

# VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## BOARD OF RETIREMENT

### BUSINESS MEETING

MAY 22, 2023

### AGENDA

**PLACE:** Ventura County Employees' Retirement Association  
Second Floor, Boardroom  
1190 S. Victoria Avenue, Suite 200  
Ventura, CA 93003

*The public may listen to the Public Session and offer comments by calling: +1 213-338-8477, using Meeting ID: 885-3975-8514. Persons may also submit written comments to [publiccomment@vcera.org](mailto:publiccomment@vcera.org) prior to and during the Board meeting. Please include your name, agenda item, the last 4 numbers of the telephone number that will be used to call in, and your comment. Public comment emails will be read into the record or summarized if lengthy.*

Note: The Board may take action on any item on the agenda, and agenda items may be taken out of order.

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

**ITEM:**

**I. CALL TO ORDER**

A. Roll Call.

**II. APPROVAL OF AGENDA**

**III. CONSENT AGENDA**

A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of April 2023.

B. Receive and File Report of Checks Disbursed in April 2023.

C. Approve Disability & Business Meeting Minutes of April 17, 2023.

**IV. INVESTMENT MANAGER PRESENTATIONS**

A. Receive Annual Investment Presentation from Bridgewater: Clark Thiemann and Melissa Saphier.

B. Receive Annual Investment Presentation from PIMCO: Neal Reiner, Andy Mark, Kevin Gray, and Catherine Roddy.

**V. INVESTMENT INFORMATION**

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

- A. \$50 Million Commitment to Abbott Secondary Opportunities Fund III, LP.  
**RECOMMENDED ACTION: Approve.**
1. Staff Letter by Chief Investment Officer.
  2. Joint Fund Recommendation Report from NEPC.
  3. Abbott Secondary Opportunities Fund III Presentation: Meredith Rerisi and Young Lee.
- B. Quarterly Investment Performance Report For Period Ending March 31, 2023.  
**RECOMMENDED ACTION: Receive and File.**
- C. Monthly Performance Report Month Ending April 30, 2023.  
**RECOMMENDED ACTION: Receive and File.**

**VI. OLD BUSINESS**

- A. Alameda Implementation Status Report.
1. VPAC Status Report dated May 22, 2023
- B. (1) Approval of the Attached Request for Proposal (RFP) for Actuarial Auditing Services; (2) Direct Staff to Issue the RFP from the List of Candidates; and (3) Direct Staff to Review the Responses to the RFP and Develop a Recommendation to the Board Regarding the Firm that Should be Selected for the Engagement.  
**RECOMMENDED ACTION: Approve.**
1. Staff Letter from Chief Financial Officer.
  2. Actuarial Auditing Services RFP (Redline).
  3. Actuarial Auditing Services RFP (Clean).

**VII. NEW BUSINESS**

- A. Hearing on Administrative Appeal Filed by VCPFA re Denial of Claim for Change in VCERA Membership Date for Fire Control Workers (FCWs) Hired by County as Seasonal/Intermittent Employees and Consideration of Hearing Officer Report and Recommended Decision.
1. Staff Letter from Retirement Administrator.
  2. Proposed Findings of Fact, Conclusions of Law and Recommended Decision, submitted by Hearing Officer Irene P. Ayala, dated April 14, 2023.
  3. Amended Index of the Administrative Record.

VII. **NEW BUSINESS** (continued)

1. VCPFA/FCW's Opening Statement Re Appeal of VCERA's Administrative Determination Denying Statutorily Protected Retirement Rights to Ventura County Fire Control Workers.
  - a. VCPFA Appeal Exhibit A, VCERA's Administrative Denial of Appellants' Claim.
  - b. VCPFA Appeal Exhibit B, VCPFA Letter to VCERA Board, February 3, 2021.
  - c. VCPFA Appeal Exhibit C, VCPFA Letter to Lori Nemiroff, June 10, 2021.
  - d. VCPFA Appeal Exhibit D, County Letter from Mike Curnow to VCPFA, April 16, 2020.
  - e. VCPFA Appeal Exhibit E, Declaration of Michael Trabbie.
  - f. VCPFA Appeal Exhibit F, Declaration of Kevin Aguayo.
  - g. VCPFA Appeal Exhibit G, Declaration of David Proett.
2. VCERA's Response Statement Re VCPFA Demand for Change in VCERA Membership Date for Fire Control Workers Hired by the County of Ventura as Seasonal/Intermittent Employees.
  - a. VCERA Response Attachment 1, Declaration of Shalini Nunna in Support of Respondent Ventura County Employees' Retirement Association Reply Statement.
  - b. VCERA Response Attachment 2, Ventura County Employees; Retirement Association Board of Retirement Bylaws and Regulations.
  - c. VCERA Response Attachment 3, County of Ventura Safe Harbor Retirement Plan Summary Plan Description March 2018.
  - d. VCERA Response Attachment 4, A Resolution of the Board of Supervisors which describes the Personnel Rules and Regulations for the County of the Employees of the County of Ventura.
  - e. VCERA Response Attachment 5, VCPFA Claim for Correction of Membership Dates Based on alleged Pre-Membership Misclassification of Members as Seasonal/Intermittent Employees.
  - f. VCERA Response Attachment 6, The County of Ventura Supplemental Retirement Plan.
3. VCPFA/FCW's Reply to VCERA's Response re Denial of Statutorily Protected Pension Rights of Certain Ventura County Fire Control Workers.
  - a. VCPFA/FCW's Reply Exhibit A, Paystubs for Appellant Kevin Aguayo.

VII. **NEW BUSINESS** (continued)

4. VCPFA/FCW's Letter Regarding Correcting the Improper Exclusion of Certain Ventura County Fire Control Workers from Participation in the Ventura County Employees' Retirement Association, dated March 2, 2020.

a. Attachment: Analysis of Service Provided to the County of Ventura by Fire Control Workers Improperly Classified as Intermittent Employees.

B. Recommendation to Approve Payment for Waiver of Recourse, Fiduciary Liability Insurance, FY 2023/24.

**RECOMMENDED ACTION: Approve.**

1. Staff Letter from Chief Financial Officer.

2. Binder of Insurance.

C. Review and Approve the Annual Administrative Budget Policy (1) Name Change to Annual Budget Policy and (2) Other Proposed Updates.

**RECOMMENDED ACTION: Approve.**

1. Staff Letter from Chief Financial Officer.

2. Annual Budget Policy Proposed Update (Redline).

3. Annual Budget Policy Proposed Update (Clean).

D. Review and Approve Finance Committee Charter – Proposed Update.

**RECOMMENDED ACTION: Approve.**

1. Staff Letter from Chief Financial Officer.

2. Finance Committee Charter Proposed Update (Redline).

3. Finance Committee Charter Proposed Update (Clean).

VIII. **CLOSED SESSION**

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9: One (1) Case.

IX. **INFORMATIONAL**

A. SACRS Legislative Update – April 2023.

B. SACRS UC Berkeley Public Pension Investment Management Program 2023 Notice.

X. **PUBLIC COMMENT**

XI. **STAFF COMMENT**

XII. **BOARD MEMBER COMMENT**

XIII. **ADJOURNMENT**

**REPORT OF REGULAR AND DEFERRED RETIREMENTS AND SURVIVORS CONTINUANCES**

**APRIL 2023**

FIRST NAME	LAST NAME	G/S	MEMBERSHIP	DATE OF BENEFIT SERVICE*	DEPARTMENT	EFFECTIVE DATE
<b>REGULAR RETIREMENTS:</b>						
CHRISTINE M	ADAM	G		3/8/2009	13.72 * HEALTH CARE AGENCY	3/31/2023
IMAN	BALTAGI	G		2/26/2006	17.88 INFORMATION TECHNOLOGY SERVICES	3/31/2023
GEETA	BAYYARAM	G		7/18/2007	15.47 * RESOURCE MANAGEMENT AGENCY	3/31/2023
RICK D	BLEAK	G		2/8/2016	7.10 PUBLIC WORKS AGENCY	3/18/2023
PAUL G.	BOCK	G		10/31/1999	21.63 DEPARTMENT OF AIRPORTS	4/1/2023
ADRIENNE M	BURKS	G		4/9/2006	16.88 PUBLIC WORKS AGENCY	4/1/2023
PATRICE MICHELLE	CARMICHAEL	G		8/15/2010	12.59 INFORMATION TECHNOLOGY SERVICES	3/18/2023
GERARDO L	CASTANEDA	G		5/10/1992	31.46 HUMAN SERVICES AGENCY	3/21/2023
CARMEN ROSANA	CONTRERAS	G		12/4/2000	21.97 HEALTH CARE AGENCY	4/1/2023
PAULA G	CURIEL	G		6/27/1999	23.77 HUMAN SERVICES AGENCY	3/18/2023
DAMON PATRICK	DALTON	S		11/28/1988	38.08 FIRE PROTECTION DISTRICT	3/19/2023
ERIC JOHN	DOWD	S		10/29/1989	33.52 SHERIFF'S OFFICE	3/29/2023
LINDA	FINNERTY	G		6/2/1996	17.60 * DISTRICT ATTORNEY (DEFERRED)	3/25/2023
FELITA	GARCIA	G		3/18/1990	32.41 HUMAN SERVICES AGENCY	3/18/2023
GARY A	HIRTENSTEINER	S		12/1/2291	31.24 HARBOR ADMINISTRATION	3/18/2023
SCOTT MICHAEL	HOUSTON	S		7/2/1995	27.66 PROBATION AGENCY	3/2/2023
CECILIA ELENA	JIMENEZ	G		5/13/2012	10.68 SHERIFF'S OFFICE	3/26/2023
STEFFANIE ELAINE	KAHL-ROMERO	S		11/30/2008	14.06 * PROBATION AGENCY	3/30/2023
VICTOR ENG-KIAT	KOI	G		12/1/2019	3.27 ASSESSOR	3/18/2023
SANDRA	LEE	G		6/18/2006	6.93 HEALTH CARE AGENCY (DEFERRED)	3/13/2023
PAMELA	LOVE	G		11/12/2001	5.18 HEALTH CARE AGENCY (DEFERRED)	3/28/2023
DANIEL STEVEN	MACEY	G		11/11/2012	10.24 RESOURCE MANAGEMENT AGENCY	3/17/2023
SCOTT	MACONE	S		12/1/1996	26.33 FIRE PROTECTION DISTRICT	3/31/2023
MARILYN KAY	MILLER	G		5/7/2018	4.17 * HARBOR ADMINISTRATION	3/17/2023
JEFFERY ALLEN	MOORE	S		8/14/1994	27.64 SHERIFF'S OFFICE	3/28/2023
YASMIN P	MORRISON	G		7/21/1991	31.87 PUBLIC DEFENDER	4/1/2023
MARK PAUL	MUNOZ	S		1/10/1999	8.34 * PROBATION AGENCY (DEFERRED)	2/10/2023
GARY E	OHST	G		1/11/2009	14.22 ASSESSOR	3/31/2023
CHRISTOPHER DAMIAN	RAMIREZ	G		8/20/2000	22.44 GENERAL SERVICES AGENCY	3/18/2023
LUPE	RICARDEZ	S		9/15/1991	31.28 PROBATION AGENCY	3/4/2023
ERIC	ROULSTON	S		1/28/2001	22.12 * FIRE PROTECTION DISTRICT	3/14/2023
MARK ANTONIO	RUSH	S		9/18/1988	34.49 SHERIFF'S OFFICE	3/18/2023
MICHELLE MARIE	SAYRE	G		4/23/2017	5.00 * HEALTH CARE AGENCY (DEFERRED)	3/1/2023
DAVID ARTHUR	SCHWIEDER	S		9/25/1994	28.48 SHERIFF'S OFFICE	3/17/2023
KIRK M	SEITZ	G		10/18/2009	11.68 HEALTH CARE AGENCY	3/20/2023
STEPHEN ALAN	SHELTON	G		2/18/2014	9.11 PUBLIC WORKS AGENCY	3/31/2023
DENNIS JEFFREY	SLIVA	S		12/19/1993	29.37 SHERIFF'S OFFICE	3/17/2023
CHRISTOPHER R	SMITH	S		4/9/1995	28.79 PROBATION AGENCY	3/19/2023
JAVIER A	SOLIS	S		5/7/1995	27.88 PROBATION AGENCY	3/26/2023
EDDIE NELSON	SOTO	G		3/3/2002	21.03 SHERIFF'S OFFICE	3/23/2023
DEBRA ANN	STEPHENS	S		10/23/2005	20.81 PROBATION AGENCY	3/18/2023
IMELDA	TORRES	G		6/14/1987	35.21 PROBATION AGENCY	3/4/2023
JANET M.	TREIMAN	G		3/25/2007	16.01 HEALTH CARE AGENCY	4/1/2023
KEVIN OWEN	VADEN	S		10/29/1989	34.97 SHERIFF'S OFFICE	3/31/2023
CECIL ANTHONY	VALENTI	S		12/4/1994	28.31 SHERIFF'S OFFICE	3/24/2023
DEANNA	VIORATO	G		11/11/1990	33.36 HUMAN SERVICES AGENCY	3/18/2023
THOMAS WILLIAM	WHITFIELD	G		11/3/1985	38.42 ASSESSOR	3/30/2023
<b>DEFERRED RETIREMENTS:</b>						
DANIELLE MARIE	BATES	G		10/31/2021	1.25 ANIMAL SERVICES	1/29/2023
SHAWN MICHAEL	BLACK	S		10/16/2022	0.26 DEPARTMENT OF AIRPORTS	1/21/2023
CHELSEA	BURK	G		11/14/2021	1.07 RESOURCE MANAGEMENT AGENCY	2/3/2023
CRAIG JOSEPH ANTHONY	CHITTENDEN	G		2/9/2020	2.66 HEALTH CARE AGENCY	1/26/2023
MARIA ESTELA	DAVILA	G		11/27/2022	0.17 HUMAN SERVICES AGENCY	1/27/2023
AMY DENISE	GATES	G		7/20/2014	7.65 SUPERIOR COURT	2/1/2023
JANINE	GONZALEZ	G		6/12/2011	10.45 HEALTH CARE AGENCY	1/18/2023
LAURYN BROOKE	HALL	G		9/12/2010	5.16 HEALTH CARE AGENCY	1/24/2023
ALYZA MARIE	HERNANDEZ	G		6/27/2021	1.55 HEALTH CARE AGENCY	1/20/2023
JOYCE LYNN	HOLBROOK	G		1/8/2023	0.09 SUPERIOR COURT	2/9/2023
STEVEN	JUAREZ	G		6/26/2022	0.56 HUMAN SERVICES AGENCY	1/14/2023

CRAIG JOSEPH ANTHONY	CHITTENDEN	G	2/9/2020	2.66	HEALTH CARE AGENCY	1/26/2023
MARIA ESTELA	DAVILA	G	11/27/2022	0.17	HUMAN SERVICES AGENCY	1/27/2023
AMY DENISE	GATES	G	7/20/2014	7.65	SUPERIOR COURT	2/1/2023
JANINE	GONZALEZ	G	6/12/2011	10.45	HEALTH CARE AGENCY	1/18/2023
LAURYN BROOKE	HALL	G	9/12/2010	5.16	HEALTH CARE AGENCY	1/24/2023
LEINANI LEONA	KALEIOHI	G	1/6/2013	8.70	HEALTH CARE AGENCY	2/10/2023
WENDY	KEALOHA	G	9/19/2021	1.41	** COUNTY EXECUTIVE OFFICE	2/11/2023
MIRIAM ROXANA	MARTINEZ HERNANDEZ	G	9/18/2022	0.37	HEALTH CARE AGENCY	2/5/2023
ANA IVET	MIGUEL	G	9/4/2022	0.44	** HEALTH CARE AGENCY	2/11/2023
MARIA ISABEL VALENCIA	PETERS	G	12/30/2007	14.12	SUPERIOR COURT	1/25/2023
MELISSA LIANE	PIRILLO	G	10/16/2022	0.26	HEALTH CARE AGENCY	1/21/2023
MOSES M	RAMIREZ	S	1/8/2023	0.02	FIRE PROTECTION DISTRICT	1/18/2023
ANTHONY LUIS	REQUENA	G	9/26/2021	1.32	GENERAL SERVICES AGENCY	1/19/2023
JULISSA	RIVAS	G	1/8/2023	0.02	SHERIFF'S OFFICE	1/24/2023
SALVATORE JOSEPH	RODRIGUEZ	G	2/22/2009	11.48	HEALTH CARE AGENCY	4/1/2023
JOHNATHAN MAX	RUVALCABA	G	6/27/2021	1.56	HEALTH CARE AGENCY	1/18/2023
JESSE JOHN JR.	TOSCANO	G	6/19/2016	6.37	HUMAN SERVICES AGENCY	1/18/2023
LUCAS WILLIAM	TOTH	S	10/3/2021	1.35	FIRE PROTECTION DISTRICT	2/2/2023
JAYLEEN ANGELINA	VALDEZ	G	9/18/2022	0.30	ANIMAL SERVICES	1/24/2023

**SURVIVORS' CONTINUANCES:**

WILLIAM A JR.	CLARK
LINDA L	HANSON-BROOKS
CAROL J	HURLEY
BARBARA T	STONER

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

Date: Tuesday, May 2, 2023  
 Time: 11:44: AM  
 User: 123750

## Ventura County Retirement Assn

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 Report: 03630.rpt  
 Company: VCERA

### Check Register - Standard

Period: 10-23 As of: 5/2/2023

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						
<b>Company: VCERA</b>											
Acct / Sub:	10300		000000								
029536	VC	4/24/2023	SEDGWICK SEDGWICK	10-23	10-23	002343	VO	DISABILITY EXP	6/21/2022	0.00	-104.00
										<b>Check Total</b>	<b>-104.00</b>
<b>VOIDED DUE TO CHECK LOST IN THE MAIL. REISSUED PAYMENT WITH CHECK #029978</b>											
029949	CK	4/5/2023	COMPUWAVE COMPUWAVE	10-23		002759	VO	IT	4/4/2023	0.00	307.09
029950	CK	4/5/2023	EXECUTIVED EXECUTIVE DATA SYSTEMS, INC.	10-23		002760	VO	IT	4/4/2023	0.00	900.00
029951	CK	4/5/2023	GHODADRANE NEIL S. GHODADRA, MD	10-23		002763	VO	DISABILITY EXP	4/4/2023	0.00	350.00
029952	CK	4/5/2023	GOVERNMENT GOVERNMENT FINANCE	10-23		002761	VO	ADMIN EXP	4/4/2023	0.00	910.00
029953	CK	4/5/2023	INTEGRATED INTEGRATED FIRE & SAFETY	10-23		002762	VO	ADMIN	4/4/2023	0.00	72.00
029954	CK	4/5/2023	SEDGWICK SEDGWICK	10-23		002764	VO	DISABILITY EXP	4/4/2023	0.00	202.80
029955	CK	4/5/2023	TEAMLEGAL TEAM LEGAL, INC.	10-23		002765	VO	DISABILITY EXP	4/4/2023	0.00	887.60
029956	CK	4/12/2023	ACCESSINFO ACCESS INFORMATION PROTECTED	10-23		002766	VO	ADMIN EXP	4/10/2023	0.00	453.18
029957	CK	4/12/2023	BANKOFAMER BUSINESS CARD	10-23		002767	VO	IT/ADMIN EXP	4/10/2023	0.00	4,515.39
029958	CK	4/12/2023	COMPUWAVE COMPUWAVE	10-23		002768	VO	IT	4/10/2023	0.00	358.24
029959	CK	4/12/2023	CULLIGAN CULLIGAN OF VENTURA COUNTY	10-23		002769	VO	ADMIN EXP	4/10/2023	0.00	89.50
029960	CK	4/12/2023	DIGITALDEP DIGITAL DEPLOYMENT	10-23		002770	VO	IT	4/10/2023	0.00	650.00
029961	CK	4/12/2023	GOULETARTH ARTHUR E. GOULET	10-23		002771	VO	MILEAGE REIMB	4/10/2023	0.00	41.92

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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period		Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
				To Post	Closed						
029962	CK	4/12/2023	OLIVERLEAH LEAH OLIVER	10-23		002778	VO	TRAVEL REIM	4/10/2023	0.00	68.26
029963	CK	4/12/2023	PARAMETRIC PARAMETRIC PORTFOLIO ASSOCIATES	10-23		002772	VO	INVESTMENT FEES	4/10/2023	0.00	49,112.00
029964	CK	4/12/2023	SAFEGUARDB SAFEGUARD BUSINESS SYSTEM	10-23		002773	VO	ADMIN EXP	4/10/2023	0.00	356.83
029965	CK	4/12/2023	SHREDITUSA SHRED-IT	10-23		002774	VO	ADMIN EXP	4/10/2023	0.00	176.50
029966	CK	4/12/2023	SOFTWAREON SOFTWARE ONE, INC.	10-23		002775	VO	IT	4/10/2023	0.00	97.45
029967	CK	4/12/2023	SPRUCEGROV SPRUCEGROVE INVESTMENT MGMT	10-23		002776	VO	INVESTMENT FEES	4/10/2023	0.00	49,359.63
029968	CK	4/12/2023	THOMSONREU THOMSON REUTERS- WEST	10-23		002777	VO	ADMIN EXP	4/10/2023	0.00	630.99
029969	CK	4/19/2023	ATTMOBILIT AT&T MOBILITY	10-23		002779	VO	IT	4/18/2023	0.00	419.32
029970	CK	4/19/2023	CULLIGAN CULLIGAN OF VENTURA COUNTY	10-23		002780	VO	ADMIN EXP	4/18/2023	0.00	141.00
029971	CK	4/19/2023	EXECUTIVED EXECUTIVE DATA SYSTEMS, INC.	10-23		002782	VO	IT	4/18/2023	0.00	26.00
029972	CK	4/19/2023	INTEGRATED INTEGRATED FIRE & SAFETY	10-23		002783	VO	IT	4/18/2023	0.00	275.00
029973	CK	4/19/2023	LINEASOLUT LINEA SOLUTIONS	10-23		002784	VO	ADMIN EXP	4/18/2023	0.00	1,248.75
029974	CK	4/19/2023	LOOMISSAYL LOOMIS, SAYLES & COMPANY, L.P	10-23		002785	VO	INVESTMENT FEES	4/18/2023	0.00	126,805.93
029975	CK	4/19/2023	MOONCREST MOONCREST PROPERTY COMPANY	10-23		002786	VO	ADMIN EXP	4/18/2023	0.00	23,976.56



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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period		Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid	
				To Post	Closed							
029976	CK	4/19/2023	WISSLEYDEB DEBORAH Z. WISSLEY	10-23		002781	VO	LEGAL FEES	4/18/2023	0.00	855.00	
029977	CK	4/19/2023	ZOOMVIDEOC ZOOM VIDEO COMMUNICATION INC	10-23		002787	VO	IT	4/18/2023	0.00	2,088.96	
029978	CK	4/26/2023	SEDGWICK SEDGWICK	10-23		002343	VO	DISABILITY EXP	6/21/2022	0.00	104.00	
029979	CK	4/26/2023	ADP ADP, INC	10-23		002788	VO	ADMIN EXP	4/25/2023	0.00	3,310.42	
029980	CK	4/26/2023	AYALAIRENE IRENE P. AYALA	10-23		002790	VO	LEGAL FEES	4/25/2023	0.00	5,130.00	
029981	CK	4/26/2023	HARONIANED EDWIN HARONIAN, MD INC	10-23		002789	VO	DISABILITY EXP	4/25/2023	0.00	700.00	
029982	CK	4/26/2023	SEGALCONSU SEGAL CONSULTING	10-23		002791	VO	ACTUARY FEES	4/25/2023	0.00	61,864.00	
029983	CK	4/26/2023	TEAMLEGAL TEAM LEGAL, INC.	10-23		002792	VO	DISABILITY EXP	4/25/2023	0.00	316.24	
029984	CK	4/26/2023	TIMEWARNER TIME WARNER CABLE	10-23		002793	VO	IT	4/25/2023	0.00	229.98	
029985	CK	4/26/2023	TORTOISECA TORTOISE CAPITAL ADVISORS, L.L.C.	10-23		002794	VO	INVESTMENT FEES	4/25/2023	0.00	174,658.04	
029986	CK	4/26/2023	WALTERSCOT BNY MELLON INVESTMENT ADVISORS, INC	10-23		002795	VO	INVESTMENT FEES	4/25/2023	0.00	350,688.40	
Check Count:		39									<b>Acct Sub Total:</b>	<b>862,272.98</b>

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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post    Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid	
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				Regular	38			862,376.98			
				Hand	0			0.00			
				Electronic Payment				0.00			
				Void	1			-104.00			
				Stub	0			0.00			
				Zero	0			0.00			
				Mask	0			0.00			
				<b>Total:</b>	<b>39</b>			<b>862,272.98</b>			
								<b>Company Disc Total</b>	<b>0.00</b>	<b>Company Total</b>	<b>862,272.98</b>

**Legend:**  
 CK - Check  
 VC - Voided Check.  
 ZC - Zero check. Voided check that was not reissued.

# VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## BOARD OF RETIREMENT

### DISABILITY & BUSINESS MEETING

APRIL 17, 2023

#### MINUTES

**TRUSTEES  
PRESENT:**

Mike Sedell, Chair, Public Member  
Arthur E. Goulet, Vice-Chair, Retired Member  
Sue Horgan, Treasurer-Tax Collector  
Jordan Roberts, General Employee Member  
Cecilia Hernandez-Garcia, General Employee Member  
Aaron Grass, Safety Employee Member  
Kelly Long, Public Member  
Tommie E. Joe, Public Member  
Will Hoag, Alternate Retired Member

**TRUSTEES  
ABSENT:**

Robert Ashby, Alternate Safety Employee Member

**STAFF  
PRESENT:**

Linda Webb, Retirement Administrator  
Amy Herron, Chief Operations Officer  
Lori Nemiroff, General Counsel  
Dan Gallagher, Chief Investment Officer  
La Valda Marshall, Chief Financial Officer  
Leah Oliver, Chief Technology Officer  
Josiah Vencel, Retirement Benefits Manager  
Brian Owen, Sr. Information Technology Specialist  
Michael Sanchez, Sr. Information Technology Specialist  
Jess Angeles, Communications Officer  
Chris Ayala, Program Assistant

**PLACE:**

Ventura County Employees' Retirement Association  
Second Floor, Boardroom  
1190 S. Victoria Avenue, Suite 200  
Ventura, CA 93003

**TIME:**

9:00 a.m.

ITEM:

I. CALL TO ORDER

A. Roll Call.

Chair Sedell called the Disability & Business Meeting of April 17, 2023, to order at 9:00 a.m.

Roll Call:

Trustees Present: Aaron Grass, Art Goulet, Cecilia Hernandez-Garcia, Sue Horgan, Tommie Joe, Kelly Long, Jordan Roberts, Will Hoag, Mike Sedell

Trustees Absent: Robert Ashby

II. APPROVAL OF AGENDA

Ms. Webb noted that minor suggested changes to the minutes were submitted before the meeting and unless any of the Trustees had additional suggested changes, the Board could keep the minutes on the Consent Agenda.

MOTION: Approve with Changes.

Moved by Grass, seconded by Joe

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: Ashby

Abstain: -

III. CONSENT AGENDA

*Notice: Any item appearing on the Consent Agenda may be moved to the Regular Agenda at the request of any Trustee who would like to propose changes to or have discussion on the item. Note that approval of meeting minutes are now part of the Consent Agenda.*

A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of March 2023.

B. Receive and File Report of Checks Disbursed in March 2023.

C. Approve Business Meeting Minutes of March 27, 2023.  
**To be Provided.**

D. Receive and File Fiscal Year 2022-23 Quarterly Financial Statements and Budget Summaries

1. Staff Letter by Chief Financial Officer

2. Financial Statements.

3. Budget Summaries.

E. Receive and File Mid-Year Budget Update for Fiscal Year 2022-23.

1. Staff Letter by Chief Financial Officer.

2. Budget Summary Projections (Attachment A).

MOTION: Approve.

Moved by Goulet, seconded by Grass

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: Ashby

Abstain: -

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

MOTION: Receive and File.

Moved by Roberts, seconded by Long

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: Ashby

Abstain: -

**V. APPLICATIONS FOR DISABILITY RETIREMENT**

A. Application for Service-connected Disability Retirement—Tapia, Emilia; Case No. 21-015.

1. Staff Recommendation to Grant the Application for Service-connected Disability Retirement, dated April 5, 2023.

2. County of Ventura-Risk Management's Response to VCERA's Preliminary Recommendation, dated March 27, 2023.

3. Supporting Documentation for Staff Recommendation.

4. Application for Service-connected Disability Retirement, filed by Applicant, dated June 1, 2021.

5. Hearing Notice, dated April 5, 2023.

Josiah Vencel was present on behalf of VCERA. The applicant, Emilia Tapia, was also present.

Mr. Vencel made a brief summary statement.

Ms. Tapia declined to make a statement.

MOTION: Approve Staff Recommendation to Grant Service-connected Disability Retirement, Effective 10/29/2022.

Moved by Grass, seconded by Roberts

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: Ashby

Abstain: -

B. Application for Service-connected Disability Retirement—Maurer, Jeffrey; Case No. 21-026.

1. Staff Recommendation to Grant the Application for Service-connected Disability Retirement, dated April 4, 2023.
2. Supporting Documentation for Staff Recommendation.
3. Application for Service-connected Disability Retirement, filed by Applicant's Attorney, Thomas Wicke, dated August 31, 2021.
4. Hearing Notice, dated April 6, 2023.

Josiah Vencel was present on behalf of VCERA. Thomas J. Wicke, Attorney at Law, was present on behalf applicant, Jeffrey Maurer, who was not present.

Mr. Vencel made a brief summary statement.

Ms. Wicke also made a brief summary statement.

MOTION: Approve Staff Recommendation to Grant Service-connected Disability Retirement, Effective 5/1/2020.

Moved by Roberts, seconded by Hernandez-Garcia

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: Ashby

Abstain: -

C. Application for Service-connected Disability Retirement—Miller, Mariaelena; Case No. 21-033.

1. Staff Recommendation to Grant the Application for Service-connected Disability Retirement, dated April 5, 2023.

2. Supporting Documentation for Staff Recommendation.
3. Application for Service-connected Disability Retirement, filed by Applicant's Attorney, Thomas Wicke, dated October 4, 2021.
4. Hearing Notice, dated April 5, 2023.

Josiah Vencel was present on behalf of VCERA. Thomas J. Wicke, Attorney at Law, was present on behalf applicant, Mariaelena Miller, who was not present.

Mr. Vencel made a brief summary statement.

Ms. Wicke also made a brief summary statement.

MOTION: Approve Staff Recommendation to Grant Service-connected Disability Retirement, Effective 1/21/2023.

Moved by Grass, seconded by Hernandez-Garcia

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: Ashby

Abstain: -

## **VI. INVESTMENT MANAGER PRESENTATIONS**

- A. Receive Annual Investment Presentation from Sprucegrove, Tasleem Jamal and Arjun Kumar.

Tasleem Jamal and Arjun Kumar reviewed Sprucegrove's organizational changes and discussed the firm's investment outlook, portfolio strategy, composition, and investment portfolio performance, and then responded to trustee questions.

- B. Receive Annual Investment Presentation from State Street Bank, Julianna Frank, Joe Rooney, Jared Douglas, Shawn Currier, and Chris Dugas.

Julianna Frank, Joe Rooney, Jared Douglas, Shawn Currier, and Chris Dugas reviewed State Street Bank's organizational changes and discussed the firm's investment outlook, portfolio strategy, composition, and performance. The presenters also responded to questions from VCERA trustees.

## **VII. INVESTMENT INFORMATION**

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

- A. \$35 Million Commitment to Alterra IOS Venture III, LP.  
**RECOMMENDED ACTION: Approve.**

1. Staff Letter by Chief Investment Officer.

2. Joint Fund Recommendation Report from NEPC.
3. Alterra IOS Venture III Presentation: Leo Addimando, Matt Pfeiffer, and Amy Cummings.

Mr. Gallagher reminded the Board they had previously approved their first commitment to Industrial Outdoor Storage in February 2022, with a \$35 Million commitment to Alterra's IOS Fund II. The IOS Fund was a niche institutional real estate strategy, and it was in one of the hottest, but most difficult to scale asset areas in institutional real estate investing, which he and NEPC believed were positioned to deliver attractive returns, while also helping to diversify VCERA's real estate program.

MOTION: Approve Commitment of \$35 Million to Alterra IOS Venture III, L.P. and, Subject to Legal Review, Authorize the Board Chair or the Retirement Administrator or in the Absence of Both, the Chief Investment Officer, to Approve and Execute the Required Documentation.

Moved by Grass, seconded by Goulet

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: Ashby

Abstain: -

B. \$25 Million Commitment to Monroe Capital Opportunistic Private Credit Fund II.

**RECOMMENDED ACTION: Approve.**

1. Staff Letter by Chief Investment Officer.
2. Joint Fund Recommendation Report from NEPC.
3. Monroe Opportunistic Private Credit Fund II Presentation: Mark Friedrich and Aaron Peck.

Mr. Gallagher noted that Monroe was a high-quality Private Credit manager, and the Board had committed \$25 Million to Monroe's Fund III at their Board meeting on July 16, 2018, and Monroe Fund IV at their meeting of October 18, 2021. Both of those funds were, "direct lending" type of funds, and had delivered strong performance to date, although Fund IV was still in its early days. Monroe's Opportunistic Private Credit Fund II was designed to capitalize on dislocation, driven by high corporate leverage and a lack of available flexible capital for customized financing, which both he and NEPC believed would continue to accelerate. They believed that the fund would deliver attractive returns and further diversify VCERA's private credit program. As a result, both he and NEPC were jointly recommending a \$25 million commitment.

MOTION: Approve a Commitment of \$25 Million to Monroe Capital Opportunistic Private Credit Fund II, and Direct Staff and Counsel to Negotiate the Necessary Legal Documents; and Subject to Successful Contract Negotiations, Authorize the Board Chair or the Retirement Administrator or if Both are Unavailable the Chief Investment Officer to Approve and Execute the Required Documentation.

Moved by Goulet, seconded by Long

Vote: Motion carried



Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: Ashby

Abstain: -

The Board took a break at, 10:30 a.m.

The Board returned from a break at, 10:40 a.m.

**VIII. OLD BUSINESS**

A. None.

**IX. NEW BUSINESS**

A. Proposed Resolution to Implement Changes to Compensation Earnable Resolution in Compliance with the California Supreme Court Decision, *Alameda County Sheriff's Assoc. Et Al., v. Alameda County Employees' Retirement Assn., Et Al. (2020) 9 Cal.5th 1032 ("Alameda")* Following Governor Newsom's Veto of Assembly Bill 826.

**RECOMMENDED ACTION: Adopt.**

**Time Certain: 10:30 a.m.**

1. Staff Letter by Retirement Administrator.
2. Proposed Resolution (Redline).
3. Proposed Resolution (Clean).

Ms. Webb provided a summary of the Alameda Decision and the events leading VCERA to the proposed Resolution. On July 30, 2020, the California Supreme Court issued the Alameda Decision ("*Alameda*"), which impacted many county retirement systems in California, including VCERA. When the Supreme Court issued *Alameda*, there were items in that decision that were not anticipated, but all county retirement systems are required by law to implement. VCERA recently sent out a communication to all of their members explaining *Alameda*. There are two categories of exclusions: 1) PEPRA Exclusions and 2) Alameda Exclusions.

The Public Employees' Pension Reform Act (PEPRA), which was effective January 1, 2013, affected many of the retirement systems in California. Several of the changes only affected new members who joined a retirement system after January 1, 2013. However, some parts of PEPRA affected "Legacy" members (those who joined before January 1, 2013). PEPRA affected what pay items could be included in Compensation Earnable, which is the retirement compensation used to calculate retirement benefits for Legacy members. Each of the county retirement systems governed under the California Employees Retirement Law (CERL) implemented PEPRA, but because the structures and pay items were administered differently, the implementation of PEPRA was different among the systems.

In Ventura County, several pay items were impacted by *Alameda*. PEPRA Exclusions are pay items that should have been excluded as of January 1, 2013 (effective date of PEPRA). Alameda Exclusions are pay items that retirement boards never had the discretion to include in the first place, even before PEPRA. One of the most impactful Alameda Exclusions in Ventura County is Flex Credit, which is a flexible benefit allowance provided to employees by the employer that is used to

pay for Health, Dental, and Vision insurance costs (in-kind benefit). *Alameda* said that if a benefit could not be received in cash, then it could not be included in compensation earnable.

After *Alameda* was issued, VCERA staff immediately contacted those members with a pending retirement application by phone so that they had the opportunity to rescind their application if they chose to, until the full impact of *Alameda* was known. Every retiree since *Alameda* has been put on notice that at a later time when the Board took action, their benefit could be adjusted. Most other retirement systems under CERL had either eliminated or restructured their benefits to remove these types of in-kind benefits.

Ms. Webb explained that there were two resolutions on the agenda. The first was the Flex Credit Resolution. Staff originally brought similar resolutions to the Board of Retirement in September and October 2020. The original resolution covered both the PEPRA and Alameda Exclusions. PEPRA Exclusions include services rendered outside of normal working hours (such as standby pay, call-back pay, and shift differentials on overtime) and leave redemptions (i.e., vacation buydowns) in excess of what is earned and payable in a 12-month period. The Board took action to adopt the Resolution in October 2020 for the PEPRA Exclusions, but deferred action on paragraphs 3, 6, and 9 that pertained to the Alameda Exclusions (primarily flex credits).

Over the next two and a half years there were several actions, one of which was the filing of Declaratory Relief by VCERA and the County of Ventura; however, the County later demurred on that, and the Court thus had nothing to rule on because the Board had not taken action on the flex credit item. Then in 2021, Assembly Bill 826 (AB 826) was co-sponsored by SEIU and the County of Ventura and was designed to allow flex credit to be included in compensation earnable. During that year, the bill went into "inactive" status, possibly due to other counties objecting to it because they had already implemented *Alameda*, or because they believe it was in conflict with the concept of judicial review. The Board then deferred action again on the flex credit item, to give AB 826 another opportunity in the 2022 legislative session. The County and other stakeholders worked on amending AB 826, with VCERA assisting in wording suggestions. Then at the end of the Assembly's session in September, Governor Newsom vetoed AB 826, saying that the bill was an effort to subvert recent court decisions and would create a "window period" that would allow a certain group of individuals to be exempt from the application of *Alameda* and PEPRA. After the veto of AB 826, staff brought a resolution back to the Board to address the 3 paragraphs related to flex credit, and at that time there were a significant number of requests that the Board postpone any action on the proposed resolution until April 2023.

Ms. Webb said the second resolution on the agenda was regarding the PEPRA Exclusions, noting the item of most interest to the parties in attendance was the leave redemption "straddling" issue, affecting members who retired after 2013. (She also noted that those members who retired before *Alameda* would not be affected by the Flex Credit Resolution and would continue to receive the full flex credit in their compensation earnable retirement calculation.) The PEPRA Exclusions would apply to those who retired after PEPRA took effect on January 1, 2013. Consequently, the effective dates for the two *Alameda* resolutions were different because the law required VCERA and other retirement systems to apply the law in effect at the time. As for the Alameda Exclusions, they first took effect when the California Supreme Court rendered its decision on July 30, 2020. Staff was also recommending that the Board not recoup overpayments to retirees under either resolution (for neither Alameda nor PEPRA Exclusions). Members who retired after 2013, who had any PEPRA Exclusions in their final average compensation (FAC) had been overpaid because VCERA used a FAC amount that was overstated. Many of the other retirement systems had recouped from retirees as part of their *Alameda* implementations.

On March 27, 2023, VCERA received a letter from a group of concerned retirees and that letter was provided in the staff's agenda materials, as was staff's response to the concerns raised. The Retired Employees Association of Ventura County (REAVC) had also submitted a letter to the Board for the meeting and just delivered a response to VCERA staff's response; hard copies of that letter were distributed to the Board. Ms. Webb said that the most common request that VCERA received, mainly from retirees, was for prospective application or "window period" for the Board to not implement the PEPRA Exclusions as of January 1, 2013, and not implement the Alameda Exclusions as of July 30, 2020, but to apply prospectively only. Those that retired between 2013 and 2020 were particularly interested in the PEPRA Exclusions, primarily leave redemptions, and requested that their benefit amounts not be adjusted. Another issue raised by retirees was that of notice, and that those who retired after the Alameda Decision were given notice, while those who retired between 2013 and 2020 were not mailed a notice until recently. Ms. Webb noted that group was not impacted by the Flex Credit issue, which was the dominant issue at the time. In the early days of *Alameda*, staff was hoping that the flex credit resolution would be resolved quickly, so corrections for both the Alameda Exclusions and the PEPRA Exclusions could be made together; however, as time went on, staff should have reached out to those earlier retirees sooner that they had. She also pointed out that although those retirees were not impacted by the Flex Credit issue, the delay of nearly 3 years of action on the item by the Board actually benefited those retirees because while retroactive application of the retirement benefits was mandatory, which was what was being recommended to the Board, the proposed supplemental resolution item recommended no recoupment of overpayments. Thus, the delay of implementation meant that up to 10 years of overpayments would not be recouped if the Board approved the proposed resolution. Another issue raised was that of application of *Alameda* in other counties. Concerned retirees asserted that other retirement systems were applying certain exclusions prospectively and not retroactively, and this concern also was covered in VCERA's response. Ms. Webb stated that in one of the counties mentioned, there was a "stay" by the court so that they could not implement *Alameda* by law, and in one county in particular they actually negotiated all of the pay items and restricted them completely, so their situation was different. VCERA was in regular contact with their colleagues and familiar with their implementation methods, and staff knew that there were distinct challenges and issues in Ventura County.

Staff had also been thoroughly briefed by the fiduciary and tax counsels on the issue of retroactivity and prospective application and had been advised that VCERA was required by law to correct the items to the date the law changed, and prospective application was not within the Board's discretion; however, what was in the Board's discretion was the issue of recoupment. So, the Board was not required to recoup the overpayments to retirees, as it could be absorbed in the Unfunded Actuarial Accrued Liability (UAAL) of the Plan. As for the flex credit issue, the other counties that had in-kind benefits in the past excluded regardless of whether an employee could receive it in cash or not. There were questions regarding the implementation of the resolutions. Essentially, staff would be recalculating the retired members' monthly benefits, as well as calculating any refundable member contributions; if the refundable amount exceeded the overpaid amount, the retirees would receive a refund of the difference. At the March 27<sup>th</sup> meeting, the Board adopted 7.9%, compounded annually, as the rate to be paid on Alameda-related refunds. So, when staff calculated refunds for active or retired members, they would calculate all of the contributions paid in excess of what should have been paid, then apply the 7.9% interest rate, to arrive at the refund amount. The current affected active members would be receiving a letter indicating they could receive the refund in cash or roll it over into a qualified account, or some kind of combination of the two.

Chair Sedell said that given some of the members wished to make comments on either item IX.A. or IX.B., or both, instead of asking them to make two comments, he asked that they please combine their comments, though the Board was hearing item IX.A. currently.

Trustee Long asked if there was any other information sent to the members before the April 10, 2023, communication letter to the members.

Ms. Webb said that there was communication that went out to members at various stages, but the group that did not receive any written notice until then was those members who retired between 2013 and 2020, though some would not be impacted at all. She noted the VCERA Board meetings were publicly noticed, and the Board's Retired Member Trustee had been providing quarterly newsletter updates on the issue through REAVC.

Trustee Long then said that she would have questions on the effective date of the Flex Credit Resolutions later.

Ms. Dunning provided a summary of the changes to the Flex Credit Resolution to the Board since she had walked the Board through it in great detail during the Board's previous business meeting in March.

Dr. Sevet Johnson, Chief Executive Officer for the County of Ventura, provided public comment. She thanked the Board for taking the time to hear from the members, sponsors, and other stakeholders. She understood the decisions the Board needed to make were weighing on them because of the impact it would have on the lives of the people who have served the County. The Board had been advised that they must pass the proposed resolution and that they had no discretion in the legal matters before them. They had also been advised that the decision had been unduly delayed and that errors needed to be corrected as soon as administratively possible. They were also very familiar with the efforts of the County and their partnership with SEIU and other labor partners to pass legislation in Sacramento to clarify that the County's Flexible Benefit contribution was paid to all employees throughout their careers. It was paid in cash, and it did not constitute pension spiking, and the Alameda Decision did not in fact address this pay item as a form of pension spiking. Unfortunately, as the Board knew, the legislation was not adopted, and the court case with VCERA in which the County of Ventura contended there was no impermissible inclusion of leave payouts, a practice that VCERA's counsel had referred to as "straddling". It was the County's understanding, and contrary to what was just said, that the case was still on appeal and had not been resolved. The County believed that it was wholly regrettable that the resolution was before them today, but the Board should please consider whether they were comfortable with the legal advice they had received, as well as the retroactive application of the resolution. Dr. Johnson said if the Board did pass the resolution, it was requested that, as soon as possible, VCERA staff provide the Board with concrete timeframes, a project plan on how and when retiree benefit reductions would occur, as well as how and when returns of contributions with earnings would occur. Because the issue had been in the "pipeline" for some time, it seemed reasonable to receive the request in a short amount of time. Thousands of members and their families needed to have more clarity, so they could make informed financial and retirement decisions. The County encouraged more frequent communication with all of VCERA's stakeholders.

Nick Odenath, President of VCDSA, provided public comment. He reminded the Board that he had spoken on the issue several times previously and so they were aware of his position on the issue; however, he did want to say two things. One, to thank the Board for delaying the decision on the resolution until now, because as a union leader the delay had provided them time to work with the County on a solution to the flex credit issue. Second, as it related to the Alameda and PEPR Exclusions, their members understood the Alameda exclusions and had been given the ability to do their calculations to understand the financial impacts. However, he would ask that the Board give the members enough time to make adjustments to their lifestyles because of those financial impacts. Also, as Dr. Johnson had said, the members should be given enough time to receive any communications to make these changes. As for the PEPR Exclusions, especially for those retirees

who retired between 2013 and 2020, it was his understanding that they had just received notification regarding the exclusions impacts recently. So, he requested that the Board hold off on voting on this particular part of the resolution so that there could be further discussion and better understanding for the retirees who would be impacted specifically by the PEPRAs exclusions. Several retirees had said they were confused and that the communication did not give enough information, specifically the impact on them individually. Therefore, he requested that the information help them understand exactly what the impact would be.

Tim Lowe, retired VCERA member, provided public comment. He had been in healthcare for 45 years, and 42 of those years were as a nurse in surgery ICU at Ventura County Medical Center (VCMC). In his contract with the hospital, he was required to sign up for an 80-hour pay period and take a certain amount of standby calls and emergency calls, which was non-negotiable. There was no padding of overtime for retirement, and he had reported it to VCERA when he came into the office to discuss his retirement, which was February 2022. He had been in communication with VCERA for 6 months leading up to his retirement and staff had not provided clear information regarding the Alameda Decision's impact. He was also told by his employer when he was hired that a portion of his call back pay, standby call pay, and certification pay would be included when he retired. However, VCERA staff said that his callback pay would not be included, but that his standby pay and certification pay would be. Afterwards, he received a call from VCERA staff telling him that his standby pay would not be calculated into his retirement and that they were not sure if the certification pay would be either, so there was not a clear message provided to members. He was also never told that he could rescind his retirement application. He had been told that his retirement was safe and that his retirement estimate he received in 2019 seemed great at that time, so he considered retiring that year, but he was asked to stick around for a while, so he delayed his retirement. Now he was being told that if you retired after July 2020, flex credit would be taken out of the retirement calculation, and he felt this was a slap in the face. He had taken a lower pay rate to work for the County of Ventura because of the pension and the benefits, so he stayed working for the County, and this was really hard to take, and he believed the Board could do something about the situation.

Roberta Griego, retired VCERA member, provided public comment. She said she had worked for the County of Ventura for 39 and a half years and was a Tier I employee. She was promoted to management and took over the Clerk of the Board's Office. During her time with the County, she was a Job Steward for SEIU, and she then retired on March 31, 2013. She then was hired by the Ventura County Retired Employees Association (REAVC), and she was their first Vice-President. So, today she was attending the meeting to look after many County employees who were less fortunate, and she wanted to remind the Board of one thing. Most of the County employees were covered under a labor agreement, but when a member got into management, they were not covered at all as there was no union for management. There were a lot of hard times throughout her 39 years with the County where they did not give their employees pay increases for several years, and instead, the County provided the Flex Credit instead of compensation and annual leave. She did not understand how anyone could say that it was an in-kind benefit because it was fair enough to be given it to all County employees, across the board. Also, the first notice regarding the Alameda Decision was last Saturday, and since then she had received calls from other members asking her to explain the meaning of VCERA's notification. Also, as the Board was considering their decisions on the items today, and considering the various dates involved, like the effective date of PEPRAs and the Alameda Decision date, the only thing that mattered to people was how much was it going to affect their retirement benefit. Although she had heard it said that by law the Board could not do anything about the situation, and most County employees did not believe it was an in-kind benefit. She requested the Board provide clarification in the future letters sent to members that explained whether the resolution would affect them or not. Lastly, she wanted to say that REAVC would fight for its members and all county employees.

Gerhardt Hubner, retired VCERA member, provided public comment. He was the former Deputy Director of the Public Works agency for the County of Ventura. He said he had also been in attendance at the Board's March 27<sup>th</sup> meeting and provided comments at that time and was joined by other former County executives, managers, and former staff at today's meeting. Regarding Item IX.A, they did support the resolution before the Board, but with a very simple request: that they amend the effective date to April 17, 2023. As for the resolution for Item IX.B., it should be amended by striking paragraph 2 and replacing it with paragraph 2 from the resolution the Board adopted at their October 12, 2020, meeting, also with an effective date of April 17, 2023. He noted that the Board would hear from several of his colleagues and retired members who had been affected or potentially affected by the decision the Board made today.

Tracey Pirie, retired VCERA member, provided public comment. She noted she had made comments at the March 27<sup>th</sup> meeting on the proposed resolution regarding flex credit, annual leave, and employee donations and that she was impacted by all 3 items. After 44 years of dedicated service to not only the County but other CalPERS agencies, what she was promised would not occur had indeed occurred. Most members believed that PEPRA only affected new employees and not Legacy members, which she believed was the message that was given to everyone, and no one anticipated that Annual Leave would become an issue. Now those that had been retired for 10 years or more would be impacted by a reduced pension benefit, and many of them did not receive a Cost of Living Adjustment (COLA). She was fortunate but considered other SEIU members who received very little in their monthly retirement benefits, and who also did a tremendous job for the County, the public, and the community. She agreed with the prior speaker's comments and understood why the Board felt that they had to make certain decisions, but they asked the Board amend the effective dates on both resolutions to today's date, so that those members who were still working could decide on what they could and could not afford in terms of retirement. Lastly, she knew that the flex credit was an issue because she was one of the employees who applied for retirement before the Alameda Decision, but with an effective retirement date after the court's decision was rendered. She was made aware of the flex credit issue, but was not told about there being a possible issue with employee donations. She had reached out to VCERA's office on two occasions to find out how her annual leave hours would be impacted, but no one had been able to give her a straight answer. A promise for 44 years of service was now being pulled out from under her, because she had stayed because her agency did not have a replacement for her at the time, and she felt that she was now paying for that.

Chris Stephens, retired VCERA member, provided public comment. He said that he would focus on what had been going on in Alameda County because he hoped it would be of interest to the Board. The Annual Leave Redemption program in Alameda County was significantly different from the program in Ventura County. The County of Alameda looked at the aggregate of the earned and payable related to the annual leave redemption program; so, their retirees could claim almost double the number of hours towards the leave that was included in their retirement calculations. Also, the hours themselves were based upon their highest compensation and accrual rates during their retirement calculation periods so the net result of the program was significant pension spiking, and quite different from Ventura's program. Therefore, it was virtually impossible to exceed someone's earnable hours in their final average compensation when an employee buys back those hours. Also, he was surprised the Court in Alameda did not specifically rule out their annual leave redemption program and VCERA's counsel sought an opinion on the issue from the Court, as to how the changes to PEPRA would affect straddling, but the Court demurred and did not provide any opinion. The Alameda Decision itself had some contradictory statements related to straddling, which was why he believed ACERA was asking for that clarification; ultimately, they did not receive any. Alameda County then continued with the same annual leave redemption program until 2021, when they were approached by the Attorney General's Office who said they concluded that straddling was counter to

PEPRA and the legislation. The Alameda Retirement Board, after considering the matter, made changes to eliminate straddling as an option on June 17, 2021. After that action, the State dropped their claims and all parties in the case agreed that judgment should be entered, after which there were no further proceedings expected on that matter. He noted that case to highlight the significant difference between their programs and even with those differences. Alameda did not reach back and make it retroactive. He asked the Board to do the same as there was ambiguity related to the vacation buydown issue in those actions. He asked to leave the Board with some language specifically from the Supreme Court, in the case of the Ventura Decision, quoting, "Any ambiguity or uncertainty in the meaning of pension legislation must be resolved in favor of the pensioner, but such construction must be consistent with the clear language and purpose of the statute." Mr. Stephens said he would submit that the Alameda Decision was not clear language, and as it was in the Ventura Decision, they considered it new law.

Lyn Krieger, retired VCERA member, provided public comment. She noted that she was also one of the retired members concerned about the issue, and they were in attendance today to represent the retirees. For many of the retirees, their pensions were not very large, many of them had no COLA and for some, reducing pension benefits would be devastating. Although they were concerned about themselves, they were more concerned about those other retirees who could not make a different choice now regarding their retirement. They understood the Board had a duty to follow the law, but the Alameda Decision made it clear, "the PEPRA amendment did not require exclusion solely because an item of compensation fits within one of these examples" which were the examples they cited, "instead they illustrated the types of practices that created suspicion. Before it was excluded, an item of compensation must be found by the Retirement Board to have been paid to enhance a member's retirement benefit". Ms. Krieger said that PEPRA required each Board establish a procedure for determining whether an element of compensation was paid to enhance a retirement benefit. The Board did have a choice regarding the effective date, and they had already heard from Chris Stephens about the Alameda Decision, but she wanted to clarify that their understanding of the "straddling" issue seemed to be different from the Board's. The Alameda Decision seemed to constantly talk about the final 12 months of compensation, which concerned them because Alameda County reached way back before the final 12 months of county service. As Mr. Stephens said, Alameda choose an effective date of November 21, 2021, which was accepted by the State and the Court. San Diego County Employee's Retirement System, before they considered any income item, decided in the Fall of 2020 to approve an effective date of January 29, 2021. Their documents said that their decision did not affect members who retired prior to January 29, 2021, and their fiduciary counsel determined that it could be applied prospectively. They found little, once they adopted procedures to evaluate income items that qualified for exclusion. Similarly, Orange County Employee's Retirement System (OCERS) adopted an effective date of July 20, 2020, and in their Fall 2020 report to their Board, they said, "some systems have indicated they're making changes now to reduce benefits, but a number of the county systems were like OCERS and were trying to better understand the practices of their employers and labor groups before making any changes to current benefit payments. One system reported that they were making clarifying documentation that would suggest that certain pay items did meet the PEPRA test and continued to be included. No action was taken to change benefit allowances before October 1, 2020, and the report also said that about 400 retirees were affected. San Bernardino similarly chose July 30, 2020, without a look back, and one of their posted documents said to apply that directive to all retiree payrolls for individuals who were Legacy members who were retired after July 30, 2020, when the Supreme Court overturned *Guelfi*. San Bernardino County Employees' Retirement Association was thus on notice of that statement of the law and the Retirement Board determined that mandatory exclusion of medical premium medical payments from compensation earnable was a new interpretation of the law, therefore the exclusion would not affect any retirees before July 30, 2020. Therefore, she was asking the Board make today's date or whatever date the Board decided on the effective date, without a "look back". VCERA had special circumstances with ongoing litigation and

the resulting lack of notice to retirees. Also, in 2022, the County had already asked the Board for an effective date of April 1, 2023, without a look back, which was very close to what the retired members were requesting. This decision would do the least harm to retirees and would save VCERA from making thousands of complicated calculations and the Board would meet its obligations under the Alameda Decision. It also gave the opportunity to work with the County on labor agreements and the treatment of income items going forward, so that active members who were still working had information to make better retirement decisions. The level of trust in VCERA could be unharmed.

Ms. Krieger said their request today was for the Board to adjust the effective date of their decision regarding flex credit, with no other changes, to today's date or their final decision date; further, they asked that the Board do the same thing with the annual leave buydown item. The Board had already heard from her group of concerned retirees last month, when they said that they did not believe that the way Ventura County designed the annual leave buydown program rose to the exclusion test. However, setting that aside, a decision to just adjust the effective date would relieve a lot of pressure. Ms. Krieger asked the Board to consider their requests, which they would not be making if they did not believe they were extremely important to the retirees.

Jacqueline Richardson, retired VCERA member, provided public comment. She had worked for the Ventura County District Attorney's Office for 19 years, and prior to that she had worked for Supervisor Judy Michaels. While at the District Attorney's Office, she coordinated several types of investigations, and she sometimes started work very early, and contributed a lot, and the teams that she worked with did not get paid overtime for the work they regularly put in. Her point was that notice was given to the members a week ago. For example, REAVC had a luncheon for their members where they highlight the members by age, and there were several members in the 80s and 90s and one that was 101 years old, so she did not believe that many of them would comprehend the letter that was distributed last week. She would recommend VCERA send individual letters to the retirees based on what each was eligible for and how much would be removed from their pension benefit. Finally, she wanted to say how disappointed she was that VCERA elected to use non-pensionable funds to roll into the members' pensions. It was not a decision that the employees or retirees made, and the Supreme Court ruled that pension boards should not, could not, and never should have included non-pensionable funds in calculating members' pensions. So, the bottom line for her was that she believed that she would have a nice pension when she retired, and she was also thinking about the elderly and all of the people who did not understand the impact.

Marty Robinson, retired VCERA member, provided public comment. Ms. Robinson said she had worked for the County for 38 years, and retired before the Alameda Decision date, so she was not personally affected by the issue, except that her heart was affected as most likely were the Board members' hearts because of the decision they were considering today. She applauded Tim Lowe and Tracey Pirie because they went the extra mile from commitment to whom they serve and the County was fortunate to have those types of employees. She knew that decisions were in flux and there was not a lot of specificity, and as a former SEIU member, President, and negotiator, she understood the compromises that were made. These benefits that were being discussed, were in lieu of more costly direct cash to the employee, so to now penalize retirees by making this kind of decision was inappropriate and unappreciative. She also knew there were various legal decisions out there, and attorneys disagreed, courts disagreed and good people with the right intentions could disagree. So, her opinion was that the Board needed to make considerations that were to the benefit of the retirees.

Reddy Pakala, President of REAVC, provided public comment. He retired in 2014 as the Director of the Water and Sanitation Department for Ventura County. REAVC's main purpose is to promote activities and coordinate, initiate, or oppose legislation affecting retirees with VCERA, the Board of Supervisors, or other legal entities. REAVC greatly appreciated staff's change to their



recommendation on the effective date for the Flex Credit benefit to July 30, 2020, for agenda item IX.A. and changing the effective date of agenda item IX.B. to August 31, 2020; however, this would negatively impact those who retired between those dates and today, if the Board approved the resolutions as proposed. They were simply recommending that the Board adopt today's date for the flex credit and the vacation annual leave buydown items. He also wanted to thank Ms. Webb for virtually attending REAVC's Special Board meeting and providing the history of the Alameda Decision and PEPRA. Also, if the Board believed that the resolutions could not be effective as of today, REAVC would ask that the decision be postponed to a future date.

Gary Lowery, retired VCERA member, provided public comment. He had worked for the County's medical center for 28 years and serviced all of the medical equipment, which required coverage of 24 hours a day. He was assured by his management that if he worked standby (which meant that he had to be within a ½ hour of the hospital, at any time), it would be included in his pension. He took that job because of that, and the alternative would be for the County to hire an external company to service the medical equipment at a greater expense. He did this every other week for 5 to 7 years. He retired in 2019 and did not know that standby pay might not be included in his pension, and he was very concerned given he had no choice in the matter. He believed it was a violation of trust and he felt for others, including his partner who helped service the County's medical equipment. There was also talk that when all was said and done, it would be to the County's financial advantage and the pensioner's disadvantage, and it just did not look right. He also heard that there was a law from 1937 that the County of Ventura may have interpreted incorrectly, but he believed that they had a responsibility to interpret the laws correctly and to properly inform him so that he could make decisions.

Jeffrey Seabrook, Fire Captain for the Ventura County Fire Department, provided public comment. Mr. Seabrook said from his understanding, according to the Alameda Decision, standby pay was excluded because it is not a part of someone's normal work schedule. He wanted to know what was being done to address those County employees who have standby pay as part of their normal work assignment. He was assigned to the Aviation Unit and worked a 10-hour shift and part of his normal work assignment was to be on standby the rest of the night. There were also other Fire employees outside of the air unit who also had standby as part of their normal work assignment. This also applied to the Sheriff's Department. He was also told by their union that there may be two different types of standby pay as a way to address the issue. So, he just wanted to make sure that that issue was being addressed.

Chair Sedell said the VCERA staff and attorneys would have all of the answers to the questions that come up, at the conclusion of the public comments.

Ms. Oliver read into record comments submitted by Ricardo Bravo, Employment Specialist for Ventura County Human Services Agency. "The actions by the California Supreme Court in July 2020 did not give active Legacy members notice that part of their expected retirement benefits would be changed and reduced. Are there any plans or lawsuits by the County, SEIU, or VCERA to make these Legacy members financially whole based on the expectations that active Legacy members were expecting?"

Ms. Webb said that staff had received a message from Alma Gabaldon. She said Ms. Gabaldon stated in her message regarding agenda item IX.A., she "believed the treatment of flexible benefits to exclude was not required and it did not say it was mandatory". Regarding item IX.B, she said that "unlike past years, your 2021 Annual Benefit Statement did not include projected retirement benefits, and as an employee or retiree, we are confused as to the wording. Some think they were getting credit or getting ruined financially." Ms. Webb said that Ms. Gabaldon was also referring to a Ventura County article from October 2020, in which Ms. Gabaldon said that Former Supervisor Bennett was

hoping to get a ruling so that the entire flex credit could be included. When hired she was given a total amount of income that included flex credits. She also spoke to a single mother of two who couldn't get any other benefits because of her yearly total, and would now have her pension benefit reduced, how was that possible? Ms. Gabaldon noted a LA Times article about public employee unions saying that if the decision was upheld it would spark endless litigation. The thought of anyone having money taken away from their pension was unthinkable. Employees worked for years to retire comfortably and they all knew today was probably one of the worst financial times in America, regarding interest rates, which have been raised 20 times in 2 years. Everything from food to gas has gone up in cost, and no one retired on a whim, but the decision was based on the information provided. She would hope that Ventura County would take the lead and not remove funds from pensions.

Ms. Oliver read into record comments submitted by Genie Klement, retired member. "I retired after 7/30/2020, so I understand from what I have read that my current pension amount will be reduced (corrected) in the future and lowered by approximately \$700 a month. I am very scared. I planned very carefully for my retirement based on twice-yearly estimates from VCERA to make sure I was ready to retire. I trusted VCERA. I also sold another retirement from my time as a teacher and combined it with my VCERA retirement. Over the years I stayed with my county job out of dedication and a desire to help my community. I stayed during COVID because I knew my skillset was needed due to the increase of Medi-Cal and CalFresh applications. I finally retired when my mother, in her nineties, became sick. I could have retired before 7/30/2020, and I would not have been affected by this huge financial hit. Why were we not informed so we could have retired earlier? I would not have lost what I am hearing will be \$700 a month. I was not given this choice and that seems very unfair as now since I am retired, my income is set, and I have no recourse".

Ms. Oliver read into record comments submitted by Kathy LaSalle, Sr. Deputy District Attorney for the County of Ventura. "While VCERA may be less clear about when the County will be able to implement the payroll system changes and arrange for the actual refunding to begin, it seems like VCERA should be able to provide a "ballpark" time frame for when the calculations of payments/refund amounts will begin. When will the actuarial be done and the calculations begin? Is there a uniform process that VCERA will follow, and which employees will get serviced first? (i.e., one union at a time, or retirees first, etc.) Will each employee be notified about when his/her turn will be? (It seems reasonable for VCERA to advise us individually so that each of us can plan accordingly.)" Ms. Oliver also noted that there were 5 additional questions submitted by Ms. LaSalle, which were, 1) Does the lump sum to be refunded include post-tax and pre-taxed money? If true, how will the refund of these two different types of money be handled? Would members be provided information to allow them to prove to the tax man that the money received was already taxed, etc.? 2) Similarly, would the refund be reflected on a 1099 or W-2? 3) Receipt of this large sum of money will have an impact to such an extent that the individual employee should be given the option of when and how to receive it. To that end: a) Will the employee be allowed to choose one of 4 refund options: 401k (pre-tax), 457 (pre-tax), Roth (post-tax), Cash? And, b) Will the employee be allowed to choose the time at which the employee receives the money? It seemed only right to allow an employee to have the right to choose to prevent a huge amount to be taken in the form of taxes. For example, an employee may wish to delay receipt until the year he/she retires since the employee's tax base will most likely drop upon retirement and therefore the money will be taxed at a lower rate. 4) Is VCERA going to create a calculator that assists in not only calculating pension but also calculates the money that will be refunded? 5) How will calculations be done for pensions/lump sums of money to be reimbursed when there was a divorce during the relevant period? Also, what effect, if any, to the answers to the questions above?

Ms. Webb said that the implementation plan was still being developed, and would be provided to the Board and the public at a later time. Also, one of the issues that had been raised was that of notice. Those employees who retired before 2013 are not impacted at all. For those who retired after 2013, a general notice was all that staff could provide at this point because there would be corrections for thousands of members. Further, some of the retirees may not simply belong to one category; for example, they may have both standby pay as well as excess leave redemption in their FAC. For those who retired after 2020, they would have flex credit in their FAC. Staff received certified payroll data from the County Auditor-Controller's Office which is used for retirement benefits calculations. The County was making programming changes, and would generate correction files for both active and retired members. Each affected member will have to be reviewed. So, to send a notice to each retiree who retired between 2013 and 2020, that specifically listed how much their benefit would be adjusted, how much they were overpaid and when it would happen, had been literally impossible. VCERA staff did not have the data to supply to the members yet, and one of the things that staff had warned the Board about initially and repeatedly was that the longer the delay to implement the Alameda Decision, the more arduous and challenging the ultimate implementation would be.

Also, regarding those earlier retirees, every month they were being overpaid, and would continue to be until the corrections were made; and the recommendation today was to not recoup any of those overpayments. There were many public servants in the room and listening today. Ms. Webb said had been working in public pensions for nearly 30 years and the reason was that she found it to be a calling to serve those who served our communities. She was herself a member of the community, had been treated at the Ventura County Hospital and would certainly depend on the Safety members to defend her in a crisis. VCERA's staff and legal counsel would never recommend to the Board to exclude any type of pay if they did not 100% believe it was absolutely legally necessary. There was clearly a perception that the Board had some discretion on some items that the law did not allow, though she would let Ms. Dunning and Ms. Nemiroff address those. There were also some requests that were made today that, in her professional opinion the Board would be breaking the law to grant. When she spoke with REAVC recently, she told them that if she were in their situation she would feel the same way. It was very unusual for a pension to be reduced and it would have to take something of the magnitude of the Alameda Decision to warrant such changes. So, making the corrections as soon as possible, getting refunds in members' hands, getting pension benefits corrected, and getting information out to members who needed it to make financial decisions was of utmost importance and the highest priority. She did not blame any retiree for feeling like this issue came out of nowhere. It was difficult for retirees to receive a benefit and later be told their benefit would be reduced because of a court decision. However, staff had to advise the Board to follow the law; but, wherever there was discretion, to make it as member-friendly as possible. In regard to how things were handled in other counties, the legal situations, pay items, and circumstances were different in those counties. So, any action in those counties was unique to those counties and would not apply to Ventura County. Correction notices to retirees would provide the calculation on the amount of overpaid benefits, the amount of contributions that was over-collected, and the application of interest to those amounts, compounded annually, for the refunds. Individual letters could not be done until the payroll corrections are done.

Ms. Dunning said that as the governing body for VCERA, the key fiduciary point here was that the Board had a responsibility to prudently administer the Plan, which meant that job one was applying the law. The Board had been advised what the law was, and to whom it applied, and the recommendation was that they apply it as it was provided in the resolutions presented today.

Trustee Long said there was a statement made by someone regarding a lawsuit, so she was asking if anybody would be able to speak on that.

Ms. Webb said regarding the lawsuit on the leave straddling issue, VCERA's 2020 interpretation was challenged legally and VCERA's interpretation was upheld in Superior Court. She believed that Dr. Johnson had stated that two of the parties in the case were appealing the court's decision, but there was no stay; so, VCERA was required to proceed.

Trustee Long then asked about the status of the appeals.

Ms. Dunning said that typically appeals are taking a year and a half from the notice of appeal. The County and former County Counsel Leroy Smith did not appeal. Two of the unions did appeal. The appellant's brief was expected to be completed next month and she expected a decision in the case in a year.

Trustee Long also asked whether or not Ms. Dunning agreed with the comments that were made regarding the selected date or requested effective date for the proposed resolutions, and if so, why?

Ms. Dunning explained that there were two different ways of talking about retroactive versus prospective. The application that the Board was applying was prospective in the sense that it was only applied to future payments that people received and the recommendation was that they did not recoup retroactive amounts, so it was prospective only. However, it applied to people who had already retired because every payment that they received after retirement was erroneously inflated. That was what all of the retirement systems in California, as she understood it, had done. So it was applied to future benefit payments and that was what was being recommended to them as well as the resolutions.

Trustee Long said that Ms. Dunning agreed then with the effective date of April 17, 2023, for both resolutions.

Ms. Dunning said no, not as to the question of to whom it applied. It was applied to checks that go out on a prospective basis and what the courts had said was that PEPRA applied to people who retired when that law was in effect which was from January 13, 2013, to the present. There were 7 years of litigation on that topic that led to the California Supreme Court's unanimous decision upholding PEPRA and requiring it to be applied by county retirement plans such as VCERA. Therefore, it had to be applied to people who retired on or after January 1, 2013. The Alameda Exclusions had a different effective date because the decision itself is a result of the Supreme Court overturning prior case law. Therefore, the effective date for Alameda exclusions was July 30, 2020.

The resolution talked about "window periods". Boards of Retirement were not allowed to make up the law, and they were not allowed to apply the law to one group of people but not another without a basis in statute or court case. The resolutions were applying the PEPRA exclusions to people who retired under PEPRA and applying the Alameda exclusions to people who retired after the Alameda Decision.

Trustee Long then said that she was very confused then because the issue had been going on for 7 years and VCERA's first letter to all of the members regarding it was a week ago. The proposed effective dates did not make sense, and if she was going to vote in favor of the recommendation, she would need clarification on why the members were not communicated with about the issue during that time. She believed the effective date should be the date that everyone agreed the item was moving forward, which was today's date, and not the other proposed dates.

Ms. Dunning explained that when Judge Stern in the Santa Barbara Superior Court upheld the Board's prior decision on "straddling", that court said that the Board must exclude pay items that constituted cashouts that reflected straddling of calendar years, so it was a, "must" and not a "may".

Also, back in October 2020, when she presented to the Board on *Alameda*, the history of the lawsuit went back to 2012, which was when the legislature adopted PEPRA, and there were county retirement systems that applied PEPRA to both their Legacy and PEPRA members, but VCERA only applied PEPRA to the PEPRA members and made it clear that it was waiting for the dust to settle in the lawsuits that were filed in other counties, with respect to the application of PEPRA to the Legacy members. There were 4 such lawsuits, filed against 4 other county retirement systems, and 3 of the cases were consolidated and went up through the courts until it reached the Supreme Court in 2019 and then was resolved in 2020. All 4 of those cases determined that all 4 of the county retirement systems needed to apply the PEPRA exclusions for all members who retired after January 1, 2013, and this was not a debate in any of the systems. The problem in some systems, such as Ventura County, was a lot of time had passed and people were now surprised that their pension allowances were going to be reduced. The Board was dealing with the issue late, because they had a lot of complications centered around the Alameda Exclusions. It was time to resolve it and allow staff to implement it for the currently retired members, as it had already been implemented for people who retired after July 30, 2020. The Board applied the PEPRA exclusions and authorized staff to calculate benefits in accordance with PEPRA, which had been done. So, the only issue on the PEPRA Exclusions was whether they chose to recoup the overpayments from members or not, and the recommendation was to not recoup from the members.

Trustee Long asked if the resolutions would then be effective as of today's date if they were approved by the Board.

Ms. Webb added that if a member who retired after January 1, 2013, he or she could be receiving an overpaid benefit currently; that member would continue to be overpaid until the adjustment to their benefit was made, and the overpayments would not be recouped. The time that has passed has allowed the overpayments to continue. Benefits will be changed prospectively, but overpayments will not be "clawed back". Also, for anyone that had retired since the Alameda Decision, staff had been eliminating "straddling" and not calculating their Final Average Compensation using any of the PEPRA Exclusions, such as Standby Pay and On-Call Pay. So, all of these retirees have gone into retirement without overpayments.

Trustee Long remarked that the October 2020 Resolution impacted the employees, but where was the communication on that, as to how that would be affecting the members? Where was the communication during that time until now that explained what they might be losing? She also did not want to ask for all of the communications from VCERA to the members during this period, because she did not want to micromanage staff. However, she was very frustrated about the situation. In December, she had asked to delay a decision on the flex credit item so that they could communicate with the unions and members, but she has received only one letter on April 10<sup>th</sup> as an employee. She believed they should promise the employees the contract they signed when they hired them. She was also concerned about the members who were required to be on Standby or On-call after their 8-hour shift was over.

Ms. Webb then said that she was unsure of what exactly Trustee Long was asking to be done.

Trustee Long said that she was asking that the effective date for both resolutions be today's date so that the employees could trust that if approved, there would be no change to it again. The other thing she was requesting was for more communication with the members. She and Ms. Dunning did not agree that the items in question were non-pensionable, but she was the Board's legal counsel and that was what she had stated. Trustee Long said she just wanted everyone to be clear on the decision the Board was making today.

Ms. Webb said that she believed there was some confusion on some of the points that Trustee Long made and she hoped to be able to clarify them further. VCERA would not be clawing back benefits on any retirees. The law required VCERA to adjust the benefits prospectively, which was as soon as administratively possible. The Board had delayed the approval of the Alameda and PEPRA exclusions for 3 years. Staff had brought a resolution for these exclusions 6 or 7 times, so that staff could begin the implementation, and staff had warned the Board that from a fiduciary standpoint, the delay was making things worse. Also, the last examples she saw regarding the overpayments to retirees showed between \$20,000 to \$50,000 in overpayments that would not be recouped from them because of the delay. VCERA was legally required to update the benefits for members who retired between 2013 and 2020, and so the delay had benefited them financially. In terms of the Alameda Exclusions, the members, the unions, and the County had asked that the Board delay adopting the resolution until today. VCERA was still collecting contributions on non-cashable flex credit and the retirees were still being paid according to the full flex credit amount included in their pension calculation, which needed to be adjusted as well, without recoupment for those overpayments. The proposed resolutions before the Board currently were the most advantageous to the retirees and membership that were allowed under the law.

Ms. Dunning said additionally, the Resolution the Board previously adopted in October 2020 called for recoupment, and if the Board did not act today then the letters that the members would receive would show the items that were excluded and the amount that was owed to VCERA.

Trustee Long said that made her wonder why the resolution was a supplement one instead of an amendment. A supplement can be removed at any time, unlike an amendment.

Ms. Dunning said that it was a modification concerning the recoupment aspect of the prior Resolution, and it was not a change of any of its substance. It addressed the one discretionary point that the Board was afforded, which pertained to the recoupment. Also, if notices had gone out earlier, they would have said something much more alarming than the letters that were contemplated by today's proposed resolution. There is an opportunity to individually appeal to the Retirement Administrator if members believed their calculations are incorrect.

Trustee Long asked if the Board were to approve the supplemental resolution today if it could not be taken back.

Ms. Webb remarked that the original resolution would have recouped overpaid benefits relating to PEPRA Exclusions back to 2020, but the supplemental resolution stated that VCERA would not be recouping overpayments at all, therefore it was advantageous to the retirees.

Trustee Roberts asked if the Board chose not to adopt the resolutions today, and there were a lawsuit, could the courts decide that VCERA needed to recoupment overpayments from retirees?

Ms. Dunning said yes, there could be a lawsuit from a taxpayer that said VCERA must recoup overpaid benefits, and that had happened in other jurisdictions. She was advising the Board on what she believed the law authorized the Board to be able to do, but there were those who may not agree and could say VCERA must recoup the overpaid benefits.

Trustee Roberts then said that the Board then had some discretion currently, but if the Board chose to delay or not implement the resolution, then they may lose that discretion.

Ms. Dunning said she believed the Board did not have the discretion whether to apply it, but the Board had the discretion not to recoup, in her judgment. Therefore, she believed the Board had some level of discretion, to waive the obligation they would have to otherwise recoup overpayments

and to instead, collect those amounts through the unfunded liability, but that discretion was not unlimited. There was a point where it became a "gift of public funds", which was important to note. Because the more money that was being paid out of the trust that was not paying a benefit that is authorized by law, the more the Board was creating a vulnerability for the system that could be challenged in the future.

Trustee Grass said that he believed there were multiple issues involved and one was highlighted recently when they were discussing larger pensions, because those were not the people the retirees or REAVC were attending the meeting today for. They were concerned about those with pensions that were possibly \$5,000 that were going to be reduced to \$4,000. He also believed the response letter to REAVC was telling because it said other boards in other counties did have discretion, but it did not meet the criteria in Ventura County. Of course it did, they were all different and each county had different pay codes for the items in question. The thing that bothered him the most was the PEPRA item because the Board had exercised discretion long before he was on the Board, and the lack of communication and having the items on the agenda without explanations to the members of what would be reduced bothered him. He agree with Supervisor Long when she asked how could they go back in reference to making the effective dates retroactive. They also kept talking about overpayments, but it was money that was contributed for the employee and by the employee and was invested in the Plan. Also, item B said that 2013 should be the effective date; however, he knew firsthand that part of the compensation plan for the employees went back to the date of hire and included on-call pay. So, for him, item B was a non-starter based on a lot of factors, and he did not know if that would change in 120 days if there were time to weed some of it out. It had taken 3 years on the Alameda item alone; the Board was just supposed to cram down the PEPRA item as well, just to get it done. It also sounded a little arrogant to talk about it being anything other than the employee's money. They did not see the Taxpayers Association beating down the doors and complaining about the issue, because it was money that was contributed by the employees and the employer. So, he strongly believed they should wait on item B because they were not giving the employees enough time or specific details to the employees, which had been his complaint for the last 2 years. Also, Ms. Webb had said that VCERA was not requesting any money back, but she was talking about reducing the pensions for anyone who retired between 2013 to 2020. He also understood that they kept hearing that there was no discretion, but VCERA's memo from REAVC highlighted multiple counties that did exercise discretion. So, he did not have a problem with the Alameda Exclusions, he just had a problem with the PEPRA Exclusions.

Ms. Webb noted that the Board had adopted the resolution on PEPRA Exclusions in 2020, but the only thing the new supplemental resolution did was to make the original resolution more advantageous to members than it had been this entire time.

Trustee Grass disagreed and said there was some information that was presented earlier that said the Board would only recoup their excess contributions based on excluded things like on-call pay, and he would argue that those funds would be due back to employees from the date of hire to 2013. Therefore, he believed they should take additional time before deciding on the PEPRA item, and there should be some additional information provided to the retirees regarding it.

Ms. Webb said that she believed there was some misunderstanding by the Board on what exactly was being proposed today. The PEPRA Exclusions had already been implemented, and for everyone who had retired since the Alameda Decision, VCERA had restricted standby pay to within the law.

Trustee Grass said that he understood that, but he was referring to the employees who retired between 2013 to 2020.

Ms. Webb also said that Trustee Grass had mentioned an example of a pension that was \$5,000 that could be reduced to \$4,000; however, she had not seen an example that was remotely close to that. Also, the members who retired between 2013 and 2020 would not be affected by the Flex Credit issue, which was the factor that caused the biggest impact on the reductions. As to the examples she presented earlier, it was just to highlight the straddling issue for a Tier I employee.

Trustee Grass then said that VCERA staff had spent the last 6 months meeting with the associations and unions, but the PowerPoint presentations were remiss in pushing the PEPRA item forward currently without providing some estimate to the members on what they should expect. So, he believed it was inappropriate to move forward with the item without providing them with some idea of that reduction. It was also a good basis for negotiations.

Ms. Webb then asked Ms. Dunning, if the Board adopted the resolutions, which stated they would not recoup overpayments, could it be considered a gift of public funds if the Board knew they were not going to recoup, and yet kept delaying further. Also, yes, she was referring to them as overpayments because she was reading the law. She understood it did not feel like an overpayment to retirees receiving a retirement check, it would just feel like their retirement check. The employees paid contributions on those pay types that now the Court was saying they had to exclude. The Board said at the previous meeting that when the employees received refunds of those contributions they were going to be getting 7.9% compounded, and with interest being credited twice a year, they would receive more than a straight compounding of 7.9%., and for many, the interest in the earnings would well exceed the actual contributions. Therefore, the Board was giving the members the most generous refund that she had heard of among all of the CERL retirement systems, and the Board was also not recouping, which a lot of the CERL retirement systems were doing. So, further delay in her view would be irresponsible from a fiduciary perspective. The membership deserved clarity and staff could not provide clarity until the Board took action.

Chair Sedell said staff could not provide members with estimated reductions for individuals until the Board acted to tell staff how that was to be calculated, given the Board had not taken action on the items yet.

Trustee Grass noted that there was a whole PowerPoint presentation with examples of a member's estimated reduction.

Ms. Webb said that staff had selected examples from each union group and calculated the estimated reductions for those individuals for illustration; however, they were talking about thousands of members that would need to have their accounts recalculated. They were talking about 3 years of overpayments, and there was another biweekly payroll coming, where VCERA would receive more contributions that they should not be receiving. So, what she believed she was hearing from trustees was, to wait on the item, but get the contribution refunds out fast, and staff could not do it both ways because the longer they wait, the messier and harder the implementation would be. From staff's perspective, VCERA had to follow the law. This did not mean that they did not have any sympathy for the retirees. Her father was a CalSTRS retiree who had lived on a fixed income. What was troubling to her was the hostility on display, because there was an implication that there was something the Board or staff could do for the members that they were not doing. Not recouping, granting the most generous interest rate for refunds, and the delay was all advantageous to the members. So, they have recommended as much as they could to the benefit of the member, under the law, but the discretion to not follow the law was just not there.

Trustee Grass said that they were not implying that. He was just saying that they should wait a little while on item B to provide more information to the members. He never said that he had any problem with item A. However, he believed there was a miscategorization regarding the pension plan



because there was an actuary that made calculations based on what was contributed and other factors to estimate what a member should be paid. Members were currently contributing 12½ percent and the County was contributing an equal amount, which was money that was part of his compensation package that he had entrusted to VCERA because he did not have a choice, otherwise, he might choose to do something else. So, that money belonged to the employees, and he was not saying that they shouldn't follow the law, he was just saying that they should provide a little more information to the members about item B and resolve some of the issues, such as the effective date based on the pay items, but they should ensure that they are getting it done correctly.

Ms. Webb said she disagreed because she felt they needed to give everyone a great deal of furthermore information, but they could not do that until action was taken by the Board.

Ms. Dunning then asked Chair Sedell if she should walk the Board through the resolution for item B to help everyone understand what the disagreement was about.

Chair Sedell said that it sounded like they should do that because it could help to answer some of the questions that were recently mentioned.

Ms. Dunning then presented the proposed resolution regarding PEPRA Exclusions.

Kevin Aguayo, President of the Ventura County Professional Firefighters Association, provided public comment. He heard the "claw back" issue come up, but legislation was presented last year and there was a lot of resistance. So, if there was any question about the clawback process would be, he would urge VCERA and SACRS to support any anti-clawback legislation, which was similarly done with PERS. Along with that, as a union leader who was in negotiations with the County because of this, he could not negotiate without the Board taking action on the resolution. So, the sooner the issues could be resolved, the faster he could get to where he needed to be with his members and their families during the negotiations. So, he would urge the Board members to vote on the items so that he knew what he needed to do on behalf of his members, just like the other union leaders. To not do that would be unhelpful to every labor union leader and their members, and from what he saw, there would be the opportunity to appeal the processes. As the Board knew, he had multiple issues that he was appealing. Therefore, please vote on the issues today, because not dealing with it was not an option any longer.

Trustee Horgan asked if there was any benefit to changing the effective dates to the resolution to today's date because there would be no recoupment of overpaid funds.

Ms. Webb said that she did not see any benefit in changing the effective date. She then asked Ms. Dunning if she had heard any new arguments at today's meeting that had not been presented or argued to the Court previously.

Ms. Dunning said no, every single issue had already come up before the courts, and the CA Supreme Court had uniformly upheld what was being recommended to the Board today, and she had seen administrative appeals on these issues across the state, and every single one had upheld these types of determinations.

Trustee Long said that she wanted to clarify that the issue had been a big one for her and the County. The County also spoke to County Counsel about these issues, so she just wanted the members to know that the Board had a legal obligation to follow the law, whether she agreed with it or not. So, she just wanted to make sure the members knew that the County had been working hard to fight against the issue.

Chair Sedell remarked that he believed the Board, the County, and the Unions had done everything possible to find the best path forward for the members, which he believed was what Trustee Long was trying to say, and he would agree.

Trustee Long said she was initially speaking as to the County's efforts, then she was intending to remark on the Board's efforts as well. She also believed that there was a big obligation to provide the members with a letter that stated what happened today, what the Board approved, and what they would receive from VCERA. As well as a timeline of when they will receive an itemized letter that explained the amount of their pension benefit reduction. So, the motion on the item should be to approve the item as of today and to direct staff back to the Board with a timeline for when VCERA would be able to communicate to the members.

Chair Sedell said if that was going to be her motion he would like to have added to the motion that at the next meeting we have staff come back to explain what that timeframe would be, to the best of their ability because they were talking about thousands of calculations. But they needed to know that, and so did the retirees and employees.

Trustee Goulet said that he recalled that Ms. Webb already stated that staff would be coming back with an implementation plan, which would provide the Board with some idea of how long the process will take, and he assumed the plan would state the priority of which group of members should be dealt with first.

Ms. Webb said that it would be done in groups, with retirees being the first group in the process. She also wanted to remind them that for the last 3 years, staff had been telling the Board how difficult the implementation would be for staff, and the longer the delay the harder it would be. Staff would also need new outside resources as well as employing data services and partnering with the Auditor-Controller's Office because it would affect payroll.

Chair Sedell then said that the Board was simply asking that if the resolution was passed, staff keep the Board and the public informed on the status as things progressed, week by week if they had to.

Ms. Webb replied yes, and that she wholeheartedly agreed.

MOTION: Adopt the Proposed Resolution Regarding the Correction of Pensionability of Benefits Under County of Ventura's Flexible Benefits Program, and Direct Staff to Return with a Timeline on the Implementation, which Includes Updates to the Members.

Moved by Long seconded by Joe

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: Ashby

Abstain: -

- B. Recommendation to Adopt Resolution to Supplement the October 12, 2020, Alameda Implementation Resolution by: (1) Modifying paragraph 4 thereof such that overpayments made on and after August 31, 2020, would not be recouped directly from Post-PEPRA Legacy Retirees; and (2) Specifying alternative means for Administrative Appeals.

**RECOMMENDED ACTION: Adopt.**

1. Staff Letter by Retirement Administrator.
2. Resolution of the Board of Retirement of Ventura County Employees' Retirement Association Regarding Alameda Implementation to Compensation Earnable and Pensionable Compensation (Previously Adopted October 12, 2020).
3. Proposed Supplemental Resolution of the Board of Retirement of Ventura County Employees' Retirement Association Regarding *Alameda* Corrections of PEPRA Exclusions as to Retired Members.
4. Letter of Concern from Retirees Lyn Krieger, Gerhardt Hubner, Chris Stephens, Tracey Pirie, Scott Barash, and Roberta Rodriguez-Griego, Submitted March 27, 2023.
5. Response to Letter of Concern from VCERA Retirees Re: Alameda Implementation.
6. Letter to Board from President of the Retired Employees Association of Ventura County (REAVC).

MOTION: Approve and Adopt the Proposed Resolution.

Moved by Joe, seconded by Hernandez-Garcia

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: Ashby

Abstain: -

Trustee Goulet said that he wanted to make a supplemental motion to direct staff to return with an implementation plan and communicate with the Board and the public during the process.

MOTION: Direct Staff to Return with a Timeline on the Implementation, which Includes Updates to the Members.

Moved by Goulet, seconded by Roberts

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: Ashby

Abstain: -

Trustee Joe left the meeting at 2:01 p.m., after the vote on the items.

The Board took a 20-minute break at 2:10 p.m.

The Board returned from a break at 2:30 p.m.

- C. Request for Addition of One New Full-Time Equivalent (FTE) Staff Position for Retirement Investment Officer Under HR Classification of Administrative Services Director IV.

**RECOMMENDED ACTION: Approve.**

1. Staff Letter by Retirement Administrator.

Ms. Webb noted that there had been interest for some time to acquire an additional position to be added to the Investment Department. This was the official request to the Board because VCERA would need an additional position or Full-Time Equivalent position (FTE) added to the staff roster. The requested classification was approved by County Human Resources. Staff also had a draft of the job description and while they would be starting the recruitment efforts soon, she they did not anticipate filling the position until after the beginning of the new fiscal year. The CFO had also listed in the agenda materials the full cost of the position, reflecting the top of the salary range so that the Board could see the full financial impact to the budget.

Trustee Horgan said that she wanted to let Chair Sedell know that she did not feel that she could support the recommendation from staff because she did not have the background or history of the item and did not know what the full financial impact would be to the budget.

Chair Sedell said that he could appreciate that, but the Board had previously discussed the item when they approved the current budget and after considering that the Board had one person handling VCERA's investment portfolio, there was a request from the Board to have the item brought back for more consideration. Especially when the Board considered the growing number of investments, such as Private Equity that was still rather new to their portfolio, the Board felt that there was a need for additional oversight for that department.

MOTION: Approve the Addition of One Allocation with the Following Payroll Title and Salary Range: (01787) Administrative Services Director IV, with a Salary Range of \$145,359.97 to \$203,503.96.

Moved by Roberts, seconded by Long

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Long, Roberts, Sedell

No: -

Absent: Ashby, Joe

Abstain: Horgan

- D. Review of Board Member Education Compliance Report for 2022.

**RECOMMENDED ACTION: Approve.**

1. Staff Letter by Retirement Administrator.
2. Board Member Education Compliance Report for 2022.

Ms. Webb noted that the item was an annual requirement for a 2-year training period for Trustee Education, and VCERA was required by law to post a report publicly.

MOTION: Approve.

Moved by Roberts, seconded by Long

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Long, Roberts, Sedell

No: -

Absent: Ashby, Joe

Abstain: -

E. Finance Committee Activities.

**RECOMMENDED ACTION: Receive and file.**

1. Letter from Finance Committee Chair.

Trustee Goulet explained that it was time for VCERA to have an Actuarial Audit and the last time they had one, the Chair had appointed an Ad-hoc Committee to develop an RFP and evaluate the responses to it, and there was no Finance Committee at that time. The Finance Committee felt that it was something that they could undertake, and it fell under the committee charter's "other duties as assigned".

Chair Sedell then said that they could receive and file the report and then have the Actuarial Audit item brought back at the next meeting for consideration.

Trustee Goulet agreed.

MOTION: Receive and File.

Moved by Goulet, seconded by Roberts

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Long, Roberts, Sedell

No: -

Absent: Ashby, Joe

Abstain: -

F. SACRS Board of Director Elections 2022-2023.

1. SACRS Board of Director Elections 2022-2023 – Final Ballot Information and Nomination Supplemental Submission Form.

G. Chief Investment Officer's 1<sup>st</sup> Quarter 2023 Investment Activity Report.

**RECOMMENDED ACTION: Receive and File.**

MOTION: Receive and File.

Moved by Roberts, seconded by Long

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Long, Roberts, Sedell

No: -

Absent: Ashby, Joe

Abstain: -

After the vote on the agenda item the Board advanced to item, XI.A., " SACRS Legislative Update – April 2023".

**X. CLOSED SESSION**

- A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Title: Retirement Administrator  
(Government Code section 54957(b)(1))

**XI. INFORMATIONAL**

- A. SACRS Legislative Update – April 2023.

**XII. PUBLIC COMMENT**

None.

**XIII. STAFF COMMENT**

Ms. Webb noted that there was still time for Trustees to get registered for the upcoming SACRS Spring 2023 Conference. So, if any of the Trustees would like to attend, please let staff know at their earliest convenience.

**XIV. BOARD MEMBER COMMENT**

Trustee Hoag said that he wanted to say that Ms. Webb had done a great job in presenting the Alameda-related items to the Board and the public.

Trustee Roberts also wanted to thank staff for the work they had done to get VCERA to this point and for their future efforts since the implementation was just beginning.

Ms. Webb noted that Board and the public could be assured that the implementation of Alameda was of crucial importance to staff as well. They took the process seriously and they intended to do it efficiently.

Trustee Long thanked Ms. Webb for her work in dealing with all of the different needs that were required of her, and she also wanted to ask that the letters related to today's Public Comments could be put on the agenda so that the public would have access to those that made comments.

Ms. Webb said that the technical deadline was Friday at 9 a.m. before the meeting, but staff tried to get the Board access to the disability cases before that so that they have more time to review them. Staff had also received 3 different versions of the REAVC letter and so staff kept forwarding them to the Board, as for the comments they either read them into the record or submitted them to the Board prior. Also, the public comments would be captured in the minutes, which would list who made the comments and a summary of what was said, and as for the emails staff received on behalf of the Board, she would defer to counsel on whether those should be posted publicly.

Chair Sedell said if anything were received before the Wednesday night before the agenda was posted, it should be included in the agenda.

Ms. Webb then said that if it was received before posting it would be included.

Trustee Long clarified that she was asking what was the process or policy for the agenda-related items that staff received from the members or the public, and how were they tracked.

Ms. Webb explained that for this meeting she was working with the Board Clerk and the CTO to create a central repository where Board members could access and review the emails and comments that were sent to them. As for the speaker cards and requests they received during the meeting to address the Board were dealt with during the meeting, as they came in, which would be reflected in the Public Comment, but staff did not go back to the agenda posting and list the 12 to 15 public comments or emails, but they would be reflected in the minutes later.

Trustee Goulet said that as the Board was aware, he wrote a column for REAVC's News Letter, so he would be reciting in his letter what happened today so that at least members of REAVC would have notice of what happened today.

Ms. Webb also noted that staff would be updating the VCERA website within the next 24 hours regarding exactly what happened today and what was coming next. Staff would continue to include additional information, similarly, when the implementation details were released they would be posted as well.

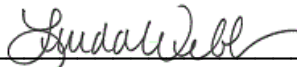
Chair Sedell announced that the Board would recess the public meeting and enter into Closed Session and that there would be no announcement expected after the Closed Session and the Board would adjourn from closed session.

The Board then entered Closed Session at, 2:48 p.m.

**XV. ADJOURNMENT**

The Chair said the Board would adjourn the meeting at the conclusion of the Closed Session meeting.

Respectfully submitted,



\_\_\_\_\_  
LINDA WEBB, Retirement Administrator

Approved,

\_\_\_\_\_  
MIKE SEDELL, Chair



## **Board Presentation**

May 2023

One Glendinning Place  
Westport, CT 06880  
(203) 226-3030  
[www.bridgewater.com](http://www.bridgewater.com)



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# **BRIDGEWATER REPRESENTATIVES**



## **CLARK THIEMANN, CFA / CLIENT ADVISOR**

Clark Thiemann joined Bridgewater in 2004 and is currently a Client Advisor responsible for managing client relationships with institutions in the US, UK, and Europe. In his more than 15 years working directly with Bridgewater's clients, Clark has worked with a wide array of US, Asian, and European public, corporate, endowment, foundation, and family office clients. He previously managed both the training of new associates as well as the firm's operational due diligence efforts. Clark has a B.A. in Political Economy from Princeton University and is a CFA charterholder.



## **MELISSA SAPHIER / PORTFOLIO STRATEGIST**

Melissa joined Bridgewater in 2012 and is a Portfolio Strategist in Bridgewater's Research group. Melissa is also a frequent author of the globally-read Bridgewater Daily Observations. After standing out favorably in the firm's immersive investor training program, she held multiple roles across the Research group, beginning with the Fixed Income and Macroeconomics teams, where she focused on topics such as quantitative easing, bond flows, global inflation drivers, and the European economy. She rose to Managing Editor of the Bridgewater Daily Observations and also teamed up with Co-CIO, Bob Prince, to study the money management implications of important topics such as China's role in a portfolio, investing through unusually extended business-cycles, and the downstream effects of yield curve control policies by central banks. Melissa has most recently joined the firm's external-facing Portfolio Strategy group, where her considerable Research experience can be brought to bear on partnering with Bridgewater's clients, who include many of the largest and most sophisticated pools of capital in the world, to help them achieve their investing goals. Melissa graduated summa cum laude from Dartmouth College with a major in Government and minor in Economic Policy.

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# AGENDA

- I. Bridgewater Overview
- II. Account Review
- III. Global Outlook

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# **I. Bridgewater Overview**

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# **BRIDGEWATER OVERVIEW**

- ◆ Institutional investment manager
- ◆ Founded in 1975
- ◆ Deep fundamental understanding of markets
- ◆ History of creating tailored investment advice and solutions
- ◆ Built around the principle of separating alpha and beta
  - Managing Pure Alpha for 32 years
  - Managing All Weather for 27 years
- ◆ Manage approximately \$124 billion in assets
  - \$63bln in Pure Alpha
  - \$42bln in All Weather
  - \$16bln in Tailored Solutions\*

Figures estimated as of April 2023. AUM figures as of the date shown are inclusive of additions and/or withdrawals made as of the first business day or dealing day of the following month. For accounts of external clients and investors managed to target allocations, the target allocations are used to estimate Strategy and Firmwide AUM; these estimates may differ from actual allocations due to performance over time. Please note that, where appropriate, client-specific investment offerings are categorized according to the investment strategy to which they are most similar, though not all custom offerings will necessarily fit within an investment strategy and so Strategy AUM/flows may not total to Firmwide AUM/flows.

\*Tailored Solutions include the Optimal Portfolio, China Total Return, Defensive Alpha, and Risk Management Plan Strategies.

Please review the "Important Disclosures and Other Information" located at the end of this presentation.

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## **II. Account Review**

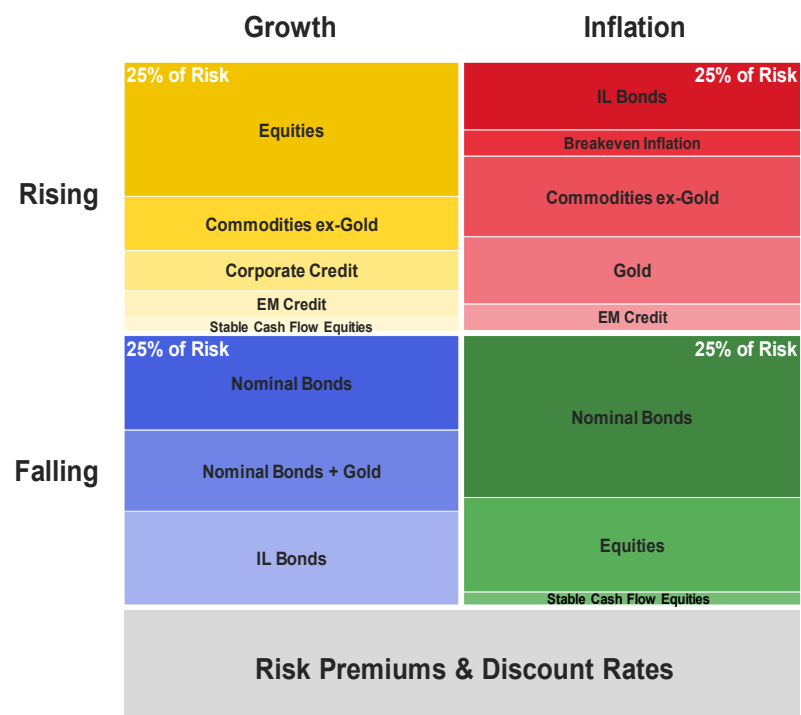
# ALL WEATHER MANDATE SUMMARY

**Investment Philosophy:** Fundamental, Systematic, Diversified.

**Strategy Overview & Goal:** Bridgewater's optimal beta portfolio, designed to produce the highest return-to-risk ratio for a strategic asset mix.

**Approach:** Collect the risk premium embedded across assets by balancing risk across asset classes with opposing sensitivities to shifts in the economic environment.

**Size:** \$136 million.



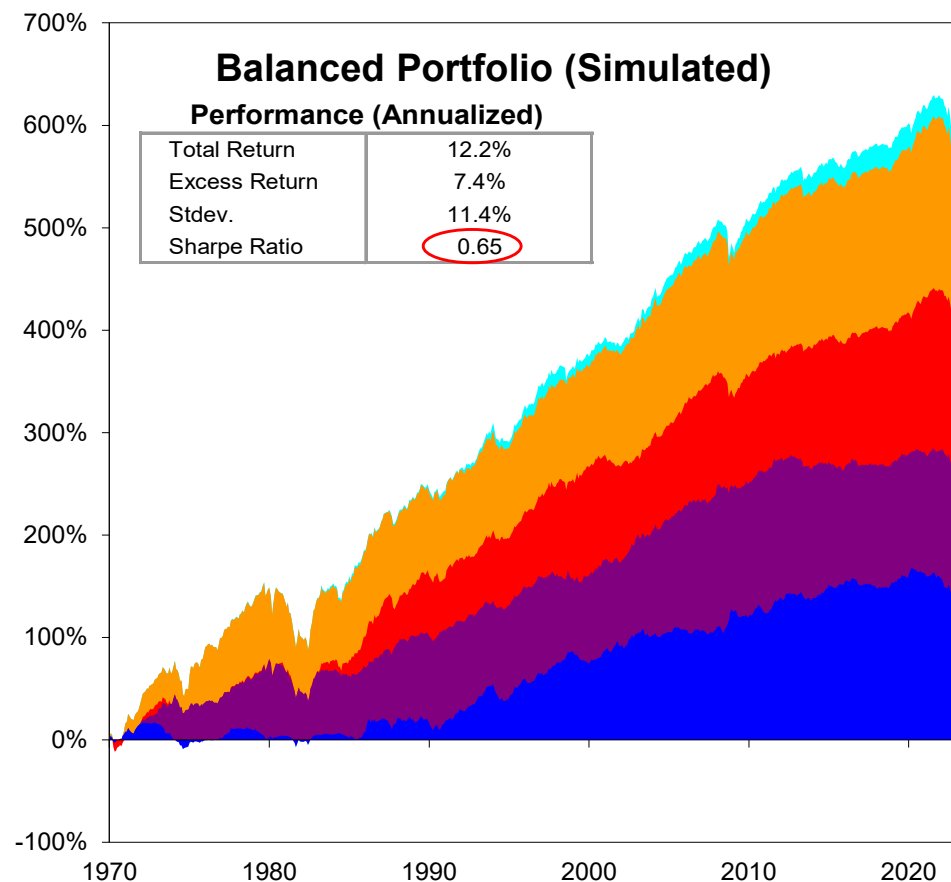
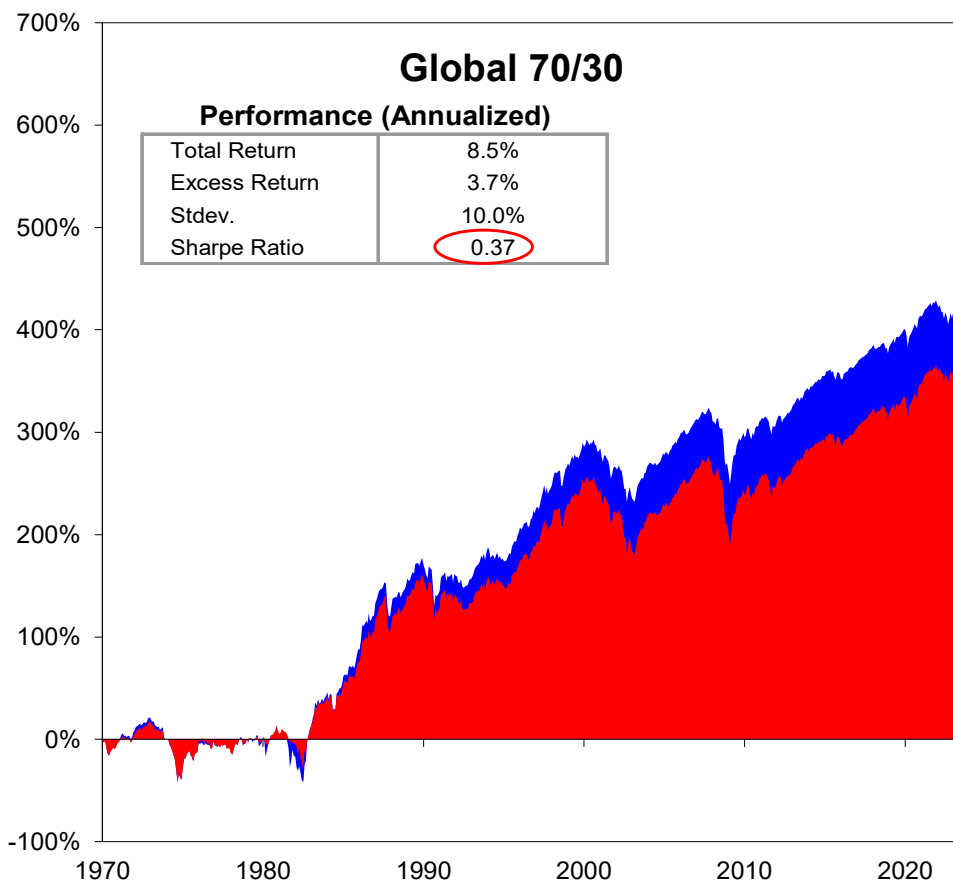
Note: AUM is estimated as of May 8, 2023.

Please review the "Important Disclosures and Other Information" located at the end of this presentation.

# CONCENTRATED VS. BALANCED PORTFOLIO RETURN CONTRIBUTION

## Gross Cumulative Performance Attribution (In)

Equities Nominal Bonds IL Bonds Commodities Other



Data through April 2023. "Balanced Portfolio" returns are simulated using the Balanced Portfolio, as described in the "Balanced Portfolio Disclosure." It is expected that the simulated performance will periodically change as a function of both refinements to our simulation methodology and the underlying market data. Returns are cumulative excess returns above cash, shown gross of fees. Attribution is based on Bridgewater analysis and is approximated based on Bridgewater's views of how to assess the performance of different segments of our portfolio. There could be other methods of attributing performance, however any other method would result in the same total portfolio returns. The global 70/30 is comprised of 70% hedged global equities and 30% hedged global nominal government bonds. HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS. The recipient should not solely rely upon these hypothetical performance results in making an investment decision. In constructing hypothetical performance and determining their appropriateness for use in materials, Bridgewater has an incentive to do so in a manner that shows beneficial characteristics of a given, hypothetical return stream. Past performance is not indicative of future results. Please review the "Important Disclosures and Other Information" located at the end of this presentation.

# PERFORMANCE SUMMARY

## Net of Fees Performance Summary

	Excess	+ Return on Cash	= Total Return
1996	17.2 %	3.1 %	20.4 %
1997	9.4 %	5.6 %	15.0 %
1998	-7.3 %	5.5 %	-1.8 %
1999	10.5 %	5.1 %	15.6 %
2000	3.6 %	6.3 %	9.9 %
2001	-9.8 %	3.8 %	-6.0 %
2002	8.5 %	1.7 %	10.2 %
2003	15.6 %	1.1 %	16.7 %
2004	16.3 %	1.4 %	17.7 %
2005	12.2 %	3.3 %	15.5 %
2006	-3.9 %	5.0 %	1.2 %
2007	6.8 %	5.0 %	11.8 %
2008	-22.0 %	1.9 %	-20.2 %
2009	9.2 %	0.2 %	9.4 %
2010	17.5 %	0.1 %	17.6 %
2011	18.0 %	0.1 %	18.1 %
2012	14.5 %	0.2 %	14.7 %
2013	<b>-4.0 % / 1.9 %*</b>	<b>0.1 % / 0.0 %*</b>	<b>-3.9 % / 2.0 %*</b>
2014	<b>7.5 %</b>	<b>0.1 %</b>	<b>7.6 %</b>
2015	<b>-6.8 %</b>	<b>0.0 %</b>	<b>-6.8 %</b>
2016	<b>9.8 %</b>	<b>0.2 %</b>	<b>10.0 %</b>
2017	<b>11.1 %</b>	<b>0.8 %</b>	<b>11.9 %</b>
2018	<b>-6.8 %</b>	<b>1.8 %</b>	<b>-5.0 %</b>
2019	<b>14.5 %</b>	<b>2.2 %</b>	<b>16.7 %</b>
2020	<b>9.2 %</b>	<b>0.4 %</b>	<b>9.6 %</b>
2021	<b>11.7 %</b>	<b>0.0 %</b>	<b>11.8 %</b>
2022	<b>-24.0 %</b>	<b>2.1 %</b>	<b>-21.9 %</b>
2023 YTD	<b>5.6 %</b>	<b>1.5 %</b>	<b>7.2 %</b>

### Bridgewater All Weather Strategy

Jun 1996 - Apr 2023	
Net Total	
Cumulative Return	493.8%
Annual Return	6.8%
Annual StDev	10.7%

### Ventura County Employees' Retirement Association

Aug 2013 - Apr 2023	
Net Total	
<b>FY 2023</b>	<b>2.7%</b>
<b>Last 12 Months</b>	<b>-7.4%</b>
<b>Last 3 Years (ann)</b>	<b>3.1%</b>
<b>Last 5 Years (ann)</b>	<b>2.7%</b>
<b>Cumulative Return</b>	<b>43.0%</b>
<b>Annual Return</b>	<b>3.7%</b>
<b>Annual StDev</b>	<b>10.6%</b>

Performance is estimated through April 30, 2023. Fiscal Year is from July through June. Inception of the mandate was August 2013. Inception of the strategy was June 1996. Standard deviation is calculated using gross of fees excess returns.

\*Performance is shown for the full year for the All Weather Strategy (black text), and for the partial year for the client's specific account (bold red text). Summary statistics for the All Weather Strategy are based on the full history of the strategy, and may differ from the performance of your specific account or investment.

PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

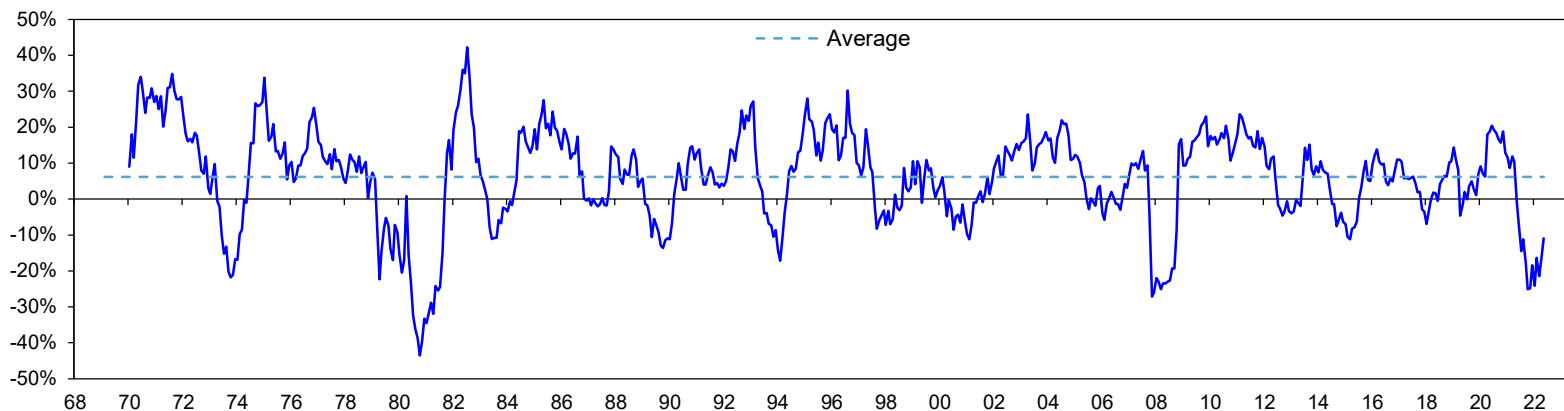
Please review the "Important Disclosures and Other Information" located at the end of this presentation.



# ALL WEATHER PERFORMANCE: TRAILING ONE YEAR

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

(Returns Simulated Prior to June 1996)



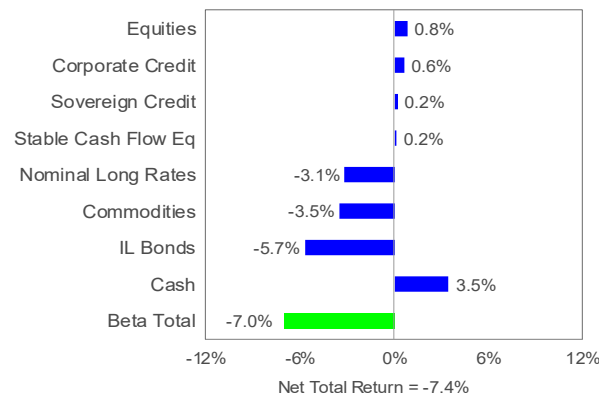
## Trailing One Year Gross Attribution (May 2022 - April 2023)

### Economic Environment

	Growth	Inflation
Rising	Return 0.8%	Return -5.8%
Falling	Return -4.4%	Return -1.1%
= Risk Premiums & Discount Rates -10.5% Excess Return Over Cash		

Plus Cash Return	=	3.5%
Gross Total All Weather Return	=	-7.0%
Net Total All Weather Return	=	-7.4%

### Asset Class

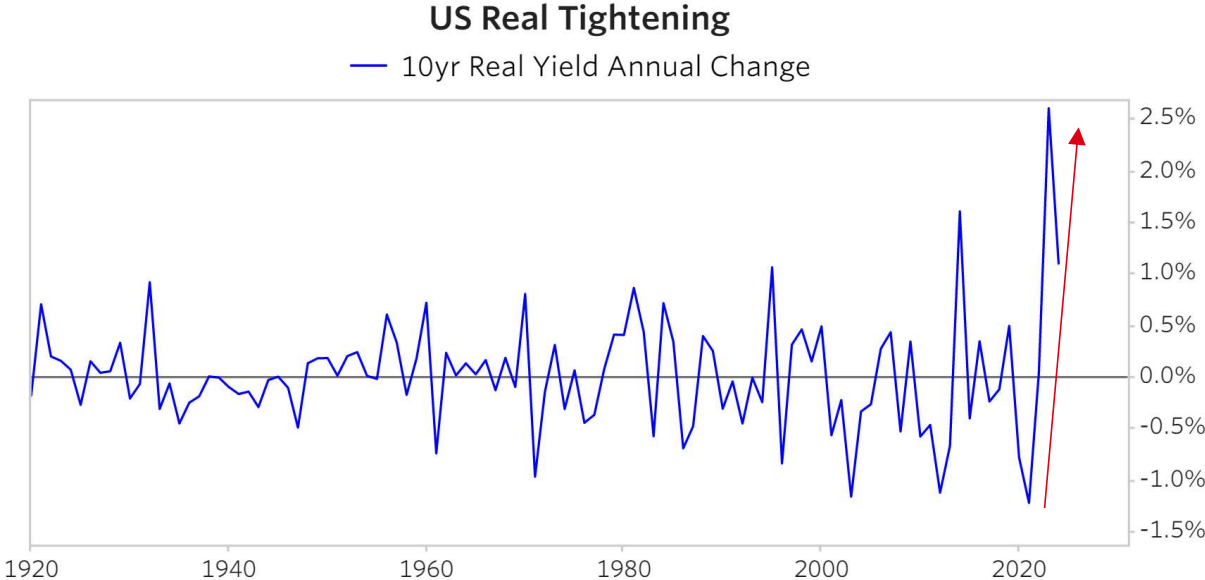


Please note the returns shown for All Weather are simulated prior to June 1996 using the All Weather Strategy Simulation (see All Weather Strategy Simulation Disclosure). It is expected that the simulated performance will periodically change as a function of both refinements to our simulation methodology and the underlying market data. Attribution is based on Bridgewater analysis and is approximated based on Bridgewater's views of how to assess the performance of different segments of our portfolio. There could be other methods of attributing performance, however any other method would result in the same total portfolio returns. HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS. The recipient should not solely rely upon these hypothetical performance results in making an investment decision. In constructing simulations and determining their appropriateness for use in materials, Bridgewater has an incentive to do so in a manner that shows beneficial characteristics of a given, simulated return stream. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. Please review the "Important Disclosures and Other Information" located at the end of this presentation.

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### **III. Global Outlook**

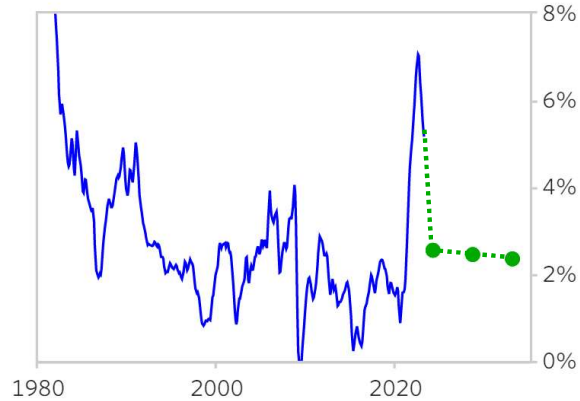
# RECAPPING 2022: A HISTORIC TIGHTENING



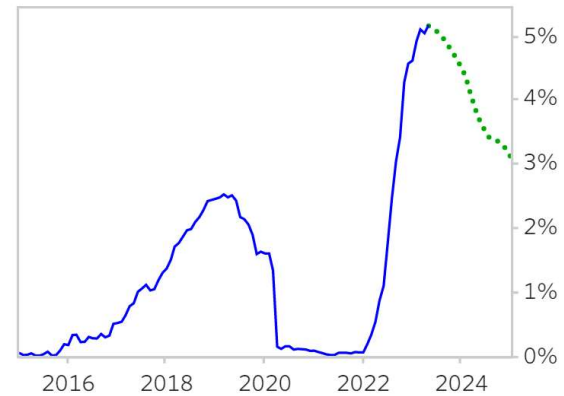
Estimates are based on Bridgewater analysis. Please review the "Important Disclosures and Other Information" located at the end of this presentation.

# MARKETS ARE DISCOUNTING A VERY SOFT LANDING

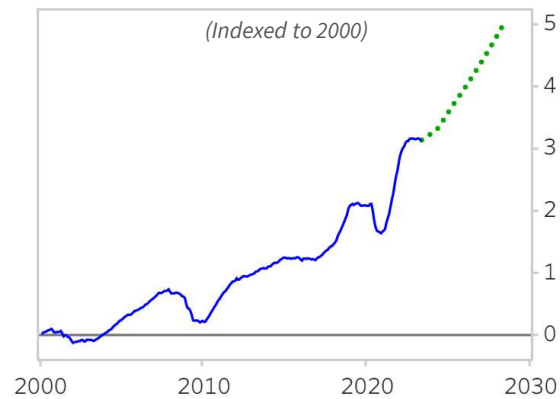
— US Inflation (Headline PCE, Y/Y)    - - - ● - - - Discounted



— US Policy Rate    - - - ● - - - Discounted



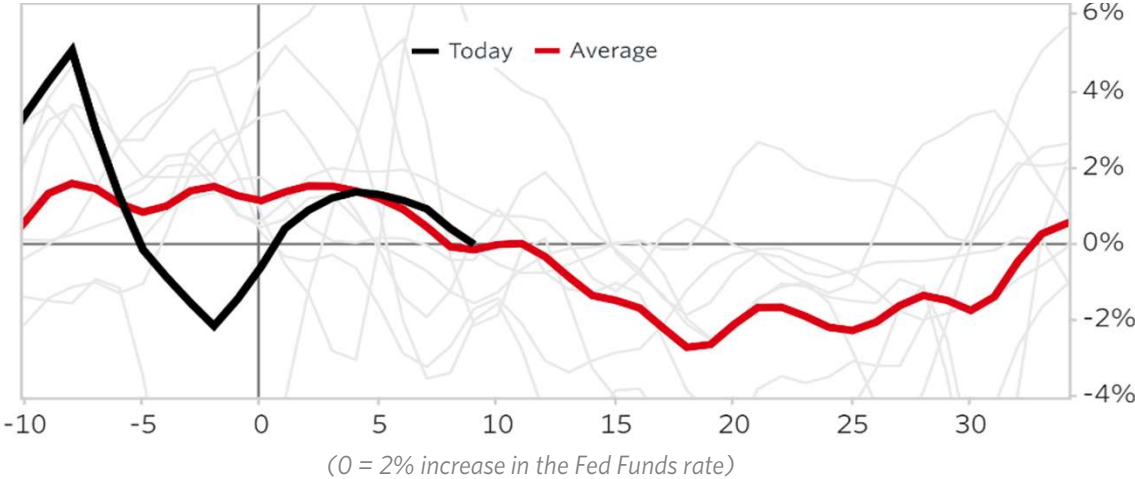
— US Earnings (Trailing EPS)    - - - ● - - - Discounted



# TIGHTENINGS TAKE TIME TO FLOW-THROUGH IN A “NORMAL” BUSINESS CYCLE

Real Growth Across Cases of US Tightening

(6m Change vs Potential)

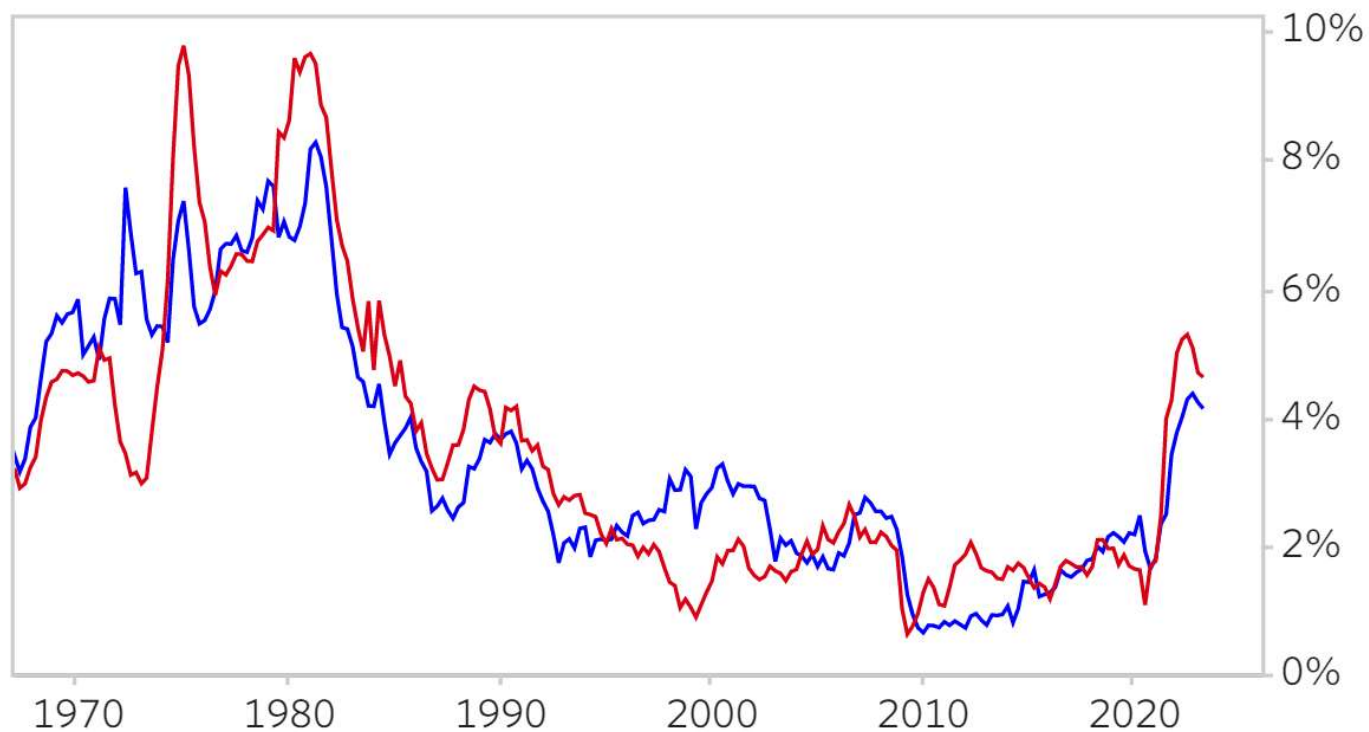


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# EVEN WITH WEAKER GROWTH, INFLATION IS UNLIKELY TO FALL QUICKLY TO TARGET

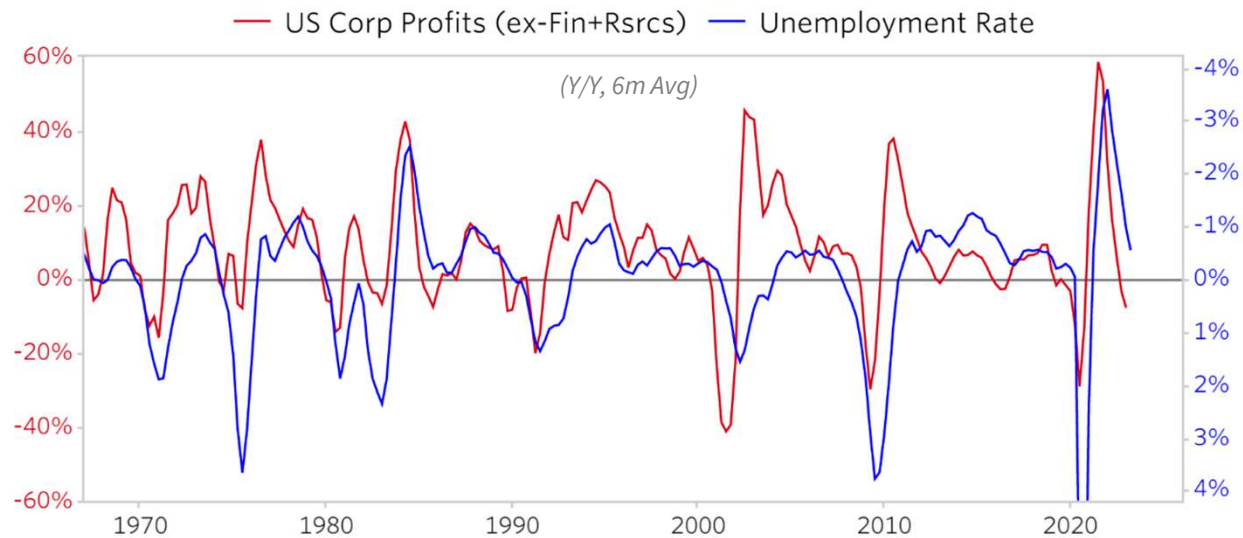
A Self-Reinforcing Wage-Price Dynamic Has Taken Hold:  
Wages Will Need to Fall to Cool Inflation

— US Core Inflation (PCE) — Prod-Adj Wage Growth (ECI)



# EARNINGS WILL LIKELY NEED TO FALL IN ORDER TO LOOSEN THE LABOR MARKET AND REACH INFLATION OBJECTIVES

## To Loosen Labor Markets, Profits Need To Fall More



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# WHAT CAN YOU DO ABOUT IT?

**Investors have two choices**

**Predict**

*Anticipate what environment will unfold and position for it.*

**Prepare**

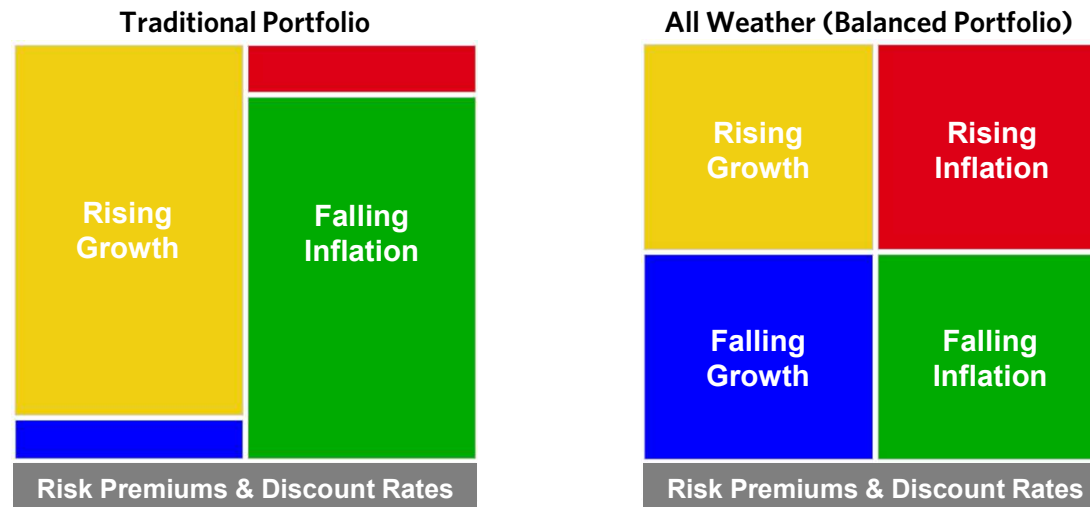
*Hold a mix of investments that can do well across a range of outcomes.*

Diversify  
across  
environments

Diversify  
across  
countries



# THE BENEFITS OF A BALANCED APPROACH



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## **Important Disclosures and Other Information**

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

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Bridgewater’s investment process seeks to understand the cause and effect linkages that drive markets over time. To assess and refine its understanding of these linkages, Bridgewater performs historical stress tests across a wide range of timeframes and market environments. From these stress tests, Bridgewater is able to simulate how its strategies would have performed prior to their inception. Bridgewater has the ability to run multiple simulations and select the simulation with the best results, returns or performance. For strategies that include active decision making, Bridgewater often “humbles” its simulated alpha returns (by systematically adjusting downward the simulated results that Bridgewater’s current alpha investment logic produces) to account for the possibility that it could be wrong. Because this stress testing is a core component of Bridgewater’s investment process, it shares these simulations with current and prospective investors to demonstrate its thinking. However, because they do not demonstrate actual results, these simulations are hypothetical, and inherently limited and should not be relied upon to make an investment decision.

The recipient should not solely rely upon these hypothetical performance results in making an investment decision. In constructing hypothetical performance and determining their appropriateness for use in materials, Bridgewater has an incentive to do so in a manner that shows beneficial characteristics of a given, hypothetical return stream.

All hypothetical performance is subject to revision and provided solely as a guide to current expectations. The recipient should not solely rely upon these hypothetical performance results in making an investment decision. Hypothetical performance results can provide insight into the level of risk that a strategy will seek with respect to its investments, with higher hypothetical performance results generally reflecting greater risk. Some or all results may be substantially lower than these hypothetical results and, as with any investment, there is a risk of loss of the entire investment.

