	2,431.58
025152	CK	5/20/2015	F4319B1 TODD NEWPORT	11-15	020011	VO	DEATH BENEFIT	5/20/2015	0.00	2,544.93
025153	CK	5/20/2015	101602 HENRY SOLIS	11-15	020012	VO	REIMBURSEMENT	5/20/2015	0.00	179.91
025154	CK	5/20/2015	104238 TRACY TOWNER	11-15	020013	VO	TRAVEL REIMB	5/20/2015	0.00	15.00
025155	CK	5/20/2015	124709 LINDA WEBB	11-15	020014	VO	TRAVEL REIMB	5/20/2015	0.00	163.65
025156	CK	5/20/2015	124968 DAN GALLAGHER	11-15	020015	VO	TRAVEL REIMB	5/20/2015	0.00	166.33



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025157	CK	5/20/2015	990002 ARTHUR E. GOULET	11-15	020016	VO	MILEAGE REIMB	5/20/2015	0.00	39.10
025157	CK	5/20/2015	990002 ARTHUR E. GOULET	11-15	020017	VO	TRAVEL REIMB	5/20/2015	0.00	570.48
025158	CK	5/20/2015	ACCESS ACCESS INFORMATION MANAGE	11-15	020018	VO	ADMIN EXP	5/20/2015	0.00	<b>609.58</b> 317.18
025159	CK	5/20/2015	ADP ADP LLC	11-15	020019	VO	ADMIN EXP	5/20/2015	0.00	9,595.53
025160	CK	5/20/2015	AT&T AT & T MOBILITY	11-15	020020	VO	IT	5/20/2015	0.00	412.65
025161	CK	5/20/2015	BARNEY ABU COURT REPORTING INC	11-15	020021	VO	ADMIN EXP	5/20/2015	0.00	315.00
025162	CK	5/20/2015	BOFA BUSINESS CARD	11-15	020022	VO	ADMIN EXP	5/20/2015	0.00	1,980.84
025163	CK	5/20/2015	CLIFTON PARAMETRIC PORTFOLIO ASSC	11-15	020023	VO	INVESTMENT FEES	5/20/2015	0.00	23,244.00
025164	CK	5/20/2015	PRUDENTIAL PRUDENTIAL INSURANCE	11-15	020024	VO	INVESTMENT FEES	5/20/2015	0.00	214,201.13
025165	CK	5/20/2015	CMP CMP & ASSOCIATES, INC	11-15	020025	VO	IT/PAS	5/20/2015	0.00	14,058.75
025166	CK	5/20/2015	LINEA LINEA SOLUTIONS	11-15	020026	VO	IT/PAS	5/20/2015	0.00	68,562.50
025167	CK	5/20/2015	MBS MANAGED BUSINESS SOLUTION	11-15	020027	VO	PAS	5/20/2015	0.00	5,021.25
025168	CK	5/20/2015	NAPPA NAPPA	11-15	020028	VO	ADMIN EXP	5/20/2015	0.00	895.00
025169	CK	5/20/2015	NOSSAMAN NOSSAMAN LLP	11-15	020029	VO	ADMIN EXP	5/20/2015	0.00	684.60

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025170	CK	5/20/2015	TWC TIME WARNER CABLE	11-15	020030	VO	IT	5/20/2015	0.00	481.97
025171	CK	5/20/2015	VOLT VOLT	11-15	020031	VO	ADMIN EXP	5/20/2015	0.00	2,499.56
025172	CK	5/20/2015	WEST WEST COAST AIR CONDITIONING	11-15	020032	VO	IT	5/20/2015	0.00	75.00
025173	CK	5/20/2015	WESTERN WESTERN ASSET MANAGEMENT	11-15	020033	VO	INVESTMENT FEES	5/20/2015	0.00	191,804.58
025174	CK	5/28/2015	CALPERS CALPERS LONG-TERM	11-15	020034	VO	INSURANCE	5/28/2015	0.00	17,562.37
025175	CK	5/28/2015	CVMP COUNTY OF VENTURA	11-15	020035	VO	INSURANCE	5/28/2015	0.00	593,868.66
025176	CK	5/28/2015	VCDSA VENTURA COUNTY DEPUTY	11-15	020036	VO	INSURANCE	5/28/2015	0.00	248,006.05
025177	CK	5/28/2015	VCPFF VENTURA COUNTY PROFESSIONAL	11-15	020037	VO	INSURANCE	5/28/2015	0.00	74,972.54
025178	CK	5/28/2015	VRSD VENTURA REGIONAL	11-15	020038	VO	INSURANCE	5/28/2015	0.00	7,660.24
025179	CK	5/28/2015	VSP VISION SERVICE PLAN - (CA)	11-15	020039	VO	INSURANCE	5/28/2015	0.00	10,247.16
025180	CK	5/28/2015	CA SDU CALIFORNIA STATE	11-15	020040	VO	CRT ORDERED PMT	5/28/2015	0.00	1,052.47
025181	CK	5/28/2015	CHILD5 STATE DISBURSEMENT UNIT (S)	11-15	020041	VO	CRT ORDERED PMT	5/28/2015	0.00	511.00
025182	CK	5/28/2015	CHILD9 SHERIDA SEGALL	11-15	020042	VO	CRT ORDERED PMT	5/28/2015	0.00	260.00
025183	CK	5/28/2015	CHILD21 OREGON DEPT OF JUSTICE	11-15	020043	VO	CRT ORDERED PMT	5/28/2015	0.00	171.74

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025184	CK	5/28/2015	SPOUSE2 KELLY SEARCY	11-15	020044	VO	CRT ORDERED PMT	5/28/2015	0.00	1,874.00
025185	CK	5/28/2015	SPOUSE3 ANGELINA ORTIZ	11-15	020045	VO	CRT ORDERED PMT	5/28/2015	0.00	250.00
025186	CK	5/28/2015	SPOUSE4 CATHY C. PEET	11-15	020046	VO	CRT ORDERED PMT	5/28/2015	0.00	550.00
025187	CK	5/28/2015	SPOUSE5 SUZANNA CARR	11-15	020047	VO	CRT ORDERED PMT	5/28/2015	0.00	829.00
025188	CK	5/28/2015	SPOUSE6 BARBARA JO GREENE	11-15	020048	VO	CRT ORDERED PMT	5/28/2015	0.00	675.00
025189	CK	5/28/2015	SPOUSE7 MARIA G. SANCHEZ	11-15	020049	VO	CRT ORDERED PMT	5/28/2015	0.00	104.00
025190	CK	5/28/2015	SPOUSE8 DEBBIE ANN BETTIS	11-15	020050	VO	CRT ORDERED PMT	5/28/2015	0.00	1,358.00
025191	CK	5/28/2015	SEIU SEIU LOCAL 721	11-15	020051	VO	DUES	5/28/2015	0.00	376.50
025192	CK	5/28/2015	REAVC RETIRED EMPLOYEES' ASSOCIATION	11-15	020052	VO	DUES	5/28/2015	0.00	4,282.50
025193	CK	5/28/2015	FTBCA3 FRANCHISE TAX BOARD	11-15	020053	VO	GARNISHMENT	5/28/2015	0.00	137.26
025194	CK	5/28/2015	IRS6 INTERNAL REVENUE SERVICE	11-15	020054	VO	GARNISHMENT	5/28/2015	0.00	321.00
025195	CK	5/28/2015	IRS7 INTERNAL REVENUE SERVICE	11-15	020055	VO	GARNISHMENT	5/28/2015	0.00	500.00
025196	CK	5/28/2015	COUNTY2 COUNTY OF VENTURA	11-15	020056	VO	PENSION PAYMENT	5/28/2015	0.00	94,162.98

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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
025197	CK	5/28/2015	102661 LORI NEMIROFF		11-15	020057	VO	TRAVEL REIMB	5/28/2015	0.00	201.55
025198	CK	5/28/2015	124968 DAN GALLAGHER		11-15	020058	VO	TRAVEL REIMB	5/28/2015	0.00	84.30
025199	CK	5/28/2015	990004 WILL HOAG		11-15	020059	VO	TRAVEL REIMB	5/28/2015	0.00	204.97
025200	CK	5/28/2015	990005 WILLIAM W WILSON		11-15	020060	VO	TRAVEL REIMB	5/28/2015	0.00	312.80
025200	CK	5/28/2015	990005 WILLIAM W WILSON		11-15	020061	VO	TRAVEL REIMB	5/28/2015	0.00	141.55
025201	CK	5/28/2015	990007 DEANNA MCCORMICK		11-15	020062	VO	TRAVEL REIMB	5/28/2015	0.00	714.99
025202	CK	5/28/2015	BLACKROCK BLACKROCK INSTL TRUST CO, N		11-15	020063	VO	INVESTMENT FEES	5/28/2015	0.00	177,173.59
025203	CK	5/28/2015	CORPORATE STAPLES ADVANTAGE		11-15	020064	VO	ADMIN EXP	5/28/2015	0.00	100.21
025204	CK	5/28/2015	CUSTOM CUSTOM PRINTING		11-15	020065	VO	ADMIN EXP	5/28/2015	0.00	129.00
025205	CK	5/28/2015	MF M.F. DAILY CORPORATION		11-15	020066	VO	ADMIN EXP	5/28/2015	0.00	16,740.08
025206	CK	5/28/2015	WALTER BNY MELLON INV MGMNT CAYM		11-15	020067	VO	INVESTMENT FEES	5/28/2015	0.00	206,215.23
<b>Check Total</b>											<b>454.35</b>

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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
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Check Count: 116

Acct Sub Total: 3,189,114.90

Check Type	Count	Amount Paid
Regular	113	3,328,882.98
Hand	0	0.00
Electronic Payment	0	0.00
Void	2	-139,768.08
Stub	0	0.00
Zero	1	0.00
Mask	0	0.00
<b>Total:</b>	<b>116</b>	<b>3,189,114.90</b>

Company Disc Total	0.00	Company Total	3,189,114.90
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**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**MARCH 31, 2015**

**ASSETS**

<b>CASH &amp; CASH EQUIVALENTS</b>	<b>\$79,464,803</b>
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**RECEIVABLES**

ACCRUED INTEREST AND DIVIDENDS	3,126,268
SECURITY SALES	38,678,272
MISCELLANEOUS	4,799
<b>TOTAL RECEIVABLES</b>	<b>41,809,339</b>

**INVESTMENTS AT FAIR VALUE**

DOMESTIC EQUITY SECURITIES	124,182,065
DOMESTIC EQUITY INDEX FUNDS	1,220,108,673
INTERNATIONAL EQUITY SECURITIES	359,050,562
INTERNATIONAL EQUITY INDEX FUNDS	258,178,876
GLOBAL EQUITY	440,946,810
PRIVATE EQUITY	122,370,527
DOMESTIC FIXED INCOME - CORE PLUS	608,822,898
DOMESTIC FIXED INCOME - U.S. INDEX	141,505,104
GLOBAL FIXED INCOME	258,568,107
REAL ESTATE	331,670,524
ALTERNATIVES	422,975,440
CASH OVERLAY - CLIFTON	(251)
<b>TOTAL INVESTMENTS</b>	<b>4,288,379,333</b>

<b>PENSION SOFTWARE DEVELOPMENT COSTS</b>	<b>6,459,436</b>
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<b>TOTAL ASSETS</b>	<b>4,416,112,912</b>
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**LIABILITIES**

SECURITY PURCHASES PAYABLE	40,357,099
ACCOUNTS PAYABLE	2,472,405
PREPAID CONTRIBUTIONS	30,974,213

<b>TOTAL LIABILITIES</b>	<b>73,803,717</b>
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<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<b>\$4,342,309,195</b>
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**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

**ADDITIONS**

**CONTRIBUTIONS**

EMPLOYER	\$123,156,823
EMPLOYEE	44,091,395
<b>TOTAL CONTRIBUTIONS</b>	<b>167,248,219</b>

**INVESTMENT INCOME**

NET APPRECIATION IN FAIR VALUE OF INVESTMENTS	36,607,308
INTEREST INCOME	10,637,363
DIVIDEND INCOME	28,463,399
REAL ESTATE OPERATING INCOME, NET	11,779,121
SECURITY LENDING INCOME	118,918
<b>TOTAL INVESTMENT INCOME</b>	<b>87,606,109</b>

**LESS INVESTMENT EXPENSES**

MANAGEMENT & CUSTODIAL FEES	9,974,468
SECURITIES LENDING BORROWER REBATES	(948)
SECURITIES LENDING MANAGEMENT FEES	43,640
<b>TOTAL INVESTMENT EXPENSES</b>	<b>10,017,159</b>

<b>NET INVESTMENT INCOME</b>	<b>77,588,950</b>
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<b>TOTAL ADDITIONS</b>	<b>244,837,169</b>
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**DEDUCTIONS**

BENEFIT PAYMENTS	169,734,455
MEMBER REFUNDS	3,460,014
ADMINISTRATIVE EXPENSES	4,219,369
<b>TOTAL DEDUCTIONS</b>	<b>177,413,838</b>

<b>NET INCREASE/(DECREASE)</b>	<b>67,423,331</b>
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**NET POSITION RESTRICTED FOR PENSIONS**

<b>BEGINNING OF YEAR</b>	<b>4,274,885,864</b>
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<b>ENDING BALANCE</b>	<b>\$4,342,309,195</b>
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**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
SCHEDULE OF INVESTMENT MANAGEMENT FEES  
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

**EQUITY MANAGERS**

**DOMESTIC**

BLACKROCK - US EQUITY	\$184,786
BLACKROCK - EXTENDED EQUITY	13,846
WESTERN ASSET INDEX PLUS	191,797
<b>TOTAL</b>	<b>390,429</b>

**INTERNATIONAL**

BLACKROCK - ACWIXUS	194,519
SPRUCEGROVE	525,069
HEXAVEST	278,245
WALTER SCOTT	618,404
<b>TOTAL</b>	<b>1,616,237</b>

**GLOBAL**

GRANTHAM MAYO VAN OTTERLOO (GMO)	898,888
BLACKROCK - GLOBAL INDEX	67,454
<b>TOTAL</b>	<b>966,342</b>

**PRIVATE EQUITY**

ADAMS STREET	821,608
HARBOURVEST	183,456
PANTHEON	75,000
<b>TOTAL</b>	<b>1,080,064</b>

**FIXED INCOME MANAGERS**

**DOMESTIC**

BLACKROCK - US DEBT INDEX	71,710
LOOMIS, SAYLES AND COMPANY	214,961
REAMS ASSET MANAGEMENT	369,942
WESTERN ASSET MANAGEMENT	374,673
<b>TOTAL</b>	<b>1,031,287</b>

**GLOBAL**

LOOMIS, SAYLES AND COMPANY	209,926
LOOMIS ALPHA	126,341
PIMCO	320,586
<b>TOTAL</b>	<b>656,852</b>

**REAL ESTATE**

PRUDENTIAL REAL ESTATE ADVISORS	610,787
RREEF	85,120
UBS REALTY	1,495,637
<b>TOTAL</b>	<b>2,191,544</b>

**ALTERNATIVES**

BRIDGEWATER	825,213
TORTOISE	687,019
<b>TOTAL</b>	<b>1,512,231</b>

**CASH OVERLAY - CLIFTON**

77,155



**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**SCHEDULE OF INVESTMENT MANAGEMENT FEES**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2015**

<b>SECURITIES LENDING</b>	
BORROWERS REBATE	(948)
MANAGEMENT FEES	43,640
<b>TOTAL</b>	<u>42,692</u>
<b>OTHER</b>	
INVESTMENT CONSULTANT	209,576
INVESTMENT CUSTODIAN	242,749
<b>TOTAL</b>	<u>452,325</u>
<b>TOTAL INVESTMENT MANAGEMENT FEES</b>	<u><u>\$10,017,159</u></u>

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**INVESTMENTS AND CASH EQUIVALENTS**  
**MARCH 31, 2015**

**EQUITY**

**DOMESTIC EQUITY**

WESTERN ASSET INDEX PLUS	\$124,182,065	\$15,092,673
<b>TOTAL DOMESTIC EQUITY</b>	<b>124,182,065</b>	<b>15,092,673</b>

**DOMESTIC INDEX FUNDS**

BLACKROCK - US EQUITY MARKET	1,171,040,708	0
BLACKROCK - EXTENDED EQUITY	49,067,966	1
<b>TOTAL EQUITY INDEX FUNDS</b>	<b>1,220,108,673</b>	<b>1</b>

**INTERNATIONAL EQUITY**

SPRUCEGROVE	184,158,765	0
HEXAVEST	80,358,439	0
WALTER SCOTT	94,533,357	0
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>359,050,562</b>	<b>0</b>

**INTERNATIONAL INDEX FUNDS**

BLACKROCK - ACWIXUS	258,178,876	0
<b>TOTAL INTERNATIONAL INDEX FUNDS</b>	<b>258,178,876</b>	<b>0</b>

**GLOBAL EQUITY**

GRANTHAM MAYO AND VAN OTTERLOO (GMO)	213,152,017	0
BLACKROCK - GLOBAL INDEX	227,794,793	0
<b>TOTAL GLOBAL EQUITY</b>	<b>440,946,810</b>	<b>0</b>

**PRIVATE EQUITY**

ADAMS STREET	75,196,545	0
PANTHEON	14,654,838	0
HARBOURVEST	32,519,144	0
<b>TOTAL PRIVATE EQUITY</b>	<b>122,370,527</b>	<b>0</b>

**FIXED INCOME**

**DOMESTIC**

LOOMIS SAYLES AND COMPANY	68,884,310	2,421,233
REAMS	280,328,424	1
WESTERN ASSET MANAGEMENT	259,610,164	12,366,020
<b>TOTAL DOMESTIC</b>	<b>608,822,898</b>	<b>14,787,254</b>

**DOMESTIC INDEX FUNDS**

BLACKROCK - US DEBT INDEX	141,505,104	0
<b>TOTAL DOMESTIC INDEX FUNDS</b>	<b>141,505,104</b>	<b>0</b>

**GLOBAL**

LOOMIS SAYLES AND COMPANY	90,486,017	0
LOOMIS ALPHA	42,694,218	0
PIMCO	125,387,871	2,877,769
<b>TOTAL GLOBAL</b>	<b>258,568,107</b>	<b>2,877,769</b>

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**INVESTMENTS AND CASH EQUIVALENTS**  
**MARCH 31, 2015**

<b>REAL ESTATE</b>		
PRUDENTIAL REAL ESTATE	111,362,490	0
RREEF	6,381,984	0
UBS REALTY	213,926,049	0
<b>TOTAL REAL ESTATE</b>	<b>331,670,524</b>	<b>0</b>
 <b>ALTERNATIVES</b>		
BRIDGEWATER	285,579,050	0
TORTOISE (MLP's)	137,396,390	2,656,719
<b>TOTAL ALTERNATIVES</b>	<b>422,975,440</b>	<b>2,656,719</b>
 CASH OVERLAY - CLIFTON GROUP	 (251)	 38,295,740
IN HOUSE CASH		5,754,648
<b>TOTAL INVESTMENTS AND CASH</b>	<b>\$4,288,379,333</b>	<b>\$79,464,803</b>

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**BUDGET SUMMARY FISCAL YEAR 2014-2015**  
**May 2015 - 91.67% of Fiscal Year Expended**

<u>EXPENDITURE DESCRIPTIONS</u>	<u>Adopted 2014/2015 Budget</u>	<u>Adjusted 2014/2015 Budget</u>	<u>May-15</u>	<u>Year to Date Expended</u>	<u>Available Balance</u>	<u>Percent Expended</u>
<b>Salaries &amp; Benefits:</b>						
Salaries	\$ 1,842,500.00	\$ 1,842,500.00	\$ 150,108.48	\$ 1,488,436.98	\$ 354,063.02	80.78%
Extra-Help	62,600.00	62,600.00	5,911.28	111,124.51	(48,524.51)	177.52%
Overtime	1,000.00	1,000.00	70.28	2,225.72	(1,225.72)	222.57%
Supplemental Payments	59,600.00	59,600.00	4,517.28	44,612.80	14,987.20	74.85%
Vacation Redemption	102,500.00	102,500.00	0.00	62,058.08	40,441.92	60.54%
Retirement Contributions	366,000.00	366,000.00	29,793.63	303,663.27	62,336.73	82.97%
OASDI Contributions	115,600.00	115,600.00	9,411.20	93,052.74	22,547.26	80.50%
FICA-Medicare	29,100.00	29,100.00	2,201.02	22,648.35	6,451.65	77.83%
Retiree Health Benefit	13,300.00	13,300.00	1,447.20	19,818.80	(6,518.80)	149.01%
Group Health Insurance	182,100.00	182,100.00	13,662.00	144,269.40	37,830.60	79.23%
Life Insurance/Mgmt	1,100.00	1,100.00	83.04	883.70	216.30	80.34%
Unemployment Insurance	2,300.00	2,300.00	182.16	1,799.82	500.18	78.25%
Management Disability Insurance	4,500.00	4,500.00	1,083.38	8,514.31	(4,014.31)	189.21%
Worker' Compensation Insurance	13,400.00	13,400.00	1,183.18	11,929.68	1,470.32	89.03%
401K Plan Contribution	33,100.00	33,100.00	2,688.76	24,922.58	8,177.42	75.29%
Transfers In	150,700.00	150,700.00	5,469.51	68,545.58	82,154.42	45.48%
Transfers Out	(150,700.00)	(150,700.00)	(5,469.51)	(68,545.58)	(82,154.42)	45.48%
<b>Total Salaries &amp; Benefits</b>	<b>\$ 2,828,700.00</b>	<b>\$ 2,828,700.00</b>	<b>\$ 222,342.89</b>	<b>\$ 2,339,960.74</b>	<b>\$ 488,739.26</b>	<b>82.72%</b>
<b>Services &amp; Supplies:</b>						
Telecommunication Services - ISF	\$ 37,800.00	\$ 37,800.00	\$ 3,236.30	\$ 34,722.39	\$ 3,077.61	91.86%
General Insurance - ISF	12,200.00	12,200.00	0.00	6,104.00	6,096.00	50.03%
Office Equipment Maintenance	1,000.00	1,000.00	0.00	539.80	460.20	53.98%
Membership and Dues	9,500.00	9,500.00	0.00	8,359.00	1,141.00	87.99%
Education Allowance	10,000.00	10,000.00	0.00	4,000.00	6,000.00	40.00%
Cost Allocation Charges	(35,400.00)	(35,400.00)	0.00	(34,996.00)	(404.00)	98.86%
Printing Services - Not ISF	3,000.00	3,000.00	129.00	2,404.47	595.53	80.15%
Books & Publications	2,500.00	2,500.00	0.00	1,930.04	569.96	77.20%
Office Supplies	20,000.00	20,000.00	1,372.40	13,565.00	6,435.00	67.83%
Postage & Express	59,700.00	59,700.00	8,163.76	57,258.89	2,441.11	95.91%
Printing Charges - ISF	10,000.00	10,000.00	3.00	15,780.00	(5,780.00)	157.80%
Copy Machine Services - ISF	6,500.00	6,500.00	912.39	1,943.19	4,556.81	29.90%
Board Member Fees	12,000.00	12,000.00	800.00	10,800.00	1,200.00	90.00%
Professional Services	1,074,000.00	1,091,500.00	111,516.17	851,079.65	240,420.35	77.97%
Storage Charges	5,500.00	5,500.00	317.18	3,342.98	2,157.02	60.78%
Equipment	0.00	0.00	0.00	8,277.50	(8,277.50)	#DIV/0!
Office Lease Payments	186,000.00	196,700.00	16,740.08	175,189.44	21,510.56	89.06%
Private Vehicle Mileage	9,000.00	9,000.00	1,076.18	6,530.77	2,469.23	72.56%
Conference, Seminar and Travel	63,000.00	63,000.00	6,495.15	47,657.45	15,342.55	75.65%
Furniture	5,000.00	5,000.00	0.00	4,190.48	809.52	83.81%
Facilities Charges	3,900.00	3,900.00	640.74	5,975.00	(2,075.00)	153.21%
Transfers In	16,000.00	16,000.00	580.84	7,279.23	8,720.77	45.50%
Transfers Out	(16,000.00)	(16,000.00)	(580.84)	(7,279.23)	(8,720.77)	45.50%
<b>Total Services &amp; Supplies</b>	<b>\$ 1,495,200.00</b>	<b>\$ 1,523,400.00</b>	<b>\$ 151,402.35</b>	<b>\$ 1,224,654.05</b>	<b>\$ 298,745.95</b>	<b>80.39%</b>
<b>Total Sal, Ben, Serv &amp; Supp</b>	<b>\$ 4,323,900.00</b>	<b>\$ 4,352,100.00</b>	<b>\$ 373,745.24</b>	<b>\$ 3,564,614.79</b>	<b>\$ 787,485.21</b>	<b>81.91%</b>
<b>Technology:</b>						
Computer Hardware	\$ 32,600.00	\$ 32,600.00	\$ 1,114.72	5,087.26	\$ 27,512.74	15.61%
Computer Software	193,000.00	193,000.00	0.00	198,982.99	(5,982.99)	103.10%
Systems & Application Support	670,200.00	670,200.00	47,760.80	473,208.07	196,991.93	70.61%
Pension Administration System	1,621,400.00	1,972,800.00	66,947.75	1,399,798.20	573,001.80	70.95%
<b>Total Technology</b>	<b>\$ 2,517,200.00</b>	<b>\$ 2,868,600.00</b>	<b>\$ 115,823.27</b>	<b>\$ 2,077,076.52</b>	<b>\$ 791,523.48</b>	<b>72.41%</b>
<b>Contingency</b>	<b>\$ 615,200.00</b>	<b>\$ 235,600.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 235,600.00</b>	<b>0.00%</b>
<b>Total Current Year</b>	<b>\$ 7,456,300.00</b>	<b>\$ 7,456,300.00</b>	<b>\$ 489,568.51</b>	<b>\$ 5,641,691.31</b>	<b>\$ 1,814,608.69</b>	<b>75.66%</b>



Presented to:



## **June Board Presentation – All Weather Update**

June 15, 2015

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# **BRIDGEWATER OVERVIEW**

- ◆ Institutional investment manager, founded in 1975
- ◆ Deep fundamental understanding of markets
- ◆ Consistency of people, process and risk controls
- ◆ Focused approach to constructing portfolios
  - Managing Pure Alpha accounts for 24 years
  - Managing All Weather accounts for 19 years
  - Launched Optimal Portfolio in 2015
- ◆ Manage approximately \$171 billion in assets
  - \$82bln in Pure Alpha strategies\*
  - \$78bln in All Weather strategy
  - \$11bln in Optimal Portfolio strategy
- ◆ Employee controlled

Figures estimated as of 5/15

\* \$82bln is equivalent to \$91bln in 12% return-adjusted terms or equivalent to \$60bln in 18% return-adjusted terms  
Please review the "Important Disclosures and Other Information" located at the end of this presentation.

# ALL WEATHER MANDATE SUMMARY

**Strategy Overview:** Bridgewater's optimal beta portfolio, risk-balanced across economic environments.

**Objective:** Earn the highest return-to-risk ratio for a strategic asset mix.

**Approach:** Collect the market risk premium embedded across assets as consistently as possible by:

- Adjusting assets to a common level of risk.
- Combining assets with opposing sensitivities to shifts in the environment (growth and inflation).

**Size:** \$276 million.

	Growth	Inflation
Rising	<b>25% of Risk</b> Equities Commodities Corporate Credit EM Credit	<b>25% of Risk</b> IL Bonds Commodities EM Credit
Falling	<b>25% of Risk</b> Nominal Bonds IL Bonds	<b>25% of Risk</b> Nominal Bonds Equities
<b>Risk Premiums &amp; Discount Rates</b>		

# PERFORMANCE SUMMARY

## Net of Fees Performance Summary

	Excess	+ Return on Cash	= Total Return	
1996	17.2 %	3.1 %	20.4 %	
1997	9.4 %	5.6 %	15.0 %	
1998	-7.3 %	5.5 %	-1.8 %	
1999	10.5 %	5.1 %	15.6 %	
2000	3.6 %	6.3 %	9.9 %	
2001	-9.8 %	3.8 %	-6.0 %	
2002	8.5 %	1.7 %	10.2 %	
2003	15.6 %	1.1 %	16.7 %	
2004	16.3 %	1.4 %	17.7 %	
2005	12.2 %	3.3 %	15.5 %	
2006	-3.9 %	5.0 %	1.2 %	
2007	6.8 %	5.0 %	11.8 %	
2008	-22.0 %	1.9 %	-20.2 %	
2009	9.2 %	0.2 %	9.4 %	
2010	17.5 %	0.1 %	17.6 %	
2011	18.0 %	0.1 %	18.1 %	
2012	14.5 %	0.2 %	14.7 %	
2013	-4.0 % / <b>1.9 %*</b>	0.1 % / <b>0.0 %*</b>	-3.9 % / <b>2.0 %*</b>	
2014	<b>7.5 %</b>	<b>0.1 %</b>	<b>7.6 %</b>	
2015 YTD	<b>3.7 %</b>	<b>0.1 %</b>	<b>3.8 %</b>	

### Bridgewater All Weather Strategy

Jun 1996 - May 2015	
Net Total	
Cumulative Return	378.1%
Annual Return	8.6%
Annual StDev	10.4%

### Ventura County Employees' Retirement Association

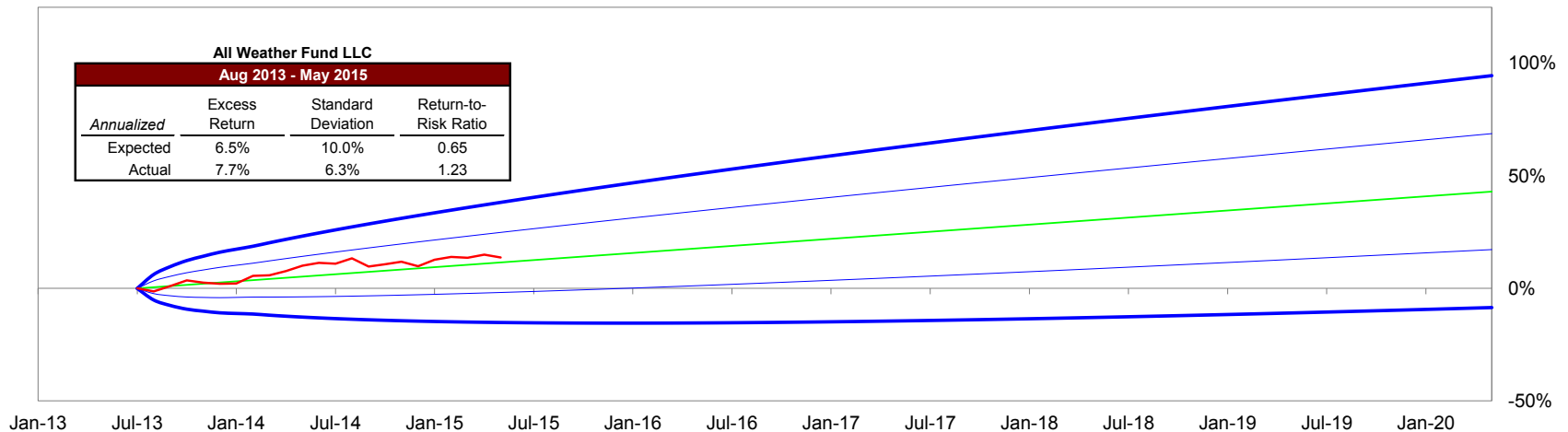
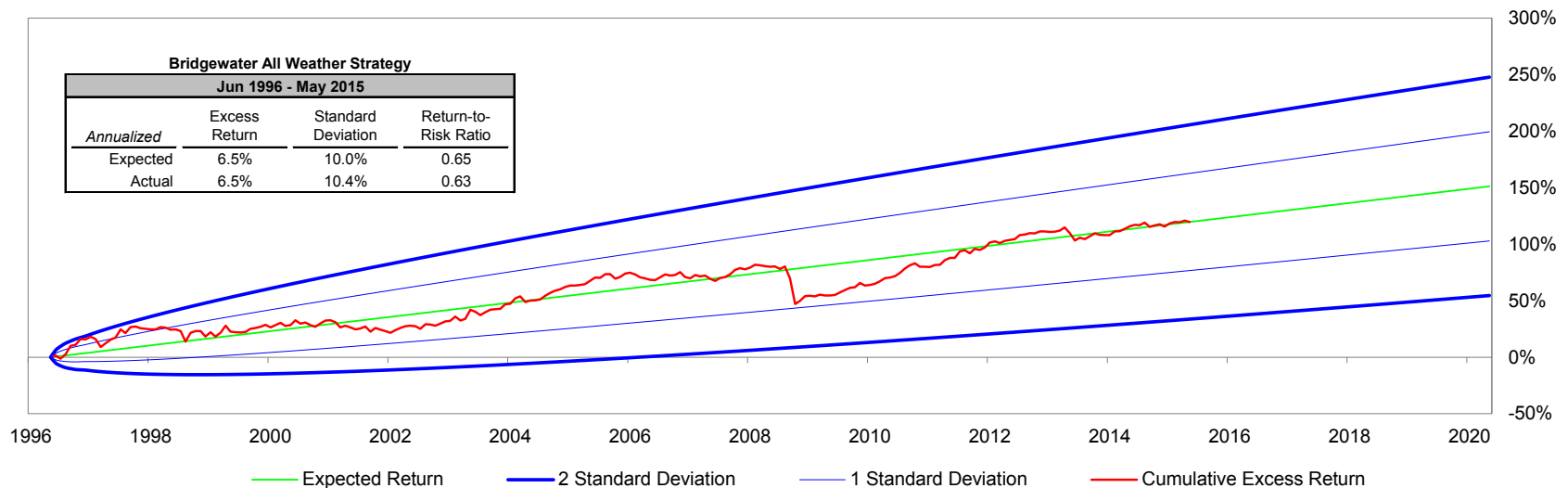
Aug 2013 - May 2015	
Net Total	
Cumulative Return	13.9%
Annual Return	7.3%
Annual StDev	6.3%

Performance is estimated through May 31, 2015. Standard deviation is calculated using gross of fees excess returns. Inception of the mandate was August 2013. Inception of the strategy was June 1996.



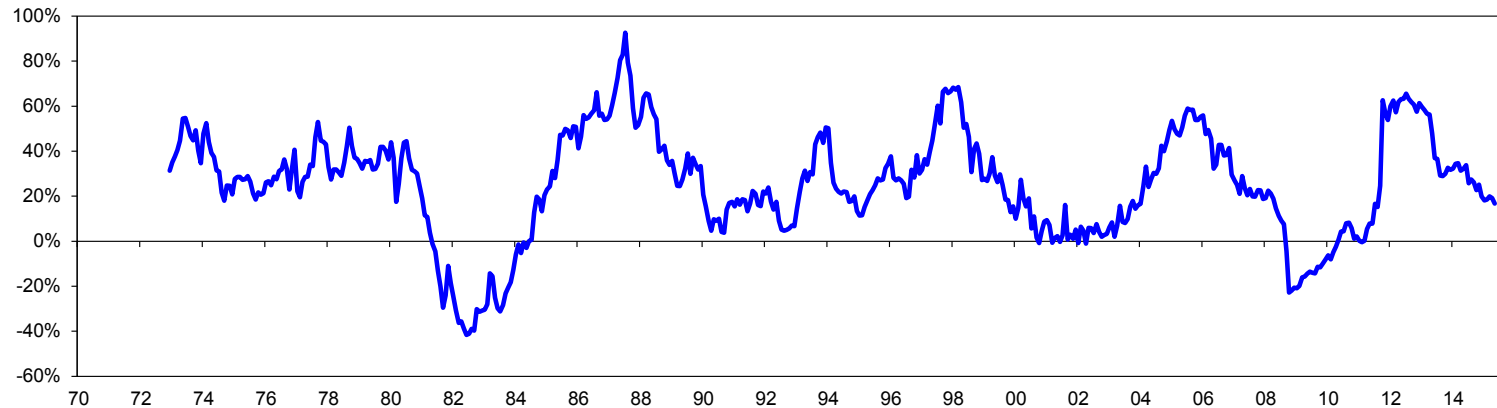
# PERFORMANCE VS. EXPECTATIONS

## Gross Cumulative Excess Return vs. Expectations (In)



# ALL WEATHER PERFORMANCE: TRAILING THREE YEARS

All Weather Strategy Rolling Three Year Excess Return (Gross of Fees)



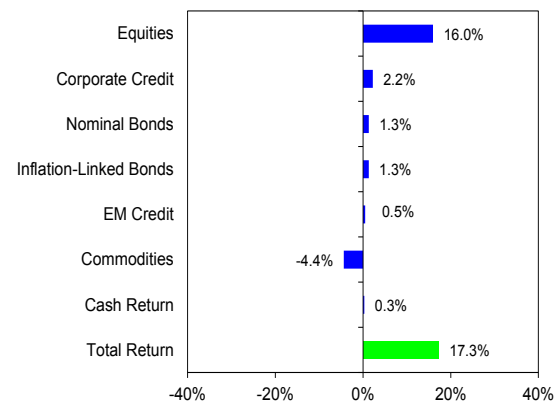
Trailing Three Year Gross Attribution (June 2012 – May 2015)

## Economic Environment

	Growth	Inflation
Rising	Return 9.9%	Return -3.7%
Falling	Return 2.2%	Return 8.6%
≈ Risk Premiums & Discount Rates 17.0% Excess Return Over Cash		

Plus Cash Return = 0.3%  
Total All Weather Return = 17.3%

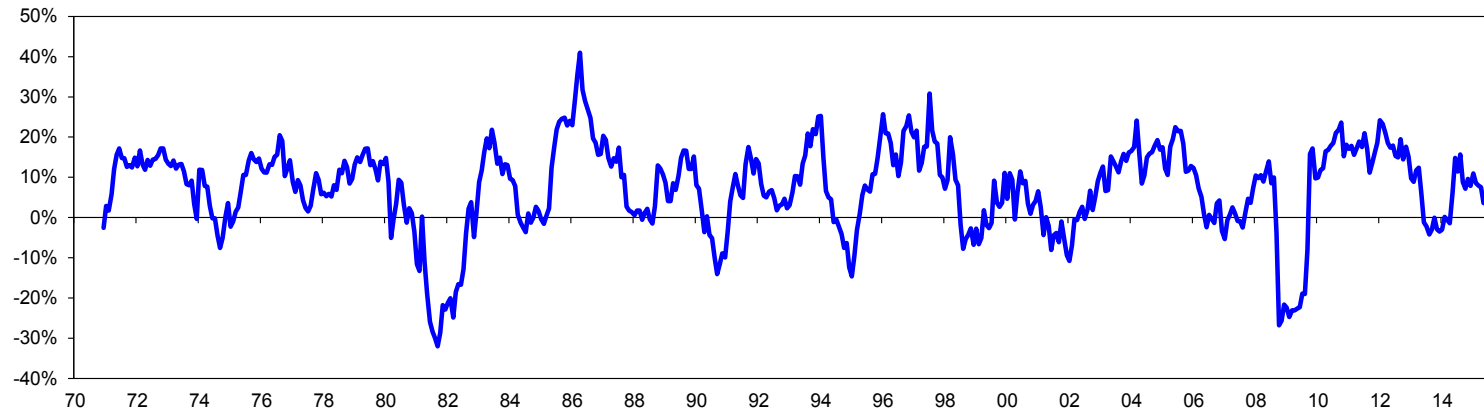
## Asset Class



Please note the returns shown for All Weather are simulated prior to June 1996 using the All Weather Asset Mix (see All Weather Asset Mix Disclosure). It is expected that the simulated performance will periodically change as a function of both refinements to our simulation methodology and the underlying market data. HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN INHERENT LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING OR THE COSTS OF MANAGING THE PORTFOLIO. ALSO, SINCE THE TRADES HAVE NOT ACTUALLY BEEN EXECUTED, THE RESULTS MAY HAVE UNDER OR OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. Please review the "Important Disclosures and Other Information" located at the end of this presentation.

