

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

September 19, 2016

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:

	Master Page No.
I. <u>CALL TO ORDER</u>	
II. <u>APPROVAL OF AGENDA</u>	1 – 5
III. <u>CONSENT AGENDA</u>	
A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of July 2016	6 – 7
B. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of August 2016	8 – 9
C. Receive and File Report of Checks Disbursed in July 2016	10 – 13
D. Receive and File Report of Checks Disbursed in August 2016	14 – 17
E. Receive and File Budget Summary for FY 2015-16 Month Ending June 30, 2016 (Final)	18
F. Receive and File Budget Summary for FY 2016-17 Month Ending July 31, 2016	19

III. CONSENT AGENDA (continued)

- | | | |
|----|--|---------|
| G. | Receive and File Budget Summary for FY 2016-17 Month Ending August 31, 2016 | 20 |
| H. | Statement of Reserves as of June 30, 2016 | 21 |
| I. | Receive and File Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position, Schedule of Investment Management Fees, and Schedule of Investments and Cash Equivalents for the Period Ending June 30, 2016 | 22 – 27 |
| J. | Receive and File Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position, and Schedule of Investments and Cash Equivalents for the Period Ending July 31, 2016 | 28 – 31 |

IV. INVESTMENT MANAGER PRESENTATIONS

- | | | |
|----|--|---------|
| A. | Receive Annual Investment Presentation from Loomis Sayles, Stephanie S. Lord | 32 – 58 |
|----|--|---------|

V. INVESTMENT INFORMATION

- | | | |
|----|--|-----------|
| A. | NEPC – Dan LeBeau
VCERA – Dan Gallagher, Chief Investment Officer | |
| 1. | NEPC: Investment Performance Analysis for Period Ending June 30, 2016 | 59 – 132 |
| 2. | NEPC: Preliminary Performance Report Month Ending July 31, 2016 | 133 – 141 |
| 3. | NEPC: : Preliminary Performance Report Month Ending August 31, 2016 | 142 – 150 |
| 4. | NEPC: Sprucegrove Net Investment Gains Follow Up
RECOMMENDED ACTION: Receive and file. | 151 – 152 |
| 5. | NEPC: GMO Net Investment Gains Follow Up
RECOMMENDED ACTION: Receive and file. | 153 – 156 |
| 6. | NEPC: GMO Follow Up
RECOMMENDED ACTION: Receive and file. | 157 – 158 |

VI. OLD BUSINESS

- A. Update on Request to the County of Ventura for Publicly-Available Pay Schedule Requirement Market-Based Premium Payments for Pensionability
 - 1. Staff Letter 159 – 161
 - 2. County of Ventura Responses to Board of Retirement Request
 - a. May 9, 2016 Response
 - i. MBPP Item List 162
 - ii. Earnings Code Matrix 163 – 169
 - b. June 6, 2016 Response
 - i. Letter from County HR Director Atin 170
 - ii. Job Class Eligibility Listing for MBPP 171
 - c. June 30, 2016 Response
 - i. Letter from County HR Director Atin 172 – 173
 - ii. List of Employees 174 – 177
 - 3. VCERA Staff Response to Letter from County HR Director Atin dated June 30, 2016 178 – 181
 - 4. County HR Director Atin Letter dated August 22, 2016 182 – 183
- B. Reconsideration and Possible Action to Adopt Revision to Section 1302 of the Ventura County Employees' Retirement Association Management Employees Resolution
 - 1. Section 1302 of the Ventura County Employees' Retirement Association Management Resolution 184
 - 2. Confidential Attorney-Client Privileged Memorandum to the Board of Retirement (not posted in the public agenda materials)

VI. **OLD BUSINESS** (continued)

- C. Further Consideration of Recommendations Re:
Appointments to Positions of VCERA General Counsel, Chief
Financial Officer and Chief Operations Officer
1. Memorandum from Board Chair Tracy Towner and Board Designated Labor Negotiator 185 – 186
 2. Exhibit I of the VCERA Management Resolution (Redline) 187

VII. **NEW BUSINESS**

- A. 2016/17 Business Plan
RECOMMENDED ACTION: Approve.
1. Staff Letter
Materials to be provided
 2. Proposed 2016/17 Business Plan
Materials to be provided
- B. Recommendation to Approve Payment for Waiver of Recourse, Fiduciary Liability Insurance, FY 2015/2016.
RECOMMENDED ACTION: Approve.
1. Staff Letter 188 – 189
 2. Binder of Insurance 190 – 191
- C. Appointment of SACRS Voting Proxy for Fall 2016 Conference
1. Staff Letter 192
- D. Request from Trustee Johnston to Attend NCPERS Public & Safety Employees' Pension & Benefits Conference and pre-Conference Fiduciary Program October 22 – 26, 2016, Las Vegas, NV
1. Staff Letter 193
 2. Conference Agenda 194 – 202
- E. Report on Due Diligence Visit to Sprucegrove Submitted by CIO Dan Gallagher
Materials to be provided

VII. **NEW BUSINESS (continued)**

- F. Report on Due Diligence Visit to Hexavest Submitted by CIO
Dan Gallagher
Materials to be provided

VIII. **CLOSED SESSION**

A. **CONFERENCE WITH LABOR NEGOTIATORS,
GOVT. CODE SECTION 54957.6**

Agency Designated Representatives:
Tracy Towner
Ashley Dunning of Nossaman LLP

Prospective Unrepresented VCERA Employees:
Retirement Chief Financial Officer
Retirement General Counsel
Retirement Chief Operations Officer

IX. **INFORMATIONAL**

- | | |
|---|-----------|
| A. SACRS Fall Conference Agenda, November 8-11, 2016,
Indian Wells, CA | 203 – 205 |
| B. Article from The Economist, False Hope | 206 |
| C. CALAPRS Trustees Roundtable, September 30, 2016,
Burbank, CA | 207 |
| D. Letter from MCERA, dated August 25, 2016 | 208 |
| E. CALAPRS Intermediate Course in Retirement Plan
Administration, October 5 – 7, 2016, Burbank | 209 |
| F. Article from P & I, Between a Rock and a Hard Place | 210 – 212 |

X. **PUBLIC COMMENT**

XI. **STAFF COMMENT**

XII. **BOARD MEMBER COMMENT**

XIII. **ADJOURNMENT**

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

JULY 2016

FIRST NAME	LAST NAME	G/S	DATE OF MEMBERSHIP	TOTAL SERVICE	OTHER SERVICE	DEPARTMENT	EFFECTIVE DATE
REGULAR RETIREMENTS:							
Glenda Ben	Adams-Callwood Castaniero	G	12/18/2005 1/1/1984	8.09 3.96 *	C=0.9167 C=24.3029	Health Care Agency Sheriff's Department (deferred)	06/15/16 04/04/16
Deborah	Chilano	G	11/15/1998	6.91		Human Services Agency (deferred)	06/08/16
Melanie M.	Eaton	S	3/7/1999	17.24		Probation Agency	06/03/16
Judith A.	Evans	S	3/15/2005	4.30		Airports (non-member spouse, deferred)	03/01/16
Adolph A.	Finley	S	12/19/1993	12.41		Sheriff's Department	06/06/16
Charles G.	Fleming	G	4/22/2007	12.18	A=3.21320	Retirement Agency	06/22/16
Flora Y.	Gomez	G	4/29/2002	12.92		Human Services Agency	05/26/16
Linda Beth	Henderson	G	7/23/2001	14.25		Human Services Agency	06/03/16
David	Herzog	G	11/15/1998	15.33		Health Care Agency (deferred)	06/06/16
Deanna	Keller	G	10/19/2008	7.14	A=2.3119	Public Works (deferred)	07/02/16
Meredyth A.	Leafman	G	1/25/1998	18.51	B=0.11070	Health Care Agency	06/18/16
James R.	McDevitt	G	8/20/2006	1.89		Health Care Agency (deferred)	06/06/16
Natacha L.	McFarland	S	3/22/2016	4.93		Sheriff's Department (non-member spouse, deferred)	03/19/16
Kiyoshi R.	Nagasawa	G	4/28/1991	25.11		Health Care Agency	06/04/16
MaryEllen	Parker	G	4/11/1993	23.31	B=0.11510	Child Support Services	06/18/16
William	Pretzman	G	5/2/1979	37.03		Health Care Agency	06/01/16
Ramakrishna	Ram	G	9/19/1988	0.84 *	C=10.0010	Health Care Agency (deferred)	06/04/12
Cheryl A.	Rice	G	6/13/1999	13.75		Human Services Agency	04/22/15
Rosario	Rodriguez	G	1/20/1980	28.44		Health Care Agency	06/18/16
Laurie J.	Simons	G	3/20/1988	27.37		Courts	04/30/16
David C.	Thomas	G	3/6/2000	19.88	D=3.74620	Resource Management Agency	05/07/16
Donna W.	Thonis	G	4/13/1980	29.10	B=0.09590	District Attorney	06/18/16
Janice E.	Turner	G	1/3/1982	33.68	B=0.11340	Public Works Agency	06/04/16
Marhta A.	Villa	S	9/14/1980	33.60	B=0.09590	Probation Agency	06/04/16
Patricia A.	Whitehead	G	5/6/2002	13.97		Health Care Agency	06/17/16
Lisa L.	Wyckoff	G	1/13/1985	31.58		Health Care Agency	06/21/16

DEFERRED RETIREMENTS:

Chris	Abbott	G	04/10/1994	21.99		Animal Services	06/21/16
Maria S.	Cervantes	G	09/23/2007	8.34		Superior Court	7/9/2016
Tia Marie	Cochran-Otis	G	04/23/2006	9.66		Health Care Agency	07/06/2016
Chris	Goad	G	01/10/2010	5.51		Health Care Agency	06/02/2016

SURVIVORS' CONTINUANCES:

Gypsy D.	Backman
Marion	Beautrow
Karen L.	Cardozo
Shirley	Cornell

Craig	Duncan
Robert	Givan
Donna	McMakin
Larry L.	North
Cynthia S.	Stevens
Anallia	Vasquez

<p>* = Member Establishing Reciprocity</p> <p>A = Previous Membership</p> <p>B = Other County Service (eg Extra Help)</p> <p>C = Reciprocal Service</p> <p>D = Public Service</p>
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VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
REPORT OF REGULAR AND DEFERRED RETIREMENTS AND SURVIVORS CONTINUANCES

August 2016

FIRST NAME	LAST NAME	G/S	DATE OF MEMBERSHIP	TOTAL SERVICE	OTHER SERVICE	DEPARTMENT	EFFECTIVE DATE
REGULAR RETIREMENTS:							
Maureen A.	Basile	S	8/14/1989	30.56 *	C=0.1533 D=3.82100	Fire Protection District	07/03/16
Christine	Basua	G	10/13/1991	23.32		Human Services Agency	07/16/16
Gloria R.	Cardona	G	8/9/1987	28.39 *	C=3.3960	Sheriff's Department	07/05/16
Alicia	Castaniero	G	2/14/2012	3.95		Sheriff's Department (Non Member Spouse, deferred)	07/01/16
Kathryn A.	Connell	G	4/15/1990	26.31 *	C=0.6870	Public Works Agency	07/30/16
Valerie K.	Covert	G	6/27/1999	16.63		Health Care Agency	07/02/16
Linda J.	D'Ambra	G	7/2/1995	7.11		Sheriff's Department (deferred)	07/18/16
Roger H.	De Wames	S	12/30/1984	31.51		Sheriff's Department	07/08/16
Lowell	Edgar	S	11/28/1988	30.64	D=3.00	Fire Protection District	07/17/16
Kathleen A.	Favre-Felix	G	1/5/2004	9.49		Health Care Agency (deferred)	07/19/16
Judith M.	Gocke	S	9/15/1985	32.14	D=2.3312	Sheriff's Department	07/22/16
Gloria C.	Gonzalez	G	5/23/2004	12.09		Health Care Agency	08/01/16
John M.	Hinojosa	G	7/16/2006	9.14		Human Services Agency (deferred)	07/30/16
Mark A.	Huffman	G	3/5/1989	27.43		Information Services Department	07/30/16
Steven D.	Jacobsen	G	7/16/2006	8.44	D=1.67220	Human Services Agency (deferred)	07/16/16
Kathy	Jarrid	G	5/18/1998	20.28 *	C=4.6762 D=2.19330	Human Services Agency	07/01/16
Stanely E.	Jensen	G	9/10/2007	12.06 *	C=2.2100 D=3.68040	Regional Sanitation District	07/16/16
Michael R.	Lambert	G	8/4/1984	15.19 *	C=16.8610	Regional Sanitation District (deferred)	07/01/16
Susan E.	Luckey	G	1/20/1991	25.42		Health Care Agency	07/02/16
James M.	MacDonald	G	11/1/1998	22.56	D=5.0000	Resource Management Agency	07/05/16
Barry M.	Marczuk	G	6/6/1982	33.97 *	B=0.11510 C=0.8800	Resource Management Agency (deferred)	07/06/16
Steven D.	Mayorga	S	7/8/1990	26.05 *	C=6.6260	Sheriff's Department	07/15/16
Patrick J.	McKinley	G	6/18/2006	8.73		Health Care Agency (deferred)	07/30/16
Ceferino C.	Munoz	G	8/7/2006	6.69		Public Works Agency (deferred)	08/07/16
Carol Jean	Pearson	G	7/16/2016	14.73		Health Care Agency	07/16/16
Anna E.	Pena	G	2/24/2003	6.88		Treasurer - Tax Collector (deferred)	07/05/16
Brenda J.	Perry	G	12/11/1988	27.49	B=0.1154	Animal Regulation	06/01/16
Deborah L.	Robertson	G	6/30/1985	30.13	B=0.65880	Health Care Agency	07/16/16
Michael C.	Schmidt	G	11/25/1990	28.72	B=0.10800 D=3.0000	Health Care Agency	07/02/16
Cindy	Singer	G	8/4/1991	24.56		Health Care Agency	07/01/16
David A.	Smith	S	2/14/1982	11.83 *	C=22.6580	Sheriff's Department (deferred)	07/05/16

Robert E.	Stanley	G	11/29/1999	15.53	Public Works Agency (deferred)	07/10/16
Katherine C.	Turnbull	G	6/25/2006	10.05	Fire Protection District	07/17/16

DEFERRED RETIREMENTS:

Alysa	Azimov	G	02/22/2011	5.47	Health Care Agency	08/11/2016
Wayne	Carpenter	G	03/19/2001	20.10	Health Care Agency	08/06/2016
Christopher	Domasin	G	03/21/2010	6.27	Health Care Agency	08/06/2016
Carolyn	Kaneko	G	02/19/2013	3.43	C=12.5356 Health Care Agency	07/22/2016
Albert L.	Sexton	G	06/13/1999	15.01	Public Works Agency	08/05/2016

SURVIVORS' CONTINUANCES:

Claire E.	Bifano
Melvin	Greenblatt
Sheriyn S.	Jarosz
Linda A.	Jochim
June W.	Lovell
Elizabeth	Mumford
Rita K.	Peacock
Betty	Taylor

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

Date: Thursday, August 04, 2016
 Time: 02:04PM
 User: 103745

Ventura County Retirement Assn
Check Register - Standard
 Period: 01-17 As of: 8/4/2016

Page: 1 of 4
 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
Company: VCERA										
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026558	CK	7/1/2016	ALLIANT ALLIANT INSURANCE SERVIC	01-17	021408	VO	ADMIN EXP	7/1/2016	0.00	84,588.00
026559	CK	7/1/2016	EDD EMPLOYMENT DEVELOPMEN	01-17	021409	VO	ADMIN EXP	7/1/2016	0.00	90,362.09
026560	CK	7/13/2016	102661 LORI NEMIROFF	01-17	021410	VO	TRAVEL REIMB	7/13/2016	0.00	1,454.89
026561	CK	7/13/2016	100748 CHRIS JOHNSTON	01-17	021411	VO	TRAVEL REIMB	7/13/2016	0.00	2,036.94
026562	CK	7/13/2016	BARNEY A.B.U. COURT REPORTING, II	01-17	021412	VO	ADMIN EXP	7/13/2016	0.00	630.00
026563	CK	7/13/2016	BROWN BROWN ARMSTRONG	01-17	021413	VO	ADMIN EXP	7/13/2016	0.00	912.50
026564	CK	7/13/2016	CALAPRS CALAPRS	01-17	021414	VO	ADMIN EXP	7/13/2016	0.00	1,000.00
026565	CK	7/13/2016	BOE BOARD OF EQUALIZATION	01-17	01-17 021415	VO	ADMIN EXP	7/13/2016	0.00	36.00
026565	VC	7/13/2016	BOE BOARD OF EQUALIZATION	01-17	01-17 021415	VO	ADMIN EXP	7/13/2016	0.00	-36.00
026566	CK	7/13/2016	CMP CMP & ASSOCIATES, INC	01-17	021416	VO	IT	7/13/2016	0.00	3,780.00
026567	CK	7/13/2016	MEGAPATH GLOBAL CAPACITY	01-17	021417	VO	IT/PAS	7/13/2016	0.00	603.63
026568	CK	7/13/2016	HANSONBRID HANSON BRIDGETT LLP	01-17	021418	VO	LEGAL FEES	7/13/2016	0.00	2,950.65
026569	CK	7/13/2016	HARRIS HARRIS WATER CONDITIONII	01-17	021419	VO	ADMIN EXP	7/13/2016	0.00	144.50
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Date: Thursday, August 04, 2016
 Time: 02:04PM
 User: 103745

Ventura County Retirement Assn
Check Register - Standard
 Period: 01-17 As of: 8/4/2016

Page: 2 of 4
 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	
026570	CK	7/13/2016	CORPORATE STAPLES ADVANTAGE	01-17	021420	VO	ADMIN EXP	7/13/2016	0.00	395.98	
026571	CK	7/13/2016	TWC TIME WARNER CABLE	01-17	021421	VO	IT	7/13/2016	0.00	294.99	
026572	CK	7/13/2016	VITECH VITECH SYSTEMS GROUP, IN	01-17	021422	VO	PAS	7/13/2016	0.00	1,475.00	
026573	CK	7/13/2016	VOLT VOLT	01-17	021423	VO	ADMIN EXP	7/13/2016	0.00	1,358.07	
026574	CK	7/13/2016	VSG VSG HOSTING, INC	01-17	021424	VO	PAS	7/13/2016	0.00	19,500.00	
026575	ZC	7/20/2016	BOE BOARD OF EQUALIZATION	01-17	01-17	021415	VO	ADMIN EXP	7/13/2016	0.00	36.00
026575	ZC	7/20/2016	BOE BOARD OF EQUALIZATION	01-17	01-17	021425	AD	CANCEL	7/13/2016	0.00	-36.00
Check Total										0.00	
026576	CK	7/20/2016	124968 DAN GALLAGHER	01-17	021426	VO	TRAVEL REIMB	7/20/2016	0.00	469.15	
026577	CK	7/20/2016	990008 ROBERT BIANCHI	01-17	021427	VO	MILEAGE REIMB	7/20/2016	0.00	145.80	
026578	CK	7/20/2016	ACCESS ACCESS INFORMATION MAN.	01-17	021428	VO	ADMIN EXP	7/20/2016	0.00	317.58	
026579	CK	7/20/2016	AT&T AT&T MOBILITY	01-17	021429	VO	IT	7/20/2016	0.00	428.88	
026580	CK	7/20/2016	BOFA BUSINESS CARD	01-17	021430	VO	ADMIN/PAS/IT	7/20/2016	0.00	1,061.89	
026581	CK	7/20/2016	COUNTY COUNTY COUNSEL	01-17	01-17	021431	VO	LEGAL FEES	7/20/2016	0.00	547.25
026581	VC	7/21/2016	COUNTY COUNTY COUNSEL	01-17	01-17	021431	VO	LEGAL FEES	7/20/2016	0.00	-547.25
Check Total										0.00	

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Page: 3 of 4
 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
026582	CK	7/20/2016	HEXAVEST HEXAVEST INC	01-17	021432	VO	INVESTMENT FEES	7/20/2016	0.00	90,531.83
026583	CK	7/20/2016	REAMS REAMS ASSET MANAGEMEN	01-17	021433	VO	INVESTMENT FEES	7/20/2016	0.00	130,876.00
026584	CK	7/20/2016	SEGAL SEGAL CONSULTING	01-17	021434	VO	ACTUARY FEES	7/20/2016	0.00	17,000.00
026585	CK	7/20/2016	SHRED-IT SHRED-IT USA LLC	01-17	021435	VO	ADMIN EXP	7/20/2016	0.00	134.40
026586	CK	7/20/2016	CORPORATE STAPLES ADVANTAGE	01-17	021436	VO	ADMIN EXP	7/20/2016	0.00	1,043.17
026587	CK	7/20/2016	WALTER BNY MELLON INV MGMNT CA	01-17	021437	VO	INVESTMENT FEES	7/20/2016	0.00	208,589.99
026588	CK	7/20/2016	990002 ARTHUR E. GOULET	01-17	021438	VO	TRAVEL REIMB	7/20/2016	0.00	251.83
026589	ZC	7/21/2016	COUNTY COUNTY COUNSEL	01-17	01-17 021431	VO	LEGAL FEES	7/20/2016	0.00	547.25
026589	ZC	7/21/2016	COUNTY COUNTY COUNSEL	01-17	01-17 021439	AD	CANCEL	7/21/2016	0.00	-547.25
Check Total										0.00
026590	CK	7/27/2016	990004 WILL HOAG	01-17	021440	VO	TRAVEL REIMB	7/27/2016	0.00	1,982.69
026591	CK	7/27/2016	COUNTY COUNTY COUNSEL	01-17	021441	VO	LEGAL FEES	7/27/2016	0.00	547.25
026592	CK	7/27/2016	BOE BOARD OF EQUALIZATION	01-17	021442	VO	ADMIN EXP	7/27/2016	0.00	53.00
026593	CK	7/27/2016	FEDEX FEDEX	01-17	021443	VO	ADMIN EXP	7/27/2016	0.00	97.84
026594	CK	7/27/2016	LINEA LINEA SOLUTIONS	01-17	021444	VO	ADMIN/PAS/IT	7/27/2016	0.00	65,574.04

Date: Thursday, August 04, 2016
 Time: 02:04PM
 User: 103745

Ventura County Retirement Assn
Check Register - Standard
 Period: 01-17 As of: 8/4/2016

Page: 4 of 4
 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
026595	CK	7/27/2016	LOOMIS LOOMIS, SAYLES & CO., LP	01-17	021445	VO	INVESTMENT FEES	7/27/2016	0.00	116,135.74
026596	CK	7/27/2016	MF M.F. DAILY CORPORATION	01-17	021446	VO	ADMIN EXP	7/27/2016	0.00	16,993.10
026597	CK	7/27/2016	SACRS SACRS	01-17	021447	VO	ADMIN EXP	7/27/2016	0.00	4,000.00
026598	CK	7/27/2016	TRI TRI COUNTY OFFICE FURNIT	01-17	021448	VO	ADMIN EXP	7/27/2016	0.00	22,429.89
026599	CK	7/27/2016	VITECH VITECH SYSTEMS GROUP, IN	01-17	021449	VO	PAS	7/27/2016	0.00	2,500.00
026600	CK	7/27/2016	VOLT VOLT	01-17	021450	VO	ADMIN EXP	7/27/2016	0.00	3,230.21

Check Count: 45

Acct Sub Total: 895,881.52

Check Type	Count	Amount Paid
Regular	41	896,464.77
Hand	0	0.00
Electronic Payment	0	0.00
Void	2	-583.25
Stub	0	0.00
Zero	2	0.00
Mask	0	0.00
Total:	45	895,881.52

Company Disc Total 0.00 Company Total 895,881.52

Date: Thursday, September 01, 2016
 Time: 02:25PM
 User: 103745

Ventura County Retirement Assn
Check Register - Standard
 Period: 02-17 As of: 9/1/2016

Page: 1 of 4
 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
Company: VCERA										
Acct / Sub:	1002		00							
026601	CK	8/3/2016	104238 TRACY TOWNER	02-17	021451	VO	TRAVEL REIMB	8/3/2016	0.00	1,969.03
026602	CK	8/3/2016	107678 DOUGLAS ARNETT	02-17	021452	VO	REIMBURSEMENT	8/3/2016	0.00	2,000.00
026603	CK	8/3/2016	BARNEY A.B.U. COURT REPORTING, II	02-17	021453	VO	ADMIN EXP	8/3/2016	0.00	315.00
026604	CK	8/3/2016	NOSSAMAN NOSSAMAN LLP	02-17	021454	VO	LEGAL FEES	8/3/2016	0.00	10,089.30
026605	CK	8/3/2016	HANSONBRID HANSON BRIDGETT LLP	02-17	021455	VO	LEGAL FEES	8/3/2016	0.00	2,014.16
026606	CK	8/3/2016	PEREA KENNETH A. PEREA	02-17	021456	VO	ADMIN EXP	8/3/2016	0.00	875.00
026607	CK	8/3/2016	OPERS PUBLIC PENSION FINANCIAL	02-17	021457	VO	ADMIN EXP	8/3/2016	0.00	400.00
026608	CK	8/3/2016	COUNTY COUNTY COUNSEL	02-17	021458	VO	LEGAL FEES	8/3/2016	0.00	24,178.50
026609	CK	8/3/2016	VITECH VITECH SYSTEMS GROUP, IN	02-17	021459	VO	ADMIN EXP	8/3/2016	0.00	2,190.00
026610	CK	8/3/2016	VOLT VOLT	02-17	021460	VO	ADMIN EXP	8/3/2016	0.00	2,208.68
026611	CK	8/10/2016	101602 HENRY SOLIS	02-17	021461	VO	REIMBURSEMENT	8/10/2016	0.00	200.00
026612	CK	8/10/2016	HARRIS HARRIS WATER CONDITIONII	02-17	021462	VO	ADMIN EXP	8/10/2016	0.00	129.50
026613	CK	8/10/2016	MEGAPATH GLOBAL CAPACITY	02-17	021463	VO	IT/PAS	8/10/2016	0.00	603.63

Date: Thursday, September 01, 2016
 Time: 02:25PM
 User: 103745

Ventura County Retirement Assn
Check Register - Standard
 Period: 02-17 As of: 9/1/2016

Page: 2 of 4
 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
026614	CK	8/10/2016	GFOA GOVERNMENT FINANCE	02-17	021464	VO	ADMIN EXP	8/10/2016	0.00	50.00
026615	CK	8/10/2016	PRUDENTIAL PRUDENTIAL INSURANCE	02-17	021465	VO	INVESTMENT FEES	8/10/2016	0.00	218,290.44
026616	CK	8/10/2016	SPRUCE SPRUCEGROVE INVESTMEN	02-17	021466	VO	INVESTMENT FEES	8/10/2016	0.00	54,018.20
026617	CK	8/10/2016	TOWERS TOWERS WATSON DELAWAF	02-17	021467	VO	ADMIN EXP	8/10/2016	0.00	16,163.99
026618	CK	8/10/2016	WEST WEST COAST AIR CONDITIO	02-17	021468	VO	IT	8/10/2016	0.00	75.00
026619	CK	8/10/2016	VSG VSG HOSTING, INC	02-17	021469	VO	PAS	8/10/2016	0.00	19,500.00
026620	CK	8/17/2016	ACCESS ACCESS INFORMATION MAN	02-17	021470	VO	ADMIN EXP	8/17/2016	0.00	321.03
026621	CK	8/17/2016	AT&T AT&T MOBILITY	02-17	021471	VO	IT	8/17/2016	0.00	339.88
026622	CK	8/17/2016	FEDEX FEDEX	02-17	021472	VO	ADMIN EXP	8/17/2016	0.00	115.07
026623	CK	8/17/2016	CLIFTON PARAMETRIC PORTFOLIO AS	02-17	021473	VO	INVESTMENT FEES	8/17/2016	0.00	45,511.00
026624	CK	8/17/2016	SHRED-IT SHRED-IT USA LLC	02-17	021474	VO	ADMIN EXP	8/17/2016	0.00	134.40
026625	CK	8/17/2016	TWC TIME WARNER CABLE	02-17	021475	VO	IT	8/17/2016	0.00	294.99
026626	CK	8/17/2016	VITECH VITECH SYSTEMS GROUP, IN	02-17	021476	VO	PAS	8/17/2016	0.00	2,008.86

Date: Thursday, September 01, 2016
 Time: 02:25PM
 User: 103745

Ventura County Retirement Assn
Check Register - Standard
 Period: 02-17 As of: 9/1/2016

Page: 3 of 4
 Report: 03630.rpt
 Company: VCERA

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period		Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
				To Post	Closed						
026627	CK	8/17/2016	VOLT VOLT	02-17		021477	VO	ADMIN EXP	8/17/2016	0.00	2,374.37
026628	CK	8/24/2016	104238 TRACY TOWNER	02-17		021478	VO	TRAVEL REIMB	8/24/2016	0.00	558.76
026629	CK	8/24/2016	BOFA BUSINESS CARD	02-17		021479	VO	ADMIN EXP	8/24/2016	0.00	1,710.91
026630	CK	8/24/2016	BROWN BROWN ARMSTRONG	02-17		021480	VO	ADMIN EXP	8/24/2016	0.00	1,652.85
026631	CK	8/24/2016	COUNTY COUNTY COUNSEL	02-17		021481	VO	LEGAL FEES	8/24/2016	0.00	20,708.90
026632	CK	8/24/2016	EDD EMPLOYMENT DEVELOPMEN	02-17		021482	VO	ADMIN EXP	8/24/2016	0.00	118.49
026633	CK	8/24/2016	LINEA LINEA SOLUTIONS	02-17		021483	VO	IT/PAS	8/24/2016	0.00	59,298.75
026634	CK	8/24/2016	MF M.F. DAILY CORPORATION	02-17		021484	VO	ADMIN EXP	8/24/2016	0.00	16,935.44
026635	CK	8/24/2016	SEGAL SEGAL CONSULTING	02-17		021485	VO	ACTUARY FEES	8/24/2016	0.00	14,771.00
026636	CK	8/24/2016	CORPORATE STAPLES ADVANTAGE	02-17		021486	VO	ADMIN EXP	8/24/2016	0.00	201.62
026637	CK	8/24/2016	VITECH VITECH SYSTEMS GROUP, IN	02-17		021487	VO	PAS	8/24/2016	0.00	75,000.00
026638	CK	8/31/2016	ADP ADP, LLC	02-17		021488	VO	ADMIN EXP	8/31/2016	0.00	2,617.13
026639	CK	8/31/2016	CLONINGER JAMES P. CLONINGER	02-17		021489	VO	ADMIN EXP	8/31/2016	0.00	875.00
026640	CK	8/31/2016	HANSONBRID HANSON BRIDGETT LLP	02-17		021490	VO	LEGAL FEES	8/31/2016	0.00	486.45

Date: Thursday, September 01, 2016
 Time: 02:25PM
 User: 103745

Ventura County Retirement Assn
Check Register - Standard
 Period: 02-17 As of: 9/1/2016

Page: 4 of 4
 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
026641	CK	8/31/2016	NOSSAMAN NOSSAMAN LLP	02-17	021491	VO	LEGAL FEES	8/31/2016	0.00	60,000.00
026641	CK	8/31/2016	NOSSAMAN NOSSAMAN LLP	02-17	021495	VO	LEGAL FEES	8/31/2016	0.00	19,950.30
									Check Total	79,950.30
026642	CK	8/31/2016	STATE STATE STREET BANK AND TI	02-17	021492	VO	INVESTMENT FEES	8/31/2016	0.00	81,605.99
026643	CK	8/31/2016	TORTOISE TORTOISE CAPITAL ADVISOF	02-17	021493	VO	INVESTMENT FEES	8/31/2016	0.00	181,028.09
026644	CK	8/31/2016	VOLT VOLT	02-17	021494	VO	ADMIN EXP	8/31/2016	0.00	1,766.85

Check Count: 44

Acct Sub Total: 945,656.56

Check Type	Count	Amount Paid
Regular	44	945,656.56
Hand	0	0.00
Electronic Payment	0	0.00
Void	0	0.00
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
Total:	44	945,656.56

Company Disc Total	0.00	Company Total	945,656.56
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VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BUDGET SUMMARY FISCAL YEAR 2015-2016
June 2016 (FINAL) - 100% of Fiscal Year Expended

EXPENDITURE DESCRIPTIONS	Adopted 2015/2016 Budget	Adjusted 2015/2016 Budget	Jun-16	Accruals	Year to Date Expended	Available Balance	Percent Expended
Salaries & Benefits:							
Salaries	\$ 2,322,000.00	\$ 2,322,000.00	\$ 242,513.86	\$ -	\$ 2,158,965.07	\$ 163,034.93	92.98%
Extra-Help	50,000.00	50,000.00	12,334.59	10,282.11	99,336.57	(49,336.57)	198.67%
Overtime	3,000.00	3,000.00	0.00	0.00	101.99	2,898.01	3.40%
Supplemental Payments	70,800.00	70,800.00	7,023.54	0.00	63,171.12	7,628.88	89.22%
Vacation Redemption	111,400.00	111,400.00	0.00	0.00	73,555.39	37,844.61	66.03%
Retirement Contributions	427,700.00	427,700.00	44,397.28	0.00	397,334.97	30,365.03	92.90%
OASDI Contributions	139,800.00	139,800.00	15,174.67	0.00	131,296.70	8,503.30	93.92%
FICA-Medicare	36,400.00	36,400.00	3,548.95	0.00	32,757.20	3,642.80	89.99%
Retiree Health Benefit	8,700.00	8,700.00	794.15	0.00	9,830.10	(1,130.10)	112.99%
Group Health Insurance	201,000.00	201,000.00	20,364.53	0.00	186,883.44	14,116.56	92.98%
Life Insurance/Mgmt	1,100.00	1,100.00	118.56	0.00	1,104.05	(4.05)	100.37%
Unemployment Insurance	2,900.00	2,900.00	293.21	0.00	2,617.26	282.74	90.25%
Management Disability Insurance	18,000.00	18,000.00	1,704.88	0.00	17,336.48	663.52	96.31%
Worker' Compensation Insurance	18,700.00	18,700.00	1,852.06	0.00	17,081.89	1,618.11	91.35%
401K Plan Contribution	47,500.00	47,500.00	5,401.39	0.00	45,250.40	2,249.60	95.26%
Transfers In	103,400.00	103,400.00	5,031.77	0.00	109,916.27	(6,516.27)	106.30%
Transfers Out	(103,400.00)	(103,400.00)	(5,031.77)	0.00	(109,916.27)	6,516.27	106.30%
Total Salaries & Benefits	\$ 3,459,000.00	\$ 3,459,000.00	\$ 355,521.67	\$ 10,282.11	\$ 3,236,622.63	\$ 222,377.37	93.57%
Services & Supplies:							
Telecommunication Services - ISF	\$ 36,500.00	\$ 36,500.00	\$ 3,672.14	\$ 1,266.54	\$ 36,985.62	\$ (485.62)	101.33%
General Insurance - ISF	12,500.00	12,500.00	0.00	0.00	12,520.00	(20.00)	100.16%
Office Equipment Maintenance	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00	0.00%
Membership and Dues	10,400.00	10,400.00	140.00	0.00	9,910.00	490.00	95.29%
Education Allowance	10,000.00	10,000.00	2,000.00	0.00	5,795.84	4,204.16	57.96%
Cost Allocation Charges	17,000.00	17,000.00	0.00	0.00	17,011.00	(11.00)	100.06%
Printing Services - Not ISF	4,300.00	4,300.00	145.73	0.00	3,146.50	1,153.50	73.17%
Books & Publications	2,500.00	2,500.00	500.00	3.00	2,545.51	(45.51)	101.82%
Office Supplies	20,000.00	20,000.00	2,706.47	717.89	16,602.84	3,397.16	83.01%
Postage & Express	60,000.00	60,000.00	3,578.43	3,149.92	55,536.50	4,463.50	92.56%
Printing Charges - ISF	13,300.00	13,300.00	0.00	0.00	10,409.61	2,890.39	78.27%
Copy Machine Services - ISF	6,500.00	6,500.00	0.00	1,140.63	3,588.18	2,911.82	55.20%
Board Member Fees	12,000.00	12,000.00	100.00	0.00	9,700.00	2,300.00	80.83%
Professional Services	1,002,300.00	1,002,300.00	84,407.73	73,411.25	1,037,476.04	(35,176.04)	103.51%
Storage Charges	4,500.00	4,500.00	0.00	317.58	3,656.41	843.59	81.25%
Equipment	5,000.00	5,000.00	4,318.09	0.00	4,318.09	681.91	86.36%
Office Lease Payments	205,200.00	205,200.00	17,693.67	0.00	200,838.80	4,361.20	97.87%
Private Vehicle Mileage	10,000.00	10,000.00	1,077.86	483.30	12,794.88	(2,794.88)	127.95%
Conference, Seminar and Travel	100,000.00	100,000.00	8,263.98	3,554.33	64,412.52	35,587.48	64.41%
Furniture	24,000.00	24,000.00	0.00	22,429.89	24,908.50	(908.50)	103.79%
Facilities Charges	6,900.00	6,900.00	539.48	97.00	5,466.48	1,433.52	79.22%
Judgement & Damages	0.00	0.00	0.00	0.00	1,838.57	(1,838.57)	#DIV/0!
Transfers In	10,900.00	10,900.00	531.72	0.00	11,615.22	(715.22)	106.56%
Transfers Out	(10,900.00)	(10,900.00)	(531.72)	0.00	(11,615.22)	715.22	106.56%
Total Services & Supplies	\$ 1,564,900.00	\$ 1,564,900.00	\$ 129,143.58	\$ 106,571.33	\$ 1,539,461.89	\$ 25,438.11	98.37%
Total Sal, Ben, Serv & Supp	\$ 5,023,900.00	\$ 5,023,900.00	\$ 484,665.25	\$ 116,853.44	\$ 4,776,084.52	\$ 247,815.48	95.07%
Technology:							
Computer Hardware	\$ 91,600.00	\$ 91,600.00	\$ 318.11	\$ 18.31	77,334.08	\$ 14,265.92	84.43%
Computer Software	204,400.00	204,400.00	852.01	26.00	176,057.42	28,342.58	86.13%
Systems & Application Support	693,100.00	693,100.00	37,536.45	31,918.41	636,261.52	56,838.48	91.80%
Pension Administration System	2,660,500.00	2,660,500.00	73,610.00	54,985.00	2,406,228.86	254,271.14	90.44%
Total Technology	\$ 3,649,600.00	\$ 3,649,600.00	\$ 112,316.57	\$ 86,947.72	\$ 3,295,881.88	\$ 353,718.12	90.31%
Contingency	\$ 812,400.00	\$ 812,400.00	\$ -	\$ -	\$ -	\$ 812,400.00	0.00%
Total Current Year	\$ 9,485,900.00	\$ 9,485,900.00	\$ 596,981.82	\$ 203,801.16	\$ 8,071,966.40	\$ 1,413,933.60	85.09%

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BUDGET SUMMARY FISCAL YEAR 2016-2017
July 2016 - 8.33% of Fiscal Year Expended

EXPENDITURE DESCRIPTIONS	Adopted 2016/2017 Budget	Adjusted 2016/2017 Budget	Jul-16	Year to Date Expended	Available Balance	Percent Expended
Salaries & Benefits:						
Salaries	\$ 2,370,800.00	\$ 2,370,800.00	\$ 94,096.17	\$ 94,096.17	\$ 2,276,703.83	3.97%
Extra-Help	192,400.00	192,400.00	3,230.21	3,230.21	189,169.79	1.68%
Overtime	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00%
Supplemental Payments	74,400.00	74,400.00	2,870.46	2,870.46	71,529.54	3.86%
Vacation Redemption	131,300.00	131,300.00	12,992.94	12,992.94	118,307.06	9.90%
Retirement Contributions	432,100.00	432,100.00	16,497.11	16,497.11	415,602.89	3.82%
OASDI Contributions	141,800.00	141,800.00	6,030.47	6,030.47	135,769.53	4.25%
FICA-Medicare	37,800.00	37,800.00	1,572.60	1,572.60	36,227.40	4.16%
Retiree Health Benefit	4,000.00	4,000.00	794.15	794.15	3,205.85	19.85%
Group Health Insurance	194,300.00	194,300.00	7,850.47	7,850.47	186,449.53	4.04%
Life Insurance/Mgmt	1,100.00	1,100.00	45.79	45.79	1,054.21	4.16%
Unemployment Insurance	2,400.00	2,400.00	80.47	80.47	2,319.53	3.35%
Management Disability Insurance	18,400.00	18,400.00	674.97	674.97	17,725.03	3.67%
Worker' Compensation Insurance	19,900.00	19,900.00	842.47	842.47	19,057.53	4.23%
401K Plan Contribution	48,600.00	48,600.00	2,214.05	2,214.05	46,385.95	4.56%
Transfers In	135,500.00	135,500.00	3,634.20	3,634.20	131,865.80	2.68%
Transfers Out	(135,500.00)	(135,500.00)	(3,634.20)	(3,634.20)	(131,865.80)	2.68%
Total Salaries & Benefits	\$ 3,672,300.00	\$ 3,672,300.00	\$ 149,792.33	\$ 149,792.33	\$ 3,522,507.67	4.08%
Services & Supplies:						
Telecommunication Services - ISF	\$ 35,400.00	\$ 35,400.00	\$ -	\$ -	\$ 35,400.00	0.00%
General Insurance - ISF	13,100.00	13,100.00	0.00	0.00	13,100.00	0.00%
Office Equipment Maintenance	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00%
Membership and Dues	14,700.00	14,700.00	4,000.00	4,000.00	10,700.00	27.21%
Education Allowance	8,000.00	8,000.00	0.00	0.00	8,000.00	0.00%
Cost Allocation Charges	89,500.00	89,500.00	0.00	0.00	89,500.00	0.00%
Printing Services - Not ISF	12,000.00	12,000.00	0.00	0.00	12,000.00	0.00%
Books & Publications	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00%
Office Supplies	20,000.00	20,000.00	1,043.17	1,043.17	18,956.83	5.22%
Postage & Express	60,000.00	60,000.00	101.14	101.14	59,898.86	0.17%
Printing Charges - ISF	18,000.00	18,000.00	0.00	0.00	18,000.00	0.00%
Copy Machine Services - ISF	4,500.00	4,500.00	0.00	0.00	4,500.00	0.00%
Board Member Fees	13,300.00	13,300.00	1,900.00	1,900.00	11,400.00	14.29%
Professional Services	1,292,100.00	1,292,100.00	59,947.81	59,947.81	1,232,152.19	4.64%
Storage Charges	4,200.00	4,200.00	0.00	0.00	4,200.00	0.00%
Equipment	6,000.00	6,000.00	0.00	0.00	6,000.00	0.00%
Office Lease Payments	205,000.00	205,000.00	16,993.10	16,993.10	188,006.90	8.29%
Private Vehicle Mileage	12,500.00	12,500.00	592.78	592.78	11,907.22	4.74%
Conference, Seminar and Travel	138,400.00	138,400.00	4,277.24	4,277.24	134,122.76	3.09%
Furniture	15,000.00	15,000.00	0.00	0.00	15,000.00	0.00%
Facilities Charges	13,300.00	13,300.00	0.00	0.00	13,300.00	0.00%
Judgement & Damages	0.00	0.00	0.00	0.00	0.00	#DIV/0!
Transfers In	20,000.00	20,000.00	384.04	384.04	19,615.96	1.92%
Transfers Out	(20,000.00)	(20,000.00)	(384.04)	(384.04)	(19,615.96)	1.92%
Total Services & Supplies	\$ 1,980,000.00	\$ 1,980,000.00	\$ 88,855.24	\$ 88,855.24	\$ 1,891,144.76	4.49%
Total Sal, Ben, Serv & Supp	\$ 5,652,300.00	\$ 5,652,300.00	\$ 238,647.57	\$ 238,647.57	\$ 5,413,652.43	4.22%
Technology:						
Computer Hardware	\$ 45,000.00	\$ 45,000.00	\$ -	0.00	\$ 45,000.00	0.00%
Computer Software	216,000.00	216,000.00	0.00	0.00	216,000.00	0.00%
Systems & Application Support	449,000.00	449,000.00	898.62	898.62	448,101.38	0.20%
Pension Administration System	353,000.00	353,000.00	0.00	0.00	353,000.00	0.00%
Total Technology	\$ 1,063,000.00	\$ 1,063,000.00	\$ 898.62	\$ 898.62	\$ 1,062,101.38	0.08%
Contingency	\$ 786,000.00	\$ 786,000.00	\$ -	\$ -	\$ 786,000.00	0.00%
Total Current Year	\$ 7,501,300.00	\$ 7,501,300.00	\$ 239,546.19	\$ 239,546.19	\$ 7,261,753.81	3.19%

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BUDGET SUMMARY FISCAL YEAR 2016-2017
August 2016 - 16.67% of Fiscal Year Expended**

EXPENDITURE DESCRIPTIONS	Adopted 2016/2017 Budget	Adjusted 2016/2017 Budget	Aug-16	Year to Date Expended	Available Balance	Percent Expended
Salaries & Benefits:						
Salaries	\$ 2,370,800.00	\$ 2,370,800.00	\$ 166,572.57	\$ 260,668.74	\$ 2,110,131.26	10.99%
Extra-Help	192,400.00	192,400.00	11,337.40	14,567.61	177,832.39	7.57%
Overtime	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00%
Supplemental Payments	74,400.00	74,400.00	4,988.20	7,858.66	66,541.34	10.56%
Vacation Redemption	131,300.00	131,300.00	24,396.13	37,389.07	93,910.93	28.48%
Retirement Contributions	432,100.00	432,100.00	31,696.07	48,193.18	383,906.82	11.15%
OASDI Contributions	141,800.00	141,800.00	10,857.44	16,887.91	124,912.09	11.91%
FICA-Medicare	37,800.00	37,800.00	2,796.61	4,369.21	33,430.79	11.56%
Retiree Health Benefit	4,000.00	4,000.00	794.15	1,588.30	2,411.70	39.71%
Group Health Insurance	194,300.00	194,300.00	13,662.00	21,512.47	172,787.53	11.07%
Life Insurance/Mgmt	1,100.00	1,100.00	79.58	125.37	974.63	11.40%
Unemployment Insurance	2,400.00	2,400.00	168.10	248.57	2,151.43	10.36%
Management Disability Insurance	18,400.00	18,400.00	1,167.16	1,842.13	16,557.87	10.01%
Worker' Compensation Insurance	19,900.00	19,900.00	1,442.22	2,284.69	17,615.31	11.48%
401K Plan Contribution	48,600.00	48,600.00	3,847.20	6,061.25	42,538.75	12.47%
Transfers In	135,500.00	135,500.00	3,028.50	6,662.70	128,837.30	4.92%
Transfers Out	(135,500.00)	(135,500.00)	(3,028.50)	(6,662.70)	(128,837.30)	4.92%
Total Salaries & Benefits	\$ 3,672,300.00	\$ 3,672,300.00	\$ 273,804.83	\$ 423,597.16	\$ 3,248,702.84	11.53%
Services & Supplies:						
Telecommunication Services - ISF	\$ 35,400.00	\$ 35,400.00	\$ 4,771.29	\$ 4,771.29	\$ 30,628.71	13.48%
General Insurance - ISF	13,100.00	13,100.00	0.00	0.00	13,100.00	0.00%
Office Equipment Maintenance	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00%
Membership and Dues	14,700.00	14,700.00	200.00	4,200.00	10,500.00	28.57%
Education Allowance	8,000.00	8,000.00	2,000.00	2,000.00	6,000.00	25.00%
Cost Allocation Charges	89,500.00	89,500.00	0.00	0.00	89,500.00	0.00%
Printing Services - Not ISF	12,000.00	12,000.00	0.00	0.00	12,000.00	0.00%
Books & Publications	3,000.00	3,000.00	50.00	50.00	2,950.00	1.67%
Office Supplies	20,000.00	20,000.00	201.62	1,244.79	18,755.21	6.22%
Postage & Express	60,000.00	60,000.00	4,015.02	4,116.16	55,883.84	6.86%
Printing Charges - ISF	18,000.00	18,000.00	0.00	0.00	18,000.00	0.00%
Copy Machine Services - ISF	4,500.00	4,500.00	0.00	0.00	4,500.00	0.00%
Board Member Fees	13,300.00	13,300.00	0.00	1,900.00	11,400.00	14.29%
Professional Services	1,292,100.00	1,292,100.00	148,015.56	232,963.37	1,059,136.63	18.03%
Storage Charges	4,200.00	4,200.00	321.03	321.03	3,878.97	7.64%
Equipment	6,000.00	6,000.00	0.00	0.00	6,000.00	0.00%
Office Lease Payments	205,000.00	205,000.00	16,935.44	33,928.54	171,071.46	16.55%
Private Vehicle Mileage	12,500.00	12,500.00	828.60	1,421.38	11,078.62	11.37%
Conference, Seminar and Travel	138,400.00	138,400.00	6,270.79	10,548.03	127,851.97	7.62%
Furniture	15,000.00	15,000.00	0.00	0.00	15,000.00	0.00%
Facilities Charges	13,300.00	13,300.00	75.00	75.00	13,225.00	0.56%
Judgement & Damages	0.00	0.00	0.00	0.00	0.00	#DIV/0!
Transfers In	20,000.00	20,000.00	320.03	704.07	19,295.93	3.52%
Transfers Out	(20,000.00)	(20,000.00)	(320.03)	(704.07)	(19,295.93)	3.52%
Total Services & Supplies	\$ 1,980,000.00	\$ 1,980,000.00	\$ 183,684.35	\$ 297,539.59	\$ 1,682,460.41	15.03%
Total Sal, Ben, Serv & Supp	\$ 5,652,300.00	\$ 5,652,300.00	\$ 457,489.18	\$ 721,136.75	\$ 4,931,163.25	12.76%
Technology:						
Computer Hardware	\$ 45,000.00	\$ 45,000.00	\$ -	0.00	\$ 45,000.00	0.00%
Computer Software	216,000.00	216,000.00	1,375.80	1,375.80	214,624.20	0.64%
Systems & Application Support	449,000.00	449,000.00	36,452.71	37,351.33	411,648.67	8.32%
Pension Administration System	353,000.00	353,000.00	123,510.00	123,510.00	229,490.00	34.99%
Total Technology	\$ 1,063,000.00	\$ 1,063,000.00	\$ 161,338.51	\$ 162,237.13	\$ 900,762.87	15.26%
Contingency	\$ 786,000.00	\$ 786,000.00	\$ -	\$ -	\$ 786,000.00	0.00%
Total Current Year	\$ 7,501,300.00	\$ 7,501,300.00	\$ 618,827.69	\$ 883,373.88	\$ 6,617,926.12	11.78%

Ventura County Employee's Retirement Association
Statement of Reserves
June 30, 2016

VALUATION RESERVES:

MEMBER CONTRIBUTIONS	\$ 683,571,172	
EMPLOYER ADVANCE	2,350,035,512	
(EMPLOYER LIABILITY DIFFERENTIAL)	(1,019,896,714)	
RETIREE	2,417,425,764	
VESTED FIXED SUPPLEMENTAL (\$108.44)	139,803,677	
SUPPLEMENTAL DEATH BENEFIT	14,773,547	
UNDISTRIBUTED EARNINGS	<u>(0.00)</u>	
TOTAL VALUATION RESERVES		\$ 4,585,712,958

NON-VALUATION RESERVES:

SUPPLEMENTAL MEDICAL (\$27.50)	6,725,575	
CONTINGENCY	<u>-</u>	
TOTAL NON-VALUATION RESERVES		<u>6,725,575</u>
TOTAL RESERVES (ACTUARIAL VALUATION)		\$ 4,592,438,533
MARKET STABILIZATION		<u>(205,601,824)</u>
TOTAL RESERVES (MARKET VALUE)		<u><u>\$ 4,386,836,709</u></u>

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2016 (UNAUDITED)

ASSETS

CASH & CASH EQUIVALENTS **\$287,041,397**

RECEIVABLES

EMPLOYER/EMPLOYEE CONTRIBUTIONS	8,300,490
ACCRUED INTEREST AND DIVIDENDS	2,487,536
SECURITY SALES	5,571,076
MISCELLANEOUS	43,714
TOTAL RECEIVABLES	16,402,815

INVESTMENTS AT FAIR VALUE

DOMESTIC EQUITY SECURITIES	112,131,139
DOMESTIC EQUITY INDEX FUNDS	1,225,299,427
INTERNATIONAL EQUITY SECURITIES	338,289,617
INTERNATIONAL EQUITY INDEX FUNDS	236,703,700
GLOBAL EQUITY	421,734,448
PRIVATE EQUITY	157,305,882
DOMESTIC FIXED INCOME - CORE PLUS	644,242,229
DOMESTIC FIXED INCOME - U.S. INDEX	147,684,373
GLOBAL FIXED INCOME	42,845,348
REAL ESTATE	371,598,471
ALTERNATIVES	380,534,831
CASH OVERLAY - PARAMETRIC	14,926
TOTAL INVESTMENTS	4,078,384,392

COLLATERAL HELD FOR SECURITIES LENDING **48,243,231**

CAPITAL ASSET - SOFTWARE DEVELOPMENT **12,961,635**

TOTAL ASSETS **4,443,033,469**

LIABILITIES

SECURITY PURCHASES PAYABLE	2,936,604
ACCOUNTS PAYABLE	2,079,882
TAX WITHHOLDING PAYABLE	2,910,658
PREPAID CONTRIBUTIONS	26,387
COLLATERAL HELD FOR SECURITIES LENDING	48,243,231
	56,196,761

TOTAL LIABILITIES **56,196,761**

NET POSITION RESTRICTED FOR PENSIONS **\$4,386,836,709**

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE TWELVE MONTHS ENDED JUNE 30, 2016 (UNAUDITED)**

ADDITIONS

CONTRIBUTIONS

EMPLOYER	\$177,709,688
EMPLOYEE	69,469,771
TOTAL CONTRIBUTIONS	<u>247,179,459</u>

INVESTMENT INCOME

NET APPRECIATION (DEPRECIATION) IN FAIR VALUE OF INVESTMENTS	(22,492,303)
INTEREST INCOME	14,644,251
DIVIDEND INCOME	30,923,095
REAL ESTATE OPERATING INCOME, NET	16,806,833
SECURITY LENDING INCOME	280,496
TOTAL INVESTMENT INCOME	<u>40,162,373</u>

LESS INVESTMENT EXPENSES

MANAGEMENT & CUSTODIAL FEES	14,258,854
SECURITIES LENDING BORROWER REBATES	114,360
SECURITIES LENDING MANAGEMENT FEES	49,856
TOTAL INVESTMENT EXPENSES	<u>14,423,070</u>

NET INVESTMENT INCOME/(LOSS) **25,739,302**

TOTAL ADDITIONS **272,918,761**

DEDUCTIONS

BENEFIT PAYMENTS	241,419,159
MEMBER REFUNDS	4,983,879
ADMINISTRATIVE EXPENSES	4,474,202
TOTAL DEDUCTIONS	<u>250,877,240</u>

NET INCREASE/(DECREASE) **22,041,521**

NET POSITION RESTRICTED FOR PENSIONS

BEGINNING OF YEAR 4,364,795,188

ENDING BALANCE \$4,386,836,709

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
SCHEDULE OF INVESTMENT MANAGEMENT FEES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2016 (UNAUDITED)**

EQUITY MANAGERS

DOMESTIC

BLACKROCK - US EQUITY	\$237,558
BLACKROCK - EXTENDED EQUITY	18,073
WESTERN ASSET INDEX PLUS	262,073
TOTAL	517,704

INTERNATIONAL

BLACKROCK - ACWIXUS	238,251
SPRUCEGROVE	650,316
HEXAVEST	357,801
WALTER SCOTT	812,162
TOTAL	2,058,531

GLOBAL

GRANTHAM MAYO VAN OTTERLOO (GMO)	1,159,030
BLACKROCK - GLOBAL INDEX	87,060
TOTAL	1,246,090

PRIVATE EQUITY

ADAMS STREET	1,450,414
HARBOURVEST	751,751
PANTHEON	599,931
TOTAL	2,802,096

FIXED INCOME MANAGERS

DOMESTIC

BLACKROCK - US DEBT INDEX	97,005
LOOMIS, SAYLES AND COMPANY	286,674
REAMS ASSET MANAGEMENT	510,082
WESTERN ASSET MANAGEMENT	510,102
TOTAL	1,403,862

GLOBAL

LOOMIS, SAYLES AND COMPANY	146,290
LOOMIS ALPHA	168,591
PIMCO	222,940
TOTAL	537,822

REAL ESTATE

PRUDENTIAL REAL ESTATE ADVISORS	868,618
RREEF	22,125
UBS REALTY	2,230,503
TOTAL	3,121,247

ALTERNATIVES

BRIDGEWATER	1,058,655
TORTOISE	660,486
TOTAL	1,719,141

CASH OVERLAY - PARAMETRIC

158,315

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
SCHEDULE OF INVESTMENT MANAGEMENT FEES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2016 (UNAUDITED)**

SECURITIES LENDING	
BORROWERS REBATE	114,360
MANAGEMENT FEES	<u>49,856</u>
TOTAL	164,216
OTHER	
INVESTMENT CONSULTANT	287,660
INVESTMENT CUSTODIAN	<u>406,386</u>
TOTAL	694,047
TOTAL INVESTMENT MANAGEMENT FEES	<u>\$14,423,070</u>

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENTS AND CASH EQUIVALENTS
JUNE 30, 2016 (UNAUDITED)

EQUITY

DOMESTIC EQUITY

WESTERN ASSET INDEX PLUS	\$112,131,139	\$36,467,680
TOTAL DOMESTIC EQUITY	112,131,139	36,467,680

DOMESTIC INDEX FUNDS

BLACKROCK - US EQUITY MARKET	1,179,003,548	0
BLACKROCK - EXTENDED EQUITY	46,295,879	0
TOTAL EQUITY INDEX FUNDS	1,225,299,427	0

INTERNATIONAL EQUITY

SPRUCEGROVE	165,287,365	0
HEXAVEST	77,183,761	0
WALTER SCOTT	95,818,491	0
TOTAL INTERNATIONAL EQUITY	338,289,617	0

INTERNATIONAL INDEX FUNDS

BLACKROCK - ACWIXUS	236,703,700	0
TOTAL INTERNATIONAL INDEX FUNDS	236,703,700	0

GLOBAL EQUITY

GRANTHAM MAYO AND VAN OTTERLOO (GMO)	200,258,422	0
BLACKROCK - GLOBAL INDEX	221,476,026	0
TOTAL GLOBAL EQUITY	421,734,448	0

PRIVATE EQUITY

ADAMS STREET	97,098,293	0
PANTHEON	13,882,980	0
HARBOURVEST	46,324,609	0
TOTAL PRIVATE EQUITY	157,305,882	0

FIXED INCOME

DOMESTIC

LOOMIS SAYLES AND COMPANY	73,456,307	1,897,377
REAMS	299,002,694	108
WESTERN ASSET MANAGEMENT	271,783,228	10,854,523
TOTAL DOMESTIC	644,242,229	12,752,008

DOMESTIC INDEX FUNDS

BLACKROCK - US DEBT INDEX	147,684,373	0
TOTAL DOMESTIC INDEX FUNDS	147,684,373	0

GLOBAL

LOOMIS SAYLES AND COMPANY	0	0
LOOMIS ALPHA	42,845,348	0
PIMCO	0	0
TOTAL GLOBAL	42,845,348	0

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENTS AND CASH EQUIVALENTS
JUNE 30, 2016 (UNAUDITED)

REAL ESTATE		
PRUDENTIAL REAL ESTATE	129,647,890	1,144
RREEF	1,148,826	0
UBS REALTY	240,801,755	0
TOTAL REAL ESTATE	<u>371,598,471</u>	<u>1,144</u>
ALTERNATIVES		
BRIDGEWATER	267,238,050	0
TORTOISE (MLP's)	113,296,781	2,391,466
TOTAL ALTERNATIVES	<u>380,534,831</u>	<u>2,391,466</u>
CASH OVERLAY - PARAMETRIC	14,926	223,391,277
IN HOUSE CASH	<u> </u>	<u>12,037,822</u>
TOTAL INVESTMENTS AND CASH	<u><u>\$4,078,384,392</u></u>	<u><u>\$287,041,397</u></u>

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF FIDUCIARY NET POSITION
JULY 31, 2016 (UNAUDITED)

ASSETS

CASH & CASH EQUIVALENTS	\$447,192,662
 RECEIVABLES	
ACCRUED INTEREST AND DIVIDENDS	3,572,779
SECURITY SALES	8,906,271
MISCELLANEOUS	16,490
TOTAL RECEIVABLES	12,495,540
 INVESTMENTS AT FAIR VALUE	
DOMESTIC EQUITY SECURITIES	111,358,370
DOMESTIC EQUITY INDEX FUNDS	1,275,077,483
INTERNATIONAL EQUITY SECURITIES	354,671,994
INTERNATIONAL EQUITY INDEX FUNDS	248,660,995
GLOBAL EQUITY	439,099,157
PRIVATE EQUITY	159,898,382
DOMESTIC FIXED INCOME - CORE PLUS	653,065,344
DOMESTIC FIXED INCOME - U.S. INDEX	148,631,883
GLOBAL FIXED INCOME	43,260,955
REAL ESTATE	371,598,471
ALTERNATIVES	391,457,566
CASH OVERLAY - PARAMETRIC	14,232
TOTAL INVESTMENTS	4,196,794,832
 CAPITAL ASSET - SOFTWARE DEVELOPMENT	 12,961,635
 TOTAL ASSETS	 4,669,444,669

LIABILITIES

SECURITY PURCHASES PAYABLE	5,358,247
ACCOUNTS PAYABLE	1,045,990
TAX WITHHOLDING PAYABLE	2,820,296
PREPAID CONTRIBUTIONS	156,017,738
TOTAL LIABILITIES	165,242,271
 NET POSITION RESTRICTED FOR PENSIONS	 \$4,504,202,398

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE MONTH ENDED JULY 31, 2016 (UNAUDITED)**

ADDITIONS

CONTRIBUTIONS

EMPLOYER	\$7,956,642
EMPLOYEE	3,049,984
TOTAL CONTRIBUTIONS	<u>11,006,626</u>

INVESTMENT INCOME

NET APPRECIATION (DEPRECIATION) IN FAIR VALUE OF INVESTMENTS	121,072,825
INTEREST INCOME	1,166,502
DIVIDEND INCOME	5,370,203
REAL ESTATE OPERATING INCOME, NET	
SECURITY LENDING INCOME	24,181
TOTAL INVESTMENT INCOME	<u>127,633,712</u>

LESS INVESTMENT EXPENSES

MANAGEMENT & CUSTODIAL FEES	99,773
SECURITIES LENDING BORROWER REBATES	18,100
SECURITIES LENDING MANAGEMENT FEES	6,081
TOTAL INVESTMENT EXPENSES	<u>123,954</u>

NET INVESTMENT INCOME/(LOSS) **127,509,758**

TOTAL ADDITIONS **138,516,384**

DEDUCTIONS

BENEFIT PAYMENTS	20,803,572
MEMBER REFUNDS	112,794
ADMINISTRATIVE EXPENSES	234,328
TOTAL DEDUCTIONS	<u>21,150,694</u>

NET INCREASE/(DECREASE) **117,365,689**

NET POSITION RESTRICTED FOR PENSIONS

BEGINNING OF YEAR **4,386,836,709**

ENDING BALANCE **\$4,504,202,398**

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENTS AND CASH EQUIVALENTS
JULY 31, 2016 (UNAUDITED)

EQUITY

DOMESTIC EQUITY

WESTERN ASSET INDEX PLUS	\$111,358,370	\$37,570,109
TOTAL DOMESTIC EQUITY	111,358,370	37,570,109

DOMESTIC INDEX FUNDS

BLACKROCK - US EQUITY MARKET	1,226,288,399	0
BLACKROCK - EXTENDED EQUITY	48,789,084	0
TOTAL EQUITY INDEX FUNDS	1,275,077,483	0

INTERNATIONAL EQUITY

SPRUCEGROVE	173,632,149	0
HEXAVEST	80,268,943	0
WALTER SCOTT	100,770,901	0
TOTAL INTERNATIONAL EQUITY	354,671,994	0

INTERNATIONAL INDEX FUNDS

BLACKROCK - ACWIXUS	248,660,995	0
TOTAL INTERNATIONAL INDEX FUNDS	248,660,995	0

GLOBAL EQUITY

GRANTHAM MAYO AND VAN OTTERLOO (GMO)	208,025,886	0
BLACKROCK - GLOBAL INDEX	231,073,271	0
TOTAL GLOBAL EQUITY	439,099,157	0

PRIVATE EQUITY

ADAMS STREET	99,690,793	0
PANTHEON	13,882,980	0
HARBOURVEST	46,324,609	0
TOTAL PRIVATE EQUITY	159,898,382	0

FIXED INCOME

DOMESTIC

LOOMIS SAYLES AND COMPANY	72,514,330	3,179,338
REAMS	299,999,517	8,425
WESTERN ASSET MANAGEMENT	280,551,497	11,719,605
TOTAL DOMESTIC	653,065,344	14,907,368

DOMESTIC INDEX FUNDS

BLACKROCK - US DEBT INDEX	148,631,883	0
TOTAL DOMESTIC INDEX FUNDS	148,631,883	0

GLOBAL

LOOMIS SAYLES AND COMPANY	0	0
LOOMIS ALPHA	43,260,955	0
PIMCO	0	29
TOTAL GLOBAL	43,260,955	29

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENTS AND CASH EQUIVALENTS
JULY 31, 2016 (UNAUDITED)**

REAL ESTATE		
PRUDENTIAL REAL ESTATE	129,647,890	1,144
RREEF	1,148,826	0
UBS REALTY	240,801,755	0
TOTAL REAL ESTATE	<u>371,598,471</u>	<u>1,144</u>
ALTERNATIVES		
BRIDGEWATER	277,000,325	0
TORTOISE (MLP's)	114,457,241	672,237
TOTAL ALTERNATIVES	<u>391,457,566</u>	<u>672,237</u>
CASH OVERLAY - PARAMETRIC	14,232	366,554,736
IN HOUSE CASH		<u>27,487,040</u>
TOTAL INVESTMENTS AND CASH	<u>\$4,196,794,832</u>	<u>\$447,192,662</u>

Ventura County Employees' Retirement

Stephanie S. Lord, CFA, CIC
Vice President, Client Portfolio Manager

September 19, 2016



www.loomissayles.com One Financial Center Boston, Massachusetts 02111 617 482-2450

BOSTON DETROIT SAN FRANCISCO LONDON SINGAPORE

LS Loomis | Sayles is a trademark of Loomis, Sayles & Company, L.P. registered in the US Patent and Trademark Office.

contents

Firm Overview	1
Multisector Full Discretion Overview	2
Strategic Alpha Overview	3

loomis sayles at a glance

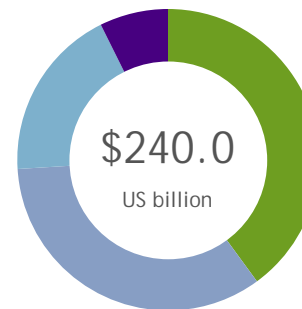
Firm Overview

A Rich Investment Tradition

Serving clients with integrity since 1926
\$240.0 billion assets under management*
Expertise across all major asset classes
75% of investment professionals dedicated to research & trading; 153 CFA® charterholders**
Global perspective: investors in Boston, San Francisco, Detroit, London and Singapore

What Defines Us

Core attributes: integrity, transparency and a team-oriented culture
Rigorous fundamental analysis complemented by robust macro and market insight
Portfolio managers, strategists, research analysts and traders collaborating to identify our best ideas
Small, accountable product teams implementing portfolio decisions
Disciplined risk awareness integrated into a high conviction investment process



AUM by Global Accounts

- US separate accounts (\$95.5 b)
- US mutual funds (\$82.2 b)
- Non-US separate accounts (\$34.8 b)
- Non-US mutual funds (\$27.5 b)

*As of 6/30/2016. * Includes the assets of both Loomis, Sayles & Co., LP, and Loomis Sayles Trust Company, LLC. (\$18.4 billion for the Loomis Sayles Trust Company). Loomis Sayles Trust Company is a wholly owned subsidiary of Loomis, Sayles & Company, L.P. ** 285 investment professionals. 82% of CFA charterholders are investment professionals and 18% are non-investment professionals.*

deep insight fuels our pursuit of alpha

MACRO STRATEGIES

- Director
36 years experience
- Associate Director/
Senior Global Macro Strategist
21 years experience
- Senior Equity Strategist
31 years experience
- 2 Economists
27 years average experience
- 2 Analysts
7 years average experience
- Research Assistant

SOVEREIGN RESEARCH

- 6 Senior Sovereign Analysts
20 years average experience
- 3 Analysts
6 years average experience

CREDIT RESEARCH

- Director
33 years experience
- 27 Senior Credit Analysts
19 years average experience
- 8 Credit Analysts
10 years average experience
- 9 Research Associates
- 7 Research Assistants

SECURITIZED RESEARCH

- Director
19 years experience
- 2 Securitized Asset Strategists
15 years average experience
- 4 Senior Securitized Asset Analysts
17 years average experience
- 2 Research Analysts*

CONVERTIBLES & SPECIAL SITUATIONS

- Director
31 years experience
- 3 Senior Research Analysts
14 years average experience
- 2 Research Associates

QUANTITATIVE RESEARCH & RISK ANALYSIS

- 2 Associate Directors
20 years average experience
- Quantitative Strategist
21 years experience
- 8 Quantitative Analysts
9 years average experience
- 2 Quantitative Associates

EQUITY RESEARCH

- 24 Senior Analysts
19 years average experience
- 8 Analysts
7 years average experience

\$92 million committed to proprietary research in 2016

As of 6/30/2016; Years experience indicates industry experience.

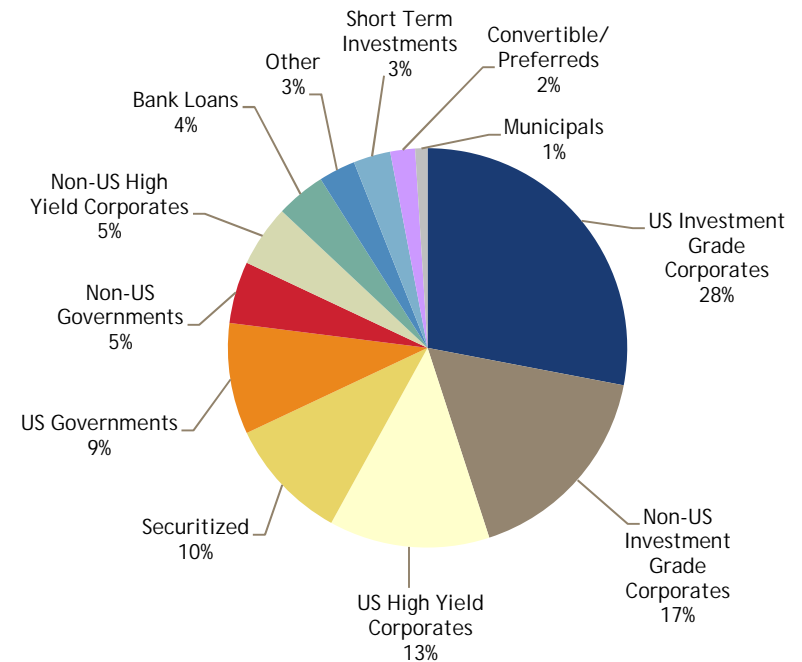
**Includes one analyst with a Q3 start date.*

fixed income assets under management

\$200 BILLION AS OF JUNE 30, 2016

Firm Overview

By sector	Assets (\$ millions)
US Investment Grade Corporates	56,837
Non-US Investment Grade Corporates	34,581
US High Yield Corporates	26,911
Securitized	20,898
US Governments	17,494
Non-US Governments	10,565
Non-US High Yield Corporates	9,364
Bank Loans	7,304
Other	5,294
Short Term Investments	5,144
Convertible/Preferreds	4,825
Municipals	986
Emerging Market Debt*	16,639



As of 6/30/2016. Due to rounding, pie chart total may not equal 100%.