Hypothetical performance results rely on numerous criteria, assumptions, risks and limitations and are inherently uncertain. There are multiple assumptions and possible adjustments Bridgewater may make in its underlying calculations that are reasonable, but other criteria, assumptions, methodologies and adjustments could also be reasonable and could lead to materially different and lower actual results and higher risks than those presented. In addition, the hypothetical performance results may prove to be invalid, inaccurate, incomplete or change without notice. Variation in any of these factors (or factors or events that are unknown or unaccounted for) could cause actual returns to substantially differ. In constructing hypothetical returns and determining their appropriateness for use in materials, Bridgewater has an incentive to do so in a manner that shows beneficial characteristics of a given, hypothetical return stream. Furthermore, any hypothetical or mathematical calculations or data might contain errors, and could rely on third-party inputs, which Bridgewater believes to be reliable but whose accuracy cannot be guaranteed.

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# **IMPORTANT DISCLOSURES**

Bridgewater believes that a particular return stream should be evaluated against its expected performance or its benchmark. To that end, Bridgewater demonstrates whether its strategies are operating as expected via a cone chart, which shows the performance of a particular strategy over time relative to the strategy's benchmark and also within bands of standard deviation from that benchmark. Separately, to demonstrate the impact of market conditions on the strategies it manages, Bridgewater explains the macro-economic pressures and market conditions that effected performance in the context of client letters, account reviews, or other publications that Bridgewater provides to each current and prospective investor on a regular basis. Additional information about how Bridgewater thinks about setting expectations for its strategies via a benchmark is available upon request.

Any tables, graphs or charts relating to past performance, whether hypothetical, simulated or actual, included in this presentation are intended only to illustrate the performance of indices, strategies, or specific accounts for the historical periods shown. When creating such tables, graphs and charts, Bridgewater may incorporate assumptions on trading, positions, transactions costs, market impact estimations and the benefit of hindsight. For example, transaction cost estimates used in simulations are based on historical measured costs and/or modeled costs, and attribution is derived from a process of attributing positions held at a point in time to specific market views and is inherently imprecise. Such tables, graphs and charts are not intended to predict future performance and should not be used as a basis for making any investment decision. Bridgewater has no obligation to update or amend such tables, graphs or charts.

Statements regarding target performance or target ratios related to assumed risk budgets, liabilities, volatility, target volatility, tracking error or other targets are hypothetical in nature and should not be considered a guarantee that such results can or will be achieved. For example, Bridgewater may adjust returns to match, for instance, the annualized standard deviation of two or more return series but this adjustment does not suggest that the returns or assets are similar with respect to other aspects of the risk such as liquidity risk. Any statements with respect to the ability to risk match or risk adjust in the future are not a guarantee that the realized risks will be similar and material divergences could occur. All performance and risk targets contained herein are subject to revision by Bridgewater and are provided solely as a guide to current targets.

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# ALL WEATHER STRATEGY DISCLOSURE

## All Weather Strategy 10% Volatility Net (Net Total Returns from Jun 1996 through Apr 2023)

1996	20.4%	2007	11.8%	2018	-5.1%
1997	15.0%	2008	-20.2%	2019	16.6%
1998	-1.8%	2009	9.4%	2020	9.5%
1999	15.6%	2010	17.6%	2021	11.6%
2000	9.9%	2011	18.1%	2022	-22.1%
2001	-6.0%	2012	14.7%	2023 YTD	7.2%
2002	10.2%	2013	-3.9%		
2003	16.7%	2014	7.5%		
2004	17.7%	2015	-6.9%	Avg Annual	6.8%
2005	15.5%	2016	9.9%	StDev	10.7%
2006	1.2%	2017	11.8%	Ratio	0.44

Past results are not necessarily indicative of future results.

Average annual returns and Sharpe ratio are calculated using net of fees performance, while the standard deviation is calculated using gross of fees performance.

### **Bridgewater All Weather Strategy Performance Disclosure:**

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

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

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

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

# ALL WEATHER STRATEGY SIMULATION DISCLOSURE

## All Weather Strategy Simulation Net (Net Total Returns from Jan 1970 through Apr 2023) (Annualized Total Returns in USD)

Last 1 Year	-6.4%
Last 3 Years	3.9%
Last 5 Years	5.9%
Last 7 Years	5.9%
Last 10 Years	4.7%
Avg Annual	11.8%
StDev	10.9%
Ratio	0.65

Average annual returns and Sharpe ratio are calculated using net of fees performance, while the standard deviation is calculated using gross of fees performance. Past results are not necessarily indicative of future results. HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS. The recipient should not solely rely upon these hypothetical performance results in making an investment decision. In constructing hypothetical performance and determining their appropriateness for use in materials, Bridgewater has an incentive to do so in a manner that shows beneficial characteristics of a given, hypothetical return stream.

### **All Weather Strategy Simulation Performance Disclosure**

Performance of the Bridgewater All Weather Strategy Simulation is based on simulated, hypothetical performance and not the actual returns of Bridgewater's All Weather Strategy or any managed portfolio. Bridgewater's investment selection and trading strategies are systematic and rules-based. However, they are not fully automated and they do include human input. As a result, simulated returns are designed based on assumptions about how Bridgewater would have implemented the All Weather Strategy through time. These assumptions are intended to approximate such implementation, but are inherently speculative.

The simulated performance for the All Weather Strategy Simulation was derived by applying Bridgewater's current investment systems and portfolio construction logic to historical market returns across the markets selected for the All Weather Strategy Simulation. A list of the markets used appears below. We use actual market returns when available as an input for our hypothetical returns and otherwise use Bridgewater Associates' proprietary estimates, based on other available data and our fundamental understanding of asset classes. In certain cases, market data for an exposure which otherwise would exist in the simulation can be omitted if the relevant data is unavailable, deemed unreliable, immaterial or able to be accounted for using proxies. Proxies are assets that existed and for which data is available, which Bridgewater believes would approximate returns for an asset that did not exist or for which reliable data is not available. For example, before reliable commodity futures returns data can be found Bridgewater estimates futures returns by using the spot commodity returns and their typical relationship to futures returns. Examples of omitted markets or accounted for using proxies include, but are not limited to, emerging market equities, emerging market debt, and certain commodities. The mix and weightings of markets traded for All Weather Strategy Simulation are subject to change in the future.

The All Weather Strategy Simulation includes periodic adjustments that are made to the All Weather Strategy Simulation's desired strategic asset allocation and level of risk pursuant to Bridgewater's systematic strategic management process. Such strategic management is based on a systematic process that assesses whether the assumptions underlying the All Weather Strategy (for example, that assets will outperform cash, and that assets can be reasonably balanced against each other) are under threat, and systematically adjusts or reduces exposures accordingly. When applicable, the returns of the All Weather Strategy Simulation reflect adjustments based on this systematic strategic management process.

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

Net of fees performance includes (i) a model management fee and other operating fees, (ii) reinvestment of interest, gains and losses and (iii) modeled transaction costs. Transaction costs are accounted for and are estimates themselves based on historical measured costs and/or modeled costs. Actual transaction costs experienced could have been higher or lower than those reflected. Where noted, the All Weather Strategy Simulation net of fees returns have been calculated using a model fee based on our standard fee schedule for a minimum size account, which are the highest standard fees we have or would currently charge an account. Investment advisory fees are described in Bridgewater's ADV Part 2A. Gross of fees performance (i) excludes the deduction of management fees, and other operating expenses (the "fees and expenses") and (ii) includes the reinvestment of interest, gains and losses. Including the fees and expenses would lower performance. There is no guarantee regarding the All Weather Strategy Simulation's ability to perform in absolute returns or relative to any market in the future, during market events not represented or during market events occurring in the future. Market conditions and events vary considerably, are unpredictable and can have unforeseen impacts resulting in materially adverse results. ACCORDINGLY, PLEASE REACH OUT TO YOUR CLIENT ADVISOR IF YOU HAVE ANY QUESTIONS ABOUT THIS SIMULATION.

### **Markets included in the All Weather Strategy Simulation**

The All Weather Strategy Simulation includes returns from the following markets: global nominal interest rates, global inflation linked bonds, emerging market credit spreads, corporate credit spreads, global equities, and commodities.

# BALANCED PORTFOLIO DISCLOSURE

Balanced Portfolio Net  
(Net Total Returns from Jan 1970 through Apr 2023)  
(Annualized Total Returns in USD)

Last 1 Year	-7.4%
Last 3 Years	3.5%
Last 5 Years	5.6%
Last 7 Years	5.7%
Last 10 Years	4.6%
Avg Annual	11.6%
StDev	11.4%
Ratio	0.61

Average annual returns and Sharpe ratio are calculated using net of fees performance, while the standard deviation is calculated using gross of fees performance. Past results are not necessarily indicative of future results. HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS. The recipient should not solely rely upon these hypothetical performance results in making an investment decision. In constructing hypothetical performance and determining their appropriateness for use in materials, Bridgewater has an incentive to do so in a manner that shows beneficial characteristics of a given, hypothetical return stream.

## **Balanced Portfolio Simulation Performance Disclosure**

Where shown all performance of the Bridgewater Balanced Portfolio is based on simulated, hypothetical performance and not the returns of Bridgewater's All Weather strategy or any managed portfolio. Bridgewater's investment selection and trading strategies are systematic and rules-based. However, they are not fully automated and they do include human input. As a result, simulated returns are designed based on assumptions about how Bridgewater would have implemented the Balanced Portfolio through time. These assumptions are intended to approximate such implementation, but are inherently speculative.

The simulated performance for the Balanced Portfolio was derived by applying Bridgewater's current investment systems and portfolio construction logic to historical market returns across the markets selected for the Balanced Portfolio. A list of the markets used appears below. We use actual market returns when available as an input for our hypothetical returns and otherwise use Bridgewater Associates' proprietary estimates, based on other available data and our fundamental understanding of asset classes. In certain cases, market data for an exposure which otherwise would exist in the simulation can be omitted if the relevant data is unavailable, deemed unreliable, immaterial or able to be accounted for using proxies. Proxies are assets that existed and for which data is available, which Bridgewater believes would approximate returns for an asset that did not exist or for which reliable data is not available. For example, before reliable commodity futures returns data can be found Bridgewater estimates futures returns by using the spot commodity returns and their typical relationship to futures returns. Examples of omitted markets or accounted for using proxies include, but are not limited to, emerging market equities, emerging market debt, and certain commodities. The mix and weightings of markets traded for Balanced Portfolio are subject to change in the future. The Balanced Portfolio includes periodic adjustments that are made to the Balanced Portfolio desired strategic asset allocation pursuant to a subset of Bridgewater's systematic strategic management process. This process systematically adjusts exposures as needed to maintain our implementation of balance. The Balanced Portfolio maintains the target level of risk regardless of market conditions. Accordingly, the Balanced Portfolio does not alter the target level of risk based on the strategic management process employed in the All Weather Strategy. When applicable, the returns of the Balanced Portfolio reflect adjustments based on this systematic strategic management process.

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

Net of fees performance includes (i) a model management fee and other operating fees, (ii) reinvestment of interest, gains and losses and (iii) modeled transaction costs. Transaction costs are accounted for and are estimates themselves based on historical measured costs and/or modeled costs. Actual transaction costs experienced could have been higher or lower than those reflected. Where noted, the Balanced Portfolio net of fees returns have been calculated using our standard fee schedule for a minimum size account, which are the highest standard fees we have or would currently charge an account. Investment advisory fees are described in Bridgewater's ADV Part 2A. Gross of fees performance (i) excludes the deduction of management fees, and other operating expenses (the "fees and expenses") and (ii) includes the reinvestment of interest, gains and losses. Including the fees and expenses would lower performance. There is no guarantee regarding the Balanced Portfolio's ability to perform in absolute returns or relative to any market in the future, during market events not represented or during market events occurring in the future. Market conditions and events vary considerably, are unpredictable and can have unforeseen impacts resulting in materially adverse results. ACCORDINGLY, PLEASE REACH OUT TO YOUR CLIENT ADVISOR IF YOU HAVE ANY QUESTIONS ABOUT THIS SIMULATION.

## **Markets included in the Balanced Portfolio Simulation**

The Balanced Portfolio Simulation includes returns from the following markets: global nominal interest rates, global inflation linked bonds, emerging market credit spreads, corporate credit spreads, global equities, and commodities.





**VCERA**  
VENTURA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION

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## Private Income Fund and Corporate Opportunities Funds III & IV Update

May 2023

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public distribution.

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# Disclosures

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

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**For investment professional and institutional investor use only.  
Only qualified investors may invest in the Fund.**

# Disclosures

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# Disclosures

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

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

**Forward looking statements** (including estimated returns, cash flows, opinions or expectations about any future event) contained herein are based on a variety of estimates and assumptions by PIMCO, including, among others, estimates of future operating results, the value of assets and market conditions at the time of disposition, and the timing and manner of disposition or other realization events. These estimates and assumptions are inherently uncertain and are subject to numerous business, industry, market, regulatory, geo-political, competitive and financial risks that are outside of PIMCO’s control. There can be no assurance that any such estimates and assumptions will prove accurate, and actual results may differ materially, including the possibility that an investor may lose some or all of any invested capital. The inclusion of any forward looking statements herein should not be regarded as an indication that PIMCO considers such forward looking statement to be a reliable prediction of future events and no forward looking statement should be relied upon as such. Neither PIMCO nor any of its representatives has made or makes any representation to any person regarding any forward looking statements and none of them intends to update or otherwise revise such statements to reflect circumstances existing after the date when made or to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying such forward looking statements are later shown to be in error.

The materials contain statements of opinion and belief. Any views expressed herein are those of PIMCO as of the date indicated, are based on information available to PIMCO as of such date, and may not have been updated to reflect real time market developments. Statements of opinion are subject to change, without notice, based on market and other conditions. No representation is made or assurance given that such views are correct. PIMCO has no duty or obligation to update the information contained herein.

**See Appendix for additional disclosures.**

# Biographies

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## **Neal Reiner**

Mr. Reiner is an executive vice president and alternative credit strategist in the Newport Beach office. Prior to joining PIMCO in 2012, he was a managing director on the investment committee at Gottex Fund Management, where he evaluated and developed credit alternative funds on behalf of institutional investors globally. Previously, he was a portfolio manager at Putnam Investments, responsible for managing a range of leveraged loan and bond funds. Mr. Reiner also worked in leveraged finance banking, most recently as managing director and co-head of leveraged finance at BancBoston Robertson Stephens and earlier at Bear Stearns. He has 33 years of investment experience and holds an MBA from the Wharton School of the University of Pennsylvania. He received an undergraduate degree in financial accounting from the University of Illinois and is a CPA.



## **Catharine Roddy**

Ms. Roddy is a member of the client management team in the Newport Beach office, focusing on institutional servicing in PIMCO's U.S. public pension practice. She holds an undergraduate degree in economics and neuroscience from Dartmouth College.



## **Andy Mark, CFA**

Mr. Mark is a senior vice president and credit strategist in the Newport Beach office, focused on credit alternatives, including private credit strategies. He previously focused on multi-sector fixed income strategies for the firm, including total return, global and emerging markets. Prior to joining PIMCO in 2015, he was a currency trader and operations analyst at Artisan Partners and also served five years on active duty as an officer in the U.S. Army. He holds an undergraduate degree in history from Marquette University.



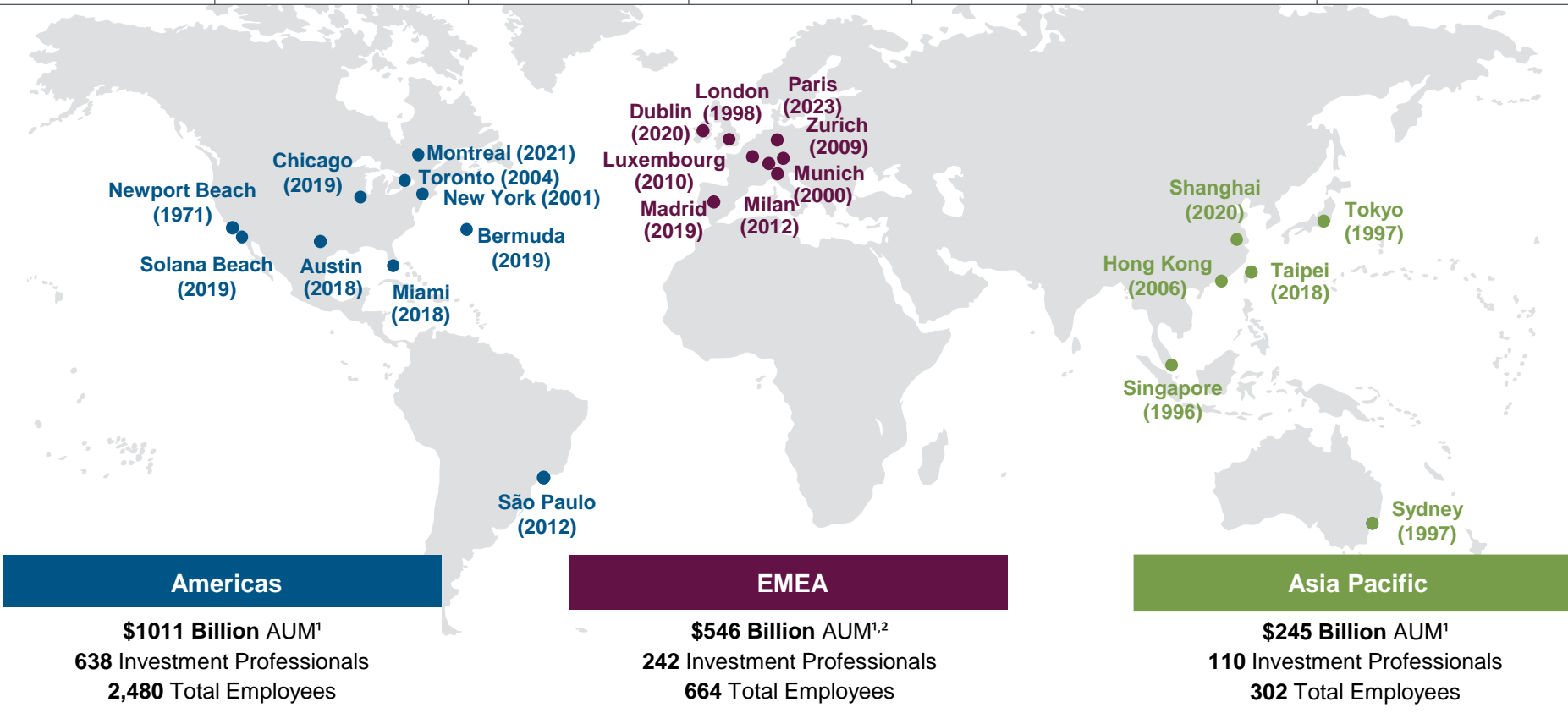
## **Kevin Gray**

Mr. Gray is an executive vice president and account manager in the Newport Beach office and a member of PIMCO's U.S. public pension practice, representing both public and private market strategies. Prior to joining PIMCO in 2005, he was with Union Bank of California. He has 19 years of investment experience and holds an MBA with concentrations in finance and investments from the Marshall School of Business at the University of Southern California. He received his undergraduate degree from the University of San Diego. Mr. Gray is a member of the investment committee of the Horace Kelley Art Foundation.

# PIMCO is a leading global investment manager

## PIMCO

<b>\$1.8 trillion</b> in AUM*	<b>50+ years</b> in industry	<b>990</b> investment professionals	<b>3,446</b> total employees**	<b>300+</b> Portfolio Managers with an average of 17 years experience	<b>50+</b> countries in which clients are based***
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As of 31 March 2023. SOURCE: PIMCO

\* Includes \$1.43 trillion in third-party client assets as of 31 March 2023. Assets include \$84.4 billion (as of 31 December 2022) in assets managed by PIMCO Prime Real Estate (formerly Allianz Real Estate), an affiliate and wholly-owned subsidiary of PIMCO and PIMCO Europe GmbH that includes PIMCO Prime Real Estate GmbH, PIMCO Prime Real Estate LLC and their subsidiaries and affiliates. PIMCO Prime Real Estate LLC investment professionals provide investment management and other services as dual personnel through Pacific Investment Management Company LLC. PIMCO Prime Real Estate GmbH operates separately from PIMCO.

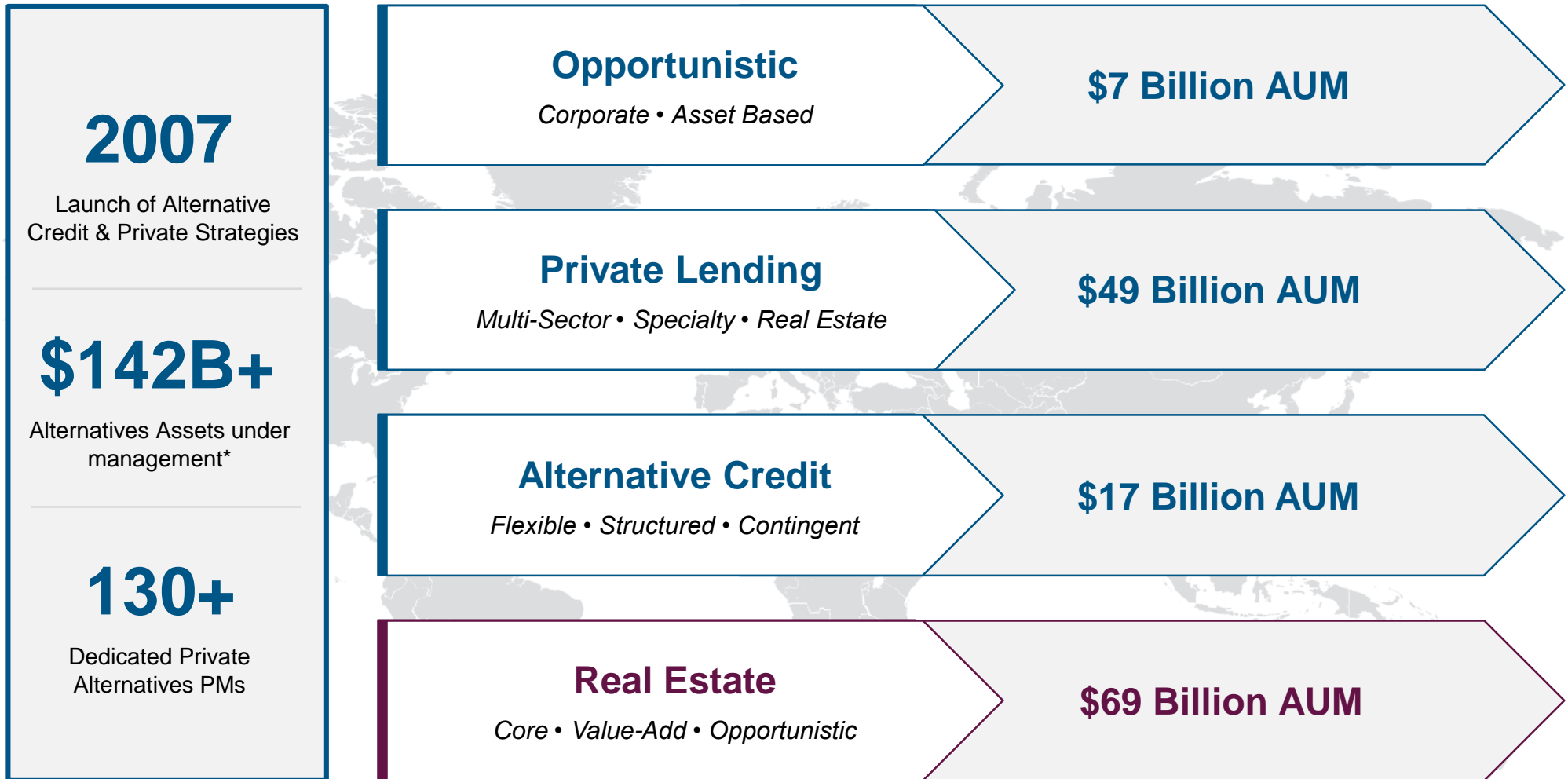
\*\* Includes PIMCO Prime Real Estate LLC employees.

\*\*\* Based on client account tax domicile

<sup>1</sup>Includes PIMCO Prime Real Estate AUM as of 31 December 2022 due to a data lag

<sup>2</sup>Includes PIMCO Prime Real Estate indirect AUM

# PIMCO's Alternative Credit & Private Strategies Platform at a Glance



As of 31 January 2023. AUM data as of 31 December 2022.

Source: PIMCO. **For illustrative purposes only.**

\*Refer to Appendix for additional investment strategy, risk and strategy availability information.

# Our Edge in Alternative Credit & Private Strategies

## Scale & Presence

- Deep presence across the risk spectrum in public and private markets
- Focus on four main asset classes:
  - *Corporate Credit*
  - *Real Estate*
  - *Residential Credit*
  - *Specialty Finance*

## Access & Sourcing

- Deep relationships with borrowers and sellers of risk
- Reputation as trusted provider of capital structure solutions
- Dedicated capital markets group



## Integrated Investment Process

- Industry leading macroeconomic process
- Granular underwriting supported by analytics & data
- Relative value lens across asset classes
- Multi-faceted approach to portfolio construction

## Disciplined Approach

- Time-tested approach to risk management
- Focus on capacity management
- Emphasis on risk-adjusted returns
- Patient and responsible business growth

As of 31 December 2022 unless otherwise noted. SOURCE: PIMCO.

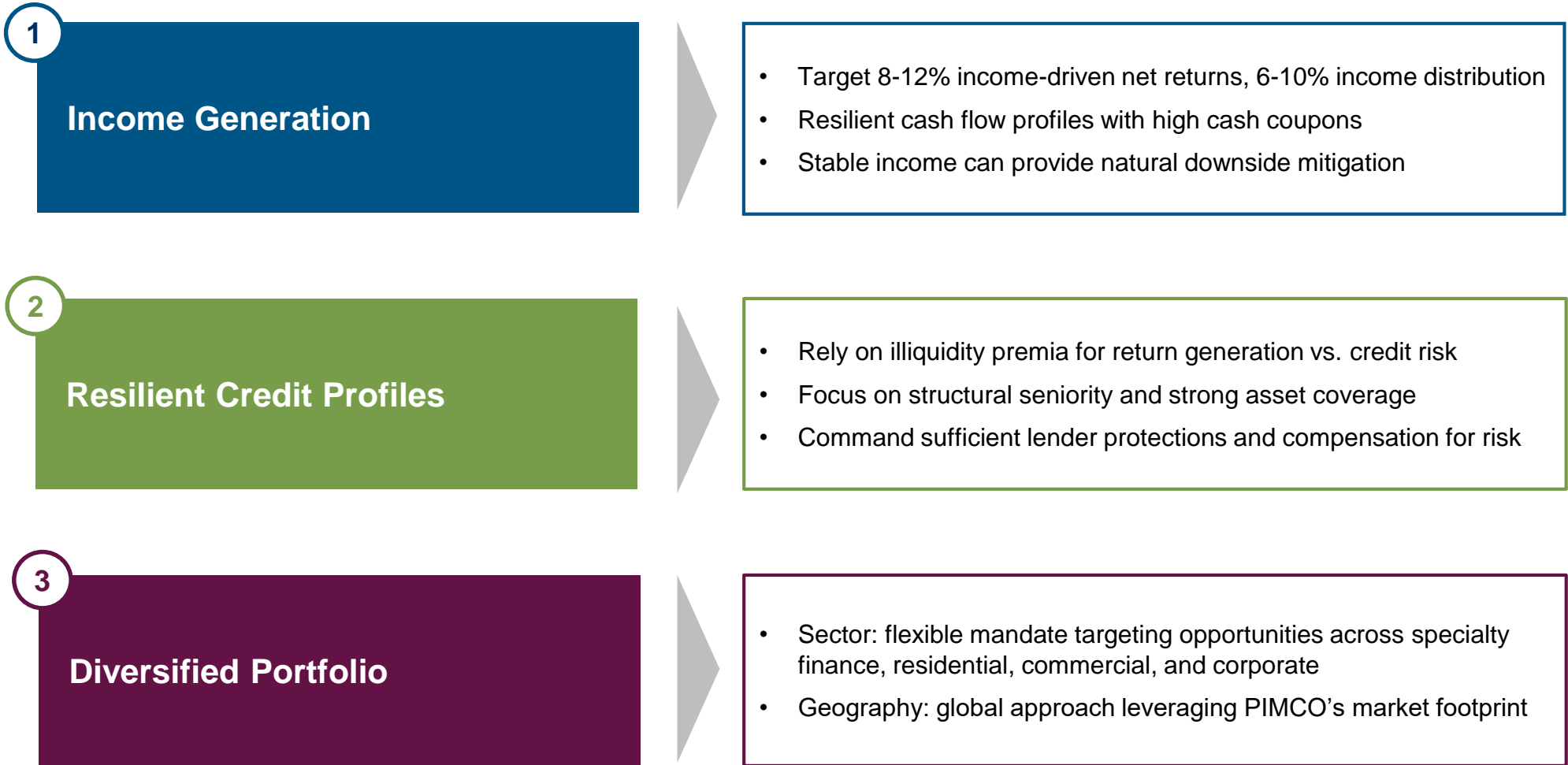
For illustrative purposes only. The views and expectations expressed are those of PIMCO. There can be no guarantee that the trends mentioned above will continue. Statements concerning financial market trends are based on current market conditions, which will fluctuate. Refer to Appendix for additional investment strategy, outlook and risk information.





# Private Income Fund

# Key objectives of the Private Income Fund (“PIF”)



As of 31 December 2022. Source: PIMCO

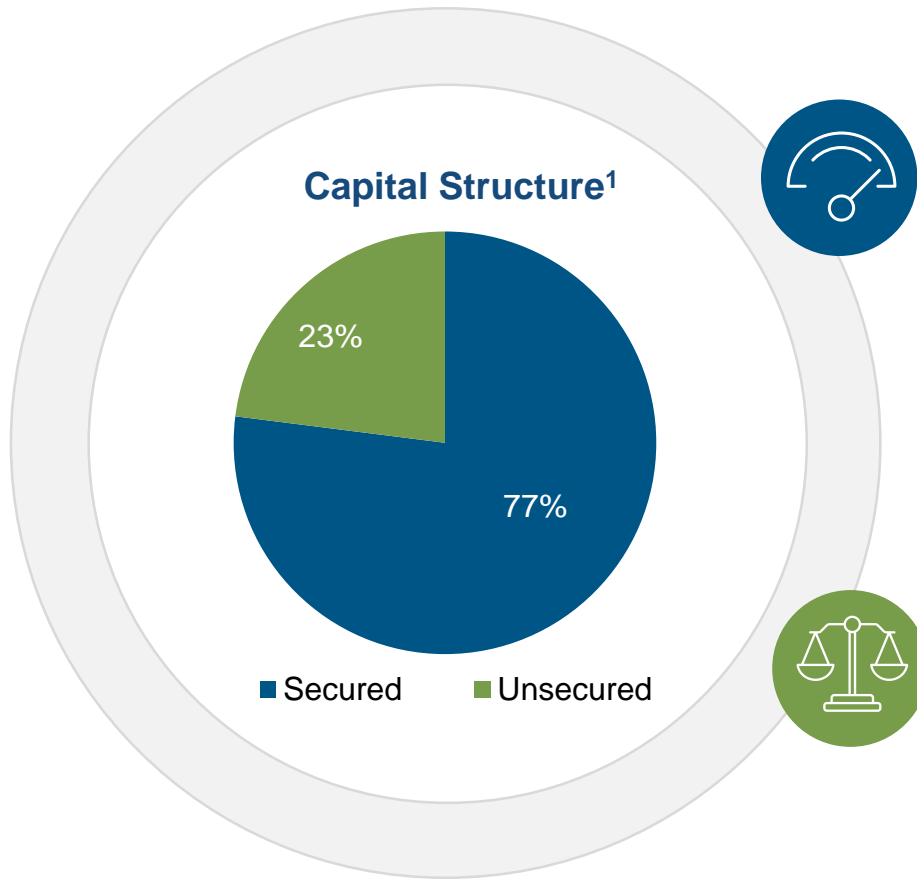
**For illustrative purposes only. The views and expectations expressed are those of PIMCO. The Target Return is net of fees and expenses and is not a guarantee, projection or prediction of future results. Actual results may vary significantly from the Target Return. An investment in any PIMCO managed fund entails a high degree of risk and investors could lose all or a portion of their investment.**

Statements of opinion are subject to change, without notice, based on market and other conditions. No representation is made or assurance given that such views are correct. Statements concerning financial market trends are based on current market conditions, which will fluctuate.

Refer to Appendix for additional investment strategy, outlook, target returns and risk information.

# Resilient Credit Profiles

77% of PIF's portfolio is secured



## Secured

- PIF targets creditworthy borrowers with prime or high near-prime credit profiles
- Strong focus on structural seniority and lender protections

## Unsecured

- Consumer related opportunities are often unsecured but are underwritten on a conservative loss adjusted basis
- Granular credit analysis, investment in data analytics and structuring expertise is required to properly identify value



**Credit underwriting** with a focus on contracts and optionality can boost resilience to a wide array of outcomes

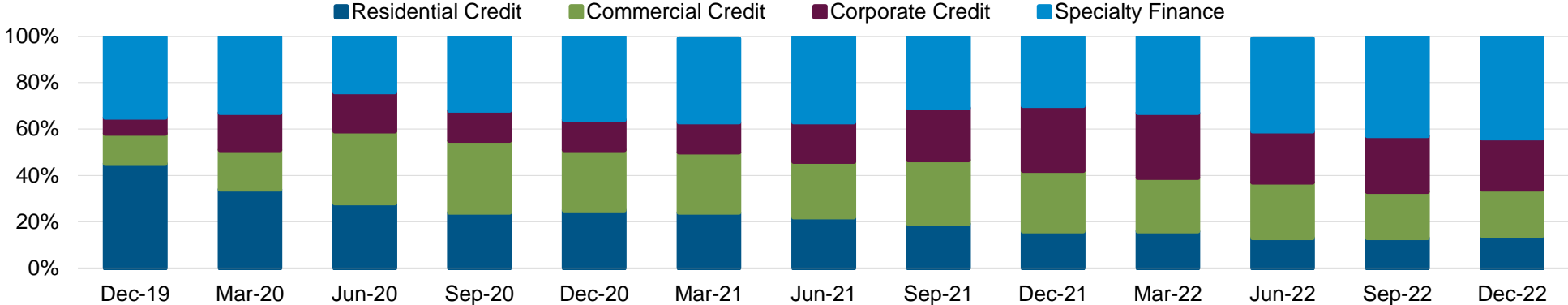
As of 31 December 2022. SOURCE: PIMCO. <sup>1</sup>Please see Appendix – Glossary of Key Terms for footnotes on the above information.

**For illustrative purposes only. The views and expectations expressed are those of PIMCO.** Statements of opinion are subject to change, without notice, based on market and other conditions. No representation is made or assurance given that such views are correct. There can be no guarantee that the trends mentioned will continue. Statements concerning financial market trends are based on current market conditions, which will fluctuate. The Fund's portfolio composition is subject to change at any time without prior notice.

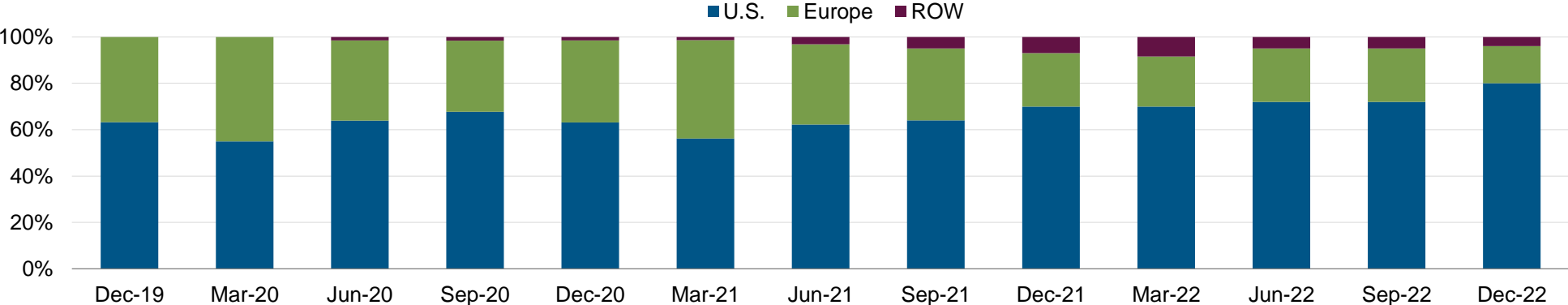
Refer to Appendix for additional investment strategy, portfolio structure and risk information.

# Flexibility to deploy capital across sectors and geographies

**Sector Allocations Over Time**



**Geographic Allocations Over Time**



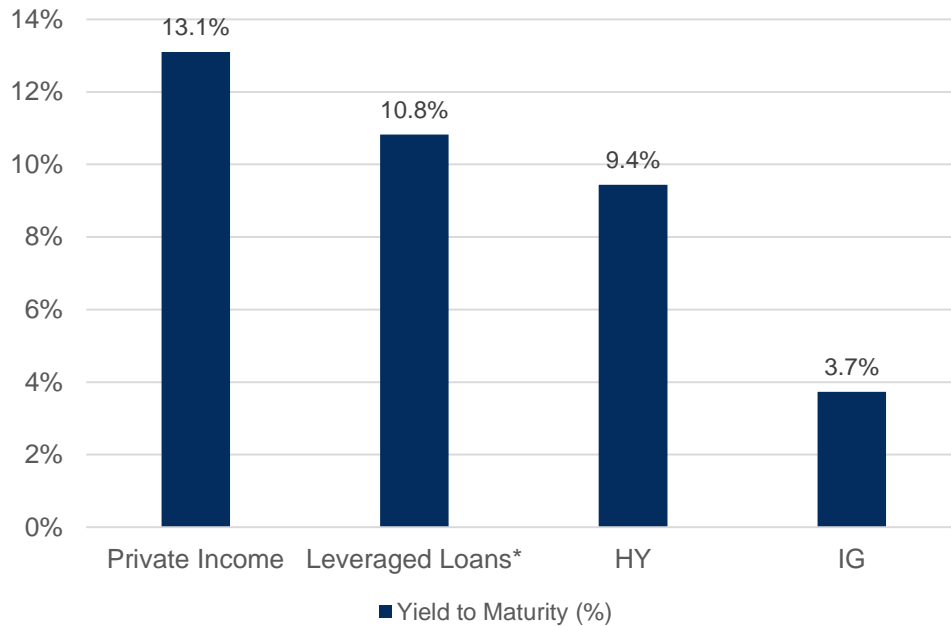
**Relative value** oriented approach helps to avoid potential drawdowns faced by managers with more narrow mandates

As of 31 December 2022. SOURCE: PIMCO. <sup>1</sup>Please see Appendix – Glossary of Key Terms for footnotes on the above information.  
**For illustrative purposes only. The views and expectations expressed are those of PIMCO.** Statements of opinion are subject to change, without notice, based on market and other conditions. No representation is made or assurance given that such views are correct. There can be no guarantee that the trends mentioned will continue. Statements concerning financial market trends are based on current market conditions, which will fluctuate. The Fund's portfolio composition is subject to change at any time. Refer to Appendix for additional investment strategy, outlook, portfolio structure and risk information.

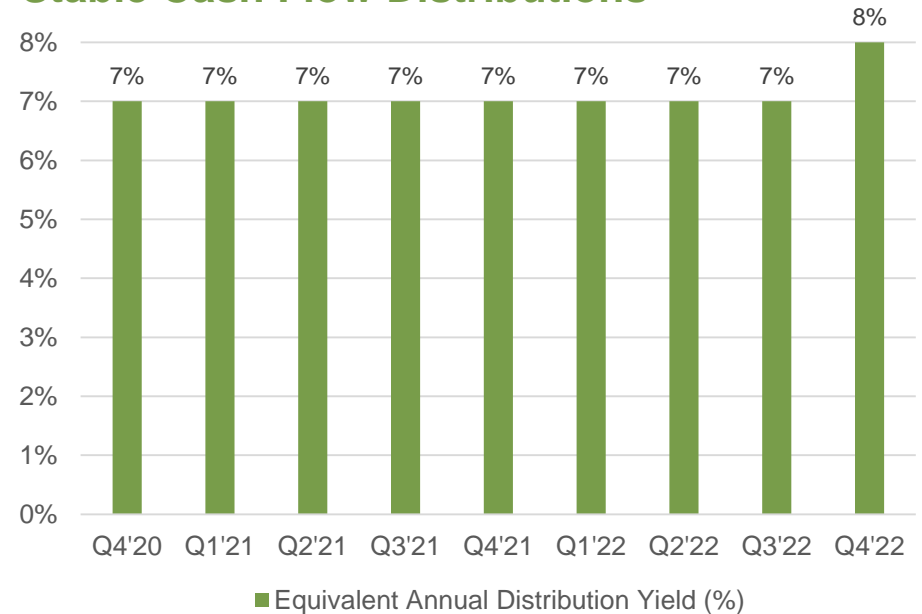
# Income Generation

Since inception PIF has continuously paid out at the top of its target distribution

## PIF offers a potentially attractive yield



## Stable Cash Flow Distributions



**Contractual cash flows** provide continuous, resilient income and natural downside protection

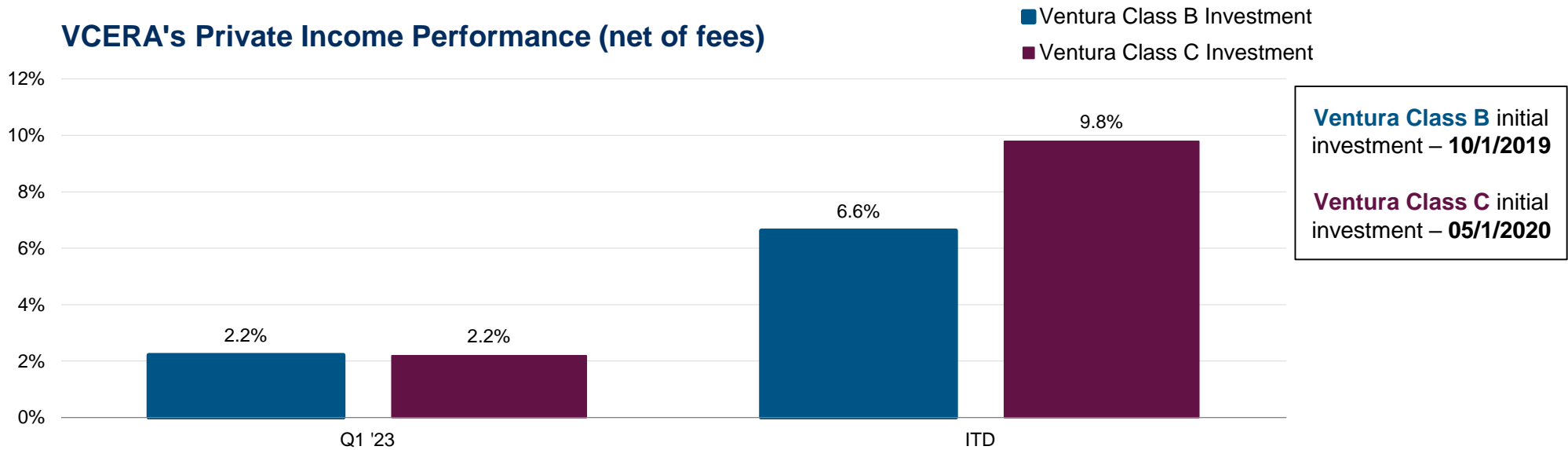
As of 31 December 2022 SOURCE: PIMCO, Bloomberg Global HY Index, JPM Leveraged Loan Index, Bloomberg Global AGG Credit Index. Please see Appendix – Glossary of Key Terms for additional notes on the above information.

\*Leveraged Loan YTM presented as yield to 3yr takeout

**For illustrative purposes only. The views and expectations expressed are those of PIMCO. Past performance is not indicative of future results, and no assurance can be given that the Fund will achieve its targets. The yield target is not a guarantee, projection or prediction of future results. Actual results may vary significantly.** Statements of opinion are subject to change, without notice, based on market and other conditions. No representation is made or assurance given that such views are correct. There can be no guarantee that the trends mentioned will continue. Statements concerning financial market trends are based on current market conditions, which will fluctuate.

Refer to Appendix for additional investment strategy, outlook, yield and risk information.

# VCERA's Private Income Fund performance



## Ventura Account Statistics

▪ Ventura PIF Capital Commitments	\$55 million	▪ Total Capital Balance 3/31/23	\$72.2 million
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### Ventura Specific Time Weighted Returns<sup>3</sup>

<i>By Feeder</i>	Net	Net
	<i>Q1 2023</i>	<i>ITD Annualized</i>
Ventura PIF Onshore Feeder Class B Investment	2.2%	6.6%
Ventura PIF Onshore Feeder Class C Investment	2.2%	9.8%

As of 31 March 2023. Please see Appendix – Glossary of Key Terms for additional notes on the above information. **Past performance is not a guarantee or indicator of future results.**

Source: PIMCO. **For Illustrative Purposes Only and Subject to Change. There can be no guarantee that the trends mentioned about will continue. Please refer to the appendix for additional information defining the investment stats and portfolio exposure mentioned above.**

The information presented herein is as of a specific date, may have changed since such time and is subject to future change. Refer to Appendix for additional performance and fee, investment strategy and risk information.

# PIMCO is Uniquely Positioned to Capitalize on Bank Retrenchment

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## We Know the Assets

Deep asset-level expertise across all risks that permeate bank balance sheets – corporate, real estate, residential and specialty finance



## Scaled Flexible Capital

Ability to acquire large portfolios of securities, loan portfolios and/or create bespoke risk-transfer arrangements



## Trusted Liquidity Provider

Long-standing reputation as a trusted counterparty with proven ability to act quickly, quietly, in size and across the risk spectrum



## Dedicated Bank Sourcing

Dedicated Capital Markets Group and deep relationships with bank leadership teams and policymakers

As of 28 February 2023 unless otherwise noted. SOURCE: PIMCO.

**For illustrative purposes only. The views and expectations expressed are those of PIMCO.** There can be no guarantee that the trends mentioned above will continue. Statements concerning financial market trends are based on current market conditions, which will fluctuate. Refer to Appendix for additional investment strategy, outlook and risk information.



# Corporate Opportunities Funds III & IV



# Summary of PIMCO Corporate Opportunities Fund IV

## Strategy

- **Flexible, all weather<sup>1</sup> strategy** aims to capitalize on corporate opportunities across market environments
- **Capitalize on liquidity provisioning** across public and private opportunities
- **Attractive risk-adjusted target return**, targeting net IRR of 15%<sup>2</sup> and net multiple of 1.5x–1.7x+

## COF IV Opportunity

- **Enhanced opportunity** due to excessive corporate leverage levels amidst challenged economic landscape
- **Lack of flexible private capital** to address gap between syndicated loans/direct lending and private equity
- **Increasing liquidity requirements** from existing private lenders to address a significantly different financing market

## PIMCO's Edge

- **Deep experience** as constructive, long-term capital partner supporting public and private financings
- **Leading capital and resources** to evaluate and underwrite range of opportunities with broad credit research and specialty desks
- **13+ year track record in special situations**, including direct originations and restructurings

As of 31 December 2022. Source: PIMCO.

**For illustrative purposes only and subject to change. Past performance is not a guarantee or a reliable indicator of futures results.**

There can be no assurance that PIMCO's strategies with respect to any investment will be capable of implementation or, if implemented, will be successful. There are numerous factors related to the markets in general and the implementation of any specific investment strategy, which cannot be fully accounted for in the above example.

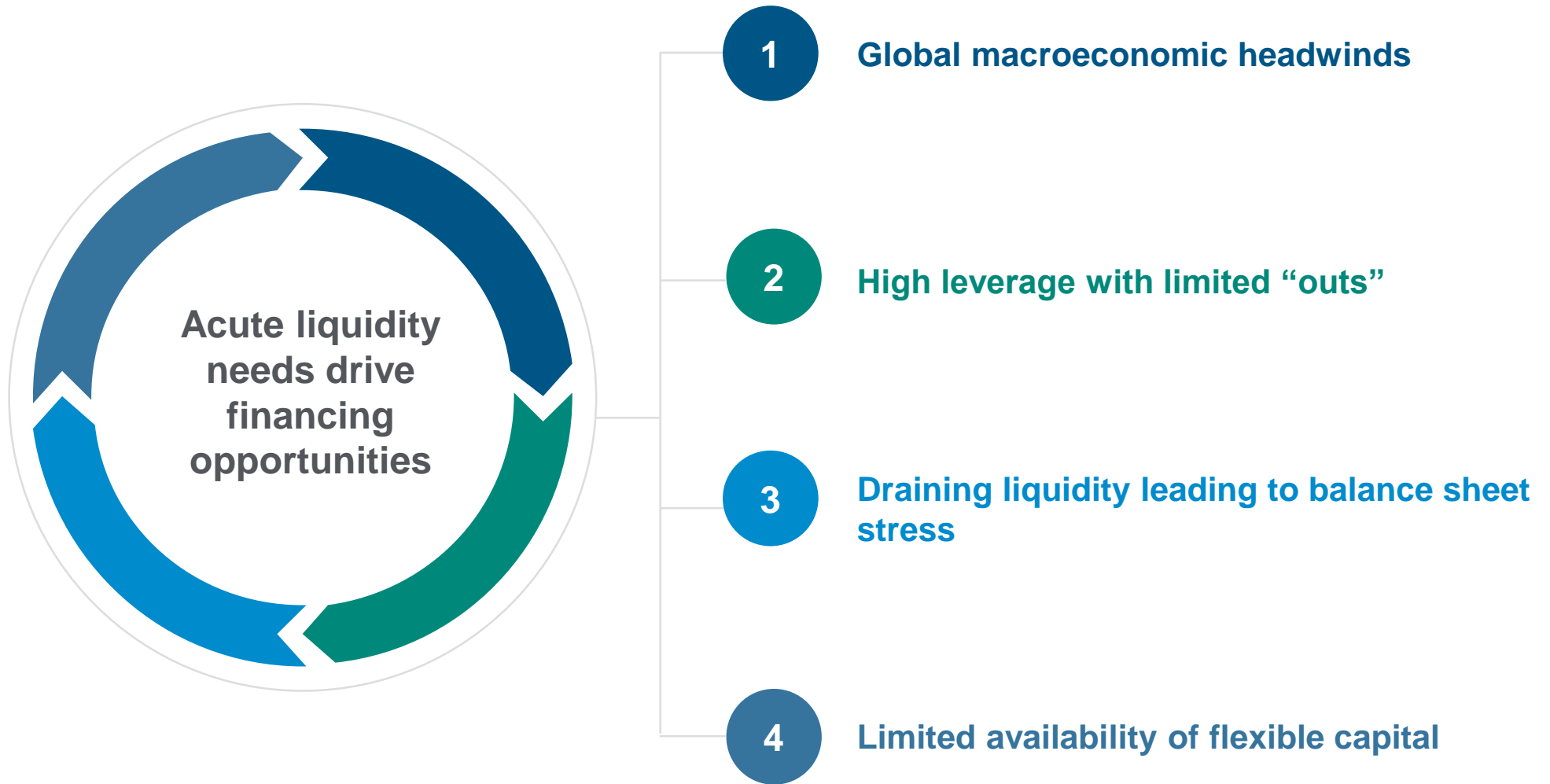
<sup>1</sup> All weather refers to the Fund's objective to flexibly invest across various market environments with the goal of providing investors with attractive long-term returns. There can be no assurance that the Fund will achieve its objectives in all or any market environment.

<sup>2</sup> **The Target Return is not a guarantee, projection or prediction and is not indicative of future results.** There can be no assurance that Fund will achieve its Targets, and actual results may vary significantly from the Target Return.

**An investment in any PIMCO managed fund entails a high degree of risk and investors could lose all or a portion of their investment.**

This information is summary in nature and is no way complete, and these terms have been simplified for illustrative purposes and may change materially at any time without notice. In particular, this information omits certain important details about the stated terms, and does not address certain other key fund terms or represent a complete list of all fund terms. If you express an interest in investing in the COF IV you will be provided with a private placement memorandum, limited partnership agreement, subscription agreement, and other documents ("Fund Documents"), which shall govern in the event of any conflict with the general terms listed herein. You must rely only on the information contained in the Fund Documents in making any decision to invest. Refer to Appendix for additional performance and fee, investment strategy, outlook, target return and risk information.

# Highly compelling environment now for flexible private capital providers

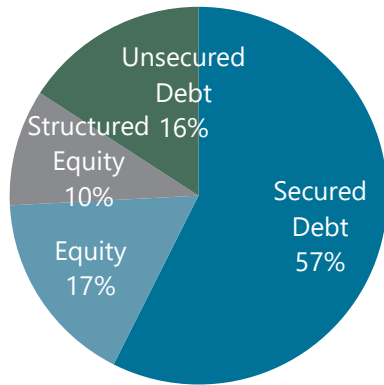


As of 31 December 2022 unless otherwise noted. Source: PIMCO, <sup>1</sup>FRED <sup>2</sup>PIMCO (as of 2/28/23) <sup>3</sup>S&P LCD <sup>4</sup>S&P LCD <sup>5</sup>Prejin

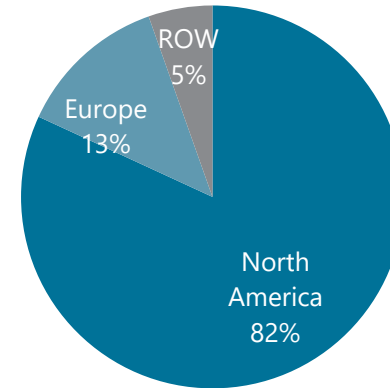
**For illustrative purposes only.** The views and expectations expressed are those of PIMCO. **An investment in any PIMCO managed fund entails a high degree of risk and investors could lose all or a portion of their investment.** There is no guarantee that (i) the investment strategies discussed herein will work under all market conditions, (ii) that the market trends discussed will continue, or (iii) that the investment opportunities discussed herein will materialize or produce any level of returns. Refer to Appendix for additional investment strategy, outlook and risk information.

# COF III Portfolio composition overview

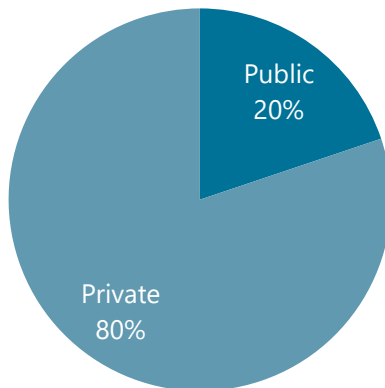
### Capital Structure<sup>1</sup>



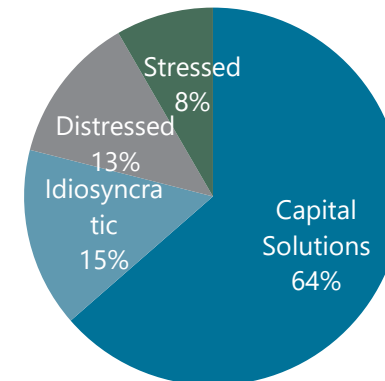
### Country Exposure<sup>1</sup>



### Deal Source<sup>1</sup>



### Transaction Type<sup>1</sup>



As of 31 December 2022

<sup>1</sup>Based on current market value, which is reported as estimated remaining value in the quarterly investment report  
Refer to Appendix or additional investment strategy, outlook, portfolio structure and risk information.

# COF III Key investment themes across varying market environments

*Opportunities have been sourced across industries with strong secular tailwinds*

Growth & Tech Oriented Companies	Consumer & Residential Services	Infrastructure-Related
<i>Technology leaders poised for secular growth</i>	<i>Consumer/residential services and goods providers with scalable business models</i>	<i>Well positioned infrastructure providers with high barriers to entry</i>
<p>Performance upside from structured equity and/or traditional equity/warrants</p> <p>~10 companies   ~11% of ERV</p>	<p>Flexible funding solutions to companies with significant downside protection</p> <p>~22 companies   ~27% of ERV</p>	<p>Capital solutions provider to strong infrastructure companies seeking growth and business improvements</p> <p>~6 companies   16% of ~ERV</p>
<p>Electric vehicle manufacturer</p> <p>Wastewater reclamation company</p> <p>American satellite manufacturer</p>	<p>Direct-to-consumer residential window replacement company</p> <p>Residential services and solutions company</p> <p>American rental car company</p>	<p>North American transportation infrastructure provider</p> <p>American wireless tower company</p> <p>Communications satellite services provider</p>

As of 31 December 2022. For illustrative purposes only. There is no guarantee that the Fund will have access to comparable investment opportunities in the future or that such opportunities will produce any level of returns. Refer to Appendix for additional performance and fee, hypothetical example, investment strategy, issuer, outlook, sample investment and risk information.

# Transactions capitalize on corporate opportunities throughout market cycles

Transactions	Capital Solutions	Stressed	Distressed	Idiosyncratic
Opportunity <sup>1</sup>	Privately negotiated transactions to companies seeking alternative capital	Public or private investments in companies undergoing challenges or capital markets stress	Debt investments where we expect to influence restructuring to optimize outcome	Opportunistic equity investments in industries where PIMCO has differentiated insight
Desired key investment metrics	<ul style="list-style-type: none"> <li>• Seniority and call protection</li> <li>• Customized covenants</li> <li>• Upside from warrants and fees</li> <li>• Select board representation</li> </ul>	<ul style="list-style-type: none"> <li>• Seniority</li> <li>• Attractive entry price</li> <li>• Strong asset coverage</li> </ul>	<ul style="list-style-type: none"> <li>• Attractive entry price</li> <li>• Frequent upside from debt to equity conversion</li> <li>• Fulcrum security selection</li> <li>• Select board representation</li> </ul>	<ul style="list-style-type: none"> <li>• Select board representation</li> <li>• Long-term customer agreements</li> <li>• Strategic / operational input</li> <li>• Partner across the capital structure</li> </ul>

As of 31 December 2022. SOURCE: PIMCO.

The investment examples above were selected as representative of each of the four main investment types in which COF IV expects to invest, and such examples have been simplified for illustrative purposes only, to show PIMCO's capabilities in sourcing, modeling and managing such investments, and are in no way complete. There can be no guarantee that COF IV will have access to comparable investments, or that PIMCO will continue to utilize similar strategies or techniques in connection with COF IV investments. Any investment entails the risk of loss, including loss of the entire investment.

<sup>1</sup> There is no assurance that the opportunities identified above will materialize or that any portfolio or the strategy will achieve its investment objectives and provide any level of returns. This information should not be considered as investment advice or a recommendation of any particular investment, strategy or investment product.

Refer to Appendix for additional hypothetical example, investment strategy, issuer, outlook, sample investments, target return, and risk information.

## COF III Fund overview: Key statistics

<b>Fund Snapshot</b>	<ul style="list-style-type: none"> <li>▪ \$4.0bn of capital commitments through the final close</li> <li>▪ 90.0% capital called (based on total commitments) as of 3/31/23</li> </ul>
<b>Vintage</b>	<ul style="list-style-type: none"> <li>▪ 2021</li> </ul>
<b>Investment Period/ Distributions</b>	<ul style="list-style-type: none"> <li>▪ Three-year period ending July 2024 (fund fully recycles proceeds during investment period)</li> <li>▪ Distributions commencing immediately following investment period</li> </ul>
<b>Term</b>	<ul style="list-style-type: none"> <li>▪ Four-year harvest period with base term ending July 2028</li> </ul>
<b>Performance</b>	<ul style="list-style-type: none"> <li>▪ As of 3/31/2023: 7.8% since inception net IRR<sup>1</sup>, 1.1x<sup>2</sup> since inception net multiple</li> <li>▪ Q1 '23 quarterly time weighted net return of 2.5%</li> </ul>

As of 31 March 2023, unless otherwise indicated. **Past performance is not a guarantee or a reliable indicator of future results.** An investment in any PIMCO managed fund entails a high degree of risk and investors could lose all or a portion of their investment.

<sup>1</sup> Net IRR represents the annualized internal rate of return for the period indicated (i.e., from the initial capital call date of April 9, 2020 through December 31, 2022), based on capital contributions and distributions to Limited Partners and Manager-Affiliated Limited Partners (excluding any distributions to the General Partner) and the residual value of unrealized investments, net of fees, expenses and realized/unrealized carried interest for the fund complex as a whole. Returns to specific fund investors are different due to (among other factors) the impact of (i) different fee arrangements and (ii) tax considerations applicable to different investors. In addition, the returns shown above take into account management fee and carried interest/performance allocation waivers granted to employee and affiliated investors and generally unavailable to third-party investors, although such waivers did not materially impact fund returns. The returns for each fund reflect the use of leverage, which can magnify returns and/or make returns more volatile.

<sup>2</sup> Multiple represents the ratio of (i) distributions to investors plus the residual value of unrealized investments (net of fees, expenses and realized/unrealized carried interest) to (ii) capital contributions by Limited Partners and Manger-Affiliated Limited Partners (excluding the General Partner).

Refer to Appendix for additional performance and fee, investment strategy and risk information.

# Appendix – Glossary of Key Terms

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## **Additional Notes on the Private Income Fund Overview (pages 13)**

<sup>1</sup>Portfolio breakdowns are calculated as the sum of the fair market value of the investments, net of asset specific borrowing, as of the reported quarter end, within a sector, geography or capital structure, divided by the total fair market value of all investments, please note that investments excludes fund assets such as short term investments, receivables due to the fund and derivatives. The Fund's portfolio composition is subject to change.

<sup>2</sup>Yield to Maturity is the total Fund return anticipated if all assets are held to maturity, and includes the market value of assets financed using the subscription facility in the denominator.

<sup>3</sup>Based upon invested capital by 30 September 2022, the Fund determined to make a distribution of an amount equivalent to 7% per annum to holders of class F-A, F-B and C.

<sup>4</sup>Performance represents the return on partners' capital taken as a whole in the respective feeders net of management, performance and administrative fees based on capital contributions from and distributions to Limited Partners and Manager-Affiliated Limited Partners and the residual value of unrealized investment. Returns to specific fund investors are different due to (among other factors) the impact of (i) different fee arrangements, (ii) tax considerations applicable to different investors, and (iii) timing of capital transactions. In addition, the returns shown above take into account carried interest/performance allocation waivers granted to employee and affiliated investors and generally unavailable to third-party investors, although such waivers did not materially impact fund returns. The returns for each fund reflect the use of leverage, which can magnify returns and/or make returns more volatile. Because of these factors, specific fund investors may experience materially different performance. Investors who subscribe at different times or in different classes may experience materially different performance.

# Appendix

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## PERFORMANCE AND FEE

**Past performance is not a guarantee or a reliable indicator of future results.** The fees and expenses of the fund described herein (the “Fund”) are discussed within its Documents (defined below). Any investment decision must be based only on the Fund’s private placement memorandum, limited partnership agreement, and other definitive legal documents (the “Documents”), which shall govern in the event of any conflict with the information contained herein. You must rely only on the information in the Documents in making any decision to invest.

The information contained herein is being furnished to you solely for the purpose of giving you a preliminary indication of the strategy and structure of the Fund and is not to be used for any other purpose or made available to anyone not directly concerned with your evaluation of the possibility of requesting further information regarding an investment in such Fund. The Fund information set forth herein is not and does not purport to be complete, and is qualified by and subject to the relevant Fund’s Documents. If you express an interest in investing in a Fund, any offer will be made by, and you will be provided with, the Documents.

This summary is for informational purposes only, and does not constitute an offer to sell, or a solicitation of an offer to buy, interests in a Fund or to participate in any trading strategy. Any such offer would be made only after a prospective purchaser has had the opportunity to conduct its own independent evaluation of such Fund and has received all information required to make its own investment decision, including a copy of Documents, which will contain material information not included herein and to which prospective purchasers are referred. No person has been authorized to give any information or to make any representation other than those contained in this summary and, if given or made, such information or representations must not be relied upon as having been authorized. Each prospective investor should consult its own counsel, accountant, or tax or business adviser as to legal, accounting, regulatory, tax and related matters, as well as economic risks and merits, concerning the possibility of making an investment in any Fund.

## CREDIT QUALITY

The credit quality of a particular security or group of securities does not ensure the stability or safety of an overall portfolio. The quality ratings of individual issues/issuers are provided to indicate the credit-worthiness of such issues/issuer and generally range from AAA, Aaa, or AAA (highest) to D, C, or D (lowest) for S&P, Moody’s, and Fitch respectively.

## RISK

The Fund is not subject to the same regulatory requirements as mutual funds. The Fund is expected to be leveraged and to engage in speculative investment practices that will increase the risk of investment loss. The Fund’s performance could be volatile; an investor could lose all or a substantial amount of its investment. A Fund’s manager will have broad trading authority over such Fund. The use of a single adviser applying generally similar trading programs could mean lack of diversification and, consequently, higher risk. There is no secondary market for a Fund’s interest and none is expected to develop. There will be restrictions on transferring interests in a Fund and limited liquidity provisions. A Fund’s fees and expenses may offset its trading profits. The Fund will not be required to provide periodic pricing or valuation information to investors. The Fund will involve complex tax structures and there may be delays in distributing important tax information. A substantial portion of the trades executed for certain Funds are in non-U.S. securities and take place on non-U.S. exchanges.



# Appendix

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Investments in **residential/commercial mortgage loans** and **commercial real estate debt** are subject to risks that include prepayment, delinquency, foreclosure, risks of loss, servicing risks and adverse regulatory developments, which risks may be heightened in the case of non-performing loans. The Fund will also have exposure to such risks through its investments in mortgage and asset-backed securities, which are highly complex instruments that may be sensitive to changes in interest rates and subject to early repayment risk. **Structured products** such as collateralized debt obligations are also highly complex instruments, typically involving a high degree of risk; use of these instruments may involve derivative instruments that could lose more than the principal amount invested. **Private Credit** funds will also be subject to real estate-related risks, which include new regulatory or legislative developments, the attractiveness and location of properties, the financial condition of tenants, potential liability under environmental and other laws, as well as natural disasters and other factors beyond the fund's control. **Equity** investments may decline in value due to both real and perceived general market, economic and industry conditions, while debt investments are subject to credit, interest rate and other risks. Investing in banks and related entities is a highly complex field subject to extensive regulation, and investments in such entities or other operating companies may give rise to control person liability and other risks. In addition, there can be no assurance that PIMCO's strategies with respect to any investment will be capable of implementation or, if implemented, will be successful.

Investing in the **bond market** is subject to certain risks including market, interest-rate, issuer, credit, and inflation risk. **Bank loans** are often less liquid than other types of debt instruments and general market and financial conditions may affect the prepayment of bank loans, as such the prepayments cannot be predicted with accuracy. There is no assurance that the liquidation of any collateral from a secured bank loan would satisfy the borrower's obligation, or that such collateral could be liquidated. **Collateralized Loan Obligations (CLOs)** may involve a high degree of risk and are intended for sale to qualified investors only. Investors may lose some or all of the investment and there may be periods where no cash flow distributions are received. CLOs are exposed to risks such as credit, default, liquidity, management, volatility, interest rate, and credit risk. **Commodities** contain heightened risk including market, political, regulatory, and natural conditions, and may not be appropriate for all investors. Investing in distressed loans and bankrupt companies are speculative and the repayment of default obligations contains significant uncertainties. Investing in **foreign denominated** and/or domiciled securities may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. **High-yield, lower-rated, securities** involve greater risk than higher-rated securities; portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not. Mortgage and asset-backed securities may be sensitive to changes in interest rates, subject to early repayment risk, and while generally supported by a government, government-agency or private guarantor there is no assurance that the guarantor will meet its obligations. **Sovereign securities** are generally backed by the issuing government, obligations of U.S. Government agencies and authorities are supported by varying degrees but are generally not backed by the full faith of the U.S. Government; portfolios that invest in such securities are not guaranteed and will fluctuate in value. **Derivatives** may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested. The current regulatory climate is uncertain and rapidly evolving, and future developments could adversely affect a Fund and/or its investments.

**The foregoing is only a description of certain key risks, and is not a complete enumeration of all risks to which a Fund will be subject. Each Fund will be subject to numerous other risks not described herein. Prospective investors must carefully review the Documents (including, without limitation, the risk factors contained in the Fund's private placement memorandum) prior to making any investment decision.**

A purchase of interests in any Fund involves a high degree of risk that each prospective investor must carefully consider prior to making such an investment. Investors should thoroughly review the investment considerations and risk factors section of a Fund's private placement memorandum for a more complete description of these risks. Prospective investors are advised that investment in a Fund is appropriate only for persons of adequate financial means who have no need for liquidity with respect to their investment and who can bear the economic risk, including the possible complete loss, of their investment.

## INDEX DESCRIPTIONS

The Bloomberg U.S. Aggregate Credit Index is an unmanaged index comprised of publicly issued U.S. corporate and specified non-U.S. debentures and secured notes that meet the specified maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-registered.

The Bloomberg High Yield Index is an unmanaged market-weighted index including only SEC registered and 144(a) securities with fixed (non-variable) coupons. All bonds must have an outstanding principal of \$100 million or greater, a remaining maturity of at least one year, a rating of below investment grade and a U.S. Dollar denomination.

The JPMorgan Leveraged Loan Index is designed to mirror the investable universe of USD institutional leveraged loans, including U.S. and international borrowers. It is not possible to invest directly in an unmanaged index.

# Appendix

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## **INVESTMENT STRATEGY**

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

## **OUTLOOK**

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

## **PORTFOLIO STRUCTURE**

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

## **SAMPLE INVESTMENT**

The investment examples referenced are presented for illustrative purposes only, as a general example of the type of investments that may be or have been acquired by PIMCO's private funds, as well as PIMCO's current capabilities in sourcing, modeling and managing such investments (which may evolve over time). There can be no guarantee that PIMCO's private funds will have or continue to have access to comparable investments, or that PIMCO will utilize similar strategies or techniques in connection with the Private Income Fund. In addition, specific investments in the asset classes described herein may have materially different performance and other characteristics than those described in these examples.

## **STRATEGY AVAILABILITY**

Strategy availability may be limited to certain investment vehicles; not all investment vehicles may be available to all investors. Please contact your PIMCO representative for more information.

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# Appendix

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CMR2023-0510-2894335



May 22, 2023

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

**SUBJECT: \$50 Million Commitment to Abbott Secondaries Opportunities Fund III, L.P.**

Dear Board Members:

Attached is a joint recommendation from NEPC and me for a \$50 million investment commitment to the Abbott Secondaries Opportunities Fund III (ASO III).

#### Background

In May 2017, the Board selected Abbott Capital Management as its private equity consultant and separate account full discretion manager. In November 2017, the Board committed \$25 million to the Abbott Secondaries Opportunities Fund I (ASO I). In January 2020, the Board committed \$25 million to the follow-on fund ASO II, and in April 2021 approved a \$15 million add-on investment to its ASO II commitment.

Investment performance for ASO I and ASO II thus far has been very strong. As of September 30, 2022, ASO I had generated a net internal rate of return (net IRR) of 23.8%, and a Total Value of Paid-In Capital (TVPI) multiple of 1.2x. Although still early, ASO II is posting a 102.8% net-IRR, and a 1.4x TVPI.

ASO III is targeting a fund size of \$450 million, a 15% - 17% net IRR, and a net TVPI multiple of 1.5x to 1.8x. The fund's term is 8 years, with up to two one-year extensions at the GP's discretion. For ASO III, Abbott intends to continue the investment strategies that have been employed in ASO I and ASO II, as more thoroughly described in NEPC's recommendation memo and Abbott's investment presentation deck.

The standard management fee will be 1% on *invested capital* through year 5, and 90% of the prior year's management fee thereafter. There is a carried interest of 10%, and an 8% hurdle rate in a European waterfall distribution structure. The first close for ASO III is targeted for June. VCERA would earn a 10-basis points fee reduction for participating in the first closing, and an additional 5 basis points fee reduction for being a returning investor. Both fee reductions are for the life of the fund.

This fund will continue to provide size diversification to VCERA's current secondaries exposure. Capital will be turned around quicker than through more traditional primary investments.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve a commitment of \$50 million to Abbott's Secondary Opportunities Fund III, and direct staff and legal counsel to prepare the necessary legal documents; and,
2. Authorize the Board Chair or the Retirement Administrator, or in the absence of the Board Chair and Retirement Administrator the Chief Investment Officer, to approve and execute the required documentation.

Respectfully submitted,



Dan Gallagher  
Chief Investment Officer



**To:** Board of Retirement, Ventura County Employees' Retirement Association

**From:** NEPC Consulting Team

**Date:** May 22, 2023

**Subject:** Abbott Secondary Opportunities III Commitment Recommendation– \$50 Million

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### **Recommendation**

NEPC and VCERA staff recommend that the Board of the Ventura County Employees' Retirement Association ("VCERA" or the "Plan") approve a commitment of \$50 million to Abbott Secondary Opportunities III ("the Fund" or "Fund III"). NEPC views Abbott Secondary Opportunities III as an appropriate investment that is additive to VCERA's private equity portfolio. Abbott currently manages \$26.3 million in two existing funds : Abbott Secondary Opportunities and Abbott Secondary Opportunities II in the VCERA private equity allocation. The fund has been rated three by the NEPC Private Markets Committee.

NEPC and VCERA's CIO believe that Abbott Secondary Opportunities III fits well in the Plan's private equity allocation for the following reasons:

- **Transaction Size and Market Segment** – Abbott's secondary strategy relies on small transaction opportunities that could be the purchases of single LP interests or GP-led restructurings of smaller middle market buyout, growth equity, or venture capital funds. These small transactions are often not aggressively intermediated and fall below the minimum target size of larger secondary funds. Through its manager relationships, Abbott prefers to source transactions outside of competitive auction channels.
- **Sourcing Advantage from Primary Platform** – Abbott Capital has a 30+ year history as a primary private equity fund investor. Throughout that time, Abbott has cultivated long-lasting relationships with a high-quality list of private equity fund sponsors. These relationships have provided Abbott with a recurring source of proprietary deal flow and access to high quality information regarding the assets in funds being offered for sale. Over 60% of managers in Abbott's secondaries portfolio overlap with its primary portfolio. The secondaries and co-investment teams work closely with primary investment team members to quickly identify opportunities, making Abbott a partner of choice for GPs looking to offload smaller opportunities and bypass larger competitors.
- **Favorable Fee and Carry Terms** – Between a management fee structure based on invested, rather than committed, capital and management fee discounts available to early closing as well as repeat investors, ASO III will charge management fees that are lower than many other secondary funds. Additionally, the 10% carried interest rate is competitive with or lower than the carried interest rate charged by many other secondary funds.
- **Performance** – As of September 30, 2022, Fund I (2016) has exhibited solid returns within target ranges (1.7x net TVPI; 1.2x net DPI; 23.8% net IRR), and Fund II (2021) is off to a strong start (1.4x net TVPI; 0.2x net DPI; 102.8% net IRR), although it is early to benchmark.

## Overview of VCERA Private Equity Program

As of March 31, 2023, VCERA has approximately \$1.3 billion invested in private equity, representing 18.2% of the total fund, versus a policy target of 18%. Since inception, the Board has committed \$1.933 billion to private equity investments with \$1.171 billion called to date (61% of commitments). VCERA's since inception net internal rate of return (net IRR) is 18.1% with a total-value-to-paid-in capital (TVPI) multiple of 1.63x. The secondary fund-of-funds sub-allocation represents 13.1% of the total PE portfolio and has earned an IRR of 19.08% and a TVPI multiple of 1.62x.

While Abbott Capital Management has overall management and reporting responsibility for VCERA's private equity program, NEPC and VCERA's CIO evaluate and make Board recommendations on private equity secondary and co-investment sub-allocations with VCERA managers HarbourVest, Pantheon, Adams Street, and Abbott.

## Executive Summary of Abbott Secondary Opportunities III

Abbott Capital ("Abbott" or "the Firm") is raising Abbott Secondary Opportunities III ("the Fund" or "ASO III"), a \$450 million global secondaries fund targeting a first closing in Q2 2023. Headquartered in New York City, the Firm began managing separately managed accounts (SMAs) for select clients in 1986. Since 2013, Abbott has grown its platform to include various multi-manager strategies including global diversified fund-of-funds, co-investment, and secondaries offerings. ASO III seeks to continue the strategy of ASO I & II, maintaining a small fund size and targeting 20-25 deals at around \$10-\$30 million per deal. The Fund will seek diversified exposure across transaction types, strategies, sectors, and vintage years, with a bias towards North America buyouts and a balance between LP interest purchases and GP-led transactions. As of March 2023, the firm has \$14 billion in assets under management, and commits \$150 million per year in secondary transactions across its offerings.

Abbott Secondary Opportunities III will make secondary investments primarily through the acquisition of single LP interests or small portfolios of LP interests or through GP-led secondary transactions. The Fund's strategy focuses on smaller transactions as well as complex deals, which are sourced through a variety of channels, including through existing GPs in its primary portfolios, GPs within the Abbott Capital network, Limited Partners, and to a lesser extent from intermediaries. With a smaller scale capital base and robust deal pipeline, the Fund expects to invest selectively in a small number of investments from a broad opportunity set. The Fund may also make opportunistic direct co-investments.

## Firm and Team Overview

Abbott Capital, a fully independent and 100% employee-owned investment management firm, was founded in 1986 with a platform that focused primarily on separately managed accounts for customers seeking customized portfolios. It has since grown its investor base, managing assets for public, corporate, and multi-employer pension funds, foundations, endowments, family offices, and high net worth individuals. Today the Firm has \$14 billion in assets under management, offering SMAs, fund-of-funds, secondaries, and co-investment opportunities, along with flexible strategy allocations for more customized offerings. The Firm has been investing in secondaries strategies since 1987 but added a dedicated secondaries fund offering beginning in 2013. Prior to the offering of that product, the Firm's secondaries approach was primarily opportunistic.

Abbott has a 'one team' culture across its fund offerings, with its primary investment teams working closely with the dedicated secondaries and co-invest investment teams to drive sourcing. Abbott has successfully built a multi-generational team beyond the involvement of its two co-founders. As Managing Directors have retired or departed Abbott, ownership has been transferred to successive generations of employee-owners.



The Firm is based in New York City and employs approximately fifty professionals dedicated to private equity asset management.

Abbott has a dedicated four-person secondaries investment team, working along a backdrop of a 17-person integrated investment team. The secondaries team is comprised of Meredith Rerisi (MD), Wolf Witt (MD), Declan Feely (VP), and Alexis Maida (Associate). The Investment Committee, chaired by Leonard Pangburn (President), is comprised of seven Managing Directors, and three Principals, two of which were recently promoted from within the Firm. The secondaries team had a recent departure of a VP, Lance Zhou, who left the Firm in late 2022 to join a competitor.

Prior to joining Abbott, Ms. Rerisi was an Equity Analyst at American High Growth Equities Corporation; Mr. Witt was a Director at Zurich Alternative Asset Management, responsible for primary fund investments, co-investments, and secondary investments; Mr. Feely worked at Maltese Capital Management; and Ms. Maida worked in Private Equity Portfolio Management, Valuations and Analysis at The Blackstone Group.

In addition to the dedicated secondary team, Abbott's other senior investment professionals help with secondary sourcing and GP-related diligence matters, and Abbott's other investment associates and analysts provide secondary investment data gathering and analysis support on an ad hoc basis. All secondary deals are reviewed and approved by the same Investment Committee that reviews all of Abbott's primary fund commitments; and comprised of the Firm's six other Managing Directors and three Principals.

### **Investment Strategy**

Abbott Secondary Opportunities III will make secondary investments primarily through the acquisition of single LP interests or small portfolios of LP interests or through GP-led secondary transactions. The Fund's strategy focuses on smaller transactions as well as complex deals, which are sourced through a variety of channels, including through existing GPs in its primary portfolios, GPs within the Abbott Capital network, Limited Partners, and to a lesser extent from intermediaries. With a smaller scale capital base and robust deal pipeline, the Fund expects to invest selectively in a small number of investments from a broad opportunity set. Abbott prefers to maintain an annual capital deployment ratio of its primary to secondary allocations of 8:1 and expects to commit \$150 million per year in secondaries deals.

In addition to secondary transactions, the Fund may also make opportunistic direct co-investments. The investment team will bucket a deal within the co-investment allocation if a GP from which Abbott is buying has previously not had ownership of an asset. The Firm is not dogmatic about disallowing fees/carry with its co-investment transactions and will pay a higher price for higher quality assets.

Abbott's deal sourcing strategy relies on partnering with managers that can offer opportunities in the smaller end of the market and the Firm prefers to avoid auction-led processes where competitors are more likely to win deals. Sixty percent of GPs with which the Firm has invested in primaries overlap with the Firm's secondaries and co-investment deals. With respect to purchase prices, Abbott prefers to maintain a 10-15% discount buffer, but will occasionally pay a premium for high-quality assets that the Firm believes can drive stronger performance.

The investment team maintains flexibility with respect to allocations to GP-led vs. traditional LP secondary opportunities and will drive up allocations to each deal type depending on market conditions with the expectation that overall allocations to one or the other will not exceed 60%. While GP-led deals and co-investments typically do not come with the benefits of immediately accretive purchase discounts, like traditional secondaries, they tend to have shorter hold periods





than primary fund commitments and can provide greater alpha potential due to their being more concentrated and from a strong alignment of monetary interests between the deal sponsor and Abbott. In the medium term, Abbott is expecting to see a wider opportunity set of traditional LP secondary deals.

The Firm has a single Investment Committee across the platform, with the underwriting process emphasizing consensus-building as the pipeline narrows.

### **Fees**

The annual management fee will be 1.0% of invested capital through year 5 and 90% of the prior year's management fee thereafter. Abbott is offering a 0.10% fee reduction for LPs who close prior to June 30, 2023, and an additional 0.05% fee reduction for the life of the fund for repeat investors. Carried interest is 10%, with a preferred return of 8% to investors.

### **Summary**

NEPC Research views Abbott Secondary Opportunities III as additive to the VCERA private equity portfolio. We believe that Abbott's small-transaction strategy and strong GP relationships will allow the Fund to quickly identify opportunities and transact in a secondary market segment with relatively low competition, as it has in its prior funds. Abbott Secondary Opportunities III is a good fit for investors seeking a diversified hybrid secondary fund with the goal of mitigating J-curve and blind pool risks. Abbott also offers customization in terms of sub-strategy (i.e., buyout, venture, growth equity) concentration as well as an early-close management fee discount.

A slight concern to be aware of includes a co-investment-like risk-return profile of a substantial portion of the fund. While Abbott maintains a flexible investment mandate, ASO III is expected to be about 40%-60% allocated to GP-led transactions. These transactions typically involve higher-quality companies where growth potential, rather than discounts to fair valuations, is the primary driver of performance. Moreover, Abbott's strategy favors lower middle market buyouts, which is a highly competitive market. The risk-return profile for these transactions is closer to that of co-investments. Hence, a substantial portion of the portfolio's potential to realize gains will depend on the growth of high-quality assets, which will be an important consideration in the event of an economic downturn.

Another concern involves a weak key person provision in the LPA. The Fund's Key Person provision is triggered if fewer than four Managing Directors of Abbott's investment team remain involved in day-to-day activities. Investors may not be protected should either or both Managing Directors on the four-person secondaries team (Meredith Rerisi and Wolf Witt) cease to remain involved in investment activities.

NEPC supports the staff's recommendation to commit \$50 million to Abbott Secondary Opportunities III.



### NEPC Research Ratings Definitions

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



## Disclaimers and Disclosures

- Past performance is no guarantee of future results.
- The opinions presented herein represent the good faith views of NEPC as of the date of this report and are subject to change at any time.
- This memo for the Fund provides a summary of information and documentation received by NEPC from the manager through phone calls and meetings. The product has been rated by NEPC's Alternative Assets Committee.
- Information used to prepare this report was obtained directly from the investment manager, and market index data was provided by other external sources. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- NEPC does not provide legal, regulatory or tax advice. Please consult your attorney or tax advisor for assistance as needed.
- This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

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

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



# ABBOTT SECONDARY OPPORTUNITIES III, L.P.

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**MAY 22, 2023**

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# ABBOTT PRESENTERS



**YOUNG LEE**

**Managing Director**

Investment Team  
Joined Abbott in 2007

Stanford University, B.A. in Economics  
Columbia University, M.B.A.



**MEREDITH RERISI**

**Managing Director**

Investment Team  
Joined Abbott in 1998

Cornell University, B.S. in Applied Economics  
The Fuqua School of Business at  
Duke University, M.B.A.

# FIRM OVERVIEW

# ABOUT ABBOTT

Founded in 1986, Abbott is a multi-strategy private equity firm with approximately \$14+ billion in assets under management. Our global platform spans the private equity, growth equity, and venture capital markets with solutions for a diverse investor base comprised of public, corporate, and multi-employer pension plans, foundations, endowments, family offices, and high net worth individuals.

Since inception, Abbott has committed more than \$24 billion to more than 600 primary, secondary, and co-investments on behalf of its clients.

**1986**  
Abbott  
Founded

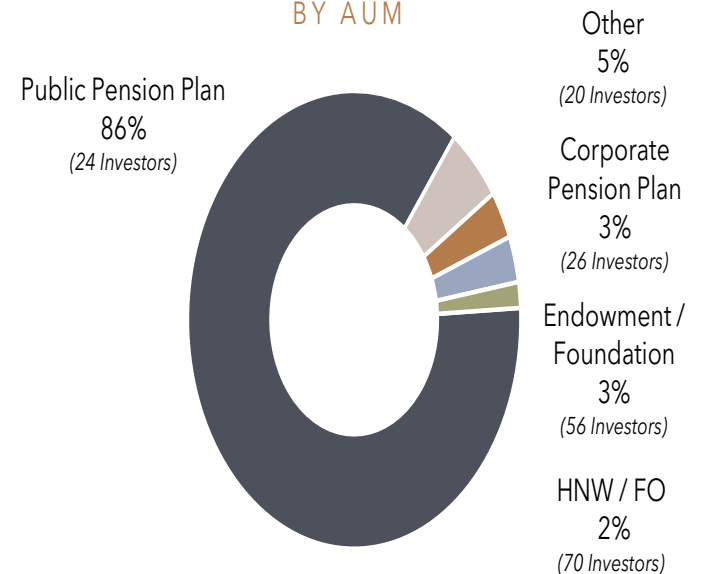
**100%**  
Independent and  
Employee- Owned

**\$14B+**  
Assets Under  
Management

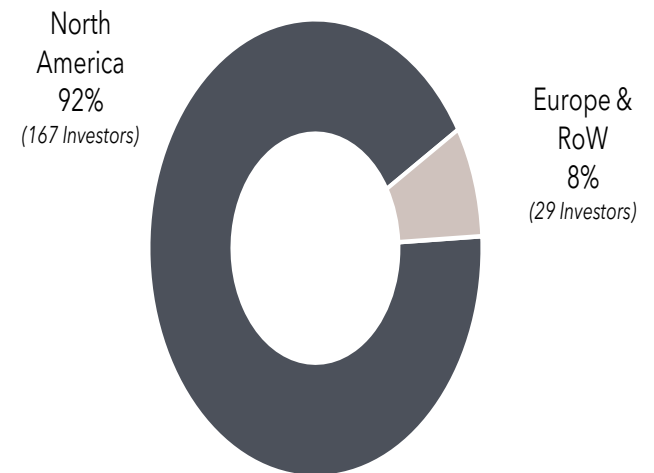
**10,000+**  
Funds  
Tracked

**2015**  
UN PRI  
Signatory

## INVESTORS BY TYPE BY AUM



## INVESTORS BY GEOGRAPHY BY AUM



AUM as of Dec 31 2021. AUM does not reflect Abbott's reported RAUM due to the inclusion of liabilities and approximately \$850M of non-discretionary assets for which Abbott provides ongoing investment monitoring and reporting but does not provide continuous and regular supervisory or management services.



# PRIVATE EQUITY SOLUTIONS

## SEPARATELY MANAGED ACCOUNTS

**CUSTOMIZED PORTFOLIOS**  
built to meet client-specific  
investment goals

**ACCESS** to sector-focused,  
emerging, & diverse  
managers

**PERSONALIZED REPORTING**  
and administrative support

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## SECONDARIES & CO-INVESTMENTS

**DEDICATED FUNDS** for  
each strategy

**SECONDARIES** include  
GP-led, asset carve-outs,  
fund purchases

**CO-INVESTMENTS** with  
both new and existing  
Abbott GPs -- direct  
deals and SPVs

---

## FLEXIBLE FUND SOLUTIONS

**DIVERSIFIED FUNDS**  
with flexible strategy  
allocations

**TARGETED** geographic  
and sector exposures

**SINGLE AND MULTI-  
ASSET EXPOSURE**  
through secondaries and  
co-investments

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## OPERATIONS & ADMINISTRATION

**BACK-OFFICE SOLUTIONS** built to ease in-house reporting and data management for LPs

**PERFORMANCE REPORTING** including analytics and benchmarking

# ABBOTT TEAM

## INVESTMENT COMMITTEE



LEONARD PANGBURN  
Managing Director,  
President  
Joined 2005



MEREDITH RERISI  
Managing Director  
Joined 1998



TIM MALONEY  
Managing Director  
Joined 2004

## INVESTMENT TEAM



DECLAN FEELEY  
Vice President



AMY CAPORALE  
Associate



WILLIAM CRENSHAW  
Associate



VICTORIA LIN  
Associate



MATTHEW SMITH  
Managing Director  
Joined 2000



YOUNG LEE  
Managing Director  
Joined 2007



JOBST KLEMME  
Managing Director\*  
Joined 2015



WOLF WITT  
Managing Director  
Joined 2018



ALEXIS MAIDA  
Associate



LUIS DELGADO  
Analyst



KATE HOLZER  
Analyst



JEREMIAH YONDAH  
Analyst



JONATHAN TUBIANA  
Principal  
Joined 2009

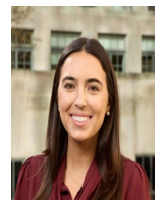


MORITZ TURCK  
Principal\*  
Joined 2017



ARIANNA MERRILL  
Principal  
Joined 2018

## SECONDARY TEAM



# ABBOTT TEAM

## OPERATIONS, FINANCE & LEGAL / COMPLIANCE



MARY T. HORNBY  
Managing Director,  
General Counsel & CCO  
*Joined 2004*



LAUREN MASSEY  
Managing Director,  
Chief Administrative Officer  
*Joined 1995*



PAOLO PARZIALE  
Managing Director,  
Chief Financial Officer  
*Joined 2002*

## CLIENT SOLUTIONS & INVESTOR RELATIONS



SAMANTHA HEWITT  
Director,  
Investor Relations



SEAN P. LONG  
Director,  
Marketing & Client Solutions

## ADVISORS



PETER DORO  
Director,  
Compliance



JOE JULIANO  
Director,  
Investment Operations



JENNIFER LAGNADO  
Director,  
Corporate Operations



PUTRI KAFRAWI  
Senior Manager,  
Fund Administration



JONATHAN ROTH  
Executive Advisor



MARTIN DUNNETT  
Strategic Advisor



HOLGER VON GRAWERT  
Strategic Advisor

50+ people dedicated to private equity

Managing Directors with deep private equity investment experience

Relationship and information advantages across the private equity ecosystem

# ABBOTT SECONDARY OPPORTUNITIES III, L.P.

# EXECUTIVE SUMMARY

**ASO III TARGET FUND SIZE** \$450M

**INVESTMENT APPROACH** Diversified exposure across transaction types, strategies, sectors, and vintage years  
Combination of LP purchases and GP-led transactions within Buyouts and VCGE

**RELATIONSHIP, INFORMATION, & FOCUS ADVANTAGES** Ability to leverage relationships and networks built over three decades  
Asset-level diligence informed by Abbott's \$14B+ private equity platform  
Focused approach targeting a small number of transactions in a large overall market

## ABBOTT PLATFORM

**\$24B+**

COMMITMENTS  
SINCE INCEPTION

**\$1B+**

AVG CAPITAL  
DEPLOYED ANNUALLY  
3 YEARS ENDING DEC 31 2021



**1987**

FIRST  
SECONDARY  
TRANSACTION

**\$50B+**

AVG ANNUAL  
SECONDARY  
DEAL FLOW  
3 YEARS ENDING DEC 31 2022

**160+**

MANAGER RELATIONSHIPS  
AS OF DEC 31 2021

**150+**

LPAC SEATS  
AS OF DEC 31 2021

**85+**

SECONDARY  
TRANSACTIONS CLOSED

**\$150M+**

AVG SECONDARY  
CAPITAL DEPLOYED  
ANNUALLY  
3 YEARS ENDING DEC 31 2022

# COMPLEMENTARY MARKET POSITIONING

POSITIONED AT THE INTERSECTION OF SELECTIVITY & FLEXIBILITY WITHIN AN ESTABLISHED PE PLATFORM

## ASO III

TARGET FUND SIZE: \$450M

Fund Size Allowing for Selectivity

LP Purchases + GP-Led Transactions

Dedicated Secondaries Team

No Deal-level Leverage

Long-term Track Record

### Platform as Competitive Advantage

8:1 Annual Deployment Ratio<sup>1</sup> (Primary:Secondary)

Single Investment Committee Across Platform

Long and Deep Relationships with GPs

## SMALL / NICHE FUNDS

Strategy/Sector Concentration

Resource-challenged

Difficult to Scale

Lack GP Relationships

Limited Track Record

Inability to Lead Deals

## LARGE / MEGA FUNDS

Overly Diversified -- "Index-like"  
PE exposure

Highly Levered

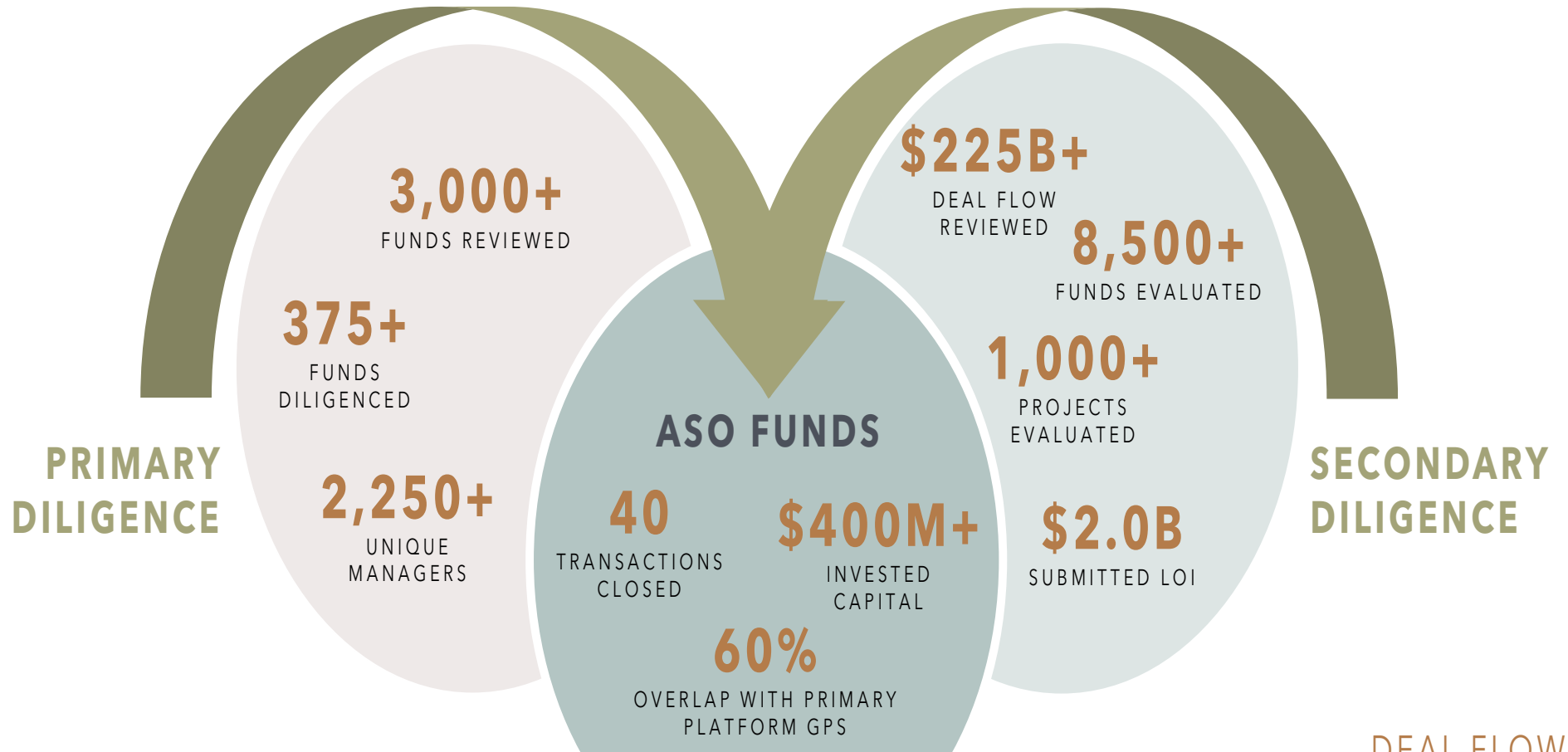
Broad Auction / Discount Focus

Limited Primary Activity

Segmented Primary and  
Secondary Businesses

<sup>1</sup>Annual Deployment Ratio based on 3 year avg ending Dec 31 2022

# SPONSOR-FOCUSED SOURCING APPROACH



## PARTNERSHIP APPROACH

Development of cross-platform relationships  
Leverage new relationships built through primary investments

## DILIGENCE INSIGHTS

Direct access to GPs, mgmt. teams, industry experts  
Deep relationships built over 35 years

## DEAL FLOW

Internally-sourced + broker relationships  
LP/GP: AGMs, LPACs, primaries, co-investments  
Early previews / access to deals

# TRANSACTION TYPES & FOCUS AREAS

## ASO III PROVIDES EXPOSURE TO BOTH LP PURCHASES AND GP-LED TRANSACTIONS

### LP PURCHASES

- Single-line LP purchases and small portfolios
- Diversified exposure to Buyout and VCGE funds
- Focus areas:
  - Funds in value appreciation and harvest periods
  - Near-term liquidity potential
  - Lower mid-market exposure
  - Information and Relationship advantages

### GP-LED TRANSACTIONS

- Multi-asset and single asset transactions
- More concentrated exposure to high-conviction assets
- Focus areas:
  - Quality assets with value appreciation potential
  - Multiple of invested capital
  - Buyout with limited VCGE exposure
  - Information and relationship advantages



PARTNERING WITH HIGH QUALITY GPs<sup>1</sup>

PARTNERING WITH HIGH QUALITY GPs<sup>1</sup>

**ORANGEWOOD**

THE  
HALIFAX  
GROUP

 PRAIRIE  
CAPITAL

TRINITY HUNT  
PARTNERS

SPECTRUM  
EQUITY

AEA

GREYLION

GROTECH  
VENTURES

 Prospect  
Partners

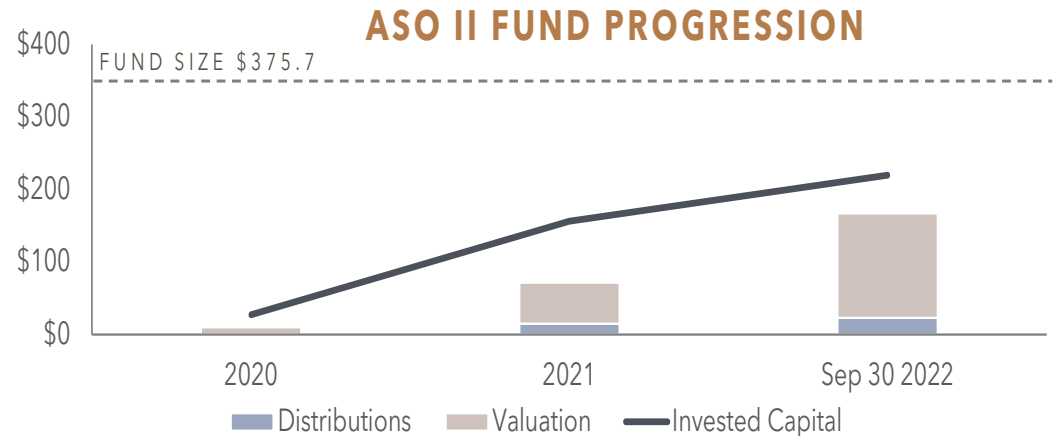
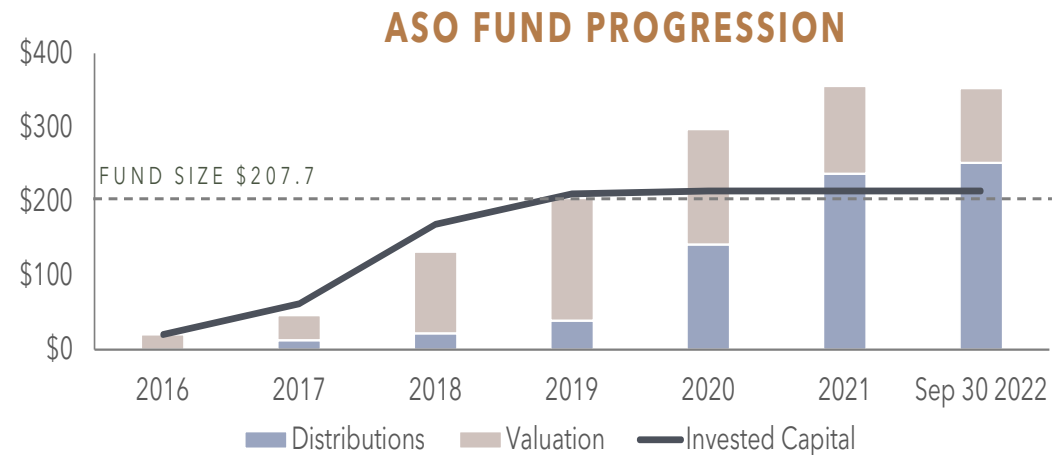
Adelis Equity

<sup>1</sup> ASO II managers of 5 largest transactions by Invested Capital categorized as either LP Purchases or GP-Led as of Nov 30 2022. High Quality refers to GPs with historical positive track records focused on value creation. A complete list of investments in ASO and ASO II is available upon request.



# SECONDARIES FUND PERFORMANCE

	ASO	ASO II
VINTAGE YEAR	2016	2021
FUND SIZE	\$207.7	\$375.7
INVESTED CAPITAL	\$214.3	\$219.5
AS A % OF FUND SIZE	103.2%	58.4%
# TRANSACTIONS	20	19
AMOUNT DISTRIBUTED	\$252.0	\$22.7
VALUATION	\$100.9	\$144.3
TOTAL VALUE	\$352.8	\$167.0
NET DPI	1.2x	0.2x
NET TVPI	1.7x	1.4x
NET CASH-ON-CASH	1.9x	1.4x
NET IRR	23.8%	102.8%



Data as of Sep 30 2022; all data in millions.

Past performance is not a guide to future results and is not indicative of expected realized returns. See Important Information pages herein including [Abbott Fund Information](#).

# TRANSACTION TYPE EXAMPLES

GP LED

## PROJECT KNOT

STRATEGY/  
FOCUS

Buyouts / Diversified



BACK-  
GROUND

Diversified portfolio of eight small buyout assets across different industries; attractive look-through entry valuations

INVESTED  
CAPITAL

\$14.1M

Lower middle market GP that Abbott had tracked pre-transaction. Strong GP alignment.

GP LED

## PROJECT HUNTER

STRATEGY/  
FOCUS

Buyouts / IT



BACK-  
GROUND

Two-asset GP-led deal; Abbott talked to both CEOs as part of primary DD; Strong GP relationship allowed for insight and access

INVESTED  
CAPITAL

\$25.0M

Attractive exposure to two IT services businesses in end markets with strong tailwinds. Both assets have proven M&A track records. Strong GP alignment.

LP PURCHASE

## PROJECT GL

STRATEGY/  
FOCUS

VCGE / Diversified



BACK-  
GROUND

Purchase of an LP's interest in two diversified funds with a small staple commitment to the GP's current fund

INVESTED  
CAPITAL

\$18.2M

Spin-out GP from a larger platform. Abbott is an existing investor and had previously transacted in a fund interest in ASO in 2016 (Project WP).

LP PURCHASE

## PROJECT FIELDS

STRATEGY/  
FOCUS

Buyouts / Diversified



BACK-  
GROUND

Single LP interest with restrictive Abbott GP; leveraged recent primary DD

INVESTED  
CAPITAL

\$20.2M

Purchase of an LP stake in a fully deployed, but still developing, small buyout fund well known to Abbott.

# SUMMARY OF TERMS

## ASO III

TARGET FUND SIZE	\$450M
INITIAL CLOSING (EXP.)	2Q 2023
INVESTMENT PERIOD	4 years
FUND TERM	8 years, up to 2 1-year extensions at GP discretion
EFFECTIVE MGMT. FEE <sup>1</sup>	0.75%
CARRIED INTEREST	10%
PROFIT DISTRIBUTIONS	Carried interest payable after a full return of contributed capital, subject to an 8% preferred return (European Waterfall)
MINIMUM LP SUBSCRIPTION	\$1M, subject to GP discretion
GP COMMITMENT	1.00% of LP subscriptions (up to \$4.5M)

## MGMT. FEE SCHEDULE

YEARS 1-5	1.00% of Invested Capital
YEARS 6+	90% of prior year's management fee

## AVAILABLE FEE INCENTIVES

### EARLY CLOSERS<sup>2</sup>

10 bps reduction for LPs who join an early closing of ASO III (through Jun 30 2023)

<sup>1</sup>Average annualized effective fee rate is calculated over 10 years and assumes a four year investment period (30%, 30%, 30%, 10%). Does not take into account any available fee incentives.

For illustrative purposes and uses assumptions that may not be ultimately applicable. The fees and expenses included herein are for reference/informational purposes only. Actual fees and expenses may vary depending on final commitment amounts/pacing or increases/decreases in Invested Capital.

<sup>2</sup>Early Closers fee incentive for LPs with a minimum subscription to ASO III of \$1M.

# DIFFERENTIATORS AND KEY TAKEAWAYS

## COMPETITIVE ADVANTAGES IN SECONDARY INVESTING DERIVED FROM ABBOTT PLATFORM



### GLOBAL PE PLATFORM

Institutional global platform with over \$24B committed to more than 600 investments since 1987<sup>1</sup>



### RELATIONSHIPS

Deep relationships with GPs and industry contacts results in differentiation in deal sourcing and due diligence



### TEAM

Single Investment Committee reviews and votes on all primary, secondary, and co-investment opportunities



### INFORMATION

Proprietary database of information on over 10,000 funds and 12,000 portfolio companies enables evaluation of assets and attribution analysis



### EXPERIENCE

Three decades of experience investing in secondaries transactions and building private equity portfolios for institutional investors



### FOCUS

Private equity transactions in the smaller end of the secondary market permit price discipline and transaction selectivity

<sup>1</sup>Includes primary, secondary, and co-investments.  
Data as of Dec 31 2021.

# CONTACT US

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640 FIFTH AVENUE, 7<sup>TH</sup> FLOOR  
NEW YORK, NY 10019  
+1 212 757 2700

[investorrelations@abbottcapital.com](mailto:investorrelations@abbottcapital.com)

# IMPORTANT INFORMATION

## Abbott Fund Information

### Fund Summary and Fund Metrics

**Vintage Year** for an Abbott Fund is determined by the date of the Abbott Fund's initial contribution by the partners.

**Fund Size** reflects total commitments to the Abbott Fund by all partners, including the General Partner.

With respect to Co-investments and Secondaries, **Amount Committed** or **Invested Capital** represents the aggregate acquisition price of investments held, including any related transaction costs, plus any additional amounts identified at the time of purchase of the investment that may be required to be contributed to satisfy a capital commitment or any other contribution obligation. Invested Capital is not reduced for underlying realizations or distributions of proceeds.

**Contributions** reflect amounts paid-in by the partners to the Abbott Fund and **Distributions** reflect amounts distributed by the Abbott Fund to its partners, including the General Partner. Distributions may include amounts withheld by the Abbott Fund with respect to any tax withholding payments made on behalf of partners.

**Net IRR** is calculated by Abbott and measures the internal rate of return over the period from the Abbott Fund's inception through the report date using the fair value of an Abbott Fund's limited partner's net assets reported as of the report date and net daily cash flows between the Abbott Fund and the limited partner. **Not Meaningful (NM):** Abbott does not calculate or present returns for Abbott Secondary Funds and Co-Investment Funds less than one quarter of age (based on the Vintage Year of the Abbott Fund) as such returns may be too immature to provide meaningful performance information.

**Vintage Year** for an Abbott Fund is determined by the date of the Abbott Fund's initial contribution by the partners.

**Net Cash on Cash** reflects a return multiple taking into account net daily cash flows between the Abbott Fund and the Limited Partner. Net Cash on Cash is calculated as Valuation plus aggregate net positive cash flows from the Abbott Fund to the Limited Partner, over aggregate net negative cash flows from the Limited Partner to the Abbott Fund.

**Net DPI, Net TVPI, Net IRR, and Net Cash on Cash** reflect limited partner performance no higher than a representative Limited Partner who is charged the highest management fee rate paid by a Limited Partner in the relevant Abbott Fund (excluding Limited Partners who choose to invest through a Cayman Feeder vehicle and who assume additional taxes and related expenses not taken into account herein), and is net of underlying investment fees and expenses, net of Abbott Fund expenses including fees paid to Abbott as the Abbott Fund's investment adviser, and net of allocations and distributions of carried interest to the Abbott Fund's general partner, if any. The Net DPI, Net TVPI, Net IRR, and Net Cash on Cash for an individual investor will differ from those disclosed herein due to differences in closing dates, individual limited partner fees and expenses, and commitment amounts. The results portrayed may reflect the reinvestment of realized proceeds and other earnings by both the Abbott Fund and the underlying partnership investments.

### Fund Investments

**Vintage year** for a portfolio investment is determined by the date of the initial capital call or year of initial closing date if capital has not yet been called.

With respect to non-primary investments or Opportunistic investments (including Secondary Interests, Secondary Transactions, and Co-Investments), **Total Commitment** or **Invested Capital** represents the aggregate acquisition price of investments held, including any related transaction costs, plus any additional amounts that may be required to contribute to satisfy a capital commitment or any other contribution obligation. Invested Capital is not reduced for underlying realizations or distributions of proceeds. With respect to any investment denominated in non-U.S. currency reflects the amount paid (in U.S. dollars) plus the unfunded portion of the foreign-denominated commitment amount converted to U.S. dollars at the relevant foreign exchange rate as of the report date.

**Amount Paid-in** represents the cumulative amount of capital paid-in by the Abbott Fund as of the report date in respect of the investment, including amounts paid-in as a result of interest charges or management fees or expenses payable in addition to the Total Commitment, less any temporary returns of capital distributed by the investment or otherwise resulting in a reduction to Amount Paid-in as determined by the underlying manager. **Distributions** reflect all distributions of cash or stock from an investment, excluding any temporary return of capital, and received by the Abbott Fund. Distributions of stock are valued as reported by the investment as of the date of distribution and such valuation does not take into account any gains or losses realized upon the sale of such stock by Abbott.

The **Valuation** of an Abbott Fund investment represents the fair value of such investment, is net of any management fees, expenses and carried interest of the underlying investment, and is based on the most recent available net asset value, or capital account balance, provided to the Abbott Fund as of the date the financial statements were issued, including allocations of unrealized gain or loss on the underlying portfolio company investments, and may be adjusted by other amounts necessary to reflect the fair value of the investment as determined by Abbott during its most recently completed valuation review. Any net asset value reported to the Abbott Fund in a foreign currency is translated at the relevant exchange rate at the close of business on the report date. **Total Value** equals total Distributions plus Valuation as of the report date.



**VCERA**  
VENTURA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION

# FIRST QUARTER 2023 PERFORMANCE REPORT

VENTURA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION

MARCH 31, 2023

Allan Martin, Partner  
Rose Dean, CFA, Principal  
Leah Tongco, Consulting Analyst



# MARKET ENVIRONMENT



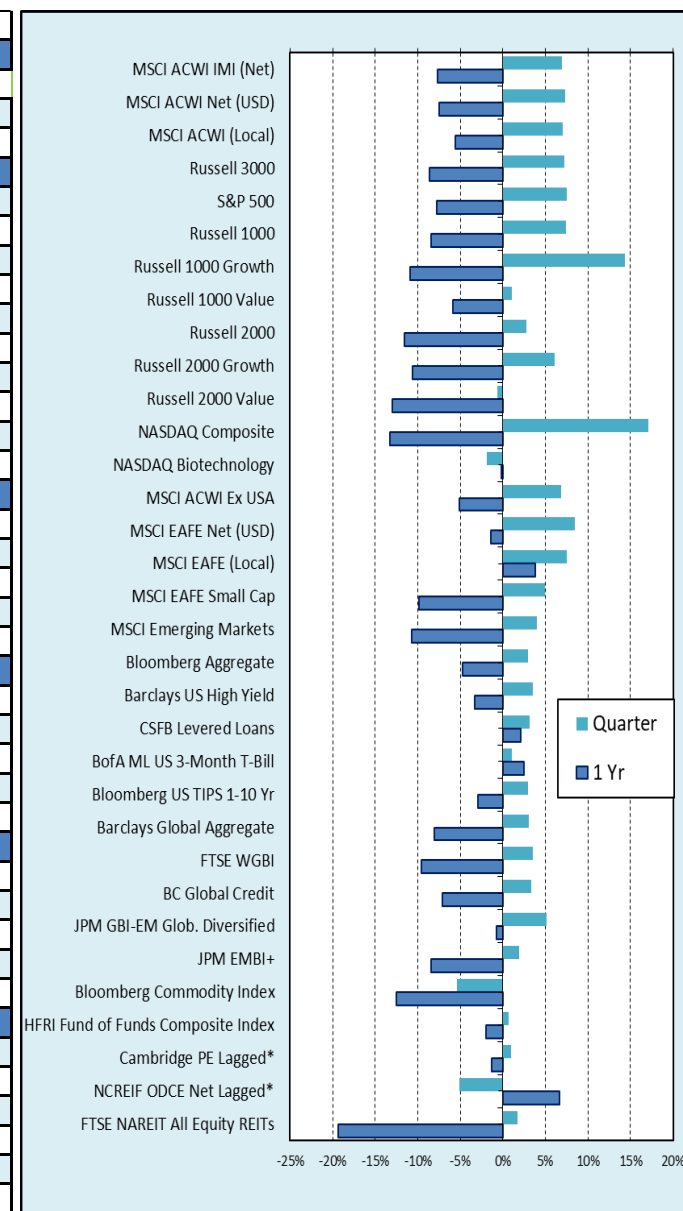
# ECONOMIC ENVIRONMENT

- **Q4 Real GDP (third estimate) increased at an annual rate of 2.6%.**
  - Retail sales ended March at +1.0% on a YoY basis. In the same period last year the YoY growth rate was +7.1%.
  - Corporate profits as a percent of GDP ended October 2022 at 10.4%, down from 11.3% in the same period last year and remain elevated relative to historical levels.
  - The inventory-to-sales ratio ended February was 1.36 up from 1.29 one year ago. Levels have remained relatively constant since early 2010 with a spike to 1.7 in April 2020.
  - The U.S. trade deficit narrowed in November as imports decreased more than exports.
- **The unemployment rate was 3.5% ended Q1, flat versus Q4; U-6, a broader measure of unemployment, increased to 6.7% in Q1 from 6.5% in Q4.**
  - The labor force participation rate ended Q1 up to 62.6% up from 62.3% in Q4. Labor force participation declined to 60.2% in April 2020 and is at levels below the 10 year pre-pandemic average of 63.0%.
- **The Case-Shiller Home Price Index (ended February) declined to 293.2 from 294.3 in Q4 and remains at levels higher than that of pre-financial crisis levels of 150.9.**
- **Rolling 12-month seasonally-adjusted CPI ended Q1 at 4.59% down from 6.42% in Q4. In the same period last year, it was 8.55%; Capacity Utilization increased to 79.80 in Q1 from 78.91% in Q4.**
- **Fed Funds rate increased in Q1 by 0.50% to a targeted range of 4.75%-to-5.00% up from a targeted range of 4.25%-to-4.50% ended Q4. The 10-year Treasury Yield (constant maturity) finished Q1 at 3.66% up from 3.62% in Q4.**
- **The Fed continues scaling back asset purchases. The Fed continues to reduce the size of its balance sheet after a period of rapid growth post-pandemic.**
- **S&P valuations increased in Q1 to 28.3x from 28.65x in Q4 and are lower than the 10-year average of 29.01x.**
  - Cyclically adjusted Shiller PE ratio remains above the long-term average of 17.01x.