# ALL WEATHER PERFORMANCE: TRAILING ONE YEAR

All Weather Strategy Rolling One Year Excess Return (Gross of Fees)



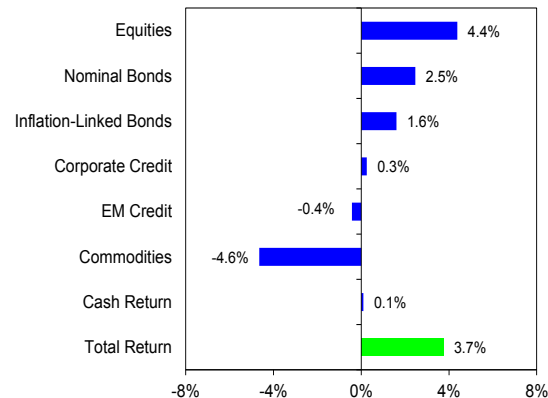
Trailing One Year Gross Attribution (June 2014 – May 2015)

## Economic Environment

	Growth	Inflation
Rising	Return 0.3%	Return -3.7%
Falling	Return 2.7%	Return 4.3%
≈ Risk Premiums & Discount Rates 3.6% Excess Return Over Cash		

Plus Cash Return = 0.1%  
Total All Weather Return = 3.7%

## Asset Class



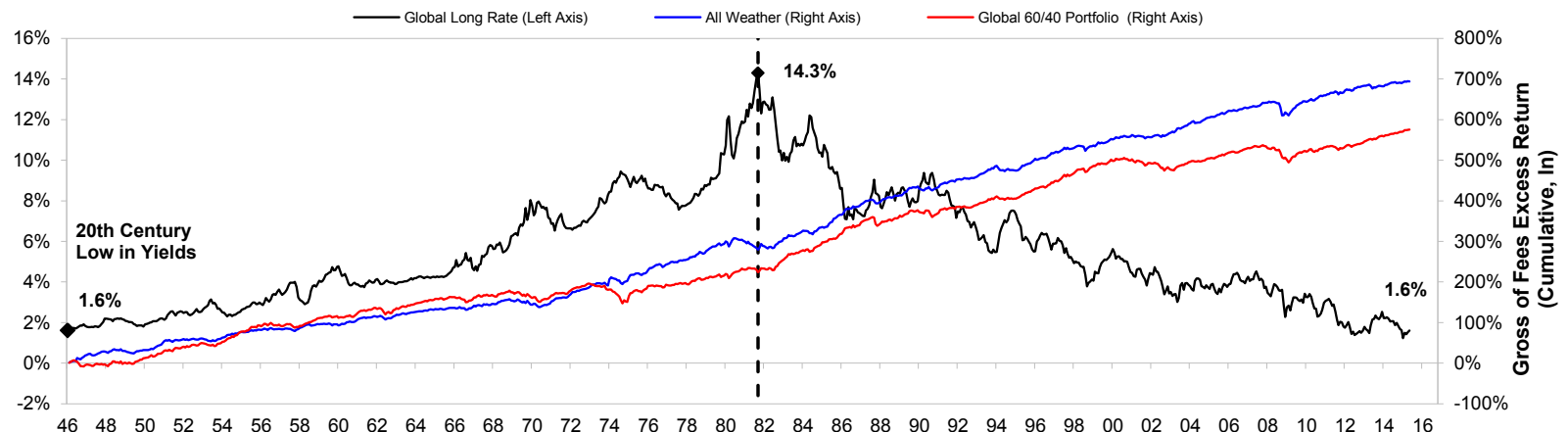
Please note the returns shown for All Weather are simulated prior to June 1996 using the All Weather Asset Mix (see All Weather Asset Mix Disclosure). It is expected that the simulated performance will periodically change as a function of both refinements to our simulation methodology and the underlying market data. HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN INHERENT LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING OR THE COSTS OF MANAGING THE PORTFOLIO. ALSO, SINCE THE TRADES HAVE NOT ACTUALLY BEEN EXECUTED, THE RESULTS MAY HAVE UNDER OR OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. Please review the "Important Disclosures and Other Information" located at the end of this presentation.

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# Appendix

# ALL WEATHER IN RISING INTEREST RATE ENVIRONMENTS

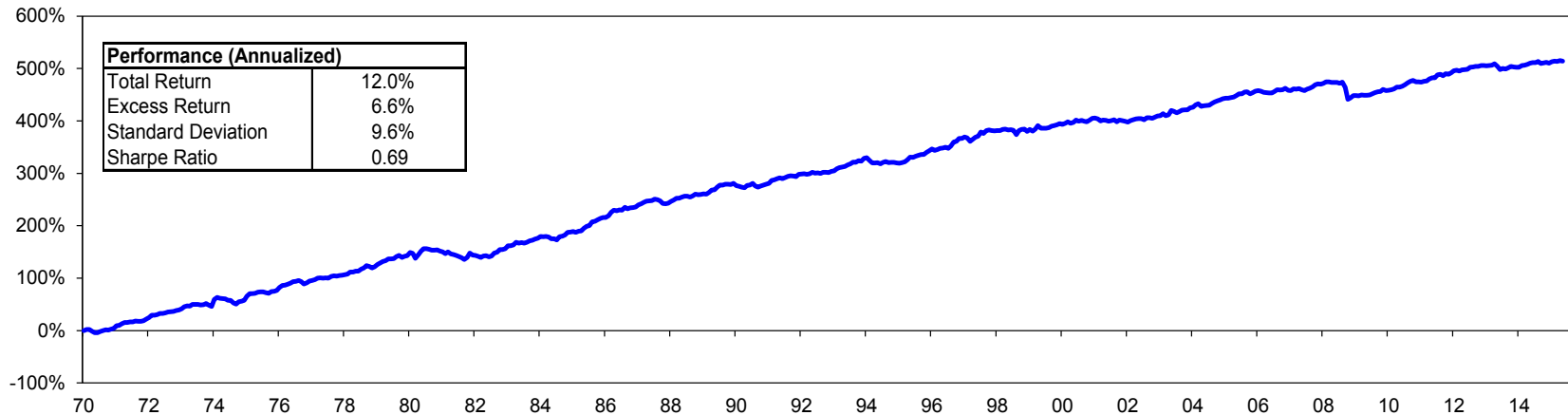
- ◆ All Weather is a balanced portfolio, not a bond portfolio.
- ◆ Asset returns are driven by how conditions transpire in relation to what was already discounted. The bond market is currently discounting rates to rise.
- ◆ By design, All Weather is balanced to the main drivers of interest rate changes: shifts in discounted growth and inflation.
- ◆ Like all assets and asset portfolios, All Weather is sensitive to rising interest rates due to tightening liquidity.



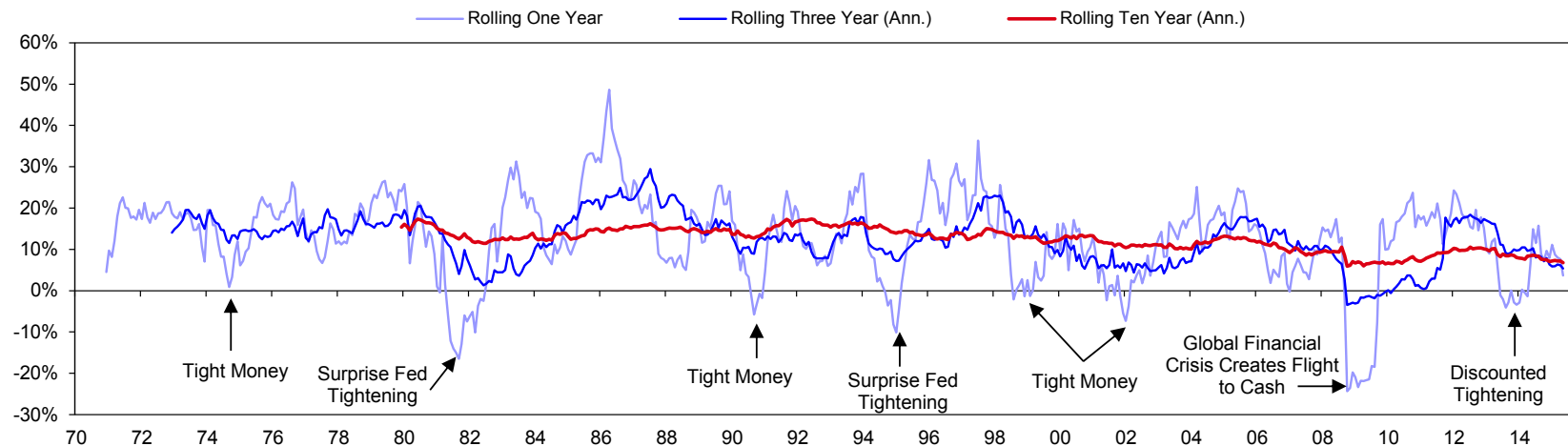
Simulated performance through May-2015. Simulated performance hedged to USD. Simulated performance of All Weather is based on the All Weather Asset Mix. Prior to 1970, the global 60/40 is comprised of 60% U.S. equities and 40% U.S. nominal government bonds. After 1970, the global 60/40 is comprised of 60% global equities and 40% global nominal government bonds. Prior to 1970, the global long rate is based on the U.S. 10-year Treasury yield, and after 1970 it is based on a GDP-weighted average of U.S., Germany, Japan, U.K. and Australia 10-year yields. It is expected that the simulated performance will periodically change as a function of both refinements to our simulation methodology and the underlying market data. HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN INHERENT LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING OR THE COSTS OF MANAGING THE PORTFOLIO. ALSO, SINCE THE TRADES HAVE NOT ACTUALLY BEEN EXECUTED, THE RESULTS MAY HAVE UNDER OR OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. Please review the "Important Disclosures and Other Information" located at the end of this presentation.

# IMPACT OF TIGHT MONEY IS UNDIVERSIFIABLE BUT SHORT-LIVED

All Weather Strategy Cumulative Total Returns (Gross of Fees, In)



All Weather Strategy Total Returns (Gross of Fees)



Returns are shown through May 31, 2015. Please note the returns shown for All Weather are simulated prior to June 1996 using the All Weather Asset Mix (see All Weather Asset Mix Disclosure). It is expected that the simulated performance will periodically change as a function of both refinements to our simulation methodology and the underlying market data. HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN INHERENT LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING OR THE COSTS OF MANAGING THE PORTFOLIO. ALSO, SINCE THE TRADES HAVE NOT ACTUALLY BEEN EXECUTED, THE RESULTS MAY HAVE UNDER OR OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. Please review the "Important Disclosures and Other Information" located at the end of this presentation.

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## Important Disclosures and Other Information

Please read carefully the following important disclosures and other information as they provide additional information relevant to understanding the assumptions, research and performance information presented herein. Additional information is available upon request except where the proprietary nature of the information precludes its dissemination.

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## **POSITION NOTES**

### **All Weather Fund LLC**

1. "Exposure as a % of Portfolio" represents the notional value of portfolio holdings divided by the total portfolio value.
2. The exposures shown in this report are based on estimates of the values of the portfolio holdings as of the date shown on the report.



# ALL WEATHER STRATEGY DISCLOSURE

## All Weather Strategy Performance (Net of Fees)

	All Weather Total Return in USD
<b>Last 1 Year</b>	3.1%
<b>Last 3 Years</b>	4.8%
<b>Last 5 Years</b>	9.8%
<b>Last 10 Years</b>	6.2%

Annualized Returns (Jun-96 through May-15)

## Net Since Inception Jun-96 through May-15

<b>Annualized Return</b>	8.6%
<b>Standard Deviation</b>	10.4%
<b>Sharpe Ratio</b>	0.58

Past results are not necessarily indicative of future results.

## Bridgewater All Weather Strategy Performance Disclosure:

For the period June 1996 (the inception of the strategy) through August 2001 the performance is based on the total return of the Bridgewater All Weather strategy as implemented for Bridgewater's principals and their affiliates and was not fully hedged to the US Dollar. The All Weather strategy is structured to be fully hedged, and the performance reflected after August 2001 includes these hedging transactions. For the period of August 2001 through present the performance shown is the actual total returns of the longest running fully funded All Weather account. For the entire history excess returns are calculated by subtracting an approximation of a U.S. cash rate from the total returns described above. Of note, the All Weather strategy's target leverage, volatility and return, as well as the asset mix varied from June 1996 to July 2005. From August 2005 through the present the strategy has targeted 10% volatility. Bridgewater manages additional All Weather portfolios not included in this performance history.

Gross of fees performance is gross of management fees and includes the reinvestment of interest, gains, and losses. Returns will be reduced by the investment advisory fees and any other expenses that may be incurred in the management of the account.

Net of fees performance has been calculated using our standard fee schedule for a minimum size account, which are the highest fees we have or would currently charge an account. Investment advisory fees are described in Bridgewater's ADV Part 2A.

No representation is being made that any account will or is likely to achieve returns similar to those shown. Trading in futures is risky and can result in losses as well as profits. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. Performance as of the current month is estimated and subject to change.

# ALL WEATHER ASSET MIX DISCLOSURE

## All Weather Asset Mix Performance (Net of Fees)

	All Weather Total Return in USD
<b>Last 1 Year</b>	3.2%
<b>Last 3 Years</b>	7.1%
<b>Last 5 Years</b>	8.9%
<b>Last 10 Years</b>	8.1%

Annualized Returns (Jun-96 through May-15)

## Net Since Inception Jun-96 through May-15

<b>Annualized Return</b>	9.6%
<b>Standard Deviation</b>	9.5%
<b>Sharpe Ratio</b>	0.74

Past results are not necessarily indicative of future results. It is expected that the simulated performance will periodically change as a function of both refinements to our simulation methodology and the underlying market data. WHERE SHOWN, HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN INHERENT LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING OR THE COSTS OF MANAGING THE PORTFOLIO. ALSO, SINCE THE TRADES HAVE NOT ACTUALLY BEEN EXECUTED, THE RESULTS MAY HAVE UNDER OR OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN.

## All Weather Asset Mix Disclosure:

Where shown, simulated returns for All Weather are created using the All Weather asset mix. The All Weather asset mix performance is simulated by applying All Weather asset mix weights, which are determined by Bridgewater's proprietary process for building an environmentally balanced portfolio, to historical market returns. We use actual market returns when available and otherwise use Bridgewater Associates' proprietary estimates, based on other available data and our fundamental understanding of asset classes. In certain cases, market data for an exposure which otherwise would exist in the simulation may be omitted if the relevant data is unavailable, deemed unreliable, immaterial or accounted for using proxies. In the case of omitted markets, other markets in the same asset class, which represent the vast majority of our positions in each asset class, are scaled to represent the full asset class position. Examples of omitted markets include, but are not limited to, non-U.S. markets prior to 1970, emerging market equities, some inflation-linked bond markets and certain commodities.

**Simulated asset returns are subject to considerable uncertainty and potential error**, as there is a great deal that cannot be known about how assets would have performed in the absence of actual market returns. The All Weather asset mix simulation is an approximation of our actual process but not an exact replication, and may have differences including but not limited to the precise mix of markets used and the weights applied to those markets. It is expected that the simulated performance will periodically change as a function of both refinements to our simulation methodology (including the addition/removal of asset classes) and the underlying market data. There is no guarantee that previous results would not be materially different. Future strategy changes could materially change previous simulated return in order to reflect the changes accurately across time.

Transaction costs are accounted for and are estimates themselves based on historical measured costs and/or modeled costs. Actual transaction costs experienced could have been higher or lower than those reflected in the simulation. Where noted, the All Weather Asset Mix Net of Fees returns have been calculated using our standard fee schedule for a minimum size account, which are the highest fees we have or would currently charge an account. Investment advisory fees are described in Bridgewater's ADV Part 2A. No claim is being made of the All Weather Asset Mix's ability to perform in absolute terms or relative to any market return in the future, during market events not represented or during market events occurring in the future. Market conditions and events vary considerably, are unpredictable and can have unforeseen impacts resulting in materially adverse performance results.

# ALL WEATHER II STRATEGY DISCLOSURE

## All Weather II Strategy Performance (Net of Fees)

	All Weather Total Return in USD
<b>Last 1 Year</b>	3.7%
<b>Last 3 Years</b>	5.4%
<b>Last 5 Years</b>	10.2%
<b>Last 10 Years</b>	8.0%

Annualized Returns (Jun-96 through May-15)

## Net Since Inception Jun-96 through May-15

<b>Annualized Return</b>	9.6%
<b>Standard Deviation</b>	11.1%
<b>Sharpe Ratio</b>	0.63

Past results are not necessarily indicative of future results. WHERE SHOWN, HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN INHERENT LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING OR THE COSTS OF MANAGING THE PORTFOLIO. ALSO, SINCE THE TRADES HAVE NOT ACTUALLY BEEN EXECUTED, THE RESULTS MAY HAVE UNDER OR OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN.

## Bridgewater All Weather II Strategy Performance Disclosure:

For the period June 1996 (the inception of the strategy) through August 2001 the performance is based on the total return of the Bridgewater All Weather strategy as implemented for Bridgewater's principals and their affiliates and was not fully hedged to the US Dollar. The All Weather strategy is structured to be fully hedged, and the performance reflected after August 2001 includes these hedging transactions. For the period of August 2001 through September 2008 the performance shown is the actual total returns of the longest running fully funded All Weather account. Of note, the All Weather strategy's target leverage, volatility and return, as well as the asset mix varied from June 1996 to July 2005. From August 2005 through present the strategy has targeted 10% volatility. From October 2008 through September 2009 returns are simulated based on the All Weather target allocations constrained from shifts based on Bridgewater's depression gauge (i.e. not shifting the allocations based on the recognition of a potential extreme recessionary or depressionary economic environment for the purposes of capital preservation). From October 2009 through present the performance shown is the actual returns of the fully funded All Weather II Account (which is similarly constrained from shifts based on Bridgewater's depression gauge). For the entire history excess returns are calculated by subtracting an approximation of a U.S. cash rate from the total returns described above. Bridgewater manages additional All Weather portfolios not included in this performance history.

Gross of fees performance is gross of management fees and includes the reinvestment of interest, gains, and losses. Returns will be reduced by the investment advisory fees and any other expenses that may be incurred in the management of the account.

Net of fees performance has been calculated using our standard fee schedule for a minimum size account, which are the highest fees we have or would currently charge an account. Investment advisory fees are described in Bridgewater's ADV Part 2A.

No representation is being made that any account will or is likely to achieve returns similar to those shown. Trading in futures is risky and can result in losses as well as profits. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. Performance as of the current month is estimated and subject to change.

# USD TRADITIONAL PORTFOLIO

This page contains the allocation information for the historical simulation of the Traditional portfolio, from 1970 onwards, as well as forward looking assumptions for expected returns, volatility, tracking error, and correlations used in this analysis. Where shown, prior to 1970 the portfolio was constructed by weighting 65% U.S. Equities and 35% U.S. 10-year bonds.

The portfolio capital allocation weights (illustrated below) are estimates based either upon Bridgewater Associates' understanding of standard asset allocation (which may change without notice) or information provided by or publicly available from the recipient of this presentation. Asset class returns are actual market returns where available and otherwise a proxy index constructed based on Bridgewater Associates understanding of global financial markets. Information regarding specific indices and simulation methods used for proxies is available upon request (except where the proprietary nature of information precludes its dissemination). Results are hypothetical or simulated and gross of fees unless otherwise indicated. HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN INHERENT LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING OR THE COSTS OF MANAGING THE PORTFOLIO. ALSO, SINCE THE TRADES HAVE NOT ACTUALLY BEEN EXECUTED, THE RESULTS MAY HAVE UNDER OR OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN.

Asset Type	Benchmark	Nominal Exposure	Fx Exposure	Beta Volatility	Beta Ratio	Alpha Volatility	Alpha Ratio
Equities	U.S. Equities	15.0%	---	14.4%	0.25	---	---
Equities	U.S. Equities	15.0%	---	14.4%	0.25	5.0%	0.25
Equities	World Equities Ex-US	18.0%	Unhedged	14.8%	0.30	5.0%	0.30
Equities	Emerging Market Equities	3.0%	Unhedged	20.3%	0.25	5.0%	0.30
Nominal Bonds	U.S. Gov't Bonds	4.5%	---	4.4%	0.25	---	---
Nominal Bonds	U.S. Gov't Bonds	4.5%	---	4.4%	0.25	2.0%	0.25
Corporate Bonds	U.S. Corporate Bonds	5.0%	---	6.9%	0.30	3.0%	0.25
MBS	U.S. MBS	6.0%	---	4.1%	0.25	2.0%	0.25
IL Bonds	U.S. IL Bonds	1.0%	---	7.1%	0.25	---	---
IL Bonds	U.S. IL Bonds	1.0%	---	7.1%	0.25	1.0%	0.25
High Yield Bonds	U.S. High Yield	2.0%	---	10.7%	0.30	4.0%	0.25
Nominal Bonds	World Gov't Bonds Ex-US	2.0%	Hedged	3.7%	0.30	2.0%	0.30
Equities	U.S. PE / VC	9.0%	---	20.1%	0.25	10.0%	0.25
Real Estate	U.S. Real Estate	5.0%	---	19.6%	0.25	6.0%	0.25
Real Estate	World Real Estate	2.0%	Unhedged	18.9%	0.30	---	---
Commodities	Bloomberg Commodity Index	2.0%	---	16.1%	0.20	10.0%	0.30
Hedge Fund	Cash	5.0%	---	---	---	7.0%	0.70

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Steady wins®

## Ventura County Employees' Retirement Association

Energy Infrastructure

# Summary

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- Strong absolute performance last 12 months (+7.4%)
- Strong relative performance vs. benchmark last 12 months - outperformed by 3.6%
- Benefiting from emphasis on larger, investment grade, more stable fee-based sectors during this volatile time
- We expect 11%-13% MLP market returns for next 12 months (5.8% MLP market yield plus 5%-7% growth)
- Intermediate and long-term growth outlook remains favorable in our view

As of 4/30/2015. Returns are presented gross of fees. Please see important disclosures at end of presentation.

**Past performance is no guarantee of future results.**



# Organizational update

# Tortoise Capital Advisors

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## Our firm

- Manages approximately \$18.5 billion with decade-plus history
- We only develop investment strategies in which we invest ourselves

## Our focus

- Investing across the entire energy value chain
- Long-term investment philosophy

## Our process

- Emphasizes high-quality investments
- Fundamental bottom-up approach and proprietary models

## Our people

- Deep and experienced team of 66
- 24 TCA employees own approximately 31% of the management company

As of 4/30/2015.

# The Tortoise team

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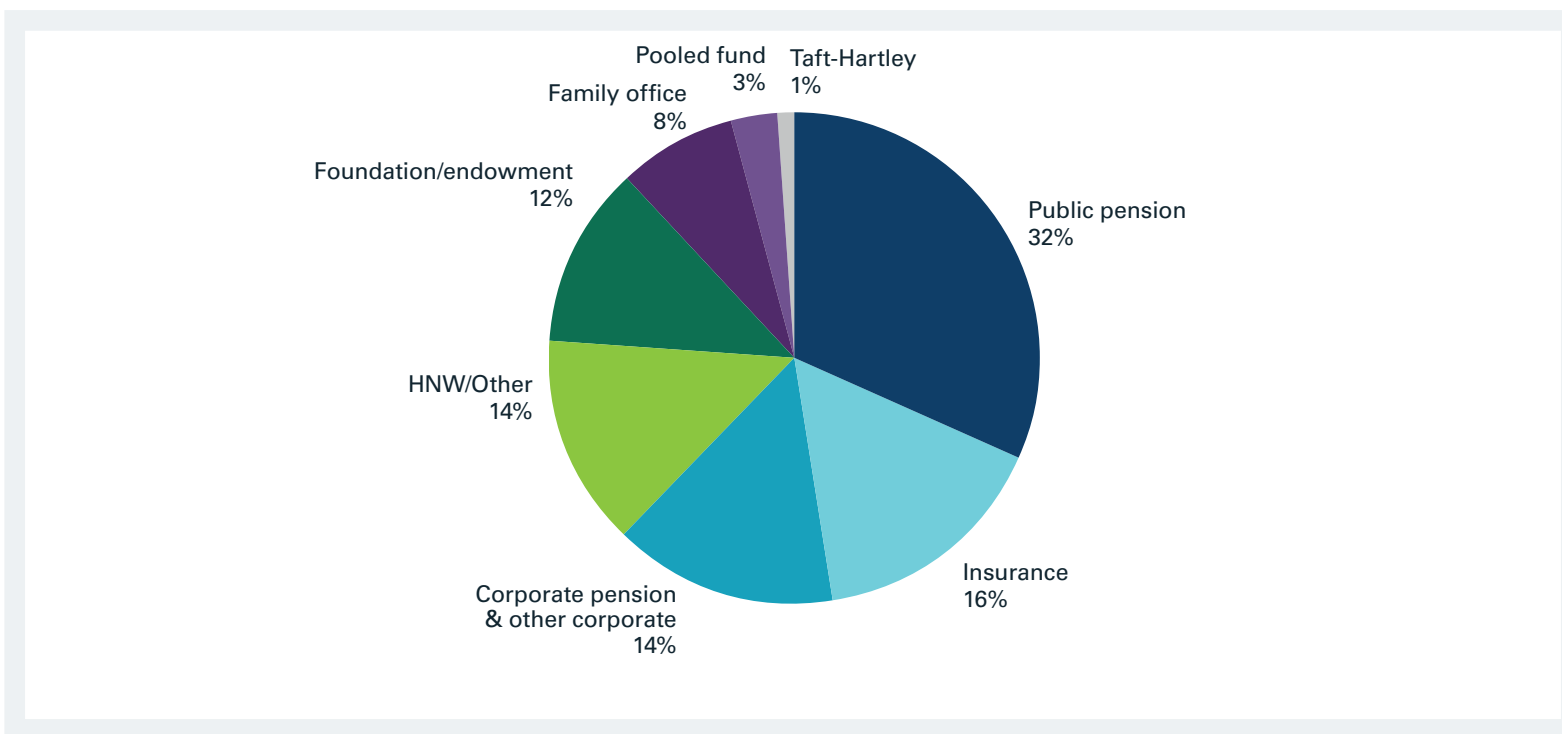
No changes to the investment committee, 1 investment analyst hired, 1 research analyst hired, 1 junior analyst hired, 1 investment analyst changed roles, 1 client portfolio manager hired (last 12 months).\*

As of 4/30/2015.

\*Please see disclosure page for additional information.

# Breakout of institutional clients

**SMA breakdown by client type**  
**\$8.1 billion**



As of 3/31/2015.

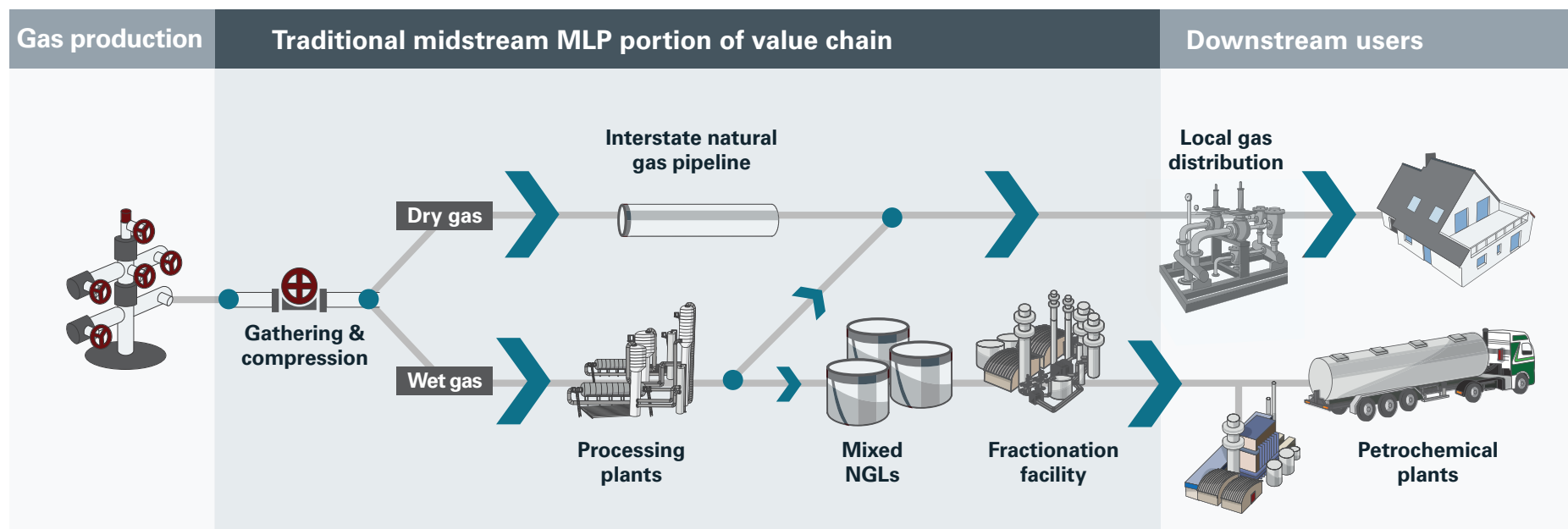


# Strategy and performance

# Energy value chain: midstream focus

**Midstream MLPs are publicly traded companies operating essential energy toll roads**

- Pipeline companies generally have steady, recurring, fee-based cash flows with limited direct commodity price exposure
- Cash flow generally grows with the economy, population and project development and acquisitions



# MLP SMA investment strategy

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**We have consistently pursued a strategy focused on long-haul, fee-based, investment grade companies for their compelling risk and return characteristics**

**Own strategic assets** critical to sustainability and growth of economic activity

**Emphasize high quality** companies

- Long-haul pipeline asset footprint
- Proven management teams
- Fee-based cash flow generation with investment grade metrics

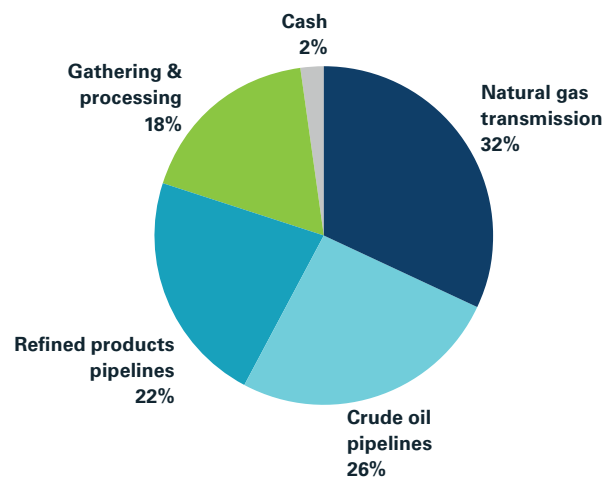
**Prefer internal and dropdown growth potential** with low cost of capital

# Account portfolio vs. benchmark

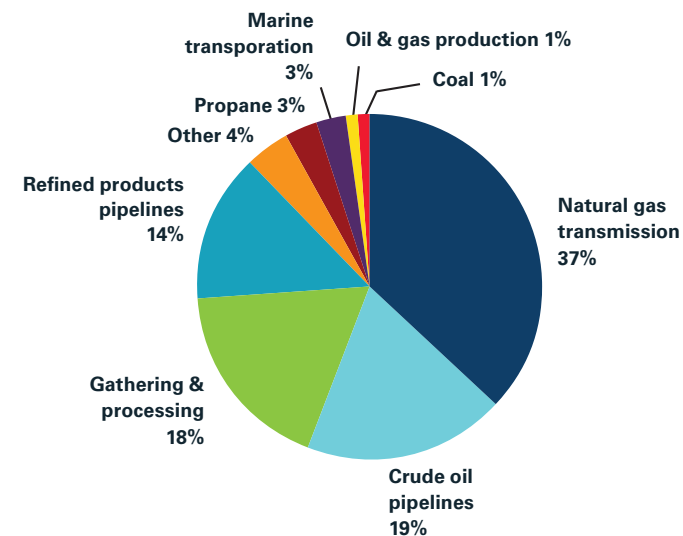
Midstream strategy emphasizes high-quality companies that generate recurring cash flows

## VCERA portfolio

Long-haul pipelines	80%
Fee-based cash flows	90%
Investment grade rating	76%
Capitalization above \$1bn	100%
Average annual turnover	20-25%
Number of names	27



## MLP market



As of 4/30/2015. MLP market represented by the Tortoise MLP Index®. Please see important disclosures at end of presentation.



# Account performance summary

	Quarter to date	Year to date	Fiscal year to date <sup>1</sup>	1 year	Since inception <sup>2</sup>
<b>Account (gross of fees)</b>	5.90%	3.80%	-4.67%	7.39%	16.87%
<b>Account (net of fees)</b>	5.90%	3.64%	-5.11%	6.72%	16.16%
<b>Tortoise MLP Index<sup>®</sup></b>	5.91%	2.89%	-6.46%	3.80%	9.27%
<b>Under/over performance (gross)</b>	-0.01	0.91	1.79	3.59	7.60
<b>Under/over performance (net)</b>	-0.01	0.75	1.35	2.92	6.89
<b>Wells Fargo MLP Index</b>	5.99%	3.57%	-5.62%	4.48%	9.34%
<b>S&amp;P MLP<sup>®</sup> Index</b>	6.35%	3.01%	-6.34%	3.84%	8.95%
<b>S&amp;P 500<sup>®</sup> Index</b>	0.96%	1.92%	8.15%	12.98%	16.65%

## Portfolio activity summary From 4/22/2013 to 4/30/2015

<b>Portfolio value on 4/22/2013</b>	\$ -
<b>Contributions</b>	109,000,000
<b>Withdrawals</b>	-
<b>Realized gains</b>	2,388,673
<b>Unrealized gains</b>	26,173,623
<b>Interest</b>	25,589
<b>Dividends</b>	11,119,957
<b>Management fees paid from account</b>	-
<b>Expenses</b>	-
<b>Portfolio value on 4/30/2015</b>	\$148,707,842

All returns through 4/30/2015. Annualized for periods over 1 year. <sup>1</sup>Fiscal year to date: 6/30/2014 to 4/30/2015. <sup>2</sup>Performance inception date: 4/30/2013. It is not possible to invest directly in an index. Please see important disclosures at end of presentation.