Includes the assets of both Loomis, Sayles & Co., LP, and Loomis Sayles Trust Company LLC.

**Emerging Market Debt assets totaling \$16.6 billion are included in the total fixed income assets under management. These assets are spread throughout the fixed income sectors.*

investment process

HIGHLY EXPERIENCED, SEASONED TEAM

Multisector Full Discretion Investment Team

PRODUCT TEAM	MATTHEW EAGAN Portfolio Manager	DAN FUSS Portfolio Manager	BRIAN KENNEDY Portfolio Manager	ELAINE STOKES Portfolio Manager				
Yrs of industry experience:	26	58	26	29				
Yrs with firm:	19	40	22	28				
	BRIAN HESS Global Strategist	DIANA MONTEITH Convertibles and Special Situations Strategist	JOHN DEVOY Credit Strategist	KEN JOHNSON Product Manager	FRED SWEENEY Product Manager			
Yrs of industry experience:	13	31	17	25	29			
Yrs with firm:	2	14	1	16	21			
KEY SUPPORT	Investment Analysts			Portfolio Specialists				
	S. Darci	B. Hazelton	C. Romanelli	M. Fitzgerald	A. Steede			
	K. Doyle	V. Patel	C. Turner	R. Gartaganis	M. Tierney			
SECTOR TEAMS	Global Asset Allocation		Developed Non-US Markets		US Yield Curve			
	Emerging Markets	High Yield / Bank Loans	Convertibles	Securitized Assets	Inv Grade / Global Credit	US Government		
FIRMWIDE RESOURCES	Macro Strategies Director Assoc. Director/ Senior Global Macro Strategist Senior Equity Strategist 2 Economists 2 Analysts Research Assistant	Credit Research Director 27 Senior Analysts 8 Analysts 9 Research Associates 7 Research Assistants	Quant. Research & Risk Analysis 2 Associate Directors Quantitative Strategist 2 Analysts - Equity 6 Analysts - Fixed 2 Associates	Convertibles & Special Situations Director 3 Senior Analysts 2 Research Associates	Fixed Income Trading 29 Traders/TAs Director, Portfolio Implementation 18 Portfolio Specialists Director, Operational Trading Risk Mgt. Risk Analyst	Sovereign Research 6 Senior Analysts 3 Analysts	Securitized Research Director 2 Strategists 4 Senior Analysts 2 Research Analysts*	Equity Research 24 Senior Analysts 8 Analysts

As of 6/30/2016.

*Includes one analyst with a Q3 start date.

guideline summary

Benchmark

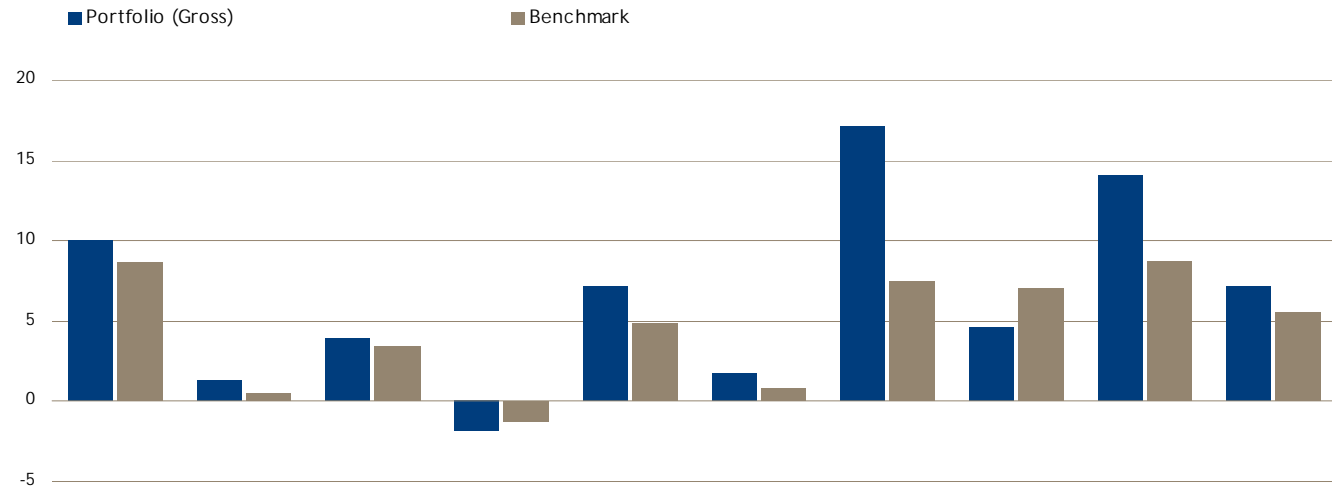
- 65% Barclays Aggregate, 30% Citigroup High Yield Mkt, 5% JP Morgan ex US Hedged \$US

Guidelines & Limitations

- Issuer: 5% maximum market value in a single US issuer, with the exception of US Government, Agency and GSE issuers.
- Emerging Market: 10% maximum market value in emerging market securities not domiciled in the JP Morgan Government Bond Index and 2% maximum market value in securities issued by a single entity domiciled in a country not included in the JP Morgan Government Bond Index (Emerging Market Index).
- Country: 40% maximum market value in bonds issued by non-US entities, including yankees, sovereign debt, structured notes linked to non-US markets, supranationals, and emerging market bonds.
- Currency: Maximum 20% market value in non-US dollar denominated securities
- Credit Quality: All securities shall be rated no lower than C, at the time of purchase, by Moody's, S&P or Fitch. If a security is not rated by either of Moody's, S&P, or Fitch, the Loomis Sayles equivalent rating applies. For split rated securities, the lower rating will govern.
- The minimum average rating of the portfolio shall be equivalent to Moody or S&P Baa3/BBB-. If not rated by either of the rating agencies, the Loomis Sayles rating will be used. In the case of split rated securities, the lower of the ratings will govern.
- Account may hold up to 55% market value in the aggregate of securities not rated investment grade by Moody, S&P, or Fitch, foreign bonds, non-144A private placements and unusually interest rate sensitive MBS. In the case of split rated securities, the higher rating will govern split-rated securities. If these securities are not rated (NR), Loomis Sayles rating will be used.
- Account must hold at least 65% market value in securities rated equal to or above Baa3/BBB-/BBB- by Moody, S&P or Fitch. In the case of split rated securities, the higher rating will govern split-rated securities. If these securities are not rated (NR), Loomis Sayles rating will be used.
- Account may not purchase equity securities, excluding preferred stock, but may hold equities resulting from conversions, exchanges or debt restructurings; account may hold no more than 5% market value in such equity securities.

investment results

CALENDAR YEAR RETURNS (%) AS OF 8/31/2016

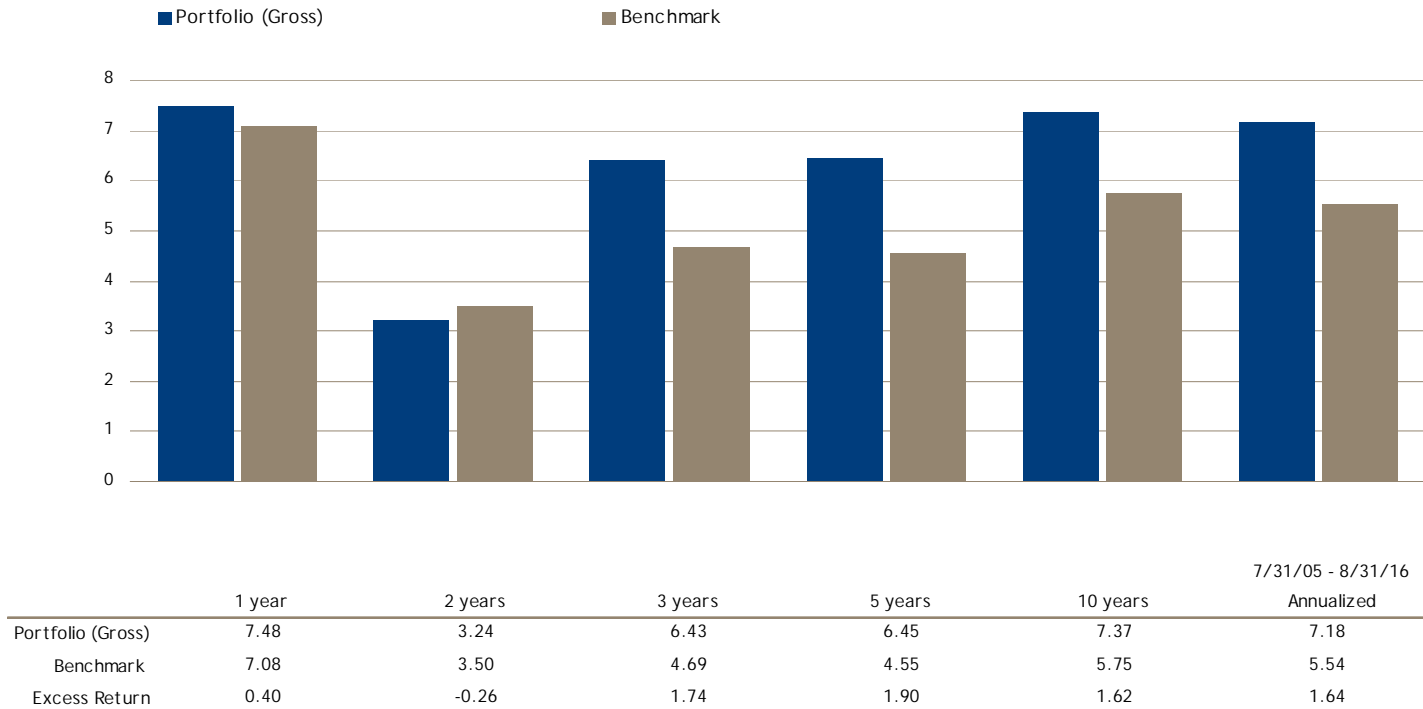


	YTD	Aug 16	2016	2015	2014	2013	2012	2011	2010	7/31/05 - 8/31/16 Annualized
Portfolio (Gross)	10.05	1.30	3.94	-1.81	7.11	1.75	17.12	4.57	14.04	7.18
Benchmark	8.64	0.58	3.41	-1.21	4.92	0.85	7.47	7.07	8.72	5.54
Excess Return	1.41	0.72	0.53	-0.60	2.19	0.90	9.65	-2.50	5.32	1.64

The current benchmark is comprised of 65% Barclay Agg 30% Citi High Yield, 5% JPM Ex US Hedged USD. (1) 60% Barclays Agg, 35% Citigroup HY Mkt, 5% JPM X US Hdg \$US from 7/31/2005 to 11/30/2007; and 65% Barclay Agg 30% Citi High Yield, 5% JPM Ex US Hedged USD from 11/30/2007 to 8/31/2016. Returns over one year are annualized. Information is reported on a trade date basis. Data Source: Barclays Capital, Citigroup, JP Morgan

investment results

ANNUALIZED RETURNS (%) AS OF 8/31/2016



The current benchmark is comprised of 65% Barclay Agg 30% Citi High Yield, 5% JPM Ex US Hedged USD. (1) 60% Barclays Agg, 35% Citigroup HY Mkt, 5% JPM X US Hdg \$US from 7/31/2005 to 11/30/2007; and 65% Barclay Agg 30% Citi High Yield, 5% JPM Ex: US Hedged USD from 11/30/2007 to 8/31/2016. Returns over one year are annualized. Information is reported on a trade date basis. Data Source: Barclays Capital, Citigroup, JP Morgan

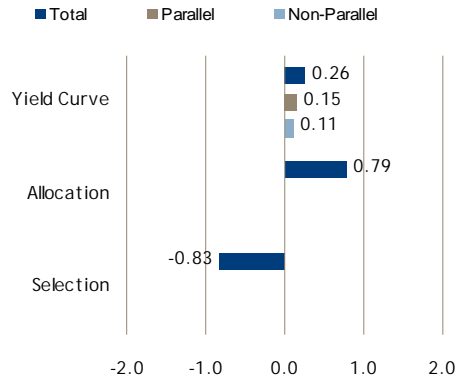
performance attribution

8/31/2015 THROUGH 8/31/2016 (%)

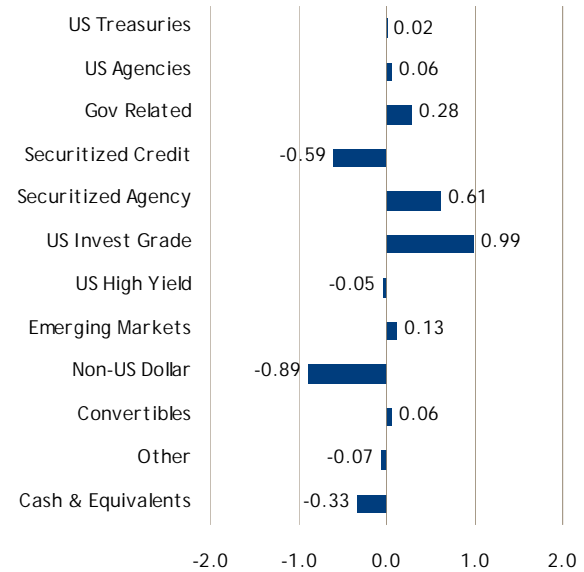
Total Returns

Account Return	7.48
Benchmark Return	7.08
Excess Return	0.41

Excess Return Attribution



Excess Return Attribution by Sector



The Attribution benchmark is 65% Barclay Agg 30% Citi High Yield, 5% JPM Ex US Hedged USD. Figures on bar charts may not add up to total excess return as they exclude impact of trading and pricing differences. Excess Return by sector includes yield curve impact. Data Source: Barclays Capital, Citigroup, JP Morgan

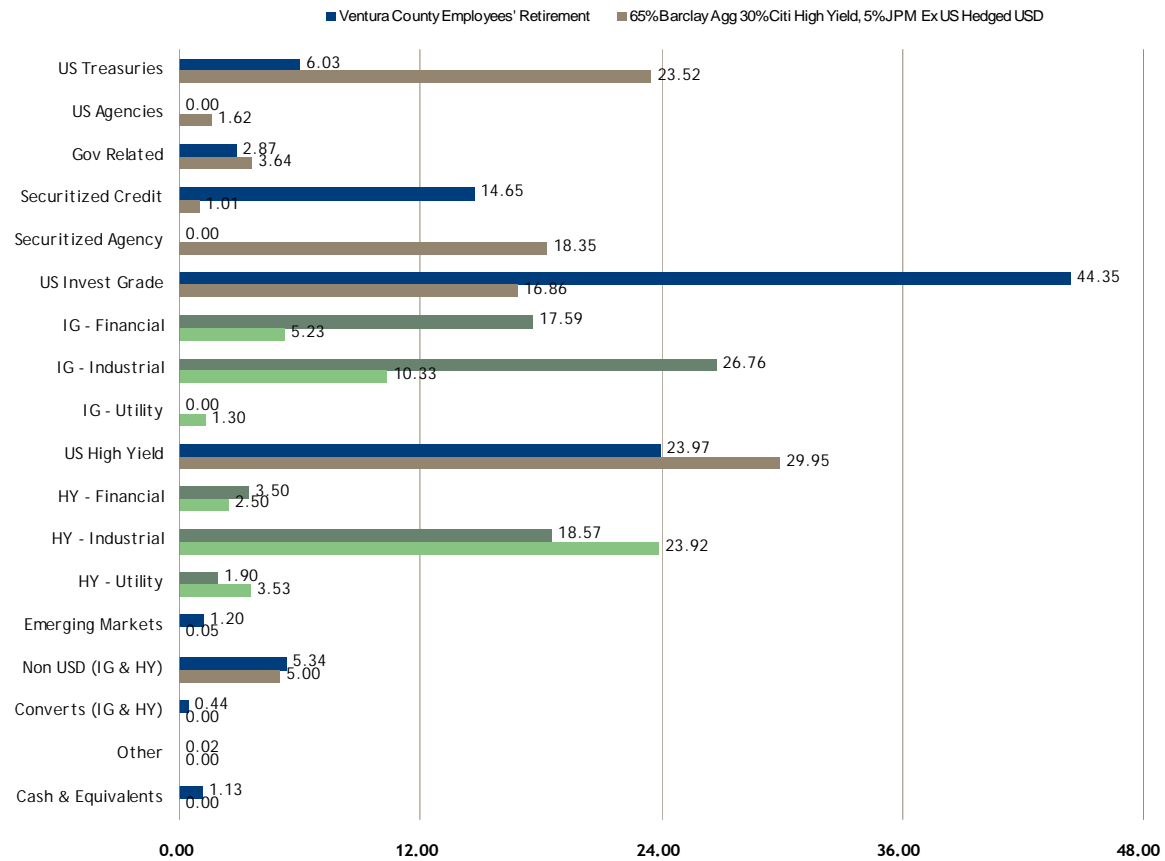
historical characteristics summary

	Portfolio 8/31/2015	Portfolio 8/31/2016	Benchmark 8/31/2016
Yield	4.50%	4.21%	3.15%
Average Maturity	7.12 years	7.45 years	6.97 years
Average Duration	4.93 years	5.56 years	5.14 years
Average Coupon Rate	4.70%	4.68%	4.22%
Average Quality	Baa2	Baa2	Baa1
Current Yield (MKT)	4.71%	4.50%	4.01%

The current benchmark is comprised of 65% Barclay Agg 30% Citi High Yield, 5% JPM Ex US Hedged USD. Duration used is Effective. Equity securities are deemed to have a duration and maturity value of zero. Yield is Yield to Effective Maturity Data Source: Barclays Capital

characteristics summary

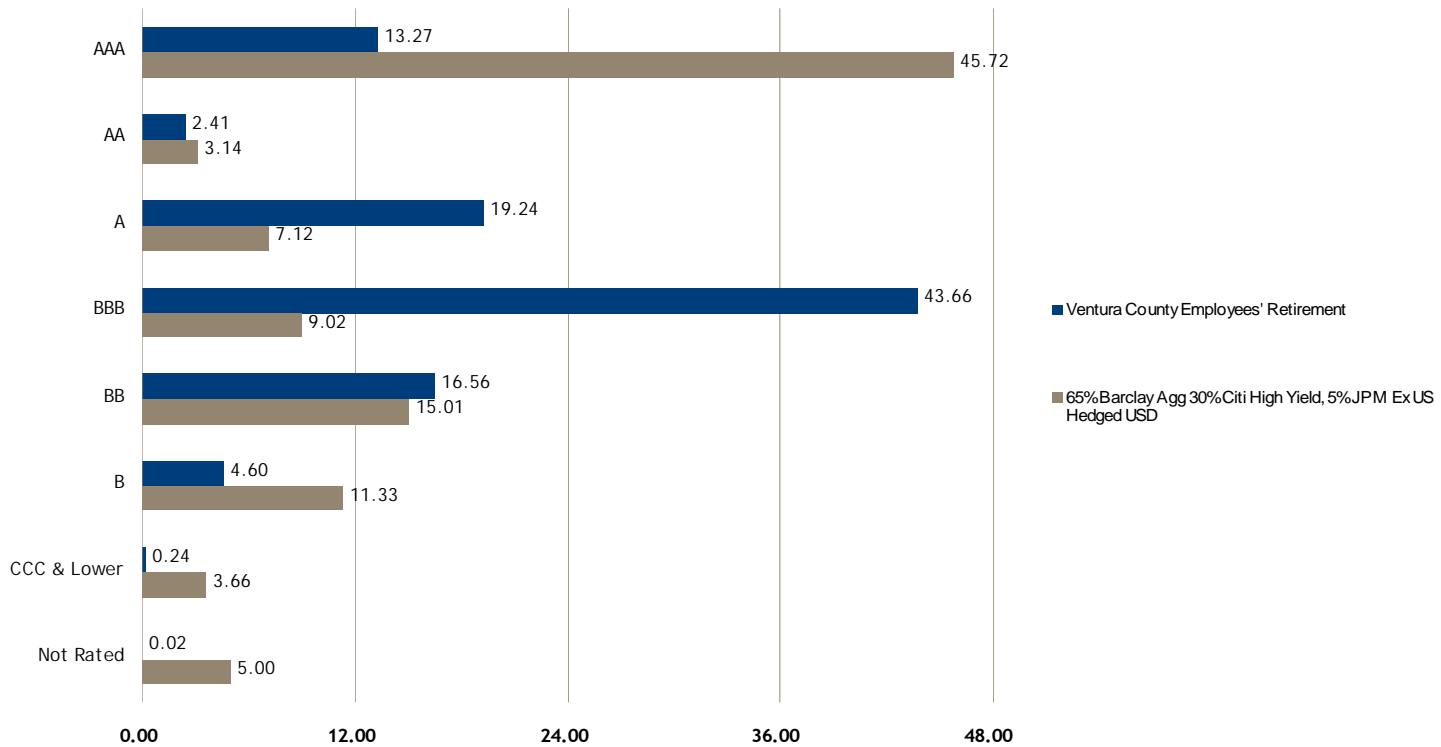
SECTOR DISTRIBUTION (%) AS OF 8/31/2016



Data Source: Barclays Capital, Citigroup, JP Morgan

characteristics summary

QUALITY DISTRIBUTION (%) AS OF 8/31/2016

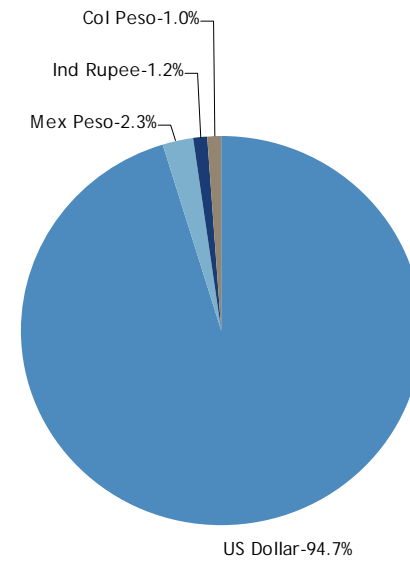


For split rated securities in the quality distribution, the highest of Moody, S&P, and Fitch is used. Unrated securities are rated by Loomis Sayles Research. The account's split rating treatment is based on client guidelines. The benchmark follows the vendor's methodology. Data Source: Barclays Capital, Citigroup, JP Morgan

currency summary

AS OF 8/31/2016 (%)

	Ventura County Employees' Retirement
US Dollar	94.66
Mexican Peso	2.34
Indian Rupee	1.24
Colombian Peso	0.97
Australian Dollar	0.39
Brazilian Real	0.32
Euro	0.08



Data Source: Barclays Capital

investment team

HIGHLY EXPERIENCED, SEASONED TEAM

Strategic Alpha Investment Team

PRODUCT TEAM	MATTHEW EAGAN Portfolio Manager		KEVIN KEARNS Portfolio Manager		TODD VANDAM Portfolio Manager	
	Yrs of industry experience: 26		30		22	
	Yrs with firm: 19		9		22	
	BRIAN HESS Global Strategist		ELAINE KAN Rates & Currency Strategist		DIANA MONTEITH Convertibles and Special Situations Strategist	
	Yrs of industry experience: 13		19		31	
	Yrs with firm: 2		5		14	
	SCOTT DARCI Senior Investment Analyst, Derivatives Strategist				ROGER ACKERMAN Product Manager	
	Yrs of industry experience: 10				29	
	Yrs with firm: 8				7	
KEY SUPPORT	Investment Analysts			Portfolio Specialists		Product Managers
	Kristen Doyle		Brian Hazelton		Boeurn Kan-Crawford	
	Vishal Patel	Christopher Romanelli	Crystal Turner		Anthony Falzarano	Fred Sweeney
SECTOR TEAMS	Global Asset Allocation		Developed Non-US Markets		US Yield Curve	
	Emerging Markets		Convertibles		Inv Grade / Global Credit	
	High Yield / Bank Loans		Securitized Assets		US Government	
FIRMWIDE RESOURCES	Macro Strategies Director Assoc. Director/ Senior Global Macro Strategist Senior Equity Strategist 2 Economists 2 Analysts Research Assistant		Credit Research Director 27 Senior Analysts 8 Analysts 9 Research Associates 7 Research Assistants		Quant. Research & Risk Analysis 2 Associate Directors Quantitative Strategist 2 Analysts - Equity 6 Analysts - Fixed 2 Associates	
	Sovereign Research 6 Senior Analysts 3 Analysts		Securitized Research Director 2 Strategists 4 Senior Analysts 2 Research Analysts*		Equity Research 24 Senior Analysts 8 Analysts	
					Convertibles & Special Situations Director 3 Senior Analysts 2 Research Associates	
				Fixed Income Trading 29 Traders/TAs Director, Portfolio Implementation 18 Portfolio Specialists Director, Operational Trading Risk Mgt. Risk Analyst		

As of 6/30/2016.

*Includes one analyst with a Q3 start date.

guideline summary

Benchmark

- MLBoA U.S. Dollar LIBOR 3-month Constant Maturity

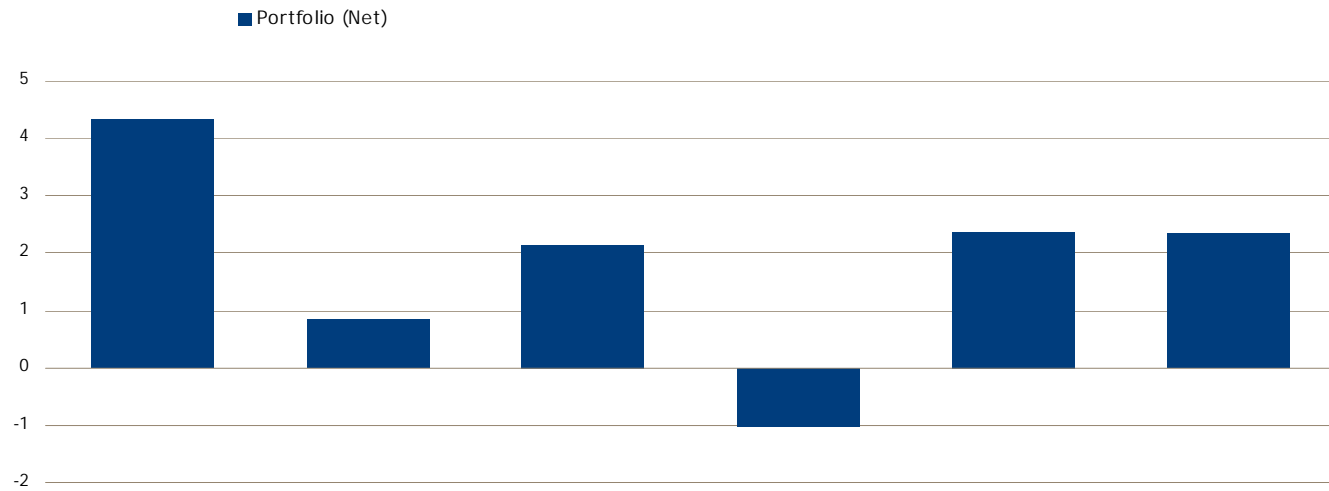
Guidelines & Limitations

- Minimum Credit Quality: The Fund will not hold more than +/-50% MV in securities rated below Baa3/BBB-/BBB- by Moody, S&P and Fitch (best) as determined at the time of purchase. If unrated, Loomis rating applies.
- Emerging Markets: The Account's NET emerging market currency exposure shall be limited to +/-20% as determined at the time of purchase.
- Convertibles & Residual Equity: The Account's net equity exposure is +/-5%, excluding Preferred Stock, Convertible Preferred Stock and Commingled Pools as determined at the time of purchase.
- Duration: The effective duration of the Fund will not exceed 5 years and may be as low as -2 years.
- Industry Concentration: The Fund's NET exposure to any individual industry is +/- 25%, excluding securities issued or guaranteed by Government issuers as determined at time of purchase.
- Currency: The Account's NET individual currency, excluding U.S. dollar shall be limited to +/-15% as determined at the time of purchase.

Guideline summary is not a complete restatement of guidelines. The slide is intended to be a summary to aid in the review process.

investment results

CALENDAR YEAR RETURNS (%) AS OF 8/31/2016

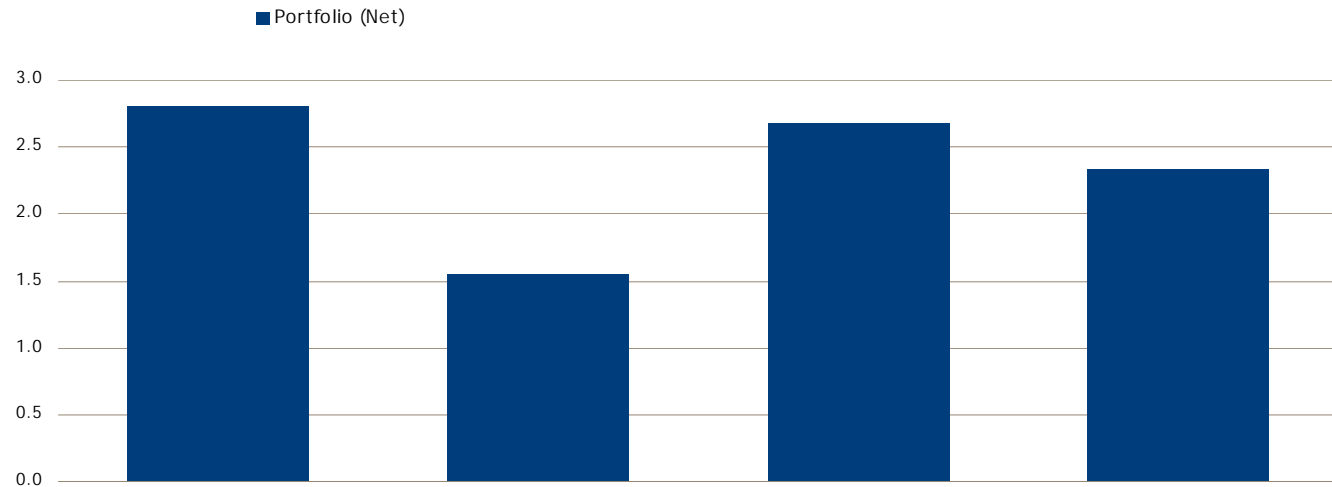


	YTD	Aug 16	2Q16	2015	2014	7/15/13 - 8/31/16 Annualized
Portfolio (Net)	4.34	0.84	2.15	-1.03	2.36	2.34
Benchmark	0.39	0.05	0.16	0.23	0.23	0.31
Excess Return	3.95	0.79	1.99	-1.26	2.13	2.03

Returns over one year are annualized. Information is reported on a trade date basis. Data Source: BofA Merrill Lynch, Loomis Sayles.

investment results

ANNUALIZED RETURNS (%) AS OF 8/31/2016

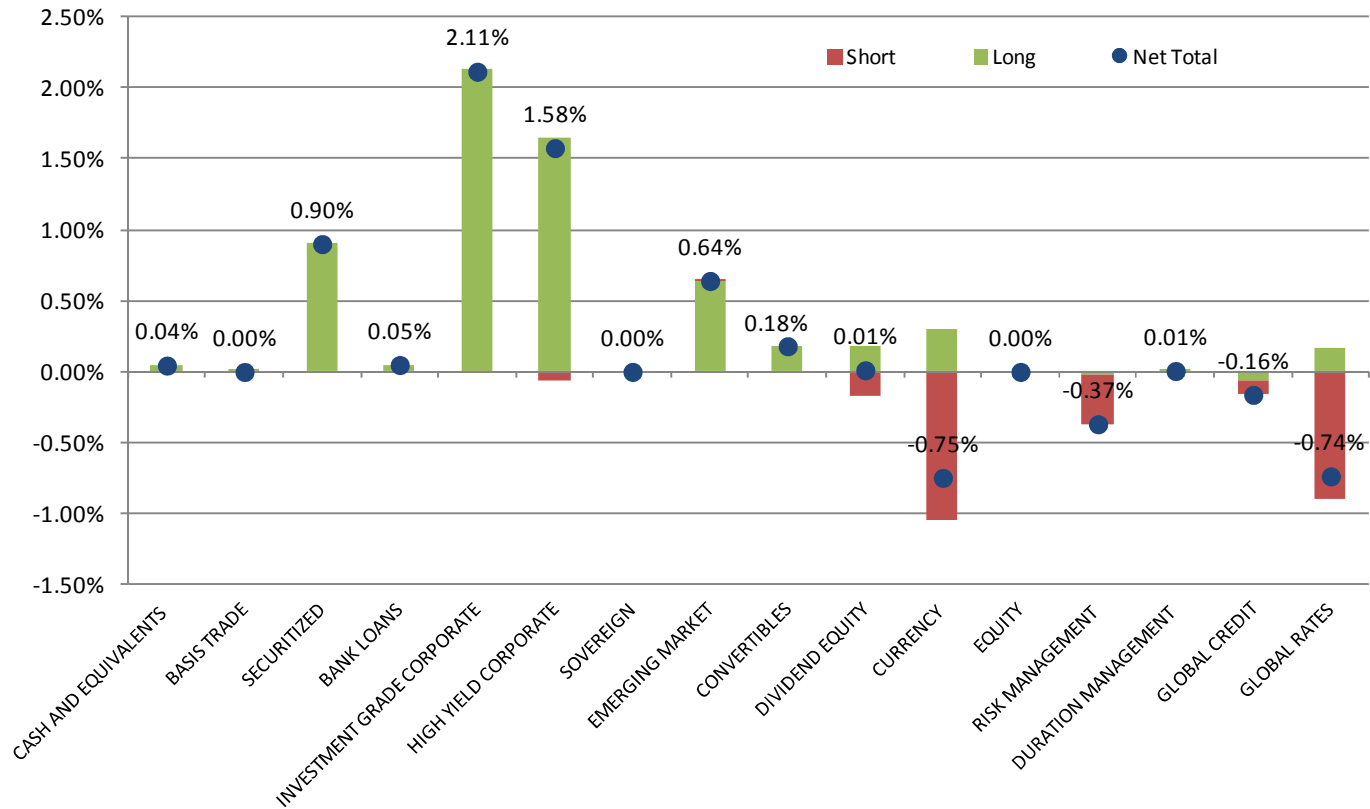


	1 year	2 years	3 years	7/15/13 - 8/31/16 Annualized
Portfolio (Net)	2.81	1.55	2.68	2.34
Benchmark	0.46	0.35	0.32	0.31
Excess Return	2.35	1.20	2.36	2.03

Returns over one year are annualized. Information is reported on a trade date basis. Data Source: BofA Merrill Lynch, Loomis Sayles.

Performance: Attribution 8/31/2015 – 8/31/2016

Total Return **3.53%**
 Long **6.17%**
 Short **-2.64%**



Source: Loomis Sayles (Absolute Return Attribution)

Past performance does not guarantee future results.

historical characteristics summary

	NHIT: Strategic Alpha Trust 8/31/2015	NHIT: Strategic Alpha Trust 8/31/2016
Yield	10.16%	6.19%
Average Maturity	6.06 years	4.68 years
Average Duration	4.24 years	3.27 years
Average Coupon Rate	2.65%	2.89%
Average Quality	Baa1	Baa1

Duration used is Effective. Information on this page reflects fund data. Equity securities are deemed to have a duration and maturity value of zero. Yield is Yield to Effective Maturity Data Source: Merrill Lynch, Loomis Sayles.

fund structure summary

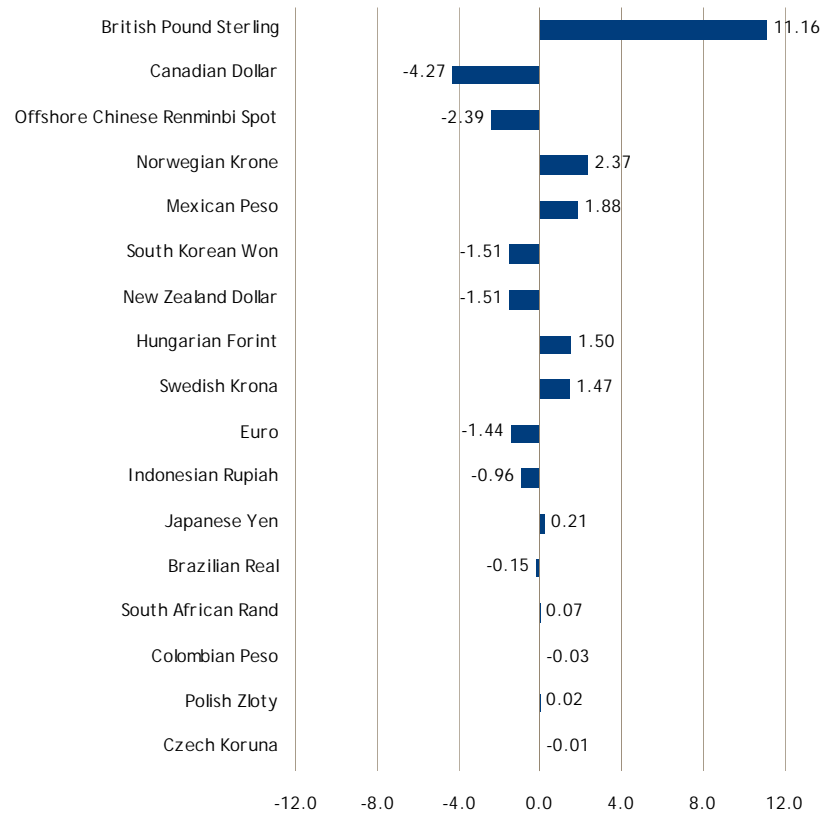
SUMMARY OF STRATEGIES AND POSITIONS (%) AS OF 8/31/2016

Characteristics	Portfolio						
Effective Duration	2.90						
Yield	3.11						
Number of Issues	800						
Strategy	Net	Long Physical	Long Derivative	Long Exposure	Short Physical	Short Derivative	Short Exposure
Global Rates	45.60	0.00	122.67	122.67	0.00	-77.07	-77.07
Securitized	39.70	39.69	0.01	39.70	0.00	0.00	0.00
Investment Grade Corporate	26.96	27.19	0.00	27.19	0.00	-0.23	-0.23
High Yield Corporate	9.96	13.95	0.21	14.16	0.00	-4.20	-4.20
Currency	-6.29	0.00	7.25	7.25	0.00	-13.53	-13.53
Emerging Market	3.67	3.67	0.00	3.67	0.00	0.00	0.00
Bank Loans	2.80	2.80	0.00	2.80	0.00	0.00	0.00
Convertibles	2.04	2.04	0.00	2.04	0.00	0.00	0.00
Dividend Equity	2.03	1.02	1.33	2.35	0.00	-0.32	-0.32
Risk Management	-1.41	0.00	0.00	0.00	0.00	-1.41	-1.41
Global Credit	0.86	0.86	0.00	0.86	0.00	0.00	0.00
Equity	0.19	0.19	0.00	0.19	0.00	0.00	0.00
UNCLASSIFIED	-0.02	0.00	0.00	0.00	0.00	-0.02	-0.02
Subtotal	126.10	91.41	131.46	222.87	0.00	-96.78	-96.78
Cash and Equivalents	8.39	8.39	0.00	8.39	0.00	0.00	0.00
Duration Management	-0.77	0.04	0.75	0.79	0.00	-1.56	-1.56
Total	133.71	99.84	132.21	232.05	0.00	-98.34	-98.34

Strategies are based on internal Loomis Sayles classifications. Equity securities are deemed to have a duration and maturity value of zero. Yield is Yield to Effective Maturity Data Source: Loomis Sayles.

characteristics summary

NET NON USD EXPOSURE BY CURRENCY (%) AS OF 8/31/2016



Currency exposure excludes credit derivatives. Data Source: Loomis Sayles.

2016 global growth themes & forecasts

US

GDP growth around 1.8% for 2016.



Low interest rates, low energy prices, low inflation, solid payroll growth, falling unemployment rate, easier bank lending standards, rising house prices, improving mortgage delinquency rates and housing vacancy rates, recovery in nonresidential construction, solid consumer sector, budget agreement, and more moderate budget deficits.



Strong dollar and weakness in major trading partners is hurting the trade balance, inventory overhang weakening the manufacturing sector, slump in oil-patch regions, mediocre productivity growth, plateau in after-tax profits, failure of labor force participation rate to normalize, indicating structural impediments to labor market recovery, widening junk bond spreads, uncertainty caused by Middle East upheaval, start of a cycle of Fed tightening.

LATIN AMERICA

Struggling economies with 1% growth in 2016, compared to growth in 4%-6% range last decade.



Recession in Brazil, other countries facing terms of trade shock with much weaker commodity prices.



Outlook for Mexico in line with US, regardless of oil prices. Currencies getting cheap in the region, with relatively high interest rates.

UK

Brexit-related political uncertainty to weigh on growth.



Long-term, the UK should continue as a creditworthy country with sound institutions.



Leadership upheavals in domestic politics, uncertainty around Brexit implementation, ratings downgrade.

EUROPE

Recovery continues into 2016, supported by QE, cheap oil, and weak euro. Below consensus given our capex view.



Consumers bolstered by QE, oil, job growth. Lower fiscal drag.



Capex unlikely to meaningfully materialize. Refugee crisis driving political challenges.

AFRICA & MIDDLE EAST

GDP growth being downgraded to 2-4% range.



Weaker oil and commodity prices taking a toll on growth, severe drought conditions, high political/security risks.



Growing intra-regional trade, continued FDI from China and international community, large long-term potential in certain frontier markets.

CHINA

GDP growth will likely continue to slow to 6.3% in 2016.



Healthy consumers, incremental policy moves favoring structuring reform and financial liberalization.



Housing glut and industrial overcapacity, inability to leverage further, weak investment spending which is almost 50% of GDP.

JAPAN

Real GDP growth expected around 0.6% in 2016.



Strong corporate profits, tourism, tight labor market, lower energy prices, and now rising wages, corporate reform.



Income stuck in corporate sector, poor demographics, declining monetary policy space.

ASIA PACIFIC

Growth to slow further, but on aggregate, remain well above LATAM peers. Within Asia, the growth range is wide, from 1-7%. High leverage build-up is a risk as the Fed tightens.



Weaker energy prices, stronger US growth, policy space (for some), relatively strong BOP resilience.

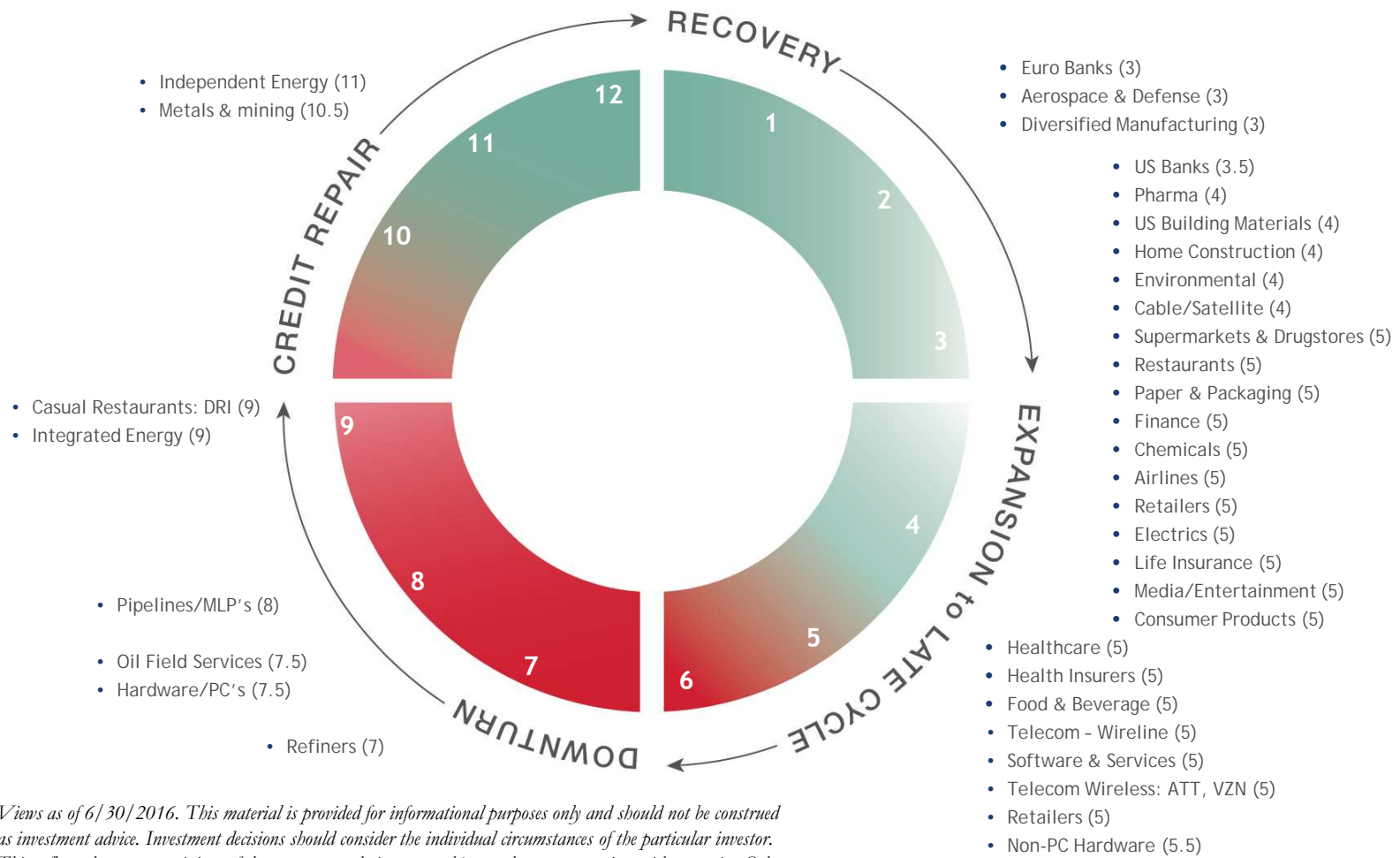


China rebalancing, higher RMB volatility, regional financial linkages, overhang of debt in a number of countries and coming off a credit boom.

Views as of 7/10/2016. This material is provided for informational use only and should not be considered investment advice. The forecasted views and opinions expressed reflect those of the Loomis Sayles Macro Team. All statements are made as of the date indicated and are subject to change at any time without notice.

fundamental view on IG credit & leverage cycle

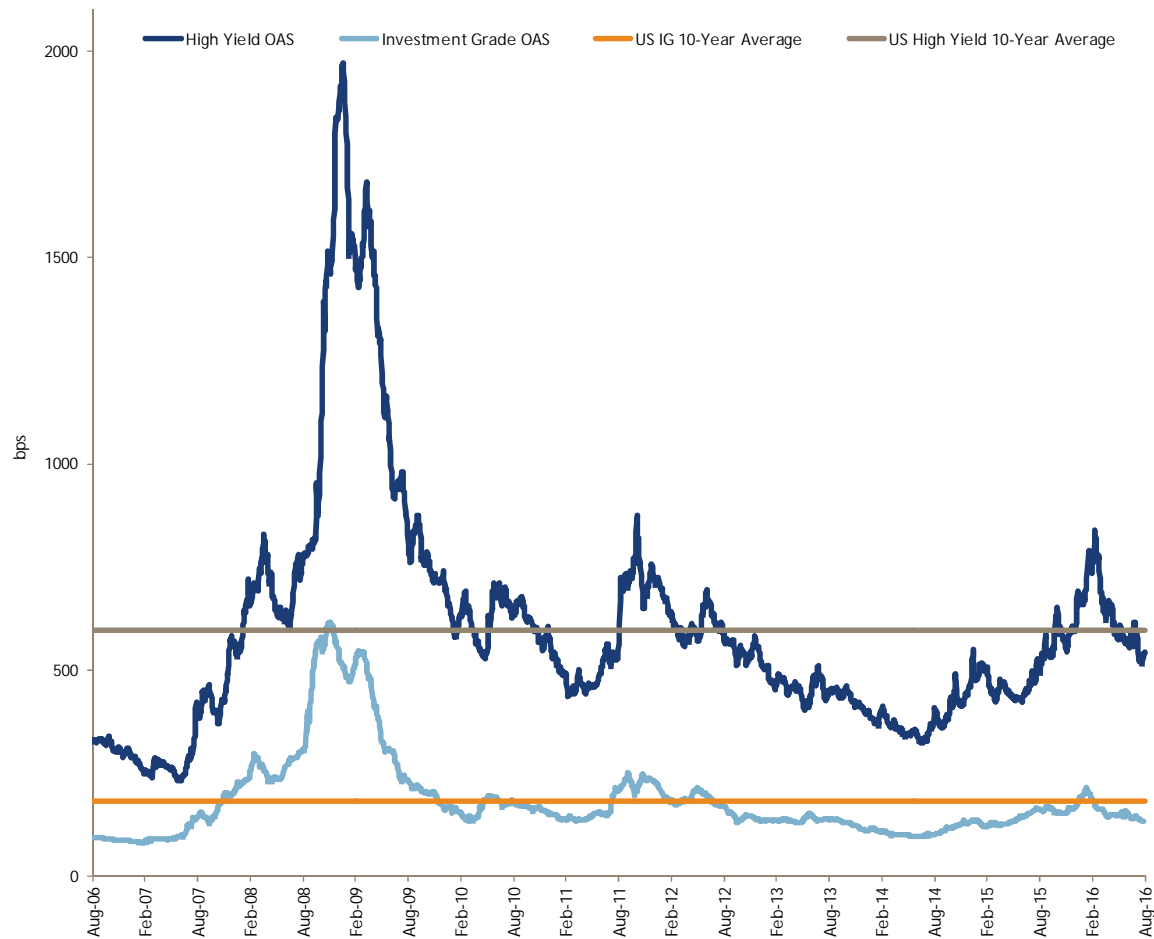
MAJORITY OF INDUSTRIES ARE CURRENTLY IN THE EXPANSION PHASE



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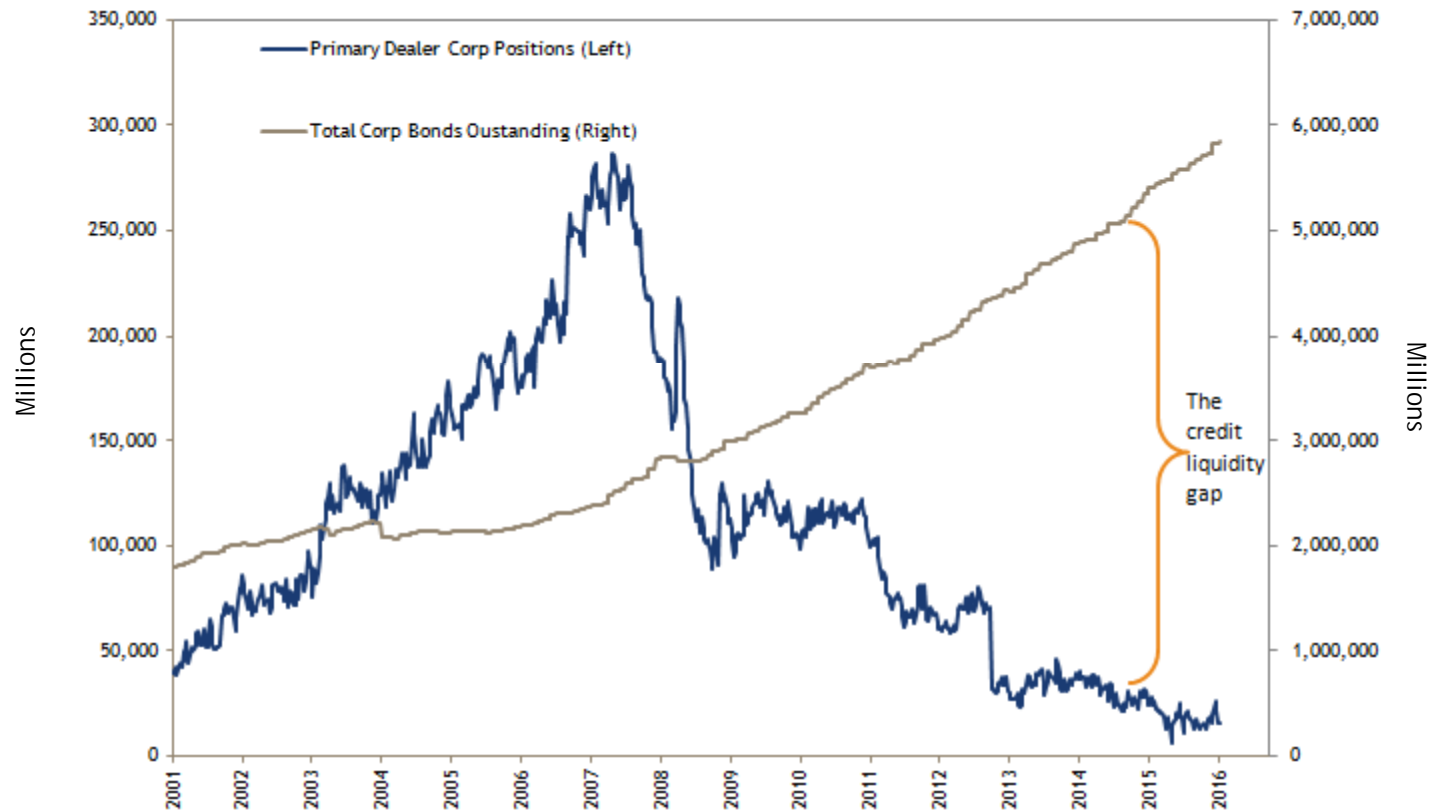
bond market environment

US INVESTMENT GRADE AND HIGH YIELD OPTION-ADJUSTED SPREADS



Data source: Barclays Capital, history through 8/31/2016.

liquidity in corporate sector



Data sources: Deutsche Bank, Barclays and Bloomberg, history through July 6, 2016.

contacts

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Portfolio Manager

Elaine M. Stokes
Portfolio Manager

Brian Kennedy
Portfolio Manager

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Portfolio Manager

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Portfolio Manager
Senior Derivatives Strategist

Todd Vandam, CFA
Portfolio Manager

Roger Ackerman
Product Manager

This report is a service provided to customers of Loomis Sayles for informational purposes and is not a recommendation to purchase or sell securities. Unless otherwise noted, the performance shown is gross of management fees. Past performance is not a guarantee of future results. Loomis Sayles believes the information contained in this report is reliable but we do not guarantee its accuracy. Additional information on portfolio holdings, portfolio attribution and portfolio transactions are available to all investors upon request.



NEPC, LLC

YOU DEMAND MORE. So do we.™



Ventura County Employees' Retirement Association

Investment Performance Analysis for the period ending June 30, 2016

September 19, 2016

Dan LeBeau, Consultant
Allan Martin, Partner
Tony Ferrara, CAIA, Senior Analyst

One Main Street, Cambridge, MA 02142 | TEL: 617.374.1300 | FAX: 617.374.1313 | www.nepc.com

CAMBRIDGE | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | SAN FRANCISCO

	<u>Page</u>
Market Environment Update and Outlook	3
Total Fund Performance	18
Manager Due Diligence	47
Appendix: Market Environment	51

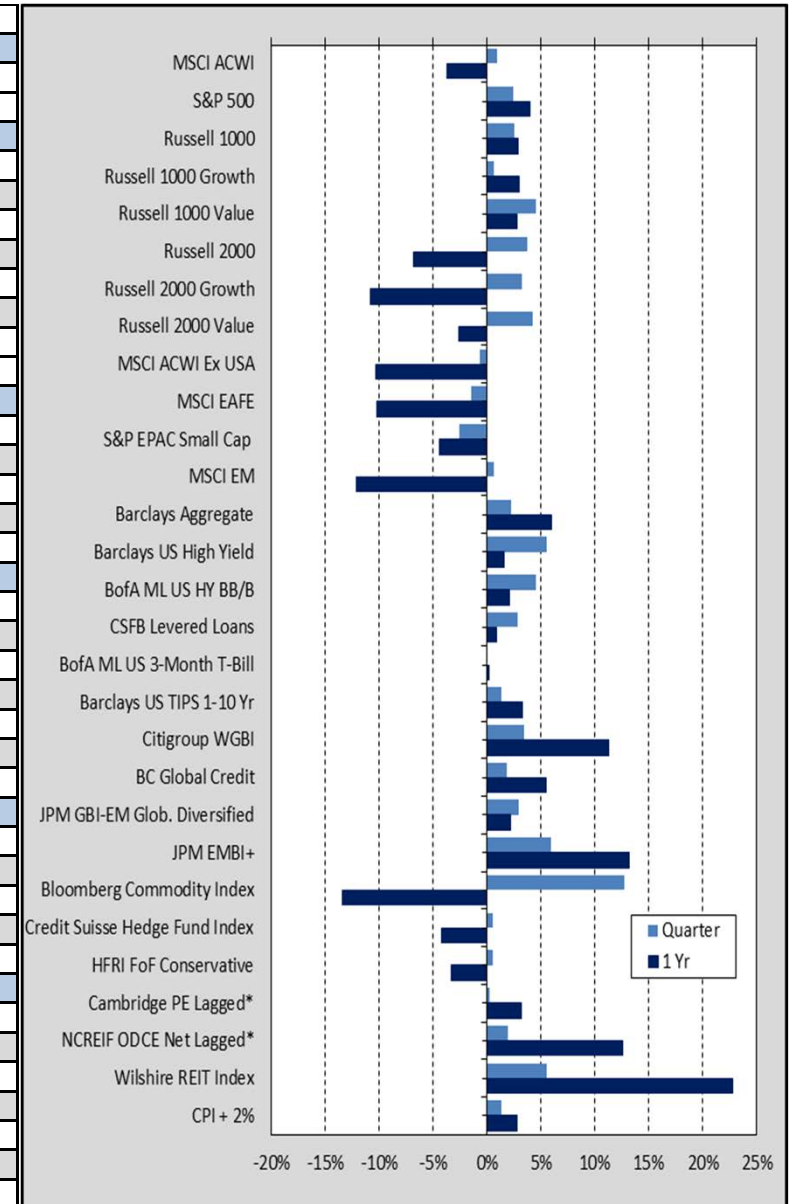
Market Environment Update and Outlook

- **Second quarter GDP growth rate (first estimate) printed at a modest 1.2%.**
 - Retail sales ended May at +1.8% on a year-over-year basis. Over the same period last year, the YoY growth rate was 1.6%.
 - The inventory-to-sales ratio ended May flat at 1.4 and has remained relatively flat since early 2010.
 - Corporate profits (ended January) as a percent of GDP increased slightly to 9.3% from 9.9% (in September) and remain elevated relative to historical levels.
 - The U.S. trade deficit widened ending May due to a strong dollar and higher oil prices.
- **The unemployment rate decreased 0.1% to 4.9% in Q2; U-6, a broader measure of unemployment, fell to 9.6% during the second quarter.**
- **The Case-Shiller Home Price Index (ended May) increased to 180.7 from 176.9 in March and is at levels higher than that of pre-financial crisis levels of 150.9.**
- **Rolling 12-month seasonally adjusted CPI saw a meager uptick to 0.8% at the end of June; Capacity Utilization increased to 75.4% in Q2 from 74.8% in Q1.**
- **Fed Funds rate was unchanged at 0.50%. The 10-year Treasury Yield (constant maturity) finished Q2 at 1.6% down from 1.9% in Q1.**
- **The Fed balance sheet decreased slightly during Q2 2016, while the European Central Bank balance sheet continues to increase.**
 - ECB held its benchmark refinance rate at 0%, deposit rates -0.4% and asset purchases at €80 billion per month.
- **S&P valuations increased slightly in Q2 remaining above the 10-year and long-term averages.**
 - Cyclically adjusted Shiller PE ratio (25.83x) is above the long-term average of 16.67x and above the 10-year average of 22.88x.

Ventura County Employees' Retirement Association

Market Environment – Q2 2016 Overview

		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
World Equity Benchmarks						
MSCI ACWI	World	1.0%	-3.7%	6.0%	5.4%	4.3%
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Domestic Equity Benchmarks						
S&P 500	Large Core	2.5%	4.0%	11.7%	12.1%	7.4%
Russell 1000	Large Core	2.5%	2.9%	11.5%	11.9%	7.5%
Russell 1000 Growth	Large Growth	0.6%	3.0%	13.1%	12.3%	8.8%
Russell 1000 Value	Large Value	4.6%	2.9%	9.9%	11.4%	6.1%
Russell 2000	Small Core	3.8%	-6.7%	7.1%	8.4%	6.2%
Russell 2000 Growth	Small Growth	3.2%	-10.8%	7.7%	8.5%	7.1%
Russell 2000 Value	Small Value	4.3%	-2.6%	6.4%	8.1%	5.2%
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
International Equity Benchmarks						
MSCI ACWI Ex USA	World ex-US	-0.6%	-10.2%	1.2%	0.1%	1.9%
MSCI EAFE	Int'l Developed	-1.5%	-10.2%	2.1%	1.7%	1.6%
S&P EPAC Small Cap	Small Cap Int'l	-2.6%	-4.4%	7.6%	5.0%	4.3%
MSCI EM	Emerging Equity	0.7%	-12.1%	-1.6%	-3.8%	3.5%
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Domestic Fixed Income Benchmarks						
Barclays Aggregate	Core Bonds	2.2%	6.0%	4.1%	3.8%	5.1%
Barclays US High Yield	High Yield	5.5%	1.6%	4.2%	5.8%	7.6%
BofA ML US HY BB/B	High Yield	4.6%	2.1%	4.6%	5.9%	7.0%
CSFB Levered Loans	Bank Loans	2.9%	0.9%	3.0%	4.0%	4.2%
BofA ML US 3-Month T-Bill	Cash	0.1%	0.2%	0.1%	0.1%	1.0%
Barclays US TIPS 1-10 Yr	Inflation	1.3%	3.3%	1.6%	1.6%	4.0%
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Global Fixed Income Benchmarks						
Citigroup WGBI	World Gov. Bonds	3.4%	11.3%	2.6%	1.2%	4.2%
BC Global Credit	Global Bonds	1.9%	5.5%	3.2%	3.1%	4.7%
JPM GBI-EM Glob. Diversified	Em. Mkt. Bonds (Local)	3.0%	2.2%	-3.5%	-2.2%	5.7%
JPM EMBI+	Em. Mkt. Bonds	6.0%	13.2%	7.1%	6.4%	8.0%
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Alternative Benchmarks						
Bloomberg Commodity Index	Commodity	12.7%	-13.4%	-10.6%	-10.8%	-5.6%
Credit Suisse Hedge Fund Index	Hedge Fund	0.6%	-4.2%	2.5%	2.9%	4.2%
HFRI FoF Conservative	Fund of Funds	0.5%	-3.3%	1.9%	1.9%	1.4%
Cambridge PE Lagged*	Private Equity	0.3%	3.2%	10.9%	11.4%	10.8%
NCREIF ODCE Net Lagged*	Real Estate	2.0%	12.6%	12.6%	12.2%	5.4%
Wilshire REIT Index	REIT	5.6%	22.8%	13.6%	12.5%	7.0%
CPI + 2%	Inflation/Real Assets	1.3%	2.8%	3.0%	3.3%	3.8%



* As of 3/31/2016



June 30, 2016

Market Environment

Global Equity

- U.S. equities posted modest gains in the second quarter (+2.5%) amid volatile trading at the end of the quarter as market participants digested news of the Brexit vote.
- Small cap stocks outperformed large cap stocks during the quarter, with the Russell 2000 Index returning 3.8% and the Russell 1000 Index returning 2.5%.
- International equities trailed U.S. markets during the quarter, returning -0.6%, as measured by the MSCI ACWI ex-U.S. Index. Emerging markets returned 0.7% as measured by the MSCI Emerging Markets Index in U.S. dollar terms.
 - Developed international markets returned -1.5% as measured by the MSCI EAFE Index.
- Strength of U.S. Dollar in recent years has negatively impacted performance of non-U.S. equity allocations.

	One Year	Three Year	Five Year	Ten Year
MSCI EAFE	-10.2%	2.1%	1.7%	1.6%
MSCI EAFE (Local)	<u>-9.8%</u>	<u>6.3%</u>	<u>6.7%</u>	<u>2.6%</u>
Over/Under	-0.4%	-4.2%	-5.0%	-1.0%
MSCI EAFE Small Cap	-3.7%	7.3%	4.8%	3.6%
MSCI EAFE Small Cap (Local)	<u>-4.9%</u>	<u>11.2%</u>	<u>9.8%</u>	<u>4.3%</u>
Over/Under	1.2%	-3.9%	-5.0%	-0.7%
MSCI Emerging Markets	-12.1%	-1.6%	-3.8%	3.5%
MSCI Emerging Markets (Local)	<u>-7.7%</u>	<u>3.7%</u>	<u>2.0%</u>	<u>5.7%</u>
Over/Under	-4.4%	-5.3%	-5.8%	-2.2%

Private Equity

- Private equity fundraising totaled \$104 billion in Q2 2016.
- Buyout and Special Situations fundraising totaled \$88 billion in Q2 2016, more than twice the amount contracted in Q1.
 - While exit volume also increased over the first quarter, the first half total for 2016 is down 33% from the prior year period. The primary driver of slower exit volume is a sharp decrease in IPOs that occurred during the first quarter, which was the slowest quarter for IPOs since 2009.
- Venture capital fundraising totaled \$16.9 billion.
 - VC fundraising as a percent of total new PE funds is in line with historical post-dot com levels.
- Fund of fund and multi-manager co-investment fundraising totaled \$5.6 billion.
- Growth equity fundraising totaled \$3.4 billion.

Fixed Income

- **The yield curve shifted down for maturities greater than 6 months. Intermediate yields decreased 20-29 basis points and long duration yields decreased 31-34 basis points.**
- **The spread between two and 10-year rates decreased to 91 basis points from 105 basis points ended June. Treasury Inflation-Protected Securities, or TIPS, returned +1.3% during the quarter, as measured by the Barclays U.S. TIPS 1-10 Yr Index.**
- **The Barclays Long Duration Credit Index gained +6.65% as the long end of the curve ended the quarter 31 basis points lower.**
- **Long Treasuries gained +6.44% and investment-grade U.S. corporate debt gained 2.21%.**
- **The Barclays 1-3 year Government/ Credit Index returned +0.67%. U.S. high yield bonds gained +5.52% driven by Energy names.**
- **Emerging markets debt gained broadly reversing trend with US denominated issuances gaining relative to Local Currency denominated debt.**
 - U.S. dollar-denominated debt, as measured by the JP Morgan EMBI Index, gained 6.0%; local currency debt gained +3.0%, according to the JP Morgan GBI-EM Index.

Real Assets/Inflation-Linked Assets

- **Massive energy market dislocation.**
 - Seek inflation sensitive asset classes that offer positive yield.
 - Oil prices stabilizing and remain low.
 - Private equity and private debt opportunities may be relatively attractive.
 - Potential for public stressed/distressed credit, equity and commodity plays.

- **Select infrastructure opportunities showing signs of being attractive.**
 - Target opportunistic strategies in niche sub-sectors to take advantage of market dislocations.
 - Secular opportunities may exist within the shipping industry as traditional financing sources (both debt and equity) are less abundant.

- **Timber opportunities remain elusive.**
 - Income yields (net) are low as assets are predominantly traded between like-minded institutions.
 - Private strategies are illiquid and constrain quick entrance/exit (i.e. long-term lock-up).
 - Liquid strategies have limited pure timber exposure (and limited active-play options).

- **Metals & Mining; weakened commodity prices may be the new norm as China growth shifts.**

- **Agriculture; outlook supported by strong demographic trends.**

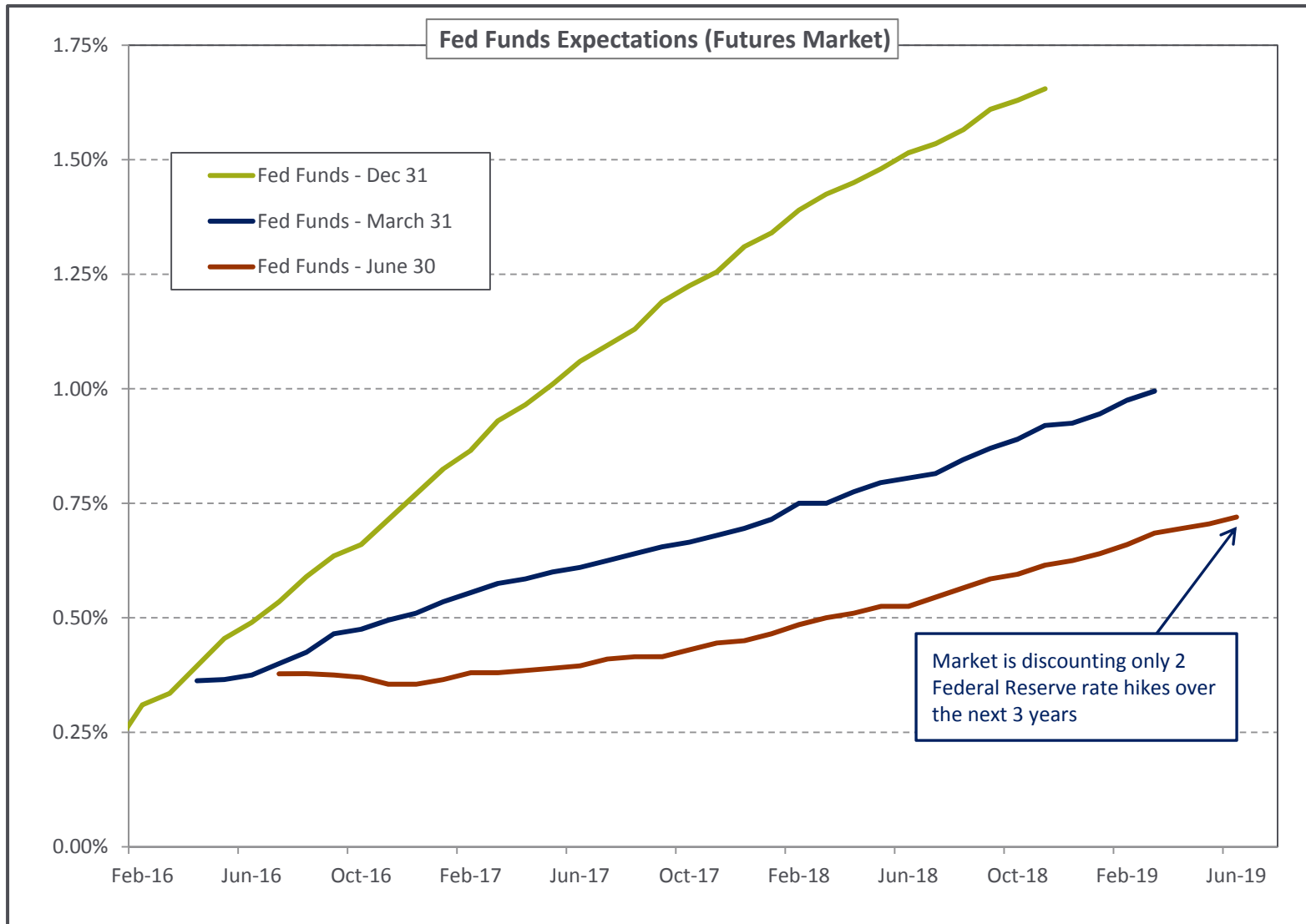
Commodities

- **Commodities ended quarter with a solid +12.7% as measured by the Bloomberg Commodity Index.**
 - Despite an increase in the value of the U.S. Dollar, commodity prices posted strong gains led by a 26% gain in oil.
 - Gold gained 7% in the second quarter and YTD has gained 24%.