# MARKET ENVIRONMENT

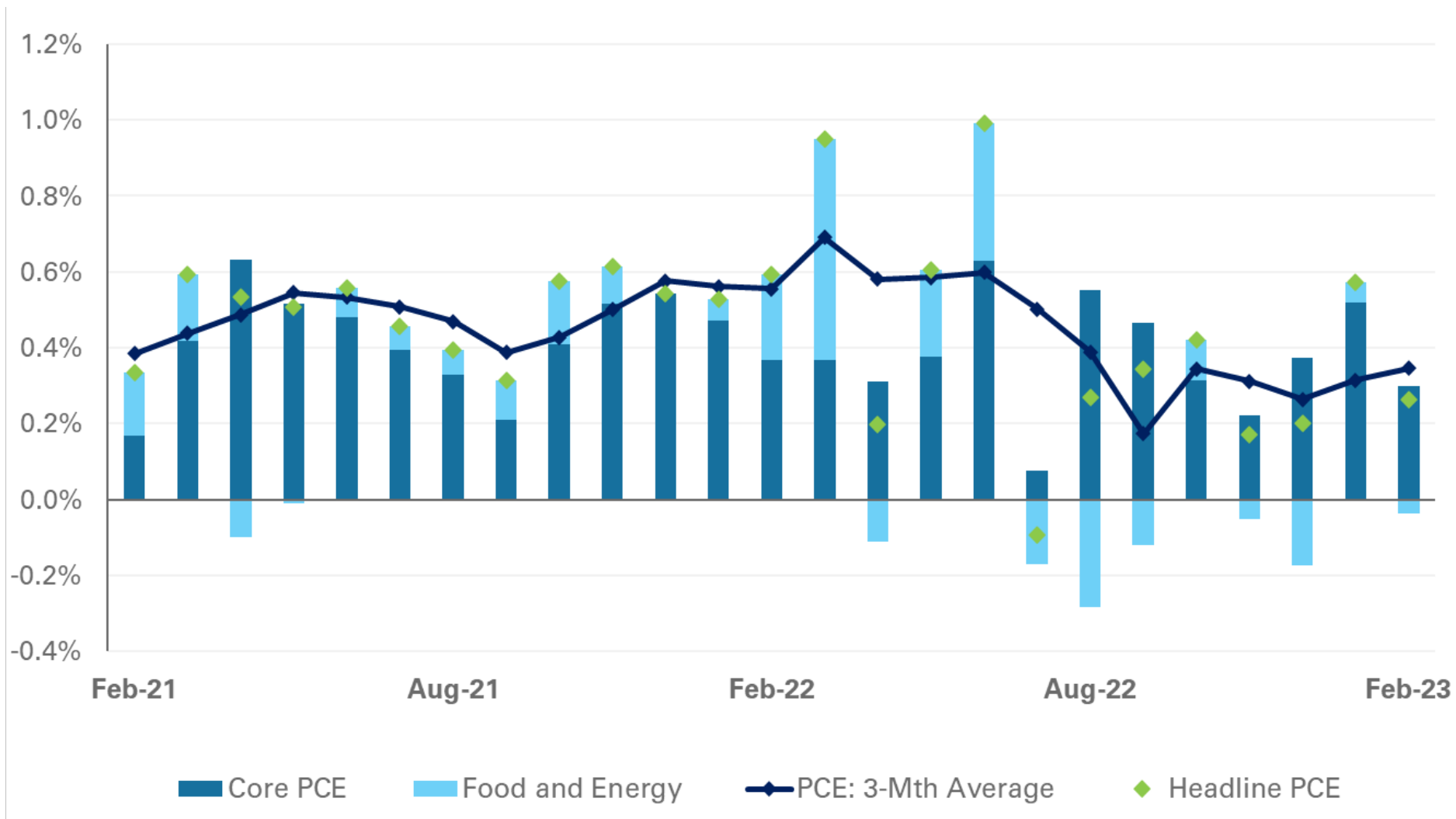
## Q1 2023 OVERVIEW

		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
<b>World Equity Benchmarks</b>						
MSCI ACWI IMI (Net)	World with Small Cap	6.95%	-7.69%	15.64%	6.58%	7.95%
MSCI ACWI Net (USD)	World W/O Small Cap	7.31%	-7.44%	15.36%	6.93%	8.06%
MSCI ACWI (Local)	World (Local Currency)	7.02%	-5.61%	15.76%	8.07%	9.25%
<b>Domestic Equity Benchmarks</b>						
Russell 3000	Domestic All Cap	7.18%	-8.58%	18.48%	10.45%	11.73%
S&P 500	Large Core	7.50%	-7.73%	18.60%	11.19%	12.24%
Russell 1000	Large Core	7.46%	-8.39%	18.55%	10.87%	12.01%
Russell 1000 Growth	Large Growth	14.37%	-10.90%	18.58%	13.66%	14.59%
Russell 1000 Value	Large Value	1.01%	-5.91%	17.93%	7.50%	9.13%
Russell 2000	Small Core	2.74%	-11.61%	17.51%	4.71%	8.04%
Russell 2000 Growth	Small Growth	6.07%	-10.60%	13.36%	4.26%	8.49%
Russell 2000 Value	Small Value	-0.66%	-12.96%	21.01%	4.55%	7.22%
NASDAQ Composite	Large Growth	17.05%	-13.28%	17.56%	12.60%	15.30%
NASDAQ Biotechnology	Biotech	-1.87%	-0.16%	7.52%	4.91%	10.00%
<b>International Equity Benchmarks</b>						
MSCI ACWI Ex USA	World ex-US	6.87%	-5.07%	11.80%	2.47%	4.17%
MSCI EAFE Net (USD)	Int'l Developed	8.47%	-1.38%	12.98%	3.52%	5.00%
MSCI EAFE (Local)	Int'l Developed (Local Currency)	7.49%	3.84%	14.63%	6.25%	7.34%
MSCI EAFE Small Cap	Small Cap Int'l	4.92%	-9.83%	12.07%	0.87%	5.86%
MSCI Emerging Markets	Emerging Equity	3.96%	-10.70%	7.83%	-0.91%	2.00%
<b>Domestic Fixed Income Benchmarks</b>						
Bloomberg Aggregate	Core Bonds	2.96%	-4.78%	-2.77%	0.90%	1.36%
Barclays US High Yield	High Yield	3.57%	-3.35%	5.91%	3.21%	4.10%
CSFB Levered Loans	Bank Loans	3.11%	2.12%	8.38%	3.55%	3.86%
BofA ML US 3-Month T-Bill	Cash	1.07%	2.50%	0.89%	1.41%	0.87%
Bloomberg US TIPS 1-10 Yr	Inflation	2.94%	-2.93%	2.89%	3.18%	1.55%
<b>Global Fixed Income Benchmarks</b>						
Barclays Global Aggregate	Global Core Bonds	3.01%	-8.07%	-3.43%	-1.34%	0.07%
FTSE WGBI	World Gov. Bonds	3.51%	-9.55%	-5.29%	-2.35%	-0.60%
BC Global Credit	Global Bonds	3.33%	-7.09%	-1.40%	-0.28%	1.06%
JPM GBI-EM Glob. Diversified	Em. Mkt. Bonds (Local Currency)	5.16%	-0.72%	0.87%	-2.37%	-1.52%
JPM EMBI+	Em. Mkt. Bonds	1.87%	-8.42%	-4.94%	-3.12%	0.17%
<b>Alternative Benchmarks</b>						
Bloomberg Commodity Index	Commodities	-5.36%	-12.49%	20.82%	5.36%	-1.72%
HFRI Fund of Funds Composite Index	Fund of Hedge Funds	0.71%	-1.94%	7.17%	3.10%	3.24%
Cambridge PE Lagged*	Private Equity	1.00%	-1.33%	18.48%	15.94%	14.77%
NCREIF ODCE Net Lagged*	Real Estate	-5.13%	6.67%	9.01%	7.74%	9.12%
FTSE NAREIT All Equity REITs	REIT	1.74%	-19.37%	10.17%	6.25%	6.45%
CPI + 2%	Inflation/Real Assets	1.44%	7.09%	7.46%	5.95%	4.71%



\* As of 12/31/2022

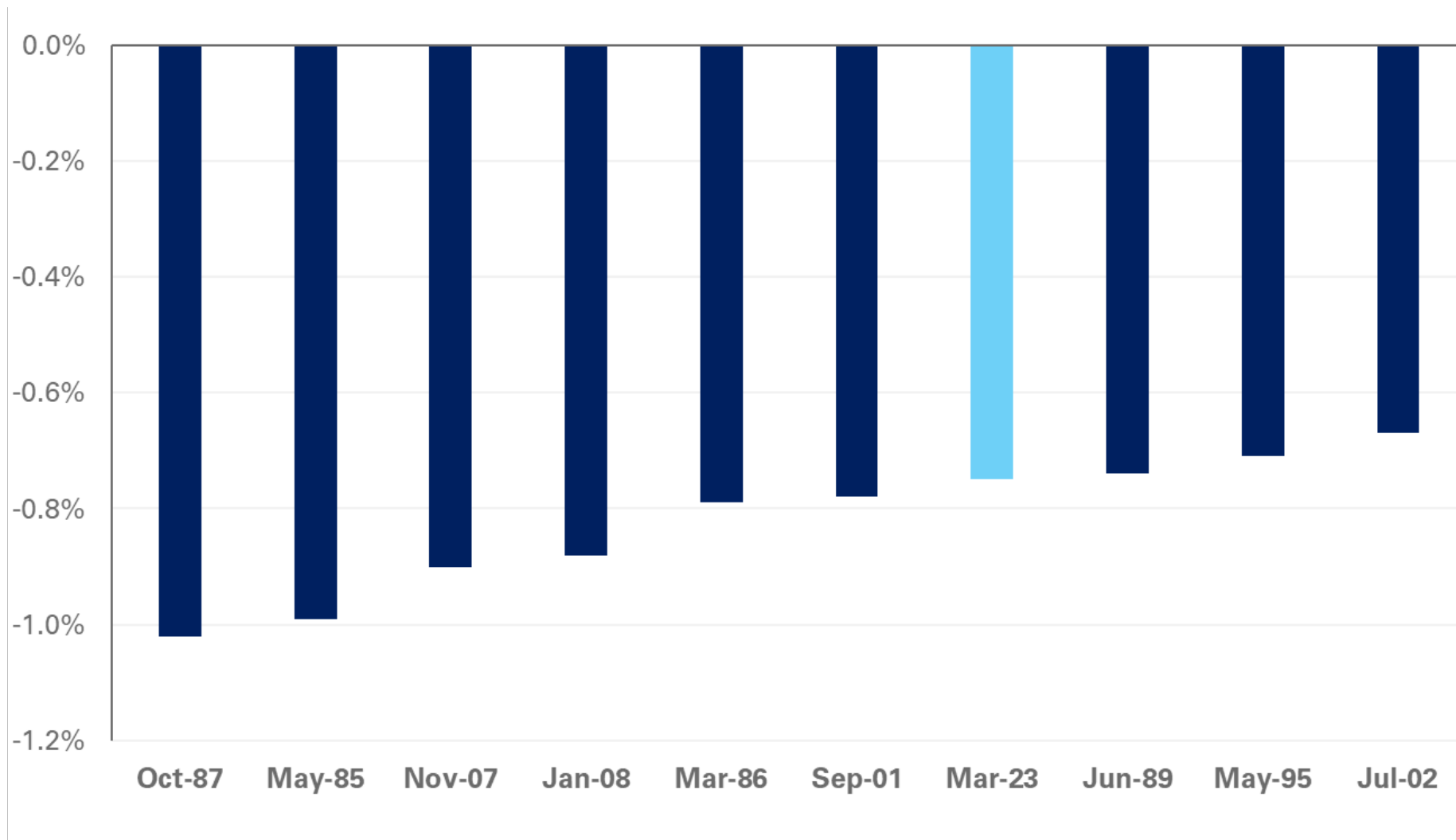
# CORE INFLATION REMAINED ELEVATED



Sources: Bureau of Economic Analysis, FactSet



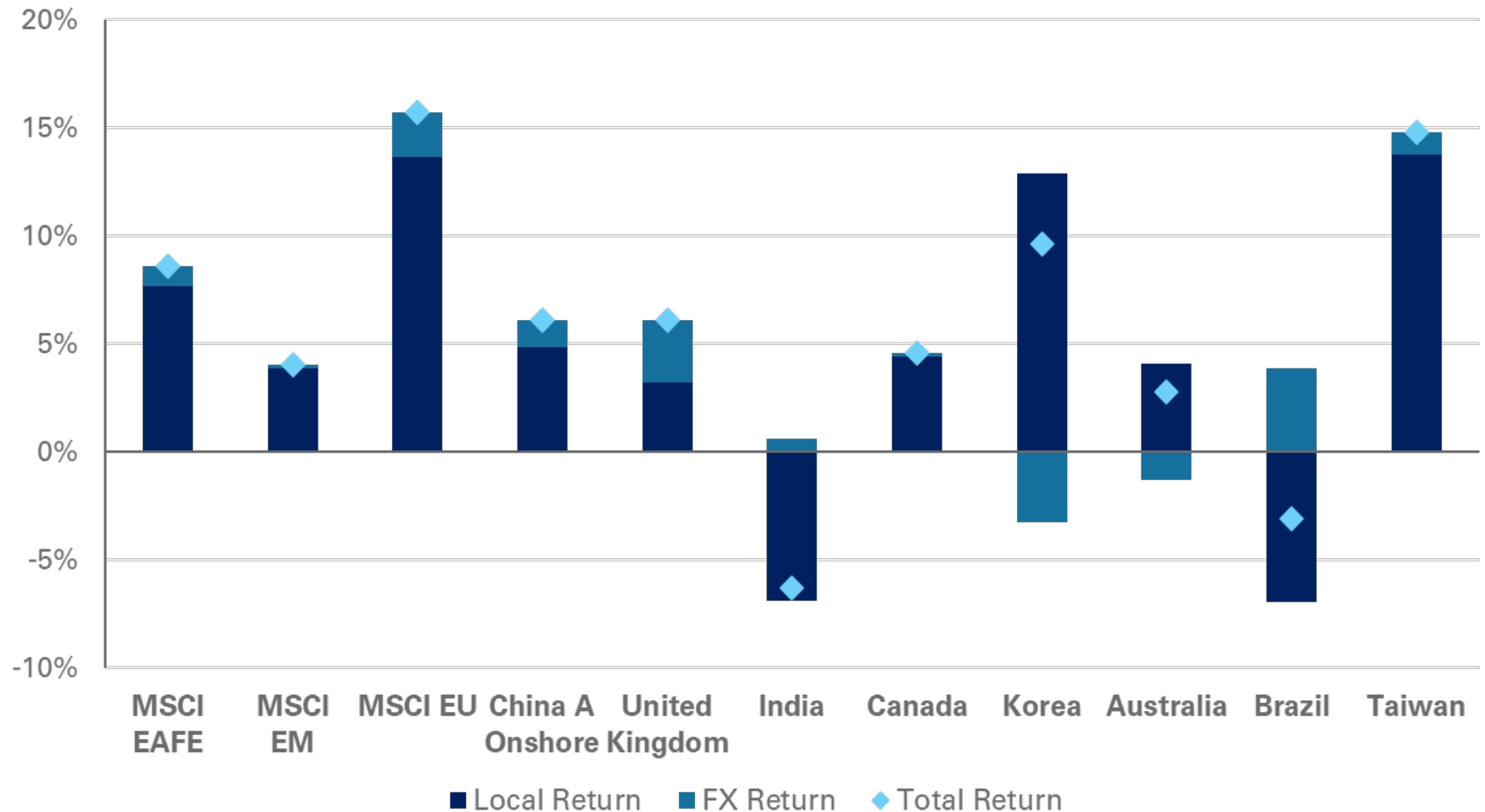
# THE 2-YEAR TREASURY YIELD FELL DRAMATICALLY



Data calculated since 12/31/1984; There are 11 instances since 1979 where the 2-year treasury experienced monthly declines larger than March 2023.  
Source: FactSet



# DOLLAR WEAKNESS SUPPORTED NON-U.S. ASSETS

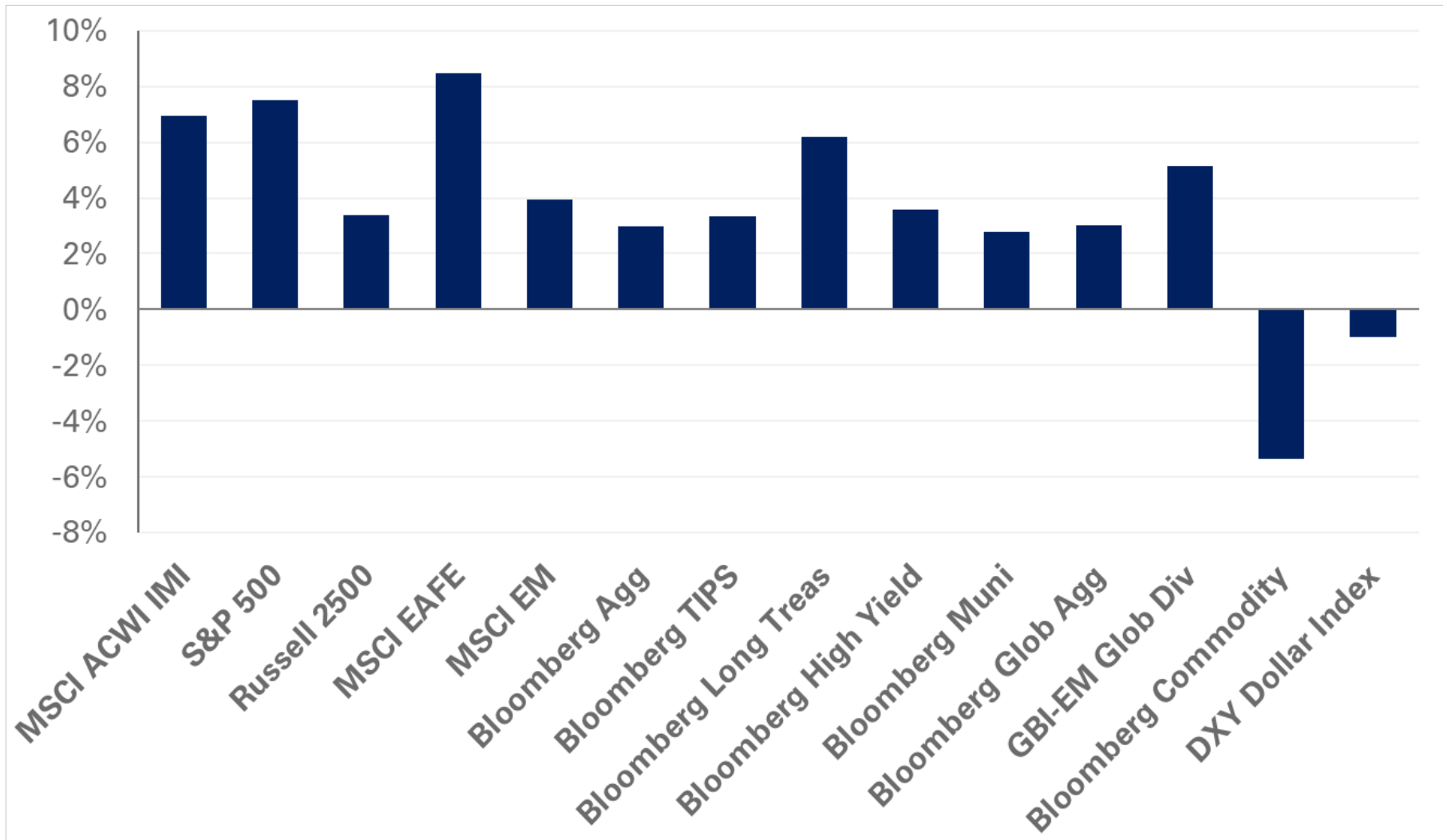


Source: MSCI, FactSet



# EQUITIES HELD STRONG FOR THE QUARTER

## 2023 FIRST QUARTER TOTAL RETURNS

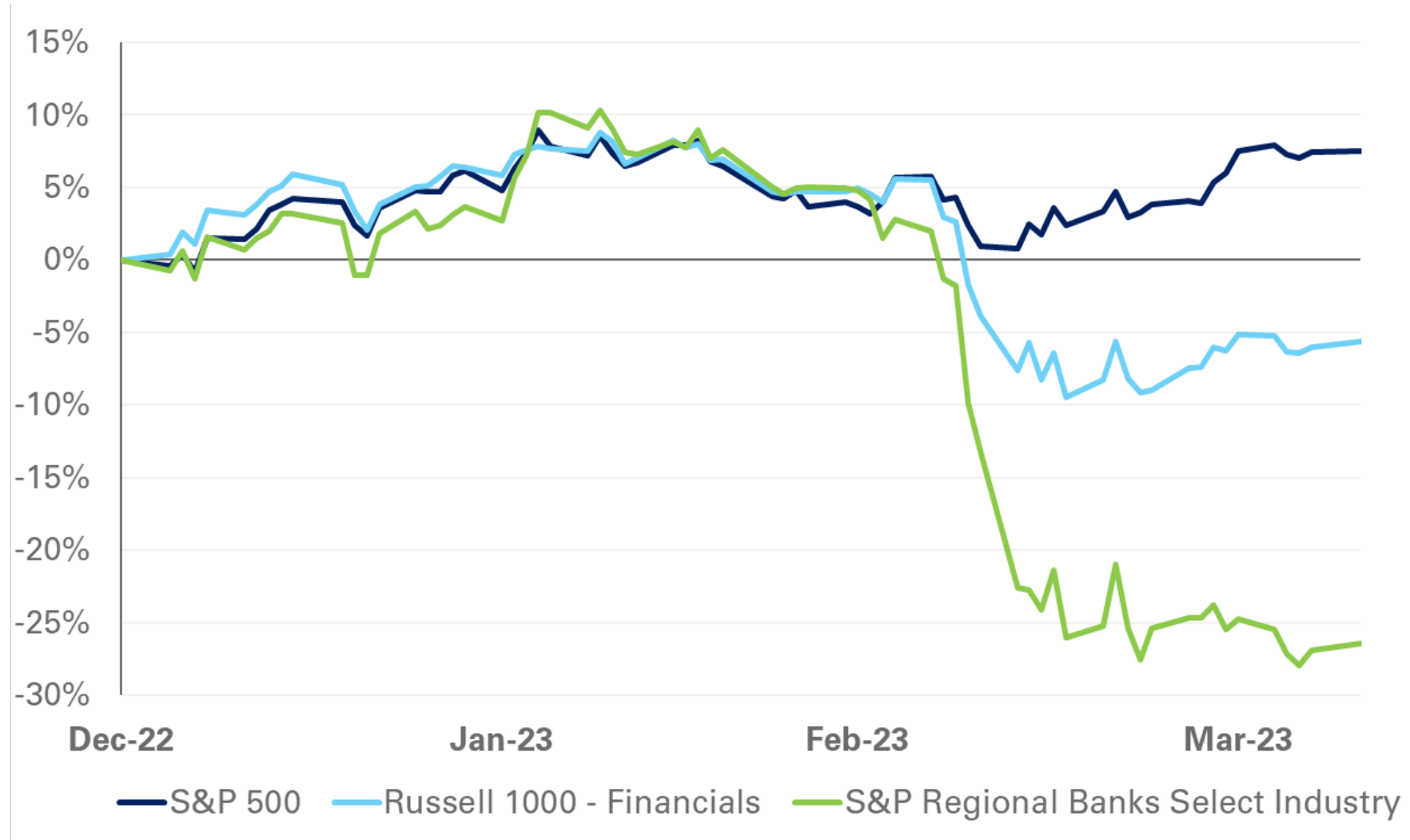


Source: MSCI, S&P, Russell, MSCI, Bloomberg, JPM, FactSet



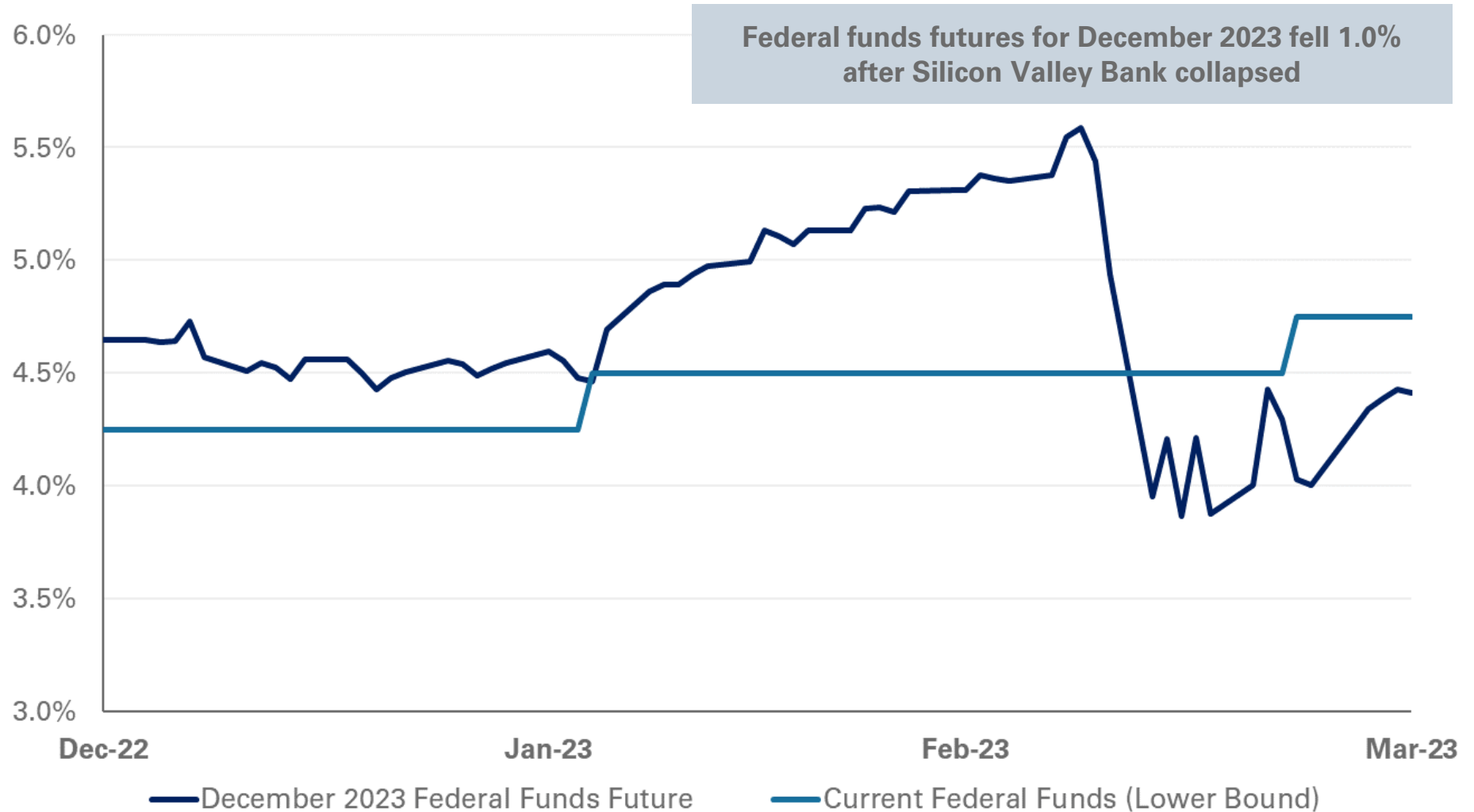
# THE FINANCIAL SECTOR UNDERPERFORMED

## 2023 CUMULATIVE TOTAL RETURNS



Sources: S&P, Russell, FactSet

# FUTURE RATE EXPECTATIONS ARE VOLATILE



Source: FactSet



# TOTAL FUND PERFORMANCE



# TOTAL FUND PERFORMANCE SUMMARY

	Market Value (\$)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
<b>Total Fund</b>	<b>7,322,859,998</b>	<b>4.22 (29)</b>	<b>4.78 (44)</b>	<b>-5.07 (73)</b>	<b>12.84 (13)</b>	<b>7.47 (9)</b>	<b>8.51 (13)</b>	<b>7.76 (9)</b>
<i>Policy Index</i>		5.39 (1)	7.35 (1)	-4.79 (65)	12.17 (24)	7.26 (14)	8.25 (17)	7.75 (10)
<i>60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg</i>		5.58 (1)	6.00 (12)	-7.50 (100)	7.69 (100)	3.83 (100)	5.51 (100)	5.00 (100)
<i>InvMetrics Public DB &gt; \$1 Billion Median</i>		3.77	4.71	-4.41	11.13	6.10	7.63	7.04

- For the five-year period ending March 31, 2023, the Fund returned 7.47%, outperforming the Policy Index by 0.21% and ranking in the 9th percentile among its peers. The Fund's volatility, measured by standard deviation, ranked in the 70th percentile. The risk-adjusted return, or Sharpe ratio, ranked in the 30th percentile, indicating that the Fund earned more return per unit of volatility than 70% of its peers.
- For the three-year period ending March 31, 2023, the Fund returned 12.84%, outperforming the Policy Index by 0.67% and ranking in the 13th percentile among its peers. Over this period, the Fund's volatility ranked in the 79th percentile, and the Fund's Sharpe Ratio ranked in the 36th percentile.
- For the one-year period ending March 31, 2023, the Fund returned -5.07%, under-performing the Policy Index by 0.28% and ranking in the 73rd percentile among its peers.
- For the one-year period, the Fund experienced a net investment loss of \$374 million, which includes a net investment gain of \$301 million within the first calendar quarter of 2023. Assets decreased from \$7.82 billion one year ago to \$7.32 billion.
- The Fund returned 7.76% over the ten-year period ending March 31, 2023, exceeding the current actuarial rate of return of 7.25%.

## 3 Years Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
<b>Total Fund</b>	<b>12.84 (13)</b>	<b>11.73 (79)</b>	<b>1.01 (36)</b>	<b>1.73 (40)</b>
<i>Policy Index</i>	12.17 (24)	13.10 (94)	0.87 (77)	1.46 (80)
<i>60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg</i>	7.69 (100)	13.40 (97)	0.55 (100)	0.85 (100)

## 5 Years Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
<b>Total Fund</b>	<b>7.47 (9)</b>	<b>11.43 (70)</b>	<b>0.56 (30)</b>	<b>0.83 (30)</b>
<i>Policy Index</i>	7.26 (14)	12.46 (89)	0.51 (36)	0.75 (36)
<i>60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg</i>	3.83 (100)	12.39 (88)	0.25 (100)	0.35 (100)

\*Fiscal Year ends June 30.

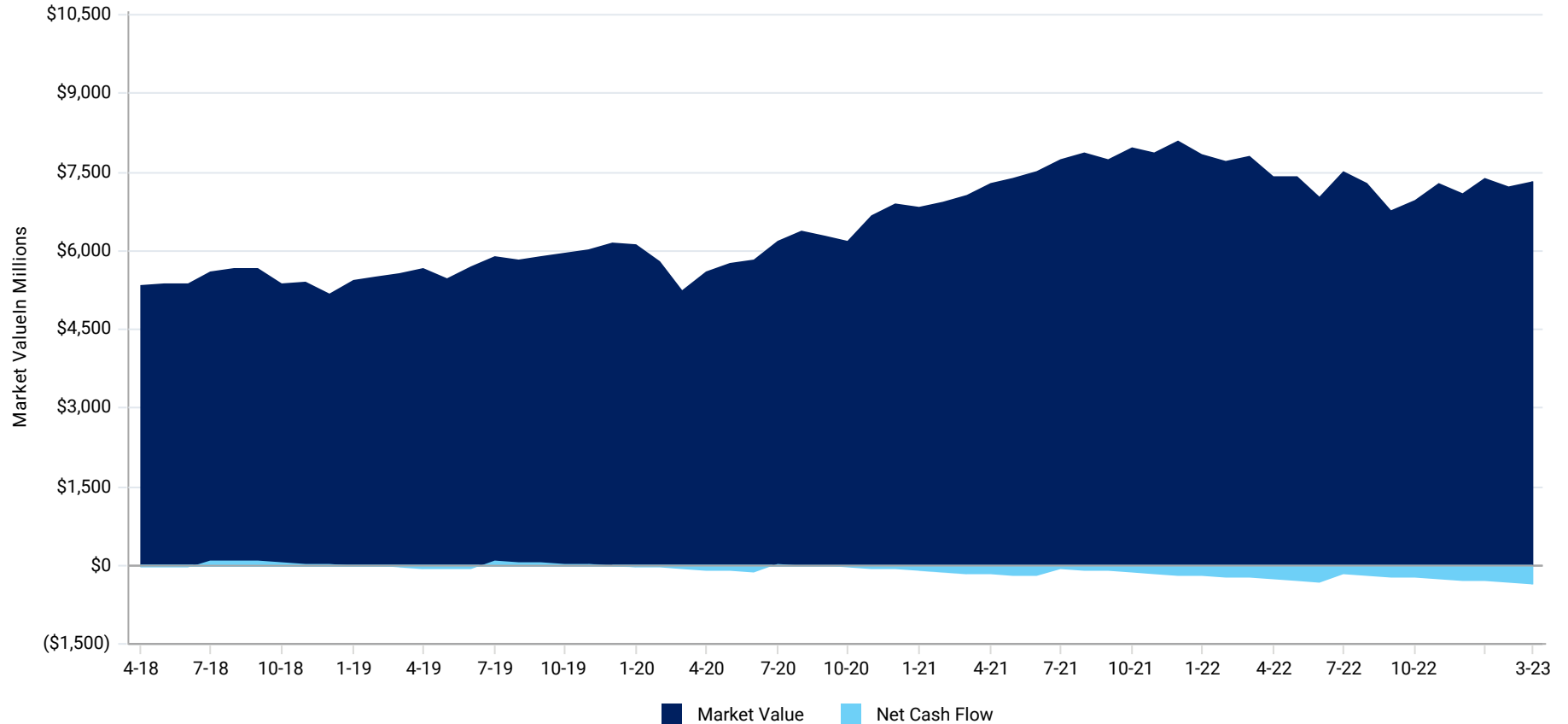
\*Performance returns are reported net of fees unless otherwise noted

\*\*As of 5/1/2022, the policy index was changed to 26% Russell 3000, 9% MSCI ACWI Index, 15% MSCI ACWI ex US, 10% Bloomberg Agg, 8% (50% CS Lev Loan/50% ICE BofA US HY BBB Rated Constrained Index), 18% Russell 3000+2%, 6% CPI+2%, 8% NCREIF ODCE Index.



# TOTAL FUND ASSET GROWTH SUMMARY

5 Years Ending March 31, 2023

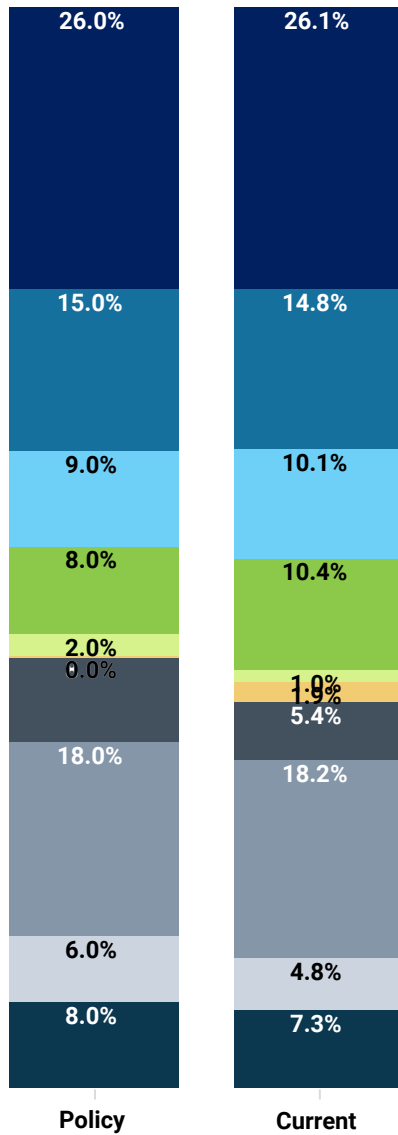


	Last Three Months	FYTD	1 Year	3 Years	5 Years
Beginning Market Value	7,091,598,557	7,027,344,063	7,817,324,158	5,267,482,093	5,337,941,269
Net Cash Flow	-70,081,507	-46,838,621	-119,930,742	-263,856,003	-327,137,950
Net Investment Change	301,342,948	342,354,556	-374,533,419	2,348,992,933	2,341,815,704
<b>Ending Market Value</b>	<b>7,322,859,998</b>	<b>7,322,859,998</b>	<b>7,322,859,998</b>	<b>7,322,859,998</b>	<b>7,322,859,998</b>
Net Change	231,261,441	295,515,935	-494,464,160	2,055,377,905	1,984,918,729



# ASSET ALLOCATION VS. POLICY TARGETS

## Asset Allocation vs. Target



	Current (\$)	Current (%)	Policy (%)	Differences* (%)	Policy Range (%)	Within Range
■ U.S. Equity	1,914,618,058	26.1	26.0	0.1	20.0 - 32.0	Yes
■ Non-US Equity	1,082,607,508	14.8	15.0	-0.2	12.0 - 20.0	Yes
■ Global Equity	738,460,175	10.1	9.0	1.1	7.0 - 13.0	Yes
■ U.S. Fixed Income	761,631,824	10.4	8.0	2.4	6.0 - 12.0	Yes
■ Treasury	76,755,368	1.0	2.0	-1.0	0.0 - 5.0	Yes
■ Overlay	137,020,893	1.9	0.0	1.9	0.0 - 3.0	Yes
■ Private Debt	394,481,961	5.4	8.0	-2.6	4.0 - 12.0	Yes
■ Private Equity	1,330,751,613	18.2	18.0	0.2	14.0 - 22.0	Yes
■ Real Assets	355,104,055	4.8	6.0	-1.2	4.0 - 8.0	Yes
■ Real Estate	531,428,543	7.3	8.0	-0.7	5.0 - 11.0	Yes
<b>Total</b>	<b>7,322,859,998</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>		

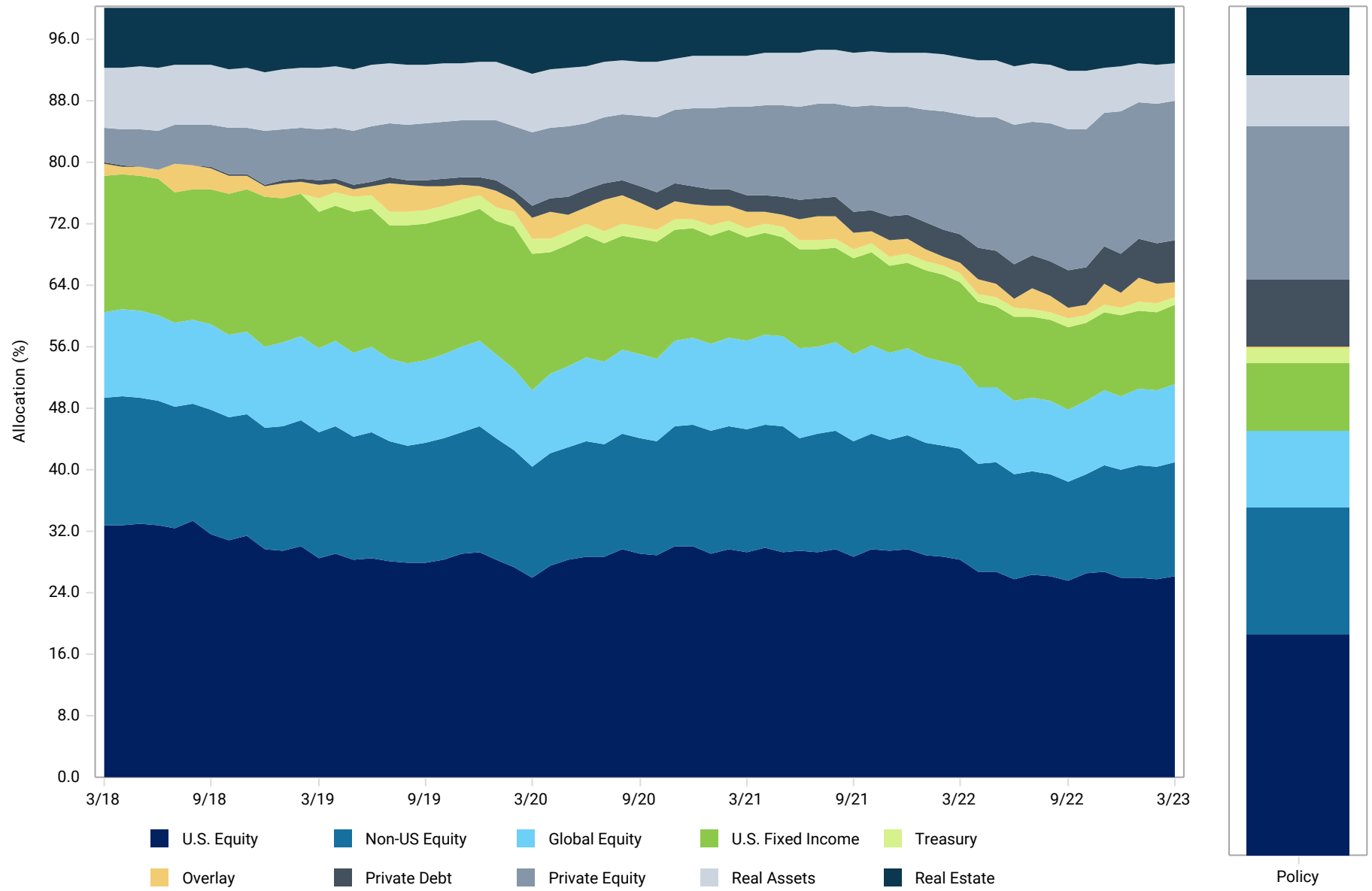
\*Difference between Policy and Current Allocation

Cash represents assets in Parametric Overlay.

Policy Index as of 5/1/2022: 26% Russell 3000, 9% MSCI ACWI Index , 15% MSCI ACWI ex US, 10% Bloomberg Agg, 8% (50% CS Lev Loan/ 50% ICE BofA US HY BBB Rated Constrained Index), 18% Russell 3000+2%, 6% CPI+2%, 8% NCREIF ODCE Index



# TOTAL FUND ALLOCATION HISTORY

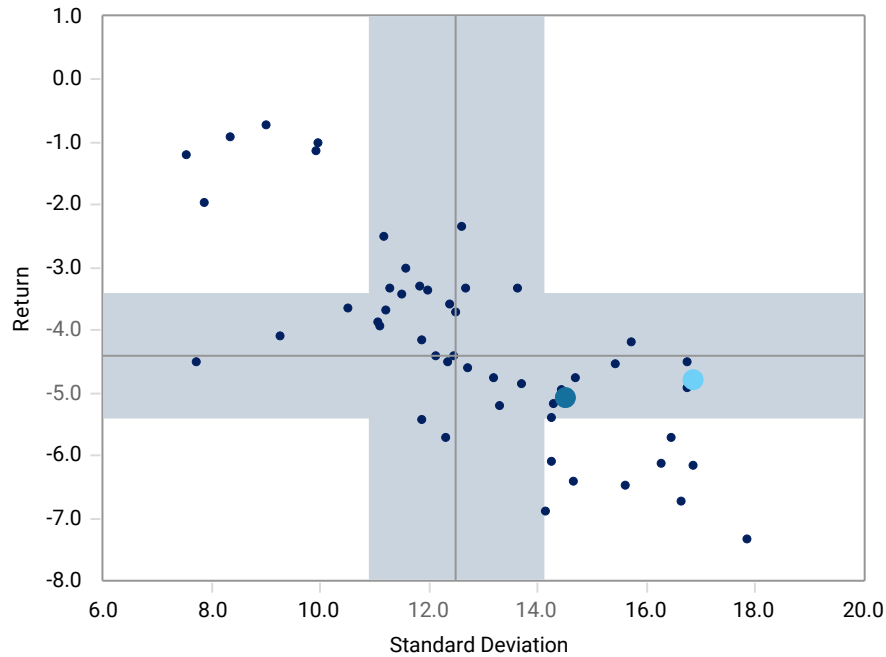


# Ventura County Employees' Retirement Association

## TOTAL FUND RISK/RETURN

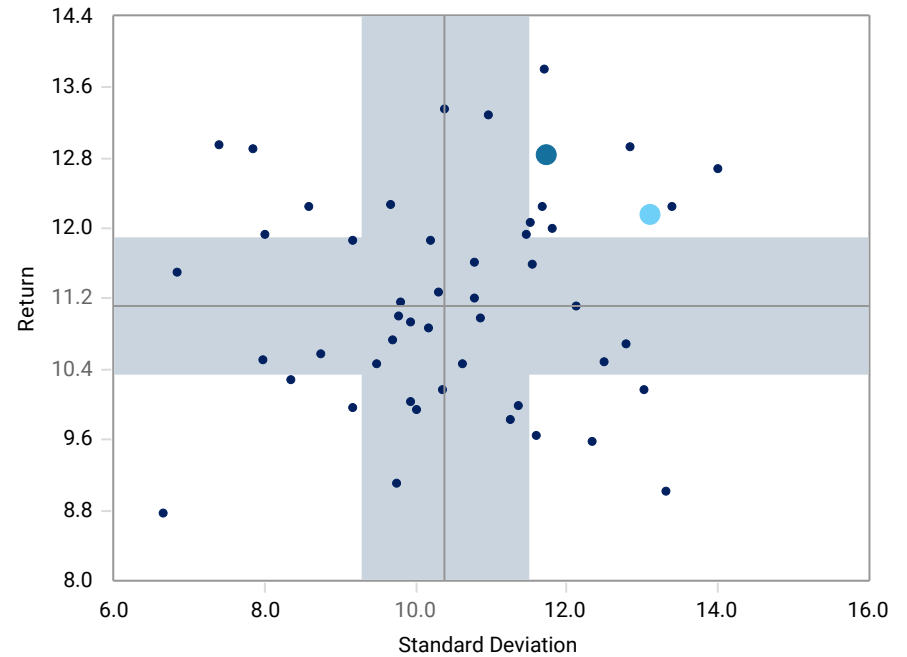
March 31, 2023

1 Year Ending March 31, 2023



- InvMetrics Public DB > \$1 Billion
- Total Fund
- Policy Index

3 Years Ending March 31, 2023



- InvMetrics Public DB > \$1 Billion
- Total Fund
- Policy Index

1 Year Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
Total Fund	-5.1 (73)	14.5 (76)	-0.5 (45)	-0.6 (45)
Policy Index	-4.8 (65)	16.9 (98)	-0.4 (11)	-0.5 (12)
Population	51	51	51	51

3 Years Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
Total Fund	12.8 (13)	11.7 (79)	1.0 (36)	1.7 (40)
Policy Index	12.2 (24)	13.1 (94)	0.9 (77)	1.5 (80)
Population	49	49	49	49

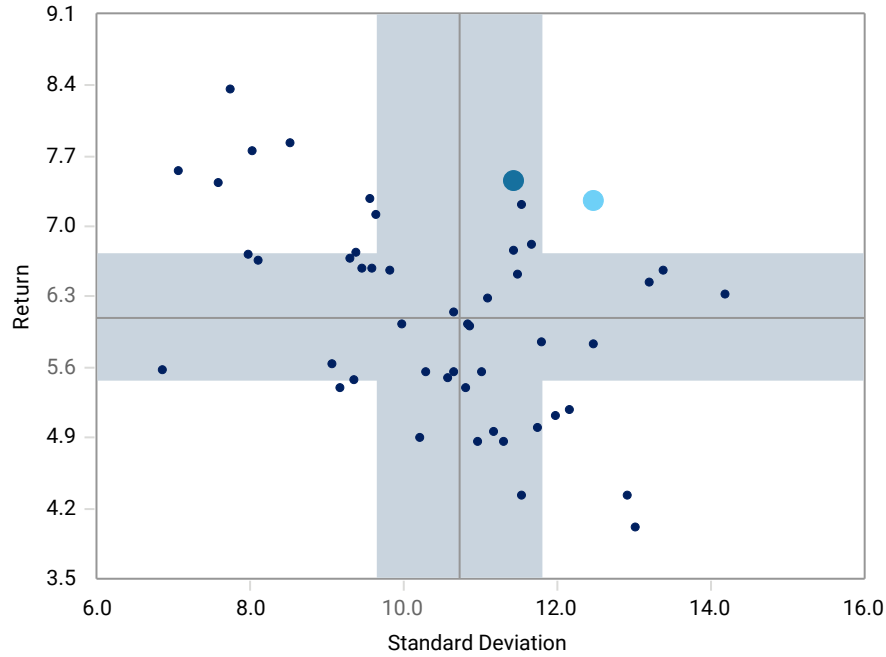


# Ventura County Employees' Retirement Association

## TOTAL FUND RISK/RETURN

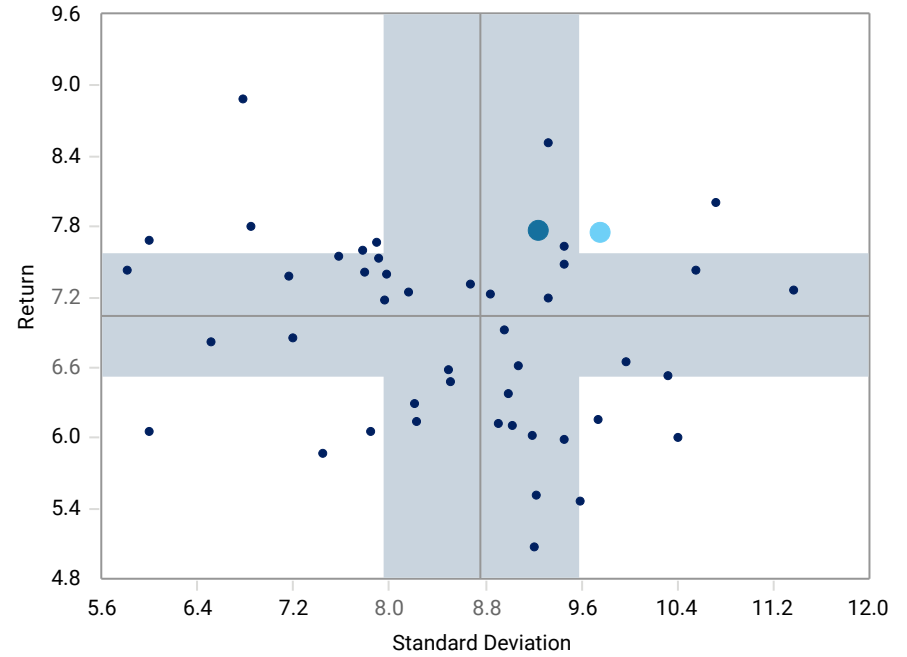
March 31, 2023

5 Years Ending March 31, 2023



- InvMetrics Public DB > \$1 Billion
- Total Fund
- Policy Index

10 Years Ending March 31, 2023



- InvMetrics Public DB > \$1 Billion
- Total Fund
- Policy Index

5 Years Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
Total Fund	7.5 (9)	11.4 (70)	0.6 (30)	0.8 (30)
Policy Index	7.3 (14)	12.5 (89)	0.5 (36)	0.8 (36)
Population	48	48	48	48

10 Years Ending March 31, 2023

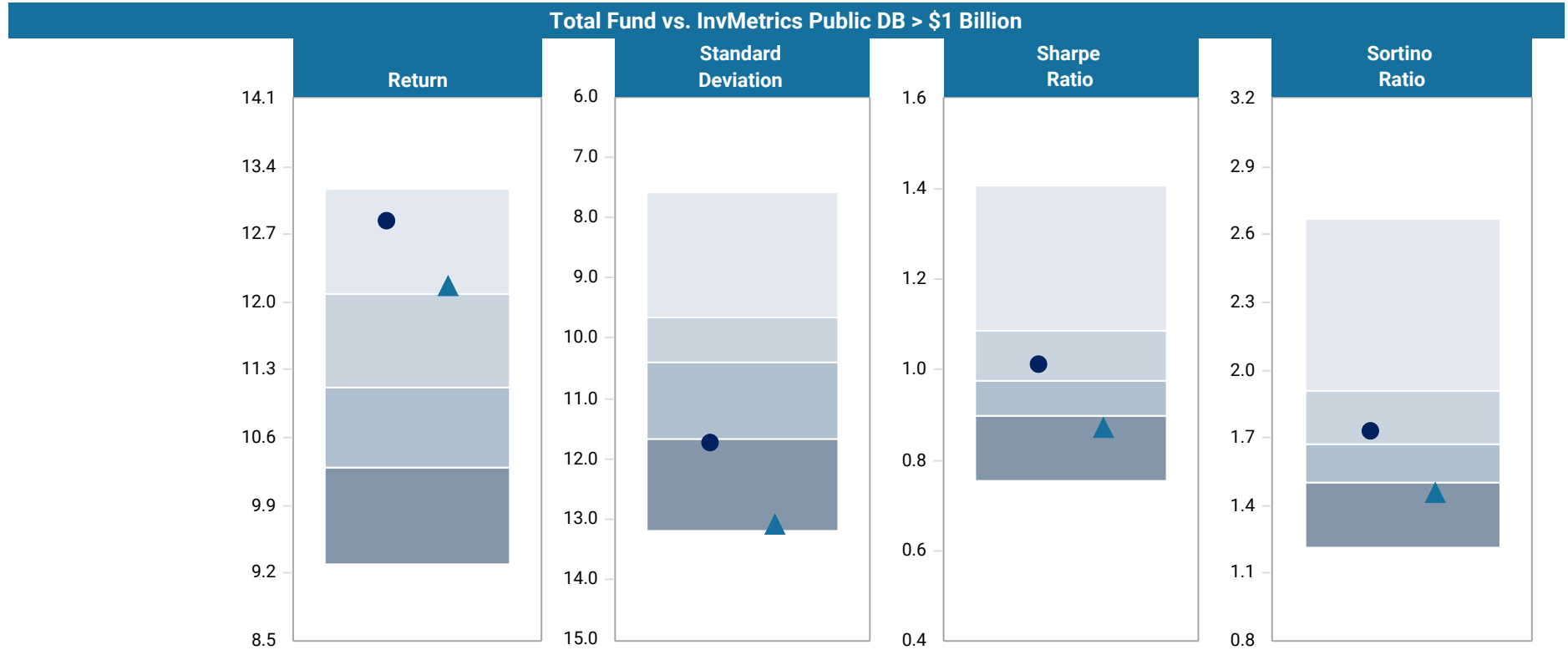
	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
Total Fund	7.8 (9)	9.2 (71)	0.8 (38)	1.2 (38)
Policy Index	7.8 (10)	9.8 (86)	0.7 (46)	1.1 (43)
Population	46	46	46	46







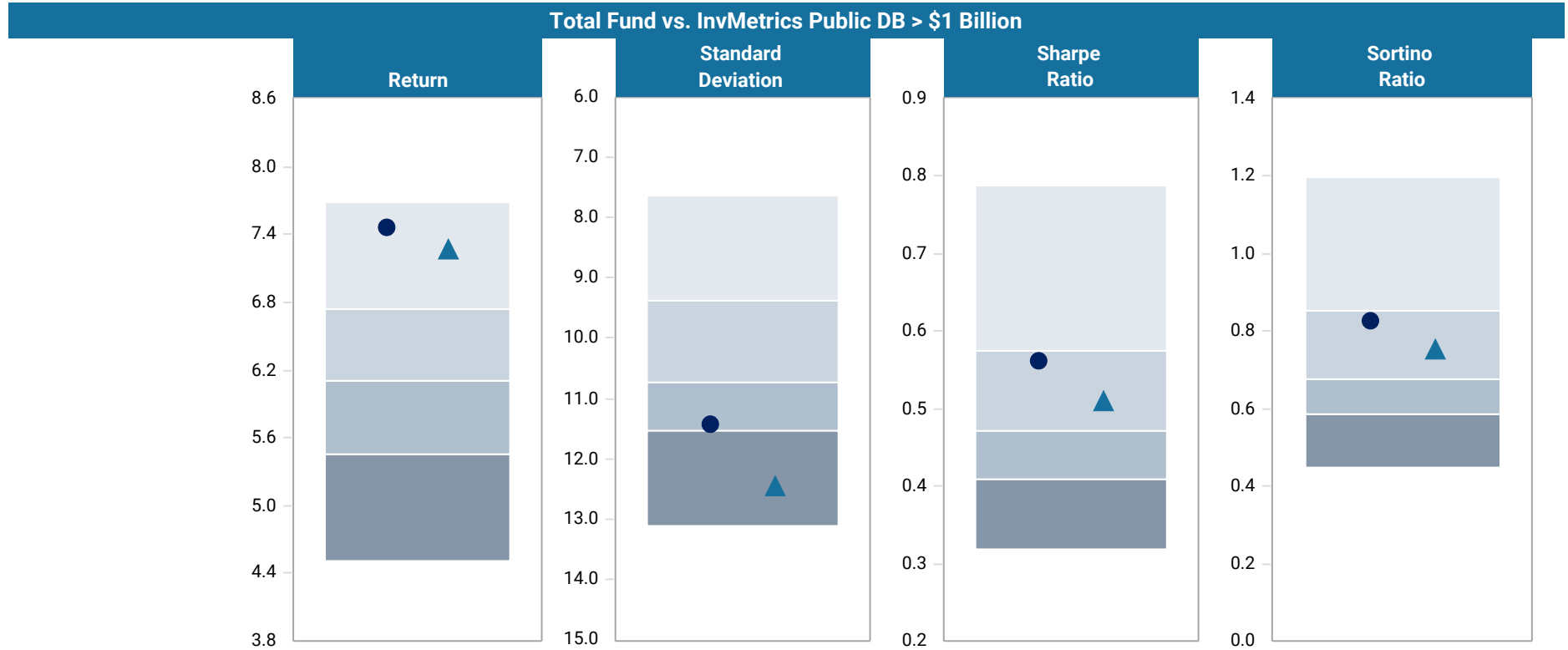
# RISK STATISTICS VS. PEER UNIVERSE - 3 YEARS



	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)
● Total Fund	12.8 (13)	11.7 (79)	1.0 (36)	1.7 (40)
▲ Policy Index	12.2 (24)	13.1 (94)	0.9 (77)	1.5 (80)
5th Percentile	13.2	7.6	1.4	2.7
1st Quartile	12.1	9.7	1.1	1.9
Median	11.1	10.4	1.0	1.7
3rd Quartile	10.3	11.7	0.9	1.5
95th Percentile	9.3	13.2	0.8	1.2
Population	49	49	49	49



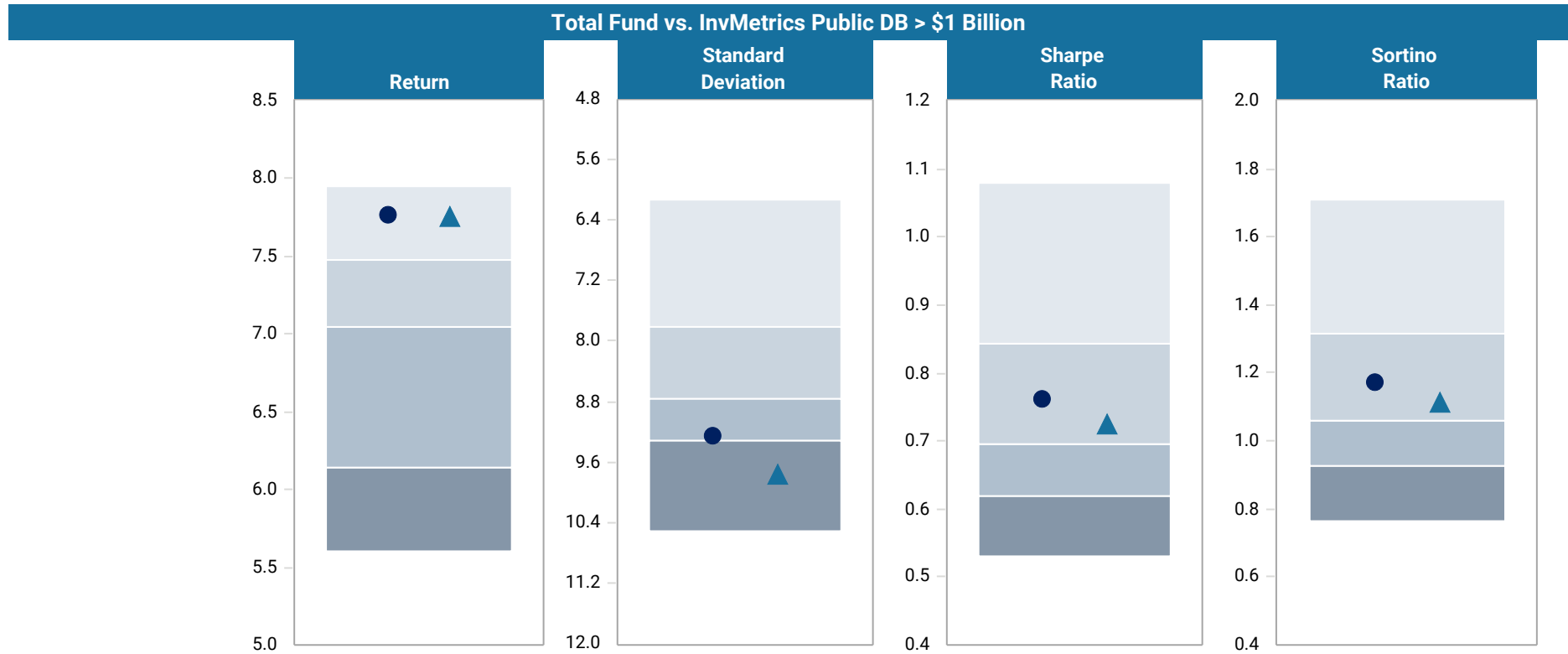
# RISK STATISTICS VS. PEER UNIVERSE - 5 YEARS



	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)
● Total Fund	7.5 (9)	11.4 (70)	0.6 (30)	0.8 (30)
▲ Policy Index	7.3 (14)	12.5 (89)	0.5 (36)	0.8 (36)
5th Percentile	7.7	7.6	0.8	1.2
1st Quartile	6.7	9.4	0.6	0.9
Median	6.1	10.7	0.5	0.7
3rd Quartile	5.5	11.5	0.4	0.6
95th Percentile	4.5	13.1	0.3	0.4
Population	48	48	48	48



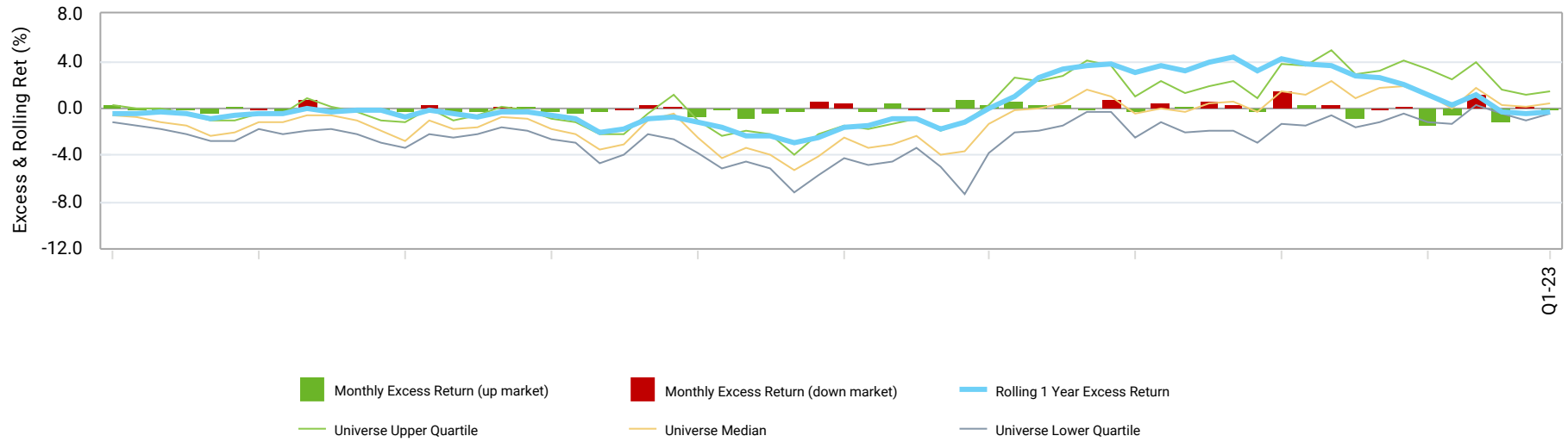
# RISK STATISTICS VS. PEER UNIVERSE - 10 YEARS



	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)
● Total Fund	7.8 (9)	9.2 (71)	0.8 (38)	1.2 (38)
▲ Policy Index	7.8 (10)	9.8 (86)	0.7 (46)	1.1 (43)
5th Percentile	7.9	6.1	1.1	1.7
1st Quartile	7.5	7.8	0.8	1.3
Median	7.0	8.8	0.7	1.1
3rd Quartile	6.1	9.3	0.6	0.9
95th Percentile	5.6	10.5	0.5	0.8
Population	46	46	46	46

# ROLLING 5 YEAR EXCESS RETURNS- NET OF FEES

Quarter Excess Return with a Rolling 1 Year Excess Return vs. Policy Index over 5 Years Ending March 31, 2023  
Comparison with the InvMetrics Public DB > \$1 Billion



Quarter Excess Return with a Rolling 5 Years Excess Return vs. Policy Index over 7 Years Ending March 31, 2023  
Comparison with the InvMetrics Public DB > \$1 Billion



# TOTAL FUND ATTRIBUTION ANALYSIS

**Attribution Effects**  
1 Year Ending March 31, 2023



**Attribution Summary**  
1 Year Ending March 31, 2023

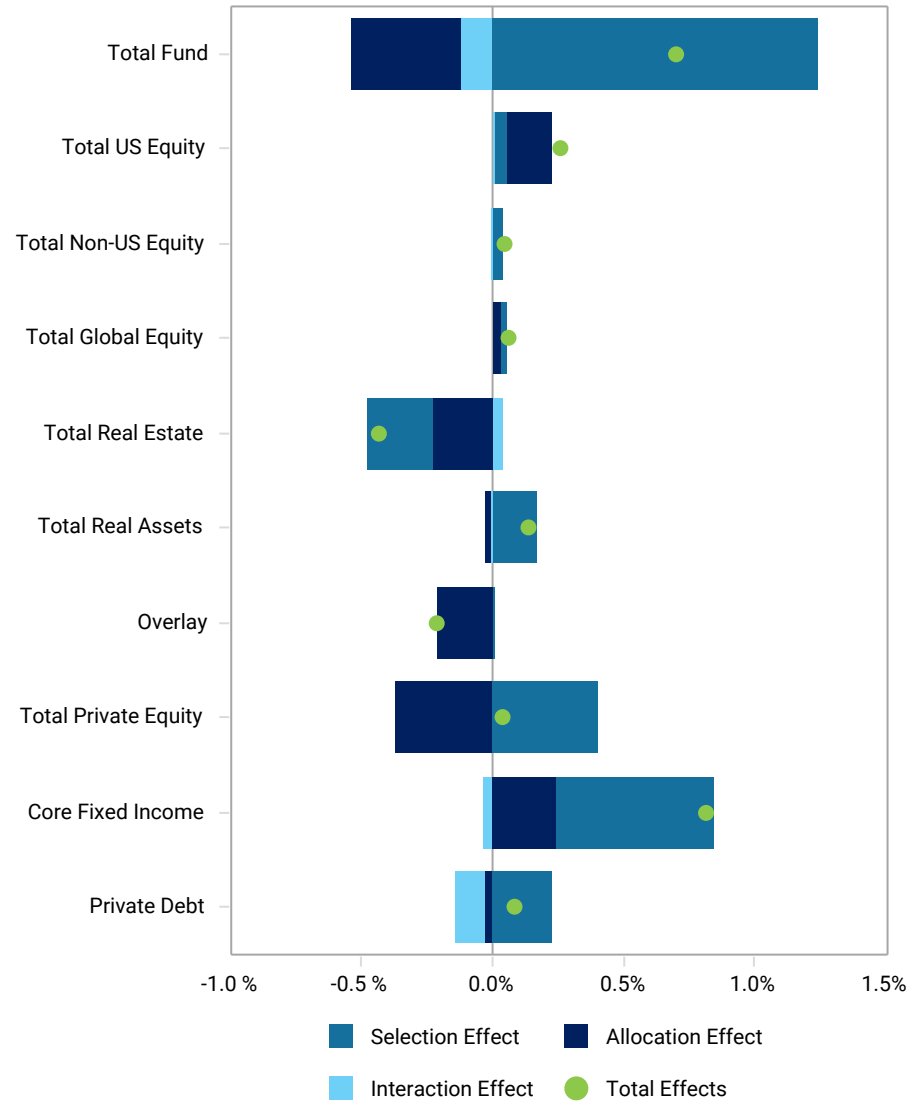
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Total US Equity	-8.6	-8.6	0.0	0.1	-0.1	0.0	-0.1
Total Non-US Equity	-3.2	-5.1	1.8	0.3	0.0	0.0	0.2
Total Global Equity	-7.1	-7.4	0.3	0.1	0.0	0.0	0.0
Total Real Estate	-6.8	-3.9	-2.9	-0.2	-0.2	0.0	-0.5
Total Real Assets	-6.9	7.1	-13.9	-0.8	0.2	-0.2	-0.9
Overlay	5.5	2.5	3.0	0.0	0.0	0.0	0.0
Total Private Equity	-1.1	-6.8	5.7	0.9	0.1	-0.3	0.7
Private Debt	0.5	-0.3	0.9	0.1	-0.2	0.0	-0.1
Core Fixed Income	-2.7	-4.8	2.1	0.2	-0.1	0.0	0.2
<b>Total Fund</b>	<b>-5.1</b>	<b>-4.8</b>	<b>-0.2</b>	<b>0.6</b>	<b>-0.4</b>	<b>-0.4</b>	<b>-0.2</b>

\*Total Actual and Index returns are weighted average calculations.



# TOTAL FUND ATTRIBUTION ANALYSIS

**Attribution Effects  
3 Years Ending March 31, 2023**



**Attribution Summary  
3 Years Ending March 31, 2023**

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Total US Equity	18.8	18.5	0.3	0.0	0.2	0.0	0.3
Total Non-US Equity	12.2	11.8	0.4	0.0	0.0	0.0	0.0
Total Global Equity	15.7	15.4	0.4	0.0	0.0	0.0	0.1
Total Real Estate	4.6	7.5	-2.8	-0.3	-0.2	0.0	-0.4
Total Real Assets	10.3	7.5	2.9	0.2	0.0	0.0	0.1
Overlay	4.6	0.9	3.7	0.0	-0.2	0.0	-0.2
Total Private Equity	22.1	21.3	0.7	0.4	-0.4	0.0	0.0
Core Fixed Income	0.4	-2.8	3.2	0.6	0.2	0.0	0.8
Private Debt	3.3	0.0	3.3	0.2	0.0	-0.1	0.1
<b>Total Fund</b>	<b>12.8</b>	<b>12.1</b>	<b>0.7</b>	<b>1.2</b>	<b>-0.4</b>	<b>-0.1</b>	<b>0.7</b>

\*Total Actual and Index returns are weighted average calculations.



# TOTAL FUND ATTRIBUTION ANALYSIS

**Attribution Effects  
5 Years Ending March 31, 2023**



**Attribution Summary  
5 Years Ending March 31, 2023**

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Total US Equity	10.7	10.5	0.2	0.0	0.1	0.0	0.2
Total Non-US Equity	2.8	2.5	0.3	0.0	0.0	0.0	0.0
Total Global Equity	7.3	6.9	0.4	0.0	0.0	0.0	0.0
Total Real Estate	3.9	6.6	-2.6	-0.2	-0.1	0.0	-0.3
Fixed Income	1.1	1.2	-0.1	0.0	0.0	0.0	0.0
Total Real Assets	3.8	6.5	-2.7	-0.2	0.0	0.0	-0.3
Overlay	3.7	1.4	2.3	0.0	-0.1	0.0	-0.1
Total Private Equity	19.0	13.4	5.6	0.9	-0.3	-0.2	0.4
Private Debt	2.0	0.0	2.0	0.1	0.0	-0.1	0.0
Core Fixed Income	1.0	-0.3	1.3	0.2	0.2	0.0	0.3
<b>Total Fund</b>	<b>7.5</b>	<b>7.3</b>	<b>0.2</b>	<b>0.8</b>	<b>-0.3</b>	<b>-0.3</b>	<b>0.2</b>

\*Total Actual and Index returns are weighted average calculations.



# ASSET CLASS RISK STATISTICS

	1 Year Ending March 31, 2023					
	1 Year Return	1 Year Standard Deviation	1 Year Jensen Alpha	1 Year Tracking Error	1 Year Information Ratio	1 Year Beta
<b>Total Equity</b>	<b>-6.82 (55)</b>	<b>23.01 (39)</b>	<b>0.89 (54)</b>	<b>0.92 (1)</b>	<b>0.81 (17)</b>	<b>1.02 (47)</b>
<i>MSCI AC World Index (Net)</i>	<i>-7.44 (61)</i>	<i>22.59 (34)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>
<b>Total US Equity</b>	<b>-8.58 (59)</b>	<b>24.06 (44)</b>	<b>0.08 (56)</b>	<b>0.38 (1)</b>	<b>0.08 (56)</b>	<b>1.01 (39)</b>
<i>Russell 3000</i>	<i>-8.58 (59)</i>	<i>23.91 (41)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>
<b>Total Non-US Equity</b>	<b>-3.23 (40)</b>	<b>23.16 (31)</b>	<b>2.17 (38)</b>	<b>1.96 (1)</b>	<b>1.04 (17)</b>	<b>1.02 (53)</b>
<i>MSCI ACWI ex USA</i>	<i>-5.07 (56)</i>	<i>22.60 (21)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>
<b>Total Global Equity</b>	<b>-7.10 (58)</b>	<b>22.59 (34)</b>	<b>0.36 (59)</b>	<b>0.13 (1)</b>	<b>2.69 (1)</b>	<b>1.00 (53)</b>
<i>MSCI AC World Index (Net)</i>	<i>-7.44 (61)</i>	<i>22.59 (34)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>
<b>Fixed Income</b>	<b>-2.04 (46)</b>	<b>7.36 (41)</b>	<b>0.27 (32)</b>	<b>1.68 (2)</b>	<b>0.69 (15)</b>	<b>0.84 (56)</b>
<i>Total Fixed Income Policy Index</i>	<i>-3.27 (56)</i>	<i>8.68 (50)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>
<b>US Fixed Income</b>	<b>-2.22 (48)</b>	<b>9.92 (64)</b>	<b>2.77 (11)</b>	<b>1.57 (13)</b>	<b>1.70 (5)</b>	<b>1.01 (28)</b>
<i>Blmbg. U.S. Aggregate Index</i>	<i>-4.78 (70)</i>	<i>9.70 (60)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>

Sortino Ratio RF = Sortino Ratio Risk Free. The risk free rate is the 90 Day T-Bill Index.



# ASSET CLASS RISK STATISTICS

	1 Year Return	1 Year Standard Deviation
<b>Total Real Assets</b>	<b>-6.86</b>	<b>18.17</b>
<i>Real Assets Index</i>	7.08	1.75
<b>Total Real Estate</b>	<b>-6.82</b>	<b>6.38</b>
<i>NCREIF ODCE Net</i>	-3.91	7.93
<b>Total Private Equity</b>	<b>-1.05</b>	<b>6.27</b>
<i>Private Equity Benchmark</i>	-6.75	23.95

Sortino Ratio RF = Sortino Ratio Risk Free. The risk free rate is the 90 Day T-Bill Index.

# ASSET CLASS RISK STATISTICS

	3 Years Ending March 31, 2023					
	3 Years Return	3 Years Standard Deviation	3 Years Jensen Alpha	3 Years Tracking Error	3 Years Information Ratio	3 Years Beta
<b>Total Equity</b>	<b>16.31 (39)</b>	<b>18.44 (35)</b>	<b>0.58 (47)</b>	<b>0.79 (1)</b>	<b>1.14 (4)</b>	<b>1.02 (46)</b>
<i>MSCI AC World Index (Net)</i>	<i>15.36 (48)</i>	<i>18.04 (27)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>
<b>Total US Equity</b>	<b>18.77 (46)</b>	<b>19.74 (39)</b>	<b>0.15 (61)</b>	<b>0.50 (1)</b>	<b>0.57 (12)</b>	<b>1.01 (37)</b>
<i>Russell 3000</i>	<i>18.48 (50)</i>	<i>19.59 (36)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>
<b>Total Non-US Equity</b>	<b>12.16 (64)</b>	<b>17.77 (16)</b>	<b>0.19 (62)</b>	<b>1.96 (1)</b>	<b>0.20 (55)</b>	<b>1.02 (67)</b>
<i>MSCI ACWI ex USA</i>	<i>11.80 (66)</i>	<i>17.35 (9)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>
<b>Total Global Equity</b>	<b>15.74 (44)</b>	<b>18.04 (27)</b>	<b>0.33 (50)</b>	<b>0.18 (1)</b>	<b>1.89 (1)</b>	<b>1.00 (53)</b>
<i>MSCI AC World Index (Net)</i>	<i>15.36 (48)</i>	<i>18.04 (27)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>
<b>Fixed Income</b>	<b>1.99 (26)</b>	<b>5.14 (40)</b>	<b>3.39 (30)</b>	<b>1.60 (6)</b>	<b>2.26 (1)</b>	<b>0.88 (54)</b>
<i>Total Fixed Income Policy Index</i>	<i>-1.66 (79)</i>	<i>5.61 (45)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>
<b>US Fixed Income</b>	<b>1.13 (34)</b>	<b>6.73 (65)</b>	<b>4.15 (31)</b>	<b>1.87 (16)</b>	<b>2.12 (1)</b>	<b>1.03 (27)</b>
<i>Blmbg. U.S. Aggregate Index</i>	<i>-2.77 (91)</i>	<i>6.29 (55)</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>1.00</i>

Sortino Ratio RF = Sortino Ratio Risk Free. The risk free rate is the 90 Day T-Bill Index.

# ASSET CLASS RISK STATISTICS

	3 Years Return	3 Years Standard Deviation
<b>Total Real Assets</b>	<b>10.34</b>	<b>12.89</b>
<i>Real Assets Index</i>	7.46	1.54
<b>Total Real Estate</b>	<b>4.61</b>	<b>7.58</b>
<i>NCREIF ODCE Net</i>	7.46	8.62
<b>Total Private Equity</b>	<b>22.06</b>	<b>10.52</b>
<i>Private Equity Benchmark</i>	21.34	19.68

Sortino Ratio RF = Sortino Ratio Risk Free. The risk free rate is the 90 Day T-Bill Index.



# ASSET CLASS RISK STATISTICS

	5 Years Ending March 31, 2023					
	5 Years Return	5 Years Standard Deviation	5 Years Jensen Alpha	5 Years Tracking Error	5 Years Information Ratio	5 Years Beta
<b>Total Equity</b>	<b>7.77 (36)</b>	<b>18.17 (37)</b>	<b>0.71 (42)</b>	<b>0.88 (1)</b>	<b>0.99 (2)</b>	<b>1.02 (43)</b>
<i>MSCI AC World Index (Net)</i>	6.93 (49)	17.75 (28)	0.00	0.00	-	1.00
<b>Total US Equity</b>	<b>10.66 (23)</b>	<b>19.36 (32)</b>	<b>0.14 (30)</b>	<b>0.50 (1)</b>	<b>0.43 (6)</b>	<b>1.01 (54)</b>
<i>Russell 3000</i>	10.45 (25)	19.22 (30)	0.00	0.00	-	1.00
<b>Total Non-US Equity</b>	<b>2.76 (55)</b>	<b>17.55 (14)</b>	<b>0.30 (60)</b>	<b>1.63 (1)</b>	<b>0.19 (48)</b>	<b>1.01 (71)</b>
<i>MSCI ACWI ex USA</i>	2.47 (62)	17.37 (9)	0.00	0.00	-	1.00
<b>Total Global Equity</b>	<b>7.34 (44)</b>	<b>17.74 (28)</b>	<b>0.39 (48)</b>	<b>0.15 (1)</b>	<b>2.54 (1)</b>	<b>1.00 (54)</b>
<i>MSCI AC World Index (Net)</i>	6.93 (49)	17.75 (28)	0.00	0.00	-	1.00
<b>Fixed Income</b>	<b>3.09 (11)</b>	<b>4.53 (35)</b>	<b>1.49 (14)</b>	<b>1.72 (10)</b>	<b>0.84 (1)</b>	<b>0.86 (51)</b>
<i>Total Fixed Income Policy Index</i>	1.60 (46)	4.97 (39)	0.00	0.00	-	1.00
<b>US Fixed Income</b>	<b>2.29 (24)</b>	<b>5.70 (54)</b>	<b>1.38 (27)</b>	<b>2.17 (19)</b>	<b>0.64 (2)</b>	<b>0.97 (30)</b>
<i>Blmbg. U.S. Aggregate Index</i>	0.90 (86)	5.46 (47)	0.00	0.00	-	1.00

Sortino Ratio RF = Sortino Ratio Risk Free. The risk free rate is the 90 Day T-Bill Index.

# ASSET CLASS RISK STATISTICS

	5 Years Return	5 Years Standard Deviation
<b>Total Real Assets</b>	<b>3.75</b>	<b>13.44</b>
<i>Real Assets Index</i>	6.47	1.37
<b>Total Real Estate</b>	<b>3.95</b>	<b>6.06</b>
<i>NCREIF ODCE Net</i>	6.56	6.80
<b>Total Private Equity</b>	<b>18.99</b>	<b>8.97</b>
<i>Private Equity Benchmark</i>	13.38	19.28

Sortino Ratio RF = Sortino Ratio Risk Free. The risk free rate is the 90 Day T-Bill Index.



# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Fund</b>	<b>7,322,859,998</b>	<b>100.0</b>	<b>100.0</b>	<b>4.2 (29)</b>	<b>4.8 (44)</b>	<b>-5.1 (73)</b>	<b>12.8 (13)</b>	<b>7.5 (9)</b>	<b>7.8 (9)</b>	<b>8.0 (14)</b>	<b>Apr-94</b>
Policy Index				5.4 (1)	7.3 (1)	-4.8 (65)	12.2 (24)	7.3 (14)	7.8 (10)	7.9 (18)	
Over/Under				-1.2	-2.5	-0.3	0.6	0.2	0.0	0.1	
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg				5.6 (1)	6.0 (12)	-7.5 (100)	7.7 (100)	3.8 (100)	5.0 (100)		
Over/Under				-1.4	-1.2	2.4	5.1	3.7	2.8		
InvMetrics Public DB > \$1 Billion Median				3.8	4.7	-4.4	11.1	6.1	7.0	7.3	
<b>Total Fund ex Parametric</b>	<b>7,261,186,891</b>	<b>99.2</b>	<b>100.0</b>	<b>4.0</b>	<b>4.4</b>	<b>-5.4</b>	<b>12.8</b>	<b>7.4</b>	<b>7.3</b>	<b>7.3</b>	<b>Nov-13</b>
<b>Total Fund ex Private Equity</b>	<b>5,992,108,385</b>	<b>81.8</b>	<b>82.0</b>	<b>5.3 (1)</b>	<b>6.9 (2)</b>	<b>-5.7 (85)</b>	<b>11.3 (44)</b>	<b>6.1 (50)</b>	<b>6.8 (56)</b>	<b>7.7 (55)</b>	<b>Jan-12</b>
Policy Index				5.4 (1)	7.3 (1)	-4.8 (65)	12.2 (24)	7.3 (14)	7.8 (10)	8.5 (10)	
Over/Under				-0.1	-0.4	-0.9	-0.9	-1.2	-1.0	-0.8	
InvMetrics Public DB > \$1 Billion Median				3.8	4.7	-4.4	11.1	6.1	7.0	7.8	
<b>Total US Equity</b>	<b>1,914,618,058</b>	<b>26.1</b>	<b>26.0</b>	<b>7.3 (29)</b>	<b>9.9 (42)</b>	<b>-8.6 (59)</b>	<b>18.8 (46)</b>	<b>10.7 (23)</b>	<b>11.9 (22)</b>	<b>9.5 (67)</b>	<b>Jan-94</b>
Russell 3000				7.2 (30)	9.7 (43)	-8.6 (59)	18.5 (50)	10.5 (25)	11.5 (29)	9.7 (60)	
Over/Under				0.1	0.2	0.0	0.3	0.2	0.4	-0.2	
eV All US Equity Median				4.6	9.1	-7.7	18.4	8.5	10.1	9.9	
Western U.S. Index Plus	169,611,262	2.3		7.5 (32)	10.0 (36)	-9.2 (72)	20.0 (22)	10.5 (36)	12.1 (26)	7.2 (70)	Jun-07
S&P 500 Index				7.5 (32)	10.0 (36)	-7.7 (60)	18.6 (37)	11.2 (24)	12.2 (25)	8.6 (39)	
Over/Under				0.0	0.0	-1.5	1.4	-0.7	-0.1	-1.4	
eV US Large Cap Equity Median				5.0	8.7	-6.8	17.5	9.5	11.0	8.1	
Blackrock Russell 1000 Index	1,660,303,604	22.7		7.5 (32)	9.9 (37)	-8.4 (65)	18.6 (37)	10.9 (29)		11.4 (33)	May-17
Russell 1000 Index				7.5 (32)	9.9 (37)	-8.4 (65)	18.6 (37)	10.9 (29)		11.4 (33)	
Over/Under				0.0	0.0	0.0	0.0	0.0		0.0	
eV US Large Cap Equity Median				5.0	8.7	-6.8	17.5	9.5		10.2	
Blackrock Russell 2500 Index	84,703,192	1.2		3.5 (59)	8.1 (69)	-10.3 (71)	19.5 (60)	6.7 (62)		7.6 (62)	May-17
Russell 2500 Index				3.4 (60)	7.9 (70)	-10.4 (72)	19.4 (60)	6.6 (63)		7.5 (63)	
Over/Under				0.1	0.2	0.1	0.1	0.1		0.1	
eV US Small-Mid Cap Equity Median				4.4	9.8	-7.1	20.4	7.5		8.2	

\*As of 5/1/2022, the policy index was changed to 26% Russell 3000, 9% MSCI ACWI Index , 15% MSCI ACWI ex US, 10% Bloomberg Agg, 8% (50% CS Lev Loan/ 50% ICE BofA US HY BBB Rated Constrained Index), 18% Russell 3000+2%, 6% CPI+2%, 8% NCREIF ODCE Index.



# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)								Inception Date
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)		
<b>Total Non-US Equity</b>	<b>1,082,607,508</b>	<b>14.8</b>	<b>15.0</b>	<b>8.5 (47)</b>	<b>12.8 (42)</b>	<b>-3.2 (40)</b>	<b>12.2 (64)</b>	<b>2.8 (55)</b>	<b>4.5 (72)</b>	<b>6.0 (50)</b>	<b>Mar-94</b>	
MSCI ACWI ex USA				6.9 (76)	10.0 (77)	-5.1 (56)	11.8 (66)	2.5 (62)	4.2 (84)	4.9 (100)		
Over/Under				1.6	2.8	1.9	0.4	0.3	0.3	1.1		
MSCI AC World x USA in LC (Net)				6.2 (86)	8.9 (83)	-0.1 (15)	12.9 (53)	5.1 (17)	6.7 (20)			
Over/Under				2.3	3.9	-3.1	-0.7	-2.3	-2.2			
eV ACWI ex-US All Cap Equity Median				8.3	12.2	-4.5	13.3	3.0	5.3	5.9		
BlackRock ACWI ex-U.S. Index	552,385,514	7.5		6.6 (78)	10.0 (78)	-5.5 (64)	12.4 (59)	2.6 (58)	4.5 (73)	3.0 (66)	Apr-07	
MSCI AC World ex USA IMI (Net)				6.6 (79)	9.9 (78)	-5.8 (66)	12.2 (62)	2.4 (67)	4.3 (81)	2.7 (72)		
Over/Under				0.0	0.1	0.3	0.2	0.2	0.2	0.3		
eV ACWI ex-US All Cap Equity Median				8.3	12.2	-4.5	13.3	3.0	5.3	3.4		
Sprucegrove	259,522,558	3.5		8.8 (37)	15.4 (15)	0.3 (14)	14.6 (31)	1.9 (76)	4.3 (81)	6.5 (48)	Apr-02	
MSCI EAFE (Net)				8.5 (46)	15.4 (15)	-1.4 (23)	13.0 (53)	3.5 (39)	5.0 (66)	5.6 (79)		
Over/Under				0.3	0.0	1.7	1.6	-1.6	-0.7	0.9		
eV ACWI ex-US All Cap Equity Median				8.3	12.2	-4.5	13.3	3.0	5.3	6.4		
Walter Scott	270,699,436	3.7		12.0 (11)	16.3 (10)	-1.6 (23)	10.3 (83)	6.9 (4)	6.5 (23)	6.4 (19)	Jan-11	
MSCI EAFE (Net)				8.5 (46)	15.4 (15)	-1.4 (23)	13.0 (53)	3.5 (39)	5.0 (66)	4.7 (58)		
Over/Under				3.5	0.9	-0.2	-2.7	3.4	1.5	1.7		
eV ACWI ex-US All Cap Equity Median				8.3	12.2	-4.5	13.3	3.0	5.3	5.2		
<b>Total Global Equity</b>	<b>738,460,175</b>	<b>10.1</b>	<b>9.0</b>	<b>7.4 (41)</b>	<b>10.0 (56)</b>	<b>-7.1 (58)</b>	<b>15.7 (44)</b>	<b>7.3 (44)</b>	<b>8.0 (53)</b>	<b>6.5 (67)</b>	<b>May-05</b>	
MSCI AC World Index (Net)				7.3 (43)	9.7 (59)	-7.4 (61)	15.4 (48)	6.9 (49)	8.1 (52)	7.0 (55)		
Over/Under				0.1	0.3	0.3	0.3	0.4	-0.1	-0.5		
eV All Global Equity Median				6.7	10.5	-6.4	15.1	6.9	8.1	7.3		
BlackRock MSCI ACWI Equity Index	738,460,175	10.1		7.4 (41)	10.0 (56)	-7.1 (58)	15.7 (44)	7.3 (44)	8.5 (43)	9.4 (45)	Aug-12	
MSCI AC World Index (Net)				7.3 (43)	9.7 (59)	-7.4 (61)	15.4 (48)	6.9 (49)	8.1 (52)	9.0 (54)		
Over/Under				0.1	0.3	0.3	0.3	0.4	0.4	0.4		
eV All Global Equity Median				6.7	10.5	-6.4	15.1	6.9	8.1	9.2		
<b>Total Private Equity</b>	<b>1,330,751,613</b>	<b>18.2</b>	<b>18.0</b>	<b>-0.7</b>	<b>-4.3</b>	<b>-1.1</b>	<b>22.1</b>	<b>19.0</b>	<b>17.0</b>	<b>16.5</b>	<b>Jan-12</b>	
Private Equity Benchmark				7.7	11.4	-6.8	21.3	13.4	14.9	16.1		
Over/Under				-8.4	-15.7	5.7	0.8	5.6	2.1	0.4		



# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)								Inception Date
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)		
<b>US Fixed Income</b>	<b>761,631,824</b>	<b>10.4</b>	<b>8.0</b>	<b>3.7 (15)</b>	<b>3.0 (23)</b>	<b>-2.2 (48)</b>	<b>1.1 (34)</b>	<b>2.3 (24)</b>	<b>2.3 (36)</b>	<b>5.2 (17)</b>	<b>Mar-94</b>	
Blmbg. U.S. Aggregate Index				<u>3.0</u> (41)	<u>-0.1</u> (85)	<u>-4.8</u> (70)	<u>-2.8</u> (91)	<u>0.9</u> (86)	<u>1.4</u> (69)	<u>4.5</u> (40)		
Over/Under				0.7	3.1	2.6	3.9	1.4	0.9	0.7		
eV All US Fixed Inc Median				2.7	1.4	-2.6	0.2	1.5	1.8	4.3		
BlackRock U.S. Debt Fund	158,436,170	2.2		3.2 (33)	-0.1 (85)	-4.8 (70)	-2.7 (91)	0.9 (85)	1.4 (66)	4.3 (43)	Dec-95	
Blmbg. U.S. Aggregate Index				<u>3.0</u> (41)	<u>-0.1</u> (85)	<u>-4.8</u> (70)	<u>-2.8</u> (91)	<u>0.9</u> (86)	<u>1.4</u> (69)	<u>4.3</u> (44)		
Over/Under				0.2	0.0	0.0	0.1	0.0	0.0	0.0		
eV All US Fixed Inc Median				2.7	1.4	-2.6	0.2	1.5	1.8	4.2		
Western	190,524,528	2.6		3.5 (20)	0.2 (80)	-6.2 (86)	-1.5 (78)	1.1 (78)	2.0 (41)	5.1 (18)	Jan-97	
Blmbg. U.S. Aggregate Index				<u>3.0</u> (41)	<u>-0.1</u> (85)	<u>-4.8</u> (70)	<u>-2.8</u> (91)	<u>0.9</u> (86)	<u>1.4</u> (69)	<u>4.3</u> (45)		
Over/Under				0.5	0.3	-1.4	1.3	0.2	0.6	0.8		
eV All US Fixed Inc Median				2.7	1.4	-2.6	0.2	1.5	1.8	4.2		
Reams	281,451,293	3.8		4.7 (8)	6.7 (8)	2.8 (2)	4.6 (18)	3.8 (5)	2.6 (31)	4.9 (21)	Oct-01	
Blmbg. U.S. Aggregate Index				<u>3.0</u> (41)	<u>-0.1</u> (85)	<u>-4.8</u> (70)	<u>-2.8</u> (91)	<u>0.9</u> (86)	<u>1.4</u> (69)	<u>3.5</u> (55)		
Over/Under				1.7	6.8	7.6	7.4	2.9	1.2	1.4		
Reams Custom Index				<u>1.1</u> (93)	<u>2.4</u> (33)	<u>2.4</u> (5)	<u>1.0</u> (36)	<u>1.6</u> (47)	<u>1.1</u> (84)	<u>3.3</u> (62)		
Over/Under				3.6	4.3	0.4	3.6	2.2	1.5	1.6		
eV All US Fixed Inc Median				2.7	1.4	-2.6	0.2	1.5	1.8	3.6		
Loomis Strategic Alpha	46,522,423	0.6		1.9 (74)	3.4 (20)	-1.8 (43)	3.8 (20)	1.9 (34)		2.3 (43)	Aug-13	
Blmbg. U.S. Aggregate Index				<u>3.0</u> (41)	<u>-0.1</u> (85)	<u>-4.8</u> (70)	<u>-2.8</u> (91)	<u>0.9</u> (86)		<u>1.6</u> (67)		
Over/Under				-1.1	3.5	3.0	6.6	1.0		0.7		
eV All US Fixed Inc Median				2.7	1.4	-2.6	0.2	1.5		2.1		
Loomis Sayles Multi Strategy	84,697,410	1.2		3.1 (37)	2.8 (25)	-4.0 (60)	3.2 (22)	2.6 (18)	3.2 (19)	5.3 (12)	Aug-05	
5% Bmbg. U.S. Int Agg / 65% Blmbg. U.S. Agg / 30% FTSE HY				<u>3.1</u> (33)	<u>2.1</u> (37)	<u>-4.2</u> (63)	<u>-0.1</u> (57)	<u>1.6</u> (44)	<u>2.2</u> (39)	<u>4.0</u> (27)		
Over/Under				0.0	0.7	0.2	3.3	1.0	1.0	1.3		
eV All US Fixed Inc Median				2.7	1.4	-2.6	0.2	1.5	1.8	3.3		
<b>Treasuries</b>	<b>76,755,368</b>	<b>1.0</b>	<b>2.0</b>	<b>3.3</b>	<b>-2.7</b>	<b>-7.7</b>	<b>-6.2</b>			<b>-0.6</b>	<b>Apr-19</b>	
Reams 10-Year Treasuries	76,755,368	1.0		3.3	-2.7	-7.7	-6.2			-0.6	Apr-19	
Blmbg. U.S. Treasury: 7-10 Year				<u>3.5</u>	<u>-1.2</u>	<u>-5.7</u>	<u>-5.2</u>			<u>-0.2</u>		
Over/Under				-0.2	-1.5	-2.0	-1.0			-0.4		
<b>Private Credit</b>	<b>394,481,961</b>	<b>5.4</b>	<b>8.0</b>	<b>0.7</b>	<b>1.3</b>	<b>0.5</b>	<b>8.4</b>	<b>8.0</b>		<b>7.6</b>	<b>Jan-18</b>	
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>	<u>7.6</u>	<u>4.4</u>		<u>4.3</u>		
Over/Under				-2.6	-5.8	0.8	0.8	3.6		3.3		



# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Real Estate</b>	<b>531,428,543</b>	<b>7.3</b>	<b>8.0</b>	<b>-3.8</b>	<b>-8.4</b>	<b>-6.8</b>	<b>4.6</b>	<b>3.9</b>	<b>6.7</b>	<b>7.2</b>	<b>Apr-94</b>
<i>NCREIF ODCE Net</i>				<u>-3.4</u>	<u>-8.1</u>	<u>-3.9</u>	<u>7.5</u>	<u>6.6</u>	<u>8.5</u>	<u>7.9</u>	
Over/Under				-0.4	-0.3	-2.9	-2.9	-2.7	-1.8	-0.7	
Prudential Real Estate	212,869,196	2.9		-1.8	-7.3	-2.3	8.2	7.5	9.3	6.6	Jul-04
<i>NCREIF ODCE Net</i>				<u>-3.4</u>	<u>-8.1</u>	<u>-3.9</u>	<u>7.5</u>	<u>6.6</u>	<u>8.5</u>	<u>7.0</u>	
Over/Under				1.6	0.8	1.6	0.7	0.9	0.8	-0.4	
UBS Real Estate	234,169,214	3.2		-7.2	-12.3	-8.9	2.4	1.8	5.2	6.0	Apr-03
<i>NCREIF ODCE Net</i>				<u>-3.4</u>	<u>-8.1</u>	<u>-3.9</u>	<u>7.5</u>	<u>6.6</u>	<u>8.5</u>	<u>7.1</u>	
Over/Under				-3.8	-4.2	-5.0	-5.1	-4.8	-3.3	-1.1	
LaSalle Income + Growth VIII Limited Partnership	62,501,654	0.9		1.8	3.8	13.9	13.8			13.4	Mar-20
<i>NCREIF ODCE Net</i>				<u>-3.4</u>	<u>-8.1</u>	<u>-3.9</u>	<u>7.5</u>			<u>7.5</u>	
Over/Under				5.2	11.9	17.8	6.3			5.9	
Alterra IOS Venture II	21,888,479	0.3		0.0	-5.3	-5.3				-5.3	Apr-22
<i>NCREIF ODCE Net</i>				<u>-3.4</u>	<u>-8.1</u>	<u>-3.9</u>				<u>-3.9</u>	
Over/Under				3.4	2.8	-1.4				-1.4	
<b>Total Real Assets</b>	<b>355,104,055</b>	<b>4.8</b>	<b>6.0</b>	<b>4.0</b>	<b>5.8</b>	<b>-6.9</b>	<b>10.3</b>	<b>3.8</b>		<b>3.9</b>	<b>May-13</b>
<i>Real Assets Index</i>				<u>2.2</u>	<u>3.4</u>	<u>7.1</u>	<u>7.5</u>	<u>6.5</u>		<u>6.4</u>	
Over/Under				1.8	2.4	-14.0	2.8	-2.7		-2.5	
Bridgewater All Weather Fund	136,491,055	1.9		7.0	2.5	-13.2	4.3	2.8		3.9	Sep-13
<i>CPI + 5% (Unadjusted)</i>				<u>2.9</u>	<u>5.7</u>	<u>10.2</u>	<u>10.6</u>	<u>9.1</u>		<u>7.8</u>	
Over/Under				4.1	-3.2	-23.4	-6.3	-6.3		-3.9	
Tortoise Energy Infrastructure	111,795,674	1.5		2.6	19.8	8.2	38.1	6.8		2.9	May-13
<i>Tortoise MLP Index</i>				<u>2.3</u>	<u>21.3</u>	<u>13.1</u>	<u>45.1</u>	<u>7.4</u>		<u>1.0</u>	
Over/Under				0.3	-1.5	-4.9	-7.0	-0.6		1.9	
Brookfield Infra Fund IV B LP	49,678,350	0.7		4.1	2.6	8.1	9.3			9.3	Apr-20
<i>CPI + 2% (Unadjusted)</i>				<u>2.2</u>	<u>3.4</u>	<u>7.1</u>	<u>7.5</u>			<u>7.5</u>	
Over/Under				1.9	-0.8	1.0	1.8			1.8	
Harbourvest Real Assets Fund IV L.P.	57,138,976	0.8		0.0	26.4	26.4				35.2	Apr-21
<i>CPI + 2% (Unadjusted)</i>				<u>2.2</u>	<u>3.4</u>	<u>7.1</u>				<u>8.9</u>	
Over/Under				-2.2	23.0	19.3				26.3	
<b>Overlay</b>	<b>137,020,893</b>	<b>1.9</b>	<b>0.0</b>								
Parametric	61,673,107	0.8									
Abbott Capital Cash	75,347,786	1.0									

# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Private Equity</b>	<b>1,330,751,613</b>	<b>18.2</b>	<b>18.0</b>	<b>-0.7</b>	<b>-4.3</b>	<b>-1.1</b>	<b>22.1</b>	<b>19.0</b>	<b>17.0</b>	<b>16.5</b>	<b>Jan-12</b>
Private Equity Benchmark				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>21.3</u>	<u>13.4</u>	<u>14.9</u>	<u>16.1</u>	
Over/Under				<b>-8.4</b>	<b>-15.7</b>	5.7	0.8	5.6	2.1	0.4	
CIA Global All PE (Qtr Lag)				<u>0.8</u>	<u>-5.9</u>	<u>-6.9</u>	<u>16.8</u>	<u>14.8</u>	<u>13.9</u>	<u>13.8</u>	
Over/Under				<b>-1.5</b>	1.6	5.8	5.3	4.2	3.1	2.7	
Adams Street Global Fund Series	248,975,452	3.4		<b>-2.8</b>	<b>-10.2</b>	<b>-14.0</b>	19.8	18.0	15.8	15.2	Jan-12
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>	<u>12.7</u>	<u>14.0</u>	<u>15.2</u>	
Over/Under				<b>-10.5</b>	<b>-21.6</b>	<b>-7.2</b>	<b>-1.0</b>	5.3	1.8	0.0	
Harbourvest	107,039,659	1.5		0.0	<b>-3.6</b>	<b>-3.0</b>	14.5	15.2		17.4	Aug-13
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>	<u>12.7</u>		<u>13.5</u>	
Over/Under				<b>-7.7</b>	<b>-15.0</b>	3.8	<b>-6.3</b>	2.5		3.9	
Pantheon Global Secondary Funds	89,442,196	1.2		<b>-2.0</b>	6.5	6.5	14.0	12.0	12.7	12.2	Jan-12
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>	<u>12.7</u>	<u>14.0</u>	<u>15.2</u>	
Over/Under				<b>-9.7</b>	<b>-4.9</b>	13.3	<b>-6.8</b>	<b>-0.7</b>	<b>-1.3</b>	<b>-3.0</b>	
Drive Capital Fund II	29,760,745	0.4		0.0	1.8	<b>-9.0</b>	19.8	20.8		2.9	Sep-16
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>	<u>12.7</u>		<u>13.9</u>	
Over/Under				<b>-7.7</b>	<b>-9.6</b>	<b>-2.2</b>	<b>-1.0</b>	8.1		<b>-11.0</b>	
Abbott Secondary Opportunities	10,393,841	0.1		2.1	<b>-3.4</b>	<b>-8.7</b>	24.0	23.0		21.8	Jan-18
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>	<u>12.7</u>		<u>12.0</u>	
Over/Under				<b>-5.6</b>	<b>-14.8</b>	<b>-1.9</b>	3.2	10.3		9.8	
Clearlake Capital Partners V	12,352,542	0.2		<b>-1.5</b>	<b>-13.3</b>	20.6	12.0	25.2		24.8	Mar-18
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>	<u>12.7</u>		<u>12.0</u>	
Over/Under				<b>-9.2</b>	<b>-24.7</b>	27.4	<b>-8.8</b>	12.5		12.8	
Battery Ventures XII	27,060,246	0.4		<b>-6.8</b>	<b>-18.3</b>	<b>-2.7</b>	38.1	22.9		22.9	Apr-18
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>	<u>12.7</u>		<u>12.7</u>	
Over/Under				<b>-14.5</b>	<b>-29.7</b>	4.1	17.3	10.2		10.2	
Insight Venture Partners X	49,849,161	0.7		<b>-3.8</b>	<b>-23.0</b>	<b>-22.2</b>	26.6			20.0	May-18
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>12.8</u>	
Over/Under				<b>-11.5</b>	<b>-34.4</b>	<b>-15.4</b>	5.8			7.2	
GTCR Fund XII	32,806,157	0.4		1.7	<b>-2.0</b>	7.8	33.0			3.1	Jun-18
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>12.3</u>	
Over/Under				<b>-6.0</b>	<b>-13.4</b>	14.6	12.2			<b>-9.2</b>	
Buenaventure One, LLC	201,286,742	2.7		1.2	0.0	12.4	24.5			16.4	Jul-18
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>12.3</u>	
Over/Under				<b>-6.5</b>	<b>-11.4</b>	19.2	3.7			4.1	



# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
ECI 11	9,391,092	0.1		13.5	4.0	-9.8	27.6			25.3	Jan-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>15.9</u>	
Over/Under				5.8	-7.4	-3.0	6.8			9.4	
Buenaventure Two, LLC	2,032,650	0.0		1.2	1.3	14.2	23.1			33.6	Dec-18
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>13.1</u>	
Over/Under				-6.5	-10.1	21.0	2.3			20.5	
The Resolute Fund IV L.P.	31,572,669	0.4		4.2	16.3	39.2	33.8			42.6	Jan-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>15.9</u>	
Over/Under				-3.5	4.9	46.0	13.0			26.7	
GGV Capital VII L.P.	13,438,596	0.2		-3.0	-8.1	-4.4	15.2			4.9	Feb-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>14.0</u>	
Over/Under				-10.7	-19.5	2.4	-5.6			-9.1	
GGV Discovery II, L.P.	3,908,017	0.1		-0.3	-1.6	21.0	31.3			20.7	Feb-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>14.0</u>	
Over/Under				-8.0	-13.0	27.8	10.5			6.7	
Drive Capital Overdrive Fund I	13,946,430	0.2		-0.2	-1.3	1.3	34.0			23.9	May-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>12.2</u>	
Over/Under				-7.9	-12.7	8.1	13.2			11.7	
Riverside Micro Cap Fund V, LP	11,986,502	0.2		0.0	4.6	21.8	18.4			6.6	May-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>12.2</u>	
Over/Under				-7.7	-6.8	28.6	-2.4			-5.6	
GGV Capital VII Plus, LP	3,170,309	0.0		2.9	-4.6	-3.5	11.1			8.7	Jun-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>14.4</u>	
Over/Under				-4.8	-16.0	3.3	-9.7			-5.7	
Astorg VII L.P.	9,807,949	0.1		-7.4	-22.5	-7.6	14.2			-2.4	Jul-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>12.7</u>	
Over/Under				-15.1	-33.9	-0.8	-6.6			-15.1	
M/C Partners Fund VIII LP. Limited Partnership	8,073,351	0.1		-2.3	-0.6	18.1	11.7			-8.0	Jul-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>12.7</u>	
Over/Under				-10.0	-12.0	24.9	-9.1			-20.7	
Genstar Capital Partners IX	9,938,459	0.1		3.0	24.3	30.1	33.7			N/A	Aug-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>				
Over/Under				-4.7	12.9	36.9	12.9				

# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Genstar IX Opportunities Fund I	3,000,119	0.0		2.4	25.1	28.9	26.0			21.7	Aug-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>12.5</u>	
Over/Under				-5.3	13.7	35.7	5.2			9.2	
ABRY Partners IX, LP	12,021,764	0.2		0.0	12.9	22.7	11.5			4.8	Sep-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>13.4</u>	
Over/Under				-7.7	1.5	29.5	-9.3			-8.6	
Advent International GPE IX LP	12,478,202	0.2		-2.8	-19.8	-35.7	36.7			28.3	Nov-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>12.7</u>	
Over/Under				-10.5	-31.2	-28.9	15.9			15.6	
Drive Capital Fund III LP	7,966,593	0.1		0.0	10.2	16.0	8.5			7.6	Dec-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>11.7</u>	
Over/Under				-7.7	-1.2	22.8	-12.3			-4.1	
Oak HC/FT Partners III LP	22,696,230	0.3		-5.1	-33.2	-31.0	25.2			18.7	Dec-19
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>11.7</u>	
Over/Under				-12.8	-44.6	-24.2	4.4			7.0	
TA XIII A LP	12,457,434	0.2		0.7	3.7	7.8	28.6			24.1	Jan-20
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>11.0</u>	
Over/Under				-7.0	-7.7	14.6	7.8			13.1	
Dover Street X, LP	29,024,264	0.4		0.0	3.6	15.1	36.8			34.1	Feb-20
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>11.3</u>	
Over/Under				-7.7	-7.8	21.9	16.0			22.8	
Hellman & Friedman CP IX	24,515,670	0.3		7.6	-1.2	0.8	8.6			8.6	Apr-20
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>	<u>20.8</u>			<u>20.8</u>	
Over/Under				-0.1	-12.6	7.6	-12.2			-12.2	
Clearlake Capital Partners VI	27,076,323	0.4		3.0	-2.0	0.4				27.3	Jun-20
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>14.7</u>	
Over/Under				-4.7	-13.4	7.2				12.6	
Flexpoint Fund IV	6,951,836	0.1		-30.4	-18.3	-4.5				13.1	Jun-20
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>14.7</u>	
Over/Under				-38.1	-29.7	2.3				-1.6	
Battery Ventures XIII	17,069,283	0.2		0.6	-2.1	20.2				16.7	Jun-20
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>14.7</u>	
Over/Under				-7.1	-13.5	27.0				2.0	

# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Green Equity Investors VIII, L.P.	14,234,485	0.2		3.4	3.2	6.5				3.6	Nov-20
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>12.8</u>	
Over/Under				-4.3	-8.2	13.3				-9.2	
CapVest Private Equity Partners IV, SCSp	10,290,264	0.1		2.0	11.2	26.6				43.4	Dec-20
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>7.8</u>	
Over/Under				-5.7	-0.2	33.4				35.6	
Drive Capital Fund IV LP	3,628,598	0.0		0.0	-2.9	-5.4				-4.4	Jan-22
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-9.1</u>	
Over/Under				-7.7	-14.3	1.4				4.7	
Great Hill Equity Partners VII	7,132,749	0.1		-1.2	-3.9	-4.9				87.3	Jan-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>5.9</u>	
Over/Under				-8.9	-15.3	1.9				81.4	
Vitruvian Investment Partners IV	16,411,639	0.2		7.3	16.5	30.2				N/A	Jan-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>					
Over/Under				-0.4	5.1	37.0					
CRV XVIII, L.P.	14,239,178	0.2		-6.8	-7.6	-0.8				N/A	Mar-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>					
Over/Under				-14.5	-19.0	6.0					
GGV Capital VIII, L.P.	5,944,326	0.1		-0.3	1.0	1.5				11.1	May-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>0.6</u>	
Over/Under				-8.0	-10.4	8.3				10.5	
GGV Discovery III, L.P.	2,630,328	0.0		3.4	18.6	18.6				30.3	May-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>0.6</u>	
Over/Under				-4.3	7.2	25.4				29.7	
Oak HC/FT Partners IV, L.P.	9,189,429	0.1		3.2	9.0	19.7				10.3	May-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>0.6</u>	
Over/Under				-4.5	-2.4	26.5				9.7	
Prairie Capital VII, LP	3,974,907	0.1		-1.4	-1.9	15.2				1.7	Jun-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>0.2</u>	
Over/Under				-9.1	-13.3	22.0				1.5	
GGV Capital VIII Plus, L.P.	1,095,548	0.0		-1.4	0.2	4.5				2.5	Jul-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-1.2</u>	
Over/Under				-9.1	-11.2	11.3				3.7	

# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Flexpoint Overage Fund IV A, L.P.	2,548,298	0.0		0.7	0.4	3.9				6.7	Jul-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-1.2</u>	
Over/Under				-7.0	-11.0	10.7				7.9	
Abbott Secondary Opportunities II, L.P.	15,881,796	0.2		-0.5	30.3	30.3				66.0	Jul-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-1.2</u>	
Over/Under				-8.2	18.9	37.1				67.2	
Genstar X Opportunities Fund I, LP	3,113,819	0.0		1.2	0.5	11.2				6.7	Sep-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-4.3</u>	
Over/Under				-6.5	-10.9	18.0				11.0	
Charlesbank Overage Fund X	4,729,209	0.1		1.8	7.1	8.4				9.2	Sep-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-4.3</u>	
Over/Under				-5.9	-4.3	15.2				13.5	
Charlesbank Equity Fund X	11,868,336	0.2		9.7	13.4	14.0				10.3	Sep-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-4.3</u>	
Over/Under				2.0	2.0	20.8				14.6	
GTCR Fund XIII	14,799,447	0.2		-2.6	-2.0	24.5				37.9	Sep-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-4.3</u>	
Over/Under				-10.3	-13.4	31.3				42.2	
Hellman & Friedman CP X	14,071,181	0.2		5.8	-3.3	-4.8				-3.4	Nov-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-6.3</u>	
Over/Under				-1.9	-14.7	2.0				2.9	
Genstar Capital Partners X LP	8,857,605	0.1		1.3	1.3	14.1				11.3	Dec-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-5.7</u>	
Over/Under				-6.4	-10.1	20.9				17.0	
TA XIV A LP	5,260,298	0.1		-1.8	-13.2	-13.2				-10.1	Dec-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-5.7</u>	
Over/Under				-9.5	-24.6	-6.4				-4.4	
CVC Capital Partners VIII A LP	12,190,301	0.2		-2.7	14.8	15.9				21.0	Dec-21
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-5.7</u>	
Over/Under				-10.4	3.4	22.7				26.7	
Drive Capital Overdrive	4,054,912	0.1		0.8	-3.0	-5.5				-4.8	Feb-22
<i>Russell 3000 + 2%</i>				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-5.0</u>	
Over/Under				-6.9	-14.4	1.3				0.2	

# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Drive Capital Fund IV LP	3,628,598	0.0		0.0	-2.9	-5.4				-4.7	Feb-22
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-5.0</u>	
Over/Under				-7.7	-14.3	1.4				0.3	
Kinderhook Capital Fund 7	4,666,995	0.1		42.8	31.7	11.5				10.5	Mar-22
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-3.3</u>	
Over/Under				35.1	20.3	18.3				13.8	
Pantheon Global Secondary Funds VII	4,702,645	0.1		-9.7	3.0	3.0				3.0	Apr-22
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-6.8</u>	
Over/Under				-17.4	-8.4	9.8				9.8	
Harbourvest PTN Co Inv VI LP	11,596,610	0.2		0.0	-8.5	-8.5				-8.5	Apr-22
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>	<u>-6.8</u>				<u>-6.8</u>	
Over/Under				-7.7	-19.9	-1.7				-1.7	
Clearlake Capital Partners VII	10,064,917	0.1		-0.9	-2.6					-2.6	May-22
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>					<u>2.3</u>	
Over/Under				-8.6	-14.0					-4.9	
Battery Ventures XIV	1,310,469	0.0		-1.9							Jul-22
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>					<u>11.4</u>	
Over/Under				-9.6							
Oak HC/FT Partners V	1,157,275	0.0		-4.3							Jul-22
Russell 3000 + 2%				<u>7.7</u>	<u>11.4</u>					<u>11.4</u>	
Over/Under				-12.0							
Advent International GPE X LP	1,453,529	0.0		5.3						-12.6	Oct-22
Russell 3000 + 2%				<u>7.7</u>						<u>16.0</u>	
Over/Under				-2.4						-28.6	
GTCR Strategic Growth 1/A	573,146	0.0		-35.2						-35.2	Oct-22
Russell 3000 + 2%				<u>7.7</u>						<u>16.0</u>	
Over/Under				-42.9						-51.2	
GTCR Strategic Growth 1/B	263,444	0.0		5.1						7.5	Oct-22
Russell 3000 + 2%				<u>7.7</u>						<u>16.0</u>	
Over/Under				-2.6						-8.5	
Riverside Micro Cap Fund VI, LP	5,424,496	0.1		0.0						-10.0	Oct-22
Russell 3000 + 2%				<u>7.7</u>						<u>16.0</u>	
Over/Under				-7.7						-26.0	
Ridgemont Equity Partners IV	1,551,812	0.0		0.0						0.0	Jan-23
Russell 3000 + 2%				<u>7.7</u>						<u>7.7</u>	
Over/Under				-7.7						-7.7	
CapVest Private Equity Partners V, SCSp	349,134	0.0									Apr-23
Russell 3000 + 2%											
Over/Under											



# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Private Credit</b>	<b>394,481,961</b>	<b>5.4</b>	<b>8.0</b>	<b>0.7</b>	<b>1.3</b>	<b>0.5</b>	<b>8.4</b>	<b>8.0</b>		<b>7.6</b>	<b>Jan-18</b>
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>	<u>7.6</u>	<u>4.4</u>		<u>4.3</u>	
Over/Under				-2.6	-5.8	0.8	0.8	3.6		3.3	
CVI Credit Value Fund IV	26,986,411	0.4		1.9	8.6	8.6	8.0	7.6		7.2	Jan-18
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>	<u>7.6</u>	<u>4.4</u>		<u>4.3</u>	
Over/Under				-1.4	1.5	8.9	0.4	3.2		2.9	
Monroe Capital Private Credit Fund III	21,689,890	0.3		4.0	7.1	10.0	11.8			11.4	Dec-18
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>	<u>7.6</u>			<u>4.6</u>	
Over/Under				0.7	0.0	10.3	4.2			6.8	
Bluebay Direct Lending Fund III	16,978,894	0.2		0.0	3.4	5.7	9.8			9.5	Apr-19
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>	<u>7.6</u>			<u>4.0</u>	
Over/Under				-3.3	-3.7	6.0	2.2			5.5	
Pimco Private Income Fund	70,631,984	1.0		-0.7	-0.4	-0.4	8.6			8.0	Nov-19
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>	<u>7.6</u>			<u>3.3</u>	
Over/Under				-4.0	-7.5	-0.1	1.0			4.7	
Bridge Debt Strategies III Limited Partner	15,370,065	0.2		0.0	1.5	2.1	6.9			6.4	Jan-20
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>	<u>7.6</u>			<u>2.8</u>	
Over/Under				-3.3	-5.6	2.4	-0.7			3.6	
PIMCO Corp Opps Fund III	48,951,943	0.7		-2.2	-6.3	-10.7				31.0	May-20
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>				<u>6.2</u>	
Over/Under				-5.5	-13.4	-10.4				24.8	
Torchlight Debt Fund VII, L.P.	13,390,463	0.2		1.8	6.2	7.7				4.1	Jan-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>				<u>1.3</u>	
Over/Under				-1.5	-0.9	8.0				2.8	
Torchlight Debt Fund VIII, L.P.	2,000,000	0.0		0.0						0.0	Jan-23
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>						<u>3.3</u>	
Over/Under				-3.3						-3.3	
Crayhill Principal Strategies Fund II	13,234,911	0.2		0.2	4.3	-14.6				18.0	May-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>				<u>0.2</u>	
Over/Under				-3.1	-2.8	-14.3				17.8	
CVI Credit Value Fund A V	20,855,321	0.3		4.8	5.1	4.2				6.4	Jun-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>				<u>0.0</u>	
Over/Under				1.5	-2.0	4.5				6.4	



# TOTAL FUND PERFORMANCE DETAIL (NET)

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Bridge Debt Strategies Fund IV LP	23,801,529	0.3		1.3	2.1	4.5				4.9	Aug-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>				<u>-0.7</u>	
Over/Under				-2.0	-5.0	4.8				5.6	
Cross Ocean USD ESS Fund IV	15,598,520	0.2		1.6	3.2	8.7				6.3	Sep-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>				<u>-1.1</u>	
Over/Under				-1.7	-3.9	9.0				7.4	
Harbourvest Direct Lending L	17,559,659	0.2		0.0	1.3	1.3				0.8	Sep-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>				<u>-1.1</u>	
Over/Under				-3.3	-5.8	1.6				1.9	
Bain Capital Special Situations Asia Fund II	2,769,804	0.0		0.0	2.1	-2.9				6.6	Nov-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>				<u>-1.4</u>	
Over/Under				-3.3	-5.0	-2.6				8.0	
Arbour Lane Credit Opp III A	11,482,304	0.2		0.0	-9.7	-10.6				-8.1	Dec-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>				<u>-1.1</u>	
Over/Under				-3.3	-16.8	-10.3				-7.0	
Monroe Private Capital Fund IV	25,077,179	0.3		2.1	4.0	8.3				6.6	Jan-22
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>	<u>-0.3</u>				<u>-2.2</u>	
Over/Under				-1.2	-3.1	8.6				8.8	
Crescent Cove Opportunity Fund LP	12,597,266	0.2		2.2	1.1					1.1	May-22
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>	<u>7.1</u>					<u>1.4</u>	
Over/Under				-1.1	-6.0					-0.3	
VWH Partners III LP	20,768,916	0.3		1.5						1.5	Dec-22
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>3.3</u>						<u>3.1</u>	
Over/Under				-1.8						-1.6	
Harbourview Royalties I	14,736,901	0.2									Apr-23
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index											
Over/Under											

Policy Index as of May, 2022: 26% Russell 3000 Index, 15% MSCI ACWI ex U.S., 9% MSCI ACWI, 18% Private Equity Benchmark, 10% Bloomberg US Aggregate, 8% 50% CS Leveraged Loan/50% ICE BofA US HY BB-B Rated Constrained Index, 8% NCREIF ODCE, 6% Real Assets 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.

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.

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

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

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

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

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

Please Note: Private Equity performance is shown on a time-weighted return basis. Values are cash adjusted with current month cash flows. Fiscal year ends 6/30.

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Total Fund</b>	<b>-11.7 (63)</b>	<b>19.1 (11)</b>	<b>13.6 (16)</b>	<b>18.7 (21)</b>	<b>-3.6 (48)</b>	<b>16.0 (40)</b>	<b>8.6 (20)</b>	<b>-0.9 (63)</b>	<b>6.3 (34)</b>	<b>18.1 (19)</b>
Policy Index	-12.9 (77)	15.8 (47)	14.4 (11)	20.7 (8)	-3.6 (47)	16.2 (33)	7.4 (66)	0.7 (24)	6.6 (24)	17.2 (29)
Over/Under	1.2	3.3	-0.8	-2.0	0.0	-0.2	1.2	-1.6	-0.3	0.9
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg	-17.3 (100)	8.8 (100)	14.0 (13)	18.6 (24)	-6.0 (87)	17.1 (14)	5.7 (95)	-2.5 (92)	2.8 (97)	12.1 (78)
Over/Under	5.6	10.3	-0.4	0.1	2.4	-1.1	2.9	1.6	3.5	6.0
InvMetrics Public DB > \$1 Billion Median	-10.7	15.5	11.5	17.1	-3.7	15.7	7.6	-0.4	5.7	15.6
<b>Total Fund ex Parametric</b>	<b>-11.9</b>	<b>19.6</b>	<b>13.4</b>	<b>18.6</b>	<b>-3.7</b>	<b>16.3</b>	<b>9.2</b>	<b>-1.0</b>	<b>6.3</b>	
<b>Total Fund ex Private Equity</b>	<b>-14.0 (86)</b>	<b>14.8 (57)</b>	<b>12.7 (32)</b>	<b>19.6 (15)</b>	<b>-4.8 (71)</b>	<b>15.9 (43)</b>	<b>8.6 (17)</b>	<b>-1.4 (76)</b>	<b>6.1 (42)</b>	<b>16.2 (40)</b>
Policy Index	-12.9 (77)	15.8 (47)	14.4 (11)	20.7 (8)	-3.6 (47)	16.2 (33)	7.4 (66)	0.7 (24)	6.6 (24)	17.2 (29)
Over/Under	-1.1	-1.0	-1.7	-1.1	-1.2	-0.3	1.2	-2.1	-0.5	-1.0
InvMetrics Public DB > \$1 Billion Median	-10.7	15.5	11.5	17.1	-3.7	15.7	7.6	-0.4	5.7	15.6
<b>Total US Equity</b>	<b>-19.4 (62)</b>	<b>26.5 (44)</b>	<b>20.5 (37)</b>	<b>31.6 (27)</b>	<b>-5.0 (36)</b>	<b>21.4 (38)</b>	<b>13.0 (47)</b>	<b>0.5 (37)</b>	<b>12.5 (29)</b>	<b>34.0 (55)</b>
Russell 3000	-19.2 (61)	25.7 (49)	20.9 (36)	31.0 (32)	-5.2 (38)	21.1 (40)	12.7 (48)	-0.5 (45)	11.3 (38)	33.5 (59)
Over/Under	-0.2	0.8	-0.4	0.6	0.2	0.3	0.3	1.0	1.2	0.5
eV All US Equity Median	-17.0	25.5	15.2	28.2	-7.2	19.1	12.4	-1.1	9.7	34.8
Western U.S. Index Plus	-20.9 (71)	28.5 (28)	17.9 (41)	33.5 (20)	-5.3 (50)	22.7 (38)	13.8 (28)	1.1 (41)	14.2 (20)	32.9 (52)
S&P 500 Index	-18.1 (62)	28.7 (27)	18.4 (40)	31.5 (34)	-4.4 (41)	21.8 (43)	12.0 (39)	1.4 (38)	13.7 (25)	32.4 (57)
Over/Under	-2.8	-0.2	-0.5	2.0	-0.9	0.9	1.8	-0.3	0.5	0.5
eV US Large Cap Equity Median	-15.0	26.0	14.4	29.1	-5.4	20.8	10.1	0.0	11.6	33.1
Blackrock Russell 1000 Index	-19.2 (67)	26.6 (46)	21.0 (34)	31.4 (34)	-4.7 (44)					
Russell 1000 Index	-19.1 (66)	26.5 (48)	21.0 (34)	31.4 (34)	-4.8 (45)					
Over/Under	-0.1	0.1	0.0	0.0	0.1					
eV US Large Cap Equity Median	-15.0	26.0	14.4	29.1	-5.4					
Blackrock Russell 2500 Index	-18.3 (55)	18.2 (69)	20.0 (43)	27.8 (52)	-9.9 (50)					
Russell 2500 Index	-18.4 (56)	18.2 (69)	20.0 (43)	27.8 (52)	-10.0 (51)					
Over/Under	0.1	0.0	0.0	0.0	0.1					
eV US Small-Mid Cap Equity Median	-17.3	23.4	17.0	28.0	-10.0					

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Total Non-US Equity</b>	<b>-17.0</b>	<b>9.0</b>	<b>9.3</b>	<b>21.0</b>	<b>-13.0</b>	<b>26.5</b>	<b>6.6</b>	<b>-4.8</b>	<b>-3.6</b>	<b>16.3</b>
MSCI ACWI ex USA	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5	-5.7	-3.9	15.3
Over/Under	-1.0	1.2	-1.4	-0.5	1.2	-0.7	2.1	0.9	0.3	1.0
MSCI AC World x USA in LC (Net)	-9.6	13.0	6.0	20.8	-10.6	18.2	7.0	1.9	6.0	20.1
Over/Under	-7.4	-4.0	3.3	0.2	-2.4	8.3	-0.4	-6.7	-9.6	-3.8
BlackRock ACWI ex-U.S. Index	-16.4 (39)	8.7 (57)	11.2 (66)	21.9 (71)	-14.6 (44)	28.1 (58)	4.7 (27)	-4.5 (73)	-3.8 (46)	16.0 (76)
MSCI AC World ex USA IMI (Net)	-16.6 (41)	8.5 (59)	11.1 (66)	21.6 (71)	-14.8 (46)	27.8 (59)	4.4 (30)	-4.6 (74)	-3.9 (47)	15.8 (77)
Over/Under	0.2	0.2	0.1	0.3	0.2	0.3	0.3	0.1	0.1	0.2
eV ACWI ex-US All Cap Equity Median	-19.0	10.0	15.5	24.5	-15.2	29.0	1.5	-0.6	-4.2	20.0
Sprucegrove	-12.0 (21)	6.9 (72)	4.0 (84)	17.3 (87)	-13.8 (37)	27.5 (62)	11.9 (2)	-9.1 (95)	-3.2 (42)	17.1 (69)
MSCI EAFE (Net)	-14.5 (32)	11.3 (37)	7.8 (75)	22.0 (70)	-13.8 (37)	25.0 (77)	1.0 (54)	-0.8 (53)	-4.9 (61)	22.8 (34)
Over/Under	2.5	-4.4	-3.8	-4.7	0.0	2.5	10.9	-8.3	1.7	-5.7
eV ACWI ex-US All Cap Equity Median	-19.0	10.0	15.5	24.5	-15.2	29.0	1.5	-0.6	-4.2	20.0
Walter Scott	-22.6 (70)	11.3 (37)	20.4 (36)	27.5 (30)	-7.1 (1)	26.6 (67)	5.1 (25)	-0.4 (48)	-3.5 (44)	11.8 (92)
MSCI EAFE (Net)	-14.5 (32)	11.3 (37)	7.8 (75)	22.0 (70)	-13.8 (37)	25.0 (77)	1.0 (54)	-0.8 (53)	-4.9 (61)	22.8 (34)
Over/Under	-8.1	0.0	12.6	5.5	6.7	1.6	4.1	0.4	1.4	-11.0
eV ACWI ex-US All Cap Equity Median	-19.0	10.0	15.5	24.5	-15.2	29.0	1.5	-0.6	-4.2	20.0
<b>Total Global Equity</b>	<b>-18.1</b>	<b>18.9</b>	<b>16.7</b>	<b>27.1</b>	<b>-9.0</b>	<b>24.5</b>	<b>9.0</b>	<b>-3.8</b>	<b>1.9</b>	<b>22.0</b>
MSCI AC World Index (Net)	-18.4	18.5	16.3	26.6	-9.4	24.0	7.9	-2.4	4.2	22.8
Over/Under	0.3	0.4	0.4	0.5	0.4	0.5	1.1	-1.4	-2.3	-0.8
BlackRock MSCI ACWI Equity Index	-18.1 (49)	18.9 (49)	16.7 (46)	27.1 (47)	-9.0 (48)	24.5 (41)	8.4 (32)	-2.0 (65)	4.6 (44)	23.2 (62)
MSCI AC World Index (Net)	-18.4 (50)	18.5 (52)	16.3 (48)	26.6 (50)	-9.4 (52)	24.0 (45)	7.9 (37)	-2.4 (68)	4.2 (47)	22.8 (64)
Over/Under	0.3	0.4	0.4	0.5	0.4	0.5	0.5	0.4	0.4	0.4
eV All Global Equity Median	-18.4	18.7	15.7	26.5	-9.2	23.1	6.1	-0.5	3.7	25.8
<b>Total Private Equity</b>	<b>1.6</b>	<b>54.8</b>	<b>24.5</b>	<b>8.3</b>	<b>18.7</b>	<b>16.9</b>	<b>7.6</b>	<b>14.7</b>	<b>19.0</b>	<b>17.9</b>
Private Equity Benchmark	-17.6	28.8	24.5	34.9	-2.4	24.8	16.0	3.5	15.8	37.5
Over/Under	19.2	26.0	0.0	-26.6	21.1	-7.9	-8.4	11.2	3.2	-19.6

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>US Fixed Income</b>	<b>-10.7</b>	<b>-0.6</b>	<b>11.1</b>	<b>8.5</b>	<b>0.0</b>	<b>4.4</b>	<b>4.9</b>	<b>0.3</b>	<b>3.0</b>	<b>-0.1</b>
Blmbg. U.S. Aggregate Index	<u>-13.0</u>	<u>-1.5</u>	<u>7.5</u>	<u>8.7</u>	<u>0.0</u>	<u>3.5</u>	<u>2.6</u>	<u>0.5</u>	<u>6.0</u>	<u>-2.0</u>
Over/Under	2.3	0.9	3.6	-0.2	0.0	0.9	2.3	-0.2	-3.0	1.9
BlackRock U.S. Debt Fund	-13.1 (75)	-1.6 (87)	7.6 (35)	8.7 (44)	0.0 (56)	3.6 (54)	2.7 (55)	0.6 (47)	6.2 (29)	-2.0 (77)
Blmbg. U.S. Aggregate Index	<u>-13.0</u> (74)	<u>-1.5</u> (85)	<u>7.5</u> (36)	<u>8.7</u> (44)	<u>0.0</u> (56)	<u>3.5</u> (55)	<u>2.6</u> (56)	<u>0.5</u> (47)	<u>6.0</u> (31)	<u>-2.0</u> (77)
Over/Under	-0.1	-0.1	0.1	0.0	0.0	0.1	0.1	0.1	0.2	0.0
eV All US Fixed Inc Median	-9.4	-0.1	5.9	8.1	0.3	3.8	3.1	0.5	3.9	-0.3
Western	-16.1 (90)	-1.6 (86)	10.9 (14)	10.6 (27)	-0.6 (68)	6.0 (28)	4.1 (40)	0.9 (34)	7.4 (19)	-1.2 (64)
Blmbg. U.S. Aggregate Index	<u>-13.0</u> (74)	<u>-1.5</u> (85)	<u>7.5</u> (36)	<u>8.7</u> (44)	<u>0.0</u> (56)	<u>3.5</u> (55)	<u>2.6</u> (56)	<u>0.5</u> (47)	<u>6.0</u> (31)	<u>-2.0</u> (77)
Over/Under	-3.1	-0.1	3.4	1.9	-0.6	2.5	1.5	0.4	1.4	0.8
eV All US Fixed Inc Median	-9.4	-0.1	5.9	8.1	0.3	3.8	3.1	0.5	3.9	-0.3
Reams	-5.0 (28)	0.1 (44)	12.0 (11)	6.6 (66)	0.7 (43)	2.5 (70)	6.0 (29)	0.3 (56)	-3.6 (100)	2.5 (21)
Blmbg. U.S. Aggregate Index	<u>-13.0</u> (74)	<u>-1.5</u> (85)	<u>7.5</u> (36)	<u>8.7</u> (44)	<u>0.0</u> (56)	<u>3.5</u> (55)	<u>2.6</u> (56)	<u>0.5</u> (47)	<u>6.0</u> (31)	<u>-2.0</u> (77)
Over/Under	8.0	1.6	4.5	-2.1	0.7	-1.0	3.4	-0.2	-9.6	4.5
Reams Custom Index	1.2 (4)	0.2 (42)	1.1 (94)	2.6 (94)	2.1 (6)	1.1 (91)	0.7 (88)	0.2 (59)	0.2 (94)	-0.4 (52)
Over/Under	-6.2	-0.1	10.9	4.0	-1.4	1.4	5.3	0.1	-3.8	2.9
eV All US Fixed Inc Median	-9.4	-0.1	5.9	8.1	0.3	3.8	3.1	0.5	3.9	-0.3
Loomis Strategic Alpha	-7.9 (40)	1.5 (31)	10.9 (13)	4.3 (83)	0.6 (46)	3.3 (60)	6.1 (29)	-1.0 (76)	2.4 (66)	
Blmbg. U.S. Aggregate Index	<u>-13.0</u> (74)	<u>-1.5</u> (85)	<u>7.5</u> (36)	<u>8.7</u> (44)	<u>0.0</u> (56)	<u>3.5</u> (55)	<u>2.6</u> (56)	<u>0.5</u> (47)	<u>6.0</u> (31)	
Over/Under	5.1	3.0	3.4	-4.4	0.6	-0.2	3.5	-1.5	-3.6	
eV All US Fixed Inc Median	-9.4	-0.1	5.9	8.1	0.3	3.8	3.1	0.5	3.9	
Loomis Sayles Multi Strategy	-11.5 (62)	1.3 (32)	12.9 (10)	9.4 (35)	-0.8 (71)	8.4 (12)	8.2 (20)	-2.3 (85)	6.8 (23)	1.4 (24)
5% Bmbg. U.S. Int Agg / 65% Blmbg. U.S. Agg / 30% FTSE HY	<u>-12.2</u> (67)	<u>0.5</u> (37)	<u>7.3</u> (39)	<u>10.2</u> (29)	<u>-0.6</u> (67)	<u>4.5</u> (40)	<u>7.0</u> (25)	<u>-1.2</u> (78)	<u>4.6</u> (44)	<u>0.8</u> (29)
Over/Under	0.7	0.8	5.6	-0.8	-0.2	3.9	1.2	-1.1	2.2	0.6
eV All US Fixed Inc Median	-9.4	-0.1	5.9	8.1	0.3	3.8	3.1	0.5	3.9	-0.3
<b>Treasuries</b>	<b>-16.6</b>	<b>-3.6</b>	<b>11.4</b>							
Reams 10-Year Treasuries	-16.6	-3.6	11.4							
Blmbg. U.S. Treasury: 7-10 Year	<u>-14.9</u>	<u>-3.1</u>	<u>10.0</u>							
Over/Under	-1.7	-0.5	1.4							
<b>Private Credit</b>	<b>3.4</b>	<b>15.9</b>	<b>7.1</b>	<b>8.4</b>	<b>4.7</b>					
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	<u>-5.8</u>	<u>5.8</u>	<u>6.1</u>	<u>13.3</u>	<u>1.0</u>					
Over/Under	9.2	10.1	1.0	-4.9	3.7					

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Total Real Estate</b>	<b>3.6</b>	<b>18.8</b>	<b>-2.7</b>	<b>0.3</b>	<b>6.9</b>	<b>5.9</b>	<b>6.8</b>	<b>12.8</b>	<b>11.6</b>	<b>10.6</b>
NCREIF ODCE Net	<u>6.5</u>	<u>21.0</u>	<u>0.3</u>	<u>4.4</u>	<u>7.4</u>	<u>6.7</u>	<u>7.8</u>	<u>14.0</u>	<u>11.5</u>	<u>12.9</u>
Over/Under	-2.9	-2.2	-3.0	-4.1	-0.5	-0.8	-1.0	-1.2	0.1	-2.3
Prudential Real Estate	5.9	21.1	2.1	5.9	8.2	7.0	8.2	14.5	12.5	13.8
NCREIF ODCE Net	<u>6.5</u>	<u>21.0</u>	<u>0.3</u>	<u>4.4</u>	<u>7.4</u>	<u>6.7</u>	<u>7.8</u>	<u>14.0</u>	<u>11.5</u>	<u>12.9</u>
Over/Under	-0.6	0.1	1.8	1.5	0.8	0.3	0.4	0.5	1.0	0.9
UBS Real Estate	5.3	15.6	-4.7	-2.8	6.2	5.4	6.2	11.9	10.6	9.3
NCREIF ODCE Net	<u>6.5</u>	<u>21.0</u>	<u>0.3</u>	<u>4.4</u>	<u>7.4</u>	<u>6.7</u>	<u>7.8</u>	<u>14.0</u>	<u>11.5</u>	<u>12.9</u>
Over/Under	-1.2	-5.4	-5.0	-7.2	-1.2	-1.3	-1.6	-2.1	-0.9	-3.6
LaSalle Income + Growth VIII Limited Partnership	23.6	44.5								
NCREIF ODCE Net	<u>6.5</u>	<u>21.0</u>								
Over/Under	17.1	23.5								
Alterra IOS Venture II										
NCREIF ODCE Net										
Over/Under										
<b>Total Real Assets</b>	<b>-9.7</b>	<b>16.4</b>	<b>0.0</b>	<b>14.4</b>	<b>-7.3</b>	<b>7.2</b>	<b>11.7</b>	<b>-13.8</b>	<b>10.2</b>	
Real Assets Index	<u>8.6</u>	<u>9.2</u>	<u>3.4</u>	<u>5.3</u>	<u>6.0</u>	<u>6.2</u>	<u>6.2</u>	<u>4.8</u>	<u>4.8</u>	
Over/Under	-18.3	7.2	-3.4	9.1	-13.3	1.0	5.5	-18.6	5.4	
Bridgewater All Weather Fund	-21.9	11.8	9.6	16.7	-5.0	11.9	10.0	-6.8	7.6	
CPI + 5% (Unadjusted)	<u>11.8</u>	<u>12.4</u>	<u>6.4</u>	<u>7.4</u>	<u>7.0</u>	<u>7.2</u>	<u>7.2</u>	<u>5.8</u>	<u>5.8</u>	
Over/Under	-33.7	-0.6	3.2	9.3	-12.0	4.7	2.8	-12.6	1.8	
Tortoise Energy Infrastructure	30.4	41.4	-29.4	8.0	-13.3	-3.5	15.9	-27.1	15.7	
Tortoise MLP Index	<u>26.4</u>	<u>41.6</u>	<u>-27.9</u>	<u>10.9</u>	<u>-13.7</u>	<u>-5.7</u>	<u>21.0</u>	<u>-34.1</u>	<u>8.0</u>	
Over/Under	4.0	-0.2	-1.5	-2.9	0.4	2.2	-5.1	7.0	7.7	
Brookfield Infra Fund IV B LP	6.6	13.9								
CPI + 2% (Unadjusted)	<u>8.6</u>	<u>9.2</u>								
Over/Under	-2.0	4.7								
Harbourvest Real Assets Fund IV L.P.	26.4									
CPI + 2% (Unadjusted)	<u>8.6</u>									
Over/Under	17.8									
<b>Overlay</b>										
Parametric										
Abbott Capital Cash										

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Total Private Equity</b>	<b>1.6</b>	<b>54.8</b>	<b>24.5</b>	<b>8.3</b>	<b>18.7</b>	<b>16.9</b>	<b>7.6</b>	<b>14.7</b>	<b>19.0</b>	<b>17.9</b>
Private Equity Benchmark	<u>-17.6</u>	<u>28.8</u>	<u>24.5</u>	<u>34.9</u>	<u>-2.4</u>	<u>24.8</u>	<u>16.0</u>	<u>3.5</u>	<u>15.8</u>	<u>37.5</u>
Over/Under	19.2	26.0	0.0	-26.6	21.1	-7.9	-8.4	11.2	3.2	-19.6
C/A Global All PE (Qtr Lag)	<u>-2.8</u>	<u>48.2</u>	<u>15.0</u>	<u>7.8</u>	<u>16.4</u>	<u>15.9</u>	<u>8.5</u>	<u>7.0</u>	<u>16.3</u>	<u>15.9</u>
Over/Under	4.4	6.6	9.5	0.5	2.3	1.0	-0.9	7.7	2.7	2.0
Adams Street Global Fund Series	<u>-7.0</u>	<u>68.4</u>	<u>26.9</u>	<u>4.1</u>	<u>19.6</u>	<u>13.4</u>	<u>7.1</u>	<u>10.3</u>	<u>19.6</u>	<u>15.7</u>
Russell 3000 + 2%	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>	<u>33.6</u>	<u>-3.3</u>	<u>23.6</u>	<u>15.0</u>	<u>2.5</u>	<u>14.8</u>	<u>36.2</u>
Over/Under	10.6	40.2	3.6	-29.5	22.9	-10.2	-7.9	7.8	4.8	-20.5
Harbourvest	<u>-3.3</u>	<u>36.0</u>	<u>19.6</u>	<u>12.2</u>	<u>22.7</u>	<u>23.2</u>	<u>6.7</u>	<u>28.5</u>	<u>18.5</u>	
Russell 3000 + 2%	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>	<u>33.6</u>	<u>-3.3</u>	<u>23.6</u>	<u>15.0</u>	<u>2.5</u>	<u>14.8</u>	
Over/Under	14.3	7.8	-3.7	-21.4	26.0	-0.4	-8.3	26.0	3.7	
Pantheon Global Secondary Funds	3.2	40.2	6.4	-0.4	17.3	24.1	15.5	6.4	16.7	14.9
Russell 3000 + 2%	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>	<u>33.6</u>	<u>-3.3</u>	<u>23.6</u>	<u>15.0</u>	<u>2.5</u>	<u>14.8</u>	<u>36.2</u>
Over/Under	20.8	12.0	-16.9	-34.0	20.6	0.5	0.5	3.9	1.9	-21.3
Drive Capital Fund II	<u>-9.0</u>	<u>68.3</u>	<u>12.3</u>	<u>53.0</u>	<u>-2.5</u>	<u>-33.7</u>				
Russell 3000 + 2%	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>	<u>33.6</u>	<u>-3.3</u>	<u>23.6</u>				
Over/Under	8.6	40.1	-11.0	19.4	0.8	-57.3				
Abbott Secondary Opportunities	<u>-10.6</u>	<u>59.9</u>	<u>40.5</u>	<u>8.9</u>	<u>26.0</u>					
Russell 3000 + 2%	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>	<u>33.6</u>	<u>-3.3</u>					
Over/Under	7.0	31.7	17.2	-24.7	29.3					
Clearlake Capital Partners V	<u>-35.5</u>	<u>94.9</u>	<u>27.8</u>	<u>50.2</u>						
Russell 3000 + 2%	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>	<u>33.6</u>						
Over/Under	-17.9	66.7	4.5	16.6						
Battery Ventures XII	4.4	102.2	46.7	5.7						
Russell 3000 + 2%	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>	<u>33.6</u>						
Over/Under	22.0	74.0	23.4	-27.9						
Insight Venture Partners X	<u>-10.2</u>	<u>69.7</u>	<u>46.2</u>	<u>21.4</u>						
Russell 3000 + 2%	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>	<u>33.6</u>						
Over/Under	7.4	41.5	22.9	-12.2						