**Past performance is no guarantee of future results.**

# Performance drivers (last 12 months)

## Positive contributors

### Sub-sector/thematic performance

- Underweight oil and gas production (down 42%)
- Positive selection effect, gathering and processing (down 6%)
- Overweight refined products pipelines (up 17%)

## Negative contributors

### Sub-sector/thematic performance

- Negative selection effect, natural gas pipelines (up 17%)
- Negative selection effect, crude oil pipelines (up 17%)
- Held cash in a positive return market

**Overall, outperformed  
MLP market by 3.6%**

### Individual security selection

- Underweight LINE (down 56%)
- Overweight MPLX (up 47%)
- Underweight BBEP (down 67%)
- Underweight OKS (down 21%)

### Individual security selection

- Underweight KMP (up 40%)
- Overweight OKE (down 20%)
- Underweight KMR (up 50%)
- Underweight EEP (up 32%)

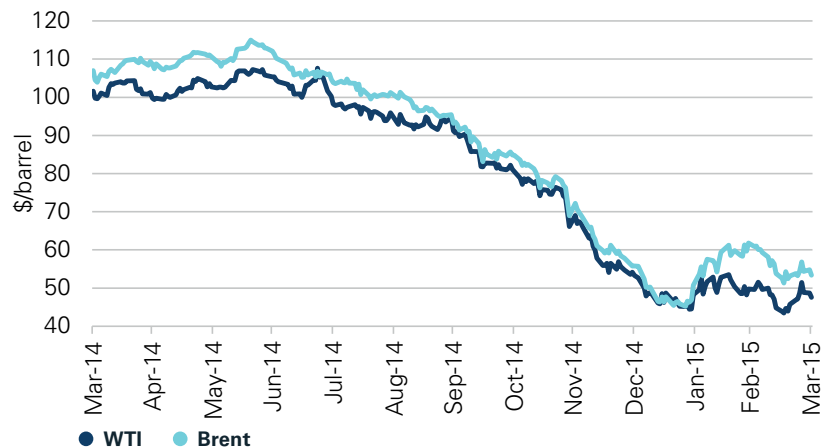
As of 4/30/2015. Returns presented are market total returns.

# **Current conditions and market outlook**

# Crude oil snapshot

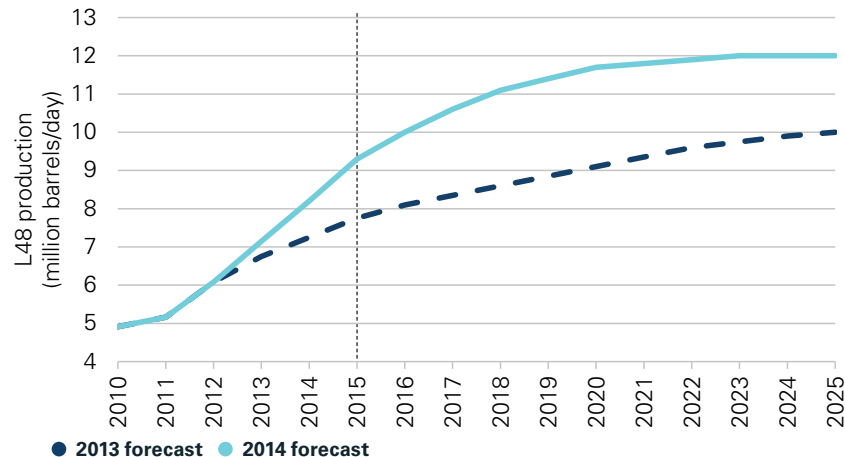
## Decline in crude oil prices driven by global supply/demand imbalance

### West Texas Intermediate vs. Brent



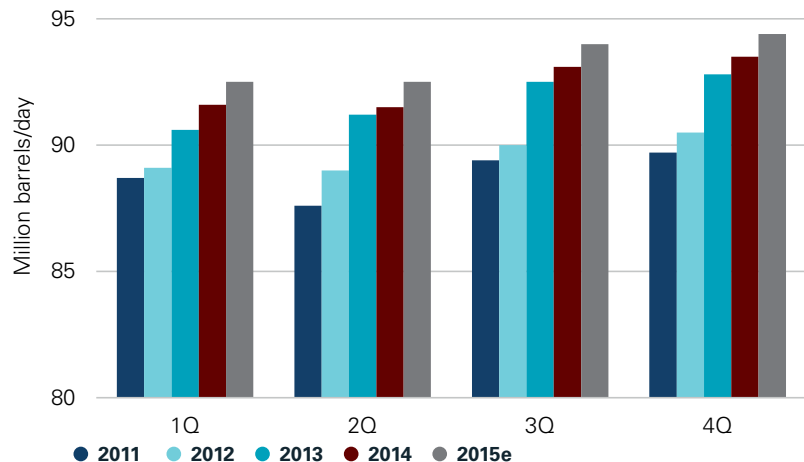
Source: Bloomberg as of 3/31/2015. WTI and Brent are U.S. domestic and global benchmarks, respectively, used in oil pricing.

### U.S. production forecast increased in 2014



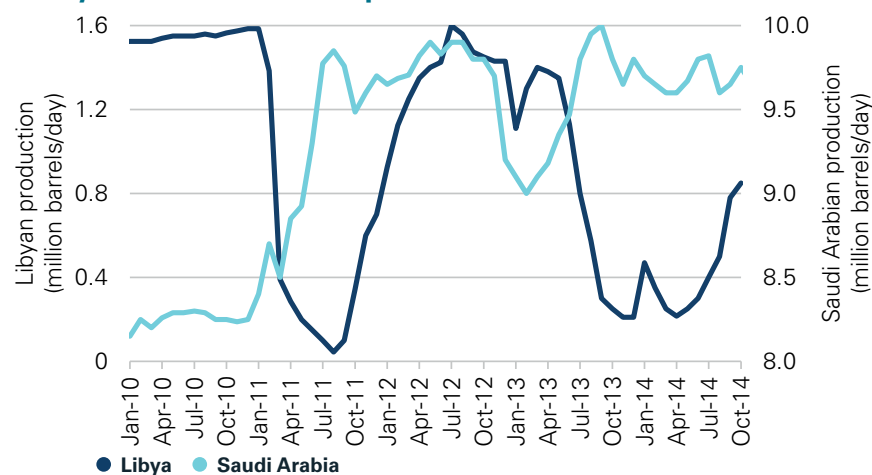
Source: ITG 2013 and 2014 production forecasts through 2025 assuming base case of \$90 WTI. L48 refers to lower 48 mainland U.S. states.

### Global oil demand



Source: IEA as of 12/31/2014.

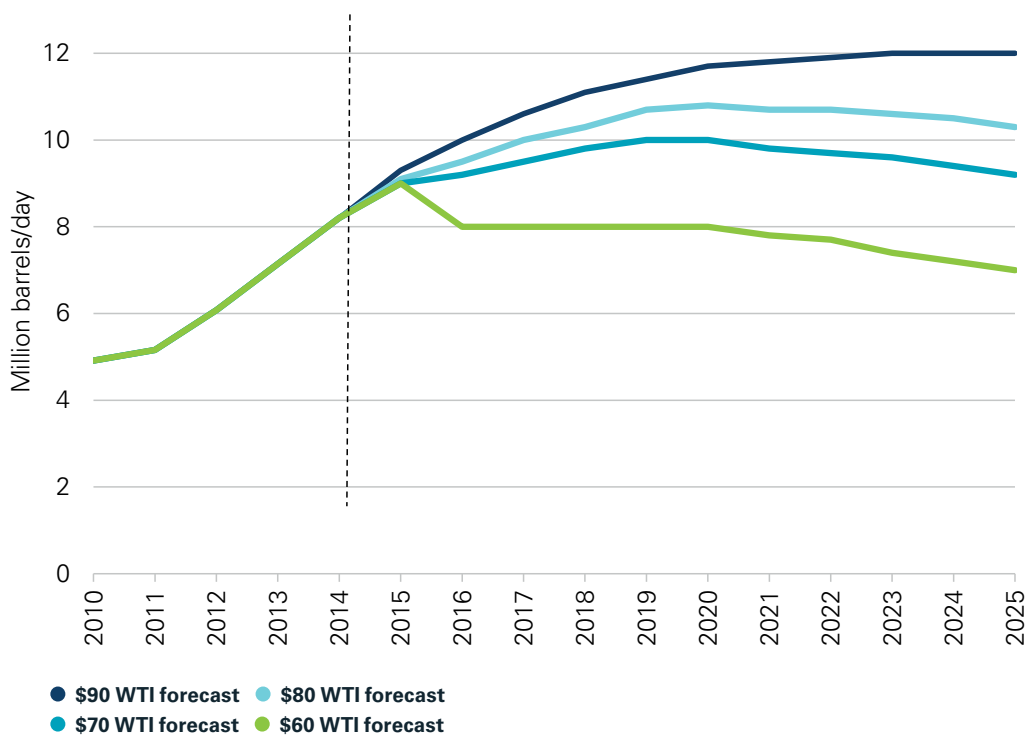
### Libyan & Saudi Arabian production



Source: Bloomberg. Data from 1/1/2010 to 10/31/2014.

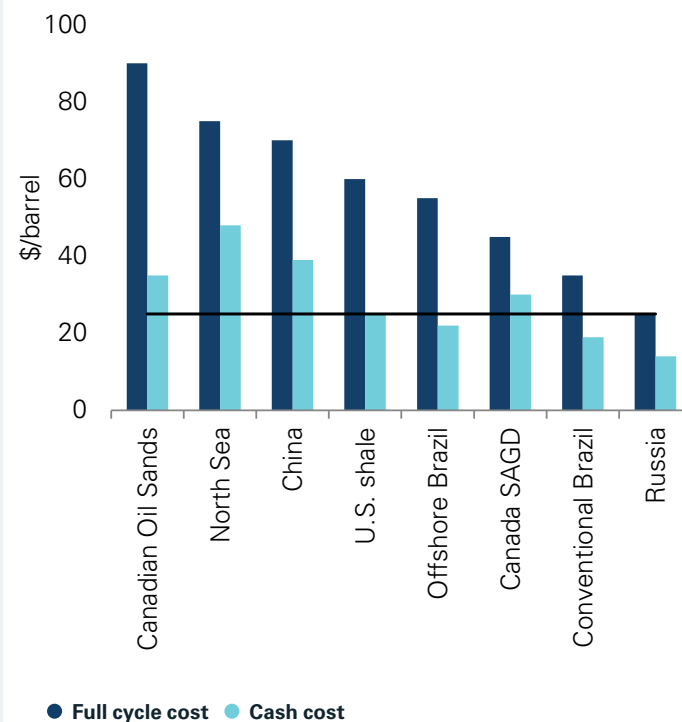
# U.S. oil production forecast sensitivities

Various scenarios: U.S. oil production levels



Source: ITG for lower 48 U.S. states as of 12/31/2014. Assumes flat service costs.  
The projections on this page are based on industry estimates and are no guarantee of future outcomes.

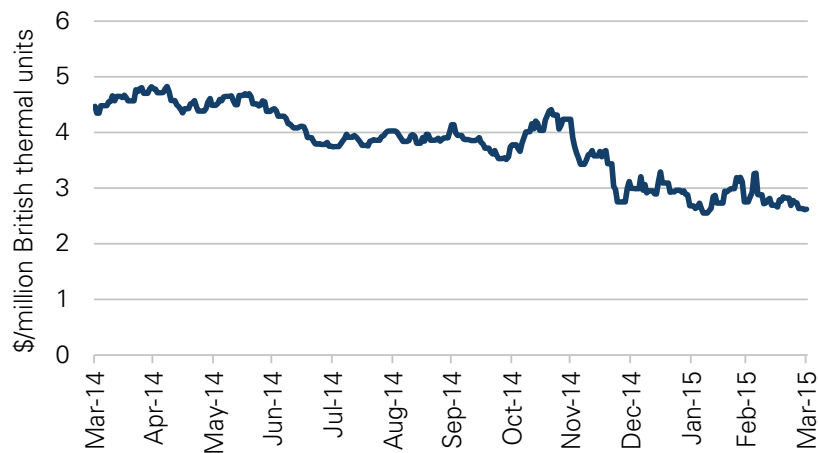
Global drilling economics comparison



Source: Bank of America Merrill Lynch as of 12/31/2014.  
Full cycle cost = full lifecycle costs of production to sustain and grow profitability over time. Cash cost = operating costs to maintain production.  
SAGD = steam assisted gravity drainage

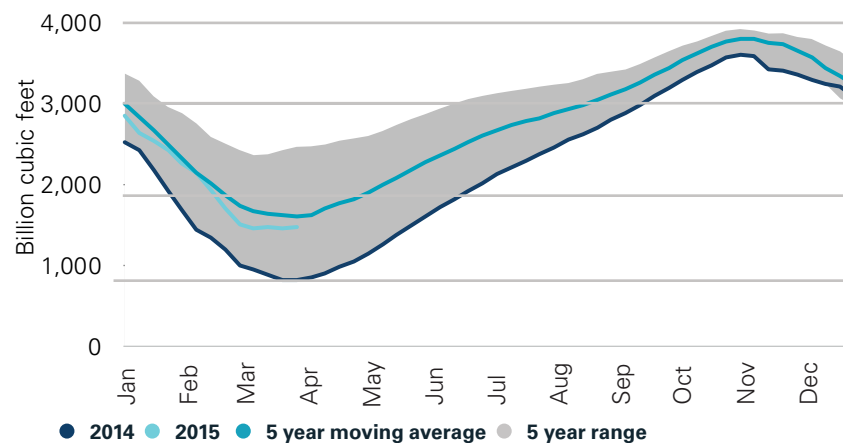
# Natural gas snapshot

## U.S. gas price (Henry Hub)



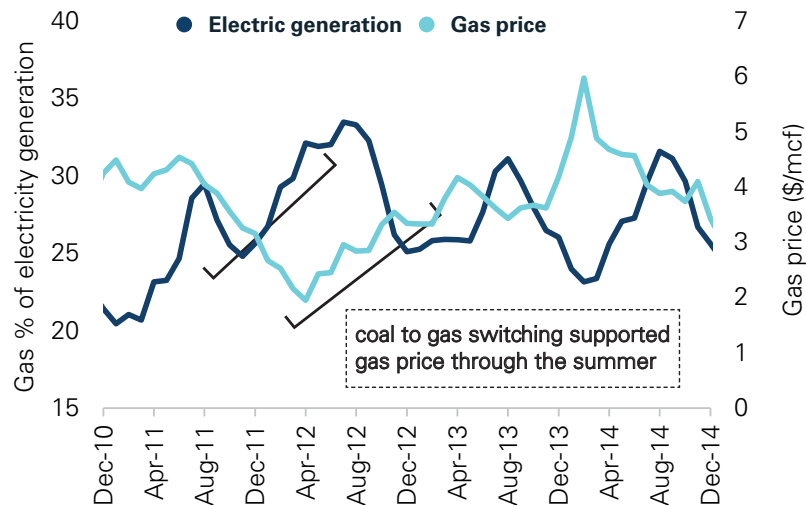
Source: Bloomberg as of 3/31/2015.

## Natural gas inventory



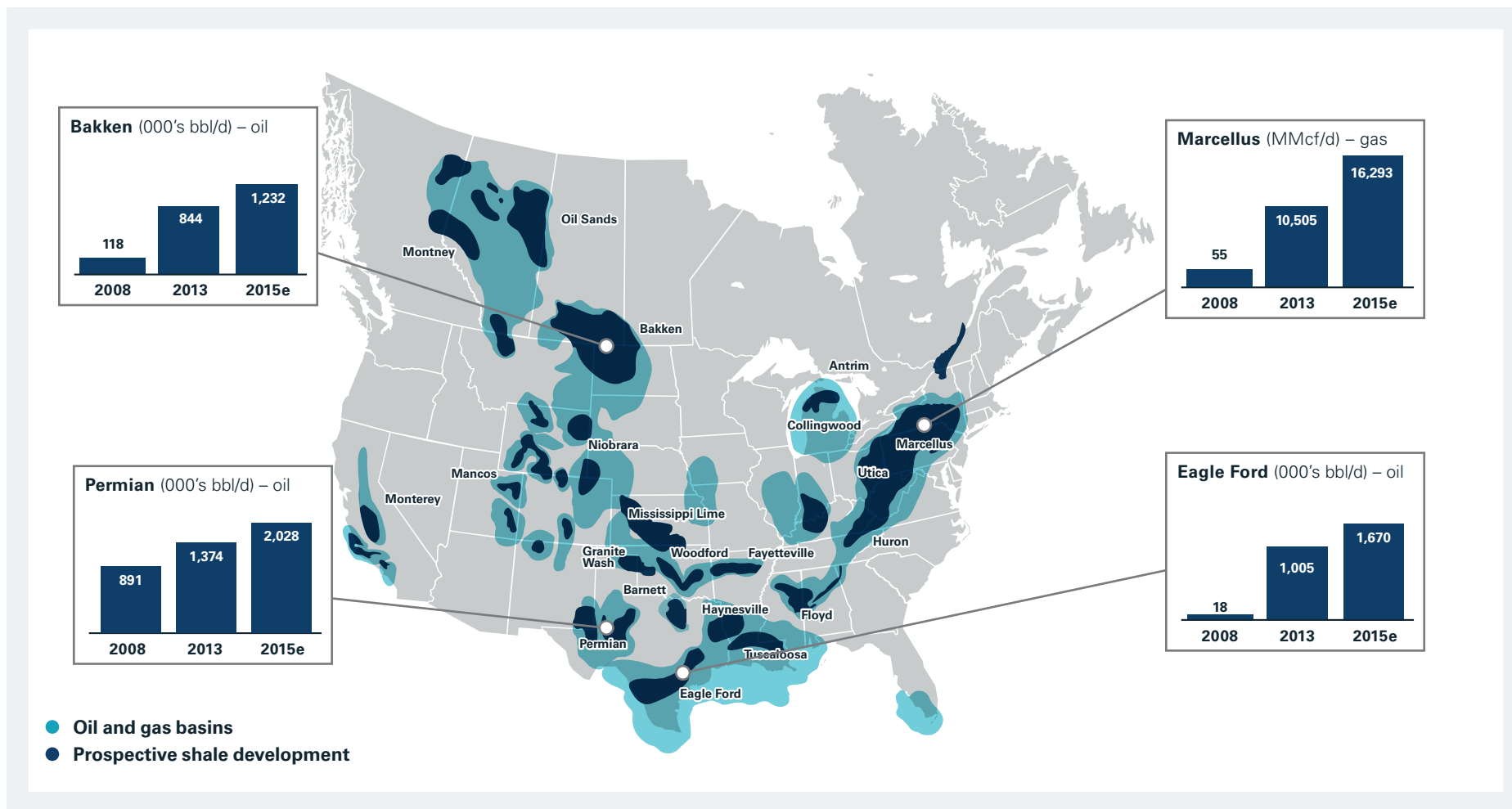
Source: U.S. Department of Energy as of 3/31/2015.

## Natural gas supply/demand response



Source: EIA, Bloomberg as of 12/31/2014.

# North American oil and gas production growth



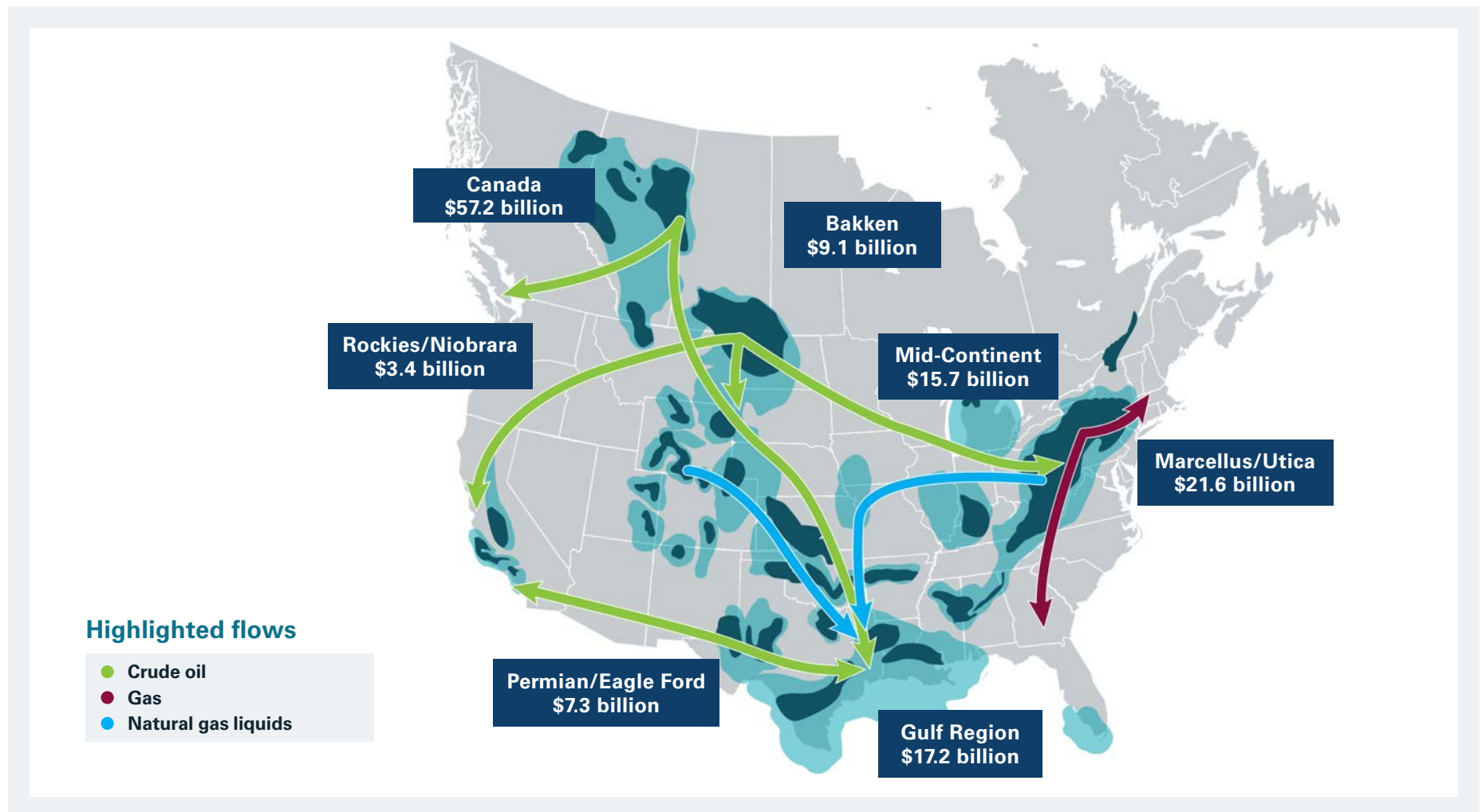
As of 12/31/2014. Source: ITG and Tortoise Capital Advisors

Note: 000's bbl/d = thousands barrels per day. MMcf/d = million cubic feet per day.  
The projections on this page are based on industry estimates and are no guarantee of future outcomes.



# Midstream projections 2015e - 2017e

Approximately \$153 billion in pipeline and related projects



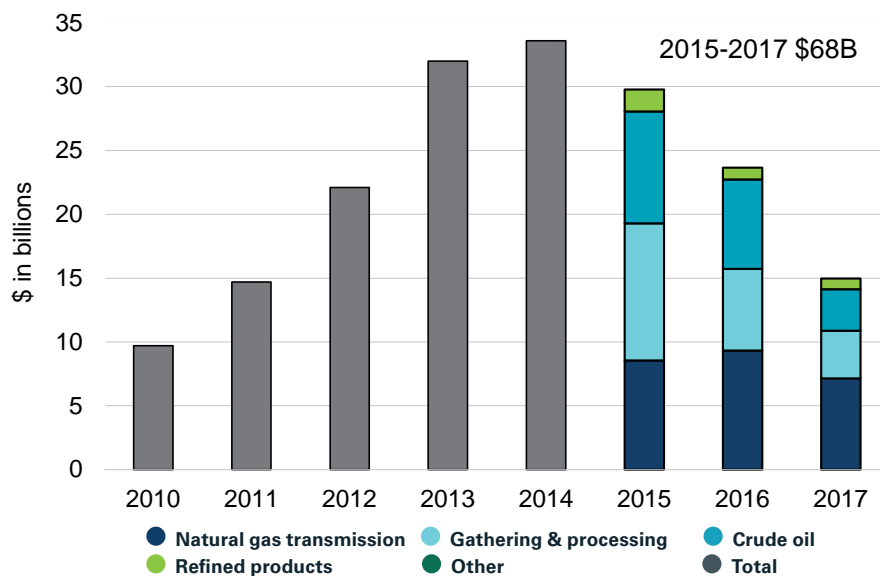
Source: Tortoise Capital Advisors as of 3/31/2015.

Note: Total capital investment also includes miscellaneous other projects totaling approximately \$22 billion. The projections on this page are based on industry estimates and are no guarantee of future outcomes.

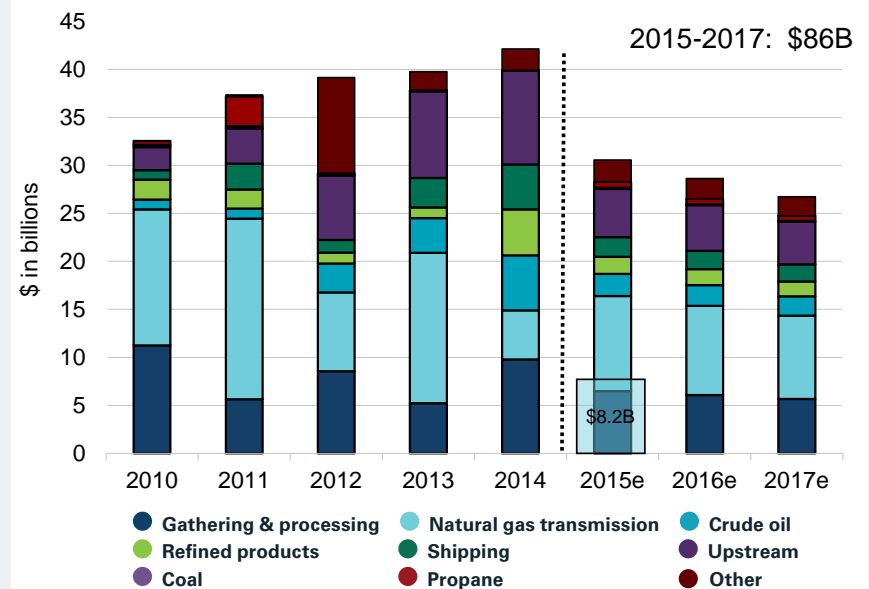


# MLP growth implications: robust activity continues

## Internal growth projects



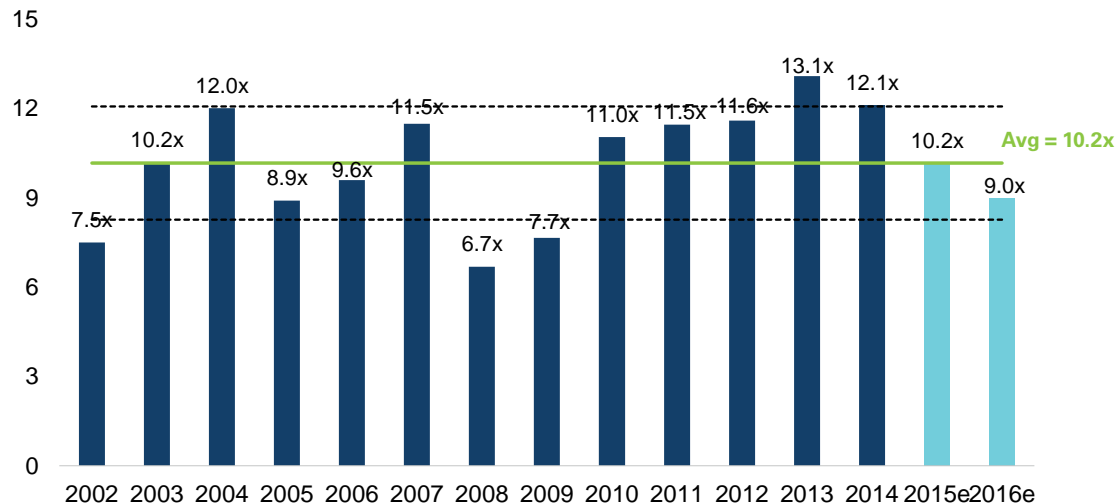
## Acquisition activity



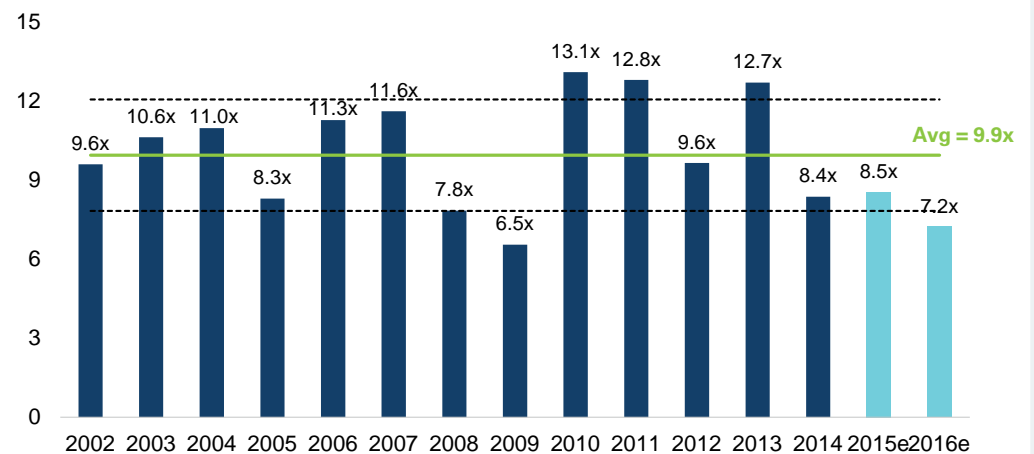
Source: Company filings, TCA Estimates, Barclays, Wells Fargo. As of 3/31/2015. The projections on this page are based on industry estimates and are no guarantee of future outcomes.

# Valuation – multiples by sector: P/DCF

## Long-haul



## Gathering & processing

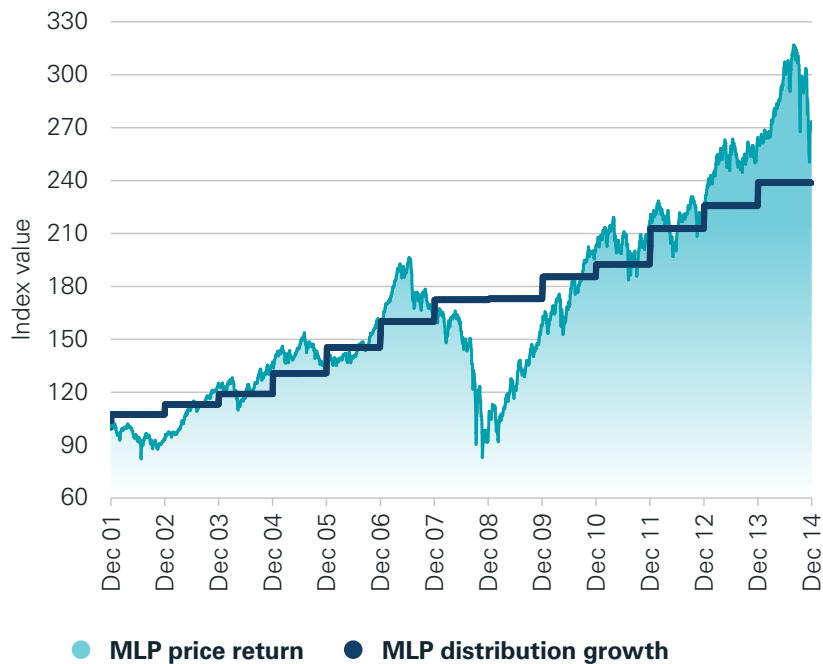


**Cash flow multiples remain within historical range**

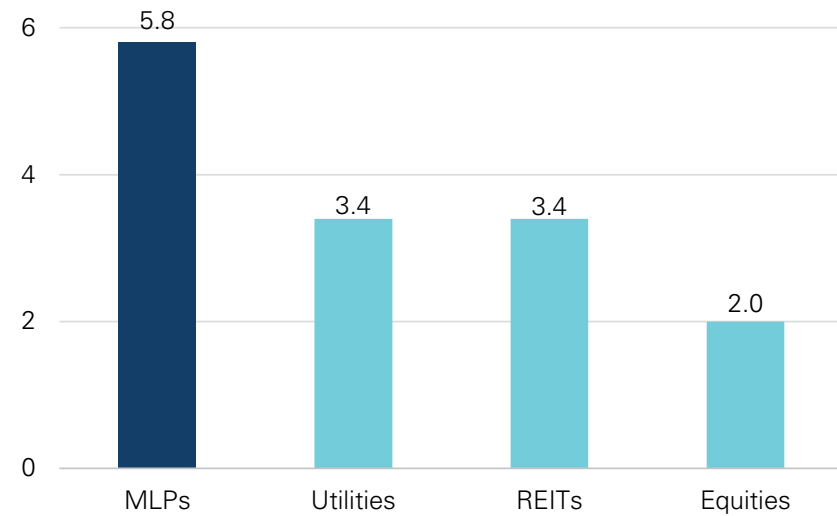
As of 3/31/2015 Source: Bloomberg.  
Dotted lines represent a range of 1 standard deviation of the mean.

# Total return drivers

## Growing distributions



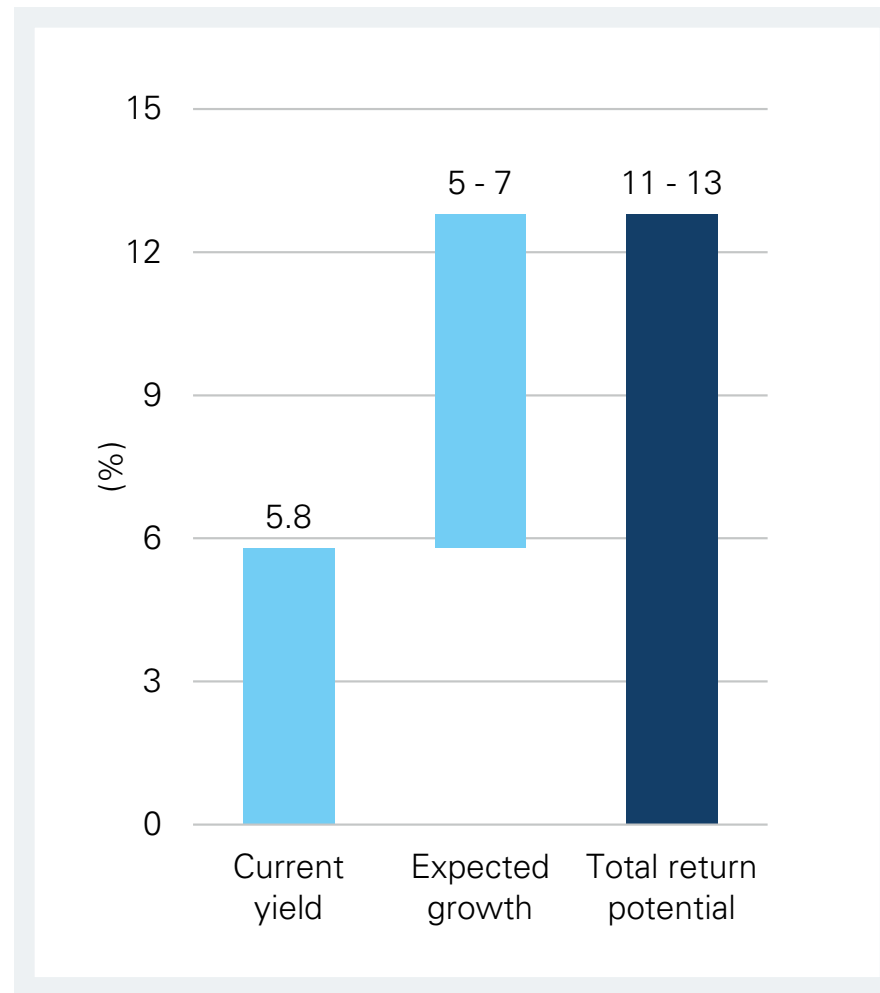
## Attractive MLP market yield (%)



Yield as of 3/31/2015.

Source: Bloomberg and Tortoise Capital Advisors. Please see important disclosures at end of presentation.