Real Estate

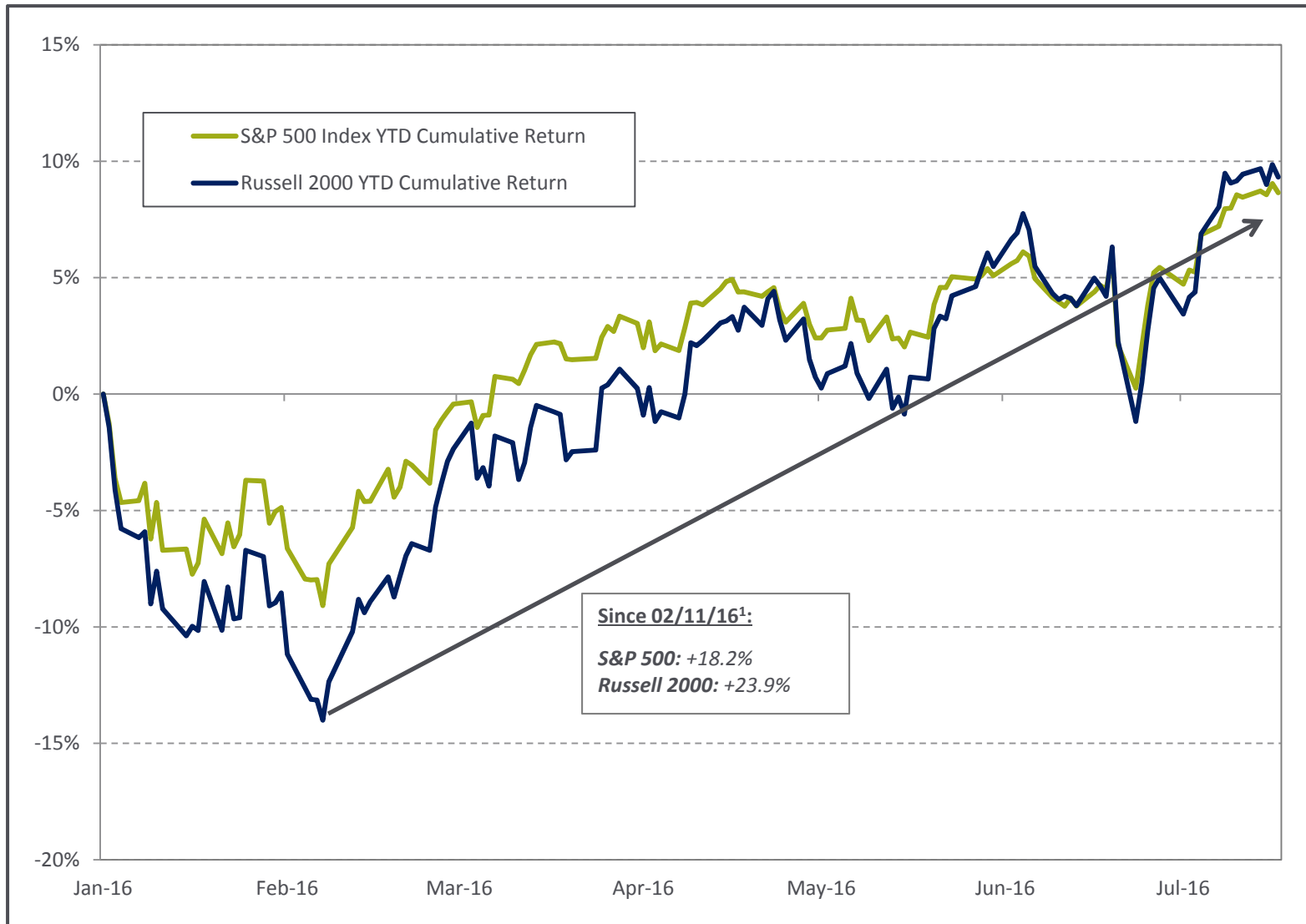
- **NEPC continues to be neutral on core real estate in the U.S. and remains positive on non-core real estate, that is, value-add and opportunistic strategies.**
- **Within U.S. core real estate, strong fundamentals continue to be the story along with attractive income spreads relative to interest rates.**
 - Real estate fundamentals and debt terms are attractive; however, valuations are high and the possibility of rising interest rates and the impact on cap rates causes concern.
- **Overall, the non-core real estate investment environment in the U.S. is normalizing; however, select areas remain attractive.**
- **REIT sector has snapped back to NAV (closing out longest time trading below NAV since the Global Financial Crisis) but remain at high FFO multiples.**
- **Europe is viewed as the best place for a marginal dollar of non-core real estate investment.**
 - Current U.S. dollar denominated investors with currency exposure will feel near-term impact of Brexit, but new investors may benefit from a strong U.S. dollar. Long-term Brexit implications, however, are unclear.

An Uptick in Fed Funds Expectations of Current Lows is Likely to Fuel Dollar Strength



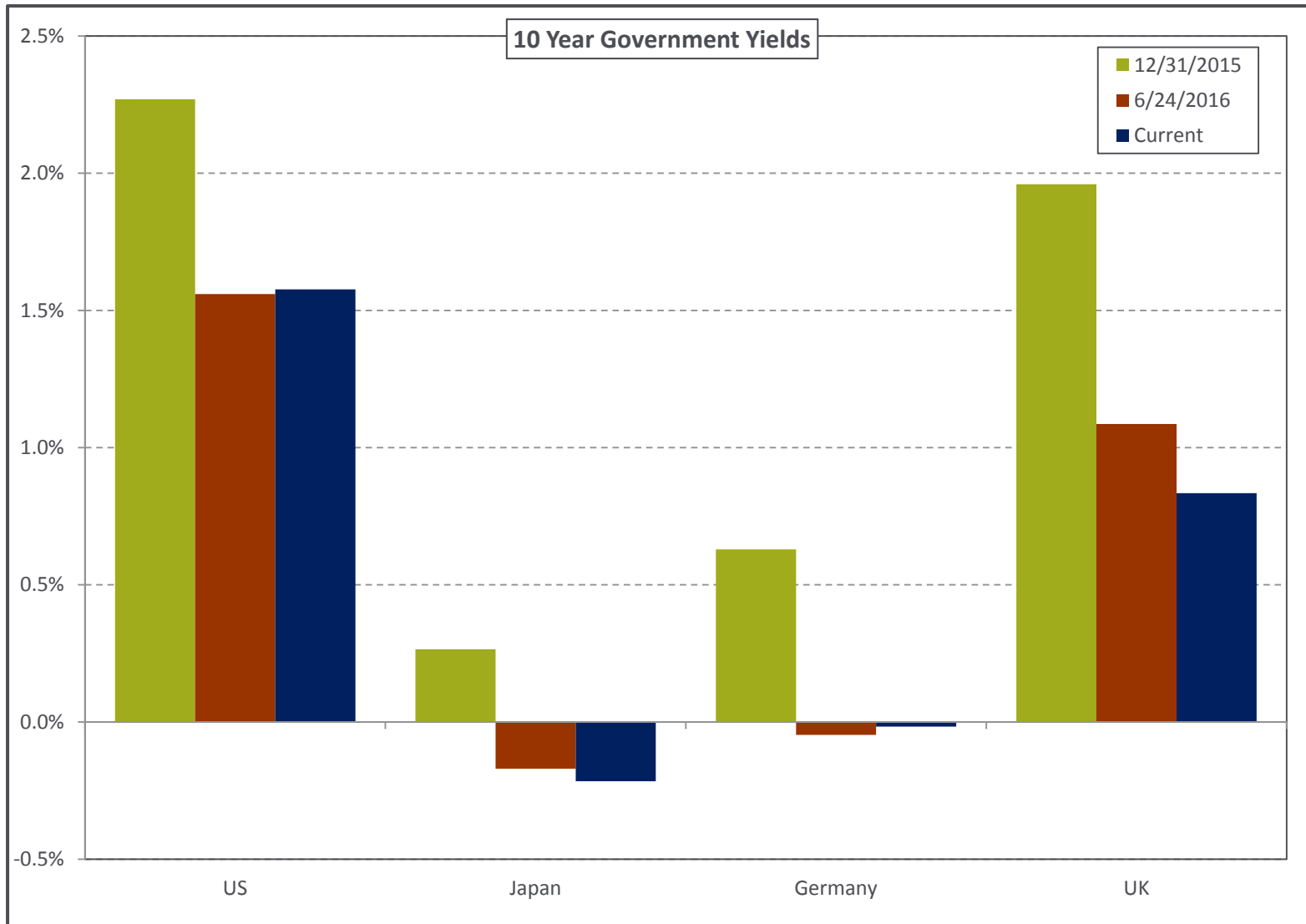
Source: Bloomberg

Significant U.S. Equity Gains From February Lows – Remain Disciplined in Rebalancing



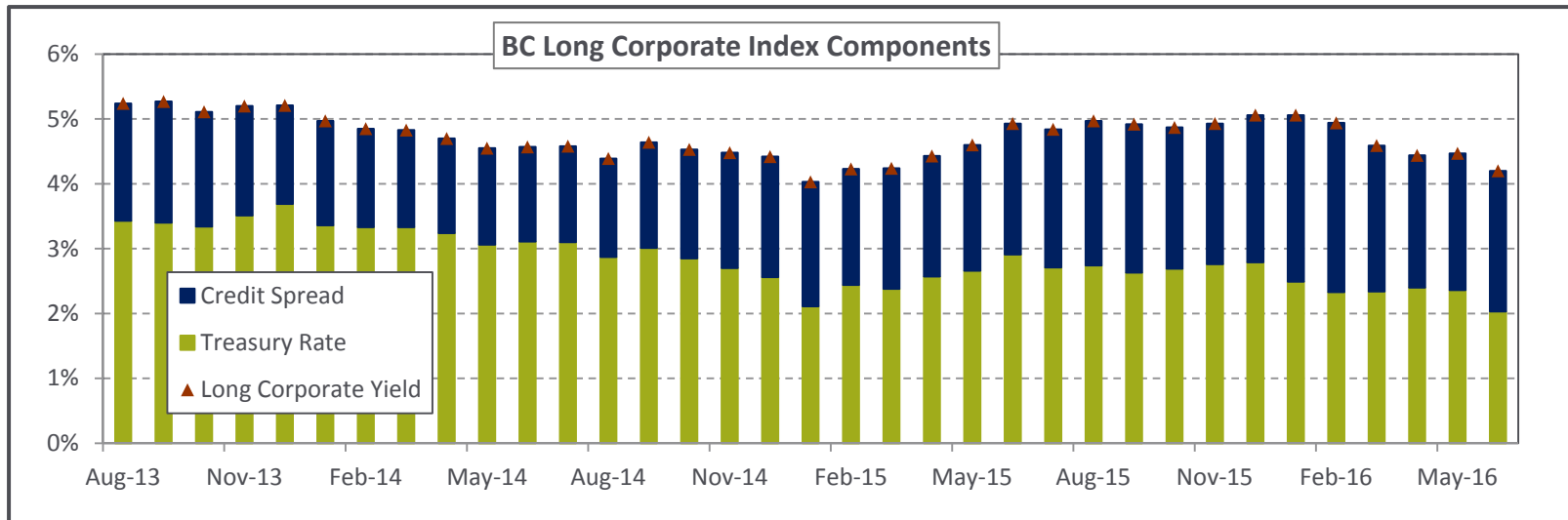
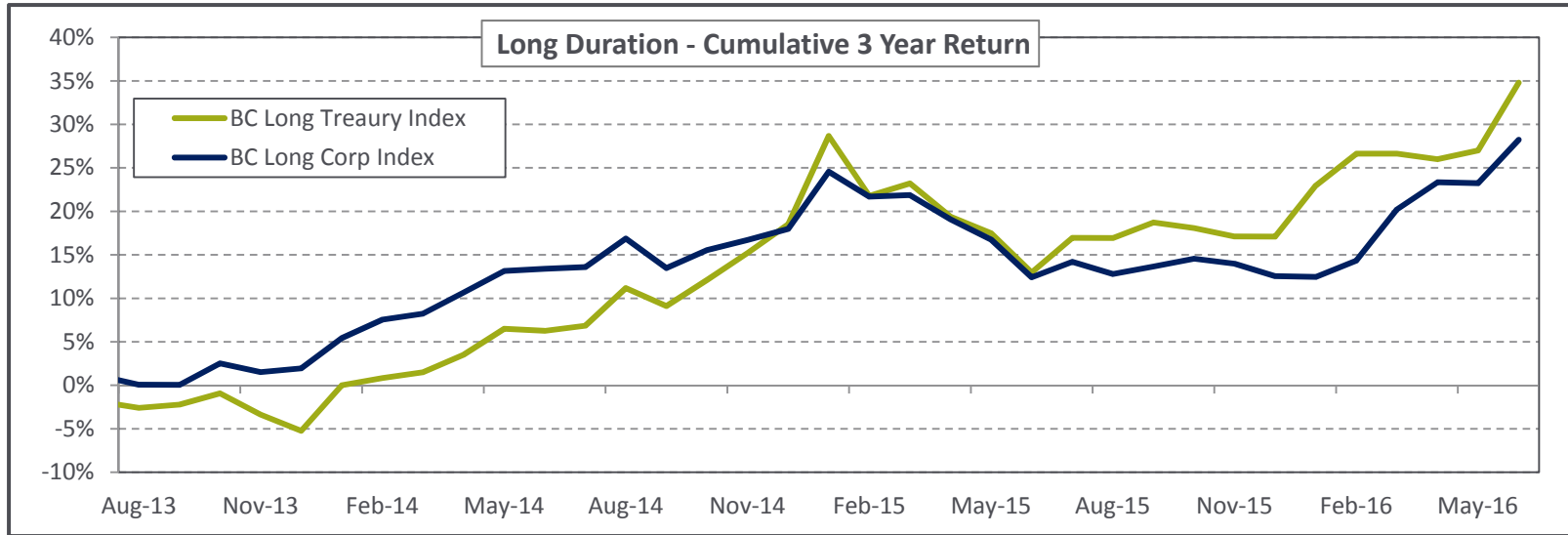
Source: Bloomberg
¹As of July 22, 2016

Global Bond Yields at Record Lows; Re-Evaluate WGBI Exposure



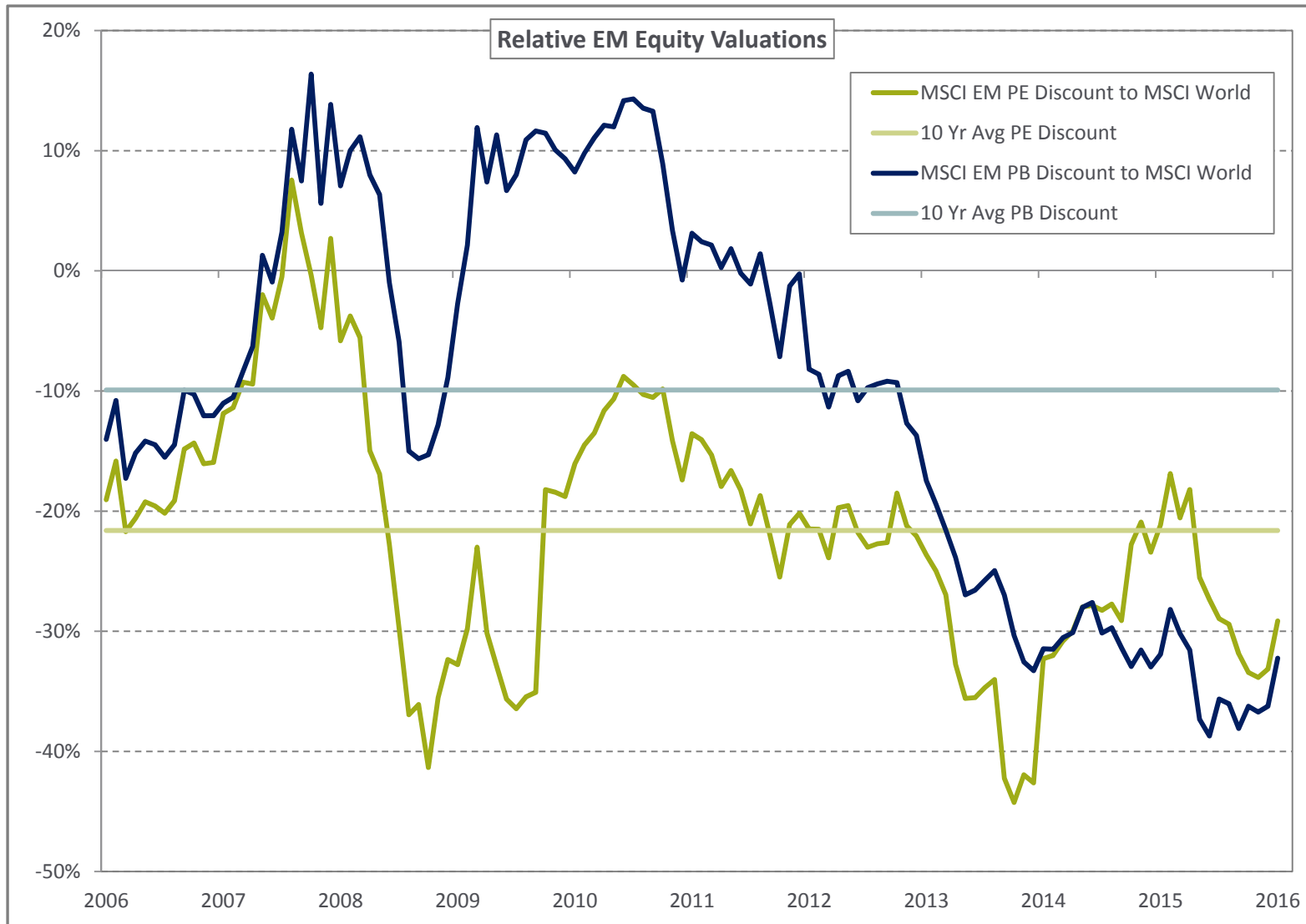
Source: Bloomberg
Results of Brexit vote announced on 06/24/2016

Treasury Exposure Provided Significant Gains – Opportunities for Profit Taking in Long Bonds



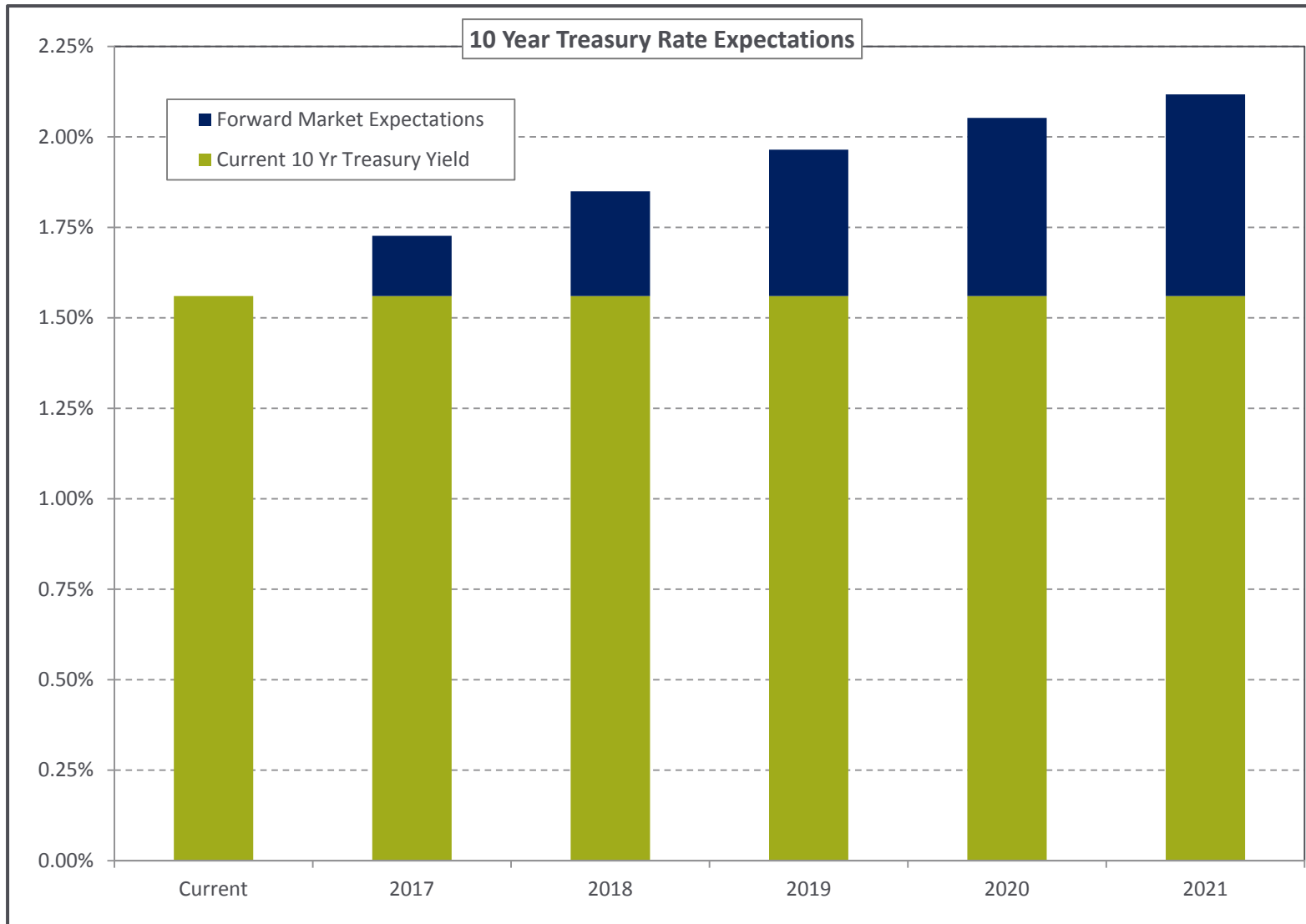
Source: Bloomberg

Emerging Markets Continue to Offer Reasonable Equity Valuations



Source: Bloomberg

Muted Forward Market Expectations Provide Limited Cushion Should Rates Rise More Rapidly



Source: Bloomberg

- **Trim U.S. equity exposure as U.S. markets have rebounded significantly**
 - Remain disciplined and look for rebalancing opportunities should equity markets decline
 - Look to capture pockets of value in U.S. high yield with credit spreads in-line with averages

- **Maintain overweight exposure to non-U.S. developed market equities**
 - Central bank support and dollar strength provide a positive economic backdrop
 - A more dramatic expansion of political risk may soften our overweight view
 - Small cap equity and global equity are preferred implementation approaches
 - These strategies offer the best opportunity to exploit valuation discrepancies among individual stocks that may result from elevated volatility levels

- **Recommend investors continue to hedge developed market currencies**
 - 50% hedge ratio remains an ideal neutral point for developed currency exposure
 - Current U.S. Dollar valuation hovers within a neutral band; opportunities to tactically adjust currency hedge ratios may arise should the U.S. Dollar significantly strengthen or weaken

- **Recent strength validates commitment to emerging market equities**
 - Valuations and long-term fundamentals suggest an overweight
 - China uncertainty, dollar pressure and idiosyncratic country risks temper excitement
 - Overweight small cap and consumer-focused strategies relative to broad mandates

- **Developed market duration exposure is generally unattractive**
 - Preserve U.S. duration exposure with a bias towards TIPS over core bonds
 - Rebalance long Treasuries, long credit, and risk parity following recent outsized gains
 - Look to eliminate WGBI focused global bond strategies with yields at historic lows

NEPC Updates

June 30, 2016

Highlights of Second Quarter Happenings at NEPC

NEPC Research

Recent White Papers

- "Thinking Ahead to Stay Ahead: Strategic Private Equity Investing in Healthcare" (April 2016)
- Market Chatter: "Implications of Brexit" (June 2016)
- Market Chatter: "Brexit... What Now?" (June 2016)
- "The Disease of Doubt" (July 2016)

Webinar

- "Brexit - A Vote for Volatility" (June 2016); Panel provides perspectives on the EU Referendum.



NEPC's 21st Annual Investment Conference

"Excellent breadth of materials, plenty of concurrent sessions, and the speakers were vibrant and humorous!" is just one of many positive reviews from attendees. The conference attracted more than 200 people to the Hynes Convention Center in Boston on May 10-11, 2016.

News from NEPC

We are excited to announce NEPC's active presence on five social media channels: Facebook, Google+, LinkedIn, Twitter and YouTube, and we will continue to post on the Endowments and Foundations Twitter. We will be using these online channels to share company news, information and articles throughout the industry. Those interested in keeping up with the latest news from NEPC can follow our accounts. Company news and industry insights will continue to be available on our website, which has been updated with a new optimized search feature.



Upcoming Events

NEPC's 22nd Annual Investment Conference will be held on May 9-10, 2017 at the InterContinental Hotel in Boston, MA.

MARK YOUR CALENDAR!

NEPC Client Recognitions

We are pleased to announce that three of NEPC's public fund clients won Institutional Investor (II) Awards.

- **Arn Andrews**, CIO of San Jose Police & Fire, won the award for Chief Investment Officer of the Year.
- **Sam Masoudi**, CIO of Wyoming Retirement System, won the award for Opportunistic Investment Strategies Award.
- **Bob Jacksha**, CIO of New Mexico Employees Retirement Board, won the award for Portfolio Construction.

We are also pleased to announce that two NEPC clients, **San Bernardino County Employees' Retirement System** and **Arizona Public Safety Personnel Retirement System**, were nominated for Institutional Investor magazine's 14th Annual Hedge Fund Industry Awards in the "Public Plan of the Year, Small" category.

Total Fund Performance

Note: All of the data shown on the following pages is as of June 30, 2016 and reflects the deduction of investment manager fees, unless otherwise noted.

Ventura County Employees' Retirement Association

Total Fund Performance Summary (Net)

	Market Value	3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank	Return	Since
Total Fund	\$4,367,190,644	2.4%	12	3.8%	8	1.0%	21	6.9%	27	7.0%	22	5.6%	37	7.8%	Apr-94
<i>Policy Index</i>		1.9%	38	3.3%	23	1.8%	9	7.4%	6	7.1%	12	5.9%	24	7.9%	Apr-94
<i>60% MSCI ACWI (Net)/40% CITI WGBI</i>		2.0%	35	5.1%	1	2.3%	8	4.8%	86	3.9%	99	4.6%	87	--	Apr-94
<i>InvestorForce Public DB > \$1B Net Median</i>		1.7%		2.7%		-0.5%		6.0%		6.0%		5.3%		7.4%	Apr-94

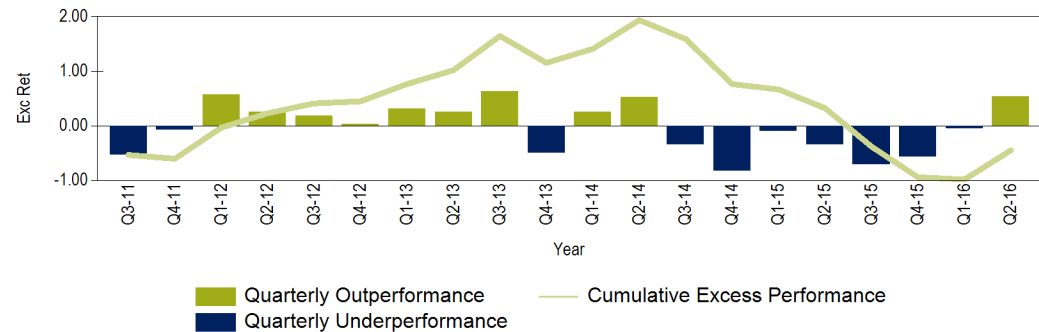
- For the five-year period ending June 30, 2016, the Fund returned 7.0%, trailing the policy index by 0.1% and ranking in the 22nd percentile of its peers. The Fund's volatility, as measured by standard deviation, ranked in the 76th percentile of its peers, and the risk-adjusted return, or Sharpe Ratio, ranks in the 41st percentile. This means that the Fund has earned more return per unit of volatility taken than 59% of its peers.

- For the three-year period, the Fund returned 6.9%, trailing the policy index by 0.5% and ranking in the 27th percentile of its peers. The Fund's volatility ranks in the bottom half of its peers over this period, with the Fund's Sharpe Ratio ranking in the 37th percentile.

- For the one-year period, the Fund returned 1.0%, trailing the policy index by 0.8% and ranking in the 21st percentile of the InvestorForce Public Funds > \$1 Billion Universe (Net of Fees).

- For the one-year period, the Fund experienced a net investment gain of \$61 million, which includes a net investment gain of \$108 million in the quarter. Assets decreased from \$4.34 billion one year ago to \$4.37 billion.

Quarterly and Cumulative Excess Performance



3 Years Ending June 30, 2016

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Total Fund	6.9%	27	7.2%	71	0.9	37	1.8	25
Policy Index	7.4%	6	7.1%	67	1.0	24	1.9	18
InvestorForce Public DB > \$1B Net Median	6.0%	--	6.7%	--	0.9	--	1.6	--

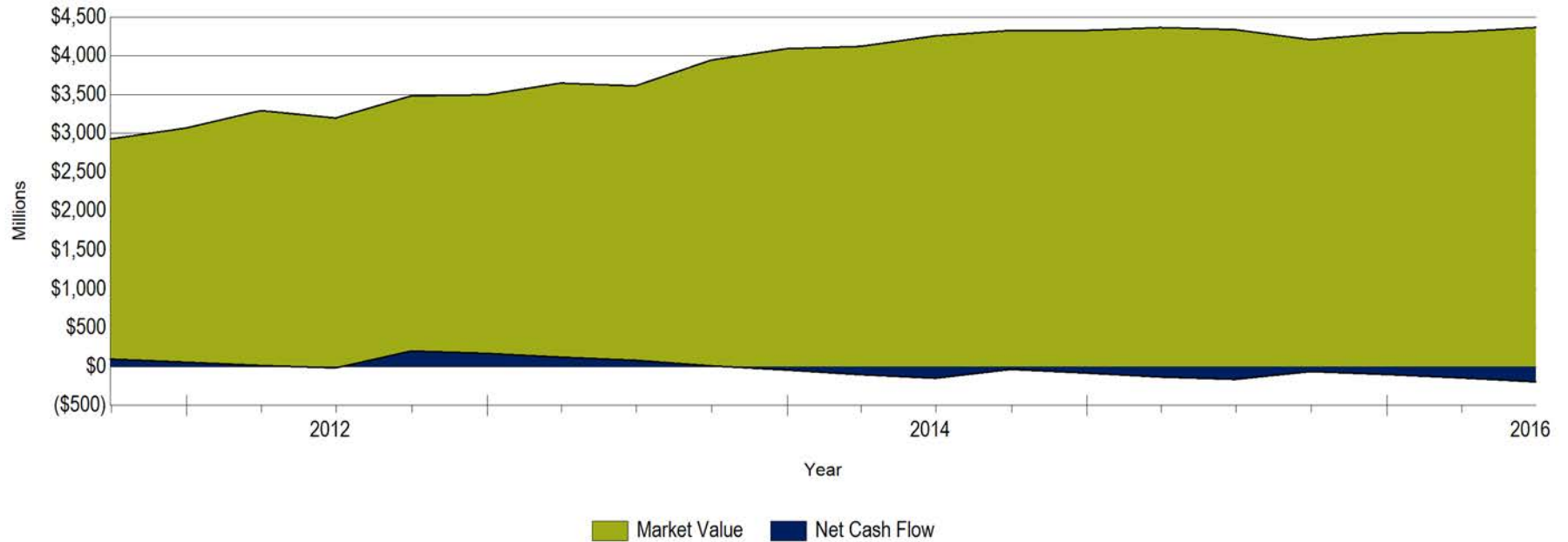
5 Years Ending June 30, 2016

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Total Fund	7.0%	22	8.3%	76	0.8	41	1.3	39
Policy Index	7.1%	12	8.2%	74	0.9	38	1.3	37
InvestorForce Public DB > \$1B Net Median	6.0%	--	7.5%	--	0.8	--	1.2	--

Policy Index as of January 2016: 28% Russell 3000, 20% Barclays Aggregate, 15% MSCI ACWI ex U.S., 10% MSCI ACWI, 10% DJ U.S. Total Stock Market Index + 3%, 10% CPI+4% Index, and 7% NCREIF ODCE Real Estate Index.

Total Fund Asset Growth Summary

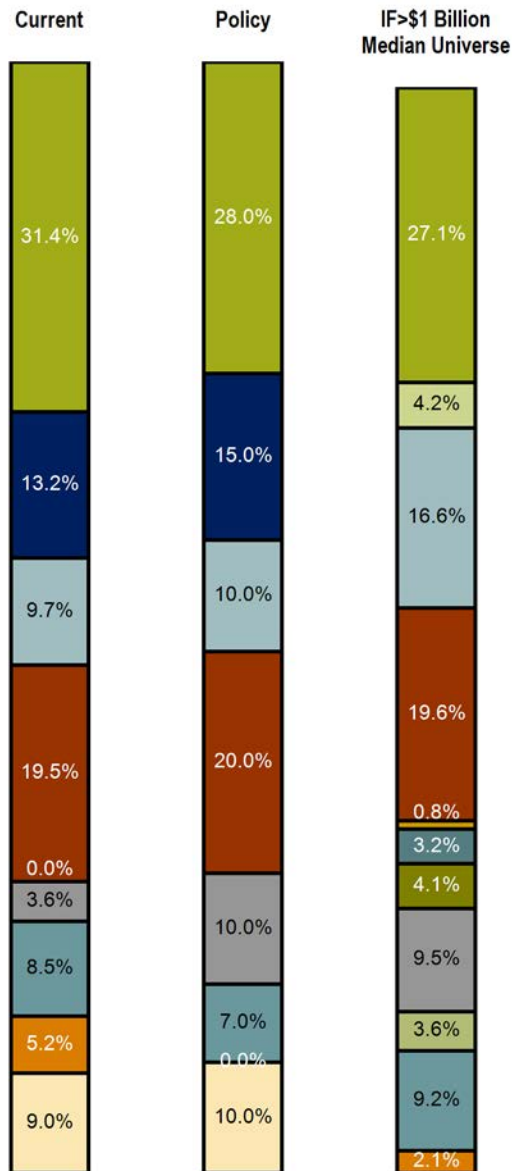
Market Value History
5 Years Ending June 30, 2016



Summary of Cash Flows

	Last Three Months	Year-To-Date	One Year	Three Years	Five Years
Beginning Market Value	\$4,309,978,136	\$4,290,811,595	\$4,338,136,581	\$3,612,254,371	\$3,160,376,439
Net Cash Flow	-\$51,046,739	-\$94,933,308	-\$31,700,545	-\$278,252,863	-\$195,989,993
Net Investment Change	\$108,259,247	\$171,312,358	\$60,754,609	\$1,033,189,136	\$1,402,804,199
Ending Market Value	\$4,367,190,644	\$4,367,190,644	\$4,367,190,644	\$4,367,190,644	\$4,367,190,644

Total Fund Asset Allocation vs. Policy Targets

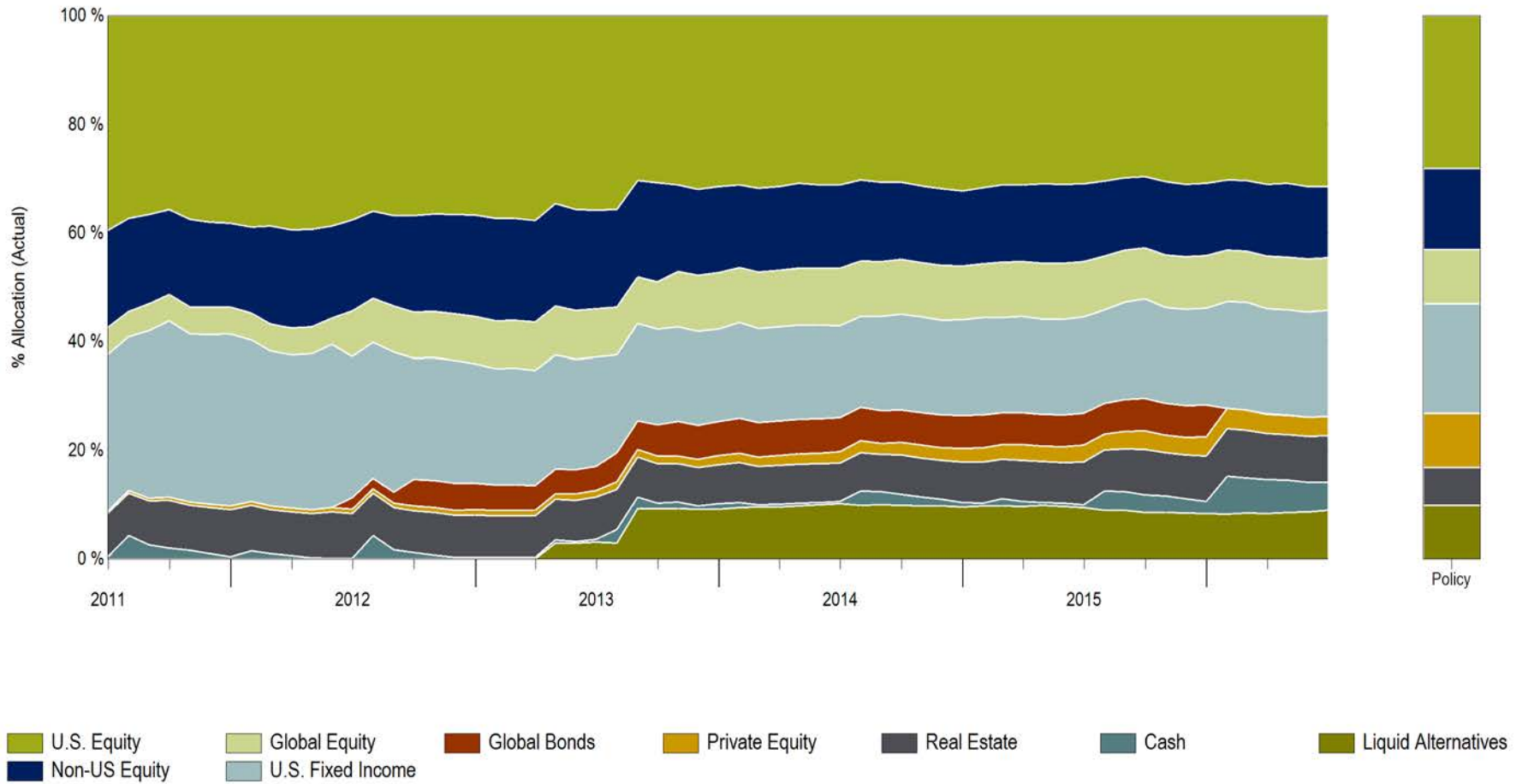


	Current	Current	Policy	Difference*	Policy Range	Within Range
U.S. Equity	\$1,373,234,838	31.4%	28.0%	3.4%	24.0% - 32.0%	Yes
Non-US Equity	\$574,993,318	13.2%	15.0%	-1.8%	12.0% - 18.0%	Yes
Emerging Markets Equity	\$421,734,448	9.7%	10.0%	-0.3%	7.0% - 13.0%	Yes
Global Equity	\$850,561,060	19.5%	20.0%	-0.5%	16.0% - 24.0%	Yes
U.S. Fixed Income						
Fixed Income - Emerging						
Fixed Income - Global						
Global Asset Allocation						
Private Equity	\$156,272,224	3.6%	10.0%	-6.4%	0.0% - 12.0%	Yes
Hedge Funds						
Real Estate	\$371,598,471	8.5%	7.0%	1.5%	4.0% - 10.0%	Yes
Cash	\$225,936,950	5.2%	0.0%	5.2%	0.0% - 3.0%	No
Liquid Alternatives Total	\$392,859,306	9.0%	10.0%	-1.0%	5.0% - 15.0%	Yes
Total	\$4,367,190,644	100.0%	100.0%			

*Difference between Policy and Current Allocation

Total Fund Allocation History

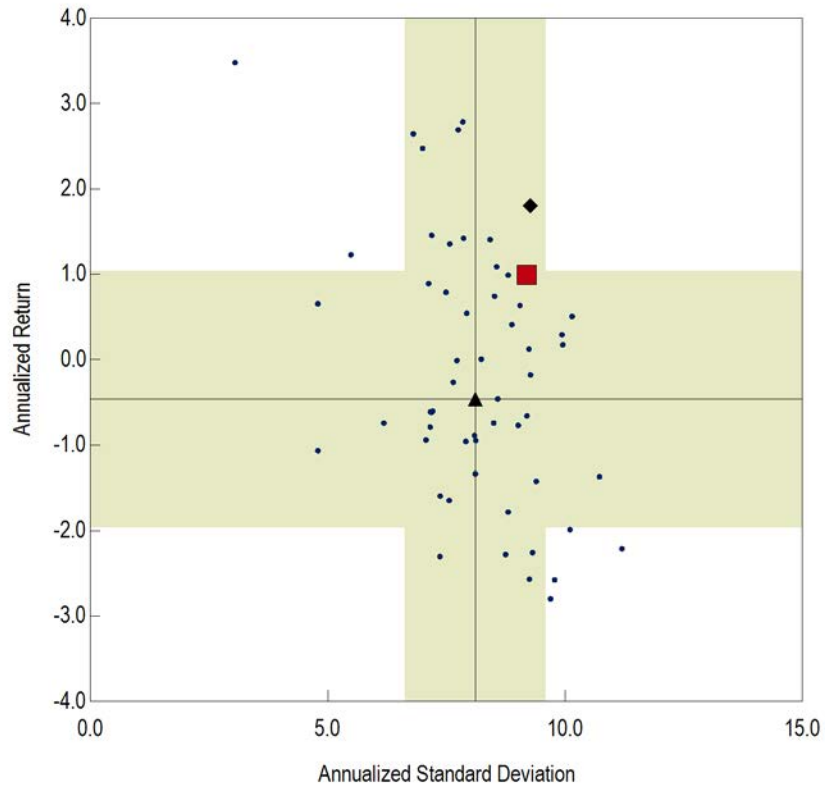
Asset Allocation History
5 Years Ending June 30, 2016



Policy Index shown is most recently approved index

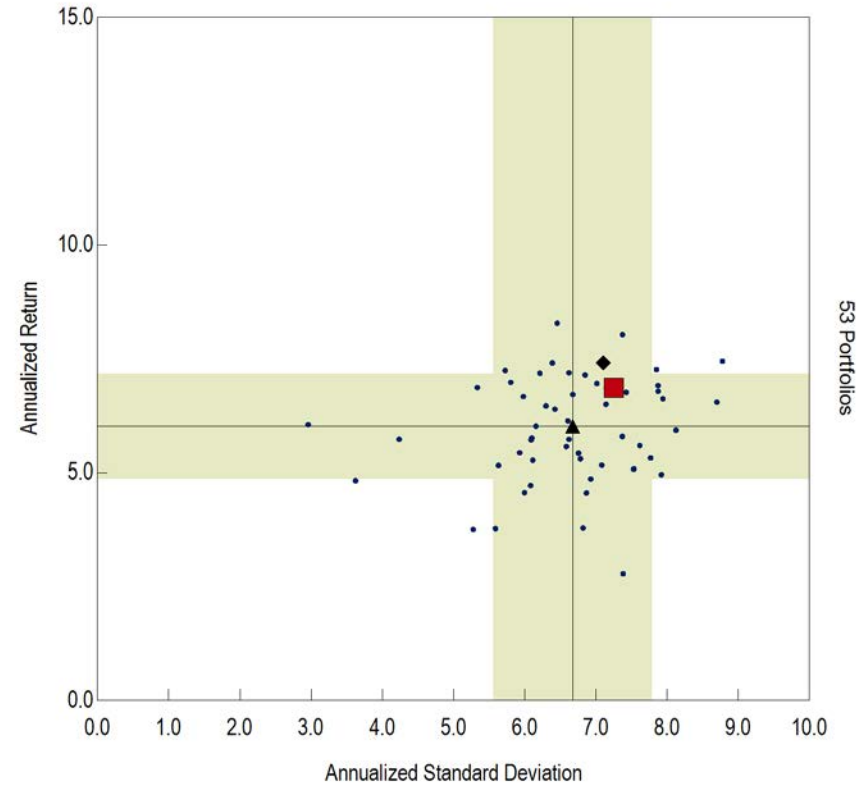
Total Fund Risk/Return

1 Years Ending June 30, 2016



- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB > \$1B Net

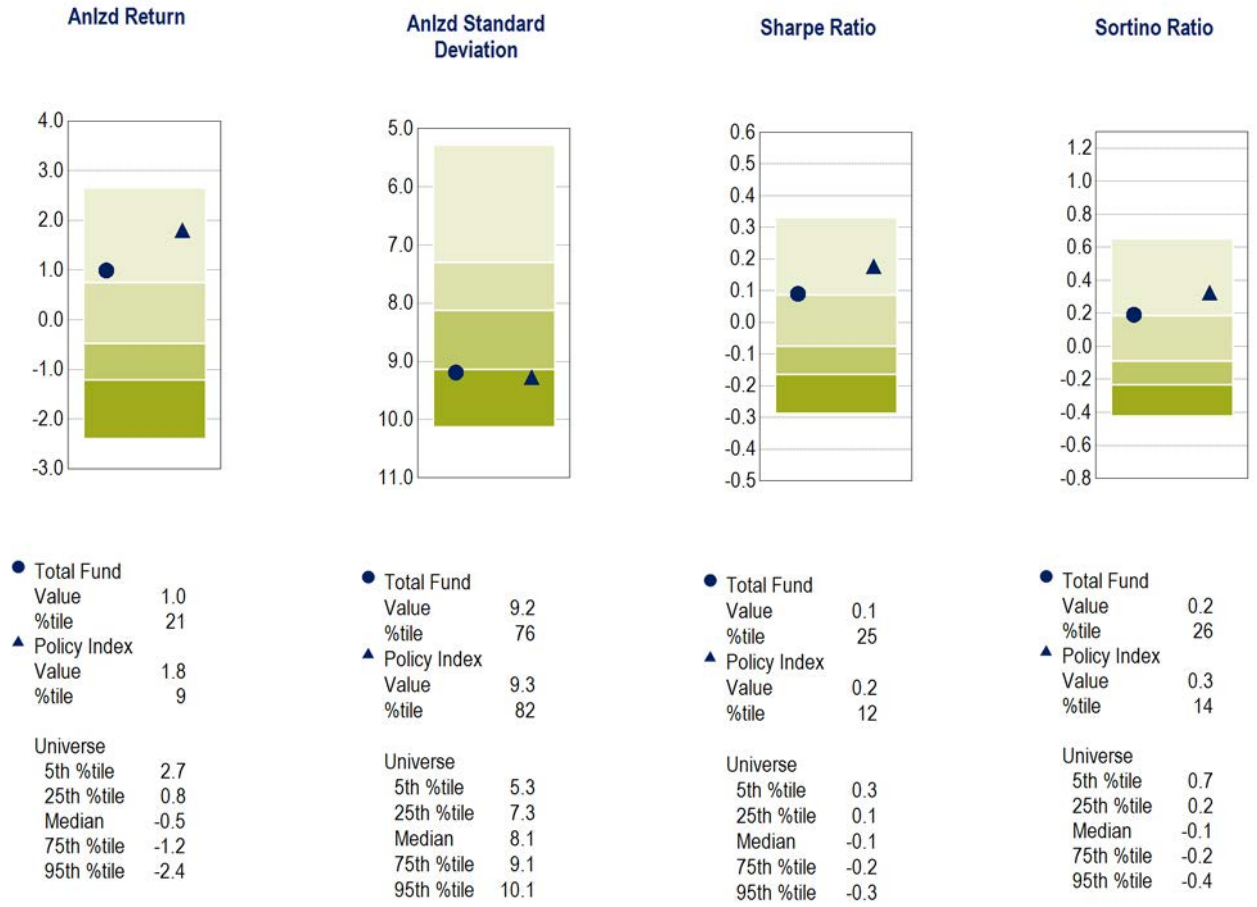
3 Years Ending June 30, 2016



- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB > \$1B Net

Total Fund Risk Statistics vs. Peer Universe

Total Fund vs. InvestorForce Public DB > \$1B Net
1 Year



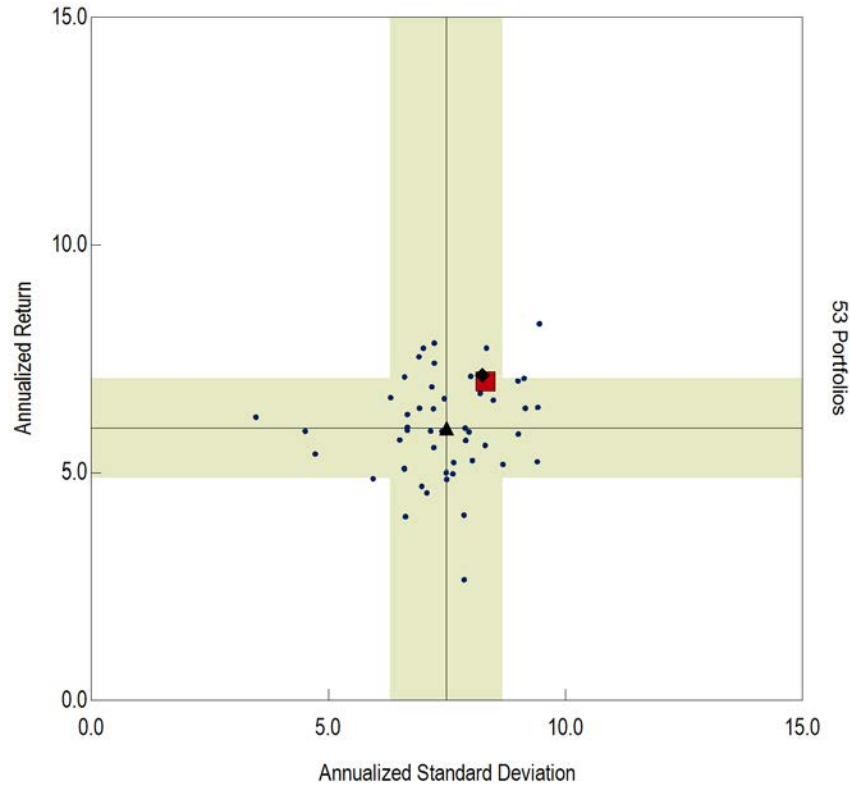
Total Fund Risk Statistics vs. Peer Universe

**Total Fund vs. InvestorForce Public DB > \$1B Net
3 Years**



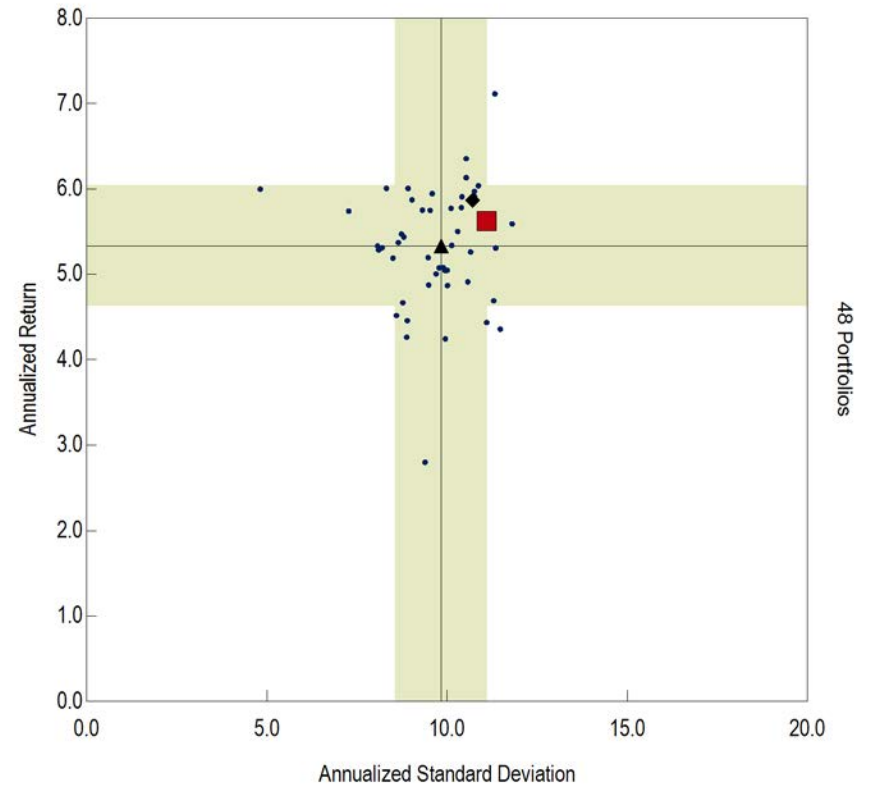
Total Fund Risk/Return

5 Years Ending June 30, 2016



- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB > \$1B Net

10 Years Ending June 30, 2016

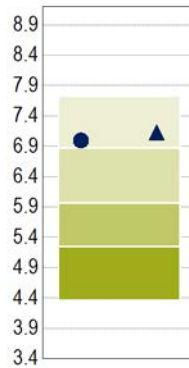


- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB > \$1B Net

Total Fund Risk Statistics vs. Peer Universe

Total Fund vs. InvestorForce Public DB > \$1B Net
5 Years

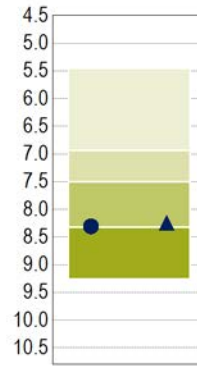
Anlzd Return



● Total Fund	
Value	7.0
%tile	22
▲ Policy Index	
Value	7.1
%tile	12

Universe	
5th %tile	7.7
25th %tile	6.9
Median	6.0
75th %tile	5.3
95th %tile	4.4

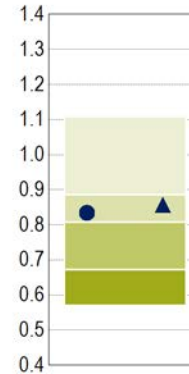
Anlzd Standard Deviation



● Total Fund	
Value	8.3
%tile	76
▲ Policy Index	
Value	8.2
%tile	74

Universe	
5th %tile	5.5
25th %tile	6.9
Median	7.5
75th %tile	8.3
95th %tile	9.3

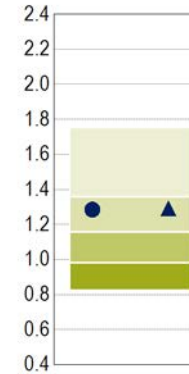
Sharpe Ratio



● Total Fund	
Value	0.8
%tile	41
▲ Policy Index	
Value	0.9
%tile	38

Universe	
5th %tile	1.1
25th %tile	0.9
Median	0.8
75th %tile	0.7
95th %tile	0.6

Sortino Ratio

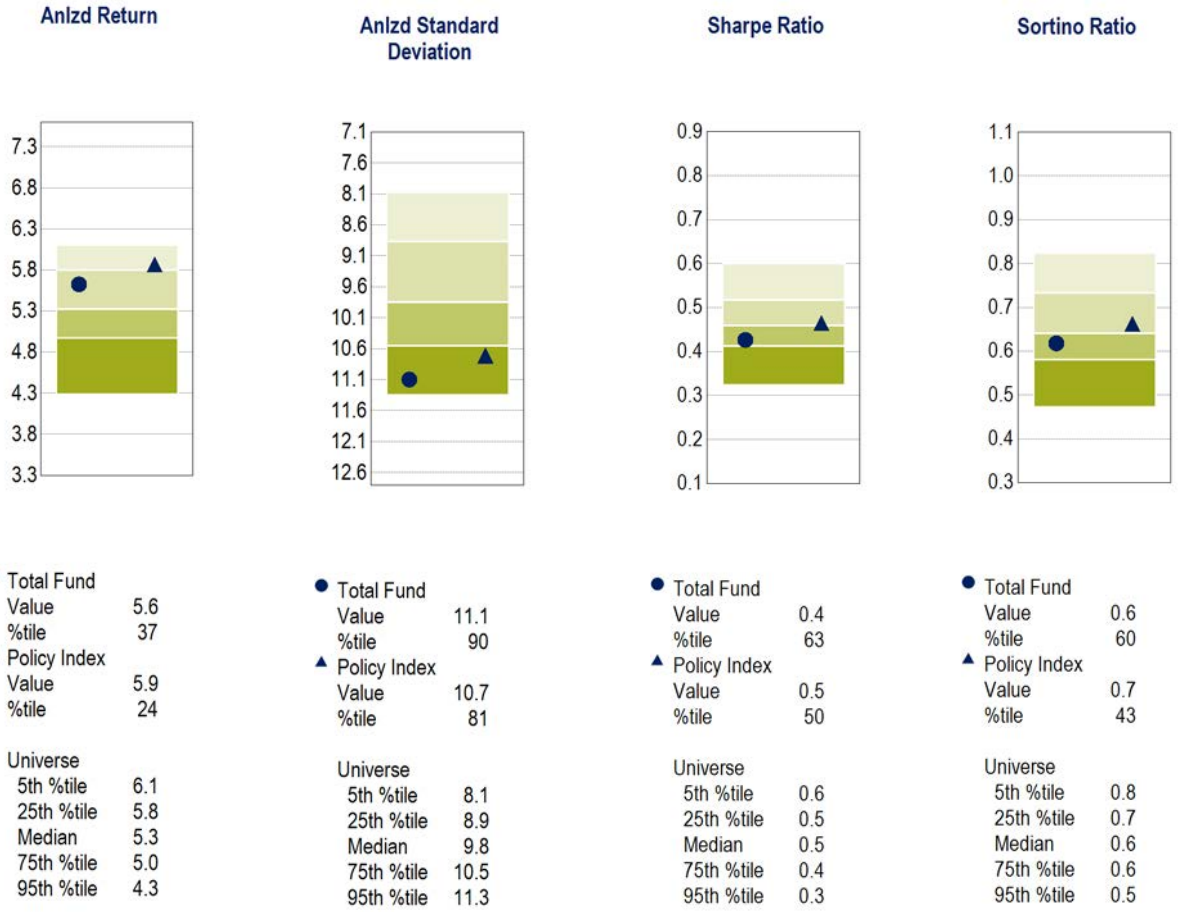


● Total Fund	
Value	1.3
%tile	39
▲ Policy Index	
Value	1.3
%tile	37

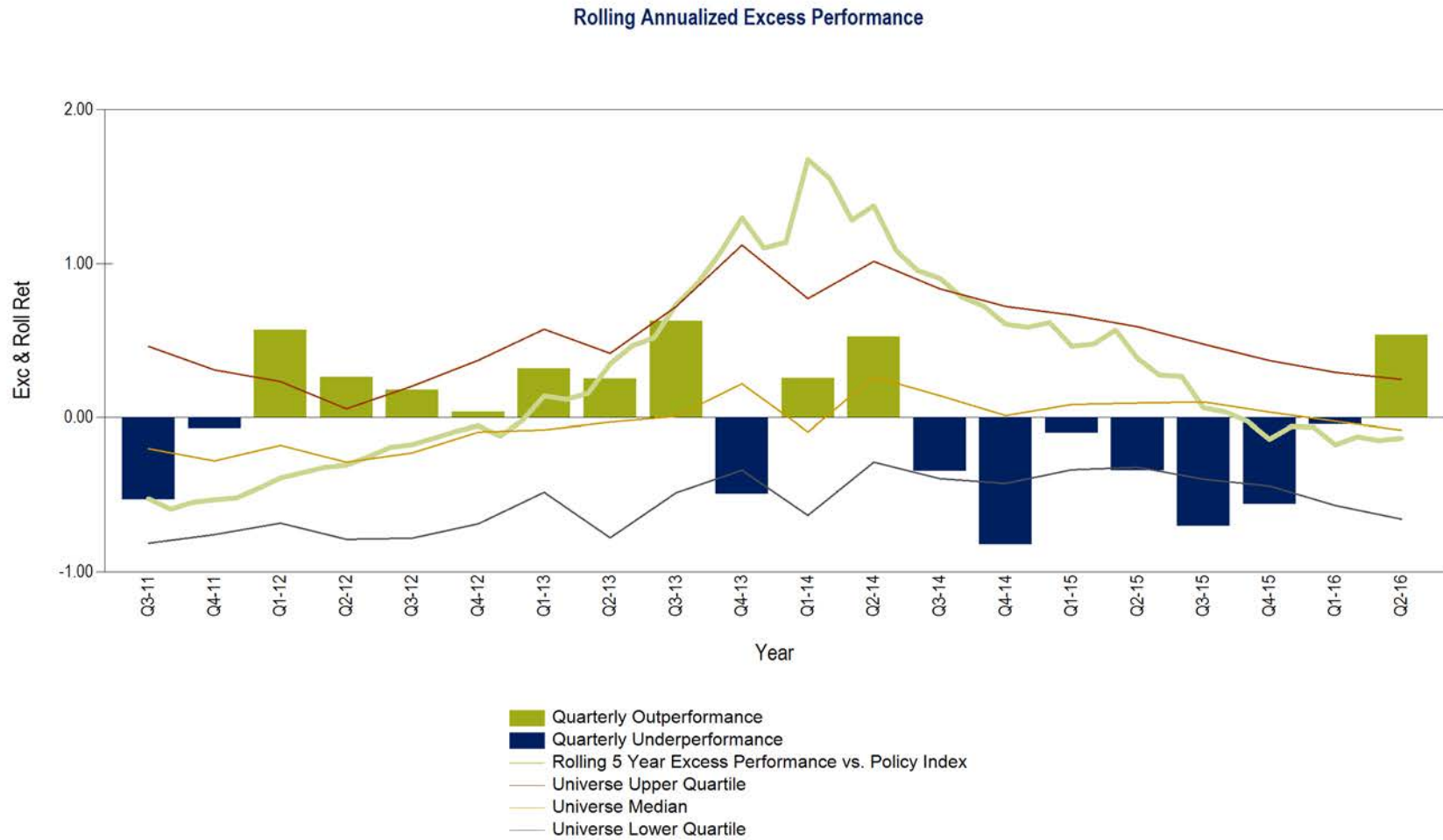
Universe	
5th %tile	1.8
25th %tile	1.4
Median	1.2
75th %tile	1.0
95th %tile	0.8

Total Fund Risk Statistics vs. Peer Universe

**Total Fund vs. InvestorForce Public DB > \$1B Net
10 Years**

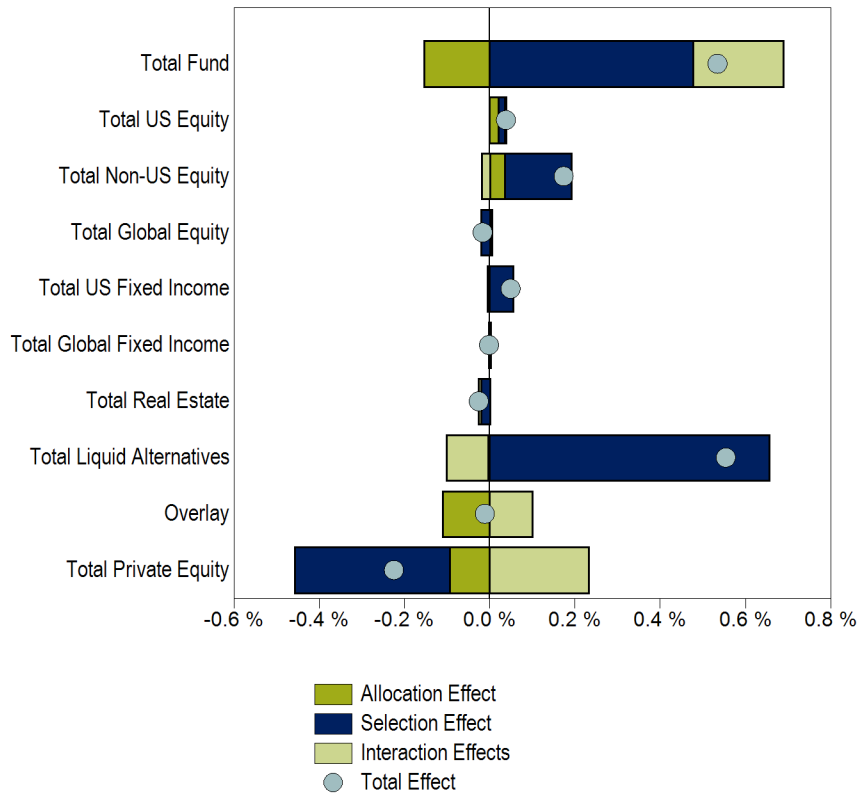


Rolling 5 Year Excess Returns- Net of Fees



Total Fund Attribution Analysis

**Attribution Effects
3 Months Ending June 30, 2016**

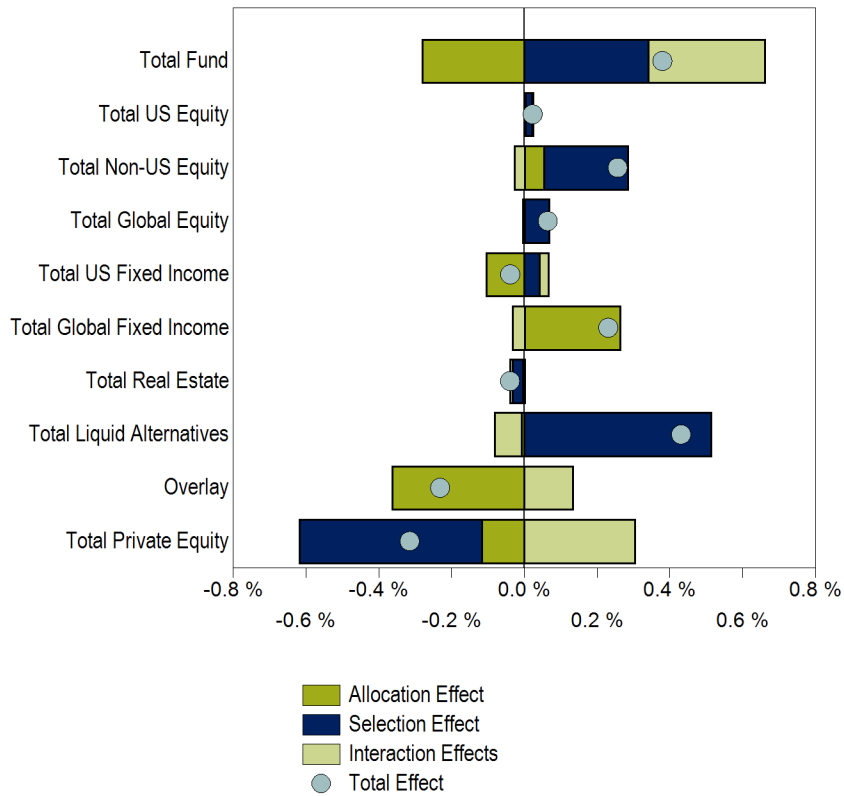


**Attribution Summary
3 Months Ending June 30, 2016**

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Total US Equity	2.7%	2.6%	0.1%	0.0%	0.0%	0.0%	0.0%
Total Non-US Equity	0.4%	-0.6%	1.0%	0.2%	0.0%	0.0%	0.2%
Total Global Equity	0.8%	1.0%	-0.2%	0.0%	0.0%	0.0%	0.0%
Total US Fixed Income	2.5%	2.2%	0.3%	0.1%	0.0%	0.0%	0.0%
Total Global Fixed Income	0.1%	2.9%	-2.8%	0.0%	0.0%	0.0%	0.0%
Total Real Estate	1.6%	1.9%	-0.3%	0.0%	0.0%	0.0%	0.0%
Total Liquid Alternatives	8.9%	2.2%	6.7%	0.7%	0.0%	-0.1%	0.6%
Overlay	1.9%	0.1%	1.9%	0.0%	-0.1%	0.1%	0.0%
Total Private Equity	-0.2%	3.4%	-3.6%	-0.4%	-0.1%	0.2%	-0.2%
Total	2.4%	1.9%	0.5%	0.5%	-0.2%	0.2%	0.5%

Total Fund Attribution Analysis

Attribution Effects
Year to Date Ending June 30, 2016

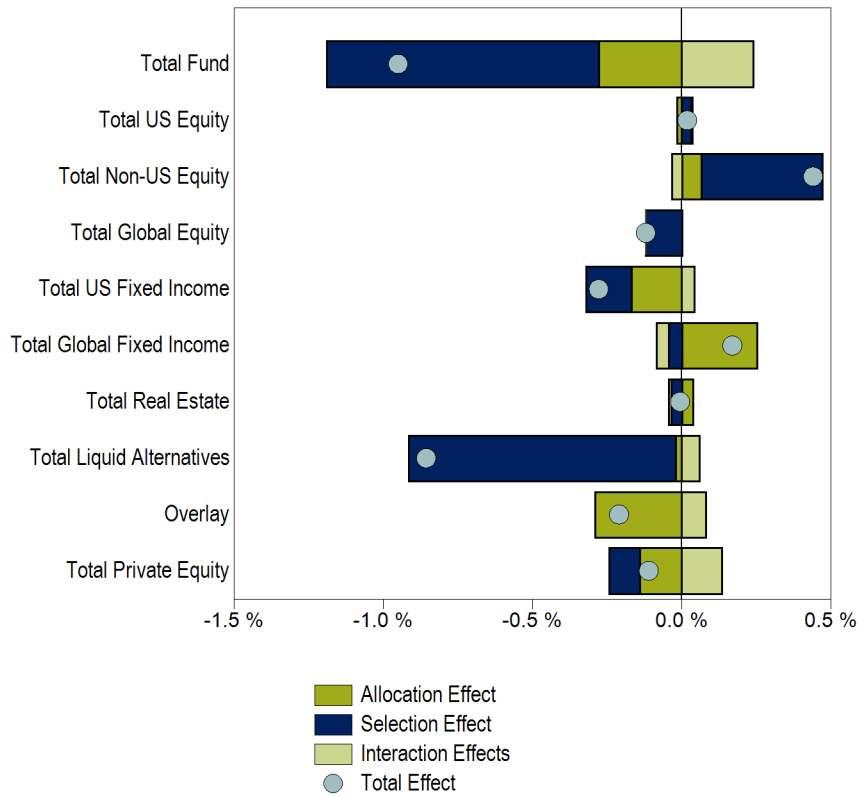


Attribution Summary
Year to Date Ending June 30, 2016

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Total US Equity	3.7%	3.6%	0.1%	0.0%	0.0%	0.0%	0.0%
Total Non-US Equity	0.5%	-1.0%	1.5%	0.2%	0.1%	0.0%	0.3%
Total Global Equity	1.9%	1.2%	0.6%	0.1%	0.0%	0.0%	0.1%
Total US Fixed Income	5.5%	5.3%	0.2%	0.0%	-0.1%	0.0%	0.0%
Total Global Fixed Income	2.7%	9.0%	-6.2%	0.0%	0.3%	0.0%	0.2%
Total Real Estate	3.5%	3.9%	-0.4%	0.0%	0.0%	0.0%	0.0%
Total Liquid Alternatives	8.8%	3.9%	4.9%	0.5%	0.0%	-0.1%	0.4%
Overlay	9.4%	0.1%	9.3%	0.0%	-0.4%	0.1%	-0.2%
Total Private Equity	0.5%	5.1%	-4.6%	-0.5%	-0.1%	0.3%	-0.3%
Total	3.8%	3.3%	0.4%	0.3%	-0.3%	0.3%	0.4%

Total Fund Attribution Analysis

Attribution Effects
1 Year Ending June 30, 2016



Attribution Summary
1 Year Ending June 30, 2016

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Total US Equity	2.2%	2.1%	0.1%	0.0%	0.0%	0.0%	0.0%
Total Non-US Equity	-7.6%	-10.2%	2.6%	0.4%	0.1%	0.0%	0.4%
Total Global Equity	-4.8%	-3.7%	-1.1%	-0.1%	0.0%	0.0%	-0.1%
Total US Fixed Income	5.1%	6.0%	-0.9%	-0.1%	-0.2%	0.0%	-0.3%
Total Global Fixed Income	1.7%	8.9%	-7.1%	0.0%	0.3%	0.0%	0.2%
Total Real Estate	10.3%	10.8%	-0.5%	0.0%	0.0%	0.0%	0.0%
Total Liquid Alternatives	-4.7%	5.0%	-9.8%	-0.9%	0.0%	0.1%	-0.9%
Overlay	11.7%	0.2%	11.5%	0.0%	-0.3%	0.1%	-0.2%
Total Private Equity	9.0%	5.1%	3.9%	-0.1%	-0.1%	0.1%	-0.1%
Total	1.0%	1.8%	-1.0%	-0.9%	-0.3%	0.2%	-0.9%

Ventura County Employees' Retirement Association

Total Fund Risk Statistics

1 Year Ending June 30, 2016

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Info Ratio	Rank	Beta
Total Equity	54.3%	-1.6%	43	15.0%	55	1.9%	42	1.0%	1	2.1	8	1.0
MSCI ACWI	--	-3.7%	58	15.5%	63	0.0%	56	0.0%	1	--	--	1.0
Total US Equity	31.4%	2.2%	20	14.8%	50	0.1%	21	0.1%	1	1.1	7	1.0
Russell 3000	--	2.1%	21	14.7%	49	0.0%	22	0.0%	1	--	--	1.0
Total Non-US Equity	13.2%	-7.6%	40	16.0%	77	2.1%	31	1.5%	1	1.8	6	0.9
MSCI ACWI ex USA	--	-10.2%	62	16.9%	93	0.0%	51	0.0%	1	--	--	1.0
Total Global Equity	9.7%	-4.8%	58	15.3%	65	-1.2%	58	1.3%	1	-0.9	78	1.0
MSCI ACWI	--	-3.7%	50	15.5%	68	0.0%	51	0.0%	1	--	--	1.0
Total Fixed Income	19.5%	5.0%	22	3.1%	59	0.6%	22	3.2%	76	-1.2	82	0.5
Barclays Global Aggregate	--	8.9%	2	4.9%	93	0.0%	42	0.0%	1	--	--	1.0
Total US Fixed Income	19.5%	5.1%	35	3.1%	67	0.4%	30	2.5%	67	-0.3	31	0.8
Barclays Aggregate	--	6.0%	27	2.3%	54	0.0%	45	0.0%	1	--	--	1.0
Total Liquid Alternatives	9.0%	-4.7%	--	14.0%	--	-48.9%	--	13.4%	--	-0.7	--	9.0
CPI + 4% (Unadjusted)	--	5.0%	--	1.0%	--	0.0%	--	0.0%	--	--	--	1.0

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Total Real Estate	8.5%	10.3%	85	4.5%	55
NCREIF ODCE Net	--	10.8%	81	4.7%	58
Total Private Equity	3.6%	9.0%	14	7.6%	88
DJ U.S. Total Stock Market Index + 3%	--	5.1%	38	14.7%	99

Total U.S. Equity Benchmark: Russell 3000 Index. Prior to January 2016, 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.