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
GTCR Fund XII	6.0	47.4	55.6	-18.8						
<i>Russell 3000 + 2%</i>	-17.6	28.2	23.3	33.6						
Over/Under	23.6	19.2	32.3	-52.4						
Buenaventure One, LLC	11.1	46.9	17.7	6.7						
<i>Russell 3000 + 2%</i>	-17.6	28.2	23.3	33.6						
Over/Under	28.7	18.7	-5.6	-26.9						
ECI 11	5.7	34.2	20.8	34.2						
<i>Russell 3000 + 2%</i>	-17.6	28.2	23.3	33.6						
Over/Under	23.3	6.0	-2.5	0.6						
Buenaventure Two, LLC	12.9	35.3	16.0	16.8						
<i>Russell 3000 + 2%</i>	-17.6	28.2	23.3	33.6						
Over/Under	30.5	7.1	-7.3	-16.8						
The Resolute Fund IV L.P.	24.7	34.6	42.2	81.6						
<i>Russell 3000 + 2%</i>	-17.6	28.2	23.3	33.6						
Over/Under	42.3	6.4	18.9	48.0						
GGV Capital VII L.P.	5.9	40.2	9.7							
<i>Russell 3000 + 2%</i>	-17.6	28.2	23.3							
Over/Under	23.5	12.0	-13.6							
GGV Discovery II, L.P.	36.1	49.2	11.2							
<i>Russell 3000 + 2%</i>	-17.6	28.2	23.3							
Over/Under	53.7	21.0	-12.1							
Drive Capital Overdrive Fund I	1.6	63.1	45.4							
<i>Russell 3000 + 2%</i>	-17.6	28.2	23.3							
Over/Under	19.2	34.9	22.1							
Riverside Micro Cap Fund V, LP	34.1	32.0	1.7							
<i>Russell 3000 + 2%</i>	-17.6	28.2	23.3							
Over/Under	51.7	3.8	-21.6							
GGV Capital VII Plus, LP	0.9	14.2	15.7							
<i>Russell 3000 + 2%</i>	-17.6	28.2	23.3							
Over/Under	18.5	-14.0	-7.6							

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Astorg VII L.P.	-2.4	14.7	62.3							
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>							
Over/Under	15.2	-13.5	39.0							
M/C Partners Fund VIII LP. Limited Partnership	28.8	9.7	-35.1							
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>							
Over/Under	46.4	-18.5	-58.4							
Genstar Capital Partners IX	31.8	46.4	27.1							
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>							
Over/Under	49.4	18.2	3.8							
Genstar IX Opportunities Fund I	32.4	35.1	12.6							
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>							
Over/Under	50.0	6.9	-10.7							
ABRY Partners IX, LP	25.2	30.9	-15.0							
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>							
Over/Under	42.8	2.7	-38.3							
Advent International GPE IX LP	-30.4	185.4	29.0							
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>							
Over/Under	-12.8	157.2	5.7							
Drive Capital Fund III LP	16.0	21.1	-9.0							
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>							
Over/Under	33.6	-7.1	-32.3							
Oak HC/FT Partners III LP	-6.6	93.6	3.2							
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>							
Over/Under	11.0	65.4	-20.1							
TA XIII A LP	12.8	74.1	1.9							
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>	<u>23.3</u>							
Over/Under	30.4	45.9	-21.4							



# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Dover Street X, LP	14.7	58.0								
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>								
Over/Under	32.3	29.8								
Hellman & Friedman CP IX	0.2	21.7								
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>								
Over/Under	17.8	-6.5								
Clearlake Capital Partners VI	2.9	67.4								
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>								
Over/Under	20.5	39.2								
Flexpoint Fund IV	37.3	33.9								
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>								
Over/Under	54.9	5.7								
Battery Ventures XIII	19.4	26.0								
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>								
Over/Under	37.0	-2.2								
Green Equity Investors VIII, L.P.	3.0	2.2								
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>								
Over/Under	20.6	-26.0								
CapVest Private Equity Partners IV, SCSp	29.8	71.2								
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>								
Over/Under	47.4	43.0								
Drive Capital Fund IV LP	-5.4									
<i>Russell 3000 + 2%</i>	<u>-17.6</u>									
Over/Under	12.2									
Great Hill Equity Partners VII	-11.3	368.6								
<i>Russell 3000 + 2%</i>	<u>-17.6</u>	<u>28.2</u>								
Over/Under	6.3	340.4								

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Vitruvian Investment Partners IV	34.0	-100.0								
<i>Russell 3000 + 2%</i>	-17.6	28.2								
Over/Under	51.6	-128.2								
CRV XVIII, L.P.	13.1									
<i>Russell 3000 + 2%</i>	-17.6									
Over/Under	30.7									
GGV Capital VIII, L.P.	8.8									
<i>Russell 3000 + 2%</i>	-17.6									
Over/Under	26.4									
GGV Discovery III, L.P.	29.0									
<i>Russell 3000 + 2%</i>	-17.6									
Over/Under	46.6									
Oak HC/FT Partners IV, L.P.	22.9									
<i>Russell 3000 + 2%</i>	-17.6									
Over/Under	40.5									
Prairie Capital VII, LP	13.6									
<i>Russell 3000 + 2%</i>	-17.6									
Over/Under	31.2									
GGV Capital VIII Plus, L.P.	5.8									
<i>Russell 3000 + 2%</i>	-17.6									
Over/Under	23.4									
Flexpoint Overage Fund IV A, L.P.	11.6									
<i>Russell 3000 + 2%</i>	-17.6									
Over/Under	29.2									
Abbott Secondary Opportunities II, L.P.	29.5									
<i>Russell 3000 + 2%</i>	-17.6									
Over/Under	47.1									
Genstar X Opportunities Fund I, LP	10.0									
<i>Russell 3000 + 2%</i>	-17.6									
Over/Under	27.6									
Charlesbank Overage Fund X	10.9									
<i>Russell 3000 + 2%</i>	-17.6									
Over/Under	28.5									

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Charlesbank Equity Fund X	7.3									
<i>Russell 3000 + 2%</i>	<i>-17.6</i>									
Over/Under	24.9									
GTCR Fund XIII	27.8									
<i>Russell 3000 + 2%</i>	<i>-17.6</i>									
Over/Under	45.4									
Hellman & Friedman CP X	-10.0									
<i>Russell 3000 + 2%</i>	<i>-17.6</i>									
Over/Under	7.6									
Genstar Capital Partners X LP	12.6									
<i>Russell 3000 + 2%</i>	<i>-17.6</i>									
Over/Under	30.2									
TA XIV A LP	-11.6									
<i>Russell 3000 + 2%</i>	<i>-17.6</i>									
Over/Under	6.0									
CVC Capital Partners VIII A LP	16.5									
<i>Russell 3000 + 2%</i>	<i>-17.6</i>									
Over/Under	34.1									
Drive Capital Overdrive										
<i>Russell 3000 + 2%</i>										
Over/Under										
Drive Capital Fund IV LP										
<i>Russell 3000 + 2%</i>										
Over/Under										
Kinderhook Capital Fund 7										
<i>Russell 3000 + 2%</i>										
Over/Under										
Pantheon Global Secondary Funds VII										
<i>Russell 3000 + 2%</i>										
Over/Under										
Harbourvest PTN Co Inv VI LP										
<i>Russell 3000 + 2%</i>										
Over/Under										
Clearlake Capital Partners VI	2.9	67.4								
<i>Russell 3000 + 2%</i>	<i>-17.6</i>	<u>28.2</u>								
Over/Under	20.5	39.2								

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Battery Ventures XIV										
<i>Russell 3000 + 2%</i>										
Over/Under										
Oak HC/FT Partners V										
<i>Russell 3000 + 2%</i>										
Over/Under										
Advent International GPE X LP										
<i>Russell 3000 + 2%</i>										
Over/Under										
GTCR Strategic Growth 1/A										
<i>Russell 3000 + 2%</i>										
Over/Under										
GTCR Strategic Growth 1/B										
<i>Russell 3000 + 2%</i>										
Over/Under										
Riverside Micro Cap Fund VI, LP										
<i>Russell 3000 + 2%</i>										
Over/Under										
Ridgemont Equity Partners IV										
<i>Russell 3000 + 2%</i>										
Over/Under										
CapVest Private Equity Partners V, SCSp										
<i>Russell 3000 + 2%</i>										
Over/Under										

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Private Credit</b>	<b>3.4</b>	<b>15.9</b>	<b>7.1</b>	<b>8.4</b>	<b>4.7</b>					
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	<u>-5.8</u>	<u>5.8</u>	<u>6.1</u>	<u>13.3</u>	<u>1.0</u>					
Over/Under	9.2	10.1	1.0	-4.9	3.7					
CVI Credit Value Fund IV	7.7	14.7	2.1	7.1	4.6					
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	<u>-5.8</u>	<u>5.8</u>	<u>6.1</u>	<u>13.3</u>	<u>1.0</u>					
Over/Under	13.5	8.9	-4.0	-6.2	3.6					
Monroe Capital Private Credit Fund III	9.2	13.9	11.2	11.2						
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	<u>-5.8</u>	<u>5.8</u>	<u>6.1</u>	<u>13.3</u>						
Over/Under	15.0	8.1	5.1	-2.1						
Bluebay Direct Lending Fund III	8.4	14.8	7.1							
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	<u>-5.8</u>	<u>5.8</u>	<u>6.1</u>							
Over/Under	14.2	9.0	1.0							
Pimco Private Income Fund	1.6	15.9	11.3							
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	<u>-5.8</u>	<u>5.8</u>	<u>6.1</u>							
Over/Under	7.4	10.1	5.2							
Bridge Debt Strategies III Limited Partner	3.3	15.4	2.6							
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	<u>-5.8</u>	<u>5.8</u>	<u>6.1</u>							
Over/Under	9.1	9.6	-3.5							
PIMCO Corp Opps Fund III	1.9	64.7								
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	<u>-5.8</u>	<u>5.8</u>								
Over/Under	7.7	58.9								
Torchlight Debt Fund VII, L.P.	6.0	1.4								
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	<u>-5.8</u>	<u>5.8</u>								
Over/Under	11.8	-4.4								
Torchlight Debt Fund VIII, L.P.										
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index										
Over/Under										
Crayhill Principal Strategies Fund II	30.1									
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	<u>-5.8</u>									
Over/Under	35.9									
CVI Credit Value Fund A V	-1.0									
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	<u>-5.8</u>									
Over/Under	4.8									

# TOTAL FUND CALENDAR YEAR RETURN SUMMARY

	Performance (%)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Bridge Debt Strategies Fund IV LP	6.2									
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	-5.8									
Over/Under	12.0									
Cross Ocean USD ESS Fund IV	8.4									
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	-5.8									
Over/Under	14.2									
Harbourvest Direct Lending L	1.3									
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	-5.8									
Over/Under	7.1									
Bain Capital Special Situations Asia Fund II	9.5									
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	-5.8									
Over/Under	15.3									
Arbour Lane Credit Opp III A	-10.6									
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	-5.8									
Over/Under	-4.8									
Monroe Private Capital Fund IV	6.1									
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	-5.8									
Over/Under	11.9									
Crescent Cove Opportunity Fund LP										
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index										
Over/Under										
VWH Partners III LP										
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index										
Over/Under										
Harbourview Royalties I										
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index										
Over/Under										

# PRIVATE EQUITY LP PERFORMANCE

Fund Name	Vintage Year	Initial Closing Date	Commitment	Capital Called to Date <sup>1</sup>	Outstanding Commitment <sup>1</sup>	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
												Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Abbott Secondary Opportunities, LP.	2017	12/21/2017	\$25,000,000	\$25,043,477	\$319,240	99%	\$30,343,875	\$10,334,528	\$40,678,403	\$15,634,926	24.6%	1.21x	1.62x
Abbott Secondary Opportunities II, LP.	2020	1/31/2020	\$40,000,000	\$15,606,722	\$24,393,278	--	\$4,200,000	\$15,881,796	\$20,081,796	\$4,475,074	43.8%	0.27x	1.29x
ABRY Partners IX	2019	12/6/2018	\$10,600,000	\$10,043,310	\$2,164,800	95%	\$1,608,110	\$12,463,924	\$14,072,034	\$4,028,724	1.8%	0.16x	1.4x
Adams Street 2010 U.S. Fund	2010	5/21/2010	\$42,500,000	\$37,442,500	\$5,057,500	88%	\$67,869,468	\$27,972,959	\$95,842,427	\$58,384,714	16.9%	1.81x	2.56x
Adams Street 2010 Non-U.S. Dev. Mkts Fund	2010	5/21/2010	\$25,500,000	\$22,962,749	\$2,537,251	90%	\$33,935,811	\$10,704,888	\$44,640,699	\$21,676,361	13.2%	1.48x	1.94x
Adams Street 2010 Non-U.S. Emg Mkts Fund	2010	1/3/2011	\$8,500,000	\$7,633,000	\$867,000	90%	\$7,835,579	\$7,682,574	\$15,518,153	\$7,885,153	10.6%	1.03x	2.03x
Adams Street 2010 Direct Fund	2010	5/21/2010	\$8,500,000	\$8,168,500	\$331,500	96%	\$12,560,694	\$2,797,221	\$15,357,915	\$7,182,718	11.9%	1.54x	1.88x
Adams Street 2013 Global Fund	2013	6/27/2013	\$75,000,000	\$69,319,741	\$5,680,259	92%	\$66,364,205	\$80,876,507	\$147,240,712	\$77,910,243	14.4%	0.96x	2.12x
Adams Street 2016 Global Fund	2016	8/16/2016	\$60,000,000	\$49,384,776	\$10,615,224	82%	\$21,068,412	\$73,061,096	\$94,129,508	\$44,744,732	20.2%	0.43x	1.91x
Adams Street Co-Investment Fund IV A	2018	9/24/2018	\$30,000,000	\$28,267,931	\$5,062,521	94%	\$10,574,191	\$34,122,472	\$44,696,663	\$16,360,924	21.5%	0.37x	1.58x
Adams Street Co-Investment Fund V	2022	9/30/2021	\$35,000,000	\$5,250,000	\$29,750,000	15%	--	\$5,576,426	\$5,576,426	\$326,426	17.4%	--	1.06x
Adams Street Global Secondary Fund 7	2022	11/4/2022	\$25,000,000	\$4,822,560	\$20,177,440	19%	--	\$4,750,000	\$4,750,000	(\$72,560)	-5.2%	--	0.98x
Advent International GPE IX	2019	5/23/2019	\$10,000,000	\$9,100,641	\$899,359	91%	\$999,600	\$12,439,461	\$13,439,061	\$4,338,420	23.8%	0.11x	1.48x
Advent International GPE X	2022	4/28/2022	\$20,000,000	\$1,500,000	\$18,500,000	8%	--	\$1,378,528	\$1,378,528	(\$121,472)	-22.4%	--	0.92x
Astorg VII	2019	12/17/2018	\$8,732,861	\$7,770,216	\$962,645	89%	--	\$9,487,107	\$9,487,107	\$1,716,891	11.1%	--	1.22x
Astorg VIII	2022	2/1/2022	\$18,423,572	\$2,987,691	\$15,435,881	16%	--	\$2,854,016	\$2,854,016	(\$133,675)	-8.1%	--	0.96x
Battery Ventures XII	2018	2/1/2018	\$9,050,000	\$8,161,290	\$888,710	90%	\$5,136,085	\$19,263,205	\$24,399,290	\$16,238,000	35.6%	0.63x	2.99x
Battery Ventures XII Side Fund	2018	2/1/2018	\$5,050,000	\$4,772,755	\$277,245	95%	\$5,643,608	\$9,785,488	\$15,429,096	\$10,656,341	39.8%	1.18x	3.23x
Battery Ventures XIII	2020	2/11/2020	\$9,240,000	\$7,392,000	\$1,848,000	80%	--	\$9,845,614	\$9,845,614	\$2,453,614	16.8%	--	1.33x
Battery Ventures XIII Side Fund	2020	2/11/2020	\$6,160,000	\$5,020,400	\$1,139,600	82%	--	\$7,115,040	\$7,115,040	\$2,094,640	20.2%	--	1.42x
Battery Ventures XIV	2022	2/24/2022	\$10,000,000	\$1,450,000	\$8,550,000	15%	--	\$1,335,318	\$1,335,318	(\$114,682)	-19.6%	--	0.92x
Buenaventure One, LLC	2018	1/5/2018	\$289,599,750	\$145,570,590	\$144,029,160	50%	\$17,233,156	\$201,286,688	\$218,519,844	\$72,949,254	20.4%	0.12x	1.5x
CapVest Equity Partners IV	2019	7/11/2018	\$12,481,439	\$8,224,804	\$4,256,635	66%	--	\$10,042,717	\$10,042,717	\$1,817,913	13.1%	--	1.22x
CapVest Equity Partners V	2021	11/23/2021	\$18,811,934	\$346,467	\$18,465,467	--	--	(\$238,517)	(\$238,517)	--	-100.00%	--	-0.69x
Charlesbank Equity Fund X	2020	11/20/2020	\$24,000,000	\$10,474,475	\$13,525,525	44%	\$95,719	\$11,735,957	\$11,831,676	\$1,357,201	13.0%	0.01x	1.13x
Charlesbank Equity Overage Fund X	2020	11/20/2020	\$6,000,000	\$4,337,517	\$1,662,483	72%	\$31,636	\$4,729,209	\$4,760,845	\$423,328	10.6%	0.01x	1.1x
Charlesbank Technology Opportunies Fund II	2023	2/21/2023	\$20,000,000	--	\$20,000,000	--	--	--	--	--	--	--	--
Clearlake Capital Partners V	2017	12/22/2017	\$9,950,000	\$14,059,510	\$2,129,324	79%	\$17,758,524	\$12,535,892	\$30,294,416	\$16,188,748	42.9%	1.26x	2.15x
Clearlake Capital Partners VI	2020	1/2/2020	\$18,700,000	\$18,922,043	\$522,109	101%	\$1,566,382	\$26,297,215	\$27,863,597	\$8,941,554	24.5%	0.08x	1.47x
Clearlake Capital Partners VII	2021	9/17/2021	\$20,000,000	\$10,274,689	\$9,725,311	51%	\$487	\$10,055,129	\$10,055,616	(\$219,073)	-3.4%	0x	0.98x
CRV XVIII	2020	7/2/2020	\$15,000,000	\$12,112,500	\$2,887,500	81%	--	\$13,161,136	\$13,161,136	\$1,048,636	5.5%	--	1.09x
CRV XIX	2022	1/27/2022	\$10,000,000	\$1,275,000	\$8,725,000	13%	--	\$1,078,038	\$1,078,038	(\$196,962)	-21.9%	--	0.85x
CVC Capital Partners VIII	2020	5/22/2020	\$19,933,263	\$11,423,819	\$8,509,444	57%	\$13,084	\$12,006,005	\$12,019,089	\$595,270	6.9%	0x	1.05x
Drive Capital Fund II	2016	8/19/2016	\$15,000,000	\$14,946,053	\$57,157	100%	\$5,047,070	\$28,124,443	\$33,171,513	\$18,222,250	20.7%	--	2.22x
Drive Capital Fund III	2019	4/5/2019	\$7,500,000	\$6,222,690	\$1,277,310	83%	--	\$7,966,595	\$7,966,595	\$1,743,905	14.2%	--	1.28x
Drive Capital Fund IV	2021	12/27/2021	\$10,000,000	\$3,833,000	\$6,167,000	38%	--	\$3,628,599	\$3,628,599	(\$204,401)	-5.4%	--	0.95x
Drive Capital Overdrive Fund I	2019	4/5/2019	\$7,500,000	\$7,349,050	\$150,950	98%	\$12,492	\$13,946,433	\$13,958,925	\$6,609,875	26.2%	--	1.9x
Drive Capital Overdrive Fund II	2021	12/27/2021	\$10,000,000	\$4,234,953	\$5,765,047	42%	--	\$4,054,912	\$4,054,912	(\$180,041)	-5.5%	--	0.96x
ECI 11	2018	7/5/2018	\$9,754,977	\$8,828,660	\$926,317	91%	\$3,884,612	\$8,474,088	\$12,358,700	\$3,530,040	17.6%	0.44x	1.4x
ECI 12	2022	7/15/2022	\$20,626,003	--	\$20,670,759	--	--	--	--	--	--	--	--



# PRIVATE EQUITY LP PERFORMANCE

Fund Name	Vintage Year	Initial Closing Date	Commitment	Capital Called to Date <sup>1</sup>	Outstanding Commitment	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
												Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Genstar Capital Partners IX	2019	2/21/2019	\$7,500,000	\$7,137,411	\$362,589	95%	\$3,220,692	\$9,914,348	\$13,135,040	\$5,997,629	34.1%	0.45x	1.84x
Genstar Capital Partners IX Opportunities Program	2019	2/21/2019	\$2,500,000	\$2,156,762	\$343,238	86%	\$940,541	\$2,995,571	\$3,936,112	\$1,779,350	27.2%	0.44x	1.83x
Genstar Capital Partners X	2021	4/1/2021	\$15,000,000	\$8,514,275	\$6,485,725	57%	--	\$8,857,602	\$8,857,602	\$343,327	5.7%	--	1.04x
Genstar Capital Partners X Opportunities Program	2021	4/1/2021	\$5,000,000	\$2,973,446	\$2,026,554	59%	--	\$3,113,821	\$3,113,821	\$140,375	5.4%	--	1.05x
GGV Capital VII	2019	8/15/2018	\$10,160,000	\$9,550,400	\$609,600	94%	\$69,608	\$13,438,593	\$13,508,201	\$3,957,801	13.2%	0.01x	1.41x
GGV Capital VII Plus	2019	8/15/2018	\$2,540,000	\$2,476,500	\$63,500	98%	--	\$3,170,308	\$3,170,308	\$693,808	9.3%	--	1.28x
GGV Capital VIII	2020	10/30/2020	\$9,180,000	\$5,186,700	\$3,993,300	57%	--	\$5,944,328	\$5,944,328	\$757,628	10.9%	--	1.15x
GGV Capital VIII Plus	2020	10/30/2020	\$2,295,000	\$1,055,700	\$1,239,300	46%	--	\$1,095,548	\$1,095,548	\$39,848	2.8%	--	1.04x
GGV Discovery II	2019	8/15/2018	\$2,100,000	\$1,953,000	\$147,000	93%	--	\$3,921,640	\$3,921,640	\$1,968,640	29.0%	--	2.01x
GGV Discovery III	2020	10/30/2020	\$3,825,000	\$1,778,625	\$2,046,375	47%	--	\$2,544,971	\$2,544,971	\$766,346	28.1%	--	1.43x
Great Hill Equity Partners VII	2019	6/28/2019	\$8,900,000	\$8,159,058	\$740,942	92%	\$2,458,521	\$8,379,464	\$10,837,985	\$2,678,927	50.0%	0.3x	1.33x
Great Hill Equity Partners VIII	2021	11/1/2021	\$25,000,000	\$1,288,109	\$23,711,891	--	--	(\$266,479)	(\$266,479)	--	-100.0%	--	-0.21x
Green Equity Investors VIII	2019	10/18/2019	\$15,000,000	\$13,070,155	\$2,049,081	87%	\$119,236	\$14,234,486	\$14,353,722	\$1,283,567	6.1%	0.01x	1.1x
Green Equity Investors IX	2022	3/1/2022	\$13,300,000	--	\$13,300,000	--	--	(\$17,732)	(\$17,732)	--	-100.0%	--	--
GTCR Fund XII	2017	9/29/2017	\$30,000,000	\$24,532,892	\$5,467,108	82%	\$12,846,870	\$32,806,161	\$45,653,031	\$21,120,139	26.1%	0.52x	1.86x
GTCR Fund XIII	2020	10/27/2020	\$30,000,000	\$15,343,652	\$14,656,348	51%	\$3,268,145	\$14,799,906	\$18,068,051	\$2,724,399	23.2%	0.21x	1.18x
GTCR Strategic Growth Fund I	2022	1/18/2022	\$10,000,000	\$1,108,000	\$8,892,000	11%	--	\$762,949	\$762,949	--	-71.2%	--	0.69x
HarbourVest - Dover Street VIII	2013	5/30/2013	\$67,500,000	\$62,184,954	\$5,400,000	92%	\$98,517,562	\$7,076,275	\$105,593,837	\$43,323,929	19.9%	1.58x	1.7x
HarbourVest - Dover Street IX	2016	12/16/2016	\$60,000,000	\$52,800,000	\$7,200,000	88%	\$54,192,006	\$37,945,317	\$92,137,323	\$39,337,323	23.0%	1.03x	1.75x
HarbourVest - Dover Street X	2019	5/31/2019	\$40,000,000	\$25,300,000	\$14,700,000	63%	\$9,539,725	\$29,024,260	\$38,563,985	\$13,263,985	33.6%	0.38x	1.52x
HarbourVest - Dover Street XI	2023	1/27/2023	\$40,000,000	--	\$40,000,000	--	--	--	--	--	--	--	--
HarbourVest Partners Co-Investment IV	2017	6/2/2017	\$30,000,000	\$24,464,388	\$5,732,352	82%	\$23,670,200	\$22,264,117	\$45,934,317	\$21,469,929	16.5%	0.97x	1.88x
HarbourVest Partners Co-Investment V	2019	7/31/2018	\$35,000,000	\$27,125,000	\$7,875,000	78%	\$5,592,394	\$39,753,940	\$45,346,334	\$18,221,334	21.5%	0.21x	1.67x
HarbourVest Partners Co-Investment VI	2021	6/24/2021	\$35,000,000	\$12,250,000	\$22,750,000	35%	--	\$11,596,604	\$11,596,604	(\$653,396)	-11.6%	--	0.95x
Hellman & Friedman Capital Partners IX	2019	9/28/2018	\$19,800,000	\$20,312,185	\$537,072	103%	\$1,156,489	\$24,459,791	\$25,616,280	\$5,304,095	11.6%	0.06x	1.26x
Hellman & Friedman Capital Partners X	2021	5/10/2021	\$20,000,000	\$14,412,643	\$5,587,357	--	\$20,061	\$14,049,225	\$14,069,286	(\$343,357)	-2.5%	0x	0.98x
Hellman & Friedman Investors XI	2023	3/31/2023	\$20,000,000	--	\$20,000,000	--	--	--	--	--	--	--	--
Insight Venture Partners X	2017	10/13/2017	\$25,000,000	\$26,180,872	\$808,138	105%	\$11,332,732	\$49,530,423	\$60,863,155	\$34,682,283	26.7%	0.43x	2.32x
Jade Equity Investors II	2022	3/1/2022	\$6,700,000	--	\$6,700,000	--	--	-\$6,201.00	-\$6,201.00	--	-100.0%	--	--
Kinderhook Capital Fund 7	2022	1/28/2022	\$10,000,000	\$3,482,652	\$6,517,348	35%	\$4,083	\$3,204,960	\$3,209,043	-\$273,609	-16.2%	0x	0.92x
M/C Partners VIII	2019	4/2/2018	\$10,000,000	\$7,647,432	\$2,352,568	76%	\$929,368	\$7,980,943	\$8,910,311	\$1,262,879	8.1%	0.12x	1.17x
M/C Partners IX	2022	5/6/2022	\$10,000,000	--	\$10,000,000	--	--	--	--	--	--	--	--
Oak HC/FT Partners III	2019	7/31/2019	\$15,000,000	\$15,048,730	\$1,348,190	100%	\$1,396,920	\$22,516,636	\$23,913,556	\$8,864,826	23.4%	0.09x	1.59x
Oak HC/FT Partners IV	2021	2/17/2021	\$10,000,000	\$8,162,570	\$1,837,430	82%	--	\$9,022,985	\$9,022,985	\$860,415	7.9%	--	1.11x
Oak HC/FT Partners V	2022	5/11/2022	\$10,000,000	\$981,141	\$9,018,859	10%	--	\$1,013,125	\$1,013,125	\$31,984	12.5%	--	1.03x
Pantheon Global Secondary Fund IV	2010	6/24/2010	\$15,000,000	\$9,960,000	\$2,040,000	66%	\$14,929,293	\$954,067	\$15,883,360	\$5,923,360	12.8%	1.5x	1.59x
Pantheon Global Secondary Fund V	2015	2/6/2015	\$50,000,000	\$39,616,509	\$10,383,491	79%	\$31,434,484	\$33,901,156	\$65,335,640	\$25,881,645	13.2%	0.79x	1.65x
Pantheon Global Secondary Fund VI	2018	2/24/2020	\$25,000,000	\$17,347,805	\$7,887,113	69%	\$3,474,621	\$25,125,410	\$28,600,031	\$11,252,226	25.8%	0.2x	1.65x
Pantheon Global Secondary Fund VII	2022	10/28/2021	\$25,000,000	\$4,728,180	\$20,271,820	19%	\$61,529	\$4,694,768	\$4,756,297	\$28,117	0.8%	0.01x	1.01x
Prairie Capital VII QP	2021	4/6/2021	\$10,800,000	\$3,672,000	\$7,128,000	34%	--	\$3,974,905	\$3,974,905	\$302,905	6.3%	--	1.08x
The Resolute Fund IV	2018	5/2/2018	\$20,000,000	\$21,313,069	\$2,493,677	107%	\$12,695,432	\$31,572,672	\$44,268,104	\$22,955,035	40.1%	0.6x	2.08x
Ridgemont Equity Partners IV	2021	10/29/2021	\$20,000,000	\$1,551,812	\$18,448,188	--	--	\$1,385,370	\$1,385,370	-\$166,442	-40.0%	--	0.89x
Riverside Micro-Cap Fund V	2018	8/21/2018	\$10,000,000	\$8,316,296	\$1,683,704	83%	--	\$11,886,583	\$11,886,583	\$3,570,287	17.2%	--	1.43x
Riverside Micro-Cap Fund VI	2021	8/26/2021	\$20,000,000	\$5,556,974	\$14,443,026	28%	--	\$5,025,387	\$5,025,387	--	-63.1%	--	0.9x
TA XIII	2019	5/2/2019	\$10,000,000	\$9,800,000	\$200,000	98%	\$3,650,000	\$12,457,435	\$16,107,435	\$6,307,435	31.1%	0.37x	1.64x
Vitruvian Investment Partnership IV	2020	6/3/2020	\$20,339,910	\$13,882,777	\$6,457,133	68%	--	\$15,680,440	\$15,680,440	\$1,797,663	12.3%	--	1.13x

**Total VCERA Private Equity Program**

**5/21/2010 \$1,933,753,709 \$1,171,366,877 \$780,596,844 61% \$612,014,505 \$1,295,133,933 \$1,907,181,583 \$735,740,863 18.1% 0.52x 1.63x**

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 3/31/2023 statement of investments produced by Abbott Capital.





# PRIVATE CREDIT LP PERFORMANCE

Fund Name	Vintage Year	Initial Investment Date	Commitment	Capital Called to Date <sup>1</sup>	Outstanding Commitment <sup>1</sup>	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
												Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Arbour Lane Credit Opp III A	2021	11/15/2021	\$30,000,000	\$12,662,011	\$17,337,989	42%	\$0	\$11,482,304	\$11,482,304	-\$1,179,707	-9.5%	0x	0.91x
Bain Capital Special Situations Asia Fund II	2021	7/26/2021	\$25,000,000	\$2,529,966	\$22,470,034	10%	\$0	\$2,769,804	\$2,769,804	\$0	6.9%	0x	1.09x
BlueBay Direct Lending III	2019	2/12/2019	\$25,000,000	\$16,105,933	\$8,894,067	64%	\$3,075,371	\$16,978,894	\$20,054,264	\$3,948,331	9.2%	0.19x	1.25x
Bridge Debt Strategies III	2019	12/20/2019	\$25,000,000	\$24,072,665	\$927,335	96%	\$10,596,913	\$15,370,065	\$25,966,979	\$1,894,314	7.3%	0.44x	1.08x
Bridge Debt Strategies Fund IV	2021	7/26/2021	\$25,000,000	\$25,792,071	-\$792,071	103%	\$3,379,815	\$23,801,529	\$27,181,345	\$1,389,273	5.2%	0.13x	1.05x
Crayhill Principal Strategies II	2021	4/23/2021	\$25,000,000	\$20,540,801	\$4,459,199	82%	\$7,883,584	\$13,234,911	\$21,118,495	\$577,694	3.1%	0.38x	1.03x
Crescent Cove Opportunity Fund LP	2022	5/20/2022	\$25,000,000	\$12,500,000	\$12,500,000	50%	\$41,250	\$12,597,266	\$12,638,516	\$138,516	1.1%	0x	1.01x
Cross Ocean USD ESS Fund IV	2021	6/21/2021	\$25,000,000	\$16,423,006	\$8,576,994	66%	\$1,742,488	\$15,598,520	\$17,341,008	\$918,002	7.6%	0.11x	1.06x
CVI Credit Value Fund IV	2017	12/31/2017	\$30,000,000	\$33,600,000	-\$3,600,000	112%	\$15,895,312	\$26,986,411	\$42,881,723	\$9,281,723	8.1%	0.47x	1.28x
CVI Credit Value Fund V	2021	3/29/2021	\$30,000,000	\$19,674,333	\$10,325,667	66%	\$1,618	\$20,855,321	\$20,856,939	\$1,182,606	5.5%	0x	1.06x
HarbourView Royalties Fund I	2023	3/16/2023	\$30,000,000	\$14,736,901	\$15,263,099	49%	\$0	\$14,736,901	\$14,736,901	\$0	0.0%	0x	1x
Harbourvest Direct Lending L	2021	6/21/2021	\$25,000,000	\$18,974,922	\$6,025,078	76%	\$1,640,752	\$17,559,659	\$19,200,411	\$225,489	1.7%	0.09x	1.01x
Kennedy Lewis Capital Partners III	2023		\$30,000,000	--	--	--	--	--	--	--	--	--	--
Monroe Capital Private Credit Fund III	2018	9/5/2018	\$25,000,000	\$21,253,151	\$3,746,849	85%	\$8,503,976	\$21,689,890	\$30,193,866	\$8,940,715	11.9%	0.4x	1.42x
Monroe Capital Private Credit Fund IV	2022	1/10/2022	\$30,000,000	\$31,672,755	-\$1,672,755	106%	\$8,123,720	\$25,077,179	\$33,200,899	\$1,528,144	7.9%	0.26x	1.05x
Pantheon Credit Opportunity II	2022		\$50,000,000	--	--	--	--	--	--	--	--	--	--
PIMCO Corporate Opportunity Fund III	2020	1/26/2020	\$50,000,000	\$45,000,000	\$5,000,000	90%	\$126,148	\$48,951,943	\$49,078,091	\$4,078,091	6.0%	0x	1.09x
PIMCO Corporate Opportunity Fund IV	2022		\$100,000,000	--	--	--	--	--	--	--	--	--	--
PIMCO Private Income Fund	2019	3/25/2019	\$55,000,000	\$55,000,000	\$0	100%	\$22,651	\$70,631,984	\$70,654,635	\$15,654,635	8.6%	0x	1.28x
Torchlight Debt Fund VII	2021	1/25/2021	\$25,000,000	\$13,765,285	\$11,234,715	55%	\$1,265,285	\$13,390,463	\$14,655,748	\$890,463	5.2%	0.09x	1.06x
Torchlight Debt Fund VIII	2022	1/1/2023	\$40,000,000	\$2,000,000	\$38,000,000	5%	\$0	\$2,000,000	\$2,000,000	\$0	0.0%	0x	1x
VWH Partners III LP	2022	12/1/2022	\$50,000,000	\$20,459,950	\$29,540,050	41%	\$0	\$20,768,916	\$20,768,916	\$308,966	1.8%	0x	1.02x

**Total VCERA Private Credit Program**

**\$775,000,000    \$406,763,751    \$188,236,249    52%    \$62,298,883    \$394,481,961    \$456,780,845    \$49,777,255    7.0%    0.15x    1.12x**

1. Includes recycled/recallable distributions received to date.

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

Performance shown is based on 3/31/2023 cash-adjusted market values.



# PRIVATE REAL ASSETS LP PERFORMANCE

Fund Name	Vintage Year	Initial Investment Date	Commitment	Capital Called to Date <sup>1</sup>	Outstanding Commitment <sup>1</sup>	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
												Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Brookfield Infrastructure Fund IV, LP	2019	10/21/2019	\$50,000,000	\$52,086,990	-\$2,086,990	104%	\$8,312,802	\$49,678,350	\$57,991,152	\$5,904,161	9.4%	0.16x	1.11x
Harbourvest Real Assets Fund IV, LP	2019	7/15/2019	\$100,000,000	\$52,052,632	\$47,947,368	52%	\$16,993,094	\$57,138,976	\$74,132,070	\$22,079,438	41.7%	0.33x	1.42x
<b>Total VCERA Private Real Assets Program</b>			<b>\$150,000,000</b>	<b>\$104,139,622</b>	<b>\$45,860,378</b>	<b>69%</b>	<b>\$25,305,896</b>	<b>\$106,817,326</b>	<b>\$132,123,222</b>	<b>\$27,983,600</b>	<b>19.8%</b>	<b>0.24x</b>	<b>1.27x</b>

1. Includes recycled/recallable distributions received to date.

Note: Private Real Assets performance data is reported net of fees.

Performance shown is based on 3/31/2023 cash-adjusted market values.



# PRIVATE REAL ESTATE LP PERFORMANCE

Fund Name	Vintage Year	Initial Investment Date	Commitment	Capital Called to Date <sup>1</sup>	Outstanding Commitment <sup>1</sup>	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
												Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Alterra IOS Venture II LP	2022	4/7/2022	\$35,000,000	\$22,527,540	\$12,472,460	64%	\$0	\$21,888,479	\$21,888,479	-\$639,061	-4.9%	0x	0.97x
LaSalle Income & Growth Fund VIII, LP	2019	2/26/2020	\$100,000,000	\$75,090,739	\$26,499,899	75%	\$25,162,914	\$62,501,654	\$87,664,569	\$12,573,830	16.3%	0.34x	1.17x
<b>Total VCERA Private Real Estate Program</b>			<b>\$135,000,000</b>	<b>\$97,618,279</b>	<b>\$38,972,359</b>	<b>72%</b>	<b>\$25,162,914</b>	<b>\$84,390,133</b>	<b>\$109,553,047</b>	<b>\$11,934,768</b>	<b>12.7%</b>	<b>0.26x</b>	<b>1.12x</b>

1. Includes recycled/recallable distributions received to date.

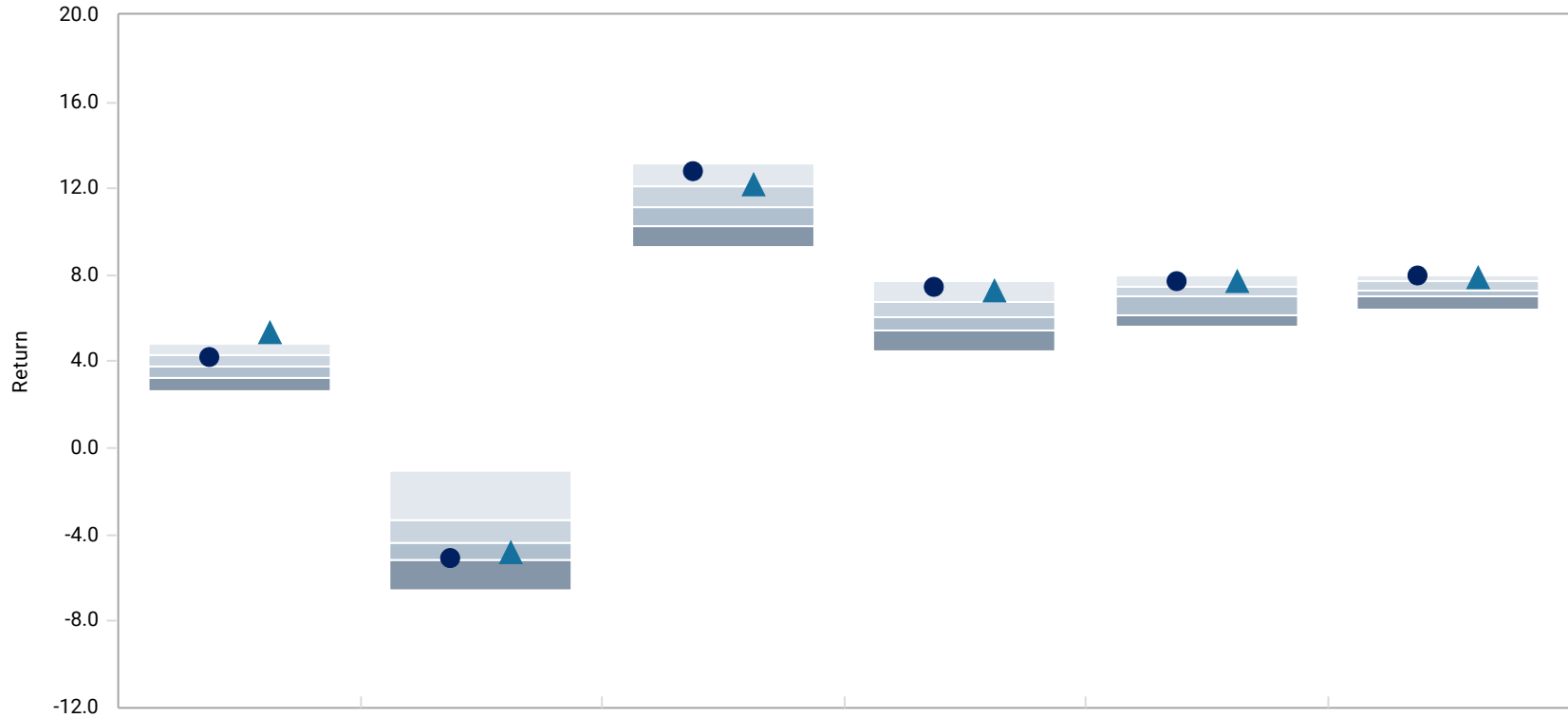
Note: Private Real Estate performance data is reported net of fees.

Performance shown is based on 3/31/2023 cash-adjusted market values.



# TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE

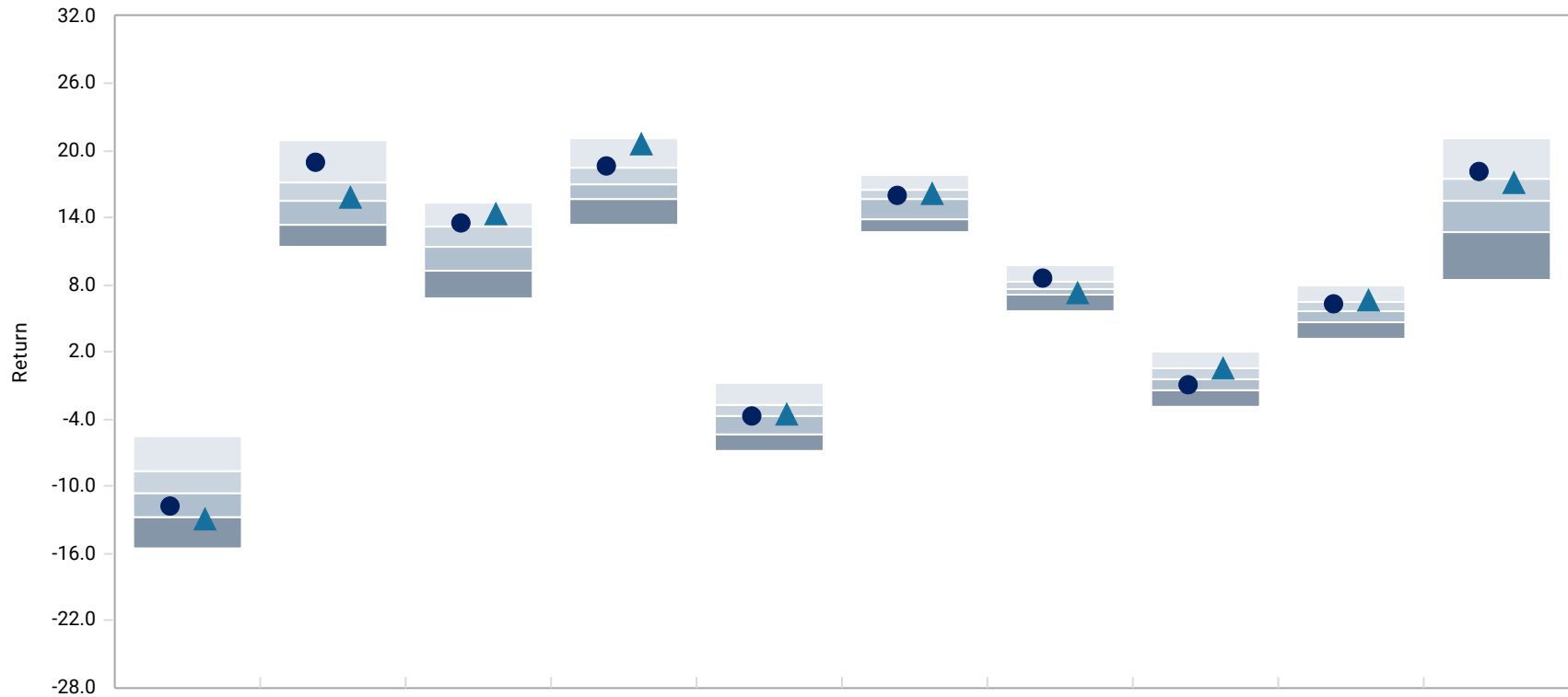
Total Fund vs. InvMetrics Public DB > \$1 Billion



	3 Mo	1 Year	3 Years	5 Years	10 Years	Inception
● Total Fund	4.2 (29)	-5.1 (73)	12.8 (13)	7.5 (9)	7.8 (9)	8.0 (14)
▲ Policy Index	5.4 (1)	-4.8 (65)	12.2 (24)	7.3 (14)	7.8 (10)	7.9 (18)
5th Percentile	4.8	-1.1	13.2	7.7	7.9	8.0
1st Quartile	4.3	-3.4	12.1	6.7	7.5	7.7
Median	3.8	-4.4	11.1	6.1	7.0	7.3
3rd Quartile	3.2	-5.2	10.3	5.5	6.1	7.0
95th Percentile	2.6	-6.6	9.3	4.5	5.6	6.4
Population	51	51	49	48	46	24

# TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE

Total Fund vs. InvMetrics Public DB > \$1 Billion

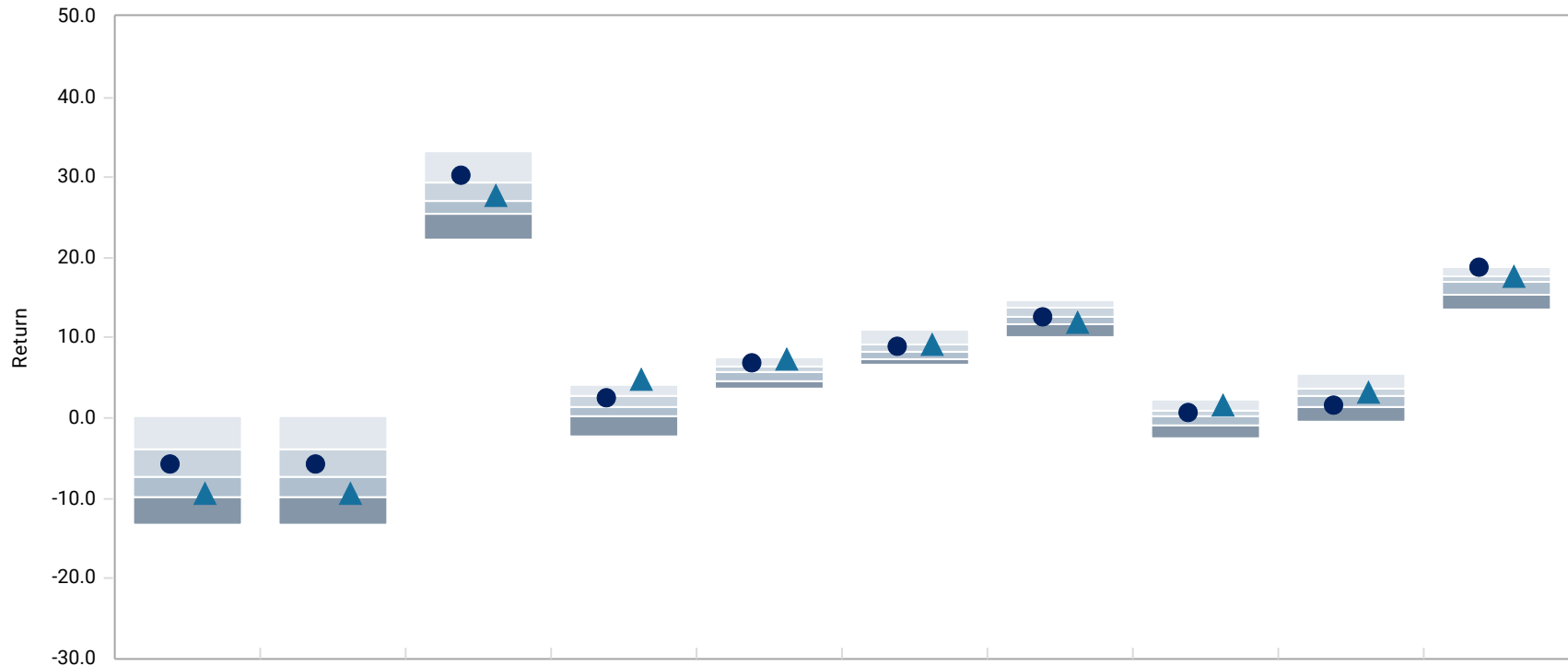


	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
● Total Fund	-11.7 (63)	19.1 (11)	13.6 (16)	18.7 (21)	-3.6 (48)	16.0 (40)	8.6 (20)	-0.9 (63)	6.3 (34)	18.1 (19)
▲ Policy Index	-12.9 (77)	15.8 (47)	14.4 (11)	20.7 (8)	-3.6 (47)	16.2 (33)	7.4 (66)	0.7 (24)	6.6 (24)	17.2 (29)
5th Percentile	-5.4	21.0	15.4	21.2	-0.8	17.9	9.8	2.1	8.0	21.1
1st Quartile	-8.6	17.2	13.2	18.5	-2.7	16.6	8.3	0.6	6.6	17.5
Median	-10.7	15.5	11.5	17.1	-3.7	15.7	7.6	-0.4	5.7	15.6
3rd Quartile	-12.7	13.5	9.3	15.7	-5.3	14.0	7.1	-1.3	4.7	12.8
95th Percentile	-15.6	11.4	6.8	13.4	-6.8	12.8	5.7	-2.9	3.3	8.4
Population	104	134	144	126	106	116	114	109	107	103



# TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE

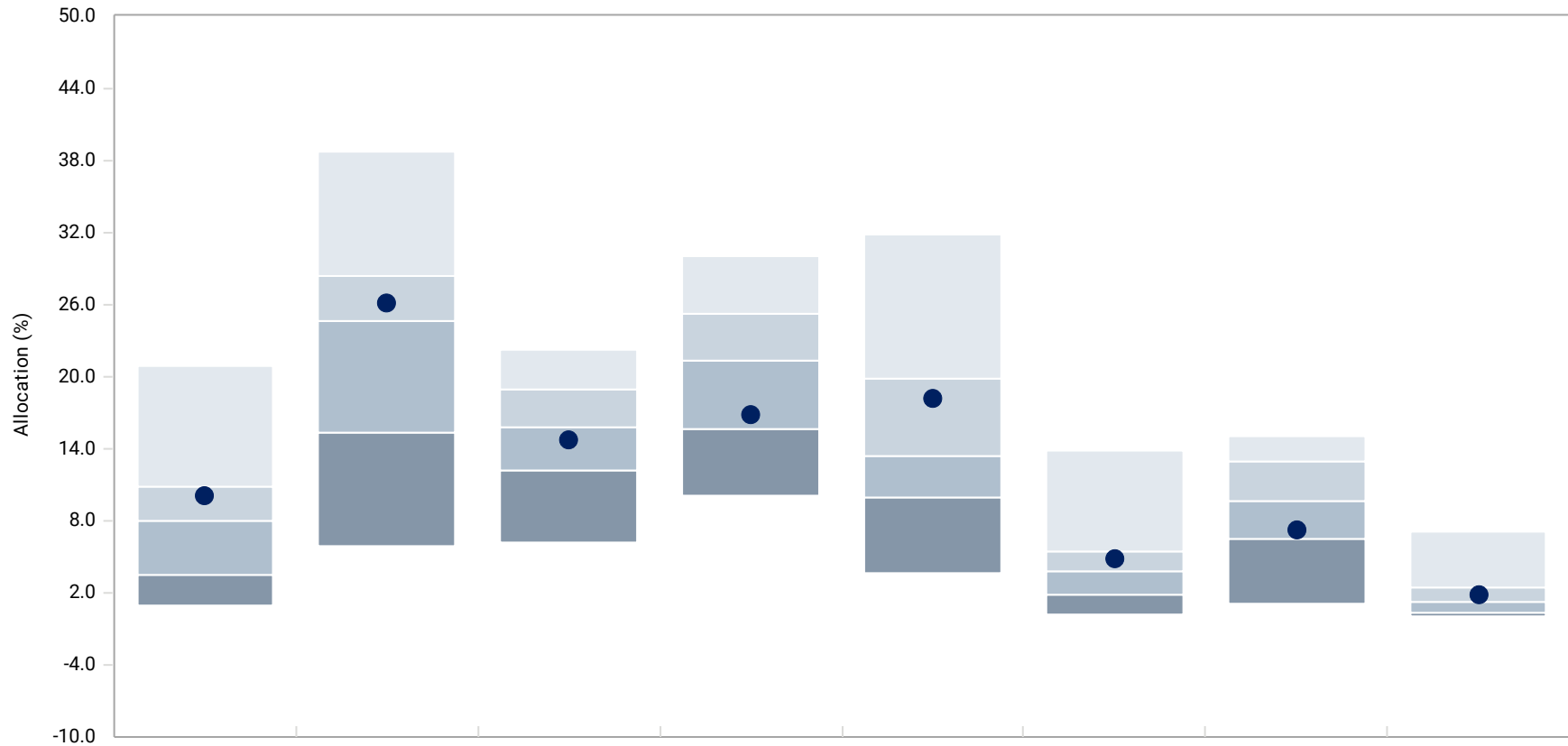
Total Fund vs. InvMetrics Public DB > \$1 Billion



	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
● Total Fund	-5.8 (40)	-5.8 (40)	30.3 (20)	2.5 (31)	7.0 (11)	8.9 (32)	12.6 (50)	0.8 (34)	1.7 (71)	18.8 (5)
▲ Policy Index	-9.4 (73)	-9.4 (73)	27.8 (40)	4.8 (1)	7.4 (7)	9.2 (21)	12.0 (64)	1.6 (7)	3.2 (39)	17.6 (27)
5th Percentile	0.2	0.2	33.3	4.1	7.7	11.1	14.8	2.3	5.5	18.8
1st Quartile	-3.9	-3.9	29.4	2.9	6.4	9.1	13.7	0.9	3.7	17.8
Median	-7.2	-7.2	27.0	1.3	5.7	8.2	12.6	0.2	2.7	17.0
3rd Quartile	-9.9	-9.9	25.4	0.2	4.7	7.5	11.6	-0.9	1.5	15.5
95th Percentile	-13.3	-13.3	22.2	-2.2	3.7	6.7	10.1	-2.5	-0.5	13.6
Population	110	110	147	129	103	81	78	75	71	65

# TOTAL FUND ALLOCATIONS VS. PEER UNIVERSE

Total Fund Allocation vs. InvMetrics Public DB > \$1 Billion



	Global Equity	US Equity	Global ex-US Equity	Total Fixed Income	Private Equity	Real Assets/Commod	Total Real Estate	Cash & Equivalents
● Total Fund	10.1 (28)	26.1 (41)	14.8 (59)	16.8 (70)	18.2 (37)	4.8 (30)	7.3 (70)	1.9 (34)
5th Percentile	20.9	38.7	22.2	30.0	31.8	13.9	15.1	7.1
1st Quartile	10.9	28.5	19.0	25.2	19.9	5.4	13.0	2.4
Median	8.0	24.6	15.7	21.3	13.5	3.8	9.6	1.3
3rd Quartile	3.6	15.4	12.2	15.6	10.0	1.9	6.5	0.3
95th Percentile	1.0	5.9	6.3	10.1	3.7	0.2	1.2	0.1
Population	19	48	49	50	37	28	40	37



# MANAGER DUE DILIGENCE





# 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 (One Year Period)	Changes/ Announcements (Recent Quarter)	Comments
Western U.S. Index Plus	-	-	
BlackRock Russell 1000 Index	-	-	
BlackRock Russell 2500 Index	-	-	
BlackRock MSCI ACWI ex-U.S. Index	-	-	
Sprucegrove	Top Quartile	-	
Walter Scott	Top Quartile	-	
BlackRock MSCI ACWI Index	-	-	
PIMCO PIF	N/A	Yes	
BlackRock U.S. Debt Fund	-	-	
Western	Bottom Quartile	-	
Reams	Top Quartile	-	
Loomis Sayles Strategic Alpha	-	Yes	
Loomis Sayles Multi-Sector Full Discretion	-	Yes	

# DUE DILIGENCE MONITOR

Manager   Product	New Updates	NEPC Status
<p>Loomis Sayles   Strategic Alpha and Multisector Full Discretion</p>	<p>Loomis Sayles announced on April 27, 2023 that it is folding its Bank Loan team into the Full Discretion group, with the expectation that this will be official by the end of June 2023. There will be no changes to the named portfolio managers on any strategies (legacy Bank Loans or Full Discretion). Loomis conveyed the primary impetus for this move is due to Loomis' perceived convergence of the bank loan and high yield markets. Matt Eagan, from the Full Discretion portfolio management team, indicated that with the deterioration in quality in the bank loan market, the Full Discretion team believes there will be more opportunity in bank loans for the Full Discretion strategies.</p> <p>John Bell currently leads the Bank Loans team, which also includes portfolio managers Michael Klawitter and Heather Young. Mr. Bell will report into Matt Eagan and Elaine Stokes. NEPC Research would also note that Loomis has had limited traction with its bank loan strategies, which currently has \$2.3 billion in assets under management, while the Full Discretion team oversees \$61 billion as of March 31, 2023.</p> <p>Given the stability in portfolio management, NEPC Research is comfortable with the change in structure.</p>	<p>No Action</p>

## NEPC Due Diligence Committee Recommendation Key

<b>No Action</b>	Informational items have surfaced; no action is recommended.
<b>Watch</b>	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.
<b>Hold</b>	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.
<b>Client Review</b>	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.
<b>Terminate</b>	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 MONITOR

Manager   Product	New Updates	NEPC Status
<p>PIMCO   Corporate Opportunities III, Private Income Fund</p>	<p>On February 13, 2023, PIMCO provided NEPC with an update on the various workplace discrimination lawsuits that have been filed against the firm in recent years. PIMCO noted that the complaints from 2019 and 2020 have officially been “resolved and dismissed”. However, they were not able to provide any real specifics, so there is no transparency around fault. They also noted that those matters were “dismissed with prejudice” (i.e. the plaintiffs cannot refile for the same claim again). While these original claims have been resolved, there was another filing by two former employees in May 2022 that remains outstanding and appears to still only be in the preliminary stages of the litigation process. PIMCO noted that the May 2022 matter is an employment related claim also but could not offer any other specific information.</p> <p>PIMCO was placed on a firmwide WATCH status in December 2020 as a result of the original complaints. The team noted trainings and other initiatives have been implemented to help combat and hopefully stem the seemingly steady flow of these complaints. PIMCO does not anticipate any further claims at this time, however, there is certainly no guarantee that this will be the case. Ultimately, we believe the WATCH remains appropriate and we will continue to engage with the firm as it progresses through these issues.</p>	<p>No Action (WATCH status)</p>

## NEPC Due Diligence Committee Recommendation Key

<b>No Action</b>	Informational items have surfaced; no action is recommended.
<b>Watch</b>	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.
<b>Hold</b>	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.
<b>Client Review</b>	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.
<b>Terminate</b>	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.



# INVESTMENT GUIDELINES

- **Blackrock Russell 1000 Index Fund**

- The Blackrock Russell 1000 Index Fund shall be invested and reinvested primarily in a portfolio of Equity Securities with the objective of approximating as closely as practicable the capitalization weighted total rate of return of the Russell 1000 Index (large cap companies).

- **Blackrock Russell 2500 Index Fund**

- The Blackrock Russell 2500 Index Fund shall be invested and reinvested primarily in a portfolio of Equity Securities with the objective of approximating as closely as practicable the capitalization weighted total rate of return of the Russell 2500 Index (mid and small cap companies).

- **Western Asset Management Index Plus Separate Account**

- The objective of the Portfolio is to maximize the long term total return in the Portfolio while providing a core domestic equity exposure to the Standard & Poor's ("S&P") 500 Index and managing Portfolio risk. The Manager shall aim to exceed the total return of the S&P 500 index with all dividends reinvested in the index by 75 basis points on an annualized basis over a full market cycle.

- **Blackrock MSCI ACWI ex-U.S. IMI Index Fund**

- The BlackRock MSCI ACWI ex-U.S. IMI Index Fund shall be invested and reinvested in a portfolio of International Equity Securities whose total rates of return will approximate as closely as practicable the capitalization-weighted total rates of return of the equity markets of selected non-U.S. developed and emerging countries.

- **Blackrock MSCI ACWI Equity Index Fund**

- The BlackRock MSCI ACWI Equity Index Fund shall be invested and reinvested primarily in a portfolio of U.S. Equity Securities and International Equity Securities with the objective of approximating as closely as practicable the capitalization-weighted total rates of return of the equity markets of the U.S, non- U.S. developed and emerging countries.

# INVESTMENT GUIDELINES

- **Sprucegrove U.S. International Pooled Fund**

- The Fund seeks to maximize the long-term rate of return while seeking to preserve investment capital by investing primarily in equity and quasi-equity securities of companies with more value characteristics located in developed markets in the Europe, Australasia and the Far East ("EAFE") Index and to outperform the index, net of fees and achieve a high ranking relative to similar funds over a full market cycle.

- **Walter Scott & Partners International Fund**

- The Fund will invest in equity securities that meet certain quantitative and qualitative investment criteria and will seek long-term capital appreciation. The Fund will tend to focus on those industries or sectors with more growth characteristics and experiencing upper quartile economic growth and may avoid industries which are in secular economic decline. The Fund seeks to outperform the MSCI Europe, Australasia and the Far East ("EAFE") Index net of fees, and achieve a high ranking relative to similar funds over a full market cycle.

- **Blackrock U.S. Debt Index Fund**

- The U.S. Debt Index Fund shall be invested and reinvested primarily in a portfolio of Debt Securities with the objective of approximating as closely as practicable the total rate of return of the market for Debt Securities as defined by the Bloomberg Barclays U.S. Aggregate Bond Index.

- **Western Asset Management Core Plus Fixed Income Separate Account**

- The objective of the Portfolio is to provide above-average total return in a manner that is consistent with the typical rate-of-return volatility exhibited by broad market fixed income portfolios. The Fund will seek to outperform the Bloomberg Barclays U.S. Aggregate Index, net of fees, over a full market cycle.

- **Reams Unconstrained Fixed Income Separate Account**

- The Portfolio will be broadly diversified across markets, sectors, securities, and maturities in a manner consistent with accepted standards of prudence. The objective of the Portfolio is to maximize risk-adjusted total return by systematically pursuing relative value opportunities throughout all sectors of the fixed income market. The Portfolio will seek returns in excess of the Bloomberg/Barclays U.S Aggregate Bond Index and/or the three month London Interbank Offered Rate ("LIBOR") in U.S. dollars plus 3% net of fees with an expected risk volatility goal of approximately 4 to 6% over a full market cycle.

# INVESTMENT GUIDELINES

- **Loomis, Sayles & Company Multisector Full Discretion Separate Account**

- The fixed income portfolio should be broadly diversified across markets, sectors, securities, and maturities in a manner consistent with accepted standards of prudence. The objective of the Portfolio is to provide above-average total return in a manner that is consistent with the typical rate-of-return volatility exhibited by broad market fixed income portfolios. The return of the Manager should exceed that of the custom benchmark (30% of the rate of return of the Citigroup High-Yield Index, 5% of the rate of return of the J.P. Morgan Non-U.S. Hedged Bond Index and 65% of the rate of return of the Bloomberg Barclays U.S. Aggregate Bond Index), net of fees, over a full market cycle.

- **Loomis, Sayles & Company Strategic Alpha Fund**

- The objective of the Fund is to provide absolute returns in excess of the Bloomberg/Barclays U.S Aggregate Bond Index and/or the three month London Interbank Offered Rate (“LIBOR”) in U.S. dollars plus 3% net of fees with an expected risk volatility goal of approximately 4 to 6% over a full market cycle.

- **Reams 10-Year Treasuries**

- The portfolio shall be invested in 10-Year U.S. Treasury Debt Securities with the objective of returning the rate of return on a 10-Year U.S. Treasury Debt Security.

- **Bridgewater Associates All Weather Portfolio**

- The investment objective of the Fund is to seek to provide attractive returns with relatively limited risks, with no material bias to perform better or worse in any particular type of economic environment. In other words, the portfolio seeks to perform approximately as well in rising or falling inflation periods, or in periods of strong or weak economic growth. To achieve this objective, the Fund holds investments in different asset classes that have different biases to economic conditions. The Manager will seek to outperform the CPI + 4% (Unadjusted) benchmark net of fees over a full market cycle.

- **Tortoise Energy Infrastructure Master Limited Partnership**

- The Manager will invest in master limited partnerships with an investment approach that emphasizes a long-term, buy-and-hold philosophy with low turnover in an effort to achieve a portfolio characterized by high current income, high growth and low volatility. The Manager invests primarily in long-haul pipelines and gathering & processing pipelines. The Manager will seek to outperform the Wells Fargo MLP Index net of fees over a full market cycle.

# INVESTMENT GUIDELINES

- **PGIM Real Estate Property Investment Separate Account**

- PRISA is a broadly diversified equity real estate portfolio that invests primarily in existing, incomeproducing properties with strong cash flow that is expected to increase over time and thereby provide the potential for capital appreciation. The Fund’s performance objective is to produce a total return each year that meets or exceeds the National Council of Real Estate Investment Fiduciaries Fund Index – Open-End Diversified Core Equity (“NCREIF-ODCE”) net of fees, while maintaining the benefits of a broadly diversified, core real estate portfolio.

- **UBS Realty Investors Trumbull Property Fund**

- The Fund seeks to provide investors with strategic market access to high-quality private commercial real estate with the financial objective of providing superior risk-adjusted returns across the real estate cycles. Maximize the quality and growth of the Fund’s income by acquiring and aggressively managing high quality assets in major US metropolitan markets to minimize risk through diversification by property type, geographic location and economic sector. The Fund’s performance objective is to outperform the National Council of Real Estate Investment Fiduciaries Fund Index – Open-End Diversified Core Equity (“NCREIF-ODCE”) index net of fees, and a 5% real rate of return (inflation-adjusted return) over a full market cycle.



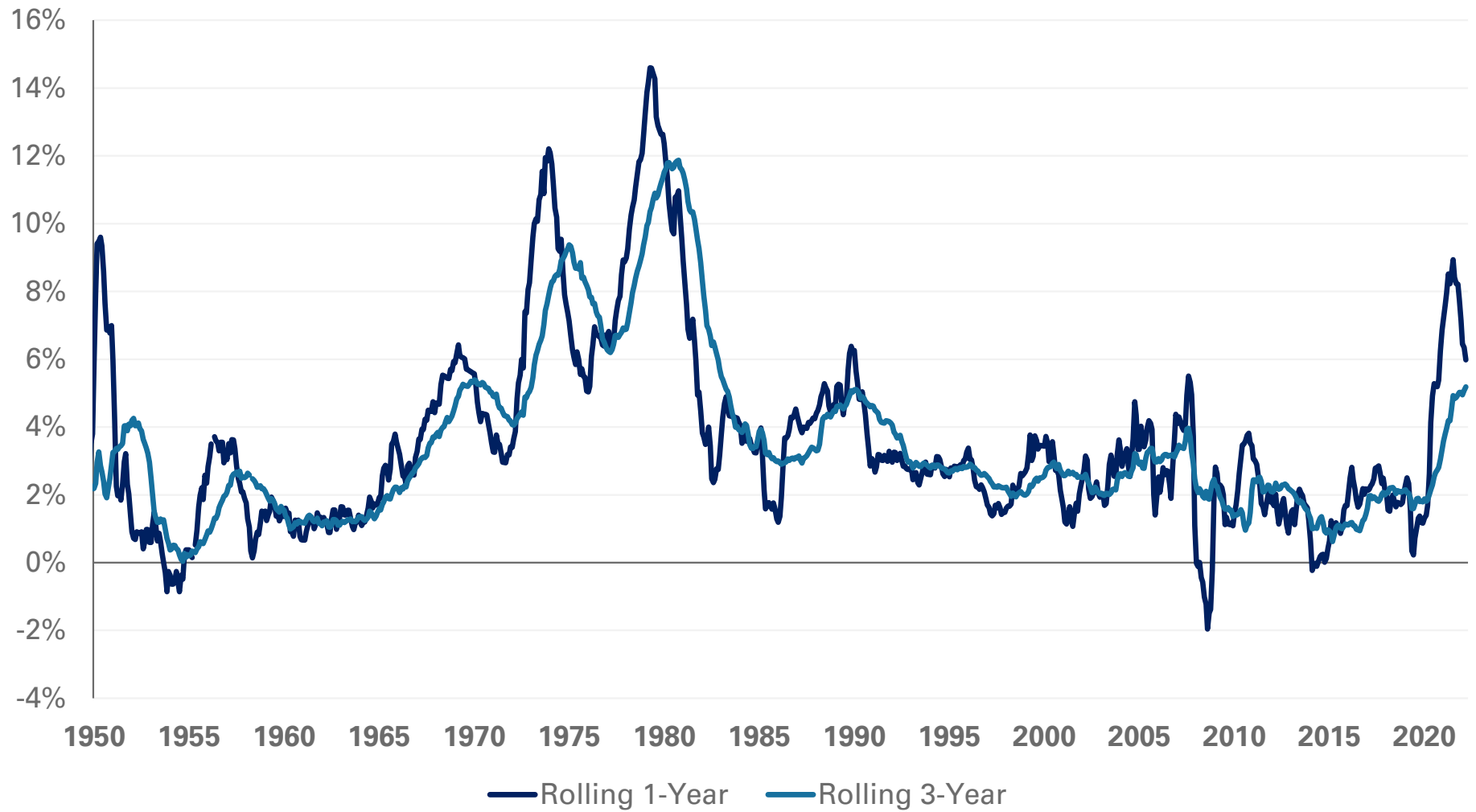
# APPENDIX



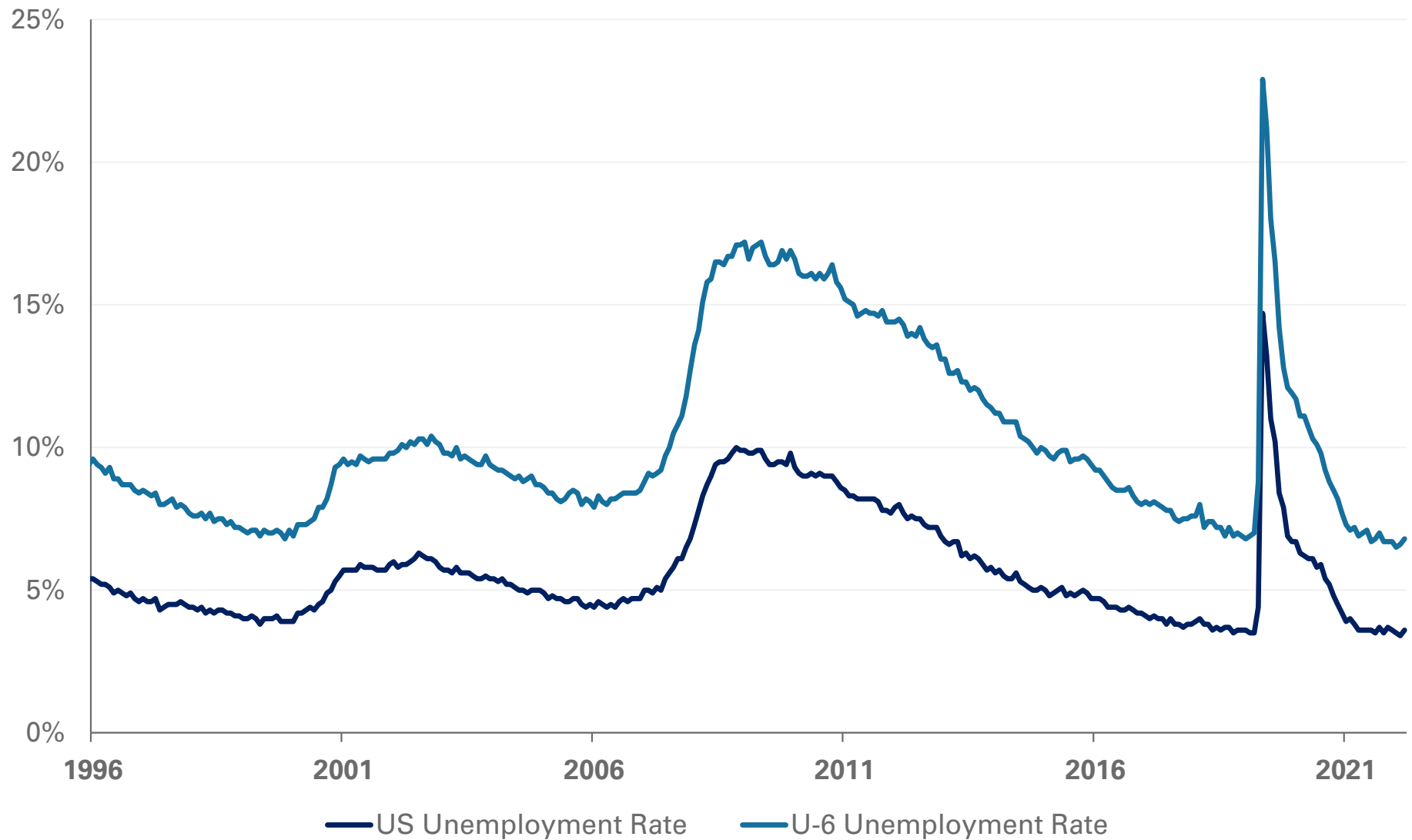


**MACRO**

# INFLATION

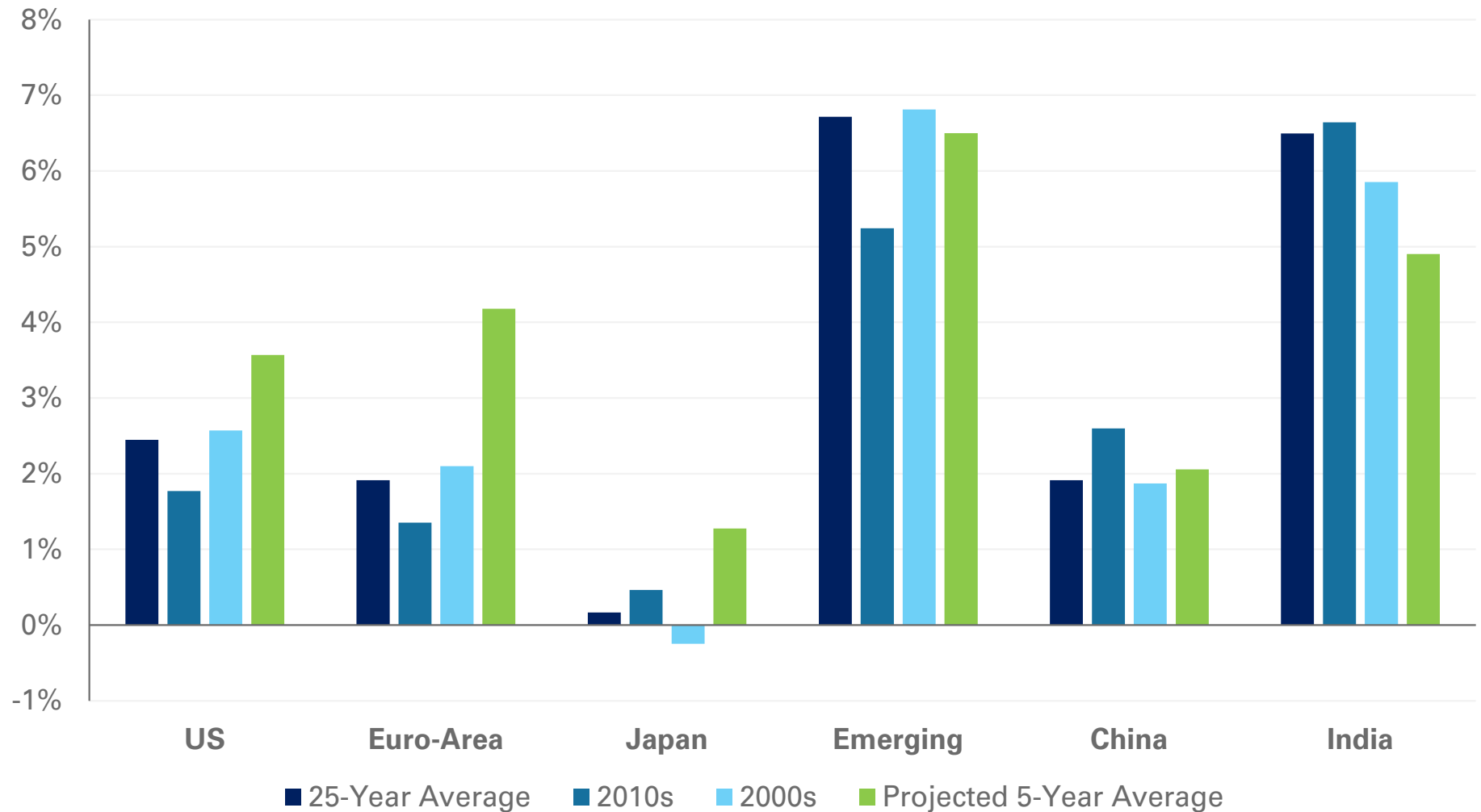


# U.S. UNEMPLOYMENT RATES



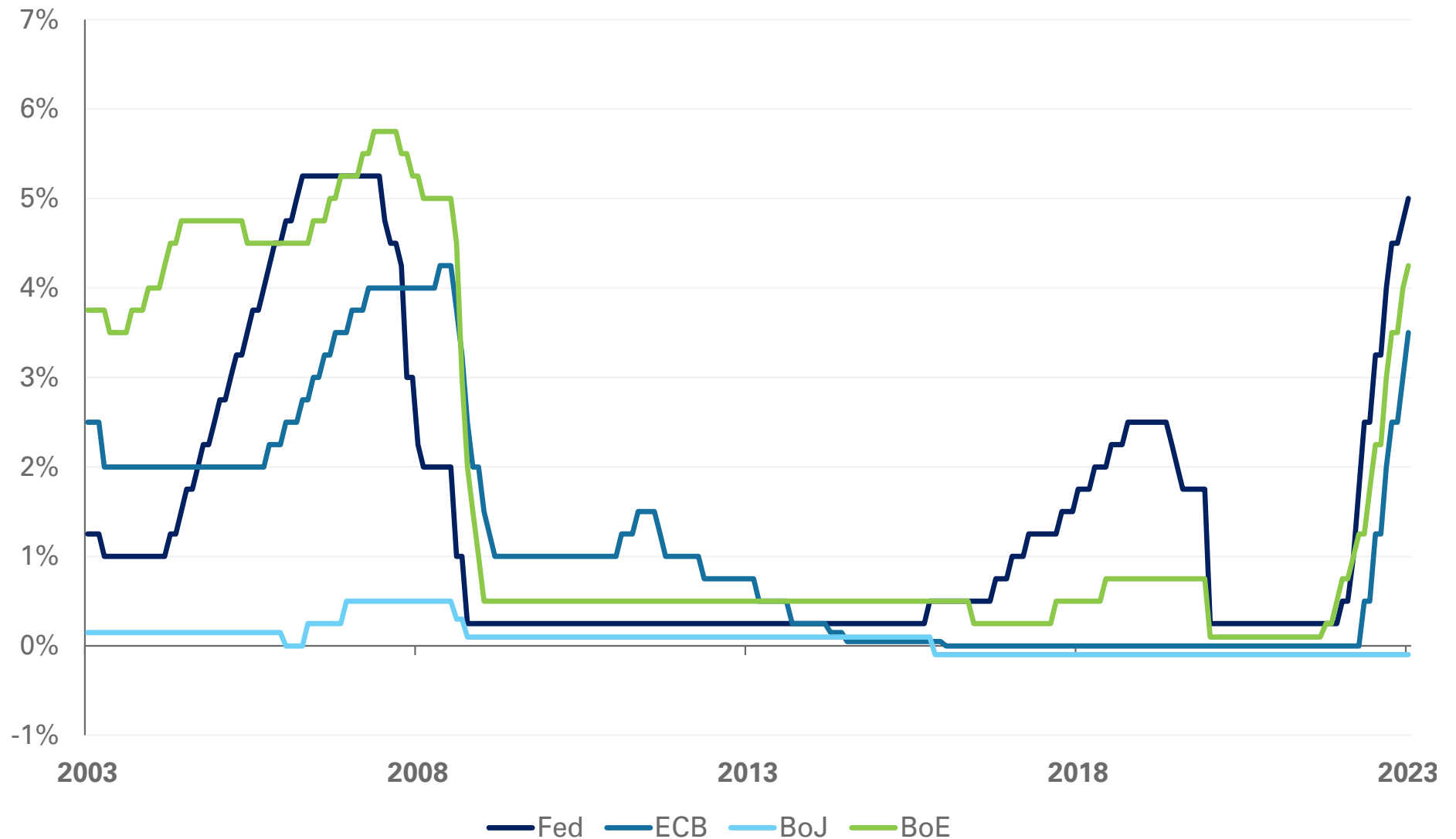
Source: FactSet

# HISTORICAL INFLATION



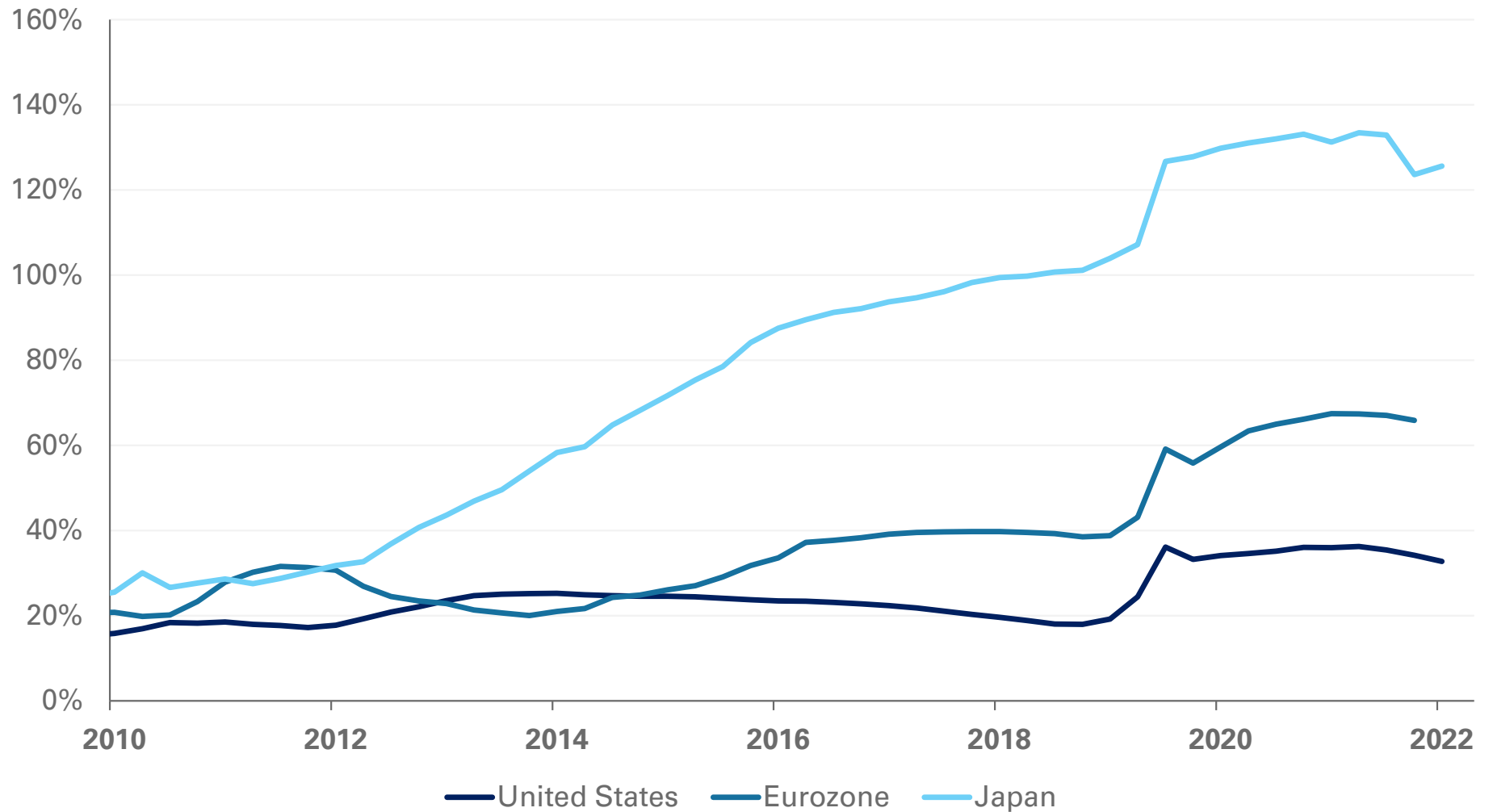
Source: IMF, FactSet

# CENTRAL BANK POLICY RATES



Source: Federal Reserve, ECB, Bank of Japan, Bank of England, FactSet

# CENTRAL BANK BALANCE SHEETS



Source: FactSet

# CURRENCIES

Currencies	Spot	1 Month	QTD	1 Year
<b>Euro</b>	<b>1.09</b>	2.4%	1.8%	-2.4%
<b>British Pound</b>	<b>1.24</b>	2.1%	2.8%	-6.1%
<b>Japanese Yen</b>	<b>133.09</b>	2.3%	-0.9%	-8.8%
<b>Swiss Franc</b>	<b>0.91</b>	2.6%	1.3%	0.7%
<b>Australian Dollar</b>	<b>0.67</b>	-0.7%	-1.2%	-10.8%
<b>New Zealand Dollar</b>	<b>1.60</b>	1.0%	-1.1%	-10.0%
<b>Canadian Dollar</b>	<b>1.35</b>	0.6%	0.1%	-7.7%
<b>Chinese Yuan</b>	<b>6.87</b>	1.0%	1.2%	-7.7%
<b>Taiwanese Dollar</b>	<b>30.45</b>	0.1%	0.9%	-5.9%
<b>Korean Won</b>	<b>1302</b>	1.6%	-2.9%	-6.9%
<b>Vietnamese Dong</b>	<b>23466</b>	1.3%	0.5%	-2.7%
<b>Thai Baht</b>	<b>34.20</b>	3.4%	1.3%	-2.8%
<b>Philippines Peso</b>	<b>54.37</b>	1.8%	2.5%	-4.8%
<b>Indian Rupee</b>	<b>82.18</b>	0.6%	0.7%	-7.8%
<b>Russian Ruble</b>	<b>77.70</b>	-3.4%	-6.0%	6.0%
<b>Mexican Peso</b>	<b>18.06</b>	1.5%	7.9%	10.4%
<b>Brazilian Real</b>	<b>5.07</b>	3.0%	4.1%	-6.3%
<b>Chilean Peso</b>	<b>0.02</b>	5.7%	10.0%	12.0%
<b>Argentine Peso</b>	<b>208.99</b>	-5.7%	-15.3%	-46.9%
<b>South African Rand</b>	<b>17.74</b>	3.5%	-4.1%	-17.6%

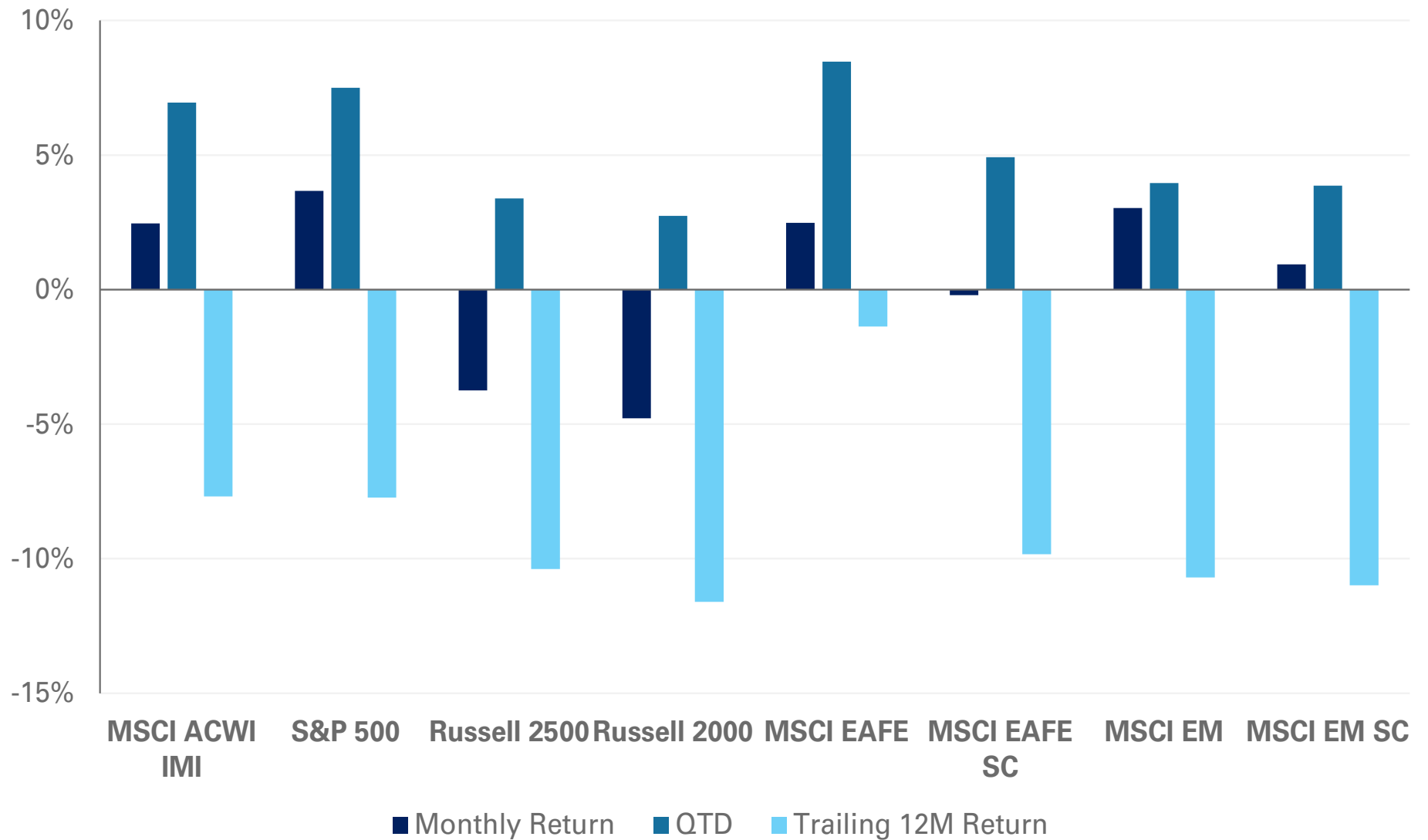


**EQUITY**





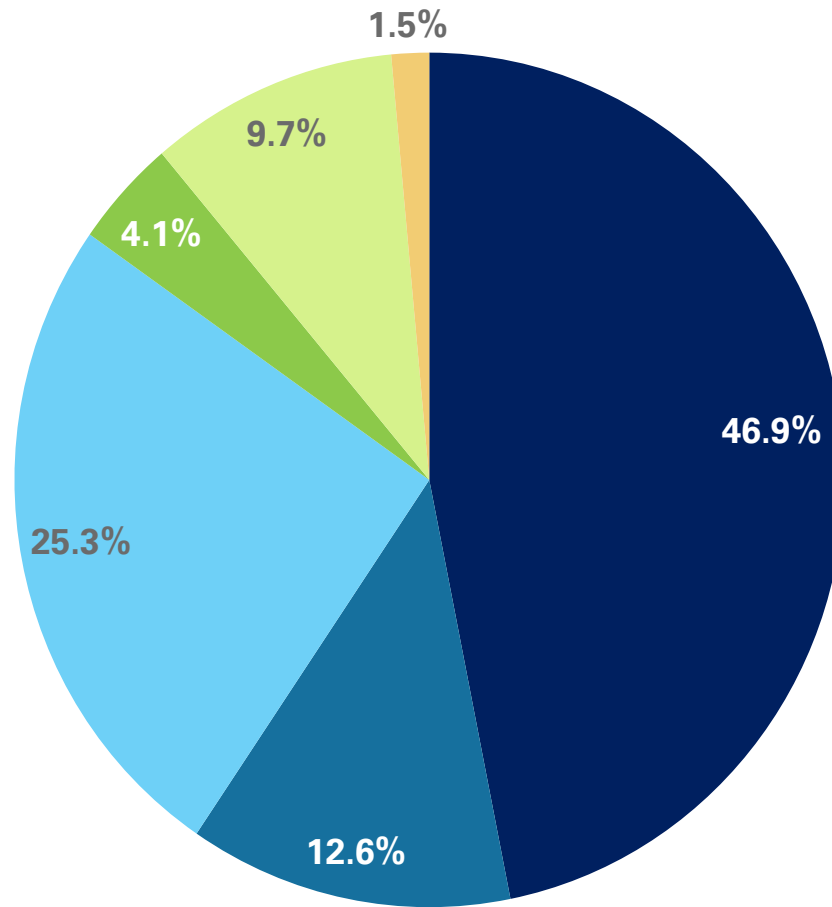
# EQUITY INDEX PERFORMANCE



Source: MSCI, S&P, Russell, FactSet



# MSCI ACWI IMI WEIGHTS

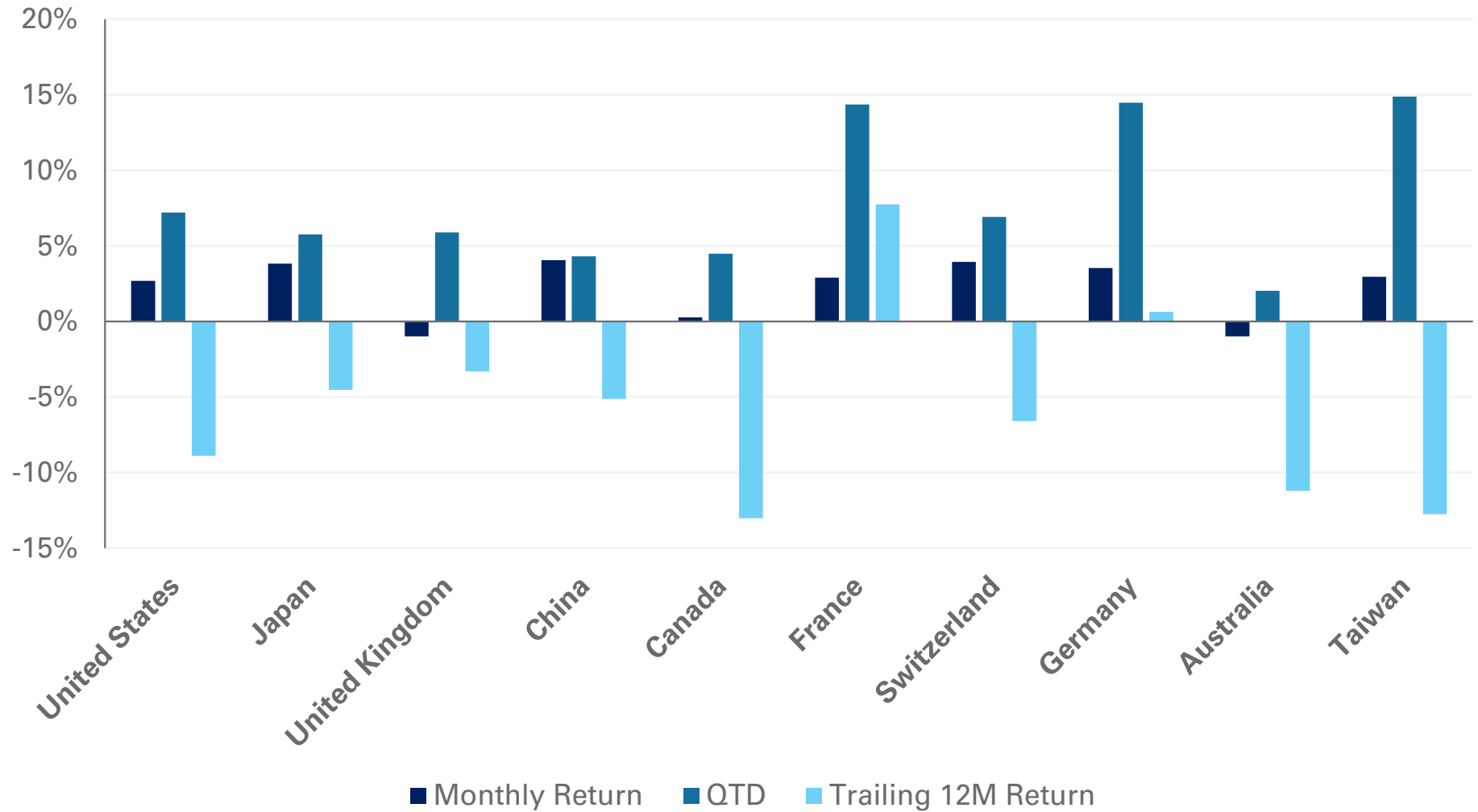


■ US Large Cap ■ US Small Cap ■ EAFE ■ EAFE Small Cap ■ EM ■ EM Small Cap



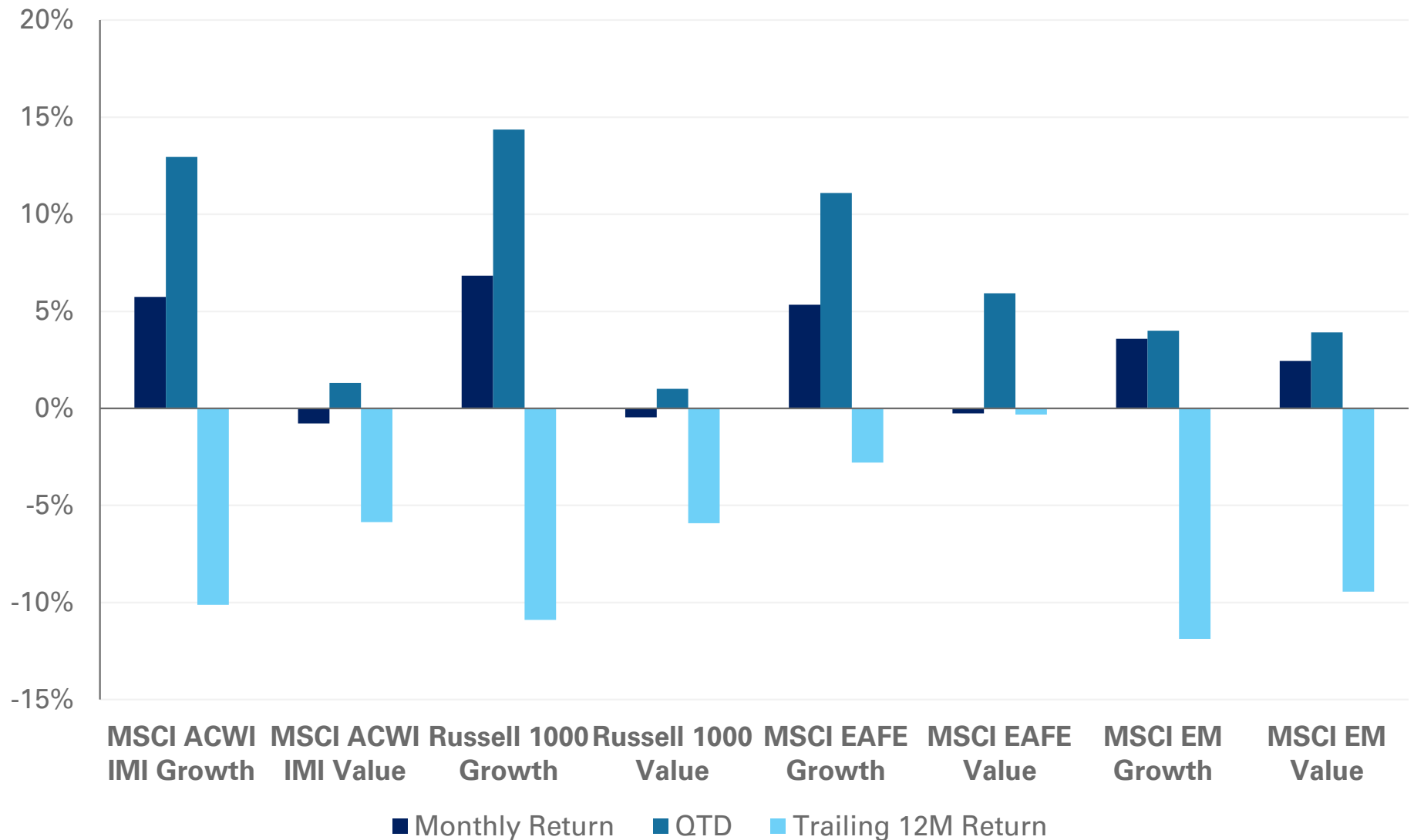
Source: MSCI, FactSet

# EQUITY INDEX PERFORMANCE



Source: MSCI, FactSet

# STYLE INDEX PERFORMANCE



Source: MSCI, Russell, FactSet

# SECTOR INDEX PERFORMANCE

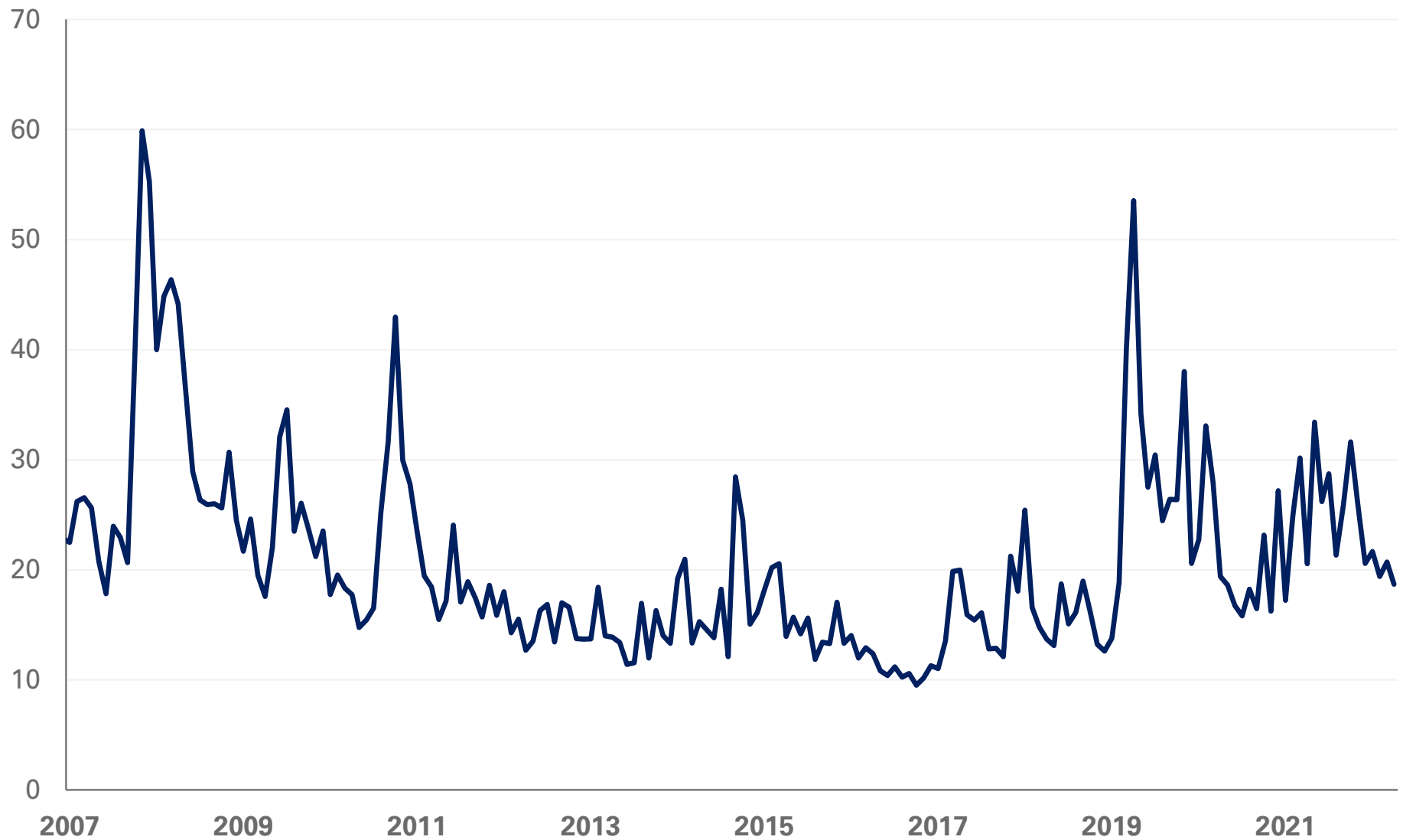
	Monthly Return	QTD	Trailing 12M Return	Index Weight
<b>MSCI ACWI IMI</b>	<b>2.5%</b>	<b>6.9%</b>	<b>-7.7%</b>	<b>100.0%</b>
Communication Services	8.1%	16.5%	-15.8%	6.9%
Consumer Discretionary	3.2%	13.4%	-11.4%	11.4%
Consumer Staples	4.4%	3.4%	0.4%	7.2%
Energy	-1.7%	-3.2%	5.8%	4.9%
Financials	-7.1%	-1.9%	-11.1%	13.8%
Health Care	2.7%	-1.5%	-5.4%	12.0%
Industrials	1.5%	7.1%	-1.3%	11.2%
Information Technology	9.0%	20.0%	-7.5%	21.4%
Materials	1.6%	5.8%	-9.3%	5.3%
Real Estate	-2.7%	0.1%	-21.3%	3.1%
Utilities	4.7%	-0.6%	-6.4%	2.9%

	Monthly Return	QTD	Trailing 12M Return	Index Weight
<b>S&amp;P 500</b>	<b>3.7%</b>	<b>7.5%</b>	<b>-7.7%</b>	<b>100.0%</b>
Communication Services	10.4%	20.5%	-17.8%	8.1%
Consumer Discretionary	3.1%	16.1%	-19.6%	10.1%
Consumer Staples	4.2%	0.8%	1.2%	7.2%
Energy	-0.2%	-4.7%	13.6%	4.6%
Financials	-9.6%	-5.6%	-14.2%	12.9%
Health Care	2.2%	-4.3%	-3.7%	14.2%
Industrials	0.7%	3.5%	0.2%	8.7%
Information Technology	10.9%	21.8%	-4.6%	26.1%
Materials	-1.0%	4.3%	-6.3%	2.6%
Real Estate	-1.4%	1.9%	-19.7%	2.6%
Utilities	4.9%	-3.2%	-6.2%	2.9%

Source (Top): MSCI, FactSet  
Source (Bottom): S&P, FactSet



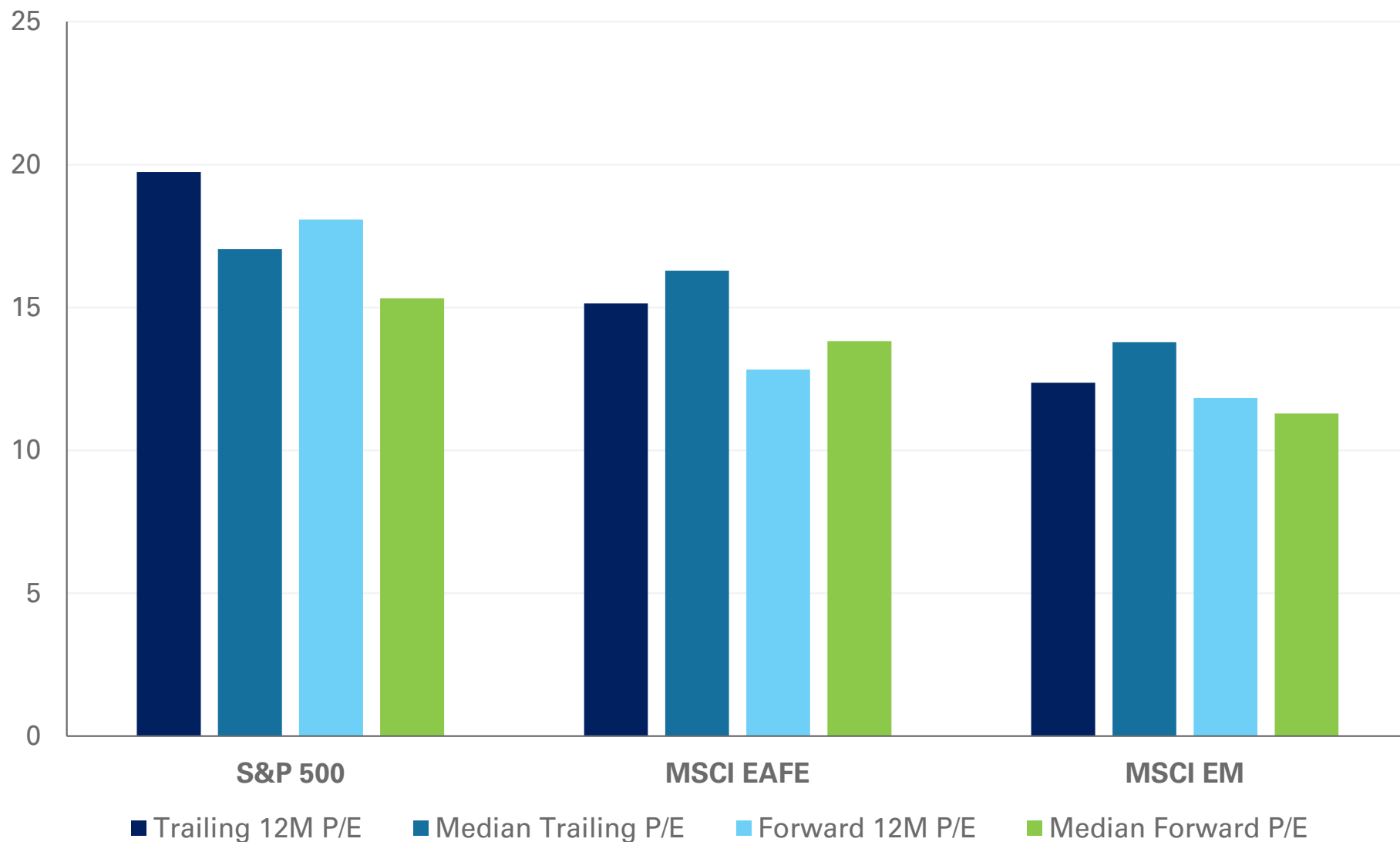
# EQUITY VOLATILITY INDEX (VIX)



Source: CBOE, FactSet



# GLOBAL EQUITY VALUATIONS



Median calculated based on 20-year monthly data  
Source: S&P, MSCI, FactSet



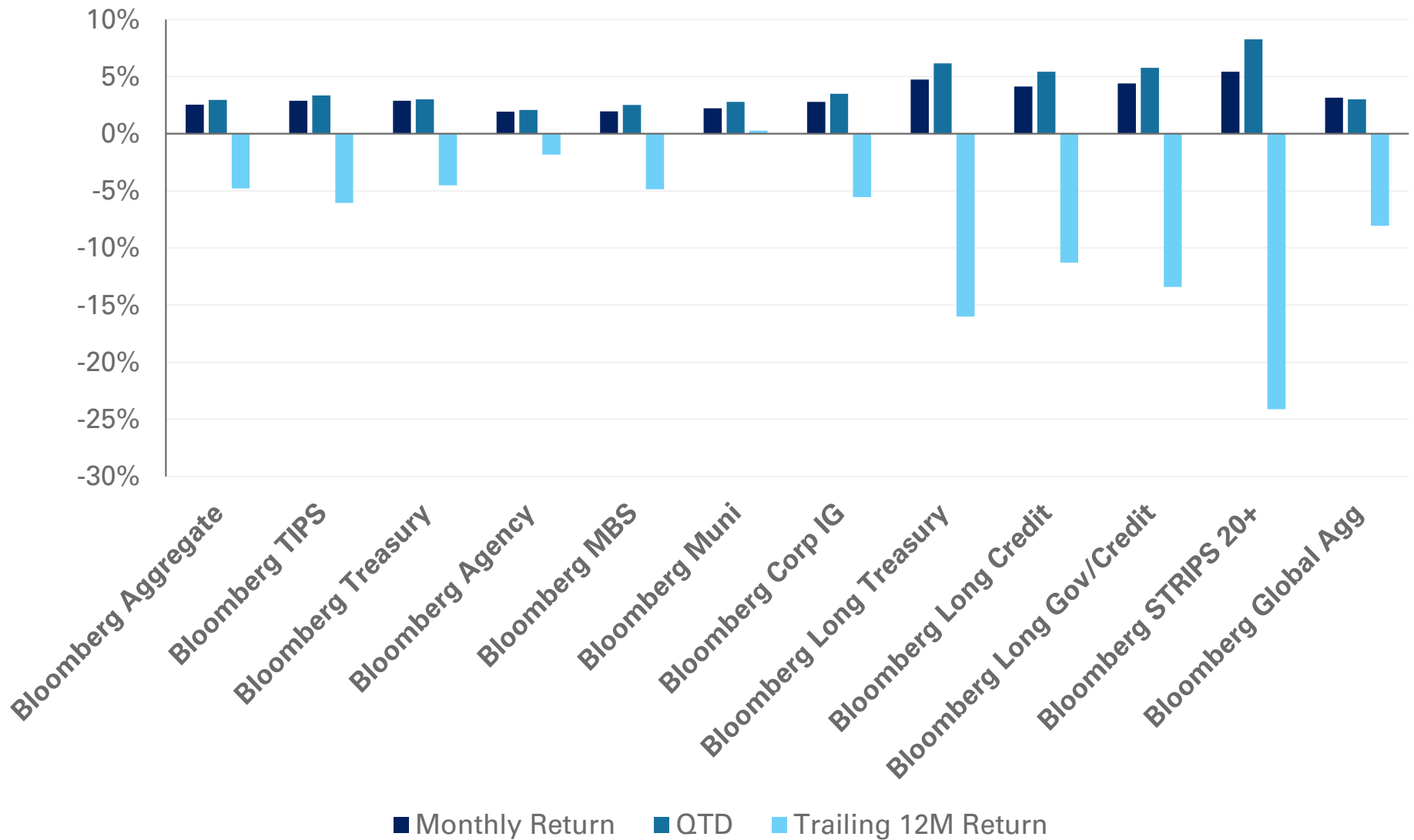


# SAFE-HAVEN FIXED INCOME





# SAFE-HAVEN FIXED INCOME PERFORMANCE



Source: Bloomberg, FactSet

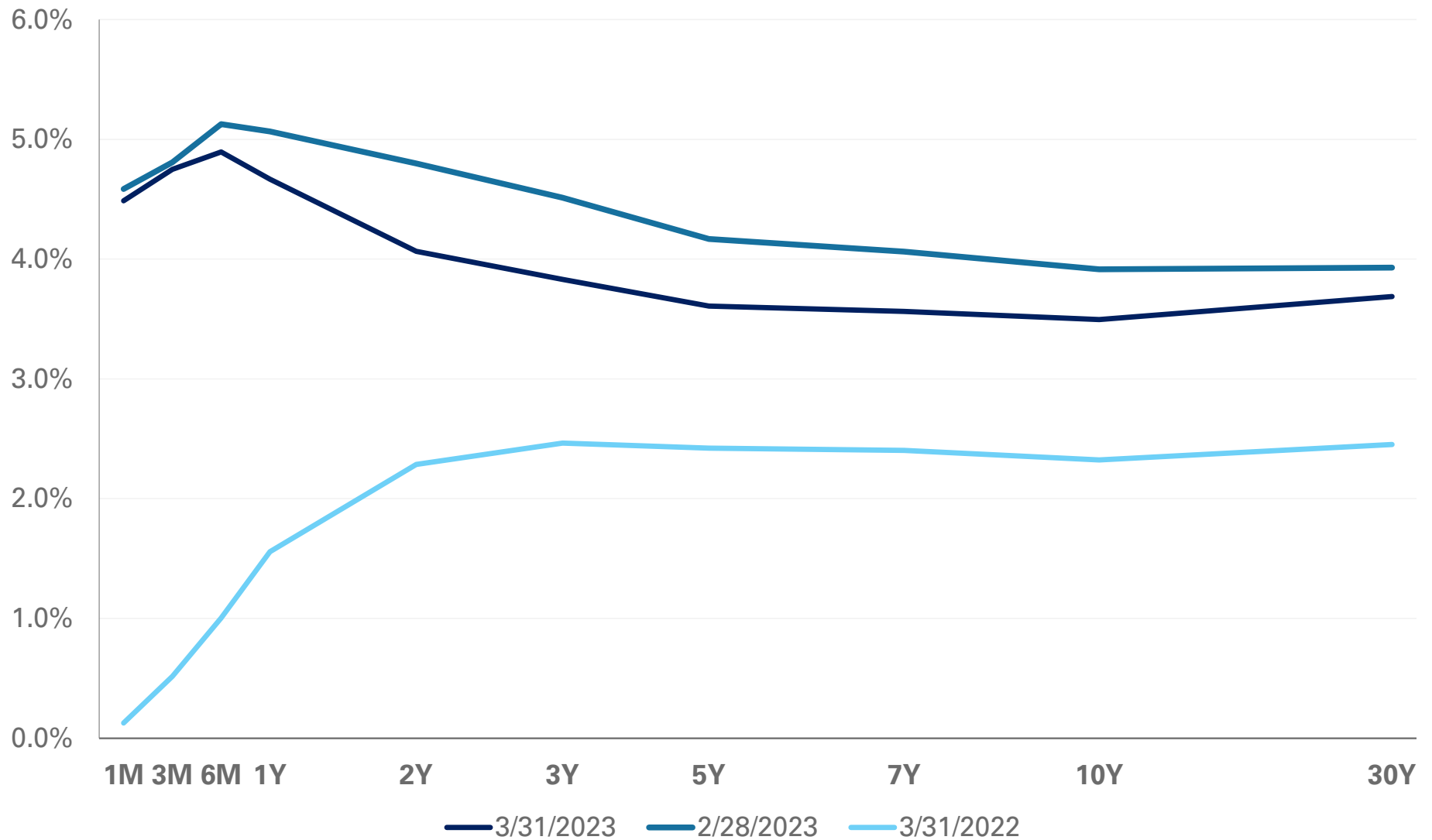
# FIXED INCOME CHARACTERISTICS

	Yield to Worst	Spread (bps)	Duration (Years)
<b>Bloomberg Aggregate</b>	4.40%	57	6.3
<b>Bloomberg TIPS</b>	4.07%	-	5.1
<b>Bloomberg Treasury</b>	3.83%	-	6.3
<b>Bloomberg Agency</b>	4.33%	28	3.2
<b>Bloomberg MBS</b>	4.51%	63	5.9
<b>Bloomberg Muni</b>	3.25%	-	6.1
<b>Bloomberg Corp IG</b>	5.17%	138	7.3
<b>Bloomberg Long Treasury</b>	3.77%	-	16.4
<b>Bloomberg Long Credit</b>	5.28%	159	13.1
<b>Bloomberg Long Gov/Credit</b>	4.58%	86	14.6
<b>Bloomberg STRIPS 20+</b>	3.77%	-	25.2
<b>Bloomberg Global Agg</b>	3.54%	54	6.8



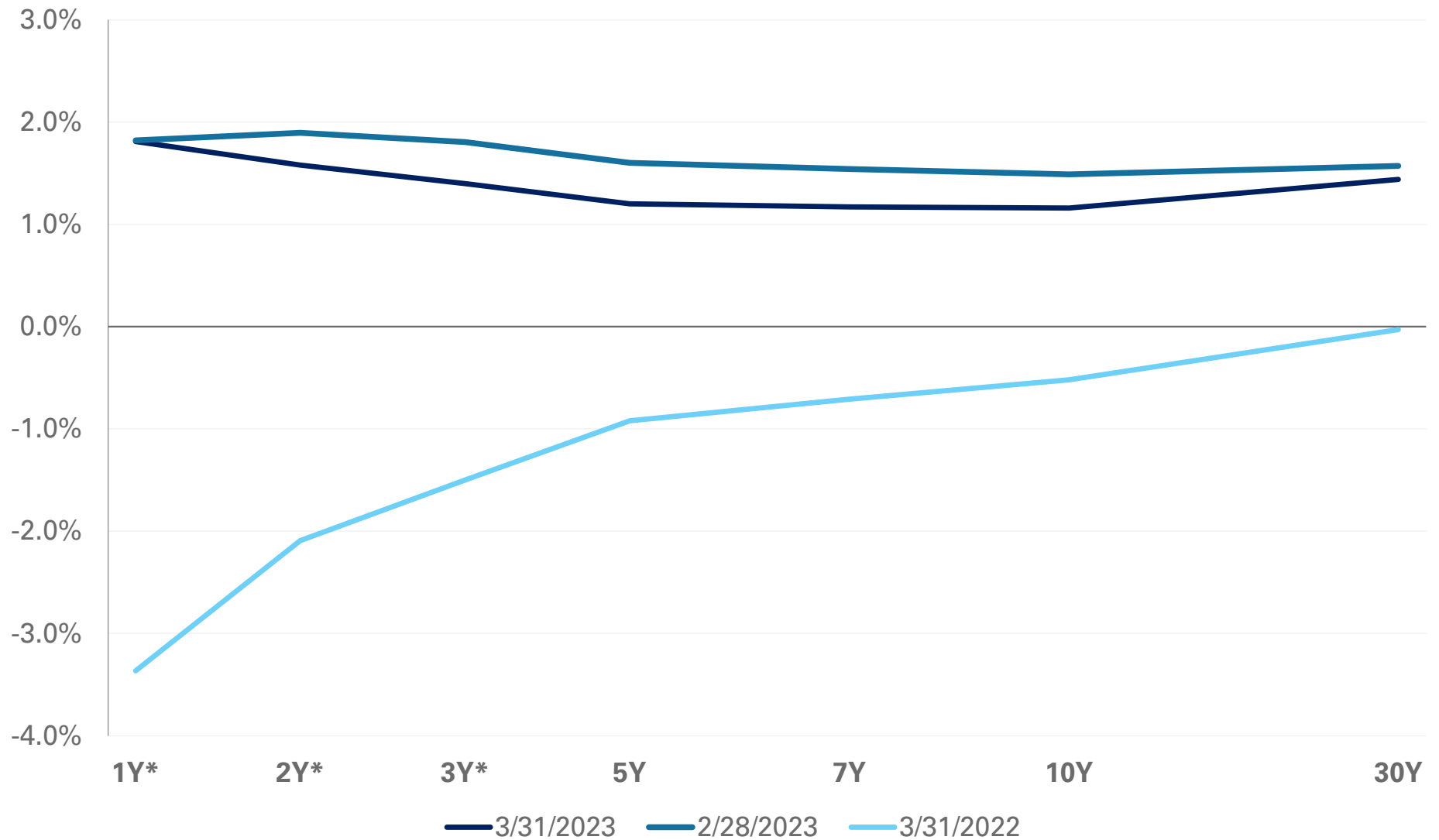
Source: Bloomberg, FactSet

# US TREASURY YIELD CURVE



Source: FactSet

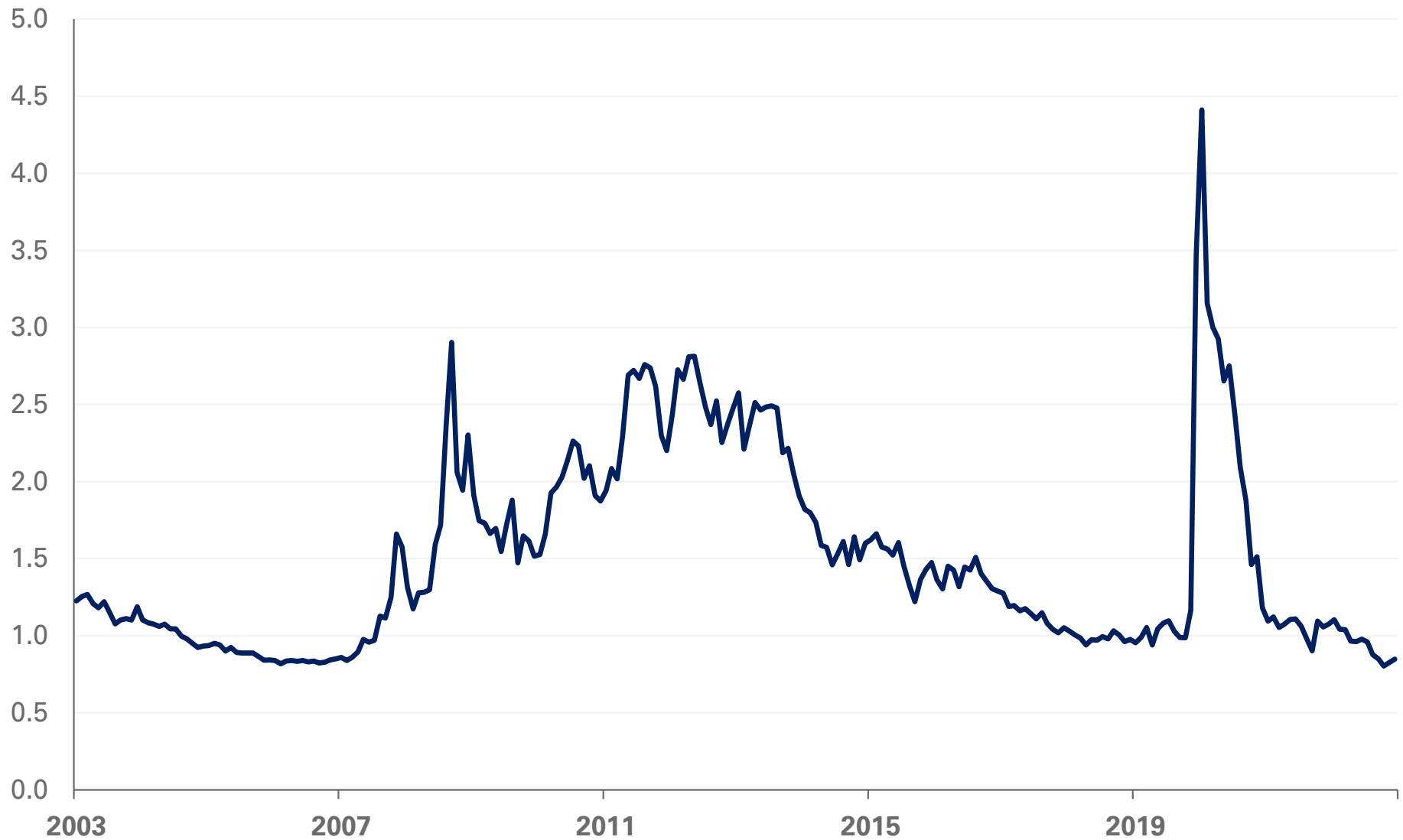
# US TREASURY REAL YIELD CURVE



Notes: \*Real yields are calculated based on a weighted average of select off-the-run TIPS yields  
 Source: NEPC, Bloomberg, FactSet



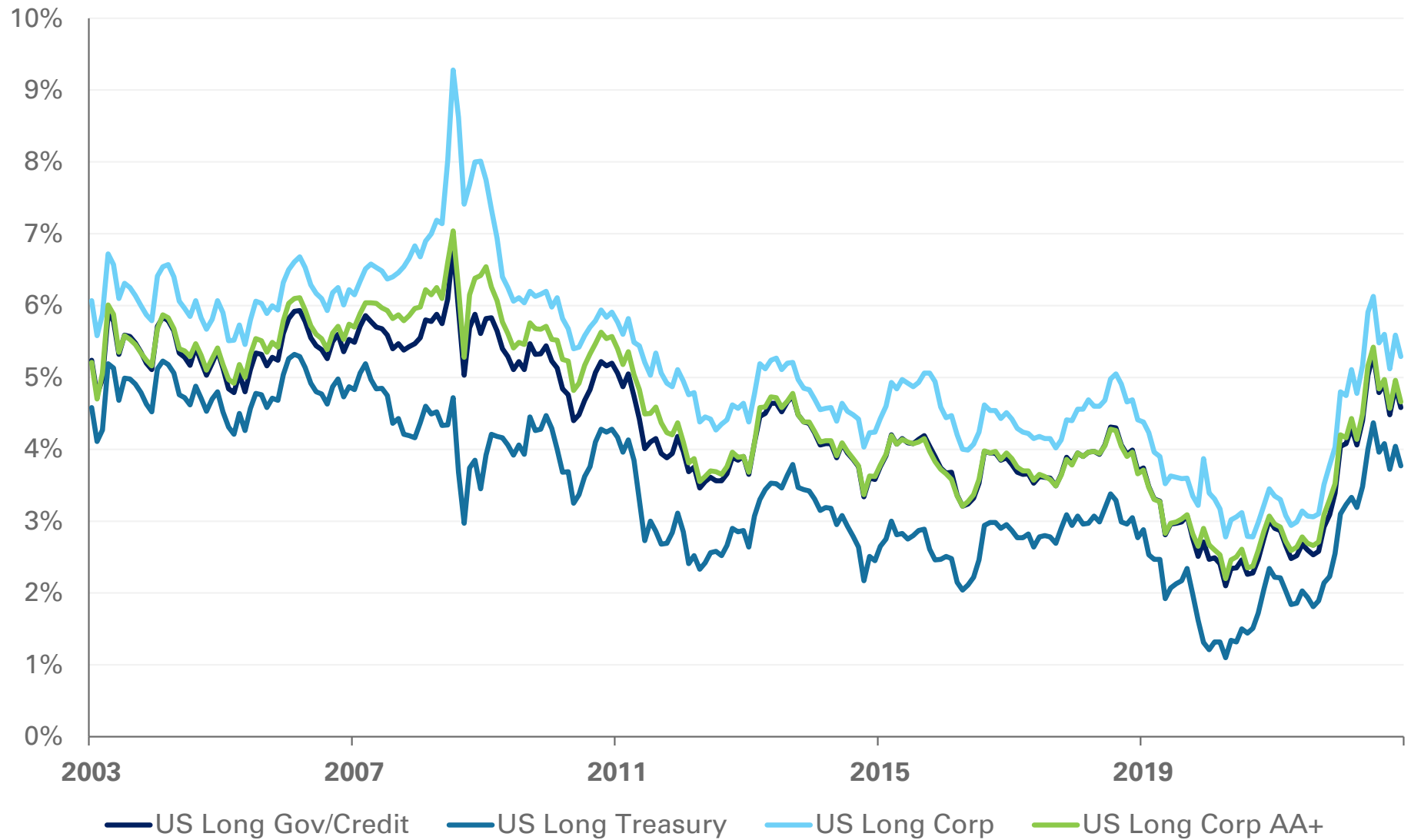
# MUNI -TO-TREASURY RATIO



Numerator represents yield-to-worst for municipal bonds  
Source: Bloomberg, FactSet