# Next 12 months MLP market total return outlook



As of 3/31/2015. Please see important disclosures at end of presentation.  
Source: Tortoise Capital Advisors and Bloomberg

# Appendix

# VCERA portfolio as of 4/30/2015

Ticker	Security	Shares Held	Unit Cost	Total Cost	Current Price	Current Value	Market Weight
<i>Crude Oil Pipelines</i>							
EEP	Enbridge Energy Partners, L.P.	149,926	38.74	5,807,648	37.14	5,568,252	3.74
GEL	Genesis Energy L.P.	63,499	49.41	3,137,645	49.71	3,156,535	2.12
PAA	Plains All American Pipeline, L.P.	238,246	56.43	13,443,482	50.11	11,938,507	8.03
PAGP	Plains GP Holdings, L.P.	74,245	23.95	1,778,537	29.40	2,182,803	1.47
SHLX	Shell Midstream Partners LP	49,670	30.85	1,532,356	40.19	1,996,237	1.34
SXL	Sunoco Logistics Partners L.P.	181,221	31.49	5,706,900	44.36	8,038,964	5.41
TLLP	Tesoro Logistics LP	85,637	57.40	4,915,725	56.03	4,798,241	3.23
				\$36,322,293		\$37,679,539	25.34%
<i>Natural Gas Pipelines</i>							
CPPL	Columbia Pipeline Partners LP	52,176	26.70	1,393,157	27.05	1,411,361	0.95
ETE	Energy Transfer Equity, L.P.	194,843	29.29	5,707,494	66.66	12,988,234	8.73
EPD	Enterprise Products Partners L.P.	404,902	28.58	11,571,355	34.25	13,867,894	9.33
EQM	EQT Midstream Partners, LP	59,342	75.85	4,500,875	88.20	5,233,964	3.52
OKE	ONEOK, Inc	86,066	51.94	4,469,994	48.10	4,139,775	2.78
SE	Spectra Energy Corp	171,961	34.87	5,995,863	37.25	6,405,547	4.31
				\$33,638,738		\$44,046,775	29.62%
<i>Refined Products Pipelines</i>							
BPL	Buckeye Partners, L.P.	103,378	63.73	6,587,881	81.58	8,433,577	5.67
MMP	Magellan Midstream Partners, L.P.	166,404	55.03	9,157,657	83.50	13,894,734	9.34
MPLX	MPLX LP	64,100	38.49	2,467,442	77.75	4,983,775	3.35
PSXP	Phillips 66 Partners LP	47,912	48.76	2,336,197	75.85	3,634,125	2.44
VLP	Valero Energy Partners LP	49,277	34.30	1,690,276	50.58	2,492,431	1.68
				\$22,239,453		\$33,438,642	22.48%
<i>Gathering and Processing</i>							
AM	Antero Midstream Partners LP	86,581	26.81	2,321,007	25.00	2,164,525	1.46
DPM	DCP Midstream Partners, LP	55,927	49.80	2,784,914	40.80	2,281,822	1.53
ENLC	Enlink Midstream, LLC	21,099	35.17	742,008	35.15	741,630	0.50
ENLK	Enlink Midstream Partners, LP	39,745	29.35	1,166,426	25.73	1,022,639	0.69
MWE	Markwest Energy Partners, L.P.	103,542	63.97	6,623,675	67.46	6,984,943	4.70
TRGP	Targa Resources Corp.	42,614	94.51	4,027,241	104.97	4,473,192	3.01
WGP	Western Gas Equity Partners, LP	39,200	34.71	1,360,705	64.99	2,547,608	1.71
WES	Western Gas Partners LP	78,480	59.42	4,663,173	72.89	5,720,407	3.85
WMB	Williams Companies, Inc	77,557	44.42	3,444,747	51.19	3,970,143	2.67
				\$27,133,896		\$29,906,909	20.12%
<i>Cash and Money Funds</i>							
CASH	Cash Account			2,882,544		2,882,544	1.94
DIVACC	Dividend Accrual			753,435		753,435	0.51
				\$3,635,979		\$3,635,979	2.45%
<b>Total Portfolio</b>				<b>\$122,970,359</b>		<b>\$148,707,844</b>	<b>100%</b>

# Separate account key contacts

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## Client Service

Reporting  
General questions  
Billing (advisory fee)  
K-1 checklist  
General tax questions

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### Melissa Martinez

Client Services Associate  
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[mmartinez@tortoiseadvisors.com](mailto:mmartinez@tortoiseadvisors.com)

### Kyle Krueger, CFA, CIPM

Managing Director  
Head of Separately Managed Accounts

## Operations

Custodial account data feed set-up  
Trade settlement issues  
Investment accounting and reconciliation

### Raven Olivarez~Weber

Senior Operations Analyst  
913-890-2160

### Kelly Schuetz

Senior Operations Specialist  
913-890-2151

[SMA@tortoiseadvisors.com](mailto:SMA@tortoiseadvisors.com)

### Connie Savage, CPA

Managing Director  
Chief Operating Officer

# Important disclosures

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This presentation contains certain forward-looking statements. These forward-looking statements include all statements regarding the intent, belief or current expectations regarding matters covered and all statements which are not statements of historical fact. The forward-looking statements involve known and unknown risk, uncertainties, contingencies and other factors, many of which are beyond our control. Since these factors can cause results, performance and achievements to differ materially from those discussed in the presentation, you are cautioned not to place undue reliance on the forward-looking statements. This presentation is updated through April 30, 2015 unless otherwise noted.

**Index information:** MLPs (unless noted) = Tortoise MLP Index<sup>®</sup>, a float-adjusted, capitalization weighted index of energy master limited partnerships (MLPs). To be eligible for inclusion in the Tortoise MLP Index<sup>™</sup>, a company must be publicly traded, organized as a limited partnership or a limited liability company, and be classified as an “energy MLP” by Tortoise Capital. Tortoise MLP Index<sup>®</sup> (the “Index”) is the exclusive property of Tortoise Capital Advisors, L.L.C., which has contracted with S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) (“S&P Dow Jones Indices”) to calculate and maintain the Index. S&P<sup>®</sup> is a registered trademark of Standard & Poor’s Financial Services LLC (“SPFS”); Dow Jones<sup>®</sup> is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”); and, these trademarks have been licensed to S&P Dow Jones Indices. “Calculated by S&P Dow Jones Indices” and its related stylized mark(s) have been licensed for use by Tortoise Capital Advisors, L.L.C. Neither S&P Dow Jones Indices, SPFS, Dow Jones nor any of their affiliates sponsor and promote the Index and none shall be liable for any errors or omissions in calculating the Index. The S&P MLP Index is designed to provide investors with exposure to the leading partnerships that trade on the NYSE and NASDAQ. The index includes both master limited partnerships (MLPs) and publicly traded limited liability companies (LLCs), which have a similar structure to MLPs and share the same tax benefits. Wells Fargo MLP Index (formerly Wachovia MLP Index), a float-adjusted, capitalization-weighted index of energy master limited partnerships (MLPs) with a market capitalization of at least \$200 million at the time of inclusion. Equities = S&P 500<sup>®</sup> Index, an unmanaged market-value weighted index of stocks which is widely regarded as the standard for measuring large-cap U.S. stock market performance. Utilities = The Utilities Select Sector Index is a modified market-cap weighted index composed of constituents of the S&P 500 in the utility sector (as defined by the Global Industry Classification Standard – GICS). REITs = FTSE NAREIT Equity Index, an unmanaged capitalization-weighted index of all U.S. equity real estate investment trust. It is not possible to invest directly in an index. It is not possible to invest directly in an index.

## **Past performance is no guarantee of future results.**

*\*From page 5: Effective June 30th, 2015 we will be adding the four existing portfolio managers, Brian Kessens, James Mick, Matthew Sallee and Robert Thummel, to the Investment Committee. They will join current Investment Committee members Kevin Birzer, Zach Hamel, Terry Matlack and Ken Malvey. The Investment Committee will continue to provide investment strategy oversight to the portfolio team, who implements the strategy.*

*Also effective June 30, 2015, one of Tortoise’s five founding managing directors Dave Schulte will leave Tortoise Capital Advisors to allow him to focus his efforts on Corridor InfraTrust Management LLC, which he co-founded in 2011. Mr. Schulte will retain an ownership interest in Tortoise, but will no longer serve on the Investment Committee.*





**Steady wins<sup>®</sup>**

[www.tortoiseadvisors.com](http://www.tortoiseadvisors.com)



North America | Europe | Asia-Pacific

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## Ventura County Employees' Retirement Association

June 15, 2015

## Presenters



**Ryan Dawley**

Mr. Dawley is a client relations associate on GMO's Global Client Relations team located in the Berkeley office. Previously at GMO, he was a member of the investments control group. Prior to joining GMO in 2006, he worked at United States Trust Company as an account facilitation specialist. Mr. Dawley earned his B.S. in Business Administration from Sacred Heart University and his MBA and MSF from Northeastern University.



**Tom Rosalanko**

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

## GMO's Edge:

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

## Success Factors:

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

## Motivation/Focus:

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

## Stability:

GMO has low turnover of investment professionals.

## Current Scale:

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



## Assets Under Management:

\$118 billion of assets under management, including:

Equities:	\$66 billion	Multi-Asset:	\$50 billion**
Fixed Income:	\$16 billion	Absolute Return:	\$14 billion**
Real Assets:	\$2 billion*		

As of 3/31/15

Source: GMO

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

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

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

Assets managed by GMO Renewable Resources, a joint venture, is not part of the GIPS compliant firm, GMO. GMO Renewable Resources had assets under management of \$1,986,092,805 as of 3/31/15.

# Representative Client List

## Endowments

Appalachian Mountain Club	Phillips Academy (Andover)
University of Arizona Foundation	Phillips Exeter Academy
Baylor College of Medicine	Pomona College
Boston College	Princeton University
California Institute of Technology	Santa Clara University
College of William and Mary	Southern Methodist University
Dartmouth College	Spelman College
Duke University	University of Quebec
Lehigh University	Univ. of Toronto Asset Management Corp.
University of Michigan	University of Virginia
Northwestern University	Vassar College
Pepperdine University	Yale University
Perimeter Institute for Theoretical Physics	

## Foundations and Cultural Institutions

California Academy of Sciences	Polk Bros Foundation
The Cleveland Foundation	Regenstrief Foundation
Doris Duke Charitable Foundation	The Rockefeller Family Fund
Father Flanagan's Foundation	Rotary International
Ford Foundation	Surdna Foundation
Conrad N. Hilton Foundation	Toledo Museum of Art
Joyce Foundation	Toronto Foundation
Kennedy Center for the Performing Arts	Vancouver Foundation
Robert R. McCormick Foundation	The Wallace Foundation
The Memorial Foundation	Wenner-Gren Foundation
Metropolitan Opera	World Wildlife Fund
Nature Conservancy	

## Multiemployer Plans

AFTRA Health and Retirement Funds	Motion Picture Industry Pension & Health Plans
Bert Bell/Pete Rozelle NFL Player Retirement Plan	Operating Engineers Local 324 Pension Plan
Directors Guild of America – Producer Pension & Health Plans	Retirement Plan for Hospital Employees
International Union of Painters & Allied Trades	Screen Actors Guild – Producer Pension & Health Plans

## Health Care Institutions

American Society of Hematology	MidMichigan Health
Dana-Farber, Inc.	Partners Healthcare
Harris County Hospital District	Rochester General Hospital Foundation
Highland Hospital	Sentara Healthcare
Massachusetts Eye & Ear Infirmary	Yale-New Haven Hospital
Mayo Clinic	

## Defined Contribution

Ally Financial	Partners HealthCare
AMD	Siemens
CenturyLink Investment Management	Sprint
DTE Energy	SunSuper
Novartis	University of Rochester
Parker-Hannifin	

## Pension Funds

Alberta Motor Association	Metropolitan Museum of Art
Andersen Corporation	McMaster University
BAE Systems	MDS Nordion, Inc.
BASF Corporation USA	Ministers & Missionaries Benefit Board
The Boeing Company	National Geographic Society
Canadian National Railways	NiSource
Cargill	NRECA
Church Pension Fund	Pfizer
Corning	Praxair, Inc.
Dominion Resources	Saskatchewan Telecommunications
Dow Chemical	Sidley & Austin
FMC Corporation	Siemens
John Hancock	SunSuper
Hershey Canada, Inc.	University of New Brunswick
Hudson's Bay Company	Verizon

## Public Funds

Caisse de Depot et Placement du Quebec	Orange County ERS
CPP Investment Board	City of Ottawa
Dallas Police & Fire Pension System	PSP Investments
City of Fairfax, VA	City of Richmond
Hydro-Quebec	San Diego City ERS
Iowa Fire & Police	San Francisco Employees Retirement System
Maryland State Retirement & Pension System	Teacher Retirement System of Texas
Milwaukee County Empl. Ret. System	Ventura County ERA
	Virginia Retirement System

## Sub-Advisory / Advisory

John Hancock	Wells Fargo
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As of 3/31/15

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

Equities		Fixed Income	Absolute Return
Global Equity Allocation	Emerging Markets	Benchmark-Free Bond	Total Equities <sup>1,2</sup>
Global Focused	Emerging Domestic Opportunities	Global	Tactical Opportunities <sup>1,2</sup>
International Equity Allocation	U.K.	International	Emerging Country Debt Long/Short <sup>1</sup>
International Active	Quality	Core Plus	Fixed Income Hedge <sup>1</sup>
International Small Cap <sup>2</sup>	Resources <sup>2</sup>	Emerging Country Debt	Credit Opportunities <sup>1,2</sup>
U.S. Equity Allocation		Emerging Country Local Debt <sup>1</sup>	Mean Reversion <sup>1,2</sup>
		Debt Opportunities	Systematic Global Macro <sup>1,2</sup>
			Multi-Strategy <sup>1,2</sup> (combination of strategies above)

4

# Ventura County Employees' Retirement Association

*Performance net of fees and expenses in USD, periods ending April 30, 2015*

Investment	Month	YTD	Annualized				Market Value (000)
			1 Year	3 Year	5 Year	Since Inception *	
<b>Global Equity Allocation <sup>1</sup> (11/30/2012)</b>	4.23 %	6.86 %	2.00 %	N/A	N/A	12.11 %	222,158
<i>MSCI ACWI + <sup>2</sup></i>	2.90	5.28	7.46	N/A	N/A	14.19	
Value Added	1.32	1.58	-5.46	N/A	N/A	-2.08	
<i>MSCI ACWI</i>	2.90	5.28	7.46	N/A	N/A	14.19	
Value Added	1.32	1.58	-5.46	N/A	N/A	-2.08	
<b>Total Account (05/02/2005)</b>	<b>4.23</b>	<b>6.86</b>	<b>2.00</b>	<b>10.91</b>	<b>9.35</b>	<b>7.06</b>	<b>222,158</b>
<i>Policy Benchmark **</i>	2.90	5.28	7.46	12.25	9.58	6.50	
Value Added	1.32	1.58	-5.46	-1.34	-0.24	0.57	

\* Periods of less than a year are not annualized

\*\* 100% MSCI ACWI

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

<sup>2</sup> The MSCI ACWI + is comprised of 75% S&P 500 Index and 25% MSCI ACWI ex USA Index from 5/31/1996 to 5/30/2008 and MSCI ACWI Index thereafter.

## Global All Country Equity Allocation

---



## What Really Matters



**One true advantage: the long horizon**



**Overpaying is the greatest risk**



**Career risk governs the short run**

Asset Allocation	Global Equity	Emerging Markets
Ben Inker, Co-Head (22) Sam Wilderman, Co-Head (18)	David Cowan, Co-Head (11) Tom Hancock, Co-Head (19)	Arjun Divecha, Head (34)
19 Investment Professionals	38 Investment Professionals	29* Investment Professionals
<ul style="list-style-type: none"> <li>Overall investment oversight</li> <li>Develop top down views</li> <li>7-Year Asset Class Forecasts</li> </ul>	<ul style="list-style-type: none"> <li>Developed market security selection</li> <li>Portfolio management</li> <li>Day to day implementation</li> </ul>	<ul style="list-style-type: none"> <li>Emerging market security selection</li> <li>Portfolio management</li> </ul>

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

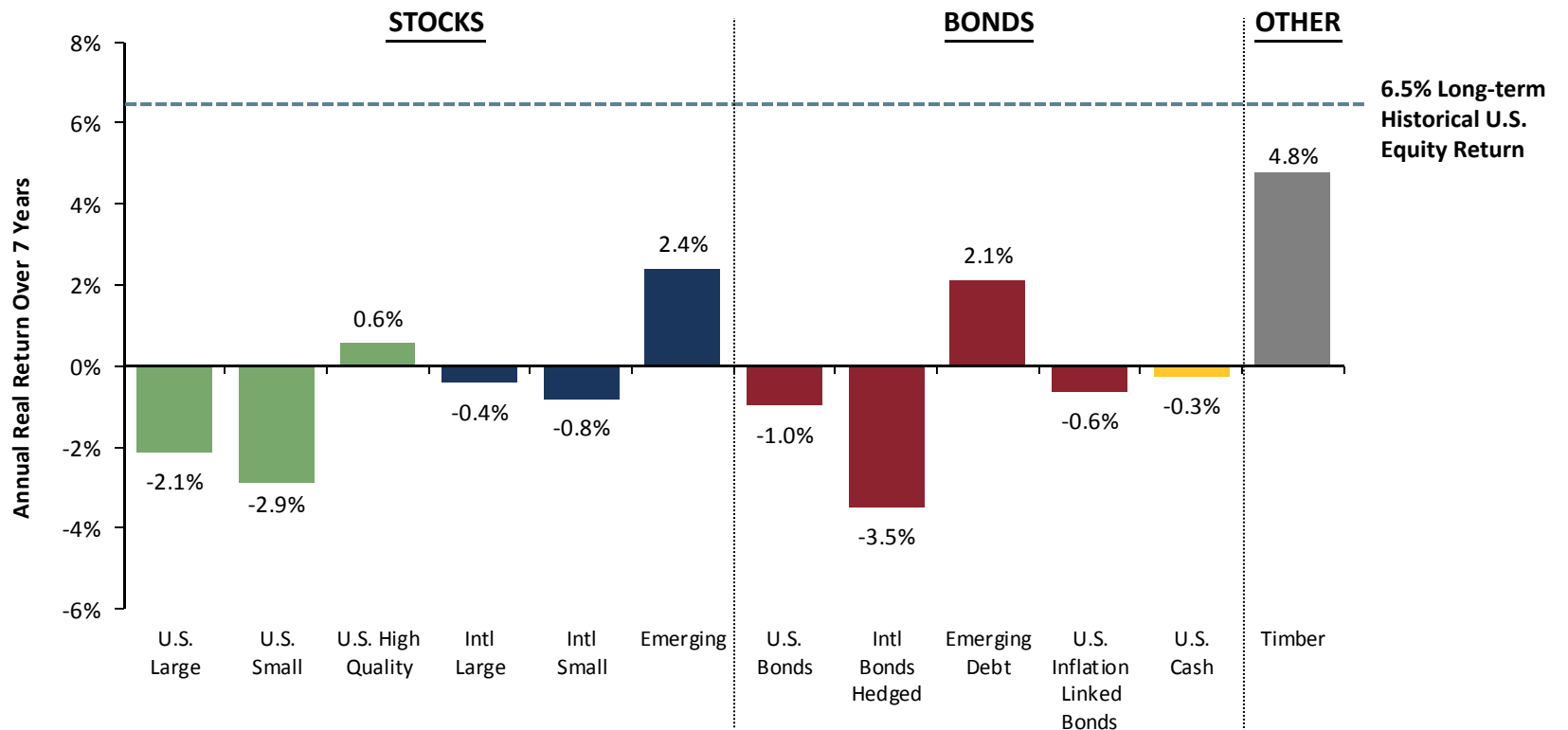
As of May 2015

(xx) = years of industry experience

\*Total number of team members includes 9 consultants

# 7-Year Asset Class Real Return Forecasts\*

*As of April 30, 2015*

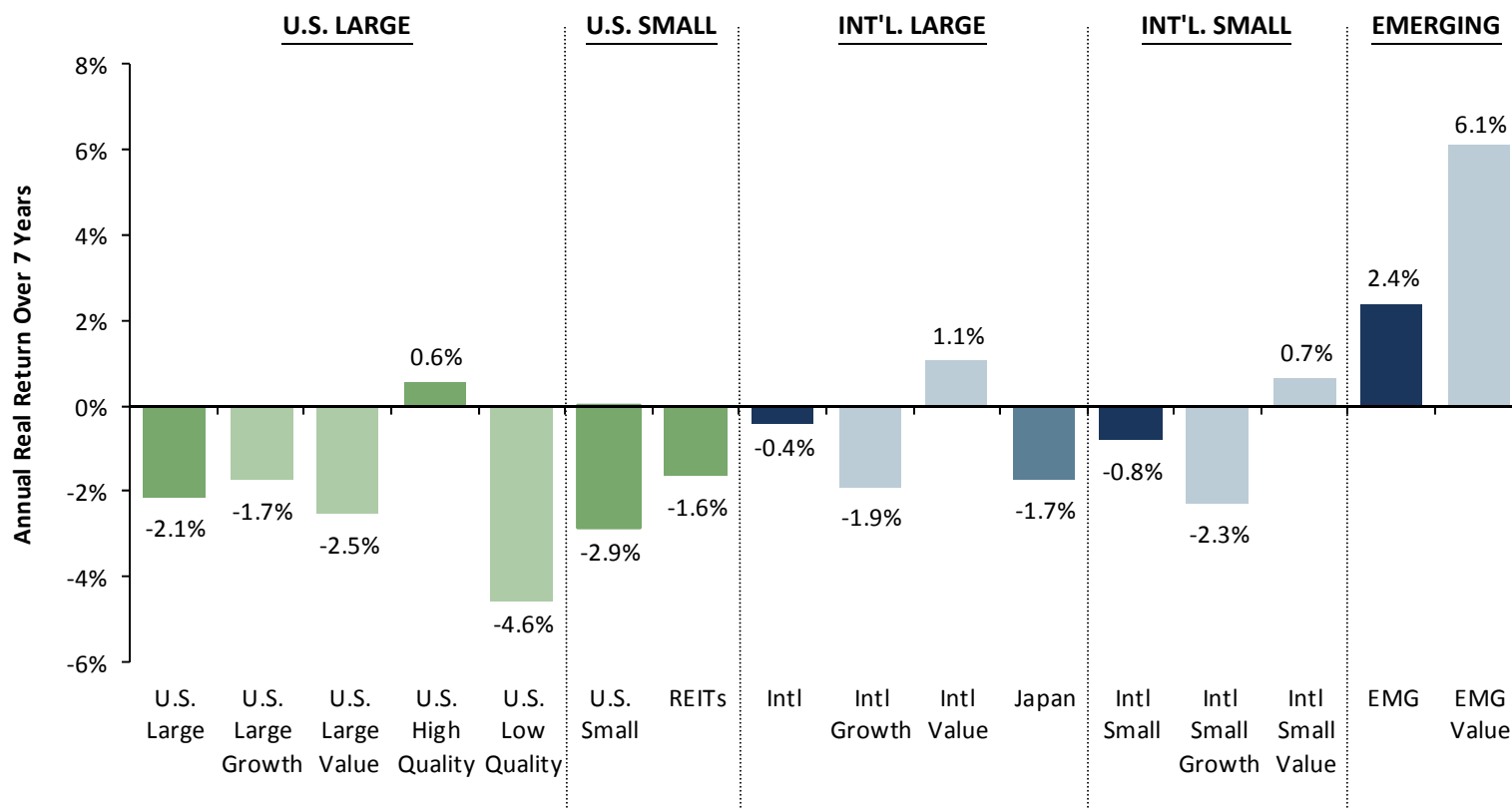


Source: GMO

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

# 7-Year Global Real Return Equity Forecasts\*

*Value and growth within large and small stocks, and REITs, as of April 30, 2015*

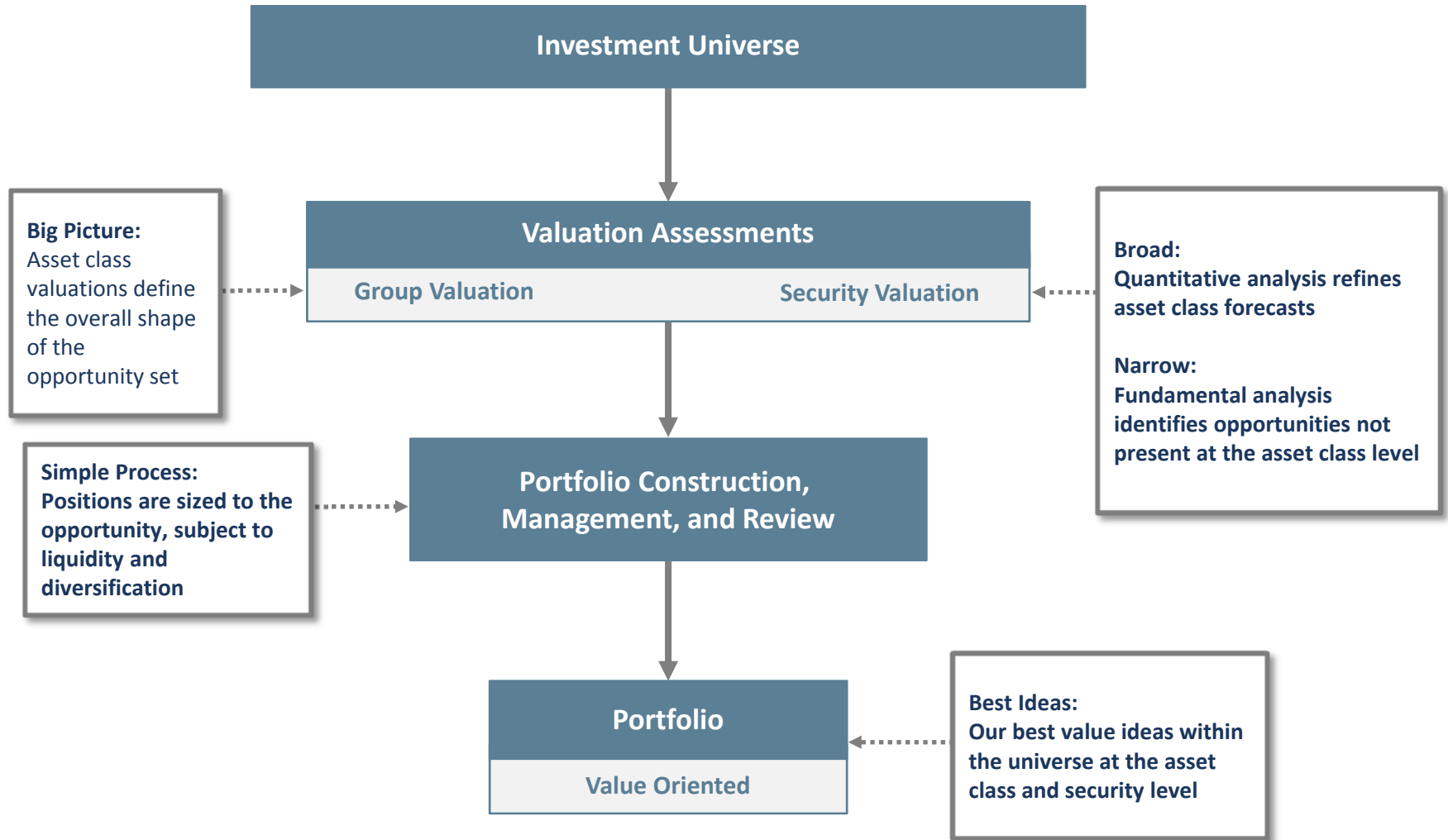


Source: GMO

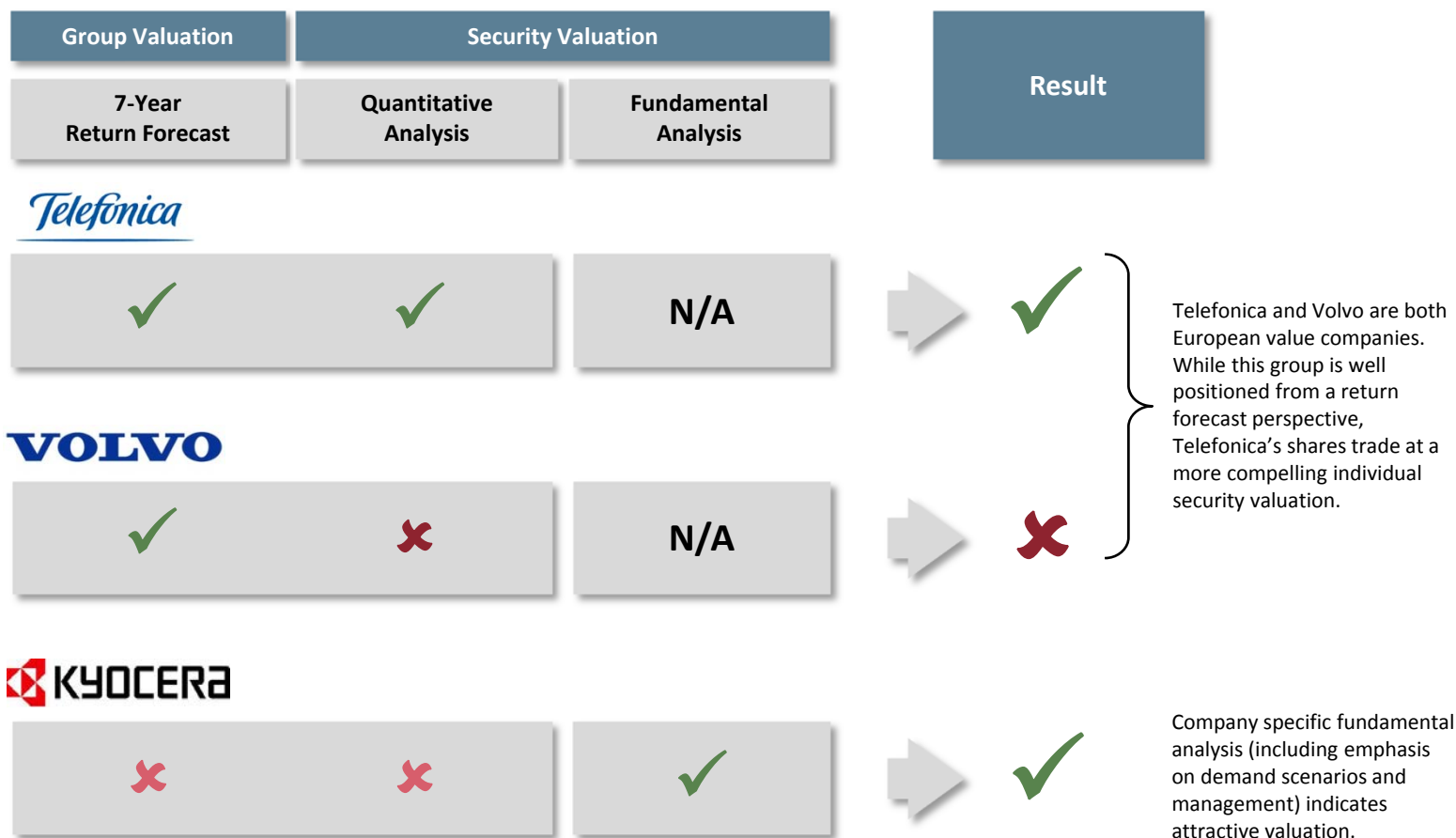
\*The chart represents real return forecasts for several asset classes and not for any GMO fund or strategy. These forecasts are forward-looking statements based upon the reasonable beliefs of GMO and are not a guarantee of future performance. Forward-looking statements speak only as of the date they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

# Global Equity Investment Process

*From forecasts to portfolio*



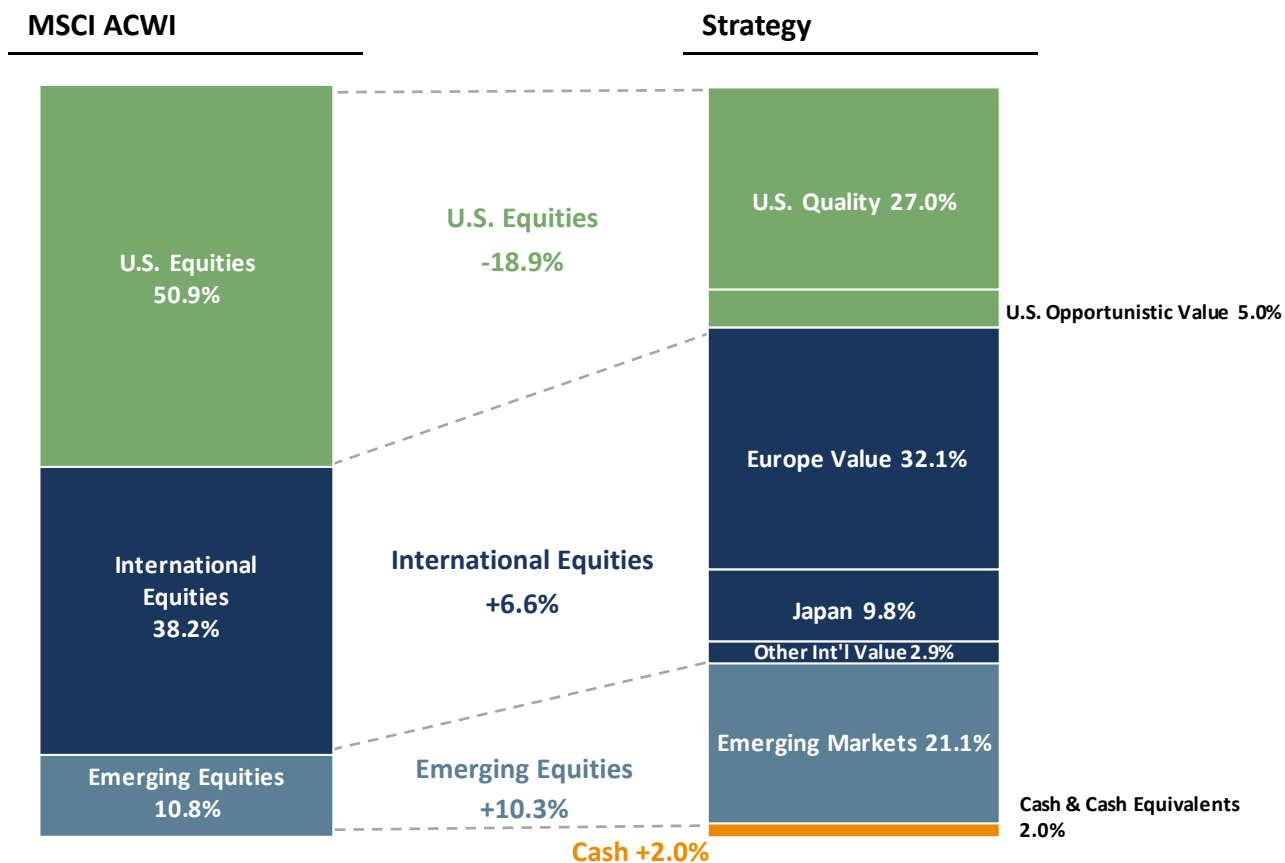
## Three Examples Of The Investment Approach In Action



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

# Global All Country Equity Allocation Strategy

*As of April 30, 2015*



Source: GMO

Weightings are subject to change without notice. The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy. The groups indicated above represent exposures determined pursuant to proprietary methodologies and are subject to change over time. Totals may not add due to rounding.

## Europe Value In Global All Country Equity Allocation

- Europe value is attractive within developed markets on an absolute and relative basis.
- Europe value is cheap for a reason.
  - Exposed to cyclical segments of the market.
  - Lack of competitiveness in periphery.
  - High levels of debt (government and banks).
- How bad is it?
  - Europe value is trading at a 55% discount to the market.
  - Earnings growth appears cyclically depressed.
  - Profits are showing signs of recovery.
  - Alternative risk measures, such as CDS spreads, have improved.
- Not all of Europe's oversold value stocks warrant the same level of discount; there are some attractive pockets to invest.

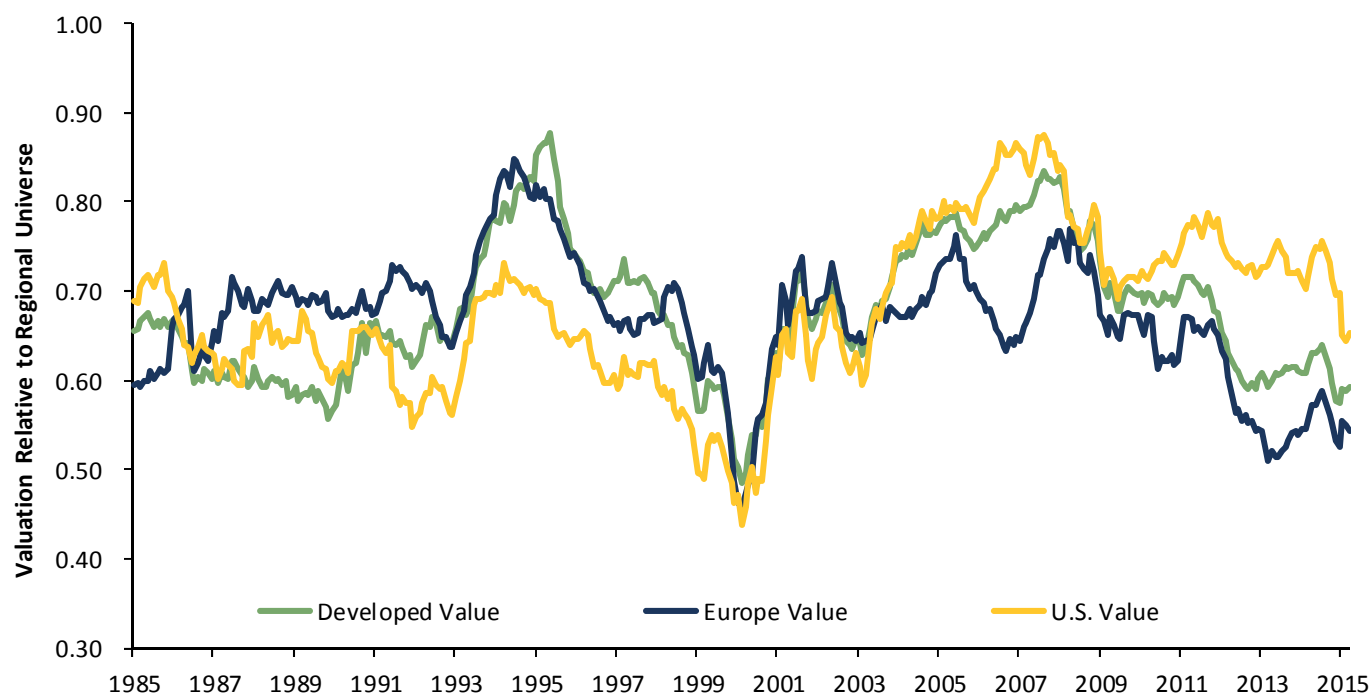
Source: GMO, MSCI

Note: Each value group is the cheapest quartile of stocks for that region, excluding financials, based on a composite valuation measure.