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

Composite rankings are used for Total Real Estate (InvestorForce Public DB Real Estate Pub+Priv) and Total Private Equity (InvestorForce Public DB Private Eq).

Ventura County Employees' Retirement Association

Total Fund Risk Statistics

3 Years Ending June 30, 2016

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Info Ratio	Rank	Beta
Total Equity	54.3%	7.5%	72	11.5%	22	1.7%	72	1.2%	1	1.3	8	1.0
MSCI ACWI	--	6.0%	84	11.8%	30	0.0%	86	0.0%	1	--	--	1.0
Total US Equity	31.4%	11.3%	21	11.5%	23	0.3%	24	0.3%	1	1.2	1	1.0
Russell 3000	--	11.0%	26	11.5%	22	0.0%	26	0.0%	1	--	--	1.0
Total Non-US Equity	13.2%	1.9%	74	12.5%	39	0.8%	73	1.2%	1	0.6	37	0.9
MSCI ACWI ex USA	--	1.2%	85	13.3%	78	0.0%	85	0.0%	1	--	--	1.0
Total Global Equity	9.7%	4.7%	77	12.0%	48	-1.3%	78	1.2%	1	-1.0	96	1.0
MSCI ACWI	--	6.0%	62	11.8%	44	0.0%	66	0.0%	1	--	--	1.0
Total Fixed Income	19.5%	3.1%	73	2.4%	37	1.8%	6	2.8%	81	0.1	52	0.4
Barclays Global Aggregate	--	2.8%	85	4.4%	96	0.0%	78	0.0%	1	--	--	1.0
Total US Fixed Income	19.5%	3.6%	50	2.2%	43	1.5%	21	2.2%	55	-0.2	48	0.5
Barclays Aggregate	--	4.1%	39	2.7%	57	0.0%	75	0.0%	1	--	--	1.0
Total Liquid Alternatives	9.0%	3.7%	--	10.2%	--	-9.3%	--	10.0%	--	-0.1	--	2.6
CPI + 4% (Unadjusted)	--	5.1%	--	1.1%	--	0.0%	--	0.0%	--	--	--	1.0

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Total Real Estate	8.5%	11.1%	77	4.5%	51
NCREIF ODCE Net	--	12.0%	65	4.9%	63
Total Private Equity	3.6%	14.7%	13	7.3%	73
DJ U.S. Total Stock Market Index + 3%	--	14.3%	18	11.5%	92

Ventura County Employees' Retirement Association

Total Fund Risk Statistics

5 Years Ending June 30, 2016

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Info Ratio	Rank	Beta
Total Equity	54.3%	7.8%	80	12.8%	25	2.8%	77	1.6%	1	1.5	4	0.9
MSCI ACWI	--	5.4%	95	13.5%	38	0.0%	94	0.0%	1	--	--	1.0
Total US Equity	31.4%	11.8%	19	12.6%	23	0.2%	21	0.3%	1	0.9	1	1.0
Russell 3000	--	11.5%	21	12.6%	21	0.0%	23	0.0%	1	--	--	1.0
Total Non-US Equity	13.2%	1.1%	82	14.7%	38	1.0%	82	1.4%	1	0.7	39	0.9
MSCI ACWI ex USA	--	0.1%	94	15.5%	73	0.0%	94	0.0%	1	--	--	1.0
Total Global Equity	9.7%	4.6%	77	12.7%	22	-0.4%	73	1.9%	2	-0.4	87	0.9
MSCI ACWI	--	5.4%	67	13.5%	40	0.0%	68	0.0%	1	--	--	1.0
Total Fixed Income	19.5%	4.0%	40	2.8%	32	3.1%	11	2.7%	68	0.8	10	0.5
Barclays Global Aggregate	--	1.8%	99	4.4%	87	0.0%	89	0.0%	1	--	--	1.0
Total US Fixed Income	19.5%	4.3%	40	2.7%	45	1.9%	24	2.2%	46	0.3	40	0.6
Barclays Aggregate	--	3.8%	52	2.8%	49	0.0%	82	0.0%	1	--	--	1.0
Total Liquid Alternatives	9.0%	--	--	--	--	--	--	--	--	--	--	--
CPI + 4% (Unadjusted)	--	5.4%	--	1.1%	--	0.0%	--	0.0%	--	--	--	1.0

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Total Real Estate	8.5%	10.6%	77	4.3%	31
NCREIF ODCE Net	--	11.7%	57	4.7%	39

Total U.S. Equity Benchmark: Russell 3000 Index. Prior to January 2016, 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.

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

Composite rankings are used for Total Real Estate (InvestorForce Public DB Real Estate Pub+Priv).

Ventura County Employees' Retirement Association

Total Fund Performance Detail (Net)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Return (%)	Since
Total Fund	4,367,190,644	100.0	100.0	2.4	12	3.8	8	1.0	21	6.9	27	7.0	22	5.6	37	7.8	Apr-94
Policy Index				1.9	38	3.3	23	1.8	9	7.4	6	7.1	12	5.9	24	7.9	Apr-94
Over/Under				0.5		0.5		-0.8		-0.5		-0.1		-0.3		-0.1	
Allocation Index				2.1	26	3.0	33	0.4	35	6.5	42	6.5	37	5.4	48	--	Apr-94
60% MSCI World (Net) / 40% CITI WGBI				2.0	34	4.7	2	2.9	2	5.4	70	4.6	94	4.7	84	6.3	Apr-94
InvestorForce Public DB > \$1B Net Median				1.7		2.7		-0.5		6.0		6.0		5.3		7.4	Apr-94
Total Fund ex Parametric	4,135,147,320	94.7	--	2.5	--	4.5	--	1.8	--	7.1	--	7.1	--	5.6	--	7.8	Apr-94
Total Fund ex Private Equity	4,210,918,421	96.4	--	2.5	11	4.0	7	0.7	26	6.2	46	--	--	--	--	8.3	Jan-12
Policy Index				1.9	38	3.3	23	1.8	9	7.4	6	7.1	12	5.9	24	9.0	Jan-12
Over/Under				0.6		0.7		-1.1		-1.2						-0.7	
InvestorForce Public DB > \$1B Net Median				1.7		2.7		-0.5		6.0		6.0		5.3		7.9	Jan-12
Total US Equity	1,373,234,838	31.4	28.0	2.7	39	3.7	33	2.2	20	11.3	21	11.8	19	7.1	51	8.7	Dec-93
Russell 3000				2.6	40	3.6	33	2.1	21	11.0	26	11.5	21	7.5	40	9.1	Dec-93
Over/Under				0.1		0.1		0.1		0.3		0.3		-0.4		-0.4	
eA All US Equity Net Median				2.1		1.7		-2.7		9.1		9.8		7.1		9.9	Dec-93
BlackRock Equity Market Fund	1,179,003,548	27.0		2.6	40	3.6	33	2.2	20	11.1	24	11.6	20	--	--	6.8	Dec-07
Dow Jones U.S. Total Stock Market				2.6	40	3.6	34	2.0	21	11.0	26	11.5	21	7.5	40	6.7	Dec-07
Over/Under				0.0		0.0		0.2		0.1		0.1				0.1	
eA All US Equity Net Median				2.1		1.7		-2.7		9.1		9.8		7.1		6.5	Dec-07
Western U.S. Index Plus	147,935,411	3.4		3.1	32	4.8	24	4.6	11	12.2	13	12.9	6	--	--	3.6	May-07
S&P 500				2.5	43	3.8	31	4.0	13	11.7	18	12.1	13	7.4	43	5.8	May-07
Over/Under				0.6		1.0		0.6		0.5		0.8				-2.2	
eA All US Equity Net Median				2.1		1.7		-2.7		9.1		9.8		7.1		5.7	May-07
BlackRock Extended Equity Index	46,295,879	1.1		3.4	26	2.6	46	-5.3	49	8.4	41	9.5	34	7.6	44	11.1	Oct-02
Dow Jones U.S. Completion Total Stock Market				3.3	29	2.4	47	-5.6	51	8.3	45	9.2	37	7.5	44	11.0	Oct-02
Over/Under				0.1		0.2		0.3		0.1		0.3		0.1		0.1	
eA US Small-Mid Cap Equity Net Median				2.2		2.2		-5.6		7.8		8.4		7.3		10.6	Oct-02

Color Coding: PERFORMANCE: Green-Over performance, Red-Under performance / Color Coding: RANKS: 1 - 25 Green - Positive Result, 26 - 50 Yellow, 50 - 75 Orange, 76 - 100 Red - Negative Result.

Policy Index: Currently, 28% Russell 3000 Index, 20% Barclays Aggregate, 15% MSCI ACWI ex U.S., 10% MSCI ACWI, 10% DJ U.S. Total Stock Market Index + 3%, 10% CPI+4% Index, and 7% NCREIF ODCE Real Estate Index.

Total U.S. Equity Benchmark: Russell 3000 Index. Prior to January 2016, 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.

Ventura County Employees' Retirement Association

Total Fund Performance Detail (Net)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Return (%)	Since
Total Non-US Equity	574,993,318	13.2	15.0	0.4	19	0.5	13	-7.6	40	1.9	74	1.1	82	2.2	61	5.9	Mar-94
MSCI ACWI ex USA				-0.6	29	-1.0	19	-10.2	62	1.2	85	0.1	94	1.9	69	4.6	Mar-94
Over/Under				1.0		1.5		2.6		0.7		1.0		0.3		1.3	
MSCI EAFE				-1.5	44	-4.4	57	-10.2	62	2.1	68	1.7	73	1.6	76	4.2	Mar-94
MSCI ACWI ex USA Local Currency				-0.1	22	-4.1	52	-9.2	53	5.4	24	5.0	20	2.8	49	--	Mar-94
MSCI EAFE Local Currency				-0.7	31	-7.2	92	-10.2	62	5.8	20	6.2	14	2.1	64	4.2	Mar-94
eA All EAFE Equity Net Median				-1.8		-4.0		-8.8		3.0		2.7		2.5		6.1	Mar-94
BlackRock ACWI ex-U.S. Index	236,703,700	5.4		-0.5	43	-0.7	40	-9.4	64	1.8	81	0.6	84	--	--	0.6	Mar-07
MSCI ACWI ex USA				-0.6	46	-1.0	43	-10.2	66	1.2	82	0.1	89	1.9	77	0.1	Mar-07
Over/Under				0.1		0.3		0.8		0.6		0.5				0.5	
MSCI ACWI ex USA Local Currency				-0.1	36	-4.1	72	-9.2	62	5.4	23	5.0	12	2.8	53	1.2	Mar-07
eA ACWI ex-US All Cap Equity Net Median				-1.1		-2.3		-7.5		3.5		2.7		2.8		1.4	Mar-07
Sprucegrove	165,287,365	3.8		-0.1	36	0.3	30	-10.1	66	0.5	89	0.9	80	2.4	62	6.4	Mar-02
MSCI ACWI ex USA				-0.6	46	-1.0	43	-10.2	66	1.2	82	0.1	89	1.9	77	5.7	Mar-02
Over/Under				0.5		1.3		0.1		-0.7		0.8		0.5		0.7	
MSCI EAFE				-1.5	57	-4.4	77	-10.2	66	2.1	75	1.7	66	1.6	88	5.1	Mar-02
MSCI ACWI ex USA Local Currency				-0.1	36	-4.1	72	-9.2	62	5.4	23	5.0	12	2.8	53	4.3	Mar-02
MSCI EAFE Local Currency				-0.7	46	-7.2	98	-10.2	66	5.8	15	6.2	7	2.1	73	3.4	Mar-02
eA ACWI ex-US All Cap Equity Net Median				-1.1		-2.3		-7.5		3.5		2.7		2.8		6.7	Mar-02
Hexavest	77,183,761	1.8		0.5	12	0.5	13	-4.5	21	2.9	54	2.5	53	--	--	2.9	Dec-10
MSCI EAFE				-1.5	44	-4.4	54	-10.2	55	2.1	76	1.7	73	1.6	70	2.4	Dec-10
Over/Under				2.0		4.9		5.7		0.8		0.8				0.5	
MSCI EAFE Local Currency				-0.7	35	-7.2	95	-10.2	56	5.8	12	6.2	6	2.1	57	5.7	Dec-10
eA EAFE All Cap Equity Net Median				-1.9		-4.2		-9.3		3.0		2.6		2.2		3.2	Dec-10
Walter Scott	95,818,491	2.2		3.4	1	4.1	9	-0.3	11	3.4	53	3.2	39	--	--	3.7	Dec-10
MSCI ACWI ex USA				-0.6	46	-1.0	43	-10.2	66	1.2	82	0.1	89	1.9	77	0.8	Dec-10
Over/Under				4.0		5.1		9.9		2.2		3.1				2.9	
MSCI ACWI ex USA Local Currency				-0.1	36	-4.1	72	-9.2	62	5.4	23	5.0	12	2.8	53	4.4	Dec-10
eA ACWI ex-US All Cap Equity Net Median				-1.1		-2.3		-7.5		3.5		2.7		2.8		3.3	Dec-10

Ventura County Employees' Retirement Association

Total Fund Performance Detail (Net)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Return (%)	Since
Total Global Equity	421,734,448	9.7	10.0	0.8	54	1.9	43	-4.8	58	4.7	77	4.6	77	3.3	76	4.6	May-05
MSCI ACWI				1.0	51	1.2	46	-3.7	50	6.0	62	5.4	67	4.3	64	5.6	May-05
Over/Under				-0.2		0.7		-1.1		-1.3		-0.8		-1.0		-1.0	
eA All Global Equity Net Median				1.0		0.7		-3.8		7.0		6.5		4.7		6.6	May-05
BlackRock MSCI ACWI Equity Index	221,476,026	5.1		1.1	48	1.5	45	-3.3	48	6.4	59	--	--	--	--	9.0	Jul-12
MSCI ACWI				1.0	51	1.2	46	-3.7	50	6.0	62	5.4	67	4.3	64	8.6	Jul-12
Over/Under				0.1		0.3		0.4		0.4						0.4	
eA All Global Equity Net Median				1.0		0.7		-3.8		7.0		6.5		4.7		9.6	Jul-12
GMO Global Equity	200,258,422	4.6		0.4	60	2.3	41	-6.5	71	3.0	87	4.1	82	4.0	69	5.4	May-05
MSCI ACWI				1.0	51	1.2	46	-3.7	50	6.0	62	5.4	67	4.3	64	5.6	May-05
Over/Under				-0.6		1.1		-2.8		-3.0		-1.3		-0.3		-0.2	
eA All Global Equity Net Median				1.0		0.7		-3.8		7.0		6.5		4.7		6.6	May-05

Ventura County Employees' Retirement Association

Total Fund Performance Detail (Net)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Return (%)	Since
Total Private Equity	156,272,224	3.6	10.0	-0.2	76	0.5	65	9.0	14	14.7	13	--	--	--	--	13.7	Jan-12
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>3.4</u>	3	<u>5.1</u>	4	<u>5.1</u>	38	<u>14.3</u>	18	<u>14.9</u>	2	--	--	<u>17.6</u>	<i>Jan-12</i>
Over/Under				-3.6		-4.6		3.9		0.4						-3.9	
<i>InvestorForce Public DB Private Eq Net Median</i>				0.2		1.3		3.7		11.1		9.5		9.4		10.8	<i>Jan-12</i>
Adams Street Global Fund Series	97,098,303	2.2		-0.7	--	0.6	--	6.3	--	13.9	--	--	--	--	--	12.5	Jan-12
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>3.4</u>	--	<u>5.1</u>	--	<u>5.1</u>	--	<u>14.3</u>	--	<u>14.9</u>	--	--	--	<u>17.6</u>	<i>Jan-12</i>
Over/Under				-4.1		-4.5		1.2		-0.4						-5.1	
Harbourvest- Dover Street VII	45,324,825	1.0		1.3	--	1.0	--	14.8	--	18.8	--	--	--	--	--	18.8	Jul-13
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>3.4</u>	--	<u>5.1</u>	--	<u>5.1</u>	--	<u>14.3</u>	--	<u>14.9</u>	--	--	--	<u>14.3</u>	<i>Jul-13</i>
Over/Under				-2.1		-4.1		9.7		4.5						4.5	
Pantheon Global Secondary Funds	13,849,096	0.3		-1.8	--	-1.7	--	9.6	--	8.2	--	--	--	--	--	8.0	Jan-12
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>3.4</u>	--	<u>5.1</u>	--	<u>5.1</u>	--	<u>14.3</u>	--	<u>14.9</u>	--	--	--	<u>17.6</u>	<i>Jan-12</i>
Over/Under				-5.2		-6.8		4.5		-6.1						-9.6	

Private equity performance shown above is calculated using a time-weighted return methodology. Market values shown are cash-adjusted based on the current period's cash flows.

Adams Street Global Fund Series includes Adams Street 2010 U.S. Fund, 2010 Non-U.S. Developed Markets Fund, 2010 Non-U.S. Emerging Markets Fund, 2010 Direct Fund, and 2013 Global Fund.

Pantheon Global Secondary Funds includes Pantheon Global Secondary Fund IV and Global Secondary Fund V.

Ventura County Employees' Retirement Association

Private Equity Limited Partnership Performance

Fund Name	Vintage Year	Initial Investment Date	Initial Commitment	Capital Called to Date ¹	Outstanding Commitment ¹	Call Ratio	Add'l Fees ²	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
													Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Adams Street 2010 U.S. Fund	2010	5/21/2010	\$42,500,000	\$29,665,000	\$12,835,000	70%	\$15,213	\$10,764,481	\$31,385,819	\$42,150,300	\$12,470,087	13.3%	0.36x	1.42x
Adams Street 2010 Non-U.S. Dev. Mkts Fund	2010	5/21/2010	\$25,500,000	\$17,697,000	\$7,803,000	69%	\$1,589	\$5,557,179	\$15,476,503	\$21,033,682	\$3,335,093	7.0%	0.31x	1.19x
Adams Street 2010 Non-U.S. Emg Mkts Fund	2010	1/3/2011	\$8,500,000	\$6,111,500	\$2,388,500	72%	\$0	\$314,436	\$7,403,650	\$7,718,086	\$1,606,586	9.3%	0.05x	1.26x
Adams Street 2010 Direct Fund	2010	5/21/2010	\$8,500,000	\$7,837,000	\$663,000	92%	\$6,697	\$4,071,592	\$7,692,441	\$11,764,033	\$3,920,336	12.3%	0.52x	1.5x
Total Adams Street 2010	2010	5/21/2010	\$85,000,000	\$61,310,500	\$23,689,500	72%	\$23,499	\$20,707,688	\$61,958,413	\$82,666,101	\$21,332,102	11.2%	0.34x	1.35x
Adams Street 2013 Global Fund	2013	6/27/2013	\$75,000,000	\$36,375,000	\$38,625,000	49%	\$10,728	\$2,698,535	\$35,139,880	\$37,838,415	\$1,452,687	2.8%	0.07x	1.04x
HarbourVest - Dover Street VIII	2013	5/30/2013	\$67,500,000	\$52,312,500	\$15,187,500	78%	\$84,954	\$24,859,201	\$46,324,609	\$71,183,810	\$18,786,356	27.3%	0.47x	1.36x
Pantheon Global Secondary Fund IV	2010	8/20/2010	\$15,000,000	\$9,960,000	\$5,040,000	66%	\$0	\$8,310,001	\$6,006,502	\$14,316,503	\$4,356,503	14.2%	0.83x	1.44x
Pantheon Global Secondary Fund V	2015	2/26/2015	\$50,000,000	\$7,441,510	\$42,558,490	15%	(\$137,480)	\$0	\$8,523,167	\$8,523,167	\$1,219,137	11.9%	--	1.17x
Total VCERA Private Equity Program	-	5/21/2010	\$292,500,000	\$167,399,510	\$125,100,490	57%	(\$18,299)	\$56,575,425	\$157,952,571	\$214,527,996	\$47,146,785	13.3%	0.34x	1.28x

1. Includes recycled/recallable distributions received to date.

2. Add'l Fees represents notional interest paid/(received).

2. Add'l Fees for Pantheon Global Secondary Fund V includes notional interest paid/(received) and management fee rebates paid to VCERA.

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

Performance shown is based on 3/31/2016 NAVs cash-adjusted for cash flows through 6/30/2016.

Ventura County Employees' Retirement Association

Total Fund Performance Detail (Net)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Return (%)	Since
Total US Fixed Income	850,561,060	19.5	20.0	2.5	42	5.5	35	5.1	35	3.6	50	4.3	40	6.2	24	6.1	Feb-94
Barclays Aggregate				2.2	49	5.3	38	6.0	27	4.1	39	3.8	52	5.1	47	5.7	Feb-94
Over/Under				0.3		0.2		-0.9		-0.5		0.5		1.1		0.4	
eA All US Fixed Inc Net Median				2.2		4.5		4.0		3.6		3.9		5.0		5.5	Feb-94
BlackRock U.S. Debt Fund	147,684,373	3.4		2.2	48	5.4	37	6.1	26	4.1	38	3.8	51	5.2	45	5.6	Nov-95
Barclays Aggregate				2.2	49	5.3	38	6.0	27	4.1	39	3.8	52	5.1	47	5.5	Nov-95
Over/Under				0.0		0.1		0.1		0.0		0.0		0.1		0.1	
eA All US Fixed Inc Net Median				2.2		4.5		4.0		3.6		3.9		5.0		5.4	Nov-95
Western	285,861,068	6.5		2.9	32	6.0	28	6.6	20	5.0	21	5.2	27	6.0	28	6.5	Dec-96
Barclays Aggregate				2.2	49	5.3	38	6.0	27	4.1	39	3.8	52	5.1	47	5.6	Dec-96
Over/Under				0.7		0.7		0.6		0.9		1.4		0.9		0.9	
eA All US Fixed Inc Net Median				2.2		4.5		4.0		3.6		3.9		5.0		5.4	Dec-96
Reams	299,002,801	6.8		2.0	56	5.3	38	4.4	45	1.4	84	3.8	52	6.3	23	5.7	Sep-01
Reams Custom Index				0.2	98	0.3	98	0.5	90	0.3	98	1.9	82	4.2	68	4.2	Sep-01
Over/Under				1.8		5.0		3.9		1.1		1.9		2.1		1.5	
Barclays Aggregate				2.2	49	5.3	38	6.0	27	4.1	39	3.8	52	5.1	47	4.8	Sep-01
eA All US Fixed Inc Net Median				2.2		4.5		4.0		3.6		3.9		5.0		4.8	Sep-01
Loomis Sayles Multi Strategy	75,167,471	1.7		3.9	20	6.5	23	2.7	64	4.7	26	5.4	25	7.1	12	6.6	Jul-05
Loomis Custom Index				3.3	26	6.5	23	4.4	44	3.9	42	4.3	40	5.8	30	5.4	Jul-05
Over/Under				0.6		0.0		-1.7		0.8		1.1		1.3		1.2	
Barclays Govt/Credit				2.7	37	6.2	26	6.7	20	4.2	35	4.1	45	5.2	45	4.7	Jul-05
eA All US Fixed Inc Net Median				2.2		4.5		4.0		3.6		3.9		5.0		4.7	Jul-05
Loomis Strategic Alpha	42,845,348	1.0		2.2	51	2.5	75	0.1	94	1.8	80	--	--	--	--	1.8	Jul-13
Barclays Aggregate				2.2	49	5.3	38	6.0	27	4.1	39	3.8	52	5.1	47	4.1	Jul-13
Over/Under				0.0		-2.8		-5.9		-2.3						-2.3	
eA All US Fixed Inc Net Median				2.2		4.5		4.0		3.6		3.9		5.0		3.5	Jul-13

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

As of January 2016, Loomis Strategic Alpha was moved from the Total Global Fixed Income composite to the Total US Fixed Income composite.

Ventura County Employees' Retirement Association

Total Fund Performance Detail (Net)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Return (%)	Since
Total Real Estate	371,598,471	8.5	7.0	1.6	83	3.5	94	10.3	85	11.1	77	10.6	77	3.9	83	8.0	Mar-94
NCREIF ODCE Net				1.9	72	3.9	81	10.8	81	12.0	65	11.7	57	5.2	45	8.2	Mar-94
Over/Under				-0.3		-0.4		-0.5		-0.9		-1.1		-1.3		-0.2	
InvestorForce Public DB Real Estate Pub+Priv Net Median				2.3		4.7		11.6		12.2		11.9		5.1		7.0	Mar-94
Prudential Real Estate	129,647,890	3.0		1.8	--	3.8	--	12.0	--	12.7	--	12.1	--	4.9	--	6.0	Jun-04
NCREIF ODCE Net				1.9	--	3.9	--	10.8	--	12.0	--	11.7	--	5.2	--	7.1	Jun-04
Over/Under				-0.1		-0.1		1.2		0.7		0.4		-0.3		-1.1	
NCREIF ODCE				2.1	--	4.4	--	11.8	--	13.0	--	12.7	--	6.2	--	8.1	Jun-04
UBS Real Estate	240,801,755	5.5		1.5	--	3.4	--	9.6	--	10.2	--	9.9	--	5.6	--	7.6	Mar-03
NCREIF ODCE Net				1.9	--	3.9	--	10.8	--	12.0	--	11.7	--	5.2	--	7.3	Mar-03
Over/Under				-0.4		-0.5		-1.2		-1.8		-1.8		0.4		0.3	
NCREIF ODCE				2.1	--	4.4	--	11.8	--	13.0	--	12.7	--	6.2	--	8.3	Mar-03
RREEF	1,148,826	0.0		0.7	--	-4.2	--	-10.1	--	11.6	--	14.5	--	--	--	-5.2	Sep-07
NCREIF ODCE Net				1.9	--	3.9	--	10.8	--	12.0	--	11.7	--	5.2	--	3.7	Sep-07
Over/Under				-1.2		-8.1		-20.9		-0.4		2.8				-8.9	
NCREIF ODCE				2.1	--	4.4	--	11.8	--	13.0	--	12.7	--	6.2	--	4.6	Sep-07

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

Ventura County Employees' Retirement Association

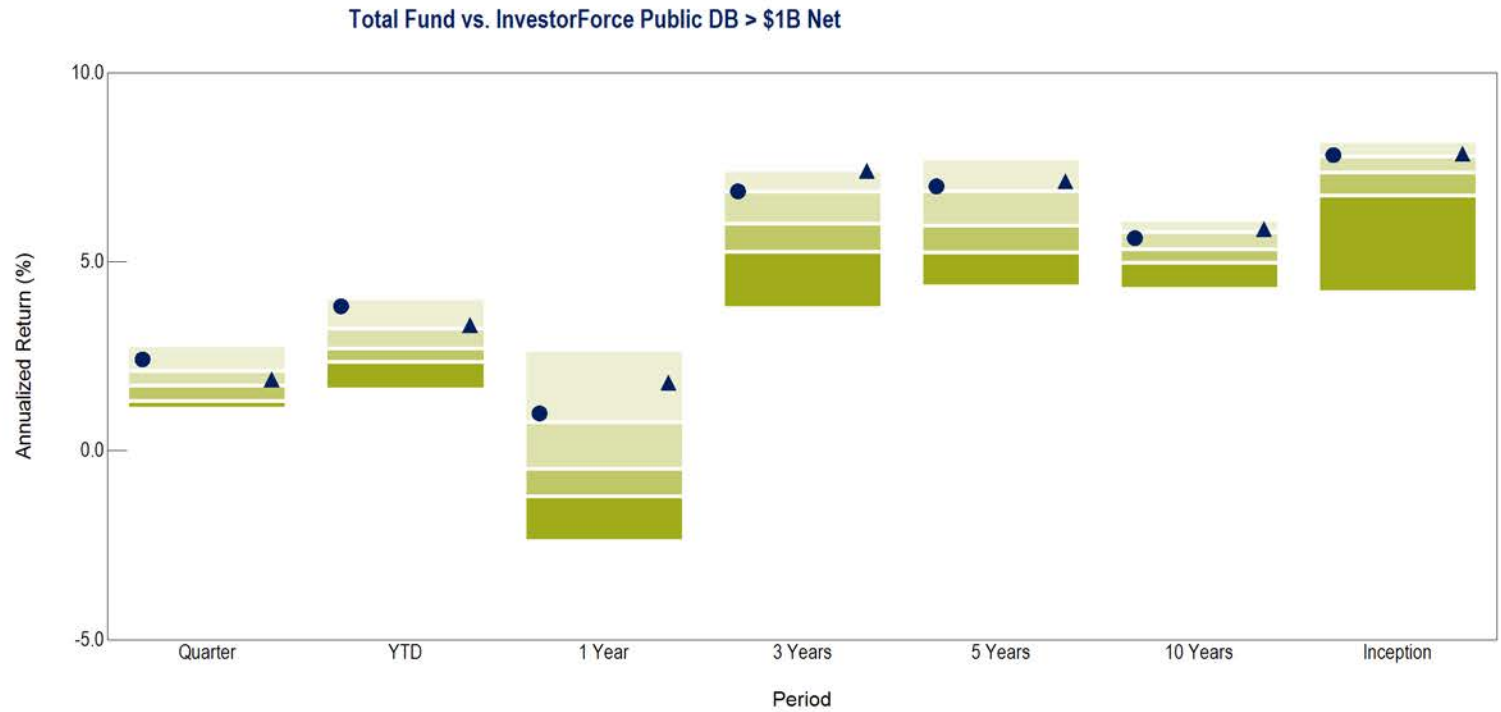
Total Fund Performance Detail (Net)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Return (%)	Since
Total Liquid Alternatives	392,859,306	9.0	10.0	8.9	--	8.8	--	-4.7	--	3.7	--	--	--	--	--	4.5	Apr-13
<i>CPI + 4% (Unadjusted)</i>				<u>2.2</u>	--	<u>3.9</u>	--	<u>5.0</u>	--	<u>5.1</u>	--	<u>5.4</u>	--	<u>5.8</u>	--	<u>5.2</u>	<i>Apr-13</i>
Over/Under				6.7		4.9		-9.7		-1.4						-0.7	
Bridgewater All Weather Fund	277,000,333	6.3		5.9	--	8.4	--	0.5	--	--	--	--	--	--	--	4.2	Aug-13
<i>CPI + 5% (Unadjusted)</i>				<u>2.5</u>	--	<u>4.4</u>	--	<u>6.1</u>	--	--	--	--	--	--	--	<u>6.1</u>	<i>Aug-13</i>
Over/Under				3.4		4.0		-5.6								-1.9	
Tortoise Energy Infrastructure	115,858,972	2.7		16.8	--	9.9	--	-15.2	--	0.4	--	--	--	--	--	1.3	Apr-13
<i>Wells Fargo MLP Index</i>				<u>21.8</u>	--	<u>14.6</u>	--	<u>-19.2</u>	--	<u>-4.9</u>	--	<u>3.6</u>	--	--	--	<u>-4.2</u>	<i>Apr-13</i>
Over/Under				-5.0		-4.7		4.0		5.3						5.5	
Overlay	225,936,950	5.2	0.0														
Parametric	225,936,950	5.2															

Overlay performance is not applicable on an individual account level

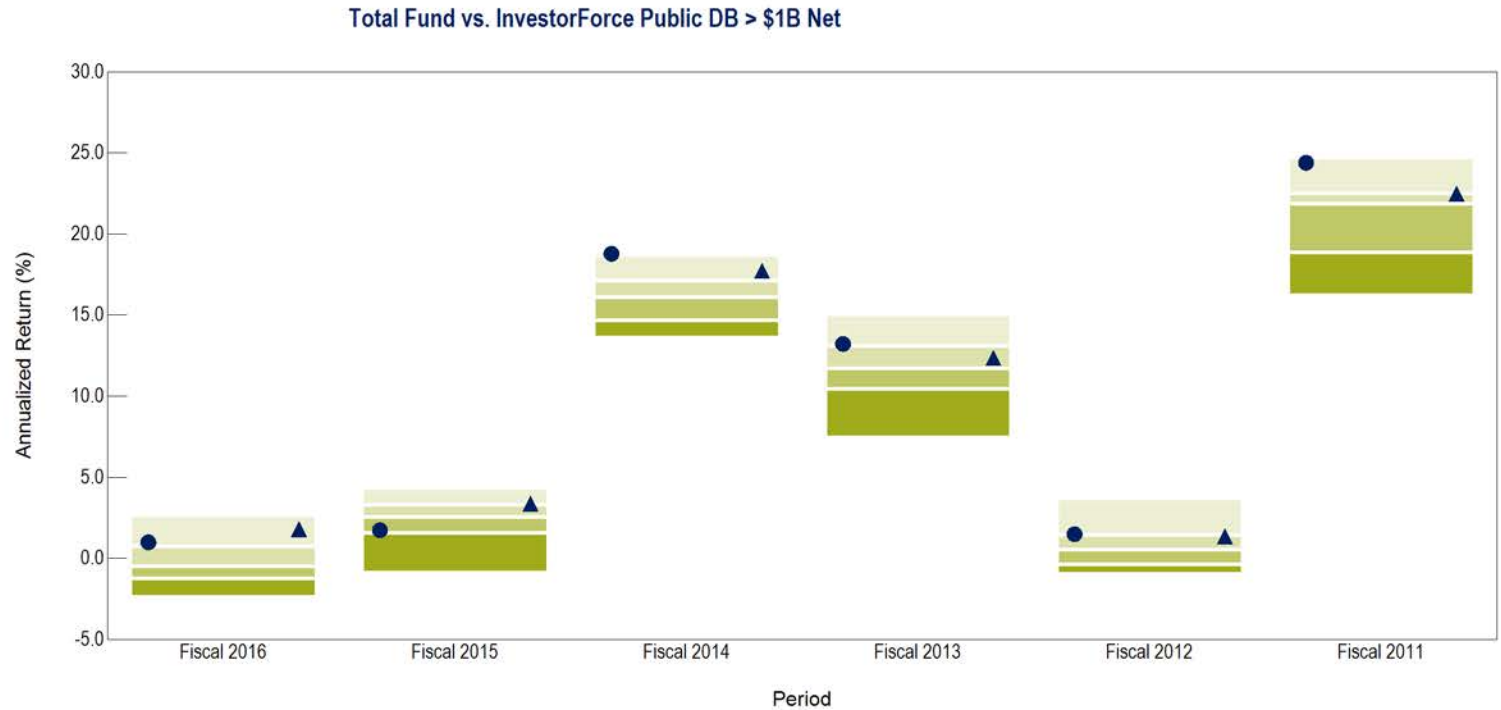
PIMCO Global Fixed Income is liquidating. The market value as of 6/30/2016 is \$30

Ventura County Employees' Retirement Association
Total Fund Return Summary vs. Peer Universe



	Return (Rank)													
5th Percentile	2.8		4.0		2.7		7.4		7.7		6.1		8.2	
25th Percentile	2.1		3.2		0.8		6.9		6.9		5.8		7.8	
Median	1.7		2.7		-0.5		6.0		6.0		5.3		7.4	
75th Percentile	1.3		2.4		-1.2		5.3		5.3		5.0		6.8	
95th Percentile	1.1		1.6		-2.4		3.8		4.4		4.3		4.2	
# of Portfolios	55		55		55		53		53		48		31	
● Total Fund	2.4	(12)	3.8	(8)	1.0	(21)	6.9	(27)	7.0	(22)	5.6	(37)	7.8	(24)
▲ Policy Index	1.9	(38)	3.3	(23)	1.8	(9)	7.4	(6)	7.1	(12)	5.9	(24)	7.9	(23)

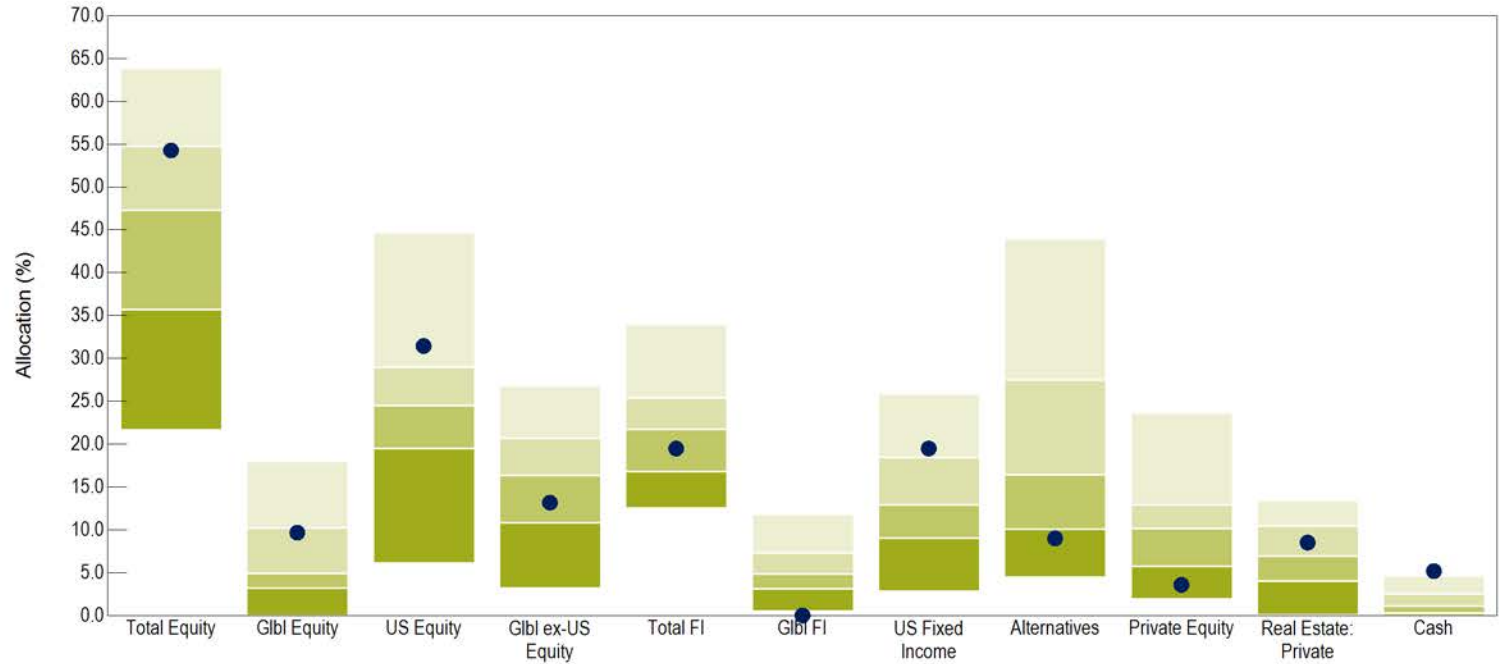
Ventura County Employees' Retirement Association
Total Fund Return Summary vs. Peer Universe



	Fiscal 2016		Fiscal 2015		Fiscal 2014		Fiscal 2013		Fiscal 2012		Fiscal 2011	
	Return	(Rank)	Return	(Rank)	Return	(Rank)	Return	(Rank)	Return	(Rank)	Return	(Rank)
5th Percentile	2.7		4.3		18.7		15.0		3.7		24.7	
25th Percentile	0.8		3.3		17.2		13.1		1.5		22.5	
Median	-0.5		2.6		16.1		11.8		0.5		21.9	
75th Percentile	-1.2		1.6		14.7		10.5		-0.3		18.9	
95th Percentile	-2.4		-0.9		13.6		7.5		-0.9		16.3	
# of Portfolios	55		53		43		56		41		42	
● Total Fund	1.0	(21)	1.7	(70)	18.8	(5)	13.2	(22)	1.5	(25)	24.4	(10)
▲ Policy Index	1.8	(9)	3.4	(25)	17.7	(19)	12.4	(39)	1.4	(27)	22.5	(30)

Total Fund Allocations vs. Peer Universe

Total Plan Allocation vs. InvestorForce Public DB > \$1B Net



	Allocation (Rank)											
5th Percentile	63.9	18.0	44.7	26.8	34.0	11.8	25.9	44.0	23.7	13.4	4.6	--
25th Percentile	54.8	10.3	29.1	20.8	25.5	7.4	18.5	27.6	13.0	10.5	2.6	--
Median	47.4	5.0	24.6	16.4	21.8	4.9	13.0	16.5	10.2	7.0	1.2	--
75th Percentile	35.8	3.3	19.5	10.9	16.8	3.2	9.1	10.1	5.8	4.1	0.4	--
95th Percentile	21.7	0.0	6.2	3.3	12.6	0.6	2.9	4.5	2.0	0.2	0.1	--
# of Portfolios	52	19	45	47	53	32	44	50	48	41	49	--
● Total Fund	54.3 (28)	9.7 (27)	31.4 (20)	13.2 (62)	19.5 (62)	0.0 (97)	19.5 (21)	9.0 (80)	3.6 (83)	8.5 (36)	5.2 (4)	--

Manager Due Diligence

Ventura County Employees' Retirement Association

Due Diligence Monitor

The items below summarize the recent quarter's performance and any changes or announcements from the Plan's managers/products. A "-" indicates there were no material announcements. A "Yes" indicates there was an announcement and a brief summary is provided on the following pages. NEPC's Due Diligence Committee meets every two weeks to review events as they relate to investment managers and determine if any action should be taken (by NEPC and/or by our clients). Events are rated: No Action, Watch, Hold, Client Review or Terminate. NEPC's recommendation in view of the recent quarter's developments (performance, manager events, and any of the longer-term trending data) is refreshed quarterly.

Investment Options	Performance (Recent Quarter)	Changes/Announcements (Recent Quarter)	NEPC DD Committee Rec.	Plan Rec.	Comments	Last Onsite Conducted
BlackRock Equity Market Index	-	-	-	-		10/2013
Western U.S. Index Plus	-	-	-	-		6/2014
BlackRock Extended Equity Index	-	-	-	-		10/2013
BlackRock MSCI ACWI ex-U.S. Index	-	-	-	-		10/2013
Sprucegrove	-	-	Hold	Watch (Board Driven)	3Q 2014 Departure & Performance	N/A
Hexavest	Top Quartile	-	-	-		1/2013
Walter Scott	Top Quartile	-	-	-		10/2012
BlackRock MSCI ACWI Index	-	-	-	-		10/2013
GMO	-	Yes	Hold	Hold	Organizational Changes & Performance	6/2016
Adams Street	N/A	-	-	-		11/2013
HarbourVest	N/A	-	-	-		3/2014
Pantheon	N/A	-	-	-		1/2015
BlackRock U.S. Debt Fund	-	-	-	-		10/2013
Western	-	-	-	-		6/2014
Reams	-	-	-	-		11/2013
Loomis Sayles Multi-Sector Full Discretion	Top Quartile	-	-	-		11/2013

Due Diligence Monitor Continued

Investment Options	Performance (Recent Quarter)	Changes/Announcements (Recent Quarter)	NEPC DD Committee Rec.	Plan Rec.	Comments	Last Onsite Conducted
Loomis Sayles Strategic Alpha	-	-	-	-		11/2013
Prudential	N/A	-	-	-		7/2014
RREEF	N/A	-	-	-		7/2013
UBS	N/A	-	-	-		8/2011
Bridgewater	N/A	-	-	-		9/2012
Tortoise	N/A	-	-	-		8/2013
Parametric/Clifton	N/A	-	-	-		7/2013

NEPC Due Diligence Committee Recommendation Key	
No Action	Informational items have surfaced; no action is recommended.
Watch	Issues have surfaced to be concerned over; manager can participate in future searches, but current and prospective clients must be made aware of the issues.
Hold	Serious issues have surfaced to be concerned over; manager cannot participate in future searches unless a client specifically requests, but current and prospective clients must be made aware of the issues.
Client Review	Very serious issues have surfaced with an Investment Manager; manager cannot participate in future searches unless a client specifically requests. Current clients must be advised to review the manager.
Terminate	We have lost all confidence in the product; manager would not be recommended for searches and clients would be discouraged from using. The manager cannot participate in future searches unless a client specifically requests. Current clients must be advised to replace the manager.

Due Diligence Commentary

Below is a summary of manager changes, announcements and due diligence events since the issuance of our last quarterly report.

Manager Changes/Announcements

GMO

On June 2nd, GMO announced a wide range of organization changes that directly impact the multi-asset strategies, global equity strategies, and fixed income strategies with the exception of emerging market debt. NEPC Research has assigned a due diligence rating of Hold for each of these strategies; the specific strategies are highlighted below. We are recommending the Hold recommendation remain in place until a permanent CEO is named at GMO. In addition, should there be any additional senior departures from GMO, we will likely recommend a more serious due diligence status than Hold. To summarize, the following was announced on June 2nd.

1. Firm: GMO will be reducing approximately 10% of the firm's workforce. The majority of the individuals departing the firm are outside the investment team and the total headcount reduction will be approximately 50 individuals. This follows the April announcement that Brad Hilsabeck will be stepping down effective July 1st. Peg McGetrick was named acting CEO and she is currently a member of GMO's Board of Directors.

2. Investment Process – Global Equity: The global equity investment strategies will discontinue their use of an active fundamental stock selection component and will be exclusively quantitatively orientated. The asset allocation team will continue to provide the top-down regional weights of the portfolio and stock implementation will be informed entirely by GMO's quantitative models. Strategies impacted include the global equity strategies detailed below. Not impacted by these changes are the Emerging Market Equity strategies led by Arjun Divecha and the International Active strategies led by Drew Spangler.

3. Investment Process – Developed Fixed Income: The developed fixed income strategies, which have expanded and evolved over the last several years to take a more fundamental view of interest rate and currency markets will simplify their investment process. The developed fixed income strategies will revert to the quantitative models previously used by the global bond team and reduce the idiosyncratic risk taking in portfolios. Not impacted by these changes are GMO's Emerging Market Debt strategies.

4. Investment Personnel Changes

- Global Equity Team – With the global equity investment process reverting to a pure quantitative process, members of the team that provided active fundamental stock selection input will be departing GMO. As a result, Dave Cowan, head of the Global Equity team will be leaving GMO on June 30 along with Chris Fortson, Sofia Hou, Karan Arakotaram, and Eric Lu at year end. Neil Constable will assume leadership of the Global Equity team effective July 1. Neil has led GMO's quantitative research effort since 2012 and has been a member of the team since 2006.
- Multi-Asset Team – Sam Wilderman, co-head of Asset Allocation, will be leaving GMO at the end of 2016 and will remain through the end of the year to aid in the transition. Effective Jan 1, Ben Inker will be the sole head of the asset allocation team. No other departures are occurring from the multi-asset investment team.
- Developed Fixed Income – Following Marc Seidner's departure in 2014, Ben Inker and Sam Wilderman were named temporary co-heads of Developed Fixed Income until a permanent head could be found. As a result of the investment process changes and the return to a more quantitative model based approach several relatively new members will be leaving GMO. Michael Emanuel, previously of Convexity, will be departing the Firm along with Carlos Morales and Dom Abdi. Jason Hotra, longstanding member of the team, will assume current portfolio management responsibilities. Ben Inker will continue as the temporary head of Developed Fixed Income.
- Other Investment Teams – Three analysts in the Emerging Market Equity team will be departing GMO, while over 19 investment personnel remain on the team. In addition, one quantitative focused research analyst, Federico Berruto, who was a member of the International Active team will be departing in June.

On June 3rd, NEPC met with senior members of GMO including Ben Inker, Head of Asset Allocation, Sam Wilderman, departing co-Head of Asset Allocation, and Neil Constable, newly named head of the quantitative Global Equity team. NEPC met separately with Peg McGetrick, interim CEO by teleconference. Over the course of the meeting, we reviewed the overall stability of GMO, the global equity investment process changes, and the investment personnel changes.

At this time, we do not have any concerns regarding the viability or profitability of GMO.

NEPC recommends a Hold rating at this time. We will continue to monitor the situation and provide updates as necessary.



Appendix: Market Environment



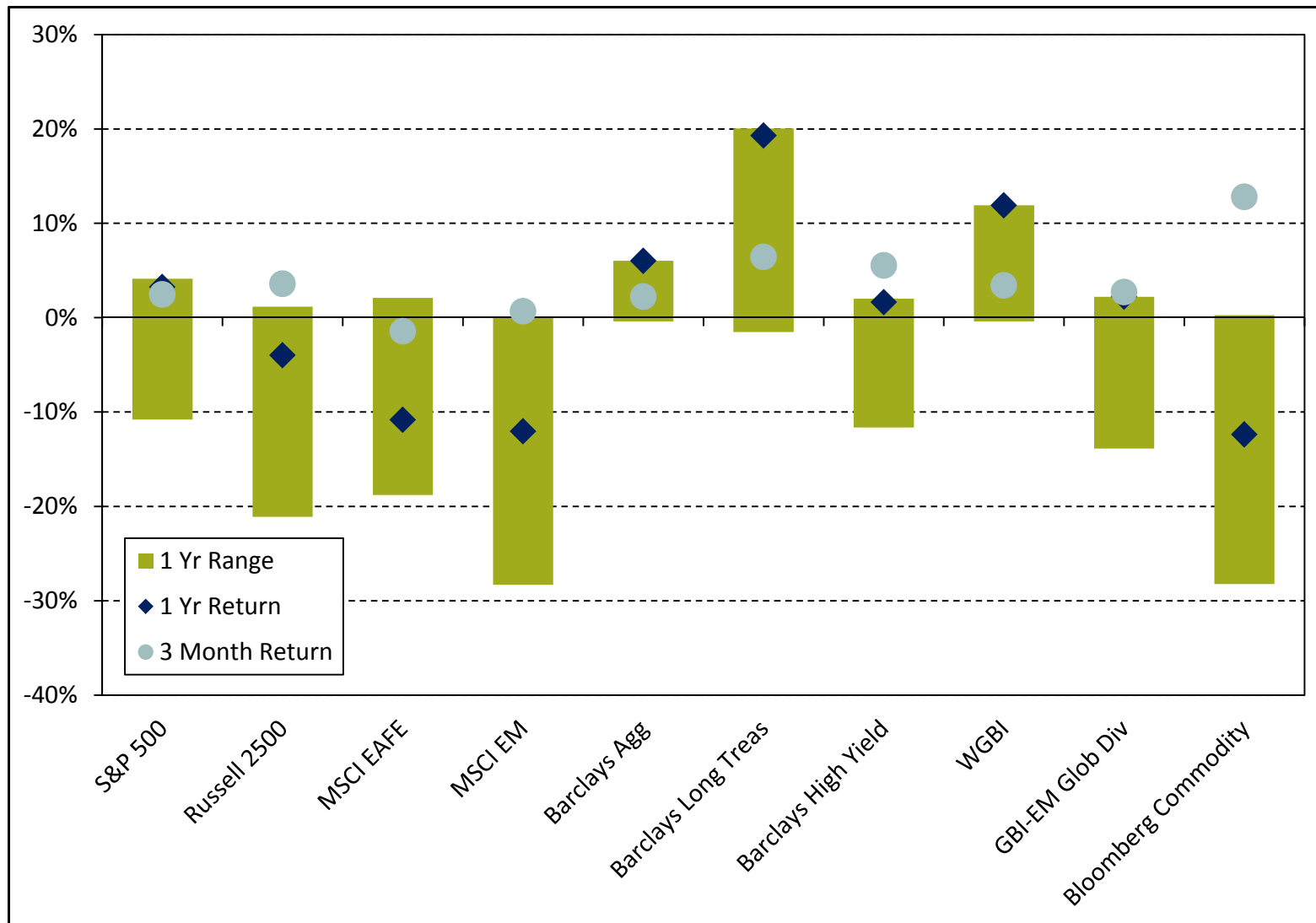
Ventura County Employees' Retirement Association

Index Performance Summary as of 6/30/2016

	2009	2010	2011	2012	2013	2014	2015	Q1	APRIL	MAY	JUNE	Q2	YTD
Barclays US STRIPS 20+ Yr	-36.0%	10.9%	58.5%	3.0%	-21.0%	46.4%	-3.7%	11.4%	-0.9%	1.5%	9.0%	9.6%	22.0%
Alerian MLP	76.4%	35.9%	13.9%	4.8%	27.6%	4.8%	-32.6%	-4.2%	11.0%	2.5%	5.1%	19.7%	14.7%
Barclays US Govt/Credit Long	1.9%	10.2%	22.5%	8.8%	-8.8%	19.3%	-3.3%	7.3%	1.2%	0.3%	4.9%	6.5%	14.3%
JPM GBI-EM Global Div	22.0%	15.7%	-1.8%	16.8%	-9.0%	-5.7%	-14.9%	11.0%	2.6%	-5.4%	5.9%	2.7%	14.0%
Barclays US Long Credit	16.8%	10.7%	17.1%	12.7%	-6.6%	16.4%	-4.6%	6.8%	2.4%	0.0%	4.2%	6.7%	13.9%
FTSE NAREIT Equity REITs	28.0%	28.0%	8.3%	18.1%	2.5%	30.1%	3.2%	6.0%	-2.4%	2.4%	7.0%	7.0%	13.4%
Bloomberg Commodity	18.9%	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-24.7%	0.4%	8.5%	-0.2%	4.1%	12.8%	13.3%
Citi WGBI USD	2.6%	5.2%	6.4%	1.6%	-4.0%	-0.5%	-3.6%	7.1%	1.3%	-1.5%	3.7%	3.4%	10.7%
JPM EMBI Global Diversified	29.8%	12.2%	7.3%	17.4%	-5.3%	7.4%	1.2%	5.0%	1.8%	-0.2%	3.4%	5.0%	10.3%
Barclays US Corporate HY	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	-4.5%	3.4%	3.9%	0.6%	0.9%	5.5%	9.1%
MSCI EM	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	-14.9%	5.7%	0.5%	-3.7%	4.0%	0.7%	6.4%
Barclays US Agg Bond	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	0.5%	3.0%	0.4%	0.0%	1.8%	2.2%	5.3%
Barclays Municipal	12.9%	2.4%	10.7%	6.8%	-2.6%	9.1%	3.3%	1.7%	0.7%	0.3%	1.6%	2.6%	4.3%
Credit Suisse Leveraged Loan	44.9%	10.0%	1.8%	9.4%	6.2%	2.1%	-0.4%	1.3%	1.9%	0.9%	0.0%	2.9%	4.2%
Russell 2500	34.4%	26.7%	-2.5%	17.9%	36.8%	7.1%	-2.9%	0.4%	1.5%	2.1%	0.0%	3.6%	4.0%
S&P 500	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	1.3%	0.4%	1.8%	0.3%	2.5%	3.8%
Barclays US Agg Interm	6.5%	6.1%	6.0%	3.6%	-1.0%	4.1%	1.2%	2.3%	0.2%	0.0%	1.2%	1.4%	3.8%
Russell 1000	28.4%	16.1%	1.5%	16.4%	33.1%	13.2%	0.9%	1.2%	0.5%	1.8%	0.2%	2.5%	3.7%
Russell 2000	27.2%	26.9%	-4.2%	16.3%	38.8%	4.9%	-4.4%	-1.5%	1.6%	2.3%	-0.1%	3.8%	2.2%
BC US Govt/Credit 1-3 Yr	3.8%	2.8%	1.6%	1.3%	0.6%	0.8%	0.7%	1.0%	0.1%	-0.1%	0.6%	0.7%	1.7%
MSCI ACWI	34.6%	12.7%	-7.3%	16.1%	22.8%	4.2%	-2.4%	0.2%	1.5%	0.1%	-0.6%	1.0%	1.2%
Credit Suisse Hedge Fund	18.6%	10.9%	-2.5%	7.7%	9.7%	4.1%	-0.7%	-2.2%	0.3%	0.4%	N/A	N/A	-1.5%
MSCI EAFE	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	-0.8%	-3.0%	2.9%	-0.9%	-3.4%	-1.5%	-4.4%

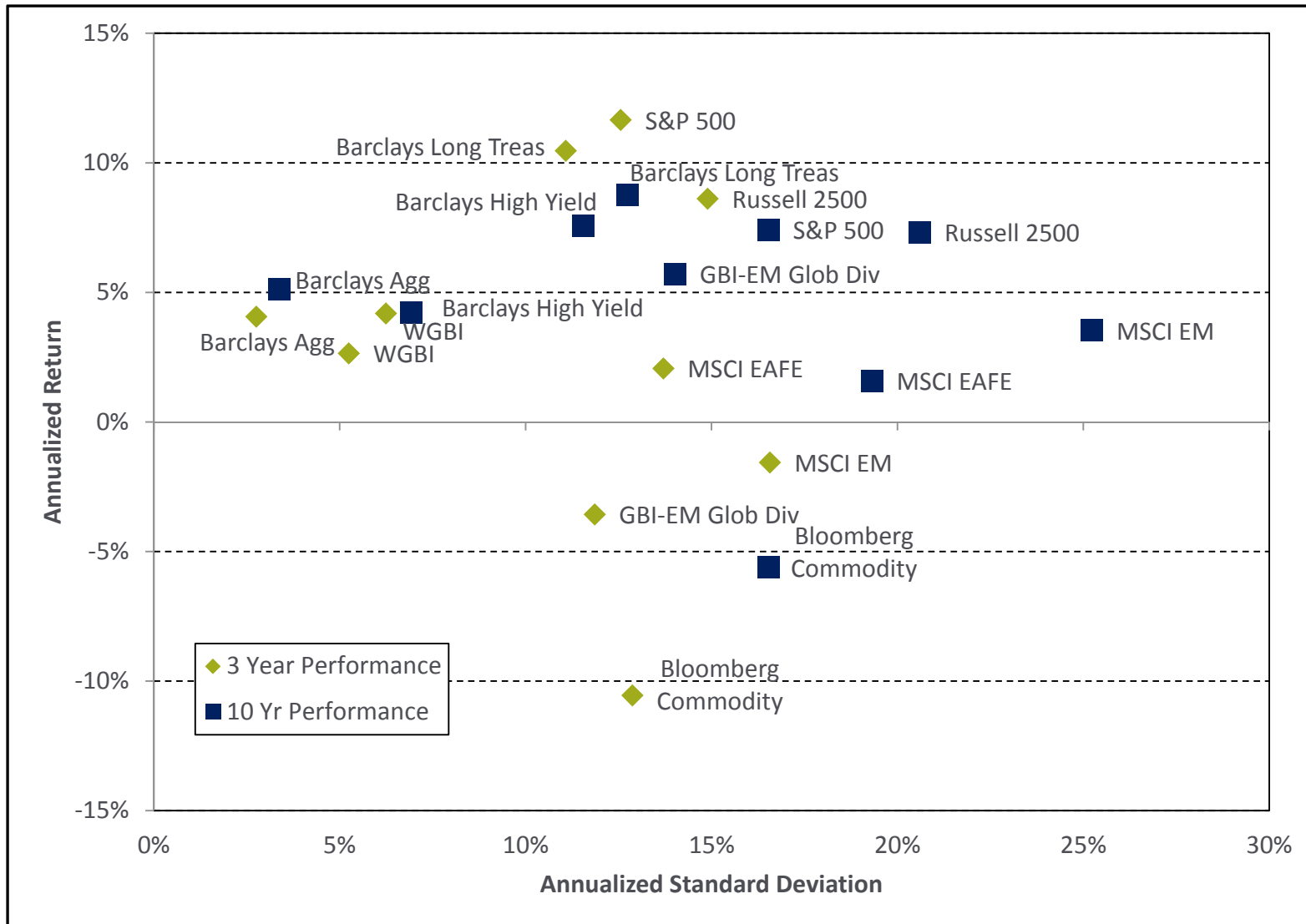
Source: Morningstar Direct

Near-Term Broad Market Performance Summary as of 6/30/2016



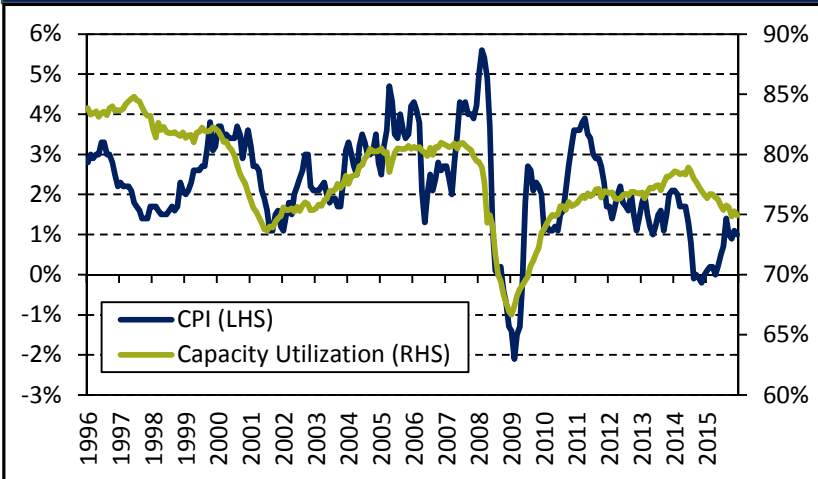
Source: Bloomberg, Standard and Poors, Russell, MSCI, Barclays, Citigroup, JP Morgan
 *1 Yr Range: Represents range of cumulative high/low daily index returns for an investment made one year ago

Long-Term Broad Market Performance Summary as of 6/30/2016



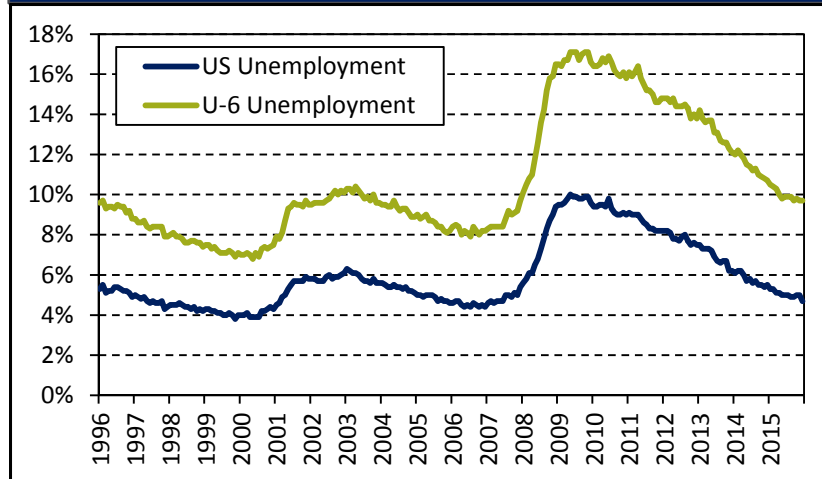
Source: Bloomberg, Standard and Poors, Russell, MSCI, Barclays, Citigroup, JP Morgan

Inflation has increased off lows



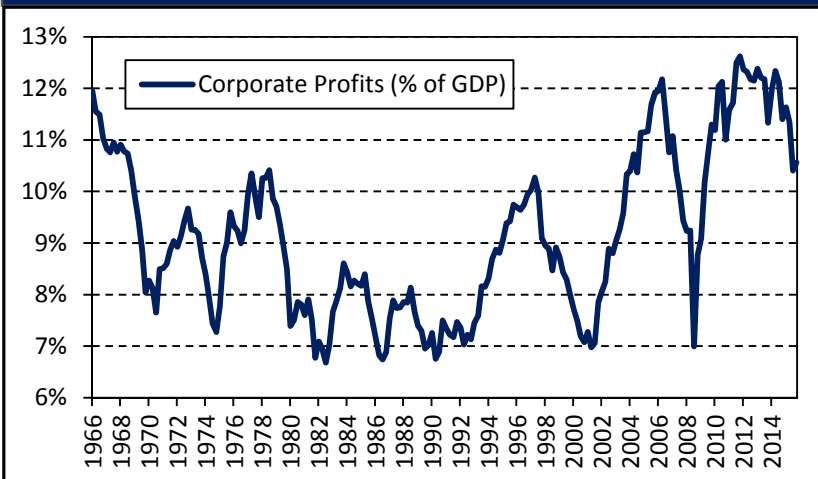
Source: Bloomberg, Federal Reserve, Bureau of Labor Statistics

Unemployment steadily improving



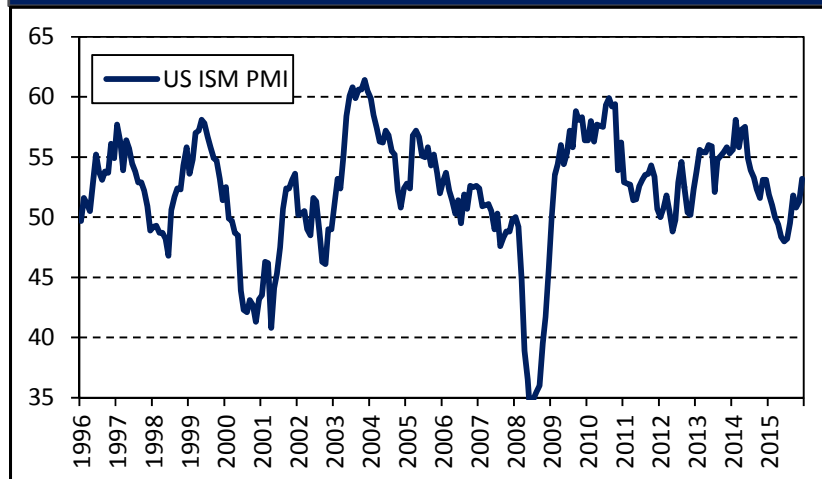
Source: Bloomberg, Bureau of Labor Statistics

Corporate profits lower off cyclical highs



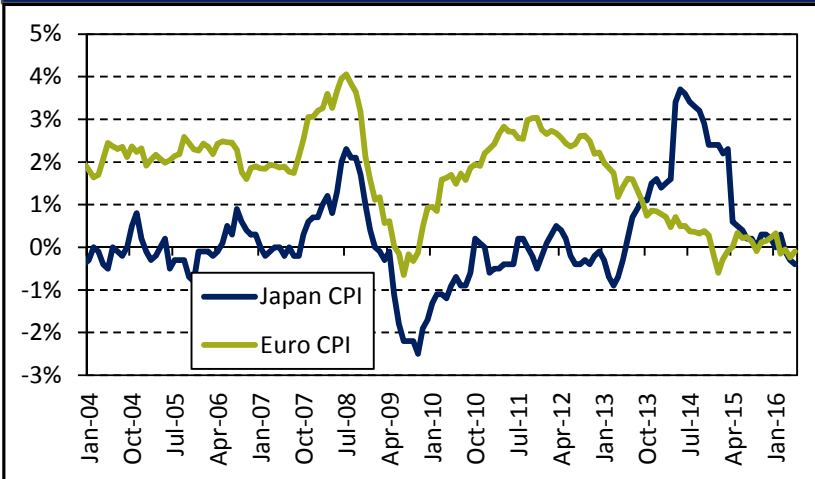
Source: Bloomberg, Bureau of Economic Analysis