# LONG DURATION YIELDS



Source: Bloomberg, FactSet

# LONG DURATION CORPORATE SPREADS



Median calculated based on 20-year of monthly data  
Source: Bloomberg, FactSet

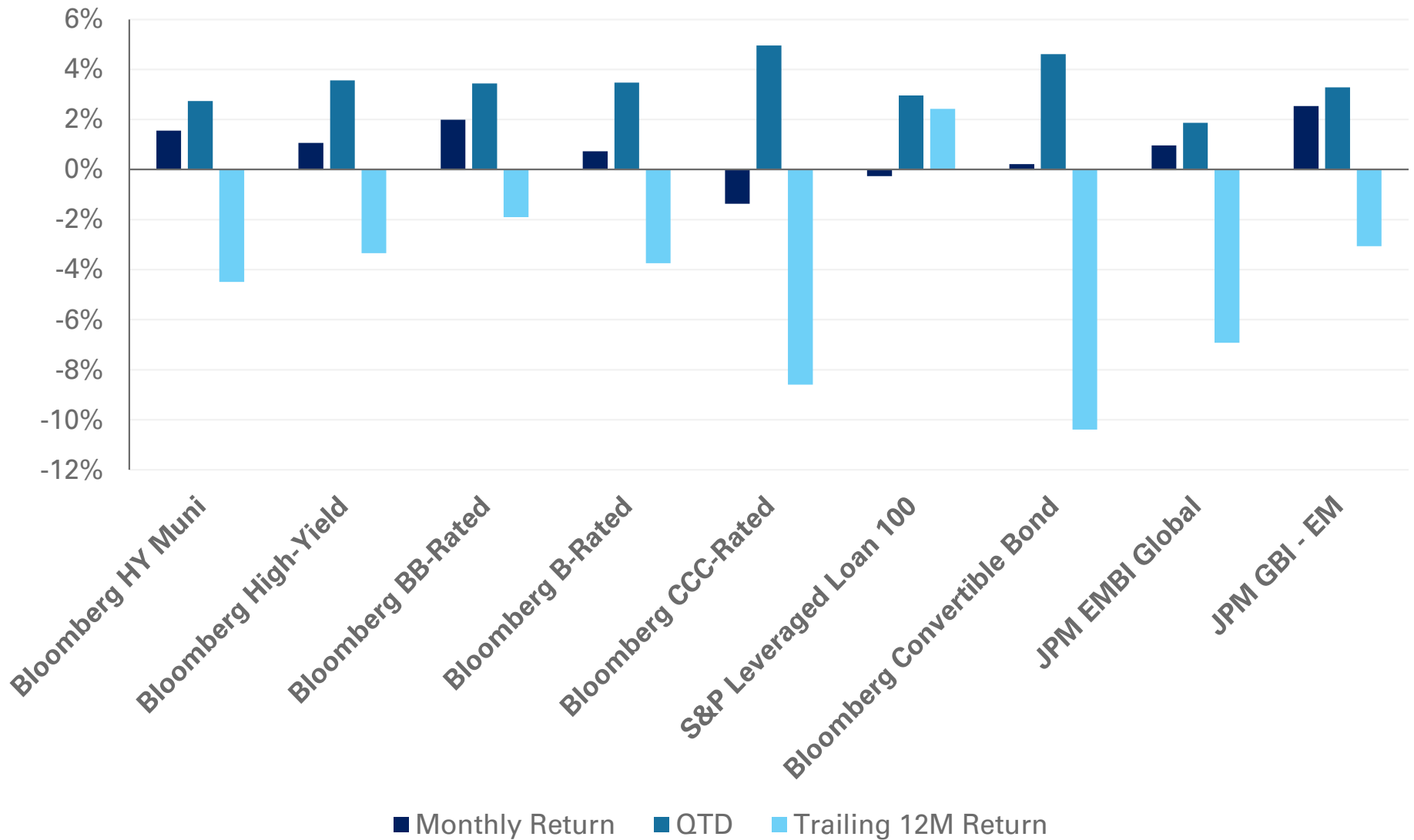


# RETURN-SEEKING CREDIT





# RETURN-SEEKING CREDIT INDEX PERFORMANCE



Source: Bloomberg, S&P, JPM, FactSet

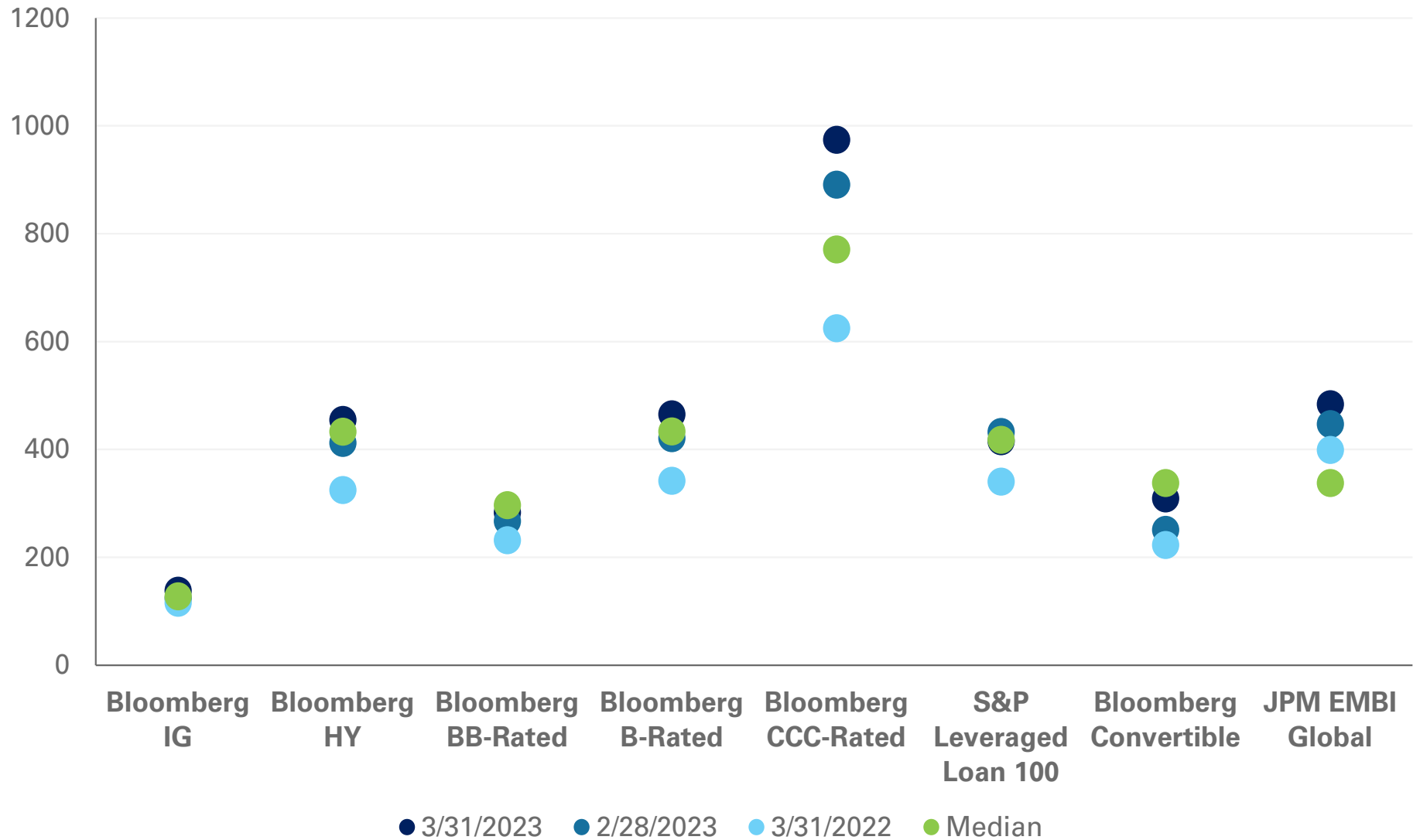
# RETURN-SEEKING CREDIT CHARACTERISTICS

	Yield to Worst	Spread (bps)	Duration (Years)
<b>Bloomberg HY Muni</b>	5.68%	-	7.7
<b>Bloomberg High-Yield</b>	8.52%	455	3.7
<b>Bloomberg BB-Rated</b>	6.80%	283	4.1
<b>Bloomberg B-Rated</b>	8.68%	465	3.4
<b>Bloomberg CCC-Rated</b>	13.44%	974	3.2
<b>S&amp;P/LSTA Leveraged Loan 100</b>	9.35%	415	-
<b>Bloomberg Convertible Bond</b>	0.73%	309	2.1
<b>JPM EMBI Global</b>	8.51%	484	6.9
<b>JPM GBI - EM</b>	4.96%	-	5.3



Source: Bloomberg, S&P, JPM, FactSet

# CREDIT SPREADS



Median calculated based on 20-year of monthly data  
 Source: Bloomberg, S&P, JPM, FactSet

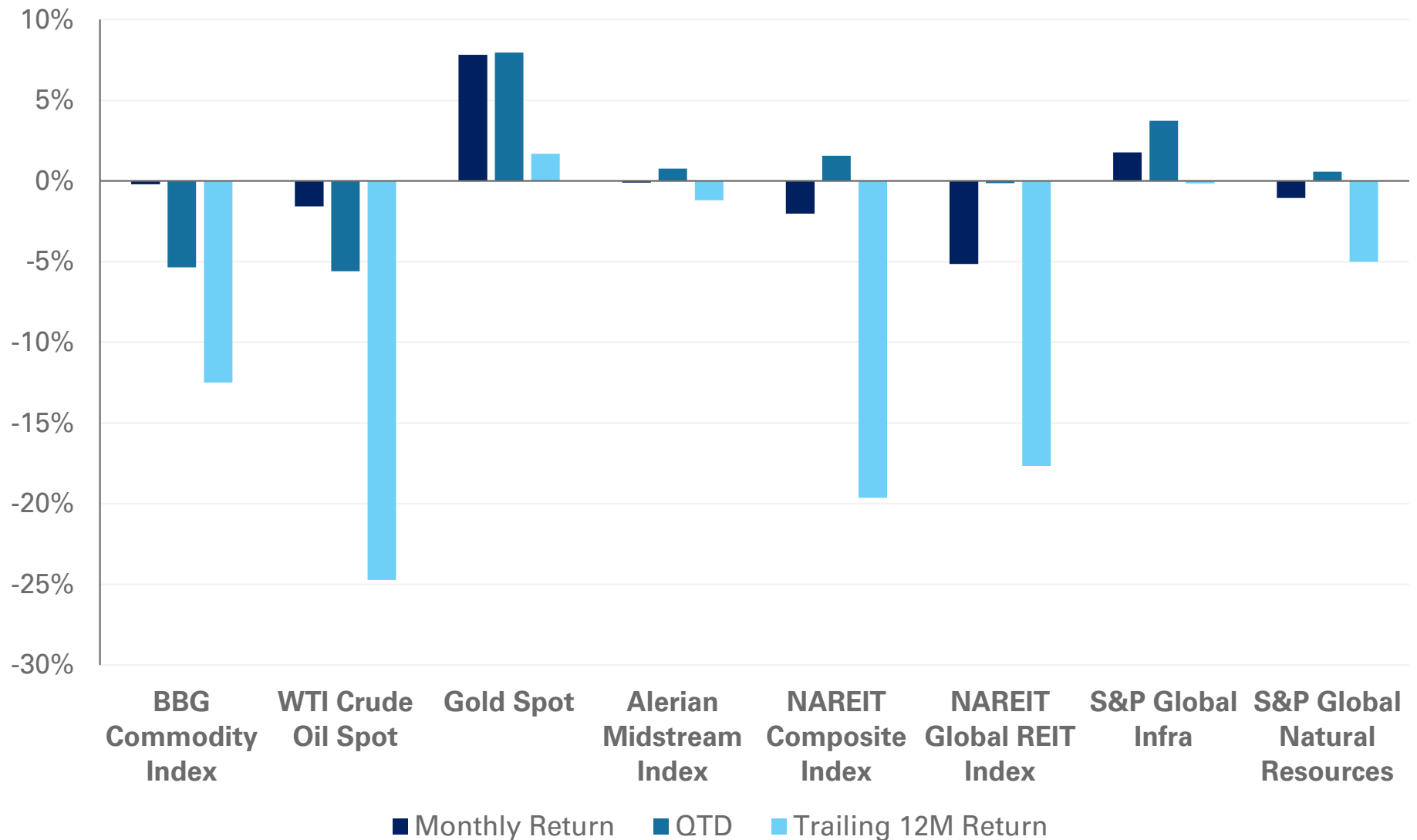




# REAL ASSETS



# REAL ASSETS INDEX PERFORMANCE



Source: Bloomberg, Alerian, NAREIT, S&P, FactSet



# REAL ASSETS INDEX PERFORMANCE

Index	1 Month	3 Month	YTD	1 Year	3 Year	5 Year
<b>Bloomberg Commodity Index</b>	<b>-0.2%</b>	<b>-5.4%</b>	<b>-5.4%</b>	<b>-12.4%</b>	<b>20.7%</b>	<b>5.3%</b>
<b>Bloomberg Sub Agriculture Index</b>	<b>1.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-3.6%</b>	<b>23.6%</b>	<b>8.4%</b>
Coffee	-8.1%	3.1%	3.1%	-19.4%	9.6%	1.3%
Corn	5.2%	-1.2%	-1.2%	-3.8%	28.3%	8.9%
Cotton	-1.1%	-0.1%	-0.1%	-24.4%	25.5%	4.3%
Soybean	2.2%	0.4%	0.4%	7.2%	26.2%	8.5%
Soybean Oil	-7.2%	-12.5%	-12.5%	-8.4%	36.8%	14.9%
Sugar	11.3%	20.3%	20.3%	27.5%	31.7%	10.9%
Wheat	-1.5%	-12.7%	-12.7%	-34.3%	1.5%	3.2%
<b>Bloomberg Sub Energy</b>	<b>-6.9%</b>	<b>-18.7%</b>	<b>-18.7%</b>	<b>-25.0%</b>	<b>25.3%</b>	<b>-1.5%</b>
Brent Crude	-3.0%	-5.2%	-5.2%	-6.4%	51.4%	10.7%
Heating Oil	-4.5%	-13.8%	-13.8%	8.5%	48.4%	11.5%
Natural Gas	-22.3%	-50.4%	-50.4%	-62.5%	-15.3%	-21.5%
Unleaded Gas	2.3%	2.1%	2.1%	10.9%	77.0%	12.8%
WTI Crude Oil	-1.6%	-5.2%	-5.2%	-14.4%	41.1%	-1.5%
<b>Bloomberg Sub Industrial Metals</b>	<b>-0.3%</b>	<b>-2.1%</b>	<b>-2.1%</b>	<b>-22.1%</b>	<b>21.0%</b>	<b>5.9%</b>
Aluminum	1.6%	1.0%	1.0%	-31.1%	14.1%	2.4%
Copper	0.5%	8.4%	8.4%	-12.0%	22.5%	6.2%
Nickel	-3.8%	-20.4%	-20.4%	-25.2%	27.7%	12.6%
Zinc	-2.0%	-0.1%	-0.1%	-24.7%	17.4%	1.2%
<b>Bloomberg Sub Precious Metals</b>	<b>9.2%</b>	<b>6.3%</b>	<b>6.3%</b>	<b>-0.4%</b>	<b>8.2%</b>	<b>7.1%</b>
Gold	7.6%	8.1%	8.1%	0.7%	5.9%	7.1%
Silver	15.1%	0.8%	0.8%	-3.8%	17.8%	6.8%
<b>Bloomberg Sub Livestock</b>	<b>-2.3%</b>	<b>-4.3%</b>	<b>-4.3%</b>	<b>-2.8%</b>	<b>6.0%</b>	<b>-2.5%</b>
Lean Hogs	-8.4%	-19.6%	-19.6%	-24.7%	7.1%	-8.9%
Live Cattle	1.6%	5.0%	5.0%	12.0%	5.2%	0.9%



Source: Bloomberg, FactSet

# OIL MARKETS



Source: WTI, Brent, FactSet

# GOLD SPOT PRICE



Source: FactSet



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Source of private fund performance benchmark data: Cambridge Associates, via Refinitiv





**VCERA**  
VENTURA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION

# MONTHLY PERFORMANCE REPORT

VENTURA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION

APRIL 30, 2023

Allan Martin, Partner  
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Leah Tongco, Consulting Analyst



# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Fund</b>	<b>7,344,877,008</b>	<b>100.0</b>	<b>100.0</b>	<b>0.6</b>	<b>5.5</b>	<b>0.2</b>	<b>10.5</b>	<b>7.5</b>	<b>7.6</b>	<b>8.0</b>	<b>Apr-94</b>
Policy Index				<u>1.1</u>	<u>8.5</u>	<u>2.4</u>	<u>9.8</u>	<u>7.4</u>	<u>7.7</u>	<u>8.0</u>	
Over/Under				-0.5	-3.0	-2.2	0.7	0.1	-0.1	0.0	
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg				<u>1.0</u>	<u>7.1</u>	<u>0.5</u>	<u>5.6</u>	<u>4.1</u>	<u>4.9</u>	-	
Over/Under				-0.4	-1.6	-0.3	4.9	3.4	2.7	-	
60% S&P 500 / 40% Bloomberg Aggregate				<u>1.2</u>	<u>7.3</u>	<u>1.7</u>	<u>7.4</u>	<u>7.6</u>	<u>8.0</u>	<u>8.2</u>	
Over/Under				-0.6	-1.8	-1.5	3.1	-0.1	-0.4	-0.2	
<b>Total Fund ex Parametric</b>	<b>7,281,677,006</b>	<b>99.1</b>	<b>100.0</b>	<b>0.6</b>	<b>5.0</b>	<b>-0.2</b>	<b>10.5</b>	<b>7.4</b>	<b>-</b>	<b>7.3</b>	<b>Nov-13</b>
<b>Total Fund ex Private Equity</b>	<b>6,023,843,892</b>	<b>82.0</b>	<b>82.0</b>	<b>1.1</b>	<b>8.0</b>	<b>1.4</b>	<b>8.9</b>	<b>6.2</b>	<b>6.8</b>	<b>7.8</b>	<b>Jan-12</b>
Policy Index				<u>1.1</u>	<u>8.5</u>	<u>2.4</u>	<u>9.8</u>	<u>7.4</u>	<u>7.7</u>	<u>8.6</u>	
Over/Under				0.0	-0.5	-1.0	-0.9	-1.2	-0.9	-0.8	
<b>Total US Equity</b>	<b>1,937,221,932</b>	<b>26.4</b>	<b>26.0</b>	<b>1.2</b>	<b>11.2</b>	<b>1.6</b>	<b>14.3</b>	<b>10.8</b>	<b>11.9</b>	<b>9.5</b>	<b>Jan-94</b>
Russell 3000				<u>1.1</u>	<u>10.9</u>	<u>1.5</u>	<u>14.1</u>	<u>10.6</u>	<u>11.4</u>	<u>9.7</u>	
Over/Under				0.1	0.3	0.1	0.2	0.2	0.5	-0.2	
Western U.S. Index Plus	172,697,042	2.4		1.8	12.0	1.8	15.0	10.8	12.1	7.3	Jun-07
S&P 500 Index				<u>1.6</u>	<u>11.7</u>	<u>2.7</u>	<u>14.5</u>	<u>11.4</u>	<u>12.2</u>	<u>8.7</u>	
Over/Under				0.2	0.3	-0.9	0.5	-0.6	-0.1	-1.4	
Blackrock Russell 1000 Index	1,680,912,532	22.9		1.2	11.3	1.8	14.2	11.1	-	11.4	May-17
Russell 1000 Index				<u>1.2</u>	<u>11.3</u>	<u>1.8</u>	<u>14.2</u>	<u>11.1</u>	-	<u>11.4</u>	
Over/Under				0.0	0.0	0.0	0.0	0.0	-	0.0	
Blackrock Russell 2500 Index	83,612,358	1.1		-1.3	6.7	-3.2	13.7	6.4	-	7.3	May-17
Russell 2500 Index				<u>-1.3</u>	<u>6.5</u>	<u>-3.3</u>	<u>13.6</u>	<u>6.3</u>	-	<u>7.2</u>	
Over/Under				0.0	0.2	0.1	0.1	0.1	-	0.1	

# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Non-US Equity</b>	<b>1,103,808,710</b>	<b>15.0</b>	<b>15.0</b>	<b>1.9</b>	<b>14.9</b>	<b>5.3</b>	<b>10.3</b>	<b>2.8</b>	<b>4.4</b>	<b>6.0</b>	<b>Mar-94</b>
<i>MSCI ACWI ex USA</i>				<u>1.7</u>	<u>11.9</u>	<u>3.0</u>	<u>9.7</u>	<u>2.5</u>	<u>4.0</u>	<u>5.0</u>	
Over/Under				0.2	3.0	2.3	0.6	0.3	0.4	1.0	
<i>MSCI AC World x USA in LC (Net)</i>				<u>1.5</u>	<u>10.6</u>	<u>3.8</u>	<u>11.1</u>	<u>4.7</u>	<u>6.5</u>	-	
Over/Under				0.4	4.3	1.5	-0.8	-1.9	-2.1	-	
BlackRock ACWI ex-U.S. Index	562,071,791	7.7		1.7	11.9	2.6	10.2	2.6	4.3	3.1	Apr-07
<i>MSCI AC World ex USA IMI (Net)</i>				<u>1.7</u>	<u>11.7</u>	<u>2.2</u>	<u>9.9</u>	<u>2.4</u>	<u>4.1</u>	<u>2.8</u>	
Over/Under				0.0	0.2	0.4	0.3	0.2	0.2	0.3	
Sprucegrove	266,219,914	3.6		2.6	18.3	8.9	13.4	1.9	4.2	6.6	Apr-02
<i>MSCI EAFE (Net)</i>				<u>2.8</u>	<u>18.6</u>	<u>8.4</u>	<u>11.7</u>	<u>3.6</u>	<u>4.8</u>	<u>5.7</u>	
Over/Under				-0.2	-0.3	0.5	1.7	-1.7	-0.6	0.9	
<i>MSCI EAFE Value Index (Net)</i>				<u>3.2</u>	<u>17.5</u>	<u>8.4</u>	<u>13.8</u>	<u>1.8</u>	<u>3.4</u>	<u>5.2</u>	
Over/Under				-0.6	0.8	0.5	-0.4	0.1	0.8	1.4	
Walter Scott	275,517,005	3.8		1.7	18.3	7.6	8.6	7.0	6.3	6.6	Jan-11
<i>MSCI EAFE (Net)</i>				<u>2.8</u>	<u>18.6</u>	<u>8.4</u>	<u>11.7</u>	<u>3.6</u>	<u>4.8</u>	<u>5.0</u>	
Over/Under				-1.1	-0.3	-0.8	-3.1	3.4	1.5	1.6	
<b>Total Global Equity</b>	<b>749,358,506</b>	<b>10.2</b>	<b>9.0</b>	<b>1.5</b>	<b>11.7</b>	<b>2.5</b>	<b>12.5</b>	<b>7.4</b>	<b>7.8</b>	<b>6.6</b>	<b>May-05</b>
<i>MSCI AC World Index (Net)</i>				<u>1.4</u>	<u>11.3</u>	<u>2.1</u>	<u>12.0</u>	<u>7.0</u>	<u>7.9</u>	<u>7.1</u>	
Over/Under				0.1	0.4	0.4	0.5	0.4	-0.1	-0.5	
BlackRock MSCI ACWI Equity Index	749,358,506	10.2		1.5	11.7	2.5	12.5	7.4	8.3	9.5	Aug-12
<i>MSCI AC World Index (Net)</i>				<u>1.4</u>	<u>11.3</u>	<u>2.1</u>	<u>12.0</u>	<u>7.0</u>	<u>7.9</u>	<u>9.1</u>	
Over/Under				0.1	0.4	0.4	0.5	0.4	0.4	0.4	
<b>Total Private Equity</b>	<b>1,321,033,116</b>	<b>18.0</b>	<b>18.0</b>	<b>-1.3</b>	<b>-5.6</b>	<b>-5.2</b>	<b>21.2</b>	<b>18.5</b>	<b>16.7</b>	<b>16.2</b>	<b>Jan-12</b>
<i>Private Equity Benchmark</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.8</u>	<u>13.5</u>	<u>14.8</u>	<u>16.1</u>	
Over/Under				-2.5	-18.4	-8.7	4.4	5.0	1.9	0.1	

# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>US Fixed Income</b>	<b>696,353,184</b>	<b>9.5</b>	<b>8.0</b>	<b>0.7</b>	<b>3.7</b>	<b>1.9</b>	<b>0.1</b>	<b>2.6</b>	<b>2.2</b>	<b>5.2</b>	<b>Mar-94</b>
<i>Blmbg. U.S. Aggregate Index</i>				<u>0.6</u>	<u>0.5</u>	<u>-0.4</u>	<u>-3.1</u>	<u>1.2</u>	<u>1.3</u>	<u>4.5</u>	
Over/Under				0.1	3.2	2.3	3.2	1.4	0.9	0.7	
BlackRock U.S. Debt Fund	159,404,570	2.2		0.6	0.5	-0.4	-3.1	1.2	1.4	4.3	Dec-95
<i>Blmbg. U.S. Aggregate Index</i>				<u>0.6</u>	<u>0.5</u>	<u>-0.4</u>	<u>-3.1</u>	<u>1.2</u>	<u>1.3</u>	<u>4.3</u>	
Over/Under				0.0	0.0	0.0	0.0	0.0	0.1	0.0	
Western	191,895,072	2.6		0.7	0.9	-1.1	-2.4	1.4	2.0	5.1	Jan-97
<i>Blmbg. U.S. Aggregate Index</i>				<u>0.6</u>	<u>0.5</u>	<u>-0.4</u>	<u>-3.1</u>	<u>1.2</u>	<u>1.3</u>	<u>4.3</u>	
Over/Under				0.1	0.4	-0.7	0.7	0.2	0.7	0.8	
Reams	213,109,645	2.9		0.8	7.6	6.3	3.2	4.0	2.7	4.9	Oct-01
<i>Blmbg. U.S. Aggregate Index</i>				<u>0.6</u>	<u>0.5</u>	<u>-0.4</u>	<u>-3.1</u>	<u>1.2</u>	<u>1.3</u>	<u>3.5</u>	
Over/Under				0.2	7.1	6.7	6.3	2.8	1.4	1.4	
<i>Reams Custom Index</i>				<u>0.3</u>	<u>2.7</u>	<u>2.8</u>	<u>1.0</u>	<u>1.6</u>	<u>1.1</u>	<u>3.3</u>	
Over/Under				0.5	4.9	3.5	2.2	2.4	1.6	1.6	
Loomis Strategic Alpha	46,724,548	0.6		0.4	3.9	0.3	2.9	1.9	-	2.3	Aug-13
<i>Blmbg. U.S. Aggregate Index</i>				<u>0.6</u>	<u>0.5</u>	<u>-0.4</u>	<u>-3.1</u>	<u>1.2</u>	-	<u>1.7</u>	
Over/Under				-0.2	3.4	0.7	6.0	0.7	-	0.6	
Loomis Sayles Multi Strategy	85,219,349	1.2		0.6	3.4	0.0	1.6	2.8	3.0	5.3	Aug-05
<i>5% Bmbg. U.S. Int Agg / 65% Blmbg. U.S. Agg / 30% FTSE HY</i>				<u>0.7</u>	<u>2.8</u>	<u>0.1</u>	<u>-0.6</u>	<u>1.8</u>	<u>2.1</u>	<u>4.0</u>	
Over/Under				-0.1	0.6	-0.1	2.2	1.0	0.9	1.3	
<b>Treasuries</b>	<b>77,324,331</b>	<b>1.1</b>	<b>2.0</b>	<b>0.7</b>	<b>-2.0</b>	<b>-2.4</b>	<b>-6.2</b>	<b>-</b>	<b>-</b>	<b>-0.4</b>	<b>Apr-19</b>
<i>Blmbg. U.S. Treasury: 7-10 Year</i>				<u>0.9</u>	<u>-0.4</u>	<u>-0.7</u>	<u>-5.1</u>	-	-	<u>0.0</u>	
Over/Under				-0.2	-1.6	-1.7	-1.1	-	-	-0.4	
Reams 10-Year Treasuries	77,324,331	1.1		0.7	-2.0	-2.4	-6.2	-	-	-0.4	Apr-19
<i>Blmbg. U.S. Treasury: 7-10 Year</i>				<u>0.9</u>	<u>-0.4</u>	<u>-0.7</u>	<u>-5.1</u>	-	-	<u>0.0</u>	
Over/Under				-0.2	-1.6	-1.7	-1.1	-	-	-0.4	
<b>Private Credit</b>	<b>429,871,244</b>	<b>5.9</b>	<b>8.0</b>	<b>0.3</b>	<b>1.6</b>	<b>0.8</b>	<b>10.1</b>	<b>7.6</b>	<b>-</b>	<b>7.5</b>	<b>Jan-18</b>
<i>50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index</i>				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	<u>6.4</u>	<u>4.5</u>	-	<u>4.4</u>	
Over/Under				-0.6	-6.4	-1.5	3.7	3.1	-	3.1	

# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Real Estate</b>	<b>529,638,297</b>	<b>7.2</b>	<b>8.0</b>	<b>0.0</b>	<b>-8.5</b>	<b>-6.8</b>	<b>4.6</b>	<b>3.9</b>	<b>6.7</b>	<b>7.1</b>	<b>Apr-94</b>
NCREIF ODCE Net				<u>0.0</u>	<u>-8.1</u>	<u>-3.9</u>	<u>7.5</u>	<u>6.6</u>	<u>8.5</u>	<u>7.8</u>	
Over/Under				0.0	-0.4	-2.9	-2.9	-2.7	-1.8	-0.7	
Prudential Real Estate	212,869,196	2.9		0.0	-7.3	-2.3	8.2	7.5	9.3	6.6	Jul-04
NCREIF ODCE Net				<u>0.0</u>	<u>-8.1</u>	<u>-3.9</u>	<u>7.5</u>	<u>6.6</u>	<u>8.5</u>	<u>6.9</u>	
Over/Under				0.0	0.8	1.6	0.7	0.9	0.8	-0.3	
UBS Real Estate	232,456,711	3.2		0.0	-12.3	-8.9	2.4	1.8	5.2	6.0	Apr-03
NCREIF ODCE Net				<u>0.0</u>	<u>-8.1</u>	<u>-3.9</u>	<u>7.5</u>	<u>6.6</u>	<u>8.5</u>	<u>7.1</u>	
Over/Under				0.0	-4.2	-5.0	-5.1	-4.8	-3.3	-1.1	
LaSalle Income + Growth VIII Limited Partnership	62,501,654	0.9		0.0	3.8	13.9	13.8	-	-	13.0	Mar-20
NCREIF ODCE Net				<u>0.0</u>	<u>-8.1</u>	<u>-3.9</u>	<u>7.5</u>	-	-	<u>7.3</u>	
Over/Under				0.0	11.9	17.8	6.3	-	-	5.7	
Alterra IOS Venture II	21,810,736	0.3		-0.4	-5.6	-5.6	-	-	-	-5.6	May-22
NCREIF ODCE Net				<u>0.0</u>	<u>-8.1</u>	<u>-3.9</u>	-	-	-	<u>-3.9</u>	
Over/Under				-0.4	2.5	-1.7	-	-	-	-1.7	
<b>Total Real Assets</b>	<b>357,499,944</b>	<b>4.9</b>	<b>6.0</b>	<b>0.7</b>	<b>6.5</b>	<b>-1.7</b>	<b>7.9</b>	<b>3.4</b>	<b>3.9</b>	<b>3.9</b>	<b>May-13</b>
Real Assets Index				<u>0.7</u>	<u>4.1</u>	<u>7.0</u>	<u>7.9</u>	<u>6.5</u>	<u>6.4</u>	<u>6.4</u>	
Over/Under				0.0	2.4	-8.7	0.0	-3.1	-2.5	-2.5	
Bridgewater All Weather Fund	136,735,558	1.9		0.2	2.7	-7.4	3.1	2.7	-	3.9	Sep-13
CPI + 5% (Unadjusted)				<u>0.9</u>	<u>6.6</u>	<u>10.2</u>	<u>11.1</u>	<u>9.1</u>	-	<u>7.9</u>	
Over/Under				-0.7	-3.9	-17.6	-8.0	-6.4	-	-4.0	
Tortoise Energy Infrastructure	113,947,059	1.6		1.9	22.0	12.1	26.7	5.7	3.1	3.1	May-13
Tortoise MLP Index				<u>1.9</u>	<u>23.6</u>	<u>14.6</u>	<u>28.1</u>	<u>6.2</u>	<u>1.1</u>	<u>1.1</u>	
Over/Under				0.0	-1.6	-2.5	-1.4	-0.5	2.0	2.0	
Brookfield Infra Fund IV B LP	49,678,350	0.7		0.0	2.6	8.1	9.3	-	-	9.0	Apr-20
CPI + 2% (Unadjusted)				<u>0.7</u>	<u>4.1</u>	<u>7.0</u>	<u>7.9</u>	-	-	<u>7.5</u>	
Over/Under				-0.7	-1.5	1.1	1.4	-	-	1.5	
Harbourvest Real Assets Fund IV L.P.	57,138,976	0.8		0.0	26.4	26.4	-	-	-	33.6	Apr-21
CPI + 2% (Unadjusted)				<u>0.7</u>	<u>4.1</u>	<u>7.0</u>	-	-	-	<u>8.9</u>	
Over/Under				-0.7	22.3	19.4	-	-	-	24.7	
<b>Overlay</b>	<b>142,767,743</b>	<b>1.9</b>	<b>0.0</b>								
Parametric	63,200,002	0.9									
Abbott Capital Cash	79,567,742	1.1									

# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Private Equity</b>	<b>1,321,033,116</b>	<b>18.0</b>	<b>18.0</b>	<b>-1.3</b>	<b>-5.6</b>	<b>-5.2</b>	<b>21.2</b>	<b>18.5</b>	<b>16.7</b>	<b>16.2</b>	<b>Jan-12</b>
<i>Private Equity Benchmark</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.8</u>	<u>13.5</u>	<u>14.8</u>	<u>16.1</u>	
Over/Under				-2.5	-18.4	-8.7	4.4	5.0	1.9	0.1	
Adams Street Global Fund Series	247,545,670	3.4		0.0	-10.2	-14.0	19.8	18.0	15.7	15.1	Jan-12
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	<u>12.8</u>	<u>13.9</u>	<u>15.2</u>	
Over/Under				-1.2	-23.0	-17.5	3.5	5.2	1.8	-0.1	
Harbourvest	109,836,991	1.5		3.9	0.2	-1.7	14.7	16.1	-	17.7	Aug-13
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	<u>12.8</u>	-	<u>13.5</u>	
Over/Under				2.7	-12.6	-5.2	-1.6	3.3	-	4.2	
Pantheon Global Secondary Funds	94,994,251	1.3		6.2	13.1	13.1	16.3	12.0	13.2	12.7	Jan-12
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	<u>12.8</u>	<u>13.9</u>	<u>15.2</u>	
Over/Under				5.0	0.3	9.6	0.0	-0.8	-0.7	-2.5	
Drive Capital Fund II	13,470,099	0.2		-54.7	-53.9	-53.9	-8.0	3.5	-	-8.7	Sep-16
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	<u>12.8</u>	-	<u>13.9</u>	
Over/Under				-55.9	-66.7	-57.4	-24.3	-9.3	-	-22.6	
Abbott Secondary Opportunities	10,334,527	0.1		-0.6	-4.0	-11.7	21.9	22.9	-	21.3	Jan-18
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	<u>12.8</u>	-	<u>12.0</u>	
Over/Under				-1.8	-16.8	-15.2	5.6	10.1	-	9.3	
Clearlake Capital Partners V	12,352,542	0.2		0.0	-13.3	20.6	15.0	25.2	-	24.3	Mar-18
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	<u>12.8</u>	-	<u>12.1</u>	
Over/Under				-1.2	-26.1	17.1	-1.3	12.4	-	12.2	
Battery Ventures XII	27,060,246	0.4		0.0	-18.3	-18.0	38.1	22.9	-	22.5	Apr-18
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	<u>12.8</u>	-	<u>12.7</u>	
Over/Under				-1.2	-31.1	-21.5	21.8	10.1	-	9.8	
Insight Venture Partners X	49,679,833	0.7		0.3	-22.9	-20.1	26.7	19.7	-	19.7	May-18
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	<u>12.8</u>	-	<u>12.8</u>	
Over/Under				-0.9	-35.7	-23.6	10.4	6.9	-	6.9	
GTCR Fund XII	32,806,157	0.4		0.0	-2.0	-0.8	33.0	-	-	3.1	Jun-18
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>12.4</u>	
Over/Under				-1.2	-14.8	-4.3	16.7	-	-	-9.3	
Buenaventure One, LLC	197,717,036	2.7		-1.8	-1.8	-1.8	22.8	-	-	15.7	Jul-18
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>12.4</u>	
Over/Under				-3.0	-14.6	-5.3	6.5	-	-	3.3	
ECl 11	9,340,997	0.1		-0.5	3.5	-5.9	28.1	-	-	24.6	Jan-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>15.9</u>	
Over/Under				-1.7	-9.3	-9.4	11.8	-	-	8.7	



# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Buenaventure Two, LLC	1,997,142	0.0		-1.7	-0.5	-0.2	22.3	-	-	32.3	Dec-18
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>13.1</u>	
Over/Under				-2.9	-13.3	-3.7	6.0	-	-	19.2	
The Resolute Fund IV L.P.	31,572,669	0.4		0.0	16.3	32.8	34.0	-	-	41.6	Jan-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>15.9</u>	
Over/Under				-1.2	3.5	29.3	17.7	-	-	25.7	
GGV Capital VII L.P.	13,540,189	0.2		0.0	-8.1	-4.4	15.2	-	-	4.8	Feb-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>14.0</u>	
Over/Under				-1.2	-20.9	-7.9	-1.1	-	-	-9.2	
GGV Discovery II, L.P.	3,908,017	0.1		0.0	-1.6	21.0	31.3	-	-	20.3	Feb-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>14.0</u>	
Over/Under				-1.2	-14.4	17.5	15.0	-	-	6.3	
Drive Capital Overdrive Fund I	8,856,959	0.1		-25.9	-26.9	-24.0	21.2	-	-	14.5	May-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>12.3</u>	
Over/Under				-27.1	-39.7	-27.5	4.9	-	-	2.2	
Riverside Micro Cap Fund V, LP	12,154,458	0.2		1.4	6.1	23.5	20.5	-	-	6.9	May-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>12.3</u>	
Over/Under				0.2	-6.7	20.0	4.2	-	-	-5.4	
GGV Capital VII Plus, LP	3,170,309	0.0		0.0	-4.6	-3.5	11.1	-	-	8.5	Jun-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>14.5</u>	
Over/Under				-1.2	-17.4	-7.0	-5.2	-	-	-6.0	
Astorg VII L.P.	9,966,384	0.1		1.6	-21.3	-20.2	15.6	-	-	-1.9	Jul-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>12.7</u>	
Over/Under				0.4	-34.1	-23.7	-0.7	-	-	-14.6	
M/C Partners Fund VIII LP. Limited Partnership	8,073,351	0.1		0.0	-0.6	18.1	13.6	-	-	-7.8	Jul-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>12.7</u>	
Over/Under				-1.2	-13.4	14.6	-2.7	-	-	-20.5	
Genstar Capital Partners IX	9,962,262	0.1		0.0	24.3	30.1	33.7	-	-	N/A	Aug-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-		
Over/Under				-1.2	11.5	26.6	17.4	-	-		
Genstar IX Opportunities Fund I	3,000,119	0.0		0.0	25.1	28.9	26.1	-	-	21.2	Aug-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>12.5</u>	
Over/Under				-1.2	12.3	25.4	9.8	-	-	8.7	

# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
ABRY Partners IX, LP	12,531,543	0.2		3.7	17.1	19.5	12.9	-	-	5.7	Sep-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>13.4</u>	
Over/Under				2.5	4.3	16.0	-3.4	-	-	-7.7	
Advent International GPE IX LP	12,478,202	0.2		0.0	-19.8	-35.7	36.7	-	-	27.5	Nov-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>12.7</u>	
Over/Under				-1.2	-32.6	-39.2	20.4	-	-	14.8	
Drive Capital Fund III LP	5,747,136	0.1		-28.2	-20.9	-16.3	0.6	-	-	-2.5	Dec-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>11.8</u>	
Over/Under				-29.4	-33.7	-19.8	-15.7	-	-	-14.3	
Oak HC/FT Partners III LP	22,696,230	0.3		0.0	-33.2	-31.0	25.0	-	-	18.2	Dec-19
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>11.8</u>	
Over/Under				-1.2	-46.0	-34.5	8.7	-	-	6.4	
TA XIII A LP	12,457,434	0.2		0.0	3.7	7.8	28.6	-	-	23.4	Jan-20
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>11.1</u>	
Over/Under				-1.2	-9.1	4.3	12.3	-	-	12.3	
Dover Street X, LP	29,824,260	0.4		0.0	3.6	3.6	30.6	-	-	33.1	Feb-20
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>11.4</u>	
Over/Under				-1.2	-9.2	0.1	14.3	-	-	21.7	
Hellman & Friedman CP IX	24,515,670	0.3		0.0	-1.2	-3.8	13.9	-	-	8.3	Apr-20
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	<u>16.3</u>	-	-	<u>20.7</u>	
Over/Under				-1.2	-14.0	-7.3	-2.4	-	-	-12.4	
Clearlake Capital Partners VI	27,076,323	0.4		0.0	-2.0	0.4	-	-	-	26.4	Jun-20
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>14.7</u>	
Over/Under				-1.2	-14.8	-3.1	-	-	-	11.7	
Flexpoint Fund IV	6,951,836	0.1		0.0	-18.3	-12.3	-	-	-	12.7	Jun-20
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>14.7</u>	
Over/Under				-1.2	-31.1	-15.8	-	-	-	-2.0	
Battery Ventures XIII	17,069,283	0.2		0.0	-2.1	4.9	-	-	-	16.2	Jun-20
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>14.7</u>	
Over/Under				-1.2	-14.9	1.4	-	-	-	1.5	
Green Equity Investors VIII, L.P.	14,234,485	0.2		0.0	3.2	3.7	-	-	-	3.4	Nov-20
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>12.9</u>	
Over/Under				-1.2	-9.6	0.2	-	-	-	-9.5	
CapVest Private Equity Partners IV, SCSp	10,636,019	0.1		3.4	15.0	15.7	-	-	-	43.6	Dec-20
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>8.0</u>	
Over/Under				2.2	2.2	12.2	-	-	-	35.6	

# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Drive Capital Fund IV LP	4,128,691	0.1		0.0	-2.9	-5.4	-	-	-	-4.1	Jan-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-7.7</u>	
Over/Under				-1.2	-15.7	-8.9	-	-	-	3.6	
Great Hill Equity Partners VII	7,132,749	0.1		0.0	-3.9	-4.9	-	-	-	83.2	Jan-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>6.2</u>	
Over/Under				-1.2	-16.7	-8.4	-	-	-	77.0	
Great Hill Equity Partners VIII	3,667,828	0.0		-14.9	-	-	-	-	-	-14.9	Dec-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	-	-	-	-	-	<u>2.8</u>	
Over/Under				-16.1	-	-	-	-	-	-17.7	
Vitruvian Investment Partners IV	16,676,748	0.2		1.6	18.4	29.2	-	-	-	N/A	Jan-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-		
Over/Under				0.4	5.6	25.7	-	-	-		
CRV XVIII, L.P.	14,464,178	0.2		0.0	-7.6	-0.8	-	-	-	3.0	Mar-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>5.3</u>	
Over/Under				-1.2	-20.4	-4.3	-	-	-	-2.3	
GGV Capital VIII, L.P.	5,944,326	0.1		0.0	1.0	1.5	-	-	-	10.7	May-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>1.2</u>	
Over/Under				-1.2	-11.8	-2.0	-	-	-	9.5	
GGV Discovery III, L.P.	2,630,328	0.0		0.0	18.6	18.6	-	-	-	28.9	May-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>1.2</u>	
Over/Under				-1.2	5.8	15.1	-	-	-	27.7	
Oak HC/FT Partners IV, L.P.	9,189,429	0.1		0.0	9.0	19.7	-	-	-	9.9	May-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>1.2</u>	
Over/Under				-1.2	-3.8	16.2	-	-	-	8.7	
Prairie Capital VII, LP	3,974,907	0.1		0.0	-1.9	15.2	-	-	-	1.7	Jun-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>0.9</u>	
Over/Under				-1.2	-14.7	11.7	-	-	-	0.8	
GGV Capital VIII Plus, L.P.	1,095,548	0.0		0.0	0.2	4.5	-	-	-	2.3	Jul-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-0.5</u>	
Over/Under				-1.2	-12.6	1.0	-	-	-	2.8	
Flexpoint Overage Fund IV A, L.P.	2,548,298	0.0		0.0	0.4	3.9	-	-	-	6.4	Jul-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-0.5</u>	
Over/Under				-1.2	-12.4	0.4	-	-	-	6.9	
Abbott Secondary Opportunities II, L.P.	18,681,791	0.3		-0.8	29.2	29.2	-	-	-	61.5	Jul-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-0.5</u>	
Over/Under				-2.0	16.4	25.7	-	-	-	62.0	

# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Genstar X Opportunities Fund I, LP	3,346,486	0.0		0.0	0.5	1.7	-	-	-	6.4	Sep-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-3.4</u>	
Over/Under				-1.2	-12.3	-1.8	-	-	-	9.8	
Charlesbank Overage Fund X	4,729,209	0.1		0.0	7.1	8.4	-	-	-	8.7	Sep-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-3.4</u>	
Over/Under				-1.2	-5.7	4.9	-	-	-	12.1	
Charlesbank Equity Fund X	11,868,336	0.2		0.0	13.4	14.0	-	-	-	9.8	Sep-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-3.4</u>	
Over/Under				-1.2	0.6	10.5	-	-	-	13.2	
GTCR Fund XIII	14,799,447	0.2		0.0	-2.0	24.5	-	-	-	35.7	Sep-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-3.4</u>	
Over/Under				-1.2	-14.8	21.0	-	-	-	39.1	
Hellman & Friedman CP X	14,071,181	0.2		0.0	-3.3	-3.3	-	-	-	-3.2	Nov-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-5.2</u>	
Over/Under				-1.2	-16.1	-6.8	-	-	-	2.0	
Genstar Capital Partners X LP	9,904,072	0.1		0.0	1.3	4.3	-	-	-	10.6	Dec-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-4.6</u>	
Over/Under				-1.2	-11.5	0.8	-	-	-	15.2	
TA XIV A LP	5,260,298	0.1		0.0	-13.2	-13.2	-	-	-	-9.5	Dec-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-4.6</u>	
Over/Under				-1.2	-26.0	-16.7	-	-	-	-4.9	
CVC Capital Partners VIII A LP	12,318,795	0.2		1.6	16.6	22.2	-	-	-	21.0	Dec-21
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-4.6</u>	
Over/Under				0.4	3.8	18.7	-	-	-	25.6	
Drive Capital Overdrive	2,519,364	0.0		-46.3	-47.9	-49.3	-	-	-	-39.9	Jan-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-7.7</u>	
Over/Under				-47.5	-60.7	-52.8	-	-	-	-32.2	
Kinderhook Capital Fund 7	4,666,995	0.1		0.0	31.7	11.5	-	-	-	9.7	Mar-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-2.0</u>	
Over/Under				-1.2	18.9	8.0	-	-	-	11.7	
Pantheon Global Secondary Funds VII	4,665,596	0.1		-0.8	2.2	2.2	-	-	-	2.0	Apr-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>-5.2</u>	
Over/Under				-2.0	-10.6	-1.3	-	-	-	7.2	
Harbourvest PTN Co Inv VI LP	11,596,610	0.2		0.0	-8.5	-8.5	-	-	-	-8.5	May-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	<u>3.5</u>	-	-	-	<u>3.5</u>	
Over/Under				-1.2	-21.3	-12.0	-	-	-	-12.0	

# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Clearlake Capital Partners VII	10,064,917	0.1		0.0	-2.6	-	-	-	-	-2.6	Jun-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	-	-	-	-	<u>3.5</u>	
Over/Under				-1.2	-15.4	-	-	-	-	-6.1	
Battery Ventures XIV	1,310,469	0.0		0.0	-	-	-	-	-	-	Jul-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	-	-	-	-	<u>12.8</u>	
Over/Under				-1.2	-	-	-	-	-	-	
Oak HC/FT Partners V	1,157,275	0.0		0.0	-	-	-	-	-	-	Jul-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	<u>12.8</u>	-	-	-	-	<u>12.8</u>	
Over/Under				-1.2	-	-	-	-	-	-	
Advent International GPE X LP	3,053,528	0.0		0.0	-	-	-	-	-	-12.6	Oct-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	-	-	-	-	-	<u>17.5</u>	
Over/Under				-1.2	-	-	-	-	-	-30.1	
GTCR Strategic Growth 1/A	636,146	0.0		0.0	-	-	-	-	-	-35.2	Oct-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	-	-	-	-	-	<u>17.5</u>	
Over/Under				-1.2	-	-	-	-	-	-52.7	
GTCR Strategic Growth 1/B	514,444	0.0		0.0	-	-	-	-	-	7.5	Oct-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	-	-	-	-	-	<u>17.5</u>	
Over/Under				-1.2	-	-	-	-	-	-10.0	
Riverside Micro Cap Fund VI, LP	5,304,682	0.1		-2.2	-	-	-	-	-	-12.0	Oct-22
<i>Russell 3000 + 2%</i>				<u>1.2</u>	-	-	-	-	-	<u>17.5</u>	
Over/Under				-3.4	-	-	-	-	-	-29.5	
Ridgemont Equity Partners IV	1,551,812	0.0		0.0	-	-	-	-	-	0.0	Jan-23
<i>Russell 3000 + 2%</i>				<u>1.2</u>	-	-	-	-	-	<u>9.0</u>	
Over/Under				-1.2	-	-	-	-	-	-9.0	

# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Private Credit</b>	<b>429,871,244</b>	<b>5.9</b>	<b>8.0</b>	<b>0.3</b>	<b>1.6</b>	<b>0.8</b>	<b>10.1</b>	<b>7.6</b>	<b>-</b>	<b>7.5</b>	<b>Jan-18</b>
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	<u>6.4</u>	<u>4.5</u>	-	<u>4.4</u>	
Over/Under				-0.6	-6.4	-1.5	3.7	3.1	-	3.1	
CVI Credit Value Fund IV	25,909,230	0.4		0.7	9.4	8.7	14.5	7.3	-	7.2	Jan-18
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	<u>6.4</u>	<u>4.5</u>	-	<u>4.4</u>	
Over/Under				-0.2	1.4	6.4	8.1	2.8	-	2.8	
Monroe Capital Private Credit Fund III	21,689,890	0.3		0.0	7.1	10.0	11.8	-	-	11.2	Dec-18
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	<u>6.4</u>	-	-	<u>4.7</u>	
Over/Under				-0.9	-0.9	7.7	5.4	-	-	6.5	
Bluebay Direct Lending Fund III	19,092,044	0.3		2.8	6.3	8.7	10.8	-	-	10.1	Apr-19
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	<u>6.4</u>	-	-	<u>4.1</u>	
Over/Under				1.9	-1.7	6.4	4.4	-	-	6.0	
Pimco Private Income Fund	70,631,984	1.0		0.0	-0.4	-0.4	8.6	-	-	7.8	Nov-19
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	<u>6.4</u>	-	-	<u>3.5</u>	
Over/Under				-0.9	-8.4	-2.7	2.2	-	-	4.3	
Bridge Debt Strategies III Limited Partner	15,370,065	0.2		0.0	1.5	2.1	6.9	-	-	6.2	Jan-20
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	<u>6.4</u>	-	-	<u>3.0</u>	
Over/Under				-0.9	-6.5	-0.2	0.5	-	-	3.2	
PIMCO Corp Opps Fund III	48,951,943	0.7		0.0	-6.3	-10.7	30.0	-	-	30.0	May-20
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	<u>6.4</u>	-	-	<u>6.4</u>	
Over/Under				-0.9	-14.3	-13.0	23.6	-	-	23.6	
Torchlight Debt Fund VII, L.P.	13,390,463	0.2		0.0	6.2	7.7	-	-	-	3.9	Jan-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	-	-	-	<u>1.6</u>	
Over/Under				-0.9	-1.8	5.4	-	-	-	2.3	
Torchlight Debt Fund VIII, L.P.	2,000,000	0.0		0.0	-	-	-	-	-	0.0	Jan-23
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	-	-	-	-	-	<u>4.3</u>	
Over/Under				-0.9	-	-	-	-	-	-4.3	
Crayhill Principal Strategies Fund II	12,440,275	0.2		-2.1	2.1	-16.4	-	-	-	16.0	May-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	-	-	-	<u>0.7</u>	
Over/Under				-3.0	-5.9	-18.7	-	-	-	15.3	
CVI Credit Value Fund A V	20,580,670	0.3		-1.3	3.7	2.9	-	-	-	5.4	Jun-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	-	-	-	<u>0.5</u>	
Over/Under				-2.2	-4.3	0.6	-	-	-	4.9	



# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Bridge Debt Strategies Fund IV LP	23,801,529	0.3		0.0	2.1	4.5	-	-	-	4.7	Aug-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	-	-	-	<u>-0.2</u>	
Over/Under				-0.9	-5.9	2.2	-	-	-	4.9	
Cross Ocean USD ESS Fund IV	31,156,125	0.4		0.0	3.2	8.7	-	-	-	5.9	Sep-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	-	-	-	<u>-0.5</u>	
Over/Under				-0.9	-4.8	6.4	-	-	-	6.4	
Harbourvest Direct Lending L	18,096,264	0.2		3.1	4.4	4.4	-	-	-	2.6	Sep-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	-	-	-	<u>-0.5</u>	
Over/Under				2.2	-3.6	2.1	-	-	-	3.1	
Bain Capital Special Situations Asia Fund II	3,037,882	0.0		9.7	12.0	6.5	-	-	-	13.0	Nov-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	-	-	-	<u>-0.8</u>	
Over/Under				8.8	4.0	4.2	-	-	-	13.8	
Arbour Lane Credit Opp III A	12,741,177	0.2		2.9	-7.0	-9.2	-	-	-	-5.7	Dec-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	-	-	-	<u>-0.4</u>	
Over/Under				2.0	-15.0	-11.5	-	-	-	-5.3	

# TOTAL FUND PERFORMANCE DETAIL

	Allocation			Performance (%)							
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Monroe Private Capital Fund IV	25,077,179	0.3		0.0	4.0	8.3	-	-	-	6.2	Jan-22
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	<u>2.3</u>	-	-	-	<u>-1.4</u>	
Over/Under				-0.9	-4.0	6.0	-	-	-	7.6	
Crescent Cove Opportunity Fund LP	12,597,266	0.2		0.0	1.1	-	-	-	-	1.1	Jun-22
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	<u>8.0</u>	-	-	-	-	<u>3.2</u>	
Over/Under				-0.9	-6.9	-	-	-	-	-2.1	
VWH Partners III LP	20,768,916	0.3		0.0	-	-	-	-	-	1.5	Dec-22
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	-	-	-	-	-	<u>4.0</u>	
Over/Under				-0.9	-	-	-	-	-	-2.5	
Harbourview Royalties I	14,736,901	0.2		0.0	-	-	-	-	-	0.0	Apr-23
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				<u>0.9</u>	-	-	-	-	-	<u>0.9</u>	
Over/Under				-0.9	-	-	-	-	-	-0.9	
Kennedy Lewis Capital Partners Master Fund III LP	12,801,439	0.2		-	-	-	-	-	-	-	May-23
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				-	-	-	-	-	-	-	
Over/Under				-	-	-	-	-	-	-	
PIMCO Corp Opps Fund IV	5,000,000	0.1		-	-	-	-	-	-	-	May-23
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index				-	-	-	-	-	-	-	
Over/Under				-	-	-	-	-	-	-	

Policy Index as of May, 2022: 26% Russell 3000 Index, 15% MSCI ACWI ex U.S., 9% MSCI ACWI, 18% Private Equity Benchmark, 10% Bloomberg US Aggregate, 8% 50% CS Leveraged Loan/50% ICE BofA US HY BB-B Rated Constrained Index, 8% NCREIF ODCE, 6% Real Assets 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.

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.

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

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

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

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

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

Please Note: Private Equity performance is shown on a time-weighted return basis. Values are cash adjusted with current month cash flows. Fiscal year ends 6/30.





# PRIVATE EQUITY LP PERFORMANCE

Fund Name	Vintage Year	Initial Closing Date	Commitment	Capital Called to Date <sup>1</sup>	Outstanding Commitment <sup>1</sup>	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
												Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Abbott Secondary Opportunities, LP.	2017	12/21/2017	\$25,000,000	\$25,043,477	\$319,240	99%	\$30,343,875	\$10,334,528	\$40,678,403	\$15,634,926	24.6%	1.21x	1.62x
Abbott Secondary Opportunities II, LP.	2020	1/31/2020	\$40,000,000	\$15,606,722	\$24,393,278	--	\$4,200,000	\$15,881,796	\$20,081,796	\$4,475,074	43.8%	0.27x	1.29x
ABRY Partners IX	2019	12/6/2018	\$10,600,000	\$10,043,310	\$2,164,800	95%	\$1,608,110	\$12,463,924	\$14,072,034	\$4,028,724	1.8%	0.16x	1.4x
Adams Street 2010 U.S. Fund	2010	5/21/2010	\$42,500,000	\$37,442,500	\$5,057,500	88%	\$67,869,468	\$27,972,959	\$95,842,427	\$58,384,714	16.9%	1.81x	2.56x
Adams Street 2010 Non-U.S. Dev. Mkts Fund	2010	5/21/2010	\$25,500,000	\$22,962,749	\$2,537,251	90%	\$33,935,811	\$10,704,888	\$44,640,699	\$21,676,361	13.2%	1.48x	1.94x
Adams Street 2010 Non-U.S. Emg Mkts Fund	2010	1/3/2011	\$8,500,000	\$7,633,000	\$867,000	90%	\$7,835,579	\$7,682,574	\$15,518,153	\$7,885,153	10.6%	1.03x	2.03x
Adams Street 2010 Direct Fund	2010	5/21/2010	\$8,500,000	\$8,168,500	\$331,500	96%	\$12,560,694	\$2,797,221	\$15,357,915	\$7,182,718	11.9%	1.54x	1.88x
Adams Street 2013 Global Fund	2013	6/27/2013	\$75,000,000	\$69,319,741	\$5,680,259	92%	\$66,364,205	\$80,876,507	\$147,240,712	\$77,910,243	14.4%	0.96x	2.12x
Adams Street 2016 Global Fund	2016	8/16/2016	\$60,000,000	\$49,384,776	\$10,615,224	82%	\$21,068,412	\$73,061,096	\$94,129,508	\$44,744,732	20.2%	0.43x	1.91x
Adams Street Co-Investment Fund IV A	2018	9/24/2018	\$30,000,000	\$28,267,931	\$5,062,521	94%	\$10,574,191	\$34,122,472	\$44,696,663	\$16,360,924	21.5%	0.37x	1.58x
Adams Street Co-Investment Fund V	2022	9/30/2021	\$35,000,000	\$5,250,000	\$29,750,000	15%	--	\$5,576,426	\$5,576,426	\$326,426	17.4%	--	1.06x
Adams Street Global Secondary Fund 7	2022	11/4/2022	\$25,000,000	\$4,822,560	\$20,177,440	19%	--	\$4,750,000	\$4,750,000	(\$72,560)	-5.2%	--	0.98x
Advent International GPE IX	2019	5/23/2019	\$10,000,000	\$9,100,641	\$899,359	91%	\$999,600	\$12,439,461	\$13,439,061	\$4,338,420	23.8%	0.11x	1.48x
Advent International GPE X	2022	4/28/2022	\$20,000,000	\$1,500,000	\$18,500,000	8%	--	\$1,378,528	\$1,378,528	(\$121,472)	-22.4%	--	0.92x
Astorg VII	2019	12/17/2018	\$8,732,861	\$7,770,216	\$962,645	89%	--	\$9,487,107	\$9,487,107	\$1,716,891	11.1%	--	1.22x
Astorg VIII	2022	2/1/2022	\$18,423,572	\$2,987,691	\$15,435,881	16%	--	\$2,854,016	\$2,854,016	(\$133,675)	-8.1%	--	0.96x
Battery Ventures XII	2018	2/1/2018	\$9,050,000	\$8,161,290	\$888,710	90%	\$5,136,085	\$19,263,205	\$24,399,290	\$16,238,000	35.6%	0.63x	2.99x
Battery Ventures XII Side Fund	2018	2/1/2018	\$5,050,000	\$4,772,755	\$277,245	95%	\$5,643,608	\$9,785,488	\$15,429,096	\$10,656,341	39.8%	1.18x	3.23x
Battery Ventures XIII	2020	2/11/2020	\$9,240,000	\$7,392,000	\$1,848,000	80%	--	\$9,845,614	\$9,845,614	\$2,453,614	16.8%	--	1.33x
Battery Ventures XIII Side Fund	2020	2/11/2020	\$6,160,000	\$5,020,400	\$1,139,600	82%	--	\$7,115,040	\$7,115,040	\$2,094,640	20.2%	--	1.42x
Battery Ventures XIV	2022	2/24/2022	\$10,000,000	\$1,450,000	\$8,550,000	15%	--	\$1,335,318	\$1,335,318	(\$114,682)	-19.6%	--	0.92x
Buenaventure One, LLC	2018	1/5/2018	\$289,599,750	\$145,570,590	\$144,029,160	50%	\$17,233,156	\$201,286,688	\$218,519,844	\$72,949,254	20.4%	0.12x	1.5x
CapVest Equity Partners IV	2019	7/11/2018	\$12,481,439	\$8,224,804	\$4,256,635	66%	--	\$10,042,717	\$10,042,717	\$1,817,913	13.1%	--	1.22x
CapVest Equity Partners V	2021	11/23/2021	\$18,811,934	\$346,467	\$18,465,467	--	--	(\$238,517)	(\$238,517)	--	-100.00%	--	-0.69x
Charlesbank Equity Fund X	2020	11/20/2020	\$24,000,000	\$10,474,475	\$13,525,525	44%	\$95,719	\$11,735,957	\$11,831,676	\$1,357,201	13.0%	0.01x	1.13x
Charlesbank Equity Overage Fund X	2020	11/20/2020	\$6,000,000	\$4,337,517	\$1,662,483	72%	\$31,636	\$4,729,209	\$4,760,845	\$423,328	10.6%	0.01x	1.1x
Charlesbank Technology Opportunies Fund II	2023	2/21/2023	\$20,000,000	--	\$20,000,000	--	--	--	--	--	--	--	--
Clearlake Capital Partners V	2017	12/22/2017	\$9,950,000	\$14,059,510	\$2,129,324	79%	\$17,758,524	\$12,535,892	\$30,294,416	\$16,188,748	42.9%	1.26x	2.15x
Clearlake Capital Partners VI	2020	1/2/2020	\$18,700,000	\$18,922,043	\$522,109	101%	\$1,566,382	\$26,297,215	\$27,863,597	\$8,941,554	24.5%	0.08x	1.47x
Clearlake Capital Partners VII	2021	9/17/2021	\$20,000,000	\$10,274,689	\$9,725,311	51%	\$487	\$10,055,129	\$10,055,616	(\$219,073)	-3.4%	0x	0.98x
CRV XVIII	2020	7/2/2020	\$15,000,000	\$12,112,500	\$2,887,500	81%	--	\$13,161,136	\$13,161,136	\$1,048,636	5.5%	--	1.09x
CRV XIX	2022	1/27/2022	\$10,000,000	\$1,275,000	\$8,725,000	13%	--	\$1,078,038	\$1,078,038	(\$196,962)	-21.9%	--	0.85x
CVC Capital Partners VIII	2020	5/22/2020	\$19,933,263	\$11,423,819	\$8,509,444	57%	\$13,084	\$12,006,005	\$12,019,089	\$595,270	6.9%	0x	1.05x
Drive Capital Fund II	2016	8/19/2016	\$15,000,000	\$14,946,053	\$57,157	100%	\$5,047,070	\$28,124,443	\$33,171,513	\$18,222,250	20.7%	--	2.22x
Drive Capital Fund III	2019	4/5/2019	\$7,500,000	\$6,222,690	\$1,277,310	83%	--	\$7,966,595	\$7,966,595	\$1,743,905	14.2%	--	1.28x
Drive Capital Fund IV	2021	12/27/2021	\$10,000,000	\$3,833,000	\$6,167,000	38%	--	\$3,628,599	\$3,628,599	(\$204,401)	-5.4%	--	0.95x
Drive Capital Overdrive Fund I	2019	4/5/2019	\$7,500,000	\$7,349,050	\$150,950	98%	\$12,492	\$13,946,433	\$13,958,925	\$6,609,875	26.2%	--	1.9x
Drive Capital Overdrive Fund II	2021	12/27/2021	\$10,000,000	\$4,234,953	\$5,765,047	42%	--	\$4,054,912	\$4,054,912	(\$180,041)	-5.5%	--	0.96x
ECI 11	2018	7/5/2018	\$9,754,977	\$8,828,660	\$926,317	91%	\$3,884,612	\$8,474,088	\$12,358,700	\$3,530,040	17.6%	0.44x	1.4x
ECI 12	2022	7/15/2022	\$20,626,003	--	\$20,670,759	--	--	--	--	--	--	--	--



# PRIVATE EQUITY LP PERFORMANCE

Fund Name	Vintage Year	Initial Closing Date	Commitment	Capital Called to Date <sup>1</sup>	Outstanding Commitment	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
												Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Genstar Capital Partners IX	2019	2/21/2019	\$7,500,000	\$7,137,411	\$362,589	95%	\$3,220,692	\$9,914,348	\$13,135,040	\$5,997,629	34.1%	0.45x	1.84x
Genstar Capital Partners IX Opportunities Program	2019	2/21/2019	\$2,500,000	\$2,156,762	\$343,238	86%	\$940,541	\$2,995,571	\$3,936,112	\$1,779,350	27.2%	0.44x	1.83x
Genstar Capital Partners X	2021	4/1/2021	\$15,000,000	\$8,514,275	\$6,485,725	57%	--	\$8,857,602	\$8,857,602	\$343,327	5.7%	--	1.04x
Genstar Capital Partners X Opportunities Program	2021	4/1/2021	\$5,000,000	\$2,973,446	\$2,026,554	59%	--	\$3,113,821	\$3,113,821	\$140,375	5.4%	--	1.05x
GGV Capital VII	2019	8/15/2018	\$10,160,000	\$9,550,400	\$609,600	94%	\$69,608	\$13,438,593	\$13,508,201	\$3,957,801	13.2%	0.01x	1.41x
GGV Capital VII Plus	2019	8/15/2018	\$2,540,000	\$2,476,500	\$63,500	98%	--	\$3,170,308	\$3,170,308	\$693,808	9.3%	--	1.28x
GGV Capital VIII	2020	10/30/2020	\$9,180,000	\$5,186,700	\$3,993,300	57%	--	\$5,944,328	\$5,944,328	\$757,628	10.9%	--	1.15x
GGV Capital VIII Plus	2020	10/30/2020	\$2,295,000	\$1,055,700	\$1,239,300	46%	--	\$1,095,548	\$1,095,548	\$39,848	2.8%	--	1.04x
GGV Discovery II	2019	8/15/2018	\$2,100,000	\$1,953,000	\$147,000	93%	--	\$3,921,640	\$3,921,640	\$1,968,640	29.0%	--	2.01x
GGV Discovery III	2020	10/30/2020	\$3,825,000	\$1,778,625	\$2,046,375	47%	--	\$2,544,971	\$2,544,971	\$766,346	28.1%	--	1.43x
Great Hill Equity Partners VII	2019	6/28/2019	\$8,900,000	\$8,159,058	\$740,942	92%	\$2,458,521	\$8,379,464	\$10,837,985	\$2,678,927	50.0%	0.3x	1.33x
Great Hill Equity Partners VIII	2021	11/1/2021	\$25,000,000	\$1,288,109	\$23,711,891	--	--	(\$266,479)	(\$266,479)	--	-100.0%	--	-0.21x
Green Equity Investors VIII	2019	10/18/2019	\$15,000,000	\$13,070,155	\$2,049,081	87%	\$119,236	\$14,234,486	\$14,353,722	\$1,283,567	6.1%	0.01x	1.1x
Green Equity Investors IX	2022	3/1/2022	\$13,300,000	--	\$13,300,000	--	--	(\$17,732)	(\$17,732)	--	-100.0%	--	--
GTCR Fund XII	2017	9/29/2017	\$30,000,000	\$24,532,892	\$5,467,108	82%	\$12,846,870	\$32,806,161	\$45,653,031	\$21,120,139	26.1%	0.52x	1.86x
GTCR Fund XIII	2020	10/27/2020	\$30,000,000	\$15,343,652	\$14,656,348	51%	\$3,268,145	\$14,799,906	\$18,068,051	\$2,724,399	23.2%	0.21x	1.18x
GTCR Strategic Growth Fund I	2022	1/18/2022	\$10,000,000	\$1,108,000	\$8,892,000	11%	--	\$762,949	\$762,949	--	-71.2%	--	0.69x
HarbourVest - Dover Street VIII	2013	5/30/2013	\$67,500,000	\$62,184,954	\$5,400,000	92%	\$98,517,562	\$7,076,275	\$105,593,837	\$43,323,929	19.9%	1.58x	1.7x
HarbourVest - Dover Street IX	2016	12/16/2016	\$60,000,000	\$52,800,000	\$7,200,000	88%	\$54,192,006	\$37,945,317	\$92,137,323	\$39,337,323	23.0%	1.03x	1.75x
HarbourVest - Dover Street X	2019	5/31/2019	\$40,000,000	\$25,300,000	\$14,700,000	63%	\$9,539,725	\$29,024,260	\$38,563,985	\$13,263,985	33.6%	0.38x	1.52x
HarbourVest - Dover Street XI	2023	1/27/2023	\$40,000,000	--	\$40,000,000	--	--	--	--	--	--	--	--
HarbourVest Partners Co-Investment IV	2017	6/2/2017	\$30,000,000	\$24,464,388	\$5,732,352	82%	\$23,670,200	\$22,264,117	\$45,934,317	\$21,469,929	16.5%	0.97x	1.88x
HarbourVest Partners Co-Investment V	2019	7/31/2018	\$35,000,000	\$27,125,000	\$7,875,000	78%	\$5,592,394	\$39,753,940	\$45,346,334	\$18,221,334	21.5%	0.21x	1.67x
HarbourVest Partners Co-Investment VI	2021	6/24/2021	\$35,000,000	\$12,250,000	\$22,750,000	35%	--	\$11,596,604	\$11,596,604	(\$653,396)	-11.6%	--	0.95x
Hellman & Friedman Capital Partners IX	2019	9/28/2018	\$19,800,000	\$20,312,185	\$537,072	103%	\$1,156,489	\$24,459,791	\$25,616,280	\$5,304,095	11.6%	0.06x	1.26x
Hellman & Friedman Capital Partners X	2021	5/10/2021	\$20,000,000	\$14,412,643	\$5,587,357	--	\$20,061	\$14,049,225	\$14,069,286	(\$343,357)	-2.5%	0x	0.98x
Hellman & Friedman Investors XI	2023	3/31/2023	\$20,000,000	--	\$20,000,000	--	--	--	--	--	--	--	--
Insight Venture Partners X	2017	10/13/2017	\$25,000,000	\$26,180,872	\$808,138	105%	\$11,332,732	\$49,530,423	\$60,863,155	\$34,682,283	26.7%	0.43x	2.32x
Jade Equity Investors II	2022	3/1/2022	\$6,700,000	--	\$6,700,000	--	--	-\$6,201.00	-\$6,201.00	--	-100.0%	--	--
Kinderhook Capital Fund 7	2022	1/28/2022	\$10,000,000	\$3,482,652	\$6,517,348	35%	\$4,083	\$3,204,960	\$3,209,043	-\$273,609	-16.2%	0x	0.92x
M/C Partners VIII	2019	4/2/2018	\$10,000,000	\$7,647,432	\$2,352,568	76%	\$929,368	\$7,980,943	\$8,910,311	\$1,262,879	8.1%	0.12x	1.17x
M/C Partners IX	2022	5/6/2022	\$10,000,000	--	\$10,000,000	--	--	--	--	--	--	--	--
Oak HC/FT Partners III	2019	7/31/2019	\$15,000,000	\$15,048,730	\$1,348,190	100%	\$1,396,920	\$22,516,636	\$23,913,556	\$8,864,826	23.4%	0.09x	1.59x
Oak HC/FT Partners IV	2021	2/17/2021	\$10,000,000	\$8,162,570	\$1,837,430	82%	--	\$9,022,985	\$9,022,985	\$860,415	7.9%	--	1.11x
Oak HC/FT Partners V	2022	5/11/2022	\$10,000,000	\$981,141	\$9,018,859	10%	--	\$1,013,125	\$1,013,125	\$31,984	12.5%	--	1.03x
Pantheon Global Secondary Fund IV	2010	6/24/2010	\$15,000,000	\$9,960,000	\$2,040,000	66%	\$14,929,293	\$954,067	\$15,883,360	\$5,923,360	12.8%	1.5x	1.59x
Pantheon Global Secondary Fund V	2015	2/6/2015	\$50,000,000	\$39,616,509	\$10,383,491	79%	\$31,434,484	\$33,901,156	\$65,335,640	\$25,881,645	13.2%	0.79x	1.65x
Pantheon Global Secondary Fund VI	2018	2/24/2020	\$25,000,000	\$17,347,805	\$7,887,113	69%	\$3,474,621	\$25,125,410	\$28,600,031	\$11,252,226	25.8%	0.2x	1.65x
Pantheon Global Secondary Fund VII	2022	10/28/2021	\$25,000,000	\$4,728,180	\$20,271,820	19%	\$61,529	\$4,694,768	\$4,756,297	\$28,117	0.8%	0.01x	1.01x
Prairie Capital VII QP	2021	4/6/2021	\$10,800,000	\$3,672,000	\$7,128,000	34%	--	\$3,974,905	\$3,974,905	\$302,905	6.3%	--	1.08x
The Resolute Fund IV	2018	5/2/2018	\$20,000,000	\$21,313,069	\$2,493,677	107%	\$12,695,432	\$31,572,672	\$44,268,104	\$22,955,035	40.1%	0.6x	2.08x
Ridgemont Equity Partners IV	2021	10/29/2021	\$20,000,000	\$1,551,812	\$18,448,188	--	--	\$1,385,370	\$1,385,370	-\$166,442	-40.0%	--	0.89x
Riverside Micro-Cap Fund V	2018	8/21/2018	\$10,000,000	\$8,316,296	\$1,683,704	83%	--	\$11,886,583	\$11,886,583	\$3,570,287	17.2%	--	1.43x
Riverside Micro-Cap Fund VI	2021	8/26/2021	\$20,000,000	\$5,556,974	\$14,443,026	28%	--	\$5,025,387	\$5,025,387	--	-63.1%	--	0.9x
TA XIII	2019	5/2/2019	\$10,000,000	\$9,800,000	\$200,000	98%	\$3,650,000	\$12,457,435	\$16,107,435	\$6,307,435	31.1%	0.37x	1.64x
Vitruvian Investment Partnership IV	2020	6/3/2020	\$20,339,910	\$13,882,777	\$6,457,133	68%	--	\$15,680,440	\$15,680,440	\$1,797,663	12.3%	--	1.13x

**Total VCERA Private Equity Program**

**5/21/2010 \$2,015,314,550 \$1,183,997,822 \$850,455,831 59% \$615,721,129 \$1,283,462,129 \$1,899,183,258 \$735,740,863 17.5% 0.52x 1.60x**

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 4/30/2023 statement of investments produced by Abbott Capital.



# PRIVATE CREDIT LP PERFORMANCE

Fund Name	Vintage Year	Initial Investment Date	Commitment	Capital Called to Date <sup>1</sup>	Outstanding Commitment <sup>1</sup>	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
												Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Arbour Lane Credit Opp III A	2021	11/15/2021	\$30,000,000	\$13,577,597	\$16,422,403	45%	\$0	\$12,741,177	\$12,741,177	-\$836,420	-6.2%	0x	0.94x
Bain Capital Special Situations Asia Fund II	2021	7/26/2021	\$25,000,000	\$2,529,966	\$22,470,034	10%	\$0	\$3,037,882	\$3,037,882	\$0	13.6%	0x	1.2x
BlueBay Direct Lending III	2019	2/12/2019	\$25,000,000	\$17,701,920	\$7,298,080	71%	\$3,075,371	\$19,092,044	\$22,167,415	\$4,465,495	10.0%	0.17x	1.25x
Bridge Debt Strategies III	2019	12/20/2019	\$25,000,000	\$24,072,665	\$927,335	96%	\$10,596,913	\$15,370,065	\$25,966,979	\$1,894,314	7.2%	0.44x	1.08x
Bridge Debt Strategies Fund IV	2021	7/26/2021	\$25,000,000	\$25,792,071	-\$792,071	103%	\$3,379,815	\$23,801,529	\$27,181,345	\$1,389,273	4.9%	0.13x	1.05x
Crayhill Principal Strategies II	2021	4/23/2021	\$25,000,000	\$20,540,801	\$4,459,199	82%	\$8,404,255	\$12,440,275	\$20,844,529	\$303,728	1.2%	0.41x	1.01x
Crescent Cove Opportunity Fund LP	2022	5/20/2022	\$25,000,000	\$12,500,000	\$12,500,000	50%	\$41,250	\$12,597,266	\$12,638,516	\$138,516	1.1%	0x	1.01x
Cross Ocean USD ESS Fund IV	2021	6/21/2021	\$25,000,000	\$31,980,614	-\$6,980,614	128%	\$1,742,488	\$31,156,125	\$32,898,613	\$917,999	6.8%	0.05x	1.03x
CVI Credit Value Fund IV	2017	12/31/2017	\$30,000,000	\$33,600,000	-\$3,600,000	112%	\$17,152,593	\$25,909,230	\$43,061,823	\$9,461,823	8.1%	0.51x	1.28x
CVI Credit Value Fund V	2021	3/29/2021	\$30,000,000	\$19,674,333	\$10,325,667	66%	\$1,618	\$20,580,670	\$20,582,288	\$907,955	3.9%	0x	1.05x
HarbourView Royalties Fund I	2023	3/16/2023	\$30,000,000	\$14,736,901	\$15,263,099	49%	\$0	\$14,736,901	\$14,736,901	\$0	0.0%	0x	1x
Harbourvest Direct Lending L	2021	6/21/2021	\$25,000,000	\$18,974,922	\$6,025,078	76%	\$1,640,752	\$18,096,264	\$19,737,016	\$762,094	3.4%	0.09x	1.04x
Kennedy Lewis Capital Partners III	2023	4/3/2023	\$30,000,000	\$12,801,439	\$17,198,561	43%	\$0	\$12,801,439	\$12,801,439	\$0	0.0%	0x	1x
Monroe Capital Private Credit Fund III	2018	9/5/2018	\$25,000,000	\$21,253,151	\$3,746,849	85%	\$8,503,976	\$21,689,890	\$30,193,866	\$8,940,715	11.6%	0.4x	1.42x
Monroe Capital Private Credit Fund IV	2022	1/10/2022	\$30,000,000	\$31,672,755	-\$1,672,755	106%	\$8,123,720	\$25,077,179	\$33,200,899	\$1,528,144	7.8%	0.26x	1.05x
Pantheon Credit Opportunity II	2022		\$50,000,000	--	--	--	--	--	--	--	--	--	--
PIMCO Corporate Opportunity Fund III	2020	1/26/2020	\$50,000,000	\$45,000,000	\$5,000,000	90%	\$126,148	\$48,951,943	\$49,078,091	\$4,078,091	5.7%	0x	1.09x
PIMCO Corporate Opportunity Fund IV	2022	4/3/2023	\$100,000,000	\$5,000,000	\$95,000,000	5%	\$0	\$5,000,000	\$5,000,000	\$0	0.0%	0x	1x
PIMCO Private Income Fund	2019	3/25/2019	\$55,000,000	\$55,000,000	\$0	100%	\$22,651	\$70,631,984	\$70,654,635	\$15,654,635	8.4%	0x	1.28x
Torchlight Debt Fund VII	2021	1/25/2021	\$25,000,000	\$13,765,285	\$11,234,715	55%	\$1,265,285	\$13,390,463	\$14,655,748	\$890,463	4.9%	0.09x	1.06x
Torchlight Debt Fund VIII	2022	1/1/2023	\$40,000,000	\$2,000,000	\$38,000,000	5%	\$0	\$2,000,000	\$2,000,000	\$0	0.0%	0x	1x
VWH Partners III LP	2022	12/1/2022	\$50,000,000	\$20,459,950	\$29,540,050	41%	\$0	\$20,768,916	\$20,768,916	\$308,966	1.8%	0x	1.02x

**Total VCERA Private Credit Program**

**\$775,000,000**   **\$442,634,371**   **\$282,365,629**   **57%**   **\$64,076,835**   **\$429,871,244**   **\$493,948,079**   **\$50,805,792**   **6.8%**   **0.14x**   **1.12x**

1. Includes recycled/recallable distributions received to date.

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

Performance shown is based on 4/30/2023 cash-adjusted market values.



# PRIVATE REAL ASSETS LP PERFORMANCE

Fund Name	Vintage Year	Initial Investment Date	Commitment	Capital Called to Date <sup>1</sup>	Outstanding Commitment <sup>1</sup>	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
												Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Brookfield Infrastructure Fund IV, LP	2019	10/21/2019	\$50,000,000	\$52,086,990	-\$2,086,990	104%	\$8,714,749	\$49,678,350	\$58,393,099	\$6,306,108	9.1%	0.17x	1.12x
Harbourvest Real Assets Fund IV, LP	2019	7/15/2019	\$100,000,000	\$52,052,632	\$47,947,368	52%	\$16,993,094	\$57,138,976	\$74,132,070	\$22,079,438	39.0%	0.33x	1.42x
<i>Total VCERA Private Real Assets Program</i>			<i>\$150,000,000</i>	<i>\$104,139,622</i>	<i>\$45,860,378</i>	<i>69%</i>	<i>\$25,707,843</i>	<i>\$106,817,326</i>	<i>\$132,525,169</i>	<i>\$28,385,547</i>	<i>18.9%</i>	<i>0.25x</i>	<i>1.27x</i>

1. Includes recycled/recallable distributions received to date.

Note: Private Real Assets performance data is reported net of fees.

Performance shown is based on 4/30/2023 cash-adjusted market values.



# PRIVATE REAL ESTATE LP PERFORMANCE

Fund Name	Vintage Year	Initial Investment Date	Commitment	Capital Called to Date <sup>1</sup>	Outstanding Commitment <sup>1</sup>	Call Ratio	Distributions to Date	Valuation	Total Value	Net Benefit	IRR	Since Inception	
												Distributions to Paid In Multiple (DPI)	Total Value to Paid In Multiple (TVPI)
Alterra IOS Venture II LP	2022	4/7/2022	\$35,000,000	\$22,527,540	\$12,472,460	64%	\$0	\$21,810,736	\$21,810,736	-\$716,804	-5.2%	0x	0.97x
LaSalle Income & Growth Fund VIII, LP	2019	2/26/2020	\$100,000,000	\$75,090,739	\$26,499,899	75%	\$25,162,914	\$62,501,654	\$87,664,569	\$12,573,830	15.5%	0.34x	1.17x
<b>Total VCERA Private Real Estate Program</b>			<b>\$135,000,000</b>	<b>\$97,618,279</b>	<b>\$38,972,359</b>	<b>72%</b>	<b>\$25,162,914</b>	<b>\$84,312,390</b>	<b>\$109,475,305</b>	<b>\$11,857,026</b>	<b>12.6%</b>	<b>0.26x</b>	<b>1.12x</b>

1. Includes recycled/recallable distributions received to date.

Note: Private Real Estate performance data is reported net of fees.

Performance shown is based on 4/30/2023 cash-adjusted market values.



# DISCLAIMERS & DISCLOSURES

Past performance is no guarantee of future results.

Returns for pooled funds, e.g. mutual funds and collective investment trusts, are collected from third parties; they are not generally calculated by NEPC. Returns for separate accounts, with some exceptions, are calculated by NEPC. Returns are reported net of manager fees unless otherwise noted.

A “since inception” return, if reported, begins with the first full month after funding, although actual inception dates (e.g. the middle of a month) and the timing of cash flows are taken into account in Composite return calculations.

NEPC’s preferred data source is the plan’s custodian bank or record-keeper. If data cannot be obtained from one of the preferred data sources, data provided by investment managers may be used. Information on market indices and security characteristics is received from additional providers. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within. In addition, some index returns displayed in this report or used in calculation of a policy index, allocation index or other custom benchmark may be preliminary and subject to change.

All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.

The opinions presented herein represent the good faith views of NEPC as of the date of this presentation and are subject to change at any time. Neither fund performance nor universe rankings contained in this report should be considered 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.

Source of private fund performance benchmark data: Cambridge Associates, via Refinitiv





## **VCERA Project for Alameda Corrections (VPAC)**

### **Status Report to Board of Retirement**

May 22, 2023

The following is a summarized status update on the project to implement corrections to retirement benefits and member contributions to comply with the Alameda Decision.

#### Completed To Date:

- Completed changes to procedures, documentation, and letters/notices for ongoing operations to reflect the information from the final Alameda Decision resolutions.
- Documented requirements for system changes needed for mass corrections processing.
- Documented requirements for mass data calculation steps such as application of interest.
- Discussed resource needs for completing project (budget, staffing, vendors).

#### In Progress/To Do Next:

- Continue collaboration with Auditor-Controller's Office to implement normal working hours capping of situational pay codes in the Ventura County Human Resources & Payroll (VCHRP) system.
- Work with County of Ventura to implement flex credit pensionability in VCHRP per BOR April 17 Resolution, under both old/current and new/pending structures.
- Work with system and data vendors to determine system changes and tools development for mass corrections processing approach.
- Finalize initial Implementation Plan to share with the Board of Retirement (BOR).
  - Review procedural implementation steps and questions with project team.
  - Develop high level timeline for the project.
- Develop additional communication materials for the Alameda Decision.



May 22, 2023

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

**SUBJECT: (1) APPROVE THE ATTACHED REQUEST FOR PROPOSALS (RFP) FOR ACTUARIAL AUDITING SERVICES; (2) DIRECT STAFF TO ISSUE THE RFP TO THE LIST of CANDIDATES; and (3) DIRECT STAFF TO REVIEW THE RESPONSES TO THE RFP AND DEVELOP A RECOMMENDATION TO THE BOARD REGARDING THE FIRM THAT SHOULD BE SELECTED FOR THE ENGAGEMENT.**

Dear Board Members:

As the Board instructed, staff, working with the Finance Committee, has drafted a Request for Proposal (RFP) for actuarial audit services. Staff is requesting direction to issue the RFP to the list of candidates, review the responses to the RFP and to develop a recommendation to the Finance Committee and Board regarding the firm that should be selected for the engagement.

The VCERA Board of Retirement's Service Provider Selection Policy indicates that the Board of Retirement shall select the actuarial audit vendor. The policy also provides guidance on the search process and what information should be provided to the Board by Finance Committee and Retirement Administrator, as appropriate. In accordance with the Policy, staff recommends proceeding with an RFP based on the criteria and guidelines set forth below.

**Type of service provider being sought and supporting rationale.**

The last actuarial audit occurred in 2017. While we have no reason to believe our actuarial valuations are in error or cause for concern, it is certainly best practice to conduct a periodic actuarial audit.

**Objectives and selection criteria to be met and their relative importance.**

To be developed by staff and Finance Committee.

**Projected timeline for the search process.**

See No. 6 under the heading below.

**A description of the search process deemed most appropriate and cost effective in the circumstances, and including:**

1. *Whether a search consultant is to be used in the process.*  
A: No
2. *Due diligence efforts to be undertaken (for example, site visits & reference checks).*  
A: Minimum requirements in RFP, such as firm's longevity, clients, legal issues, etc., as well as any additional criteria as deemed by the Board.

3. *Evaluation criteria to be used and their relative weights.*

A: After meeting minimum RFP requirements, staff and finance committee shall rate based on ability, relevant experience, qualified personnel, firm stability, fee proposal, general quality and adequacy of response, quality of references and other factors.

4. *Whether a Request for Proposal (RFP), or a variation thereof, is to be used with supporting rationale.*

A: Yes, RFP is standard practice and recommended to ensure best selection process.

5. *Whether a sole source approach is to be used, with supporting rationale.*

A: No; competitive RFP process is recommended.

6. *Other pertinent information that the Retirement Administrator believes may assist the Board in better understanding the search process.*

A: Staff recommends the actuarial audit be conducted to replicate the most recent valuation, through June 30, 2022. The Finance Committee and/or Board may opt to interview finalist firms before selection.

Projected Timeline:

- Request for Proposal (RFP) issued: June 5, 2023
- Notice of Intent to Propose Due June 16, 2023
- Proposal Submission Due Date July 10, 2023
- Proposal Evaluation July and August 2023
- Finalist Presentations As needed
- Approval by Finance Committee August 15, 2023
- Approval by Board of Retirement September 2023
- Estimated Contract Commencement October 2023

**RECOMMENDATION:**

**(1) APPROVE THE ATTACHED REQUEST FOR PROPOSALS (RFP) FOR ACTUARIAL AUDITING SERVICES; (2) DIRECT STAFF TO ISSUE THE RFP TO THE LIST OF CANDIDATES; and (3) DIRECT STAFF TO REVIEW THE RESPONSES TO THE RFP AND DEVELOP A RECOMMENDATION TO THE BOARD REGARDING THE FIRM THAT SHOULD BE SELECTED FOR THE ENGAGEMENT.**

The Finance Committee has instructed staff to finalize this RFP. The RFP before you today was reviewed, discussed and approved by the Finance Committee at its May 15, 2023 meeting. Staff will be happy to answer any questions at today's business board meeting.

Sincerely,



La Valda R. Marshall  
Chief Financial Officer



VENTURA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION (VCERA)

REQUEST FOR PROPOSAL FOR  
ACTUARIAL AUDIT SERVICES

Issued ~~April 3, 2017~~ June 5, 2023

PROPOSAL SUBMISSION DEADLINE: ~~May 5,~~  
~~2017~~ July 10, 2023

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# Ventura County Employees' Retirement Association

## **INTRODUCTION**

The Ventura County Employees' Retirement Association (VCERA), issues this Request for Proposal (RFP) to qualified actuarial firms for actuarial audit services. The actuarial audit services ~~shall~~shall provide an independent actuarial opinion as to the accuracy and veracity of valuation results, actuarial assumptions, application of actuarial ~~cost~~cost method and associated activities currently performed by VCERA's actuarial consultant, The Segal Company ("Segal"). The successful proposer will perform a complete replication audit of the June 30, ~~2016-2022~~2022 Actuarial Valuation and Review, prepare a written report of the audit, and present the report and any findings in person to the VCERA Board of Retirement.

## **VCERA PURPOSE STATEMENT**

The Ventura County Employees' Retirement Association (VCERA) was established in 1947 for employees of the County of Ventura pursuant to the provisions of the County Employees' Retirement Law of 1937 (CERL), California Government Code sections 31450 through 31897.

## **VCERA PLAN PROVISIONS**

VCERA is a cost-sharing, multiple-employer, governmental defined benefit pension plan covering the employees of the County of Ventura, the Ventura County Courts, the Air Pollution Control District (APCD), the Ventura Regional Sanitation District (VRSD), and VCERA, pursuant to CERL and the Public Employees' Pension Reform Act (California Government Code sections 7522 through 7522.74 "PEPRA"). VCERA operates as an independent governmental entity separate and distinct from the County of Ventura. VCERA administers the pension trust fund of the County of Ventura.

VCERA currently administers retirement benefits for approximately ~~8,5009,077~~8,500,077 active members and ~~6,5008,007~~6,500,007 retired members and beneficiaries, and ~~2600-3,812 vested~~3,812 vested inactive vested members. The active membership is comprised of general and safety classifications with the general membership having three tiers (Tier 1, Tier 2, and PEPRA) and the safety classifications having two tiers (Classic and PEPRA).

Member contribution rates are established based on an assumed member entry age of 36 for general members and 27 for safety members. The Employer contribution rate is established based on the Plan Actuary's recommendation. VCERA currently administers (as of July 1, ~~2016~~2022) plan net assets having a market value of approximately ~~\$4.397.02~~\$4.397.02 billion and actuarial value of ~~\$4.597.28~~\$4.597.28 billion.

## **VCERA FUNDING POLICY**

Participating members are required by statute and collective bargaining agreements to contribute a percentage of covered salary based on certain actuarial assumptions and their age at entry into the Plan. The funding objective of the Plan is to establish contribution rates that, over time, will remain level as a percentage of payroll unless Plan benefit provisions are changed.

Actuarial funding is based on the Entry Age Normal Cost Method. Under this method, the employer contribution rate provides for current cost (normal cost), plus a level percentage of payroll to amortize the unfunded actuarial accrued liability (UAAL).

For actuarial valuation purposes, plan assets are valued at Actuarial Value. Under this method, the assets used to determine employer contribution rates take into account market value by recognizing the differences between the actual and expected investment return over the amortization period indicated below. The contribution requirements of participating members and the employers are established and may be amended by the VCERA Board of Retirement.

### **VCERA ACTUARIAL INFORMATION**

VCERA engages an independent actuarial services firm, Segal, to conduct an annual Actuarial Valuation, and a triennial Actuarial Experience Study.

Summary information contained in the most recent Actuarial Valuation, as of June 30, ~~2016~~2022, is outlined below:

- Valuation Date: June 30, ~~2016~~2022
- Actuarial Value of Assets: \$~~4.67~~3 billion
- Actuarial Cost Method: Entry Age Normal Actuarial Cost Method
- Amortization Method: Level percent of payroll
- ~~Amortization Period: In 2004, the Board elected to amortize the UAAL as of June 30, 2004 over a declining 15-year period. Actuarial gains and losses after June 30, 2004 are also amortized over separate 15-year declining amortization periods.~~

Effective with the June 30, 2012 valuation, UAAL that arises due to assumption changes is amortized over ~~a separate 20-year declining amortization~~closed periods. Earlier assumption or plan changes are amortized over ~~a separate 15-year~~ closed periods. Also, any change in the UAAL that may arise due to retirement incentives is annualized ~~over separate declining amortization periods of up to a 5-year~~ closed period.

- Asset Valuation Method: Five-year smoothed market
- Investment Rate of Return Assumption: 7.~~2~~5%
- Inflation Assumption: ~~3.00~~2.75%
- Cost of Living Adjustments: ~~3~~2.75% maximum (contingent on CPI increases), only applicable to General Tier 1 and Safety (including PEPRA safety) classifications. Certain Tier 2 and PEPRA Tier 2 classifications receive fixed 2.00% annual increases.

An Actuarial Experience Study was last performed for the period covering July 1, ~~2011-2017~~ through June 30, ~~2014~~2020, and another is scheduled to be performed for the period covering July, 1, ~~2014-2020~~ through June 30, ~~2017~~2023, in November, ~~2017~~2023.

## **MINIMUM QUALIFICATIONS**

The actuarial auditing firm must meet all of the Minimum Qualifications. Failure to do so may result in rejection of the proposal.

1. The firm must be a professional actuarial services firm that provides actuarial valuation, experience studies, actuarial audits and pension consulting services for public pension plans.
2. The firm must have performed actuarial services for a minimum of 10 years.
3. The Primary Actuary performing the services must be a Fellow of the Society of Actuaries and an enrolled actuary. Any Supporting Actuary must be either a Fellow, enrolled, or have 10 years of pension consulting experience.
4. The firm must have all necessary permits and licenses. Liability, professional errors and omissions insurance in the amount of \$1,000,000 must be in effect at the time the proposal is submitted and throughout the term of the agreement.
5. The firm must provide its own work facilities, equipment, supplies, and support staff to perform the required services.

## **SCOPE OF SERVICES**

VCERA seeks one qualified actuarial firm to perform a full replication actuarial audit of assumptions, methods, ~~calculations~~calculations, and experience used in VCERA's Actuarial Valuation as of June 30, ~~2016~~2022.

The actuarial auditing scope shall include practice concepts, actuarial conduct standards, assumptions, methodology, and contribution rate calculations. Assumption correctness shall also be tested, along with methodology and verification of assumption disclosure. Changes from prior valuations, governmental reporting adherence and accuracy of plan provision summaries should also be considered. The audit shall verify demographics used for experience studies, i.e., salary scales, number of terminations, ~~age~~age, and service determinations plus benefit calculations.

1. Minimum audit subject matter shall include:
  - Discussion of the appropriateness of the actuarial assumptions.
  - Review of the actuarial assumptions and methodology for compliance with CERL and PEPRA, VCERA's regulations and policies, and for compliance with generally recognized and accepted actuarial principles and practices which are consistent with Actuarial Standards of Practice, the Code of Professional Conduct and Qualifications Standards for Public Statements of Actuarial Opinion of the American Academy of Actuaries.
  - Accuracy of funding computations.

- Appropriateness of established reserve ~~accounts~~accounts.
  - Appropriateness of recommended employer and employee contribution rates.
  - Assessment of the validity of the June 30, ~~2016~~2022 valuation using a mathematical model of plan activity or sampling based on the same data, methods, and assumptions used by Segal.
  - Evaluation of the test results and reconciliation of any significant discrepancies between the findings, assumptions, methodology, rates, and adjustments of the auditing firm and Segal.
  - Assessment of whether the valuation appropriately reflects information required to be disclosed under required reporting standards (GASB, etc.).
2. The completed audit and review report shall include (at minimum):
- An evaluation and an opinion on the reasonableness and accuracy of the valuation results (including a determination of actuarial accrued liability, normal cost, and actuarial required contributions), experience study findings, actuarial assumptions, and appropriateness and application of the actuarial cost method.
  - Recommendations (if any) for reasonable alternatives to the actuarial assumptions used in the June 30, ~~2016~~2022 Actuarial Valuation.
  - Recommendations to improve the quality and reader understanding of the Actuarial Valuation report.
  - A comparison of existing actuarial methodology, assumptions and recommendations versus information generated by the replicative audit of the Actuarial Valuation.

## **PROPOSAL REQUIREMENTS**

### **Background and Financial Information**

1. Describe the proposing organization's structure. Include the following:
  - Ownership information of the firm. Describe any material changes in organizational structure, or ownership that have occurred in the past 5 years. Provide names of all entities with any senior tier of ownership stakes. Detail affiliated companies and/or joint ventures.
  - Background information. How long has the firm been providing actuarial consulting services to public pension clients?
  - What is the importance (percentage) of actuarial services within the firm? What percentage of revenue comes from actuarial services?



2. Provide the latest two ~~years'~~ ~~years'~~ audited financial reports for the firm. Provide additional information necessary to ~~demonstrate~~ ~~demonstrate~~ financial stability, including total revenue, net income/loss, assets, liabilities, and net worth for each year. Provide proof of liability, professional errors and omissions insurance in the amount of \$1,000,000.
3. Over the past five years, has your organization or any officer or principal been involved in any business litigation or other legal proceedings related to any actuarial consulting activities or actuarial auditing services? If so, provide a brief explanation and indicate the current status.
4. Has your firm, within the last ten years, been censured or fined by any regulatory body? If so, indicate the dates and describe the situation.
5. Is the firm affiliated with any other firm(s) offering non-actuarial services that could represent conflicts of interest? If yes, briefly describe your firm's policies and procedures for doing business with these affiliates while safeguarding against conflicts of interest.
6. Do you, your parent company, or any affiliated company have any business relationships with Segal? If so, describe that relationship.
7. List and describe any professional relationship your firm or any of your actuarial consulting group staff have with any member of the VCERA Board of Retirement, staff or plan sponsors.
8. Has anyone in your firm provided any gifts, entertainment, meals or paid travel expenses for any member of the VCERA Board of Retirement, or VCERA staff in the last twelve months? If yes, describe the expense and the purpose.

### **Personnel Information**

1. How many actuaries does your firm employ?
2. Describe the background of the professionals in the firm's actuarial consulting services group:
  - What percentage are currently Fellows of the Society of Actuaries? Enrolled actuaries?
  - —What ongoing educational programs are supported and/or required?
3. For the key executives and professionals in the actuarial auditing consulting group assigned to VCERA, including the Primary Actuary and Supporting Actuaries please provide resumés (or biographies) that include the following information:
  - Name

- Title
  - Responsibilities within the firm. If a person has multiple responsibilities, indicate the percentage of time spent on each function in a footnote to the table.
  - Years of relevant experience
  - Years with the firm
  - Degrees and professional designations.
  - Institution awarding each degree and designation
  - Publications authored and/or presentation summary
4. For the Primary Actuary and all Supporting Actuaries, list their public fund actuarial audit assignments for the past five years. Include for each assignment the date of the final audit report, whether the auditor served as the Senior or Supporting Actuary, and the client's name and size (number of pension plan members and annuitants). Include clients' contact information for references.
  5. Are there any potential conflicts of interest with the proposed Senior and/or Supporting Actuaries within the VCERA assignment? Are there any potential conflicts of interest related to other client relationships? If so, provide details on the entity or activity.
  6. Does the firm have a transition plan to deal with the possible sudden departure of key professionals assigned to VCERA's actuarial auditing project? Describe the plan.

In the event an actuary must be replaced, the replacement must meet the same standards as outlined in this proposal and be acceptable to VCERA. Failure to provide a new replacement acceptable to VCERA will constitute a breach of the firm's contract.

### **Proposed Actuarial Auditing Methods**

1. Provide an estimated timeline for completion of the work that includes each stage of the process. Be sure to include a time estimate for information or data gathering required from VCERA and/or its current consulting actuary. Indicate points in the audit and review when your firm plans to interact with VCERA staff at the VCERA office.
2. Describe your firm's approach to recommendations regarding the amortization of unfunded liabilities.
3. Describe your approach to measuring funded status and funding progress in order to facilitate the assessment of trends over several valuations for a client.
4. Describe your quality control processes for actuarial audit reports and recommendations. How are these services monitored and reviewed?

5. Provide an example of one recent actuarial audit report for current or former client.

### **Actuarial Auditing Experience and References**

1. List client relationships where only actuarial auditing services similar to those required for this RFP have been or are being provided.
2. For all current public pension plan full-service actuarial clients, state the client's name, the first year of your initial contract with the plan, and their asset and membership size as of June 30, ~~2016~~2022.
3. Provide the name, title, address, and telephone number for at least three client references for whom your firm has provided actuarial audit services similar to those required under this RFP. (VCERA reserves the right to contact any of the individuals/agencies provided.) Include the following detail:
  - The client for whom the firm most recently completed an actuarial audit.
  - The scope of the actuarial auditing services required for these reference clients.
  - The client for whom the Primary Actuary most recently completed an actuarial audit.
4. List any pension plan clients that have terminated their actuarial service contracts with your firm in the last five years. Include the client firm's name, size (number of pension plan members and annuitants), date of contract termination, and reason(s) for contract termination.
5. Within the last five years, has your firm been notified by any actuarial consulting services client that your firm is in default of its contract, or that conditions exist jeopardizing continuation of that contract? If so, state the client firm's name, year the notice was received, reasons for the notice, and resolution or current status of the relationship.
6. Have your firm's actuarial consulting service products been audited by another actuarial firm within the last five years? If so, state the number of such audits and whether any resulted in revisions to your clients' annual valuation results, actuarial assumptions, or actuarial cost methods.

### **Additional Required Information**

1. Describe your firm's legal resources, both in-house and external consultants, if retained.
- ~~2.~~ 1.2. Describe the coverage levels for errors and omissions insurance and any fiduciary or professional liability insurance your firm carries. Is the coverage on a per-client basis, or is the dollar figure applied to the firm as a whole? List the insurance carriers.

~~2.~~ ~~Describe the coverage levels for errors and omissions insurance and any fiduciary or professional liability insurance your firm carries. Is the coverage on a per-client basis, or is the~~

~~dollar figure applied to the firm as a whole? List the insurance carriers.~~

3. How does the firm monitor and measure actuarial client satisfaction and actuarial audit satisfaction?
4. Describe the resources your firm has that specifically address the needs of public fund clients.

### **Actuarial Audit Cost Structure**

1. Describe the cost structure you propose for VCERA's actuarial audit engagement, including administrative, third-party, travel, and all other costs associated with the proposed engagement.
2. Describe how fees are determined for your firm's actuarial auditing services.

### **Proposal Organization**

Proposals should be organized in the following manner:

1. Cover Letter
2. Table of Contents
3. Executive Summary
4. Firm and Personnel Background Information and Qualifications
5. Audit and Review Performance Methodology
6. Cost Structure
7. References
8. Requested Contract Specifications
9. Attachments

### **Proposal Submissions**

Proposals should include the following and preceding information to illustrate the firm's capabilities.

A cover letter is required, which shall include the following:

1. A statement that the attached proposal is complete as submitted.
2. A statement that all prices, cost schedules, and/or other factors contained in the proposal are valid for 120 days from the final proposal submittal closing date.

3. Certification of non-discriminatory practices in the firm's services.
4. Mandatory signature of the representative(s) who are authorized to legally bind the firm.
5. Identification of any sections of the proposal that the firm is designating as confidential.

VCERA has made every effort to include enough information in this proposal for the firm to prepare a responsive proposal. VCERA strongly discourages any contact with Board members while the selection process is pending, unless contact had been initiated by the Board or staff. Proposals will be evaluated by executive management and an ad hoc Board review committee.

During the evaluation process, VCERA may identify areas where additional information or clarification may be needed. If required, VCERA may provide to any semi-finalist firm a description of issues to be explored. These areas may include fees, personnel availability, or any other matter the review committee deems important for assessment. These issues will be exclusive to each semi-finalist; under no circumstances will the issues be disclosed between prospective firms. When this process is completed, final scores will be tallied and a firm will be selected. Award will be made to the responding firm whose proposal is deemed to be the most advantageous to VCERA, taking into consideration all stated criteria and evaluation factors.

VCERA anticipates that the proposal submittal, review, and selection process will take approximately 90 to 120 days. The process timeline follows:

- A. **Distribution of RFPs.** RFPs mailed to vendors and posted on VCERA's website on ~~April 3, 2017~~ June 5, 2023.
- B. **Information Requests.** Written requests for additional information from VCERA must be received no later than ~~April 14~~ June 16, 2023. If additional information is desired, requests should be in writing to:

Ventura County Employees' Retirement Association  
Linda Webb, Retirement Administrator  
1190 S. Victoria, Suite 200  
Ventura, CA 93003-6572  
[linda.webb@vcera.org](mailto:linda.webb@vcera.org)

- C. **Proposal Submission.** Proposals must be received in writing by **5:00 P.M. Pacific Daylight Time on Friday, ~~May 5~~ July 10, 2023 (the final submission deadline)**. On the outside of the sealed response package, clearly mark: "Response to RFP – Actuarial Audit". Proposals submitted by fax will not be accepted. Please submit five proposals and related information (one original and four copies) to:

Ventura County Employees' Retirement Association  
Linda Webb, Retirement Administrator  
1190 S. Victoria, Suite 200  
Ventura, CA 93003-6572  
[linda.webb@vcera.org](mailto:linda.webb@vcera.org)

- D. **Firm Proposal.** All proposals shall be firm and may not be withdrawn or modified for a period of 120 days following the final submission deadline.
- E. **Proposal Review.** VCERA will schedule sessions to review and evaluate the proposals. VCERA anticipates selecting one or more firms as finalists by the end of ~~May~~July, 2017-2023.
- F. **Notification for Interview.** If more than one firm is selected as a semi-finalist, interviews may be scheduled. VCERA anticipates sending written notification during the week of ~~May 29~~July 28, 2023 if interviews are needed.
- G. **Interviews.** If required, VCERA will schedule presentations of the finalists in ~~June-August, 2017~~2023. Note that there may not be any oral presentations; each proposal is expected to be complete in and of itself.
- H. **Final Notification.** Notification to firms of VCERA's decision to award a contract for actuarial audit services will be by mail, on or after ~~June 19, 2017~~August 18, 2023.
- I. **Contract Effectiveness.** Depending on contract negotiations, the selected firm will officially become VCERA's provider for the replication actuarial audit, for the June 30, ~~2016-2022~~ actuarial valuation only.

VCERA will make every effort possible to administer the proposal process in accordance with the terms and dates discussed in this section; however, VCERA reserves the right to modify the proposal process and dates if necessary.

### **EVALUATION OF PROPOSALS**

Proposals will be screened initially to determine if they have met the conditions set forth under Minimum Qualifications. Proposals that are non-compliant will be eliminated. After Minimum Qualifications have been satisfied, the evaluation criteria will be the following:

- Ability. The firm's ability to provide the requested services.
- Related Experience. The firm's demonstrated, related experience in providing services comparable to VCERA's needs. Expertise in all aspects of actuarial auditing, preferably as it relates to public entities and CERL and PEPRA.
- Qualified Personnel assigned to provide necessary services.
- Firm Stability. The firm's stability, professionalism and reputation as compared to other firms providing actuarial auditing services.
- Assigned Individuals. The credentials and experience of the person(s) who would be assigned to VCERA's account.
- Fee Proposal. Reasonableness and competitiveness of the fee structure/costs proposed by the firm.
- General quality and adequacy of response, including completeness of response, conformity to terms and conditions.

- Quality of references. Level of satisfaction of present and/or former clients.
- Other Factors. Any other factors that would be in the best interest of VCERA to consider which were not previously described.

### **PROPOSAL OBLIGATIONS**

The contents of the proposal and any clarifications thereto submitted by the successful firm shall become part of the contractual obligation and will be incorporated by reference into the Contract.

### **CONTRACT TERMS**

The Contract shall be a combination of the specifications, terms, and conditions of the RFP, any written clarifications or changes made to this RFP, the offer contained in the successful proposal, and any additional contractual terms and conditions agreed to mutually and in writing by the parties. Negotiation, execution and amendment of the contract and operational oversight of services provided under the contract for actuarial auditing, are the responsibility of VCERA's Retirement Administrator, Linda Webb.

The firm selected from the current search shall not be eligible to bid on any VCERA full-service actuarial proposal that may be issued within the twelve-month period following publication of the actuarial audit report or issued as a result of the actuarial audit.

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During the RFP review, presentation, and discussion time period, VCERA will not disclose any information derived from the submissions. Once an award is made, the proposals become public record, and may be disclosed upon request. If you are submitting any information you consider to be proprietary, the information must be marked as such. Please be aware, the marking of information as "proprietary" does not necessarily preclude its disclosure. Should a public information request be presented, the laws of the State of California shall prevail.

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Public records are defined as any writing relating to the conduct of the public's business and are open to inspection during normal business hours.

There are specific exceptions to the Public Records Act. In the event VCERA receives a request of any proposal submitted pursuant to this Request for Proposal, it is the responsibility of the organization whose proposal has been requested to assert any rights to confidentiality that may exist. VCERA will not make that assertion on behalf of the prospective actuarial auditor. Absent a judicial determination that the documents are exempt from disclosure, they will be subject to inspection.

Submission by a vendor constitutes a complete waiver of any claims whatsoever against VCERA, and/or its agents, officers, or employees, that VCERA has violated a vendor's right to

privacy, disclosed trade secrets or caused any damage by allowing the proposal to be inspected.

### **PROPOSAL WITHDRAWAL OR MODIFICATION**

Proposals may be withdrawn or modified by a written, faxed or emailed request from respondent no later than 3 business days prior to the final submission deadline.

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If any ambiguity, conflict, discrepancy, omission or other error is discovered in this RFP, the firm should immediately notify VCERA, Attention Linda Webb, in writing, requesting modification or clarification of the document. Modifications of material consequence will be made by addenda issued to all participating respondents.

### **COLLUSION AFFIDAVIT/CONFLICT OF INTEREST**

By submitting a proposal, the firm certifies that the quoted prices are genuine and not the result of collusion or any other activity which would tend to directly or indirectly influence the process.

The firm further certifies the firm has no real or potential conflicts of interest that would prevent the firm from acting in the best interests of VCERA.

### **FINAL COMMENTS**

VCERA reserves the right to reject any and all proposals, with or without cause, and to request additional information from the proposing firms.

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VCERA reserves the right to use all available means to evaluate the firms, including review of submitted proposals, reference checks, interviews and presentations. The review committee is under no obligation to contact firms for clarification of ~~proposals, but~~ proposals but may do so at any time prior to contract award.





VENTURA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION (VCERA)

REQUEST FOR PROPOSAL FOR  
ACTUARIAL AUDIT SERVICES

Issued June 5, 2023

PROPOSAL SUBMISSION DEADLINE: July 10, 2023

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# Ventura County Employees' Retirement Association

## **INTRODUCTION**

The Ventura County Employees' Retirement Association (VCERA), issues this Request for Proposal (RFP) to qualified actuarial firms for actuarial audit services. The actuarial audit services shall provide an independent actuarial opinion as to the accuracy and veracity of valuation results, actuarial assumptions, application of actuarial cost method and associated activities currently performed by VCERA's actuarial consultant, The Segal Company ("Segal"). The successful proposer will perform a complete replication audit of the June 30, 2022 Actuarial Valuation and Review, prepare a written report of the audit, and present the report and any findings in person to the VCERA Board of Retirement.

## **VCERA PURPOSE STATEMENT**

The Ventura County Employees' Retirement Association (VCERA) was established in 1947 for employees of the County of Ventura pursuant to the provisions of the County Employees' Retirement Law of 1937 (CERL), California Government Code sections 31450 through 31897.

## **VCERA PLAN PROVISIONS**

VCERA is a cost-sharing, multiple-employer, governmental defined benefit pension plan covering the employees of the County of Ventura, the Ventura County Courts, the Air Pollution Control District (APCD), the Ventura Regional Sanitation District (VRSD), and VCERA, pursuant to CERL and the Public Employees' Pension Reform Act (California Government Code sections 7522 through 7522.74 "PEPRA"). VCERA operates as an independent governmental entity separate and distinct from the County of Ventura. VCERA administers the pension trust fund of the County of Ventura.

VCERA currently administers retirement benefits for approximately 9,077 active members and 8,007 retired members and beneficiaries, and 3,812 inactive vested members. The active membership is comprised of general and safety classifications with the general membership having three tiers (Tier 1, Tier 2, and PEPRA) and the safety classifications having two tiers (Classic and PEPRA).

Member contribution rates are established based on an assumed member entry age of 36 for general members and 27 for safety members. The Employer contribution rate is established based on the Plan Actuary's recommendation. VCERA currently administers (as of July 1, 2022) plan net assets having a market value of approximately \$7.02 billion and actuarial value of \$7.28 billion.

## **VCERA FUNDING POLICY**

Participating members are required by statute and collective bargaining agreements to contribute a percentage of covered salary based on certain actuarial assumptions and their age at entry into the Plan. The funding objective of the Plan is to establish contribution rates that, over time, will remain level as a percentage of payroll unless Plan benefit provisions are changed.

Actuarial funding is based on the Entry Age Normal Cost Method. Under this method, the employer contribution rate provides for current cost (normal cost), plus a level percentage of payroll to amortize the unfunded actuarial accrued liability (UAAL).

For actuarial valuation purposes, plan assets are valued at Actuarial Value. Under this method, the assets used to determine employer contribution rates take into account market value by recognizing the differences between the actual and expected investment return over the amortization period indicated below. The contribution requirements of participating members and the employers are established and may be amended by the VCERA Board of Retirement.

### **VCERA ACTUARIAL INFORMATION**

VCERA engages an independent actuarial services firm, Segal, to conduct an annual Actuarial Valuation, and a triennial Actuarial Experience Study.

Summary information contained in the most recent Actuarial Valuation, as of June 30, 2022, is outlined below:

- Valuation Date: June 30, 2022
- Actuarial Value of Assets: \$7.3 billion
- Actuarial Cost Method: Entry Age Normal Actuarial Cost Method
- Amortization Method: Level percent of payroll

Effective with the June 30, 2012 valuation, UAAL that arises due to assumption changes is amortized over a 20-year closed period. Earlier assumption or plan changes are amortized over a 15-year closed period. Also, any change in the UAAL that may arise due to retirement incentives is annualized up to a 5-year closed period.

- Asset Valuation Method: Five-year smoothed market
- Investment Rate of Return Assumption: 7.25%
- Inflation Assumption: 2.75%
- Cost of Living Adjustments: 2.75% maximum (contingent on CPI increases), only applicable to General Tier 1 and Safety (including PEPRA safety) classifications. Certain Tier 2 and PEPRA Tier 2 classifications receive fixed 2.00% annual increases.

An Actuarial Experience Study was last performed for the period covering July 1, 2017 through June 30, 2020, and another is scheduled to be performed for the period covering July 1, 2020 through June 30, 2023, in November, 2023.

**MINIMUM QUALIFICATIONS** The actuarial auditing firm must meet all of the Minimum Qualifications. Failure to do so may result in rejection of the proposal.

1. The firm must be a professional actuarial services firm that provides actuarial valuation, experience studies, actuarial audits and pension consulting services for

public pension plans.

2. The firm must have performed actuarial services for a minimum of 10 years.
3. The Primary Actuary performing the services must be a Fellow of the Society of Actuaries and an enrolled actuary. Any Supporting Actuary must be either a Fellow, enrolled, or have 10 years of pension consulting experience.
4. The firm must have all necessary permits and licenses. Liability, professional errors and omissions insurance in the amount of \$1,000,000 must be in effect at the time the proposal is submitted and throughout the term of the agreement.
5. The firm must provide its own work facilities, equipment, supplies, and support staff to perform the required services.

### **SCOPE OF SERVICES**

VCERA seeks one qualified actuarial firm to perform a full replication actuarial audit of assumptions, methods, calculations, and experience used in VCERA's Actuarial Valuation as of June 30, 2022.

The actuarial auditing scope shall include practice concepts, actuarial conduct standards, assumptions, methodology, and contribution rate calculations. Assumption correctness shall also be tested, along with methodology and verification of assumption disclosure. Changes from prior valuations, governmental reporting adherence and accuracy of plan provision summaries should also be considered. The audit shall verify demographics used for experience studies, i.e., salary scales, number of terminations, age, and service determinations plus benefit calculations.

1. Minimum audit subject matter shall include:
  - Discussion of the appropriateness of the actuarial assumptions.
  - Review of the actuarial assumptions and methodology for compliance with CERL and PEPR, VCERA's regulations and policies, and for compliance with generally recognized and accepted actuarial principles and practices which are consistent with Actuarial Standards of Practice, the Code of Professional Conduct and Qualifications Standards for Public Statements of Actuarial Opinion of the American Academy of Actuaries.
  - Accuracy of funding computations.
  - Appropriateness of established reserve accounts. Appropriateness of recommended employer and employee contribution rates.
  - Assessment of the validity of the June 30, 2022 valuation using a mathematical model of plan activity or sampling based on the same data, methods, and assumptions used by Segal.
  - Evaluation of the test results and reconciliation of any significant discrepancies between the findings, assumptions, methodology, rates, and adjustments of the

auditing firm and Segal.

- Assessment of whether the valuation appropriately reflects information required to be disclosed under required reporting standards (GASB, etc.).

2. The completed audit and review report shall include (at minimum):

- An evaluation and an opinion on the reasonableness and accuracy of the valuation results (including a determination of actuarial accrued liability, normal cost, and actuarial required contributions), experience study findings, actuarial assumptions, and appropriateness and application of the actuarial cost method.
- Recommendations (if any) for reasonable alternatives to the actuarial assumptions used in the June 30, 2022 Actuarial Valuation.
- Recommendations to improve the quality and reader understanding of the Actuarial Valuation report.
- A comparison of existing actuarial methodology, assumptions and recommendations versus information generated by the replicative audit of the Actuarial Valuation.

## **PROPOSAL REQUIREMENTS**

### **Background and Financial Information**

1. Describe the proposing organization's structure. Include the following:

- Ownership information of the firm. Describe any material changes in organizational structure, or ownership that have occurred in the past 5 years. Provide names of all entities with any senior tier of ownership stakes. Detail affiliated companies and/or joint ventures.
- Background information. How long has the firm been providing actuarial consulting services to public pension clients?
- What is the importance (percentage) of actuarial services within the firm? What percentage of revenue comes from actuarial services?

2. Provide the latest two years' audited financial reports for the firm. Provide additional information necessary to demonstrate financial stability, including total revenue, net income/loss, assets, liabilities, and net worth for each year. Provide proof of liability, professional errors and omissions insurance in the amount of \$1,000,000.
3. Over the past five years, has your organization or any officer or principal been involved in any business litigation or other legal proceedings related to any actuarial consulting activities or actuarial auditing services? If so, provide a brief explanation and indicate the current status.
4. Has your firm, within the last ten years, been censured or fined by any regulatory body? If so, indicate the dates and describe the situation.
5. Is the firm affiliated with any other firm(s) offering non-actuarial services that could represent conflicts of interest? If yes, briefly describe your firm's policies and procedures for doing business with these affiliates while safeguarding against conflicts of interest.
6. Do you, your parent company, or any affiliated company have any business relationships with Segal? If so, describe that relationship.
7. List and describe any professional relationship your firm or any of your actuarial consulting group staff have with any member of the VCERA Board of Retirement, staff or plan sponsors.
8. Has anyone in your firm provided any gifts, entertainment, meals or paid travel expenses for any member of the VCERA Board of Retirement, or VCERA staff in the last twelve months? If yes, describe the expense and the purpose.

### **Personnel Information**

1. How many actuaries does your firm employ?
2. Describe the background of the professionals in the firm's actuarial consulting services group:
  - What percentage are currently Fellows of the Society of Actuaries? Enrolled actuaries?

What ongoing educational programs are supported and/or required?

3. For the key executives and professionals in the actuarial auditing consulting group assigned to VCERA, including the Primary Actuary and Supporting Actuaries please provide resumés (or biographies) that include the following information:
  - Name
  - Title
  - Responsibilities within the firm. If a person has multiple responsibilities, indicate the percentage of time spent on each function in a footnote to the table.

- Years of relevant experience
  - Years with the firm
  - Degrees and professional designations.
  - Institution awarding each degree and designation
  - Publications authored and/or presentation summary
4. For the Primary Actuary and all Supporting Actuaries, list their public fund actuarial audit assignments for the past five years. Include for each assignment the date of the final audit report, whether the auditor served as the Senior or Supporting Actuary, and the client's name and size (number of pension plan members and annuitants). Include clients' contact information for references.
  5. Are there any potential conflicts of interest with the proposed Senior and/or Supporting Actuaries within the VCERA assignment? Are there any potential conflicts of interest related to other client relationships? If so, provide details on the entity or activity.
  6. Does the firm have a transition plan to deal with the possible sudden departure of key professionals assigned to VCERA's actuarial auditing project? Describe the plan.

In the event an actuary must be replaced, the replacement must meet the same standards as outlined in this proposal and be acceptable to VCERA. Failure to provide a new replacement acceptable to VCERA will constitute a breach of the firm's contract.

### **Proposed Actuarial Auditing Methods**

1. Provide an estimated timeline for completion of the work that includes each stage of the process. Be sure to include a time estimate for information or data gathering required from VCERA and/or its current consulting actuary. Indicate points in the audit and review when your firm plans to interact with VCERA staff at the VCERA office.
2. Describe your firm's approach to recommendations regarding the amortization of unfunded liabilities.
3. Describe your approach to measuring funded status and funding progress in order to facilitate the assessment of trends over several valuations for a client.
4. Describe your quality control processes for actuarial audit reports and recommendations. How are these services monitored and reviewed?
5. Provide an example of one recent actuarial audit report for current or former client.

### **Actuarial Auditing Experience and References**

1. List client relationships where only actuarial auditing services similar to those required for this RFP have been or are being provided.



2. For all current public pension plan full-service actuarial clients, state the client's name, the first year of your initial contract with the plan, and their asset and membership size as of June 30, 2022.
3. Provide the name, title, address, and telephone number for at least three client references for whom your firm has provided actuarial audit services similar to those required under this RFP. (VCERA reserves the right to contact any of the individuals/agencies provided.) Include the following detail:
  - The client for whom the firm most recently completed an actuarial audit.
  - The scope of the actuarial auditing services required for these reference clients.
  - The client for whom the Primary Actuary most recently completed an actuarial audit.
4. List any pension plan clients that have terminated their actuarial service contracts with your firm in the last five years. Include the client firm's name, size (number of pension plan members and annuitants), date of contract termination, and reason(s) for contract termination.
5. Within the last five years, has your firm been notified by any actuarial consulting services client that your firm is in default of its contract, or that conditions exist jeopardizing continuation of that contract? If so, state the client firm's name, year the notice was received, reasons for the notice, and resolution or current status of the relationship.
6. Have your firm's actuarial consulting service products been audited by another actuarial firm within the last five years? If so, state the number of such audits and whether any resulted in revisions to your clients' annual valuation results, actuarial assumptions, or actuarial cost methods.

### **Additional Required Information**

1. Describe your firm's legal resources, both in-house and external consultants, if retained.
2. Describe the coverage levels for errors and omissions insurance and any fiduciary or professional liability insurance your firm carries. Is the coverage on a per-client basis, or is the dollar figure applied to the firm as a whole? List the insurance carriers.
3. How does the firm monitor and measure actuarial client satisfaction and actuarial audit satisfaction?
4. Describe the resources your firm has that specifically address the needs of public fund clients.

### **Actuarial Audit Cost Structure**

1. Describe the cost structure you propose for VCERA's actuarial audit engagement,

including administrative, third-party, travel, and all other costs associated with the proposed engagement.

2. Describe how fees are determined for your firm's actuarial auditing services.

### **Proposal Organization**

Proposals should be organized in the following manner:

1. Cover Letter
2. Table of Contents
3. Executive Summary
4. Firm and Personnel Background Information and Qualifications
5. Audit and Review Performance Methodology
6. Cost Structure
7. References
8. Requested Contract Specifications
9. Attachments

### **Proposal Submissions**

Proposals should include the following and preceding information to illustrate the firm's capabilities.

A cover letter is required, which shall include the following:

1. A statement that the attached proposal is complete as submitted.
2. A statement that all prices, cost schedules, and/or other factors contained in the proposal are valid for 120 days from the final proposal submittal closing date.
3. Certification of non-discriminatory practices in the firm's services.
4. Mandatory signature of the representative(s) who are authorized to legally bind the firm.
5. Identification of any sections of the proposal that the firm is designating as confidential.

VCERA has made every effort to include enough information in this proposal for the firm to prepare a responsive proposal. VCERA strongly discourages any contact with Board members while the selection process is pending, unless contact had been initiated by the Board or staff. Proposals will be evaluated by executive management and an ad hoc Board review committee.

During the evaluation process, VCERA may identify areas where additional information or

clarification may be needed. If required, VCERA may provide to any semi-finalist firm a description of issues to be explored. These areas may include fees, personnel availability, or any other matter the review committee deems important for assessment. These issues will be exclusive to each semi-finalist; under no circumstances will the issues be disclosed between prospective firms. When this process is completed, final scores will be tallied and a firm will be selected. Award will be made to the responding firm whose proposal is deemed to be the most advantageous to VCERA, taking into consideration all stated criteria and evaluation factors.

VCERA anticipates that the proposal submittal, review, and selection process will take approximately 90 to 120 days. The process timeline follows:

A. **Distribution of RFPs.** RFPs mailed to vendors and posted on VCERA’s website on **June 5, 2023.**

B. **Information Requests.** Written requests for additional information from VCERA must be received no later than **June 16, 2023.** If additional information is desired, requests should be in writing to:

Ventura County Employees’ Retirement Association  
Linda Webb, Retirement Administrator  
1190 S. Victoria, Suite 200  
Ventura, CA 93003-6572  
[linda.webb@vcera.org](mailto:linda.webb@vcera.org)

C. **Proposal Submission.** Proposals must be received in writing by **5:00 P.M. Pacific Daylight Time on Friday, July 10, 2023 (the final submission deadline).** On the outside of the sealed response package, clearly mark: “Response to RFP – Actuarial Audit”. Proposals submitted by fax will not be accepted. Please submit five proposals and related information (one original and four copies) to:

Ventura County Employees’ Retirement Association  
Linda Webb, Retirement Administrator  
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Ventura, CA 93003-6572  
[linda.webb@vcera.org](mailto:linda.webb@vcera.org)

- D. **Firm Proposal.** All proposals shall be firm and may not be withdrawn or modified for a period of 120 days following the final submission deadline.
- E. **Proposal Review.** VCERA will schedule sessions to review and evaluate the proposals. VCERA anticipates selecting one or more firms as finalists by the end of July, 2023.
- F. **Notification for Interview.** If more than one firm is selected as a semi-finalist, interviews may be scheduled. VCERA anticipates sending written notification during the week of July 28, 2023 if interviews are needed.
- G. **Interviews.** If required, VCERA will schedule presentations of the finalists in August, 2023. Note that there may not be any oral presentations; each proposal is expected to be complete in and of itself.
- H. **Final Notification.** Notification to firms of VCERA's decision to award a contract for actuarial audit services will be by mail, on or after August 18, 2023.
- I. **Contract Effectiveness.** Depending on contract negotiations, the selected firm will officially become VCERA's provider for the replication actuarial audit, for the June 30, 2022 actuarial valuation only.

VCERA will make every effort possible to administer the proposal process in accordance with the terms and dates discussed in this section; however, VCERA reserves the right to modify the proposal process and dates if necessary.

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- Qualified Personnel assigned to provide necessary services.
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- Assigned Individuals. The credentials and experience of the person(s) who would be assigned to VCERA's account.
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The firm selected from the current search shall not be eligible to bid on any VCERA full-service actuarial proposal that may be issued within the twelve-month period following publication of the actuarial audit report or issued as a result of the actuarial audit.

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Submission by a vendor constitutes a complete waiver of any claims whatsoever against VCERA, and/or its agents, officers, or employees, that VCERA has violated a vendor's right to

privacy, disclosed trade secrets or caused any damage by allowing the proposal to be inspected.

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Proposals may be withdrawn or modified by a written, faxed or emailed request from respondent no later than 3 business days prior to the final submission deadline.

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By submitting a proposal, the firm certifies that the quoted prices are genuine and not the result of collusion or any other activity which would tend to directly or indirectly influence the process.

The firm further certifies the firm has no real or potential conflicts of interest that would prevent the firm from acting in the best interests of VCERA.

### **FINAL COMMENTS**

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**VCERA**  
VENTURA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION

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May 22, 2023

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

**SUBJECT: HEARING ON ADMINISTRATIVE APPEAL FILED BY VCPFA RE DENIAL OF CLAIM FOR CHANGE IN VCERA MEMBERSHIP DATE FOR FIRE CONTROL WORKERS (FCWS) HIRED BY COUNTY AS SEASONAL/INTERMITTENT EMPLOYEES AND CONSIDERATION OF HEARING OFFICER REPORT AND RECOMMENDED DECISION**

Dear Board Members:

**Background**

On December 19, 2023, staff recommended that the evidentiary hearing for the appeal of VCPFA regarding the intermittent excluded status be referred to a Hearing Officer/Referee, given the significant amount of documentary evidence and complexity.