# Europe Value In Global All Country Equity Allocation

*Relative price to book*



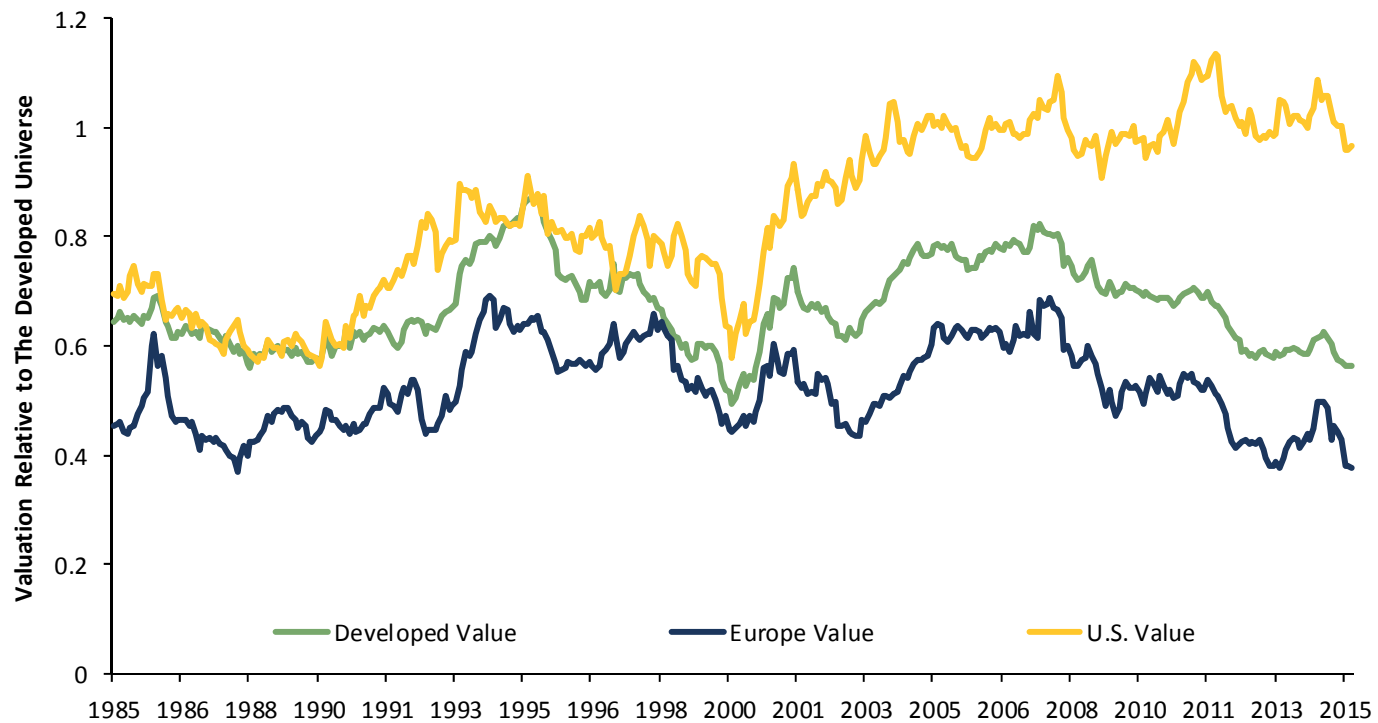
As of 3/31/15

Source: GMO, MSCI

Note: Each value group is the cheapest quartile of stocks for that region, excluding financials, compared to the regional universe

# Europe Value In Global All Country Equity Allocation

*Relative price to book*



As of 3/31/15

Source: GMO, MSCI

Note: Each value group is the cheapest quartile of stocks for that region, excluding financials, relative to the developed market universe.

# Europe Value In Global All Country Equity Allocation

*As of March 31, 2015*

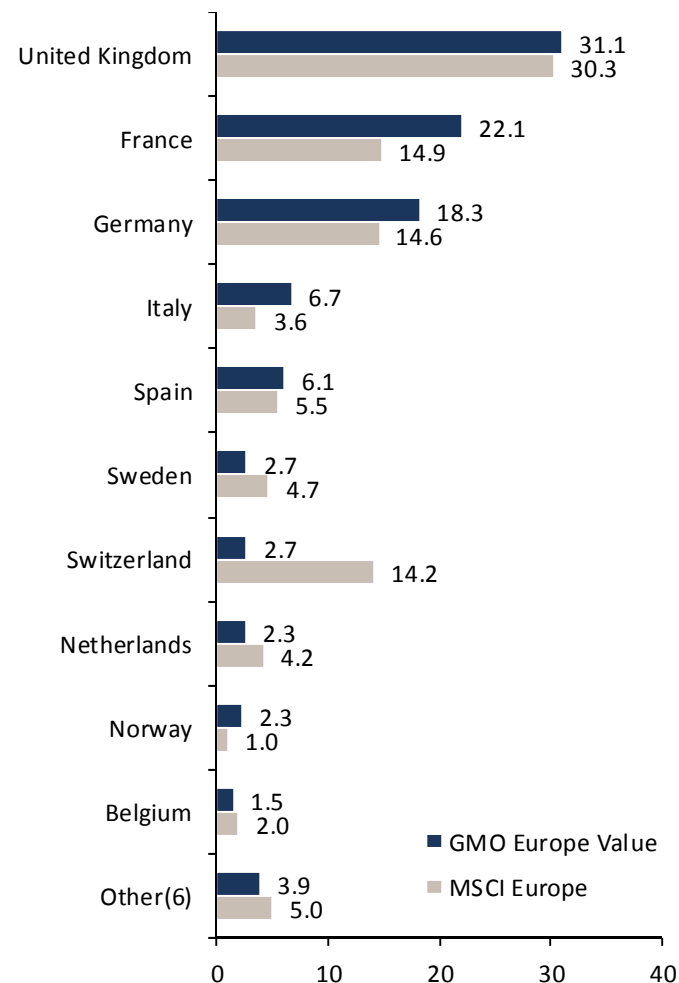
## Characteristics

	GMO Europe Value	MSCI Europe
Price/Earnings - Hist 1 Yr Wtd Median	17.3 x	21.3 x
Price/Book - Hist 1 Yr Wtd Avg	1.6 x	1.9 x
Return on Equity - Hist 1 Yr Med	8.4 %	12.7 %
Market Cap - Weighted Median \$Bil	\$40.8	\$42.1
Dividend Yield - Hist 1 Yr Wtd Avg	3.9 %	3.1 %

## Top 10 Holdings

Company	Country	Sector	% of Equity
Royal Dutch Shell PLC	United Kingdom	Energy	6.1 %
Total S.A.	France	Energy	6.1
BP PLC	United Kingdom	Energy	5.2
AstraZeneca PLC	United Kingdom	Health Care	4.2
BASF SE	Germany	Materials	3.3
Renault S.A.	France	Consumer Discretionary	3.0
Telefonica S.A.	Spain	Telecommunication Services	2.8
DaimlerChrysler AG	Germany	Consumer Discretionary	2.5
Vodafone Group PLC	United Kingdom	Telecommunication Services	2.4
Sanofi-Aventis S.A.	France	Health Care	2.4
<b>Total</b>			<b>38.0 %</b>

## Country Weights (%)



Source: GMO, MSCI

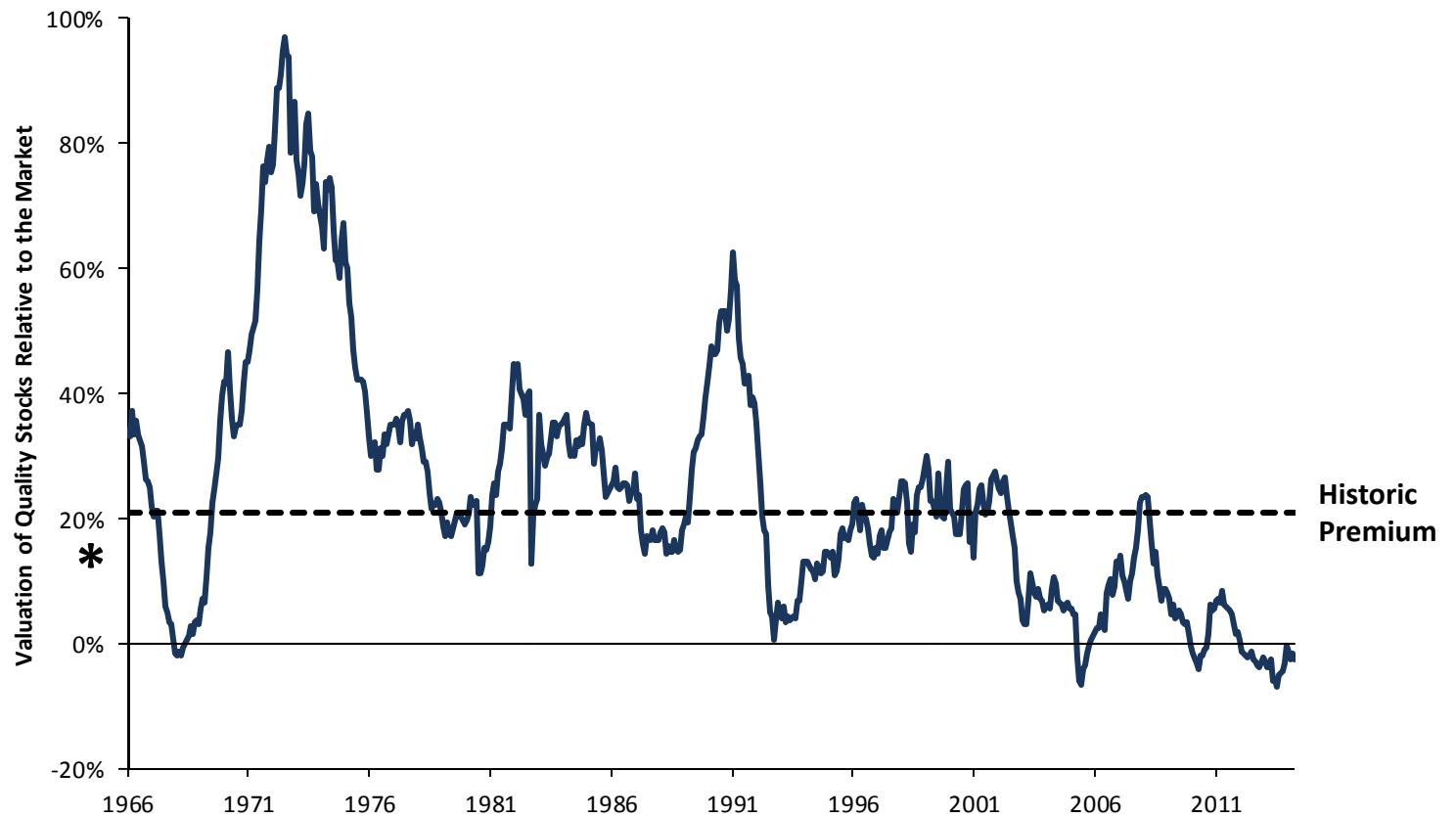
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# U.S. Quality In Global All Country Equity Allocation

*As of December 31, 2014*

- Quality is cheap (at least on a relative basis).
  - It has historically traded at a premium but is close to parity today.
  - Among opportunities in the U.S. market, quality has highest group forecast.
- Quality has desirable characteristics:
  - Robust fundamentals
  - Low debt
  - Exposure to a diversified group of stable multi-nationals

# U.S. Quality Relative Valuation



As of 3/31/15

Source: GMO

\* Stocks' historical premium valuation since 1980.

GMO defines quality companies as those with high profitability, low profit volatility, and minimal use of leverage. The historical valuation is determined by Price to Normalized Earnings. The Quality portfolio is the top quartile of quality stocks, MCAP weighted. The market is the top 1,000 U.S. stocks by MCAP. Valuation is Price to Normalized Earnings.

# U.S. Quality In Global All Country Equity Allocation

*As of March 31, 2015*

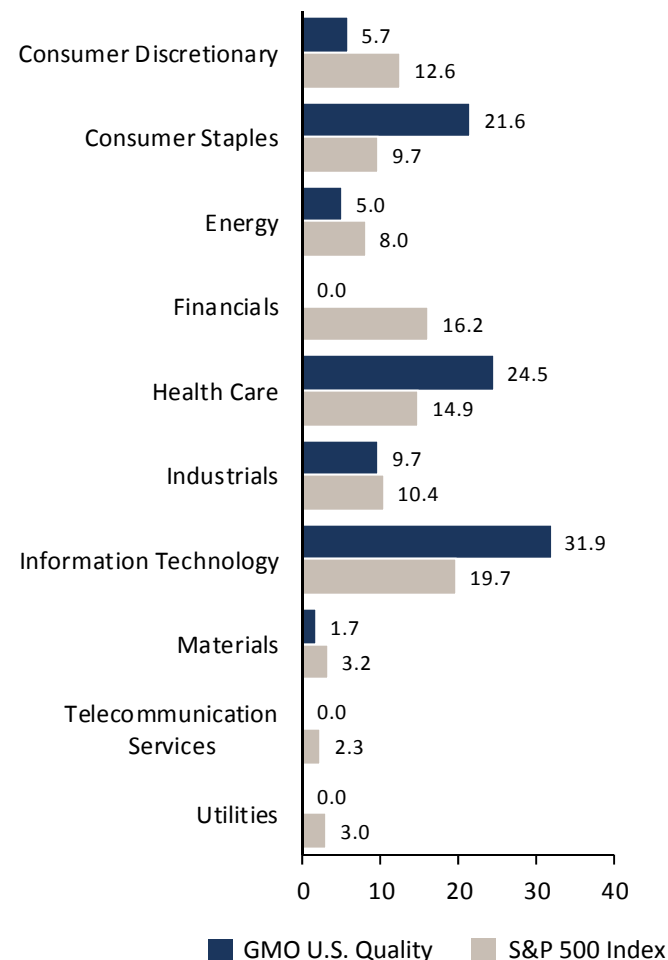
## Characteristics

	GMO Quality	S&P 500 Index
Price/Earnings - Hist 1 Yr Wtd Median	20.9 x	20.1 x
Price/Book - Hist 1 Yr Wtd Avg	4.0 x	2.8 x
Return on Equity - Hist 1 Yr Med	19.2 %	18.0 %
Market Cap - Weighted Median \$Bil	\$115.3	\$77.1
Dividend Yield - Hist 1 Yr Wtd Avg	2.0 %	2.0 %

## Top Holdings

Company	Country	Sector	% of Equity
Express Scripts Holding Co	U.S.	Health Care	6.4 %
Johnson & Johnson	U.S.	Health Care	5.3
Apple Inc.	U.S.	Information Technology	5.0
Chevron Corp.	U.S.	Energy	5.0
Procter & Gamble Co.	U.S.	Consumer Staples	4.9
Google Inc. (Cl A)	U.S.	Information Technology	4.7
Philip Morris International Inc.	U.S.	Consumer Staples	4.4
Oracle Corp.	U.S.	Information Technology	4.1
Coca-Cola Co.	U.S.	Consumer Staples	4.0
Microsoft Corp.	U.S.	Information Technology	3.7
			<b>47.5 %</b>

## Sector Weights (%)



Source: GICS Sector Report

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# Emerging Value In Global All Country Equity Allocation

*As of December 31, 2014*

- Emerging value is currently at historically attractive levels.
- When emerging value has been cheap historically; it has been good to hold.
  - The opportunity has changed over time:
    - Mid 90s was country opportunities
    - 2000 was sector opportunities
    - Today is ownership structure opportunities: SOEs
- It can look scary, but profits and yields are encouraging.
- In aggregate, we believe we are getting paid for underwriting these risks.

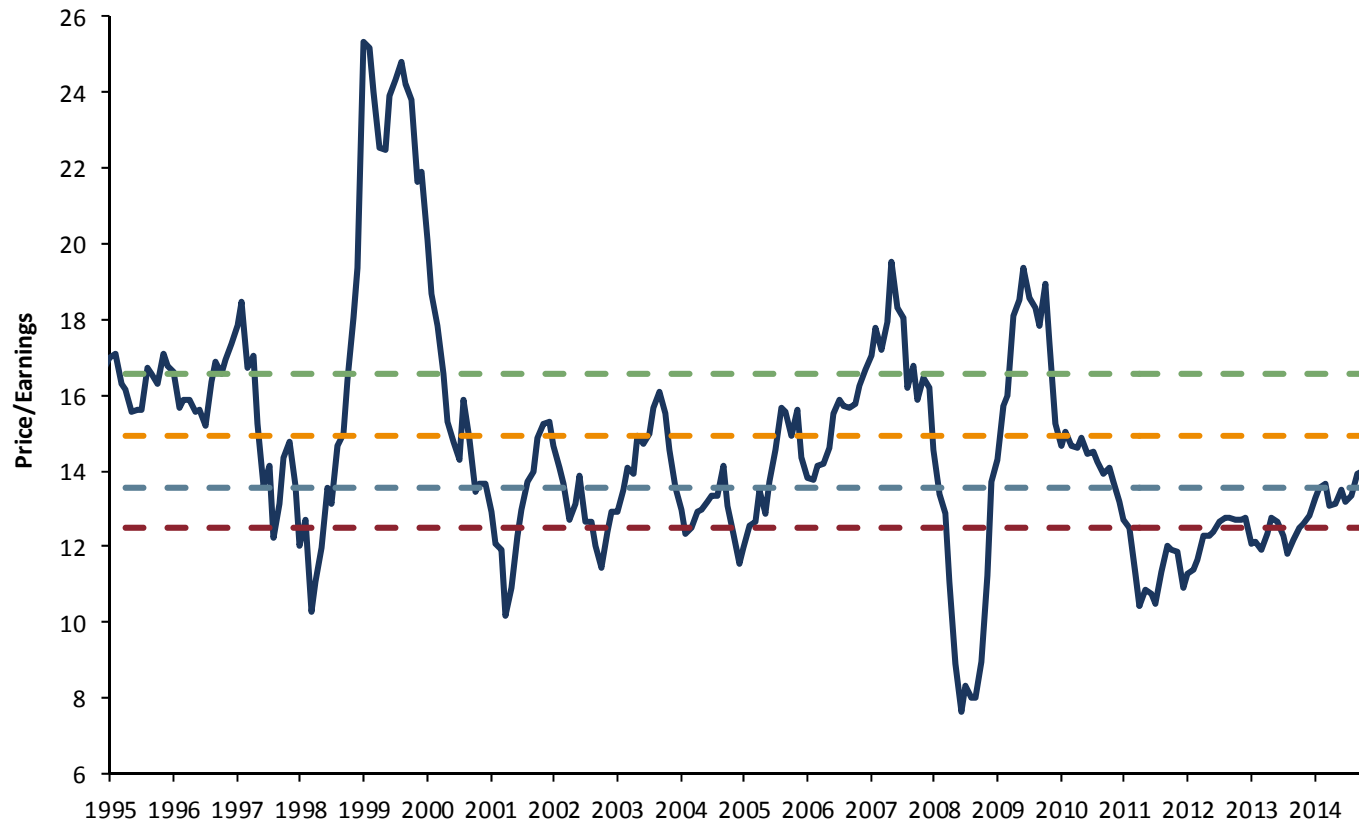
As of 12/31/14

Source: GMO,

Emerging Value: is the cheapest quartile of stocks in MSCI Emerging, excluding financials, based on a composite valuation measure.

# Emerging Markets Are Cheap Relative To Their Own History

*Price/Earnings ratio*



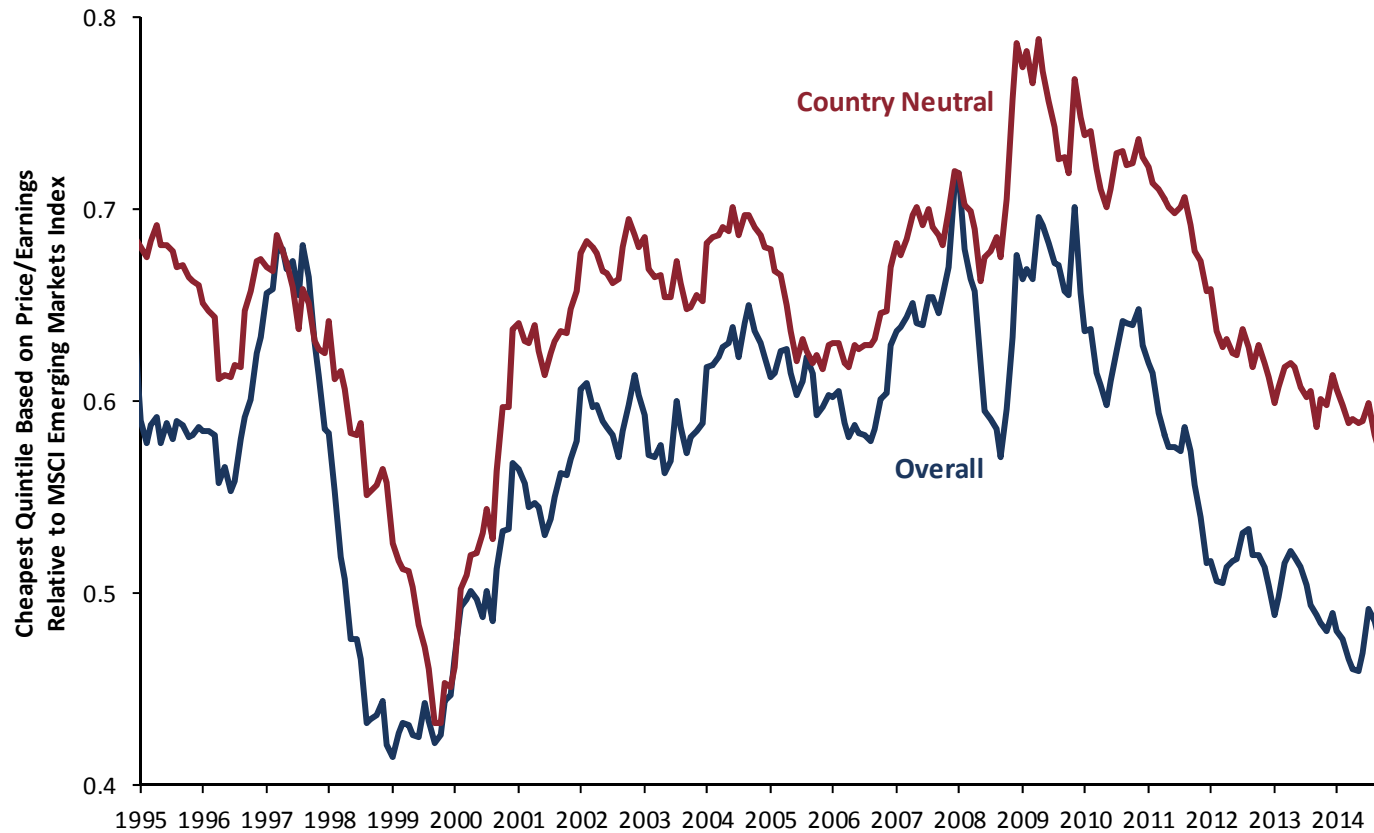
As of 3/31/15

Source: MSCI, S&P/IFCI, GMO



# Value Within Emerging Markets Best Positioned In Over A Decade

*Price/Earnings ratio*



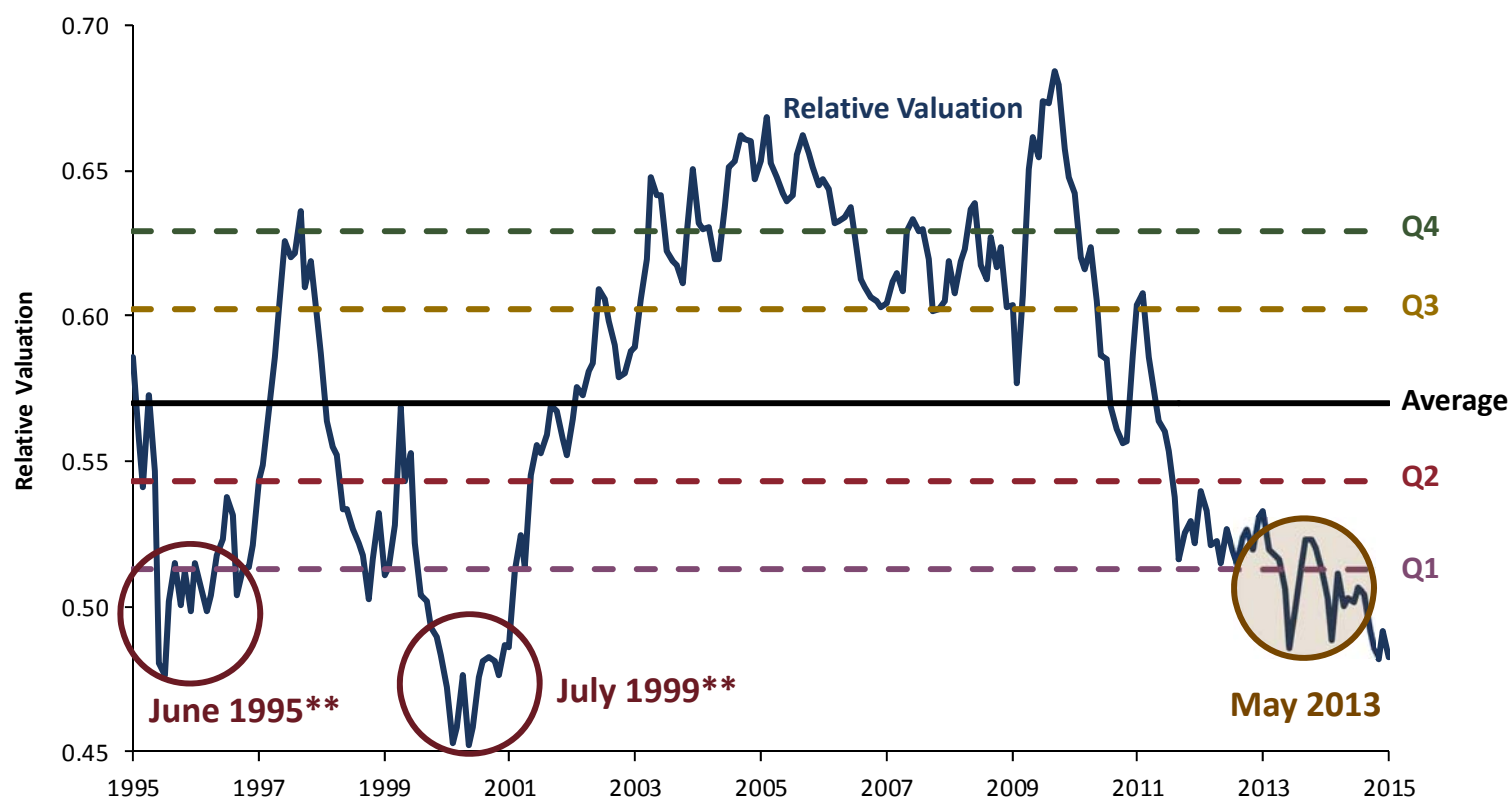
As of 3/31/15

Source: MSCI, S&P/IFCI, GMO

# Where Are We Today?

*Since May 2013, the value opportunity in EM has again been similar to what it was back in June 1995 and July 1999*

EM Value\* Relative to the Index



As of 1/31/15

\* EM Value = cheapest quintile of stocks in EM based on a composite valuation measure

\*\* Historical periods when the EM Value portfolio's relative valuation was as low as today

# GMO Emerging in Global All Country Equity Allocation

*As of March 31, 2015*

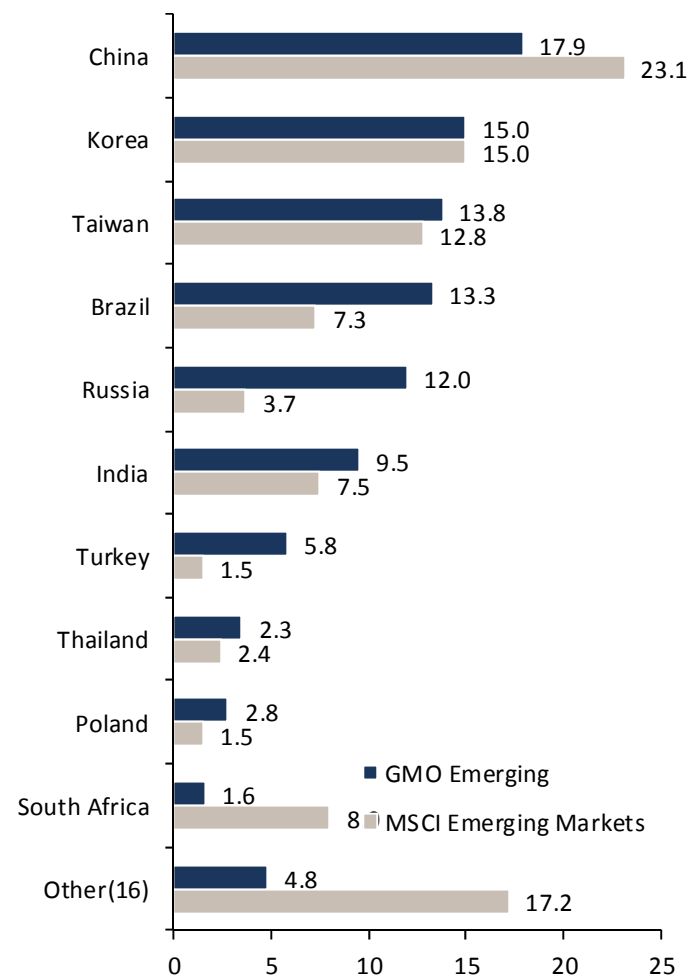
## Characteristics

	GMO Emerging	MSCI Emerging Markets
Price/Earnings - Hist 1 Yr Wtd Median	10.4 x	16.0 x
Price/Book - Hist 1 Yr Wtd Avg	1.1 x	1.6 x
Return on Equity - Hist 1 Yr Med	11.5 %	12.4 %
Market Cap - Weighted Median \$Bil	\$4.5	\$9.1
Dividend Yield - Hist 1 Yr Wtd Avg	3.9 %	2.6 %

## Top 10 Holdings

Company	Country	Sector	% of Equity
Samsung Electronics Co. Ltd.	Korea	Information Technology	5.3 %
HDFC Bank Ltd.	India	Financials	4.1
Surgutneftegaz	Russia	Energy	3.7
China Construction Bank Corp.	China	Financials	2.9
Industrial & Commercial Bank of China Lt	China	Financials	2.9
Bank of China Ltd.	China	Financials	2.4
Hyundai Motor Co. Ltd.	Korea	Telecom Svcs	1.9
China Mobile Ltd.	China	Telecommunication Services	1.8
Lukoil OAO	Russia	Energy	1.8
Gazprom OAO	Russia	Energy	1.8
<b>Total</b>			<b>28.6 %</b>

## Country Weights (%)



Source: GMO, MSCI

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# Global All Country Equity Allocation Strategy

*Portfolio characteristics as of April 30, 2015*

	Global All Country Equity Allocation Strategy	MSCI ACWI
Price/Earnings - Hist 1 Yr Wtd Median	17.0 x	19.4 x
Dividend Yield - Hist 1 Yr Wtd Avg	3.0 %	2.4 %
Return on Equity - Hist 1 Yr Med	11.4 %	14.9 %
Market Cap - Weighted Median \$Bil	\$39.3	\$40.7

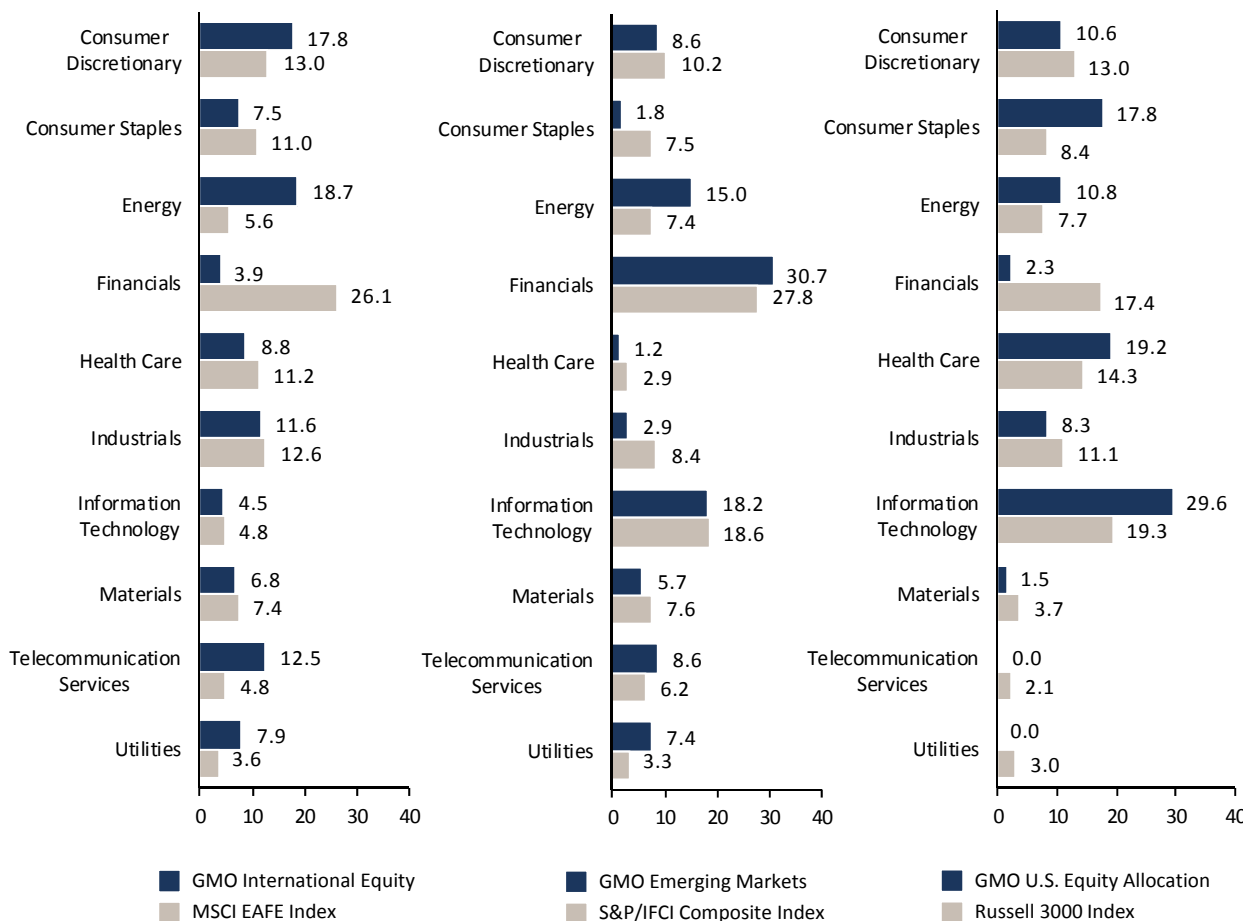
	GMO U.S. Equity Allocation Strategy	Russell 3000	GMO Int'l. Equity Strategy	MSCI EAFE	GMO Emerging Markets Strategy	S&P/IFCI Composite Index
Price/Earnings – Hist 1 Yr Wtd Median	20.5 x	21.1 x	16.7 x	19.3 x	10.4 x	16.5 x
Dividend Yield – Hist 1 Yr Wtd Avg	1.9 %	1.9 %	3.5 %	2.9 %	3.6 %	2.4 %
Return on Equity – Hist 1 Yr Med	19.8 %	16.5 %	8.0 %	10.9 %	11.5 %	10.6 %
Market Cap – Weighted Median \$Bil	\$129.3	\$50.5	\$29.9	\$31.4	\$7.2	\$7.2

Source: GMO, MSCI

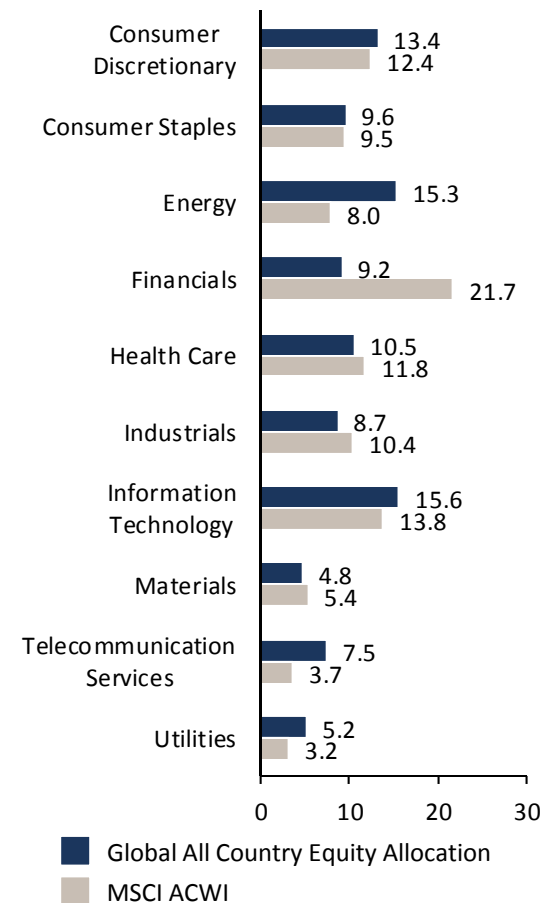
The above information is based on a representative account selected because it has the least number of restrictions and best represents the implementation of the strategy. The information above is supplemental to the GIPS compliant presentation that was made available on GMO's website in September 2014.