Manufacturing trending higher after dip



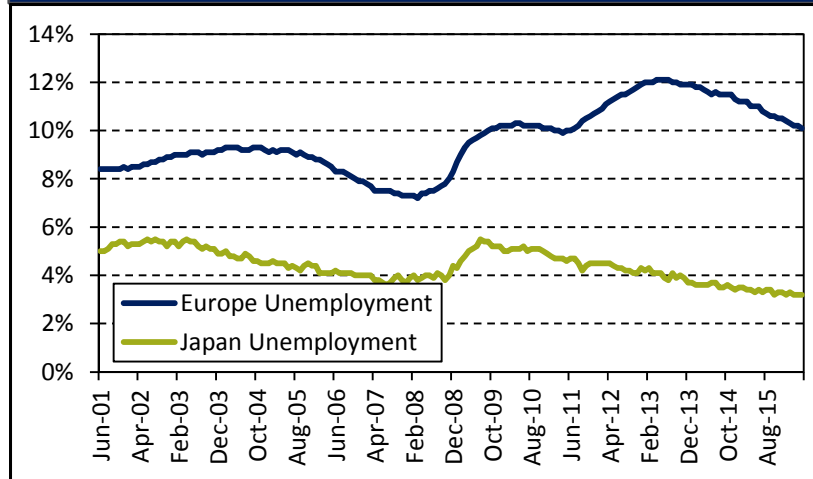
Source: Bloomberg, Institute for Supply Management

Inflation remains muted



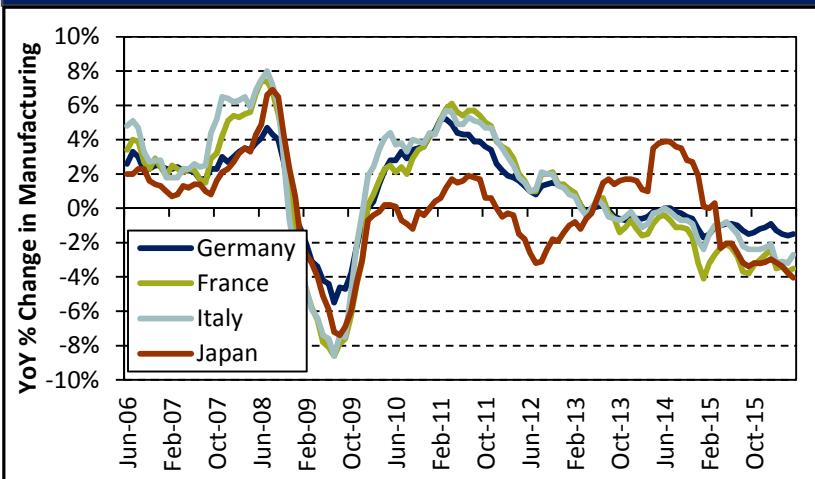
Source: Bloomberg, Japan Ministry of Internal Affairs and Communications, Eurostat

Europe unemployment trending lower



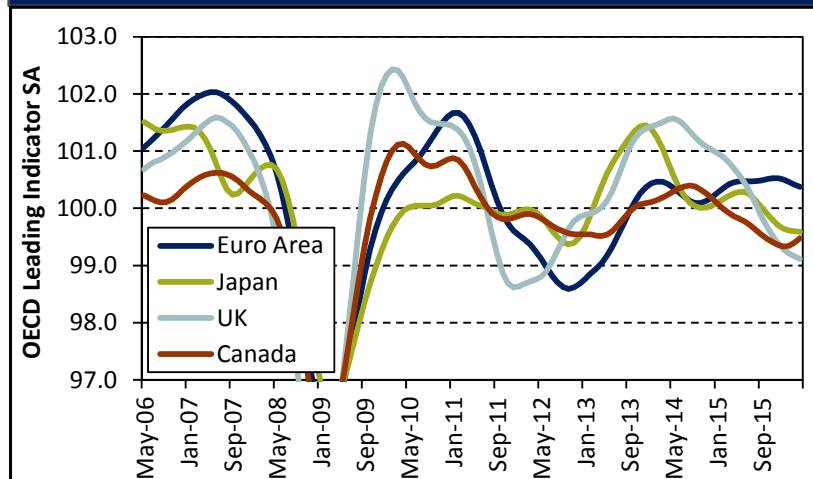
Source: Bloomberg, Japan Ministry of Internal Affairs and Communications, Eurostat

Manufacturing continues to lag



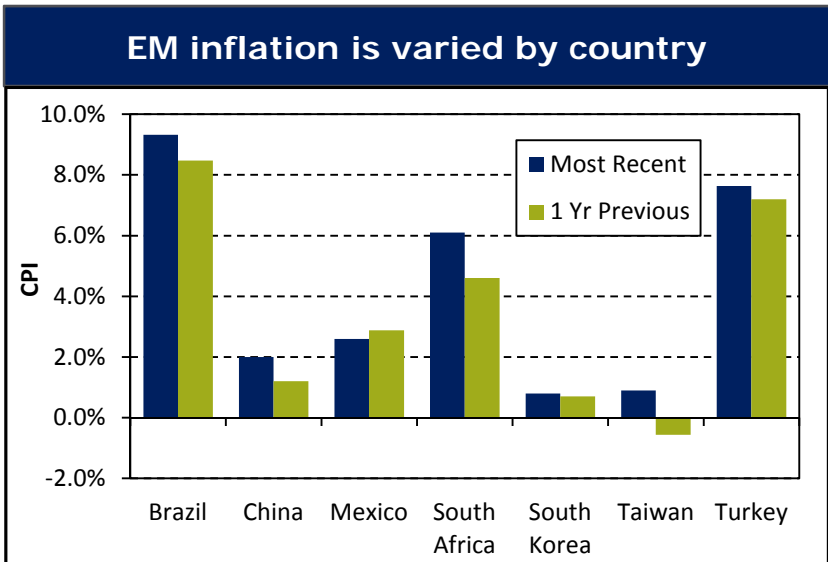
Source: Bloomberg, OECD, Eurostat

Leading indicators mostly neutral

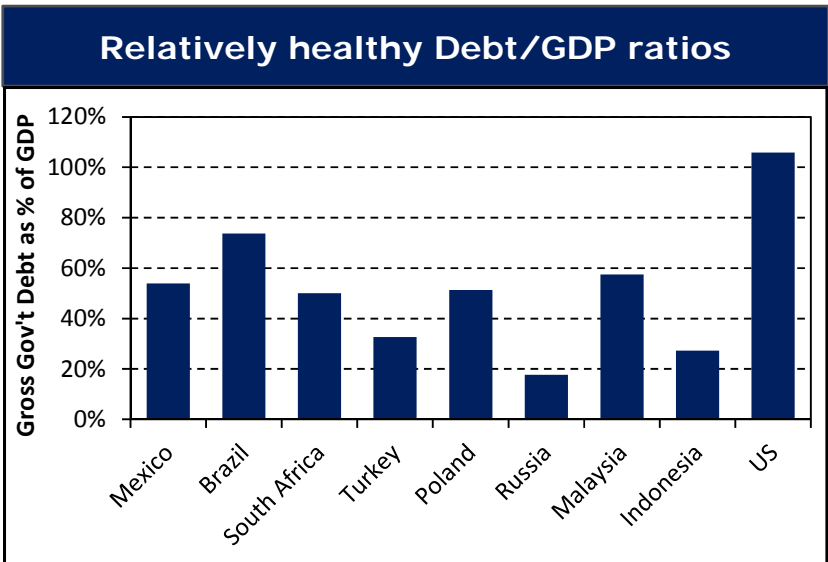


Source: Bloomberg, OECD

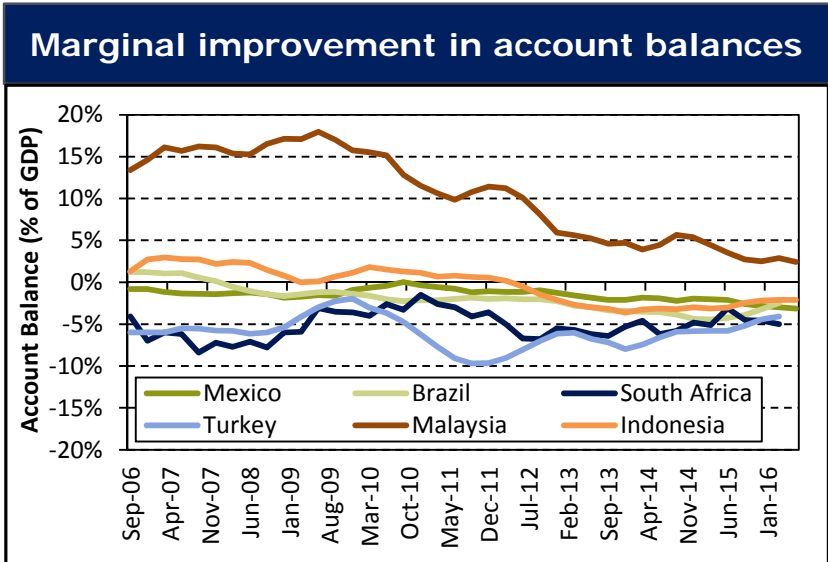
Emerging Market Economic Indicators



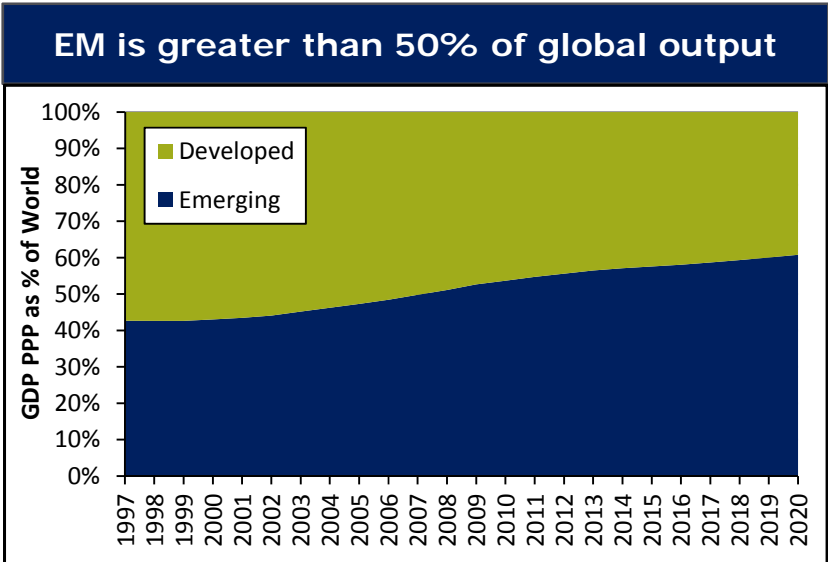
Source: Bloomberg



Source: Bloomberg, IMF



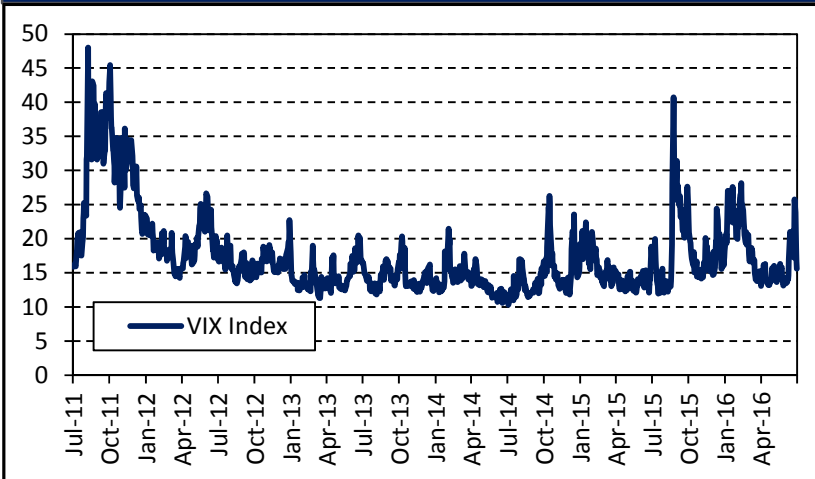
Source: Bloomberg



Source: Bloomberg, IMF

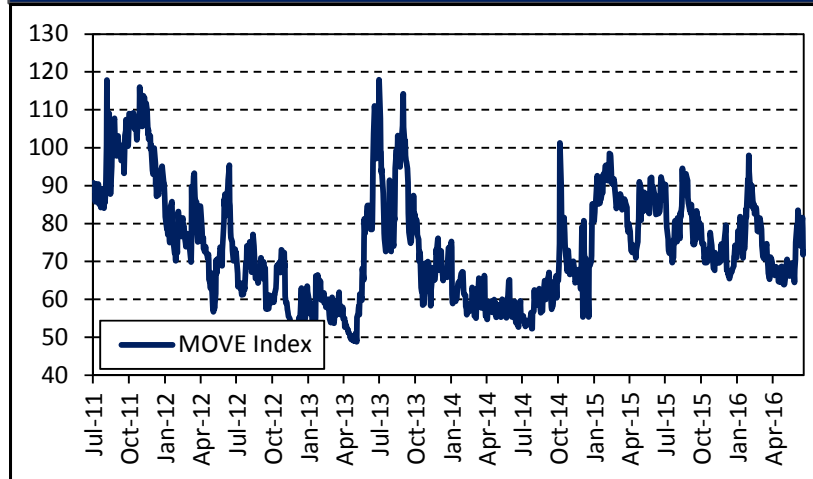
Volatility

Equity volatility seeing recent increase



Source: Bloomberg, CBOE

Treasury volatility has increased recently



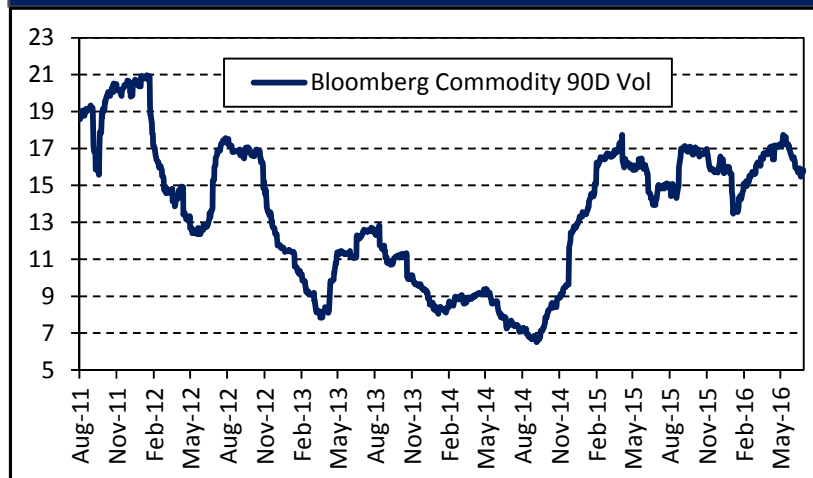
Source: Bloomberg, Merrill Lynch

Currency volatility remains elevated



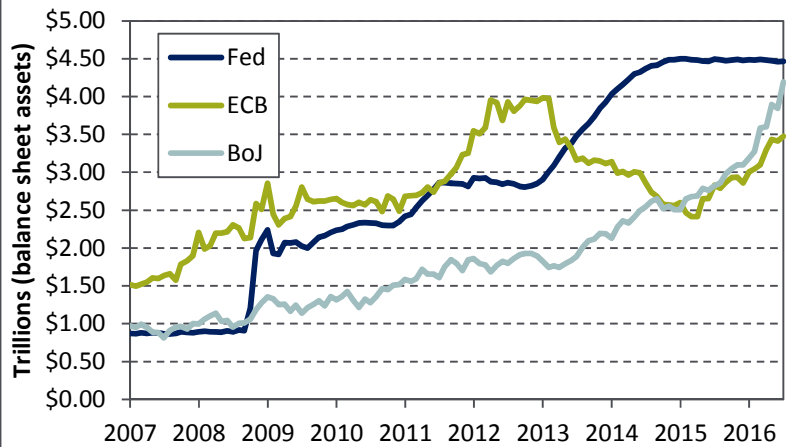
Source: Bloomberg, Deutsche Bank

Commodity volatility remains elevated



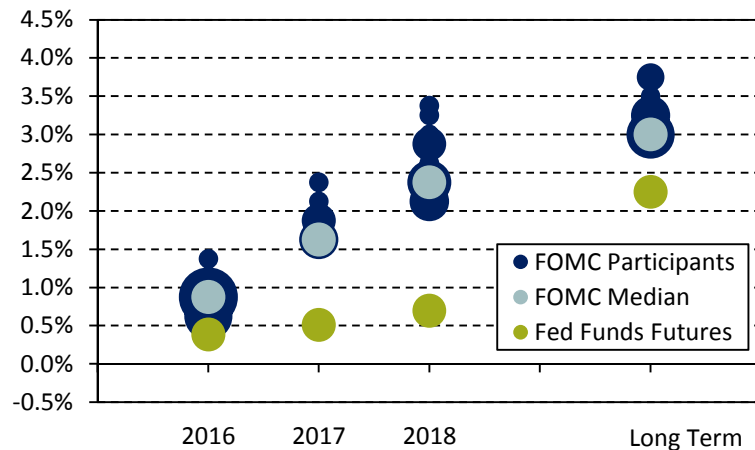
Source: Bloomberg, Merrill Lynch

Major central bank policy divergence



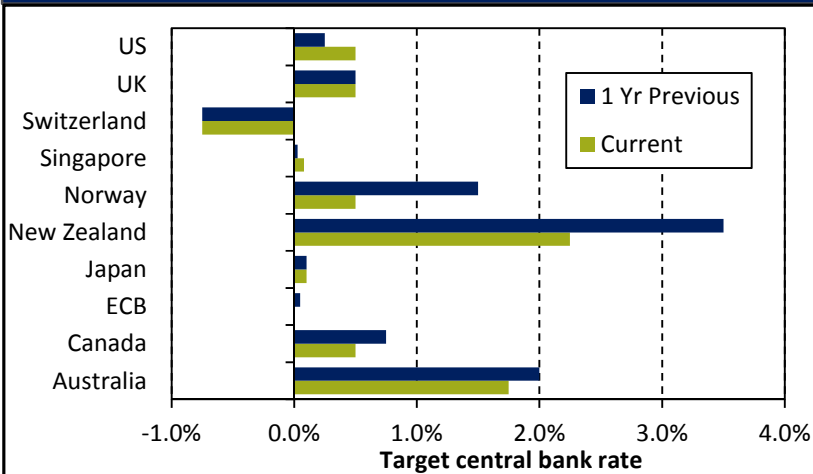
Source: Bloomberg, Federal Reserve, Bank of Japan, ECB, NEPC

Fed's projected policy rate firming above market expectations



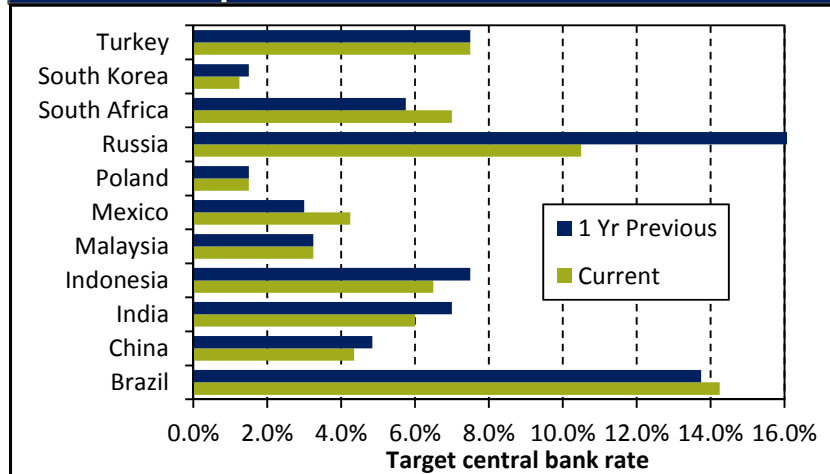
Source: Bloomberg, Federal Reserve, NEPC

Many developed central banks have maintained low interest rates



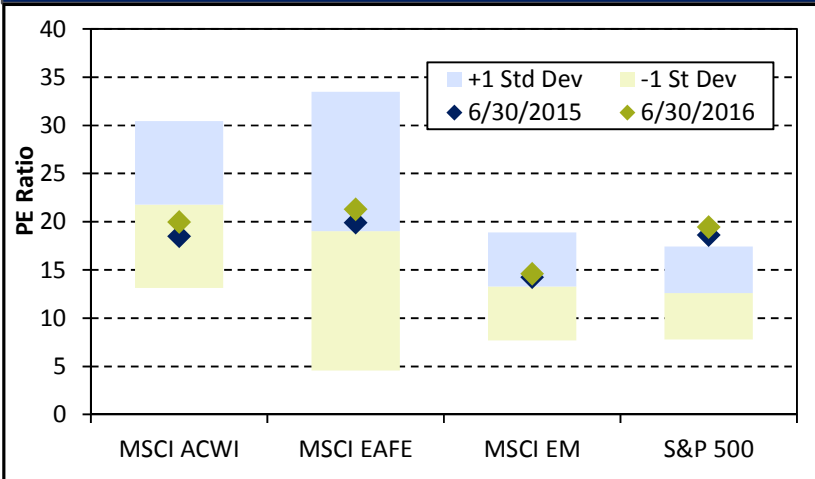
Source: Bloomberg

EM central bank policies vary by country-specific economic conditions



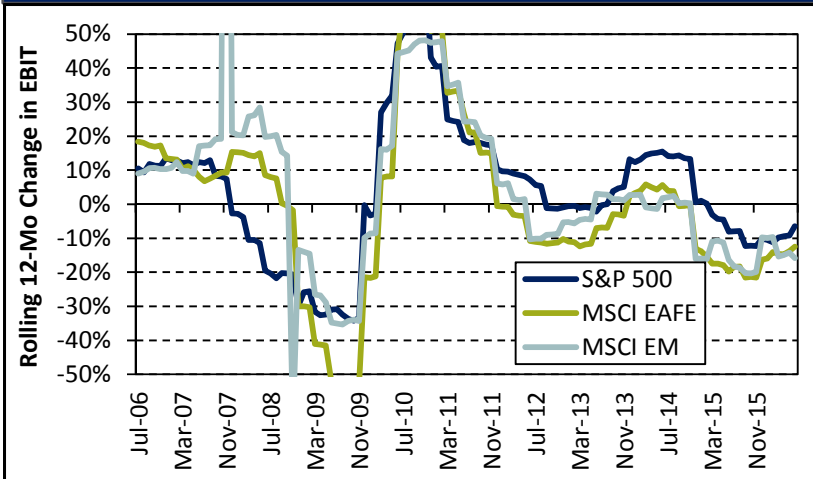
Source: Bloomberg

Global valuations are mixed



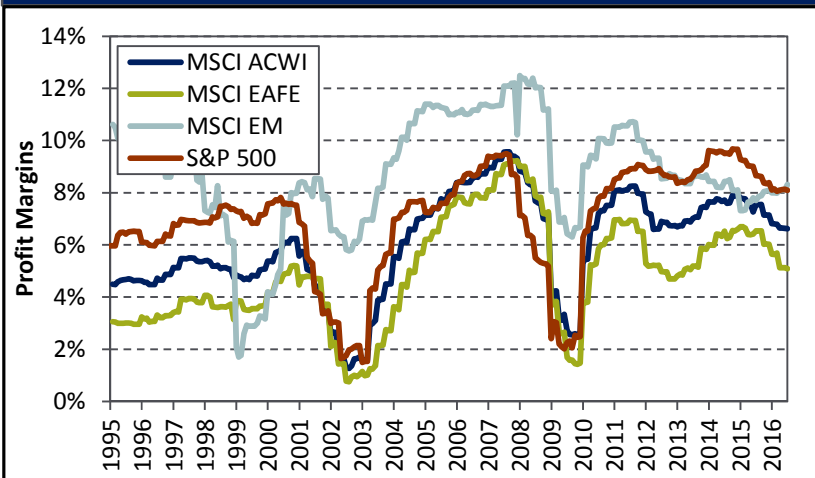
Source: Bloomberg, Standard and Poors, MSCI *MSCI EAFE is ex UK Telecom

Earnings growth has trended lower



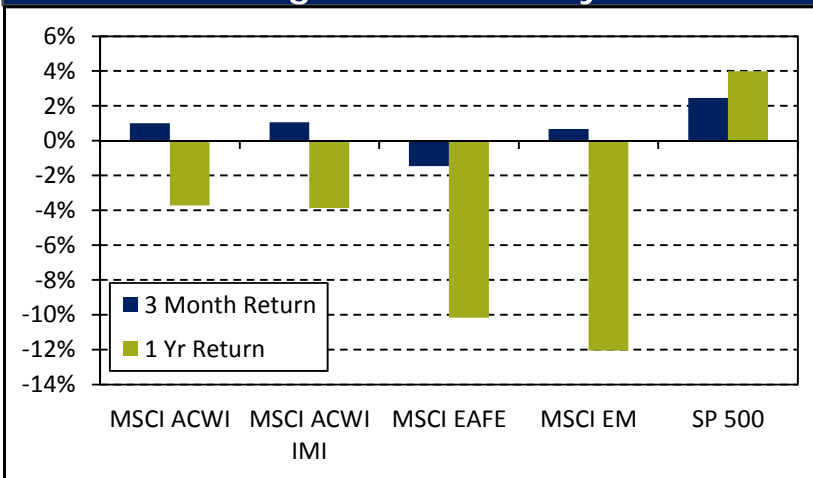
Source: Bloomberg, Standard and Poors, MSCI

Margins declining outside of EM

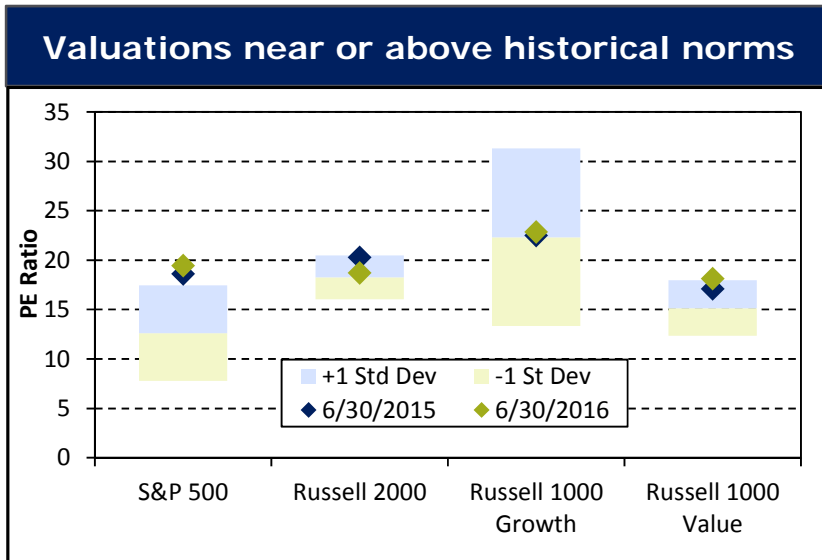


Source: Bloomberg, MSCI

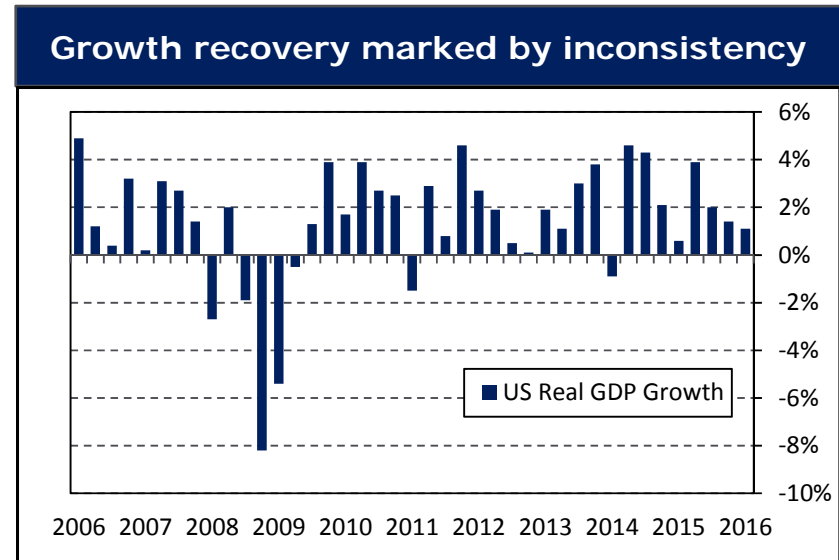
Global equity returns have been mostly negative over one year



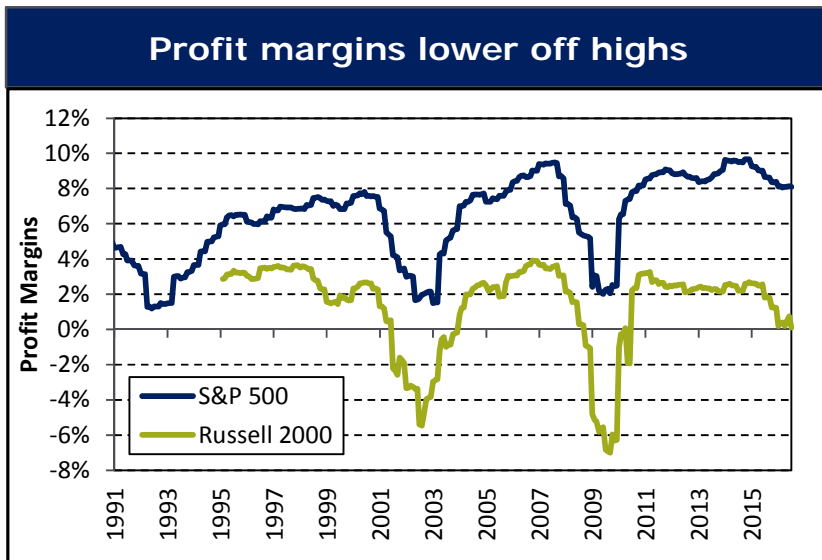
Source: Bloomberg, MSCI



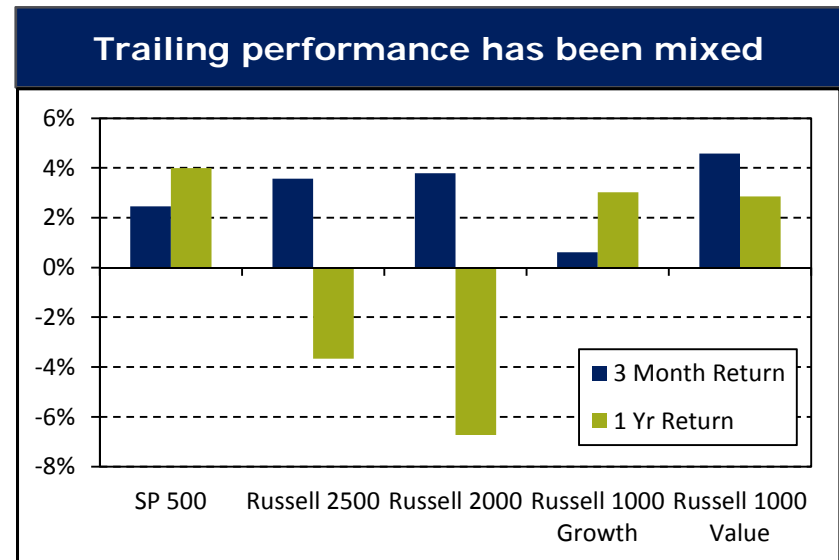
Source: Bloomberg, Standard and Poors, Russell *Russell 2000 PE is index adjusted positive



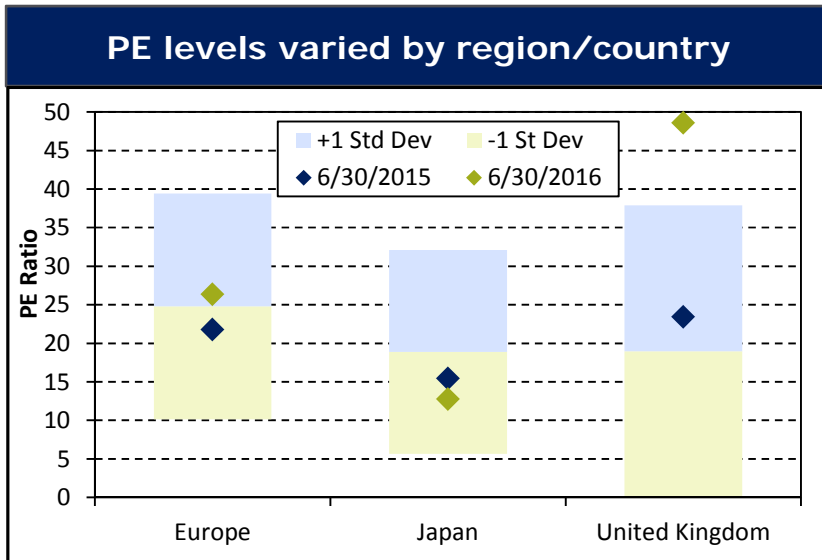
Source: Bloomberg, Bureau of Economic Analysis



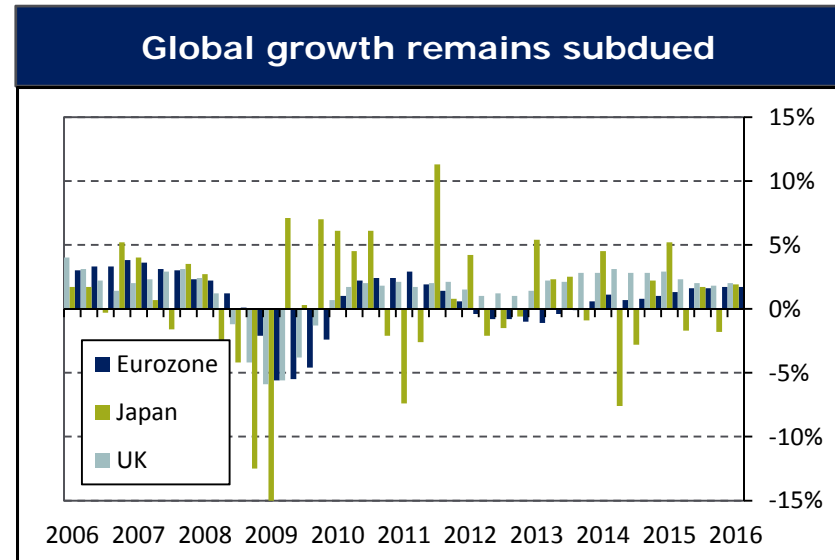
Source: Bloomberg, Standard and Poors, Russell



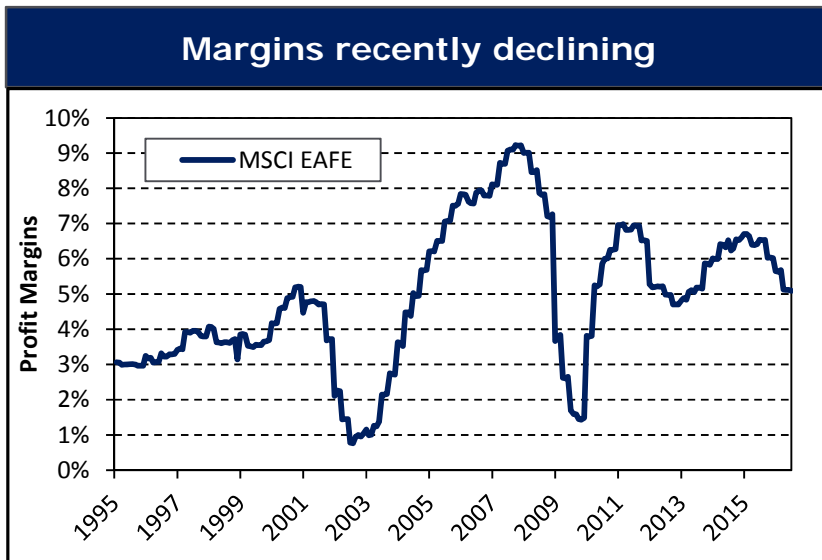
Source: Bloomberg, Standard and Poors, Russell



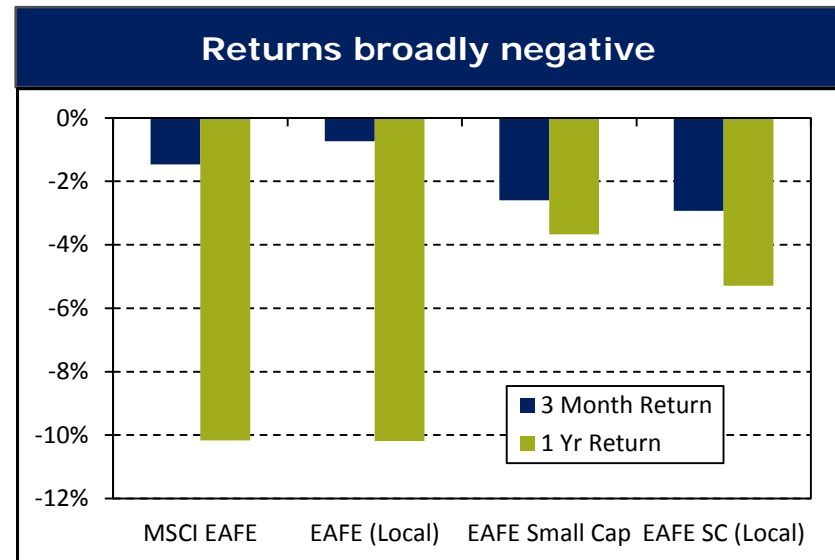
Source: Bloomberg, MSCI, FTSE *UK represented by FTSE 100 Index



Source: Bloomberg

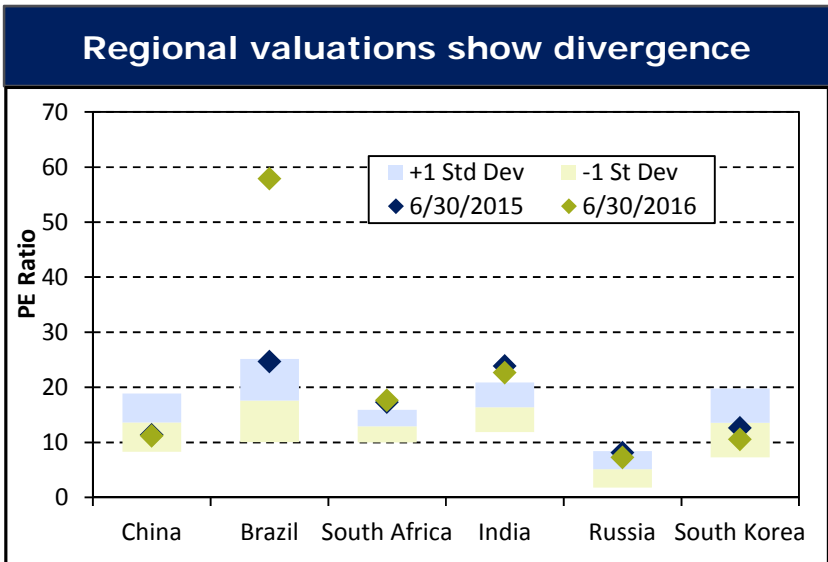


Source: Bloomberg, MSCI

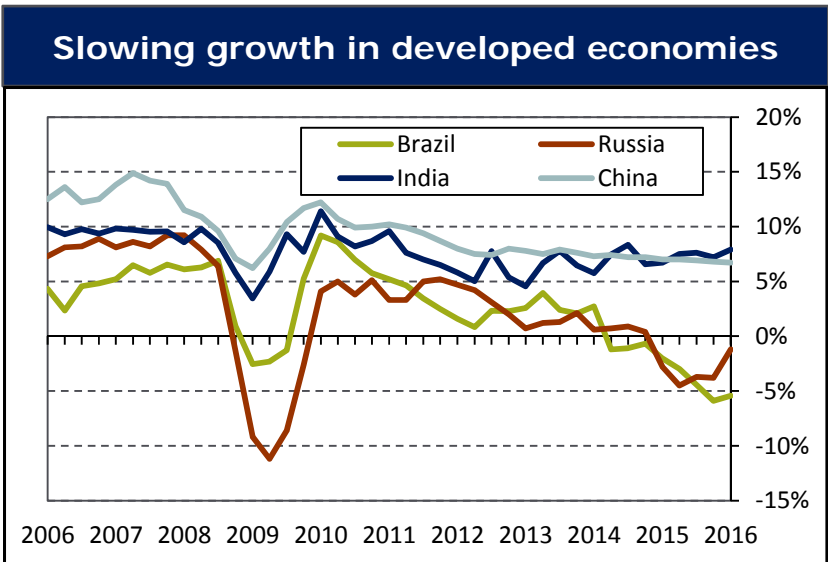


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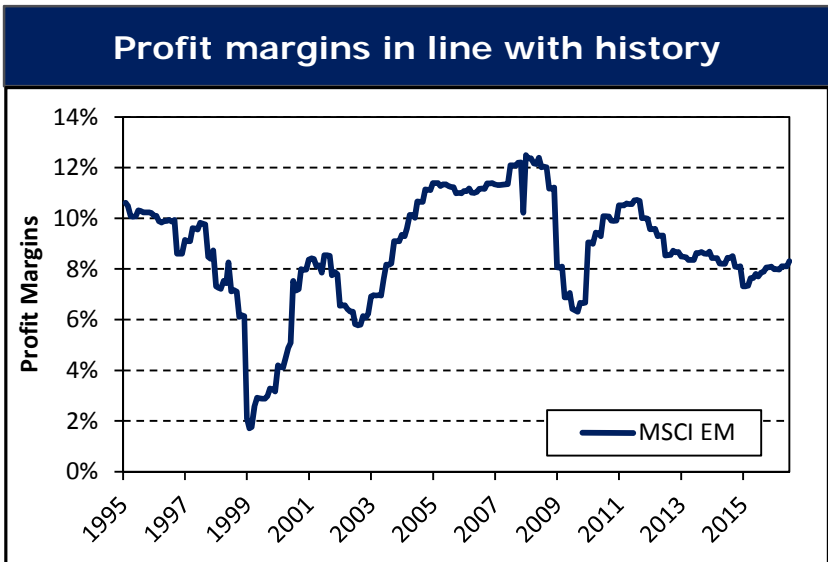
Emerging Markets Equity



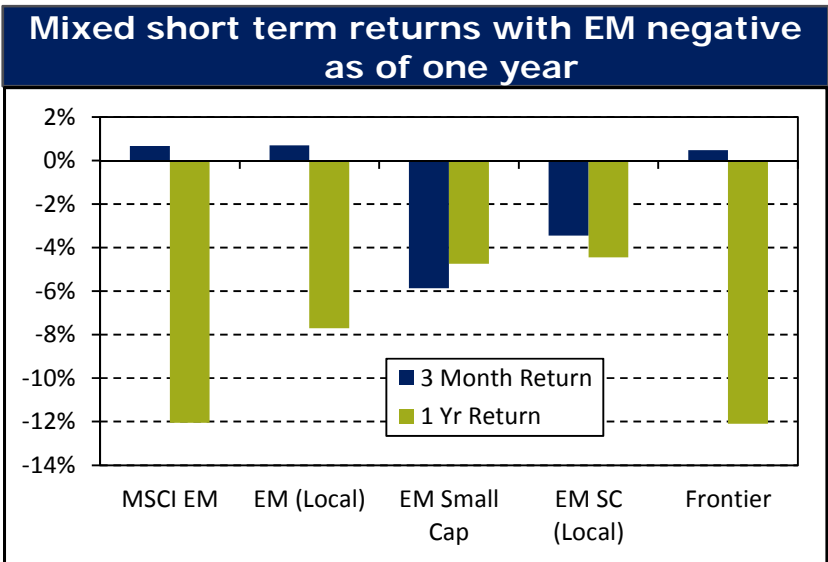
Source: Bloomberg, MSCI



Source: Bloomberg

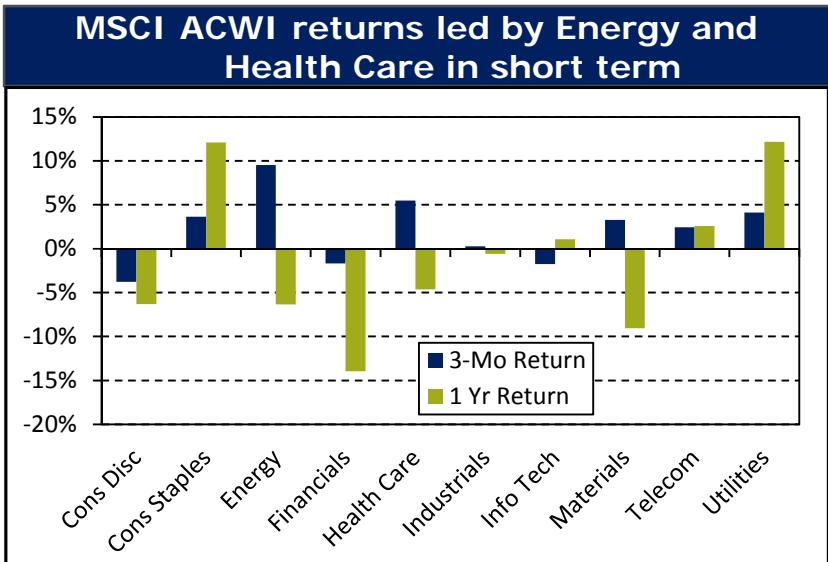


Source: Bloomberg, MSCI

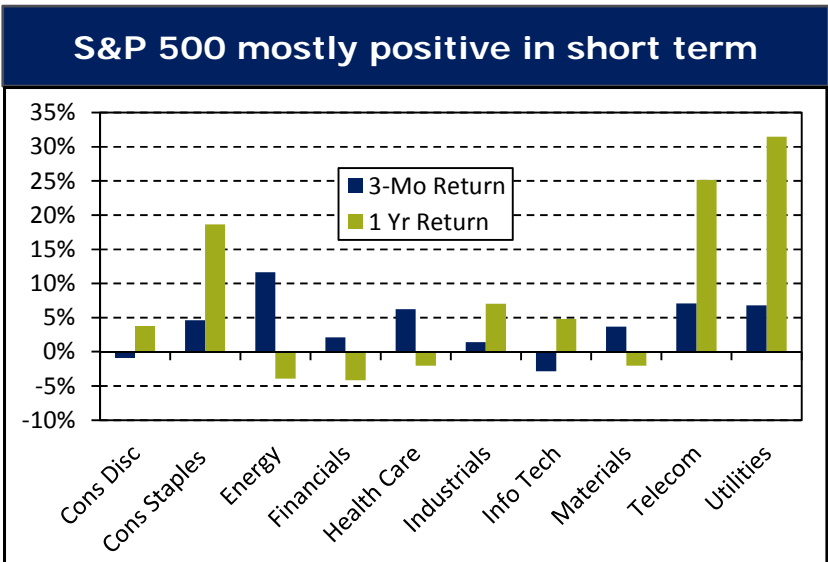


Source: Bloomberg, MSCI

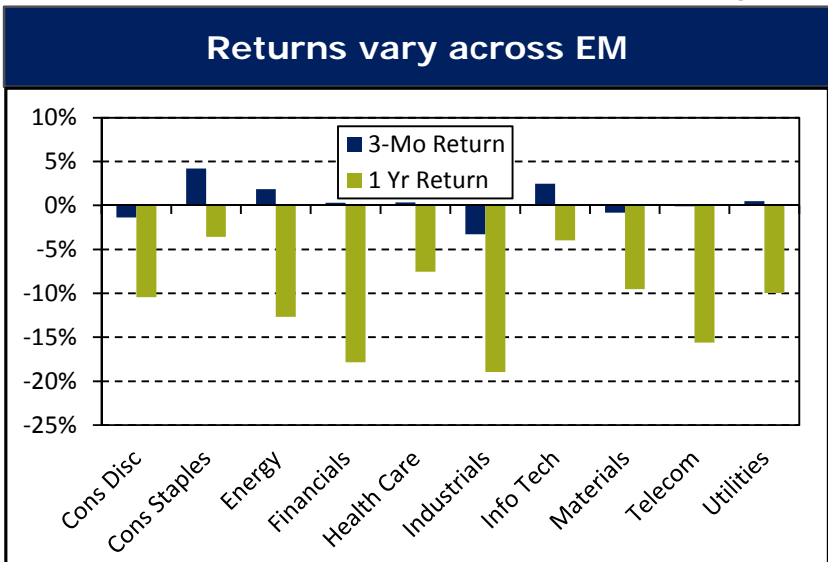
Global Equity by Sector



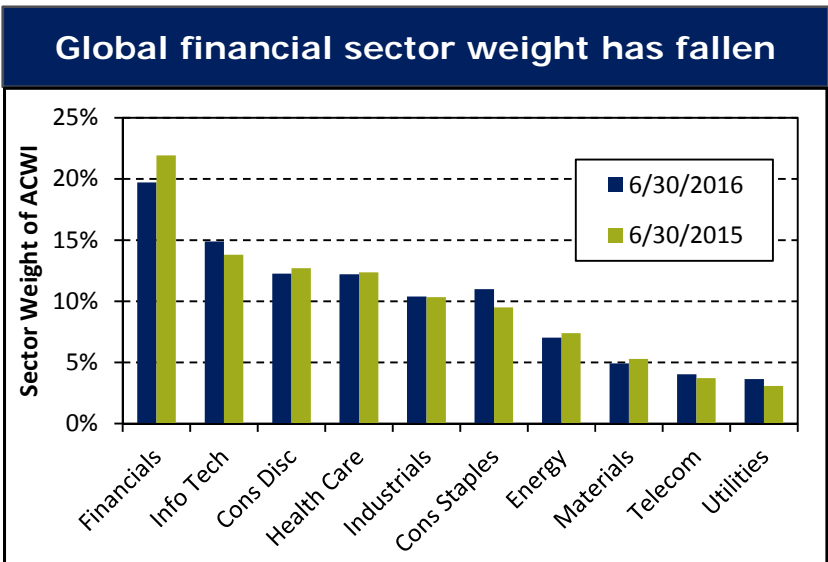
Source: Bloomberg, MSCI



Source: Bloomberg, Standard and Poors

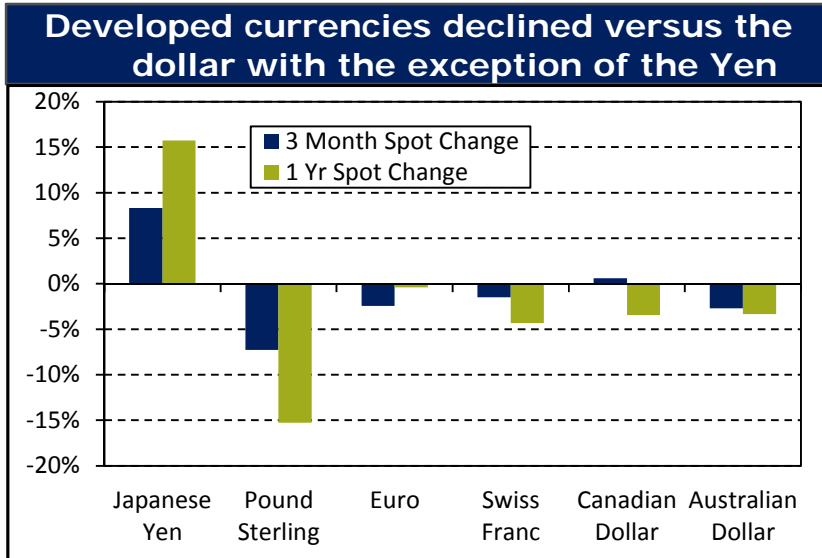


Source: Bloomberg, MSCI

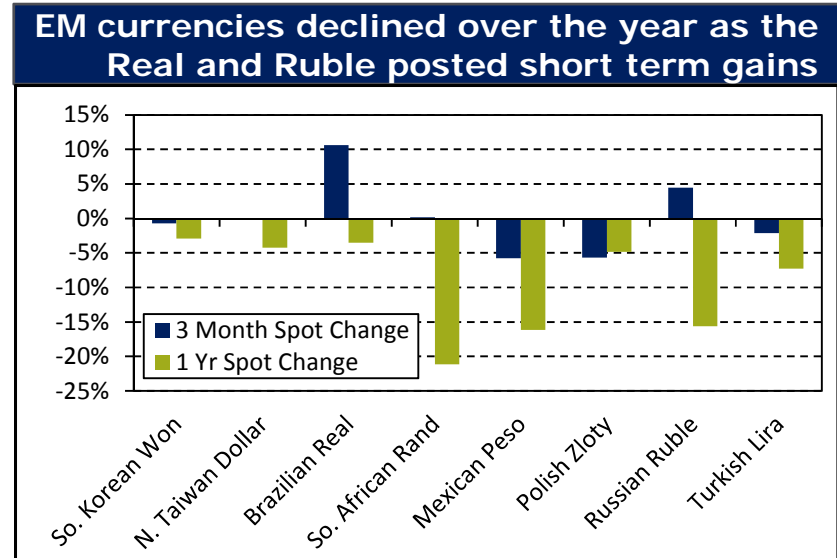


Source: Bloomberg, MSCI

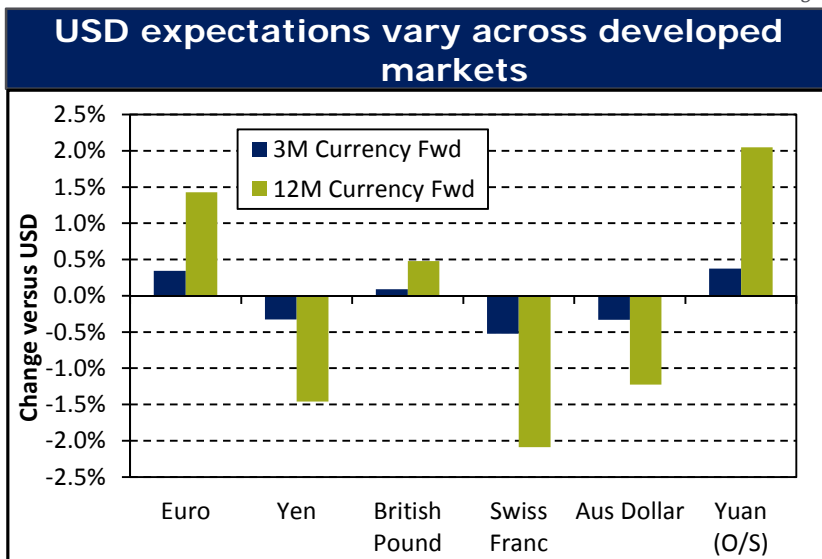
Currencies



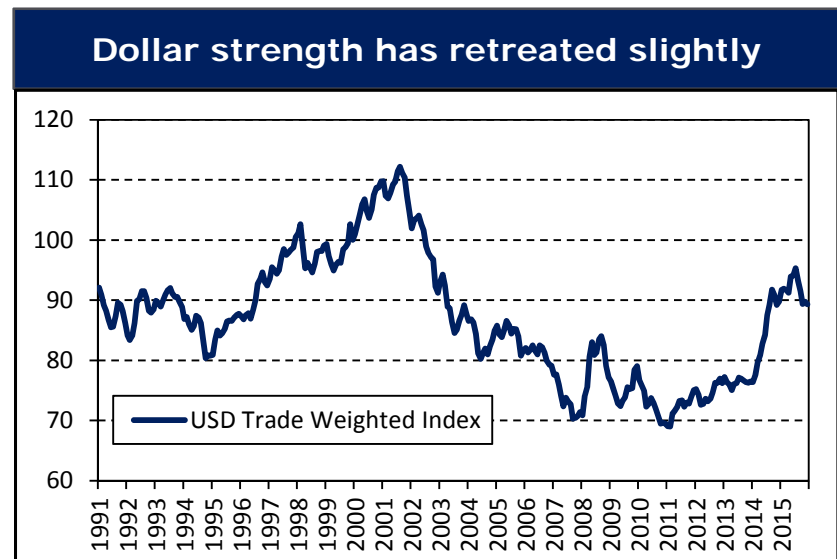
Source: Bloomberg



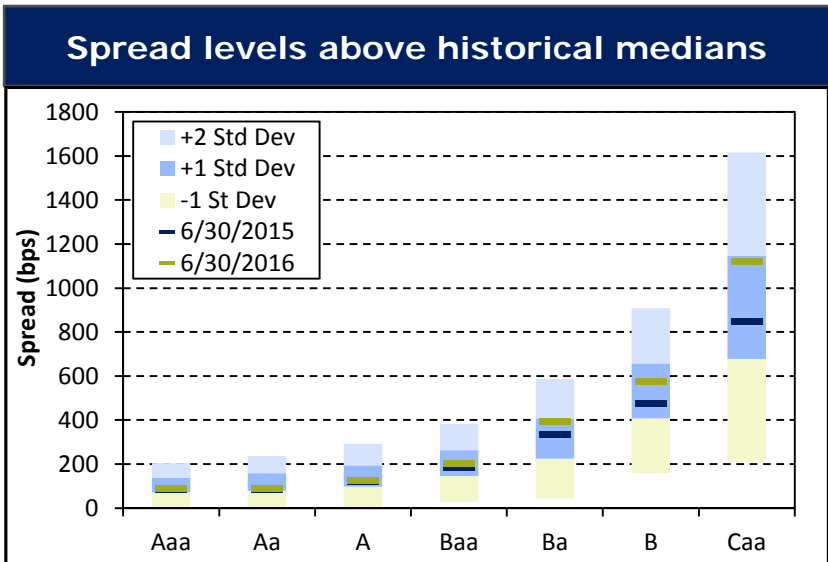
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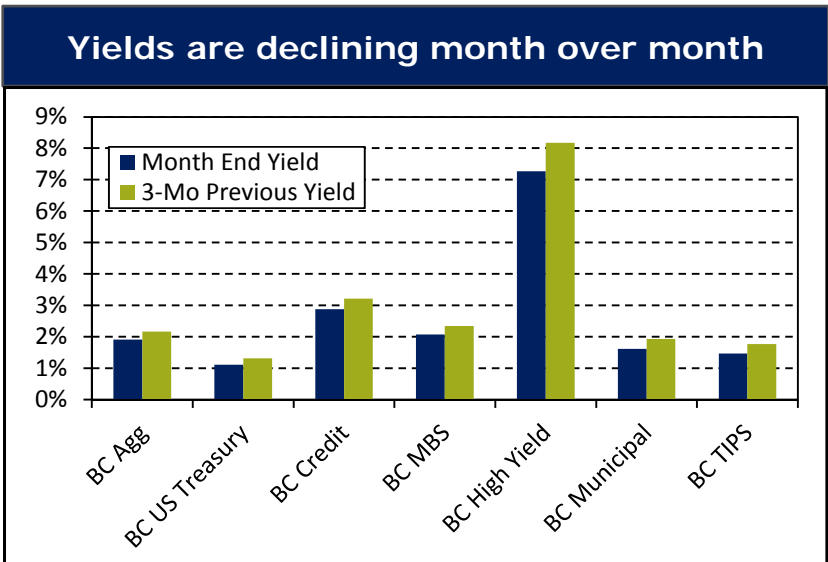
Source: Bloomberg



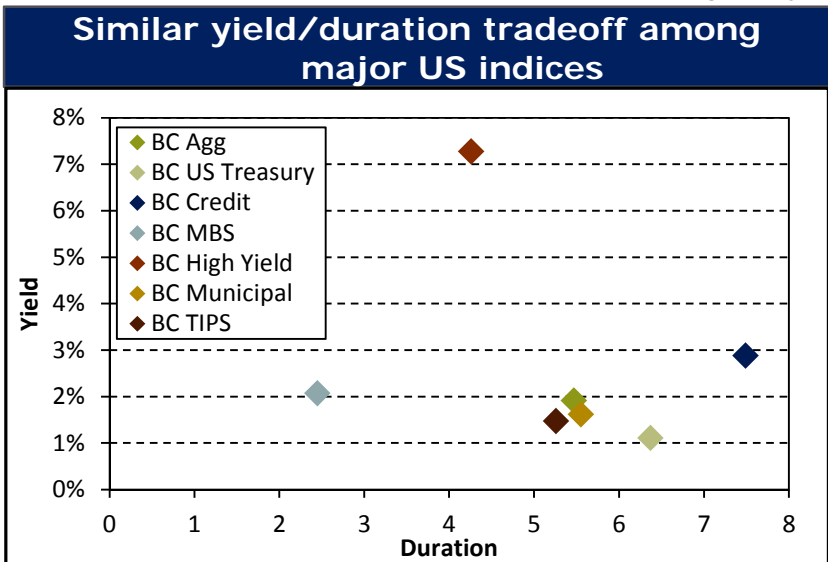
Source: Bloomberg, Federal Reserve



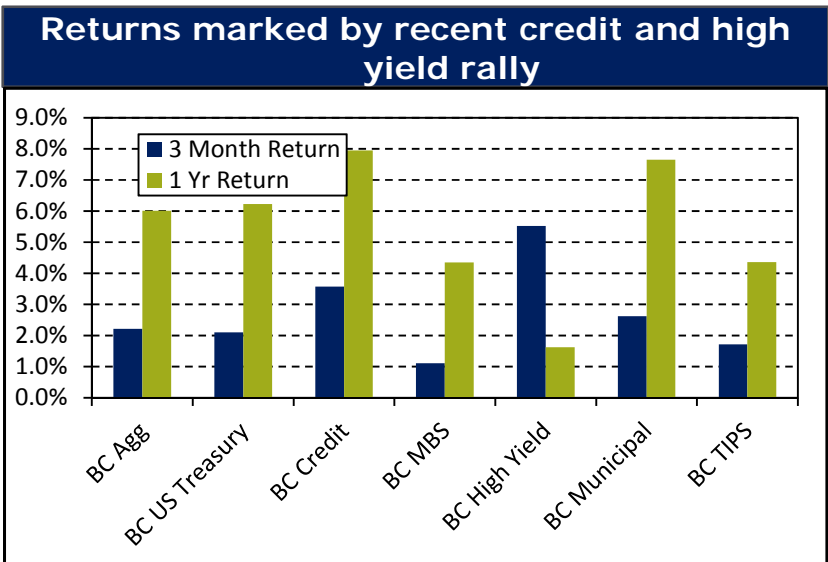
Source: Bloomberg, Barclays



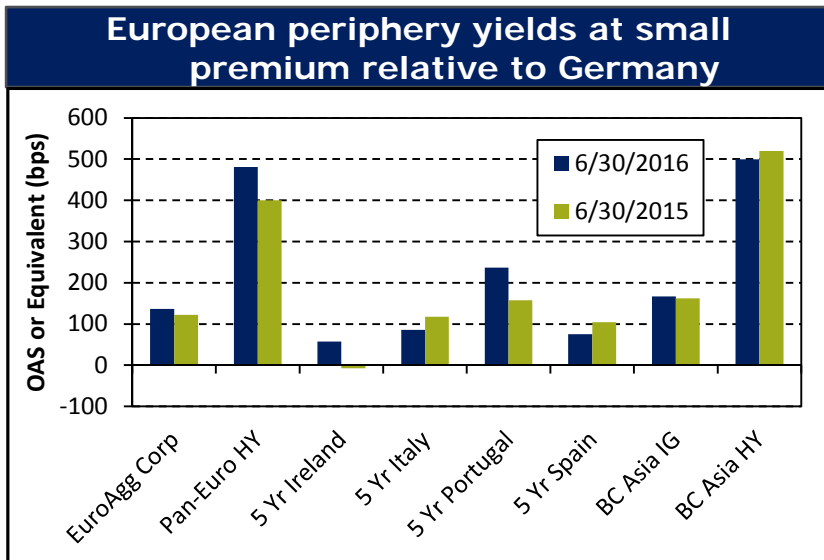
Source: Bloomberg, Barclays



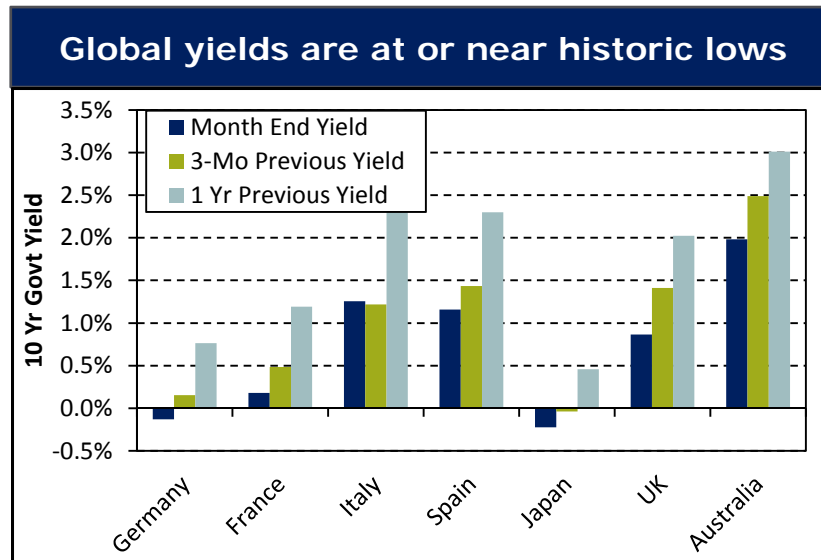
Source: Bloomberg, Barclays



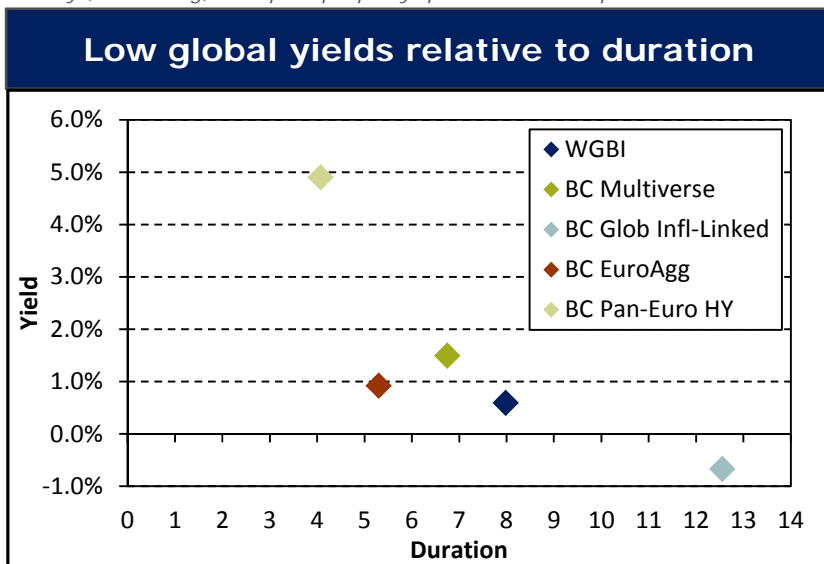
Source: Bloomberg, Barclays



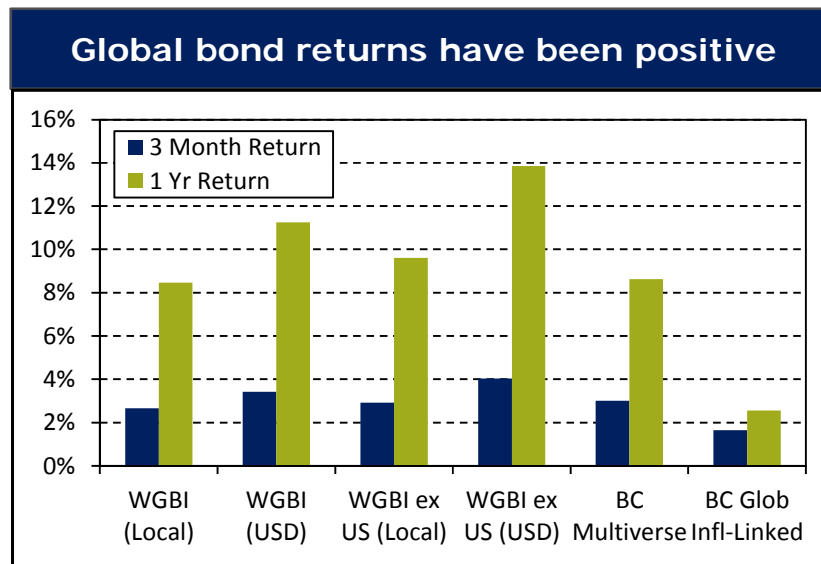
Source: Barclays, Bloomberg, *European periphery spreads are over equivalent German Bund