On April 14, 2023, Hearing Officer Irene Ayala issued the Proposed Findings of Fact, Conclusions of Law and Recommended Decision. The recommendation is that the Board of Retirement affirm VCERA's denial of the Appellants' claim to advance their VCERA membership dates.

Today's agenda item is to allow the Board to consider and take action on the recommended decision. The Board will hear from both the Appellants, represented by Mr. Ian Bondsmith, and from VCERA Administration, represented by Ms. Ashley Dunning of Nossaman.

Respectfully,

Linda Webb  
Retirement Administrator

**BEFORE THE BOARD OF RETIREMENT OF THE  
COUNTY OF VENTURA EMPLOYEES' RETIREMENT ASSOCIATION**

In the Matter of the Administrative )  
Appeal of )  
)  
Kevin Aguayo, Clayton Cundiff, )  
Mike Fuller, Joshua Gisel, )  
Israel Gutierrez, Joel Hanson, )  
Jesse Hopcus, Luther McPherson, )  
Kyle Morrell, Cary Rake, Tyler Ripley, )  
Desi Rodriguez, James Roscoe, )  
Robert Schaper, Michael Trabbie, )  
Kevin Yates, )  
)  
Appellants, )  
)  
vs. )  
)  
Ventura County Employees' )  
Retirement Association, )  
)  
Respondent. )  
\_\_\_\_\_ )

**PROPOSED FINDINGS OF FACT,  
CONCLUSIONS OF LAW AND  
RECOMMENDED DECISION**

**Group Name:  
Ventura County Professional  
Firefighters Association**

**Referee:**

**Irene P. Ayala**

**Appearances:**

**Appellants**

**Ian Bondsmith  
Attorney at Law  
1185 Beverly Way  
Altadena, CA 91001**

**Respondent**

**Ashley K. Dunning  
Alexander Westerfield  
Nossaman LLP  
50 California Street, 34<sup>th</sup> Floor  
San Francisco, CA 94111**



## **INTRODUCTION**

The following are the Appellants in this case who were hired by the Ventura County Fire Protection District ("District") as Fire Control Workers ("FCW") as intermittent employees upon their hire date: Kevin Aguayo, Clayton Cundiff, Mike Fuller, Joshua Gisel, Israel Gutierrez, Joel Hanson, Jesse Hopcus, Luther McPherson, Kyle Morrell, Carey Rake, Tyler Ripley, Desi Rodriguez, James Rosco, Robert Schaper, Michael Trabbie, and Kevin Yates.

When Appellants were first hired they were designated by Ventura County ("County") as filling "intermittent" positions. At that time, the County did not appoint them to "permanent" or "regular" positions. For a period of time thereafter, Appellants continued their employment as intermittent employees.

Appellants now contend that they were improperly designated as intermittent employees, and; thus, improperly excluded from membership in the Ventura County Employees' Retirement Association ("VCERA") upon their hire dates. They maintain the VCERA Board of Retirement ("Board") has the independent authority and duty to make retirement membership determinations for County employees, and should retroactively advance their VCERA membership dates to their respective hire dates. Appellants are represented in their appeal by the Ventura County Professional Firefighters Association ("VCPFA").

In a letter dated June 27, 2022 from Linda Webb, VCERA's Retirement Administrator, Appellants were informed that following an investigation into the VCPFA claims made on their behalf, VCERA denied the demand to advance the date of FCWs' original entry date into VCERA membership.

Appellants filed an appeal to the Board of Retirement on November 2, 2022 requesting that the Board reverse the Retirement Administrator's decision.

## **DISCUSSION**

The Appellants in this case were employed by the County and initially began their service in the position of FCWs performing firefighter support duties with the Fire Protection District. The

County job description for this position states it is seasonal and the job type is “intermittent.” The seasonal period of their employment is typically April through December. Their duties are listed as follows:

“Fire Control Workers, under immediate supervision, cut and remove brush from roadsides, fire roads, and fuel breaks using hand and power tools; perform routine maintenance and janitorial duties at fire facilities; perform manual tasks involved in fire control; respond to fire alarms and other emergency calls to protect life and property; occasionally work in hazardous conditions and perform related work as required.”

According to the declaration of Crew Supervisor, David Proett, at the end of the April through December fire season most of the intermittent FCWs would be laid off. However, each year about three to five intermittent FCWs were “held over” or “wintered over” after their hire date to work on the off-season crew, the number of which varied each year.

At the end of each fire season, Mr. Proett was informed by either the Deputy Fire Chief, or at a later time, the Battalion Chief in charge of the Wildland Unit, how many holdover positions had been authorized. Not all the intermittent FCWs would be held over for continued employment, only those whose work performance proved them valuable to the Wildland FCW program and were the best candidates to fill permanent positions when the District promoted existing permanent FCWs to other positions or had additional permanent FCW positions approved by the County. By holding those FCWs over in consecutive years the District was able to keep them on the payroll with the “hope of keeping them as long-term District employees.” (Ex. G)

Appellants do not deny they understood their positions as FCWs were as intermittent, seasonal employees, despite the opportunity to continue their duties after the seasonal fire season ended. They understood they were not considered “regular” employees.

The County’s Personnel Rules and Regulations (“PR&Rs”), section 251, defines a **regular** employee as follows:

“All employees who hold an allocated full time or part time position in the County budget **excluding** but not limited to extra help, fixed term, or **intermittent employees**, or enrollees in training programs, and independent contractors.” (Emphasis added)

Further, section 234 of the PR&Rs defines an intermittent employee as “A person employed for Intermittent/temporary work on a day-to-day basis.” Article 11, section 1102 provides the reasons for the hiring of intermittent employees.

“Intermittent – The purpose of employing intermittent employees is where the workload requires **periodic and fluctuating augmentation on a regular basis**, yet does not warrant a full-time employee or cannot be handled by additional regular employees.” (Emphasis added)

Section 1103 of the PR&Rs lists specific limitations regarding the use of intermittent employees as follows:

“No person shall be employed as an intermittent employee for any purpose for more than 1664 hours in any one fiscal year. The Director-Human Resources **may** grant special authorization to extend intermittent employment periods upon receiving written justification from the appointing authority. Such special authorization shall be in writing to the appointing authority and copies shall be sent to the Auditor-Controller and any appropriate employee organization. The Auditor-Controller shall not authorize payment to any intermittent employee in excess of the periods specific herein without such special authorization from the Director-Human Resources.” (Emphasis added)

Mr. Proett’s declaration established the extension of the employment of intermittent employees beyond the typical fire season was not a unilateral, arbitrary, or unauthorized decision. Moreover, it was also clear there was never an expectation or guarantee of continued, year-to-year, permanent employment communicated to the intermittent employees.

Decisions whether to continue a particular employee’s work on a fire crew would have been made as each fire season was ending, and only if the need for additional crew members was required. That employment beyond the fire season was indeed “periodic and fluctuating augmentation on a regular basis.”

The declarations of Appellants Kevin Aguayo and Michael Trabbie made it clear the Appellants in this case understood from the initial date of their hiring that they were accepting a position that was not a permanent, regular position.

Mr. Trabbie was first hired on November 4, 1991 and Mr. Aguayo was hired on May 26, 1996. Yet, the County routinely held them over beyond the eight-month fire season, still with the explicit understanding they were not being appointed to permanent FCW positions.

### Declaration of Michael Trabbie

“Sometime in December of 1991, Mr. Proett came to me and asked if I would like to continue working after the fire season ended. I told him I would be very happy to stay on. I asked if this meant I would be made a permanent District employee, and Mr. Proett informed me that although I would be working on a year-round basis, **permanent employment status could only be granted by the County**. He informed me that his bosses were working with the County to try and have additional permanent FCW positions approved, but that until that happened, the only option to keep me on the payroll was to continue to list me as a seasonal employee.” (Ex. E) (Emphasis added)

Mr. Trabbie was appointed a regular employee of the County on May 22, 1994.

### Declaration of Kevin Aguayo

“I was hired by the Ventura County Fire Protection District as a FCW on May 26, 1996. I was initially recruited to work only during the fire season (May through December), which is when the District has an annually recurring need for additional FCW labor due to increased risk of wild fires...

On November 23, 1996, at the end of the fire season, my seasonable employment with the District was terminated. I was informed that I would be kept on an eligible list and **may be invited back to work the following fire season**.

I was rehired on May 6, 1997... At the end of that season I was offered the opportunity to be wintered-over... On March 21, 1999, nearly two years after being rehired by the District **my employment designation was changed from ‘intermittent’ to ‘regular.’** It was at this point that I was permitted to join VCERA and begin receiving retirement service credit for my FCW work.” (Ex. F) (Emphasis added)

Appellants continued to work under the classification of intermittent workers until the County subsequently appointed them as permanent regular employees. It is Appellants’ contention, without evidence, the change in their employment status was due to the County’s awareness of a lawsuit filed by FCWs in Orange County claiming unlawful exclusion from that County’s retirement system based on an erroneous intermittent employment designation. They assert Ventura County realized it was engaging in a similar pattern and practice and, therefore, converted intermittent FCWs to regular status beginning on March 21, 1999.

Upon becoming regular employees, VCERA enrolled each of them as active members of the retirement system as of their conversion date, instead of the date they were initially hired as follows:

	<u>Employee</u>	<u>Hire Date</u>	<u>VCERA Enrollment Date</u>
a.	Kevin Aguayo	5-6-97	March 21, 1999
b.	Clayton Cundiff	4-29-98	March 21, 1999
c.	Mike Fuller	4-28-02	October 13, 2002

d.	Joshua Gisel	4-29-98	March 21, 1999
e.	Israel Gutierrez	4-29-98	March 21, 1999
f.	Joel Hanson	4-21-03	December 5, 2004
g.	Jesse Hopcus	4-21-03	May 11, 2003
h.	Luther McPherson	2-11-96	February 2, 1998
i.	Kyle Morrell	4-29-12	February 2, 2014
j.	Carey Rake	11-4-91	July 17, 1994
k.	Tyler Ripley	4-29-12	February 1, 2015
l.	Desi Rodriguez	4-28-02	May 11, 2003
m.	James Rosco	5-6-97	March 21, 1999
n.	Robert Schaper	11-5-91	February 12, 1995
o.	Michael Trabbie	11-4-91	May 22, 1994
p.	Kevin Yates	10-30-89	March 13, 1994

Appellants now maintain they were improperly designated as intermittent employees as a result of the County's pattern and practice of annually hiring several FCWs to work on a full-time, year-round basis and labeling them as intermittent employees under its civil service rules; thus, they were improperly excluded from VCERA upon their hire dates and VCERA is required to advance their VCERA membership dates to their respective hire dates.

During the initial discussions with VCERA regarding this claim, Appellants were advised they should have the County reclassify the Appellants as of their hire date as "regular" employees to enable them to immediately become members of VCERA as of their initial hire date.

That was a reasonable position to take since the County, and not VCERA, hired the Appellants as intermittent employees. VCERA is a separate legal entity that is a multi-employer, defined benefit, public pension plan. VCERA is governed by the County Employees Retirement Law of 1937 ("1937 Act") and the California Public Employees' Pension Reform Act of 2013. VCERA's primary responsibility is to provide lifetime retirement benefits for **eligible employees** of the County of Ventura.

Retirement law vests oversight of the agency in a Board of Retirement. Membership in VCERA is effective upon **appointment to an eligible position** with the County of Ventura, or a participating special district. VCERA had no input, knowledge, oversight, or control over the County's hiring decisions or the classification of its employees. Only the County has the appointment

authority and hiring process for employees. Since intermittent employees are not appointed positions they cannot be deemed to be eligible for VCERA membership.

The County rejected Appellants' request and has taken the position that extensions of intermittent service do not operate to convert the classification from intermittent service to that of regular service.

Case law supports the County's position that a mere lapse of time that an employee occupies a position designated as temporary, seasonal, or intermittent is not sufficient, of itself, to render the employee a de facto regular or permanent employee entitled to retroactive change in the VCERA membership date. Jenkins v. County of Riverside (2006) 138 Cal.App.4<sup>th</sup> 593.

In Jenkins, a temporary employee who worked for a period longer than that allowed by Riverside County's ordinance, without documentation of approved "extensions" as allowed by the ordinance upon showing of good cause, claimed that she had the rights and privileges of a regular, permanent employee. The court identified the critical issue as being the proper meaning and interpretation of the County's salary ordinance. The court stated as follows:

"The only consequence which logically proceeds from the failure to apply for and obtain extensions of plaintiff's employment is not that plaintiff was magically transformed into a permanent employee (albeit one who never served a probationary period), but that she should have been terminated, as a matter of routine, years ago. Plaintiff received a windfall-extended employment to which she was not entitled and cannot now be heard to complain..."

There are significant issues raised with Appellants' focus on VCERA to provide the remedy for their rejected claim by the County. Despite the fact that the County, and only the County, bears the responsibility and authority for the hiring, classification, and actual work tenure of Appellants, there does not appear to have been any legal recourse taken on Appellants' behalf against the County since at least 1999 when the initial conversion to regular status for a number of employees took place.

It was at that time, or soon after with subsequent employee reclassifications, that legal recourse regarding intermittent status and exclusion from VCERA membership should have been undertaken, but it was not.

Now, almost twenty years later, the untimely raising of any claim against the County in 2021 would have failed due to the expiration of the three-year statute of limitations period pursuant to the Code of Civil Procedure, section 338(a).

No plausible exception to that limitations period would have been available to Appellants with a claim against the County in 2021. The same argument holds true regarding the untimely claim now being raised about membership exclusion from VCERA. Luke v. Sonoma County (2019) 43 Cal.App.5<sup>th</sup> 301.

In all likelihood, the Appellants did not raise any legal action against the County in a timely manner at or near the time of the classification conversion out of a concern they would jeopardize their continued employment. That would have been a knowing and intentional failure to challenge both the County and VCERA at the time of their conversion.

Even if no statute of limitations period applied, Appellants untimely failure to seek a remedy raises arguable defenses based on a waiver and laches. "In civil actions the defense of laches requires unreasonable delay plus either acquiescence in the act about which plaintiff complains or prejudice to the defendant resulting from the delay." City of Oakland v. Public Employees Retirement System (2002) 95 Cal.App.4<sup>th</sup> 29.

Instead, Appellants assert VCERA blindly and unlawfully defers to the County's intermittent designations as being determinative of Appellants' pension rights and is obligated by the California Constitution and the CERL to make an independent assessment of their eligibility for enrollment, and a retroactive enrollment in VCERA.

Their specific claims are that the County's labeling of Appellants as intermittent employees is irrelevant because they were not hired to perform, nor did they perform, intermittent work during the time they were excluded from VCERA membership; VCERA membership eligibility is not dependent on being recognized as a regular or permanent County employee. However, there is no legal basis to support Appellants' claims for the following reasons.

### **Safe Harbor Defined Benefit Plan**

Since the County, and not VCERA, made the initial employment classification in this case, all the Appellants received the immediate benefit of participation in the Safe Harbor Defined Benefit Plan (“SHDBP”), a defined benefit pension plan implemented effective January 1, 1992 and administered by the County.

The purpose of the plan is to provide eligible employees with an additional source of income upon retirement. The County’s FCWs are **required** to participate in the plan if they are intermittent employees and they are excluded from participation in VCERA, which is a completely separate retirement plan. They are enrolled in SHDBP immediately upon being hired by the County.

Their participation in SHDBP precludes their enrollment in VCERA’s retirement plan during the period they are intermittent employees. Government Code section 31482.5(b) is clear that a person shall not receive credit for the same service in two retirement systems supported wholly or in part by public funds under any circumstance.

As previously noted, the County designated the Appellants as intermittent employees, a classification that immediately precluded their participation in VCERA, yet they were able to receive the benefit of participation in the SHDBP retirement plan. Participation in SHDBP will ultimately benefit Appellants as they approach retirement after becoming VCERA members.

As confirmed by VCERA Retirement Administrator, Linda Webb, VCERA members who have service in SHDBP may upon separation from service, but before retirement, roll over those funds to the County’s Supplemental 457 Plan. If they do so, then under Section 31641.5, they may purchase service credit for the prior non-membership service that they worked.

The purchase of such non-membership service credit, however, would not move an individual’s membership date in VCERA. However, it would be credited in connection with the determination of their VCERA retirement allowances.

### **VCERA Legal and Statutory Enrollment Rules**

Contrary to Appellants’ insistence, only “eligible” employees may become VCERA members, and VCERA must comply with the legal and statutory definitions that determine eligibility, in particular



those that refer to “regular” employees. Of significance, neither the CERL, nor VCERA’s Bylaws define the terms “regular” or “intermittent” employee.

The term “regular employee” is defined under Section 251, “Regular Employee,” of the County’s Personnel Rules and Regulations (PR&R) as an employee who was appointed to and holds an allocation at the County that has been budgeted as a full-time or part-time position only. Section 251 further states that employees in an intermittent position are not considered “regular employees” of the County.

California Government Code section 31527 grants the VCERA Board of Retirement the authority and discretion to exclude certain employees, including intermittent employees, from membership into the County’s retirement system. Article III of VCERA’s bylaws specifically exclude intermittent employees from membership in VCERA.

“Article III. Membership

Employees Included: All non-safety regular employees of the County of Ventura, and other employer members of the Ventura county Employees’ Retirement Association, who are scheduled to work 64 hours or more biweekly, and all safety employees of the County and the Ventura County Fire Protection District shall become members of VCERA **on appointment...**

Excluded Positions: Employees who are filling positions that meet any of the following descriptions **shall be excluded from membership in VCERA:**

- (A) Extra Help Employee: A person employed for temporary work on a day-to-day basis who is compensated on an hourly basis.
- (B) **Intermittent Employee:** A person employed for intermittent or temporary work on a day-to-day basis who is compensated on an hourly basis.
- (C) Part-Time Employee: A regular employee scheduled to work less than 64 hours biweekly... “ (Emphasis added)

Because intermittent employees are explicitly defined as not being regular employees under the County’s PR&Rs, regardless of the number of hours worked, and because Article III of VCERA’s bylaws both clearly exclude intermittent employees from VCERA membership, and provides that only regular employees may be members of VCERA, it is reasonable for VCERA to rely on the County’s definitions for regular and intermittent employees to determine what employees are “eligible” to participate in the retirement plan.

Once they were employed as intermittent employees, Appellants could not be enrolled in VCERA during their tenures as intermittent employees. The County Employees Retirement Law of 1937 (“CERL”) allows boards of retirement to make regulations “not inconsistent” with it that “become effective when approved by the board of supervisors.” Gov. Code section 31525. Government Code section 31527(e) states “In its regulations, the board may include the following provisions:

“(e) For the exemption or exclusion from membership as a peace officer member or as a safety member **or from membership altogether**, in the discretion of the board, of persons whose tenure is temporary, season, **intermittent**, or for part time only, or persons whose compensation is fixed at a rate by the day or hour.” (Emphasis added)

During their tenures as intermittent employees, Appellants were compensated on an hourly basis as confirmed by Shalini Nunna, VCERA’s Retirement Benefits Manager since August 2014.

VCERA by-laws and regulations, approved by the County Board of Supervisors, further support the requirement that employees of the Ventura County Fire Protection District shall become members of VCERA “on appointment.” However, there is an explicit exclusion from VCERA membership of “A person employed for intermittent or temporary work on a day to day basis who is compensated on an hourly basis.” As intermittent employees, Appellants received hourly compensation and were not in a County budgeted position. Appellants did not achieve the status of appointed County employees until the County designed them as “regular” employees.

#### **VCERA’s Fiduciary Duty to Appellants**

Appellants maintain it is the responsibility of VCERA to make an independent review of their employment classification, following which the VCERA board must advance Appellants’ enrollment dates in VCERA. As support for that argument Appellants rely, in part, on the California Constitution that provides that the board’s “duty to its participants and their beneficiaries shall take precedent over any other duty.” (Cal.Const., art. XVI Section 17(b).

That duty does not include discretion to disregard the law, which VCERA has properly applied to exclude Appellants from VCERA membership during their tenures as intermittent employees. The VCERA Board has no authority to pursue a practice that is contrary to CERL. Alameda County Deputy Sheriff’s Assn. v. Alameda County Employees’ Retirement Assn. (2020) 9 Cal.5<sup>th</sup> 1032, 1069.

VCERA readily acknowledges its Board owed Appellants a fiduciary duty. That duty, however, does not permit the board to grant benefits beyond what the law, CERL and VCERA regulations allow. Addressing the same constitutional provision that Appellants cite here, courts have held that it does not “include an overlay of fiduciary obligations justifying an order to pay greater benefits than the statutes allow.” Chaidez v. Board of Administration (2014) 223 Cal.App. 4<sup>th</sup> 1425, 1431.

Of significance, following the presentation of Appellants’ claims, VCERA did undertake an investigation that included a review of County payroll and related records applicable to each of the sixteen Appellants. However, based on the laws and regulations that control both the County and VCERA regarding the employment issues, as well as CERL law, VCERA determined the Board of Retirement does not have an obligation to adopt different definitions of what constitutes an eligible employee for VCERA membership.

### **CONCLUSION**

In conclusion, based on the facts in this case, VCERA’s denial of retroactive pension benefits to Appellants for the relevant periods during which they were classified by the County as intermittent employees was not unlawful, contrary to established rules, regulations and statutes, or a violation of a fiduciary duty to Appellants.

### **FINDINGS OF FACT**

1. The 16 Appellants in this case were hired by the Ventura County Fire Protection District as Fire Control Workers (“FCW”) on various dates during the period October 1989 to April 2012. The Ventura County FCW job description states it is seasonal and intermittent. The seasonal period of employment is typically April through December. Each year, Crew Supervisor, David Proett, was notified of the number of FCW positions authorized to be held over for continued employment beyond the seasonal fire season. All Appellants in this case who were “held over” understood their FCW positions beyond the fire season were as intermittent, seasonal employees with no guarantee of permanent, regular employment.

2. VCERA is a separate legal entity from the County that is a multi-employer, defined benefit public pension plan and is governed by the County Employees Retirement Law of 1937. Its primary responsibility is to provide lifetime retirement benefits for eligible County employees. VCERA had no input, knowledge, oversight, or control over the County’s hiring decisions, the employee classification, or tenure of the employment. Intermittent employees are not regular, appointed employees and are not eligible for VCERA membership.

3. As intermittent employees, Appellants were precluded from enrollment in the VCERA retirement plan, but they were immediately enrolled in the Safe Harbor Defined Benefit Plan, a defined benefit pension plan that would provide them with retirement benefits. At various intervals, all of the

Appellants received appointments as permanent, regular County employees and were immediately enrolled in the VCERA retirement plan. All Appellants remain active members of VCERA, with the exception of Robert Schaper, who retired on March 28, 2021.

4. If Appellants roll over funds from the SHDBP retirement plan into the County's Supplemental 457 Plan, after they have separated from service, but before they retire from VCERA, then they may purchase their prior non-membership service in accordance with Government Code section 31641.5.

5. The County's appointment of a number of Appellants in this case to regular positions enabling them to become VCERA members began approximately 20 years before the current claim was brought against VCERA on their behalf. Appellants failed to bring any legal recourse against the County regarding their intermittent status during that 20-year period.

### **CONCLUSIONS OF LAW**

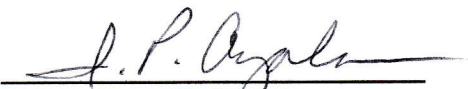
VCERA's investigation into Appellants' claims did not identify a legal basis or fiduciary duty upon which to challenge the County's initial and continuing classification of their positions as intermittent employees.

Consequently, the VCERA Board of Retirement has not unlawfully denied pension benefits to Appellants as a result of not retroactively changing their membership dates to cover a portion of their intermittent employment service.

### **RECOMMENDATION**

It is respectfully recommended the Board of Retirement affirm VCERA's denial of Appellants' claim to advance their VCERA membership dates. The County's Personnel Rules and Regulations, the County Employees Retirement Law of 1937, and VCERA's Bylaws and Regulations preclude the relief sought by Appellants.

Date: April 14, 2023.

  
\_\_\_\_\_  
Irene P. Ayala  
Hearing Officer

**CERTIFICATE OF SERVICE**

**State of California**

**County of Los Angeles**

I do hereby certify that on this date I served a copy of the Proposed Findings of Fact, Conclusions of Law and Recommended Decision in the matter of the appeal by sixteen Appellants represented by the Ventura County Employees' Retirement Association to the following:

By electronic mail:

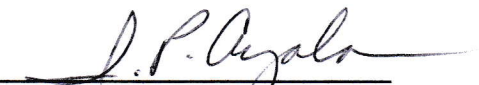
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Date: April 14, 2023

  
\_\_\_\_\_  
Irene P. Ayala  
Hearing Officer

AMENDED INDEX OF RECORD

Administrative Appeal Filed by VCPFA Re Denial of Claim for Change in VCERA  
Membership Date for Fire Control Workers (FCWs) Hired by County as  
Seasonal/Intermittent Employees

1. VCPFA/FCW's Opening Statement Re Appeal of VCERA's Administrative Determination Denying Statutorily Protected Retirement Rights to Ventura County Fire Control Workers.
  - a. VCPFA Appeal Exhibit A, VCERA's Administrative Denial of Appellants' Claim.
  - b. VCPFA Letter to VCERA Board, February 3, 2021.
  - c. VCPFA Letter to Lori Nemiroff, June 10, 2021.
  - d. County Letter from Mike Curnow to VCPFA, April 16, 2020
  - e. Declaration of Michael Trabbie
  - f. Declaration of Kevin Aguayo
  - g. Declaration of David Proett
2. VCERA's Response Statement Re VCPFA Demand for Change in VCERA Membership Date for Fire Control Workers Hired by the County of Ventura as Seasonal/Intermittent Employees.
  - a. VCERA Response Attachment 1, Declaration of Shalini Nunna in Support of Respondent Ventura County Employees' Retirement Association Reply Statement.
  - b. VCERA Response Attachment 2, Ventura County Employees; Retirement Association Board of Retirement ByLaws and Regulations
  - c. VCERA Response Attachment 3, County of Ventura Safe Harbor Retirement Plan Summary Plan Description March 2018.
  - d. VCERA Response Attachment 4, A Resolution of the Board of Supervisors which describes the Personnel Rules and Regulations for the County of the Employees of the County of Ventura.
  - e. VCERA Response Attachment 5, VCPFA Claim for Correction of Membership Dates Based on alleged Pre-Membership Misclassification of Members as Seasonal/Intermittent Employees.

- f. VCERA Response Attachment 6, The County of Ventura Supplemental Retirement Plan.
3. VCPFA/FCW's Reply to VCERA's Response re Denial of Statutorily Protected Pension Rights of Certain Ventura County Fire Control Workers.
    - a. VCPFA/FCW's Reply Exhibit A, Paystubs for Appellant Kevin Aguayo.
  4. VCPFA/FCW's Letter Regarding Correcting the Improper Exclusion of Certain Ventura County Fire Control Workers from Participation in the Ventura County Employees' Retirement Association, dated March 2, 2020.
    - a. Attachment: Analysis of Service Provided to the County of Ventura by Fire Control Workers Improperly Classified as Intermittent Employees

## LAW OFFICES OF IAN BONDSMITH

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IAN BONDSMITH  
TEL 626.689.4555  
IJB@BONDSMITHLAW.COM

November 2, 2022

### VIA U.S. MAIL

Mike Sedell, Chairman  
Board of Directors  
Ventura County Employees' Retirement Association  
800 S. Victoria Ave.  
Ventura, CA 93009-1940

**Re: Appeal of VCERA's Administrative Determination Denying Statutorily Protected Retirement Rights to Ventura County Fire Control Workers.**

Dear Board Members:

The Ventura County Professional Firefighters Association ("VCPFA") hereby appeals the Ventura County Employees' Retirement Association's ("VCERA") administrative denial of statutorily protected pension rights to several of its members. The VCPFA members in question ("Appellants") have been employed by the Ventura County Fire Protection District ("District") as Fire Control Workers ("FCWs"). VCERA excluded Appellants from the retirement system for a portion of their FCW service because it has failed to recognize that they were hired to perform, and did perform, work for the District which required a full-time, year-round employee. Instead, VCERA has improperly determined that Appellants' year-round service to the District should be excluded from VCERA membership.



**LAW OFFICES OF IAN BONDSMITH**

VCERA Board of Directors  
November 2, 2022  
Page 2

This letter brief shall serve as an appeal to VCERA staff's administrative denial, which was received by my office on June 27, 2022.<sup>1</sup>

**Background of Appellant's Claim**

VCPFA initially contacted VCERA regarding this matter in September of 2019. I spoke to LACERA Counsel, Lori Nemiroff, and explained that the District, with knowledge and approval from the County of Ventura ("County"), had a pattern and practice of recruiting a group of FCWs each year, ostensibly to work only during the 8-month fire season, while intending to retain several of those FCWs to work on a full-time, year-round basis. The retained employees were commonly referred to as being "held over" or "wintered-over".<sup>2</sup> I explained that the District continued to label these year-round FCWs as "intermittent" employees and that VCERA adopted this characterization of their employment without making an independent assessment whether they were, in fact, intermitted under CERL and the VCERA Bylaws. As a result, these FCWs were mistakenly excluded from VCERA membership.

After our initial discussions, Ms. Nemiroff advised us to raise this issue with the County. She stated that as a governmental agency, the County has the sole discretion to determine the terms of employment for its employees, including their employment status. She explained that when the County designates an employee as "intermittent," VCERA automatically excludes them from the retirement system on that basis.

I explained that my client's claim was not against the County because VCERA, not the County, has plenary authority to make retirement membership determinations. I also explained that VCERA was violating its fiduciary duty to its members by blindly accepting the County's

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<sup>1</sup> See Exhibit A

<sup>2</sup> The terms "wintered-over" and "held over" were used interchangeably throughout the District.

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employment status designation as being determinative of Appellants pension rights. These issues have since been thoroughly briefed in two letters: a letter to the Board dated February 3, 2021; and a letter to Ms. Nemiroff dated June 10, 2021. These letters are attached herein as Exhibits B and C, respectively, and are hereby incorporated into this appeal in their entirety.<sup>3</sup>

Ms. Nemiroff suggested that although VCPFA was raising a claim against VCERA, the path of least resistance would be to explain the situation to the County to see if the County was willing to reclassify Appellants for their excluded FCW service. Accordingly, on March 2, 2020, VCPFA sent a letter to County CEO, Michael Powers, thoroughly briefing its position and asking the County to reclassify Appellants' FCW service.

In a one-page letter dated April 16, 2020, the County's Labor Relations Manager, Mike Curnow, denied the claim. In his letter, Mr. Curnow implied that the County was free to keep its employees in an intermittent status "regardless of the number of hours worked" and that because they were not considered "regular" employees, Article III, Section 1 of the VCERA Bylaws should be read to exclude Appellants from VCERA membership. In other words, the County claimed that it did not matter if Appellants were hired to perform year-round work. The fact that the County labeled them as "intermittent" instead of "regular" was sufficient, in the opinion of the County, to exclude them from VCERA membership.<sup>4</sup>

Ironically, while Article III of the Bylaws does contain language purporting to limit *non-safety membership* to "regular" employees, it has no such qualification for *safety members*. Rather, the Bylaws state that *all* safety employees shall become members, without regard to their status as "regular" or "non-regular" employees. There is no question that FCWs are safety employees.

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<sup>3</sup> See Exhibit B, pgs. 3-6, for discussion of VCERA's duty to its members; see Exhibit C, pgs. 2-4, for discussion of VCERA's plenary authority over the retirement system.

<sup>4</sup> See Exhibit D, April 16, 2020, letter from County Labor Relations Manager, Mike Curnow.

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On May 20, 2020, VCPFA met with the County's Director of Human Resources, Shawn Atin, who echoed the sentiments in Mr. Curnow's letter, i.e., that Appellant's VCERA membership eligibility was entirely dependent on their County employment status, even if that status did not reflect the true nature of their work for the County. At one point in the discussion, Mr. Atin suggested that since recent fire seasons have seemingly lasted all year, it may be appropriate to keep FCWs employed in a "intermittent" or "seasonal" status year-round.<sup>5</sup>

VCPFA has communicated to VCERA that this statement by the County's Director of Human Resources should be of great concern to the VCERA Board, given that VCERA's staff makes membership determinations based solely on County-designated employment status. Indeed, Mr. Atin's statement, at best, demonstrates the County's fundamental misunderstanding of the proper definition of "intermittent" employment. Specifically, it appears the County is willfully ignorant of the fact that to be properly defined as "intermittent," an employee must be hired to perform intermittent work.<sup>6</sup>

In a February 2, 2021 letter to the VCERA Board, VCPFA explained the critical role the Board plays in providing independent oversight of the County in retirement related matters. VCPFA explained that the vesting of constitutional and statutory authority in VCERA to make membership-related determinations was necessary to ensure that any exclusion of County employees from the retirement system was made by an entity with a fiduciary duty to those employees, and not by the County which may have an adverse interest to its employees.

That letter also explained that VCERA's duties to its members require it, among other things, to make an independent assessment of whether Appellants were truly "intermittent," as that term is intended under CERL.<sup>7</sup>

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<sup>5</sup> The term "seasonal" is a subcategory of County "intermittent" employment.

<sup>6</sup> See Exhibit C, pgs. 8-12.

<sup>7</sup> See Exhibit B, pgs. 3-6, VCERA's duties under CERL and the California Constitution; see also Exhibit C, pgs. 2-4.

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VCPFA then met with the Board to discuss this issue on March 8, 2021. At the conclusion of that meeting, the Board directed VCERA's staff to conduct an investigation and make a determination as to whether Appellants were, in fact, working in an intermittent capacity for the District during the periods they had been excluded from VCERA membership. VCERA staff concluded its investigation and issued a letter denying Appellants' claim on June 27, 2022.

**It Appears VCERA Staff Continues to Misunderstand Appellants' Claim**

Despite VCPRA's repeated efforts to explain the nature of Appellants' claim, VCERA staff continues to state that Appellants are claiming they should have been hired as "regular" employees by the County. The most recent example of VCERA's misunderstanding is found in its June 27, 2022 letter:

"...[Appellants] have requested that VCERA advance [their] membership dates to an earlier date, because [Appellants] claim that the County misclassified them as "intermittent," rather than "regular," employees when they were first hired. [Appellants] assert they should have been appointed as "regular" employees and thus not excluded from VCERA membership."<sup>8</sup>

As explained in previous communications to the Board and VCERA's staff, VCPFA has never stated that Appellants should have been hired as "regular" County employees, nor has it claimed that the County must now retroactively convert them to "regular" County employment status. Indeed, VCPFA has repeatedly stated that such a conversion is unnecessary because *VCERA membership eligibility is not dependent on*

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<sup>8</sup> See Exhibit A, pg. 2, ¶1.

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*“regular” County employment status.*<sup>9</sup> Rather, it is an independent determination to be made by VCERA applying the statutory mandates of CERL.

**VCERA’s Regulations Must be Consistent with CERL and CERL Does not Permit an Employee to be Excluded Based on Their County-Designated Employment Status**

The CERL serves as enabling legislation for the creation of retirement boards and it vests in these boards the authority to adopt their own regulations, provided they are not inconsistent with CERL. Once approved and adopted by the County Board of Supervisors, these regulations govern the administration of the retirement system, including membership eligibility.

**Gov. Code § 31525**

“The [retirement] board may make regulations not inconsistent with this chapter. The regulations become effective when approved by the board of supervisors.”

The CERL makes no reference whatsoever to “regular” vs. “non-regular” employment as a condition for membership in the retirement system or as a permissible exclusion from the system. Therefore, Appellants cannot be excluded from VCERA simply because the County has chosen not to classify them as “regular” employees, and there is no need for VCERA to convert them to “regular” status so that they can be properly enrolled.

**CERL and VCERA’s Bylaws Define an “Intermittent” Employee as One Who is Hired to Perform Intermittent Work**

CERL permits retirement associations, like VCERA, to adopt a regulation excluding from membership persons whose tenure of employment is intermittent:

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<sup>9</sup> See Exhibit C, pgs. 2-4, including discussion of “CERL-eligible” employees beginning at the bottom of page 3.

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**Gov. Code § 31527. Permissible provisions in regulations**

“In its regulations, the [VCERA] board may include the following provisions:

...

(e) For the exemption or exclusion from membership as a police officer member or as a safety member or from membership altogether, in the discretion of the board, of persons whose tenure is temporary, seasonal, intermittent, or for part time only....”

Since CERL does not expressly define the term “intermittent,” VCERA must interpret it according to its usual and ordinary meaning. Also, because the definition forms the basis for a permissible exclusion from pension and death benefits, VCERA must interpret it narrowly to meet the express purpose of CERL to provide such benefits.<sup>10</sup>

An analysis of the usual and ordinary meaning of the term “intermittent” was provided in our June 10, 2021 letter to Ms. Nemiroff. That analysis shows that an employee cannot be considered intermittent unless the appointing authority anticipates that the work to be performed will last less than a year and that the actual tenure of employment is less than a year. Moreover, where such work recurs on an annual basis, a sufficient break between periods of “intermittent” employment is required to establish that the work is truly “intermittent” in nature, as opposed to work that would be more appropriately filled by a year-round employee.

**Gov. Code § 18552**

“An ‘intermittent’ position or appointment is a position or appointment in which the employee is to work *periodically* or for a *fluctuating portion of the full-time work schedule*.” (Emphasis added.)

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<sup>10</sup> See *Lesem v. Board of Retirement*, 183 Cal.App.2d 289, p.298 “It has been repeatedly recognized that all pension laws are to be liberally construed to carry out their beneficent purposes. Any ambiguities in pension laws should be resolved in favor of the applicant.”

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### **California Office of Human Resources; Intermittent Employee**

“Irregular or recurrent, hourly employment *that is less than full time each year*, used to provide a trained work force available on an ‘on-call’ basis *to supplement a department’s full-time staff in handling peak workloads.*” (Emphasis added.)<sup>11</sup>

VCERA’s Bylaws, likewise, do not provide a specific definition of the term “intermittent” employee, although the Bylaws make it clear that to be excluded from VCERA membership as an “intermittent employee” the person must be employed for *intermittent work*.

### **VCERA Bylaws Article III § 2(B); Intermittent Employee**

“A person employed for *intermittent or temporary work* on a day to day basis who is compensated on an hourly basis.” (Emphasis added.)

The operating definitions of “intermittent” under both CERL and VCERA’s Bylaws are consistent. Namely, under both definitions an employee must be hired to perform *intermittent work* in order to be properly excluded from VCERA membership.

### **VCERA May Rely on the County Rules for Defining “Intermittent” Employment Only to the Extent That the County Rules are Consistent with CERL and VCERA’s Bylaws**

VCERA staff has indicated it reached its administrative determination by applying the standards for “intermittent” employment outlined in the County Personnel Rules and Regulations (“County Rules”). This is permissible under CERL only if the County’s definition of “intermittent” is not inconsistent with the definitions under CERL and the VCERA Bylaws.

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<sup>11</sup> See Office of Human Resources website for complete guidelines on the proper use of intermittent employees, including a 1,500 hourly annual cap on intermittent employment, with a minimum 3-month break in service.

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**County Rules § 234; Intermittent Employee**

“A person *employed for intermittent/temporary work* on a day-to-day basis.”

(Emphasis added.)

**County Rules § 1102(B); Reasons for Appointing Intermittent Employees**

“The purpose of employing intermittent employees is where the *workload requires periodic and fluctuating augmentation on a regular basis, yet does not warrant a full-time[year-round] employee* or cannot be handled by additional regular employees.”

(Emphasis added.)

**County Rules § 1103(B); Limitations on Intermittent Employment**

“No intermittent employee shall be hired unless the Director-Human Resources finds that the conditions set forth in Section 11-2(B) [*sic*] are present.”

...

“No person shall be employed as an intermittent employee for any purpose for more than 1664 hours in any one fiscal year.

Consistent with CERL and VCERA’s Bylaws, the County Rules define an “intermittent” employee as one who is hired to perform *intermittent work*. In addition, the County Rules set a 1,664-hour maximum for intermittent employment in a fiscal year. This limit is consistent with the overriding purpose of allowing County or District departments to employ intermittent workers, i.e., to allow those departments to augment their workforce during peak workloads, where the work to be done does not require a year-round employee.

The permissible use of “intermittent” employees under the County Rules is discussed further in our June 10, 2021 letter to Ms. Nemiroff at pages 9 through 15. This includes a section, beginning on page 12, demonstrating that the County Rules related to extensions of intermittent employment do not apply to Appellants’ year-round FCW work and, in any case, do not permit a true intermittent employee to exceed the 1664-hour cap.



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**Many Intermittent FCWs Have Been Properly Excluded from VCERA Membership**

VCERA's administrative denial of Appellants' claims states that the County and other participating employers, like the District, hire intermittent employees "from time to time."<sup>12</sup> This statement is true as far as it goes.

The District has hired a group of "intermittent" FCWs every year to augment its year-round FCW workforce during the fire season, which runs annually from May through December. VCPFA does not contest that those FCWs who were terminated at the end of the fire season were properly considered "intermittent" for purposes of exclusion from VCERA membership. This is true not because of their County-designated "intermittent" status, but because:

1. They were hired to perform *intermittent work*, the anticipated duration of which did not warrant the hiring of a year-round employee; and
2. Their actual tenure of employment demonstrates that the work for which they were hired did not warrant the hiring of a year-round employee.<sup>13</sup>

In other words, these employees were properly excluded from VCERA membership because they were hired to perform, and did perform, intermittent work.

**Appellants Were Not Performing Intermittent Work and  
Thus Should Not Be Excluded from VCERA Membership**

However, each year the District also intended to, and did, retain several of the so-called "intermittent" FCWs to work year-round. The FCWs who filled these "wintered-

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<sup>12</sup> See Exhibit A, pg. 2, ¶ 5.

<sup>13</sup> These seasonal FCWs worked a full-time schedule during the 8-month fire season, which equates to 1,387 hours based on the prorated portion of year-round, 2,080-hour position.

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over” or “holdover” FCW positions have been unlawfully excluded from VCERA membership because:

1. They were hired with the understanding that the District would select several of them to fill the District’s year-round holdover positions, i.e., several of them were *not hired for intermittent work*; and
2. The duration of their actual employment exceeded the District’s justifiable need to augment its FCW workforce during the fire season, i.e., their duration of employment demonstrates that their wintered-over positions warranted the hiring of a year-round employee.

The intent of the District to hold over several seasonal FCW recruits each year was well known throughout the District. Each FCW who was recruited to work during the fire season understood that if they performed well, they could be selected to fill one of the holdover positions.<sup>14</sup>

David Proett, who worked as a FCW Crew Supervisor for twenty-eight years, recalls that the District filled at least three holdover FCW positions each year. Mr. Proett states that the District’s year-round FCW workload significantly exceeded the number of permanent FCW positions approved by the County each year, and that he would routinely advocate to his superiors in the District for additional holdover positions to meet the demand for year-round FCW labor. His superiors would inform him that they would do what they could, but that ultimately it was up to the County how many holdover positions would be approved.<sup>15</sup>

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<sup>14</sup> See Exhibit E, §4, declaration of Michael Trabbie; and Exhibit F, §3, declaration of Kevin Aguayo.

<sup>15</sup> See Exhibit G, declaration of David Proett.

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It was Mr. Proett who selected which FCWs would fill the holdover positions after they had been approved by the County. Mr. Proett states that he used these positions to identify those FCWs he felt would be good long-term employees for the District. This frequently resulted in the same FCWs being held over in consecutive years.<sup>16</sup> Indeed, many of the Appellants identified in our February 3, 2021 letter to the Board worked extended tenures in these holdover positions without a break in service:<sup>17</sup>

- Tyler Ripley – 2.77 years in a holdover position (5,754 full-time hours).
- Cary Rake – 2.71 years in a holdover position (5,629 full-time hours).
- Michael Trabbie – 2.54 years in a holdover position (5,290 full-time hours).
- Keven Yates – 2.36 years in a holdover position (4,909 full-time hours).
- Luther McPherson – 1.97 years in a holdover position (4,103 full-time hours).
- Kevin Aguayo – 1.87 years in a holdover position (3,891 full-time hours).
- Kyle Morrell – 1.76 years in a holdover position (3,661 full-time hours).
- Joel Hanson – 1.62 years in a holdover position (3,370 full-time hours).

After being selected by Mr. Proett to fill one of the approved holdover positions, Mike Trabbie asked Mr. Proett if this meant he would be recognized as a permanent employee. Mr. Proett responded that although he, Mr. Trabbie, would be working a full-time, year-round schedule, he would not be considered a permanent employee by the County because the County had not approved enough permanent FCW positions. Mr. Proett stated that the District had been encouraging the County to approve additional permanent positions to meet the year-round FCW workload, but that the only way to keep

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<sup>16</sup> *Id* at §5.

<sup>17</sup> See Exhibit A, showing the date each Appellant was hired into a holdover FCW position and the dates of employment in those positions.

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Mr. Trabbie on the payroll at that time was to have him fill one of the approved holdover positions.<sup>18</sup> Mr. Trabbie worked for over two and a half years as a holdover FCW.

Together with the extended holdover tenures worked by Appellants, the sworn declarations of Mr. Proett, Mr. Trabbie, and Mr. Aguayo, provided herein, are strong evidence of the District's pattern and practice of annually filling several FCW holdover positions with employees labeled "intermittent" by the County. Mr. Proett's declaration makes it clear that these positions were approved by the County and were necessary to allow the District's FCW program to perform its routine, year-round duties. Other Appellants report that they, too, were aware of the Districts practice of using FCW holdover positions and are willing to testify to that fact if necessary.

**A Review of County Records Would Further Illustrate The County's Pattern and Practice of Assigning FCWs to Year-Round Holdover Positions**

VCPFA has repeatedly requested that VCERA review information contained in the County's personnel database as part of its investigation of Appellants' claim. Specifically, VCPFA has asked that VCERA request and review reports identifying each FCW that worked outside the fire season in any given year, who were also labeled "intermittent" by the County during that time. The length of these employees' tenures could then be analyzed and used to corroborate declarations made by Appellants and Mr. Proett that the District had a pattern and practice of using FCWs labeled "intermittent" to fill year-round holdover positions. There is no doubt that a review of this information would further illustrate the District's pattern and practice, and therefore this information is highly relevant to Appellants' claim.

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<sup>18</sup> See Exhibit E, §5, decl. of Michael Trabbie.

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In its February 2, 2021 letter to the Board, VCPFA asked the Board to instruct VCERA to coordinate with the County and identify all FCWs fitting the pattern and practice described by Appellants. Although we are unaware of the specific instructions provided by the Board, the Board did direct VCERA to investigate and determine, based on that investigation, whether Appellants had been improperly excluded from VCERA membership.

Because the information in the County's database is highly relevant to Appellants' claim, VCERA's duty to Appellants to conduct a thorough investigation requires its review. Moreover, because the information is easily accessible, a review by VCERA would not be overly burdensome. VCPFA still has not been told whether VCERA reviewed this information prior to its administrative denial of Appellants' claim.

**VCERA's Statement that Appellants Can Purchase Their Disputed Time as Service Prior to Membership, Even if Correct, Would Not Make Appellants Whole**

VCERA states that Appellants can still receive service credit for their excluded service notwithstanding VCERA's denial of their claim. VCERA states this could be accomplished by purchasing prior non-membership service credit ("Prior Service") pursuant to Government Code Section 31641.5. According to VCERA, this Prior Service would be credited in connection with the determination of Appellants' retirement allowances and for their eligibility to cease making retirement contributions after 30-years of service, pursuant to Government Code Section 31625.3. VCERA states that because Appellants have received credit in the County's Safe Harbor Defined Benefit Plan ("SHDBP"), they would first have to separate from County service

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and rollover their accumulated SHDBP funds into the County's 457 plan before being allowed to purchase Prior Service.<sup>19</sup>

While we appreciate VCERA's efforts to consider possible alternative solutions, we are not convinced that purchasing their excluded membership service as Prior Service would make Appellants whole. This is true for two reasons.

First, VCPFA questions whether Appellants would be permitted to purchase their excluded time as Prior Service because VCPFA is not convinced that the prerequisite separation and rollover process outlined by VCERA is in compliance with CERL. While VCPFA does not doubt VCERA's belief in the legality of this process, it has no assurance that VCERA will not change its mind in the future.

Second, even if Appellants were permitted to purchase Prior Service for their excluded time, VCPFA is under the impression that VCERA would credit this service as of the date of purchase. Since under VCERA's process, this purchase could not be made until after Appellants' dates of separate from County service, Appellants would not receive the benefit of having this time included for purposes of cessation of contributions after 30 years. The ability to cancel their contributions after 30 years of service is a significant benefit to Appellants, which it does not appear they would receive under VCERA's proposed process.<sup>20</sup>

If VCERA can provide sufficient assurance that each Appellant will be permitted to purchase Prior Service for their excluded FCW time, and that the time will be credited retroactively, VCPFA may be willing to consider VCERA's alternative solution to Appellants' claim.

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<sup>19</sup> See Exhibit A, pg. 3, ¶2.

<sup>20</sup> Mr. Trabbie has calculated that he will pay an additional \$33,000 in retirement contributions due to being denied membership service credit for his FCW time. (See Exhibit E, §13)

**Appellants' Inclusion in the SHDBP**

**Does Not Disqualify Them From Receiving VCERA Membership Credit**

One of the stated reasons for VCERA's denial of Appellants' claim is that they received SHDBP credit for the period they claim should have been credited as VCERA membership service.<sup>21</sup> VCERA states that because both state and federal law prohibit an employee from receiving benefits from two publicly funded retirement plans, Appellants cannot receive VCERA membership service for the time that was previously credited in the SHDBP.

However, SHDBP makes it clear that VCERA-eligible members are not eligible for credit in the alternative plan. Appellants only received credit in the SHDBP because VCERA mistakenly determined that they were not eligible for VCERA membership service. Appellants are aware that they will likely forfeit their SHDBP benefit once they are properly provided VCERA membership service for their previously excluded time.

**There is No Applicable Statute of Limitations For Correcting VCERA Membership Dates**

VCERA's administrative denial letter indicates that Appellants' claims may be barred by an applicable statute of limitations and/or the equitable doctrine of laches. VCERA has previously raised this issue and VCPFA as provided a detailed response.<sup>22</sup>

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<sup>21</sup> Exhibit A, pg. 3, first full paragraph.

<sup>22</sup> See Exhibit C, pgs. 16-18.

**Ventura is Not the First County to Improperly  
Use Intermittent Employees to Perform Year-Round Work**

During my initial discussion with Ms. Nemiroff back in 2019, I explained that the County's practice of filling year-round positions with employees labeled "intermittent" was not unprecedented. I informed her I had been involved in a nearly identical case against the Los Angeles County Employees' Retirement Association ("LACERA"), involving a group of Fire Control Labors ("FCLs"). In that case, The Los Angeles County Fire Department had recruited a group of FCLs each year to work during the fire season and retained several of them each year to work on a full-time, year-round basis. As with VCERA and the FCWs in the instant case, LACERA excluded the FCLs based solely on their "intermittent" or "seasonal" employment status as determined by Los Angeles County. In that case LACERA failed to recognize that the "intermittent" exclusion provided for in CERL is intended to exclude only those employees who were hired to perform, and did perform, truly intermittent work.

I informed Ms. Nemiroff that the petitioners in that case ultimately prevailed, resulting in retroactive adjustments to their LACERA membership dates and membership service credit for their previously excluded service. The petitioners also were successful in recovering a substantial attorney's fee award from LACERA, because LACERA chose to litigate this action for nearly six years. I told Ms. Nemiroff that VCPFA hoped the FCW issue could be resolved without the need for similar protracted litigation.

**Conclusion**

Appellants have shown that they were not hired to perform, nor did they perform, "intermittent" work for the District. Instead, they were hired to fill FCW positions the District required on a full-time, year-round basis. Because Appellants worked in these year-round



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positions, many for several consecutive years, their tenures of employment cannot be properly excluded as “intermittent,” as that term is intended under the CERL and VCERA’s Bylaws.

Therefore, we respectfully request that the Board overturn VCERA staff’s administrative determination and order staff to immediately change each Appellants’ VCERA membership date to the date they first began working in a position the District required on a year-round basis.<sup>23</sup> We further request that the Board order staff to provide Appellants with membership service credit for their previously excluded FCW service.

This matter is currently scheduled to be brought before the Board at its meeting on February 6, 2023. We look forward to meeting with you and answering any questions you may have.

Sincerely,



Ian Bondsmith

Attachments

Cc (via email only):

Ashley Dunning, VCERA Counsel

Lori Nemiroff, VCERA Board Counsel

Kevin Aguayo, VCPFA President

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<sup>23</sup> This date is listed for each Appellant on the attachment to our February 3, 2021 letter to the Board, which is included with Exhibit B herein - “Date of Hire of First ‘Wintered-Over Tenure’”

## VCPFA Appeal of VCERA's Administrative Denial Table of Exhibits

<b>Exhibit</b>	<b>Description</b>
A	VCERA's Administrative Denial of Appellants' Claim, June 27, 2022
B	VCPFA Letter to VCERA Board, February 3, 2021
C	VCPFA Letter to Lori Nemiroff, June 10, 2021
D	County Letter from Mike Curnow to VCPFA, April 16, 2020
E	Declaration of Michael Trabbie
F	Declaration of Kevin Aguayo
G	Declaration of David Proett

# Exhibit A

VCERA's Administrative Denial of Appellants' Claim



June 27, 2022

BY EMAIL AND U.S. MAIL  
IJB@BONDSMITHLAW.COM

Ian Bondsmith  
Law Offices of Ian Bondsmith  
1185 Beverly Way  
Altadena, California 91001

**SUBJECT: VENTURA COUNTY PROFESSIONAL FIREFIGHTERS ASSOCIATION ("VCPFA")  
DEMAND FOR CHANGE IN VCERA MEMBERSHIP ENTRY DATE FOR FIRE  
CONTROL WORKERS ("FCWs") HIRED BY THE COUNTY OF VENTURA  
("COUNTY") AS SEASONAL/INTERMITTENT EMPLOYEES**

Dear Mr. Bondsmith:

This letter is to inform you that the Ventura County Employees' Retirement Association ("VCERA") has completed its investigation into the VCPFA claims that you have made on behalf of certain FCWs ("VCPFA Appeal") and that, based on that investigation and the discussion below, VCERA denies the demand to advance the date of the FCWs' original entry into VCERA membership.

*Background*

As shown on the document attached at **Tab 1** (identified as "Exhibit A" to your February 3, 2021, letter to the VCERA Board of Retirement, but listed below alphabetically), the individuals whom you represent in this VCPFA Appeal (the "VCPFA Appellants"), and the date on which each of them was first enrolled as VCERA members, are as follows:

1. Kevin Aguayo (3/21/1999)
2. Clayton Cundiff (3/21/1999)
3. Mike Fuller (10/13/2002)
4. Joshua Gisel (3/21/1999)
5. Israel Gutierrez (3/21/1999)
6. Joel Hanson (12/5/2004)
7. Jesse Hopcus (5/11/2003)
8. Luther McPherson (2/2/1998)
9. Kyle Morrell (2/2/2014)
10. Cary Rake (7/17/1994)
11. Tyler Ripley (2/1/2015)
12. Desi Rodriguez (5/11/2003)
13. James Roscoe (3/21/1999)
14. Robert Schaper (2/12/1995)
15. Michael Trabbie (5/22/1994)
16. Kevin Yates (3/13/1994)

Exhibit A, page 1 of 4

For the reasons set forth in various communications you have sent to VCERA, which are attached hereto at Tab 2 (dated 2.3.2021, 6.10.2021, 4.14.2022), you have requested that VCERA advance the above-listed membership dates to an earlier date, because you claim that the County misclassified them as “intermittent,” rather than “regular,” employees when they were first hired. You assert they should have been appointed as “regular” employees and thus not excluded from VCERA membership.

As part of VCERA’s investigation, we asked that you submit your request for reclassification to the County, and you did so. A copy of that request dated March 2, 2020, and of the County’s denial of your request dated April 16, 2020, are attached hereto at Tab 3.

As part of VCERA’s investigation, we also reviewed County payroll and related records applicable to each of the sixteen (16) VCPFA Appellants and have determined that until all of the VCPFA Appellants were appointed to regular positions by the County and thus enrolled in VCERA as members, they were hired in positions that VCERA excluded from membership as permitted by Government Code section 31527,<sup>1</sup> subd. (e) of the County Employees Retirement Law of 1937 (“CERL”). Attached hereto at Tab 4 are VCERA’s Regulations, which exclude from membership the following:

(A) Extra Help Employee: A person employed for temporary work on a day-to-day basis who is compensated on an hourly basis.

(B) Intermittent Employee: A person employed for intermittent or temporary work on a day to day basis who is compensated on an hourly basis.

(C) Part-Time Employee: A regular employee scheduled to work less than 64 hours biweekly.

Finally, VCERA determined that all of the prior nonmembership service that the VCPFA Appellants worked was credited in the County’s Safe Harbor Defined Benefit Plan (“SHDBP”). The VCPFA Appellants are eligible to receive a retirement benefit from the SHDBP.

VCERA considered the following related policy and legal points, among others:

First, the County, and VCERA’s other participating employers, hire extra help and intermittent employees who are paid on an hourly basis, and part-time employees who are scheduled to work fewer than 64 hours biweekly, from time-to-time, and, in accordance with VCERA Regulations and as permitted by CERL, those individuals are not enrolled in VCERA membership. If those individuals are later appointed to regular employment positions that are scheduled to work 64 hours or more biweekly, they are enrolled as VCERA members.

The County’s decision to “winter over” an intermittent employee, such as any of the VCPFA Appellants, who are paid on an hourly basis, does not convert the employment status of those individuals to “regular” rather than “intermittent” under the County’s Personnel Rules and Regulations. Rather, the individuals continue to be “employed for temporary work” and not converted to regular employee status. Furthermore, the hours limitation in the VCERA Regulations applicable to “regular employees” who are “scheduled to work less than 64 hours biweekly” applies to distinguish between *regular*

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<sup>1</sup> All statutory references are to the California Government Code unless otherwise stated.

employees on a part-time schedule (who are ineligible for VCERA membership), and those whose part-time schedules are for more than 64 hours biweekly (who are thus eligible for VCERA membership).

Second, VCERA members are not permitted, as a matter of both state and federal law, to earn benefits from two separate public retirement plans for the same periods of time, other than as specifically permitted by statute. See, e.g., Section 31482.5, subdivs. (b), (c) & (d) (“A person shall not receive credit for the same service in two retirement systems supported wholly or in part by public funded under any circumstance . . . [except for] a deferred compensation [Supplemental Section 457 Plan] . . . [or where the CERL plan] has been designated as the employer’s primary plan for the person”). Here, the SHDBP was provided as an *alternative* defined benefit plan for those whom the County *did not* enroll in VCERA because of their intermittent status. Accordingly, VCERA has not permitted the VCPFA Appellants to purchase service credit for their prior nonmembership service that is the subject of this appeal, because they already earned SHDBP service for that time, and none of the exceptions under Section 31482.5 to that prohibition apply.

VCERA members who have service in SHDBP may, however, upon separation from service but before retirement, roll over those funds to the County of Ventura’s Supplemental 457 Plan. If they do so, then under Section 31641.5, they may *purchase* service credit for the prior nonmembership service that they worked. The purchase of such nonmembership service credit, however, would not move an individual’s *membership* date in VCERA. Cf. *Aquilino v. Marin County Employees’ Ret. Ass’n* (1998) 60 Cal.App.4<sup>th</sup> 1509 (*redeposit* of contributions, as opposed to *purchase* of prior nonmembership service, returns a member’s entry date to its original status “as if unbroken” by a prior withdrawal of contributions). However, it would be credited in connection with the determination of their VCERA retirement allowances.

Third, if VCERA members object to their enrollment in the retirement system, either because they assert they should have been enrolled in VCERA previously, or should not be enrolled at all, they are free to timely assert that position to VCERA so that VCERA may consider the matter within at least three (3) years of the enrollment determination. See Code of Civil Procedure section 338, subd. (a); see also *Luke v. Sonoma County, et al.* (2019) Cal.App.5<sup>th</sup> 301. All of the VCPFA Appellants were enrolled in VCERA more than 7 years ago, and most of them were enrolled more than 20 years ago; thus, demands to enroll them as of *earlier dates* than they were originally entered into VCERA membership are significantly and prejudicially untimely.

Fourth, although the point is not clearly stated in the VCPFA Appeal, we understand that the primary concern of the VCPFA Appellants is that they wish to obtain the benefit of Section 31625.3, which allows “legacy” members (i.e., those who are not “subject to [Government Code] Section 7522.30,” as “new members,” aka, “PEPRA members”) with total “service credit of not less than 30 years,” to cease making member contributions. Please be advised that Section 31625.3 applies to the VCPFA Appellants once they have 30 years of total service credit, regardless of whether that service credit was earned as a VCERA member, through service at a reciprocal retirement system, or through purchase of prior nonmembership service with a VCERA participating employer.

*Findings of Fact and Conclusions of Law*

1. All VCPFA Appellants were first enrolled in VCERA prior to March 2015, and the majority of those individuals were first enrolled prior to 2000. All VCPFA Appellants remain active members of VCERA, with the exception of Robert Schaper, who retired as of March 28, 2021.
2. Upon recent request by the VCPFA Appellants, the County refused to reclassify any of the VCPFA Appellants as "regular" employees for periods prior to their original appointment by the County as regular employees, during which periods the County classified them as intermittent employees who were paid on an hourly basis and thus properly excluded from VCERA membership under Government Code section 31527, subd. (e), as implemented by VCERA's Bylaws, Article III, Sec. 2(B).
3. VCERA's investigation did not identify a reasonable basis upon which to challenge the County's original enrollment of VCPFA Appellants in VCERA as of their current membership dates, nor to challenge its refusal to reclassify the VCPFA Appellants as to periods prior to their VCERA enrollment date, now.
4. If the VCPFA Appellants roll over funds from the SHDBP into the County of Ventura's Supplemental 457 Plan, after they have separated from service but before they retire from VCERA, then they may purchase their prior nonmembership service in accordance with Government Code section 31641.5.
5. As legacy members, the VCPFA Appellants are eligible for a cessation of member contributions once they accrue 30 years of service credit as provided in Government Code section 31625.3, and that service credit includes both reciprocal service credit and VCERA service credit, whether for service rendered while in membership positions with VCERA or not.

For the above reasons, VCERA denies the VCPFA Appeal.

If you would like to appeal this determination, it would be referred to the Board for a final decision at the VCERA Board meeting on October 24, 2022.

Please submit any additional materials on this topic to me no later than September 2, 2022.

Sincerely,



Linda Webb  
Retirement Administrator

Enclosures

Cc (by email only) (w/ encs.):

Ashley K. Dunning, Nossaman LLP, VCERA Counsel  
Lori Nemiroff, VCERA Board Counsel  
Emily Gardner, Principal Assistant County Counsel  
Shawn Atin, Assistant County Executive Officer/Human Resources Director

# Exhibit B

VCPFA Letter to VCERA Board  
Dated February 3, 2021



## LAW OFFICES OF IAN BONDSMITH

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February 3, 2021

### VIA U.S. MAIL

Mike Sedell, Chairman  
Board of Directors  
Ventura County Employees' Retirement Association  
800 S. Victoria Ave.  
Ventura, CA 93009-1940

**Re: Denial of Statutorily Protected Retirement Rights to Misclassified Ventura  
County Fire Control Workers**

Dear Board Members:

As some of you are already aware, the Ventura County Professional Firefighters Association (“VCPFA”) has raised an issue regarding certain Ventura County (“County”) employees who have provided services as County Fire Control Workers (“FCWs”). These employees have been unlawfully denied pension benefits administered by the Ventura County Employees Retirement Association (“VCERA”), including VCERA membership and/or VCERA retirement credit for their FCW service.

The FCWs have been denied pension benefits because VCERA has adopted an unlawful policy and practice of basing pension benefits solely and uncritically on the “intermittent” or “seasonal” employment status assigned by the County, an assignment based presumably under the legal standards set forth in the *County Civil Service Rules*. VCERA has thus far refused to acknowledge its legal obligation to refrain from blindly accepting the County’s employment designation, as well as its duty to engage in an independent factual investigation and reasoned assessment of the FCWs’ County service to determine if they were properly excluded from VCERA

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as “intermittent” or “seasonal” employees, under the legal standards set forth in the *County Employment Retirement Law* (“CERL”) and *VCERA’s Bylaws*.

We raised this issue with Lori Nemiroff, who verified that VCERA does rely solely on the County’s employment designation when excluding County employees from VCERA benefits on the basis that their service is “intermittent” or “seasonal.” Ms. Nemiroff has taken the position that VCERA has no authority to provide retirement benefits to these employees unless the County first changes their County employment status. We disagree.

In fact, VCERA not only has the *authority* to ensure these employees are not improperly denied VCERA benefits but has a *duty* under CERL and the California Constitution to do so. As such, we respectfully request that the Board take the following steps:

1. Comply with its obligation to make an independent determination of the *proper definitions* of “intermittent” and “seasonal” employment, as those terms are intended under the CERL.
2. Instruct VCERA staff to apply the *proper definitions* to the County tenures of those FCWs identified on the attached Exhibit A and to make independent determinations whether any of these FCWs should have been excluded from VCERA on the basis that their employment was truly “intermittent” or “seasonal,” based on the *proper definitions*.
3. Instruct VCERA staff to coordinate with the County to identify all County FCWs who have been denied VCERA benefits based on the County’s “intermittent” or “seasonal” status. Staff should then be directed to make independent determinations whether any of these FCWs should have been excluded from VCERA on the basis that their employment was truly “intermittent” or “seasonal,” based on the *proper definitions*.

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4. For those FCWs who VCERA staff determines were improperly excluded from VCERA, instruct VCERA staff to make these employees whole by retroactively restoring all retirement benefits they would have received had they not been improperly excluded.

This letter is being written to remind the VCERA Board of its critical role to provide independent oversight of the County in retirement related matters, including, in particular, the Board's duty to ensure that every eligible County employee receives the retirement benefits contemplated by the Legislature under CERL. We are hopeful that we can work together to resolve this issue without the need for protracted litigation.

**VCERA'S DUTIES UNDER CERL AND THE CALIFORNIA CONSTITUTION**

VCERA was created pursuant to CERL and is subject to its mandates. The stated statutory purpose of CERL is "to recognize *a public obligation* to county and district employees who become incapacitated by age or long service in public employment and its accompanying physical disabilities by making provision for retirement compensation and death benefit as additional elements of compensation . . . ." (Gov. Code, § 31451; emphasis added.) To further this public obligation, the Legislature enacted CERL to serve as enabling legislation for the creation of retirement associations, like VCERA, and placed strict limitations on the types of employees who may be excluded from participation in the pension systems created by such retirement associations. (Gov. Code, § 31551.)

CERL *mandates* that *all* persons who enter the employ of the County *automatically* become members of VCERA on the first day of the calendar month after their entrance into County service, unless they are *expressly* excluded by either a statutorily-mandated or a statutorily-permissible exclusion. (Gov. Code, §§ 31551, 31552 and 31558.) While CERL permits VCERA to adopt

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regulations which provide for the exclusion of certain employees, it expressly limits such exclusions to those which are specified in CERL. (Gov. Code, § 31527.) CERL also mandates that such regulations cannot be inconsistent with CERL. (Gov. Code, § 31525.) Most pertinent to the instant issue, CERL provides that VCERA may adopt regulations which exclude employees who *VCERA determines* to have a *tenure* of employment which is “*seasonal*” or “*intermittent*.” (Gov. Code, § 31527, subd. (e).)

CERL imposes on VCERA a statutory duty to determine an employee's pension membership status, including a duty exercising discretion in determining whether a person's actual tenure of employment is such that the employee may be properly excluded by VCERA from membership on the basis that his or her tenure is “intermittent” or “seasonal.” (Gov. Code, § 31527, subd. (e).)

Accordingly, VCERA's statutory duty includes the obligations to:

- i. engage in independent investigations of relevant facts;
- ii. make its own, independent factual and legal determinations of membership status under the applicable legal standards set forth in CERL; and
- iii. refrain from blindly deferring to the County's designation of a person's Civil Service employment status, made under a different legal standard, when making a factual or legal determination of membership status under CERL.

The provisions of CERL which are of particular significance to the instant issue provide, in relevant part, as follows:

**§ 31470.8. Determination of Eligibility.**

In cases of doubt as to whether a person is eligible to become a safety member, *the [VCERA] board shall decide.* (Emphasis added.)

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**§ 31552. Automatic membership; waiver of membership.**

. . . each person entering the county employ becomes a member [of the retirement association] on the first day of the calendar month after his entrance into the service, *unless otherwise provided by regulations adopted by the [VCERA] board.* (Emphasis added.)

**§ 31558. Time of becoming safety members; eligibility.**

. . . each person employed in a position, the principal duties of which consist of . . . active fire suppression . . . *shall* become a *safety member* on the first day of the calendar month following his or her entrance into the service. (Emphasis added.)

**§ 31527. Permissible provisions in regulations.**

In its regulations, the [VCERA] board *may* include the following provisions:

. . .

(e) For the exemption or exclusion from membership as a police officer member or as a safety member or from membership altogether, *in the discretion of the board*, of persons whose tenure is temporary, seasonal, intermittent, or for part time only . . . . (Emphasis added.)

Section 31527, subdivision (e) expressly limits the grounds upon which VCERA may exclude County employees from VCERA membership. It permits VCERA to adopt a regulation which excludes certain County employees based on the temporal nature of their employment - those whose "tenure" is "temporary," "seasonal," "intermittent," or "part time." Since CERL does not incorporate any special definitions for these terms, they must be interpreted according to their usual and ordinary meanings. Also, because these definitions form the basis for permissible exclusions from pension and

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death benefits, they must be interpreted narrowly to meet the express purpose of CERL to provide such benefits.

The requirement in Section 31527, subdivision (e) that an exclusion from membership must be made "in the discretion of the board" makes an exclusion of a County employee permissible only if VCERA -- not the County -- determines through an active exercise of its discretionary power that the employee should be excluded from membership on the basis that the true temporal nature of his or her employment is, in fact, "temporary," "seasonal," or "intermittent," under the usual and ordinary meanings of the words.

The vesting of discretion in VCERA is necessary to ensure that any exclusion of County employees is made by an entity that has a fiduciary duty to those employees, and is not made by the County which, as the employer, may have an adverse interest to its employees.

VCERA's statutory duty under CERL to engage in an active exercise of its discretion is particularly clear in light of the duty imposed on VCERA by the California Constitution. Article XVI, section 17, subdivision (a) provides that the retirement board of a public retirement system shall have "sole and exclusive responsibility to administer the system that will assure prompt delivery of benefits and related services to the participants and their beneficiaries." Subdivision (b) then specifies that "[a] retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty."

**THE VCERA BYLAWS**

Pursuant to the authority granted by CERL, VCERA has enacted Bylaws addressing membership eligibility. Article III of the VCERA Bylaws provides, in relevant part, as follows:

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1. EMPLOYEES INCLUDED: All safety employees of the County of Ventura and Ventura County Fire Protection District shall become members [of VCERA] upon appointment.
  
2. EXCLUDED POSITIONS: Employees who are filling positions that meet any of the following descriptions shall be excluded from membership in the Association:
  - A. Extra Help Employee [Temporary]: A person employed for temporary work on a day-to-day basis who is compensated on an hourly basis.
  - B. Intermittent Employee: A person employed for intermittent or temporary work on a day-to-day basis who is compensated on an hourly basis.
  - C. Part Time Employee: A regular employee scheduled to work less than 64 hours biweekly.

\*\*\*

5. DETERMINATION OF ELIGIBILITY: In all cases, the [VCERA] Board shall determine eligibility for membership in the Association.

CERL specifically requires that the VCERA Bylaws be consistent with the provisions of CERL. (Gov. Code, § 31525.) Therefore, the eligibility exclusions set forth in the VCERA Bylaws may not be broader than the limited exclusions permitted by CERL at Section 31527, subdivision (e). Accordingly, the eligibility/ineligibility provisions in the VCERA Bylaws must be interpreted in such a manner as to be consistent with the usual and ordinary meanings of the words "temporary," "intermittent," and "part-time," that were adopted by the Legislature in CERL. Furthermore, since pension laws must be liberally interpreted in favor of applicants and employees, the exclusions permitted by CERL and adopted by the VCERA Bylaws must be interpreted narrowly to favor inclusion, not exclusion, of employees.

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**THE COUNTY RULES FOR USE OF INTERMITTENT AND SEASONAL EMPLOYMENT**

The County Personnel Rules, which outline the permissible use of “intermittent” and “seasonal” employees, were created pursuant to authority granted in the County’s Civil Service Rules, which were established for reasons and purposes unrelated to either CERL or the VCERA Bylaws.

While VCERA *may* interpret its Bylaws in light of the definitions set forth in the County Personnel Rules, this may be done only *so long as* and *to the extent that* the application of the definitions in the County’s Rules does not result in policies or practices which are inconsistent with the statutory mandates in CERL. In particular, any exclusion under the VCERA Bylaws which is based on the incorporation of provisions from the County’s Rules may not be broader than the exclusions authorized by Section 31527, subdivision (e) of CERL.

Moreover, to the extent that VCERA interprets the exclusions set forth in its Bylaws in light of definitions set forth in the County’s Rules, VCERA still must independently apply its Bylaw definitions to the actual facts of Plaintiffs' tenures of employment as FCWs, in order to fulfill its statutory duty to ensure that County employees who are entitled to be treated as VCERA members under CERL and the VCERA Bylaws are not unlawfully excluded by the application of the County’s Rules.

The provisions in the County Personnel Rules, which set forth the definitions which are pertinent to this matter, read, as follows in relevant part:

**Sec. 229 Extra Help Employee [Temporary]:** A person employed for temporary work on a day-to-day basis.

**Sec. 234 Intermittent Employee:** A person employed for intermittent/temporary work on a day-to-day basis.



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Under the County's Rules, the Director of Human Resources ("Director") is authorized to approve the use of "intermittent" employees only when a County department demonstrates that its workload requires "...periodic and fluctuating augmentation on a regular basis..." and where that work "...does not warrant a full-time employee or cannot be handled by additional regular employees." (County Personnel Rules § 1102-03.) If the Director finds that these conditions exist, they are permitted to authorize the department to employ intermittent employees, but only for the period required to meet the *periodic and fluctuating* needs of the department.

If the Director authorizes the use of intermittent employees, the County's Rules set a maximum limit of 1664 hours in a fiscal year for any intermittent employee. Section 1103(B) of the rules states explicitly that "[n]o person shall be employed as an intermittent employee *for any purpose* for more than 1664 hours in a fiscal year." (Emphasis added.)

Under the County's Rules, the maximum limit of 1664 hours should not be authorized in every case. Instead, the rules are clear that the Director should limit the time any "intermittent" employee is authorized to work to the period required to meet a department *periodic and fluctuating* workload, with a cap of 1664 hours.

**THE COUNTY'S PATTERN AND PRACTICE OF ABUSING ITS "INTERMITTENT"  
AND "SEASONAL" EMPLOYMENT DESIGNATION FOR FCWS**

County Fire Control Workers perform a critical and on-going role in protecting the citizens of Ventura County and their property. Among their many duties, the FCWs serve as an "initial attack force" to battle brush fires and perform targeted brush removal to create firebreaks designed to prevent the spread of wildfire - an ever-present risk in Ventura County. Because their duties involve active fire suppression, the VCERA Board has recognized that FCWs are entitled to safety membership.

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The County's need for FCW labor is greatest during the fire season, which runs annually for 8 months from May through December. During this season, the County Fire Protection District ("District") maintains two crews of FCWs, each with approximately 20 members. Of these 40 employees, approximately 14 are labeled "regular" employees by the County and the remaining members are labeled "intermittent" or "seasonal." All FCWs, regardless of their County assigned employment status, work a full-time schedule, perform the same duties, and receive the same annual training from the County. Only those FCWs labeled "regular," however, have been permitted to join VCERA and receive credit for their FCWs service.

At the end of the fire season, the District consolidates the FCWs into a single crew who continue to work beyond the fire season. Historically this crew has been comprised of the 14 FCWs who the County labeled as "regular" employees, with the remaining six members being selected from the "intermittent/seasonal" group. This practice was commonly referred to as being "wintered-over," and was employed for decades by the County to meet its need for additional full-time, year-round FCWs.

Although these "wintered-over" FCWs worked beyond the County recognized fire season and in excess of the County's 1,664-hour limit on "intermittent" employment, the County nonetheless continued to label them as "intermittent" employees, in violation of its own rules. In addition, the County routinely and uncritically approved the maximum 1,664 hours of "intermittent" employment for FCW employees, even though a full-time schedule during the County fire season – the period they presumably had a justified need to augment their FCW workforce - is approximately 1,300 hours.

Moreover, when an FCW had reached the 1,664 hour limit, the County Director routinely gave authorization to extend that person's "intermittent" employment for an additional 1,664 hours. Such authorization is a blatant violation of Section 1103(B) of the County Rules stating that "[n]o

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person shall be employed as an intermittent employee *for any purpose* for more than 1664 hours in a fiscal year.” (Emphasis added.)

County officials have been fully aware of the violations related to use of “intermittent” and “seasonal” employment since at least March 21, 1999, the date the County suddenly and without explanation converted all active “intermittent” and “seasonal” employees to “regular” employment status. Many of these employees had been working for several consecutive years in an “intermittent” status.

Based on information and belief, these employees were converted to “regular” status because County officials became aware of a lawsuit filed by similarly situated Fire Control Workers in Orange County, where plaintiffs claimed they were unlawfully excluded from that County’s retirement system based on erroneous “intermittent” and “seasonal employment designations. A similar action has since been successfully prosecuted by Los Angeles County Fire Control Labors against the Los Angeles County Employees Retirement Association.

Upon converting these FCWs to “regular” status, the County once again engaged in mischief designed to deny these employees of their statutorily protected rights, including their pension rights. Instead of recognizing that these FCWs had been misclassified as “intermittent” or “seasonal” during their entire tenure and retroactively changing their employment status, the County instead created sham “termination” dates to make it appear as if these employees had left County service. These employees were then “rehired” a few days later into the same position.

But the County’s mischief did not end in 1999, as it has continued to allow the appointment of “intermittent” FCWs beyond the period allowed under its rules and continued to authorize extensions in excess of the 1,664 hour limit. The County also has continued its practice of creating sham “termination” and “rehire” dates to artificially and unlawfully truncate FCWs’ periods of continuous, uninterrupted employment.

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VCPFA has conducted an initial review of 30 FCWs who were labeled by the County as “intermittent” or “seasonal” employees. A review of these employee’s County personnel files shows that 16 of the 30 performed FCW services beyond the County recognized fire season, many working for several consecutive years while being labeled “intermittent” or “seasonal.” All but two of these 16 employees were subject to the County’s practice of creating sham “termination” and “rehire” dates.

The attached Exhibit A details the County tenures of the 16 FCWs identified in VCPFA’s initial review. It is believed these 16 employees represent a small subset of the FCWs who have been unlawfully denied their pension rights due to VCERA’s blind acceptance of the County’s employment status as being determinative of these employees’ pension rights under CERL and VCERA’s Bylaws.

**CONCLUSION**

VCERA is a separate entity from the County, with constitutional and statutory duties to County employees. CERL imposes on VCERA a statutory duty to determine an employee’s pension membership status, including a duty to exercise discretion in determining whether a person’s actual tenure of employment is such that the employee may be properly excluded from VCERA membership on the basis that his or her tenure is “intermittent” or “seasonal.” Accordingly, VCERA’s statutory duty includes the obligations to: (i) engage in independent investigations of relevant facts; (ii) make its own, independent factual and legal determinations of membership status under the applicable legal standards set forth in CERL; and (iii) refrain from blindly deferring to the County’s designation of a person’s Civil Service employment status, made under a different legal standard, when making a factual or legal determination of membership status under CERL.

VCERA’s staff has thus far refused to acknowledge its duty to refrain from blindly deferring to the County’s Civil Service status when making VCERA membership determinations. Staff has

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VCERA Board of Directors

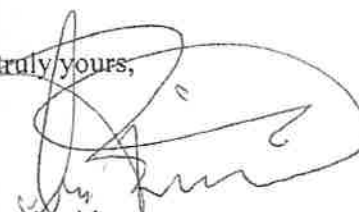
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been made aware of the County's abuse of its own Civil Service Rules related to "intermittent" and "seasonal" employment, and yet it continues to insist it has no authority to intervene so that the FCWs are not denied their statutorily protected pension rights. VCERA's current position on this issue is a serious breach of its constitutional and statutory duties, one we are requesting the Board remedy immediately by taking the steps outline on pages 2-3 of this letter. We also request this issue be added to the agenda of the Board's next meeting, currently scheduled for February 21, 2021.

Please advise if I can provide any additional information to assist you with your review of this matter. If you would like an electronic copy of this letter, please email me with the appropriate email address(s).

Very truly yours,

  
Ian Bondsmith

Attachment: Analysis of FCW County Tenures

cc: Kevin Aguayo, VCPFA President

Lori Nemiroff, VCERA Counsel

## Exhibit A

### Ventura County Fire Control Workers Who Worked Beyond the County Fire Season While Being Labeled "Intermittent" or "Seasonal" Employees.

The following data was compiled from official documents contained in the Ventura County Personnel file of each named employee. The 16 named employees were identified by the Ventura County Professional Firefighters Association during its initial review of 30 FCW employees. The term "Tenure" in this document is defined as a period of continuous, full-time employment without a break in County service.

	Start/Conversion Date	End Date	Date of Hire of First "Wintered-Over" Tenure
<b>Kevin Aguayo</b>			
Tenure 1	5/26/1996	11/23/1996	
Tenure 2	5/6/1997	3/18/1999	5/6/1997
Tenure 2 (cont.)	3/21/1999*	Current	

<b>Mike Trabbie</b>			
Tenure 1	11/4/1991	5/21/1994	11/4/1991
Tenure 1 (cont.)	5/22/1994*	Current	

<b>Rob Schaper</b>			
Tenure 1	11/5/1991	1/8/1993	11/5/1991
Tenure 2	8/3/1994	12/3/1994	

<b>Kevin Yates</b>			
Tenure 1	10/30/1989	3/23/1990	10/30/1989
Tenure 2	5/14/1990	1/5/1991	
Tenure 3	11/4/1991	3/12/1994	
Tenure 3 (cont.)	3/13/1994*	Current	

<b>Cary Rake</b>			
Tenure 1	11/4/1991	7/16/1994	11/4/1991
Tenure 1 (cont.)	7/17/1994*	Current	

\* An "\*" denotes the date an employee was converted from "intermittent" to "regular" employment status. All conversion dates are within a few days of the purported end of each employee's tenure.

**Luther McPherson**

Tenure 1	5/10/1994	12/3/1994	
Tenure 2	4/17/1995	12/6/1995	
Tenure 3	2/11/1996	1/29/1998	2/11/1996
Tenure 3 (cont.)	2/1/1998*	Current	

**Kyle Morrell**

Tenure 1	4/29/2012	1/31/2014	4/29/2012
Tenure 1 (cont.)	2/2/2014*	Current	

**Jesse Hopcus**

Tenure 1	9/16/2001	12/5/2001	
Tenure 2	4/28/2002	12/30/2002	
Tenure 3	4/21/2003	5/7/2003	4/21/2003
Tenure 3 (cont.)	5/11/2003*	2/24/2007	

**Joel Hanson**

Tenure 1	4/28/2002	12/20/2002	
Tenure 2	4/21/2003	12/3/2004	4/21/2003
Tenure 2 (cont.)	12/5/2004*	Current	

**Tyler Ripley**

Tenure 1	4/29/2012	1/31/2015	4/29/2012
Tenure 1 (cont.)	2/1/2015*	Current	

**Joshua Gisel**

Tenure 1	4/29/1998	3/19/1999	4/29/1998
Tenure 1 (cont.)	3/21/1999*	Current	

**Desi Rodriguez**

Tenure 1	4/24/2001	12/6/2001	
Tenure 2	4/28/2002	5/8/2003	4/28/2002

**Mike Fuller**

Tenure 1	4/28/2002	10/12/2002	4/28/2002
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\* An "\*" denotes the date an employee was converted from "intermittent" to "regular" employment status. All conversion dates are within a few days of the purported end of each employee's tenure.

Tenure 1 (cont.)	10/13/2002*	Current	
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**Israel Gutierrez**

Tenure 1	4/29/1998	3/30/1999	4/29/1998
Tenure 1 (cont.)	3/21/1999*		

**James Rosco**

Tenure 1	5/6/1997	3/19/1999	5/6/1997
Tenure 1 (cont.)	3/21/1999*	Current	

**Clayton Cundiff**

Tenure 1	4/29/98	3/18/1999	4/29/1998
Tenure 1 (cont.)	3/21/1999*	Current	

\* An “\*” denotes the date an employee was converted from “intermittent” to “regular” employment status. All conversion dates are within a few days of the purported end of each employee’s tenure.



# Exhibit C

VCPFA Letter to Lori Nemiroff  
Dated June 10, 2021

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June 10, 2021

### VIA EMAIL and U.S. MAIL

[lori.nemiroff@ventura.org](mailto:lori.nemiroff@ventura.org)

Lori Nemiroff, Esq.  
1190 S. Victoria Avenue, Suite 200  
Ventura, CA 93003

**Re: Request for update on investigation into FCW pension issue and clarification of VCPFA's position re same.**

Dear Lori:

I am writing to request an update on the current investigation being conducted by Ventura County Employee's Retirement Association ("VCERA") staff into certain Ventura County Fire Control Workers ("FCWs"), who we maintain were improperly excluded from VCERA membership. We appreciate that you and Ms. Webb have agreed to investigate this issue, and the Ventura County Professional Firefighter's Association ("VCPFA") remains ready to work together toward resolution. To that end, we would like to request a meeting be set to discuss the current state of the investigation whether there is any information you need from us.

I also want to take this opportunity to address some of the questions you raised in your letter of March 3, 2021, and to clarify our position on the legal issues you addressed in that letter.

**VCERA Has Plenary Authority to Administer the Retirement System and The County Has Agreed to Be Bound by CERL and VCERA's Bylaws.**

Many of the issues you raise in your letter begin with the assumption that, to be enrolled in VCERA, the FCWs must first be converted to "regular" status under the County Personnel Rules and Regulations ("County Rules"). Let me begin by reiterating that such a conversion is unnecessary because the provisions of CERL and VCERA's Bylaws, not the County Rules, control VCERA membership.

\* \* \*

The California Constitution vests exclusive authority in boards of retirement, like VCERA, to administer public retirement systems, which necessarily includes setting standards for determining which employees should be enrolled in those systems. Article XVI, Section 17 of the Constitution makes it clear that the retirement board's authority supersedes any constitutional or statutory authority of local government over pension related matters.

**Cal. Const., Art XVI, § 17.**

*"Notwithstanding any other provision of law or this Constitution to the contrary, the retirement board of a public pension or retirement system shall have plenary authority...[for] administration of the system...."* (Emphasis added.)

The vesting of authority in independent retirement boards is necessary to ensure that any exclusion of county employees is made by an entity that has a fiduciary duty to those employees and is not made by the employer, which may have an adverse interest to its employees, e.g., to save money by excluding employees from the retirement system.

In recognition of the need for independent retirement boards, the legislature has taken steps designed to prevent local governments from unduly influencing those boards, including mandating that board membership include employee representation and that those members of a board who are appointed by a county board of supervisors not be "...connected with the county government in any capacity...." (Gov. Code §31520.1.) The legislature has also further codified the

constitutional mandate that "...management of the retirement system is vested in the board of retirement...." (Gov. Code §31520.)

Your letter states that Article XI, Section 1 of the California Constitution confers on the County Board of Supervisors ("County Board") the legislative authority to control its own budget, including the right to "...provide for the number, compensation, tenure and appointment of [its] employees." You indicate that the County Board has exercised this "home rule" authority in determining the number of "regular" County positions, which expressly exclude "intermittent" employees. (County Rules §§ 903 and 251.) You also state that the County Board has exercised its authority to determine the criteria to be used for identifying "intermittent" employees (County Rules §§ 1101-03), and that under the County Rules the hourly wages paid to an "intermittent" employee "**shall be considered as full compensation covering the value of vacation, sick leave, holidays, and other benefits afforded regular employees....**" (County Rules § 1107, emphasis from your letter.) The emphasis added in your letter indicates your belief that the County Rules are the controlling authority related to the provision of VCERA pension benefits, presumably because pension benefits are a form of deferred compensation.

You cite several cases discussing local governments' "home rule" authority to control its own budget, and you conclude that for VCERA to enroll the FCWs, it must first make a finding that the County violated its own rules by labeling them as "intermittent" instead of "regular" employees. However, none of the cited case hold that enrollment in a county retirement system is contingent on an employee's county civil service status, or that a county board has the authority to make rules defining which of its employees are eligible for membership in a retirement association created pursuant to CERL.

In fact, the only cited case that directly addresses the issue of enrollment in a public retirement system is *Holmgren v. County of Los Angeles*, 159 Cal. App.4<sup>th</sup> 593 (2008), where the court held that eligibility for CERL benefits is "entirely dependent" on the statutory definition of "employee" under CERL. (*Id.*, at 605.) The court noted that Los Angeles County's civil service definition of "employee" was "[c]onsistent with the statute," but the court made it clear that retirement eligibility is predicated on being a "CERL-eligible employee." (*Ibid.*)

None of the cited cases in your letter address the fact that Article XVI, Section 17 expressly supersedes any other constitutional or statutory authorities that could be read to give the County control over some aspect of the administration of public pension systems, such as when such administration affects a local government's budget. (See Public Employees' Retirement Systems, California Proposition 162 (1992) [ballot initiative informed voters that the proposed constitutional amendment may result in increased costs to local governments.]; see also *City of Oakland v. Pers*, 95 Cal.App.4<sup>th</sup> 29 (2002) [PERS Board has 'plenary authority' over the retirement system and could reclassify plaintiffs as safety members, resulting in increased city contributions to the system.]

Therefore, while the County may have authority to promulgate rules related to its civil service classifications and related benefits, it does not have authority to make rules related to pension benefits. This includes any rule requiring "regular" status as a condition for pension membership, as well as any rule purporting to define "intermittent" employment for purposes of exclusion from membership. As such, to properly enroll the FCWs, there is no need for VCERA to make a finding that the County violated its own rules.

To be clear, we are not seeking to have the FCWs reclassified as "regular" employees, nor are we claiming they are entitled to County civil service benefits. Our claim is that the FCWs were not properly considered "intermittent" employees under CERL and VCERA's Bylaws, and therefore they are entitled to VCERA benefits for their previously excluded service. The authority to make this decision is vested solely in the VCERA Board.

It should be noted that by approving and adopting VCERA's Bylaws, which themselves must be consistent with CERL, the County Board has elected to be bound by the provisions of CERL. Therefore, even if the County Board had legislative "home rule" authority to make rules governing which of its employees are eligible for pension benefits, the County Board expressly agreed to delegate any such authority when it chose to have its pension system administered by VCERA.

### The FCWs are “CERL-Eligible” Employees

Since the provisions of CERL control membership in the retirement system, the first thing for VCERA staff to consider is whether the identified FCWs meet the definition of “employee” under CERL:

#### Gov. Code § 31469. “Employee” defined

“Employee” means any officer or other person employed by a county whose compensation is fixed by the board of supervisors or by statute and whose compensation is paid by the county, *and any officer or other person employed by any district within the county.*” (Emphasis added.)

Under this definition, persons employed by a county must have their compensation fixed by the board of supervisors, but there is no such requirement for persons employed by a district within the county. The FCWs are employed by the Ventura County Fire Protection District (“District”), a special district of the County, and therefore are employees under CERL, regardless of whether the County fixed their compensation. While we do not believe the term “compensation” in the above referenced government code section is intended to include pension benefits, it is unnecessary to address this issue since the FCWs’ employment with the District, in and of itself, makes them “CERL-eligible employees.”

It is worth noting, however, that the County Board has had complete control over the compensation received by its FCW employees, regardless of their county civil service status, because all FCWs are paid on the same salary schedule, which is approved by the County Board. This situation is different than *Holmgren*, where the primary issue was whether the plaintiffs were common law employees, and where the court emphasized a lack of any evidence that the county had control over the compensation received by the plaintiffs. (*Holmgren* at footnote 9.)

In any case, since their employment by the District makes the FCWs “CERL-eligible” employees,” they must be enrolled in the retirement systems unless VCERA determines they should be excluded under one of the limited number of exclusions permitted under CERL.

**Gov. Code § 31552. Automatic membership; waiver of membership.**

“... each person entering the county employ becomes a member [of the retirement association] on the first day of the calendar month after his entrance into the service, unless otherwise provided by regulations adopted by the [VCERA] board.”

**Gov. Code § 31551 Eligibility to membership; exclusion**

“The persons expressly declared to be ineligible to membership by this article shall not become members of the retirement association, and, *except as expressly excluded, the persons enumerated in this article ...shall become members of the association.*”

**VCERA’s Regulations Must be Consistent with CERL, and Thus Cannot Exclude County or District Employees Based on Their County Civil Service Designation.**

The CERL serves as enabling legislation for the creation of retirement boards, like VCERA, who are permitted to adopt regulations provided they are not inconsistent with CERL. Once approved and adopted by the County Board, these regulations govern the administration of the retirement system, including membership eligibility.

**Gov. Code § 31525.**

“The [retirement] board may make regulations not inconsistent with this chapter. The regulations become effective when approved by the board of supervisors.”

**Gov. Code § 31527. Permissible provisions in regulations.**

“In its regulations, the [VCERA] board may include the following provisions:

...

(e) For the exemption or exclusion from membership as a police officer member or as a safety member or from membership altogether, *in the discretion of the board*, of

persons whose tenure is temporary, seasonal, intermittent, or for part time only....”  
(Emphasis added.)

The CERL makes no reference whatsoever to “regular” vs. “non-regular” employment status under a county’s civil service system as a criterion for the exclusion of employees from the retirement system. Rather, section 31527(e), enumerates the only “permissible provisions” a retirement board may adopt regarding the exclusion of County or District employees. Therefore, the FCWs cannot be excluded from VCERA simply because the County has chosen not to classify them as “regular” employees and there is no need for VCERA to convert them to “regular” status, as your letter suggests.

The County continues to maintain, however, that it can avoid enrolling certain employees in VCERA simply by placing them in a “non-regular” civil service status. As you may recall, this is the position the County took in its letter of April 16, 2020, when it refused to enroll the FCWs “[b]ecause intermittent employees are explicitly defined as not being ‘regular employees’ under the [County Rules], regardless of the number of hours worked, and because Article III of VCERA’s Bylaws...provides that only “regular” employees may be members of VCERA....”

To the extent the County is relying on Article III of VCERA’s Bylaws to exclude the FCWs based on the County’s civil service status, it is incorrect for two reasons. First, as already discussed, CERL does not allow retirement associations to adopt a regulation excluding employees based on “non-regular” status.

Second, even assuming such an exclusion were permitted, Article III of the Bylaws states that “regular” employment status is a prerequisite to membership only for non-safety employees.

**VCERA Bylaws, Article III, Section 1**

EMPLOYEES INCLUDED: All non-safety regular employees of the County of Ventura, and other employer members of the County employee retirement Association, who are scheduled to work 64 hours or more biweekly, and all safety employees of the County of Ventura and the Ventura County Fire Protection District shall become members of VCERA on appointment....”



The Bylaws specifically limit non-safety membership to “regular” employees, but they have no such qualification for safety members. Rather, the Bylaws state that *all* safety employees shall become members, without regard to their status as “regular” or “non-regular” employees. Therefore, even if VCERA were permitted to adopt regulations excluding those employees who do not meet the civil service criteria for being a “regular” employee, the Bylaws do not create such an exclusion for safety employees. There is no question that FCWs are safety employees.

**CERL and VCERA’s Bylaws Define an “Intermittent” Employee as One Who is Hired to Perform Intermittent Work.**

Since the FCWs are “CERL-eligible” employees, the next step is to determine if they should nonetheless be excluded on the basis that they were “intermittent” employees. Your letter asks for clarification on our position as to the standard VCERA should use when making this determination.

While neither CERL nor VCERA’s Bylaws provide a precise definition for the term “intermittent,” the Bylaws do make it clear that it is the nature of the work to be performed that determines whether an employee hired to perform that work can be excluded from the retirement system.

**VCERA Bylaws Article III § 2(B)** “Intermittent Employee: A person employed for *intermittent or temporary work*.... (Emphasis added.)

Because neither CERL nor the Bylaws further define what constitutes an “intermittent” employee, VCERA must look to the usual and ordinary meaning, as intended by the state legislature. Also, because this term forms the basis for permissible exclusion from pension and death benefits, it must be interpreted narrowly to meet the express purpose of CERL to provide such benefits. (See *Lesem v. Board of Retirement*, 183 Cal.App.2d 289, p.298 [ “It has been repeatedly recognized that all pension laws are to be liberally construed to carry out their beneficent purposes. Any ambiguities in pension laws should be resolved in favor of the applicant.”]

Webster's Dictionary defines the term "intermittent" as "coming and going at intervals" or "not continuous." In the employment context, the interval to be considered is generally a 12-month period, which is measured by either the calendar or fiscal year. Under ordinary usage, an "intermittent" employee is one who is hired to perform work that is anticipated to last less than a full year, such that the work would not be more appropriate for a full-time, year-round employee. Where such work recurs on an annual basis, a sufficient break between periods of "intermittent" employment is required to establish that the work to be performed is indeed "intermittent" in nature. (See, e.g., Gov. Code §18552 [an intermittent position is one "in which the employee is to work periodically or for a fluctuating *portion of the full-time work schedule*"; California HR Manual §1202 [intermittent employment must be "*less than full time each year*," with a limit of 1,500 hours and a minimum break of 3 months before reemployment.] (Emphasis added.)

Taken together, both the Bylaws and the ordinary meaning and usage of the term "intermittent employee" stand for the proposition that a County employee is properly considered intermittent for retirement purposes only if the work they are hired to perform is anticipated to last, and does last, less than a full year. In other words, the employee must be hired to perform *intermittent work*, and their tenure of employment must not last longer than the duration of that work.

**VCERA May Rely on the County Rules for Defining "Intermittent" Employment Only to the Extent That the County Rules are Consistent with CERL and VCERA's Bylaws.**

Although the County's determination that an employee is "intermittent" under its civil service rules does not control VCERA membership, we understand that VCERA may opt to use the same definition in making its own determination as to the FCWs' eligibility for VCERA pension benefits. This is permissible as long as VCERA determines that the County's definition of "intermittent" employment is consistent with the definition under CERL and VCERA's Bylaws. However, even if VCERA adopts the County's definition, it is still up to VCERA to apply the County's criteria, and it must do so without undue influence from the County or a desire to please the County. Rather, VCERA must be guided by its constitutional duty to prioritize providing benefits to its members.

**Cal. Const., Art XVI, § 17(b).**

“The members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of *providing benefits to participants and their beneficiaries*, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. *A retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty.*” (Emphasis added.)

The remaining portion of this section will address the County Rules related to “intermittent” employment and how a proper interpretation of those rules may be consistent with the “intermittent” membership exclusion under CERL and VCERA’s Bylaws.

\* \* \*

Consistent with VCERA’s Bylaws, the County Rules define an “intermittent” employee as one who is hired to perform *intermittent work*. Such a definition necessarily requires the appointing authority to make a reasonable determination, at the time of hire, that the work to be performed will last less than a year, such that it is not better suited for a full-time, year-round employee.

**County Rules § 234 Intermittent Employee**

“A person employed for intermittent/temporary work on a day-to-day basis.”

**County Rules § 1102 Reason for Appointing.**

“The purpose of employing intermittent employees is where the workload requires periodic and fluctuating augmentation on a regular basis, yet does not warrant a full-time employee or cannot be handled by additional regular employees.”

The County Rules set three basic limitations related to “intermittent” employment, which must be met before an employee can be properly considered “intermittent” under the Rules.

These limitations are set out in Section 1103(B) of the County Rules and are summarized as follows:

1. An intermittent employee cannot be hired unless the conditions of section 1102 are met. In other words, the employee must be hired to perform *intermittent work*.
2. An intermittent employee cannot be employed for more than 30-days if they are filling a classified position. This limitation is not directly relevant to our inquiry.
3. An intermittent employee cannot be employed for any purpose for more than 1,664 hours in any one fiscal year.

As we explained in our letters to both the County and VCERA's Board, we recognize that the County has a legitimate need to augment its year-round FCW workforce during the 8-month fire season, which runs annually from May through December. During this period the workload for FCWs is at its peak, and additional FCWs are needed to clear vegetative fuel loads resulting from spring rains and to provide additional firefighting personnel to support District firefighters during the active wildfire season.

Most "intermittent" FCWs have been hired with the intent that their employment would last only for the duration of the fire season and were in fact terminated at the end of the season. Many of these employees returned in subsequent seasons to again assist the District with its annual peak workload. Such employees are properly considered "intermittent" under the County Rules because:

1. They were hired to perform *intermittent work*, the anticipated duration of which did not warrant hiring a year-round employee; and
2. Their actual duration of employment did not exceed the 1,664-hour limit - FCWs work full-time schedules, which over the 8-month fire season equates to 1,387 hours based on the prorated portion of a year-round, 2,080-hour position.

However, not all FCWs have been properly classified as "intermittent" under the County Rules. As explained in detail in our March 2, 2020 letter to the County, the District has had a pattern and practice of hiring its annual group of "intermittent" FCWs with the intent of retaining several of those employees beyond the fire seasons to supplement its year-round FCW

workforce. These are the employees who have been commonly referred throughout the District as being “wintered-over.” Such employees do not meet the definition of “intermittent” under the County Rules both because:

1. They were hired with the intent that they would perform year-round work, which, by definition, warranted hiring a year-round employee; and
2. Their actual duration of employment exceeded the 1,664-hour limit.

The District’s intent to “winter over” several of the “intermittent” FCW each year can be shown by the fact that the “intermittent” FCWs understood that those who performed the best during the fire season would be selected to be “wintered-over.” I would be happy to provide VCERA with sworn declarations to this effect.

The District’s intent can also be shown by the fact that the initial requisitions for “intermittent” FCWs routinely sought approval for the full 1,664-hour limit, even though the fire seasons was anticipated to last 8 months, or 1,387 hours of full-time work. In addition, in the few instances where the District attempted to officially extend the FCWs employment, the extension forms seeking approval routinely requested an additional 1,664 hours, as opposed to requesting the number of hours required to complete the *intermittent work*.

Finally, the District’s intent to use “intermittent” FCWs to supplement its year-round workforce can be shown by the fact that it regularly did retain several “intermittent” FCWs beyond the fire season, including “intermittent” FCWs who worked several consecutive years on a full-time basis. We identified 16 of these “wintered-over” FCWs in our letter of February 3, 2021. VCERA can easily identify additional “wintered-over” FCWs by having the County query its personnel database and generate a report showing the FCWs who worked during any period outside the fire season while being labeled as “intermittent” employees.

**Extensions of Intermittent Employment Under the County Rules Do Not Apply to the “Wintered Over” FCWs.**

The County Rules state explicitly that “No person shall be employed as an “intermittent” employee *for any purpose* for more than 1,664 hours.” (County Rules §1103(B), emphasis added.) Although your letter indicates the Rules allow for extensions of “intermittent”

employment beyond the 1,664-hour limit, the plain language "*for any purpose*" makes it clear the 1,664-hour limit is a hard cap, which includes the initial hiring period based on the need for intermittent work *and* any authorized extensions for continuation of that work.

Even if the County Rules could be interpreted to allow extensions of "intermittent" employment beyond 1,664 hours, such extensions would not apply to the "wintered-over" FCWs because, as discussed above, *they were not hired to perform intermittent work*. As such, these employees did not meet the definition of an "intermittent" employee under the County Rules at their date of hire, and thus would not be subject to an extension designed for "intermittent" employees.

Even if this were not the case, the County Rules indicate that any extension should be granted only under *special circumstances*, which must be described in written justifications from both the District and the County Human Resource Director. As you know, our review of the FCWs' County personnel files did not reveal a single instance of either of these documents. Instead, the only documents we found authorizing extensions of the FCWs' employment were the occasional generic form, uncritically rubber-stamping a request for an additional 1,664 hours. We would be happy to provide VCERA with copies of these documents.

Finally, the County Rules require that any written authorization for extensions of "intermittent" employment be provided to the appropriate union. This step is required so that the union receives notice of the County's authorization to extend the use of "intermittent" employees and can challenge the County's determination or, in this case, raise the issue with VCERA that certain employees are being impermissibly excluded from the retirement system. As we stated in our letter to the County, neither the VCPFA nor the union previously representing County FCWs ever received notification of an authorized County extension. We would be happy to provide VCERA with sworn declarations to this effect.

As you know, many of the FCWs identified in our letter to VCERA's Board were labeled as "intermittent" employees far beyond the 1,664-hour limit. For example, Michael Trabbie worked continuously for 2.54 years, or 5,290 hours of full-time work. Other FCWs working extended continuous periods while being labeled "intermittent" include Tyler Ripley (5,754

hours), Cary Rake (5,629 hours), Kevin Yates (4,909 hours), Luther McPherson (4,103 hours), and Kevin Aguayo (3,891 hours), to name a few.

To hold that these employees were properly labeled “intermittent” under the County Rules, VCERA would have to conclude that the work they were hired to perform was *intermittent work*. The length of these FCWs’ “intermittent” tenures makes such a conclusion highly suspect, particularly considering the evidence that the District intended to, and did, winter-over several FCWs each year to meet its need for additional year-round FCW labor.

Even if VCERA concluded the FCWs were initially hired to perform *intermittent work*, it would also have concluded that the County critically examined multiple extension requests for each of these employees and found in each instance that the work they were performing remained *intermittent work*, which did not warrant hiring a year-round employee. There is simply no evidence to support such a conclusion. Moreover, common sense would dictate that after receiving multiple extension requests to extend the same employees year after year, the County Human Resource Director would conclude that such employees were performing year-round work and therefore were not properly considered “intermittent” employees. Of course, to reach a conclusion that these employees were properly extended throughout their “intermittent” tenures, VCERA would also have to ignore the fact that the plan language of the County Rules state that “[n]o person shall be employed as an intermittent employee *for any purpose* for more than 1,664 hours.”

The facts surrounding the “wintered-over” FCWs’ employment paint a clear picture that the District has been abusing the County Rules for “intermittent” employees to fill its need for additional year-round FCWs. Rather than recognizing this fact and taking restorative action, the County continues to maintain that it can keep employees in an “intermittent” status “regardless of the number of hours” they work. Indeed, in our discussions with County officials regarding this issue, it was suggested that since recent fire seasons have seemingly lasted all year, it may be appropriate to keep “intermittent” FCWs employed year-round. We have also heard rumors that the District is considering hiring twice the number of “intermittent” FCWs and having them work in 6 month rotations to meet its need for additional year-round FCWs.

Such schemes demonstrate, at best, a fundamental misunderstanding that “intermittent” employment is based on the purpose for which the employee is hired, namely to perform *intermittent work*. Once it is determined that the work requires a year-round employee, the County Rules do not permit “intermittent” employees to be hired, or to continue, to perform that work. The County cannot escape this fact by claiming that the fire season lasts all year or by dividing the year-round work in half and claiming the FCWs are performing intermittent work simply because they do not exceed the 1,664-hour cap on intermittent employment.

Having been put on notice that the County has a pattern and practice of misusing its “intermittent” status for FCW employees, VCERA must exercise its duty to protect the pension rights of its members by ensuring they are not denied retirement service credit based on erroneous “intermittent” labels. VCERA should be mindful of the fact that the FCWs perform dangerous work for the County and should not endorse transparent attempts by the County to circumvent their pension rights, including the right to death benefits for their beneficiaries. Again, we appreciate that you and Ms. Webb have initiated an investigation into this issue, and we look forward to discussing your progress and how the VCPFA may be able to assist VCERA’s efforts.

#### **The Proper VCERA Enrollment Date for the FCW’s.**

As explained above, each FCW who worked beyond the fire season cannot be properly excluded as “intermittent,” *because they were not hired to perform intermittent work*. Therefore, such employees must be enrolled in the retirement system pursuant to CERL and the VCERA Bylaws. Under CERL, employees should be enrolled in a county’s retirement system on the first day of the calendar month following their entrance into service. (Gov. Code §31558.) However, VCERA’s Bylaws provide that County employees should be enrolled on the date they begin service to the County. (VCERA Bylaws Article III, § 1.)

In our Exhibit A attached to our letter of February 3, 2021, we identified the beginning date of each tenure in which the identified FCWs worked outside the fire season. This date marks the beginning of the tenure in which they were “wintered-over,” i.e. the date they filled



one of the year-round positions the County erroneously labeled “intermittent.” Under VCERA’s Bylaws, these FCWs should be enrolled on the dates indicated on our exhibit, which represent their first day of County service that cannot be properly considered “intermittent” for pension purposes.

Your letter states that it would be reasonable for VCERA to rely on sworn statements filed by the FCWs which indicate, *inter alia*, the date each FCW became a “regular” employee. To the extent that these sworn statements indicate agreement by the FCWs that the County’s “regular” employment date is determinative of their VCERA membership, VCERA’s reliance on such dates would be inappropriate because they were based on a lack of understanding by the FCWs as to the issues involved in setting their VCERA membership dates. In addition, VCERA’s duty to prioritize providing benefits to its pensioners must take precedence over any other duty. This includes VCERA duty to minimize costs to administer the system, which is presumably the reason VCERA would consider relying on the sworn statements.

In any case, since VCERA has agreed to investigate and make an administrative determination as to the FCWs’ proper membership dates, it does not appear VCERA intends to rely on the dates contained in the sworn statements. As such, there is currently no need to resolve this issue.

**There is no Applicable Statute of Limitations for Correcting VCERA Membership Dates;  
VCERA Can Weigh the Available Evidence and Decide.**

Your letter indicates that the FCWs’ claims may be barred by one of two statutes of limitations contained in the California Code of Civil Procedure. However, as you recognize, the courts have ruled that retirement boards of public pension systems have ongoing duties to their members, and that administrative determinations consistent with those duties are not civil actions subject to general statutes of limitation nor are they arbitrary or irrational. (*City of Oakland v. Pers*, 95 Cal.App.4<sup>th</sup> 29 (2002).)

Your letter also indicates that the doctrine of laches may bar the FCWs from having their VCERA membership dates corrected, because VCERA may be prejudiced by a lack of complete

employment records and information regarding the reasons for extensions of intermittent employment. For the following reasons we do not believe that laches would bar the FCWs' claims.

First, general employment records for the FCWs are readily available in the County's database, including their dates of employment, County classifications and employment status, department, and wages, among other information. As mentioned above, this database can easily be queried to show that the District routinely used "intermittent" FCWs beyond the fire season. These records are also available in the FCWs' County personnel files. The employment dates listed on our Exhibit A to our February 3, 2021 letter were obtained from the FCW's County personnel files.

Regarding the possibility that there may be missing documentation of the District's rationale for extending the FCWs' terms of employment, even if this were true it would not change the fact that the FCWs were not hired to perform *intermittent work*, and therefore should never have been considered "intermittent" employees for pension purposes. It also would not overcome the fact that the FCWs worked longer than the 1,664-hour County limit for "intermittent" employment, or what should be a commonsense conclusion that the District's pattern and practice of "wintering-over" several "intermittent" FCWs each year shows its intention to have year-round work performed by erroneously labeled "intermittent" employees. As mentioned above, I would be happy to provide VCERA with sworn declarations from individuals familiar with the District's pattern and practice regarding the use of "wintered-over" FCWs.

Finally, it is well settled in California that evidence which is destroyed or made unavailable by one party shall be inferred by the trier of fact to be unfavorable to that party. (*Cedars-Sinai Medical Center v. Superior Court*, 18 Cal.4th 1, p11 (1998).) As the employer, the County has a duty to maintain employment records, including any written justification from the District requesting extensions of "intermittent" employment and any written "special authorizations" from the Human Resource Director. Even if the County does not have a duty to maintain such records indefinitely, it is required under its own rules to provide a copy of these documents to the union, which it has failed to do. As such, to the extent that these records are

now unavailable for VCERA's review, VCERA should infer that such records would be unfavorable to the County's position in this matter. As mentioned above, I would be happy to provide you with declarations from the FCWs' unions, attesting to the fact that they have never received copies of written County "intermittent" extension authorizations.

### Conclusion

For the reasons stated above, we believe the FCWs identified in our February 3, 2021 letter to the Board have been improperly denied service credit in VCERA. These members, and those similarly situated, have, or will have, their pension benefits unlawfully reduced unless VCERA intervenes to correct their VCERA membership dates and provide them with the service credit to which they are lawfully entitled. In addition, based on our interactions with the County, we believe the County will continue to attempt to devise ways to circumvent its own rules related to "intermittent" employees, resulting in additional employees being unlawfully excluded from the pension system. Under such circumstances VCERA must exercise its primary duty to protect the lawful rights of its pensioners.

We appreciate that VCERA has initiated an investigation into this issue and would like to set a conference date to discuss the status of that investigation and answer any questions VCERA has regarding the contents of this letter or our position on this issue generally. We would also be happy to provide VCERA with any information which may be helpful to its investigation.

I look forward to hearing from you soon.

Sincerely,

A handwritten signature in black ink, appearing to read "Ian Bondsmith", written over a horizontal line.

Ian Bondsmith

cc: Kevin Aguayo,  
President, VCPFA

# Exhibit D

County Letter from Mike Curnow to VCPFA  
Dated April 16, 2020

April 16, 2020

Mr. Ian Bondsmith  
1185 Beverly Way  
Altadena, CA 91001

via E-mail & USPS

SUBJECT: Retirement Service Credit for Intermittent Employees

Dear Mr. Bondsmith:

The County is in receipt of your March 2, 2020 letter on behalf of the Ventura County Professional Firefighters Association (VCPFA) in which you raised an issue concerning what you characterized as an "improper exclusion" of retirement service credit for current VCPFA members who were once previously classified as intermittent Fire Control Workers (class code 00324). Specifically, you claim that the VCPFA members named in the letter were improperly classified as intermittent County employees while employed as Fire Control Workers on the basis of their total hours worked and, therefore, demand that they be credited with retirement services hours for all eligible hours worked as an intermittent Fire Control Worker.

California Government Code section 31527 grants the VCERA Board the authority and discretion to exclude certain employees, including intermittent employees, from membership into the County's retirement system. According to Article III, "Membership," of VCERA's bylaws, "all non-safety *regular* employees of the County of Ventura... who are scheduled to work 64 hours or more biweekly... shall become members of VCERA on appointment." (emphasis added) The term "regular employee" is defined under Section 251, "Regular Employee," of the County's Personnel Rules and Regulations (PR&R) as an employee who was appointed to and holds an allocation at the County that has been budgeted as a full-time or part-time position only. Section 251 further states that employees in an intermittent position are not considered "regular employees" of the County. Moreover, VCERA's bylaws also specifically exclude intermittent employees from membership in VCERA.

Because intermittent employees are explicitly defined as not being "regular employees" under the County's PR&Rs, regardless of the number of hours worked, and because Article III of VCERA's bylaws both clearly excludes intermittent employees from VCERA membership, and provides that only regular employees may be members of VCERA, the County does not believe that there has been a misclassification or improper exclusion of retirement service credit to the subject VCPFA members and, therefore, must respectfully decline the VCPFA's demands as outlined in your letter.

Ian Bondsmith  
April 16, 2020  
Page 2

We hope this letter helps to clarify the matter. However, if you have any questions, please don't hesitate to call our office at (805) 654-2638.

Sincerely,



Mike Curnow  
Labor Relations Manager

cc: Mike Powers, County Executive Officer  
Shawn Atin, Assistant CEO/Human Resources Director  
Leroy Smith, County Counsel  
Kevin Aguayo, VCPFA President

# Exhibit E

Declaration of Michael Trabbie

## Declaration of Michael Trabbie

I, Michael Trabbie, declare as follows:

1. I was hired as a Fire Control Worker ("FCW") by the Ventura County Fire Protection District ("District") on November 4, 1991. I participated in written, oral, and physical performance examinations as part of the hiring process. Passing these exams allowed me to be placed on an eligibility list from which the District hired all FCWs.

2. I was initially recruited to work only during the fire season, when the District has an increased need for FCW labor. The fire season runs annually from May through December. Upon being hired, I was assigned to one of the two FCW crews the District maintained during the fire season. Generally, each fire season crew consisted of approximately 14 total FCWs: 7 who the County considered "permanent" employees and 7 who were considered "intermittent" or "seasonal" employees. The number of FCWs on the fire season crews varied slightly from year to year.

3. In 1991, several permanent FCWs had left to work for other fire departments. When I arrived in November of 1991, each fire season crew had only 4 permanent FCWs with the remaining positions filled by FCWs who were considered intermittent County employees.

4. Shortly after starting my work for the County, I learned that each year the two fire season crews were combined into a single crew, and that several seasonal FCWs were selected each year to be part of that off-season crew. This allowed selected seasonal FCWs to work a full-time, year-round schedule. I was told that our Crew Forman, David Proett, with input from our Crew Leader, Alan Mandel, was the person who determined which seasonal FCWs would be asked to stay on at the end of the fire season. I was told that Mr. Proett was looking for people



with a good work ethic and whose personalities fit well with other FCWs. I was also told it was helpful to have some construction related skills, since the off-season crew did a lot of construction work. I dedicated myself to the job, hoping to be selected to stay on a year-round basis.

5. Sometime in December of 1991, Mr. Proett came to me and asked if I would like to continue working after the fire season ended. I told him I would be very happy to stay on. I asked if this meant I would be made a permanent District employee, and Mr. Proett informed me that although I would be working on a year-round basis, permanent employment status could only be granted by the County. He informed me that his bosses were working with the County to try and have additional permanent FCW positions approved, but that until that happened, the only option to keep me on the payroll was to continue to list me as a seasonal employee.

6. At the end of the 1991 fire season, the two fire crews were consolidated into a single off-season crew of approximately 10 to 12 FCWs, which included a mixture of FCWs considered "permanent" and those seasonal FCWs Mr. Proett selected to continue working year-round. These seasonal FCWs included me, Carry Rake, Chris Payne, Kevin Yates, and Rob Shaper, among others. As with the fire season crews, the total number of FCWs assigned to the off-season crews varied from year to year.

7. The bulk of the FCW's work during the fire seasons was spent on active fire suppression. This included clearing brush, performing controlled burns to create fire breaks, extinguishing spot fires, supporting firefighter engine and bulldozer crews, and other wildfire related tasks.

8. The FCW's work during the off-season was quite different. Although we were always on-call to respond to active fire situations, the bulk of our work was related to maintaining, servicing, and renovating County fire stations and other facilities. This work

included construction, irrigation, tree trimming, plumbing, minor electrical, tile setting, pouring concrete, and other skilled and semi-skilled labor. Our off-season work also included placing sandbags for flood control in burned wildland areas, repairing FCW equipment, and regular deliveries of fire equipment between County fire stations and the equipment warehouse.

9. The off-season fire crew's services were always in high demand. The various fire stations always had work they wanted performed and the off-season crews included people with the skills necessary to perform those tasks. In addition, our off-season crews were used for larger District projects, such as completely remodeling the new District headquarters in 1992 and moving the entire 100,000 square foot District supply warehouse in 1992, 1993, and 1994. There was always more work available than we could get done during our 40-hour weeks.

10. I worked for the District as an intermittent FCW for over two and a half years, from November 4, 1991, through May 21, 1994, at which point I was finally granted permanent employment status. Throughout this period, I routinely asked Mr. Proett why I was still considered an intermittent employee when I was performing the same year-round services as my crewmates, most of whom were considered permanent employees. Mr. Proett's answer was generally the same – that the County was having budgetary issues and had not approved additional permanent FCW positions. He encouraged me to “hang in there” and that I would eventually be made permanent.

11. I have served the County of Ventura faithfully and continuously for the past 31 years, first as an FCW and later as a Firefighter, the position I have held since February 12, 1995. I performed year-round work on a full-time basis for the County during this entire period.

12. I have been refused membership and service credit in the Ventura County Employees' Retirement System for my initial two and a half years of County service. It is my understanding that I have been denied membership and service credit for this period because the

County labeled me as an "intermittent" employee, and because VCERA has based my membership eligibility solely on the County's "intermittent" employment designation.

13. The reduction of two and a half years of retirement service credit will significantly reduce my monthly allowance during retirement. In addition, the reduced service credit has caused me to continue making contributions into the retirement system beyond my 30<sup>th</sup> year of service, the point at which other County employees have been permitted to cease making contributions. I estimate that over the last year, my 31<sup>st</sup> year with the County, I have made nearly \$13,000 in contributions. Over the next year and a half, I estimate I will make an additional \$20,000 in contributions, for a total of \$33,000 in contributions after my 30<sup>th</sup> year of County service.

I declare, under penalty of perjury, that the foregoing statements are true and correct.

Executed this 25<sup>th</sup> day of October, 2022, at Sunnyvale California.



Michael Trabbie

# Exhibit F

Declaration of Kevin Aguayo

Declaration of Kevin Aguayo

I, Kevin R. Aguayo, declare as follows:

1. I was hired by the Ventura County Fire Protection District ("District") as a Fire Control Worker ("FCW") on May 26, 1996. I was initially recruited to work only during the fire season (May through December), which is when the District has an annually recurring need for additional FCW labor due to increased risk of wildfires.

2. Those of us who were recruited to work only during the fire season were considered "intermittent" or "seasonal" employees, while those who were hired on a year-round basis were considered "regular" employees. All FCWs performed the same work and worked the same full-time schedules, but seasonal FCWs did not receive the employment benefits afforded to regular FCWs. For example, seasonal FCWs were not permitted to join the Ventura County Employees' Retirement Association ("VCERA") and receive service credit in that system for their seasonal employment.

3. Shortly after starting work for the District, I learned that each year several seasonal FCWs were asked to stay on and work during the off-season (aka "low-brush" season.) It was common knowledge that the District needed more FCWs during the low-brush season than Ventura County was willing to authorize, and that seasonal workers were retained to perform that year-round work. The practice of retaining seasonal FCWs to perform year-round work was known as an FCW being "wintered-over."

4. On November 23, 1996, at the end of the fire season, my seasonal employment with the District was terminated. I was informed that I would be kept on an eligible list and may be invited back to work the following fire season.

5. I was rehired on May 6, 1997, at the beginning of the 1997 fire season. At the end of that season, I was offered the opportunity to be wintered-over. I have worked continuously as a full-time FCW since May 6, 1997.

6. On March 21, 1999, nearly two years after being rehired by the District, my employment designation was changed from “intermittent” to “regular”. It was at this point that I was permitted to join VCERA and begin receiving retirement service credit for my FCW work.

7. At the time I was made a member of VCERA, the only thing that changed was my official employment designation. I continued to perform the same type of work, working the same year-round, full-time schedule that I began when I was rehired on May 6, 1997.

8. District FCWs have been represented by the Ventura County Professional Fire Fighter’s Association, Local 1364, (“VCPFA”) since January of 2006. Prior to that time the FCWs were represented by Service Employees International Union, Local 998 (“SEIU”).

9. I was elected to the VCPFA Board of Directors in 2004 and have served on the Board in various capacities ever since. For the past ten years I have served as Vice President (2012 – 2018) and President (2018 to present).


10. I understand that the Ventura County Personnel Rules (“Rules”) require that any employee designated as an “intermittent” employee must be hired only for the duration of the intermittent work for which they are employed, and in no case are they allowed to work more than 1,664 hours in a fiscal year.

11. I am also aware that the Rules require a written justification for any request to have an intermittent employee work longer than the period for which they were initially hired. The Rules also require the Director of Human Resources to notify the appropriate union of any

requested extension of intermittent employment, including providing a copy of the written justification to the union.

12. During my service with the VCPFA, the union has never received documentation from the County related to the extension of service for any intermittent FCW, including the written justifications required under the Rules. I have inquired with SEIU, and their staff has informed me that they have no record of receiving any documentation related to the extension of any intermittent FCW.

I declare, under penalty of perjury, that the foregoing statements are true and correct.  
Executed this 20th day of October, 2022, at Camarillo, California.

  
\_\_\_\_\_  
Kevin Agnayo

# Exhibit G

Declaration of David Proett



### Declaration of David Proett

I, David Proett, declare as follows:

1. I was hired by the Ventura County Fire Protection District ("District") on October 2, 1978, and worked for over 30 years until I retired on March 31, 2009. I spent over 28 years of my career with the District as a Crew Supervisor, managing and supervising crews of Fire Control Workers ("FCWs") who worked as part of the District's Wildland Fire Unit.

2. Throughout my years managing the FCW fire crews, we always maintained two crews during the fire season, May through December, so that we could have FCWs available 7 days a week. At the end of the fire season the FCWs were combined into a single crew, working 10-hour days, Monday through Thursday.

3. Each year, the District recruited a number of FCWs to work on an intermittent basis during the fire season. This allowed us to have enough FCWs to staff the two fire season crews, each with approximately 15 FCWs. At the end of the fire season, most of the intermittent FCWs would be laid off. However, each year we would holdover approximately 3 to 5 intermittent FCWs to work on the off-season crew, which generally included a total of approximately 11-13 FCWs: the 3 to 5 seasonal holdovers and approximately 8 FCWs who were considered permanent District employees.

4. The number of FCWs on the off-season crew varied somewhat each year, depending on the number of existing permanent FCW positions and the number of intermittent holdovers that were authorized by the County of Ventura ("County"). At the end of each fire season, the District's Deputy Fire Chief or, later in my career, a Battalion Chief in charge of the Wildland Unit would inform me how many holdover positions had been authorized. I would

then select those FCWs who had proven their worth to fill those positions. It is my recollection that we had at least 3 intermittent FCWs on our off-season crew each year.

5. It was frequently the case that the same FCWs would be held over in consecutive years. These were the FCWs who had proven to be the most valuable to the Wildland FCW Program and were the best candidates to fill permanent positions when the District promoted existing permanent FCWs to other positions or had additional permanent FCW positions approved by the County. By holding these FCWs over in consecutive years, we were able to keep them on the payroll with the hope of keeping them as long-term District employees.

6. It was generally a challenge to have enough holdover FCW positions approved to cover the work the off-season crew was expected to perform. Although I nearly always advocated for additional holdover FCWs, it was ultimately up to the District, with approval from the County's Human Resources Department, how many holdover FCWs would be allowed.

7. In addition to being on-call for active fire duty, the off-season FCW crew was generally engaged in other work for the District. This work included:

- Attending various classes to be trained in FCW related work. Classes included training in prescribed fire training (aka "controlled burn"), chainsaw operation and safety, field observation, fire behavior, and helicopter transport and safety training.
- Sandbagging of wildland areas impacted by the previous year's fire season.
- Small engine repair and maintenance of FCW tools and equipment.
- Delivering supplies to various County fire stations (aka "Brown Mail duty").
- Maintenance and improvement of County fire stations and other County facilities. This work included general manual labor, plumbing, minor electrical, tile setting, drywall, irrigation, pouring concrete and other construction related tasks.

I declare, under penalty of perjury, that the foregoing statements are true and correct.

Executed this 25 day of October, 2022, at Cambridge California.

  
David Proett



**ATTORNEYS AT LAW**

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San Francisco, CA 94111  
T 415.398.3600  
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Ashley K. Dunning  
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Refer To File # 501702-0102

**VIA EMAIL**

December 2, 2022

Board of Retirement  
Ventura County Employees' Retirement Association  
800 S. Victoria Ave.  
Ventura, CA 93009-1940

Re: VCPFA Demand for Change in VCERA Membership Date for Fire Control  
Workers Hired by the County of Ventura as Seasonal/Intermittent Employees

Dear Board of Retirement:

This letter responds to Ian Bondsmith's November 2, 2022 letter (the "Bondsmith Letter") arguing that the Board has an obligation to advance the VCERA membership dates of several individuals ("Appellants") employed as Fire Control Workers by the Fire Protection District of Ventura County (the "County"). VCERA's Retirement Administrator has denied Appellant's request, correctly reasoning that the County Employees Retirement Law of 1937 ("CERL") and VCERA's Bylaws and Regulations (the "VCERA Regulations") preclude the relief that Appellants seek. The Board should affirm VCERA's denial of Appellants' appeal, and decline to advance Appellants' membership dates.

**1. BACKGROUND**

**A. Appellants' Challenge**

This matter concerns Appellants' tenures as Fire Control Workers employed by the County. When Appellants were first hired, the County designated them as filling "intermittent" positions, and had not appointed them to "permanent" or "regular" positions. Given this designation, Appellants were mandatorily excluded from VCERA pursuant to VCERA Board Regulations that the County also had approved, and Appellants were instead enrolled in the County's Safe Harbor Defined Benefit Plan ("SHDBP") upon hire.<sup>1</sup> (See Att. 1 ¶¶ 7, 10 [Declaration of VCERA Retirement Benefits Manager Shalini Nunna]; Att. 2 art. III.2(B) [VCERA Board Bylaws and Regulations]; Att. 3 at 1 [County SHDBP Summary Description].) After varying periods of work as an intermittent employee, the County subsequently appointed each Appellant as a permanent—"regular"—employee, and VCERA promptly enrolled each of them as an active member of the retirement system. Each Appellant was hired as an intermittent employee, and then hired as a regular employee and enrolled in VCERA, many years ago:

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<sup>1</sup> The SHDBP went into effect on January 1, 1992. The four Appellants whose intermittent service began before that date were thus not enrolled into the SHDBP until January 1, 1992.

Appellant	Enrolled in VCERA	Hired as Intermittent Fire Control Worker (“Hire Date”) <sup>2</sup>
Kevin Aguayo	March 21, 1999	May 6, 1997
Clayton Cundiff	March 21, 1999	April 29, 1998
Mike Fuller	October 13, 2002	April 28, 2002
Joshua Gisel	March 21, 1999	April 29, 1998
Israel Gutierrez	March 21, 1999	April 29, 1998
Joel Hanson	December 5, 2004	April 21, 2003
Jesse Hopcus	May 11, 2003	April 21, 2003
Luther McPherson	February 2, 1998	February 11, 1996
Kyle Morrell	February 2, 2014	April 29, 2012
Carey Rake	July 17, 1994	November 4, 1991
Tyler Ripley	February 1, 2015	April 29, 2012
Desi Rodriguez	May 11, 2003	April 28, 2002
James Rosco	March 21, 1999	May 6, 1997
Robert Schaper <sup>3</sup>	February 2, 1995	November 5, 1991
Michael Trabbie	May 22, 1994	November 4, 1991
Kevin Yates	March 13, 1994	October 30, 1989

(Att. 1 ¶ 5; Bondsmith Ltr. Ex. B at 14–16.) All Appellants who have provided a declaration to the Board in support of this appeal stated that they understood that they had been hired as an intermittent employee upon their Hire Date. (Bondsmith Ltr. Exs, E, F.) As intermittent employees, Appellants were not appointed to a budgeted position as defined in Section 251 of the County’s Personnel Rules and Regulations (“PR&Rs”). (Bondsmith Ltr. Ex. D; see also Att. 4 §§ 204, 251 [County Personnel Rules & Regulations].) Rather, as intermittent employees, Appellants had been hired “for intermittent/temporary work on a day-to-day basis.” (*Id.* § 234.) Appellants’ declarations also establish the Appellants’ understanding that the County would make a discretionary determination at a later date, based on the Appellants’ performance and the County’s need, as to whether to appoint them to a permanent position. (Bondsmith Ltr. Exs. E, F.)