# Global All Country Equity Allocation Strategy

*Sector weights (%) as of April 30, 2015*



## Global All Country Equity Allocation



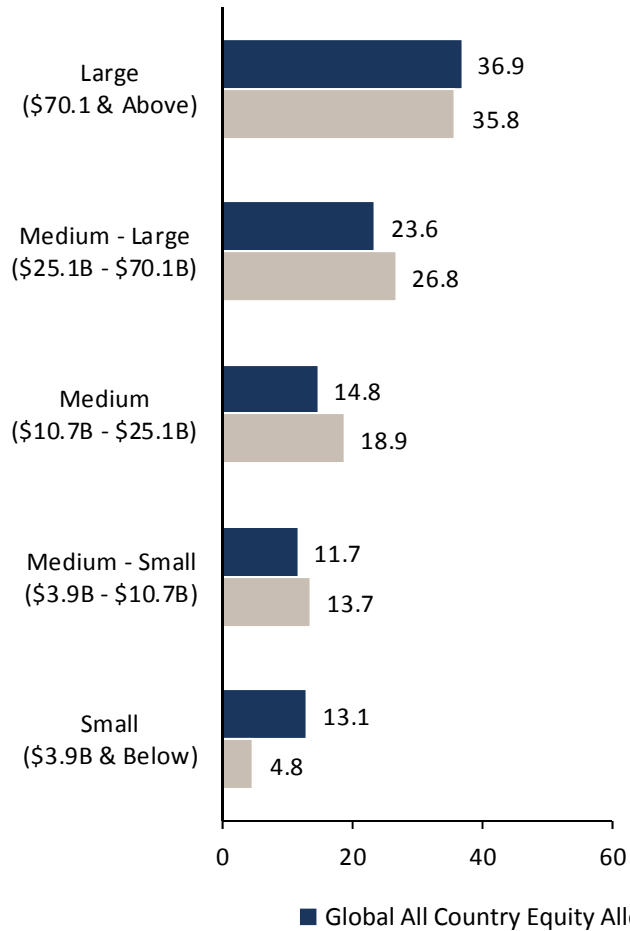
Source: GMO, MSCI, GICS Sector Report

The above information is based on a representative account selected because it has the least number of restrictions and best represents the implementation of the strategy.

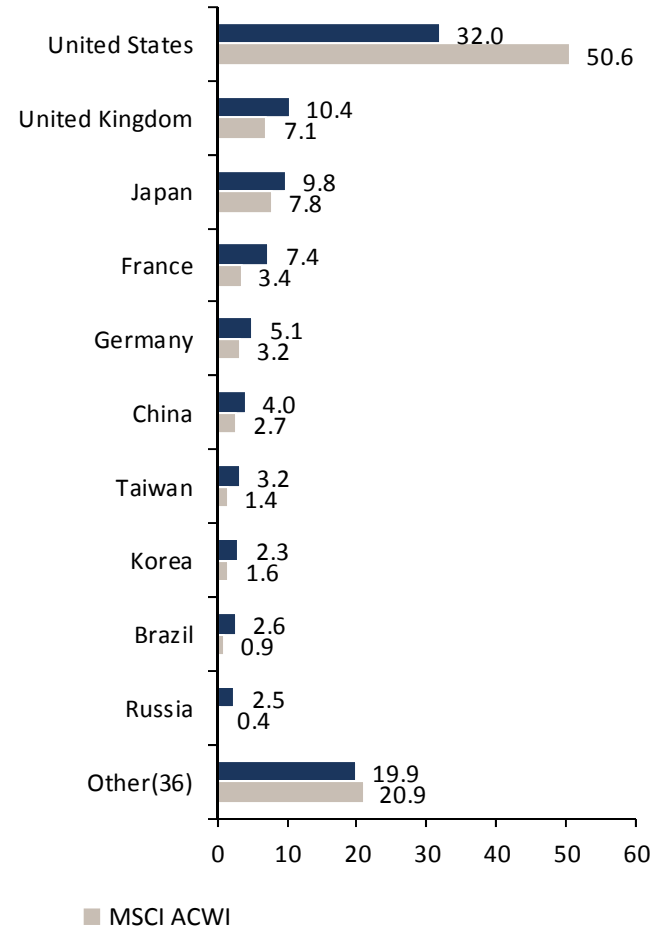
# Global All Country Equity Allocation Strategy

*As of April 30, 2015*

**Market Cap Ranges (%)**



**Country Weights (%)**



The above information is based on a representative account selected because it has the least number of restrictions and best represents the implementation of the strategy.

# Global All Country Equity Allocation Strategy

*Top 10 equity holdings as of April 30, 2015*

	Group	Country	Sector	Weight (%)
Royal Dutch Shell PLC	Europe Value	United Kingdom	Energy	2.1
Total S.A.	Europe Value	France	Energy	2.1
Amazon.com Inc.	Fundamental	United States	Consumer Discretionary	1.9
BP PLC	Europe Value	United Kingdom	Energy	1.9
Nissan Motor Co. Ltd.	Japan & Fundamental	Japan	Consumer Discretionary	1.7
Chevron Corp.	U.S. Opportunistic Value	United States	Energy	1.5
Johnson & Johnson	U.S. Quality	United States	Health Care	1.5
Apple Inc.	U.S. Quality	United States	Information Technology	1.5
Express Scripts Holding Co	U.S. Quality & Fundamental	United States	Health Care	1.4
Procter & Gamble Co.	U.S. Quality	United States	Consumer Staples	1.4
<b>Total</b>				<b>17.0</b>

The groups indicated above represent exposures determined pursuant to proprietary methodologies and are subject to change over time.

Portfolio holdings are percent of equity and are not held directly. The top holdings are derived by looking through to the underlying portfolios in which the asset allocation strategy invests and, where appropriate individual positions are aggregated.

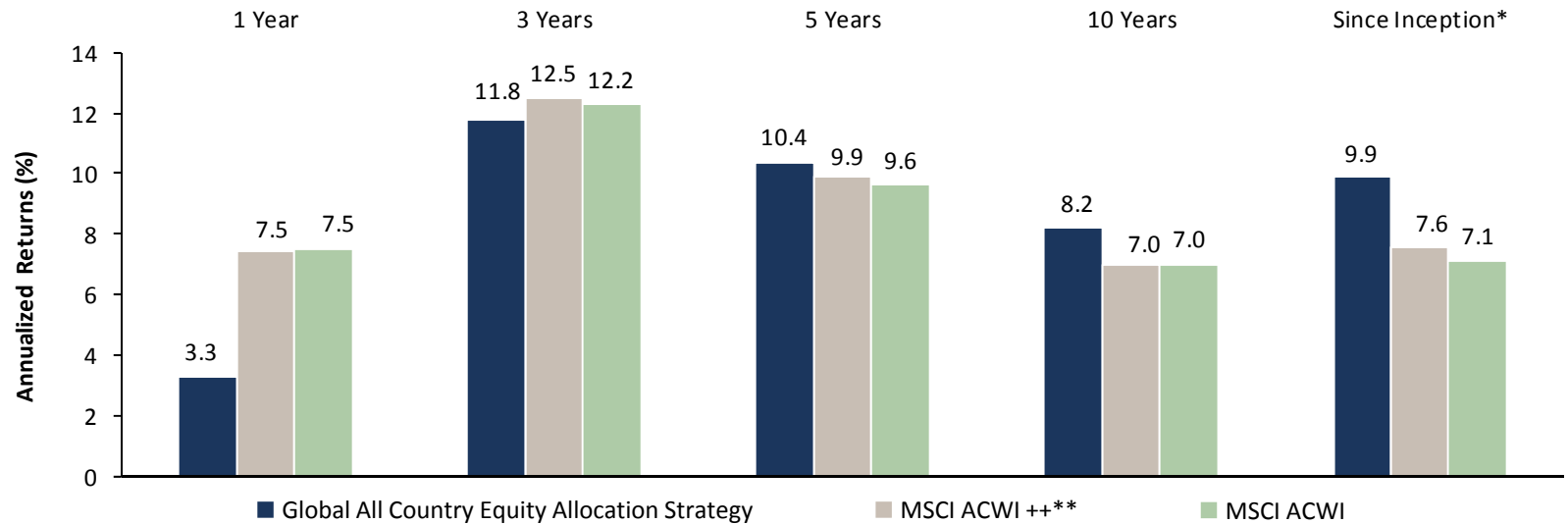
The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy.

# Global All Country Equity Allocation Strategy

*Annualized performance (gross returns) periods ending April 30, 2015*

## GMO Value Added vs.

<b>MSCI ACWI ++**:</b>	<b>-4.2</b>	<b>-0.7</b>	<b>+0.5</b>	<b>+1.3</b>	<b>+2.3</b>
<b>MSCI ACWI:</b>	<b>-4.2</b>	<b>-0.4</b>	<b>+0.8</b>	<b>+1.3</b>	<b>+2.8</b>



\*Inception date: 12/31/93

The information above is supplemental to the GIPS compliant presentation that was made available on GMO's website in September 2014.

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

\*\*The MSCI ACWI ++ Index is an internally maintained index computed by GMO, comprised of (i) GMO blended benchmark of Global All Country Equity Allocation Composite through 06/30/2014 and (ii) MSCI ACWI (All Country World) Index (MSCI Standard Index Series, net of withholding tax) thereafter. The GMO blended benchmark of Global All Country Equity Allocation Composite is comprised of a weighted average of account benchmarks; many of the account benchmarks consist of MSCI ACWI (All Country World Index) (MSCI Standard Index Series, net of withholding tax) or some like proxy for each market exposure they have. For each underlying account benchmark, the weighting of each market index will vary slightly. The index is internally blended by GMO and maintained on a monthly basis. The MSCI ACWI (All Country World) Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of global developed and emerging markets. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.

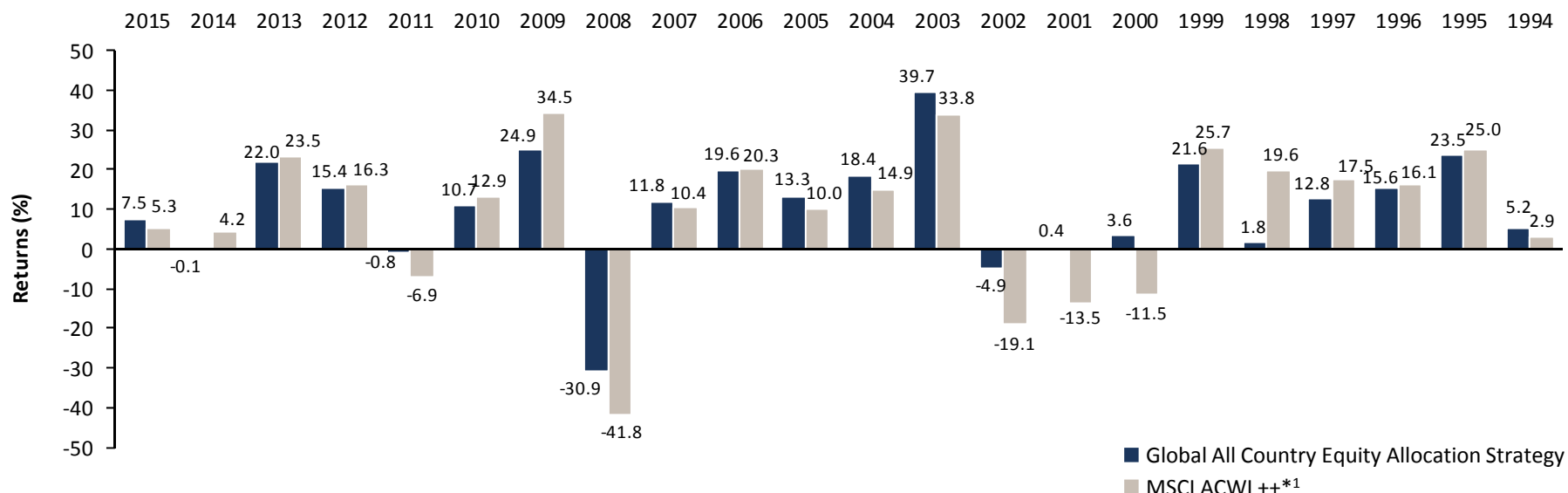


# Global All Country Equity Allocation Strategy

*Annual performance (gross of fees) as of April 30, 2015*

## GMO Value

**Added:** +2.3 -4.3 -1.5 -1.0 +6.1 -2.2 -9.6 +10.9 +1.4 -0.7 +3.3 +3.6 +5.9 +14.2 +13.9 +15.0 -4.0 -17.8 -4.7 -0.6 -1.5 +2.3



\*Inception date: 12/31/93

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<sup>1</sup> The MSCI ACWI ++ Index is an internally maintained index computed by GMO, comprised of (i) GMO blended benchmark of Global All Country Equity Allocation Composite through 06/30/2014 and (ii) MSCI ACWI (All Country World) Index (MSCI Standard Index Series, net of withholding tax) thereafter. The GMO blended benchmark of Global All Country Equity Allocation Composite is comprised of a weighted average of account benchmarks; many of the account benchmarks consist of MSCI ACWI (All Country World Index) (MSCI Standard Index Series, net of withholding tax) or some like proxy for each market exposure they have. For each underlying account benchmark, the weighting of each market index will vary slightly. The index is internally blended by GMO and maintained on a monthly basis. The MSCI ACWI (All Country World) Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of global developed and emerging markets. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.

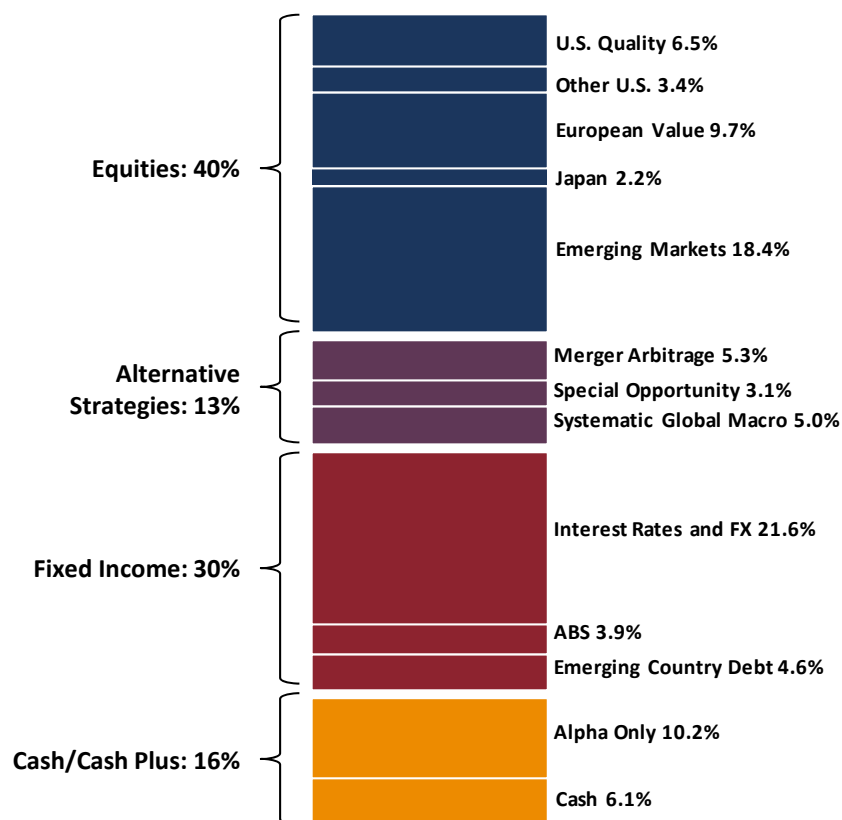
## Appendix

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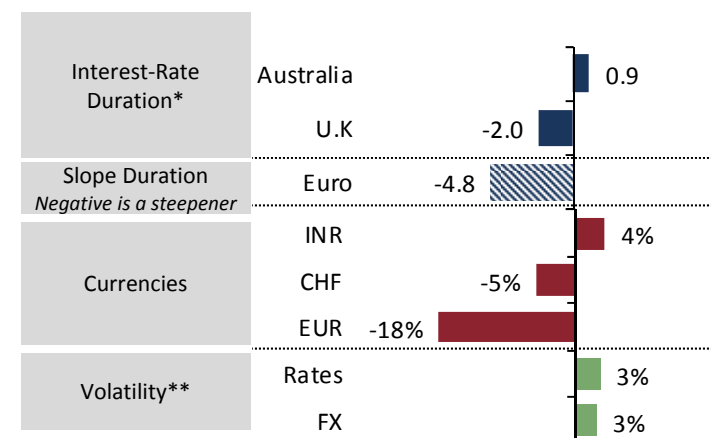
# Benchmark-Free Allocation Strategy

As of April 30, 2015

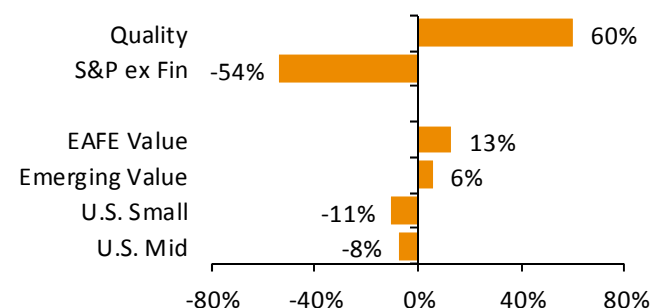
## Allocations



## Key Positioning within Fixed Income



## Positioning within Alpha Only



Source: GMO

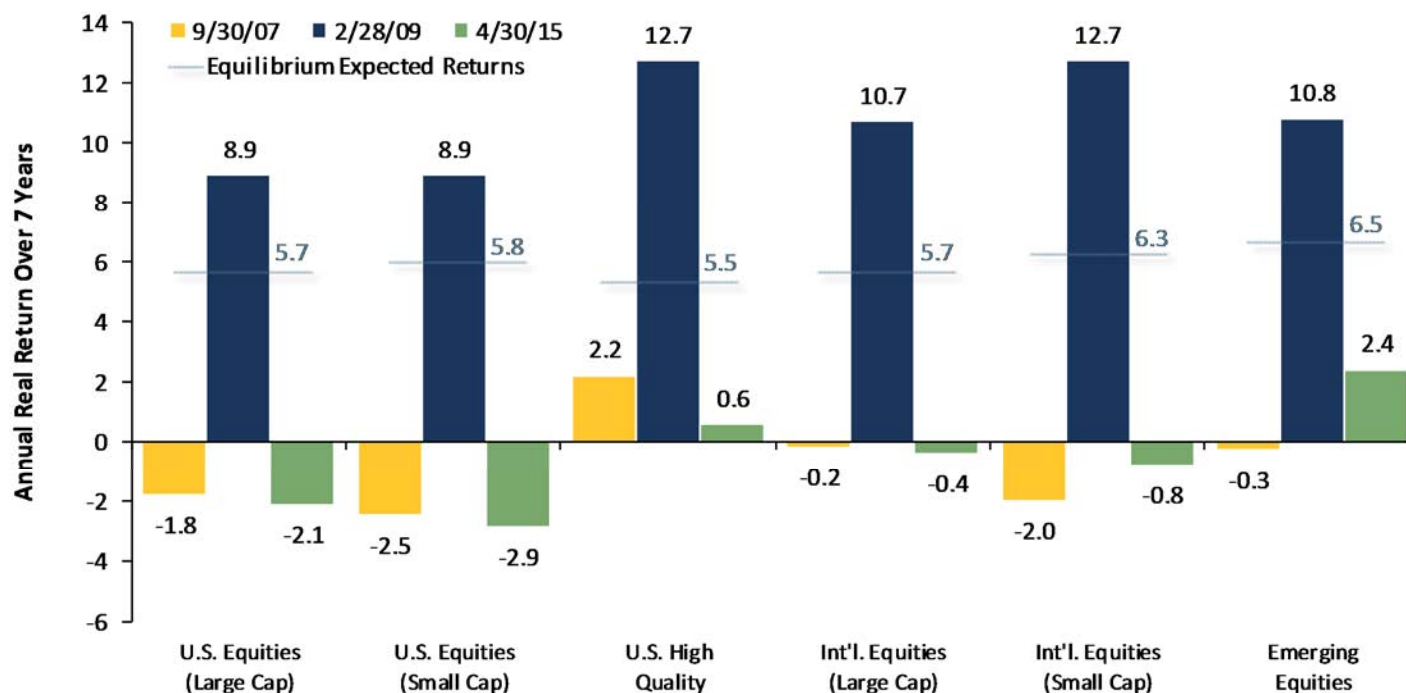
\*In years of duration.

\*\*In percent of Vega notional.

The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy. Weightings are as of the date indicated and are subject to change. The groups indicated above represent exposures determined pursuant to proprietary methodologies and are subject to change over time. Totals may vary due to rounding.

# Evolution Of Real Equity Valuations

7-Year Asset Class Return Forecasts\* (Stocks), as of April 30, 2015

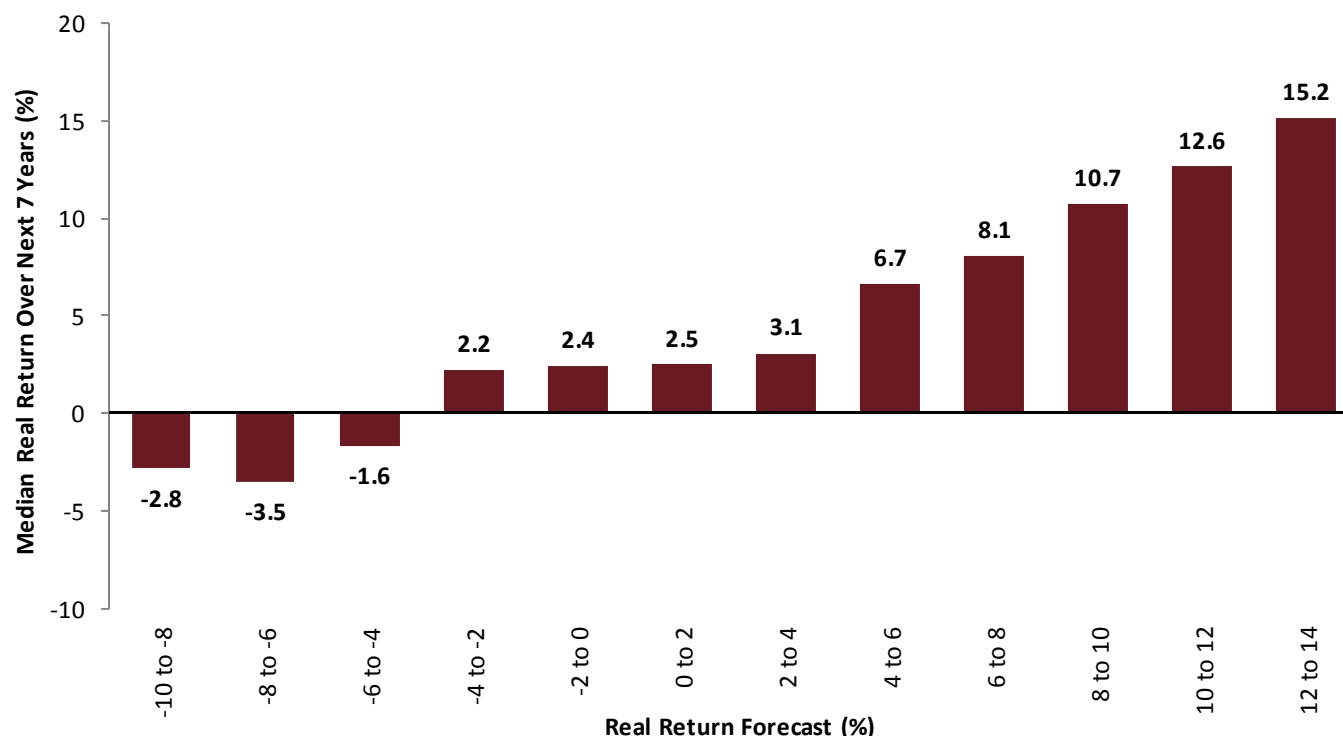


Source: GMO

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

# Mean Reversion Drives Everything

*The realized performance of our forecasts since June 1994*



As of 4/30/15

Source: GMO

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

# Bottom-Up Security Selection: Quality-Adjusted Value

**Price to:**

- Earnings historical
- Earnings forecast
- Cash flow
- Book value
- Sales
- Dividends

**GMO Quality means:**

- Higher profitability
- Stable profitability
- Low debt

**For example:**  
Johnson & Johnson  
 $1.31/1.03 = 1.27$  (12.7%)

	Market Premium or Discount	GMO Quality-Adjusted Fair Price vs. Peers	Potential Opportunity	
Johnson & Johnson	3%	31%	27%	Cheap
Oracle	10%	36%	23%	Cheap
Walt Disney	78%	29%	-27%	Expensive
Novo Nordisk	112%	30%	-39%	Expensive
<b>High Quality</b>				
Banco Santander	-43%	-37%	9%	Cheap
Telefonica	-54%	-21%	71%	Cheap
Alcoa	53%	-24%	-50%	Expensive
Tesla Motors	524%	-57%	-93%	Expensive
<b>Low Quality</b>				

As of 3/31/15

Source: GMO

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

# Global All Country Equity Allocation Strategy

*YTD attribution vs. MSCI ACWI as of December 31, 2014*

## Return (%)

Fair Value Pricing, Net of Fees, USD -0.9

Local Close, Gross of Fees, USD 0.1

MSCI ACWI 4.2

**Value Added -4.0**

Groups	Portfolio		Benchmark		Attribution		
	Average Weight (%)	Total Return (%)	Index	Total Return (%)	Group Allocation (%)	Group Selection (%)	Total (%)
US Quality	29.8	14.2	S&P 500	13.7	2.6	0.0	2.6
US Opportunistic Value	7.7	-1.2	S&P 500	13.7	0.8	-1.3	-0.6
Europe Value	37.0	-6.0	MSCI Europe Value	-7.3	-4.4	0.5	-4.0
Japan	8.3	-7.5	MSCI Japan	-4.0	-0.6	-0.4	-1.1
Other International Opportunistic Value	2.6	2.7	MSCI World ex-U.S.	-4.3	-0.2	0.2	0.0
Emerging Markets	12.9	-4.9	MSCI Emerging Markets	-2.2	-0.7	-0.4	-1.1
Cash and Cash Equivalents	1.6	-	Citigroup 3-Mo. T-Bill	0.0	0.1	-	0.1
<b>TOTAL</b>	<b>100.0</b>	<b>0.1</b>	<b>MSCI ACWI</b>	<b>4.2</b>	<b>-2.6</b>	<b>-1.4</b>	<b>-4.0</b>

## Group Attribution Methodology:

Group Allocation (%) = Portfolio Group Weight \* (Group Benchmark Return - Portfolio Benchmark Return)

Group Selection (%) = Portfolio Group Weight \* (Portfolio Group Return - Group Benchmark Return)

The groups indicated above represent exposures determined pursuant to proprietary methodologies and are subject to change over time.

**Performance data quoted represents past performance and is not predictive of future performance.** Returns are presented gross of management fees and any incentive fees if applicable. Gross returns include transaction costs, commissions, withholding taxes on foreign income and capital gains and include the reinvestment of dividends and other income, as applicable. If management fees were deducted performance would be lower. For example, if the strategy were to achieve a 10% annual rate of return each year for ten years and an annual advisory fee of 0.75% were charged during that period, the resulting average annual net return (after the deduction of management fees) would be 9.25%. A GIPS compliant presentation of composite performance has preceded this presentation in the past 12 months or accompanies this presentation, and is also available at [www.gmo.com](http://www.gmo.com). Actual fees are disclosed in Part 2 of GMO's Form ADV and are also available in each strategy's compliant presentation. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.

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# Global All Country Equity Allocation Strategy

*YTD attribution vs. MSCI ACWI as of December 31, 2014*

Country	Portfolio		Benchmark		Attribution		
	Average Weight (%)	Total Return (%)	Average Weight (%)	Total Return (%)	Country Allocation (%)	Stock Selection (%)	Total (%)
Australia	0.7	-14.0	2.8	-3.4	0.2	-0.1	0.1
Austria	0.2	-33.0	0.1	-29.8	-0.1	-0.0	-0.1
Belgium	0.4	9.4	0.4	4.1	0.0	0.0	0.0
Canada	0.4	22.4	3.7	1.6	0.1	0.1	0.2
Denmark	0.3	-1.7	0.5	6.2	-0.0	-0.0	-0.1
Emerging	13.0	-4.9	10.7	-2.2	-0.5	0.0	-0.5
Finland	0.7	1.2	0.3	-0.7	-0.0	0.0	0.0
France	9.0	-6.4	3.6	-9.9	-0.8	0.3	-0.5
Germany	7.3	-11.6	3.3	-10.5	-0.6	-0.1	-0.7
Hong Kong	0.5	10.4	1.1	5.1	-0.0	0.0	0.0
Ireland	0.2	-14.0	0.1	2.3	-0.0	-0.0	-0.0
Israel	0.5	3.0	0.2	22.8	0.0	-0.0	-0.0
Italy	3.1	-4.0	0.9	-9.5	-0.2	0.2	0.1
Japan	8.3	-7.5	7.3	-4.0	-0.0	-0.4	-0.5
Netherlands	1.0	-11.6	1.0	-3.5	0.0	-0.1	-0.1
New Zealand	0.1	25.1	0.0	7.3	0.0	0.0	0.0
Norway	0.8	-18.1	0.3	-22.0	-0.2	0.0	-0.2
Portugal	0.2	8.7	0.1	-38.3	-0.1	0.1	0.0
Singapore	0.4	-10.6	0.5	3.0	0.0	-0.1	-0.0
Spain	3.0	-1.9	1.3	-4.7	-0.1	0.1	-0.0
Sweden	0.7	-5.9	1.1	-7.5	0.0	-0.0	0.0
Switzerland	0.7	0.0	3.3	-0.1	0.1	-0.0	0.1
United Kingdom	9.2	-4.8	7.7	-5.4	-0.0	0.2	0.2
United States	37.5	9.5	49.6	12.7	-1.1	-1.0	-2.1
Currency Overlay	-0.0	-	-	-	0.2	-	0.2
[Cash]	1.6	-	-	-	-0.1	-	-0.1
<b>TOTAL</b>	<b>100.0</b>	<b>0.1</b>	<b>100.0</b>	<b>4.2</b>	<b>-3.1</b>	<b>-0.9</b>	<b>-4.0</b>

## Group Attribution Methodology:

Group Allocation (%) = Portfolio Group Weight \* (Group Benchmark Return - Portfolio Benchmark Return)

Group Selection (%) = Portfolio Group Weight \* (Portfolio Group Return - Group Benchmark Return)

The groups indicated above represent exposures determined pursuant to proprietary methodologies and are subject to change over time.

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# Global All Country Equity Allocation Strategy

*YTD attribution vs. MSCI ACWI as of December 31, 2014*

Sector	Portfolio		Benchmark		Attribution		
	Average Weight (%)	Total Return (%)	Average Weight (%)	Total Return (%)	Sector Allocation (%)	Stock Selection (%)	Total (%)
Consumer Discretionary	10.3	-4.3	11.7	3.9	0.2	-1.0	-0.8
Consumer Staples	9.7	1.7	9.7	6.7	-0.1	-0.5	-0.5
Energy	14.7	-13.9	9.5	-12.9	-1.1	-0.2	-1.3
Financials	10.3	6.1	21.6	3.9	0.0	0.2	0.2
Health Care	10.7	20.3	10.9	18.7	0.0	0.2	0.2
Industrials	8.0	-5.0	10.7	0.7	0.1	-0.5	-0.4
Information Technology	15.8	12.0	12.9	15.7	0.2	-0.5	-0.3
Materials	5.0	-16.0	5.9	-7.1	0.0	-0.5	-0.4
Telecommunication Services	7.8	0.6	3.9	-1.1	-0.3	0.1	-0.1
Utilities	6.1	0.3	3.3	14.7	0.2	-0.9	-0.7
Cash + Non-equities	1.6	-	-	-	0.1	-	0.1
<b>TOTAL</b>	<b>100.0</b>	<b>0.1</b>	<b>100.0</b>	<b>4.2</b>	<b>-0.6</b>	<b>-3.5</b>	<b>-4.0</b>

## Group Attribution Methodology:

Group Allocation (%) = Portfolio Group Weight \* (Group Benchmark Return - Portfolio Benchmark Return)

Group Selection (%) = Portfolio Group Weight \* (Portfolio Group Return - Group Benchmark Return)

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# Global All Country Equity Allocation Strategy

*YTD attribution vs. MSCI ACWI as of December 31, 2014*

	Portfolio	Benchmark	Attribution
	Average Weight (%)	Average Weight (%)	Relative Impact (%)
<b>Best 5 Stock Positions</b>			
Express Scripts Holding Company	1.6	0.2	0.33
Orange SA	0.8	0.1	0.22
AstraZeneca PLC	1.2	0.2	0.19
Microsoft Corporation	1.8	0.9	0.18
Oracle Corporation	1.8	0.4	0.17

	Portfolio	Benchmark	Attribution
	Average Weight (%)	Average Weight (%)	Relative Impact (%)
<b>Worst 5 Stock Positions</b>			
Total SA	2.5	0.4	-0.33
BASF SE	1.1	0.3	-0.32
BP p.l.c.	1.6	0.4	-0.23
Eni S.p.A.	1.0	0.2	-0.19
Chevron Corporation	1.6	0.6	-0.18

**Group Attribution Methodology:**

Group Allocation (%) = Portfolio Group Weight \* (Group Benchmark Return - Portfolio Benchmark Return)

Group Selection (%) = Portfolio Group Weight \* (Portfolio Group Return - Group Benchmark Return)

The groups indicated above represent exposures determined pursuant to proprietary methodologies and are subject to change over time.