Source: Bloomberg

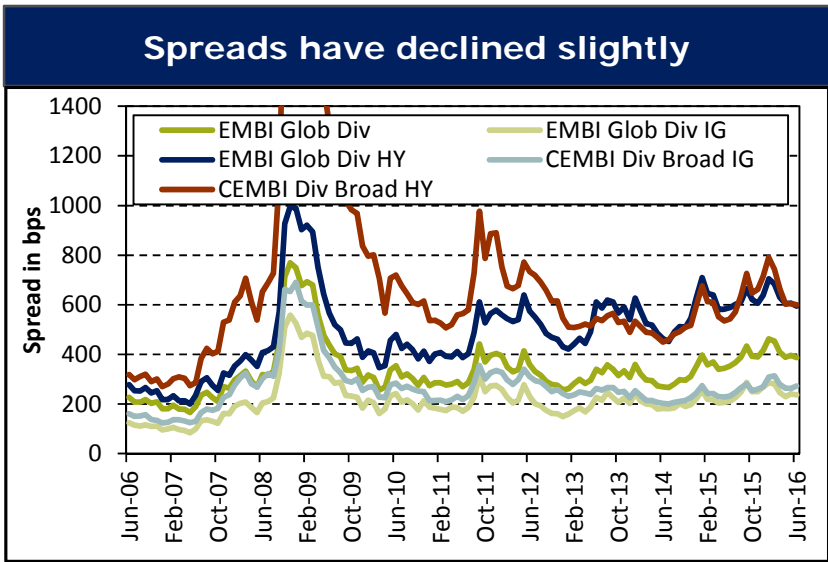


Source: Bloomberg, Citigroup, Barclays

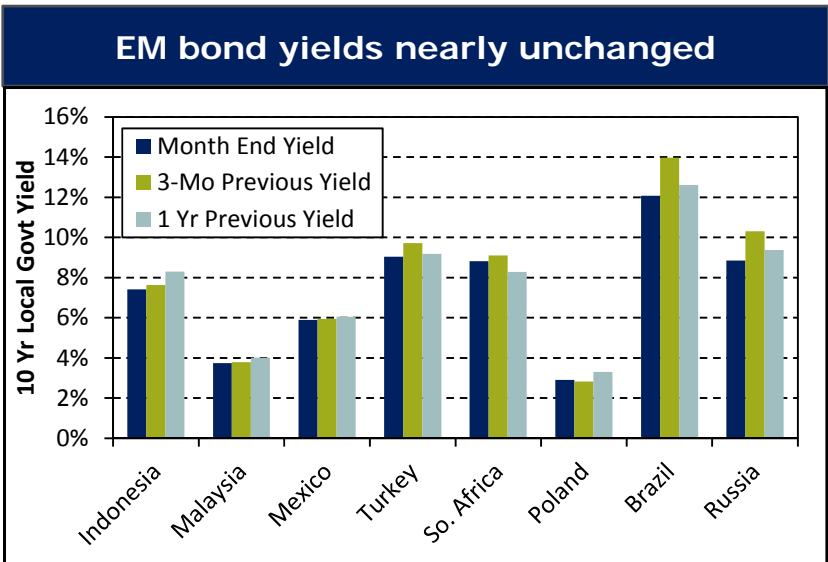


Source: Bloomberg, Citigroup, Barclays

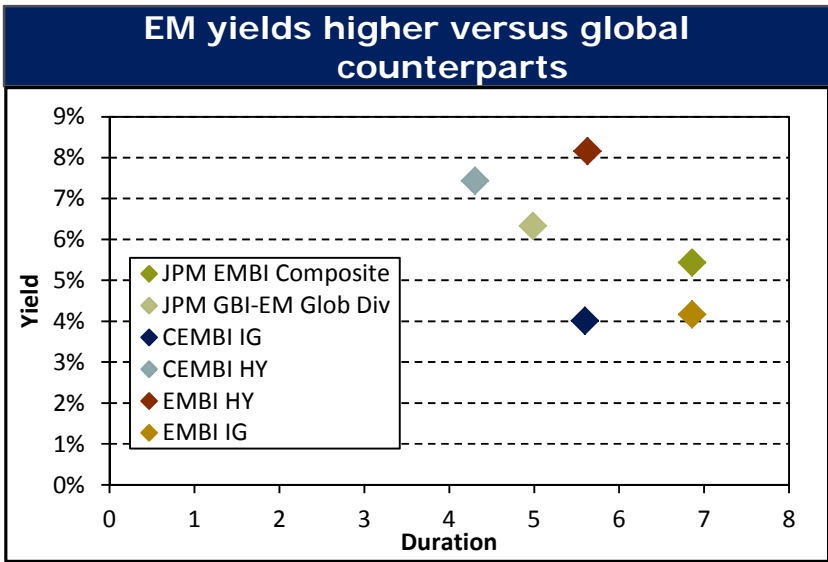
Emerging Markets Fixed Income



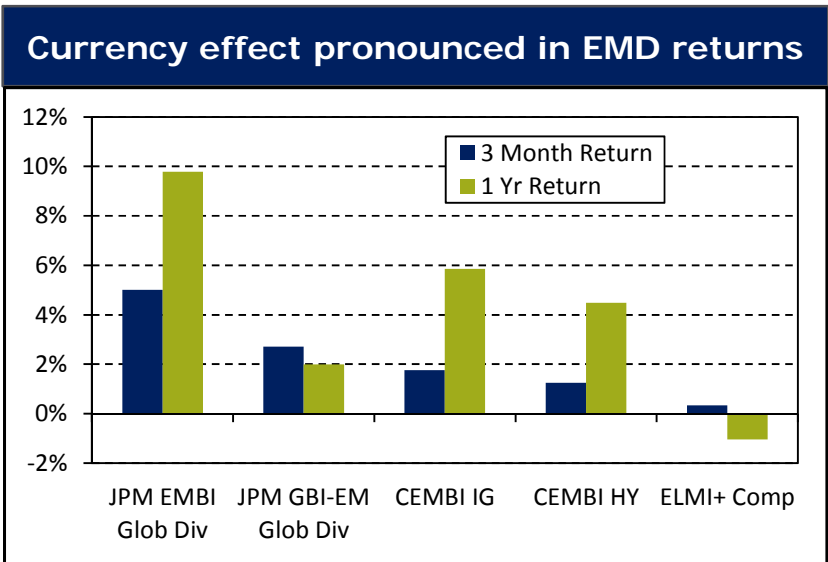
Source: Bloomberg, JP Morgan



Source: Bloomberg

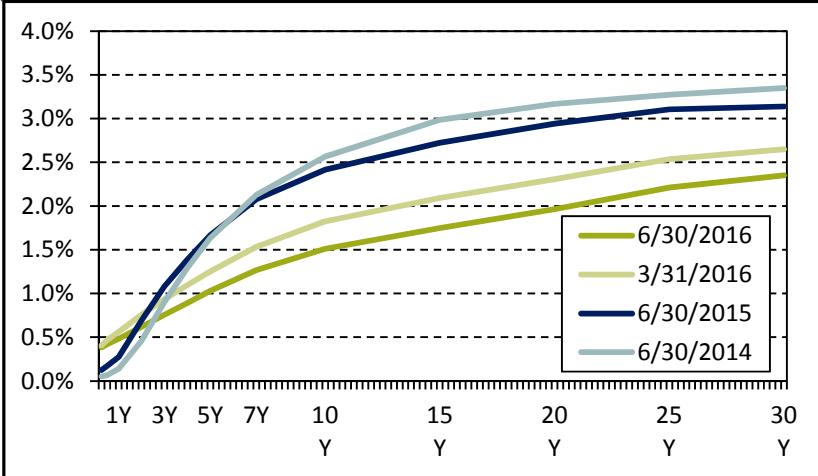


Source: Bloomberg, JP Morgan



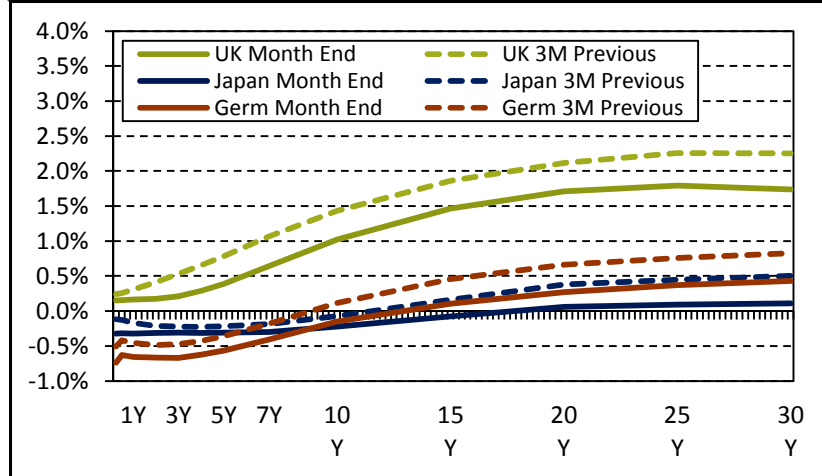
Source: Bloomberg, JP Morgan

Treasury yield curve declined with market uncertainty



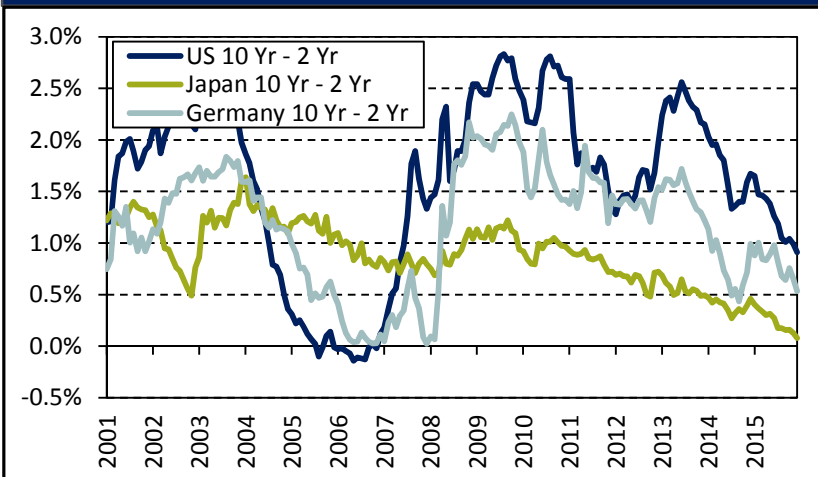
Source: Bloomberg

Lower yields across the board



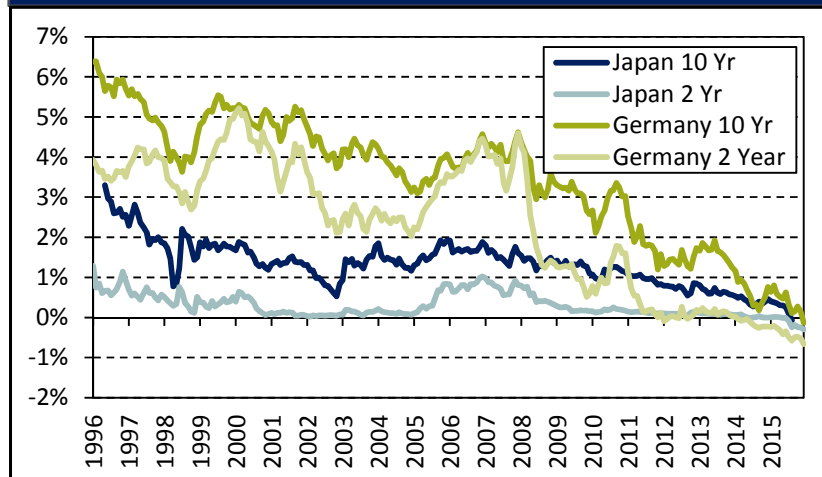
Source: Bloomberg

Global yields nearing lows



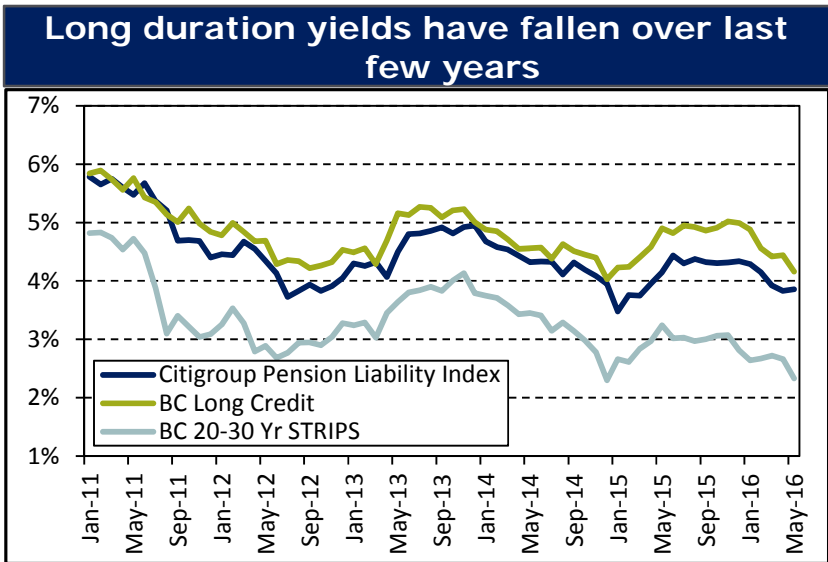
Source: Bloomberg

Global yields trending lower over long term

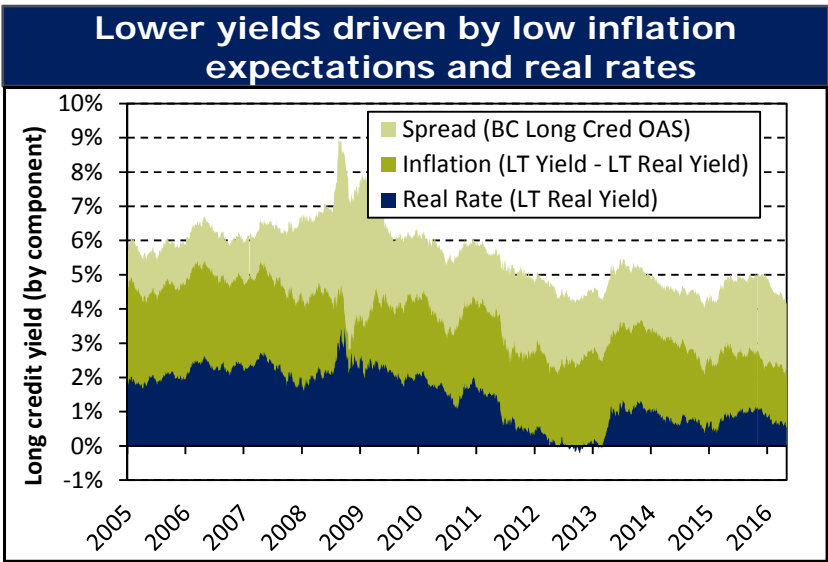


Source: Bloomberg

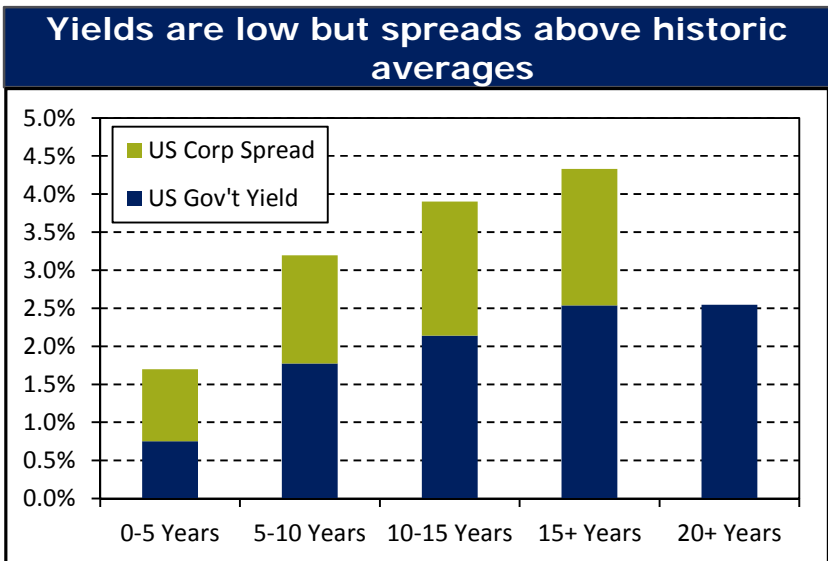
Long Rates and Liability



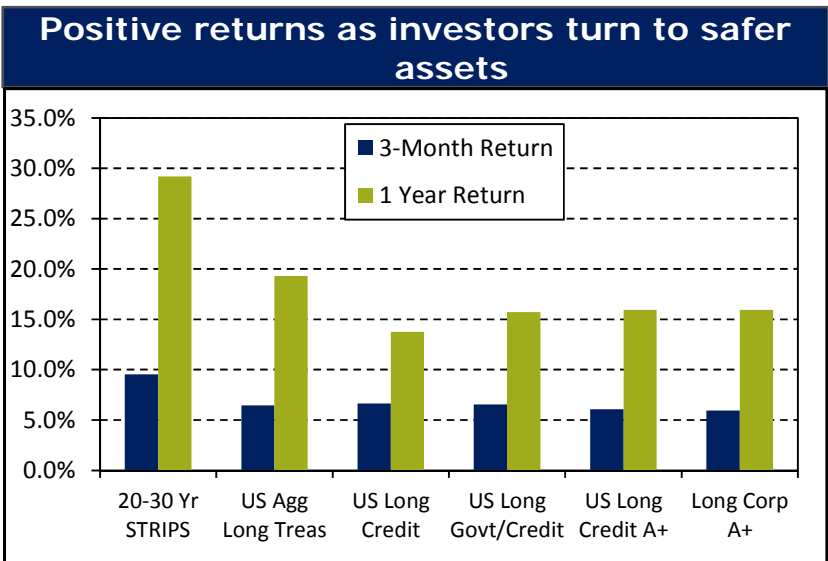
Source: Bloomberg, Citigroup, Barclays



Source: Bloomberg, US Treasury, Barclays, NEPC

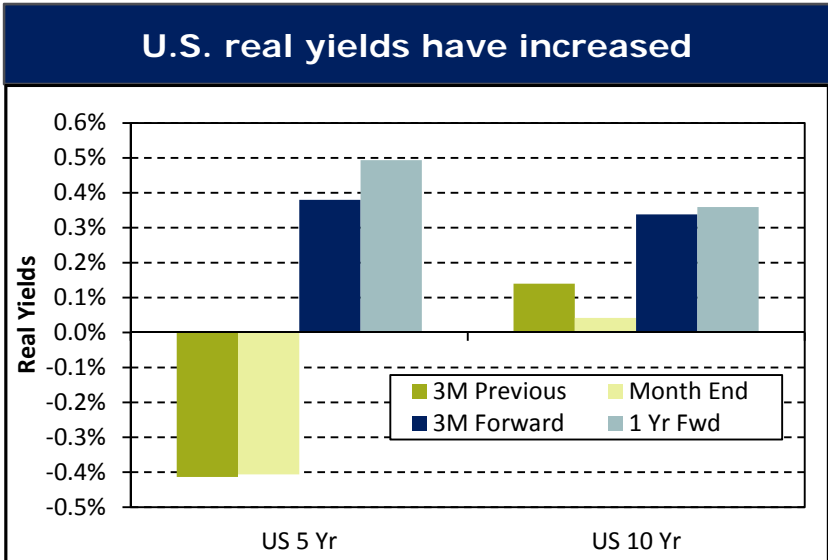


Source: Bloomberg, BofA Merrill Lynch, Barclays *No index for 20+ year corporate

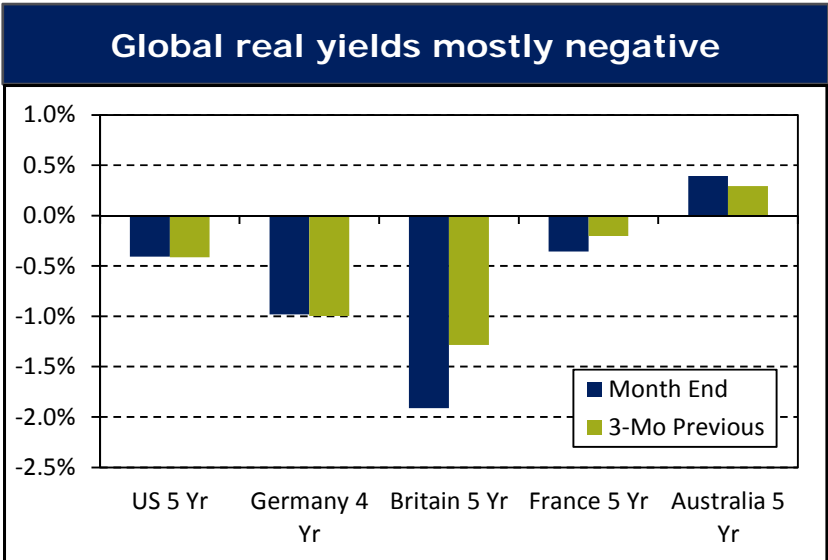


Source: Bloomberg, Barclays

Inflation and Real Rates

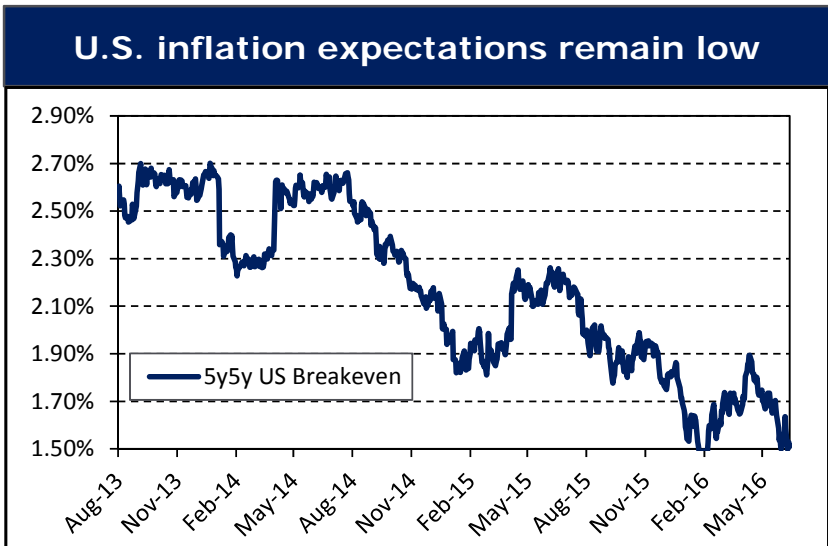


Source: Bloomberg

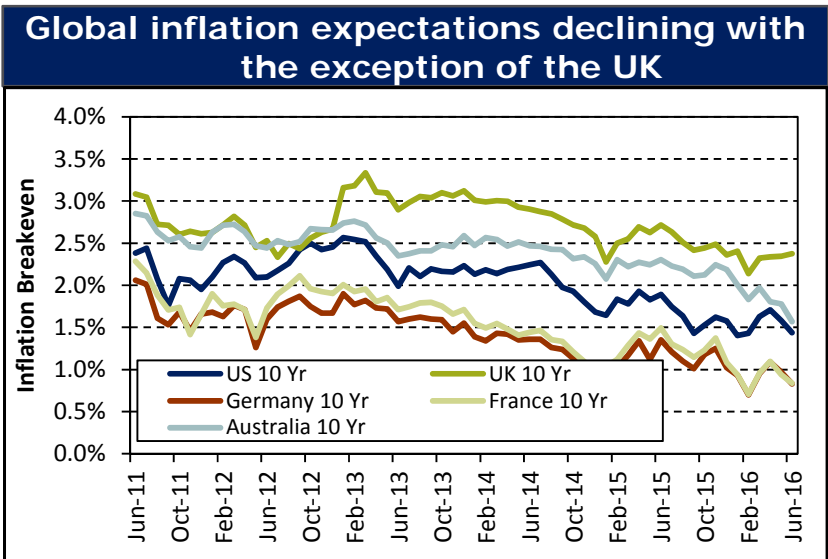


*3-Mo data not available for Germany 4 year rate

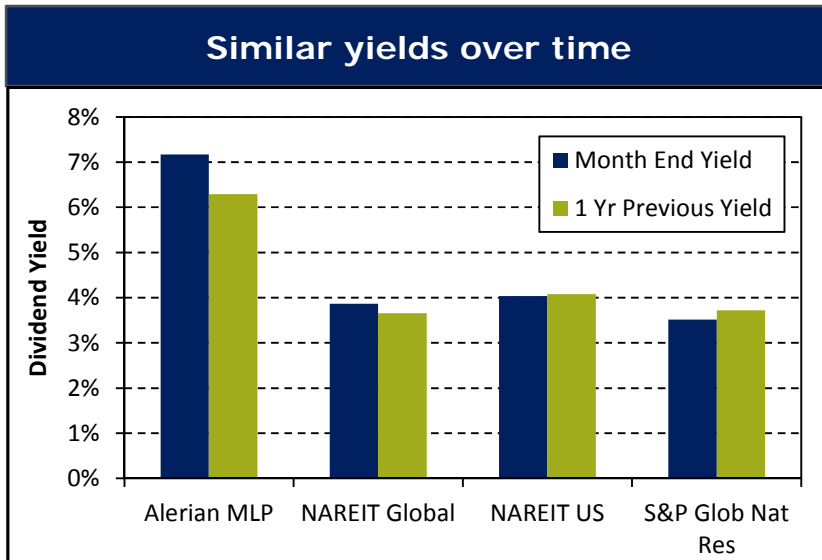
Source: Bloomberg



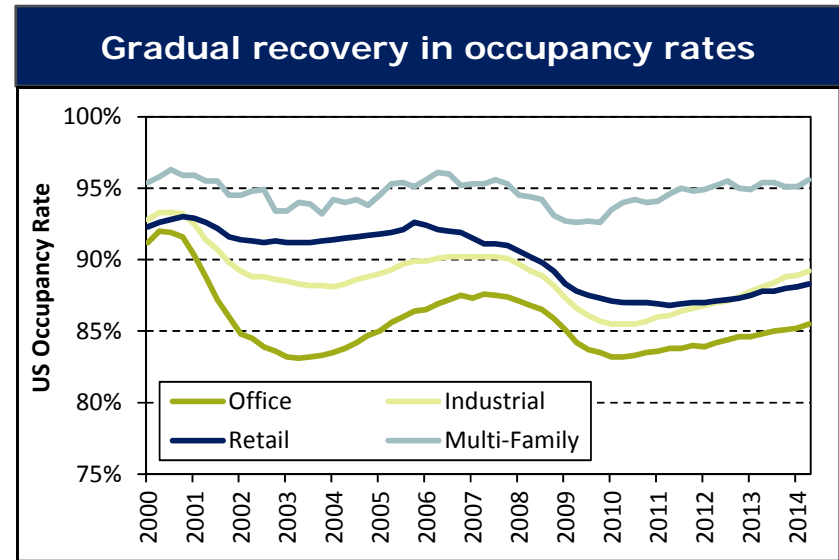
Source: Bloomberg



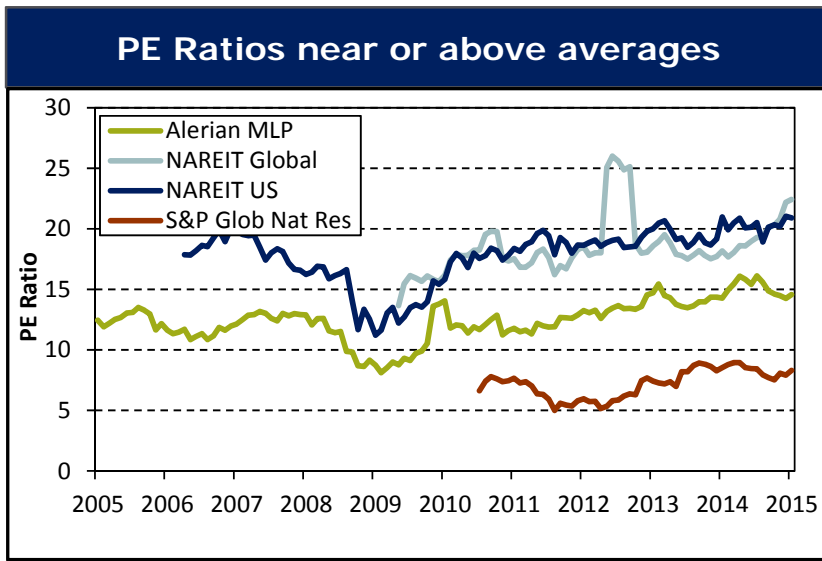
Source: Bloomberg



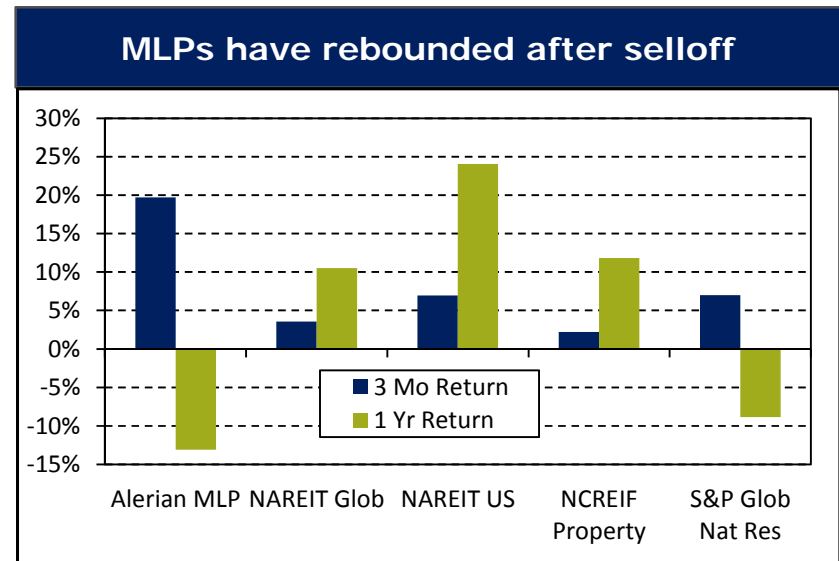
Source: Bloomberg, Alerian, Nareit, Standard and Poors



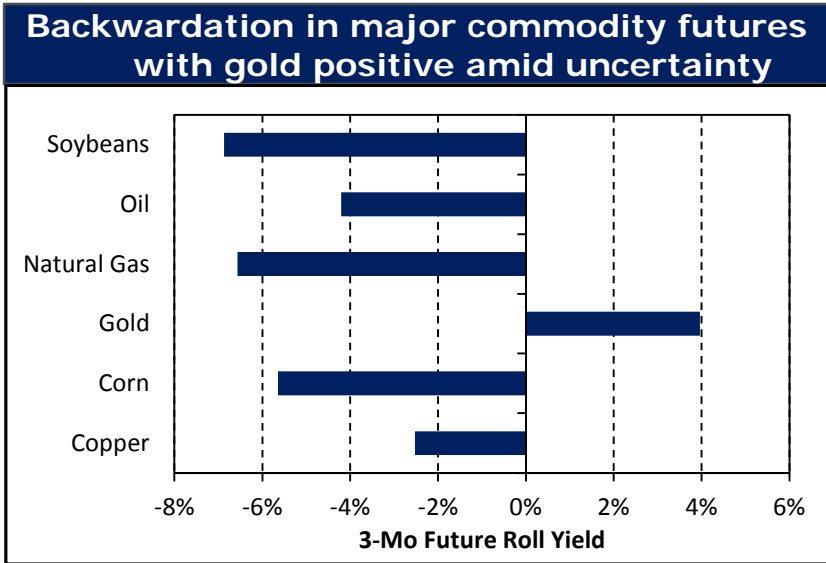
Source: Bloomberg, CB Richard Ellis



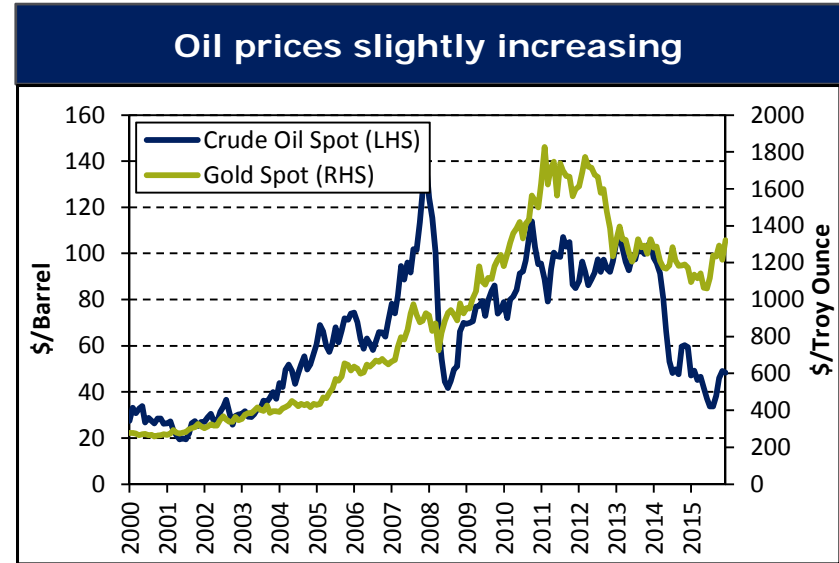
Source: Bloomberg, US Census Bureau



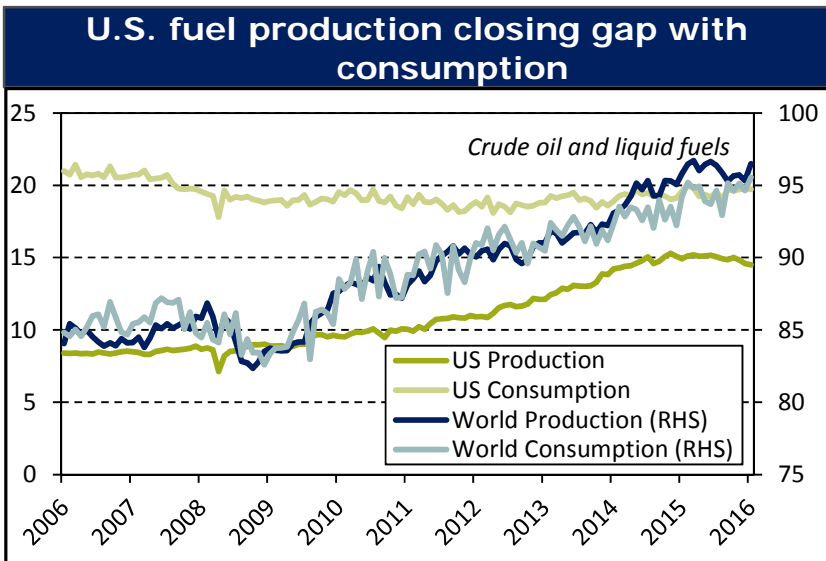
Source: Bloomberg, Alerian, Nareit, Standard and Poors



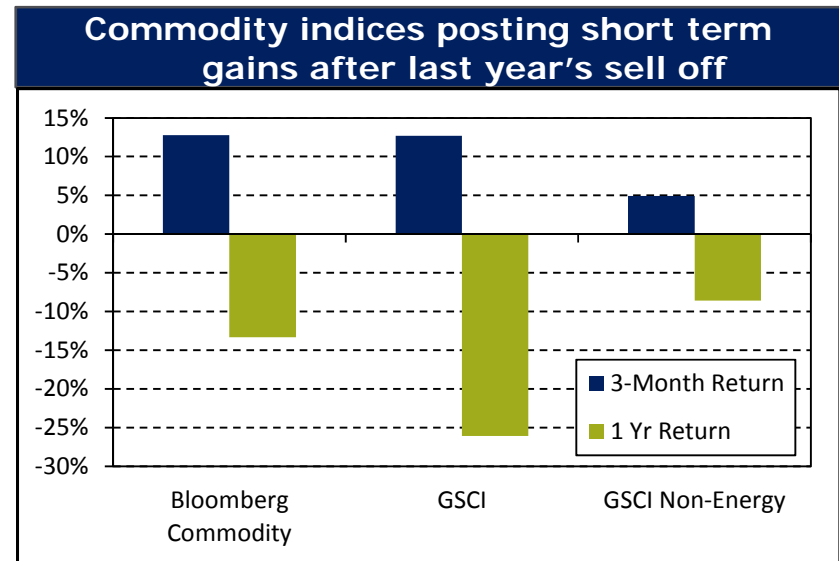
Source: Bloomberg



Source: Bloomberg



Source: Bloomberg, US Department of Energy *Crude oil and liquid fuels



Source: Bloomberg, Standard and Poors

- **Past performance is no guarantee of future results.**
- **The goal of this report is to provide a basis for monitoring financial markets. The opinions presented herein represent the good faith views of NEPC as of the date of this report and are subject to change at any time.**
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NEPC, LLC

YOU DEMAND MORE. *So do we.*SM



Ventura County Employees' Retirement Association

**Preliminary Performance Report
Month Ending July 31, 2016**

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Ventura County Employees' Retirement Association

Total Fund Performance Detail Net of Fees

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund	4,629,966,839	100.0	100.0	2.3	3.4	6.2	2.8	6.5	7.7	5.8	7.9	Apr-94
Policy Index				<u>2.9</u>	<u>3.8</u>	<u>6.3</u>	<u>3.9</u>	<u>7.2</u>	<u>7.9</u>	<u>6.1</u>	<u>8.0</u>	Apr-94
Over/Under				-0.6	-0.4	-0.1	-1.1	-0.7	-0.2	-0.3	-0.1	
Allocation Index				2.9	3.9	6.0	2.6	6.4	7.3	5.6	--	Apr-94
60% MSCI World (Net) / 40% CITI WGBI				2.7	3.3	7.6	4.4	5.1	5.2	4.9	6.4	Apr-94
Total Fund ex Parametric	4,260,340,632	92.0	--	1.9	3.2	6.5	3.1	6.6	7.7	5.8	7.9	Apr-94
Total Fund ex Private Equity	4,470,382,612	96.6	--	2.4	3.6	6.4	2.6	5.9	--	--	8.7	Jan-12
Policy Index				<u>2.9</u>	<u>3.8</u>	<u>6.3</u>	<u>3.9</u>	<u>7.2</u>	<u>7.9</u>	<u>6.1</u>	<u>9.5</u>	Jan-12
Over/Under				-0.5	-0.2	0.1	-1.3	-1.3			-0.8	
Total US Equity	1,428,823,548	30.9	28.0	4.0	6.2	7.9	4.6	10.8	13.2	7.6	8.9	Dec-93
Russell 3000				<u>4.0</u>	<u>6.0</u>	<u>7.7</u>	<u>4.4</u>	<u>10.5</u>	<u>12.9</u>	<u>7.9</u>	<u>9.2</u>	Dec-93
Over/Under				0.0	0.2	0.2	0.2	0.3	0.3	-0.3	-0.3	
BlackRock Equity Market Fund	1,226,288,399	26.5		4.0	6.1	7.7	4.5	10.6	13.0	--	7.2	Dec-07
Dow Jones U.S. Total Stock Market				<u>4.0</u>	<u>6.1</u>	<u>7.7</u>	<u>4.4</u>	<u>10.5</u>	<u>12.9</u>	<u>7.9</u>	<u>7.2</u>	Dec-07
Over/Under				0.0	0.0	0.0	0.1	0.1	0.1		0.0	
Western U.S. Index Plus	153,746,065	3.3		3.9	6.4	8.9	6.4	11.8	14.3	--	4.0	May-07
S&P 500				<u>3.7</u>	<u>5.8</u>	<u>7.7</u>	<u>5.6</u>	<u>11.2</u>	<u>13.4</u>	<u>7.7</u>	<u>6.2</u>	May-07
Over/Under				0.2	0.6	1.2	0.8	0.6	0.9		-2.2	
BlackRock Extended Equity Index	48,789,084	1.1		5.4	7.1	8.1	-0.1	7.9	11.4	8.5	11.4	Oct-02
Dow Jones U.S. Completion Total Stock Market				<u>5.4</u>	<u>7.1</u>	<u>7.9</u>	<u>-0.4</u>	<u>7.8</u>	<u>11.1</u>	<u>8.4</u>	<u>11.4</u>	Oct-02
Over/Under				0.0	0.0	0.2	0.3	0.1	0.3	0.1	0.0	

Policy Index: Currently, 28% Russell 3000, 20% Barclays Aggregate, 15% MSCI ACWI ex U.S., 10% MSCI ACWI, 10% DJ U.S. Total Stock Market Index + 3%, 10% CPI+4% Index, and 7% NCREIF ODCE Real Estate Index.

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

CPI+4% and CPI+5% are estimated due to CPI monthly lag.

Ventura County Employees' Retirement Association

Total Fund Performance Detail Net of Fees

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Non-US Equity	603,332,988	13.0	15.0	4.9	2.1	5.4	-2.8	2.1	2.3	2.5	6.1	Mar-94
MSCI ACWI ex USA				4.9	1.6	3.9	-5.5	1.3	1.4	2.3	4.8	Mar-94
Over/Under				0.0	0.5	1.5	2.7	0.8	0.9	0.2	1.3	
MSCI EAFE				5.1	0.6	0.4	-7.5	2.0	3.0	2.0	4.4	Mar-94
MSCI ACWI ex USA Local Currency				4.6	3.3	0.2	-6.5	5.7	6.5	3.1	--	Mar-94
MSCI EAFE Local Currency				4.7	2.7	-2.8	-9.1	5.9	8.0	2.5	4.4	Mar-94
BlackRock ACWI ex-U.S. Index	248,660,995	5.4		5.0	1.7	4.3	-4.4	2.0	1.8	--	1.1	Mar-07
MSCI ACWI ex USA				4.9	1.6	3.9	-5.5	1.3	1.4	2.3	0.6	Mar-07
Over/Under				0.1	0.1	0.4	1.1	0.7	0.4		0.5	
MSCI ACWI ex USA Local Currency				4.6	3.3	0.2	-6.5	5.7	6.5	3.1	1.7	Mar-07
Sprucegrove	173,632,149	3.8		5.0	0.8	5.3	-4.4	0.8	2.2	2.7	6.7	Mar-02
MSCI ACWI ex USA				4.9	1.6	3.9	-5.5	1.3	1.4	2.3	6.0	Mar-02
Over/Under				0.1	-0.8	1.4	1.1	-0.5	0.8	0.4	0.7	
MSCI EAFE				5.1	0.6	0.4	-7.5	2.0	3.0	2.0	5.5	Mar-02
MSCI ACWI ex USA Local Currency				4.6	3.3	0.2	-6.5	5.7	6.5	3.1	4.6	Mar-02
MSCI EAFE Local Currency				4.7	2.7	-2.8	-9.1	5.9	8.0	2.5	3.7	Mar-02
Hexavest	80,268,943	1.7		4.0	1.5	4.5	-2.9	2.7	3.6	--	3.6	Dec-10
MSCI EAFE				5.1	0.6	0.4	-7.5	2.0	3.0	2.0	3.3	Dec-10
Over/Under				-1.1	0.9	4.1	4.6	0.7	0.6		0.3	
MSCI EAFE Local Currency				4.7	2.7	-2.8	-9.1	5.9	8.0	2.5	6.5	Dec-10
Walter Scott	100,770,901	2.2		5.1	5.8	9.4	4.3	4.2	4.1	--	4.6	Dec-10
MSCI ACWI ex USA				4.9	1.6	3.9	-5.5	1.3	1.4	2.3	1.6	Dec-10
Over/Under				0.2	4.2	5.5	9.8	2.9	2.7		3.0	
MSCI ACWI ex USA Local Currency				4.6	3.3	0.2	-6.5	5.7	6.5	3.1	5.2	Dec-10
Total Global Equity	439,099,157	9.5	10.0	4.1	3.7	6.1	-1.0	4.6	5.7	3.6	4.9	May-05
MSCI ACWI				4.3	3.8	5.6	-0.4	5.9	6.6	4.6	6.0	May-05
Over/Under				-0.2	-0.1	0.5	-0.6	-1.3	-0.9	-1.0	-1.1	
BlackRock MSCI ACWI Equity Index	231,073,271	5.0		4.3	3.9	5.9	0.0	6.3	--	--	9.9	Jul-12
MSCI ACWI				4.3	3.8	5.6	-0.4	5.9	6.6	4.6	9.5	Jul-12
Over/Under				0.0	0.1	0.3	0.4	0.4			0.4	
GMO Global Equity	208,025,886	4.5		3.9	3.4	6.3	-2.2	2.8	5.0	4.4	5.7	May-05
MSCI ACWI				4.3	3.8	5.6	-0.4	5.9	6.6	4.6	6.0	May-05
Over/Under				-0.4	-0.4	0.7	-1.8	-3.1	-1.6	-0.2	-0.3	

Ventura County Employees' Retirement Association

Total Fund Performance Detail Net of Fees

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Private Equity	159,584,227	3.4	10.0	0.5	-0.3	0.9	10.6	12.9	--	--	13.5	Jan-12
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>4.2</u>	<u>6.8</u>	<u>9.5</u>	<u>7.5</u>	<u>13.8</u>	<u>16.3</u>	--	<u>18.3</u>	<i>Jan-12</i>
Over/Under				-3.7	-7.1	-8.6	3.1	-0.9			-4.8	
Adams Street Global Fund Series	99,690,787	2.2		0.0	-0.7	0.6	8.2	11.2	--	--	12.3	Jan-12
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>4.2</u>	<u>6.8</u>	<u>9.5</u>	<u>7.5</u>	<u>13.8</u>	<u>16.3</u>	--	<u>18.3</u>	<i>Jan-12</i>
Over/Under				-4.2	-7.5	-8.9	0.7	-2.6			-6.0	
Harbourvest- Dover Street VII	46,044,345	1.0		1.6	1.4	2.6	16.6	19.4	--	--	18.8	Jul-13
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>4.2</u>	<u>6.8</u>	<u>9.5</u>	<u>7.5</u>	<u>13.8</u>	<u>16.3</u>	--	<u>15.4</u>	<i>Jul-13</i>
Over/Under				-2.6	-5.4	-6.9	9.1	5.6			3.4	
Pantheon Global Secondary Funds	13,849,096	0.3		0.0	-3.2	-1.7	9.6	7.7	--	--	7.8	Jan-12
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>4.2</u>	<u>6.8</u>	<u>9.5</u>	<u>7.5</u>	<u>13.8</u>	<u>16.3</u>	--	<u>18.3</u>	<i>Jan-12</i>
Over/Under				-4.2	-10.0	-11.2	2.1	-6.1			-10.5	

Please Note:

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

Ventura County Employees' Retirement Association

Private Equity Limited Partnership Performance

Fund Name	Vintage Year	Initial Investment Date	Commitment	Capital Called to Date ¹	Outstanding Commitment ¹	Call Ratio	Add'l Fees ²	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
													Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Adams Street 2010 U.S. Fund	2010	5/21/2010	\$42,500,000	\$29,665,000	\$12,835,000	70%	\$15,213	\$10,764,481	\$31,385,819	\$42,150,300	\$12,470,087	13.0%	0.36x	1.42x
Adams Street 2010 Non-U.S. Dev. Mkts Fund	2010	5/21/2010	\$25,500,000	\$17,697,000	\$7,803,000	69%	\$1,589	\$5,557,179	\$15,476,503	\$21,033,682	\$3,335,093	6.9%	0.31x	1.19x
Adams Street 2010 Non-U.S. Emg Mkts Fund	2010	1/3/2011	\$8,500,000	\$6,111,500	\$2,388,500	72%	\$0	\$314,436	\$7,403,650	\$7,718,086	\$1,606,586	9.1%	0.05x	1.26x
Adams Street 2010 Direct Fund	2010	5/21/2010	\$8,500,000	\$7,879,500	\$620,500	93%	\$6,697	\$4,071,592	\$7,734,941	\$11,806,533	\$3,920,336	12.1%	0.52x	1.5x
<i>Total Adams Street 2010</i>	<i>2010</i>	<i>5/21/2010</i>	<i>\$85,000,000</i>	<i>\$61,353,000</i>	<i>\$23,647,000</i>	<i>72%</i>	<i>\$23,499</i>	<i>\$20,707,688</i>	<i>\$62,000,913</i>	<i>\$82,708,601</i>	<i>\$21,332,102</i>	<i>11.0%</i>	<i>0.34x</i>	<i>1.35x</i>
Adams Street 2013 Global Fund	2013	6/27/2013	\$75,000,000	\$38,925,000	\$36,075,000	52%	\$10,728	\$2,698,535	\$37,689,880	\$40,388,415	\$1,452,687	2.6%	0.07x	1.04x
HarbourVest - Dover Street VIII	2013	5/30/2013	\$67,500,000	\$52,312,500	\$15,187,500	78%	\$84,954	\$24,859,201	\$46,324,609	\$71,183,810	\$18,786,356	26.1%	0.47x	1.36x
Pantheon Global Secondary Fund IV	2010	8/20/2010	\$15,000,000	\$9,960,000	\$5,040,000	66%	\$0	\$8,310,001	\$6,006,502	\$14,316,503	\$4,356,503	14.0%	0.83x	1.44x
Pantheon Global Secondary Fund V	2015	2/26/2015	\$50,000,000	\$7,441,510	\$42,558,490	15%	(\$137,480)	\$0	\$8,523,167	\$8,523,167	\$1,219,137	11.2%	--	1.17x
Total VCERA Private Equity Program	--	5/21/2010	\$292,500,000	\$169,992,010	\$122,507,990	58%	(\$18,299)	\$56,575,425	\$160,545,071	\$217,120,496	\$47,146,785	12.9%	0.33x	1.28x

1. Includes recycled/recallable distributions received to date.

2. Add'l Fees represents notional interest paid/(received).

2. Add'l Fees for Pantheon Global Secondary Fund V includes notional interest paid/(received) and management fee rebates paid to VCERA.

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

Performance shown is based on 3/31/2016 NAVs cash-adjusted for cash flows through 7/31/2016.

Ventura County Employees' Retirement Association

Total Fund Performance Detail Net of Fees

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total US Fixed Income	857,614,145	18.5	20.0	0.8	2.0	6.4	5.5	3.8	4.2	6.1	6.2	Feb-94
<i>Barclays Aggregate</i>				<u>0.6</u>	<u>2.5</u>	<u>6.0</u>	<u>5.9</u>	<u>4.2</u>	<u>3.6</u>	<u>5.1</u>	<u>5.7</u>	<i>Feb-94</i>
Over/Under				0.2	-0.5	0.4	-0.4	-0.4	0.6	1.0	0.5	
BlackRock U.S. Debt Fund	148,631,883	3.2		0.6	2.5	6.0	6.0	4.3	3.6	5.2	5.6	Nov-95
<i>Barclays Aggregate</i>				<u>0.6</u>	<u>2.5</u>	<u>6.0</u>	<u>5.9</u>	<u>4.2</u>	<u>3.6</u>	<u>5.1</u>	<u>5.5</u>	<i>Nov-95</i>
Over/Under				0.0	0.0	0.0	0.1	0.1	0.0	0.1	0.1	
Western	289,210,514	6.2		1.2	3.1	7.2	6.9	5.4	5.2	5.9	6.5	Dec-96
<i>Barclays Aggregate</i>				<u>0.6</u>	<u>2.5</u>	<u>6.0</u>	<u>5.9</u>	<u>4.2</u>	<u>3.6</u>	<u>5.1</u>	<u>5.6</u>	<i>Dec-96</i>
Over/Under				0.6	0.6	1.2	1.0	1.2	1.6	0.8	0.9	
Reams	300,007,943	6.5		0.3	0.6	5.7	4.6	1.5	3.6	6.2	5.7	Sep-01
<i>Reams Custom Index</i>				<u>0.1</u>	<u>0.2</u>	<u>0.4</u>	<u>0.5</u>	<u>0.3</u>	<u>1.6</u>	<u>4.1</u>	<u>4.2</u>	<i>Sep-01</i>
Over/Under				0.2	0.4	5.3	4.1	1.2	2.0	2.1	1.5	
<i>Barclays Aggregate</i>				<u>0.6</u>	<u>2.5</u>	<u>6.0</u>	<u>5.9</u>	<u>4.2</u>	<u>3.6</u>	<u>5.1</u>	<u>4.9</u>	<i>Sep-01</i>
Loomis Sayles Multi Strategy	76,502,850	1.7		1.7	3.1	8.4	4.6	5.1	5.4	7.1	6.7	Jul-05
<i>Loomis Custom Index</i>				<u>1.2</u>	<u>3.0</u>	<u>7.8</u>	<u>5.5</u>	<u>4.1</u>	<u>4.3</u>	<u>5.8</u>	<u>5.5</u>	<i>Jul-05</i>
Over/Under				0.5	0.1	0.6	-0.9	1.0	1.1	1.3	1.2	
<i>Barclays Govt/Credit</i>				<u>0.8</u>	<u>3.0</u>	<u>7.1</u>	<u>6.8</u>	<u>4.4</u>	<u>3.9</u>	<u>5.2</u>	<u>4.8</u>	<i>Jul-05</i>
Loomis Strategic Alpha	43,260,955	0.9		0.9	1.7	3.5	1.2	2.1	--	--	2.1	Jul-13
<i>Barclays Aggregate</i>				<u>0.6</u>	<u>2.5</u>	<u>6.0</u>	<u>5.9</u>	<u>4.2</u>	<u>3.6</u>	<u>5.1</u>	<u>4.2</u>	<i>Jul-13</i>
Over/Under				0.3	-0.8	-2.5	-4.7	-2.1			-2.1	

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 (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Real Estate	371,598,471	8.0	7.0	0.0	1.6	3.5	10.3	11.1	10.6	3.9	7.9	Mar-94
<i>NCREIF ODCE Net</i>				<u>0.0</u>	<u>1.9</u>	<u>3.9</u>	<u>10.8</u>	<u>12.0</u>	<u>11.7</u>	<u>5.2</u>	<u>8.2</u>	<i>Mar-94</i>
Over/Under				0.0	-0.3	-0.4	-0.5	-0.9	-1.1	-1.3	-0.3	
Prudential Real Estate	129,647,890	2.8		0.0	1.8	3.8	12.0	12.7	12.1	4.9	6.0	Jun-04
<i>NCREIF ODCE Net</i>				<u>0.0</u>	<u>1.9</u>	<u>3.9</u>	<u>10.8</u>	<u>12.0</u>	<u>11.7</u>	<u>5.2</u>	<u>7.1</u>	<i>Jun-04</i>
Over/Under				0.0	-0.1	-0.1	1.2	0.7	0.4	-0.3	-1.1	
<i>NCREIF ODCE</i>				<u>0.0</u>	<u>2.1</u>	<u>4.4</u>	<u>11.8</u>	<u>13.0</u>	<u>12.7</u>	<u>6.2</u>	<u>8.1</u>	<i>Jun-04</i>
UBS Real Estate	240,801,755	5.2		0.0	1.5	3.4	9.6	10.2	9.9	5.6	7.6	Mar-03
<i>NCREIF ODCE Net</i>				<u>0.0</u>	<u>1.9</u>	<u>3.9</u>	<u>10.8</u>	<u>12.0</u>	<u>11.7</u>	<u>5.2</u>	<u>7.3</u>	<i>Mar-03</i>
Over/Under				0.0	-0.4	-0.5	-1.2	-1.8	-1.8	0.4	0.3	
<i>NCREIF ODCE</i>				<u>0.0</u>	<u>2.1</u>	<u>4.4</u>	<u>11.8</u>	<u>13.0</u>	<u>12.7</u>	<u>6.2</u>	<u>8.3</u>	<i>Mar-03</i>
RREEF	1,148,826	0.0		0.0	0.7	-4.2	-10.1	11.6	14.5	--	-5.1	Sep-07
<i>NCREIF ODCE Net</i>				<u>0.0</u>	<u>1.9</u>	<u>3.9</u>	<u>10.8</u>	<u>12.0</u>	<u>11.7</u>	<u>5.2</u>	<u>3.7</u>	<i>Sep-07</i>
Over/Under				0.0	-1.2	-8.1	-20.9	-0.4	2.8		-8.8	
<i>NCREIF ODCE</i>				<u>0.0</u>	<u>2.1</u>	<u>4.4</u>	<u>11.8</u>	<u>13.0</u>	<u>12.7</u>	<u>6.2</u>	<u>4.6</u>	<i>Sep-07</i>
Total Liquid Alternatives	400,288,097	8.6	10.0	1.9	6.5	10.9	-1.5	4.2	--	--	4.9	Apr-13
<i>CPI + 4% (Unadjusted)</i>				<u>0.7</u>	<u>2.1</u>	<u>4.6</u>	<u>5.4</u>	<u>5.2</u>	<u>5.4</u>	<u>5.8</u>	<u>5.3</u>	<i>Apr-13</i>
Over/Under				1.2	4.4	6.3	-6.9	-1.0			-0.4	
Bridgewater All Weather Fund	283,676,041	6.1		2.4	6.5	11.0	3.4	4.3	--	--	4.9	Aug-13
<i>CPI + 5% (Unadjusted)</i>				<u>0.7</u>	<u>2.3</u>	<u>5.2</u>	<u>6.4</u>	<u>6.2</u>	--	--	<u>6.2</u>	<i>Aug-13</i>
Over/Under				1.7	4.2	5.8	-3.0	-1.9			-1.3	
Tortoise Energy Infrastructure	116,612,056	2.5		0.6	6.4	10.6	-11.6	0.6	--	--	1.5	Apr-13
<i>Wells Fargo MLP Index</i>				<u>2.9</u>	<u>10.8</u>	<u>18.0</u>	<u>-13.2</u>	<u>-4.0</u>	<u>4.5</u>	--	<u>-3.3</u>	<i>Apr-13</i>
Over/Under				-2.3	-4.4	-7.4	1.6	4.6			4.8	
Overlay	369,626,207	8.0	0.0									
Parametric	369,626,207	8.0										

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.

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

Real Estate Valuation is as of 3/31/2016.

Ventura County Employees' Retirement Association

Total Fund

Cash Flow Summary

Month Ending July 31, 2016

	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Fees	Net Investment Change	Ending Market Value
Adams Street Global Fund Series	\$97,098,303	\$0	\$2,592,500	\$2,592,500	\$0	-\$16	\$99,690,787
BlackRock ACWI ex-U.S. Index	\$236,703,700	\$0	\$0	\$0	-\$22,388	\$11,957,294	\$248,660,995
BlackRock Equity Market Fund	\$1,179,003,548	\$0	\$0	\$0	-\$22,521	\$47,284,851	\$1,226,288,399
BlackRock Extended Equity Index	\$46,295,879	\$0	\$0	\$0	-\$3,253	\$2,493,204	\$48,789,084
BlackRock MSCI ACWI Equity Index	\$221,476,026	\$0	\$0	\$0	-\$9,369	\$9,597,245	\$231,073,271
BlackRock U.S. Debt Fund	\$147,684,373	\$0	\$0	\$0	-\$8,288	\$947,510	\$148,631,883
Bridgewater All Weather Fund	\$277,000,333	\$0	\$0	\$0	-\$92,433	\$6,675,708	\$283,676,041
GMO Global Equity	\$200,258,422	\$0	\$0	\$0	-\$95,345	\$7,767,464	\$208,025,886
Harbourvest- Dover Street VII	\$45,324,825	\$0	\$0	\$0	\$0	\$719,519	\$46,044,345
Hexavest	\$77,183,761	\$0	\$0	\$0	-\$30,923	\$3,085,182	\$80,268,943
L - PIMCO Global Fixed Income	\$30	\$30	\$0	\$30	\$0	-\$61	-\$1
Loomis Sayles Multi Strategy	\$75,167,471	\$0	\$0	\$0	-\$24,959	\$1,335,380	\$76,502,850
Loomis Strategic Alpha	\$42,845,348	\$0	\$0	\$0	-\$14,420	\$415,607	\$43,260,955
Pantheon Global Secondary Funds	\$13,849,096	\$0	\$0	\$0	\$0	\$0	\$13,849,096
Parametric	\$225,936,950	-\$27,286,060	\$184,746,439	\$157,460,379	-\$99,250	-\$13,771,122	\$369,626,207
Prudential Real Estate	\$129,647,890	\$0	\$0	\$0	\$0	\$0	\$129,647,890
Reams	\$299,002,801	\$0	\$0	\$0	-\$43,751	\$1,005,142	\$300,007,943
RREEF	\$1,148,826	\$0	\$0	\$0	\$0	\$0	\$1,148,826
Sprucegrove	\$165,287,365	\$0	\$0	\$0	-\$55,757	\$8,344,785	\$173,632,149
Tortoise Energy Infrastructure	\$115,858,972	\$0	\$0	\$0	-\$60,735	\$753,083	\$116,612,056
UBS Real Estate	\$240,801,755	\$0	\$0	\$0	\$0	\$0	\$240,801,755
Walter Scott	\$95,818,491	\$0	\$0	\$0	-\$72,260	\$4,952,410	\$100,770,901
Western	\$285,861,068	\$0	\$0	\$0	-\$48,651	\$3,349,446	\$289,210,514
Western U.S. Index Plus	\$147,935,411	\$0	\$0	\$0	-\$31,718	\$5,810,654	\$153,746,065
Total	\$4,367,190,644	-\$27,286,030	\$187,338,939	\$160,052,909	-\$736,023	\$102,723,286	\$4,629,966,839

L-PIMCO Global Fixed Income is liquidating.

Information Disclaimer and Reporting Methodology

Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
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Reporting Methodology

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- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.



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Ventura County Employees' Retirement Association

**Preliminary Performance Report
Month Ending August 31, 2016**

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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
Total Fund	4,645,471,090	100.0	100.0	0.2	3.3	6.4	2.5	7.3	7.0	8.7	5.6	7.9	Apr-94
Policy Index				<u>0.2</u>	<u>3.5</u>	<u>6.5</u>	<u>3.1</u>	<u>8.3</u>	<u>7.9</u>	<u>8.8</u>	<u>5.9</u>	<u>7.9</u>	<u>Apr-94</u>
Over/Under				0.0	-0.2	-0.1	-0.6	-1.0	-0.9	-0.1	-0.3	0.0	
Allocation Index				0.2	3.5	6.2	3.1	7.4	7.0	8.1	5.4	--	Apr-94
60% MSCI ACWI (Net)/40% CITI WGBI				-0.1	3.8	7.9	2.6	8.5	5.1	5.2	4.6	--	Apr-94
Total Fund ex Parametric	4,273,278,975	92.0	--	0.1	3.0	6.7	2.1	7.5	7.1	8.7	5.6	7.9	Apr-94
Total Fund ex Private Equity	4,486,360,944	96.6	--	0.2	3.5	6.6	2.6	7.2	6.5	--	--	8.6	Jan-12
Policy Index				<u>0.2</u>	<u>3.5</u>	<u>6.5</u>	<u>3.1</u>	<u>8.3</u>	<u>7.9</u>	<u>8.8</u>	<u>5.9</u>	<u>9.4</u>	<u>Jan-12</u>
Over/Under				0.0	0.0	0.1	-0.5	-1.1	-1.4			-0.8	
Total US Equity	1,432,706,807	30.8	28.0	0.3	4.5	8.2	4.3	11.5	12.0	14.7	7.3	8.9	Dec-93
Russell 3000				<u>0.3</u>	<u>4.4</u>	<u>8.0</u>	<u>4.2</u>	<u>11.3</u>	<u>11.7</u>	<u>14.4</u>	<u>7.7</u>	<u>9.2</u>	<u>Dec-93</u>
Over/Under				0.0	0.1	0.2	0.1	0.2	0.3	0.3	-0.4	-0.3	
BlackRock Equity Market Fund	1,229,417,140	26.5		0.3	4.5	8.0	4.3	11.5	11.8	14.5	--	7.2	Dec-07
Dow Jones U.S. Total Stock Market				<u>0.3</u>	<u>4.4</u>	<u>8.0</u>	<u>4.2</u>	<u>11.3</u>	<u>11.7</u>	<u>14.4</u>	<u>7.7</u>	<u>7.1</u>	<u>Dec-07</u>
Over/Under				0.0	0.1	0.0	0.1	0.2	0.1	0.1		0.1	
Western U.S. Index Plus	154,120,903	3.3		0.2	4.7	9.2	4.1	13.8	13.0	15.8	--	4.0	May-07
S&P 500				<u>0.1</u>	<u>4.1</u>	<u>7.8</u>	<u>3.8</u>	<u>12.6</u>	<u>12.3</u>	<u>14.7</u>	<u>7.5</u>	<u>6.1</u>	<u>May-07</u>
Over/Under				0.1	0.6	1.4	0.3	1.2	0.7	1.1		-2.1	
BlackRock Extended Equity Index	49,168,765	1.1		0.8	6.0	8.9	6.2	6.9	9.2	13.4	8.3	11.4	Oct-02
Dow Jones U.S. Completion Total Stock Market				<u>0.8</u>	<u>6.0</u>	<u>8.7</u>	<u>6.2</u>	<u>6.6</u>	<u>9.1</u>	<u>13.2</u>	<u>8.3</u>	<u>11.4</u>	<u>Oct-02</u>
Over/Under				0.0	0.0	0.2	0.0	0.3	0.1	0.2	0.0	0.0	

Policy Index: Currently, 28% Russell 3000, 20% Barclays Aggregate, 15% MSCI ACWI ex U.S., 10% MSCI ACWI, 10% DJ U.S. Total Stock Market Index + 3%, 10% CPI+4% Index, and 7% NCREIF ODCE Real Estate Index.

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

CPI+4% and CPI+5% are estimated due to CPI monthly lag.

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
Total Non-US Equity	608,110,940	13.1	15.0	0.8	4.6	6.2	5.7	5.2	2.7	4.3	2.3	6.1	Mar-94
MSCI ACWI ex USA				0.6	4.0	4.5	5.6	2.9	2.0	3.3	2.0	4.8	Mar-94
Over/Under				0.2	0.6	1.7	0.1	2.3	0.7	1.0	0.3	1.3	
MSCI EAFE				0.1	1.6	0.5	5.1	-0.1	2.5	5.0	1.7	4.4	Mar-94
MSCI ACWI ex USA Local Currency				1.4	3.4	1.6	6.0	2.1	6.5	8.6	3.0	--	Mar-94
MSCI EAFE Local Currency				0.9	1.7	-1.9	5.7	-0.7	6.8	10.2	2.3	4.4	Mar-94
BlackRock ACWI ex-U.S. Index	249,963,050	5.4		0.5	3.8	4.8	5.6	3.8	2.6	3.8	--	1.1	Mar-07
MSCI ACWI ex USA				0.6	4.0	4.5	5.6	2.9	2.0	3.3	2.0	0.6	Mar-07
Over/Under				-0.1	-0.2	0.3	0.0	0.9	0.6	0.5		0.5	
MSCI ACWI ex USA Local Currency				1.4	3.4	1.6	6.0	2.1	6.5	8.6	3.0	1.8	Mar-07
Sprucegrove	177,159,004	3.8		2.0	6.0	7.4	7.1	4.5	1.7	4.3	2.6	6.8	Mar-02
MSCI ACWI ex USA				0.6	4.0	4.5	5.6	2.9	2.0	3.3	2.0	6.0	Mar-02
Over/Under				1.4	2.0	2.9	1.5	1.6	-0.3	1.0	0.6	0.8	
MSCI EAFE				0.1	1.6	0.5	5.1	-0.1	2.5	5.0	1.7	5.4	Mar-02
MSCI ACWI ex USA Local Currency				1.4	3.4	1.6	6.0	2.1	6.5	8.6	3.0	4.6	Mar-02
MSCI EAFE Local Currency				0.9	1.7	-1.9	5.7	-0.7	6.8	10.2	2.3	3.8	Mar-02
Hexavest	80,117,598	1.7		-0.2	2.7	4.2	3.7	2.6	3.0	5.1	--	3.5	Dec-10
MSCI EAFE				0.1	1.6	0.5	5.1	-0.1	2.5	5.0	1.7	3.3	Dec-10
Over/Under				-0.3	1.1	3.7	-1.4	2.7	0.5	0.1		0.2	
MSCI EAFE Local Currency				0.9	1.7	-1.9	5.7	-0.7	6.8	10.2	2.3	6.5	Dec-10
Walter Scott	100,871,289	2.2		0.0	5.8	9.5	5.1	12.6	4.3	5.6	--	4.5	Dec-10
MSCI ACWI ex USA				0.6	4.0	4.5	5.6	2.9	2.0	3.3	2.0	1.7	Dec-10
Over/Under				-0.6	1.8	5.0	-0.5	9.7	2.3	2.3		2.8	
MSCI ACWI ex USA Local Currency				1.4	3.4	1.6	6.0	2.1	6.5	8.6	3.0	5.4	Dec-10
Total Global Equity	441,411,694	9.5	10.0	0.5	4.1	6.6	4.7	6.9	5.6	7.2	3.4	4.9	May-05
MSCI ACWI				0.3	4.0	5.9	4.7	7.2	6.7	8.3	4.4	6.0	May-05
Over/Under				0.2	0.1	0.7	0.0	-0.3	-1.1	-1.1	-1.0	-1.1	
BlackRock MSCI ACWI Equity Index	231,957,059	5.0		0.4	4.1	6.3	4.7	7.7	7.2	--	--	9.8	Jul-12
MSCI ACWI				0.3	4.0	5.9	4.7	7.2	6.7	8.3	4.4	9.4	Jul-12
Over/Under				0.1	0.1	0.4	0.0	0.5	0.5			0.4	
GMO Global Equity	209,454,635	4.5		0.7	4.0	7.0	4.6	6.0	3.9	6.4	4.2	5.7	May-05
MSCI ACWI				0.3	4.0	5.9	4.7	7.2	6.7	8.3	4.4	6.0	May-05
Over/Under				0.4	0.0	1.1	-0.1	-1.2	-2.8	-1.9	-0.2	-0.3	

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
Total Private Equity	159,110,146	3.4	10.0	0.0	-0.4	0.9	0.4	10.5	12.8	--	--	13.3	Jan-12
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>0.5</u>	<u>5.2</u>	<u>10.1</u>	<u>4.8</u>	<u>14.7</u>	<u>15.0</u>	<u>17.8</u>	--	<u>18.1</u>	<i>Jan-12</i>
Over/Under				-0.5	-5.6	-9.2	-4.4	-4.2	-2.2			-4.8	
Adams Street Global Fund Series	99,285,827	2.1		0.0	-0.7	0.6	0.0	8.2	11.2	--	--	12.0	Jan-12
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>0.5</u>	<u>5.2</u>	<u>10.1</u>	<u>4.8</u>	<u>14.7</u>	<u>15.0</u>	<u>17.8</u>	--	<u>18.1</u>	<i>Jan-12</i>
Over/Under				-0.5	-5.9	-9.5	-4.8	-6.5	-3.8			-6.1	
Harbourvest- Dover Street VII	45,975,224	1.0		-0.2	1.3	2.4	1.4	16.4	19.3	--	--	18.2	Jul-13
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>0.5</u>	<u>5.2</u>	<u>10.1</u>	<u>4.8</u>	<u>14.7</u>	<u>15.0</u>	<u>17.8</u>	--	<u>15.2</u>	<i>Jul-13</i>
Over/Under				-0.7	-3.9	-7.7	-3.4	1.7	4.3			3.0	
Pantheon Global Secondary Funds	13,849,096	0.3		0.0	-3.2	-1.7	0.0	9.6	7.7	--	--	7.7	Jan-12
<i>DJ U.S. Total Stock Market Index + 3%</i>				<u>0.5</u>	<u>5.2</u>	<u>10.1</u>	<u>4.8</u>	<u>14.7</u>	<u>15.0</u>	<u>17.8</u>	--	<u>18.1</u>	<i>Jan-12</i>
Over/Under				-0.5	-8.4	-11.8	-4.8	-5.1	-7.3			-10.4	

Please Note:

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

Ventura County Employees' Retirement Association

Private Equity Limited Partnership Performance

Fund Name	Vintage Year	Initial Investment Date	Initial Commitment	Capital Called to Date ¹	Outstanding Commitment ¹	Call Ratio	Add'l Fees ²	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
													Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Adams Street 2010 U.S. Fund	2010	5/21/2010	\$42,500,000	\$29,665,000	\$12,835,000	70%	\$15,213	\$10,764,481	\$31,385,819	\$42,150,300	\$12,470,087	12.7%	0.36x	1.42x
Adams Street 2010 Non-U.S. Dev. Mkts Fund	2010	5/21/2010	\$25,500,000	\$17,697,000	\$7,803,000	69%	\$1,589	\$5,557,179	\$15,476,503	\$21,033,682	\$3,335,093	6.7%	0.31x	1.19x
Adams Street 2010 Non-U.S. Emg Mkts Fund	2010	1/3/2011	\$8,500,000	\$6,111,500	\$2,388,500	72%	\$0	\$314,436	\$7,403,650	\$7,718,086	\$1,606,586	8.8%	0.05x	1.26x
Adams Street 2010 Direct Fund	2010	5/21/2010	\$8,500,000	\$7,879,500	\$620,500	93%	\$6,697	\$4,476,552	\$7,329,981	\$11,806,533	\$3,920,336	12.0%	0.57x	1.5x
Total Adams Street 2010	2010	5/21/2010	\$85,000,000	\$61,353,000	\$23,647,000	72%	\$23,499	\$21,112,648	\$61,595,953	\$82,708,601	\$21,332,102	10.8%	0.34x	1.35x
Adams Street 2013 Global Fund	2013	6/27/2013	\$75,000,000	\$38,925,000	\$36,075,000	52%	\$10,728	\$2,698,535	\$37,689,880	\$40,388,415	\$1,452,687	2.5%	0.07x	1.04x
HarbourVest - Dover Street VIII	2013	5/30/2013	\$67,500,000	\$52,312,500	\$15,187,500	78%	\$84,954	\$24,859,201	\$46,324,609	\$71,183,810	\$18,786,356	25.1%	0.47x	1.36x
Pantheon Global Secondary Fund IV	2010	8/20/2010	\$15,000,000	\$9,960,000	\$5,040,000	66%	\$0	\$8,310,001	\$6,006,502	\$14,316,503	\$4,356,503	13.9%	0.83x	1.44x
Pantheon Global Secondary Fund V	2015	2/26/2015	\$50,000,000	\$7,441,510	\$42,558,490	15%	(\$137,480)	\$0	\$8,523,167	\$8,523,167	\$1,219,137	10.6%	--	1.17x
Total VCERA Private Equity Program	--	5/21/2010	\$292,500,000	\$169,992,010	\$122,507,990	58%	(\$18,299)	\$56,980,385	\$160,140,111	\$217,120,496	\$47,146,785	12.5%	0.34x	1.28x

1. Includes recycled/recallable distributions received to date.

2. Add'l Fees represents notional interest paid/(received).

2. Add'l Fees for Pantheon Global Secondary Fund V includes notional interest paid/(received) and management fee rebates paid to VCERA.

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

Performance shown is based on 3/31/2016 NAVs cash-adjusted for cash flows through 8/31/2016.