Appellants now contend that they were improperly designated as intermittent employees, and thus improperly excluded from VCERA, upon their Hire Dates, and argue that the Board should retroactively advance their VCERA membership dates to their respective Hire Dates.

<sup>2</sup> Certain Appellants had multiple tenures as intermittent employees before being appointed to permanent positions: Appellant Aguayo had a previous intermittent tenure beginning on May 26, 1996; Appellant Hanson had a previous intermittent tenure beginning April 28, 2002; Appellant Hopcus had previous intermittent tenures beginning September 16, 2001 and April 28, 2002; Appellant McPherson had previous intermittent tenures beginning on May 10, 1994 and April 17, 1995; and Appellant Rodriguez had a previous intermittent tenure beginning on April 24, 2001. (Bondsmith Ltr. Ex. B at 14–16.) Each Appellant, however, has requested that VCERA advance their VCERA enrollment date to the Hire Date listed in this table. (*Id.*)

<sup>3</sup> Appellant Schaper retired on March 28, 2021. (Att. 1 ¶ 6(n).)

Appellants contend that they were improperly designated as intermittent given that the County determined that they should be “held over” or “wintered over” *after* their Hire Date. That is, Appellants claim that they were hired as intermittent employees for the eight-month fire season, but continued working for the County after fire season ended, and were thus de facto appointed as “permanent” employees for months or years before they were officially appointed as such.

#### **B. Correspondence and Determinations to Date**

Appellants first discussed this issue with VCERA and the Board’s General Counsel in September 2019. Following that conversation, Appellants were advised to contact the County to request a retroactive reclassification of their intermittent service. The County declined Appellants’ request in April 2020, and explained that the County had not appointed Appellants to positions as “regular” employees when they were in intermittent status. (Bondsmith Ltr. Ex. D.) Specifically, the County stated,

Because intermittent employees are explicitly defined as not being “regular employees” under the County’s PR&Rs, regardless of the number of hours worked, and because Article III of VCERA’s bylaws both clearly excludes intermittent employees from VCERA membership, and provides that only regular employees may be members of VCERA, the County does not believe that there has been a misclassification or improper exclusion of retirement service credit to the subject VCPFA members and, therefore, must respectfully decline the VCPFA’s demand as outlined in your letter.

(Bondsmith Ltr. Ex. D.) Appellants subsequently exchanged correspondence on this issue with VCERA throughout 2021. (See generally Bondsmith Ltr. Exs. C, D; Att. 5 [March 21, 2021 Letter from VCERA General Counsel Lori Nemiroff].) On June 27, 2022, VCERA’s Retirement Administrator formally denied Appellants’ request to advance the date of Appellants’ initial entry into VCERA. (Bondsmith Ltr. Ex. A.) In that letter, VCERA explained that Appellants could purchase VCERA service credit for their service as intermittent employees if Appellants rolled over their SHDBP funds to the County’s Supplemental 457 Plan after separation from service but before retirement. (*Id.*)

Appellants now request that the Board reverse the Retirement Administrator’s decision, a request that VCERA opposes.

## 2. ARGUMENT

- A. The Board may not retroactively enroll Appellants in VCERA as of the date of their initial intermittent employment with the County because Appellants were enrolled in the County's Safe Harbor plan during their intermittent employment.**

During their nonmembership service for the County, Appellants were each enrolled in the County's Safe Harbor Defined Benefit Plan. As a matter of law, this precludes the Board from advancing the date of Appellants' initial entry into VCERA.

California law is clear that "[a] person shall not receive credit for the same service in two retirement systems supported wholly or in part by public funds under any circumstance." (Gov. Code § 31482.5(b).) This rule against double enrollment has only two exceptions, neither of which applies here. First, the rule does not prevent concurrent enrollment in a CERL plan such as VCERA and a deferred compensation or defined contribution plan that meet certain criteria established by the federal tax code. (*Id.* § 31482.5(c).) Second, this rule does not prevent concurrent enrollment in a CERL plan and a "supplemental defined benefit plan" that meets certain federal tax qualifications, including among others that the supplemental defined benefit plan "has received a ruling from the Internal Revenue Service ["IRS"] stating that the plan qualifies under Section 401(a) of Title 26 of the United States Code, and has furnished proof thereof to the employer." (*Id.* § 31482.5(d)(2).)

Here, Appellants were each enrolled in the County's SHDBP during the entire period of their intermittent service that occurred during or after 1992 (the SHDBP's effective date). (See Att. 1 at ¶ 11.) And neither of the statutory exceptions that allow for double enrollment apply to the County's SHDBP. The SHDBP is a defined benefit plan, not a deferred compensation or defined contribution plan. (See Att. 3 at 1.) And the SHDBP is not a "supplemental defined benefit plan," but an *alternative* to VCERA: the County *requires* participation in the SHDBP for all employees "excluded from participation in" VCERA. (*Id.*; see also Att. 6 Part B § 3.01 [SHDBP Plan Document].) Further, the SHDBP has not received a ruling from the IRS as required by subdivision (d)(2) of section 31482.5 that would qualify it as a supplemental defined benefit plan. (See Att. 1 ¶ 12.) The Board is thus barred, as a matter of law, from advancing Appellants' enrollments into VCERA to overlap with their enrollments into the County's SHDBP.

Appellants' response to this argument—which VCERA first raised in its initial denial of Appellants' request—misses the mark. Appellants suggest that they "only received credit in the SHDBP because VCERA mistakenly determined that they were not eligible for VCERA membership service." This is not correct. County employees "who are designated as an extra-help, intermittent, or part time employee" and "excluded from participation in" VCERA are *required* to participate in the County's SHDBP. (See Att. 3 at 1.) And it was the County—not VCERA—who "designated" Appellants as "intermittent" employees, thereby exempting them from membership under VCERA's own membership regulations. (Att. 1 ¶ 7.) Appellants' suggestion that VCERA initially made classification decisions that the Board must now rectify is thus not correct.

**B. VCERA properly applied its enrollment rules at the time that Appellants began their County employment.**

The County hired Appellants as intermittent employees, and Appellants were thus properly not enrolled in VCERA during their tenures as intermittent employees.

CERL allows boards of retirement to make regulations “not inconsistent” with it that “become effective when approved by the board of supervisors.” (Gov. Code § 31525.) CERL expressly states that such regulations “may include” provisions that “exempt[] or exclu[de] from membership” any employee “whose tenure is temporary, seasonal, intermittent, or for part time only, or persons whose compensation is fixed at a rate by the day or hour.” (*Id.* § 31527(e).) VCERA’s regulations, which the County Board of Supervisors has approved, mimic this statute: they state that all “intermittent” employees “shall be excluded from VCERA,” and define “intermittent employees” as persons “employed for intermittent or temporary work on a day to day basis who [are] compensated on an hourly basis.” (Att. 2 art. III.2(B).)

VCERA plainly applied this regulation correctly when the County first hired Appellants into nonmembership positions that were “temporary, seasonal, [and/or] intermittent,” and only later appointed them to positions that the County had designated as “regular.” Appellants, moreover, understood at the time that, prior to their appointment to permanent positions, the County had hired them to fill intermittent positions. (Bondsmith Ltr. Ex. E ¶¶ 5–10; Ex. F. ¶¶ 2–7.) As intermittent employees, Appellants received hourly compensation and were not in a County budgeted position. (Att. 1 ¶ 6; Att. 4 § 251.) And under the County’s personnel rules, Appellants were employed “on a day to day basis” as intermittent employees. (*Id.* § 234.) Appellants thus each met the definition of “intermittent employee” under the PR&Rs, as applied through the VCERA Regulations, and those Regulations required VCERA to exclude Appellants from membership while they were in intermittent status.

Appellants offer several responses to this argument, though none change its conclusion. First, Appellants suggest that the VCERA Regulations do not require VCERA to exclude intermittent *safety* employees from membership. (Bondsmith Ltr. at 3.) This is incorrect. Appellants’ argument focuses on Article III.1 of the VCERA Regulations, which state that “all safety employees . . . shall become members of VCERA upon appointment.” (Att. 2 art. III.1.) “Upon appointment,” means appointment to a permanent position, as individuals are not “appointed” to intermittent positions. (Att. 4 § 204.) Further, the VCERA Regulations go on to state that VCERA “*shall*” exclude *any* person “employed for intermittent or temporary work on a day to day basis who is compensated on an hourly basis.” (Att. 2 art. III.2(B) [emphasis added].) The VCERA Regulations thus plainly exclude *all* intermittent employees—including intermittent safety employees—from VCERA membership.

Appellants also contend that the VCERA Regulations conflict with CERL to the extent that the VCERA Regulations require the exclusion of employees designated “intermittent” by the County. (Bondsmith Ltr. at 7–8.) This is also incorrect. CERL expressly allows retirement boards to exclude from membership any employee “whose tenure is temporary, seasonal, intermittent, or part time only, *or persons whose compensation is fixed at a rate by the day or hour.*” (Gov. Code § 31527(e) [emphasis added].) With the italicized language, the CERL thus permits retirement boards to exclude employees from membership based on the terms of their compensation: boards may exclude employees with a fixed daily or hourly rate. This is exactly what the VCERA Regulations do: they define an “intermittent employee” as “[a] person employed



for intermittent or temporary work *on a day to day basis who is compensated on an hourly basis.*" (Att. 2 art. III.2(B) [emphasis added].) Appellants' suggestion that VCERA must apply some other definition of "intermittent"<sup>4</sup> is thus at odds with the CERL, which expressly endorses the definition that VCERA adopted in its regulations.

Finally, Appellants contend that the County's PR&Rs related to intermittent employees are not consistent with the practice of "wintering over" FCWs for year-round employment. (Bondsmith Ltr. at 8–13.) This argument is not relevant to the issue before the Board: whether VCERA properly followed CERL and its regulations, which the County approved, by excluding Appellants for the duration of their tenures as "intermittent" employees *as defined by VCERA*. And as discussed above, VCERA properly applied CERL and its regulations by excluding Appellants from VCERA for the portions of their employment when they were employed on a day-to-day basis and compensated by the hour while they remained employed as "intermittent" workers and were not appointed to budgeted positions as "permanent" or "regular" employees. The County, moreover, has disputed Appellants' characterization of its PR&Rs by declining to retroactively reclassify Appellants' intermittent employment as regular employment. (Bondsmith Ltr. Ex. D.)

The Board should accordingly continue to apply the VCERA Regulations and decline to advance any of Appellants' membership dates in VCERA.

**C. The Board's fiduciary duty to Appellants does not require the Board to disregard CERL or the VCERA Regulations, and does not require the Board to revive stale disputes.**

Appellants further argue that they are entitled to an independent review of their employment classification from VCERA and the Board, and strongly suggest that, at the end of this review, the Board *must* advance Appellants' enrollment dates in VCERA. Appellants base this argument in the California Constitution, which provides that the Board's "duty to its participants and their beneficiaries shall take precedence over any other duty." (Cal. Const., art. XVI § 17(b); see also Bondsmith Ltr. at 6.) That duty, however, does not include discretion to disregard the law, which VCERA has properly applied to exclude Appellants from VCERA membership during their tenures as "intermittent" employees. (See generally, *Alameda County Deputy Sheriff's Assn. v. Alameda County Employees' Retirement Assn.* (2020) 9 Cal.5th 1032, 1069 [CERL boards have "no authority to . . . pursue a practice that is contrary to CERL."])

There is no dispute that the Board owes Appellants a fiduciary duty. That duty, however, does not permit the Board to grant benefits beyond what the law—i.e., CERL and the VCERA Regulations promulgated thereunder—allows. Addressing the same constitutional provision that Appellants cite here, courts have held that it does not "include an overlay of fiduciary obligations justifying an order to pay greater benefits than the statutes allow." (*Chaidez v. Board of Administration* (2014) 223 Cal.App.4th 1425, 1431.) As discussed above, CERL and the VCERA

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<sup>4</sup> Appellants correctly note that, in the event of any ambiguity, pension laws should be construed liberally and in favor of beneficiaries. (Bondsmith Ltr. at 7 n.10.) This doctrine, however, is irrelevant here for two reasons. First, Appellants have not established that any of the relevant statutory language is ambiguous. Second, although pension laws must be construed broadly, "they cannot be construed so as to confer benefits on persons not entitled thereto." (*Stamper v. City of Los Angeles* (1947) 80 Cal.App.2d 242, 244.)

Regulations are clear that Appellants must be excluded from VCERA while employed as intermittent employees. After investigating the facts described herein, VCERA independently and correctly determined that Appellants did not and could not qualify for VCERA membership during their tenures as intermittent employees, and the Board should affirm that decision.

Moreover, to the extent that Appellants have argued that VCERA incorrectly determined their dates of initial enrollment, this appeal is—and subsequent legal action would be—untimely by several years. Appellants' claims are subject to a three-year statute of limitations, and Appellants would thus be required to challenge VCERA's determination of their initial enrollment date within that time. (See Code Proc. § 338(a); *Luke v. Sonoma County* (2019) 43 Cal.App.5th 301, 305.) Nor is there any exception to the statute of limitations for actions implicating fiduciary duties as Appellant suggests. (See *Aryeh v. Canon Business Solutions, Inc.* (2013) 55 Cal.4th 1185, 1192 [listing equitable exceptions to statute of limitations].) VCERA's initial exclusion of Appellants from VCERA active membership based on their intermittent status occurred at least ten years ago—in some cases, more than *thirty* years have passed. Appellants did not receive VCERA service credit for the period of time during which they were not enrolled, and they could have challenged that denial of service credit within three years of the time when they were enrolled in VCERA. The time to bring such challenges, however, has long since passed. Notably, the unasserted claims of any similarly situated VCERA active, deferred, and retired members who might decide many years after their initial enrollment date that they too should have been enrolled in VCERA at an earlier date have also long expired. Appellants are time-barred from challenging their exclusion from VCERA based on their designation as intermittent employees, and the Board should deny them for that additional reason.

**D. Appellants may purchase VCERA service credit for their tenures as intermittent employees.**

As VCERA explained in its June 27, 2022 letter, Appellants may purchase VCERA service credit for the entirety of their tenures as intermittent employees. For intermittent service before January 1, 1992—i.e., before the County SHDBP went into effect—Appellants may simply purchase VCERA service credit, an option that Appellants Schaper and Trebbie have already exercised. Att. 1 ¶ 11. For intermittent service after January 1, 1992—i.e., for periods during which Appellants were enrolled in the SHDBP—appellants may roll over their SHDBP funds into the County's Supplemental 457 Plan after separation from service but before retirement. After rolling over these SHDBP funds, Appellants may purchase VCERA service credit for the corresponding tenure as an intermittent employee under Section 31641.5. Purchasing service credit would not affect Appellants' membership date in VCERA. (Cf. *Aquilino v. Marin Cty. Employees' Ret. Assn.* (1998) 60 Cal.App.4th 1509.) It would, however, be credited in the determination of their VCERA retirement allowances. And, to the extent that it was for pre-January 1, 1992 time periods that Appellants Rake and Yates may still purchase under Section 31641.5, it would result in their receiving additional credit towards the 30 years of service contemplated by Government Code section 31664 for the cessation of member contributions by safety members who receive retirement benefits under that benefit formula, as do Appellants Rake and Yates.

**3. CONCLUSION**

In sum, CERL, the VCERA Regulations, and other applicable law discussed herein preclude the Board from advancing Appellants' membership dates. VCERA therefore respectfully requests that the Board affirm VCERA's denial of Appellants' claim.

Sincerely,

A handwritten signature in black ink, appearing to read "Ashley K. Dunning". The signature is written in a cursive style with a large, stylized initial "A".

Ashley K. Dunning  
Nossaman LLP  
Attorneys for Ventura County Employees Retirement  
Association

# **ATTACHMENT 1**





- 1 j. Carey Rake: July 17, 1994
- 2 k. Tyler Ripley: February 1, 2015
- 3 l. Desi Rodriguez: May 11, 2003
- 4 m. James Rosco: March 21, 1999
- 5 n. Robert Schaper: February 12, 1995 (retired March 28, 2021)
- 6 o. Michael Trabbie: May 22, 1994
- 7 p. Kevin Yates: March 13, 1994

8 6. Before Appellants were enrolled in VCERA, they were employed by the County as  
9 “intermittent” employees for various periods of time. During their tenures as intermittent employees,  
10 Appellants were compensated on an hourly basis.

11 7. VCERA’s Bylaws and Regulations do not allow for persons employed on an intermittent,  
12 temporary or seasonal basis to become VCERA members unless and until they are appointed to a  
13 “permanent” or “regular” position—i.e., a position budgeted for by the County. Permanent/regular  
14 employees are mandatorily enrolled in VCERA as provided in Government Code section 31552 (which  
15 also permits certain waivers or exclusions from membership as provided therein and in board regulations).

16 8. The County currently provides biweekly payroll information about all of its employees to  
17 VCERA and transmits corresponding retirement contributions to VCERA only as to those individuals  
18 whom the County has appointed to permanent/regular positions who are enrolled in VCERA membership.  
19 If individuals who were in intermittent, temporary, or seasonal status become VCERA members, and those  
20 members inquire about purchasing prior nonmembership County service for periods of “intermittent” work  
21 before January 1, 1992 under Government Code section 31641.5, the County will provide that historic  
22 information to VCERA if it is available.

23 9. VCERA does not challenge County hiring practices with respect to intermittent employees,  
24 but it does require enrollment in VCERA membership for all individuals whom the County appoints to  
25 permanent/regular employee status, unless any particular individual is permitted by statute and board  
26 regulation to waive membership.





## **ATTACHMENT 2**

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
BOARD OF RETIREMENT  
BYLAWS AND REGULATIONS

APPROVED BY THE BOARD OF RETIREMENT  
SEPTEMBER 23, 2019

APPROVED BY THE BOARD OF SUPERVISORS  
\_\_\_\_\_, 2019

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BYLAWS AND REGULATIONS

ARTICLE I. ADMINISTRATION

1. NAME: The name of this Association is "Ventura County Employees' Retirement Association" (hereinafter "VCERA").
2. AUTHORITY: VCERA is governed by the provisions of the County Employees Retirement Law of 1937 ("CERL") (California Government Code Section 31450 et. seq.).
3. MANAGEMENT: The management and administration of the VCERA is vested with the Board of Retirement (Board) as provided for by Government Code Section 31520 and Section 17A of Article XVI of the California Constitution.
4. BYLAWS: VCERA Bylaws, as adopted by the Board pursuant to Government Code Sections 31525, 31526 and 31527, are intended to be the rules and regulations governing the operation of the Retirement Board and the administration of VCERA.
5. ELECTION OF OFFICERS: At its first regular meeting in December, the Board shall elect from its members a Chair and Vice Chair to hold office for a period of one year commencing on January 1 of the following year. No member shall be elected to the position of Chair or Vice Chair until he/she has served on the Board for a minimum of one year.

The Chair shall preside at all meetings of the Board, shall appoint all committees and perform any other duties incidental to that office. The Vice Chair shall take the place of, and perform the duties of, the Chair in his/her absence. The Chair shall attest to Resolutions, Contracts and other such documents on behalf of the Board. In the absence of the Chair and Vice Chair, the Retirement Administrator shall preside for the sole purpose of facilitating the election of a presiding officer from among those members present, who shall preside only until the Chair or Vice Chair becomes available to do so.

6. EXECUTIVE STAFF: Notwithstanding Government Code Sections 31522.1 and 31522.2, Executive Staff identified in Government Code Section 31522.10 shall be appointed by the Board. The Retirement Administrator shall serve as the chief executive officer to the Board and, under the general direction of the Board, shall plan, organize, direct and supervise the activities, budget and operations of the VCERA office and its personnel, unless otherwise designated by the Board. The Administrator shall be directed by, serve at the pleasure of, and may be dismissed at the will of the Board.

7. COMMITTEES: The Chair of the Board shall appoint committees as necessary to carry out the business of the Board. Each committee shall consist of no fewer than three Board members and shall include at least one elected and one appointed Board member, unless the Board approves an alternative composition by majority vote. Committee meetings may be called by the committee Chair or Board Chair.
8. BOARD MEMBER CONFLICT OF INTEREST: The Board shall establish and maintain a *Conflict of Interest Code*, applicable to its Board members and designated employees. *Statements of Economic Interests* shall be filed with and maintained by the Retirement Administrator.

## ARTICLE II. MEETINGS

1. REGULAR: The Board shall adopt an annual calendar of meetings; regular meetings of the Board shall be held on the first and third Monday of each month, though generally avoiding legal holidays and consecutive Mondays. Meetings will be held at 9:00 a.m. at the offices of the Ventura County Employees' Association. A regular meeting may be rescheduled for an earlier or later time, or day, or held at a different location if ordered by a majority vote of members of the Board.

Disability hearings and business will be scheduled for the first meeting of the month; investment and administrative business of the Board may be considered as well. The second meeting will generally be devoted to investment and administrative business of the Board, though disability matters may be scheduled at the direction of the Chair. No meetings shall be held on a legal holiday, recognized by the County of Ventura.

2. SPECIAL: Special meetings of the Board of Retirement may be called at any time by the Chair, Vice Chair, or by vote of five members of the Board.
3. NOTICE: Notice of all regular, special and -committee meetings of the Board shall be provided as required by the Ralph M. Brown Act (Brown Act), Government Code Section 54950 et. seq.
4. CLOSED MEETINGS: The Board may meet in closed session to consider and vote on litigation, personnel and disability related matters so long as such issues are conducted in accordance with the provisions of the Brown Act.
5. ORDER OF BUSINESS: The Chair shall require approval of the agenda at the beginning of each meeting. In the absence of instructions from the Board, the order of business set forth on the agenda shall be at the discretion of the Retirement Administrator. The Chair shall have the discretion to call for discussion and/or action on any agenda item in the order deemed by the Chair to be most efficient.
6. RULES OF ORDER: The Board shall conduct its business in accordance with the provisions of the Government Code and these regulations. The Chair shall be entitled to vote on all issues to the extent permitted by law.

7. QUORUM: Five members of the Board who are eligible to vote at the same time shall constitute a quorum.
8. MINUTES: The Retirement Administrator shall record in the minutes the time and place of each meeting of the Board, the names of the members present, all official acts of the Board, the votes given by the members of the Board, and when requested, a member's dissent or approval with the stated reasons. The minutes shall be presented to the Board for approval at the next regular meeting. The minutes shall be signed by the chair of that meeting, and shall become a permanent record of the Board.
9. PUBLIC COMMENT: The Board shall permit public comment on any item on the agenda and shall include a public comment section on the agenda in order to allow comment on items relating to the retirement system that are not listed on the agenda. The Chair may limit public comment to no more than five minutes.
10. COMPENSATION: Appointed and elected retired members of the Board shall be compensated in accordance with Government Code section 31521. The Treasurer and elected general and safety members of the Board shall not receive such compensation, but shall receive regular County/District compensation while attending official Board meetings and functions including, but not limited to, other meetings, conferences, due diligence visits and training sessions authorized by the Board of Retirement during regular working hours.

### ARTICLE III. MEMBERSHIP

1. EMPLOYEES INCLUDED: All non-safety regular employees of the County of Ventura, and other employer members of the Ventura County Employees' Retirement Association, who are scheduled to work 64 hours or more biweekly, and all safety employees of the County and the Ventura County Fire Protection District shall become members of VCERA on appointment. Members may delay the effective start date of their membership up to twelve weeks after the date of employment for the purpose of establishing reciprocity with another public retirement system as described in CERL.
2. EXCLUDED POSITIONS: Employees who are filling positions that meet any of the following descriptions shall be excluded from membership in VCERA:
  - (A) Extra Help Employee: A person employed for temporary work on a day to day basis who is compensated on an hourly basis.
  - (B) Intermittent Employee: A person employed for intermittent or temporary work on a day to day basis who is compensated on an hourly basis.
  - (C) Part-Time Employee: A regular employee scheduled to work less than 64 hours biweekly.

Regular employee members who reduce their scheduled work hours to below 64 biweekly shall be required to retain membership in VCERA. Those employees will contribute to, and accrue retirement service credit on a pro rata basis.

3. EXCLUSION FROM MEMBERSHIP: Exclusions from membership for a regular employee member shall not be granted by the Board under any circumstances.
4. ELECTED OFFICIALS: Membership in the VCERA is optional for elected officials, in accordance with Government Code 31553.
5. DETERMINATION OF ELIGIBILITY: In all cases, the Board shall determine eligibility for membership in VCERA.

#### ARTICLE IV. REDEPOSIT OF CONTRIBUTIONS WITHDRAWN

1. REDEPOSIT OF CONTRIBUTIONS WITHDRAWN: An active or deferred member of VCERA may, prior to filing an application for retirement, redeposit in lump sum, or, in the case of an active member, by payroll deductions not to exceed a cumulative total of five years, an amount equal to all of the accumulated normal contributions he/she has withdrawn, plus regular interest thereon from the date of separation from the retirement system as provided by Government Code section 31652.
2. DEDUCTION OF PAST DUE CONTRIBUTIONS: If, as a result of a clerical or other type of error, retirement contributions are not deducted at the time and manner required by law, or by the regulations of the Board, the member will be permitted to make past due contributions through payroll deductions over a period of time not to exceed one year.

#### ARTICLE V. SWORN STATEMENT

Every employee who is to become a member of VCERA shall complete a sworn statement, with written or electronic signature, as provided in Government Code Sections 31526(b)(1) and 31527(i). Such statement shall show the member's date of birth, date of hire by the County or other participating employer of the Ventura County Employees' Retirement Association, compensation and the name, relationship, date of birth and address of the member's designated beneficiary.

#### ARTICLE VI. USE OF ELECTRONIC SIGNATURES & RECORDED TELEPHONE COMMUNICATIONS FOR TRANSACTIONS

The Board of Retirement may adopt procedures to allow for use and acceptance of member electronic signatures and/or use of recorded telephone communications for processing authorized transactions affecting a member's account, as provided in Government Code Section 31527 (i) and (j).

ARTICLE VII. DISABILITY RETIREMENT

1. DISABILITY HEARING PROCEDURES: The Board of Retirement shall promulgate disability hearing procedures to ensure fair and efficient proceedings regarding applications for disability retirement. The Board of Retirement Disability Hearing Procedures are appended to these bylaws as Attachment A.

ARTICLE XIII. AMENDMENTS

These regulations may be amended by a quorum of the Board of Retirement and shall become effective on the first day of the month following approval by the Ventura County Board of Supervisors.

ARTICLE IX. REPEALS

All former Bylaws, regulations, and resolutions of policy inconsistent with these regulations are hereby repealed.


Bylaws Adopted by the Board of Retirement September 23, 2019.



William W. Wilson, Vice-Chair

Upon the motion of Supervisor Supervisor Zaragoza, seconded by Supervisor Supervisor Bennett, the Board of Retirement Bylaws are hereby APPROVED this 14th day of January, 2020.

ATTEST: MICHAEL POWERS  
Clerk of the Board of Supervisors  
County of Ventura, State of California

By:   
Deputy Clerk of the Board

  
Kelly Long, Chair  
BOARD OF SUPERVISORS  
COUNTY OF VENTURA





**BOARD MINUTES  
BOARD OF SUPERVISORS, COUNTY OF VENTURA, STATE OF CALIFORNIA**

**SUPERVISORS STEVE BENNETT, LINDA PARKS,  
KELLY LONG, ROBERT O. HUBER AND JOHN C. ZARAGOZA  
January 14, 2020 at 8:30 a.m.**

**COUNTY EXECUTIVE OFFICE - Approval of the Amended Bylaws and Regulations  
of the Ventura County Employees' Retirement Association.**

- (X) All Board members are present.
- (X) The following person is heard: Mike Pettit.
- (X) Upon motion of Supervisor Zaragoza, seconded by Supervisor Bennett, and duly carried, the Board hereby approves recommendations as stated in the Board letter.

By Lori Gaines  
Lori Gaines  
Deputy Clerk of the Board



# **ATTACHMENT 3**

**COUNTY OF VENTURA  
SAFE HARBOR RETIREMENT PLAN  
SUMMARY PLAN DESCRIPTION  
March 2018**

**INTRODUCTION**

The County of Ventura Safe Harbor Retirement Plan, part of the Supplemental Retirement Plan ("Plan"), is a defined benefit pension plan implemented effective January 1, 1992. The purpose of the Plan is to provide eligible employees with an additional source of income upon retirement, in compliance with the Omnibus Reconciliation Act of 1990 (OBRA '90).

You are required to participate in the Plan if you are designated as an extra-help, intermittent, or part-time employee and you are excluded from participation in the Ventura County Employees Retirement Association (VCERA). This Plan is in lieu of Social Security. While eligible for the Plan, you are not required to pay into Social Security. However, you will be required to contribute 3% of your pay to the Plan beginning with your first pay period of eligible employment. The County will also provide contributions to the Plan. The employer contribution rates vary annually based on an actuarial valuation. Reserve firefighters and those persons who are already receiving a pension benefit from the County of Ventura are excluded from participation in this Plan.

If you are an ineligible employee and later become eligible to participate in the Plan, you will begin to participate on the date you first become eligible. If you are an eligible employee and later become ineligible to participate in the Plan, no further contributions will be required on your behalf. Contributions cannot be transferred to another retirement system and are not refunded to you when you terminate service with the County of Ventura. Your contributions will remain in the Plan until you are eligible for a retirement benefit as described in the "Retirement Eligibility" section of this Summary Plan Description (SPD).

**RETIREMENT ELIGIBILITY**

If you are age 65, and no longer employed by the County in any capacity, you are eligible to apply for your full, or maximum, retirement benefit (normal retirement) under the Plan. If you are between ages 50 and 65, and no longer employed by the County in any capacity, you are eligible to apply for an early, or reduced, retirement benefit. Both the normal retirement benefit at age 65 and the early retirement benefit are described later in this SPD.

**DEFERRED RETIREMENT**

You may, if you choose, delay your application for retirement benefits. If you continue to work, you will continue to accrue (accumulate) benefits under the Plan. Benefit calculations will be based on the date you notify the Plan you wish to begin benefits, or your employment termination date, whichever is later. Benefit payments begin approximately four to six weeks following the date you return the signed application for distribution, or your employment termination/retirement date, whichever is later. Federal law requires that you begin to receive benefit payments when you reach age 70½, or when you retire, whichever occurs later. If you have reached age 70½, are not currently employed by the County, and have not filed a pension application, the Safe Harbor Retirement Plan Administrator will file on your behalf.

**PRE-RETIREMENT DEATH BENEFIT**

In the event of your death before retirement, your beneficiary will be entitled to receive a lump sum payment of your accumulated contributions, plus interest, credited at the rate of 5% annually.

## BENEFICIARY DESIGNATION

Keep your beneficiary designation current. Beneficiary forms are available from the Safe Harbor Retirement Plan Administrator. Both you and your spouse, or Domestic Partner, must sign the beneficiary form if you are married and designate a primary beneficiary other than your spouse. In the event you survive your designated beneficiary or do not have a beneficiary designation on file, distribution will be paid in the following order: surviving spouse or Domestic Partner, dependents, executor, or next of kin.

## IF YOU BECOME INELIGIBLE OR TERMINATE EMPLOYMENT

If you become ineligible for the Plan or terminate employment with the County of Ventura for any reason other than death or retirement, your funds will remain on deposit and you will be entitled to receive your accrued benefit commencing no earlier than age 50. If your employment terminates after you have reached age 70½, the Safe Harbor Retirement Plan Administrator will file a pension application on your behalf.

## STANDARD BENEFIT CALCULATION

The standard benefit calculation is based on the Plan's normal retirement age of 65. This is the maximum benefit you will receive from the Plan and will not increase after age 65 unless you continue to work for the County. Your benefit is determined by adding your eligible earnings (as defined under the Plan), up to the Social Security wage limit, for each of the years you participated in the Plan. Under no circumstances shall any employment with the County prior to January 1, 1992 be included in the computation of any benefit under this Plan. The sum of your earnings is multiplied by 2% to calculate the annual benefit, and then divided by 12 to determine the monthly benefit amount. This amount is then multiplied by an age-based actuarial factor to determine the present value of your retirement benefit. If the present value is greater than \$5,000, you will receive a monthly lifetime annuity (see Example 1). If the present value is less than \$5,000, your benefit will be paid to you in a lump sum, in lieu of receiving a monthly lifetime annuity (see Example 2).

**Example 1**  
**Standard Benefit Calculation – Age 65**  
**Present Value Greater than \$5,000**

Assuming you first began participation in the Plan in 1992 and retire in 1995 at 65, the retirement benefit calculation would be as follows:

Step 1: Add total career earnings, multiply by 2% to determine the annual benefit, then divide by 12 to determine the estimated monthly benefit amount.

1992 earnings	\$14,900
1993 earnings	10,800
1994 earnings	18,700
1995 earnings	<u>16,500</u>
Total earnings	\$60,900

$$\$60,900 \times 2\% = \$1,218.00 \div 12 = \$101.50 \text{ monthly benefit}$$

Step 2: Calculate the present value of the benefit by multiplying the monthly benefit by an age-based actuarial factor.

$$\$101.50 \times 125.0637 \text{ (age 65 actuarial factor)} = \$12,693.97 \text{ present value of benefit}$$

*Since the present value of \$12,693.97 is greater than \$5,000, the benefit would be payable to you in monthly installments of \$101.50.*

**Example 2**  
**Standard Benefit Calculation – Age 65**  
**Present Value Less than \$5,000**

Assuming you first began participation in the Plan in 2001 and retire in 2003 at 65, the retirement benefit calculation would be as follows:

Step 1: Add total career earnings, multiply by 2% to determine the annual benefit, then divide by 12 to determine the estimated monthly benefit amount.

2001 earnings	\$5,000
2002 earnings	4,250
2003 earnings	<u>2,000</u>
Total earnings	\$11,250

$$\$11,250 \times 2\% = \$225.00 \div 12 = \$18.75 \text{ monthly benefit}$$

Step 2: Calculate the present value of the benefit by multiplying the monthly benefit by an age-based actuarial factor.

$$\$18.75 \times 125.0637 \text{ (age 65 actuarial factor)} = \$2,344.94 \text{ present value of benefit}$$

*Since the present value of \$2,344.94 is less than \$5,000, the benefit would be payable to you in a lump sum.*

**EARLY RETIREMENT OPTION**

If you choose to retire earlier than age 65, the benefit you receive will be actuarially adjusted (reduced) for the earlier retirement age. Assuming the same total career earnings of \$60,900 and a monthly benefit of \$101.50 (as in Example 1, Step 1), the benefit amount for earlier ages is shown below in Examples 3 and 4 (which pick up at Step 2 of the calculation).

**Example 3**  
**Early Retirement Benefit Calculation – Age 63**  
**Present Value Greater than \$5,000**

Step 2: Calculate the present value of the benefit by multiplying the monthly benefit by the age-based actuarial factor.

$$\$101.50 \times 106.8497 \text{ (age 63 actuarial factor)} = \$10,845.24 \text{ present value of benefit}$$

*Since the present value of \$10,845.24 is greater than \$5,000, the calculation continues to determine the actuarially adjusted monthly payment amount.*

Step 3:  $\$101.50 \times .8274 \text{ (age 63 actuarial adjustment)} = \$83.98 \text{ monthly benefit age 63}$

**Example 4**  
**Early Retirement Benefit Calculation – Age 50**  
**Present Value Less than \$5,000**

Step 2: Calculate the present value of the benefit by multiplying the monthly benefit by the age-based actuarial factor.

$$\$101.50 \times 40.0236 \text{ (age 50 actuarial factor)} = \$4,062.40 \text{ present value of benefit}$$

*Since the present value of \$4,062.40 is less than \$5,000, the benefit would be payable to you in a lump sum.*

## JOINT AND SURVIVOR ANNUITY OPTION

The examples above assume you have selected the standard or "single life" option. There is also a joint and survivor annuity option available to you if you are married, or a Domestic Partner, at least one year as of the date that is 90 days prior to your retirement date and your retirement benefit is paid as a monthly annuity (present value greater than \$5,000). You will be required to provide a marriage certificate or registered Domestic Partner certification if you select this option.

Under this option, you will receive a reduced monthly benefit amount that continues to be paid to your eligible surviving spouse or Domestic Partner after your death. The monthly benefit is actuarially adjusted for the ages of you and your spouse or Domestic Partner. Example 5 assumes the same total career earnings of \$60,900 and a "single life" monthly benefit of \$101.50 (as in Example 1, Step 1). The benefit amount for the joint and survivor annuity option below picks up at Step 2 of the calculation.

### Example 5 Joint and Survivor Annuity Benefit Calculation

The example assumes a participant age 65 and a spouse/Domestic Partner age 66.

Step 2:  $\$101.50 \times .89512$  (joint and survivor annuity factor) = \$90.85 monthly benefit payable to retiree and continuing to eligible spouse/Domestic Partner after retiree's death.

## LUMP SUM DISTRIBUTION OPTIONS

If your benefit is payable as a lump sum, you may elect either of these options:

- > Taxable distribution: You will receive the net amount, after applicable federal and state taxes are withheld. Benefit amounts of less than \$200 are not subject to taxes.
- > Nontaxable rollover distribution: The benefit will be paid directly to an eligible retirement plan with no taxes withheld.

## HOW TO APPLY FOR RETIREMENT BENEFITS

When you are ready to apply for retirement benefits, contact the Safe Harbor Retirement Plan Administrator for an estimate of the benefits payable to you and the forms you will need to start payment of your retirement benefit. The monthly retirement benefit will not start automatically, or be retroactive to, when you become eligible to retire. You must file a Safe Harbor Application for Distribution of Plan Benefits in order to begin receiving retirement benefits.

The Ventura County Employees' Retirement Association (VCERA) and this Safe Harbor Retirement Plan are separate plans. If you are also entitled to VCERA retirement benefits, you do not need to file for Safe Harbor and VCERA benefits at the same time. You can have different retirement dates for each plan. To apply for VCERA benefits, contact VCERA directly at 805/339-4250.

## **SAFE HARBOR RETIREMENT PLAN ADMINISTRATOR**

If you have any questions regarding your benefits under this Plan, please contact the Safe Harbor Retirement Plan Administrator by mail, e-mail, or phone:

Safe Harbor Retirement Plan Administrator  
CEO – Human Resources Division  
800 South Victoria Avenue #1970  
Ventura, CA 93009 – 1970  
safe.harbor@ventura.org  
805/654-2921

## **SOCIAL SECURITY DISCLOSURE**

The pension benefit you receive from this Plan may affect the amount of Social Security benefit you receive. Under the Windfall Elimination Provision, your Social Security benefit is figured using a modified formula when you are also entitled to a pension from a job where you did not pay Social Security tax. As a result, you will receive a lower Social Security benefit than if you were not entitled to a pension benefit from this Plan. Under the Government Pension Offset Provision, any Social Security spouse or widow(er) benefit to which you become entitled will be offset if you also receive a federal, state, or local government pension based on work where you did not pay Social Security tax. The offset reduces the amount of your Social Security spouse or widow(er) benefit.

For additional information on your Social Security benefits, the Windfall Elimination Provision, or the Government Pension Offset Provision, contact Social Security by phone at 800/772-1213 or by logging on at [www.socialsecurity.gov](http://www.socialsecurity.gov). You could also contact your local Social Security office.

## **IMPORTANT NOTICE**

The preceding information is intended to provide you with a summary description of the retirement plan that has been implemented for eligible extra-help, intermittent, and part-time employees. Consequently, regardless of any inferences you may have drawn from this information, if there is any conflict between this information and the Plan Document, the Plan Document shall prevail. No statement in this summary description shall be considered a legally binding interpretation, enlargement, or amendment of the provisions within the Plan Document or applicable federal law.

The employer reserves the right at any time, or times, to amend or terminate this Plan. All participants and any persons claiming any interest in the Plan may be bound by any amendments. This Plan is not in any way to be deemed a contract between the employer and the employee and it in no way affects the employment contract of any employee.

# **ATTACHMENT 4**

**A RESOLUTION OF THE BOARD OF SUPERVISORS  
WHICH DESCRIBES THE PERSONNEL RULES AND REGULATIONS  
FOR EMPLOYEES OF THE COUNTY OF VENTURA**

The Board of Supervisors of the County of Ventura resolves as follows:

**ARTICLE 1  
TITLE AND PURPOSE**

- Sec. 101** This Resolution describes the definitive guidelines which are adopted to provide a consistent, equitable, effective and efficient program of personnel administration for management, employees and the citizens of the County of Ventura. This Resolution, along with Memoranda of Understanding and Memoranda of Agreement and separate document for unrepresented employees, describes the employment plan for employees of the County of Ventura and shall be known as the Personnel Rules and Regulations.
- Sec. 102** All sections of these Rules and Regulations shall be applicable to employees exempted from the classified service except those sections of articles whose subject matter is described by Section 1345, et.seq., of the Ventura County Ordinance Code, including but not limited to examinations, grievance procedure, disciplinary appeals, classification, probationary periods, etc. Articles 19 and 25 of these Rules and Regulations shall be applicable to all employees of the County.
- Sec. 103** The County of Ventura may enter into Memoranda of Understanding or Agreement with recognized employee organizations which regulate the wages, hours and working conditions of employees exclusively represented by such employee organizations. In the event such Memoranda of Understanding or Agreement are ratified by the Board of Supervisors, the terms of such Memoranda of Understanding or Agreement shall prevail over inconsistent terms contained in these Personnel Rules and Regulations. Such Memoranda of Understanding or Agreement shall be reviewed by the Civil Service Commission prior to ratification by the Board of Supervisors to advise the Board if such Memoranda has an impact on these Personnel Rules and Regulations. Such advice shall be filed with the Board within seven calendar days after receipt by the Civil Service Commission.
- Sec. 104** Rules and Regulations which regulate the wages, hours, and working conditions of unrepresented employees may be established from time to time by resolution of the Board of Supervisors.
- Sec. 105** **Gender** - Words used in the masculine gender include all employees.



## ARTICLE 2 DEFINITIONS

- Sec. 201** *Purpose:* Unless the context otherwise requires, the definitions contained in this Article govern the construction of these Rules and Regulations. The definition of a word applies to any of its variants.
- Sec. 202** *Allocation:* The assignment of a position to a department or agency.
- Sec. 203** *Anniversary Date:* The date upon which an employee is eligible to receive a merit increase.
- Sec. 204** *Appointment:* The offer to a person and his acceptance of a position authorized by the Board of Supervisors.
- Sec. 205** *Appointing Authority:* The group or person having the power and authority to make appointments or to remove persons from positions in the County Service. This term is generally used to designate, but is not limited to, the elective or appointive heads of County Departments or Agencies or their authorized representatives.
- Sec. 207** *Board:* When used alone means the Board of Supervisors of the County of Ventura.
- Sec. 208** *Bona Fide Occupational Qualification:* Any qualification reasonably necessary for the normal operation of a particular job, position or classification.
- Sec. 209** *Certification:* The submission of names of eligibles for appointment to an appointing authority by the Director-Human Resources.
- Sec. 210** *Classification:* A group of positions having duties and responsibilities sufficiently similar that the same salary, title, example of duties and employment standards may be applied.
- Sec. 211** *Classification Plan:* The grouping together of positions into classes, and classes into series.
- Sec. 212** *Classification Series:* A group of classifications of the same general character of work but differing as to level of difficulty and responsibility.
- Sec. 213** *Classified Employees:* All employees of the County not specifically exempted from the County of Ventura Civil Service System.
- Sec. 214** *Commission:* Unless otherwise specified, the Ventura County Civil Service Commission.

- Sec. 215** *County*: Means the County of Ventura.
- Sec. 216** *County Service*: the performance of official duties for the County of Ventura while on provisional, probationary or permanent status, or any combination thereof.
- Sec. 217** *Days*: Means calendar days unless otherwise specified.
- Sec. 218** *Demotion*: A change of status of an employee from one classification to another classification that has a lower salary range.
- Sec. 219** *Department/Agency*: A unit of County government headed by a person responsible to the County Executive Officer, Board of Supervisors or the electorate.
- Sec. 220** *Department/Agency Head*: An employee who is elected, appointed or employed as the person responsible for a County Department or Agency.
- Sec. 221** *Discrimination*: Any act, practice, or course of conduct which is not job related and which constitutes or results in inequality of treatment of any person or group of persons because of race, color, religion, national origin, sex, age, of functional limitation as defined in applicable State and Federal law.
- Sec. 222** *Dismissal*: Removal for cause from office or employment, unless otherwise specified.
- Sec. 223** *Division*: A major unit within a department or agency.
- Sec. 224** *Eligible*: Any person placed on an eligible list with a passing score.
- Sec. 225** *Eligible List*: A list of persons by classification who have qualified through examination for appointment.
- A. Classification Reinstatement List - A list of employees demoted due to a reduction in workforce. To remain on a classification reinstatement list, a person must maintain status as a regular County employee.
  - B. Agency/Department List - A list of employees in an agency/department qualified by examination for promotional appointment to a position in the department/agency. To remain on an agency/departmental list, a person must hold status within the County service. For persons on an agency/departmental eligible list who do not currently hold status in the agency/department, such

persons shall have their names certified for selection only if the regular position to be filled is vacant.

- C. Countywide List - A list of County employees qualified by examination for promotional appointment to a position in a department/agency. To remain on the Countywide list, a person must hold status within the County service.
- D. Re-employment List - A list for each classification of persons eligible for re-employment.
- E. Reinstatement List - A list for each classification of persons eligible for reinstatement.
- F. Open List - A list of persons qualified for employment in a classification as a result of an open examination.

**Sec. 226** **Employee:** Except for elected officials, a person employed by the County of Ventura.

**Sec. 227** **Employment Standards (Minimum Qualifications):** The minimum experience, educational, physical, medical, licensure, certification, training standards and/or requirements, and required skills, knowledge and abilities for a classification as established by the Director-Human Resources.

**Sec. 228** **Examination:** The process used to qualify a person for employment or to make any differentiation between applicants.

**Sec. 229** **Extra Help Employee:** A person employed for temporary work on a day-to-day basis.

**Sec. 230** **Extra Help Position:** A position intended to be occupied on less than a year-round basis to cover seasonal peak workloads, emergency extra workloads of a limited duration, necessary vacation relief, and other situations involving a fluctuating staff.

**Sec. 231** **Fixed Term Employee:** All employees who hold an appointment in a fixed term position. Such appointments are made from appropriate eligible lists and subject to conditions set forth for regular classified employees. (Adopted 7/31/84)

**Sec. 232** **Fixed Term Position:** A position designated by the Director-Human Resources or Board of Supervisors to which persons may be appointed for fixed terms not to exceed three (3) years. (Adopted 7/31/84)

- Sec. 233** *Immediate Family:* The husband, wife, parent, brother, sister, child, grandchild, grandparent, mother-in-law, father-in-law, brother-in-law, or sister-in-law of an employee.
- Sec. 234** *Intermittent Employee:* A person employed for intermittent/temporary work on a day-to-day basis.
- Sec. 235** *Layoff:* Termination of services, without fault on the part of the employee, because of lack of work, lack of funds, or in the interest of economy.
- Sec. 236** *Leave of Absence:* An authorized absence from duties with or without pay.
- Sec. 237** *Memorandum of Understanding or Agreement:* Means an agreement between the parties reduced to writing subject to approval of the Board of Supervisors.
- Sec. 238** *Officer:* An elected or appointed department/agency head enumerated in Section 24000 of the California Government Code and such other officers as are provided by law.
- Sec. 239** *Performance Report:* A periodic evaluation of an employee's work reflected on forms approved by the Director-Human Resources.
- Sec. 240** *Permanent Employee:* An employee who has completed an initial probationary period.
- Sec. 241** *Human Resources Department:* The County department responsible for the recruitment, examining, classification, recordkeeping, and other personnel functions.
- Sec. 242** *Director-Human Resources:* The title of Director-Human Resources refers to the person occupying that classification or his designee.
- Sec. 243** *Position:* An aggregation of tasks and responsibilities requiring the services of one individual.
- Sec. 244** *Probationary Employee:* A person appointed through a certification to a classified position who has not held permanent status in the classified service immediately prior to such appointment.
- Sec. 245** *Probationary Employee - Promotional:* A person appointed through a certification to a classified position who has held permanent status in the classified service immediately prior to such appointment.

- Sec. 246** *Probationary Period:* Unless otherwise specified, the trial period during the first six months (or 1,040 hours exclusive of overtime) of employment following appointment from an eligible list to a classification in the County service.
- Sec. 247** *Promotion:* Appointment from a position in one class to a position in a class which has a higher salary range.
- Sec. 248** *Provisional Appointments:* The conditional appointment, pending an examination, of a qualified person to fill a position for which no appropriate eligible list exists
- Sec. 249** *Recruitment:* The process used to attract qualified persons to apply for employment or promotion.
- A. Agency/Department Recruitment - A recruitment open only to those persons who hold status in the County service and who also hold status in the agency/department for which the examination is being conducted.
  - B. Countywide Recruitment - A recruitment which is open only to persons who hold status in the County service.
  - C. Open Recruitment - A recruitment open to any applicant.
- Sec. 250** *Re-employment:* The reappointment, within two years, of a former permanent employee who has been laid off.
- Sec. 251** *Regular Employee:* All employees who hold an allocated full time or part time position in the County budget excluding but not limited to extra help, fixed term, or intermittent employees, or enrollees in training programs, and independent contractors. (Amended 7/31/94)
- Sec. 252** *Reinstatement:* The reappointment of a person who held permanent status in a position prior to termination.
- Sec. 253** *Salary Advancement:* A salary increase based upon satisfactory performance, recommended by the appointing authority.
- Sec. 254** *Selective Certification:* The certification of an eligible by specific agency/department and/or geographic location; or certification based on bona fide occupational qualifications.
- Sec. 255** *Separation:* Any termination of employment.
- Sec. 256** *Specification:* The official description of a job classification.

- Sec. 257** **Standing:** The position of each person on an eligible list fixed in accordance with his final examination score, reinstatement date or re-employment status.
- Sec. 258** **Status:** The condition of an employee's present employment, such as provisional, probationary, or permanent.
- Sec. 259** **Suspension:** An involuntary, disciplinary absence without pay imposed on an employee by an appointing authority.
- Sec. 260** **Test Validation:** The process by which any test is shown to predict job performance or measure actual skills, knowledge, and/or abilities which are necessary to perform a particular job. The typical methods utilized in validating examinations are construct, content, and criterion related validity.
- Sec. 261** **Uninterrupted Employment:** Continuous County service from the date of employment, except by authorized absence.
- Sec. 262** **Unrepresented Employee:** An employee in a classification not represented by a recognized employee organization.
- Sec. 263** **Vacancy or Vacant Position:** Any unfilled position which has been allocated by the Board in the classified service.
- Sec. 264** **Voluntary Demotion:** The assignment of an employee to a lower classification in the County service at the employee's request.
- Sec. 265** **Y-Rate:** A policy concerning a salary placement as a result of reclassification to a lower position.

### ARTICLE 3 RECRUITMENT

- Sec. 301** **Purpose:** To attract and induce qualified persons to apply for employment or promotion.
- Sec. 302** **Content of Announcements:** The Director-Human Resources shall prepare announcements of examinations.
- A. For open recruitments, the announcements shall contain at least the job title, classification, rate of pay, the minimum employment standards, and the final filing date.

- B. For county-wide promotional and agency/departmental promotional recruitments, the announcement shall contain at least the following:
1. The title, class, minimum rate of pay, and minimum employment standards for the job to be filled;
  2. The date, hour and place where such examination will be held or instructions concerning the announcement of such information;
  3. The period during which applications for examinations will be received and where and how they shall be filed;
  4. The scope of the examination, weights of the various parts of the test, and a statement of typical duties of the job;
  5. Any special physical, medical or examination requirements, where such requirements are to be included in the examination, and such special employment standards as to education, training or experience;
  6. Any additional restrictions as to who may apply for the position.

**Sec. 303** *Modification of Employment Standards:* The Director-Human Resources may modify the minimum experience and education requirements for a class if the resulting requirements for the class are substantially equivalent to the approved classification specification and are printed on the examination announcement.

**Sec. 304** *Posting and Distribution of Announcements:* Determination of the final filing date and the distribution of announcements shall be made by the Director-Human Resources. Recruitments shall be conducted in such a manner as to insure that a sufficient number of qualified persons apply to meet the employment needs of the County. The length of agency/departmental promotional and countywide promotional recruitments shall be a minimum of ten (10) working days. Each County agency/department and each major division thereof, as well as each recognized employee organization, shall receive a minimum of one (1) copy of each announcement for distribution and posting. The length of an open recruitment shall be a minimum of five (5) working days.

**Sec. 305** *Paid Advertisements:* The Director-Human Resources may, at his discretion, authorize advertising in appropriate media and avail himself of other means of informing the public of job opportunities.

**Sec. 306** *Types of Recruitments:* Recruitments may be conducted in any of the following manners:

- A. Open Recruitment - A recruitment open to any applicant.
- B. Countywide Promotional Recruitment - A recruitment which is open only to persons who hold status in the County service. Provisional and extra help employees and enrollees in training and work programs shall not be eligible to compete in the County promotional examinations.
- C. Agency/Departmental Promotional Recruitments - A recruitment open to only those persons who hold eligible status with the County service and who also hold eligible status in the agency/department for which the examination is being conducted. Provisional and extra help employees and enrollees in training and work programs shall not be eligible to compete in agency/departmental examinations.

**Sec. 307** *Determination of Type of Recruitment:* Upon recommendation of the appointing authority, the Director-Human Resources shall determine whether an agency/departmental promotional, countywide promotional or open recruitment shall be conducted. Such determination shall be in accord with the best interests of the County. Where a sufficient number of employees holding status in lower positions have the requisite skills, knowledge and abilities for the vacancies, a strong consideration shall be given to conducting a countywide promotional or agency/departmental promotional recruitment. However, vacancies in appointed Department or Agency Head positions or interim appointive elective Department Head positions, may be filled through open recruitment.

**Sec. 308** *Non-Discrimination in Recruitment:* Recruitment activities of the County shall be conducted in such a manner as to attract qualified applicants without regard to race, color, national origin, religion, sex, age or functional limitation unless such functional limitation would prevent the applicant from performing the required functions of the position. To enhance non-discrimination in the recruitment efforts of the County, the Director-Human Resources may request the assignment of persons currently employed by the County to the County's recruitment activities. Such activities shall be conducted on County time and shall be reasonably controlled.



**Sec. 309** *Recruiting Salary.* In all instances, the recruiting salary shall be at the minimum rate of the salary range for the position unless a hiring rate at some other point within the salary range has been authorized by the Director-Human Resources or the Board of Supervisors. The Director-Human Resources may approve appointments up to the midpoint of the range. Appointments beyond the midpoint of the range require the approval of the Board of Supervisors.

#### **ARTICLE 4 APPLICATIONS**

**Sec. 401** *Application Forms:* An application form, as approved by the Director-Human Resources, shall be submitted by each applicant for each examination.

**Sec. 402** *Filing Date:* Unless otherwise indicated on the announcement, applications must be filed and received on or before the final filing date and the location or locations designated. A filing date may be extended by the Director-Human Resources.

**Sec. 403** *Verification of Information:* Information given in an application may be verified by the Director-Human Resources, and the applicants for the positions requiring special qualifications may be required by the Director-Human Resources to provide documentary evidence or a satisfactory degree of education, training, experience or licensing.

**Sec. 404** *Application Confidential:* The name or identity of an applicant for an examination or of a person who has failed the examinations shall not be made public without his written consent and the written consent of the Director-Human Resources.

**Sec. 405** *Non-discrimination:* No person applying for a position shall in any way be discriminated against because of race, color, national origin, religion, sex, age or functional limitation, as defined in applicable State and Federal law.

**Sec. 406** *Amended Applications:* Minor defects or omissions in an application on file may be corrected or supplied only after special permission from the Director-Human Resources has been granted. Such amendments may be made after the final filing date of the recruitment. The date of the change of the original application shall be written on the original application form and endorsed thereon.

**Sec. 407** *Residence:* An appointing authority shall not require an employee to be a resident of Ventura County. An appointing authority, with the approval of the Director-Human Resources, may require an employee to reside within a reasonable distance of his duty station.

**Sec. 408** *Disqualification:* The Director-Human Resources may refuse to examine or continue to examine an applicant or to certify an eligible who:

- A. Fails to meet any of the minimum employment standards or qualifications for the position for which he applies.
- B. Is physically or mentally unfit to perform the duties of the position for which he seeks appointment.
- C. Is addicted to the use of intoxicating beverages, narcotics or habit forming drugs.
- D. Has been convicted of a criminal offense involving moral turpitude.
- E. Has been dismissed for good cause from the County service or has resigned from County service in order to avoid dismissal.
- F. Has made a false statement as to any material matter, or has failed to disclose a matter under circumstances which warrant disclosure.
- G. Has practiced or attempted to practice any deception or fraud in his application, examination, or any other matter related to securing eligibility or appointment.
- H. Has failed to complete his application as required within the prescribed time limit.
- I. Fails to take and pass any examination or portion of the total examination for the position.

**Sec. 409** *Applications of Disqualified Applicants:* Applications of persons who have been disqualified shall not be used for any other examination, but shall be cancelled. Similarly, applications of persons who have failed to appear for examinations shall not be used for any other examinations, but shall be cancelled.

**Sec. 410** *Notification of Disqualified Applicant:* Notice of disqualification of an applicant shall be mailed to each disqualified applicant within twenty-one (21) days of the date of disqualification or concurrently with notification of eligibles.

**Sec. 411** **Applications Not To Be Returned:** Applications, whether accepted or rejected, shall not be returned.

**Sec. 412** **Grandfather Clause:** An employee who desires to compete in a promotional examination under educational requirements higher than those existing at the time he entered the lower related class may be permitted to compete, provided that, in the opinion of the Director-Human Resources, he has sufficient applicable experience in the employment of the County to substitute for the education lacked. Experience may be substituted only on the basis of a minimum of one year thereof for each year of education lacked.

## **ARTICLE 5 EXAMINATIONS**

**Sec. 501** **Purpose:** To test the knowledge, skills, abilities and fitness of persons seeking employment or promotions to ascertain the best qualified applicants.

**Sec. 502** **Nature of Examinations:** All examinations shall be devised to ascertain as far as practical the capacity of the applicant to perform the work of the classification or position and shall be conducted in a fair and reasonable manner.

**Sec. 503** **Non-Discrimination:** No examination or test shall be designed, used, or result in discrimination against any person because of their race, color, religion, national origin, sex, age, or functional limitation. No examination shall be administered for any County position until a thorough job analysis has been completed, job-related performance elements have been determined and reasonable content or construct validity is evident.

**Sec. 504** **Preparation of Examination:** The Director-Human Resources shall prepare or acquire all examinations given.

**Sec. 505** **Participation in Examination Procedures:** County employees may be called upon by the Director-Human Resources to assist in examination procedures with the approval of their Department or Agency Head; however, such County employees shall not both devise a specific examination as defined in Section 508 of these Rules and Regulations and score or rate said examination.

If the Director-Human Resources determines that the participation of a current employee of the Agency/Department for which the recruitment is

being conducted is necessary to enhance the quality and validity of an Agency/Departmental promotional examination, then no more than one (1) such employee may participate as a rater in an oral examination. The Agency/Departmental employee who is to serve as a rater in the oral examination shall be selected by the Director-Human Resources and shall not be the employee responsible for final selection, nor shall such rater be the examinee's immediate supervisor.

**Sec. 506** ***Examination Schedules:*** The Director-Human Resources shall schedule examinations in accordance with current and anticipated needs of the service. Scheduled examinations may be postponed or cancelled by the Director-Human Resources by notifying in advance all persons affected and posting public notice of the cancellation.

**Sec. 507** ***Continuous Testing:*** Examinations may be administered on a continuing basis.

**Sec. 508** ***Types of Examinations:*** Any device which is used to select a person for employment or used to make any differentiation between applicants is an examination. The results of examinations may be either scored ratings or pass/fail decisions concerning inclusion or exclusion for the remainder of the examination process. The Director-Human Resources may administer any appropriate device including but not limited to the following:

- A. Application Screening - The process by which candidates' applications, resumes or other required documentation are evaluated on a comparative basis against pre-established criterion.
- B. Oral Examinations - A test where questions, situations or role plays are submitted to an applicant or a group of applicants by a person or group of persons and the candidate's responses and observable behaviors to these situations and questions form the basis upon which the candidate is rated.
- C. Physical Performance Examination - A test composed of one or more events which require candidates to display their physical skills, strength, stamina or endurance, agility and/or speed.
- D. Practical Examination - A job task sampling where essential job duties and the job environment are simulated and the candidates are required to perform these job tasks while being observed by raters. The method of completing the tasks, the time required, and the final product are scored and evaluated. Practical examinations may also encompass actual job performance in the position and/or successful completion of any required job training.

- E. Promotability Review - A scored rating of candidates for promotional examinations where each candidate's previous on-the-job performance, educational and experienced background, and other job-related life experiences, which have been documented or observed, are rated by employee's supervisors, outside experts, or managers of the Department/Agency for which the promotional recruitment is being conducted. A Promotability Review Examination shall not be the sole testing device used in any examination to develop an eligible list.
- F. Questionnaire Examination - A form of written examination where applicants are required to submit additional information at the time of application which is elicited by means of written questions or statements.
- G. Total Assessment Examination - An examination process which evaluates candidates by using a combination of testing instruments which may include, but is not limited to, practical, written, oral, reference, and promotability review examinations.
- H. Written Examinations - A paper and pencil test which may include any portion or combination of the following types of items.
  - 1. True/False
  - 2. Multiple Choice
  - 3. Matching
  - 4. Completion
  - 5. Essay

**Sec. 509** *Retest Policy - Written Examinations:* Unless an exception is approved by the Director-Human Resources, no applicant may take the same written examination more than four (4) times within a calendar year except on open examinations where there will be no limit on the number of times an examination can be taken.

**Sec. 510** *Promotion in an Underfill Situation:* Whenever an employee is filling a position in a classification lower than that of the authorized allocation, an underfill situation exists. To be eligible for promotion to a higher allocation level, the employee must have either originally competed for appointment to the underfill position or must successfully compete with other candidates for the promotion to the higher allocated classification. In no case shall an employee in an underfill situation be promoted without a competition as described above. If a position which is being under filled is allocated at a higher level and if the employee in the underfill situation is satisfactorily and substantially performing the duties of the higher classification, and if the employee in the underfill situation meets the

established minimum employment standards for the higher classification, then such employee shall be promoted, provided that the other provisions of this section are met.

**Sec. 511** *Promotion by Nomination:* Whenever there are three or fewer qualified applicants or whenever there are three or fewer qualified employees in an agency/department who file application for examination, the appointing authority may, upon written justification and approval of the Director-Human Resources conduct a selection interview. If the decision of the appointing authority is unsatisfactory to a competing employee, he may petition within seven calendar days to the Civil Service Commission.

**Sec. 512** *Suspension of Examination:* In the event of the creation of a new classified position or of a vacancy in any classified position requiring peculiar and exceptional qualifications of a scientific, professional, or expert nature, upon satisfactory evidence that a competitive examination is impractical, and that the position can be filled by a person of recognized attainment, the competitive examination may be suspended by the Director-Human Resources. No such suspension of examination shall be general in its application to such position. The Director-Human Resources shall report to the Board of Supervisors the reasons for suspension of any examination. The foregoing provisions are not applicable to newly created positions or vacancies in appointive or appointive interim elective department head vacancies.

**Sec. 513** *Examination Scores:* Unless otherwise provided on the examination announcement, applicants shall be required to attain a passing score of not less than seventy percent (70%) on each part of an examination in order to be placed on the eligible list. However, the Director-Human Resources may increase or decrease the minimum score required for an examination by no more than ten percent (10%). An explanation of such action shall be placed on file by the Director-Human Resources. The determination to increase or decrease the required minimum score shall be made in accordance with the following factors:

- A. Difficulty of examination.
- B. Quality of competition.
- C. Current needs of the County service.

**Sec. 514** *Examination Weights:* The Director-Human Resources shall determine the weight of each part of an examination.

**Sec. 515** *County Service Points:* In open examinations, additional credit in the amount of five percent (5%) of the maximum score attainable shall be

given to all eligible County employees who have attained permanent status. Provisional, extra help employees and enrollees in training and work programs are not eligible to receive this additional credit. Such credit shall only be allowed if the employee attains a passing score on each phase of the examination. No credit shall be given in a Countywide or agency/department promotional examination. Credit available pursuant to this section is an alternative to Veteran's preference credit provided in Section 517 and both cannot be given simultaneously to an employee or applicant.

**Sec. 516** ***Veteran's Points:*** Any person who has been discharged or released under condition other than dishonorable within fifteen (15) years of the final filing date for the position being examined, and who enters a competitive Civil Service Examination for entry level and trainee classifications as designated by the Director-Human Resources, shall receive a preferential credit of five percent (5%) of the maximum score attainable in the examination. Persons retired with pension from the various military services shall not receive this preferential credit. Notwithstanding their date of discharge, veterans who have a service-connected disability rating of twenty percent (20%) or more shall be eligible to receive this preferential credit. Such credit shall be allowed only if the veteran attains a passing score in each phase of the examination. No veteran's credit shall be given in a Countywide or agency/departmental promotional examination. Presentation of discharge papers or a certified copy thereof for inspection by the Director-Human Resources prior to the final filing date of the announcement shall be required of all applicants seeking Veteran's preference credit.

**Sec. 517** ***Final Examination Scores:*** In order to be placed on the eligible list for the classification, each applicant must attain a final examination score of seventy percent (70%) or more. For the purpose of determining the standing in which an eligible is placed, only the final examination score shall be rounded off to the nearest whole number.

**Sec. 518** ***Standings:*** Final examination scores inclusively of 95% to 100% shall fall in Standing No 1; scores from 90% to 94% shall fall in Standing No. 2; scores from 85% to 89% shall fall in Standing No. 3; scores from 80% to 84% shall fall in Standing No. 4; scores from 75% to 79% shall fall in Standing No. 5; scores from 70% to 74% shall fall in Standing No. 6.

**Sec. 519** ***Notice of Results:*** As soon as the eligible list is established, each applicant who took the examination shall be notified by mail whether he passed or failed, and, if he passed, his final examination score and his relative position on the eligible list.

- Sec. 520** *Written Examination Review:* Except when the County is subject to contractual limitations with test publishers, any person who took a written examination may inspect the records of his rating and review his answer sheet and a keyed correction overlay within a period twelve (12) calendar days from the date of written notification of the results. The Director-Human Resources shall, upon written request by an applicant, authorize another person to review the applicant's rating records and examinations. An applicant shall not have the right to re-examine the test questions.
- Sec. 521** *Oral Examination Review:* Access to individual oral examination rating forms and tape recordings of oral examinations shall not be granted to persons other than the Director-Human Resources, his designated representative, or the Civil Service Commission, unless subpoenaed by a court of competent jurisdiction. The Director-Human Resources, or his representative, shall summarize oral ratings and comments for applicants, or his designated representative, upon request. Such request for review and summation must be made by an applicant within a period of seven (7) calendar days from the date that the written notification of the results of the examination was mailed to the applicant.
- Sec. 522** *Promotability Examination Review:* Any candidate who participated in a promotability review examination may inspect the records of his ratings. Access to individual promotability review rating forms will not be granted to persons other than the Director-Human Resources, his designated representative, or the Civil Service Commission, unless subpoenaed by a court of competent jurisdiction. The Director-Human Resources, or his representative, shall summarize promotability ratings and comments for applicants, upon request. The inspection of the rating records as well as the request for summation must be made within a period of twelve (12) calendar days from the date that the written notification of the results of the examination was mailed to the candidate.
- Sec. 523** *Examination Appeal Procedure:* Within twelve (12) calendar days after notice of results has been mailed in accordance with Section 520, an applicant may appeal the examination ratings to the Director-Human Resources. The appeal shall be in writing and shall provide the facts, information or circumstances upon which the appeal is made. At his discretion, the Director-Human Resources may, with proper cause and reasonable notice, suspend, cancel, discontinue and/or invalidate any examination process, part thereof, to avoid, correct, or redress any fraud, favoritism, failure to follow proper exam procedure, or discrimination in such process.
- Sec. 524** *Basis for Appeal:* Basis for appeal is appropriateness or correctness of item or items in written examinations; fraud, favoritism or other non-merit factors involved in the oral examination interview.



**Sec. 525** *Review by the Director-Human Resources:* Within seven (7) calendar days after receiving the appeal, the Director-Human Resources or his designated representative will meet with the appellant and discuss the appeal. The Director-Human Resources shall give his written decision within ten (10) calendar days after the discussion. If the decision rendered by the Director-Human Resources is unsatisfactory to the appellant, he may petition in writing for a hearing within seven calendar days to the Civil Service Commission.

**Sec. 526** *Examination Records:* Examination rating records may not be destroyed earlier than three (3) years after the eligible list has been established.

**Sec. 527** *Time Off for Examinations:* Any regular employee shall be entitled to necessary time off with pay for the purpose of taking qualifying or promotional examinations administered by the County Human Resources Division for County positions, in the same or similar series within which he is classified. The appointing authority may authorize an employee time off with pay to take County examinations for positions in a classification series different from the one in which he is classified.

## ARTICLE 6 MEDICAL EXAMINATIONS

**Sec. 601** *Purpose:* The County shall conduct medical examinations to determine the physical and mental fitness of employees and candidates in regards to prescribed minimum medical standards and to place such people in positions most advantageous to the County and the employee. Moreover, the examinations will assist in the economical administration of the County's group insurance, worker's compensation, retirement and sick leave benefits.

To accomplish these purposes and to meet the intent of law governing the employment of qualified handicapped or disabled persons, minimum medical standards shall be job-related for each position in the County service.

**Sec. 602** *Medical Examinations:* All candidates, except as noted in Sections 604, 605, and 606, shall successfully complete a medical examination by a County-appointed physician or designated examiner prior to appointment. It is the responsibility of the appointing authority to insure that the candidate completes the medical examination process. If Federal or State law specifies other medical examination requirements, such law shall prevail.

**Sec. 603** *Medical Standards:* Successful completion of the examination will depend on the determination that the person meets the minimum medical standards. The Director-Human Resources, upon the recommendation of the Director of Employee Health Services, shall establish the minimum medical standards.

**Sec. 604** *Emergency Appointments:* In emergency or unusual situations, where an immediate appointment must be made for the convenience of the County and a medical examination cannot be completed prior to such appointment, the Director-Human Resources may approve a provisional appointment subject to the candidate successfully completing the medical examination.

**Sec. 605** *Elected Officials:* Elected officers designated under Section 1347-1, Classified Service of the Civil Service Ordinance, who are members of the County retirement system, are not required to pass the medical examination but shall be required to complete an examination for the purpose of obtaining a medical history.

**Sec. 606** *Other Appointments:* The medical examination for reinstated, temporary, part time (less than 20 hours per week), and extra help appointments may be waived by the Director-Human Resources if, at his discretion, it would be in the best interest of the County to do so.

The Director-Human Resources may waive the medical examination for elected officials or appointed individuals designated in Section 1347-1, Classified Service, of the Civil Service Ordinance who are not members of the County retirement system,

**Sec. 607** *County Employees:* Employees who are promoted, demoted, transferred or reassigned to another position may be required to successfully complete a new medical examination if the new position has more stringent medical requirements than the former.

**Sec. 608** *Director of Employee Health Services:* The Director of Employee Health Services shall determine if the applicant or employee meets the prescribed medical standards for the position.

**Sec. 609** *Disqualified Candidates:* If the applicant or eligible fails to meet the standards, his name shall be:

- A. Removed from the eligible list by the Director-Human Resources;  
or,

- B. Withheld from certification by the Director-Human Resources until the eligible (candidate) does meet the required standards.
- C. An applicant or eligible removed from the list may appeal his removal to the Civil Service Commission within ten (10) days of receipt of the notice of removal. Costs incurred shall be at the expense of the appellant.

**Sec. 610** *Special Medical Examinations:* An employee may, at the discretion of the appointing authority or Director-Human Resources, be required to successfully complete a medical examination when the employee's medical condition is believed to hamper his ability to perform his normal duties or where impairment may be hazardous to him or his fellow employees.

**Sec. 611** *Dismissal:* If the Director of Employee Health Services determines that an employee does not meet the medical standards for his position, he shall notify the Director-Human Resources and the appointing authority who may, at their discretion, dismiss, demote, transfer or place said employee on leave of absence. The employee shall be given every consideration to transfer to another position for which he is qualified. The employee shall also be subject to the provisions of the Ventura County Retirement Act and the Workers' Compensation Insurance Act, when applicable.

## ARTICLE 7 ELIGIBLE LISTS

**Sec. 701** *Purpose:* To establish a record of the best qualified applicants and to specify the types and priority of lists.

**Sec. 702** *Order of Eligibles:* Eligibles on open, Countywide promotional, and agency/departmental promotional lists shall be ranked in order of their final examination scores.

**Sec. 703** *Effective Date of Eligible Lists:* Upon completion of the examination, the Director-Human Resources shall establish an eligible list composed of the applicants passing the examination. The date that the eligible list is established is the date that it becomes effective. Certification to a department or agency shall be made immediately upon request for such certification.

**Sec. 704** *Abolishing of Lists:* Any eligible list may be abolished in accordance with the following:

- A. On the date a new examination is announced if a different test is administered. Any person whose name remains on the list shall be notified of such abolishment and of the new examination. Eligibles on a promotional Eligible List shall be sent a copy of the announcement for the new examination.
- B. If fewer than three names remain on the eligible list, the appointing authority may request the establishment of a new list.
- C. Whenever the list is one year old and without any other consideration. The eligibles shall be so notified.
- D. In no case shall an eligible list be maintained for longer than two years.
- E. If the same or alternate form examination is administered, the names remaining on the list shall be integrated by score and the persons so notified. Such integration may be effected twice for any given examination.

**Sec. 705** *Eligible List Confidential:* Eligible lists are confidential and the relative position of any eligible on a list or a score shall not be made available except to the eligible, his designated representative or the authorized representative of the department or agency to whom the person has been certified.

**Sec. 706** *Priority of Lists:* The order of priority of eligible lists for certification to an appointing authority shall be:

Classification Reinstatement List;  
 Re-employment List;  
 Agency/Department Promotional List;  
 Countywide Promotional List;  
 County Service Reinstatement List;  
 Apprentice/Work Training Lists; and  
 Open List.

**Sec. 707** *Classification Reinstatement List:* All persons who have been demoted to a lower classification as a result of a reduction in workforce shall have their names placed on a Classification Reinstatement List for the classification from which they were demoted. There shall be two classification reinstatement lists: one which includes only the names of the demoted employees within a department or agency, and the other which has the names of all other County employees who were demoted from the specific classification. The department/agency classification reinstatement

list shall have priority over the countywide classification reinstatement list. Eligibles on the Classification Reinstatement List shall be ranked in reverse order of the order of their demotions. Each person's name may remain on such list for a period of two years following the date that their name was placed on such eligible list, or until they have been reinstated to the classification from which they were demoted, or until their name has been removed from the eligible list in accordance with the provisions of Section 717, whichever occurs first. To remain on a Classification Reinstatement List, a person must maintain status as a County employee.

- Sec. 708** *Re-Employment List.* All persons who have been laid off as a result of a reduction in workforce shall have their names placed on a re-employment eligible List for the classification in which they were employed immediately prior to being laid off and for all classifications in which they previously held permanent status prior to being laid off. There shall be two Re-employment Eligible Lists: one which includes only the names of the laid off employees within a department or agency, and the other which has the names of all other County employees who were laid off. The department/agency re-employment eligible list shall have priority over the countywide re-employment list. Eligibles on the re-employment list shall be ranked in reverse order of the order of layoff. Each persons' name shall remain on such list for a period of two years following the date that their name was placed on such eligible list, or until they have been re-employed, or until their name has been removed from the eligible list in accordance with the provisions of Section 717, whichever occurs first.
- Sec. 709** *Agency/Department Promotional List.* An eligible list for a classification composed of all applicants who passed an agency/departmental promotional examination. To remain on the agency/departmental list, a person must hold status within the County service. For persons on an agency/departmental eligible list who do not currently hold status in the agency/department, such person shall have their name certified for selection only if the regular position to be filled is vacant.
- Sec. 710** *County-Wide Promotional List.* An eligible list for a classification composed of all applicants who passed a countywide promotional examination. To remain on the countywide list, a person must hold status within the County service.
- Sec. 711** *Open List.* An eligible list composed of all applicants who passed an examination for a classification.
- Sec. 712** *County Service Reinstatement List.* As an alternative to appointment from an eligible list, other than a classification reinstatement or re-employment list, a position may be filled by reinstatement. All persons who are eligible for County service reinstatement in accordance with

Article 15, Section 1502 of these rules shall have their names placed on a County Service Reinstatement List. Each person's name shall remain on such list for a period of one year following the date that their name was placed on such eligible list or until they have been reinstated to the County service, whichever occurs first, or until their name has been removed from the eligible list in accordance with the provisions of Section 717.

- Sec. 713** ***Apprentice/Work Training List.*** Any person who has satisfactorily completed a minimum of six (6) months of County service through participation in any apprenticeship program or any other federal, state, local training or work program approved by the Board of Supervisors may be placed on an Apprentice/Work Training List with the approval of Director-Human Resources. The request for placement on an Apprentice/Work Training List shall be in writing and shall include a completed, written County Performance Review. Satisfactory completion of the County service training period shall constitute the examination process. All minimum requirements for the class shall be met upon satisfactory completion of the apprenticeship or Work Training Program. Each person's name shall remain on such list for up to one year following the date that their name was placed on such eligible list or until they have achieved status in the County service, whichever occurs first, or until their name has been removed from the eligible list in accordance with the provisions of Section 717.
- Sec. 714** ***Transfer.*** As an alternative to appointment from an eligible list, a position may be filled by transfer. All transfers must have the written approval of the appointing authorities concerned and the Director-Human Resources. Transfer is a change from one public agency to another or from one department to another in the same or similar classifications. It is also a change from one class to a similar class within a department or agency. A person so transferred must meet the employment standards for the classification. The releasing appointing authority shall release the transferee within thirty days after being accepted by the accepting appointing authority.
- Sec. 715** ***Disability Reassignment.*** As an alternative to appointment from an eligible list, a position may be filled by reassignment of a permanent or probationary employee to another position upon his request with the consent of the appointing authorities involved and the Director-Human Resources, if he has become unable to perform the responsibilities of his position because of accident or disability. An employee so incapacitated may be reassigned to a classification if it is determined that he is qualified to perform the new responsibilities.
- Sec. 716** ***Provisional Appointments:*** If the appointing authority believes that there are compelling reasons for filling a vacancy and there is no eligible list, he

may temporarily employ any person who meets the minimum requirements for the class to fill the vacancy pending the establishment of an eligible list.

**Sec. 717** **Removal of Names from Eligible List:** The name of an eligible may be removed from any eligible list by the Director-Human Resources whenever:

- A. The eligible submits a written notice waiving certification; or
- B. The eligible fails to respond to the written certification notice; or
- C. Upon presentation of written, satisfactory information verified by the Director-Human Resources that there is sufficient reason for not employing the eligible; or
- D. The eligible refuses an offer of employment three times; or
- E. The eligible is determined to be unacceptable and is disqualified for appointment by three appointing authorities after certification from the eligible list; or
- F. The eligible has practiced or attempted to practice any deception or fraud in any matter materially related to securing eligibility or appointment.

The eligible shall be notified in writing by the Director-Human Resources of his removal from the eligible list.

**Sec. 718** **Restoration to Eligible List:** The Director-Human Resources, upon recommendation of the appointing authority, may restore a separated probationary employee to an eligible list from which he was appointed for future certification if the circumstances of his separation, in the opinion of the Director-Human Resources, warrants such action.

## ARTICLE 8 CERTIFICATION

**Sec. 801** **Purpose:** To refer for each vacancy the best qualified persons available.

**Sec. 802** **Requisitions:** Each appointing authority shall notify the Director-Human Resources in writing of his personnel requirements as far in advance as possible in order that sufficient time will be available to establish eligible lists for certification.

**Sec. 803**     **Certifications:** The Director-Human Resources is responsible for certifying eligible candidates for selection by the appointing authority in the following manner:

- A. For open, Countywide and agency/department eligible lists, upon receipt of the appointing authority's request for certification, and in order of the priority of eligible lists, the Director-Human Resources shall furnish him the names and addresses of all persons in the highest standing to fill one vacancy. Names shall be submitted by standings, priority 1 through 6. The minimum number of names to be certified pursuant to this subsection shall be three (3) for the first vacancy to be filled and one additional name for each additional vacancy. If less than three names are certified, the Director-Human Resources, upon request of the appointing authority, shall furnish an additional standing.
  
- B. For classification reinstatement and re-employment eligible lists, upon receipt of the appointing authority's request for certification and in order of the priority of eligible lists, the Director-Human Resources shall furnish the names and addresses of three persons for each vacancy and one additional name for each additional vacancy in order of their ranking on such lists. If less than three names remain on the eligible list from which names are to be certified, the appointing authority may either accept the certification of fewer than the required number of names or request the Director-Human Resources to furnish additional names from other available eligible lists.
  
- C. For open eligible lists, if more than ten (10) names are eligible for certification pursuant to Section 803(a), upon request of the appointing authority, the Director-Human Resources may certify the ten (10) highest ranked candidates eligible for certification in lieu of the certification of eligibles in accordance with Section 803(a) above. The minimum number of names to be certified pursuant to this subsection shall be ten (10) for the first vacancy and one additional name for each additional vacancy. Once the method of certification, as provided in Subsections A or C of this section, has been selected, all subsequent certifications to the appointing authority from the specific open eligible list shall be made in accordance with the method previously selected, (either Subsection A or Subsection C of this section), until the particular eligible list has been abolished. If the provisions of Subsection C cannot be met, certification shall be made in accordance with Subsection A.



- D. For agency/departmental promotional eligible lists, if more than ten names are eligible for certification pursuant to Section 803A, the Director-Human Resources shall certify no more than ten names for one vacancy and three additional names for each additional vacancy. Such names shall be certified according to highest ranking. Whenever two or more applicants have the same final grade, priority shall be by random selection.

**Sec. 804** **Selective Certification:** For certain classifications an eligible may request, at the time of examinations, selective certification to a specific agency/department and/or geographic location. For purposes of a bona fide occupational qualification of bilingual skill or sex, names can be selectively certified from the eligible list, upon request of the agency/department. An employee who has not been certified on the basis of a bona fide occupational qualification may, within twelve (12) days of the certification in questions, file an appeal in the same manner as provided for examination appeals by these rules and regulations. All other rules concerning certification shall apply as appropriate.

**Sec. 805** **Additional Names:** Whenever an appointing authority has presented sufficient written reasons for not appointing from the eligibles certified to him, he may request the Director-Human Resources to certify additional eligibles.

**Sec. 806** **Certification From Alternate Lists:** Whenever a vacancy exists for a class for which there is no eligible list, the Director-Human Resources may authorize certification of all persons in a standing from an eligible list for a higher level class in the same classification series. If there is no appropriate lists in the same classification series, certifications may be made from a list for a closely related class for which employment standards, job duties and examinations are similar to or higher than those required for the class in which the vacancy exists.

**Sec. 807** **Notification of Eligibles:** Whenever the name of an eligible is certified, the appointing authority shall send a written notice to his address as it appears on the eligible list. The notice shall state the fact of certification, the title of the position, the starting and maximum rates of pay for the classification, the organization unit, and the name and business address of the appointing authority or his delegated representative. It is the responsibility of the eligible to notify Human Resources in writing of any change in address.

**Sec. 808** **Time for Replying to Certification:** Such notification shall state that within ten (10) calendar days of the date that the eligible was certified, the eligible must communicate with the appointing authority to arrange for an

interview and that his failure to do so may result in the removal of his name from the list.

**Sec. 809** ***Selection Interview by Appointing Authority.*** All of the candidates certified to an appointing authority who respond in accordance with Section 808 to the notification of certification must be interviewed by the appointing authority, unless the interview is mutually waived by the candidate and the appointing authority. However, in the case of a candidate who is not already a regular employee, the appointing authority may decline to interview said candidate if that candidate has been previously interviewed within the last year for the same or similar position and if the applicant's qualifications have not changed since the previous interview. The appointing authority shall report to the Director-Human Resources in writing the reasons for selecting the successful candidate and not selecting other eligibles who were certified, including those candidates previously interviewed. No appointing authority shall discriminate against any candidate because of race, color, national origin, religion, sex, age or functional limitation.

**Sec. 810** ***Report of Appointment.*** The appointing authority shall report in writing to the Director-Human Resources the name or names of persons appointed, the date service is to begin, or if all eligibles are unacceptable, the reasons for not making an appointment. All applicants interviewed shall be sent written notice of the results of the interview by the appointing authority within ten working days following appointment.

**Sec. 811** ***Inspection of Papers:*** The appointing authority may inspect all papers, records and data of eligible certified to him on file in Human Resources.

## ARTICLE 9 CLASSIFICATION

**Sec. 901** ***Purpose:*** To provide County government with an equitable and logical arrangement of classifications which will promote and increase the economy and efficiency of County service. This objective is attained by placing positions into classes and establishing the relationship between those classes.

**Sec. 902** ***Classification Plan:*** The County Classification Plan shall consist of an orderly arrangement of all classifications except those excluded in Article 1, Section 101B, together with the appropriate class specifications approved by the Director-Human Resources.

- Sec. 903** *Number and Classification of Authorized Positions:* The number and initial classification of authorized positions shall be determined by resolution of the Board of Supervisors. No department or agency head shall hire employees in excess of the authorized positions designated by the Board.
- Sec. 904** *Classification Specifications:* All classified positions shall have a classification specification established by the Director-Human Resources. Such specification shall consist of a job title, definition of the class, examples of the typical as well as the significant duties assigned to positions in the class, distinguishing characteristics if applicable, employment standards and any other pertinent data as may be considered appropriate.
- Sec. 905** *Position Classification:* Positions involving similar duties, responsibilities and employment standards shall be included in the same classification.
- Sec. 906** *Administration of Classification Plan:* The Director-Human Resources is responsible for administering the County's Classification Plan. He shall recommend changes in the Classification Plan to meet the needs of the County and its departments and agencies. Upon order of the Board of Supervisors or the County Executive Officer, the request of a department or agency head, or upon his own initiative, the Director-Human Resources shall conduct studies of the duties and responsibilities of the various positions and recommend adjustments indicated. Such adjustments may include reclassification of the position only, or reclassification of the incumbent with position.
- Sec. 907** *Classification Review Requests:* A written request for review of an allocated position or proposed allocation in a classified service may be made to a department or agency head, Human Resources, or the Board of Supervisors, and thereafter the review shall be conducted by the Director-Human Resources as soon as possible.
- Sec. 908** *Determination of Classification Changes:* The County Executive Officer shall determine the classification changes of all positions in the County Civil Service except for positions included in studies (recommendations which relate to a substantial number of related adjustments) and those requiring the establishment of new classification titles and salary ranges. These two exceptions must be approved by the Board of Supervisors.
- Sec. 909** *Reclassification:* No change in classification of a position shall be made unless the Director-Human Resources finds:

- A. That the job duties of the position have substantially and gradually changed over a period of time to make the class specifications inaccurate and/or incomplete for that position; or
- B. The position itself was previously classified improperly; or
- C. The position has to be reclassified due to development or refinement of the classification plan.

**Sec. 910** *Allocations:* The Director-Human Resources may recommend to the County Executive officer additions, deletions or changes in allocations and/or salaries due to recruitment, staffing or organizational problems.

**Sec. 911** *Notification of Change:* Departments and agencies shall notify Human Resources whenever changes in individual assignments are contemplated which might affect the position classifications involved. All classification requests are to be submitted in advance of any changes in assignment.

**Sec. 912** *Salary on Position Reclassification:* The salary of an incumbent, regular employee whose position is reclassified shall be determined:

- A. If reclassified to a class having the same salary range, the salary and anniversary date of the employee shall not change.
- B. If reclassified to a class having a lower salary range, the employee shall be "y" rated when his present salary exceeds the maximum of the salary range assigned the new classification to which he is being reclassified.
- C. If reclassified to a position having a higher salary range, the employee shall receive the minimum pay rate of the new salary range or 5% above his present salary, whichever is greater. In no case shall such salary increase be effective prior to the effective date of the reclassification. Affected employees shall have their anniversary date adjusted in accordance with Section 1011 and shall serve a new probationary period.

**Sec. 913** *Y-Rates:* With the approval of the Director-Human Resources, an employee may be "y" rated when his present salary exceeds the maximum of the salary range assigned the new classification to which he is being reclassified. Other provisions notwithstanding, the Director-Human Resources may establish "Y" rates when downward salary movement is indicated.

**ARTICLE 10  
APPOINTMENTS, GENERALLY**

- Sec. 1001** *Purpose:* To describe the types of appointments which can be made to County service, the conditions under which such appointments can be made, and the benefits to which different appointees are entitled.
- Sec. 1002** *Certificate of Director-Human Resources:* The Auditor shall not approve any salary or compensation for services for any person holding or performing the duties of any position in the classified service unless the certificate of the Director-Human Resources is on file with the Auditor to the effect that the person named therein has been appointed or employed to perform services for the County. After reasonable notice to the appointing authority, the Director-Human Resources may for proper cause remove and invalidate or suspend the effectiveness of a certificate filed with the Auditor.
- Sec. 1003** *Employment of Retirees:* Any person who has retired may be employed in a position requiring special skills or knowledge, as determined by the Director-Human Resources and the appointing authority for not to exceed ninety (90) working days in any one fiscal year and may be paid for such employment. Such employment shall not be regular permanent status and shall not operate to reinstate the person as a member of the retirement system or to terminate or suspend his retirement allowance, and no deductions shall be made from his salary as contributions to the system.
- Sec. 1004** *Persons Ineligible for Employment:* The Director-Human Resources may deny employment to any person who fails to meet the criteria specified in these Personnel Rules and Regulations or criteria established by law for the position sought.
- Sec. 1005** *Employment of Relatives:* An appointing authority shall not employ nor continue to employ a member of his immediate family in his agency/department and no compensation shall be paid to any person who is a member of the immediate family of the appointing authority. No person shall be employed in a position directly or indirectly supervised by a member of his immediate family, without the approval of the Board of Supervisors after a recommendation by the Director-Human Resources.
- Sec. 1006** *Transfer from Outside the County Service:* A person transferred from another public agency must also meet the employment standards of the classification to which he is to be transferred. A person so transferred must serve a probationary period. Previous seniority status accumulated outside the County Service will apply only for retirement purposes, if applicable, and shall not count toward total County service seniority.

- Sec. 1007 *Dual Employment:*** No person who is employed by one department or agency shall be hired to work simultaneously for another department or agency, or in another position within the same department or agency, without the written approval, the Director-Human Resources shall ascertain that a diligent effort has been made to hire other qualified persons and that none are available.
- Sec. 1008 *Salary of New, Regular Employees:*** Except as otherwise provided in Section 1009, new regular employees shall be appointed at the minimum of the salary range in effect for their particular classification.
- Sec. 1009 *Advanced Salary Appointments:*** The Director-Human Resources may provide that a position be filled at any point in the salary up to the midpoint of the range, or, the Board of Supervisors, upon a recommendation of the Director-Human Resources, with the approval of the County Executive officer may provide that a particular position be filled at a salary level beyond the midpoint of the salary range. An advanced salary appointment may be made when either of the following occurs:
- A. Whenever reasonable proof has been presented that no qualified person can be recruited to fill a position at the minimum rate.
  - B. Whenever reasonable proof has been presented that an applicant has qualifications deserving a starting salary higher than the recruiting salary.
- Sec. 1010 *Under filling Positions:*** A vacant position classified at one level may be utilized by employment of a person at any lower related level class with the approval of the Director-Human Resources.
- Sec 1011 *Anniversary Date:*** whenever a person is appointed to and begins work in a position on or before the fifth working day of the pay period, his initial employment date for anniversary salary increase purposes shall be deemed to be the first day of that pay period during which he was employed. Whenever a person is appointed to and begins working in a position on or after the sixth working day of the pay period, his initial employment date for anniversary salary increase purposes shall be deemed to be the first day of the pay period following the date of his employment.
- Sec. 1012 *Salary on Re-employment:*** Employees re-entering the County service who are not being reinstated within the meaning established in these articles or re-employed following a reduction in force shall be deemed to be new employees for salary purposes and determinations concerning sick leave and vacation, except that an employee being re-employed

within three working days from the date of termination shall be deemed to have been on leave of absence without pay for such period of time.

**ARTICLE 11  
EXTRA HELP/INTERMITTENT/FIXED TERM EMPLOYEES  
(Amended and Adopted July 31, 1984)**

**Sec. 1101** *Purpose:* To provide regulations which govern the employment and compensation of extra help and intermittent appointees.

**Sec. 1102** *Reasons for Appointing:*

- A. Extra Help Employees - The purpose for employing extra help employees is to cover peak workloads, emergency extra workloads of limited duration, necessary vacation relief and other situations which involve a fluctuating staff.
- B. Intermittent - The purpose for employing intermittent employees is where the workload requires periodic and fluctuating augmentation on a regular basis, yet does not warrant a full-time employee or cannot be handled by additional regular employees.
- C. Fixed Term Employees - The purpose of employing fixed term employees is to fill positions of a project of limited term as designated by the Director-Human Resources or ordinance of the Board of Supervisors.

**Sec. 1103** *Limitations:*

- A. Extra Help Employment - No extra help employee may be employed unless the Director-Human Resources finds that the conditions set forth in Section 1102(A) are present. No extra help employee may be employed to fill a classified position for more than thirty (30) working days other than provided for in Section 1105, if there are at least three (3) persons eligible to be certified by the Director-Human Resources for that vacancy. No person shall be employed as an extra help employee for any purpose for more than 720 hours in any one fiscal year. The Director-Human Resources may grant special authorization upon extenuating circumstances to extend extra help employment periods after receiving written justification from the appointing authority. Such special authorization shall be in writing to the appointing authority and copies shall be sent to the Auditor/Controller and any appropriate employee organization. The Auditor/Controller shall

not authorize payment to any extra help employee over 720 hours without such special authorization from the Director-Human Resources. Whenever it is determined that the extra help employee does not meet the same qualifications required for regular classified employees, he shall be terminated from County employment.

- B. Intermittent Employment - No intermittent employee shall be hired unless the Director-Human Resources finds that the conditions set forth in Section 11-2(B) are present. No intermittent employee may be employed to fill a classified position for more than thirty (30) working days other than provided for in Section 1105, if there are at least three (3) persons eligible to be certified by the Director-Human Resources for that vacancy. No person shall be employed as an intermittent employee for any purpose for more than 1664 hours in any one fiscal year. The Director-Human Resources may grant special authorization to extend intermittent employment periods upon receiving written justification from the appointing authority. Such special authorization shall be in writing to the appointing authority and copies shall be sent to the Auditor-Controller and any appropriate employee organization. The Auditor-Controller shall not authorize payment to any intermittent employee in excess of the periods specified herein without such special authorization from the Director-Human Resources.
- C. Fixed Term Appointments - No fixed term appointments shall be made to regular positions in the classified service.

**Sec. 1104** **Classification of Extra Help Employees:** A department or agency head may employ these employees in any classification authorized by the Director-Human Resources within the department or agency budget for such help.

**Sec. 1105** **Student Workers:** Student workers are extra help employees but may be employed for more than ninety (90) days in any fiscal year.

**Sec. 1106** **Merit Increases:** Extra help employees are not eligible for merit increases. Intermittent employees are eligible for merit increases on a prorated basis as range structure permits. This eligibility is at the discretion of the appointing authority and is not regarded as a right of the employee. Fixed term employees are eligible for merit increases.

**Sec. 1107** **Salary and Benefits:**

- A. Extra Help - Extra help employees shall be compensated at the minimum of the salary range or otherwise as approved by the



Director-Human Resources, and such compensation shall be considered as full compensation covering the value of vacation, sick leave, holidays and other benefits afforded regular employees.

- B. Intermittent - Intermittent employees shall be compensated at an appropriate step of the salary range and such compensation shall be considered as full compensation covering the value of vacation, sick leave, holidays, and other benefits afforded regular employees. Intermittent employees designated as "hospital employees" by the Director-Health Care Agency (according to the SEIU Memorandum of Agreement, Article 6, Section 601, and Article 11, Section 1104) will be eligible for overtime and night shift differential pay.
- C. Fixed Term - Except as otherwise provided in these articles, fixed term employees shall be treated as regular County employees.

**Sec. 1108 Special Consideration/Intermittent Only:**

- A. Intermittent employees shall be selected from an established eligible list, and be subject to the same selection criteria as regular employees.
- B. Employees working in intermittent positions, if certified to the department and employed off a regular eligible list, shall not be required to re-compete or be re-certified to transfer to regular status.
- C. Every intermittent employee shall be required to serve and pass a probationary period of 1040 hours. Upon successful completion of 1040 hours, he/she shall be eligible for compensation at an hourly rate above the first step and shall be dismissed only for cause, as specified in Ventura County Ordinance, Code Section 1234-1.4.13.1, during the period prior to the 1664 hours per year limitation or authorized extension. Such an intermittent employee shall have the right to a hearing to contest his/her dismissal in accordance with the procedure set forth in Section 2326 of these rules.
- D. Nothing contained herein shall be construed to grant regular or civil service status to any intermittent employee, nor shall it be construed to be any guarantee of assigned work hours.

**Sec. 1109 Special Considerations/Expiration of Fixed Term Appointment.** All appointments to Fixed Term positions shall expire at the end of the term designated at time of appointment; persons so separated from the service shall not be eligible for re-employment and/or reinstatement as defined in

these rules, but shall be eligible for appointment to regular positions (i.e., certified to the departments).

**Sec. 1110** Benefits that have been paid to extra help employees, other than those stated in Section 1107, shall cease as of September 9, 1984.

## ARTICLE 12 TEMPORARY APPOINTMENTS

**Sec. 1201** *Purpose:* To provide regulations that govern the appointment and compensation of persons appointed on a temporary basis.

**Sec. 1202** *Authorization for Temporary Appointments:* Any appointing authority requiring or requesting an employee to temporarily fill a vacancy caused by sick leave, leave of absence, termination or other reasons, except vacation leave, shall notify the Director-Human Resources by submitting an appointment form and an application accurately and completely reflecting the qualifications of the temporary appointee.

**Sec. 1203** *Temporary Appointments and Employment Standards:* Any person who is appointed on a temporary basis must meet the employment standards required for employment in that classification. In consideration of the lack of qualified employees or other exceptional conditions, the Director-Human Resources may make an exception concerning employment standards. Such decisions must consider the qualification of other employees within the department or agency, morale, the effect of the contemplated action on productivity, its effect on employee confidence in the personnel program, the needs of County service, and the economy and efficiency in County government. Any person for whom an exception is made concerning employment standards shall be required to execute a certificate indicating that he is aware of the fact that he is ineligible to compete in the examination for this position and is nevertheless willing to accept a temporary appointment.

**Sec. 1204** *Temporary Appointment to Fill a Vacancy Caused by Termination:* If the appointing authority temporarily appoints a person to fill a position vacated by termination and there is no existing eligible list for the classification which is vacant, then the appointing authority shall, at the time of the submission of the appointment and application forms, request that the Director-Human Resources schedule an examination to create eligible lists for the classification which is being temporarily filled.

**Sec. 1205** *Time Limitations for Temporary Appointments:* If a temporary appointment has been made to fill a vacancy caused by sick leave, leave of absence, military leave or any authorized leave, the temporary

appointment shall be for the period of time for which leave of absence is authorized. In no case shall the temporary appointment be continued beyond the expiration of the date of the authorized leave of absence. When temporary appointments are made to fill a position vacated by termination, such temporary appointment shall not be honored for more than 90 days, unless the Director-Human Resources and the appointing authority can demonstrate adequate reasons for not being able to fill the position.

**Sec. 1206** *General Treatment of Temporary Appointments:* Except as otherwise provided in these articles, persons who are temporarily appointed shall be treated in the same manner as regular County employees.

### ARTICLE 13 PROVISIONAL APPOINTMENTS

**Sec. 1301** *Purpose:* To provide regulations which govern the appointment and employment conditions of all persons employed on a provisional basis.

**Sec. 1302** *Provisional Appointments in Lieu of Regular Appointments:* If the appointing authority believes that there are compelling reasons for filling a vacancy and there is no eligible list, he may temporarily employ any person who meets the employment standards for the classification to fill the vacancy pending the establishment of an eligible list. The appointing authority shall accompany a provisional appointment to fill a regular vacancy with a written request and the appointee's application for examination for that classification.

**Sec. 1303** *Time Limitations for Provisional Appointments:* A provisional appointment shall terminate three months following the effective date or not later than 30 days after certification of an eligible list whichever is earlier. However, the Director-Human Resources may, upon satisfactory evidence being presented to him, extend a provisional appointment for a period not to exceed 60 days from the date it was to have terminated.

**Sec. 1304** *Return from Provisional to Former Position:* Whenever a provisional appointee does not obtain a permanent appointment to the position occupied by him as a provisional appointee, and who had regular status in the County service prior to the provisional appointment, then he shall be reinstated to the position he held at the time he accepted the provisional appointment. If another employee is at the time occupying the position vacated by the provisional appointee, then such employee shall be returned to his previous status, if any. An appointment to a position vacated by a person appointed provisionally to another position shall be

temporary in nature until the status of the provisional appointee is determined.

**Sec. 1305** *General Treatment of Provisional Appointees:* Except as otherwise provided in these articles, provisional appointees shall be treated as regular County employees.

#### ARTICLE 14 DISABILITY REASSIGNMENT/REAPPOINTMENT

**Sec. 1401** *Purpose:* To provide a means by which employees who are disabled may continue or return to employment with the County.

**Sec. 1402** *Policy:* A permanent or probationary employee or a former employee may be reassigned to another position upon his request with the consent of the appointing authorities involved and the Director-Human Resources if he has become unable to perform the responsibilities of his position because of accident, injury, disease or disability. An employee so incapacitated may be assigned or reassigned to a classification if it is determined that he is qualified to perform the new responsibilities.

**Sec. 1403** *Request for Disability Reassignment:* Request for disability reassignment shall be submitted in writing and shall be accompanied by the certificate of a physician designated by the Director-Human Resources stating that the employee is incapable of performing his present duties and that he has the ability to perform the duties of the position to which he requests reassignment.

**Sec. 1404** *Meeting Employment Standards:* In authorizing the reassignment of a disabled employee, the Director-Human Resources may substitute any combination of related education and experience requirements for the new classification.

**Sec. 1405** *Assignment to Non-Related Classifications:* If an employee is reassigned to a non-related classification, then such an assignment shall not be above the journeyman level of the class if it results in a higher salary level. It is intended that assignments to non-related classes shall be at the entry level whenever feasible. The salary of an employee so reassigned shall be established within the range of the new classification as determined, upon recommendation of the County Executive Officer and with the approval of the Board of Supervisors.

**Sec. 1406** *Probationary Period Upon Disability Reassignment:* An employee reassigned to a non-related or higher classification must serve a new probationary period.

- Sec. 1407** *Disability While on Military Leave:* Any permanent employee who has become incapable of resuming his former position through disability incurred on active service with the Armed Forces while on military leave of absence from the County service, may, upon application after his separation from active military service, be reassigned under the provisions of this Article.
- Sec. 1408** *Recovery From Disability:* Either former employees or employees reassigned under the provisions of this Article, upon recovery from disability and with the approval of the Director-Human Resources may be placed on the classification reinstatement list for certification to vacancies in their former classifications.
- Sec. 1409** *Reinstatement of Employees Who Separated as a Result of a Disability:* Former employees are eligible for reinstatement following disability retirement. Former employees who wish to be reinstated must request in writing to the Director-Human Resources to be reinstated to the class which they held immediately prior to separation. Such written requests for reinstatement must be accompanied by a certificate from a physician designated by the Director-Human Resources that states that the employee is capable of performing the duties of the position to which he seeks reinstatement.
- Sec. 1410** *Restoration of Benefits for Former Employees Returning to Work Following Disability:* Upon reinstatement to County service due to a disability reassignment or a recovery from disability, the benefits of the former employee shall be restored as listed in this section. These benefits also apply to the current County employees who have been reinstated following prior disability retirements and who are maintaining their recovery from disability.
- A. Seniority: Seniority status held immediately prior to separation shall be restored and all time spent on disability shall be treated as an authorized leave of absence without pay for seniority purposes.
  - B. Salary: Salary shall be equivalent to that which they were receiving immediately prior to separation. Equivalent salary shall include negotiated salary increases granted to the job classification but shall exclude merit increases.
  - C. Vacation/Annual Leave Accrual Rates: The vacation/annual leave accrual rate shall be restored at a rate which is the most comparable to that held immediately prior to separation.

- D. Merit Increases: For the purposes of merit increases, upon return to work of a formerly disabled employee, such employee's anniversary date shall be adjusted in accordance with applicable resolution or Memorandum of Understanding or Agreement.
- E. Sick leave: Sick leave balance held immediately prior to separation shall be restored unless said sick leave balance has been eliminated in accordance with Section 31724 of the Government code of the State of California.

## ARTICLE 15 COUNTY SERVICE REINSTATEMENT

- Sec. 1501** *Purpose:* To provide a means by which persons who have resigned in good standing from County service may be reinstated to County service.
- Sec. 1502** *Persons Eligible for Reinstatement:* A permanent employee who has resigned in good standing from County service with a satisfactory performance report at the time of resignation may apply to the Director-Human Resources for reinstatement within one year from the date of his resignation. If the request is approved, the name of the applicant shall be placed on the County Service Reinstatement Eligible List for the same classification as the position from which he resigned. Such an employee shall be placed on said list as of the date the Director-Human Resources accepts his application.
- Sec. 1503** *Physician's Certification:* Each applicant for reinstatement may be required to furnish at his own expense a certificate by a physician designated by the Director-Human Resources showing that he is physically competent to perform the position to which he seeks appointment.
- Sec. 1504** *Salary on Reinstatement:* whenever an employee is reinstated to a position, he shall receive the minimum of the salary range for the position for which he is reinstated, unless an exception is recommended by the appointing authority and approved by the Director-Human Resources in accordance with Article 10, Section 1009.
- Sec. 1505** *Benefits on Reinstatement:* Whenever an employee is reinstated to a position, he shall receive no credit for sick leave or vacation accumulated prior to his resignation. He shall accrue vacation credit as if he were a new employee.

**Sec. 1506** *Anniversary Date on Reinstatement:* Whenever a person is reinstated and begins working in a position on or before the fifth working day of the pay period, his anniversary date shall be deemed to be the first day of that pay period during which he was reinstated. Whenever a person is reinstated and begins working in a position on or after the sixth working day of the pay period, his anniversary date shall be deemed to be the first day of the pay period following the date of his employment.

**Sec. 1507** *Probationary Period:* An employee reinstated in accordance with the provisions of this Article shall serve a new probationary period prior to gaining permanent status in County service.

## **ARTICLE 16 MILITARY LEAVE**

Military leave will be granted as provided for by Federal and California law or as set forth in any Memorandum of Understanding or Agreement.

## **ARTICLE 17 LEAVE OF ABSENCE TO RUN FOR ELECTIVE OFFICE**

**Sec. 1701** *Purpose:* To provide a leave policy for employees who are running for elective office which would insure that participation in such an election would not disrupt the efficiency and integrity of the County service.

**Sec. 1702** *Employees Affected:* An employee who is a candidate for an elective County office shall be required to take a leave of absence. Said leave of absence shall commence at least thirty (30) days prior to the date of election and shall include the privilege of using earned vacation and compensatory time credits.

**Sec. 1703** *Review by the Civil Service Commission:* An employee wishing an exception to Section 1702 shall timely request in writing a review by the Civil Service Commission. The findings of the Civil Service Commission shall be announced prior to the commencement of said leave of absence. The Commission in its findings shall determine as follows:

- A. The absence of facts indicating a disruptive effect on the efficiency and integrity of the County service thus requiring that the candidate be returned to his position of employment.

- B. The presence of facts indicating a disruptive effect on the efficiency and integrity of the County service thus requiring that the leave of absence be taken.

The Civil Service Commission shall review its findings should disruptions upon the efficiency and integrity of County service occur, following a decision that the candidate be returned to his position of employment.

**Sec. 1704** *Reinstatement Following the Election:* Following the date of the election, any employee who has been on a leave of absence to run for a political office shall be reinstated without penalty or forfeiture to the position he held prior to taking said leave of absence; except that an employee who is elected to a County political office shall resign from his previous position prior to the assumption of said elective office.

## ARTICLE 18 SPECIAL AUTHORIZATIONS AND RESTRICTIONS

**Sec. 1801** *Purpose:* To describe certain authorizations and restrictions and the conditions under which they are applicable.

**Sec. 1802** *Senior Attorney Designations:* To be eligible for designation as a Senior Attorney, an Attorney must be performing in a non-supervisory assignment and must have at least six months of experience in the classification of Attorney/60 months. A Senior Attorney shall be compensated at the point in the salary range for the Senior Attorney classification designated by the Department/Agency Head. Designation as Senior Attorney shall be at the discretion of the department head, who, among other things, shall consider the excellence of professional performance of the individual attorney and the need of the County for retention. A designation as a Senior Attorney shall be for a period of six months and may be renewed by the Department Head.

**Sec. 1803** *District Attorney and Public Defender Supervisory Appointments:* The District Attorney is authorized to make five supervisory assignments. The Public Defender is authorized to make one supervisory assignment. The attorneys performing supervisory duties may be compensated with the approval of the Director-Human Resources and the County Executive officer by salary increments of five to ten percent of base pay to be determined by the level and nature of the supervisory duties assigned.

**Sec. 1804** *Natural Disaster.* A natural disaster is an emergency caused by the happenings of war, storm, flood, explosion, earthquake, epidemic, riot or



insurrection. Upon the recommendation of the County Executive Officer and adoption of a resolution by a majority of the Board of Supervisors, employees whose absence from work arises out of or is due to such natural disaster shall not suffer any loss in pay or other benefits.

**Sec. 1805** **Civil Defense:** Civil Defense is a part of the duties and responsibilities of all employees of the County and is not to be considered an addition to regular and normal duties. Preparation and training for service in time of disaster or emergency is by law (Government Code Section 3100), a function of all employees.

**Sec. 1806** **Limitations on Compensation:** All fees, mileage, commissions and prerequisites allowed by law and received by any employee by virtue of his office shall be paid into the County treasury and shall become the property of the County of Ventura immediately upon its receipt by such employee. No employee of the County shall be compensated by fees.

**Sec. 1807** **Relief from Duty:** An appointing authority may, upon approval from the Director-Human Resources, relieve an employee from duty with pay for a period not to exceed five (5) working days unless circumstances merit an extension. Such relief from duty may occur during an investigation to determine appropriate action concerning an employee. If, as the result of an investigation, it is determined that the affected employee was without fault, any reference to the fact that said employee was relieved from duty pursuant to this section shall be deleted from that employee's personnel file.

## ARTICLE 19 OUTSIDE EMPLOYMENT

**Sec. 1901** **Purpose:** To control the practice of outside employment by employees, particularly where there exists a conflict of interest or where such employment would impair an employee's ability to perform his County duties.

**Sec. 1902** **Prohibiting Conditions:** County employees are prohibited from holding employment outside the County service when the following conditions exist:

- A. The employment interferes with satisfactory service due to physical or mental fatigue; or,
- B. A conflict of interest exists which is detrimental to the County service.

**Sec. 1903** *Limitation of Outside Employment:* Attorneys employed by the County shall not engage in the private practice of law for compensation. Criminalists employed by the County shall not engage in private criminalist work. The Medical Director and the Director of Behavioral Health shall not engage in the private practice of medicine for a period in excess of 16 hours in any one month.

**Sec. 1904** *Authorization:* A written notification must be given to the department/agency head for all regular outside employment and for all occasional outside employment in excess of eight hours in any one week. Failure to provide such information may be cause for disciplinary action. An outside work statement must contain the name of the employer, the hours to be worked and the nature and duration of the employment.

**Sec. 1905** *Order to Cease Working:* A department/agency head may order an employee to cease working outside of the County if the employment is in violation of any of the provisions of this Article.

## ARTICLE 20 EMPLOYER/EMPLOYEE RELATIONS

**Sec. 2001** *Purpose:* To promote the improvement of personnel management and relations between the County and its employees, and to protect the public by assuring at all times, the orderly and uninterrupted operation and services of County government.

**Sec. 2002** *Intent:* Rules and procedures provide for the orderly and systematic presentation, consideration and resolution of employee relations matters. This Article provides such rules.

**Sec. 2003** *Definitions:* Unless the context otherwise requires, the definitions contained in this Section govern the construction of this Article. The definition of a word applies to any of its variants.

- A. Board - when used alone means the Board of Supervisors of the County of Ventura.
- B. Certification - official recognition by the County as the employee organization designated to represent an appropriate bargaining unit.
- C. Collective Negotiation - means to meet and confer in good faith as defined in subsection "P" below.

- D. Commission - means the Civil Service Commission-Board of Review and Appeals of the County of Ventura.
- E. Confidential Employee - means an employee who has access to confidential information in employee relations matters.
- F. Consult and Consultation in Good Faith - means to communicate verbally or in writing for the purpose of presenting and obtaining views or advising of intended actions.
- G. County - means the County of Ventura, a body corporate and politic and a political subdivision of the State of California, including those special districts whose affairs and finances are under the supervision and control of the Board of Supervisors, and where appropriate herein, County refers to the Board of Supervisors, the governing body of said County, or any duly authorized management representative.
- H. Day - means calendar day.
- I. Decertification - the procedure for removing an organization as the certified bargaining representative of employees in an appropriate unit. The unit may be an existing unit or a redefined or modified unit.
- J. Department/Agency Head - means those officers or employees who are elected or appointed or employed as the principal employee of a department for the discharge of duties provided by law or of particular delegated functions.
- K. Employee Organization - means any organization or union which includes employees of the County and which has as one of its primary purposes representing such employees in their employee relations with the County.
- L. Fact-Finding - means identification of the major issues in a particular dispute, review of the positions of the parties, resolution of factual differences by one or more impartial fact-finders, and the making of recommendation for settlement of such issues.
- M. Impasse - means a deadlock in collective negotiations between a recognized employee organization and the County over any matters within the scope of representation as set out in Section 2007, Subsection A, of this Article.

- N. Management Employee - means a department/agency head or any employee having the authority and responsibility for the formulation and administration of County policies and programs.
- O. Mediation - means effort by an impartial third party to assist in reconciling a dispute between the County and recognized employee organizations.
- P. Meet and Confer in Good Faith - means that the County, or such representatives as it may designate, and representatives of recognized employee organizations, shall have the mutual obligation personally to meet and confer in order to exchange freely information, opinions, and proposals, and to endeavor to reach agreement on matters within the scope of representation, as set out in Section 2003, Subsection A, of this Article.
- Q. Modification - the procedure for modifying or redefining a bargaining unit into a more appropriately constituted bargaining unit or units. Such redefinition does not involve a change in employee organization representation.
- R. Negotiate Collectively - means meet and confer in good faith, as defined in Section 2003, Subsection P, above.
- S. Officers - means elected or appointed department heads enumerated in Section 24000 of the California Government Code and such other officers as are provided by law.
- T. Professional Employees - means employees engaged in work requiring specialized knowledge and skills attained through completion of a recognized course of instruction including, but not limited to, attorneys, registered nurses, engineers, architects, teachers, and the various types of physical, chemical and biological scientists.
- U. Public Employee and Employee - means any person employed by the County, excepting those persons elected by popular vote or appointed to office by the Governor of this State.
- V. Recognized Employee Organization - means an employee organization formally acknowledged by the County as representing a majority of employees in an appropriate unit.
- W. Supervisory Employee - means an employee having authority to exercise independent judgment in assigning work and evaluating performance and to effectively recommend on actions to hire,

promote, transfer, lay off, recall, discipline, suspend, discharge, or adjust grievances of other employees, if in connection with the foregoing, the exercise of such authority is not a merely routine or clerical nature but requires the use of independent judgment.

- X. Unit - means a unit established pursuant to Section 2008 and 2009 of this Article.

**Sec. 2004 *Employee Rights:*** Employees of the County shall have the right to form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employee relations. Employees of the County also shall have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the County. The County and employee organizations shall not interfere with, intimidate, restrain, coerce or discriminate against employees because of their exercise of these rights.

**Sec. 2005 *County Rights:*** Nothing contained in this Article shall be deemed to supersede the provision of existing state law and the ordinances and rules of the County which established the Civil Service system. It is also the exclusive right of the County to direct its employees, take disciplinary action for proper cause, relieve its employees from duty because of lack of work or for other legitimate reason, classify and reclassify positions, and determine the methods, means, and personnel by which the County's operations are to be conducted; provided, however, that the exercise and retention of such rights does not preclude employees or their representatives from consulting about the practical consequences that decisions on these matters may have on wages, hours and other terms and conditions of employment.

**Sec. 2006 *Procedural Rights:***

- A. Upon request, a recognized employee organization shall have the right to meet and confer in good faith to negotiate wages, hours, and other terms and conditions of employment with the appropriate level of management. Matters unresolved at the appropriate level of management shall be referred to the County's designated representatives.
- B. If agreement is reached by the representatives of the County and a recognized employee organization, they shall jointly present to the Board for its consideration and adoption a written memorandum of such understanding. One week prior to final adoption of the memorandum of understanding, the Board shall hold a public hearing on the terms of the agreed upon memorandum of

understanding. A second public hearing on the terms of the agreed upon memorandum of understanding shall be held immediately prior to the final adoption of such memorandum of understanding. In no case shall a memorandum of understanding be adopted by the Board without the public hearings provided for herein.

- C. The County may adopt reasonable rules and regulations after consultation in good faith with representatives of the employee organizations concerning the administration of employee relations under this Article.
- D. The County shall give reasonable written notice to each recognized employee organization of any proposed ordinance, rule or regulation relating to matters within the scope of representation set forth in Section 2007 of this Article.

**Sec. 2007 *Scope of Representation:***

- A. The scope of representation shall consist of all matters relating to employer-employee relations, including wages, hours, and other terms and conditions of employment. Consideration of the merits, necessity, or organization of any service or activity provided by law or executive order is excluded.
- B. The County and recognized employee organizations may, by mutual agreement, meet and confer on matters which are not required or prohibited by this Article.
- C. Representatives of recognized employee organizations who are County employees shall receive reasonable time off without loss of compensation or other benefits when formally meeting and conferring with the County on matters within the scope of representation.
- D. Management employees and confidential employees may not act as representatives of any employee organization which represents non-management and non-confidential employees on matters within the scope of representation.

**Sec. 2008 *Units***

- A. In the establishment of employee units:
  - 1. Professional employees shall not be denied the right to be represented separately from non-professional employees;

2. Supervisory, management or confidential employees shall not be included in the same unit with non-supervisory, non-management or non-confidential employees.
- B. In the determination of appropriate employee units, the following factors must be considered:
1. Which unit will assure employees the fullest freedom in the exercise of rights granted under this Article?
  2. The community of interest of the employees.
  3. Consistent with maintaining the community of interest, the unit shall be the largest feasible.
  4. The history of employee relations in the unit, within the County, and in similar public employment.
  5. The effect on the efficient operation of the County.
  6. The effect on the classification structure.

**Sec. 2009 *Formal Acknowledgement of Recognized Employee Organizations:*** Any employee organization seeking to obtain or retain formal acknowledgement by the County as a recognized employee organization or seeking to register as an employee organization, or filing its petition for certification, shall furnish the Director-Human Resources with:

- A. Its name and mailing address.
- B. A current roster of its officers and those representatives authorized to meet and confer within the scope of representation or to consult in good faith.
- C. A copy of its constitution and bylaws.
- D. A statement that it has as one of its primary purposes representing employees in their employee relations with the County.
- E. A statement that it has no restriction on membership based on race, color, creed, national origin, sex, age, religion, citizenship or physical handicap.
- F. A designation of two persons and their addresses, to whom notice sent by regular United States mail will be deemed sufficient notice on it for any purpose in this Article.

- G. A petition for certification must be accompanied by proof of employee approval equal to at least 30 percent of the employees within the proposed unit. Proof may be shown by payroll dues deductions, membership cards, signed authorization cards or petitions or statements of intent signed by the employees.
- H. Description of unit or units requested. The Director-Human Resources shall file such description with the Board.
- I. Upon receipt of the aforesaid documents from an employee organization, the Director-Human Resources shall within 30 days establish a unit or units based upon the criteria as set forth in Section 2008 of this Article and shall issue a certificate to the employee organization a copy of which shall be filed with the Board, setting forth such unit or units, provided that verification of the proof submitted established that a majority of the employees involved have designated such employee organization to represent them.
- J. If the applying employee organization or any other employee organization desires to protest the determination of the Director-Human Resources, it shall within 10 days file its protest with the Director-Human Resources, requesting a review by the Commission. The Director-Human Resources may request review upon his own motion.
- K. The Commission may sustain, modify or reverse the unit determination of the Director-Human Resources. It may then conduct an election in accordance with the rules and procedures of the State Conciliation Service and certify the results therein, or the matter may be returned to the Director-Human Resources for appropriate action.
- L. The unit or units thus certified may not be protested, modified or decertified until the expiration of one year from the date of the certification.

**Sec. 2010** *Time Limitations for Filing Petitions:* Petitions for certification, modification or decertification may be filed only during the time period of September 15 to November 1.

**Sec. 2011** *Decertification Procedure:*

- A. The status of an organization as the recognized representative may be contested by employees of the unit after at least one year has



elapsed following the recognition, modification or decertification of the unit. In the case of a multi-year agreement, decertification can only occur during the second and subsequent years of the agreement.

- B. A petition for decertification of a recognized employee organization in an appropriate employee unit may be submitted by employees included in the certified unit. Such decertification petition shall be submitted to the Director-Human Resources and shall be accompanied by evidence of authorization from at least thirty percent (30%) of the employees in the appropriate employee unit which the petitioners request be decertified. If the employees are requesting decertification to be followed by recognition by a new employee organization not recognized, the information in Section 2009 (A through F) must also accompany the petition. After investigation, the Director-Human Resources shall refer the petitioner with a recommendation to the Civil Service Commission for hearing and a determination. If the Commission finds the unit appropriate, it may then conduct an election in accordance with the rules and procedures of the State Conciliation Service and certify the results therein. The ballot shall include a choice of "No Representation." The organization certified shall become the recognized bargaining representative immediately and assure the existing memorandum of understanding for the remainder of its duration. Should a group of represented employees decertify and become unrepresented, they shall continue under the existing memorandum of understanding for the remainder of its duration.
- C. The unit to be decertified need not be coterminous with the certified unit but it cannot exceed in scope the certified unit, and the unit to be decertified must be an appropriate unit standing alone.

**Sec. 2012 Modification Procedure:**

- A. If a representation unit has been established, that unit shall not be contested for at least one year from the date of determination. The procedure for modifying a unit shall be the same as found in Section 2011 of this Article. In the case of a multi-year agreement, a unit modification can only occur during the second and subsequent years of the agreement.
- B. The proposed unit to be modified must be an appropriate unit standing alone.
- C. New classes established by the Board of Supervisors shall be placed in appropriate bargaining units by the Director-Human

Resources based on the criteria in Section 2008 of this Article. His decision will be transmitted in writing to the Civil Service Commission and any employee organizations affected, who shall have 10 days to file a protest with the Commission requesting their review of the decision.

**Sec. 2013 *Withdrawal of Certification:*** The County shall not deny, suspend, or withdraw its certificate without a showing of a failure to comply with this Article and until the County has first given 30 days notice to the recognized employee organization of the deficiency and has further given it a reasonable opportunity to make any modification or amendments or take any action that may be require.

**Sec. 2014 *Unfair Practices:*** It shall be an unfair practice for the County:

- A. To interfere with, restrain, or coerce employees in the exercise of the rights recognized or granted in this Article.
- B. To refuse to meet and confer with representatives of a recognized employee organization within the scope of representation as set out in Section 2006, Subsection A, of this Article.
- C. For either the County or a recognized employee organization to fail or refuse to cooperate with the Commission or any mediators or fact finders selected as set out herein.

**Sec. 2015 *Initiation of Charges of Violation:*** Charges of violations of this Article, or of applicable rules or regulations, may be initiated by the County, by any employee organization, or by an employee. Such charges shall be filed in writing with the Director-Human Resources. The party may request a review by the Commission. The Commission shall conduct an investigation to determine whether a party has engaged in an unfair practice or has otherwise violated this Article or any rule or regulation issued there under, and shall file a report and recommendation with the Board.

**Sec. 2016 *Impasse Procedures:*** If the County and a recognized employee organization reach an impasse, either party may request mediation. They may agree upon the appointment of a fact finder. Such mediator or fact finder may be selected from a panel to be provided by the State Conciliation Service, or some other agreed upon source. Costs of mediation or fact finding shall be divided equally by the parties. The fact finder may remand the matter for further consideration, or file a report with the Board and all parties.

**Sec. 2017 Construction:**

- A. Nothing in this Article shall be construed to deny any person or employee the rights granted by Federal and State laws.
- B. The rights, powers and authority of the Board in all matters, including the right to maintain any legal action, shall not be modified or restricted by this Article.
- C. The enactment of this Article shall not be construed as making the provisions of Section 923 of the California Labor Code applicable to employees of the County.
- D. The provisions of this Article are not intended to conflict with the provisions of Chapter 10, Division 4, Title 1, of the Government Code of the State of California (Sections 3500 et seq).

**ARTICLE 21  
DISCIPLINARY ACTION**

**Sec. 2101 Purpose:** To create an equitable and uniform method for initiating and administering disciplinary actions.

**Sec. 2102 Written Order for Demotion, Suspension, Reduction in Pay, Dismissal:** The continuing employment of every permanent employee shall be contingent upon good behavior. Any such employee may be dismissed, demoted, suspended, reduced in pay, or demoted and suspended for cause as specified in Section 2105 by the appointing authority in the following manner:

- A. The appointing authority shall serve upon the employee a Notice of Proposed Disciplinary Action stating the nature of the proposed action and its effective date. Such Notice shall also set forth in writing the reasons for the proposed disciplinary action, a statement of the charges upon which the action is to be based, a notice to the employee that he has the right to review the materials being used against him, and a statement advising the employee that he has a right to respond to the charges.
- B. Within five calendar days from receipt of the Notice of Proposed Disciplinary Action, unless additional time is otherwise specified by the appointing authority in said Notice of Disciplinary Action, the

employee may respond to the County's proposed action. Such response may be presented orally or in writing. The employee has a right to have a representative if he so chooses.

- C. At the completion of the period provided in "B" above, the appointing authority shall review the employee's response, if any, and make a determination whether to dismiss, amend or sustain the proposed disciplinary action. If the appointing authority decides to amend or sustain the proposed action, the employee will be served with Notice of Disciplinary Action again setting forth in writing the reasons for disciplinary action and offering a statement of the charges upon which the action is based.

The Notice of Disciplinary Action shall also advise the employee that the action being taken is final, and apprise him of his right to appeal that action to the Civil Service Commission within 10 calendar days. A duplicate of that Notice must be filed with the Director-Human Resources and the Civil Service Commission.

Nothing in this Section shall be considered to restrict the right of the County to take immediate disciplinary action when it is deemed appropriate.

**Sec. 2103 *Disciplinary Appeal Procedure:*** An employee may, if he so chooses, appeal such order to the Civil Service Commission provided said appeal is in writing and is made within ten (10) days of this receipt of the final notice of disciplinary action. A copy of the written appeal shall be delivered concurrently to the Director-Human Resources.

**Sec. 2104 *Disciplinary Action Imposed During Probationary Period:*** The appointing authority may dismiss, demote, suspend, demote and suspend, or impose any other disciplinary action on any probationary employee during the probationary period. The Civil Service Commission shall not hold a hearing on any such disciplinary action taken against any probationary employee.

A promoted employee who is dismissed during his probationary period shall return to the position in which he held permanent status, if vacant, or any other vacant position in his former classification in the department/agency. If no such vacancy exists, every reasonable attempt will be made by the appointing authority to retain the employee in an underfill capacity. Only if there is no vacancy and the appointing authority is unable to make reasonable accommodation, the employee shall be placed on a leave of absence without pay not to exceed one year and shall be granted the first position that becomes available in his former classification. The above provisions shall not apply if the cause of the

dismissal warrants dismissal from County service. If the cause for dismissal warrants dismissal from County service, the employee shall be entitled to appeal such action to the Civil Service Commission within 10 days.

- Sec. 2105** ***Causes for Demotion, Suspension, Reduction in Pay, Dismissal:*** In accordance with Section 1345.1.4.13.1 of the Ventura County Ordinance Code, causes for disciplinary action are as follows: fraud in securing appointment, incompetency, inefficiency, inexcusable neglect of duty, physical or mental disability, insubordination, dishonesty, drunkenness on duty, intemperance, addiction to the use of narcotics or habit forming drugs, inexcusable absence without leave, conviction of a felony or misdemeanor involving moral turpitude, immorality, discourteous treatment of the public or other employees, improper political activity in violation of Article 24 or Sections 1351 and 1351.1 of the Ventura County Ordinance Code, willful disobedience, violation of any provisions of Article IV of the Ventura County Ordinance Code, which among other things includes the corrupt use of official authority or influence, or any other failure of good behavior or acts which are incompatible with or inimical to the public service.
- Sec. 2106** ***Duty of Director-Human Resources:*** The Director-Human Resources shall submit written notification to the appointing authority of any facts concerning a permanent employee which in his opinion would support and justify a dismissal, demotion, reduction in pay, or suspension for cause. The notification shall set forth the facts in detail and request the appointing authority to take appropriate action. A copy of such notification shall be sent to the Civil Service Commission at the time of appeal. Not later than five days before the next Civil Service Commission meeting, the appointing authority shall submit to the Commission a written report of the action taken.
- Sec. 2107** ***Non-Discrimination:*** Disciplinary actions shall be taken without regard to race, color, national origin, religion, sex, age, or functional limitations.
- Sec. 2108** ***Disciplinary Reduction in Salary:*** In accordance with the necessity for taking disciplinary action, the salary of a represented employee may be decreased by either 2-1/2% or 5% for a period of time not to exceed thirteen pay periods for any one offense.
- Sec. 2109** ***Suspension Without Pay:*** Suspension without pay may not exceed thirty (30) calendar days. Whenever an employee is suspended without pay, no salary shall be paid the suspended employee for the duration of his suspension and such suspension shall be treated as an authorized leave of absence without pay for purposes of vacation and sick leave accruals.

**Sec. 2110** *Demotion:* The employee may be demoted to a classification which has a lower salary range than the position which he occupied. In cases of disciplinary demotion, the compensation of the employee shall be adjusted to the salary in the range of the position to which he has been demoted which is approximately 5% lower than the salary he was receiving in the higher class. An employee do demoted shall retain his anniversary date.

## ARTICLE 22 RESIGNATION/TERMINATIONS

**Sec. 2201** *Purpose:* To define and describe resignations and terminations and the conditions which govern such actions.