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# Global All Country Equity Allocation Strategy

*YTD attribution vs. MSCI ACWI as of April 30, 2015*

## Return (%)

Fair Value Pricing, Net of Fees, USD	6.9
Local Close, Gross of Fees, USD	6.9
MSCI ACWI	5.3
<b>Value Added</b>	<b>1.6</b>

Groups	Portfolio		Benchmark		Attribution		
	Average Weight (%)	Total Return (%)	Index	Total Return (%)	Group Allocation (%)	Group Selection (%)	Total (%)
US Quality	29.3	0.5	S&P 500	1.9	-1.0	-0.4	-1.4
US Opportunistic Value	4.7	10.2	S&P 500	1.9	-0.2	0.4	0.3
Europe Value	32.9	7.8	MSCI Europe Value	6.4	0.4	0.5	0.8
Japan	10.0	17.2	MSCI Japan	14.1	0.9	0.3	1.1
Other International Opportunistic Value	2.9	9.0	MSCI World ex-U.S.	8.3	0.1	0.0	0.1
Emerging Markets	18.7	9.1	MSCI Emerging Markets	10.1	1.0	-0.2	0.8
Cash and Cash Equivalents	1.6	-	Citigroup 3-Mo. T-Bill	0.0	-0.0	-	-0.0
<b>TOTAL</b>	<b>100.0</b>	<b>6.9</b>	<b>MSCI ACWI</b>	<b>5.3</b>	<b>1.1</b>	<b>0.6</b>	<b>1.6</b>

## Group Attribution Methodology:

Group Allocation (%) = Portfolio Group Weight \* (Group Benchmark Return - Portfolio Benchmark Return)

Group Selection (%) = Portfolio Group Weight \* (Portfolio Group Return - Group Benchmark Return)

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# Global All Country Equity Allocation Strategy

*YTD attribution vs. MSCI ACWI as of April 30, 2015*

Country	Portfolio		Benchmark		Attribution		
	Average Weight (%)	Total Return (%)	Average Weight (%)	Total Return (%)	Country Allocation (%)	Stock Selection (%)	Total (%)
Australia	0.4	0.6	2.5	4.3	0.0	-0.0	0.0
Austria	0.2	14.5	0.1	13.8	0.0	0.0	0.0
Belgium	0.5	7.9	0.5	7.6	0.0	0.0	0.0
Canada	1.0	20.8	3.4	0.5	0.1	0.2	0.3
Denmark	0.3	10.8	0.5	22.3	-0.0	-0.0	-0.1
Emerging	18.7	9.0	10.5	10.1	0.7	-0.3	0.3
Finland	0.4	-0.2	0.3	0.6	-0.0	-0.0	-0.0
France	7.5	8.9	3.4	10.0	0.2	-0.1	0.1
Germany	6.1	9.9	3.2	8.0	0.1	0.1	0.2
Hong Kong	0.4	0.6	1.1	15.7	-0.1	-0.1	-0.1
Ireland	0.3	22.9	0.1	10.4	0.0	0.0	0.0
Israel	0.7	6.5	0.2	7.9	0.0	-0.0	0.0
Italy	2.2	12.8	0.8	11.2	0.1	0.0	0.1
Japan	10.0	17.2	7.5	14.1	0.2	0.3	0.5
Netherlands	0.9	11.5	0.9	9.2	0.0	0.0	0.0
New Zealand	0.1	-2.4	0.1	1.9	-0.0	-0.0	-0.0
Norway	0.7	17.8	0.2	14.0	0.0	0.0	0.1
Portugal	0.2	4.0	0.1	18.8	0.0	-0.0	-0.0
Singapore	0.4	3.6	0.5	5.0	0.0	-0.0	-0.0
Spain	2.1	4.8	1.2	2.9	-0.1	0.1	0.0
Sweden	0.9	4.3	1.1	7.2	0.0	-0.0	-0.0
Switzerland	0.9	7.7	3.2	8.9	-0.1	-0.0	-0.1
United Kingdom	9.8	4.1	7.0	5.9	0.0	-0.2	-0.1
United States	34.0	1.8	51.7	2.1	0.6	-0.1	0.4
Currency Overlay	-	-	-	-	-	-	-
[Cash]	1.6	-	-	-	-0.1	-	-0.1
<b>TOTAL</b>	<b>100.0</b>	<b>6.9</b>	<b>100.0</b>	<b>5.3</b>	<b>1.8</b>	<b>-0.2</b>	<b>1.6</b>

**Group Attribution Methodology:**

Group Allocation (%) = Portfolio Group Weight \* (Group Benchmark Return - Portfolio Benchmark Return)

Group Selection (%) = Portfolio Group Weight \* (Portfolio Group Return - Group Benchmark Return)

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# Global All Country Equity Allocation Strategy

*YTD attribution vs. MSCI ACWI as of April 30, 2015*

Sector	Portfolio		Benchmark		Attribution		
	Average Weight (%)	Total Return (%)	Average Weight (%)	Total Return (%)	Sector Allocation (%)	Stock Selection (%)	Total (%)
Consumer Discretionary	12.6	17.4	12.3	7.1	-0.0	1.2	1.2
Consumer Staples	10.1	2.3	9.8	3.8	-0.0	-0.2	-0.2
Energy	13.8	8.5	7.7	5.9	0.1	0.3	0.4
Financials	8.5	8.0	21.4	4.4	0.2	0.3	0.5
Health Care	11.1	5.6	12.0	8.2	-0.0	-0.3	-0.3
Industrials	8.6	6.2	10.5	4.4	0.0	0.1	0.2
Information Technology	15.3	4.6	13.9	4.7	-0.0	-0.0	-0.0
Materials	5.1	9.1	5.4	6.3	-0.0	0.1	0.1
Telecommunication Services	7.9	7.2	3.7	7.6	0.1	-0.0	0.1
Utilities	5.4	-3.0	3.2	-2.3	-0.2	-0.1	-0.3
Cash + Non-equities	1.6	-	-	-	-0.1	-	-0.1
<b>TOTAL</b>	<b>100.0</b>	<b>6.9</b>	<b>100.0</b>	<b>5.3</b>	<b>0.1</b>	<b>1.5</b>	<b>1.6</b>

## Group Attribution Methodology:

Group Allocation (%) = Portfolio Group Weight \* (Group Benchmark Return - Portfolio Benchmark Return)

Group Selection (%) = Portfolio Group Weight \* (Portfolio Group Return - Group Benchmark Return)

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# Global All Country Equity Allocation Strategy

*YTD attribution vs. MSCI ACWI as of April 30, 2015*

Best 5 Stock Positions	Portfolio	Benchmark	Attribution
	Average Weight (%)	Average Weight (%)	Relative Impact (%)
Amazon.com, Inc.	1.8	0.4	0.41
Renault SA	0.7	0.0	0.24
Surgutneftegas OJSC	0.6	0.0	0.23
Nissan Motor Co., Ltd.	1.6	0.1	0.21
BP p.l.c.	1.6	0.3	0.12

Worst 5 Stock Positions	Portfolio	Benchmark	Attribution
	Average Weight (%)	Average Weight (%)	Relative Impact (%)
Royal Dutch Shell	2.1	0.5	-0.16
Procter & Gamble Company	1.4	0.6	-0.14
E.ON SE	0.6	0.1	-0.12
GDF SUEZ SA	0.6	0.1	-0.11
Oracle Corporation	1.3	0.4	-0.09

## Group Attribution Methodology:

Group Allocation (%) = Portfolio Group Weight \* (Group Benchmark Return - Portfolio Benchmark Return)

Group Selection (%) = Portfolio Group Weight \* (Portfolio Group Return - Group Benchmark Return)

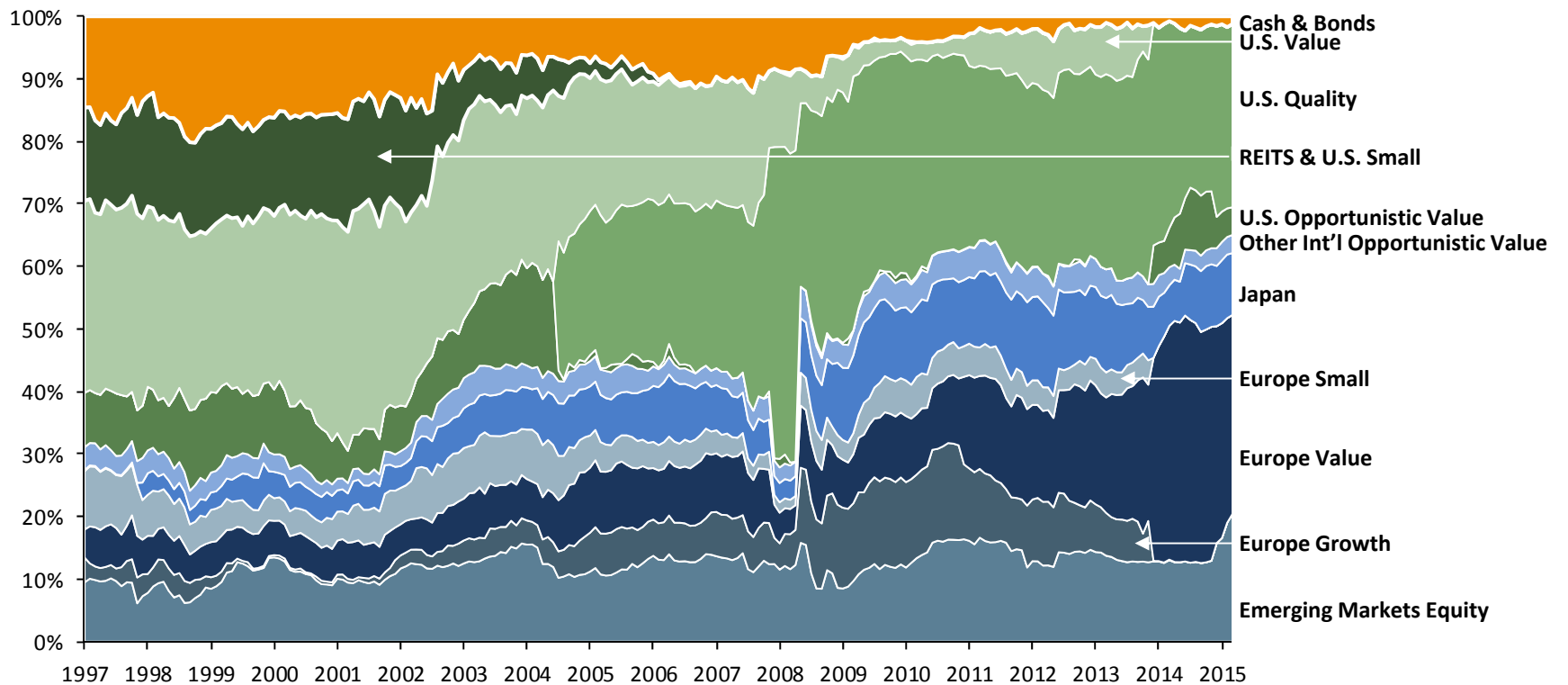
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# Global All Country Equity Allocation Strategy Allocation History

*December 1996 – March 2015*



Source: GMO

The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy. The groups indicated above represent exposures determined pursuant to proprietary methodologies and are subject to change over time.



North America | Europe | Asia-Pacific

May 5, 2015

Mr. Henry Solis  
Chief Financial Officer  
Ventura County Employees' Retirement Association  
1190 S Victoria Avenue, Suite 200  
Ventura, CA 93003

Dear Mr. Solis,

On behalf of Grantham, Mayo, Van Otterloo & Co. LLC ("GMO"), I hereby certify that during the review period of April 1, 2015 through April 30, 2015, the GMO Global Equity Allocation Fund was in compliance with its investment restrictions set forth in the GMO Trust Prospectus dated June 30, 2014 and the Statement of Additional Information.

Please do not hesitate to contact me at 617-790-5139 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Landis", with a stylized flourish at the end.

Mark Landis  
Compliance Specialist





NEPC, LLC

YOU DEMAND MORE. *So do we.*<sup>SM</sup>



## Ventura County Employees' Retirement Association

**Preliminary Performance Report  
Month Ending May 31, 2015**

Daniel LeBeau, Consultant  
Allan Martin, Partner,  
Anthony Ferrara, CAIA, Senior Analyst

255 State Street, Boston, MA 02109 | TEL: 617.374.1300 | FAX: 617.374.1313 | [www.nepc.com](http://www.nepc.com)

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

# Ventura County Employees' Retirement Association

## Total Fund Performance Detail Net of Fees

### Performance Summary

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Total Fund</b>	<b>4,400,565,439</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>	<b>0.9</b>	<b>3.5</b>	<b>3.3</b>	<b>5.3</b>	<b>12.8</b>	<b>11.5</b>	<b>6.8</b>	<b>8.3</b>	<b>Apr-94</b>
Policy Index				<u>0.2</u>	<u>1.0</u>	<u>3.5</u>	<u>4.6</u>	<u>6.3</u>	<u>12.6</u>	<u>11.0</u>	<u>6.9</u>	<u>8.2</u>	Apr-94
Over/Under				-0.2	-0.1	0.0	-1.3	-1.0	0.2	0.5	-0.1	0.1	
Allocation Index				0.3	1.0	3.5	4.2	6.2	12.1	10.6	6.6	--	Apr-94
<b>Total Fund ex Parametric</b>	<b>4,375,999,485</b>	<b>99.4</b>	<b>--</b>	<b>0.0</b>	<b>0.9</b>	<b>3.5</b>	<b>3.4</b>	<b>5.3</b>	<b>12.6</b>	<b>11.3</b>	<b>6.7</b>	<b>8.2</b>	<b>Apr-94</b>
<b>Total Fund ex Private Equity</b>	<b>4,271,765,204</b>	<b>97.1</b>	<b>--</b>	<b>-0.1</b>	<b>0.8</b>	<b>3.4</b>	<b>3.1</b>	<b>5.0</b>	<b>11.8</b>	<b>--</b>	<b>--</b>	<b>11.3</b>	<b>Jan-12</b>
Policy Index				<u>0.2</u>	<u>1.0</u>	<u>3.5</u>	<u>4.6</u>	<u>6.3</u>	<u>12.6</u>	<u>11.0</u>	<u>6.9</u>	<u>11.8</u>	Jan-12
Over/Under				-0.3	-0.2	-0.1	-1.5	-1.3	-0.8			-0.5	
<b>Total US Equity</b>	<b>1,366,150,718</b>	<b>31.0</b>	<b>30.0</b>	<b>1.4</b>	<b>0.8</b>	<b>3.7</b>	<b>9.1</b>	<b>11.8</b>	<b>20.2</b>	<b>16.9</b>	<b>8.1</b>	<b>9.2</b>	<b>Dec-93</b>
Total U.S. Equity Benchmark				<u>1.4</u>	<u>0.8</u>	<u>3.7</u>	<u>9.0</u>	<u>11.8</u>	<u>19.8</u>	<u>16.6</u>	<u>8.5</u>	<u>9.5</u>	Dec-93
Over/Under				0.0	0.0	0.0	0.1	0.0	0.4	0.3	-0.4	-0.3	
BlackRock Equity Market Fund	1,172,821,039	26.7		1.4	0.8	3.7	9.1	11.8	19.9	16.6	--	7.7	Dec-07
Dow Jones U.S. Total Stock Market				<u>1.4</u>	<u>0.8</u>	<u>3.7</u>	<u>9.0</u>	<u>11.8</u>	<u>19.8</u>	<u>16.6</u>	<u>8.6</u>	<u>7.7</u>	Dec-07
Over/Under				0.0	0.0	0.0	0.1	0.0	0.1	0.0		0.0	
Western U.S. Index Plus	144,121,186	3.3		1.3	0.9	3.5	9.7	12.0	21.0	18.4	--	3.8	May-07
S&P 500				<u>1.3</u>	<u>0.6</u>	<u>3.2</u>	<u>9.5</u>	<u>11.8</u>	<u>19.7</u>	<u>16.5</u>	<u>8.1</u>	<u>6.4</u>	May-07
Over/Under				0.0	0.3	0.3	0.2	0.2	1.3	1.9		-2.6	
BlackRock Extended Equity Index	49,208,493	1.1		1.8	1.5	5.6	7.0	11.7	20.7	16.8	10.1	12.6	Oct-02
Dow Jones U.S. Completion Total Stock Market				<u>1.8</u>	<u>1.5</u>	<u>5.6</u>	<u>7.0</u>	<u>11.7</u>	<u>20.5</u>	<u>16.6</u>	<u>10.0</u>	<u>12.6</u>	Oct-02
Over/Under				0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.1	0.0	

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

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

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

CPI+4% is estimated for latest month.

# Ventura County Employees' Retirement Association

## Total Fund Performance Detail Net of Fees

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Total Non-US Equity</b>	<b>638,143,123</b>	<b>14.5</b>	<b>14.0</b>	<b>-1.4</b>	<b>1.5</b>	<b>6.6</b>	<b>-2.3</b>	<b>-1.0</b>	<b>12.4</b>	<b>8.6</b>	<b>6.0</b>	<b>6.7</b>	<b>Mar-94</b>
Total Non-US Equity Benchmark				<u>-1.6</u>	<u>1.7</u>	<u>7.0</u>	<u>-2.5</u>	<u>-0.9</u>	<u>12.6</u>	<u>8.1</u>	<u>6.0</u>	<u>5.5</u>	Mar-94
Over/Under				0.2	-0.2	-0.4	0.2	-0.1	-0.2	0.5	0.0	1.2	
BlackRock ACWI ex-U.S. Index	268,266,856	6.1		-1.3	2.3	7.6	-2.2	-0.5	13.0	8.6	--	2.2	Mar-07
MSCI ACWI ex USA				<u>-1.6</u>	<u>1.7</u>	<u>7.0</u>	<u>-2.5</u>	<u>-0.9</u>	<u>12.6</u>	<u>8.1</u>	<u>6.0</u>	<u>1.7</u>	Mar-07
Over/Under				0.3	0.6	0.6	0.3	0.4	0.4	0.5		0.5	
Sprucegrove	188,232,764	4.3		-2.1	-0.5	4.2	-4.8	-4.0	11.8	9.2	6.1	8.1	Mar-02
MSCI EAFE				<u>-0.5</u>	<u>2.0</u>	<u>8.6</u>	<u>-1.4</u>	<u>-0.5</u>	<u>15.6</u>	<u>9.9</u>	<u>5.6</u>	<u>6.7</u>	Mar-02
Over/Under				-1.6	-2.5	-4.4	-3.4	-3.5	-3.8	-0.7	0.5	1.4	
MSCI ACWI ex USA				-1.6	1.7	7.0	-2.5	-0.9	12.6	8.1	6.0	7.3	Mar-02
Hexavest	82,713,588	1.9		-1.0	1.0	6.7	-1.6	-0.4	12.5	--	--	5.4	Dec-10
MSCI EAFE				<u>-0.5</u>	<u>2.0</u>	<u>8.6</u>	<u>-1.4</u>	<u>-0.5</u>	<u>15.6</u>	<u>9.9</u>	<u>5.6</u>	<u>6.2</u>	Dec-10
Over/Under				-0.5	-1.0	-1.9	-0.2	0.1	-3.1			-0.8	
Walter Scott	98,929,915	2.2		-0.5	3.6	8.1	1.8	3.1	11.0	--	--	5.6	Dec-10
MSCI ACWI ex USA				<u>-1.6</u>	<u>1.7</u>	<u>7.0</u>	<u>-2.5</u>	<u>-0.9</u>	<u>12.6</u>	<u>8.1</u>	<u>6.0</u>	<u>4.1</u>	Dec-10
Over/Under				1.1	1.9	1.1	4.3	4.0	-1.6			1.5	
<b>Total Global Equity</b>	<b>454,236,051</b>	<b>10.3</b>	<b>10.0</b>	<b>-0.5</b>	<b>1.0</b>	<b>5.5</b>	<b>0.8</b>	<b>2.5</b>	<b>14.4</b>	<b>11.7</b>	<b>5.8</b>	<b>5.9</b>	<b>May-05</b>
MSCI ACWI				<u>-0.1</u>	<u>1.2</u>	<u>5.1</u>	<u>3.1</u>	<u>5.1</u>	<u>15.8</u>	<u>11.8</u>	<u>6.8</u>	<u>6.9</u>	May-05
Over/Under				-0.4	-0.2	0.4	-2.3	-2.6	-1.4	-0.1	-1.0	-1.0	
BlackRock MSCI ACWI Equity Index	234,329,216	5.3		-0.1	1.3	5.3	3.5	5.5	--	--	--	--	May-12
MSCI ACWI				<u>-0.1</u>	<u>1.2</u>	<u>5.1</u>	<u>3.1</u>	<u>5.1</u>	<u>15.8</u>	<u>11.8</u>	<u>6.8</u>	<u>15.8</u>	May-12
Over/Under				0.0	0.1	0.2	0.4	0.4					
GMO Global Equity	219,906,835	5.0		-1.0	0.6	5.8	-2.0	-0.6	13.4	11.5	6.9	7.0	Apr-05
MSCI ACWI				<u>-0.1</u>	<u>1.2</u>	<u>5.1</u>	<u>3.1</u>	<u>5.1</u>	<u>15.8</u>	<u>11.8</u>	<u>6.8</u>	<u>6.9</u>	Apr-05
Over/Under				-0.9	-0.6	0.7	-5.1	-5.7	-2.4	-0.3	0.1	0.1	

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

# Ventura County Employees' Retirement Association

## Total Fund Performance Detail Net of Fees

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Total Private Equity</b>	<b>128,800,236</b>	<b>2.9</b>	<b>5.0</b>	<b>1.9</b>	<b>3.7</b>	<b>6.0</b>	<b>13.9</b>	<b>19.1</b>	<b>14.6</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>Jul-10</b>
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>1.6</u>	<u>1.6</u>	<u>5.0</u>	<u>12.0</u>	<u>15.1</u>	<u>23.4</u>	<u>20.0</u>	--	<u>20.4</u>	<i>Jul-10</i>
Over/Under				0.3	2.1	1.0	1.9	4.0	-8.8				
Adams Street Partners	79,524,113	1.8		1.1	4.3	4.3	11.7	17.7	13.4	--	--	--	Jul-10
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>1.6</u>	<u>1.6</u>	<u>5.0</u>	<u>12.0</u>	<u>15.1</u>	<u>23.4</u>	<u>20.0</u>	--	<u>20.4</u>	<i>Jul-10</i>
Over/Under				-0.5	2.7	-0.7	-0.3	2.6	-10.0				
Panteon Ventures	13,616,697	0.3		0.0	-0.9	-0.8	2.4	9.4	8.7	--	--	--	Aug-10
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>1.6</u>	<u>1.6</u>	<u>5.0</u>	<u>12.0</u>	<u>15.1</u>	<u>23.4</u>	<u>20.0</u>	--	<u>22.0</u>	<i>Aug-10</i>
Over/Under				-1.6	-2.5	-5.8	-9.6	-5.7	-14.7				
Harbourvest	35,659,425	0.8		4.3	4.3	12.5	24.2	26.4	--	--	--	--	May-13
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>1.6</u>	<u>1.6</u>	<u>5.0</u>	<u>12.0</u>	<u>15.1</u>	<u>23.4</u>	<u>20.0</u>	--	<u>19.5</u>	<i>May-13</i>
Over/Under				2.7	2.7	7.5	12.2	11.3					

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 (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Total US Fixed Income</b>	<b>772,367,353</b>	<b>17.6</b>	<b>19.0</b>	<b>0.1</b>	<b>0.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.9</b>	<b>3.2</b>	<b>5.3</b>	<b>5.9</b>	<b>6.3</b>	<b>Feb-94</b>
Barclays Aggregate				<u>-0.2</u>	<u>-0.1</u>	<u>1.0</u>	<u>3.0</u>	<u>3.0</u>	<u>2.2</u>	<u>3.9</u>	<u>4.6</u>	<u>5.8</u>	Feb-94
Over/Under				0.3	0.7	0.6	-1.4	-1.1	1.0	1.4	1.3	0.5	
BlackRock U.S. Debt Fund	140,688,158	3.2		-0.3	-0.1	1.0	3.1	3.2	2.3	4.0	4.7	5.6	Nov-95
Barclays Aggregate				<u>-0.2</u>	<u>-0.1</u>	<u>1.0</u>	<u>3.0</u>	<u>3.0</u>	<u>2.2</u>	<u>3.9</u>	<u>4.6</u>	<u>5.6</u>	Nov-95
Over/Under				-0.1	0.0	0.0	0.1	0.2	0.1	0.1	0.1	0.0	
Western	271,203,181	6.2		-0.3	0.0	1.7	3.4	3.7	4.4	6.1	5.5	6.6	Dec-96
Barclays Aggregate				<u>-0.2</u>	<u>-0.1</u>	<u>1.0</u>	<u>3.0</u>	<u>3.0</u>	<u>2.2</u>	<u>3.9</u>	<u>4.6</u>	<u>5.6</u>	Dec-96
Over/Under				-0.1	0.1	0.7	0.4	0.7	2.2	2.2	0.9	1.0	
Reams	286,516,668	6.5		0.6	1.6	1.4	-1.0	-0.8	1.8	4.5	6.1	5.9	Sep-01
Reams Custom Index				<u>0.0</u>	<u>0.1</u>	<u>0.1</u>	<u>0.2</u>	<u>0.3</u>	<u>0.6</u>	<u>2.9</u>	<u>4.1</u>	<u>4.5</u>	Sep-01
Over/Under				0.6	1.5	1.3	-1.2	-1.1	1.2	1.6	2.0	1.4	
Barclays Aggregate				-0.2	-0.1	1.0	3.0	3.0	2.2	3.9	4.6	4.9	Sep-01
Loomis Sayles Multi Strategy	73,959,346	1.7		0.2	0.5	2.9	2.2	3.2	7.2	8.1	--	7.2	Jul-05
Loomis Custom Index				<u>0.0</u>	<u>0.3</u>	<u>2.0</u>	<u>2.3</u>	<u>2.6</u>	<u>3.9</u>	<u>5.4</u>	--	<u>5.7</u>	Jul-05
Over/Under				0.2	0.2	0.9	-0.1	0.6	3.3	2.7		1.5	
Barclays Aggregate				-0.2	-0.1	1.0	3.0	3.0	2.2	3.9	4.6	4.7	Jul-05
<b>Total Global Fixed Income</b>	<b>256,769,132</b>	<b>5.8</b>	<b>5.0</b>	<b>-1.4</b>	<b>-1.4</b>	<b>-1.4</b>	<b>-4.2</b>	<b>-3.5</b>	<b>0.4</b>	<b>--</b>	<b>--</b>	<b>0.4</b>	<b>Jun-12</b>
Barclays Global Aggregate				<u>-1.8</u>	<u>-1.7</u>	<u>-2.7</u>	<u>-6.7</u>	<u>-6.0</u>	<u>-0.5</u>	<u>2.5</u>	<u>3.5</u>	<u>-0.7</u>	Jun-12
Over/Under				0.4	0.3	1.3	2.5	2.5	0.9			1.1	
Loomis Sayles Global Fixed Income	90,050,570	2.0		-1.6	-1.6	-2.4	-6.7	-6.0	-0.2	--	--	-0.2	Jun-12
Barclays Global Aggregate				<u>-1.8</u>	<u>-1.7</u>	<u>-2.7</u>	<u>-6.7</u>	<u>-6.0</u>	<u>-0.5</u>	<u>2.5</u>	<u>3.5</u>	<u>-0.7</u>	Jun-12
Over/Under				0.2	0.1	0.3	0.0	0.0	0.3			0.5	
PIMCO Global Fixed Income	123,759,867	2.8		-1.7	-1.8	-1.8	-4.6	-3.7	--	--	--	-1.3	Sep-12
Barclays Global Aggregate				<u>-1.8</u>	<u>-1.7</u>	<u>-2.7</u>	<u>-6.7</u>	<u>-6.0</u>	<u>-0.5</u>	<u>2.5</u>	<u>3.5</u>	<u>-1.9</u>	Sep-12
Over/Under				0.1	-0.1	0.9	2.1	2.3				0.6	
Loomis Strategic Alpha	42,958,695	1.0		0.3	0.3	2.2	2.5	3.0	--	--	--	3.3	Jul-13
Barclays Global Aggregate				<u>-1.8</u>	<u>-1.7</u>	<u>-2.7</u>	<u>-6.7</u>	<u>-6.0</u>	<u>-0.5</u>	<u>2.5</u>	<u>3.5</u>	<u>-0.6</u>	Jul-13
Over/Under				2.1	2.0	4.9	9.2	9.0				3.9	

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

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

# Ventura County Employees' Retirement Association

## Total Fund Performance Detail Net of Fees

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Total Real Estate</b>	<b>330,958,239</b>	<b>7.5</b>	<b>7.0</b>	<b>0.0</b>	<b>2.9</b>	<b>2.9</b>	<b>9.3</b>	<b>12.3</b>	<b>10.5</b>	<b>12.7</b>	<b>5.0</b>	<b>7.7</b>	<b>Mar-94</b>
Total Real Estate Benchmark				<u>0.0</u>	<u>3.4</u>	<u>3.4</u>	<u>10.2</u>	<u>13.4</u>	<u>12.7</u>	<u>14.5</u>	<u>7.0</u>	<u>8.8</u>	Mar-94
Over/Under				0.0	-0.5	-0.5	-0.9	-1.1	-2.2	-1.8	-2.0	-1.1	
Prudential Real Estate	111,362,490	2.5		0.0	3.2	3.2	10.4	13.8	11.8	14.9	5.9	5.3	Jun-04
NCREIF-ODCE				<u>0.0</u>	<u>3.4</u>	<u>3.4</u>	<u>10.2</u>	<u>13.4</u>	<u>12.7</u>	<u>14.5</u>	<u>7.0</u>	<u>7.5</u>	Jun-04
Over/Under				0.0	-0.2	-0.2	0.2	0.4	-0.9	0.4	-1.1	-2.2	
UBS Real Estate	213,926,049	4.9		0.0	2.7	2.7	8.7	11.1	9.6	11.6	6.4	7.3	Mar-03
NCREIF-ODCE				<u>0.0</u>	<u>3.4</u>	<u>3.4</u>	<u>10.2</u>	<u>13.4</u>	<u>12.7</u>	<u>14.5</u>	<u>7.0</u>	<u>7.8</u>	Mar-03
Over/Under				0.0	-0.7	-0.7	-1.5	-2.3	-3.1	-2.9	-0.6	-0.5	
RREEF	5,669,699	0.1		0.0	2.3	2.3	9.7	24.0	21.0	26.7	--	-5.9	Sep-07
NCREIF-ODCE				<u>0.0</u>	<u>3.4</u>	<u>3.4</u>	<u>10.2</u>	<u>13.4</u>	<u>12.7</u>	<u>14.5</u>	<u>7.0</u>	<u>3.3</u>	Sep-07
Over/Under				0.0	-1.1	-1.1	-0.5	10.6	8.3	12.2		-9.2	
<b>Total Liquid Alternatives</b>	<b>428,574,635</b>	<b>9.7</b>	<b>10.0</b>	<b>-2.0</b>	<b>-0.5</b>	<b>2.5</b>	<b>-1.7</b>	<b>1.5</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>11.5</b>	<b>Apr-13</b>
CPI + 4% (Unadjusted)				<u>0.5</u>	<u>2.0</u>	<u>2.6</u>	<u>3.1</u>	<u>3.6</u>	<u>5.1</u>	<u>5.7</u>	<u>6.1</u>	<u>5.0</u>	Apr-13
Over/Under				-2.5	-2.5	-0.1	-4.8	-2.1				6.5	
Bridgewater All Weather Fund	284,685,324	6.5		-1.3	-0.3	3.8	2.0	3.3	--	--	--	8.6	Aug-13
CPI + 5% (Unadjusted)				<u>0.6</u>	<u>2.2</u>	<u>3.0</u>	<u>4.0</u>	<u>4.6</u>	--	--	--	<u>5.8</u>	Aug-13
Over/Under				-1.9	-2.5	0.8	-2.0	-1.3				2.8	
Tortoise Energy Infrastructure	143,889,310	3.3		-3.3	-0.9	0.1	-8.4	-1.9	--	--	--	13.5	Apr-13
Wells Fargo MLP Index				<u>1.5</u>	<u>2.1</u>	<u>2.0</u>	<u>-8.2</u>	<u>-1.8</u>	<u>14.2</u>	--	--	<u>6.9</u>	Apr-13
Over/Under				-4.8	-3.0	-1.9	-0.2	-0.1				6.6	
<b>Overlay</b>	<b>24,565,954</b>	<b>0.6</b>	<b>0.0</b>										
Parametric	24,565,954	0.6											

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

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

Total Liquid Alternatives index, the CPI+4% is estimated by carrying the last available month forward

CPI+5% and CPI+4% are estimated by carrying the last available month forward

Real Estate Valuation is as of 3/31/2015

# Ventura County Employees' Retirement Association

## Total Fund

### Cash Flow Summary

Month Ending May 31, 2015

	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Fees	Net Investment Change	Ending Market Value
Adams Street Partners	\$77,520,339	\$0	\$1,125,000	\$1,125,000	\$0	\$878,774	\$79,524,113
BlackRock ACWI ex-U.S. Index	\$271,639,019	\$0	\$0	\$0	-\$24,022	-\$3,372,163	\$268,266,856
BlackRock Equity Market Fund	\$1,176,421,813	-\$20,000,000	\$0	-\$20,000,000	-\$21,630	\$16,399,226	\$1,172,821,039
BlackRock Extended Equity Index	\$48,320,920	\$0	\$0	\$0	-\$3,281	\$887,572	\$49,208,493
BlackRock MSCI ACWI Equity Index	\$234,496,168	\$0	\$0	\$0	-\$9,478	-\$166,952	\$234,329,216
BlackRock U.S. Debt Fund	\$141,095,962	\$0	\$0	\$0	-\$8,023	-\$407,804	\$140,688,158
Bridgewater All Weather Fund	\$288,487,422	\$0	\$0	\$0	-\$92,643	-\$3,802,098	\$284,685,324
GMO Global Equity	\$222,158,441	\$0	\$0	\$0	-\$100,791	-\$2,251,606	\$219,906,835
Harbourvest	\$34,203,207	\$0	\$0	\$0	\$0	\$1,456,219	\$35,659,425
Hexavest	\$83,515,718	\$0	\$0	\$0	-\$31,738	-\$802,131	\$82,713,588
Loomis Sayles Global Fixed Income	\$91,531,091	\$0	\$0	\$0	-\$22,513	-\$1,480,522	\$90,050,570
Loomis Sayles Multi Strategy	\$73,793,811	\$0	\$0	\$0	-\$24,323	\$165,535	\$73,959,346
Loomis Strategic Alpha	\$42,807,565	\$0	\$0	\$0	-\$14,320	\$151,130	\$42,958,695
Panteon Ventures	\$13,616,697	\$0	\$0	\$0	\$0	\$0	\$13,616,697
Parametric	\$24,542,358	-\$1,701,654	\$1,602,709	-\$98,945	-\$3,071	\$122,541	\$24,565,954
PIMCO Global Fixed Income	\$125,925,604	\$0	\$0	\$0	-\$35,107	-\$2,165,737	\$123,759,867
Prudential Real Estate	\$111,362,490	\$0	\$0	\$0	\$0	\$0	\$111,362,490
Reams	\$284,645,415	\$0	\$0	\$0	-\$42,065	\$1,871,253	\$286,516,668
RREEF	\$5,669,699	\$0	\$0	\$0	\$0	\$0	\$5,669,699
Sprucegrove	\$192,283,160	\$0	\$0	\$0	-\$58,798	-\$4,050,396	\$188,232,764
Tortoise Energy Infrastructure	\$148,692,959	\$0	\$0	\$0	-\$85,359	-\$4,803,649	\$143,889,310
UBS Real Estate	\$213,926,049	\$0	\$0	\$0	\$0	\$0	\$213,926,049
Walter Scott	\$99,357,324	\$0	\$0	\$0	-\$71,340	-\$427,409	\$98,929,915
Western	\$271,939,127	\$0	\$0	\$0	-\$46,400	-\$735,945	\$271,203,181
Western U.S. Index Plus	\$142,183,693	\$0	\$0	\$0	-\$30,515	\$1,937,493	\$144,121,186
<b>Total</b>	<b>\$4,420,136,052</b>	<b>-\$21,701,654</b>	<b>\$2,727,709</b>	<b>-\$18,973,945</b>	<b>-\$725,415</b>	<b>-\$596,667</b>	<b>\$4,400,565,439</b>

# VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

1190 South Victoria Avenue, Suite 200  
Ventura, CA 93003-6572  
(805) 339-4250 • Fax: (805) 339-4269  
<http://www.ventura.org/vcera>

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June 15, 2015

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

**SUBJECT: DELEGATION OF AUTHORITY TO THE BOARD CHAIRMAN AND/OR STAFF  
TO APPROVE AND EXECUTE CONTRACT AMENDMENTS WITH NO  
MATERIAL INVESTMENT OR FISCAL IMPACT FOR BOARD APPROVED  
INVESTMENTS**

Dear Board Members:

The management of the Ventura County Retirement Association is vested with the Board of Retirement (Board) as provided for by Government Code Section 31520. Per Board Charter, the Board approves 10 different classifications of contracted services, including those for investment management. Subsequent to Board approval, investment management contracts are then executed by the Chair. However, the Board may delegate execution authority to the Retirement Administrator in an open meeting.

The Board receives the majority of contract amendments from private equity managers, and investment manager guideline updates from publicly traded securities separate account managers. Less frequent requests are received from commingled funds, custodians, and consultants.

Amendments can be as varied as adding or clarifying contract language to changes in confidential proprietary business plans or trade secrets. In some cases these changes are time sensitive. However, the majority of requests have neither material impact on the investment nor a fiscal impact to the fund.

It is very common for investment staff at public funds to approve and execute contracts for Board approved investments, and subsequently inform their respective Boards. Delegating approval and execution of routine contract amendments and investment guidelines to the Chair and/or staff can save the Board time that could be used for higher Board priorities. Contract amendments that would be eligible for such delegation would be those with no material investment or fiscal impact; would be subject to consultation with appropriate consultant(s) and/or outside counsel; and, ultimately the review and approval of the Board's internal counsel.

I believe that this proposal is in the best interest of VCERA, and therefore recommend the following:



June 15, 2015

Page 2 of 2

**RECOMMEND:**        **DELEGATE TO THE BOARD CHAIRMAN AND/OR THE RETIREMENT ADMINISTRATOR OR CHIEF INVESTMENT OFFICER, AUTHORITY TO APPROVE AND EXECUTE CONTRACT AMENDMENTS WITH NON-MATERIAL INVESTMENT AND FISCAL IMPACTS, SUBJECT TO CONSULTATION WITH THE BOARD'S INVESTMENT CONSULTANT AND/OR OUTSIDE COUNSEL, AND THE REVIEW AND APPROVAL OF BOARD'S INTERNAL COUNSEL.**

Sincerely,



Dan Gallagher  
Chief Investment Officer

# ATTACHMENT B

	System #1	System #2 System #3	System #4	System #5 System #6	System #7	System #8	System #9	System #10	System #11
Effective with Valuation on	12/31/12	6/30/13 6/30/12	6/30/10	6/30/12 6/30/12	Pending <sup>1</sup>	6/30/12	6/30/11	Pending <sup>2</sup>	6/30/12
Past UAAL	No Change	No Change	No Change <sup>3</sup>	No Change	No Change	No Change	No Change	No Change	No Change
Future Change in UAAL									
Actuarial Gains/Losses	20	15	15	20	18	20	15	15	18
Assumptions or Methods	20	20	30 <sup>4</sup>	25	18	20	15	25	18
Plan Amendments	15	15	15	15	18	15	15	15	15
ERIPs	5	5	5	5	18 <sup>1</sup>	5	5	5	5
Surplus	30	30	30	30	18 <sup>1</sup>	30	30	25 <sup>5</sup>	30

- 
- <sup>1</sup> A discussion is pending on recommendation to change the amortization periods for plan amendments to up to 15 years, ERIP to up to 5 years and actuarial surplus to 30 years.
- <sup>2</sup> An amendment in the governing statute is required before the changes described below may be implemented by the System.
- <sup>3</sup> Originally, there was no change in the amortization period for the past UAAL when the System conducted its review of amortization periods as part of reaffirming its actuarial funding policy for the June 30, 2010 valuation. However, as part of the June 30, 2012 valuation, the System changed from the Projected Unit Credit Funding Method to the Entry Age Normal Funding Method, which increased the liability for the System. As a result of that increase in liability, the System decided to reamortize all the past UAAL over a 30-year period.
- <sup>4</sup> The System chose a 30-year period before the California Actuarial Advisory Panel issued its model practice guidelines in February 2013 recommending a 15-25 year period for amortizing UAAL from assumptions or method changes.
- <sup>5</sup> Prior to the investment losses in 2008 (that effectively eliminated most of the surplus), the System had a surplus for over a decade and the System was required by its governing statute to distribute its surplus to provide contribution relief and additional benefits. The System had used 15 years to amortize surplus during that time.

# VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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June 15, 2015

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

**SUBJECT: PERIOD REVIEW OF BOARD POLICIES: 1) ASSIGNED PORTABLE ELECTRONIC DEVICE POLICY; 2) BUSINESS PLANNING POLICY; AND 3) EDUCATION & TRAVEL POLICY.**

Dear Board Members:

As part of the Board Policy Development Process, each Board policy is to be formally reviewed at the time specified within each policy. The Business Planning Policy and Assigned Portable Electronic Device Policy were both last approved on June 18, 2012 and are due for formal review. The Education & Travel Policy was last reviewed in February of this year, but only to insert a clarification; it did not have a full review, and so it is submitted as well, as its annual review was done in June 2014.

Staff is proposing several changes to provide minor corrections and clarification. The following is a summary of staff's proposed changes to these 3 policies. Redlined versions are also provided for your review.

Assigned Portable Electronic Device Policy

- Insertion of the word "laptops" in list of device examples;
- Correction of spelling or capitalization errors;
- Update of Process History to reflect current review.

Business Planning Policy

- Addition of summary of progress related to previous business plan into minimum requirements;
- Update of Process History to reflect current review.

Education & Travel Policy

- Insertion of references to CIO for due diligence evaluations;
- Increase travel reimbursement authorization limit of Administrator from \$300 to \$350 to allow for increased costs since last review;
- New sentence restricting meal reimbursements when they are provided by host or conference;
- New section listing non-reimbursable expenses, such as alcohol and entertainment activities.
- Update of Process History to reflect current review.

June 15, 2015

Page 2 of 2

**RECOMMENDATION: APPROVE PROPOSED CHANGES TO THE ASSIGNED PORTABLE ELECTRONIC DEVICE POLICY, THE BUSINESS PLANNING POLICY AND THE EDUCATION & TRAVEL POLICY.**

Staff will be happy to answer any questions regarding the proposed changes at the June 15, 2015 business meeting.

Sincerely,

A handwritten signature in cursive script, appearing to read "Linda Webb".

Linda Webb  
Retirement Administrator

# **VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

## **ASSIGNED PORTABLE ELECTRONIC DEVICE POLICY**

### **I. Definitions**

- 1) For purposes of this policy, “portable electronic devices” are defined to include laptops, cellular phones, personal digital assistants, iPads or any other electronic device capable of displaying data or images.

### **II. Purpose and Objectives**

- 2) This policy is intended to set forth the authorization and limitations of use of Ventura County Employees' Retirement Association (VCERA) aAssigned portable electronic devices.

### **III. Scope**

- 3) These guidelines apply to all board members and staff.

### **IV. Background**

- 4) Board packet material is extensive. The copying, delivering and producing of the packet material is expensive and not in line with environmental practices of VCERA. VCERA makes available an electronic PDF version of the monthly board packet and would like to facilitate the offsite access and usage of the electronic version by allowing board and staff to use portable electronic devices to retrieve, store, edit and read the electronic board packet.
- 5) Portable electronic devices are a security risk because they may contain private, confidential or sensitive member information, and being portable, are at risk for loss, theft, or other unauthorized access.
- 6) Portable electronic devices may be more vulnerable to viruses and other such threats because the user may not regularly use virus protection software and other safeguards available to VCERA's desktop computers.

### **V. Guidelines**

- 7) Privacy: Board members and staff understand that their authorization to use VCERA assigned portable electronic devices, associated equipment and software is for the primary purpose of conducting VCERA business. Board members and staff further understand that they have no expectation of privacy with regard to their use of such devices.

- 8) Routine Maintenance or Repair: Board Members and staff understand that VCERA could require that assigned devices be returned to the office for routine maintenance and to ensure that they are being used only in a manner that is consistent with these policies.
- 9) Loss or Theft and Data Backups: Board members and staff who have an assigned portable electronic device are responsible for the security of the device, all associated equipment and all data. Board members and staff must report any lost or stolen portable electronic equipment, or data, to the Retirement Administrator or Technology Services Manager as soon as discovered. Users are responsible for back-up of any personal data stored on the portable electronic device.
- 10) Security Code: Assigned portable electronic devices shall use, at a minimum, a four-digit security code for access.
- 11) Auto-Lock: Assigned portable electronic devices must automatically lock after a maximum of 15 minutes of inactivity and require entry of security code to unlock for use.
- 12) Return Prior to Separation: Board members and staff will return the assigned portable electronic device(s) prior to separation of VCERA service.

## **VI. Process Review**

- 13) The Board will review the Assigned Portable Electronic Device Policy at least once every three (3) years to ensure that it remains relevant and appropriate.

## **VII. Process History**

- 14) The Board last reviewed and approved this policy on June 15, 2015. The Board originally adopted this policy on June 18, 2012.

# **VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

## **BUSINESS PLANNING POLICY**

### **I. Background and Objectives**

- 1) Given the complex environment in which it operates, VCERA faces myriad risks that could impact its operations. The Board is committed to identifying, understanding, and managing such risks through a formal business planning process.

The Board has developed this policy to provide broad guidance to the Board and the Retirement Administrator in this regard.

### **II. Policy Guidelines**

- 2) As input into the Business Plan, the Retirement Administrator and staff will develop a business planning framework identifying:
  - a) The broad categories of risk that affect VCERA;
  - b) Significant risks that exist within each category;
  - c) Potential means to address each risk (e.g. new systems, policies, or other special projects);
  - d) An assessment of the extent to which VCERA has already implemented the above means.
- 3) The broad categories of risk referred to above will, at a minimum, include the following:
  - a) Funding;
  - b) Investments;
  - c) Benefit Administration; and
  - d) Governance and Fiduciary Risk.
- 4) Based on the above framework, the Retirement Administrator will prepare a Business Plan containing at a minimum:

- a) A summary of progress related to the previous year's business plan;
  - ~~a)b)~~ An assessment of VCERA's risk exposure from a business perspective;
  - ~~b)c)~~ A list of the priority initiatives to be undertaken to address VCERA's most significant areas of risk exposure (these should generally not exceed 2-3 initiatives);
  - ~~e)d)~~ An estimated timeline for completing the priority initiatives;
  - ~~e)e)~~ The parties responsible for completing the initiatives; and
  - ~~e)f)~~ The resources necessary to undertake the initiative.
- 5) At the beginning of each fiscal year, the Retirement Administrator will review and update the business planning framework and the Business Plan, and present them to the Board for discussion along with a status report on the prior year's Business Plan.

### III. Policy Review

- 6) The Board will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

### IV. Policy History

- 7) The Board last reviewed and approved this policy on June 15, 2015. The Board previously approved this policy on June 18, 2012. The Board originally adopted this policy on June 2, 2003.



# VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## BOARD OF RETIREMENT

### EDUCATION AND TRAVEL POLICY

#### INTRODUCTION

Recognizing its fiduciary responsibility to plan participants, it is the desire of the Board of Retirement (Board) to encourage members of the Board, and its staff, to enhance their knowledge of the financial and benefit aspects of the retirement system by attending educational meetings, conferences and seminars. Attendance at such functions, as well as due diligence trips relating to the operation of the retirement system, is essential to ensure that Board members and staff are able to carry out their fiduciary responsibilities.

#### PURPOSE

The purpose of this policy is to set forth the guidelines to be followed to ensure Board members and staff members are allowed to cost effectively attend the educational meetings, conferences and seminars the Board believes to be necessary for the performance of their duties.

#### COMPLIANCE WITH STATE LAW

Effective January 1, 2013, and in compliance with Section 31522.8 of the California Government Code, all Board members shall receive a minimum of 24 hours of trustee education within the first two years of assuming office, and for every subsequent two-year period the Board member continues to hold membership on the Board. Further, the Board will maintain a record of Board member compliance with the policy. This policy and an annual report on Board member compliance shall be placed on the Internet Web site.

#### ON-SITE DUE DILIGENCE

Regular on-site due diligence evaluations shall be scheduled with VCERA's investment managers every three years. More frequent evaluations shall be conducted if there have been material organizational changes, significant underperformance of the investment or for any other reason deemed appropriate by the Board.

On-site due diligence evaluations may be conducted by one or more Trustees and may include the Chief Investment Officer (CIO), Administrator or his/her the Administrator's designee. The Administrator shall, in consultation with the CIO and Investment Consultant, agendize a proposed schedule for all on-site due diligence trips to be conducted in the upcoming year. The Board Chair shall, with Board consent, designate

the Trustee(s) to participate in each on-site evaluation. Every effort shall be made to rotate due diligence responsibilities so no single Trustee, or group of Trustees, is conducting a majority of due diligence visits on VCERA's behalf. The Trustee(s) and CIO, Administrator, or designee, shall be responsible for providing a written/oral report to the Board no later than the second subsequent regular Board meeting summarizing their findings and recommendations, if any.

#### LIMITATION ON MEETING FOR BUSINESS PURPOSES

Travel by multiple Board members shall be conducted in such a manner as to not violate the provisions of the Brown Act (Government Code Section 54950 et. Seq.). Board member attendance at educational meetings, conferences, seminars and related social events is not a violation of the Brown Act.

#### TRAVEL AUTHORIZATION

Approval for travel by a Board or staff member to an educational meeting, conference or seminar shall be made in an open meeting of the Board, except for attendance at the Spring and Fall State Association of County Retirement Systems (SACRS) conferences for which authorization by the Board will not be required. Additionally, the Retirement Administrator may approve Board or staff travel, including the Board's legal advisor, for one-day meetings held within the State. The Administrator may also approve an overnight stay by a staff member if it is determined to be in the best interest of the Association in terms of economy and efficiency. In the event a Board member wishes to conduct an on-site due diligence visit, or attend a one-day seminar, of a VCERA investment manager or consultant without prior Board approval, the Administrator is authorized to reimburse travel expenses up to \$3~~500~~.00 upon submission of a verified claim.

Although State law may permit gifts of travel to the System, if a third party offers to pay for some or all of the travel expenses associated with a particular conference, seminar or meeting, the Board shall decline the offer. However, the Board may consider authorizing attendance at the particular conference, seminar or meeting at VCERA's expense if such attendance would be beneficial to VCERA.

#### ANNUAL TRAVEL BUDGET

The Retirement Administrator shall include in the annual budget to be approved by the Board sufficient funding to allow each member of the Board, and staff, to attend the Spring and Fall SACRS conferences. Additionally, funds will be budgeted, based upon the information available on scheduled conferences and input from individual Board members during the budget preparation process, to allow each Board member and management staff to attend up to three additional conferences, educational meetings, seminars and site visits each fiscal year. This limitation shall not apply to on-site visits that are made with the consent of the Board, including in connection with the retention of a new manager, nor shall it apply to any conference, educational meeting, seminar or site visit where the cost to the Association can reasonably be expected to be less than \$500.00.

Travel expenses of Board members and staff shall be considered a cost of administration and may not be paid by any third party without the express written authorization of the Board.

### RECOMMENDED PUBLIC RETIREMENT SYSTEM MEETINGS

It is the intention of the Board to establish a standard whereby attendance at educational meetings, conferences and seminars will be approved only if the agenda for the event contains an average of five (5) hours of substantive educational content per day. This standard would not apply to meetings with investment managers, consultants, etc., which would not be expected to last for five hours.

The Board establishes the following as recommended educational meetings, conferences and seminars that qualify as trustee education.

1. State Association of County Retirement Systems (SACRS), including meetings of SACRS Board or Committees on which a member of the Board or staff participates. The Board recognizes the importance of having its Trustees actively participate as members of the SACRS Board or its committees. Therefore, attendance at such meetings shall not count towards the three conferences, educational meetings, seminars or site visits limitation set forth above, even if such cost exceeds \$500.00.
2. Public Pension Investment Management Program (SACRS/Berkeley). (Attendance shall not count towards the three conference limit.)
3. California Association of Public Retirement Systems (CALAPRS) Annual General Assembly, trustee and staff roundtables, Advanced Board Leadership Institute, Administrators' Institute and the Principles of Pension Management for Trustees course. (Attendance shall not count towards the three conference limit.)
4. Programs sponsored by the International Foundation of Employee Benefit Plans (IFEBP).
5. Programs sponsored by the Institute for Fiduciary Education (IFE).
6. NCPERS Annual Conference.
7. Pension Funds and Money Management, and Alternative Investments and Real Estate; The Wharton School, University of Pennsylvania.
8. Programs sponsored by the National Association of Police Officers (NAPO).
9. Client conferences sponsored by investment managers, asset custodians and consultants with whom the Retirement System has a current professional relationship. (Attendance shall not count towards the three conference limit.)
10. National Association of Pension Fund Attorneys Conference.
11. California Retired County Employees Association (CRCEA).

12. Nossaman LLC Annual Fiduciary Forum. (Attendance shall not count towards the three conference limit.)
13. Council of Institutional Investors (CII)

Board members may request approval to attend the recommended, or any other, educational meetings, seminars and conferences by submitting a written request to the Retirement Administrator for inclusion on the next Board agenda. Requests approved by the Board qualify as Board member education. Educational seminars sponsored by the state or national public pension fund organizations and seminars sponsored by accredited academic institutions shall be deemed to meet Board member education requirements.

### APPROPRIATE TOPICS

Appropriate topics for Board member education, may include, but is not limited to, the following:

1. Fiduciary responsibilities.
2. Ethics.
3. Pension fund investments and investment program management.
4. Actuarial matters.
5. Pension funding.
6. Benefits administration.
7. Disability evaluation.
8. Fair hearings.
9. Pension fund governance.
10. New Board member orientation.

### TRAVEL ARRANGEMENTS

It is the preference of the Board to have travel arrangements made through VCERA staff. This would include processing of registrations, hotel accommodations and transportation. However, a Board member may arrange his/her own transportation if he/she is to be accompanied by a spouse or traveling companion. VCERA staff will not make travel arrangements for, or reimbursement to a Board or staff member for any costs associated with the attendance of a spouse or traveling companion to any function.

## TRAVEL COSTS

It is the policy of the Board that travel to educational meetings, conferences and seminars be achieved in the least expensive practical manner possible in order to reduce costs to the retirement system.

Reimbursement or payment for travel related expenses may not be made in certain instances. For travel to meetings within the State of California, lodging and other eligible travel related expenses will be paid for the evening prior to the start of the meeting only if the meeting starts at or prior to 9:30a.m. Lodging for the night of the last day of the conference will not be paid by the Retirement System.

For travel outside the State of California, lodging and other travel related expenses will be paid by VCERA for the evening prior to the day the meeting starts. Lodging will not be paid by VCERA for the evening of the final day of the meeting unless the substantive portion of the meeting ends after 2:00p.m. or it can be demonstrated that a reduction in airfare can be achieved by staying over for an additional day which will more than offset the cost for an additional night's lodging and other travel related costs that would be incurred.

In order to avoid unnecessary costs to the Retirement System, Board members should immediately notify VCERA's Chief Financial Officer of the cancellation or other changes in their travel plans.

Travel related costs which will be paid or reimbursed to a Board or staff member include the following:

### Air Transportation

Every attempt should be made to make air travel reservations in advance to take advantage of available discounts. Airfare will be paid for coach passage only.

### Hotel Accommodations

Payment for lodging will be at the single occupancy rate, plus applicable room tax. Any lodging costs in excess of the single occupancy room rate will be the responsibility of the Board or staff member.

### Meals & Beverages

Reimbursement for the cost of meals and beverages for the Board and staff members while on travel will be made at the rates established by the County of Ventura for reimbursement to employees for such expenses. A copy of the current rates of reimbursement will be provided to each member of the Board. No meal allowance will be paid for any meal that is provided by the host or at the conference, unless for medical dietary restrictions.

### Rental Car

Every attempt should be made to utilize public transportation, airport and hotel shuttle services which are reimbursable expenses. A rental car may be used if cost effective. The retirement system will not be responsible for any loss or damage resulting from the use of a rental car.

### Parking

Reasonable automobile parking expenses are reimbursable.

### Mileage

Retirement Board members and staff will be reimbursed for the use of their own automobile at the current mileage rate authorized by the Internal Revenue Service.

### Non-Reimbursable Expenses

Expenditures, which are not substantive to VCERA business will not be reimbursed by VCERA, such as:

- A. Any expenses related to alcohol and tobacco;
- B. Internet usage fees (unless the internet is used for VCERA business);
- C. Any expenses related to entertainment and recreational activities.

### Documentation of Expenses and Submission of Reimbursement Claims

All requests for reimbursement of travel costs shall be supported by detailed receipts or other documentation. Agendas from the training may be attached to the travel claims, along with notations of the sessions attended with the associated hours recorded on the face of the claim. All travel claims shall be submitted to the Retirement Administrator or VCERA's Chief Financial Officer no later than the 60<sup>th</sup> calendar day after the expense is incurred by the Board or staff member. (A sample claim form is attached to this policy.)

### REPORTING

Retirement Board members shall, no later than the 2<sup>nd</sup> subsequent Board meeting, provide a brief report on meetings attended on behalf of VCERA. The Retirement Administrator shall, no later than the second month of the calendar year, report on annual Board member compliance and post said report on the VCERA Web site.

### POLICY REVIEW

In order to keep the provisions of this policy current, the Board will review this policy on an annual basis at a minimum.

## POLICY HISTORY

The Board last reviewed and approved this policy on ~~June 15, 2015~~February 23, 2015. The Board previously approved this policy on February 23, 2015, June 2, 2014, June 17, 2013, January 28, 2013, July 2, 2012, June 20, 2011, June 21, 2010, June 15, 2009, September 15, 2008, April 16, 2007, May 1, 2006, October 17, 2005, April 19, 2004, April 21, 2003, May 6, 2002, April 16, 2001, and April 17, 2000. The Board originally adopted this policy on July 6, 1998.

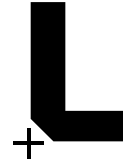
## Sample Claim Form

VCERA TRAVEL EXPENSE REIMBURSEMENT																					
Name _____					Vendor Number _____																
Mailing Address, City, State & Zip Code _____																					
Destination _____																					
Purpose _____							Education Hours _____														
<b>MEALS</b>	<b>MAXIMUM REIMBURSEMENT RATES</b>		Date	Breakfast	Lunch	Dinner	Total	<b>TOTAL</b>													
	Within California						\$														
	Breakfast: \$13 Lunch: \$18 Dinner: \$35						\$														
	Outside California						\$														
	Breakfast: \$15 Lunch: \$21 Dinner: \$40						\$														
	Receipts Required						\$														
<b>LODGING</b>	Hotel Name		City	Number of Nights		Total		<b>TOTAL</b>													
						\$															
						\$															
						\$															
<b>MILEAGE</b>	From	To	Miles	Rate		Total		<b>TOTAL</b>													
				0.585		\$															
				0.585		\$															
				0.585		\$															
<b>OTHER</b>	Description		Conf. Fees	Parking	Taxi	Airfare	Other	<b>TOTAL</b>													
<b>TOTAL CLAIM AMOUNT</b>								\$													
<b>CLAIMANT</b>					<b>VCERA APPROVAL</b>																
<p>The undersigned, under penalty of perjury, states: That the above claim and the items set out therein are true and correct; that no part thereof has been heretofore paid; and that the amount is justly due, and that claim is made within one year after the last item has accrued.</p>					<p>I hereby certify, upon my own personal knowledge, that the goods or services specified in the above claim were reasonable, necessary and for the benefit of the County; that no part thereof has been heretofore paid; that the amount therein is justly due, and that payment of the above claim complies with the County policies and procedures.</p>																
X _____					X _____																
Date _____					Date _____																
<b>Internal Use Only</b>																					
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# Ventura County Employees' Retirement Information System Project Status Report Month Ending: May 2015



Reporting to: Board of Retirement  
Written by: Brian Colker

Report Date:

06/08/15

## PROJECT STATUS SUMMARY

<b>Actual Percentage Complete:</b> 79.26%*
<b>Planned Percentage Complete:</b> 79.26%*

\*Note: The updated Sprint Schedule went into effect with the approval of the change orders presented to the Board 01/05/2015. The completion percentages have been adjusted to take into account the updates and changes per the new sprint schedule.

Scope	Schedule	Cost	Risks	Quality
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The project is on track for the April 2016 go-live for rollout #1 (the main pension administration system).

### Risks

- Plan sponsor payroll transmittal – Scenario-based testing has been completed and parallel testing has resumed. The Auditor-Controller provided the third parallel test file on 5/21/15 and the project team is analyzing the results. The original due date for this file was 5/8/15, creating a two-week impact to the schedule. The due date for the fourth parallel test file was 6/5/15. The Auditor-Controller has indicated they expect to provide the file by 6/10/15.

## KEY ACCOMPLISHMENTS LAST MONTH

- Completed scenario-based testing
- Completed data conversion extract for Cycle 13
- Delivered additional functionality in:
  - Disability
  - Active Death Processing
  - Retired Death Processing
  - DRO Processing – Alt Payee
  - Member Correspondence
- Wrote 168 test cases and executed 136 tests. There have been 3,259 tests executed to date and there are currently 435 defects in an open status – 39 high priority, 297 medium priority, 99 low priority.

## **IFEBP: Portfolio Concepts and Management**

**April 27-30, 2015**

The Sheraton University City hotel in Philadelphia is perfectly situated a nice 15-minute walk from the UPENN campus. Shops and dining are also all within easy walking distance. The area has a safe, suburban feel, with a majestic view of downtown Philadelphia in the near distance.

Walking on campus is like taking a trip back in time. The Ivy League university is full of green, aged beauty. Tall, ivy draped, senescent buildings house classrooms and dormitories. Statues and other sculpted art line the tree-covered walkways. Likenesses of Benjamin Franklin hold more than one place of remembrance as he silently reminds students and visitors that they are walking in the birthplace of America.

The 3 ½ day course is held in a 50-seat auditorium at the Wharton School. Attendees sit in raised tiers above the presenters, giving everyone an uninterrupted view. Five professors and one CIO efficiently offer the course material with style and grace as they take half-day turns conveying their passion for the subjects they teach.

Monday starts with Overview of Financial Assets, by Jeff Jaffe. This elementary segment introduces the attendees to stocks and bonds, stock indexes, explains volatility and the VIX, and covers different portfolio management styles: value, growth, quant, and indexers.

Professor Jaffe then turns to The Fundamentals of Portfolio Theory. Risk and an explanation of standard deviations begins this portion. Efficient asset selection and the foundation of Modern Portfolio Theory dominates this section. Areas emphasized are risk and diversity, with diversity being the key to reduce risk. Beta is carefully explained. The differences between time-weighted and dollar-weighted rates of return end the section and the first day.

Performance Evaluation, by Craig MacKinlay, begins the second day. Risk-Adjusted Measures, Manager Evaluation, and Strategy Evaluation are the topics Professor MacKinlay carefully explains. Total risk (standard deviation of return), he teaches, equals market risk (beta) plus non-market risk (tracking error). To accurately calculate these values, the Sharpe ratio, Treynor ratio, Alpha, and the Information ratio all need to be derived.

Benchmarks, how closely the manager follows them, and whether the benchmark is appropriate, are used to evaluate managers. Terms like Total Value Added, Value Added Style Weighting and Value Added Stock Selection are taught. Smart Beta is explained. Importantly, the criteria for manager selection, evaluation, and termination, as well as a “useful readings” list, complete the morning.

Tuesday afternoon is the most difficult section for most of the participants: Valuation. Professor Howard Kaufold does a stellar job with a complex subject. Calculating Present Value,

Future Value, Rates of Return, Bonds' Coupon Rates, and other valuations require some attention to fairly complex formulas. The material is challenging but well-presented.

Wednesday continues with Professor Gordon Bodnar discussing Macroeconomic Issues & Financial Markets. This fascinating topic covers issues like monetary policy, exchange rates, unemployment, GDP growth, deficits, spending, and taxes. How securities are priced is also presented, as well as the influence of the macroeconomy on security prices. Broad, interesting discussions about things that matter to everyone everyday are brought to light and encouraged by this professor. Of particular interest is the discussion, by Professor Kent Smetters, of the U.S debt in relation to major economies of the world and *their* respective debts. The Financial Crisis has wreaked havoc on the countries of the world, and it is interesting to receive a perspective on how severely the entire world has been affected by it and the struggles most nations will have for many years overcoming the financial burdens placed on them.

Wednesday concludes with a group project. The attendees are randomly selected into groups, which are broken out into small rooms throughout the building. A hypothetical case is discussed, using what the participants have learned throughout the course. Questions are answered and readied for the entire class to discuss on Thursday.

Thursday is a half day, ending with a 45-minute exam. Anxiety is palpable, as the attendees nervously ask questions about the exam. Rumors abound that no one will fail, and that no one has ever failed, but that doesn't satisfy many people. There are clearly some very high-achievers attending this event. Before the test can be given, Professor Geoff Gerber must cover some material related to Asset Allocation & Impacts of Risk on Return. Long and short term strategies and implementation, risk and asset allocation and how they impact returns, reducing volatility, and how investment managers can impact risk are explored before the class engages in a lively discussion of the hypothetical case that was prepared for the previous afternoon by the small groups.

The final exam consists of 5 short-answer questions, of which only 3 have to be answered. The questions are straightforward, uncomplicated, and quickly finished. The test-stress carried earlier by many of the students has been unjustified. The class is dismissed, and the attendees make their way to their various destinations.

Overall, the **IFEBP: Portfolio Concepts and Management** course is valuable to investment novices and intermediates and would even be useful to more knowledgeable members of the investment world, at least as a review. The days pass quickly, the speakers are engaging, and the campus and immediate area are attractive in that "college town" way. The weather in the spring is fantastic, and the overall experience is positive. Take note: Manhattan is only about an hour away by train, so if there is extra time, the Big Apple is available for enjoyment.

I highly recommend this experience to all of our Trustees and Staff.

# VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

1190 South Victoria Avenue, Suite 200  
Ventura, CA 93003-6572  
(805) 339-4250 • Fax: (805) 339-4269  
<http://www.ventura.org/vcera>

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June 15, 2015

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

**SUBJECT: SAVE THE DATE FOR BOARD OF RETIREMENT ANNUAL RETREAT,  
SEPTEMBER 16, 2015**

Dear Board Members:

Staff has tentatively scheduled this year's annual Board retreat for September 16<sup>th</sup>, 2015 at the Ventura Marriott. The schedule will run from 9 a.m. to 3 p.m., with lunch and continental breakfast provided.

The topics to be covered include governance and ethics with Ashley Dunning from Nossaman, review of VCERA's portfolio and asset allocation by Chief Investment Officer Dan Gallagher, and other topics and speakers to be determined.

Please plan on joining us on September 16<sup>th</sup>.

Sincerely,



Linda Webb  
Retirement Administrator

## Tortoise Capital Advisors Investment Committee and Closed-End Fund Officers Update

FOR IMMEDIATE RELEASE

**LEAWOOD, Kan.** – May 19, 2015 – Tortoise Capital Advisors today announced changes to its Investment Committee and closed-end fund officers, both to become effective June 30, 2015.

Tortoise will add the following four seasoned portfolio managers to the Investment Committee for its current products. Brian Kessens, James Mick, Matthew Sallee and Robert Thummel, all managing directors of Tortoise, serve in significant roles alongside the Investment Committee as part of Tortoise's portfolio management team, and this will formalize their roles. They will join current Investment Committee members Kevin Birzer, Zach Hamel, Terry Matlack and Ken Malvey. The Investment Committee will continue to provide investment strategy oversight to the portfolio team, who implements the strategy.

Also effective June 30, 2015, one of Tortoise's five founding managing directors Dave Schulte will leave Tortoise Capital Advisors to allow him to focus his efforts on Corridor InfraTrust Management LLC, which he co-founded in 2011. Mr. Schulte will retain an ownership interest in Tortoise, but will no longer serve on the Investment Committee.

Additionally, Tortoise announced the appointment of new officers for its registered closed-end funds, Tortoise Energy Infrastructure Corp. (TYG), Tortoise MLP Fund, Inc. (NTG), Tortoise Pipeline & Energy Fund, Inc. (TTP), Tortoise Power and Energy Infrastructure Fund, Inc. (TPZ) and Tortoise Energy Independence Fund, Inc. (NDP).

- Brad Adams, Managing Director at Tortoise will serve as Chief Executive Officer of each fund.
- Matthew Sallee, Managing Director and Portfolio Manager at Tortoise will serve as President of TYG and NTG.
- Brian Kessens, Managing Director and Portfolio Manager at Tortoise will serve as President of TTP and TPZ.
- Robert Thummel, Managing Director and Portfolio Manager at Tortoise will serve as President of NDP.
- Brent Behrens, Director, Financial Operations at Tortoise will serve as Principal Financial Officer and Treasurer of each fund.
- Shobana Gopal, Director, Tax at Tortoise will serve as Vice President of each fund.
- Nick Holmes, Vice President and Investment Analyst at Tortoise will serve as Vice President of TYG and NTG.
- Brett Jergens, Director and Investment Analyst at Tortoise will serve as Vice President of NDP.
- Diane Bono, Director and Chief Compliance Officer at Tortoise will serve as Secretary of each fund.
- Cameron Willcott, Compliance Associate at Tortoise will serve as Assistant Secretary of each fund.

"These changes are part of the natural progression of the company and align with the expansion of our leadership team," said CEO of Tortoise Capital Advisors and Investment Committee member Kevin Birzer. "We thank Dave for his leadership, inspiration and significant contributions to Tortoise. We wish him well as he continues developing the Corridor business," added Mr. Birzer. "It was an honor to be part of founding a company that opened up an asset class for a broader group of investors," said Dave Schulte. "I look forward to continuing that tradition with my colleagues at Corridor."

### About Tortoise Capital Advisors, L.L.C.

Tortoise Capital Advisors, L.L.C. is an investment manager specializing in actively-managed, listed energy investments. As of April 30, 2015, the adviser had approximately \$18.5 billion of assets under management in NYSE-listed closed-end investment companies, open-end funds and other accounts spanning the entire energy value chain. For more information, visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

### Forward-Looking Statement

This press release contains certain statements that may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, included herein are "forward-looking statements." Although the funds and Tortoise Capital Advisors believe that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Actual results could differ materially

from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in the funds' reports that are filed with the Securities and Exchange Commission. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Other than as required by law, the funds and Tortoise Capital Advisors do not assume a duty to update this forward-looking statement.

**Safe Harbor Statement**

This press release shall not constitute an offer to sell or a solicitation to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer or solicitation or sale would be unlawful prior to registration or qualification under the laws of such state or jurisdiction.

**Contact Information:**

Tortoise Capital Advisors, L.L.C.

Pam Kearney, Investor Relations, (866) 362-9331, [pkearney@tortoiseadvisors.com](mailto:pkearney@tortoiseadvisors.com)

###



## Summer Summit: Investment In A Changing World

Aspen Meadows Resort, 845 Meadows Road, Aspen CO, 81611

**August 18-21, 2015**

\*Speakers and sessions are subject to change. Additional sessions to be announced.

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### Tuesday, August 18

6:00 pm - 8:30 pm

Registration and Reception:

*Attire: Business Casual*

Welcoming comments:

**Philip Schaefer**, President, World Pension Forum

**Lauren Rosenthal**, Managing Director, World Pension Forum

### Wednesday, August 19

7:30 am

Breakfast:

Conference Session: *Attire: Business casual*

8:30

Keynote: **Kathleen Kennedy Townsend**, Founder, Center for Retirement Initiatives, Georgetown University

9:15

**What Will Demographic Changes Do To You Fund?**

Moderator:

**TBD**

Speakers:

**Scott Evans**, CIO, New York City Retirements

**William Clark**, CIO, Federal Reserve Employee Benefits

10:00	<b><u>Fiduciary Duty For Management And Trustees</u></b>
Moderator:	TBD
Speakers:	John Skjervem, CIO, Oregon State Treasury Harry Keiley, Board Member, CalSTRS
10:45	Morning Break
11:00	<b><u>Tools And Strategies To Meet Return Expectation. What Are The Risks?</u></b>
Moderator:	Chris Levell, Partner, NEPC
Speakers:	Truman Bradley, Manager of Strategy and Asset Allocation, CenturyLink Investment Management TBD
11:45	<b><u>GP And LP Dynamics In Private Equity</u></b>
Moderator	TBD
Speaker	Representative, Siguler Guff TBD
12:40 – 1:40	Lunch: Keynote: <b>Food Security</b> Dr. Roger Beachy, World Food Organization
1:45	<b><u>What If Anything, To Do About Black Swans</u></b>
Moderator:	TBD
Speakers:	Julia Bonafede, President, Wilshire Consulting
2:30	<b><u>Hedge Funds – New Structures And The Shifting Partnerships Between GP’s And LP’s</u></b>
Moderator	TBD
Speakers:	Melissa Santaniello, Founder of Alignment of Interest Association Dan Slack, Executive Director, Fire and Police Pension Association of Colorado
3:15	<b><u>End of Day 1 Sessions</u></b>
6:00	Dinner



Thursday, August 20

7:30 am

Breakfast

Conference Session:

*Attire: Business casual*

8:30

**Keynote: Ambassador Chris Hill**, Dean, Joseph School of International Studies, University of Denver, Four time Ambassador. Introduction by **Cameron Hawker** President of The Australian Institute of International Affairs, ACT Branch and former government advisor

9:15

**Global Perspective: India, Russia, China and Beyond**

Moderator

TBD

Speakers:

**Uday Khemka**, Vice Chairman of the SUN Group, Managing Trustee of the Khemka Foundation

**Dr. Minxin Pei**, Tom and Margot Pritzker '72 Prof. of Government, Director, Keck Center and George R. Roberts Felloe, Claremont Mckenna College

**Bill Browder**, CEO Hermitage Capital Management

10:00

**Energy Investments: Oil, Gas And Renewables. Opportunities From The Downturn In Oil Prices.**

Moderator:

TBD

Speakers:

**Representative**, Siguler Guff & Co

10:45 – 11:00

Morning Break

11:00

**What Is The Investable Impact Of Climate Change? Divestment Is Back, How Are Funds Dealing With It?**

Moderator:

TBD

Speakers:

**Harris Sherman**, Former Under Secretary for Natural Resources at USDA, Senior Counsel at Arnold & Porter

TBD

TBD

11:45	<b><u>Infrastructure – More Talk Than Action- Will The Desire For US PPPs Be Realized?</u></b>
Speakers:	TBD
12:30	Lunch
1:30	<b><u>Emerging Market Opportunities And Risks</u></b>
Moderator:	TBD
Speakers:	TBD
2:30	<b><u>Summary Of Panels</u></b>
Chair:	TBC
	A roundtable discussion summing up the days discussion and reflecting on how to put into action what has been learned
4:00	<b>Conclusion Of Day 2 Sessions</b>
6:00	<b>Dinner Reception</b>
	Conclusion of Event



# MLP Investor Conference | 2015

## DATE

Wednesday – Thursday, September 16 – 17, 2015

## VENUE

### Four Seasons Hotel, Houston

1300 Lamar Street  
Houston, TX 77010  
800.734.4114

**Attendees will be responsible for their transportation and hotel accommodations. There is no conference fee for attendees.**

**Note:** When booking, please mention the Chickasaw Capital Management block of rooms at a rate of \$245 per night.

To book by phone: 800.734.4114

**Note:** You *must* indicate group affiliation at the time of making the reservation in order to obtain the group rate (“Chickasaw Capital – MLP Conference”).

### **To book online:**

Four Season’s Hotel – MLP Investor Relations Conference Booking

## ATTIRE

Business Casual

## AGENDA

### Wednesday, September 16, 2015

**12:00p – 1:00p** Lunch  
**12:30p – 1:00p** Opening Comments: Chickasaw Capital Management  
**1:00p – 5:00p** Presentations from:  
– Chickasaw Capital Management  
– Presentations for Portfolio Companies Management Teams  
– Roundtable discussion: Where do MLPs fit into my asset allocation?  
**3:15p – 3:30p** Break  
**6:00p – 9:00p** Reception & Dinner: Four Seasons Hotel Houston  
Presentation from:  
Greg L. Armstrong, CEO  
Plains All American Pipeline, LP

### Thursday, September 17, 2015

**Site Visit:** Enterprise Products Partners, LP  
Mont Belvieu, TX Fractionation Complex  
**8:30a** Leave downtown Houston  
**9:00a – 11:00a** Tour/Info  
**1:00p** Arrive back at hotel. Bus transportation will be provided to IAH, following hotel stop.

## RSVP

**To RSVP for this event,** please [click here](#). For more information, please email [info@chickasawcap.com](mailto:info@chickasawcap.com) or phone 800.743.5410.