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
Total US Fixed Income	860,122,623	18.5	20.0	0.3	2.5	6.7	1.1	6.2	4.0	4.2	6.0	6.2	Feb-94
<i>Barclays Aggregate</i>				<u>-0.1</u>	<u>2.3</u>	<u>5.9</u>	<u>0.5</u>	<u>6.0</u>	<u>4.4</u>	<u>3.2</u>	<u>4.9</u>	<u>5.7</u>	<i>Feb-94</i>
Over/Under				0.4	0.2	0.8	0.6	0.2	-0.4	1.0	1.1	0.5	
BlackRock U.S. Debt Fund	148,468,661	3.2		-0.1	2.3	5.9	0.5	6.0	4.4	3.3	5.0	5.5	Nov-95
<i>Barclays Aggregate</i>				<u>-0.1</u>	<u>2.3</u>	<u>5.9</u>	<u>0.5</u>	<u>6.0</u>	<u>4.4</u>	<u>3.2</u>	<u>4.9</u>	<u>5.5</u>	<i>Nov-95</i>
Over/Under				0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	
Western	289,519,686	6.2		0.1	3.3	7.3	1.2	7.4	5.7	5.1	5.8	6.5	Dec-96
<i>Barclays Aggregate</i>				<u>-0.1</u>	<u>2.3</u>	<u>5.9</u>	<u>0.5</u>	<u>6.0</u>	<u>4.4</u>	<u>3.2</u>	<u>4.9</u>	<u>5.5</u>	<i>Dec-96</i>
Over/Under				0.2	1.0	1.4	0.7	1.4	1.3	1.9	0.9	1.0	
Reams	300,990,595	6.5		0.3	1.4	6.0	0.6	5.4	1.6	3.5	6.1	5.7	Sep-01
<i>Reams Custom Index</i>				<u>0.1</u>	<u>0.2</u>	<u>0.4</u>	<u>0.1</u>	<u>0.6</u>	<u>0.4</u>	<u>1.3</u>	<u>3.9</u>	<u>4.2</u>	<i>Sep-01</i>
Over/Under				0.2	1.2	5.6	0.5	4.8	1.2	2.2	2.2	1.5	
<i>Barclays Aggregate</i>				<u>-0.1</u>	<u>2.3</u>	<u>5.9</u>	<u>0.5</u>	<u>6.0</u>	<u>4.4</u>	<u>3.2</u>	<u>4.9</u>	<u>4.8</u>	<i>Sep-01</i>
Loomis Sayles Multi Strategy	77,504,900	1.7		1.3	4.5	9.8	3.0	6.6	6.0	6.1	7.0	6.8	Jul-05
<i>Loomis Custom Index</i>				<u>0.6</u>	<u>3.4</u>	<u>8.4</u>	<u>1.8</u>	<u>6.8</u>	<u>4.5</u>	<u>4.4</u>	<u>5.7</u>	<u>5.5</u>	<i>Jul-05</i>
Over/Under				0.7	1.1	1.4	1.2	-0.2	1.5	1.7	1.3	1.3	
<i>Barclays Govt/Credit</i>				<u>-0.2</u>	<u>2.8</u>	<u>6.9</u>	<u>0.6</u>	<u>6.8</u>	<u>4.5</u>	<u>3.5</u>	<u>5.0</u>	<u>4.7</u>	<i>Jul-05</i>
Loomis Strategic Alpha	43,638,780	0.9		0.8	1.8	4.3	1.8	2.8	2.7	--	--	2.3	Jul-13
<i>Barclays Aggregate</i>				<u>-0.1</u>	<u>2.3</u>	<u>5.9</u>	<u>0.5</u>	<u>6.0</u>	<u>4.4</u>	<u>3.2</u>	<u>4.9</u>	<u>4.1</u>	<i>Jul-13</i>
Over/Under				0.9	-0.5	-1.6	1.3	-3.2	-1.7			-1.8	

PIMCO Global Fixed Income is liquidating with a market value of \$1 as of 8/31/2016.

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
Total Real Estate	371,598,471	8.0	7.0	0.0	1.6	3.5	0.0	10.3	11.1	10.6	3.9	7.9	Mar-94
NCREIF ODCE Net				0.0	1.9	3.9	0.0	10.8	12.0	11.7	5.2	8.1	Mar-94
Over/Under				0.0	-0.3	-0.4	0.0	-0.5	-0.9	-1.1	-1.3	-0.2	
Prudential Real Estate	129,647,890	2.8		0.0	1.8	3.8	0.0	12.0	12.7	12.1	4.9	5.9	Jun-04
NCREIF ODCE Net				0.0	1.9	3.9	0.0	10.8	12.0	11.7	5.2	7.0	Jun-04
Over/Under				0.0	-0.1	-0.1	0.0	1.2	0.7	0.4	-0.3	-1.1	
NCREIF ODCE				0.0	2.1	4.4	0.0	11.8	13.0	12.7	6.2	8.0	Jun-04
UBS Real Estate	240,801,755	5.2		0.0	1.5	3.4	0.0	9.6	10.2	9.9	5.6	7.5	Mar-03
NCREIF ODCE Net				0.0	1.9	3.9	0.0	10.8	12.0	11.7	5.2	7.2	Mar-03
Over/Under				0.0	-0.4	-0.5	0.0	-1.2	-1.8	-1.8	0.4	0.3	
NCREIF ODCE				0.0	2.1	4.4	0.0	11.8	13.0	12.7	6.2	8.2	Mar-03
RREEF	1,148,826	0.0		0.0	0.7	-4.2	0.0	-10.1	11.6	14.5	--	-5.1	Sep-07
NCREIF ODCE Net				0.0	1.9	3.9	0.0	10.8	12.0	11.7	5.2	3.6	Sep-07
Over/Under				0.0	-1.2	-8.1	0.0	-20.9	-0.4	2.8		-8.7	
NCREIF ODCE				0.0	2.1	4.4	0.0	11.8	13.0	12.7	6.2	4.5	Sep-07
Total Liquid Alternatives	400,218,294	8.6	10.0	0.0	6.0	10.8	1.8	3.1	3.7	--	--	4.8	Apr-13
CPI + 4% (Unadjusted)				0.2	1.0	4.3	0.3	4.8	7.4	11.5	--	6.2	Apr-13
Over/Under				-0.2	5.0	6.5	1.5	-1.7	-3.7			-1.4	
Bridgewater All Weather Fund	283,683,016	6.1		0.0	6.2	11.0	2.4	7.8	4.8	--	--	4.8	Aug-13
CPI + 5% (Unadjusted)				0.2	1.2	4.9	0.5	5.9	5.9	--	--	5.9	Aug-13
Over/Under				-0.2	5.0	6.1	1.9	1.9	-1.1			-1.1	
Tortoise Energy Infrastructure	116,535,278	2.5		-0.1	5.6	10.4	0.5	-6.9	1.1	--	--	1.4	Apr-13
Wells Fargo MLP Index				-0.2	6.6	16.0	1.2	-9.2	-3.7	4.5	--	-3.7	Apr-13
Over/Under				0.1	-1.0	-5.6	-0.7	2.3	4.8			5.1	
Overlay	372,192,115	8.0	0.0										
Parametric	372,192,115	8.0											

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.

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

Real Estate Valuation is as of 6/30/2016.

Ventura County Employees' Retirement Association

Total Fund

Cash Flow Summary

Month Ending August 31, 2016

	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Fees	Net Investment Change	Ending Market Value
Adams Street Global Fund Series	\$99,690,787	-\$404,960	\$0	-\$404,960	\$0	\$0	\$99,285,827
BlackRock ACWI ex-U.S. Index	\$248,660,995	\$0	\$0	\$0	-\$22,497	\$1,302,055	\$249,963,050
BlackRock Equity Market Fund	\$1,226,288,399	\$0	\$0	\$0	-\$22,574	\$3,128,741	\$1,229,417,140
BlackRock Extended Equity Index	\$48,789,084	\$0	\$0	\$0	-\$3,278	\$379,681	\$49,168,765
BlackRock MSCI ACWI Equity Index	\$231,073,271	\$0	\$0	\$0	-\$9,399	\$883,788	\$231,957,059
BlackRock U.S. Debt Fund	\$148,631,883	\$0	\$0	\$0	-\$8,282	-\$163,221	\$148,468,661
Bridgewater All Weather Fund	\$283,681,749	\$0	\$0	\$0	-\$92,434	\$1,267	\$283,683,016
GMO Global Equity	\$208,025,886	\$0	\$0	\$0	-\$96,000	\$1,428,749	\$209,454,635
Harbourvest- Dover Street VII	\$46,044,345	\$0	\$0	\$0	\$0	-\$69,121	\$45,975,224
Hexavest	\$80,268,943	\$0	\$0	\$0	-\$30,873	-\$151,345	\$80,117,598
L - PIMCO Global Fixed Income	-\$1	\$0	\$0	\$0	\$0	\$1	\$0
Loomis Sayles Multi Strategy	\$76,502,850	\$0	\$0	\$0	-\$25,210	\$1,002,050	\$77,504,900
Loomis Strategic Alpha	\$43,260,955	\$0	\$0	\$0	-\$14,546	\$377,825	\$43,638,780
Pantheon Global Secondary Funds	\$13,849,096	\$0	\$0	\$0	\$0	\$0	\$13,849,096
Parametric	\$369,626,207	-\$362,877,676	\$368,748,641	\$5,870,965	-\$100,106	-\$3,305,058	\$372,192,115
Prudential Real Estate	\$129,647,890	\$0	\$0	\$0	\$0	\$0	\$129,647,890
Reams	\$300,007,943	\$0	\$0	\$0	-\$43,874	\$982,652	\$300,990,595
RREEF	\$1,148,826	\$0	\$0	\$0	\$0	\$0	\$1,148,826
Sprucegrove	\$173,632,149	\$0	\$0	\$0	-\$56,491	\$3,526,855	\$177,159,004
Tortoise Energy Infrastructure	\$116,612,056	\$0	\$0	\$0	-\$60,695	-\$76,778	\$116,535,278
UBS Real Estate	\$240,801,755	\$0	\$0	\$0	\$0	\$0	\$240,801,755
Walter Scott	\$100,770,901	\$0	\$0	\$0	-\$72,311	\$100,387	\$100,871,289
Western	\$289,210,514	\$0	\$0	\$0	-\$48,690	\$309,173	\$289,519,686
Western U.S. Index Plus	\$153,746,065	\$0	\$0	\$0	-\$31,765	\$374,838	\$154,120,903
Total	\$4,629,972,547	-\$363,282,636	\$368,748,641	\$5,466,005	-\$739,024	\$10,032,538	\$4,645,471,090

L-PIMCO Global Fixed Income is liquidating.

Information Disclaimer and Reporting Methodology

Information Disclaimer

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

Reporting Methodology

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



To: Ventura County Employees' Retirement Association
From: Dan LeBeau, Allan Martin, and Tony Ferrara, CAIA
Date: August 22, 2016
Subject: Sprucegrove Net Investment Gains Follow Up

Summary

At a prior Board meeting, the Trustees requested a 'cost/benefit' analysis for the Sprucegrove International Equity strategy managed on behalf of the Ventura County Employees' Retirement Association ("VCERA" or the "Plan") by Sprucegrove Investment Management Ltd. ("Sprucegrove"). In conjunction with providing the net investment gains for the Sprucegrove strategy, we have also provided analysis assuming the assets were invested passively in a fund that replicates the MSCI ACWI ex-U.S. Index. The analysis is summarized below and covers the time period from inception of the strategy through June 30, 2016.

Sprucegrove International Equities

Inception Date: March 2002

Current Management Fee: 0.43% per annum (assumes \$130 million mandate)

Total estimated manager fees, expenses and operating fees since inception: \$8,318,341

Total investment gains since inception: \$131,562,365

Net investment gains since inception: \$123,244,024

Benefit/Cost: \$15.8 in investment gains for every \$1 paid in management fees.

Source: NEPC, LLC, Sprucegrove Investment Management Ltd., and eVestment

MSCI ACWI ex-U.S. Index

Inception Date: March 2002

Management Fee Assumption: 0.10% per annum

Total estimated manager fees, expenses and operating fees since inception: \$1,730,500

Total investment gains since inception: \$101,936,302

Net investment gains since inception: \$100,205,803

Benefit/Cost: \$58.9 in investment gains for every \$1 paid in management fees.

Source: NEPC, LLC and eVestment

The analysis assumes the Plan would have paid 0.10% per annum for market exposure, or beta. The current management fee for the Sprucegrove strategy is 0.43% per annum, which



results in the Plan paying a net 0.33% per annum for active management. On the surface, it appears that investing the assets passively would have produced a significantly larger benefit relative to the costs paid. However, investing the assets passively eliminates the potential to generate alpha, which is why the Plan engages actively managed strategies.

While the Plan has paid approximately \$6.6 million more in fees, since inception, than it would have had the assets been invested passively, Sprucegrove has produced an additional \$23.0 million in net investment gains over this period. As of June 30, 2016, the portfolio is outperforming the index, net of fees, over all time periods reported with the exception of the three-year period, and has generated 0.7% of excess returns since inception.



To: Ventura County Employees' Retirement Association
From: Dan LeBeau, Allan Martin, and Tony Ferrara, CAIA
Date: September 14, 2016
Subject: GMO Net Investment Gains Follow Up

Summary

At a prior Board meeting, the Trustees requested a 'cost/benefit' analysis for the GMO Global Equity Allocation Strategy managed on behalf of the Ventura County Employees' Retirement Association ("VCERA" or the "Plan") by GMO, LLC ("GMO"). In conjunction with providing the net investment gains for the GMO strategy, we have also provided analysis assuming the assets were invested passively in a fund that replicates the MSCI ACWI Index. The analysis is summarized below and covers the time period from inception of the strategy through June 30, 2016.

GMO Global Equity Allocation Strategy

Inception Date: May 2005

Current Management Fee: 0.64% per annum (mutual fund ticker: GMGEX)

Total estimated manager fees, expenses and operating fees since inception: \$8,578,692

Total investment gains since inception: \$67,557,771

Net investment gains since inception: \$58,979,079

Benefit/Cost: \$7.9 in investment gains for every \$1 paid in management fees.

Source: NEPC, LLC and GMO, LLC, and eVestment

MSCI ACWI Index

Inception Date: May 2005

Management Fee Assumption: 0.10% per annum

Total estimated manager fees, expenses and operating fees since inception: \$1,415,223

Total investment gains since inception: \$75,155,735

Net investment gains since inception: \$73,740,513

Benefit/Cost: \$53.1 in investment gains for every \$1 paid in management fees.

Source: NEPC, LLC and eVestment

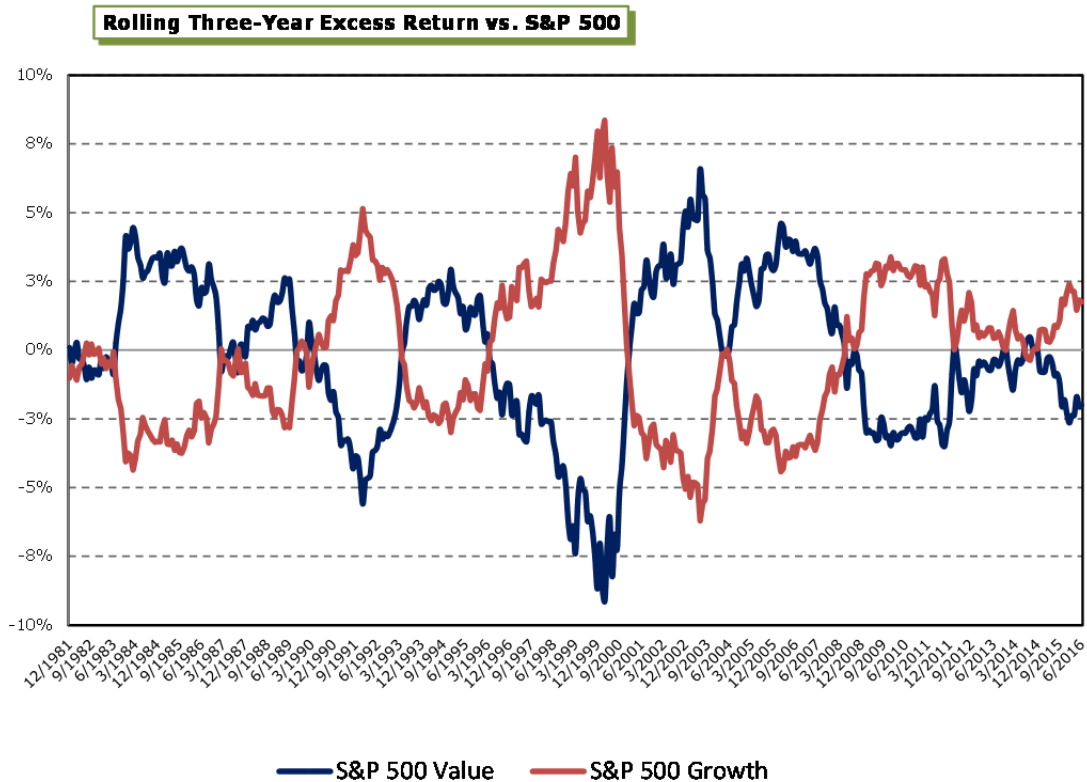
The analysis assumes the Plan would have paid 0.10% per annum for market exposure, or beta. The current management fee for the GMO strategy is 0.64% per annum, which results in the Plan paying a net 0.54% per annum for active management. Investing the assets



passively would have produced a significantly larger benefit relative to the costs paid. However, investing the assets passively eliminates the potential to generate alpha, which is why the Plan engages actively managed strategies.

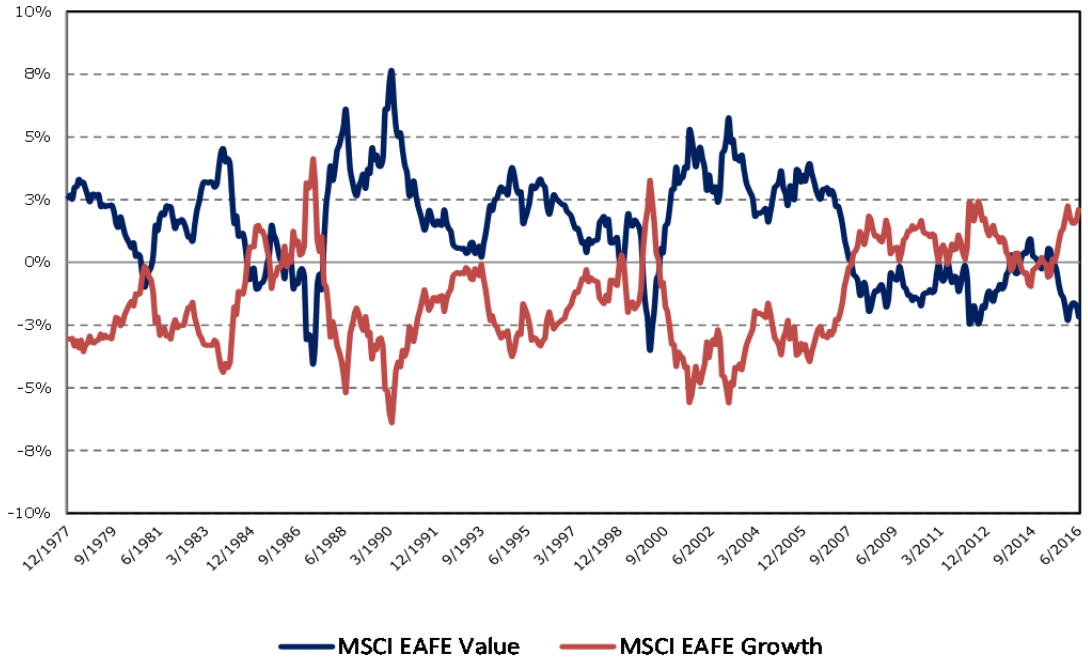
The Plan has paid approximately \$6.6 million more in fees, since inception, than it would have had the assets been invested passively, and GMO has failed to produce positive net investment gains over this period. As of June 30, 2016, the portfolio is trailing the index, net of fees, over all time periods reported with the exception of the calendar year-to-date period, and is trailing the index by 0.2% since inception.

GMO's underperformance is largely explained by its value orientation and the portfolio's allocation to emerging markets equities relative to the index. As shown in the charts below, growth stocks have outperformed value stocks over the past several years globally. In addition, the MSCI ACWI Index includes exposure to emerging markets equities, which currently account for approximately 10% of the index and has been in the range of 0%-13% historically. As valuations within emerging markets equities were declining in 2014, GMO began increasing its weight to emerging markets equities, and currently has more than 20% of the portfolio allocated to emerging markets, and more specifically, to value stocks within emerging markets. The significant increase in the portfolio's exposure to emerging markets, coupled with the fact that GMO is a 'value' manager, has contributed to the underperformance of the portfolio over the past eighteen to twenty four months as not only have emerging markets equities struggled relative to developed markets, but value has struggled relative to growth globally as well as within emerging markets.

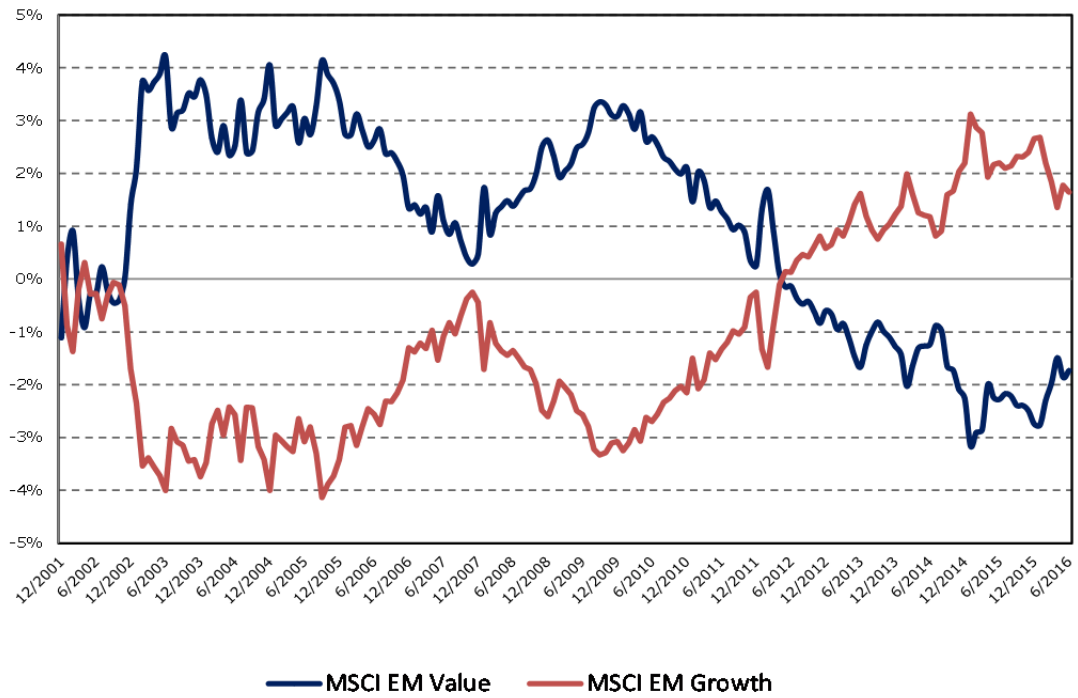




Rolling Three-Year Excess Return vs. MSCI EAFE

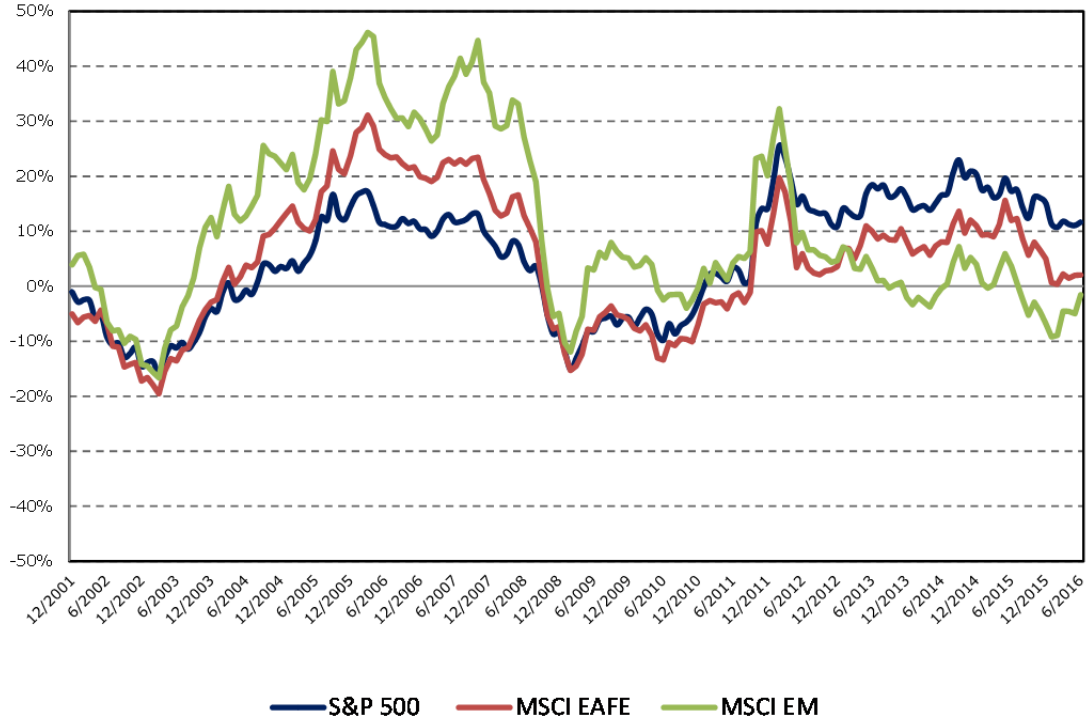


Rolling Three-Year Excess Return vs. MSCI Emerging Markets Index





Rolling Three-Year Performance





NEPC, LLC

To: Ventura County Employees' Retirement Association
From: Dan LeBeau, Allan Martin, and Tony Ferrara, CAIA
Date: August 22, 2016
Subject: GMO Follow Up

Summary

At the June 20, 2016 Board meeting, NEPC notified the Board of several organizational and investment process changes at GMO, LLC ("GMO") that directly impact the GMO Global Equity Allocation Strategy in which the Ventura County Employees' Retirement Association ("VCERA" or the "Plan") currently invests. As part of that notification, we committed to providing the Board with monthly updates summarizing asset flows at both the strategy and firm level. Below is a summary of asset flows since GMO's notification for the GMO Global Equity Allocation Strategy and GMO as a firm as of July 31, 2016.

Global Equity Allocation Strategy AUM as of 6/30/2016: \$5.4 billion
Net asset flows for the Global Equity Allocation Strategy from 7/1 – 7/31: (\$30.7 million)
Global Equity Allocation Strategy AUM as of 7/31/2016: \$5.6 billion

GMO firm-wide AUM as of 6/30/2016: \$91.0 billion
Net asset flows firm-wide from 7/1 – 7/31: (\$2.1 billion)
Firm-wide AUM as of 7/31/2016: \$92.0 billion

Note: Asset flow and AUM data provided by GMO.

Change in assets for the strategy and the firm includes the change in net asset flows detailed above in addition to market movement.

In addition to the information provided above, we also committed to monitoring and following up with GMO to ensure that the new investment process is being executed as described in the original announcement on June 2, 2016. NEPC met with GMO via conference call on August 3, 2016 to receive an update. During this call, Neil Constable, Head of GMO's Global Equity team, stated that the transition to the new process is complete and that as of June 30, 2016, the U.S. and non-U.S. developed markets portions of the portfolio are now invested using a purely quantitative process. The portfolio's exposure to non-U.S. emerging markets continues to be managed by a separate team in Berkeley, CA using both quantitative and fundamental analysis. Ben Inker and the GMO Asset Allocation team continue to be responsible for setting country/regional allocations for the portfolio.

Finally, there have been no additional departures from the firm reported since the original announcement on June 2, 2016. GMO has formed an internal committee to move the process for identifying a permanent CEO forward and has retained a search firm to assist. Additionally, GMO has added to their investment team over the past two months.



Specifically, they hired an analyst for the Emerging Country Debt team in July and a research analyst for the Global Equity team in August (bios below). They also expect to add another analyst to the Global Equity team by the end of August.

Anuj Manuja: Dr. Manuja is a quantitative analyst for GMO's Global Equity team. Prior to joining GMO in August 2016, Dr. Manuja was a quantitative strategist at both Goldman Sachs and Knight Capital. Dr. Manuja received his B. Tech in Mechanical Engineering from the Indian Institute of Technology and his M.S. and Ph.D. in Operations Research from Columbia University.

Shawn Shi: Mr. Shi is a member of GMO's Emerging Country Debt team. Prior to joining GMO full-time in July 2016, Mr. Shi was an intern for the Emerging Country Debt team. Previously, he worked at Clearwater Capital Partners as an investment associate and investment analyst. Mr. Shi earned his Bachelor of Science in Economics from Sichuan University. He earned his Masters in International Economics and Finance from Brandeis University and Masters of Business Administration from the University of Chicago.

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>

September 19, 2016

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

SUBJECT: RESULTS OF BOARD'S REQUEST TO THE COUNTY OF VENTURA FOR PUBLICLY-AVAILABLE PAY SCHEDULE FOR MARKET-BASED PREMIUM PAY (MBPP) AND RECOMMENDATION FOR RECONSIDERATION OF INCLUSION

Dear Board Members:

Background

On October 19, 2015, the Board of Retirement took action to include ten (10) market-based premium pay (MBPP) items in pensionable compensation under PEPRRA. As part of that action, the Board requested that the County of Ventura Board of Supervisors create a publicly available pay schedule for these pay items by July 1, 2016.

In response to the Board of Retirement's request, the County of Ventura posted information and/or additions to the *Job Code and Salary Listing by Job Title* and posted them publicly (documents provided in supplemental materials):

- May 9, 2016: a list of the ten (10) MBPP pay codes and a matrix of non-MBPP earnings codes and the different categories of members, showing which categories have those codes included in pensionable compensation.
- June 6, 2016: a update to the County Job Code & Salary Listing by Job Title showing a page insertion listing the job title/classifications eligible receive MBPP with the job codes, union, and MBPP range.
- June 30, 2016: additional update to the Job Code & Salary Listing by Job Title to include a link to an alphabetical list of 161 employees, along with their dates of hire which range from 1979 to 2016

In a letter accompanying the June 30, 2016 response, Human Resources Director Shawn Atin said that the County did not believe that inclusion of hire dates was necessary to be compliant with the *Resolution of the Board of Retirement of Ventura County Employees' Retirement Association (VCERA) Regarding Pensionable Compensation Determination*; further, he believed VCERA Administration had placed too much emphasis on date of hire, which was only one factor in the determination of the MBPP. He said that specific skill set an employee brings to the County relative to the labor market scarcity for those skill sets is a key determinant to the amount of the MBPP. He concluded that the Board's request had been fulfilled.

On July 14, 2016, staff responded to Mr. Atin's letter to provide further background, and to specifically explain the reason for the date of hire emphasis.

At the July 18, 2016 business meeting, the Board was apprised of these events and communications, and both staff and Counsel reported that if date of hire is **not** the criteria and basis by which those receiving Market-Based Premium Pay (MBPP) are deemed to be “similarly situated members of the same group or class of employment”, then an alternate objective criteria must be provided.

On August 22, 2016, Mr. Atin responded to staff’s latest letter; his response is provided. In it, he communicates that County’s view is that MBPP is simply an extension of base pay that is permissible under union contract(s) *“when the County determines the relevant labor market dictates that the County increase base pay to recruit or retain qualified individuals in identified job classifications.”*

Mr. Atin’s August 22nd letter further suggests that VCERA staff is shifting its focus in evaluating the responses to the Board’s request. I would disagree; our insistence that the Board’s request has not been fulfilled is by no means an effort to thwart inclusion of MBPP in pensionable compensation. Rather, staff’s efforts have been to **adhere** to the legal definition of a publicly-available pay schedule in accordance with the Board action. If objective criteria were provided to identify the conditions for payment for MBPP, we would agree that the Board action with its accompanying request was fulfilled.

The “publicly available pay schedule” requirement in Government Code section 7522.34 means each employer plan sponsor of VCERA (“Employer”) must publish publically the amount of the pay item that is to be included in its employees’ Pensionable Compensation by meeting all of several criteria, including *“...the conditions for payment of the item of Pensionable Compensation, including, but not limited to, eligibility for, and amount of each component of pay.”*

In a memorandum dated April 12, 2013 that supported MBPP as an element of base pay, County Counsel reinforced PEPRA’s requirement of transparency of the elements of base pay in a publicly available pay schedule:

“Compensation elements in the nature of ‘base pay’ should be incorporated into the County’s Job Code and Salary Listing by Job Title to ensure compliance with PEPRA’s mandate of using only compensation disclosed on publicly available pay schedules to calculate pension benefits.”

Staff agrees with County Counsel’s statement, but assert that a non-discretionary condition for payment providing the basis by which those receiving MBPP could be considered “similarly situated members in the same group or class of employment” is a critical part of PEPRA adherence. Put more simply, the unanswered question now is, “How do both the public and VCERA determine which employees are receiving an MBPP that is properly deemed “pensionable compensation” under section 7522.34 because it is part of their “base pay...[that is] paid in cash to similarly situated members,” and which are not?”

VCERA Counsel’s letter to the Board of Retirement dated June 20, 2016 supports this position, saying:

“The Retirement Administrator notes in the memo that the exclusion from the document the County submitted of the condition predicate to eligibility for the MBPP for those purportedly “similarly situated members of the same group or class” is important “not only to meet the Board’s list of criteria, but for VCERA to audit the accuracy of retirement pensionable compensation used in the calculation of retirement benefits.” The value of this information in order for VCERA to be able to monitor, and correct, improper

inclusions of discretionary ad hoc pay items in pensionable compensation should not be understated. Without having the applicable hire dates included in the publicly available schedule neither VCERA nor the public can determine who should be receiving the pay pursuant to the stated objective non-discretionary criteria. Given the Board and staff's role as administrator of the VCERA plan that has the fiduciary responsibility to include in pensionable compensation only those items that are permitted to be included by law, the Board should continue to insist on receiving and on the County making publicly available sufficient information on this topic so that VCERA may comply with its critical fiduciary responsibilities in this regard, and so that the public may be properly informed."

Because the County of Ventura has indicated that date of hire is only one factor considered when deciding whether to grant MBPP, then grouping MBPP recipients by date of hire will not provide the necessary objective criteria for identifying a similarly-situated group or class.

Conclusion:

Staff believes the County's responses to the Board's request are still missing a critical objective criteria to meet the "conditions for payment" test within the definition of publicly-available pay schedule under Government Code section 7522.34. Without it, staff cannot report that the request for a publicly-available pay schedule has been fulfilled.

RECOMMENDATION: AGENDIZE BOARD RECONSIDERATION OF THE OCTOBER 19, 2015 BOARD ACTION TO INCLUDE MARKET-BASED PREMIUM IN PENSIONABLE COMPENSATION.

Staff and Counsel will be happy to answer any questions at the September 19, 2016 business meeting.

Sincerely,



Linda Webb
Retirement Administrator

MARKET-BASED PREMIUM PAY ITEMS (COUNTY OF VENTURA)

EARNINGS CODE	EARNINGS CODE DESCRIPTION
CLS123	Clinical Laboratory Scientist I/II/III Premium Pay
HISTOL	Histologist Premium Pay
LPTAST	Licensed Physical Therapy Assistant
PHARM	Pharmacy Premium Pay
PRNRES	Principal Respiratory Therapist Premium Pay
PSYCH	Psychologist Premium Pay
RADSPE	Radiologic Specialist Premium Pay
RADTEC	Radiologic Technologist Premium Pay
SPEECH	Speech Pathologist Premium Pay
THRPST	Therapist Premium Pay

Ventura County Human Resources/Payroll
 Pensionable Earnings Codes
 As of: April 30, 2016

Earnings Code - Description	Retirement Accumulators																										Grand Total		
	Court CJAAVC Legacy	Court CJAAVC PEPR	CJAAVC Legacy	CJAAVC PEPR	Court MGMT Legacy	Court MGMT PEPR	CNA Legacy	CNA PEPR	Court SEIU Legacy	Court SEIU PEPR	VCPFA Legacy	VCPFA PEPR	MGMT Legacy	MGMT PEPR	IUOE Legacy	IUOE PEPR	VCPPOA Legacy	VCPPOA PEPR	VCSCOA Legacy	VCSCOA PEPR	SEIU Legacy	SEIU PEPR	VCDSA Legacy	VCDSA PEPR	SPOAVC Legacy	SPOAVC PEPR		VEA Legacy	VEA PEPR
301 - 30 Yr Retirement Incentive 1%																			1		1								2
30C - 30Year Retirement CJAAVC	1		1																										2
30M - 30 Year Retirement Inc MGMT					1								1																2
30R - 30 Year Retirement Mgmt Safety													1																1
30S - 30 Year Retirement Inc VCDSA																							1						1
30T - 30 Year Retirement Inc 4/2																							1						1
30V - 30 Yr Retirement Incentive 1%			1				1				1				1		1		1		1				1		1		9
30X - 30 Year Retirement Courts Mgmt					1																								1
40H - 40 Hour Work Week											1	1																	2
42B - 4/2 Bilingual Level 2																							1						1
42P - 4/2 Sheriff Patrol Bonus																							1	1					2
48H - 4850 Time Safety Hourly	1		1		1	1	1		1		1	1	1	1	1		1	1	1		1	1	1	1	1	1	1	1	20
48S - 4850 Time Safety Salary	1		1		1	1	1		1		1	1	1	1	1		1	1	1		1		1	1	1	1	1	1	19
AAC - Advanced Appraiser Cert																						1						1	2
AD1 - Associate's Degree - MGMT	1		1		1								1																4
AD2 - Associate's Degree							1		1		1				1		1		1		1		1		1		1		10
AD3 - Associate's Degree VCPFA Line											1																		1
AD4 - Associate's - Line Batt Chiefs													1																1
AD5 - AA Degree Shf 4/2																							1						1
ADH - Acting Department Head Pay													1																1
ADM - Administrative Leave Salary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
ANM - Animal Regulation Differential																						1							1
AP1 - 4/2 Sheriff Advanced Post-Sgt																							1						1
AP2 - 4/2 Sheriff Advance Post-DEP																							1						1
AP3 - 4/2 Sheriff Adv Post-S DEP-																							1						1
APC - Advanced POST Cert SGT																							1						1
APD - Advanced POST Cert Deputy																							1						1
ARM - Animal Range Master (FIC)																					1								1
ARP - Armed Premium VCPPOA PVP																	1	1											2
ARU - Armed Unit Premium													1	1															2
AS1 - ASE/CFMA Cert Level I IUOE															1														1
AS2 - ASE/CFMA Cert Level II IUOE															1														1
AS3 - ASE/CFMA Cert Level III IUOE															1														1
ASD - Advanced POST Cert Sr. Deputy																							1						1
ASN - Assignment Bonus - Nurses							1	1														1	1						4
ASR - Sheriff Records Assignment Pay																						1	1						2
AUT - Auto Allowance	1		1		1		1		1		1		1		1		1		1		1		1		1			13	
B1A - Bilingual Level 1 - CNA																													1
B1B - Bilingual Level 1 - MGMT	1		1		1								1																4
B1C - Bilingual Level 1										1					1		1		1		1		1		1		1		8
B1S - Bilingual Level 1 - VCDSA										1							1		1		1		1		1		1		7
B2A - Bilingual Level 2 - CNA							1																						1
B2B - Bilingual Level 2 - MGMT	1		1		1								1																4
B2C - Bilingual Level 2										1					1		1		1		1		1		1		1		8
B2S - Bilingual Leve 2 - VCDSA										1							1		1		1		1		1		1		7
B3A - Bilingual Level 3 - CNA							1																						1
B3B - Bilingual Level 3 - MGMT	1		1		1								1																4
B3C - Bilingual Level 3										1					1		1		1		1		1		1		1		8
B3D - Bilingual Level 3 \$1.10																	1		1		1		1		1		1		6

Ventura County Human Resources/Payroll
 Pensionable Earnings Codes
 As of: April 30, 2016

Earnings Code - Description	Retirement Accumulators																										Grand Total		
	Court CJAAVC Legacy	Court CJAAVC PEPRRA	CJAAVC Legacy	CJAAVC PEPRRA	Court MGMT Legacy	Court MGMT PEPRRA	CNA Legacy	CNA PEPRRA	Court SEIU Legacy	Court SEIU PEPRRA	VCPFA Legacy	VCPFA PEPRRA	MGMT Legacy	MGMT PEPRRA	IUOE Legacy	IUOE PEPRRA	VCPPOA Legacy	VCPPOA PEPRRA	VCSCOA Legacy	VCSCOA PEPRRA	SEIU Legacy	SEIU PEPRRA	VCDSA Legacy	VCDSA PEPRRA	SPOAVC Legacy	SPOAVC PEPRRA		VEA Legacy	VEA PEPRRA
B35 - Bilingual Level 3 - VCDSA									1								1		1		1			1		1			7
BD1 - Bachelor's Degree - MGMT	1		1		1								1																4
BD2 - Bachelor's Degree							1		1			1			1		1		1				1		1		1		10
BD3 - Bachelor's Degree VCPFA Line											1																		1
BD4 - Bachelor's - Line Batt Chiefs													1																1
BD5 - Bachelors's Degree Shf 4/2																								1					1
BHH - Bank Holiday Hourly													1	1															2
BHS - Bank Holiday Salary													1	1															2
BIL - Bilingual Pay -VCPFA 80											1				1														2
BMB - Bomb Squad Bonus																								1	1				2
BPF - Bilingual Pay VCPFA Line											1																		1
BSH - Bereavement Hourly FLSA	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	26
BSS - Bereavement Salary FLSA	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	26
BVH - Bereavement Hourly	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
BVS - Bereavement Salary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
CAM - Cert Public Accountant MGMT	1		1		1								1																4
CBN - Call Back Retirement CNA							1																						1
CBR - Call Back CNA Retirement							1																						1
CBS - Call Back Straight Time 1.0x	1		1		1		1		1		1		1		1				1		1		1		1		1	13	
CEB - VCERA CEBS Certification													1									1							2
CF1 - Courts Flex SEIU p/t									1																				1
CF2 - Courts Flex SEIU F/T									1																				1
CF3 - Courts Flex CJAAVC P/T	1																												1
CF4 - Courts Flex CJAAVC F/T	1																												1
CF5 - Courts Flex MGMT p/t						1																							1
CF6 - Courts Flex MGMT4 f/t						1																							1
CF7 - Courts Flex MGMT3 f/t						1																							1
CF8 - Courts Flex MGMT						1																							1
CFA - VCERA CFA Certification													1																1
CPA - Certified Public Accountant									1													1						1	3
CPI - Certified Psychologist - MGMT	1		1		1								1																4
CPM - Certified Psychiatrist - MGMT	1		1		1								1																4
CPY - Certified Psychiatrist - SEIU									1													1							2
CRN - Truck Crane Assignment Pay														1															1
CRR - Certified Realtime Reporters									1																				1
CRT - Sheriff Court Time																								1					1
CSF - Call Back Straight Time FCW											1																		1
CTH - Comp Taken Hourly FLSA	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	27
CTK - Comp Time Taken NonFLSA	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
CTS - Comp Time Taken Salary																								1	1				2
DAT - DA On-Call Flex Time Taken			1	1																									2
DFT - Float Nurse Premium Pay							1																						1
DTN - Dispatcher Training Bonus																						1							1
EAT - Sheriff Meal Pay 4/2 Schedule																								1					1
EDS - Educational Leave Salary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	26
EDU - Educational Leave Hourly	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	27
EEF - EE Assistance Donation	1		1		1		1		1		1		1		1		1		1		1		1		1		1	14	
EEP - EE Assist Donation (Grossup)	1		1		1		1		1		1		1		1		1		1		1		1		1		1	14	
ELC - Election Worker Pay	1		1		1		1		1		1		1		1		1		1		1		1		1		1	14	

Ventura County Human Resources/Payroll
 Pensionable Earnings Codes
 As of: April 30, 2016

Earnings Code - Description	Retirement Accumulators																										Grand Total			
	Court CJAAVC Legacy	Court CJAAVC PEPRRA	CJAAVC Legacy	CJAAVC PEPRRA	Court MGMT Legacy	Court MGMT PEPRRA	CNA Legacy	CNA PEPRRA	Court SEIU Legacy	Court SEIU PEPRRA	VCPFA Legacy	VCPFA PEPRRA	MGMT Legacy	MGMT PEPRRA	IUOE Legacy	IUOE PEPRRA	VCPPOA Legacy	VCPPOA PEPRRA	VCSCOA Legacy	VCSCOA PEPRRA	SEIU Legacy	SEIU PEPRRA	VCDSA Legacy	VCDSA PEPRRA	SPOAVC Legacy	SPOAVC PEPRRA		VEA Legacy	VEA PEPRRA	
EMD - Emergency Medical Dispatch																						1	1							2
EMP - Battalion Chiefs EMT Prem Pay											1		1																	2
EMT - EMT Premium Pay											1		1																	2
F01 - Ed Inc AA Fire Captain											1																			1
F02 - Ed Inc AA Fire Crew Supervisor											1																			1
F03 - Ed Inc AA Fire Engineer											1																			1
F04 - Ed Inc AA Firefighter											1																			1
F05 - Ed Inc AA Fire Equipment Oper											1																			1
F06 - Ed Inc AA Fire Inspector											1																			1
F07 - Ed Inc AA Fire Investigt Spec											1																			1
F08 - Ed Inc AA Fire Prevention Off											1																			1
F09 - Ed Inc AA Fire Specialist											1																			1
F10 - Ed Inc AA Fire System Engineer											1																			1
F11 - Ed Inc AA HazMat Specialist											1																			1
F12 - Ed Inc AA Sr Fire Inspector											1																			1
F13 - Ed Inc AA Wildland Fire Off											1																			1
F14 - Ed Inc AA Fire Preven III <94											1																			1
F15 - Ed Inc BA Fire Captain											1																			1
F16 - Ed Inc BA Fire Crew Supervisor											1																			1
F17 - Ed Inc BA Fire Engineer											1																			1
F18 - Ed Inc BA Firefighter											1																			1
F19 - Ed Inc BA Fire Equipment Oper											1																			1
F20 - Ed Inc BA Fire Inspector											1																			1
F21 - Ed Inc BA Fire Investigt Spec											1																			1
F22 - Ed Inc BA Fire Prevention Off											1																			1
F23 - Ed Inc BA Fire Specialist											1																			1
F24 - Ed Inc BA Fire System Engineer											1																			1
F25 - Ed Inc BA HazMat Specialist											1																			1
F26 - Ed Inc BA Sr Fire Inspector											1																			1
F27 - Ed Inc BA Wildland Fire Off											1																			1
F28 - Ed Inc BA Fire Preven II <94											1																			1
F30 - 30-Year Retirement VCPFA Line											1																			1
F31 - 30-Year Ret MGMT Fire-Line														1																1
F32 - 30-Year Retirement VCPFA Staff											1																			1
FC - Flex Credit Adjustment	1		1		1		1		1		1		1		1		1		1		1		1		1		1		14	
FC1 - Flex Credit			1				1				1		1		1		1		1		1		1		1		1		11	
FC2 - Flex Credit			1				1				1		1		1		1		1		1		1		1		1		11	
FC3 - Flex Credit Part Time			1				1				1		1		1		1		1		1		1		1		1		11	
FC4 - Flex Credit Full Time \$260																														1
FC5 - Flex Credit	1		1		1		1		1		1		1		1		1		1		1		1		1		1		14	
FC6 - Flex Credit - Part Time	1		1		1		1		1		1		1		1		1		1		1		1		1		1		14	
FC7 - Flex Credit MGMT	1		1		1								1																4	
FC8 - Flex Credit \$272	1		1		1		1		1		1		1		1		1		1		1		1		1		1		14	
FC9 - Flex Credit MGMT Part-time	1		1		1								1																4	
FCC - Flex Credit VCSCOA																			1										1	
FCF - Flex Credit Full Time	1		1		1		1		1		1		1		1		1		1		1		1		1		1		14	
FCP - Flex Credit Part Time - \$184	1		1		1		1		1		1		1		1		1		1		1		1		1		1		14	
FHH - Floating Holiday Non FLSA			1	1			1	1				1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	21	
FLH - Floating Holiday Hourly	1		1	1	1		1	1	1		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	25	

Ventura County Human Resources/Payroll
 Pensionable Earnings Codes
 As of: April 30, 2016

Earnings Code - Description	Retirement Accumulators																										Grand Total		
	Court CJAAVC Legacy	Court CJAAVC PEPR	CJAAVC Legacy	CJAAVC PEPR	Court MGMT Legacy	Court MGMT PEPR	CNA Legacy	CNA PEPR	Court SEIU Legacy	Court SEIU PEPR	VCPFA Legacy	VCPFA PEPR	MGMT Legacy	MGMT PEPR	IUOE Legacy	IUOE PEPR	VCPPOA Legacy	VCPPOA PEPR	VCSCOA Legacy	VCSCOA PEPR	SEIU Legacy	SEIU PEPR	VCDSA Legacy	VCDSA PEPR	SPOAVC Legacy	SPOAVC PEPR		VEA Legacy	VEA PEPR
FLS - Floating Holiday Salary	1		1	1	1		1	1	1		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	25
FM1 - Fire Science 1 - BC											1																		1
FM2 - Fire Science 2 - BC											1																		1
FM3 - Fire Science 3 - BC											1		1																2
FS1 - Fire Science 1 - VCPFA											1																		1
FS2 - Fire Science 2 - VCPFA											1																		1
FS3 - Fire Science 3 - VCPFA											1																		1
FSH - Sick - Family Sick Hourly	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
FSS - Sick - Family Sick Salary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
FTO - Field Training Officer Bonus																								1					1
FUH - Court Furlough With Pay Hourly	1	1	1		1	1	1	1	1	1	1		1		1		1		1		1		1		1		1	17	
FUS - Court Furlough With Pay Salary	1	1	1		1	1	1	1	1	1	1		1		1		1		1		1		1		1		1	17	
FWH - Furlough No Pay Hourly	1		1		1		1		1		1		1		1		1		1		1		1		1		1	14	
FWS - Furlough No Pay Salary	1		1		1		1		1		1		1		1		1		1		1		1		1		1	14	
GD1 - Graduate Degree - MGMT	1		1		1								1															4	
GD2 - Graduate Degree							1		1		1				1		1		1		1		1		1		1	10	
GD3 - Graduate Degree VCPFA Line											1																	1	
GD4 - Graduate Deg Line Batt Chiefs													1															1	
GD5 - Graduate Degree Shf 4/2																							1					1	
HAZ - Hazard Material Response Team																						1	1					2	
HDP - Holiday Day Off Paid SPOAVC																									1			1	
HDS - Sheriff Holiday on Reg Day Off																							1					1	
HFP - HCA Fiscal Premium Pay VCMC													1															1	
HMT - Helicopter Maint Certification															1	1												2	
HOH - Holiday Taken Hourly	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28	
HOL - Holiday - Hourly Non FLSA			1	1			1	1			1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	22	
HOS - Holiday Taken Salary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28	
HPP - HIRT Pool Premium Pay VCPFA											1																	1	
HPS - HIRT Premium Pay VCPFA											1	1																2	
HSP - House Supervisor Pay VCMC							1																					1	
HW2 - Holiday Worked Salary_Sheriff																							1	1				2	
HWK - Holiday Worked 4&2_Sheriff 1.0																							1					1	
HWN - Holiday Worked 1.5 Non-FLSA							1																1			1		3	
HWO - Holiday Worked 1.5x	1		1		1		1		1		1		1		1		1		1		1		1		1		1	14	
HWS - Holiday Worked 1.0x	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28	
IAD - Inpatient Assign Differential																						1	1					2	
IHN - In-House Registry <40 NOC							1																					1	
IHP - In-House Registry <40 PM							1																					1	
IHR - In-House Registry <40 Hours							1																					1	
IP1 - 4/2 Sheriff Interm Post-SGT																							1					1	
IP2 - 4/2 Sheriff Interm Post-DEP																							1					1	
IP3 - 4/2 Sheriff Interm Post-S DEP																							1					1	
IPC - Intermediate POST Cert SGT																							1					1	
IPD - Intermediate POST Cert Deputy																							1					1	
IPH - Industrial Leave Hourly	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28	
IPS - Industrial Leave Salary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28	
ISD - Intermediate POST Cert Sr. Dep																							1					1	
IUC - IUOE Qualified Cert 5%															1													1	
JDH - Jury Duty Hourly	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28	

Ventura County Human Resources/Payroll
 Pensionable Earnings Codes
 As of: April 30, 2016

Earnings Code - Description	Retirement Accumulators																										Grand Total		
	Court CJAAVC Legacy	Court CJAAVC PEPRA	CJAAVC Legacy	CJAAVC PEPRA	Court MGMT Legacy	Court MGMT PEPRA	CNA Legacy	CNA PEPRA	Court SEIU Legacy	Court SEIU PEPRA	VCPFA Legacy	VCPFA PEPRA	MGMT Legacy	MGMT PEPRA	IUOE Legacy	IUOE PEPRA	VCPPOA Legacy	VCPPOA PEPRA	VCSCOA Legacy	VCSCOA PEPRA	SEIU Legacy	SEIU PEPRA	VCDSA Legacy	VCDSA PEPRA	SPOAVC Legacy	SPOAVC PEPRA		VEA Legacy	VEA PEPRA
JDS - Jury Duty Salary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
JUR - Jury Duty Hourly Non FLSA			1	1			1	1			1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	22
L07 - Longevity CNA 7 Years							1	1																					2
L12 - Longevity CNA 12 Years							1	1																					2
L17 - Longevity CNA 17 Years							1	1																					2
LDT - Lead Disaster Behavioral Hlth																					1	1							2
LMH - Licensed Mental Health Assoc																					1	1							2
LPH - Leave with Pay Hourly	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
LPS - Leave with Pay Salary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
MA1 - CFMA Cert Level II IUOE															1														1
MA2 - CFMA Cert Level IV IUOE															1														1
MC1 - Mgmt Certification Pay -Nurse1													1																1
MC2 - Mgmt Certification Pay -Nurse2													1																1
MC3 - Mgmt Certification Pay -Nurse3													1																1
MC4 - Mgmt Certification Pay -Nurse4													1																1
MC5 - Mgmt Certification Pay -Nurse5													1																1
ME1 - Hospital Maint Eng CSHE MECH															1														1
ME2 - Senior CSHE MECH Hos Maint Eng															1														1
MED - MEDI Pick-Up																								1					1
MHD - MH Inpatient Differential IUOE															1														1
MLH - Military Leave Paid Hourly	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
MLN - Military Leave Hourly Non FLSA			1	1			1	1			1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	22
MLS - Military Leave Paid Salary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
MSC - Other Compensation	1		1		1		1		1		1		1		1		1		1		1		1		1				13
MTR - Motorcycle Bonus																								1	1				2
N12 - 4850 27-Day FLSA Premium >7/02											1	1																	2
N4H - 4850 Non-Tax 4 hr OT																								1	1				2
NAA - Nurses Ed Incentive AA/AS/RN							1																						1
NB1 - Nurses Certification Bonus 1							1															1							2
NB2 - Nurses Certification Bonus 2							1															1							2
NB3 - Nurses Certification Bonus 3							1															1							2
NB4 - Nurses Certification Bonus 4							1															1							2
NB5 - Nurses Certification Bonus 5							1															1							2
NCR - Non-Certified Realtime Reportr									1																				1
NHB - 4850 Non Tax Holiday RDO Bank																								1					1
NHO - 4850 Non Tax Holiday RDO-Shf																								1					1
NHS - 4850 Non Tax Hol Taken Salary													1	1															2
NHT - 4850 Non Tax Holiday Taken											1	1						1	1					1	1	1	1		8
NRP - Nurses Retention Premium							1																						1
NS1 - NOCS - IUOE 7.5%															1	1													2
NS2 - NOCS - 10%																						1						1	2
NS3 - NOCS - Hospital 15% - CNA							1						1									1							3
NS4 - NOCS - 10% - Addl Pay																						1	1				1	1	4
NSM - Nurse Specialty Pay - MGMT							1	1					1	1															4
NSP - Nurse Specialty Pay																						1	1						2
O4S - Scheduled OT Retirement SST																			1	1									2
OT4 - Scheduled Overtime Retirement																			1	1				1	1				4
OTH - 27-Day FLSA Overtime Premium												1	1																2
OTR - VCPFA Scheduled OT Retirement												1	1																2

Ventura County Human Resources/Payroll
 Pensionable Earnings Codes
 As of: April 30, 2016

Earnings Code - Description	Retirement Accumulators																										Grand Total		
	Court CJAAVC Legacy	Court CJAAVC PEPRRA	CJAAVC Legacy	CJAAVC PEPRRA	Court MGMT Legacy	Court MGMT PEPRRA	CNA Legacy	CNA PEPRRA	Court SEIU Legacy	Court SEIU PEPRRA	VCPFA Legacy	VCPFA PEPRRA	MGMT Legacy	MGMT PEPRRA	IUOE Legacy	IUOE PEPRRA	VCPPOA Legacy	VCPPOA PEPRRA	VCSCOA Legacy	VCSCOA PEPRRA	SEIU Legacy	SEIU PEPRRA	VCDSA Legacy	VCDSA PEPRRA	SPOAVC Legacy	SPOAVC PEPRRA		VEA Legacy	VEA PEPRRA
PAL - Paramedic Level I VCPFA Line											1	1																	2
PCN - Charge Nurse Premium VCMC							1																						1
PFL - Paramedic Fire Engineer Line											1	1																	2
PHN - Public Health Nurse Cert Prem							1																						1
PHO - PDP Holiday Worked 0.5																					1								1
PHS - PDP Holiday Worked 1.0																					1	1							2
PM1 - Night Shift - MGMT & CJAAVC	1		1		1								1																4
PM2 - P.M. Shift - 5%									1						1		1		1		1						1		6
PM3 - P.M. Shift - Hospital 7.5%							1						1		1						1								4
PM4 - P.M. Shift - 5% - Addl Pay									1	1					1	1	1	1	1	1	1	1					1	1	12
PPA - Paramedic Premium Pay Level I											1	1																	2
PPC - Paramedic Premium Pay Level II											1	1																	2
PPF - Paramedic Prem Fire Engineers											1	1																	2
PPP - Paramedic Premium Pay Level P											1	1																	2
PRC - Preceptor Pay RN VCMC							1																						1
PSD - POST- Public Safety Dispatcher																					1	1							2
PSH - Sick - Personal Sick Hourly	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
PSS - Sick - Personal Sick Salary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
PTS - P.O.S.T. Certificate SPOAVC																									1				1
R12 - Retro 4850 27 Day FLSA Premium											1	1																	2
R30 - 30-Year Retirement Incentive	1		1				1		1		1				1		1		1		1				1		1		11
REG - Regular	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
REM - Registered Engineer - MGMT													1																1
RES - Registered Engineer - SEIU/VEA																					1						1		2
RMA - Risk Management Adjustment	1		1		1		1		1		1		1		1		1		1		1		1		1		1	13	
RWD - Referral Reward			1				1				1		1		1		1		1		1		1		1		1	11	
SAA - Sheriff/Fire Mgmt Ed Inc AA/AS													1																1
SAP - Sheriffs' Assignment Pay																							1	1					2
SBA - Sheriff/Fire Mgmt Ed Inc BA/BS													1																1
SBI - POST- Specialized Basic Invest										1											1								2
SBP - Stand By Pay	1		1		1		1		1		1		1		1		1		1		1		1		1		1	14	
SCO - Scheduled OverTime																					1	1							2
SFH - Family Sick - Hourly Non FLSA			1	1			1	1			1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	22
SIP - Sheriffs Investigation Pay																								1	1				2
SLP - Sick Leave Paydown 25%							1				1				1		1		1		1		1		1		1	9	
SMA - Sheriff/Fire Mgmt Ed Inc Grad													1																1
SPB - Sheriff Patrol Bonus																								1					1
SPD - Staff Pay Differential - VCPFA											1	1																	2
SPF - Staff Pay Diff - MT Bat Chiefs													1	1															2
SPH - Sick - Personal Hourly NonFLSA			1	1			1	1			1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	22
SPM - Staff Pay Differential - MT													1	1															2
SPO - Superv Deputy ProbationOfficer													1	1															2
SSB - Sheriff Standby Pay																								1					1
STU - Student Loan Payment	1		1																										2
SVB - Vacation Buydown - VCDSA																								1					1
TAP - Temporary Assignment Premium															1						1								2
TPA - Treatment Plan Behavioral Hlth																					1								1
TSC - Supplemental Comp Attorney			1										1																2
UFM - Uniform Allowance	1		1		1		1		1		1		1		1		1		1		1		1		1		1	14	

Ventura County Human Resources/Payroll
 Pensionable Earnings Codes
 As of: April 30, 2016

Earnings Code - Description	Retirement Accumulators																										Grand Total		
	Court CJAAVC Legacy	Court CJAAVC PEPRRA	CJAAVC Legacy	CJAAVC PEPRRA	Court MGMT Legacy	Court MGMT PEPRRA	CNA Legacy	CNA PEPRRA	Court SEIU Legacy	Court SEIU PEPRRA	VCPFA Legacy	VCPFA PEPRRA	MGMT Legacy	MGMT PEPRRA	IUOE Legacy	IUOE PEPRRA	VCPPOA Legacy	VCPPOA PEPRRA	VCSCOA Legacy	VCSCOA PEPRRA	SEIU Legacy	SEIU PEPRRA	VCDSA Legacy	VCDSA PEPRRA	SPOAVC Legacy	SPOAVC PEPRRA		VEA Legacy	VEA PEPRRA
USB - Union Steward Bank		1	1	1	1	1	1	1	1	1	1	1			1	1	1	1	1	1	1	1	1	1	1	1	1	1	25
UST - Underground Storage Tank Cert																					1								1
VAB - Vacation Buydown (Grossup)	1		1		1		1		1		1		1		1		1		1		1		1		1		1		13
VAH - Vacation Hourly NonFLSA	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28
VAS - Vacation Salary	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	28	
VBD - Vacation Buydown	1		1		1		1		1		1		1		1		1		1		1		1		1		1	14	
VET - Accredited Veterinarian													1															1	
VFH - Court Voluntary Furlough Pay	1	1	1		1	1	1		1	1	1		1		1		1		1		1		1		1		1	17	
VFS - Court Voluntary Furlough Pay	1	1	1		1	1	1		1	1	1		1		1		1		1		1		1		1		1	17	
VMB - Vacation Mgmt/CJ Buydown Base			1										1															2	
VPD - Vacation Paydown - VCPFA											1																	1	
VSH - Vacation Hourly FLSA	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	27	
VSS - Vacation Salary FLSA	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	27	
WCP - Watch Commander Premium 5%																	1											1	
WKD - Weekend Worked-CNA							1																					1	
WKS - Weekend Worked SEIU									1												1							2	
WKV - Weekend Worked-VCPPOA																	1											1	
XTR - One Time Payment	1		1		1		1		1		1		1		1		1		1		1		1		1		1	14	
Y01 - Tier 1 Retirement Offset 1																					1							1	
Y02 - Tier 1 Retirement Offset 2																					1							1	
Y03 - Tier 1 Retirement Offset 3																					1							1	
Y04 - Tier 1 Retirement Offset 4															1													1	
Y05 - Tier 1 Retirement Offset 5															1													1	
Y06 - Tier 1 Retirement Offset 6																											1	1	
Y07 - Tier 1 Retirement Offset 7																											1	1	
Y08 - Tier 1 Retirement Offset 8													1															1	
Y09 - Tier 1 Retirement Offset 9													1															1	
Y10 - Tier 1 Retirement Offset 10													1															1	
Y11 - Tier 1 Retirement Offset 11							1																					1	
Y12 - Tier 1 Retirement Offset 12																			1									1	
Y13 - Tier 1 Assign Age SEIU 1																					1							1	
Y14 - Tier 1 Assign Age SEIU 2																					1							1	
Y15 - Tier 1 Assign Age MGMT													1															1	
Y16 - Retirement Supp (RSO)													1															1	
Y17 - Retirement Supp (RSO) Tier 1													1															1	
Y18 - Retirement Offset Spec Contrib													1															1	
Grand Total	75	34	88	39	77	36	105	43	79	35	133	54	122	47	97	41	87	43	88	41	124	52	121	50	86	41	79	38	1955

June 06, 2016

Ventura County Employees' Retirement Association
Linda Webb
1190 S Victoria Avenue, Suite 200
Ventura, CA 93003

Re: Publicly Available Posting of the Schedule of Market Based Premium Payments

Linda,

Thank you for your correspondence to Mr. Powers dated January 29, 2016 regarding the Ventura County Employees' Retirement Association (VCERA) Board of Retirement Request for Publicly Available Schedule of Market-Based Premium Pay (MBPP) items wherein you requested that the County create a publicly available schedule of MBPP items, as required by PEPRA, by July 1, 2016.

Please see the attached County of Ventura Job Code and Salary Listing by Job Title, which has been amended to include MBPP information for the pertinent job classifications. The listing is posted on the County's Internet site at <http://vcportal.ventura.org/CEO/HR/docs/classsalary.pdf>. We believe that this publicly available posting of the schedule of Market Based Premium Payments complies with the 2014 Resolution of the Board of Retirement of Ventura County Employees' Retirement Association Regarding Pensionable Compensation Determinations.

Should you have any questions or concerns, please do not hesitate to contact me at (805)654-2561 or by email at Shawn.atin@ventura.org.

Sincerely,



Shawn Atin
Assistant County Executive Officer
Human Resources Director

CC: Mike Powers
Leroy Smith
Board of Retirement, VCERA
Board of Supervisor, County of Ventura

attachment

Pensionable Compensation Included as Base Pay

For the following classification, salaries may be increased by the ranges shown below in the form of Market Based Premium Pay (MBPP) which shall be considered an element of Base Pay, and are reflected as such in the employees' hourly/biweekly rate:

Job Code	Job Title	Union	MBPP range
00164	Clinical Lab Scientist I	SEIU	\$0 - \$15
00165	Clinical Lab Scientist II	SEIU	\$0 - \$15
00166	Clinical Lab Scientist III	SEIU	\$0 - \$15
00825	Licensed Physical Therapy Asst	SEIU	\$0 - \$10
01451	Pharmacist I	SEIU	\$0 - \$25
01452	Pharmacist II	SEIU	\$0 - \$25
00755	Pharmacy Technician I	SEIU	\$0 - \$25
00756	Pharmacy Technician II	SEIU	\$0 - \$25
01882	Principal Respiratory Therapst	SEIU	\$0 - \$15
00088	Senior Physical Therapist	SEIU	\$0 - \$10
01692	Senior Psychologist	SEIU	\$0 - \$15
05233	Senior Psychologist-NE	SEIU	\$0 - \$15
00149	Senior Speech Pathologist	SEIU	\$0 - \$10
00136	Speech Pathologist	SEIU	\$0 - \$10
01802	Staff Psychologist	SEIU	\$0 - \$15
01249	Supervising Therapist I	SEIU	\$0 - \$10
01251	Supervising Therapist II	SEIU	\$0 - \$10

June 30, 2016

Ms. Linda Webb
Ventura County Employees' Retirement Association
1190 S Victoria Avenue, Suite 200
Ventura, CA 93003

**RE: COUNTY OF VENTURA PUBLICLY AVAILABLE PAY SCHEDULE FOR
PENSIONABILITY OF MARKET BASED PREMIUM PAYMENTS**

Linda,

Pursuant to your letter to the VCERA Board of Retirement dated June 20, 2016, and the Board of Retirement's discussion of that same date, please find attached the County of Ventura's publicly available amended schedule of Market-Based Premium Payments (MBPP). The Schedule is incorporated into the County of Ventura Job Code and Salary Listing by Job Title which now includes, per your request, a link to the date of hire for all employees eligible to receive an MBPP. The employee dates of hire will be updated annually. The County's online posting regarding this matter can be found at <http://vcportal.ventura.org/CEO/HR/docs/classsalary.pdf>.

This amendment to include employee date of hire information is responsive to your request. However, we do not believe that the inclusion of the hire dates is necessary for compliance with the Board of Retirement's "*Resolution of the Board of Retirement of Ventura County Employees' Retirement Association (VCERA) Regarding Pensionable Compensation Determination*". Additionally, we believe that the hire date information will prove to be of limited value to the public and VCERA Administration for the reasons noted below.

The SEIU collective bargaining Memorandum of Agreement, for which a link has been included in the disclosure, explains that the amount of Market Based Premium Payments is contingent upon the changing labor market conditions. While the date on which an employee is hired will be a factor in the determination of the MBPP payment, it is by no means the only factor.

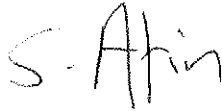
The specific skill set an employee brings to the County relative to the labor market scarcity for those skill sets is a key determinant to the amount of MBPP. Job classifications are general in nature, and employees perform specific duties within a classification. The County has approximately 1,300 job classifications and 9,000 employees; as a result, while all employees in a job classification may be eligible for an MBPP, the amount paid each employee may vary given the market demand for the skill sets they bring to the County at the time of hire.

On October 19, 2015, the Board of Retirement determined, after an in-depth review, that the MBPP is an item includible as pensionable compensation. The only remaining

actionable item was to make the schedule of MBPP publicly available; which we have now done. With that being said, we believe that too much emphasis has been placed by VCERA Administration on date of hire in their review of the MBPP.

Should you have any questions or wish to discuss this matter further, please do not hesitate to contact me at (805) 654-2561 or by email at Shawn.Atin@ventura.org

Sincerely,

A handwritten signature in black ink that reads "S. Atin". The signature is written in a cursive, slightly slanted style.

Shawn Atin
Assistant County Executive Officer
Human Resources Director

CC: Michael Powers, County Executive Officer
Board of Retirement, VCERA

Enclosure

Employees Eligible to receive a Market Based Premium Pay (MBPP)

Name	Hire Date
Adelman,Thomas	3/31/2002
Alvarez,Marbeli	5/8/2016
Alvarez-Rittmaste,Monica	5/13/2002
Amburgey,Jamie Alexis Freeman	4/27/2014
Amini,Sheida	3/15/2015
Anspaugh,Rodger	7/2/2006
Anunwah,Jessica Flumunanya	9/27/2015
Archibald,Jeffrey Lee	1/6/2013
Ash,Morgan Lenzi	12/7/2014
Barcena,Kathrina Abdon	8/14/2005
Barrientos,Sandra I	10/3/2010
Bishop,Jenelle H	4/24/2016
Bloom,Guiana May Astadan	12/6/2015
Boghossian,Torri Jean	5/29/2002
Burciaga,Armando	3/17/2013
Burkhart,Caitlin Jeanne	12/14/2015
Cachu Andrade,Beatriz Elena	11/9/2014
Candara,Leon Claud	7/14/2013
Cash,Daniel Joseph	5/30/2010
Chan,Sharon Lee	4/10/2016
Comstock,Tonya Louise	6/8/2014
Conboy,Linda Elizabeth	5/7/2006
Contreras,Julia Christine	7/30/2009
Cox,Elizabeth Arlene	1/17/1989
Crenshaw-Upah,Katrina Yolanda	6/5/2016
Crismond,Lance	4/1/2015
Crouse,Philip A	5/18/2011
Cruz,Pitchie	6/15/2014
Curran,Christopher	12/2/2007
Dao,Tony	10/7/2013
Dinwiddie,Lori Amber	11/8/2015
Estrada,Jaime	11/24/2003
Evangelista Jr.,Francisco B.	1/11/2009
Fennell,Faith P	12/20/2015
Frias,Catherine Elydia	9/28/2014
Gallardo,Karen G	4/5/2015
Garcia,Alexandra Elizabeth Irene	7/25/2010
Gobran,Fadi Adel	10/12/2014
Godfrey,Ethel Jacosalem	5/26/2015
Gotwals,Kirk R.	4/5/2009
Gray,Scott Peter	1/27/2008
Greene,Susan	2/17/2015
Griffin,Natasha Marie	8/3/2014
Guthrie,Frances A	12/8/2013

Employees Eligible to receive a Market Based Premium Pay (MBPP)

Hackett,Vanessa Renee	3/12/2014
Hanin,Genine Ivy	11/7/1993
Hannah,Carol	10/5/1981
Hartson,Holly Frances	2/5/2001
Hickey,Cynthia Marie	2/19/2013
Hofius,James Gordon	2/5/2012
Hoppe,Ioulia A	11/30/2008
Hosford,Marion	1/2/1985
Jacobson,Brian E	3/3/2013
Janda,Richard C.	1/15/2012
Javaheri,Pejman	7/24/2011
Joaquin,Janene Renee	7/5/2015
Jung,Sul Ran	10/13/2009
Kadin,Jennifer Anne	5/29/2011
Kim,Lance Steven	6/23/2013
King,Shannon Patrice	10/15/2015
Klock,Suzann E	3/31/2013
Koester,David R	4/26/2015
Kuiken,Crystal Anna	5/15/2016
LaCroix,Jacob Stephen	5/1/2016
Landen,David Wayne	4/8/2007
Lata,Melissa Simonette Reyes	7/26/2015
Lau,Joanne S	1/4/2015
Lauron,Lori Go	3/29/2015
Leanos,Hector	4/22/2007
Lee,Corey B	11/3/2010
Livingston,Ronya Rafeedie	6/14/2015
LoneElk,Jessica Renee	1/4/2015
Lopez,Sandra	6/17/2013
Lougee,Bonni J	10/2/2011
Lyons,Wendy	9/25/2005
Madden,Amber Brook	4/19/2009
Mahmoudi,Rouhanguiz	2/22/2015
Mares,Ramiro	6/8/2014
Martinez,David E	11/9/2014
Mata,John	7/25/2010
McFarlane,Gilbert John	2/12/1995
Medina,Myra	7/31/2005
Mendoza,Oscar	5/30/2010
Mercy,Helena Elaine	5/31/2009
Meshreky,Samah S	4/5/2015
Mikhail,Amira A	4/18/2010
Miller,Jason B	2/5/2001
Milligan,Denise K	1/5/2014
Miyasaki,Debra Lynn	4/29/2001

Employees Eligible to receive a Market Based Premium Pay (MBPP)

Mongiello,Simone Alexandra	10/4/1999
Moody,Holly Ann	2/3/2013
Morrow,Michael Lee	10/5/2008
Moura,Janeane	4/7/2013
Munesato,Jeanne	9/18/1989
Myers,Christian D	9/19/2010
Nantes,Bella Balinos	6/4/2006
Newman,Audrey Juliana	3/31/2015
Nguyen,Aaron Quang	4/15/2015
Nicolas,Ricsan Sombilon	12/2/2015
Ninomiya,Kathleen	11/9/2003
Norman,Linda	11/28/2010
Obina,Niko Clemente	6/22/2014
O'Hea,Joseph Patrick	11/11/2012
Oliver,Jaime M.	1/22/2013
Omega,Crisane P.	10/2/2011
Oneill,Janette Reid	12/2/2002
Ontiveros,Joann	2/12/1992
Ota,Marjorie	9/17/2000
Palma,Maria Theresa	7/12/1998
Patel,Rajesh Tushar	1/22/2001
Patterson,Annette Jocelyne	11/11/2012
Pendleton,Sara Therese	8/18/2015
Perez,Concepcion	8/10/2008
Pimentel,Yvonne Roberta	11/18/2007
Preston,Wendy Lynn	7/16/2006
Raabe,Kevin Roy	6/9/2013
Ramirez,Alma Yanira	3/1/2015
Rentschler,Kevin S	11/24/2013
Riazzo,Rick	4/17/2011
Richmond,Johnny Mark	5/7/2006
Ritter,Carla Jean	10/31/1999
Robledo,Patricia	5/30/2010
Rodriguez,Marcos G	1/19/2014
Rodriguez,Pablo	9/17/2001
Russell,Keith Mathew	10/5/2011
Saekoh,Sandy	4/6/2013
Salgado,Audrey Marie	2/14/2016
Sampilo,Soledad	6/8/1992
Searles,Kelly R	12/20/2015
Sharma,Susan Davies	11/4/2007
Siegman,Scott Howard	3/17/2013
Sikula,Lacey Noelle	8/3/2014
Smith,Mary	1/26/1981
Smitherman,Elizabeth Esther	9/8/2015

Employees Eligible to receive a Market Based Premium Pay (MBPP)

Sotero,Jocelyn G	5/26/2003
Stark Jr.,Joseph Eric	3/17/2013
Stompe,Lauren Margaret	1/19/2016
Sweitzer,Vickie L.	2/8/2009
Takara,Tamara Pratummas	10/12/2014
Talabucon,Omar David	11/11/2012
Taylor,Georgina	8/30/1993
Tien,Kevin	6/23/2013
Tippett,Jennifer Marie	11/23/2014
Tokar,Cindy	8/13/1990
Tseng,Sheng-Wen	3/18/2012
Verboomen,Amanda Rae	10/19/2008
Vergel,Jennifer	9/15/2002
Villarreal,Jose Mauricio	1/20/2015
Walker Hill,Tricia Alicia	10/3/2010
Wall,Mercedes Manosca	5/24/1999
Weber,Rose Mary	8/22/2010
Weissman,Ellen Khamistos	9/21/2008
Williams,Kenneth Avery	3/19/2000
Winter,Craig J	10/4/2009
Wu,Ya-Whey	12/19/2011
Yoshida,Patti A	9/30/1979
Zaferis,Paul C	6/8/2014
Zanolini,Shanna	1/11/2009
Zarrabian,Simin	7/11/2010
Zavala,Baltazar Alonzo	10/23/2005
Zoll,Kevin Daniel	7/15/2007

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>

July 14, 2016

Shawn Atin, Human Resources Director
Hall of Administration L#1970
800 South Victoria Avenue
Ventura, CA 93009

**SUBJECT: COUNTY OF VENTURA PUBLIC POSTING OF INFORMATION RELATED TO
MARKET-BASED PREMIUM PAYMENTS IN RESPONSE TO REQUEST FROM
BOARD OF RETIREMENT**

Dear Mr. Atin:

Thank you for your letter dated June 30, 2016 and the accompanying documents and public posting in response to the Board of Retirement's request.

In your letter, you indicated that you believe that too much emphasis has been placed by VCERA Administration on date of hire in our review of the Market-Based Premium Pay (MBPP). I would like to respond and also provide some background information that I believe will help explain why date of hire has been a focus for MBPP. Put simply, date of hire was the **only objective criteria** offered to VCERA by the County of Ventura for eligibility for MBPP during the 2015 discussions and feedback period.

Background

In your remarks to the Board of Retirement on June 20, 2016 you indicated that you did not participate during the analysis and discussions leading up to the October 2015 Board action on inclusion or exclusion of specific pay codes as pensionable compensation under PEPRA (Government Code section 7522.34 subdivision (a) – “pensionable compensation”). I hope the following background information will be of help.

Before the Board of Retirement took action in October of 2015 on pay code categories, the review and preparation process performed by staff and outside Counsel involved feedback from the County of Ventura and other stakeholders. At that time, VCERA staff and Counsel were in agreement with the County on the majority of pay codes in terms of pensionability under PEPRA. So, the discussions were focused on the remaining categories of disagreement. On September 23, 2015, a formal discussion took place, and MBPP was discussed at length.

VCERA explained that there were three (3) main “sticking points” preventing a recommendation to the Board of Retirement that MBPP be included in pensionable compensation.

- 1) Both the definition and the application of the codes appeared contrary to “not only to the member but also to similarly situated members of the same group or class of employment,” and “for services rendered on a full-time basis,” and “for services rendered during normal working hours” in the BOR Resolution because no objective basis was identified by which similarly situated members of the same group or class would receive it.
- 2) The MBPP items have a discretionary component and may be withheld at a later date without a change in duties.

- 3) VCERA could not discount instances where the practical application of codes appeared contrary to the purpose/definition provided. (Example: of the 21 Senior Physical Therapists, only 2 were receiving MBPP. Conversely, of the 34 Principal Respiratory Therapists, all but 2 were receiving MBPP.)

We asked for some sort of **objective** criteria as a basis by which those receiving MBPP could be considered “similarly situated members in the same group or class of employment.” The only one given was date of hire; or more specifically, that the market forces in effect on the date of hire determined who was eligible to receive MBPP. VCERA and Counsel’s perspective was that such a basis did not meet the test; the County believed it DID meet the test. (That meeting summary is attached, supporting this basic area of disagreement.¹)

So, at the October 19, 2015 meeting, VCERA recommended exclusion for MBPP. County CEO Michael Powers submitted a formal letter for that meeting. In it, in regard to this disagreement on MBPP he said:

“VCERA’s explanation is that these payments are based solely on an employee’s date of hire, and date of hire is not a similarity that can be considered in determining whether an employee is part of a group of ‘similarly situated employees.’ The County disagrees with this analysis.”

When the Board of Retirement took action on MBPP, it accepted COV’s argument that date of hire could be enough of a basis to pass the “similarly-situated group or class” test. However, the MBPP language in the MOAs (which the Board had previously deemed acceptable as a publicly-available pay schedule) did not have information on date of hire that would objectively identify the similarly situated group that would all be eligible to receive it. After a lengthy open-session discussion about the unavailability of the payment criteria in the MOU and the requirements of both PEPR and the Board’s Resolution, the Board of Retirement’s took action to include MBPP while also requesting that the Board of Supervisors create a public available pay schedule for MBPP.

Summary of Events since the Board of Retirement Action

- May 9, 2016: I received an email from the Auditor-Controller’s office that said the response to the Board of Retirement’s request could be found at <http://www.ventura.org/auditor-controller/payroll-information> where we saw:
 - 1) a list of the ten (10) MBPP pay codes;
 - 2) a matrix of earnings codes and the different categories of members, showing which categories have those codes included in pensionable compensation (matrix did not include the 10 MBPP items.)
- May 13, 2016: I emailed Auditor-Controller Jeff Burgh that I planned to update the Board on May 16th, but that I did not believe the posting was what they were expecting to see. I suggested a schedule with either dollar amounts or percentages, position titles, effective dates, etc. and asked if he would like to update the posting. He indicated he would look into expanding the information.
- May 20, 2016: I met with Jeff to discuss this topic among others. I gave him a list of publicly-available pay schedule elements. He offered to pass that information on to your office.
- May 31, 2016: At your request, VCERA’s Board Counsel Lori Nemiroff met with you and County Counsel so that you could better understand VCERA’s posting expectations.

¹ Meeting summary was distributed to all attendees to allow for corrections; COV submitted no corrections.

- June 1, 2016: I emailed you, Ms. Nemiroff, County Counsel and Jeff Burgh to further clarify our understanding of the posting requirements, and suggested the CEO's office send VCERA a written request to ask what additional information VCERA believed was required for compliance.
- June 6, 2016: VCERA received your letter that County had responded to the Board of Retirement's request for a publicly available schedule of MBPP items, referencing an update to the County Job Code & Salary Listing by Job Title at <http://vcportal.ventura.org/CEO/HR/docs/classsalary.pdf>.
- June 20, 2016: At VCERA's business meeting, I provided the Board with the County's June 6th response and communicated that staff believed the missing piece was still missing; to illustrate this, my letter listed elements of a publicly available pay schedule, showing each item as met except one:

d) Indicates the conditions for payment of the item of Pensionable Compensation, including, but not limited to, eligibility for, and amount of each component of pay;	Does Not Meet Criteria
Staff comment: The conditions for payment, which have previously been identified as the date of hire, is not provided in either the MOAs or the Job Listing table. The date of hire is what has been presented as the distinction/establishment of the sub group or class who are eligible to receive the payment within a given job title. Receipt of a pay item cannot in itself be the only criteria for establishing a similarly situated group or class.	

VCERA Counsel supported this analysis in a letter to the Board, saying, "*The value of this information in order for VCERA to be able to monitor, and correct, improper inclusions of discretionary ad hoc pay items in pensionable compensation should not be understated.*"

When addressing the Board on June 20th, you indicated your office believed the posting represented a good faith effort at full compliance. After discussion, you said you would take the most recent information to your Counsel and respond via a communication.

- June 30, 2016: I received your communication that, responsive to my request, the Job Code and Salary Listing by Job Title now includes a link to the date of hire for all employees eligible to receive an MBPP (http://vcportal.ventura.org/CEO/HR/docs/MBPP_eligible.pdf). The 2-column table provides an alphabetical list of 161 employees, along with their dates of hire which range from 1979 to 2016.

Your letter said you believed this addition to be of little value and VCERA Administration had placed too much emphasis on date of hire. You further stated, "*While the date on which an employee is hired will be a factor in the determination of the MBPP payment, it is by no means the only factor.*"

Current Challenge

We do not believe the COV's June 30th posting of the MBPP-eligible individuals and their dates of hire answers the "conditions for payment" question. In your letter, you discount the original 2015 date of hire criteria and further suggest that changing labor market conditions and employee skill sets weigh more heavily in MBPP eligibility.

Request for Clarification and Additional Information

Identifying the individuals who are receiving the benefit does not adequately identify why their group was selected to receive it. It appears that the County of Ventura is now agreeing with SEIU (letter attached) in which they state, "*[The employees'] date of hire does not determine the MBPP*". If this is the case, and date of hire is not the criteria and basis by which those receiving Market-Based Premium

Pay (MBPP) are deemed to be “similarly situated members of the same group or class of employment”, then we ask for an alternate objective criteria to be provided. If you disagree with SEIU on this point, then please indicate the date ranges on which market conditions warranted eligibility for MBPP for employees entering employment in those particular classifications. As we have stated, **receipt** of MBPP cannot in itself be the criteria.

Staff will be updating the Board of Retirement about this issue at the July 18, 2016 Business meeting.

Sincerely,



Linda Webb
Retirement Administrator

CC: Michael Powers, County Executive Officer
Board of Retirement, VCERA

Enclosures:

- (1) Summary of September 23, 2015 meeting of representatives of VCERA, Nossaman, LLC (VCERA Outside Counsel) and the County of Ventura
- (2) October 2, 2015 Letter from Kerianne R. Steele, attorney for SEIU, Local 721, with accompanying Declaration from Angela Portillo, SEIU worksite organizer

August 22, 2016

Ms. Linda Webb
Ventura County Employees' Retirement Association
1190 S Victoria Avenue, Suite 200
Ventura, CA 93003

RE: Market Based Premium Payments

Linda,

In your letter dated July 14, 2016, you requested clarification and additional information regarding the County of Ventura's (County's) position that market based premium pay ("MBPP") is included as pensionable compensation under the Public Employees' Pension Reform Act of 2013 ("PEPRA"). It is apparent that much confusion exists.

Your letter states that "[i]t appears that the County of Ventura is now agreeing with SEIU" that "'date of hire does not determine MBPP.'" This statement implies that in the past the County took the position that the date of hire does determine MBPP. That is not correct¹.

The confusion may arise from a misreading of the County's October 13, 2015, letter to the Board of Retirement ("BOR"). The letter states that the County disagrees with "VCERA's explanation . . . that these payments are based solely on an employee's date of hire, and date of hire is not a similarity that can be considered in determining whether an employee is part of a group of 'similarly situated employees.'" It appears that VCERA has interpreted the County's letter as disagreeing with only the last clause of the quoted sentence. To clarify, the County disagrees with the first clause of the sentence. The County's position has never been that MBPP is based solely on date of hire.

As set forth in my letter of June 30, 2016, the County believes that date of hire is relevant, although not determinative, because MBPP is driven, in part, by labor market conditions at the date of hire. This, of course, is true for the determination of starting base salary for every employee. Indeed, this fact underlies our very assertion that MBPP should be considered a part of base salary for purposes of pensionable compensation under PEPRA.

You also ask for "an alternate objective criteria" if date of hire is not the basis for considering recipients of MBPP to be similarly situated members of the same group or class. There should be no dispute that employee job classification is another objective criteria. Thus, the only possible issue for VCERA is whether "similarly situated" employees receive MBPP. The County's view is that MBPP is simply an extension of base pay that is permissible under union contract(s) when the County determines the relevant

labor market dictates that the County increase base pay to recruit or retain qualified individuals in identified job classifications. This is essentially the argument the County made to the Board of Retirement in October 2015, and with which the BOR agreed.

Since that time, we have tried to meet your demands for evidence that MBPP is part of the County's publicly available pay schedule. I think it is fair to say that the MBPP is the most prominently publicized of all County payments. It appears to us that VCERA staff has now shifted gears and no longer focuses on the "publicly available" part of the test, but now challenges whether MBPP can qualify under any "pay schedule" at all.

We continue to believe that the pay range published for MBPP qualifies as a pay schedule for the same reasons the publication of the County's base salary ranges qualify. Just like placement on a salary range depends on the unique qualifications of the individual employee and market competition, so does the award of MBPP to a member of an eligible class. There is no requirement that employee' salaries, including increases due to market conditions, be determined by completely objective standards in order for them to be pensionable.

Sincerely,



Shawn Atin
Assistant County Executive Officer
Human Resources Director

CC: Michael Powers, County Executive Officer
Board of Retirement, VCERA

¹The County offers no opinion on the correctness or incorrectness of SEIU's positions in this matter, and none should be inferred.

Sec. 1302 **VCERA DEFINED BENEFIT PLAN.** A VCERA employee who is a “new member” under Government Code section 7522.04, subdiv. (f) (“PEPRA member”) will remain in, or join as applicable, the County’s “PEPRA General Tier 2” (Gov. Code sec. 7522.20) and shall pay/contribute to VCERA ½ of the actuarially-determined “normal cost” of retirement, in accordance with contribution rates set forth in VCERA’s annual actuarial valuations for VCERA members. A VCERA employee who is not a PEPRA member will remain in, or join as applicable, the County General member plan in effect as of December 31, 2012, known as the County’s “Non-PEPRA General Tier 2 without COLA” (Gov. Code sec. 31676.1), and shall pay/contribute to VCERA in accordance with actuarial rates determined for that formula under the County Employees Retirement Law of 1937 (Gov. Code sec. 31621), as set forth in VCERA’s annual actuarial valuations.

MEMORANDUM

TO: Board of Retirement (Board)
Ventura County Employees' Retirement
Association (VCERA)

FROM: Tracy Towner, VCERA Board Chair

DATE: September 19, 2016

RE: Recommendations re Appointment of Legacy Members to Remaining Executive
Positions Under AB 1291

Background

At the September 12, 2016 meeting, the Board authorized the appointments of Linda Webb and Dan Gallagher to the positions of VCERA Retirement Administrator and Chief Investment Officer, respectively, on the terms set forth in the agenda backup to that item.

An item now has been presented to the VCERA Board relating to whether the Board wishes to amend Section 1302 of the VCERA Management Employees Resolution ("VCERA Resolution") prior to appointing individuals who are not PEPRA members ("Legacy Members") to the remaining positions of General Counsel, Chief Financial Officer and Chief Operations Officer. The legal analysis regarding that topic is provided by VCERA's outside fiduciary counsel, Ashley Dunning, Nossaman LLP.

If the Board decides not to amend the VCERA Resolution, then none of the recommendations provided in that memorandum have changed. They are repeated below for reference.

If, on the other hand, the Board does decide to amend the VCERA Resolution and require a higher level of member contributions from Legacy Members than I anticipated when negotiating the action that I have recommended, then I request further instructions from the Board on negotiations as I believe the terms of the proposed appointments for those three individuals have changed materially.

Recommendation

If the VCERA Board does not amend Section 1302 of the VCERA Resolution, then I recommend that it proceed with its appointment of the following individuals, on the following terms, to the VCERA employee positions authorized by AB 1291, to be effective at the beginning of the first day of payroll, two weeks following the individual's acceptance of the offer:

1) All proposed appointees receive 100 hours of annual leave at VCERA upon acceptance of offer of appointment and all appointees have an annual leave accrual rate of 14.16 hours as provided in Sec. 803 of the Resolution.

2) Recommendations re specific appointments

i) VCERA General Counsel, proposed appointee Lori Nemiroff

Proposed annual salary: \$210,000

Increase the salary range for this position to \$220,000.

Initial performance review to occur within six (6) months of appointment.

The annual salary, and top of the range, for this position is proposed to be comparable to, and between, the cash compensation provided to the Chief Assistant County Counsel and County Counsel.

The top of this salary range is close to, but slightly lower than, the top of the range provided for the newly opened position of Chief Counsel of another '37 Act system, the Alameda County Employees' Retirement Association.

ii) VCERA Chief Financial Officer, proposed appointee Henry Solis

Proposed annual salary: \$180,000

Increase the salary range for this position to \$190,000.

Initial performance review to occur within six (6) months of appointment.

The annual salary, and top of the range, for this position is proposed to be comparable to the cash compensation provided to the Assistant Chief Financial Officer of Health Care Agency.

iii) VCERA Chief Operations Officer, proposed appointee Julie Stallings

Proposed annual salary: \$160,000

Increase the salary range for this position to \$160,000.

The annual salary, and top of the range, for this position is proposed to be comparable to, and between, the annual cash compensation provided to the County Chief Health Operations Officer and the County Behavior Health Operations Officer.

If the Board chooses instead to change the retiree contributions required of Legacy Members to be 50 percent of the normal cost of their VCERA benefits by amending Section 1302 on that point, then the annual salary of the proposed Legacy Member appointees should be adjusted in order to maintain equivalency in take-home pay as would have been provided under my above recommended action and as is provided by other employers in '37 Act systems who do not require 50 percent of normal cost contributions by its Legacy Members.

Attachment:

Exhibit 1 to VCERA Management Employees Resolution, with proposed salary range adjustments

PROPOSED REVISIONS TO SALARY RANGES ~~(as of 9/12/16)~~

EXHIBIT 1
 OUTLINE OF SALARY & BENEFITS (2016 Calendar Year)
 VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION EMPLOYEES

VCERA Title	Salary Range	Benefit Category under County Management Employees Resolution	Unit for County Payroll Purposes
Retirement Administrator	\$156,731 - \$245,000	1	MA
General Counsel	\$146,866 - \$210,000 <u>220,000</u>	2	MB
Chief Financial Officer	\$116,446 - \$172,000 <u>190,000</u>	2	MB
Chief Investment Officer	\$116,446 - \$220,000	2	MB
Chief Operations Officer	\$90,790 - \$150,000 <u>160,000</u>	2	MB

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

1190 South Victoria Avenue, Suite 200
Ventura, CA 93003-6572
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<http://www.ventura.org/vcera>

September 19, 2016

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

SUBJECT: WAIVER OF RECOURSE; FISCAL YEAR 2016/17 FIDUCIARY LIABILITY INSURANCE

Dear Board Members:

Recommendations:

- 1) Receive and File the attached Statement of Fiduciary Liability Confirmation of Coverage and Binder of Insurance.
- 2) Each VCERA trustee pay a fee of \$9.09 in order to maximize the effectiveness of the fiduciary liability coverage and extend liability coverage to VCERA's individual trustees. (Please make checks payable to "VCERA" in the amount of \$9.09).

Background and Discussion:

VCERA recently renewed its fiduciary liability insurance policy (Policy) for the current fiscal year (FY 2016/17). As it was for FY 2015-16, the Policy renewal is priced at the annual premium of \$84,588.

As you are aware, fiduciary liability insurance is designed to protect acting fiduciaries of employee benefit plans against legal and statutory liability. California law permits a public retirement system to purchase insurance for its fiduciaries if the insurance coverage permits recourse by the insurer against the individual trustees whose breach gives rise to a claim. Accordingly, the 2016/17 Policy gives VCERA's insurance carrier, RLI Insurance Company (RLI), recourse against individual trustees. RLI pays any claim and then can recover losses from the individual trustees. VCERA's assets are protected, but not those of the individual trustees. RLI charges a nominal fee (\$100 in total) to waive the right of recourse and extend coverage to VCERA's individual trustees. The \$100 fee is intended to be paid by the individual trustees, or the appointing entity, but may not be paid from VCERA's assets.

VCERA recent premium payment for the Policy included the nominal \$100 fee to waive RLI's recourse rights against individual trustees. Thus, VCERA is required to collect \$9.09 from each of VCERA's individual trustees in order to remain compliant with California law regarding fiduciary liability coverage.

September 19, 2016

Page 2 of 2

Conclusion:

The payment of the nominal amount of \$9.09 by each of VCERA's individual trustees maximizes the effectiveness of the fiduciary liability coverage and extends coverage to the individual trustee level.

I will be pleased to respond to any questions you may have on this matter at the September 19, 2016 business meeting.

Sincerely,

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

Linda Webb
Retirement Administrator

Attachments



June 27, 2016

Emma Villalobos
AmWINS Insurance Brokerage CA
601 S Figueroa Street
Suite 4350
Los Angeles, CA 90017

Re: Ventura County Employees' Retirement Association
800 South Victoria Avenue, #L1970
Ventura, CA 93009
Expiring Policy: EPG0011883

EXECUTIVE PRODUCTS GROUP – BINDER OF INSURANCE

Issuing Company: RLI Insurance Company, A+ Admitted
Policy Number: EPG0500197
Policy Period: July 01, 2016 to July 01, 2017
Discovery Period: See Endorsement

Coverage: Governmental Plans Fiduciary Liability Policy

Policy Form: GEF 100 (04/11) / GEF 101 (04/11)
Limit of Liability: \$10,000,000 aggregate
Retention: \$0 Non-Indemnifiable Loss
\$25,000 all other Loss
Compliance Fee Sublimit: \$500,000
Endorsements: RIL 200 (10/00) - Attention Policyholder
UW 20334 (10/11) - State of California - Notice to Policyholder
UW 20342 (03/12) - Regarding US Treasury Dept - Office of Foreign Assets Contr
AmWins Amendatory Endorsement
Prior or Pending Date: July 01, 2001
Premium: \$84,488.00
Waiver: \$100

Surcharges: \$0.00
Total Premium and Surcharges: \$84,588.00
Insured Plans: Ventura County Employees' Retirement Association

In order to complete the underwriting process, we require the additional information requested above. This binder is issued for a temporary period of 0 days from the date of this notice. Such temporary binding of coverage shall be void ab initio ("from the beginning") if we have not received, reviewed, and approved in writing such materials within the aforementioned 0 days.

Further, these terms are strictly conditioned upon there being no material change in the risk between the date of this letter and the inception date of the proposed policy. If we determine such material change has occurred, we reserve the right to modify the terms, up to and including withdrawal of the terms.

Please review this binder carefully and notify RLI Insurance Company immediately of any inaccuracies or discrepancies.

This binder may only be changed or extended in writing by RLI Insurance Company.

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>

September 19, 2016

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

SUBJECT: SACRS VOTING DELEGATE

Dear Board Members:

Staff recommends the appointment of a voting delegate and alternate voting delegate for the Fall 2016 SACRS (State Association of County Retirement Systems) conference.

As you are aware, each member retirement system is expected to participate and vote at the SACRS Business Meeting. Staff will provide the voting proxy form to SACRS to reflect Board's direction.

Sincerely,



Linda Webb
Retirement Administrator

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>

September 19, 2016

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

**SUBJECT: AUTHORIZATION FOR TRUSTEE JOHNSTON TO ATTEND THE
2016 PUBLIC SAFETY EMPLOYEES PENSION & BENEFITS
CONFERENCE, AND PRE-CONFERENCE NCPERS ACCREDITED
FIDUCIARY PROGRAM (NAF) MODULES 3 & 4, OCTOBER 22ND – 26TH
IN LAS VEGAS, NEVADA**

Dear Board Members:

Trustee Johnston has requested authorization to attend the 2016 Public Safety Employees Pension & Benefits Conference, and to also take part in the pre-conference NCPERS Accredited Fiduciary Program (NAF) for Modules 3 and 4. The training and conference are October 22nd - 26th and the estimated cost to attend is approximately \$2600, including registration, airfare, hotel, meals and other related expenses.

Staff & Trustee Johnston will be pleased to respond to any questions you may have on this matter at September 19, 2016 business meeting.

Sincerely,



Linda Webb
Retirement Administrator

2016

Public Safety Employees Pension & Benefits Conference



OCTOBER 23 - 26
Planet Hollywood Hotel
Las Vegas, NV



Registration Information Inside

Follow Us on Twitter  #PublicSafety16

BACKGROUND

For over 30 years, the Public Safety Employees Pension & Benefits Conference has been the premier forum bringing together pension administrators, trustees, union leaders and representatives of the financial community to discuss issues related exclusively to retirement and other benefits for public safety employees.

Public safety employees – whether they are police officers, firefighters or other first responders – have traditionally required and received a higher level of benefits due to the risks they take in the course of their duties.

WHY ATTEND?

The NCPERS Public Safety Employees Pension & Benefits Conference is the ideal venue to:

- meet other top pension and benefits professionals
- exchange information
- participate in engaging educational discussions
- increase your working knowledge
- hear examples of best practices techniques
- learn the latest strategies in investment and management

NETWORK WITH TRUSTEES AND INDUSTRY EXPERTS FROM ACROSS THE COUNTRY

Following is a select listing of organizations that participated at this conference in 2015.

Acadian Asset Management, LLC
 American Century Investments
 Analytic Investors LLC
 Anchorage Police Department Employees Association
 Arkansas Local Police & Fire Retirement System
 Associated Fire Fighters of Illinois
 Austin Fire Fighters Relief & Retirement Fund
 Austin Police Retirement System
 Baltimore Fire Officers, Local 964
 Berman DeValerio
 Bleichmar Fonti Tountas & Auld LLP
 Blue Cross Blue Shield Association - National Labor Association
 Boston Firefighters Local 718
 Brockton Retirement Board
 Brookline Contributory Retirement System
 Broward County Firefighters, IAFF Local 4321
 Buck Consultants
 Capital Dynamics, Inc.
 Capital Group Companies
 Chattanooga Fire & Police Pension Fund
 Chicago Fire Fighters Union Local 2
 Chimides & Tikellis LLP
 City of Grand Rapids General Retirement System
 City of Lansing Police and Fire Retirement System
 City of Miami Fire Fighters & Police Officers
 City of Omaha Police and Fire Retirement System
 City of Pembroke Pines Police & Fire Retirement System
 City of Philadelphia Board of Pensions & Retirement
 City of Plantation's Police Officers' Retirement Fund
 City of Southfield Fire & Police Retirement System
 City of Warren Police & Fire Retirement Commission
 Clark County Fire Fighters Local 1908
 ClearBridge Investments
 Cohen Milstein Sellers & Toll PLLC
 Commonfund
 Conroe Firefighters' Retirement Fund
 Contra Costa County Employees Retirement Association
 Coon Rapids Fire Department Relief Association
 Dallas Police & Fire Pension System
 Detroit Policemen & Firemen Retirement System
 District of Columbia Retirement Board
 Employees' Retirement System of Milwaukee
 EnTrust Capital
 Euclid Advisors LLC
 Evanston Capital Management, LLC
 Fairfax County Professional Firefighters & Paramedics

Federated Fire Fighters of Wyoming
 Fire & Police Pension Association of Colorado
 Fire and Police Pension Fund, San Antonio
 Firefighters' Retirement Plan, City of St. Louis
 Firemens Retirement System of St. Louis
 Fisher Investments
 FOP Queen City Lodge #69
 Gallagher Benefit Services, Inc.
 Goldman Sachs Asset Management
 Great Lakes Advisors, Inc.
 Hagens Berman Sobol Shapiro LLP
 Holland Capital Management
 Houston Firefighters Relief & Retirement Fund
 Howard County Retirement System
 IAFF, AFL/CIO
 Identity Guard
 Illinois Public Pension Fund Association
 Investment Performance Services, LLC
 Iowa Peace Officers Retirement System
 J.P. Morgan
 Kansas City Missouri Police Retirement System
 Kehoe Law
 Labaton Sucharow LLP
 Leoff Plan 2 Retirement Board
 Loeff, Cabraser, Heimann & Bernstein, LLP
 Los Angeles County Employees Retirement Association
 Los Angeles County Firefighters, Local 1014
 Los Angeles Fire & Police Pension System
 Los Angeles Retired Fire & Police Association
 MacKayShields LLC
 MACRS, Inc.
 Marco Consulting Group, Inc.
 Medley Capital LLC
 Meketa Investment Group
 Mesirow Financial
 Miami Firefighters Relief & Pension Fund
 Milliman
 Minnesota Public Employees Retirement Association
 Montana Police Protective Association
 Motley Rice LLC
 National Troopers Coalition
 Nationwide
 NEPC, LLC
 New Jersey State Policemen's Benevolent Association
 Nikko Asset Management Americas, Inc.
 NJ State Firefighters Mutual Benevolent Association

Nuveen Investments
 NYC Uniformed Fire Officers Association
 Ohio Highway Patrol Retirement System
 Ohio Police & Fire Pension Fund
 Oklahoma Firefighters Pension and Retirement Fund
 One Stone Global
 Orange County Employees Retirement System
 Palm Bay Police & Firefighters' Pension Fund
 Pattonville Fire Protection District
 PensionGold Retirement Solutions
 Plymouth County Retirement Association
 Principal Global Investors
 Professional Fire Fighters Association of Connecticut
 Professional Fire Fighters of Massachusetts
 Professional Firefighters Association of New Jersey
 Professional Firefighters of Arizona
 Public Employee Retirement Administration
 Public Safety Personnel Retirement System of Arizona
 Robbins Geller Rudman & Dowd LLP
 Saxena White
 Segal Consulting
 Seizert Capital Partners
 Springfield Firefighter's Pension Fund
 Springfield Police Pension Fund
 Stamford Professional Firefighters, Local 786
 State Street Corporation
 State Troopers Fraternal Association of NJ, Inc.
 State Troopers Non Commissioned Officers Association of New Jersey
 State-Boston Retirement System
 Teachers Retirement System of NYC
 TIAA-CREF Asset Management
 Toronto Police Association
 Tortoise Capital Advisors
 Town of Queen Creek, Arizona
 Tulsa Firefighters Health & Welfare Trust
 UFCW Local 1994
 Ullico Casualty Group
 United Firefighters of LA City Local 112
 United Phoenix Fire Fighters Association, Local 493
 Utah Retirement Systems
 Van Eck Global
 Ventura County Professional Firefighters Association
 Washington State Council of Fire Fighters
 White Oak Global Advisors
 Williams & Jensen, PLLC

SCHEDULE OF EVENTS*

*This is a preliminary schedule and subject to change.

SUNDAY, OCTOBER 23

3:00 pm - 6:00 pm Registration
5:00 pm - 6:00 pm Welcoming Reception

MONDAY, OCTOBER 24

7:00 am - 8:00 am Breakfast
7:00 am - 1:00 pm Registration
7:00 am - 1:00 pm Exhibition
8:00 am - 1:00 pm General Session

- 2017 Economic Outlook
- Brexit: What Does It Mean for Safety Plans Investments?
- Medicare Access at Age 55 for Police and Fire

5:00 pm - 6:00 pm Networking Reception

TUESDAY, OCTOBER 25

7:00 am - 8:00 am Breakfast
7:00 am - 1:00 pm Registration
7:00 am - 1:00 pm Exhibition
8:00 am - 1:00 pm General Session

- State Battles and Preparing for the 2017 State Legislative Cycle
- Looking at Total Compensation: Cost Basis vs. Relative-Value Basis
- Unique Challenges Facing Public Safety Plan Trustees

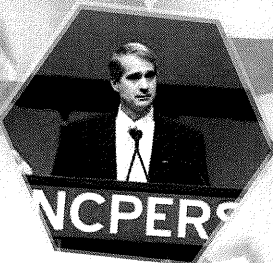
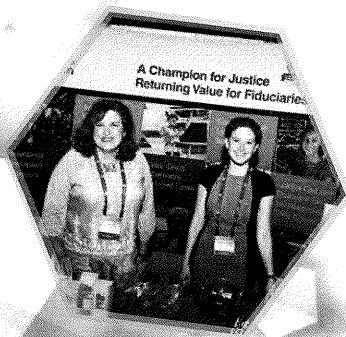
5:00 pm - 6:00 pm Networking Reception

WEDNESDAY, OCTOBER 26

7:00 am - 8:00 am Breakfast
7:00 am - 1:00 pm Registration
7:00 am - 11:00 am Exhibition
8:00 am - 1:00 pm General Session

- Disability Claims: How Should You Approach a Tough Case?
- Pension Benefit Increase: A Case Study On How The Illinois Firefighters Got This Done
- Sustainability of DROP Plans

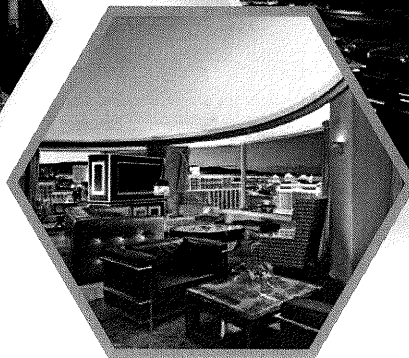
1:00 pm - 1:30 pm Open Forum



HOTEL INFORMATION

Planet Hollywood Hotel

3667 Las Vegas Boulevard South
Las Vegas, NV 89109
Tel: (866) 919-7472
www.caesars.com/planet-hollywood



RESERVATIONS

Book your hotel room before **Thursday, September 22** and save on lodging costs with NCPERS' special discounted room rate. Reservation requests after the cut-off date will be based on availability and billed at prevailing rates.

Room Rate \$139 single/double occupancy

Reservation Deadline Thursday, September 22

Reservations 877-603-4389 and reference the NCPERS Public Safety Conference or online at www.NCPERS.org

RESERVATION CANCELLATION POLICY

Reservations must be cancelled up to (72) seventy-two hours prior to scheduled arrival date or guest will be charged (1) one night's room rate plus tax.

CHECK-IN/CHECK-OUT

Check-in time at the hotel is 4:00 p.m. The hotel will make reasonable efforts to accommodate early arrivals. Check-out time is 11:00 a.m. Attendees staying in their rooms beyond the check-out time without authorization will be charged for an additional room night.

AIRPORT

McCarran International Airport (LAS) is approximately 3.0 miles from the hotel.

REGISTRATION FORM

ATTENDEE REGISTRATION

	Early-Bird Registration Fee (Before September 22)	Late Registration Fee (After September 22 or Onsite)
<input type="radio"/> Fund Member	\$650	\$800
<input type="radio"/> Corporate Member	\$850	\$1,000
<input type="radio"/> Speaker Fee	\$850	\$850

Attendee Name: _____
 Title: _____
 Organization: _____
 Preferred Mailing Address: _____
 City: _____ State: _____ Zip Code: _____
 Phone: _____ Fax: _____
 E-mail Address*: _____

*Please provide your e-mail address for conference updates and registration confirmation!

GUEST REGISTRATION

	Early-Bird Registration Fee (Before September 22)	Late Registration Fee (After September 22 Or Onsite)
<input type="radio"/> Guest*	\$100	\$150
<input type="radio"/> Children Under 12	\$75	\$100

*A guest refers to a spouse or personal friend, not a business associate, staff member or colleague. All guests must be registered to attend NCPERS events. The registration fee covers all breakfasts and receptions.

First Name: _____ Last Name: _____
 First Name: _____ Last Name: _____

REGISTRATION SUMMARY

Attendee Registration	\$ _____	Guest Registration	\$ _____
Speaker Registration	\$ _____	GRAND TOTAL (U.S. funds)	\$ _____

PAYMENT METHODS

(All payments must be in U.S. funds)

Online at www.NCPERS.org

You will need your username and password to register online.

Check

Make checks payable to "NCPERS" and mail to:
 444 North Capitol Street, NW
 Suite 630
 Washington, DC 20001

CANCELLATION POLICY

Registration cancellations must be received in writing by September 22 to receive a refund and will be subject to a \$100 processing fee for fund and corporate member registrations and \$50 for guest registrations. No refunds will be given after September 22. Please fax your cancellation request to 202-624-1439 or email registration@ncpers.org.

Credit Card

Fax credit card registrations to 202-624-1439.

American Express  Visa  MasterCard 

Account Number: _____

Expiration Date: _____ CC Verification Code: _____

Name (on the card): _____

Billing Address: _____

City: _____ State: _____ Zip Code: _____

Total Amount Charged: \$ _____

By submitting this form, I certify I have read and understand the terms of this registration. If paying by credit card, I authorize NCPERS to charge my card for the total amount indicated.

Cardholder Signature (REQUIRED): _____

EXHIBIT BOOTH REGISTRATION

EXHIBIT BOOTH FEE: \$1,500 (fee includes registration for two people)

PRIMARY CONTACT FOR BOOTH LOGISTICS

This individual will receive all information regarding your exhibit booth.

First Booth Staffer Second Booth Staffer

Primary Contact Name: _____

Organization: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone: _____ Fax: _____

E-mail Address: _____

FIRST BOOTH STAFFER

First Name _____ Last Name _____

Organization Name _____

Daytime Phone _____

E-mail Address _____

SECOND BOOTH STAFFER

First Name _____ Last Name _____

Organization Name _____

Daytime Phone _____

E-mail Address _____

INDEMNIFICATION AND HOLD HARMLESS

The exhibitor indemnifies and agrees to hold harmless NCPERS and Planet Hollywood Resort & Casino, their officers, directors, employees, and agents from any and all actions, claims, damages, losses, and expenses, including attorney's fees, arising from any and all damages or losses to properties of, or bodily injuries to exhibitor, his/her agents, representatives, employees, or invitees by reason of the exhibitor's occupancy or use of the exhibition facilities.

Executed this ____ day of _____ 2016

By: _____

For: _____

PAYMENT METHODS

(All payments must be in U.S. funds)

Check

Make checks payable to "NCPERS" and mail to:

444 North Capitol Street, NW
Suite 630
Washington, DC 20001

CANCELLATION POLICY

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Credit Card

Fax credit card registrations to 202-624-1439.

American Express  Visa  MasterCard 

Account Number: _____

Expiration Date: _____ CC Verification Code: _____

Name (on the card): _____

Billing Address: _____

City: _____ State: _____ Zip Code: _____

Total Amount Charged: \$ _____

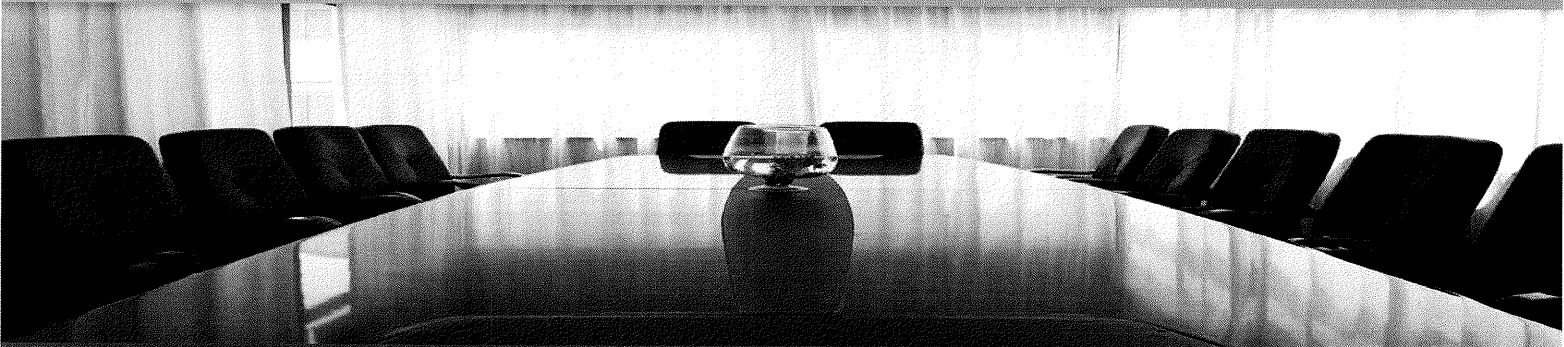
By submitting this form, I certify I have read and understand the terms of this registration. If paying by credit card, I authorize NCPERS to charge my card for the total amount indicated.

Cardholder Signature (REQUIRED): _____



NCPERS ACCREDITED FIDUCIARY PROGRAM (NAF) MODULES 3 & 4

STRONG BOARDS, SOLID GOVERNANCE, STABLE RETURNS



October 22 – 23 | Planet Hollywood Hotel | Las Vegas, NV

BACKGROUND

In this era of heightened accountability and governance obligations, the personal liability of trustees has intensified. In light of this, NCPERS has developed a trustee accreditation program to provide existing and future pension trustees with the training they need to develop, improve and maintain their knowledge and skills.

Fiduciary accreditation validates the expertise and role of trustees and can be a guide for boards making appointments, providing a framework by which the quality of a candidate's credentials can be assessed.

An accredited program specifically tailored for public pension trustees – providing information, best practices, and strategies for governing public funds in an ever-changing environment. This program will include material from leading experts, dynamic classroom participation, and interactive simulations.

Module 3
**Legal, Risk Management,
and Communication**

Module 4
Human Capital

WHO SHOULD ATTEND?

Elected or appointed public pension trustees interested in the next level of professional development.

WHAT WILL YOU RECEIVE?

Participants will earn six (6) hours of continuing education (CE) credit for each two (2) modules completed.

Participants who complete all four (4) modules will have an opportunity to complete an exam and if successful, receive a certificate and plaque showcasing their newly earned **Accredited Fiduciary (AF)** designation.

REGISTRATION

This program is not open to NCPERS corporate members or guests. Class size limited to 50 participants. Registration fee includes continental breakfast and lunch.

Cost: \$550 (early-bird rate)
\$750 (after September 22)

SCHEDULE

SATURDAY, OCTOBER 22

8:00 AM – 2:00 PM

Module 3 – Legal, Risk Management and Communication

Learning Objectives

- Understanding the legal and risk oversight duties of your Board and you as an individual trustee.
- What are the roles and responsibilities of the Audit Committee?
- Responding to media and the importance of your corporate reputation.
- Effective stakeholder communication.

Answers the Questions

- What are you and your Board's fiduciary duties related to legal and risk oversight?
- How does your Board spot and guard against fraudulent behavior?
- How should your Board manage relationships with external parties?
- How can your Board effectively communicate with stakeholders (Management, Pensioners, Employees)?

SUNDAY, OCTOBER 23

8:00 AM – 2:00 PM

Module 4 – Human Capital

Learning Objectives

- The fundamentals of the total executive compensation design.
- The use of compensation strategies and performance management plans to guide behavior and maximize fund performance.
- Ensure employment contracts and service agreements avoid pitfalls and facilitate positive growth transitions.
- The importance of ongoing development and active succession planning for key roles within your fund.

Answers the Questions

- How does your Board establish a defensible compensation program?
- What is your Board's role in establishing a pay-for-performance culture?
- What are the key elements within executive employment contracts and personal service agreements?
- How can your Board develop and maintain a skilled executive pipeline for the future?

ATTENDEE REGISTRATION

	Early-Bird Registration Fee (Before September 22)	Late Registration Fee (After September 22 or Onsite)
<input type="radio"/> Fund Member	\$550	\$750
<i>**This program is not open to NCPERS corporate members or guests. Class size limited to 50 participants.</i>		

Attendee Name: _____
 Title: _____
 Organization: _____
 Preferred Mailing Address: _____
 City: _____ State: _____ Zip Code: _____
 Phone: _____ Fax: _____
 E-mail Address*: _____

**Please provide your e-mail address for conference updates and registration confirmation!*

REGISTRATION SUMMARY

Attendee Registration \$ _____ **GRAND TOTAL (U.S. funds)** \$ _____

PAYMENT METHODS (All payments must be in U.S. funds)

Online at www.NCPERS.org
 You will need your username and password to register online.

Check
 Make checks payable to "NCPERS" and mail to:

NCPERS
 444 North Capitol Street, NW
 Suite 630
 Washington, DC 20001

CANCELLATION POLICY

Registration cancellations must be received in writing by September 22 to receive a refund and will be subject to a \$100 processing fee. No refunds will be given after September 22. Please fax your cancellation request to 202-624-1439 or email registration@ncpers.org.

Credit Card | Fax credit card registrations to 202-624-1439.

American Express  Visa  MasterCard 

Account Number: _____

Expiration Date: _____ CC Verification Code: _____

Name (on the card): _____

Billing Address: _____

City: _____ State: _____ Zip Code: _____

Total Amount Charged: \$ _____

By submitting this form, I certify I have read and understand the terms of this registration. If paying by credit card, I authorize NCPERS to charge my card for the total amount indicated.

Cardholder Signature (REQUIRED): _____

Johnston

NCPERS Accredited Fiduciary Program and Public Safety Pension and Benefits Conference

October 21/22 and October 23/26

NAF	550
Conference	650
Lodging	875
Food	203
Air Fare	175
Ground Tx	100
Total	2553



Tuesday, November 8

		Golf Tournament Contact Crystal Stockey, StepStone Group for sponsorship opportunities and to register. cstockey@stepstoneglobal.com
3:00 PM	6:30 PM	SACRS Registration
3:00 PM	5:00 PM	New Trustee Training & Advanced Trustee Training Combo SACRS members will participate in an interactive game where they will allocate across asset classes to maximize for Sharpe Ratio and hit required rate of return. Speaker: JP Morgan
3:00 PM	5:00 PM	Disability/Ops Breakout
5:30 PM	6:30 PM	SACRS Welcome Reception

Wednesday, November 9

6:45 AM	7:45 AM	SACRS Yoga Want to impress your benefits manager when you go back to the office? Participate in the SACRS Wellness Sessions! Yoga with SACRS is open to all levels, from beginner to expert. Although yoga poses are physical exercise, they have the added benefit of bringing great balance to the mind, body and spirit. A morning yoga session is a great way to energize before our busy conference day. <i>*Professional Yoga instructor will lead class, no fee to participate for conference attendees & guests, preregistration required, towels and water will be available, and all participants must submit a waiver prior to class.</i>
7:30 AM	8:30 AM	SACRS Breakfast
7:30 AM	6:00 PM	SACRS Registration
8:30 AM	9:00 AM	General Session Welcome & Awards
9:00 AM	10:00 AM	General Session Keynote 2016 Elections
10:00 AM	10:30 AM	SACRS Networking Break
10:30 AM	11:30 AM	General Session - Implications for Private Markets Speaker: David Rubenstein, The Carlyle Group
11:35 AM	12:35 AM	General Session TBA
12:40 PM	1:50 PM	SACRS Lunch
2:00 PM	3:00 PM	General Session - Outside the Box: The Power of Diversity The Diversity Panel will address the impact that diversity in the boardroom has in the context of investing, fund performance and corporate governance. Speakers: Rosie Rios, 43 rd U. S. Treasurer, Betty Tse, Alameda CERA
3:15 PM	5:00 PM	Administrators Breakout
3:15 PM	5:00 PM	Affiliate Breakout
3:15 PM	5:00 PM	Attorney Breakout
3:15 PM	5:00 PM	Disability Breakout

*This is a preliminary agenda, please check SACRS.ORG for updates to the agenda for updates.



3:15 PM	5:00 PM	Accounting/Internal Auditors Breakout
3:15 PM	5:00 PM	Investment Breakout
3:15 PM	5:00 PM	Ops/Benefit Breakout
3:15 PM	5:00 PM	Safety Breakout
3:15 PM	5:00 PM	Trustee Breakout
4:30 PM	5:30 PM	SACRS Legislative Committee Meeting
6:00 PM	10:00 PM	Annual Wednesday Evening Event Location: TBA

Thursday, November 10

6:45 AM	7:45 AM	<p>SACRS 5K Fun Run/Walk</p> <p>Don't miss SACRS 5K Fun Run/Walk! Enjoy the cool Indian Wells morning with an invigorating walk, jog or run with fellow SACRS conference attendees along an easy 5K (3.1 miles) course. The 5K Fun Run/Walk is a great way for SACRS conference attendees and guests to come together and get moving before the day's educational sessions. All participants receive a SACRS Fun Run/Walk T-Shirt, water and a snack at the end of the Run/Walk.</p> <p><i>*Registration is \$10 per person, the course is flat and paved, direction signs will be along course along with pocket maps, pre-registration required, and all participants must submit a waiver prior to Run/Walk.</i></p>
7:30 AM	8:30 AM	SACRS Breakfast
7:30 AM	6:00 PM	SACRS Registration
8:30 AM	9:00 AM	<p>General Session</p> <p>Welcome and Veterans Honor</p>
9:00 AM	10:00 AM	<p>General Session – Keynote</p> <p>Speaker: Cliff Asness, AQR</p>
10:00 AM	10:30 AM	SACRS Networking Break
10:35 AM	11:35 AM	<p>General Session - Transportation</p> <p>Speakers: TBA</p>
11:40 AM	12:40 PM	<p>General Session – Annual System Comparison</p> <p>Speaker: Becky Gratsinger, RVK</p>
12:40 PM	1:50 PM	SACRS Lunch
2:00 PM	3:00 PM	<p>General Session</p> <p>TBA</p>
3:15 PM	4:15 PM	<p>Concurrent Session A - The Cost of Fiduciary Business</p> <p>Monitoring and controlling costs is a primary fiduciary responsibility for all funds and trusts. In this survey, Callan compares the costs of administering and operating funds and trusts across all types of tax-exempt and tax-qualified organizations in the U.S. We identify practices and trends to help institutional investors manage expenses.</p> <p>Speakers: Callan</p>
3:15 PM	4:15 PM	<p>Concurrent Session B - Compliance</p> <p>Speaker: TBA</p>

*This is a preliminary agenda, please check SACRS.ORG for updates to the agenda for updates.



3:15 PM	4:15 PM	Concurrent Session C Speaker: Shawna Ferguson, Global Diversity and Inclusion
4:15 PM	4:45 PM	SACRS Network Break
4:45 PM	5:45 PM	Concurrent Session A – SACRS 2016 Legislative Update Speakers: Richard Stensrud, Sacramento CERA, Jim Lites, SACRS Consultant, Trent Smith & Mike Robson, SACRS Lobbyist
4:45 PM	5:45 PM	Concurrent Session B - Disability Speaker: TBA
4:45 PM	5:45 PM	Concurrent Session C Speaker: Shawna Ferguson, Global Diversity and Inclusion
4:30 PM	5:30 PM	Education Committee Meeting
6:00 PM	7:00 PM	SACRS Reception

Friday, November 11

7:30 AM	8:30 AM	SACRS Breakfast
8:30 AM	9:30 AM	General Session Speaker: TBA
9:30 AM	9:45 AM	SACRS Break
9:45 AM	Upon Adj	SACRS Business Meeting
Upon Adj	Upon Adj	SACRS BOD

*This is a preliminary agenda, please check SACRS.ORG for updates to the agenda for updates.

Buttonwood | False hope

Most trading strategies are not tested rigorously enough

LET me tell you about the perfect investment offer. Each week you will receive a share recommendation from a fund manager, telling you whether the stock's price will rise or fall over the next week. After ten weeks, if all the recommendations are proved right, then you should be more than willing to hand over your money for investment. After all, there will be just a one-in-a-thousand chance that the result is down to luck.

Alas, this is a well-known scam. The promoter sends out 100,000 e-mails, picking a stock at random. Half the recipients are told that the stock will rise; half that it will fall. After the first week, the 50,000 who received the successful recommendation will get a second e-mail; those that received the wrong information will be dropped from the list. And so on for ten weeks. At the end of the period, just by the law of averages, there should be 98 punters convinced of the manager's genius and ready to entrust their savings.

As a paper* published last year in the *Journal of Portfolio Management* argued, this is a classic example of the misuse of statistics. Conduct enough tests on a bunch of data—run through half a million genetic sequences to find a link with a disease, for example—and there will be many sequences that appear meaningful. But most will be the result of chance.

This is a problem that has dogged scientists across many disciplines. There is a natural bias in favour of reporting statistically significant results—that a drug cures a disease, for example, or that a chemical causes cancer. Such results are more likely to be published in academic journals and to make the newspaper headlines. But when other scientists try to replicate the results, the link disappears because the initial result was a random outlier. The debunking studies, naturally, tend to be less



well reported.

Faced with this problem, scientists have turned to tougher statistical tests. When searching for a subatomic particle called the Higgs Boson, they decided that to prove its existence, the results had to be five standard deviations from normal—a one-in-3.5-million chance.

Financial research is highly prone to statistical distortion. Academics have the choice of many thousands of stocks, bonds and currencies being traded across dozens of countries, complete with decades' worth of daily price data. They can back-test thousands of correlations to find a few that appear to offer profitable strategies.

The paper points out that most financial research applies a two-standard-deviation (or "two sigma" in the jargon) test to see if the results are statistically significant. This is not rigorous enough.

One way round this problem is to use "out-of-sample" testing. If you have 20 years of data, then split them in half. If a strategy works in the first half of the data, see if it also does so in the second out-of-sample period. If not, it is probably a fluke.

The problem with out-of-sample test-

ing is that researchers know what happened in the past, and may have designed their strategies accordingly: consciously avoiding bank stocks in 2007 and 2008, for example. In addition, slicing up the data means fewer observations, making it more difficult to discover relationships that are truly statistically significant.

Campbell Harvey, one of the report's authors, says that the only true out-of-sample approach is to ignore the past and see whether the strategy works in future. But few investors or fund managers have the required patience. They want a winning strategy now, not in five years' time.

The authors' conclusions are stark. "Most of the empirical research in finance, whether published in academic journals or put into production as an active trading strategy by an investment manager, is likely false. This implies that half the financial products (promising outperformance) that companies are selling to clients are false."

For the academics, the lesson is simple. Much more rigorous analysis will be needed in future to reduce the number of "false positives" in the data. As for clients of the investment industry, they need to be much more sceptical about the brilliant trading strategies that fund managers try to sell them.

All this will leave many readers wondering how to invest their savings. That's fine. Buttonwood has an investment strategy that is sure to boost your wealth. Just send your e-mail address and a stock tip will arrive every month...

* "Evaluating Trading Strategies" by Campbell Harvey of Duke University and Yan Liu of Texas A&M University, *Journal of Portfolio Management*, 40th anniversary issue <http://www.ijournals.com/doi/abs/10.3905/jpm.2014.40.5.108>

TRUSTEES' ROUNDTABLE

Friday, September 30, 2016
Marriott Burbank Airport,
2500 N Hollywood Way, Burbank, CA

AGENDA

- 8:30 a.m. Registration & Continental Breakfast
- 9:00 a.m. Welcome & Introductions
Name, Organization, Appointed/Elected, Year(s) in the position.
- 9:15 a.m. Trustee Roundtable Discussion – Open Forum!
Any topic that piques your interest as it relates to your plan.
- 10:30 a.m. Break
- 10:40 a.m. Plan Governance – You Can Look BUT Don't Touch! (Speaker TBA)
- 12:00 p.m. Lunch Buffet – Trustees' Operating Environment – Who is Holding Whom Hostage? (Speaker TBA)
- 1:15 p.m. Working With the Plan's Staff – (Speaker TBA)
- 2:30 p.m. Trustee Roundtable Discussion – Wrap UP!
Review of an issue as it relates to your plan.
- 3:00 p.m. Select chair (or co-chairs) for next Roundtable
- 3:30 p.m. Adjourn

Mark your calendar for the next CALAPRS Trustees' Roundtable in February 2017 in Northern California.



**MERCED COUNTY
EMPLOYEES' RETIREMENT
ASSOCIATION**

Telephone 209-726-2724
Fax 209-725-3637
Email: mcera@co.merced.ca.us

**3199 "M" Street
Merced, California 95348**

August 25, 2016

Governor Jerry Brown
c/o State Capitol, Suite 1173
Sacramento, CA 95814

RE: Opposition to Assembly Bill No. 1853

Dear Governor Brown:

The Merced County Employees' Retirement Association (MCERA) Board of Retirement writes to express our non-support of Assembly Bill No. 1853.

MCERA is a retirement system (Plan) organized under the County Employees Retirement Law of 1937 (CERL) by the Merced County Board of Supervisors (Plan Sponsor). This Assembly Bill would authorize any retirement system under CERL to unilaterally form a separate independent district by a simple vote by the Board of Retirement and assume specified responsibilities. These responsibilities would include added administrative costs that the MCERA Board of Retirement considers fiscally imprudent and thus conflicts with MCERA's fiduciary duties. It is also believed that the majority of labor unions and California State Association of Counties (CSAC) do not support this Bill. Finally, MCERA contends that passage of this Bill will create a divisive relationship between the Plan and the Plan Sponsor.

Responsible solutions should continue to be explored to identify and address more cost effective and efficient operational aspects of public sector retirement Plans. CERL Plans seeking to be a separate independent district should explicitly be included in the current legislative statute along with the existing separate district Plans. MCERA believes, however, that the current formulation of AB 1853 would only present additional legal and administrative challenges to CERL Plans, but provide no real benefit.

Sincerely,

MERCED COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

BY 
Darlene Ingersoll, Chair
MCERA Board of Retirement

cc: California County Employees' Retirement Systems ✓
Assembly Member Cooper

RECEIVED

SEP 01 2016

VENTURA COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

1 of 1

MASTER PAGE NO. 208

INTERMEDIATE COURSE
in Retirement Plan Administration

MARRIOTT BURBANK AIRPORT | 2500 N HOLLYWOOD WAY, BURBANK, CA 91505

FIRST DAY AGENDA
WEDNESDAY, OCTOBER 5, 2016

12 NOON	BUFFET LUNCH FOR ALL PARTICIPANTS
1:00 – 1:30 PM	WELCOME AND INTRODUCTION
1:30 – 4:00 PM	RETIREMENT BENEFITS <i>Speaker: Christie Porter, Chief Operating Officer San Bernardino County Employees' Retirement Association</i>
4:00 – 4:30 PM	NETWORKING BREAK
4:30 – 5:30 PM	CASE STUDY - MIXER <i>Hosted by the California Association of Public Retirement Systems (CalAPRS)</i>

SECOND DAY AGENDA
THURSDAY, OCTOBER 6, 2016

7:30 AM	BUFFET BREAKFAST
8:15 – 8:30 AM	FOLLOW-UP QUESTIONS & COMMENTS FROM PREVIOUS DAY
8:30 – 10:15 AM	RETIREMENT PLAN ADMINISTRATION <i>Speaker: Lita Payne, Assistant General Manager Los Angeles City Employees' Retirement System</i>
10:15 – 10:30 AM	NETWORKING BREAK
10:30 – 12 Noon	PENSION FUNDING & ACTUARIAL VALUATION <i>Speaker: David Holland, Consulting Actuary, Cheiron, FSA/EA</i>
12 Noon – 1:00 PM	LUNCH – NETWORKING OPPORTUNITY
1:00 – 1:30 PM	FOLLOW-UP QUESTIONS & COMMENTS FROM MORNING DISCUSSIONS
1:30 – 2:45 PM	INVESTMENT ISSUES (ASSETS) <i>Speaker: Donald Pierce, Chief Investment Officer San Bernardino County Employees' Retirement Association</i>
2:45 – 3:00 PM	NETWORKING BREAK
3:00 – 4:30 PM	FIDUCIARY DUTY <i>Speaker: Thomas Webster, Deputy Director (Retired) San Jose Police And Fire/Federated City Employees Retirement System</i>

THIRD DAY AGENDA
FRIDAY, OCTOBER 7, 2016

7:30 AM	BUFFET BREAKFAST
8:30 – 9:00 AM	FOLLOW-UP QUESTIONS AND COMMENTS FROM PREVIOUS DAY'S DISCUSSIONS
9:00 – 12:00 AM	GROUP BREAKOUT <ul style="list-style-type: none"> ➤ Groups will rejoin and discuss answers to the case study presented at the Mixer keeping in mind the impact of lessons learned in the various sessions. ➤ Open Forum ➤ Questions ➤ Overall Course Evaluation ➤ Presentation of Certificates
12:00 – 1:00	NETWORKING LUNCH
1:00 PM	COURSE CONCLUDES

BETWEEN A ROCK AND A HARD PLACE – P & I

DISMAL RETURNS, POOR PROJECTIONS PUSH PUBLIC PLANS TO PARE INVESTMENT GAIN EXPECTATIONS

By Randy Diamond

Allan Emkin said the next decade won't replicate historical returns.

As public pension plans disclose a second consecutive fiscal year of lackluster returns, amid projections of diminished investment earnings for the next decade, more public asset owners will have little choice but to lower rate of return expectations, consultants and analysts said.

U.S. public pension plans earned a median return of 1.07% in the fiscal year ended June 30, according to the Wilshire Trust Universe Comparison Service, worse than the median 3.43% in the prior fiscal year. It is the second year in a row that returns were nearly flat and well below the yearly 7.5% return target of many plans.

"I think they have to lower their rate of return; and if you look at the trend, that is what has, in fact, been happening," said Allan Emkin, whose firm, [Pension Consulting Alliance](#), consults for some of the largest defined benefit plans in the U.S., including the \$303.3 billion [California Public Employees' Retirement System](#) and the \$188.7 billion [California State Teachers' Retirement System](#).

"There are unprecedented headwinds: the lowest historic rates of return in the bond market, and risk assets are all fully priced," said Mr. Emkin, co-founder and managing director at PCA in Los Angeles.

"It's really difficult to see how historic rates of return will be replicated in the next 10 years," he said.

The investment performance of the past 30 years reflected a "golden era" that won't likely be repeated, said Sree Ramaswamy, a Washington-based senior fellow at the McKinsey Global Institute. He projects that total returns for U.S. equities over the next 20 years could average 4% to 5%, because of slowing GDP growth and increased competition from abroad, roughly 250 basis points below the average from 1985 to 2014.

One challenge for pension plans is the assumed inflation rate, which is factored into expected rates of return, and the question of whether plans have reduced those assumptions enough to account for what economists believe will be a long-term, low-rate inflation environment. Another issue: Most public pension plans are paying out more in benefits than they take in from contributions and investment income in a given year, meaning they have to sell assets to pay retirees, a problematic answer when markets are struggling.

In any case, lowering return assumptions can have big implications. It increases the unfunded liabilities of U.S. public pension plans, a figure that the Federal Reserve says increased to \$1.7

trillion in calendar year 2015, from \$1.4 trillion in 2014 and \$354 billion in 2005. As a result, governmental units must make larger pension contributions.

Florida Retirement

One pension system that is considering lowering its rate of return is the \$141.4 billion Florida Retirement System, Tallahassee, which earned a return of 0.61% in the fiscal year ended June 30.

“Obviously the persistent low interest rate environment we have been in has depressed returns and likely will continue to do so,” said Dennis MacKee, director of communications for the [Florida State Board of Administration](#), which oversees the fund. Mr. MacKee said the SBA would likely be supportive of a reduction in the system's 7.65% assumed rate of return. The actual rate, he said, is set by the Actuarial Assumption Conference, a government body that meets each fall and evaluates adjusting the rate of return.

Dick Ingram, the executive director of the \$43.8 billion [Illinois Teachers' Retirement System](#), Springfield, is still waiting for a calculation of the fund's June 30 fiscal year returns but noted, “It wasn't a lights-out year for anyone.”

Mr. Ingram said a review of the system's rate of return should be completed by spring. He said he didn't want to prejudge what will ultimately be a retirement system board decision but did say, “Certainly there's plenty of evidence that we're in a protracted low-return environment.”

The largest public pension plan to lower its assumption in the last 12 months is the \$181 billion [New York State Common Retirement Fund](#), Albany, which cut its rate of return assumption to 7%, from 7.5%, in September 2015.

Most recently, the \$8.4 billion [Oklahoma Public Employees Retirement System](#), Oklahoma City, lowered its rate to 7.25% from 7.5%.

Other plans that have made reductions include: the \$7.2 billion [New Hampshire Retirement System](#), Concord, which lowered its rate of return to 7.25% from 7.75%, the \$48.5 billion [Pennsylvania Public School Employees' Retirement System](#), Harrisburg, which lowered its rate of return to 7.25% from 7.5%, and the \$8 billion [Missouri State Employees' Retirement System](#), Jefferson City, which lowered its rate of return to 7.65% from 8%, show data from the National Association of State Retirement Administrators.

Two pension plans reduced their rate of return to less than 7% in 2016. The \$12.3 billion Maine Public Employees' Retirement System, Augusta, went to 6.875% from 7.125% and the \$10.8 billion [Kentucky Retirement Systems](#), Frankfort, went to 6.75% from 7.5%. They joined the \$24 billion [Texas Municipal Retirement System](#), Austin, whose board in July 2015 approved reducing its rate of return to 6.75% from 7%.

Continuing trend

Keith Brainard, research director of NASRA, said the latest round of reductions is a continuation of a trend that began after the financial crisis when many public pension plans began cutting their rate of return assumptions to 7.5% from 8%. Currently, he said, the average public pension plan anticipates a 7.5% rate of return, but he added a number of plans have begun to review those assumptions given the cloudy economic forecast for coming years.

But many plans, including CalPERS and CalSTRS, have not made a decision yet on lowering the assumed return. CalPERS earned 0.6% in its most recent fiscal year, while CalSTRS did slightly better at 1.4%; both significantly underperformed their 7.5% return assumptions.

CalPERS Chief Investment Officer Theodore Eliopoulos told the system's investment committee on Aug. 15 that the retirement system's general investment consultant, [Wilshire Associates](#), expects an annualized average investment return of 6.21% over the next decade, 90 basis points lower than its prediction two years earlier.

"The next two years, the next five years and, perhaps, the next 10 years are shaping up to be the most challenging market environment for us, for institutional investors and for pension funds going forward," Mr. Eliopoulos told the investment committee.

Wilshire Associates did issue a rosier long-term prediction for CalPERS: an annualized 7.83% return for 30 years.

The CalPERS investment committee voted last November to lower the fund's rate of return to 6.5% from 7.5% over 20 years, but the plan only lowers the rate of return and reduces the amount of riskier assets, like equities, in extended periods during which the system has returns over 7.5%.

Last year's action doesn't prevent CalPERS from making a more immediate rate of return reduction, but Mr. Eliopoulos would not comment on that possibility. The investment committee is scheduled to review rate of return assumptions starting next year.

Increasing strain

Even without lowering return assumptions, the \$1.7 trillion in U.S. public pension plan unfunded liabilities already is putting increasing strain on state, local governments and school districts, said Thomas Aaron, a Chicago-based vice president and senior analyst at Moody's Investors Service.

He said a Moody's sample of 108 public pension plans across 50 states shows the median government contribution rate relative to payroll reached 16.3% in 2015, up from 9.9% in 2006. Another concern is that many public pension plans are relying on riskier assets to drive returns of more than 7%, he said.

"We currently have heightened unfunded liabilities and contribution requirements, which are pressuring government budgets like never before, and at the same time there still remains a lot of downside asset risk that could further result in more unfunded liabilities and even higher contribution requirements," Mr. Aaron said.