**Sec. 2202** *Resignation/Termination Procedure:* A resignation shall not terminate a permanent employee from the classified service until such resignation is accepted by the appointing authority. A resignation shall be submitted in writing no less than ten working days prior to the date of intended separation unless the appointing authority consents to employee's leaving at an earlier date. If the appointing authority takes no action, the resignation shall be deemed accepted on the tenth working day following the date the appointing authority received the resignation. Any employee who leaves the classified service without so filing a resignation or giving ten days notice shall have that fact entered into his service record and may be denied entrance to examinations for which he may apply in the future.

**Sec. 2203** *Absence From Work for Three Consecutive Days Without Authorization:* An employee who is absent from work without authorized leave for three days or two consecutive twenty-four hour work shifts may be deemed by the appointing authority to have voluntarily terminated. The appointing authority shall make an immediate report in writing on the regular termination form stating the reasons for such resignation and shall forward it to the Director-Human Resources. Appeal to the Civil Service Commission by the terminated employee shall be in conformance with Section 2209.

**Sec. 2204** *Vacation and Annual Leave Payoff on Termination:* Any regular employee who terminates or is terminated, shall be paid the hourly equivalent of his salary for each hour of earned vacation and annual leave, based on the pay rate in effect for such person on the last day actually worked, spent on authorized leave, or spent on authorized time off as compensation for overtime.

- Sec. 2205** *Holiday Payoff on Termination:* Any regular employee who terminates or is terminated, shall be paid the hourly equivalent of his salary for each hour of earned holiday time, based on the pay rate in effect for such person on the last day actually worked, spent on authorized leave, or spent on authorized time off as compensation for overtime.
- Sec. 2206** *Cancellation of Sick Leave on Termination:* Termination of the continuous service of an employee, except by reason of layoff for lack of work or funds, shall result in cancellation of all sick leave accrued by him at the time of such termination irrespective of whether or not such a person subsequently re-enters the County service.
- Sec. 2207** *Payment on Termination:* Any employee who terminates or is terminated shall be paid the monetary value of his accrued overtime or compensatory time.
- Sec. 2208** *Re-Employment within Three Days of Termination or Resignation:* An employee being re-employed within three working days from the date of termination or resignation shall be deemed to have been on leave of absence without pay for such period of time and shall not be deemed to have terminated or resigned.
- Sec. 2209** *Involuntary Resignations:* A petition requesting hearing and including specific facts regarding the resignation alleged to be involuntary and coerced by improper action of the appointing authority shall be filed with the Civil Service Commission ten (10) days following notice to petitioner of the acceptance of the resignation by the appointing authority. The petitioner shall have the burden of proving that the resignation was involuntary. Should the Commission find that the resignation was not voluntary and was coerced by improper conduct of the appointing authority, the appointing authority shall have ten (10) days following notice of the decision of the Commission to serve the petitioner with an order in writing dismissing, demoting, suspending, or demoting and suspending the petitioner. Should no order in writing be served upon petitioner he shall be reinstated to his former position with back pay to the effective date of the resignation.

## ARTICLE 23 HEARINGS

- Sec. 2301** *Purpose:* To provide a means by which the Civil Service Commission hearings shall be conducted.

**Sec. 2302** *Time for Hearing:* A petition for hearing shall be delivered to the Commission no later than three (3) working days before the next regular meeting. All petitions for hearings delivered less than three (3) days prior to the next regularly scheduled meeting of the Civil Service Commission shall be placed on the agenda for the subsequent scheduled meeting. When such condition is met, the petition shall be placed on the agenda at the next meeting of the Civil Service Commission prior to setting a hearing and shall be considered for sufficiency. A petition shall be in writing, signed by the petitioner or the petitioner's representative, giving the mailing address, the action being appealed, and in plain language and in detail, sufficient facts and reasons upon which the petitioner's case is based. The Civil Service Commission may, at its discretion and for good cause, waive the three-day requirement of this section.

**Sec. 2303** *Action on Petition for Hearing:*

- A. In cases of discharge, demotion, reduction in pay, suspension, or demotion and suspension of a permanent employee, other than a probationary employee, an employee may file a petition for hearing pursuant to Article 21, Section 2103.
- B. In examination appeals and matters involving allegations of discrimination, the Commission may, at its discretion, grant a hearing. The Commission shall deny a request for a hearing if the petition fails to state sufficient specific facts and reasons, or if in the opinion of the Commission the specific facts and reasons stated, if true, would not entitle the petitioner to any relief. An amended petition will not be considered if it is not filed within fourteen (14) calendar days of the date of denial of the original petition. No more than one amended petition may be filed.
- C. The appearance of the petitioner or the petitioner's representative is required at the meeting in which the petition is considered by the Commission. Failure to appear shall be deemed as a withdrawal of the petition unless prior notice of the non-appearance has been served upon the Commission, or unless good cause can be shown.
- D. The Commission shall give notice to the parties of the date, place and time of the Commission meeting at which the petition shall be considered.

**Sec. 2304** *Hearing Board or Officer:* Upon receiving a petition which complies with the foregoing rules, the Commission shall determine whether the matter will be heard before the entire Commission or one or more members of the Commission, or a hearing board or officer appointed by the Commission. Recommendations of a hearing board or hearing officer



may be modified by the Commission and shall not become effective until ratified by the Commission.

**Sec. 2305 *Duty of Law Officer.*** It shall be the duty of the law officer to advise the Chairperson, or chairperson pro tem, on all questions of law, including rulings or evidence, arising at hearings of the Commission. The law officer shall not be present during the deliberations of the Commission. However, he shall be available so that he may be called upon by the Commission upon any questions of law arising during its deliberation of the facts.

**Sec. 2306 *Rights of Petitioner.*** When a hearing is granted, the petitioner shall attend, unless excused by the Commission, the Hearing Board, or the Hearing Officer. The petitioner shall be entitled to:

- A. Be represented by counsel, by a representative, or by himself;
- B. Testify under oath or affirmation;
- C. Examine and cross-examine witnesses;
- D. Examine and cross-examine employees of the County who have investigated any of the matters involved in the case and whose reports are offered in evidence before the Commission.
- E. Impeach any witness before the Commission or hearing board;
- F. Resent such affidavits, exhibits and other evidence as the Commission or hearing board deems pertinent to the inquiry;
- G. Argue the case.

The appointing authority or the Director-Human Resources shall be entitled to the same privileges.

**Sec. 2307 *Appearance of Petitioner.*** The appearance of the petitioner shall be required at all hearings except as otherwise provided herein:

- A. The Commission or hearing board shall have discretion to consent to the absence of the petitioner upon a showing of good cause.
- B. Unexcused absence of the petitioner at such a hearing may be deemed a withdrawal of the petition and consent to the action or ruling from which the appeal was taken.

**Sec. 2308 Subpoena Power:** Before the hearing has commenced, the Chairperson and Chairperson pro tem or the assigned hearing officer shall issue subpoenas and subpoenas duces tecum at the request of any party for attendance or production of documents at the hearing. Compliance with the provisions of Section 1985 of the Code of Civil Procedure shall be a condition precedent to the issuance of the subpoena duces tecum. After the hearing has commenced, the Chairperson or Chairperson pro tem hearing the case, or the assigned hearing officer, may issue subpoenas and subpoenas duces tecum. Any person duly subpoenaed to appear and testify or to produce any books and papers before the Commission who willfully neglects or refuses to appear or testify or to produce such books and papers is guilty of a misdemeanor.

**Sec. 2309 Public Hearing:** All hearings by the Commission shall be public unless the Commission, for good cause shown, orders that a hearing shall not be open to the public.

**Sec. 2310 Burden of Proof:** In disciplinary hearings, the burden of proof shall be on the appointing power. In all other hearings, including hearings granted on allegations of discrimination, the burden of proof shall be on the petitioner. The Commission shall hear all the evidence and shall base its findings and decision solely upon the evidence admitted.

**Sec. 2311 Determination of the Civil Service Commission:**

- A. For hearings held on disciplinary appeals, examination appeals, promotional appeals, unit determination, unfair practices, and illegal discrimination, the decision of the Civil Service Commission shall be final and binding.
- B. All decisions by the Commission shall be by majority vote. Determinations of the Commission shall be in writing and transmitted to the parties within seven calendar days after the close of the hearing whenever possible. In the event of a tie vote the Commission shall rule in favor of the party not having the burden of proof.

**Sec. 2312 Evidence:** The hearing shall be formal, but need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs.

Hearsay evidence may be admitted for any purpose but shall not be sufficient in itself to support a finding unless it would be admissible over

objections in civil actions. Irrelevant and repetitious evidence shall be excluded. Oral evidence shall be taken only under oath or affirmation.

Exhibits shall be marked and numbered. Exhibits when offered by either party may be received in evidence by the Chairperson. The names of all witnesses and exhibits in order received shall be made a part of the record.

- Sec. 2313** *Duty to Testify:* During a hearing, all witnesses have a duty to truthfully answer under oath or affirmation any question properly asked by the appointing authority, the petitioner, a Commissioner or the hearing officer.
- Sec. 2314** *Exclusion of Witness:* In disciplinary hearings only, the Commission, hearing board or hearing officer may, at its or his discretion, exclude witnesses not under examination, excepting the Director-Human Resources, the petitioner, the petitioner's representative, the appointing authority and counsel. When hearing testimony of scandalous or indecent conduct, all persons not having a direct interest in the hearing may be excluded.
- Sec 2315** *Witness Fees:* witnesses subpoenaed before the Civil Service Commission are entitled to the same fees and mileage paid witnesses in Superior Court. If requested, witness fees and mileage shall be paid by the party at whose instance the witnesses appear. Employees of the County of Ventura shall not be entitled to witness and mileage fees if they appear at the Commission hearing during their regularly scheduled working hours. Employees of Ventura County shall be entitled to witness and mileage fees if they are on a regularly scheduled vacation or holiday, or are required to appear outside of their regularly scheduled working hours.
- Sec. 2316** *Depositions:* If the presence of any witness cannot be procured at the time of the hearing, his deposition must have been taken in accordance with the rules applicable to depositions in civil cases. The cost of a deposition shall be borne by the party taking the deposition.
- Sec. 2317** *Report of Hearing:* Any party or interested person may, at his own expense, have a hearing reported by a Certified Shorthand Reporter or an Official Court Reporter.
- Sec. 2318** *Findings and Decisions:* (Applies to disciplinary hearings only.) If the Commission finds that none of the charges contained in the written notice are true, then it shall set aside the action taken by the appointing authority. If the Commission finds that some or all of the charges are true, then it shall make and enter its decision confirming or modifying the action of the

appointing authority. Nothing shall preclude the Commission from ordering the reinstatement of an employee with or without back pay.

**Sec. 2319** ***Vacation of Order.*** A decision of the Commission may be modified or vacated, in whole or in part, and a new or further hearing granted on all or part of the issues, or the application of a party to the hearing or on motion of the Commission, for any of the following causes, materially affecting the substantial rights of the applicant or the appointing authority:

- A. Irregularity in the hearing proceedings, or any order of the Commission or abuse of discretion by which either party was prevented from having a fair hearing.
- B. Accident or surprise, which ordinary prudence could not have guarded against;
- C. Newly discovered evidence which could not, with reasonable diligence, have been discovered and produced at the hearing and which is material to the question that was before the Commission.

**Sec. 2320** ***Application for Vacation of Order.*** The application or motion to the Commission shall be made either before the signing of the order of the Commission or within ten (10) days of the Commission mailing notice of its order and shall designate the grounds upon which vacation is requested. The time for hearing the application of motion shall be governed by Section

Should the Commission grant a hearing on the application or motion, the Commission shall, after review of the application or motion, specify the ground or grounds on which it is granted and the Commission's reason or reasons for granting the application or motion. At the hearing, the evidence introduced shall be limited to the ground or grounds upon which the hearing was granted. At the conclusion of the hearing, the Commission shall either confirm its prior findings and decision or issue a new finding and decision.

The filing of an application under this section shall not be necessary to exhaust administrative remedies and the application or motion shall not operate to stay the effectiveness of the order of the Commission except by discretion of the Commission upon a showing, by affidavit, or emergency or hardship should the order not be stayed.

**Sec. 2321** ***Judicial Review.*** Judicial review of a decision or order of the Commission may be had by filing and serving a petition for a writ of mandate in accordance with the provisions of the Code of civil Procedure. Such petition shall be filed and served upon the parties within one-

hundred eighty (180) days of the date of the Commission's decision or order. The right to petition shall not be affected by the failure to seek reconsideration, rehearing or reopening before the Commission. The party seeking judicial review shall bear the cost of having a record of the proceedings prepared for the reviewing court.

**Sec. 2322** *Record:* The Civil Service Commission shall record the proceedings on a recording device and shall make such recording available to the parties upon request, at the expense of the requesting party.

**Sec. 2324** *Waiver of Rules:* Any party who proceeds with the hearing after knowledge that any provision or requirement of these rules has not been complied with and who fails to object in writing or on record shall be deemed to have waived the right to object.

**Sec. 2325** *Disqualification of Commissioners:* A Civil Service Commissioner or hearing officer shall voluntarily disqualify himself and withdraw from any hearing in which he believes he cannot accord a fair and impartial hearing.

**Sec. 2326** *Hearings for Non-Permanent Employees:* To the extent a hearing is not otherwise provided for in these rules, any non-permanent employee, including probationary, extra help, part-time and intermittent employees, including intermittent employees who have passed a probationary period, shall be entitled to a hearing before his/her agency or department head whenever such employee believes that he/she was terminated from County employment in violation of these rules or any state or federal law. A request for such a hearing must be in writing and made within ten (10) days of termination. Such a hearing shall be informal. The employee may be represented by counsel or other representative, may call and examine witnesses, and may present any relevant evidence. Except in the case of a "for cause" dismissal of an intermittent employee who has passed probation, the employee shall have the burden of proof. The agency or department head shall consider all the evidence adduced at the hearing and may sustain or rescind the termination. The decision of the agency or department head shall be final and binding and the employee shall have no right to review by the Civil Service Commission. (Adopted 7/31/84.)

## ARTICLE 24 POLITICAL ACTIVITY

**Sec. 2401** *Purpose:* In accordance with Section 1351, et. Seq., of the Ventura County Ordinance Code, to delineate those political activities which are restricted and those which are allowed while an individual is an employee of the County.

- Sec. 2402 *Soliciting or Receiving Funds or Contributions:*** No employee of the County shall solicit for a candidate for elective office any contribution, pecuniary or otherwise, from other employees of the County. No employee of the County shall permit the services of his department/agency to be utilized to solicit, or process any political contribution, pecuniary or otherwise, from other employees of the County. Notwithstanding the provision so of this Article, an employee is not prevented from soliciting or receiving political funds or contributions to promote the passage or defeat of a ballot measure which would affect the rate of pay, hours of work, retirement, civil service, or other working conditions of employees of the County. A ballot measure shall be defined as any constitutional amendment or other proposition submitted to a popular vote at any election. The aforementioned activities are prohibited during the regular working hours of employees.
- Sec. 2403 *Participation in Political Activity While in Uniform:*** No employee of the County shall participate in political activities of any kind while he is in uniform.
- Sec. 2404 *Prohibition of Entry for Political Assessment, Subscription or Contribution:*** The purpose of this section is to deny the use of County property, its buildings, appurtenances or resources, for the solicitations of political assessments or contributions. Every employee of the County shall prohibit the entry into any place under his control, occupied and used for the governmental purposes of the County, of any person, for the purpose of therein making, or giving notice of any political assessment or subscription. No person shall enter or remain in any place as described above for the purpose of therein making, demanding, or giving notice of any political assessment or subscription. This section shall not apply to any auditorium or other place used for the conduct of public or political rallies or similar events, not to any park, street, public land or other place not being used for the governmental purposes of the County.
- Sec. 2405 *Use of Official Authority of Influence:*** No one who holds, or is seeking elective appointment to any office of employment in the County shall, directly or indirectly, use, promise, threaten or attempt to use, any office, authority or influence, whether then possessed or merely anticipated, to confer upon or secure for any person, or to aid or obstruct any person in securing, or to prevent any person from securing, any position, nomination, confirmation, promotion, change in compensation or position, within said County upon consideration that the vote or political influence or action of such person or another that the vote or political influence or action of such person or another shall be so given or used in behalf of or withheld from, any candidate, officer, or party, or upon any other corrupt condition or consideration.

**Sec. 2406** *Leave of Absence to Run for Elective Office:* Leaves of absence to run for elective office are governed by Article 17 of these Rules and Regulations.

## ARTICLE 25 CODE OF ETHICS

**Sec. 2501** *Purpose:* To establish standards of conduct and to delineate the ethical responsibilities of the public service for the guidance of all employees.

**Sec. 2502** *Discrimination:* There shall be no discrimination in any County activity because of race, color, national origin, religion, sex, age or functional limitation.

**Sec. 2503** *Acceptance of Gratuities:* No employee shall accept any fee, compensation, gift, payment of expense, or any other thing of monetary value in circumstances in which acceptance may result in, or create the appearance of resulting in, the use of public office for private gain; preferential treatment of any person, impeding governmental efficiency or economy; any loss of complete independence or impartiality; the making of a County decision outside official channels; of any adverse effect on the confidence of the public in the integrity of County government.

**Sec. 2504** *Ethical Responsibilities:* Each employee has an obligation to the citizens, to the people's elected representatives, to fellow employees, and to the administration, to cooperate in accomplishing the County's goals, to expose corruption wherever discovered, to refrain from disclosing any confidential information, to preserve and safeguard the County's assets, and to uphold these principles, ever conscious that public office is a public trust.

## ARTICLE 26 CONSTRUCTION

**Sec. 2601** The provisions of this Resolution shall be liberally construed so as to effectuate its purposes and to avoid and prevent inequities.

**ARTICLE 27**  
**RESOLUTION, CONSTITUTIONALITY, AMENDMENTS**  
**REPEALS AND EFFECTIVE DATE**

- Sec. 2701** ***Allocations and Resolutions:*** The number of positions and the classifications of such positions within a department/agency shall be established from time to time by resolution of the Board.
- Sec. 2702** ***Constitutionality:*** If any article, section, subsection, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal or unconstitutional, such decision shall not affect the validity of the remaining portion of this Resolution. The Board hereby declares that they have adopted this Resolution and each article, section, subsection, subdivision, sentence, clause and phrase thereof irrespective of the fact that any one or more articles, sections, subsections, subdivisions, sentences, clauses or phrases is declared illegal or unconstitutional.
- Sec. 2703** ***Amendments:*** Amendments to any articles or section of these Rules and Regulations where subject matter is described in Section 1345, et.seq., of the Ventura County Ordinance Code may be proposed at any meeting of the Commission but action thereon shall not be taken until a subsequent meeting. The Commission shall announce public hearings for such proposed changes either upon its own initiative or upon the request of the Board of Supervisors or the County Executive Officer. The announcement of any hearing requested by either the Board of Supervisors or the County Executive Officer shall be made within one week after receipt of a request therefore by serving notice. Such public hearing shall be commenced no earlier than two weeks after their public announcement and no later than five weeks after their public announcement. The Commission shall submit recommendations on matters so heard to the Board of Supervisors no later than seven weeks after the request for hearing has been made. For those articles and sections described within this section, all rules and amendments shall become effective on the day of their approval by the Board of Supervisors.
- Sec. 2704** ***Effective Date:*** This Resolution shall take effect and be enforced on and after December 15, 1992.



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# **ATTACHMENT 5**



**VCERA**  
VENTURA COUNTY EMPLOYEES  
RETIREMENT ASSOCIATION

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March 3, 2021

Mr. Ian Bondsmith  
1181 Beverly Way  
Altadena, California 91001

Re: VCFPA Claim for Correction of Membership Dates Based on Alleged Pre-Membership Misclassification of Members as Seasonal/Intermittent Employees

Dear Mr. Bondsmith:

This communication is in response to your most recent letter of February 3, 2021, and previous letters on this subject, and formalizes VCERA's position as to the claim made by the Ventura County Professional Firefighters Association ("VCPFA") that (1) the Board of Retirement for VCERA ("Board") has unlawfully relied on the "intermittent" status employment agreements between the County of Ventura and certain VCPFA members in excluding them from VCERA membership for the intermittent, pre-membership service they performed as Fire Control Workers ("FCW"); and (2) the Board is legally prohibited from relying on the County's pre-membership employment classification of these members as "Intermittent" employees and has a mandatory duty to conduct an independent factual investigation and reasoned assessment of the FCW's Intermittent service to determine whether the County should have classified them as Regular employees for all or part of those periods of service.

As we have discussed informally, I believe that under the facts that presented, as well as our own preliminary independent review, the Board may rely on the County's designation of these FCWs as Intermittent employees for periods of service prior to being hired as Regular employees, and the Board may exercise its discretion as to whether to engage in further independent factual investigation as to whether the County misclassified the FCWs. With that said, I have conferred with our Retirement Administrator, and we have determined it appropriate to make further inquiry of the County on this subject, and such inquiry is in process. We are also happy to comply with any further direction from the Board with regard to the extent of any continued investigation. At the March 8, 2021, meeting, VCERA staff will be recommending that the Board direct continued investigation and for staff to return to the Board with a report and recommended course of action as to whether facts support re-classification of any period of Intermittent employment as Regular employment, thereby necessitating correction to an earlier membership date.

The primary purpose of this letter is to address your claim that the Board is not fulfilling certain mandatory duties.

To summarize the facts, VCPFA's claim is on behalf of sixteen (16) current VCERA members in the firefighter classification, identified on Exhibit A of your February 3, 2021, letter, who were

March 3, 2021

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employed by the County, and initially began their service in the position of seasonal FCW, on an Intermittent basis, for various periods of time prior to being hired as Regular employees. On your Exhibit A, these periods of time are referred to as "tenures." Some of those tenures reflect extended intermittent terms where, as you describe, employees were "wintered over," and some reflect separate, consecutive terms, whereby the County, to quote your letter, "... *created sham 'termination' dates to make it appear as if these employees had left County service. These employees were then 'rehired' a few days later into the same position.*" Intermittent and seasonal employees are excluded from VCERA membership, while Regular employees are included. Your assertion is that the County has a long-standing practice of incorrectly categorizing FCWs as "Intermittent".

According to the job description for this position, FCWs engage in firefighter support duties such as cutting and removing of brush from roads, fire roads and fuel breaks, using hand and power tools, performing other tasks involved in fire control, and responding to fire alarms and other emergency calls. Seasonal FCWs typically work from April to December. VCERA's records show that 14 of the 16 members on your Exhibit A ultimately were hired as Regular FCWs and 2 were hired in a different classification as Firefighter Trainees. We understand that work as an intermittent, seasonal or regular FCW is often a starting point for those desiring a career as a firefighter. The dates of Intermittent service for the members on Exhibit A range from 1989 to 2004, with the exception of one member whose hire date was in 2015.

You claim that it is unlawful for VCERA to rely on the County's designation of the FCW's as Intermittent employees in excluding them from membership for their Intermittent service; that VCERA may not rely on the County's definition of "Intermittent" employee, and; that VCERA has a mandatory duty to engage in an independent factual investigation to determine if the FCWs were properly classified as Intermittent employees, hence excluded from membership.

Your letter states that I, as VCERA's General Counsel, took the position that VCERA has no authority to provide retirement benefits to these employees unless the County first changes their County employment status. This is not a correct representation of my position. After review of the governing law and the County's Personnel Rules and Regulations, I stated that I disagreed that the Board has a **mandatory duty** to conduct a further investigation and to reclassify your clients' Intermittent service as Regular employment. While I believe the Board certainly has the discretion to audit the County's records and direct staff to undertake further investigation, this is not a mandatory duty imposed by law. I related that if you were make this claim to the Board, my advice to the Board would be that they ask you to first make a claim to the County that your clients were "misclassified" as Intermittent employees to the extent that they were "wintered over," as you termed it, or terminated and immediately rehired, for periods of time in excess of that allowed by the County's Personnel Rules and Regulations; and, that if the County agreed that all or a portion of service should have been classified as "Regular" service, VCERA would correct its records as to date of membership and collect appropriate contributions for that included service. I explained that this is how the Board has handled similar prior instances where members claimed that pre-membership service as temporary or per diem employees was, in fact, de facto regular employment. In those cases, the County and members conducted an extensive review of payroll records and agreed on what portion of each employee's excluded service should be eligible for service in VCERA as a

Regular employee. In the case of the FCWs, if the County were to agree that any or all of the successive "extensions" or renewals of the intermittent periods should have entitled the FCWs to permanent/Regular employee status, VCERA would be happy to adjust membership dates.

We appreciate that you followed up by contacting the County to request that the members on Exhibit A be reclassified as Regular employees for all or a portion of the time periods they served as Intermittent employees. We understand that the County rejected your request and has taken the position that extensions of Intermittent service do not operate to convert Intermittent service to Regular service. (A copy of the County's response will be included with the Board materials.) It is unclear whether the County conducted an internal investigation as to whether successive extensions of Intermittent terms were warranted. This is one of the areas of inquiry upon which VCERA is engaging with the County on the issue.

It is VCERA's position that, based on the facts you have presented, and our review of the law and the County's Personnel Rules and Regulations, the Retirement Board does not have a mandatory duty to conduct further investigation as to whether the County wrongfully classified the identified members as Intermittent employees for all or part of the time period of their employment prior to accepting appointment as Regular employees. Nor does the Board have an obligation to adopt different definitions of "intermittent" and "seasonal" employment than those adopted by the County in its Personnel Rules and Regulations. Again, I did not state, nor does VCERA take the position, that the Board lacks discretion to conduct an investigation if it determines that circumstances warrant it. I have conferred with our Retirement Administrator and we determined that it is appropriate to conduct further inquiries of the County to gather additional information to present the Board. For example, we are informed that there may be documentation of the Human Resources Director's approval of extensions of the intermittent terms of your clients, as permitted by the County's Personnel Rules and Regulations. You have not provided those to VCERA, and we think that this documentation is relevant to your inquiry. We will also conduct any additional inquiry as directed by the Board in response to your request. For this correspondence, I will keep the remainder of my response focused on the legal rationale for this determination.

Intermittent Employees are Excluded from Membership in VCERA; In all Cases, the Board Determines Eligibility in VCERA

Each person entering the county employ becomes a member on the first day of the calendar month after his entrance into the service. (Govt. Code § 31552.) Government Code § 31469 defines "employee" as any person employed by a county whose compensation is fixed by the board of supervisors and whose compensation is paid by the county.

Government Code section 31527(e) provides that the Board's Regulations may include provisions for the exemption or exclusion of membership of persons whose tenure is temporary, seasonal or intermittent. Specifically, section 31527(e) provides that, in its regulations, the board may include the following provisions: "(e) For the exemption or exclusion from membership as a peace officer member or as a safety member or from membership altogether, in the discretion of the board, of persons whose tenure is temporary, seasonal, intermittent, or for part time only, or persons whose compensation is fixed at a rate



by the day or hour.” Accordingly, the Board has the discretion exempt intermittent employees from membership, and has done so, with the County’s express approval.

VCERA’s Bylaws/Regulations are adopted by the Board as well as the County Board of Supervisors, pursuant to section 31525. Article III of VCERA’s Bylaws govern membership and states that regular employees are included in VCERA membership and intermittent employees are excluded from membership. The Bylaws state:

1. EMPLOYEES INCLUDED: All non-safety regular employees of the County of Ventura, and other employer members of the County employees retirement Association, who are scheduled to work 64 hours or more biweekly , and all safety employees of the County and the Ventura County Fire Protection District shall become members of VCERA on appointment. . . .
2. EXCLUDED POSITIONS: Employees who are filling positions that meet any of the following descriptions shall be excluded from membership in VCERA:
  - (A) Extra Help Employee: A person employed for temporary work on a day-to-day basis who is compensated on an hourly basis.
  - (B) Intermittent Employee: A person employed for intermittent or temporary work on a day-to-day basis who is compensated on an hourly basis.
  - (C) Part-Time Employee: A regular employee scheduled to work less than 64 hours biweekly. . . .

In all cases, the Board determines eligibility for membership in VCERA. This determination is within VCERA’s exclusive authority. Article III, Section 5, of VCERA’s Bylaws state:

5. DETERMINATION OF ELIGIBILITY: In all cases, the Board shall determine eligibility for membership in VCERA.

The County has Plenary Authority over the Number, Compensation, Tenure and Terms of Appointment of Employees

The California Constitution confers upon the governing body of each county (i.e., the board of supervisors) plenary authority to provide for the number, compensation, tenure, and appointment of employees. Article XI., B. Section 1, Subdivision (b), provides: “The governing body of each county shall provide for the number, compensation, tenure, and appointment of employees.” As explained in case law, this provision was part of a comprehensive revision of article XI, governing the constitutional prerogatives of and limitations on California cities and counties. Its immediate predecessor, former section 5, had been amended in 1933 to give greater local autonomy to local governing boards. The ballot argument in favor of the amendment explained informs the voters that, “this is a county home rule measure, giving the county board of supervisors complete authority over the number, method of appointment, terms of office and employment, and compensation of all employees.” (*Jenkins v. County of Riverside* (2006) 138 Cal. App. 4th 593 (“Jenkins”); see also, *Hicks v. Board of Supervisors* (1977) 69 Cal.App.3d 228.) “[S]ince the power to levy a tax is purely legislative, and since the budget is an indispensable prerequisite to a valid tax levy, the adoption of the budget is clearly

a legislative function. [Citations.] The fixing of the number of employees, the salaries and employee benefits is an integral part of the statutory procedure for the adoption of the County budget, the fixing of the tax rate, and the levy of taxes. [Citations.] [¶] This legislative function may not be delegated to an executive officer, leaving no discretion in the governing board [citation]; and may not be controlled by the courts.” (*Jenkins, supra*, 138 Cal.App.4<sup>th</sup> 593, at p. 609, citing *Hicks, supra*, 69 Cal.App.3d 228, at p. 235; see also, *Holmgren v. County of Los Angeles* (2008) 159 Cal.App.4<sup>th</sup> 593 [Engineers claimed they were common law employees entitled to benefits and claimed an “illegal misclassification scheme”; Court ruled County has plenary authority to determine who is a civil service employee and who is not]; *Los Angeles County Employees Assn. v. Superior Court* (2000) 81 Cal.App.4<sup>th</sup> 164, 173, fn. 7 [the determination of civil service status must be made on a county-by-county basis in accordance with each county’s charter].

Accordingly, only the County can designate employees as “Regular” employees. The Retirement Board must be cautious if it is to unilaterally convert an excluded “Intermittent” period of service to “Regular” employment status for the purpose of VCERA membership on the basis that the County violated its own employment designation rules.

The County’s Personnel Rules and Regulations Set Forth the Definition and Employment Terms of Intermittent, Permanent and Regular Employees; VCERA May Apply These Definitions to Determine Membership in VCERA

Neither the CERL nor VCERA’s Bylaws define the terms “Regular” or “Intermittent” employee. However, because the County has approved and adopted VCERA’s Bylaws, as well as Personnel Rules and Regulations that define and set the terms for Regular and Intermittent employment, it is reasonable for VCERA to rely on the County’s definitions for Regular and Intermittent employees. This situation differs from that of CalPERS, in that CalPERS has adopted Regulations defining the types of employment entitled to membership, and those definitions govern over those of contracting agencies. (See *City of Los Altos v. Board of Administration* (1978) 80 Cal.App.3d 1049 [Temporary, seasonal employees who did not meet city’s criteria for “full-time” status, but who did meet CalPERS’ definition of “full-time” status, as set forth in its regulations, were entitled to enrollment in CalPERS].)

The Personnel Rules and Regulations define and describe the employment terms for Intermittent, Permanent and Regular employees as follows:

***Sec. 234 Intermittent Employee:*** A person employed for intermittent/temporary work on a day-to-day basis.

***Sec. 251 Regular Employee:*** All employees who hold an allocated full time or part time position in the County budget excluding but not limited to extra help, fixed term, or intermittent employees, or enrollees in training programs, and independent contractors. (Amended 7/31/94)

***Sec. 240 Permanent Employee:*** An employee who has completed an initial probationary period.

The Personnel Rules and Regulations also provide that the determination of the number of Regular positions is within the sole and exclusive authority of the Board of Supervisors:

**Sec. 903 Number and Classification of Authorized Positions:** The number and initial classification of authorized positions shall be determined by resolution of the Board of Supervisors. No department or agency head shall hire employees in excess of the authorized positions designated by the Board.

Article 11 of the Personnel Rules and Regulations governs employment terms of intermittent employees:

**Sec. 1101 Purpose:** To provide regulations which govern the employment and compensation of intermittent appointees.

**Sec. 1102 Reasons for Appointing:**

...

B. Intermittent - The purpose for employing intermittent employees is where the workload requires periodic and fluctuating augmentation on a regular basis, yet does not warrant a full-time employee or cannot be handled by additional regular employees. The purpose for employing intermittent employees is where the workload requires periodic and fluctuating augmentation on a regular basis, yet does not warrant a full-time employee or cannot be handled by additional regular employees.

Section 1103 sets forth the limitations of extra help and intermittent employees:

**Sec. 1103 Limitations:**

...

B. Intermittent Employment - No intermittent employee shall be hired unless the Director-Human Resources finds that the conditions set forth in Section 11-2(B) [sic] are present. No intermittent employee may be employed to fill a classified position for more than thirty (30) working days other than provided for in Section 1105, if there are at least three (3) persons eligible to be certified by the Director-Resources for that vacancy. **No person shall be employed as an intermittent employee for any purpose for more than 1664 hours in any one fiscal year. The Director-Human Resources may grant special authorization to extend intermittent employment periods upon receiving written justification from the appointing authority. Such special authorization shall be in writing to the appointing authority and copies shall be sent to the Auditor-Controller and any appropriate employee organization.** The Auditor-Controller shall not authorize payment to any intermittent employee in excess of the periods specified herein without such special authorization from the Director-Human Resources. (Emphasis Added.)

Section 1107 governs salary and benefits of intermittent employees:

B. Intermittent - Intermittent employees shall be compensated at an appropriate step of the salary range and **such compensation shall be considered as full compensation**

**covering the value of vacation, sick leave, holidays, and other benefits afforded regular employees. . . .”**

Accordingly, our reading of section 1103 is that an Intermittent employee may work in excess of 1664 hours in any one fiscal year upon written justification by the appointing authority and approval of the Director-Human Resources. It is not clear whether you are claiming that our reading of section 1103 is incorrect, or that the extension provisions in Section 1103 B. violate the law, or that the County violated the Personnel Rules and Regulations in extending the Intermittent terms of the members on Exhibit A. It also would be helpful if you could provide more specificity as to the criteria you believe should be used for establishing the date upon which each member should have been classified as a “Regular” employee, and thus entitled to enrollment by the County in VCERA.

The Board may properly rely on the Sworn Statements filed by Members or the County in Determining Eligibility for VCERA Membership; The Board is Authorized, but not Required, to Audit the County to Determine the Correctness of Enrollment in the System

Government Code § 31526(b)(1) provides that board’s regulations shall include provisions for the filing of a sworn statement by every person who is or becomes a member, showing nature and duration of employment with the county. Article V. of VCERA’s Bylaws provides:

Every employee who is to become a member of VCERA shall complete a sworn statement, with written or electronic signature, as provided in Government Code Sections 31526(b)(1) and 31527(i). Such statement shall show the member’s date of birth, date of hire by the County or other participating employer . . . , compensation . . .” and other information. The sworn statements of the members on your Exhibit A indicate the date they became employed as Regular employees, thereby entitled to VCERA membership. It is reasonable for VCERA to rely on the sworn statement for determining the beginning dates of membership, and to exercise discretion in determining if and when to audit the County’s employment records to determine the correctness of the reported dates of Regular employment.

Government Code section 31543 authorizes, but does not require, the board to audit a county or district to determine the correctness of enrollment in the system. Based on the facts and governing authorities presented, the Board has the authority to exercise its discretion to determine either that no further investigation or audit on its part is necessary, or to direct staff to conduct further inquiry.

Mere Lapse of Time That an Employee Occupies a Position Designated as Temporary, Seasonal or Intermittent Does is not Sufficient, of itself, to Render the Employee a De Facto Regular or Permanent Employee, Entitled to Retroactive Change in VCERA Membership Date

“As a matter of California law, the mere lapse of time that an employee occupies a position designated as ‘temporary’ is not sufficient, of itself, to render the employee a de facto regular or permanent employee.” (*Jenkins, supra*, 138 Cal. App. 4th 593, at p. 604.)

In *Jenkins*, a temporary employee who worked for a period longer than that allowed by Riverside County’s ordinance, without documentation of approved “extensions” as allowed by

the ordinance upon showing of good cause, claimed that she had the rights and privileges of a regular, permanent employee. The Court identified the critical issue as being the proper meaning and interpretation of the County's salary ordinance. (*Jenkins, supra*, 138 Cal.App.4<sup>th</sup> 593, at p. 604.) The court stated, "The only consequence which logically proceeds from the failure to apply for and obtain extensions of plaintiff's employment is not that plaintiff was magically transformed into a permanent employee (albeit one who never served a probationary period), but that she should have been terminated, as a matter of routine, years ago. Plaintiff received a windfall-extended employment to which she was not entitled-and cannot now be heard to complain. . . ."

"[T]he relevant cases do not stand for the proposition that plaintiff had become a de facto permanent employee." (*Jenkins, supra*, 138 Cal.App.4<sup>th</sup> 593, at p. 610.) Accordingly, the remedy for any violation of the "extension" provisions authorized for Intermittent employees may not necessarily be a right to an earlier membership date in VCERA.

The California Public Employees Retirement Law, which governs CalPERS, contains specific provisions that require contract employers to enroll seasonal, intermittent, limited-term employees after the employee completes 1,000 hours of paid service or 125 days (if paid on a daily or per diem basis) in a fiscal year. (See Govt. Code § 20305.) Neither the CERL nor the County's Personnel Rules and Regulations contain a similar provision. If the legislature intended to impose such a requirement for CERL counties, it could have done so. Also note that in the case of *Metropolitan Water District v. Superior Court* (2004) 32 Cal.4<sup>th</sup> 491, where the court found that employees of a CalPERS contractor were common law employees and entitled to membership in CalPERS, the action was brought by the employees against the contractor who failed to enroll the employees, not CalPERS, but CalPERS elected to intervene. The court's decision indicates that the duty is mandatory enrollment by the employer, not the retirement system. Government Code section 20221.5, which governs CalPERS, imposes upon employers the responsibility to enroll eligible employees in CalPERS, but contracting agencies must comply with CalPERS' requests for information on employees who are not enrolled in the system. While a retirement system certainly has the authority to audit, investigate and require enrollment of those wrongfully denied membership, there is nothing in the law that imposes a mandatory duty to audit or investigate a claim of misclassification.

Although the Board Likely has the Authority to Require the County to Correct Enrollment Dates for Members as Far Back as Necessary to Correct an Employment Classification Error, it Must Be Recognized that Establishing Actual Errors Occurred may be Problematical Due to the Passage of Time

It is important to note that the claims you are presenting could be barred by the statute of limitations and/or doctrine of laches. The claims you present appear to be based on a right created by statute - that being the right to membership in VCERA for periods of time wrongfully classified as Intermittent rather than Regular employment. The statute of limitations on an action for a claim based on a statutory right is three (3) years, pursuant to Code of Civil Procedure Section 338, subdivision (a). To the extent the claim is based on VCERA's breach of fiduciary duty in not auditing and investigating the nature of the identified members' Intermittent employment at the time they were alleged to have become entitled to membership, the claim would be subject to the residual four-year statute of limitations,

March 3, 2021

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pursuant to Code of Civil Procedure section 343. The alleged misclassifications occurred more than 16 years ago for 15 of the 16 members, and 6 years ago for one member. The facts were known to the members at the time they were offered and accepted continued employment as Intermittent employee, a position excluded from VCERA membership. However, the Board could determine that reclassification is not subject to any statute of limitations because of its ongoing duty to its members. In *City of Oakland v. Public Employees Retirement System* (2002) 95 Cal.App.4th 29, the Court ruled that the PERS Board's determination that reclassification of airport servicemen from miscellaneous/general to safety membership was not subject to any statute of limitations because of its ongoing duty to members is not arbitrary or irrational. (*City of Oakland, supra*, 95 Cal.App.4th 29, at p. 45-46.)

Because of the delay in presenting these claims, however, "equity may bar an administrative proceeding, and 'the courts will apply notions of laches borrowed from the civil law.'" (*City of Oakland, supra*, 95 Cal.App.4th 29, at p. 51.) "In civil actions the "defense of laches requires unreasonable delay plus either acquiescence in the act about which plaintiff complains or prejudice to the defendant resulting from the delay.'" (*City of Oakland, supra*, 95 Cal.App.4th 29, at p. 51.) Here, the undue delay in claiming a right to reclassification may prejudice VCERA's ability to obtain full employment history records and information regarding the reasons for the extensions of the intermittent terms. We are informed that employment records for the extensions of the intermittent service show that staples were removed from hard copies and it is unclear if the Fire Department's requests for extensions of the Intermittent terms were removed. Passage of time makes it more difficult for VCERA to obtain documents and accurate testimony from those who were involved in making and managing FCW employment status determinations.

### Conclusion

Based on the foregoing, VCERA will complete the further investigation recently initiated and conduct any further investigation as directed by the Board, and will report back to the Board with its findings at a future meeting. It remains our legal position, however, that the Board has not unlawfully denied pension benefits to the members identified on Exhibit A as a result of not retroactively changing their membership dates to cover a portion of their Intermittent employment service, nor has the Board violated the law by reasonably relying on the County's designation of these members as Intermittent employees prior to the time they were hired as Regular employees, in light of the terms and conditions of Intermittent employment as set forth in the County's Personnel Rules and Regulations.

Sincerely,



Lori A. Nemiroff  
General Counsel, VCERA

cc: Linda Webb  
Retirement Administrator

# **ATTACHMENT 6**

# THE COUNTY OF VENTURA SUPPLEMENTAL RETIREMENT PLAN

Adopted January 1, 1992

Amended August 31, 1993

December 1, 2000

June 8, 2004

May 17, 2005

July 10, 2007

December 14, 2010

and May 15, 2012



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**ARTICLE I  
DATE - PURPOSE**

- 1.01 Plan: Effective January 1, 1992, the County of Ventura (the "County") has adopted the County of Ventura Supplemental Retirement Plan, hereinafter referred to as the "Plan."
- 1.02 Purpose: The purpose of the Plan is: (1) to provide supplemental retirement benefits to County employees whose employment with the County does not otherwise entitle them to retirement benefits under the County's 1937 Act Retirement Plan or the Social Security Act; (2) to provide early retirement benefits to County employees who retire early pursuant to periodic early retirement incentive programs adopted by the County; and (3) to provide supplemental retirement benefits to specified classes of elected department heads to establish retirement parity with appointed department heads. It is the County's intent that this Plan will comply with the Omnibus Budget Reconciliation Act of 1990 (the "Act") and will satisfy the requirements of a tax qualified pension plan under Code Section 401(a). The Trust established under this Plan (incorporated by this reference) and the assets thereunder will not be used for, or diverted for, other than the benefit of participants or their beneficiaries as prescribed in Code Sections 401(a) and 501(a).
- 1.03 Rights: The County, by maintaining this Plan, does not give any employee or any other person any legal or equitable right against the County, the Trustee, or the corpus or income of the Trust unless the right is specifically provided for in this Plan, nor does it give any employee the right to be retained in the County's service.

**ARTICLE II  
PLAN DESCRIPTION**

- 2.01 Description: This Plan provides safe harbor retirement benefits, early retirement benefits, and elected department head retirement benefits.
- 2.02 Safe Harbor Retirement Benefits: Part B of this Plan sets forth the provisions governing the payment of safe harbor retirement benefits under this Plan. The provisions contained in Part B shall apply only to the determination of eligibility for and the payment of safe harbor retirement benefits and shall not apply to the determination of eligibility for or the payment of any other benefit provided for by this Plan.

- 2.03 Early Retirement Benefits: Part C of this Plan sets forth the provisions governing the payment of early retirement benefits under this Plan. The provisions contained in Part C shall apply only to the determination of eligibility for and the payment of early retirement benefits and shall not apply to the determination of eligibility for or the payment of any other benefit provided for by this Plan.
- 2.04 Elected Department Head Retirement Benefits: Part D of this Plan sets forth the provisions governing the payment of supplemental retirement benefits for elected department heads under this Plan. The provisions contained in Part D shall apply only to the determination of eligibility for and the payment of elected department head retirement benefits and shall not apply to the determination of eligibility for or the payment of any other benefit provided for by this Plan.

### **ARTICLE III GENERAL DEFINITIONS**

- 3.01 Act: The Omnibus Budget Reconciliation Act of 1990.
- 3.02 Actuarial Equivalent: Benefits and payment options for which the actuarial present values are equal. Actuarial present values shall be determined using the actuarial assumptions established from time to time by the Plan Administrator for establishing costs, benefits, and benefit values for the Plan.
- 3.03 Board of Supervisors: The County of Ventura Board of Supervisors.
- 3.04 Committee: A committee appointed as Plan Administrator by the Board of Supervisors in accordance with Article IV.
- 3.05 County: The County of Ventura, California. Where appropriate, the term "County" shall also include the Air Pollution Control District and the Ventura Superior Court.
- 3.06 County Employees' Retirement Law of 1937: The County Employees' Retirement Act of 1937 (1937 Act) (Government Code Section 31450 et seq.).
- 3.07 County's 1937 Act Retirement Plan: The County's general retirement plan adopted pursuant to the County Employees' Retirement Law of 1937.
- 3.08 Employer: The County.
- 3.09 Employer Code Section 414(h) Contributions: Contributions designated as employee contributions that are made by the Employer in lieu of contributions by participants and which result in the reduction of a participant's actual pay. Participants do not have the option to receive these contributions, or an equivalent amount, directly instead of having them paid by the Employer into the

Plan. These contributions are treated as pre-tax Employer contributions pursuant to Code Section 414(h).

- 3.10 Internal Revenue Code or Code: The Internal Revenue Code of 1986, as amended.
- 3.11 Investment Manager: A fiduciary designated by the Plan Administrator to whom has been delegated the responsibility and authority to manage, acquire, or dispose of Plan assets (1) who is (i) registered as an investment adviser under the Investment Advisers Act of 1940; (ii) a bank, as defined in that Act, or (iii) an insurance company qualified to perform investment advisory services under the laws of more than one state and (2) who has acknowledged in writing that he or she is a fiduciary with respect to the management, acquisition, and control of Plan assets. The Trustee may be the Investment Manager.
- 3.12 Plan Actuary: The actuary designated by the Plan Administrator to act as actuarial consultant for the Plan.
- 3.13 Plan Administrator: The Committee appointed by the Board of Supervisors or its delegate with the powers and duties described in this Plan and in the Trust Agreement. The Plan Administrator shall be the Board of Supervisors if no Committee is appointed.
- 3.14 Plan Year: The accounting period of this Plan and the Trust shall be the 12-consecutive-month period beginning each July 1 and ending the following June 30. (Effective July 1, 2000.)
- 3.15 Required Beginning Date: The date by which benefit payments must begin, as determined in accordance with Section 401(a)(9)(A)(i) and (C) of the Code and regulations thereunder.
- 3.16 Trust/Trust Fund: The fund established under the Plan and the Trust Agreement from contributions made by the County or by employees according to Plan provisions and from which any distributions under the Plan are made.
- 3.17 Trust Agreement: The legally binding agreement between the Trustee and the County that provides for the investment and administration of the Trust.
- 3.18 Trustee: The person(s) named in the Trust Agreement to act as the trustee of the Trust, or any successor Trustee.
- 3.19 Valuation Date: The last day of each Plan Year or such other valuation dates as the Plan Administrator may designate.

**ARTICLE IV  
PLAN ADMINISTRATION**

- 4.01 Plan Administrator: The Plan Administrator is the named fiduciary of this Plan and has the full power to administer this Plan. The Trustee does not have this duty. The Plan Administrator shall operate and administer the Plan solely in the interest of the participants and their beneficiaries for the exclusive purpose of providing retirement benefits and defraying reasonable expenses of administration in accordance with the Plan as far as the Plan is consistent with the provisions of applicable law.
- 4.02 Powers and Duties of Plan Administrator: The Plan Administrator has all powers necessary to administer the Plan except to the extent any such powers are vested in any other fiduciary by the Plan Administrator. In addition to any other powers and duties granted to it under this Plan, the Plan Administrator shall have the authority to:
- (a) construe the terms of the Plan,
  - (b) construe and interpret eligibility for membership and benefits,
  - (c) credit contributions and similar matters,
  - (d) decide how and when benefits will be paid,
  - (e) act on applications for benefits or other claims and hear appeals from adverse determinations,
  - (f) enforce the Plan according to its terms and to the rules and regulations adopted by the Plan Administrator from time to time,
  - (g) determine questions submitted by the Trustee to the Plan Administrator in connection with the administration of the Plan and the Trust, and
  - (h) establish rules for Plan administration.
- 4.03 Appointment of a Committee: The Board of Supervisors may, at its discretion, appoint a Committee to serve as Plan Administrator.
- 4.04 Operation of the Committee: A majority of the Committee members constitutes a quorum for the transaction of business. All resolutions or other action taken by the Committee will be by majority vote of its members present at any meeting or, without a meeting, by instrument in writing signed by all its members. The chair of the Committee will appoint a secretary who may, but need not, be a member of the Committee. The Committee may delegate any of its powers or duties among its members or to others as it determines. It may authorize one or more

of its members to execute or deliver any instrument or to make any payment on its behalf.

4.05 Duty of Care: Each fiduciary will discharge his or her duties with respect to the Plan with the care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

4.06 Indemnification of Plan Administrator: To the extent permitted by applicable state law, the County shall indemnify and save harmless the Plan Administrator and any delegate who is an employee of the County against any and all expenses, liabilities, and claims, including legal fees to defend against such liabilities and claims, arising out of their discharge in good faith of responsibilities under or incident to the Plan, other than expenses and liabilities arising out of willful misconduct.

This indemnity shall not preclude such further indemnities as may be available under insurance purchased by the County or provided by the County under any agreement or otherwise, as such indemnities are permitted under state law.

4.07 Eligibility of Plan Administrator to Participate in Plan: The Plan Administrator and/or other persons to whom the County has delegated any of its powers are eligible to participate in the Plan if they meet the eligibility requirements provided, however, that no member of the Committee and no person to whom any of the County's powers has been delegated may act on, or participate in, any decision affecting any matter in which he or she has a financial interest upon which it is reasonably foreseeable that the decision will have a material effect distinguishable from the effect upon the financial interests of participants generally.

4.08 Establishment of Trust Fund: Each participant's account shall be 100% vested for such participant at all times. For those funds not invested in an insurance and annuity company product, the County will appoint a Trustee to establish a Trust Fund to which all Plan contributions will be made. The Trust Fund will be held, invested, reinvested, used, and disbursed by the Trustee in accordance with the Plan's provisions and a Trust Agreement to be entered into between the County and the Trustee.

The County may remove the Trustee at any time upon the notice required by the Trust Agreement. The County will then designate a successor Trustee. No person will have any interest in, or right to, the entire or partial Trust Fund, except as expressly provided in the Plan or the Trust Agreement. Despite any Plan provisions to the contrary, no part of the Trust Fund assets will, by reason of any modification, amendment, termination, or otherwise, be used for or diverted to purposes other than for the exclusive benefit of participants and beneficiaries.

4.09 Delegation of Responsibility: The Plan Administrator shall have the power to direct the Trustee in writing with respect to the investment of the Trust Fund or any part thereof. Where investment authority, management and control of the Trust Fund has been delegated to the Trustee by the Plan Administrator, the Trustee shall be that fiduciary with respect to the investment, management, and control of the Trust Fund contributed by the County and participants with full discretion in the exercise of such investment, management, and control. Except as otherwise provided by law, the Plan Administrator may appoint an Investment Manager, as defined in the Plan, to invest the Trust Fund or any part thereof. Where investment authority, management, and control of the Trust Fund is not specifically delegated to the Trustee, the Trustee shall not be a fiduciary with respect to the investment, management, and control of such fund, and in such case the Committee or the Investment Manager, as the case may be, shall be the fiduciary with respect to the investment, management, and control of such assets.

It is the intent of all fiduciaries under the Plan and Trust that each fiduciary shall be solely responsible for its own acts or omissions. Except to the extent required by applicable state or federal law, no fiduciary shall have the duty to question whether any other fiduciary is fulfilling any or all of the responsibilities imposed upon such other fiduciary by applicable law. No fiduciary shall have any liability for a breach of fiduciary responsibility of another fiduciary with respect to the Plan or Trust Fund unless he or she knowingly participates in such breach, knowingly undertakes to conceal such breach, has actual knowledge of such breach and fails to take reasonable remedial action to remedy such breach, or, through his or her negligence in performing his or her own specific fiduciary responsibilities, has enabled such other fiduciary to submit a breach of the latter's fiduciary responsibilities.

4.10 Fiduciary Responsibility: While the County will endeavor to use reasonable care in the selection of investments and assets in connection with the measurement of the liabilities assumed by the County under this Plan, neither the County nor its employees or agents shall be liable to any participant or to any of his or her beneficiaries for disappointing results or for any loss in connection with such selections.

4.11 Exclusive Benefit: The County will purchase an investment product and invest amounts of employee/Employer contributions therein in order to provide a fund from which it can satisfy its obligation to make benefit payments pursuant to the Plan. Such investment product, and all contributions under this Plan, all property and rights that may be purchased by the County with such amounts, and all income attributable to such amounts, property, or rights to property shall be held in trust for the exclusive benefit of participants and their beneficiaries. All such amounts shall not be subject to the claims of the County's general creditors.

- 4.12 Maintenance of Records: The Plan Administrator or its delegate will establish and maintain records of each participant's compensation reduction contributions.
- 4.13 Costs of Administration: The costs of administration of the Plan shall be paid from the Plan, as long as they are deemed reasonable expenses by the Plan Administrator. Such expenses shall include, but are not limited to, expenses for professional, legal, accounting, actuarial, and investment services.
- 4.14 Correction of Errors: If an error or omission is discovered in the administration of the Plan, the Plan Administrator shall take such equitable action as may be necessary or appropriate to correct the error.
- 4.15 County Contributions: The Plan shall be funded entirely by the County contributions and by the Employer Code Section 414(h) Contributions. The County shall make contributions in such amounts and at such times as determined by the Plan Actuary sufficient to maintain the promised benefits and the qualified status of the Plan under the regulations of the Internal Revenue Service.
- 4.16 Rights: The Trustee is under no duty to inquire into the correctness of contributed amounts paid over to the Trustee. The Trustee, Plan Administrator, or any other person is under no duty to enforce the payment of any contributions by the County including Employer Code Section 414(h) Contributions.

All contributions by the County shall be irrevocable and shall be used for the full discharge of the benefits described in the Plan and the payment of reasonable administrative expenses; provided, however, notwithstanding anything herein to the contrary, a contribution that was made under a mistake of fact shall be returned to the County within one year after the payment of the contribution. The provisions of this paragraph will be applicable only to the extent consistent with the Code.

- 4.17 Claims Review Procedure: Any employee, or the employee's duly authorized representative, whose application for benefits under this Plan is denied, in whole or in part, may request that the Plan Administrator review the decision by submitting a written statement to the Plan Administrator within 60 days of receiving written notice from the Plan Administrator of the denial of the claim. The written statement must request review by the Plan Administrator; set forth all reasons upon which the request for review is based and any facts in support thereof; and set forth any issue or comments the applicant deems relevant to the application.

The Plan Administrator shall act upon each request for review within 60 days, unless circumstances require a longer period, after receipt of the request for review or receipt of additional materials reasonably requested by the Plan Administrator from the applicant, whichever occurs later. The Plan Administrator



shall make a full and fair review of each such application and any related materials submitted by the applicant. The Plan Administrator may require the County or the participant to submit within 30 days after written notice by the Plan Administrator, such additional facts, documents, or other evidence as is deemed necessary or advisable in the sole discretion of the Plan Administrator in making such review.

On the basis of the review, the Plan Administrator shall make an independent determination of the applicant's eligibility for benefits under this Plan. If the Plan Administrator denies the application, in whole or in part, the Plan Administrator shall give written notice of the decision to the applicant setting forth the specific reasons for such denial and specific references on which the Plan Administrator's decision is based. Such written notice shall be given within 120 days of the date the request for review was received by the Plan Administrator unless circumstances require a longer period. The decision of the Plan Administrator shall be final and binding.

## **ARTICLE V AMENDMENT AND TERMINATION**

5.01 Amendment: The County expects to continue this Plan indefinitely, but nevertheless reserves the right at any time to amend or terminate it, including the right to discontinue County contributions to any extent and in any manner deemed advisable. The County's failure to contribute to the Plan in any Plan Year will not discontinue this Plan.

The County may amend this Plan at any time and all participants and their beneficiaries shall be bound by such amendments, provided that no amendment:

- (a) transfers to the County any interest in the Plan assets before satisfaction of all liabilities,
- (b) causes any of the Plan assets to be diverted to purposes other than the exclusive benefit of present or future participants or their beneficiaries except as provided in Section 5.02 of Part A, or
- (c) lessens any of the accrued benefits of any participants or beneficiaries under the Plan.

5.02 Termination: The County may, in its sole and absolute discretion, suspend or terminate this Plan at any time without any further liability whatsoever, effective on any date indicated by the County but not earlier than the first day of the Plan Year in which the action is taken. In the event of termination of this Plan, unless such termination is made because the Plan is being merged into another retirement plan that affords substantially equal or greater benefits, the benefits of the Plan shall become nonforfeitable to the extent funded, and the assets of the

Plan shall be used solely to fund such benefits until all liabilities of the Plan have been satisfied. Once all liabilities have been satisfied, any excess assets shall revert to the Plan Administrator for the full discharge of all operational expenses of the Plan. The County may recover the extent of any surplus resulting from erroneous actuarial assumptions.

5.03 Distribution on Termination: Upon written notice from the County of termination of this Plan for any reason, the Trustee will deduct its reasonable compensation and estimated expenses in administering the Plan assets. Then the Plan Administrator will allocate the Plan assets for the purposes below and in the order below, to the extent the assets are sufficient:

- (a) continuance of the Trust, despite termination of this Plan,
- (b) purchase and distribution by the Trustee to a participant of one or more single premium nontransferable annuity contracts on the life of the participant with the amount due to the participant,
- (c) lump sum payment of Actuarial Equivalent in lieu of the purchase and distribution of such annuity contracts, or
- (d) a combination of these methods.

Any term-certain provision contained in the annuity contract will be limited to the life expectancy of the participant.

## **ARTICLE VI MISCELLANEOUS**

6.01 Applicable Law: Subject to the provisions of the Code, and other applicable federal law, this Plan will be governed in all respects by the laws of the State of California. Notwithstanding any provision of the Plan to the contrary, in the event that any provision of the Plan or any participation agreement conflicts with applicable laws or regulations, or as they may be amended from time to time, the Plan or participation agreement shall be deemed to have been amended to be in conformity with said laws or regulations.

6.02 Minors or Incompetents: If the Plan Administrator receives satisfactory evidence that a participant or beneficiary entitled to receive any Plan benefit is, at the time the benefit becomes payable, a minor, or physically or mentally incompetent to receive the benefit and to give a valid release therefore, the Plan Administrator may authorize payment otherwise payable to the participant or beneficiary to the duly appointed guardian, conservator, or other representative of the participant's or beneficiary's estate. If no guardian, conservator, or other representative has been duly appointed, and if another person or institution is then maintaining or has custody of the participant or beneficiary, the Plan Administrator may

authorize payment otherwise payable to the participant or beneficiary to that person or institution. The release of the guardian, conservator, or other representative of the participant's or the beneficiary's estate, or another person or institution, shall be a valid and complete discharge for the benefit payment.

- 6.03 Uniformed Services Employment and Reemployment Rights Act: Notwithstanding any provision of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code.
- 6.04 Misrepresentations: If the Plan Administrator determines that a participant intentionally misrepresents information or fraudulently omits information that is determinative of his or her eligibility for participation in this Plan or affects the amount of their entitlement to Plan benefits, the Plan Administrator has the right to seek any and all remedies provided by law against said participant.
- 6.05 No Employment Contract: This Plan is not in any way to be deemed a contract between the County and any employee, and it in no way affects the employment contract of any employee. Benefits payable under the Plan are to be paid solely from Plan assets, and the County assumes no liability or responsibility therefor.
- 6.06 Nonassignable Clause: It is agreed that neither the participant nor his or her beneficiary nor any other designee shall have any right to commute, sell, assign, transfer, or otherwise convey the right to receive any payments hereunder, which payments and right thereto are expressly declared to be nonassignable and nontransferable. Any attempted assignment or transfer shall be null and void. No unpaid benefits shall be subject to attachment, garnishment, or execution, or be transferable by operation of law in event of bankruptcy or insolvency, except to the extent otherwise required by law.
- 6.07 Restriction on Alienation: No benefit or interest payable under the Plan to any person shall be deemed a contract between the County and any employee, and it in no way affects the employment contract of any employee. Benefits payable under the Plan are paid solely from Plan assets, and the County assumes no liability or responsibility therefore.
- 6.08 Rollover Distribution: If the distributee of any eligible lump sum rollover distribution elects to have such distribution paid directly to an eligible retirement plan, and specifies the retirement plan to which such distribution is to be paid (in such form and at such time as the Plan Administrator may prescribe), such distribution shall be made in the form of a direct trustee-to-trustee transfer to the eligible retirement plan. This provision is subject to the limitations set forth in Section 401(a)(31) of the Code.

- 6.09 Severability: If any provision of the Plan is invalid or unenforceable, the other Plan provisions will not be affected, but will be applied as if the invalid or unenforceable provision had not been included in the Plan.
- 6.10 Total Compensation Limits: For employees who first become Plan participants after December 31, 1995, the annual compensation amount taken into account under the Plan for any year may not exceed \$150,000, as annually adjusted by the Secretary of the Treasury pursuant to Code Section 401(a)(17). For employees who first became Plan participants on or before December 31, 1995, the annual compensation that may be taken into account under the Plan for any year shall be subject to the total compensation limitations in effect on July 1, 1993.
- 6.11 Unclaimed Benefits: If the Plan Administrator is unable to locate a participant or any other person with an interest in this Plan for payment of a Plan benefit for a period of one year or longer, then the amount of such benefit shall revert to the Plan and may be used to reduce County contributions in subsequent Plan Years. If such a participant or other interested person subsequently makes a claim for such benefit and establishes such entitlement, the forfeited amounts then due shall be restored and paid to such participant or interested person within a reasonable period of time.
- 6.12 Deductions: Before making initial or further distributions to a participant or beneficiary, the Plan Administrator may direct the Trustee to deduct any amounts it deems proper to satisfy obligations owed to the Plan by the participant or beneficiary, or to protect itself and the Trustee against liability for and on account of death, succession, inheritance, and income or other taxes. Out of this money, the Plan Administrator may direct the Trustee to discharge any such obligations or liability.
- 6.13 Qualifying Medical or Family Leave: A participant may continue to make contributions to this Plan in accordance with the Plan's terms during a qualifying unpaid leave of absence under the California Family Right's Act ("CFRA")(Gov. Code 12945.1 et seq."). Qualifying CFRA or FMLA leave shall be treated as continuous service for purposes of vesting and eligibility to participate in the Plan.
- 6.14 Qualified Domestic Relations Orders, "QDROs": As permitted under Code Section.414(p)(6), a Qualified Domestic Relations Order creates or recognizes the existence of an "alternate payee's" right to receive, all or a portion of, the benefits payable with respect to a participant under the Plan. The Plan shall recognize and give effect to QDROs that have been approved by the Plan Administrator in accordance with procedures established by the Plan Administrator. Subject to applicable law, the Plan Administrator shall pay the segregated amounts to the entitled alternate payee.

**ARTICLE I**  
**PURPOSE**

- 1.01 Purpose: The Employer wishes to comply with the Omnibus Budget Reconciliation Act of 1990 (the "Act"). To accomplish this purpose, the Employer has adopted this Part B of the Plan to cover Employees in an eligible group.

**ARTICLE II**  
**DEFINITION OF TERMS**

The following definitions shall apply for purposes of Part B of this Plan.

- 2.01 Accrued Benefit: A Participant's monthly benefit or lump sum benefit, as described under Article IV of Part B of this Plan, to which the Participant is entitled at Early Retirement Date, Normal Retirement Date, or Late Retirement Date, based on years of Benefit Accrual Service and Career Compensation at the date of determination.
- 2.02 Beneficiary: The person or persons designated by a Participant for purposes of Part B of this Plan on a beneficiary designation form filed with the Plan Administrator, or, in the absence of this designation and filing, the person or persons designated in Section 6.02 of Part B of this Plan.
- 2.03 Benefit Accrual Service: All periods of employment as an active Participant to a maximum of 30 years. A Participant's Benefit Accrual Service shall be determined on an elapsed-time basis and measured in whole years. If a Participant receives credit for one hour of service during a Plan Year as an active Participant under Part B of this Plan, the Participant shall receive credit for one year of Benefit Accrual Service. Benefit Accrual Service shall not include years of employment with the Employer during which the Participant is not an Employee, as defined in Part B of this Plan, for any portion of the Plan Year.
- 2.04 Career Compensation: Total amount of Compensation for the period of the Participant's Benefit Accrual Service for the last 30 years of participation.
- 2.05 Compensation: Base pay actually received by an active Participant from the Employer, while covered by Part B of this Plan, plus all other items of cash compensation received other than unscheduled overtime pay, amounts provided by the County Flexible Benefit Plan, bonuses or single sum amounts received on account of death or separation from service, compensatory time, sick pay plan, or under severance pay plans, and Employer contributions to a deferred compensation plan. Compensation items include, but are not limited to, annual

leave/vacation redemption, automobile allowance, assignment/shift differentials, and other employer-paid incentives, such as educational and bilingual.

Employee reimbursements, such as mileage and textbook and tuition, are not included in Compensation.

Annual Compensation shall be limited to the lesser of the total compensation limits described in Section 6.10 of Part A and the Participant's Taxable Wage Base. For purposes of Part B of this Plan, Compensation shall include Employer Code Section 414(h) Contributions as described in Section 4.16 of Part A of this Plan.

- 2.06 Domestic Partner: A "domestic partner" as defined in Section 297 of the California Family Code.
- 2.07 Early Retirement Date: The date as of which a Participant retires after age 50 and prior to his or her Normal Retirement Date.
- 2.08 Effective Date: The Effective Date of Part B of this Plan is January 1, 1992.
- 2.09 Employee: All employees of the Employer who are not "regular employees" of the County as defined by section 251 of the Ventura County Personnel Rules and Regulations, as amended from time to time, and all regular employees who are scheduled to work less than 64 hours biweekly. Persons providing services in the following types of positions are not considered regular employees and therefore eligible for coverage under Part B of this Plan: casual help, extra-help, intermittent employees, trainees, and persons classified by the Employer as independent contractors who are found by a tribunal of competent jurisdiction to be common-law employees.

Notwithstanding the above, the term Employee shall not include: Rehired Annuitants, reserve firefighters, members of the County's 1937 Act Retirement Plan who have reduced their scheduled work hours to below 64 hours biweekly, persons who are a member of another retirement system as defined in Code Section 3121(b)(7)(F) with respect to services performed for the Employer, and persons for whose service the Employer makes Social Security contributions.

It is the intent of the County that only employees whose service is not covered by the County's 1937 Act Retirement Plan and for whom the County is not obligated to make Social Security contributions be deemed an Employee under Part B of this Plan.

- 2.10 Employment Date: The first day on which a person reports for work for the Employer.

- 2.11 Entry Date: The Effective Date, the Employment Date, or the first day the person becomes an Employee, whichever occurs later.
- 2.12 Inactive Participant: Any Participant who has become ineligible to participate in Part B of this Plan due to his or her becoming covered under another plan that meets the definition of a retirement system as defined in Code Section 3121(b)(7)(F) and regulations thereunder, or to the extent that the Employer is paying tax under Code Section 3111(a) with respect to such individual, or while employed in an ineligible group or classification.
- 2.13 Late Retirement Date: The date as of which a Participant who has postponed retirement after his or her Normal Retirement Date actually retires. A Participant who elects to postpone his or her retirement shall receive full credit for his or her Benefit Accrual Service and Compensation after age 65.
- 2.14 Leave of Absence: Any absence of an Employee from active service with the Employer that is not treated by the Employer as a Termination of Employment. Determinations of Leaves of Absence will be nondiscriminatory for all Employees.
- 2.15 Normal Retirement Age: The Participant's sixty-fifth birthday.
- 2.16 Normal Retirement Date: The first day of the month coinciding with or immediately preceding a Participant's Normal Retirement Age.
- 2.17 Participant: Any Employee who meets the eligibility criteria of Section 3.01 of Part B of this Plan. Employees continue to be Participants during each Plan Year they are employed by the Employer. The term Participant also includes Inactive Participants unless clearly stated otherwise.
- 2.18 Period of Severance: The period beginning with the Severance from Service Date and ending with the date immediately preceding the Employee's Reemployment Date with the Employer.
- 2.19 Reemployment Date: The first date following a Period of Severance.
- 2.20 Rehired Annuitant: Any person employed by the Employer who is a former participant in a retirement system (as defined in Code Section 3121(b)) maintained by the Employer, who has previously retired and who is either in pay status or has reached normal retirement age under that system, as provided in Treasury Regulations Section 31.3121(b)-7.
- 2.21 Severance from Service Date: The later of the date the Employee retires, dies, quits, is discharged, or fails to return to active work within three working days following the expiration of an approved Leave of Absence.

- 2.22 Taxable Wage Base: The contribution and benefit base under Section 230 of the Social Security Act. The Taxable Wage Base shall be determined as of the beginning of each Plan Year.
- 2.23 Terminated Participant: Any Participant who is no longer participating in Part B of this Plan due to Termination of Employment.
- 2.24 Termination of Employment: An Employee separates from service due to:
- (a) dismissal for any reason,
  - (b) refusal or failure to return to work within three working days after date requested by the Employer,
  - (c) failure to return to work within three working days of the conclusion of a Leave of Absence, or
  - (d) voluntary termination.

### **ARTICLE III PARTICIPATION**

- 3.01 Eligibility: Each Employee who is employed by the Employer on or after the Effective Date shall become a Participant under Part B of this Plan on his or her Entry Date. If, after becoming a Participant, such Participant becomes covered by another retirement system as provided in Code Section 3121(b)(7)(F), he or she shall be an Inactive Participant under Part B of this Plan while covered by such other plan. Furthermore, a person shall be an Inactive Participant under Part B of this Plan during any periods of service that are treated as employment under Code Section 3121(b), to the extent that the Employer is paying tax under Code Section 3111(a) with respect to such individual.

If an employee who is in an ineligible group of employees thereafter transfers to an eligible group of Employees, he or she shall be eligible to participate in Part B of this Plan upon such date of transfer.

If an Employee who is in an eligible group of Employees thereafter transfers to an ineligible group of employees, he or she shall become an Inactive Participant and his or her Accrued Benefit will be fixed and shall remain in the Plan. No further contributions shall be made under Part B of this Plan by him or her or on his or her behalf.

- 3.02 Reemployment: Employees who have incurred a Termination of Employment and who are later reemployed become Participants in Part B of this Plan as of the date of reemployment. If a Participant receives a distribution upon or after



termination and then resumes employment covered under Part B of this Plan, such Participant's Accrued Benefit shall be adjusted to reflect an offset for the prior distribution.

#### **ARTICLE IV RETIREMENT BENEFITS**

- 4.01 Normal Retirement Benefit: The monthly retirement benefit for a Participant who retires on or after his or her Normal Retirement Date is a monthly amount payable as of his or her Normal Retirement Date or Late Retirement Date, if applicable, for life equal to one-twelfth (1/12th) of 2% of the Participant's Career Compensation during the last 30 years of Benefit Accrual Service.

In the event that the actuarial present value of the Accrued Benefit calculated above is not more than the maximum lump sum amount currently allowed by law, the Participant shall, in lieu of the monthly benefit, be paid a one-time lump sum amount that is the Actuarial Equivalent of the Accrued Benefit as of the date of retirement.

- 4.02 Nonforfeitability: Benefits shall be 100 percent nonforfeitable.

- 4.03 Early Retirement Benefit: The monthly retirement benefit for a participant who retires after age 50 and before his or her Normal Retirement Date is a monthly amount payable as of his or her Early Retirement Date for life equal to one-twelfth (1/12th) of 2% of the Participant's Career Compensation, during the last 30 years of Benefit Accrual Service, actuarially discounted to account for the Participant's retirement prior to his or her Normal Retirement Date.

In the event that the actuarial present value of the Accrued Benefit calculated above is not more than the maximum lump sum amount currently allowed by law, the Participant shall, in lieu of the monthly benefit, be paid a one-time lump sum amount that is the Actuarial Equivalent of the Accrued Benefit as of the date of retirement.

- 4.04 Joint and Survivor Annuity Option: Married, and Domestic Partner, Participants who qualify for monthly retirement benefit payments may, in lieu of such benefits, elect to receive actuarially discounted benefits that, upon the death of the Participant, will be payable for the life of the Participant's surviving spouse, or Domestic Partner. Such election will be effective only with respect to spouses who have been married to, or a Domestic Partner of, a Participant for at least one year as of the date that is 90 days prior to the Participant's Early Retirement Date, Normal Retirement Date or Late Retirement Date as applicable.

- 4.05 Payment Increases: The monthly retirement benefit payable to Participants under Part B of this Plan shall remain fixed. No cost-of-living or other increases are provided by Part B of this Plan.

## ARTICLE V DISTRIBUTION

- 5.01 Election of Benefit Option: (1) Eligible Participants may elect to receive their retirement benefit at any time they are eligible to receive a retirement benefit from the Plan. The monthly retirement benefit will not start automatically, or be retroactive to, when a Participant becomes eligible to retire. A Safe Harbor Application for Distribution of Plan Benefits must be filed in order to begin receiving retirement benefits. Married Participants, and Participants who are domestic partners, who do not elect the joint and survivor annuity option must submit a consent form, signed by their spouse or Domestic Partner and notarized, indicating that the spouse or Domestic Partner agrees to the Participant's refusal of this option. The election of any benefit, and the required spousal consent, if applicable, must be indicated on the Safe Harbor Application for Distribution of Plan Benefits and shall be irrevocable. Married and Domestic Partner, Participants who make no benefit election will be deemed to have elected the joint and survivor annuity option. (2) Within the six months immediately prior to the Participant age that triggers the Required Beginning Date as determined in accordance with Section 401(a)(9)(A)(i) and (C) of the Code and regulations thereunder, Participants who have not yet submitted a benefit application will be provided with a benefit application and notified of the IRS regulations regarding minimum distributions at the later of the Required Beginning Date or termination of employment. If no benefit application is received by the Required Beginning Date, the Plan Administrator will process the retirement effective no later than the Required Beginning Date.
- 5.02 Timing of Payment: Payments will not begin earlier than the Participant's Early Retirement Date, except in the case of a death benefit.
- 5.03 Normal Form of Benefit: The normal form of benefit provided under Part B of this Plan is a monthly retirement benefit payable to the Participant for life, except in those cases where the actuarial present value of the Accrued Benefit is not more than the maximum lump sum amount currently specified under the Code, in which case the Participant shall receive the accrued benefit in one lump sum as more fully described in Sections 4.01 and 4.03 of Part B of the Plan.
- 5.04 Rollover Distribution: A Participant requesting a distribution that is an eligible lump sum rollover distribution shall have the option of having all or part of the eligible rollover distribution paid directly to an eligible retirement plan, as further described in Section 6.08 of Part A. The Plan does not accept a direct rollover resulting from the eligible rollover distribution from another plan.

5.05 Benefit Commencement: The monthly benefit payable under Part B of this Plan pursuant to the normal form of benefits described in Section 5.03 shall accrue from the Participant's Early Retirement Date, Normal Retirement Date, or Late Retirement Date as applicable. The date the Safe Harbor Application for Distribution of Plan Benefits is signed by the Participant will designate the effective date of retirement. The actual payment of monthly benefits shall commence as soon as administratively practicable, but not later than the first day of the third month following the Early Retirement Date, Normal Retirement Date, or Late Retirement Date, as applicable, together with any retroactive payments due. Thereafter, monthly benefits shall be payable on the first day of each month to the Participant. Any lump sum payment pursuant to an actuarially reduced benefit described in Section 5.03 shall be paid as soon as administratively practicable, but not later than the first day of the third month following the Early Retirement Date, Normal Retirement Date, or Late Retirement Date, as applicable.

Regardless of any other Plan provision, payment of a Participant's benefits will commence no later than April 1 of the calendar year following the calendar year in which the Participant retires or attains age 70½, whichever occurs later, or the then current Required Beginning Date required by the IRS.

5.06 Benefit Duration: Notwithstanding any other provision of the Plan, the Participant's entire interest in the Plan will be distributed within five years of the later of the Participant's death or the designated Beneficiary's death while receiving Plan benefits, if any, with respect to the deceased Participant. In addition, if distribution of benefits begins before the Participant's death, his or her remaining interest in the Plan, if any, will be distributed at least as rapidly as under the method being used as of the Participant's date of death. Death benefits, if any, provided by this Plan will be "incidental" within the meaning of Treasury Regulations Section 1.401-1(b)(1). The distribution of any incidental benefits provided for by this Plan shall be treated as a distribution required under this Plan within the meaning of Code Section 401(a)(9)(G).

## **ARTICLE VI DEATH BENEFITS**

6.01 Death of a Participant: If the Participant dies before retirement begins, his or her Beneficiary will be entitled to receive a lump sum payment equal to the accumulated contributions made by the Employer on behalf of the Participant pursuant to Code Section 414(h), with interest compounded annually at the rate of 5% to the date of death. Part B of this Plan does not provide for any pre-retirement survivor annuities. Pre-retirement death benefits, if any, provided by this Plan will be incidental within the meaning of Treasury Regulations Section 1.401-1(b)(1). The distribution of any incidental benefits provided for by this Plan shall be treated as a distribution required under this Plan within the meaning of Code Section 401(a)(9)(G).

6.02 Designation of Beneficiary: Participants have the right at any time to name and change the beneficiary for pre-retirement death benefits provided under Part B of this Plan. This designation and change shall be made on a form supplied for that purpose by and filed with the Plan Administrator. The Plan Administrator shall direct the Trustee to apply any death benefits payable under the Plan provided under Section 6.01 of Part B of this Plan to the Beneficiary or Beneficiaries, and in such amount to each, if more than one, as the Participant designated. If more than one Beneficiary has been designated without specifying the shares to each, distribution shall be made equally to such of the designated Beneficiaries who are living from time to time, or all to the survivor. If no unrevoked Beneficiary designation is on file, or if all designated Beneficiaries predecease the Participant, distribution will be made to the following, in the order named:

- (a) the Participant's spouse or Domestic Partner at the time of the Participant's death,
- (b) the Participant's direct descendants per stirpes,
- (c) the Participant's executor or administrator, or
- (d) the Participant's next of kin as provided by the intestacy laws of the state in which the Participant dies as a resident.

If the Participant designates a sole primary Beneficiary other than his or her spouse or Domestic Partner the beneficiary designation form must be signed by the spouse or Domestic Partner and notarized, signed by the Participant, and filed with the Plan Administrator.

6.03 Benefit Payment: Any lump sum payment pursuant to Section 6.01 shall be paid as soon as administratively practicable, but not later than the first day of the third month following the Beneficiary's application for benefits.

## ARTICLE VII CONTRIBUTIONS

7.01 Contributions: The Plan Actuary will determine the contribution amount necessary to maintain the Plan in sound actuarial and financial condition.

7.02 Form: Contributions by the Employer for any Plan Year will be paid to the Trustee in cash.

7.03 Employer Code Section 414(h) Contributions: Effective immediately upon employment with the Employer, and as a condition of employment with the Employer, each Participant shall have his or her Compensation reduced each payday by 3%, or other amount as determined by the Plan Administrator. These

contributions shall be made by the Employer to the Trustee in lieu of Employee contributions. Such contributions shall cease upon the attainment of 30 years of Benefit Accrual Service.

**ARTICLE I  
PURPOSE**

- 1.01 Purpose: The purpose of Part C of the Plan is to provide supplemental retirement benefits to County employees who retire early pursuant to periodic early retirement incentive programs adopted by the County. Supplemental retirement benefits provided by Part C may be in addition to early retirement incentives granted to County employees in the form of additional service credit under the County's 1937 Act Retirement Plan.

**ARTICLE II  
DEFINITIONS**

The following definitions shall apply for purposes of Part C of this Plan.

- 2.01 Beneficiary: A Surviving Spouse.
- 2.02 Early Retirement Income: Any retirement benefit provided in Article IV of this Part C.
- 2.03 Eligible Employee: An employee who meets both of the following conditions:
- (a) The Board of Supervisors has passed a resolution finding that the economic interests of the County of Ventura would be served by providing an early retirement benefit to the employee or a class of employees including the employee.
  - (b) The employee is otherwise eligible to retire under the County's 1937 Act Retirement Plan.
- 2.04 Participant: An Eligible Employee who elects to participate in an early retirement incentive program, as established by resolution from time to time by the Board of Supervisors, and who actually receives, has received, or is eligible to receive Early Retirement Income pursuant to Part C of the Plan.
- 2.05 Plan Participation Election Period: The period of time specified in a Board of Supervisors' resolution establishing an early retirement incentive program during which an Eligible Employee must retire in order to participate in Part C of this Plan.
- 2.06 Retirement Date: The date an Eligible Employee actually retires from County employment.

- 2.07 Surviving Spouse: A Participant's surviving husband, wife, or Domestic Partner who is eligible for the survivor's allowance payable under the County's 1937 Act Retirement Plan pursuant to Government Code Section 31760.1.

### **ARTICLE III PARTICIPATION**

- 3.01 Participation: To participate in Part C of the Plan, an Eligible Employee must meet the following requirements:
- (a) The Eligible Employee must elect to retire and actually retire during a Plan Participation Election Period,
  - (b) the Eligible Employee must concurrently elect to retire and commence retirement benefits under the County's 1937 Act Retirement Plan, and
  - (c) the Eligible Employee must agree to the conditions described in Section 3.02 below.
- 3.02 Conditions of Participation: In addition to any requirements set forth in Section 3.01 of Part C of this Plan, a Participant must agree to any conditions of participation imposed by the Board of Supervisors' resolution that establishes the relevant Plan Participation Election Period.

### **ARTICLE IV BENEFITS**

- 4.01 Normal Form of Benefits: The normal form of benefit provided by Part C of the Plan is a monthly retirement benefit payable to the Participant for life. Upon the death of the Participant, the monthly retirement benefit shall be paid to the Participant's Surviving Spouse, if any, for life.
- 4.02 Amount of Benefit: The Board of Supervisors' resolution establishing the Plan Participation Election Period shall state the amount of Early Retirement Income to be paid under Part C of the Plan to named Eligible Employees in terms of whole year increments of supplemental service credit to be provided under Part C of this Plan. The monthly retirement benefit payable under this Part C of the Plan shall be equal to the additional monthly unmodified retirement allowance to which the Participant would have been entitled under the County's 1937 Act Retirement Plan had the Participant retired with the supplemental service credit granted under Part C of the Plan by the Board of Supervisors' resolution. Example: Employee A is 60 years old, has 20 years of service, and final monthly compensation of \$5,000.00. Pursuant to an early retirement incentive program, the Board of Supervisors adopts a resolution granting A two years of additional service credit under the County's 1937 Act Retirement Plan and one year of additional service credit under this Part C. Assume that with 22 years of service

credit, A's monthly allowance under the unmodified benefit option of the County's 1937 Act Retirement Plan would equal \$2,100.00. Assume further that with 23 years of service credit, A's monthly allowance under the County's 1937 Act Retirement Plan would equal \$2,195.00. The monthly retirement benefit payable to A under Part C of this Plan is \$95.00.

- 4.03 Payment Increases: The monthly retirement benefit payable to Participants or their Beneficiaries under Part C of this Plan shall remain fixed. No cost-of-living or other increases are provided by Part C of this Plan.
- 4.04 Election of Benefit Option: The election of any benefit option must be made on a form approved by the Plan Administrator before, and shall be irrevocable after, the expiration of the relevant Plan Participation Election Period. The Plan Administrator may require that the current spouse or Domestic Partner of a Participant jointly execute any form used to elect the lump sum option described in Section 5.03 of Part C of this Plan.
- 4.05 Death Benefits: No death benefits are provided under Part C of this Plan.

## **ARTICLE V DISTRIBUTION**

- 5.01 Benefit Commencement: The monthly benefit payable under Part C of this Plan pursuant to the normal form of benefits described in Section 4.01 shall accrue from the Participant's Retirement Date. The actual payment of monthly benefits shall commence as soon as administratively practicable, but not later than the first day of the third month following the Retirement Date, together with any retroactive payments due. Thereafter, monthly benefits shall be payable on the first day of each month to the Participant or his or her Beneficiary, as appropriate. Regardless of any other Plan provision, payment of benefits will commence no later than April 1 of the calendar year following the calendar year in which the Participant retires or attains age 70½, whichever occurs later, or the then current Required Beginning Date required by the IRS.
- 5.02 Benefit Duration: Notwithstanding any other provision of the Plan, the Participant's entire interest in the Plan will be distributed within 5 years of the later of the Participant's death or any Beneficiary's death while receiving Plan benefits, if any, with respect to the deceased Participant. In addition, if distribution of benefits begins before the Participant's death, his or her remaining interest in the Plan, if any, will be distributed at least as rapidly as under the method being used as of the Participant's date of death. Death benefits, if any, provided by this Plan will be "incidental" within the meaning of Treasury Regulations Section 1.401-1(b)(1). The distribution of any incidental benefits provided for by this Plan shall be treated as distributions required under this Plan within the meaning of Code Section 401(a)(9)(G).



- 5.03 Lump Sum Option: A Participant may elect to receive a lump sum payment equal to the Actuarial Equivalent of the amount of benefit described in Sections 4.01 and 4.02 of Part C of this Plan that is attributable to one year of additional service credit. Any remaining benefit provided under Part C of this Plan shall be paid in the normal form. Example: Assume the Board of Supervisors adopts a resolution granting Employee A two years of additional service credit under Part C of this Plan. Assume further, that the amount of the normal form of benefit payable to A for each year of additional service credit granted is \$95.00 per month. Finally, assume that the present Actuarial Equivalent of a \$95.00 monthly benefit to A (and his or her Beneficiaries) under the normal form of benefit is equal to \$10,000.00 lump sum payment and a monthly payment of \$95.00 for his or her life and the life of his or her Beneficiary. If A does not elect the lump sum option, A would receive a monthly benefit of \$190.00 for his or her life and the life of his or her Beneficiary.
- 5.04 Rollover Distribution: A Participant requesting a distribution that is an eligible lump sum rollover distribution shall have the option of having all or part of the eligible rollover distribution paid directly to an eligible retirement plan, as further described in Section 6.08 of Part A. The Plan does not accept a direct rollover resulting from an eligible rollover distribution from another plan.

## **ARTICLE VI CLAIMS PROCEDURE**

- 6.01 Claims Procedure: An Eligible Employee under Part C of this Plan must complete and file an application for benefits within the relevant Plan Participation Election Period to participate under Part C of this Plan. An application for benefits under Part C of this Plan shall include all pertinent information requested by the Plan Administrator, including reasonable proof thereof. Applications for benefits and elections to participate in Part C of this Plan must be in writing on forms prescribed by the Plan Administrator and must be signed by the Eligible Employee and submitted to the Plan Administrator.

**PART D**

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**ELECTED DEPARTMENT HEAD RETIREMENT BENEFITS**

**ARTICLE I  
PURPOSE**

- 1.01 Purpose: The purpose of Part D of the Plan is to provide supplemental retirement benefits, as defined in Article IV, to Elected Department Heads employed in Elected Department Head positions between December 1, 2000 and June 8, 2004.

**ARTICLE II  
DEFINITIONS**

The following definitions shall apply for purposes of Part D of this Plan.

- 2.01 Benefit Commencement: This retirement supplement shall commence concurrently with the retirement allowance under the County's 1937 Act Retirement Plan.
- 2.02 Elected Department Head: An employee with a job classification in unit ME-Management Elected, but not to include the Board of Supervisors.
- 2.03 Eligible Spouse: A surviving spouse as defined in the County's 1937 Act Retirement Plan, including a surviving Domestic Partner.
- 2.04 Participant: An employee eligible to participate in Part D of this Plan pursuant to Section 3.01.
- 2.05 Participant Retirement Date: The date an employee actually retires from County employment.

**ARTICLE III  
PARTICIPATION**

- 3.01 Participant: To participate in Part D of the Plan, the employee must:
- (a) be an Elected Department Head, who is
  - (b) employed in an Elected Department Head position between December 1, 2000 and June 8, 2004, and
  - (c) elect to retire and commence retirement benefits under the County's 1937 Act Retirement Plan.

**ARTICLE IV  
RETIREMENT SUPPLEMENT AMOUNT**

- 4.01 Benefit: The normal form of benefit provided by Part D of the Plan shall be the difference between the normal benefit for the Elected Department Head under the County's 1937 Act Retirement Plan and the benefit with the addition of the cash value of annual leave and education incentive included in "final compensation" in accordance with the Ventura County Employees' Retirement Association's calculations for appointed department heads with job classifications in unit MA.
- 4.02 Benefit Amount: Upon the retirement of the Elected Department Head, the Ventura County Employees' Retirement Association will provide to the Plan Administrator two retirement calculations on the Elected Department Head as follows:
- (a) the retirement calculation under the County's 1937 Act Retirement Plan and
  - (b) the retirement calculation under the County's 1937 Act Retirement Plan with the addition of the cash value of annual leave, according to years of service, and education incentive (if applicable).

The supplemental benefit under Part D will be the difference in retirement benefit amount between the two retirement calculations, 1 and 2 above, subject to total compensation limits, as described in Section 4.03 below.

- 4.03 Total Compensation Limits: The maximum annual compensation amount considered for the Elected Department Head for any year may not exceed the total compensation limits, as set forth in Code Section 401(a)(17), and described in Section 6.10 of Part A of this Plan.
- 4.04 Cost-of-Living: There shall be a cost-of-living adjustment on the retirement supplement each April 1 in the same percentage as that provided under the County's 1937 Act Retirement Plan for General Tier 1 members.
- 4.05 Survivor's Continuance: A survivor's continuance will be paid only if one is payable under the County's 1937 Act Retirement Plan and in the same percentage.

**ARTICLE V  
CONSISTENCY WITH 1937 ACT**

- 5.01 Consistency with 1937 Act: It is the intention of the County that this retirement supplement be governed consistent with the retirement benefit paid to the Elected Department Head under the County's 1937 Act Retirement Plan.

Therefore, the provisions of the County's 1937 Act Retirement Plan will be used to interpret any issue not specifically addressed herein.

## **ARTICLE VI DISTRIBUTION**

- 6.01 Benefit Commencement: The monthly benefit payable under Part D of this Plan pursuant to the normal form of benefits described in Section 4.01 shall accrue from the Participant's Retirement Date. The actual payment of monthly benefits shall commence no later than the later of: 1) the third month following the Participant's Retirement Date or 2) the third month following Board of Supervisors' action to incorporate Part D into the Supplemental Retirement Plan together with retroactive payments. Regardless of any other Plan provision, payment of benefits will commence no later than April 1 of the calendar year following the calendar year in which the Elected Department Head retires or attains age 70½, whichever occurs later, or the then current Required Beginning Date required by the IRS.

## **ARTICLE VII CLAIMS PROCEDURE**

- 7.01 Claims Procedure: The Elected Department Head must notify the Plan Administrator of the proposed date of application. The Plan Administrator may require the completion of a form to facilitate benefit commencement. Application for retirement with the Ventura County Employees' Retirement Association will constitute application for benefits under Part D for Participants. The Ventura County Employees' Retirement Association will, upon request, provide the Plan Administrator with a copy of the Participant's retirement application for the purpose of determining the benefit option selected and eligibility for survivor's continuance.

IN WITNESS WHEREOF, the County of Ventura has adopted this amended Plan and caused this instrument to be executed by its officers duly authorized.

On motion of Supervisor \_\_\_\_\_, seconded by Supervisor \_\_\_\_\_, the foregoing instrument was adopted on the xx day of xx, xxxx.

COUNTY OF VENTURA, CALIFORNIA

BY: \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:

MICHAEL POWERS  
Clerk of the Board of Supervisors  
County of Ventura, State of California

By \_\_\_\_\_  
Deputy Clerk of the Board

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January 9, 2023

### VIA U.S. MAIL

Mike Sedell, Chairman  
Board of Directors  
Ventura County Employees' Retirement Association  
800 S. Victoria Ave.  
Ventura, CA 93009-1940

**Re: VCPFA's Reply to VCERA's Response re Denial of Statutorily Protected Pension Rights of Certain Ventura County Fire Control Workers.**

Dear Board Members:

As you know, the Ventura County Professional Firefighters Association ("PFA") has claimed that sixteen of its members ("Appellants") have been unlawfully denied membership in the Ventura County Employees' Retirement Association ("VCERA") during periods of employment with the Ventura County Fire Protection District ("District") as Fire Control Workers ("FCW"). This denial is the direct result of VCERA's refusal to recognize the proper legal standard, as set forth in the County Employees' Retirement Law ("CERL"), for excluding "intermittent employees" from retirement membership, i.e., that such employees must be hired to perform and actually perform intermittent work.

In its Response, VCERA continues to refuse to apply the proper legal standard for determining membership. As a result, it fails to address evidence showing *Appellants were not performing intermittent work* for all or a portion of their FCW service. Specifically, VCERA

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VCERA Board of Directors

January 9, 2023

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fails to address the uncontested evidence that the District, with knowledge and approval of Ventura County (“County”), had a pattern and practice of annually hiring several FCWs to work on a full-time, year-round basis and labeling them as “intermittent” employees under its civil service rules.

These year-round “holdover” positions cannot be properly considered “intermittent” for purposes of determining VCERA membership under CERL and the VCERA Bylaws. The County’s misguided decision to call them “intermittent” is irrelevant. Nonetheless, VCERA continues to unlawfully defer to the County’s “intermittent” designations as being determinative of Appellants’ pension rights.

It is important to understand that VCERA continues to misrepresent Appellants’ position. It repeatedly states that Appellants are challenging the County’s designation of them as “intermittent” employees rather than “regular” or “permanent” employees. This is not Appellants’ position. Appellants position is that VCERA is obligated by the California Constitution and the CERL to make an independent assessment of their eligibility for enrollment, which includes whether they are properly excluded as “intermittent” as that term is used in the CERL and the VCERA Bylaws.

VCERA issued an administrative denial of Appellants’ claim on June 27, 2022, and PFA filed an appeal to the Board of Retirement (“Board”) on November 2, 2022 (“Appeal”). VCERA filed its response to PFA’s Appeal on December 2, 2022 (“Response”). This letter brief is a reply to the issues raised in VCERA’s Response.<sup>1</sup>

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<sup>1</sup> It should be noted that previous documents related to this issue, including PFA’s Appeal and associated exhibits, refer to the Ventura County Professional Firefighters Association as “VCPFA.” The acronym “PFA” has been substituted in this letter for ease of review due to the visual similarity between “VCPFA” and “VCERA.”

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January 9, 2023

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**VCERA's Response Grossly Misrepresents Appellants' Claim**

In its Appeal to the Board, PFA gave VCERA the benefit of the doubt by stating that VCERA continued to *misunderstand* the nature of Appellants' claim, despite PFA's clear and exhaustive briefing. Specifically, PFA's Appeal pointed out that VCERA had repeatedly stated that Appellants were claiming they should have been classified as "regular" employees by the County. PFA has made it abundantly clear, however, that Appellants are not seeking a change to their County employment status for their excluded FCW service because *their VCERA membership eligibility is not dependent on being recognized as a "regular" or "permanent" County civil service employee.*<sup>2</sup>

In its Response, VCERA again attempts to frame Appellants' claim for membership service as being predicated on "regular" or "permanent" County employment status:

"...Appellants claim that they were hired as intermittent employees for the eight-month fire season, but continued working for the County after [sic] fire season ended, *and were thus de facto appointed as "permanent" employees.*..."<sup>3</sup>

Again, PFA is not claiming that Appellants should be recognized as "regular" or "permanent" employees by the County and VCERA's continued attempt to frame Appellants' claim as such is a gross misrepresentation designed to ignore the real issue, i.e., that Appellants were not hired to perform, nor did they perform, intermittent work during the time they have been excluded from VCERA membership. The Board should ignore VCERA's straw man fallacy and instruct VCERA staff to adjust Appellant's membership dates in accordance with CERL.

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<sup>2</sup> See PFA's Appeal, pgs. 5-6, including references to PFA's previous briefings clarifying its position.

<sup>3</sup> See VCERA's Response, pg. 1, §1(A) "Appellants' Challenge."



**VCERA's Continued Reliance on Appellant's County Employment Status as Being  
Determinative of Their Pension Rights is Misplaced**

There is no question that VCERA, not the County, has constitutional and statutory authority to determine which County and District employees must be enrolled or excluded from the retirement system. Moreover, VCERA has a duty to independently assess the nature of Appellant's employment to ensure they are not being denied their pension rights. Specifically, VCERA must examine the facts surrounding each Appellant's FCW employment with the District and independently determine if they were truly performing *intermittent work*, as that term is intended under CERL. PFA has submitted extensive briefing on the proper standard for determining intermittent employment for purpose of pension membership, which will not be repeated in this letter.<sup>4</sup>

When PFA and Appellants raised this issue with VCERA over three years ago, VCERA claimed it was the County, not VCERA, that had plenary authority to make membership determinations because only the County could classify an employee as "regular" and, according to VCERA, "regular" County status was required for VCERA enrollment. PFA and Appellants rejected this argument and explained that CERL does not allow for exclusion of county or district employees based on county civil service employment designations. PFA and Appellants pointed out that the primary purpose of CERL is to provide pension benefit to eligible members, and the vesting of plenary authority in retirement associations, like VCERA, is necessary because counties have an adverse interest to their employees in this regard, i.e., to save money in the form of contributions to the retirement system.

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<sup>4</sup> See PFA's Appeal, pgs.6-9 – discussion of the proper legal standard for determining true "intermittent" employment for purposes of VCERA membership; see also PFA's June 10, 2021 letter to Lori Nemiroff attached to PFA's Appeal as Exhibit C, pgs. 8-12.

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Therefore, as Appellants have repeatedly stated, any interpretation of CERL, which grants power to the County to exclude Appellants from VCERA based on their County designated employment status is contrary to the primary purpose of CERL and would lead to impermissibly absurd results. It is well established under California law that:

“A statute is to be construed in such a way as to render it reasonable, fair and harmonious with its manifest purpose and in such a way as will avoid mischief or absurd consequences.” (*Lesem v. Board of Retirement of San Diego County Emp. Retirement Ass’n*, 183 Cal.App.2d 289 (1960).)

Moreover, CERL makes no reference whatsoever to county “regular” or “permanent” employment status as a condition for retirement membership. Despite this fact, VCERA continues to erroneously conclude that Appellants were properly excluded from membership until such time that the County designated them as “regular” or “permanent” employees:

- “VCERA’s Bylaws and Regulations do not allow for persons employed on an intermittent, temporary or seasonal basis to become VCERA members *unless and until they are appointed to a “permanent” or “regular” position* [by the County]....” (Emphasis added.)<sup>5</sup>
- “After varying periods of work as an intermittent employee, the County subsequently appointed each Appellant as a permanent—‘regular’—employee, and VCERA promptly enrolled each of them as an active member of the retirement system.”<sup>6</sup>

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<sup>5</sup> See VCERA Response, Attachment 1, §7 (Declaration of Shalini Nunna).

<sup>6</sup> See VCERA’s Response, pg. 1, ¶2.

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Not only does VCERA continue to make conclusory statements that are inconsistent with CERL, but its Response actively misrepresents the statutory language of CERL itself to bolster its own position:

“Permanent/regular employees are mandatorily enrolled in VCERA as provided in Government Code section 31552....”<sup>7</sup>

The actual language of this section, as with the rest of CERL, says nothing about “regular” or “permanent” county employment as a condition for retirement membership. Rather, it reads:

**Gov. Code §31552. Automatic membership; waiver of membership**

*“All existing officers and employees of the county become members of the association on the day the retirement system becomes operative, and thereafter each person entering the county employ becomes a member on the first day of the calendar month after his entrance into the service, unless otherwise provided by regulations adopted by the board. (Emphasis added, irrelevant portion omitted.)*

\* \* \* \* \*

VCERA’s Response also shows that it continues to misunderstand, or refuses to acknowledge, the proper legal standard for determining “intermittent” employment for purposes of VCERA membership. Appellants readily admit that the CERL and VCERA’s Bylaws allow for the exclusion of truly intermittent employees, i.e., employees who are anticipated to perform, and do perform, truly *intermittent work*. However, the law does not permit VCERA to conclude that an employee is performing *intermittent work* simply because the County designated them as

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<sup>7</sup> See VCERA Response, Attachment 1, §7

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“intermittent” under its civil service rules. The CERL simply does not allow VCERA to blindly adhere to the County’s employment designations when making retirement membership determinations, yet this is exactly what VCERA continues to claim it can and must do:

- “When Appellants were first hired, the County designated them as filling ‘intermittent’ positions, and had not appointed them to ‘permanent’ or ‘regular’ positions. *Given this designation, Appellants were mandatorily excluded from VCERA....*”<sup>8</sup> (Emphasis added.)
- “The County hired Appellants as intermittent employees, and Appellants were thus properly not enrolled in VCERA during their tenures as intermittent employees.”<sup>9</sup>
- “VCERA does not challenge County hiring practices with respect to intermittent employees, but it does require enrollment in VCERA membership for all individuals whom the County appoints to permanent/regular employee status...”<sup>10</sup>

As stated above, Appellants have provided extensive briefing on the proper legal standard for determining intermittent employment under CERL and VCERA’s bylaws. VCERA has chosen to ignore Appellants’ position on this issue, and instead continues to incorrectly parrot the County’s position, i.e., that Appellants are properly considered “intermittent” for retirement purposes because the County hired them as “intermittent” employees. VCERA’s position in this regard is incorrect and contrary to its constitutional and statutory duty to protect Appellant’s pension rights.

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<sup>8</sup> See VCERA’s Response, pg. 1, ¶2.

<sup>9</sup> See VCERA’s Response, pg. 5, ¶1.

<sup>10</sup> See VCERA’s Response, Attachment 1, §9.

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**VCERA Continues to Ignore Evidence Showing Appellants Were Not Performing Intermittent Work and Thus Should Not Be Excluded from VCERA Membership**

Appellants have provided evidence, in the form of sworn declarations, showing that they were not employed to perform, nor did they perform, *intermittent work* for the periods they have been improperly excluded from VCERA. These declarations attest to the fact that the District, with knowledge and approval of the County, had a pattern and practice of recruiting a pool of FCWs each year to work during the 8-month fire season, *with the intent of retaining several of these employees to work on a year-round basis*. These employees, including Appellants, were referred to as “wintered-over” or “holdover” FCWs. As explained in PFA’s prior briefing, this year-round work cannot properly be considered *intermittent work* for purposes of exclusion from VCERA.<sup>11</sup>

The declaration of David Proett, who supervised District FCWs for twenty-eight years, attests to the fact that during his tenure, the County annually approved at least three FCW holdover positions and authorized him to fill those positions from a group of County designated “intermittent” employees. The declarations of Michael Trabbie and Kevin Aguayo state that they knew of the District’s pattern and practice of filling several “holdover” positions each year with County designated “intermittent” employees and that the practice was well known throughout the District.<sup>12</sup> The other Appellants have stated that, if necessary, they too will testify to fact that the District regularly used employees designated as “intermittent” to perform year-round work.

VCERA’s Response does not address this evidence. Instead, VCERA’s limited discussion of the submitted declarations state that they “...establish the Appellants’

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<sup>11</sup> See PFA’s Appeal, pgs. 10-13.

<sup>12</sup> See PFA’s Appeal, declarations of Michael Trabbie, Kevin Aguayo, and David Proett, marked as Exhibits E-G, respectively, thereto.

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understanding that the County would make a discretionary determination at a later date, based on the Appellants' performance and the County's need, as to whether to appoint them to a *permanent position*." (Emphasis added.) This statement by VCERA is irrelevant to the issue before the Board, i.e., their right to membership service credit, because Appellant's County employment designations have nothing to do with their VCERA membership rights.

Moreover, the italicized portion of VCERA's statement misrepresents Appellants' declarations, which state that they understood their performance while assigned to the fire season crews would give them the best chance of being selected by Mr. Proett to fill one of the County approved year-round "*holdover*" positions.<sup>13</sup> Appellants contend, as set forth at pages 14 and 15 below, that those FCWs who were selected to fill one of the pre-determined year-round "holdover" positions did not work on an intermittent basis under the CERL and the VCERA Bylaws. VCERA has chosen to completely ignore this fact.

Appellants also assert that their long, continuous FCW tenures with the District are evidence that the work they performed for the District cannot be properly considered *intermittent work*.<sup>14</sup> This is true because, as detailed in PFA's prior briefing, true intermittent FCW work is not consistent with year-round employment. Instead, true intermittent FCW work is performed only during the 8-month fire season, the period the District has a legitimate need to augment its year-round FCW workforce. Given the length of Appellants' service in "holdover" positions, it is simply unreasonable for VCERA to conclude that they were performing truly *intermittent work*.

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<sup>13</sup> See PFA's Appeal - declaration of Michael Trabbie, §4; declaration of Kevin Aguayo, §3. See also declaration of David Proett, §§ 2-5, discussing the District's practice of filling "holdover" FCW positions.

<sup>14</sup> See PFA's Appeal, pg. 12, showing the consecutive period each Appellate worked in an FCW holdover position.

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Finally, VCERA has also chosen to ignore PFA’s repeated suggestion to review readily available County records, that would undoubtedly further illustrate the District’s pattern and practice of filling year-round FCW “holdover” positions.<sup>15</sup>

\* \* \* \* \*

VCERA’s Response states that it investigated the facts related to Appellants’ claim and “...independently and correctly determined that Appellants did not *and could not* qualify for VCERA membership during their tenures as intermittent employees....”<sup>16</sup> (Emphasis added.) VCERA’s statement that Appellant’s “could not” qualify for VCERA membership is telling given the evidence Appellants have provided and that VCERA has chosen to ignore. Indeed, the “could not” language further illustrates VCERA’s incorrect conclusion that, no matter the circumstance surrounding the true nature of a County employee’s work, their County civil service employment designation is determinative, in and of itself, of their VCERA membership rights. This is the same incorrect position VCERA took over three years ago and the Board should reject it.

**Appellants’ Membership Rights Do Not Require “Appointment” to a County Budgeted Position and County “Home Rule” Authority Does Not Govern Pension Rights**

VCERA’s Response repeatedly states that to be eligible for VCERA membership a County or District employee must be “appointed” to a County budgeted position, which VCERA claims is synonymous with being designated by the County as a “regular” or “permanent” employee.<sup>17</sup> VCERA relies on Article III, Section 1 of its Bylaws for this proposition:

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<sup>15</sup> See PFA’s Appeal, pgs. 13-14.

<sup>16</sup> See VCERA’s Response, pg. 7, ¶1.

<sup>17</sup> See VCERA’s Response, Attachment 1, §7.

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**VCERA Bylaws, Article III, Section 1**

“EMPLOYEES INCLUDED: All non-safety regular employees of the County of Ventura, and other employer members of the County employee retirement Association, who are scheduled to work 64 hours or more biweekly, and all safety employees of the County of Ventura and the Ventura County Fire Protection District *shall become members of VCERA on appointment.*” (Emphasis added, irrelevant portion omitted.)

VCERA’s Response concludes that the word “appointment” in this section means appointment by the County to a “permanent” position because, according to VCERA, one cannot be appointed to an “intermittent” position.<sup>18</sup> To reach this conclusion, VCERA cites Section 204 of the County’s Personnel Rules and Regulations (“County Rules”), which states that “appointment” is defined in terms of a position authorized by the County Board of Supervisors. However, VCERA’s reliance on the County Rules to interpret this regulation is misplaced because it is CERL, together with consistent regulations adopted by VCERA, that control VCERA membership and *neither CERL nor the bylaws predicate membership on “appointment” to a particular county civil service designation.*

VCERA knows better than to predicate this argument on the County rules. Indeed, VCERA’s Response explicitly states that the County Rules are “irrelevant” in determining Appellant’s pension rights and that CERL, together with consistent regulations in its Bylaws, controls.<sup>19</sup> Appellants agree. But then, notwithstanding its stated agreement on the controlling law, VCERA insists that it properly excluded each Appellant from membership because they “...met the definition of ‘intermittent employee’ under the [County Rules] ....”<sup>20</sup>

So, on the one hand VCERA’s Response states that the County Rules are irrelevant and on the other that they are determinative of Appellants’ pension rights. VCERA can’t have it both

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<sup>18</sup> See VCERA’s Response, pg. 5, ¶4.

<sup>19</sup> See VCERA’s Response, pg.6, ¶2.

<sup>20</sup> See VCERA’s Response, pg. 5 ¶3.



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ways. The Board should make it clear that CERL, not the County Rules, sets the standard for retirement membership and that CERL does not permit VCERA to determine membership based on the County's "appointment" to a particular civil service designation.

VCERA has similarly argued that the word "regular" in Article III, Section 1 of the Bylaws should be interpreted to mean appointment by the County to a "regular" position, and that Appellants must be automatically excluded because the County did not designate them as "regular" employees. Appellants already have pointed out, however, that this provision does not apply to safety members. Instead, Article III, Section 1 explicitly has no similar "regular" qualification for safety members and thus does not automatically exclude Appellants based on their "non-regular" County civil service designations.

VCERA's only response to the different approaches taken by Article III, Section 1 to safety and non-safety membership misses the point by focusing on Article III, Section 2(B), which requires the exclusion of "...all intermittent employees – including intermittent safety employees – from VCERA membership."<sup>21</sup> Appellants do not contest the fact that truly intermittent employees are properly excluded from VCERA. Indeed, PFA has stated that many FCWs were properly excluded on that basis.<sup>22</sup> What Appellants have continually objected to is VCERA's blind reliance on the County's civil service designations as being determinative of their VCERA membership eligibility. Such a conclusion is contrary to CERL and VCERA's Bylaws, which allow for the exclusion of intermittent employees only when *the nature of the work they are hired to perform and do perform* is truly intermittent.

Finally, it should be noted that interpreting the words "appointment" and "regular" in Article III, Section 1 of VCERA's Bylaws to mean appointment to a County "permanent" or "regular" position would, once again, have the absurd result of allowing the County to determine which of its employees are eligible for VCERA membership. In addition, the courts have made

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<sup>21</sup> See VCERA's Response, pg. 5, ¶4

<sup>22</sup> See PFA's Appeal, pg. 10.

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it clear that pension laws are to be liberally construed to carry out their beneficent purpose and that “[a]ny ambiguities in pension laws should be resolved in favor of the applicant.”<sup>23</sup>

\* \* \* \* \*

VCERA’s insistence that membership is predicated on appointment to a County budgeted positions is a restatement of an argument it made when PFA first raised Appellants’ claim over three years ago. At that time, VCERA claimed that the California Constitution provides counties with “home rule” authority, which prevents any intrusion on decisions related to a county’s budget. VCERA claimed at that time that to modify Appellants’ VCERA membership dates, VCERA would have to make a finding that the County violated its own rules by labeling Appellants as “intermittent” instead of “regular” employees.

This issue was fully briefed by PFA in its June 10, 2021 letter to Lori Nemiroff, including discussion of the Constitutional and statutory authority vested in retirement associations, like VCERA, to make independent membership determinations, even when such determinations have an impact on a county’s budget.<sup>24</sup>

**VCERA’s Bylaws Do Not Exclude Appellants Based on the Terms of Their Compensation**

In its Response, VCERA states that CERL expressly permits retirement boards to adopt regulations excluding from membership any employee whose is paid on a daily or hourly rate. VCERA claims that “[t]his is exactly what VCERA Regulations do...,”<sup>25</sup> and therefore Appellants were properly excluded because they were compensated by the hour. But VCERA is mistaken.

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<sup>23</sup> See *Lesem v. Board of Retirement*, 183 Cal.App.2d 289, 298.

<sup>24</sup> See PFA’s Appeal, letter to L. Nemiroff, pgs. 2-4, attached as Exhibit C thereto.

<sup>25</sup> See VCERA’s Response, pg. 5, ¶5.

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**VCERA Bylaws, Article III, Section 2** reads as follows:

“EXCLUDED POSITIONS: Employees who are filling positions that meet any of the following descriptions shall be excluded from membership in VCERA:

...

(B) Intermittent Employee: A person employed for intermittent or temporary work on a day to day basis *who is* compensated on an hourly basis. (Emphasis added.)

....”

The italicized language in the above quoted section of VCERA’s Bylaws clearly states that that to be excluded from membership as an intermittent employee, a person must be (1) employed for intermittent or temporary work; (2) on a day to day basis, *and* (3) compensated on an hourly basis. Since Appellants were working in year-round “holdover” positions, they were not “employed for intermittent or temporary work” and therefore the fact that they were compensated by the hour is irrelevant.

Moreover, VCERA has granted membership to FCWs, including Appellants, for periods where they were compensated by the hour.<sup>26</sup>

**Appellants’ Proper VCERA Membership Dates**

VCERA’s Response appears to question why Appellants are seeking enrollment dates that, in some instances, are later than their initial FCW hire dates.<sup>27</sup> The reason for this, as stated in PFA’s Appeal, is that some Appellants had FCW tenures that can be properly considered “intermittent” for purposes of pension membership.<sup>28</sup> In these cases, Appellants have not contested VCERA’s denial of membership for these tenures.

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<sup>26</sup> See, for example, Exhibit A - paystubs for Kevin Aguayo showing he was compensated by the hour both before and after his March 21, 1999 VCERA enrollment date.

<sup>27</sup> See VCERA’s Response, pg. 2, footnote 2.

<sup>28</sup> See PFA’s Appeal, pg. 10.

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VCERA's Response also appears to question why Appellants claim they are entitled to membership at the beginning of the fire season in which they were held over, when they were not officially informed they would be filling one of the year-round "holdover" positions until "after" the end of that fire season.<sup>29</sup>

The answer to this question is that the District's knew, *prior to the start of each fire season*, that it intended to retain several "intermittent" FCWs to work on a year-round basis. This intent shows that the anticipated duration of these "holdover" positions was longer than the 8-month fire season which, as stated previously, is the only period during which the District has a legitimate need to its augment its year-round FCW workforce with FCWs who can be properly considered "intermittent" for purposes of VCERA membership.

The fact that Appellants worked beyond the fire season, many for several consecutive years, shows that they were selected to fill these year-round "holdover" positions. Since these positions were not anticipated to last, nor did they last, for a period that can legitimately be considered "intermittent" under CERL and VCERA's Bylaws, Appellants must be enrolled in VCERA as of the date they were hired into these positions and the date they were officially informed they were working in these year-round positions is irrelevant in determining their proper VCERA membership date.<sup>30</sup>

**VCERA's Board is Not Precluded From Adjusting Appellant's Membership Dates**

VCERA's Response states that the Board is precluded as a matter of law from adjusting Appellant's membership dates to include any periods where they were enrolled in the County's Safe Harbor Defined Benefit Plan ("SHDBP").<sup>31</sup> This is incorrect.

As PFA addressed in its Appeal, the SHDBP is only available to those County employees who are ineligible for VCERA membership. As explained above, Appellants were

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<sup>29</sup> See VCERA's Response, pg. 3, ¶1

<sup>30</sup> See PFA's Appeal, pg. 14-16 of Exhibit B thereto - table of Appellant's FCW tenures, including hire dates into a "holdover" (aka wintered-over) tenure.

<sup>31</sup> See VCERA's Response, pg.4.

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eligible for VCERA membership from the day they began working in one of the District's FCW "holdover" positions. As such, they are not eligible for SHDBP during those periods and any SHDBP credit they have erroneously received for those periods will be removed once their VCERA membership eligibility is properly adjudicated.<sup>32</sup>

**Appellant's Claims Are Not Time Barred**

VCERA's Response states that Appellant's claims are barred by the three-year limitations outlined in Government Code section 338(a). However, as has been explained in prior briefing, the courts have ruled that retirement boards of public pension systems have ongoing duties to their members, and that administrative determinations consistent with those duties are not civil actions subject to generally statutes of limitation.<sup>33</sup>

Moreover, even if a general statute of limitation were to apply to Appellant's claims, it is well settled that a pensioner has a continuing right to periodic pension payments, and that retirement associations, like VCERA, have a continuing obligation to ensure that each periodic payment is calculated correctly. Based on this proposition, courts have routinely held that the doctrine of continuous accrual applies and "any time limitation upon the right to sue for each [periodic payment] necessarily commences to run from the time when that [payment] actually falls due."<sup>34</sup>

VCERA's failure to timely enroll Appellants has resulted in each of them being denied membership service credit. This denial has or will result in incorrectly calculated monthly

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<sup>32</sup> VCERA's argument that the SHDBP requires enrollment of all employees who the County designates as "intermittent" is nothing more than a restatement of its incorrect conclusion that the County's "intermittent" civil service designation is synonymous with true intermittent employment under CERL.

<sup>33</sup> See *City of Oakland v. Pers*, 95 Cal.App.4th 29 (2002).

<sup>34</sup> See *Luke v Sonoma County*, 43 Cal.App.5th 301, 309 (2019), citing *Abbott v. City of Los Angeles*, 50 Cal.2d 438 (1958).

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pension payments for each Appellant, and any applicable statute of limitation will necessarily run from the time each payment is due.

In addition, several Appellants have or will accumulate more than 30 years of membership service credit, which entitles them to cease making monthly contributions to VCERA. These Appellants would have reached this 30-year mark sooner but for VCERA's failure to timely enroll them. This delayed enrollment has or will result in significant overpaid retirement contributions.<sup>35</sup> VCERA's continuing duty to Appellants to correctly calculate their monthly contributions to the pension system, like its duty to correctly calculate their monthly pensions, means that any applicable limitation upon the right to sue for a refund of these overpaid contributions would run from the date each monthly contribution has or will be collected from Appellants.

**Conclusion**

VCERA's Response claims this it conducted an independent investigation into the facts surrounding Appellants' FCW employment and independently concluded that they were properly excluded from VCERA membership as "intermittent" employees under the legal standard defined in CERL and VCERA's Bylaws. At the same time, VCERA's Response repeatedly states that the County's civil service designations control VCERA membership, and that VCERA does not and cannot challenge those designations. If VCERA's position is that the County Rules control VCERA membership, what exactly did VCERA's 16-month "independent" investigation consist of beyond verifying the uncontested fact that the County designated Appellants as

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<sup>35</sup> See PFA's Appeal, pg. 15, footnote 20 – Michael Trabbie's declaration estimates he will overpay retirement contributions by \$33,000 due to VCERA's failure to timely enroll him in the retirement system.

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“intermittent” County civil service employees during the period they have been excluded from membership?

VCERA’s Response did not address the fact that neither CERL or VCERA’s Bylaws predicate retirement membership on a particular County civil service designation, or the fact that under CERL, a County employee cannot be excluded as “intermittent” unless they were hired to perform and did perform truly intermittent work. These points were raised in Appellants’ prior briefing and VCERA’s Response chose to ignore them.

Appellants have provided ample evidence that the work they were hired to perform was not intermittent work and that they therefore cannot be excluded as “intermittent” employees under the proper legal standard. VCERA’s refusal to address this evidence and apply the proper legal standard for membership is a breach of its duty to Appellants to ensure they receive their statutorily-protected pension rights.

Therefore, PFA respectfully requests that the Board overturn VCERA staff’s administrative denial of their claims and adjust their membership dates to the start of their employment tenure during which they worked in a year-round District position.

Sincerely,



Ian Bondsmith

Attachments

Cc (via email only):

Ashley Dunning, VCERA Counsel  
Lori Nemiroff, VCERA Board Counsel  
Kevin Aguayo, VCPFA President

# Exhibit A

Pay Stubs for Appellant Kevin Aguayo





K R AGUAYO  
 5440 BARNARD ST.  
 SIMI VALLEY, CA 93063

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**THOMAS O. MAHON**  
 AUDITOR - CONTROLLER, COUNTY OF VENTURA  
 COMPENSATION AND BENEFITS STATEMENT

00-99266586

EMPLOYEE NAME		SOCIAL SECURITY NO		FED EX	STATE EX	APPT. ST	RATE	HRS	ISSUE DATE
K R AGUAYO		[REDACTED]		S 0	S 0	01	10.45738	H	07-29-99
CLASSIFICATION		CLASS CODE	LOC	BARG	ORG.	PERIOD NO	PERIOD END	NET PAY	
FIRE CNTRL WKR		00324		PI	07599	99-15	07-24-99	*****0.00	
EARNINGS DESCRIPTION		HOURS	CURRENT	YEAR-TO-DATE	DEDUCTIONS DESCRIPTION		CURRENT	YEAR-TO-DATE	
X41 OVERTIME	1850	0	112949	FEDRL W/H AMT	17305	179821			
01 REGULAR	4800	50196	1095817	STATE W/H AMT	3808	34416			
03 PERS SICK LVE	2200	23006	23006	MEDI W/H AMT	1682	22372			
u42 STRGT TIME O/T	1000	0	0	SDI W/H AMT	580	4790			
06 COMP TIME	1000	10457	71284	EIC W/H AMT	0	0			
93 COMP BAL P/O OV	2775	29019	174620	EMP RET REG	3362	29689			
49 FLSA ADJUSTMENT	0	245	2178	EMP RET COL	0	0			
CAF CASH BACK		3096	24768	463 SEIU DUES	1425	12825			
				413 CREDIT UNION	87857	1182506			
FLEXIBLE BENEFITS		CURRENT	YEAR-TO-DATE	EARNINGS SUMMARY		CURRENT	YEAR-TO-DATE		
MED-VCHC PLAN		9759	78072	BASE PAY	83659	1206381			
DENTAL-DELTA LOW		2289	18312	ADDNL PAY	32360	336627			
VISION-GLDEN WST		556	4448	GROSS PAY	116019	1543008			
OTHER		4096	*	FEDRL TAXABLE PAY	116019	1528783			
TOTAL FLEX BENEFITS		16700	100832	STATE TAXABLE PAY	116019	1528783			
COMP TIME		3775	12000	FICA TAXABLE PAY	0	0			
				MEDI TAXABLE PAY	116019	543008			
				SDI TAXABLE PAY	116019	958015			
				FED/STATE NON-TAXBL	0	14225			
REIMBURSEMENT ACCOUNTS		BALANCE	LEAVE DESCRIPTION	EARNED HRS	HRS BALANCE				
723 HEALTH CARE BAL		8000	VACATION/ANN LEAVE	431	3879				
724 DEPENDENT CARE BAL		0	SICK LEAVE	0	1804				
			COMP TIME VCFA	0	0				
			FLOATING HOLIDAY	0	0				

AWZ6

## LAW OFFICES OF IAN BONDSMITH

1185 BEVERLY WAY  
ALTADENA, CALIFORNIA 91001  
TEL 626.689.4555

IAN BONDSMITH  
TEL 626.689.4555  
IJB@BONDSMITHLAW.COM

March 2, 2020

### VIA U.S. MAIL

Michael Powers  
County Executive Officer for Ventura County  
Hall of Administration Building, Fourth Floor  
800 S. Victoria Ave.  
Ventura, CA 93009-1940

**Re: Correcting the Improper Exclusion of Certain Ventura County Fire Control Workers from Participation in the Ventura County Employees Retirement Association**

Dear Mr. Powers:

I represent the Ventura County Professional Firefighters Association (“VCPFA”), that has retained my office to assist in upholding the pension rights of a subset of its members. The members in question were employed by the Ventura County (“County”) Fire Protection District as Fire Control Workers (“FCWs”) and were improperly placed in an “intermittent” County employment status. This resulted in these employees’ unlawful exclusion from membership in the Ventura County Employees Retirement Association (“VCERA”) and denial of VCERA retirement service credit.

As a preliminary matter, you should know that VCPFA’s position is that the VCERA Board has the independent authority and duty to make retirement membership determinations for County employees. This includes making independent determinations regarding which employees may be excluded from membership as “intermittent” employees, as that term is defined under the County Employees Retirement Law (“CERL”). I am nonetheless writing to you at the suggestion of VCERA’s counsel, who believes that the County’s “intermittent”

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March 2, 2020  
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employment designation for these FCWs must first be corrected before VCERA can retroactively enroll these employees in the retirement system.

The County should be willing to change the employment status for these FCWs because, even under its own Personnel Rules (“Rules”), their service should be considered “regular” employment since it does not meet the County’s definition of “intermittent” employment. As discussed below, these FCWs were hired for an indefinite period to fill the County’s need for on-going, year-round FCW labor. These FCWs provided continuous, full-time service to the County well beyond any period that can properly be defined as “intermittent,” as that term is defined in the Rules. Indeed, many FCWs who are the subject of this letter worked for several consecutive years in an “intermittent” status.

Because neither their anticipated nor their actual tenure with the County meets the Rules for “intermittent” employment, the County should be willing to correct the FCWs’ employment status so that they can be retroactively enrolled in VCERA as of their date of hire. The attached table summarizes the County tenures for these FCWs and includes the date they should have been considered “regular” County employees.

You should know that the FCWs are not seeking a change to any employment rights or benefits under the County Civil Service rules, and indeed the statute of limitation on such claims has expired. These employees are seeking only to have their membership dates and service credit with VCERA restored to the place they would have been, had they not been improperly designated as “intermittent” employees and unlawfully excluded from VCERA membership.

**THE COUNTY’S RULES PLACE STRICT LIMITATIONS ON THE USE OF INTERMITTENT EMPLOYEES.**

The Rules allow the Director of Human Resources (“Director”) to approve the use of “intermittent” employees only when a County department demonstrates that its workload requires

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“...periodic and fluctuating augmentation on a regular basis...,” and where that work “...does not warrant a full-time employee or cannot be handled by additional regular employees.” (§ 1102-03 of the Rules.) If the Director finds that these conditions exist, they are permitted to authorize the department to employ intermittent employees, *but only for the period required to meet the periodic and fluctuating needs of the department.*

If the Director authorizes the use of intermittent employees, the Rules set a maximum limit of 1664 hours in a fiscal year for any intermittent employee. However, this maximum limit should not be authorized in every case. Instead, the Director should limit the authorization for intermittent employees to the duration required to meet the requesting department’s justified needs, with a cap of 1664 hours.

The language of section 1102(B) of the Rules prohibits employment of “intermittent” employees if the work they will perform warrants a “full-time” employee. To our knowledge, every “intermittent” FCW who has ever worked for the County has worked at least a full-time schedule, i.e., 80 hours per pay period. It is therefore arguable that the designation of any FCW as being an “intermittent” has been improper under the Rules.

However, we recognize that an alternative interpretation of the Rules, as read in their entirety, indicates the intent of the Rules is to restrict “intermittent” employment not by whether an employee is working a full or part time schedule, but rather based on a County department’s *justified and approved* need to augment its workforce within the strict limits provided in the Rules.

It should be noted that section 1103(B) of the Rules permits the Director to grant “special authorization” to extend the use of intermittent employment. As the name implies, requests for “special authorization” should be scrutinized and approved only when they meet the intent of the Rules related to “intermittent” employment. To that end, any request for an extension must include a written justification by the requesting department, and any subsequent approval must be

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in writing and sent to both the Auditor-Controller and any appropriate employee organization. Finally, any “special authorization” to extend an intermittent employee’s County service must not authorize service beyond the 1664 hour cap. Section 1103B of the Rules is clear on this point stating that “[n]o person shall be employed as an intermittent employee *for any purpose* for more than 1664 hours in a fiscal year.” (Emphasis added.)

Our review of the FCWs’ County personnel files did not reveal a single instance of a written justification that would satisfy the County’s rule related to extensions of intermittent employment. Moreover, neither VCPFA nor the union that formerly represented County FCWs has ever received notification of an authorized extension, as required by the Rules. As such, discussion of any claimed extensions for these FCW employees is moot.

**THE COUNTY FIRE PROTECTION DISTRICT HAS MISUSED THE INTERMITTENT EMPLOYMENT STATUS TO MEET ITS NEED FOR ADDITIONAL REGULAR FCW EMPLOYEES.**

County FCWs perform a critical and on-going role in protecting the citizens of Ventura County and their property. Among their many duties, the FCWs serve as an “initial attack force” to battle brush fires and perform targeted brush removal to create firebreaks designed to prevent the spread of wildfire - an ever-present risk in Ventura County. The County’s Fire Protection District (“District”) has employed both “regular” and “intermittent” FCWs for decades. While many FCWs have been properly classified as “intermittent” employees, the District has also historically misused the “intermittent” designation to meet its need for additional “regular” FCW employees.

The District’s need for FCW labor is greatest during the fire season, which runs annually for 8 months from May through December. During this season the District maintains two crews of FCWs, each with approximately 20 members. Of these 40 employees, approximately 14 are considered “regular” County employees, and the remaining members are placed in “intermittent”

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status. All FCWs, regardless of their County employment status, work a full-time schedule, perform the same duties, and receive the same annual training from the District. Only “regular” FCWs, however, have been permitted to join VCERA and receive credit for their FCWs service.

At the end of the fire season, the District consolidates the FCWs into a single crew. Historically this crew has been comprised of the 14 FCWs who the County recognized as “regular” employees, with the remaining six members being “intermittent” FCWs who the District selected to stay on the job beyond the fire season. This practice was commonly referred to as being “wintered-over,” and resulted in these FCWs being improperly labeled “intermittent” employees, as that term is defined in the County rules.

The District’s need for additional FCW labor *during the fire season* would appear to meet the Rules for intermittent employment. Specifically, the District has an identified need for “periodic and fluctuating augmentation” of its FCW workforce “on a regular basis” *between the months of May and December*. During this time, additional FCWs are justified to reduce vegetative fuel loads resulting from spring rains, as well as to provide additional active fire suppression personnel during the summer and fall months - when risk of brush and wildfire is at its peak. Therefore, those FCWs whose County tenures were exclusively within the fire season appear to have been properly designated as “intermittent” employees, provided they did not work over the 1,664 hour cap.<sup>1</sup>

While the District properly used intermittent employees during the fire season, its practice of using “wintered-over” FCWs to meet its need for additional “regular” employees is not proper under the Rules. This is true because these employees were not hired to work exclusively during the fire season, i.e., the regular period in which the District had a justified “periodic and fluctuating” need for intermittent employees. Instead, the District hired these employees knowing

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<sup>1</sup> A full-time schedule over an 8-month period is approximately 1,300 hours. Therefore, a full-time FCW working exclusively within the fire season would not exceed the 1,664 hour cap, unless they worked significant overtime.

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it would keep them beyond the fire season to meet its need for 20 year-round FCWs, six more than those the County recognized as “regular” employees. The District’s intent to keep “intermittent” FCWs beyond the fire season is shown by the fact that it regularly did use “wintered-over” FCWs to meet its ongoing need for additional FCWs.

Because the “wintered-over” FCWs were never intended to, nor did they, work within the limits provided in the Rules for intermittent employment, these employees cannot have been properly approved by the Director to provide intermittent County service. As such, they should have been designated as “regular” employees from the beginning of the County tenure in which they were “wintered-over.” This date is identified in the enclosed table for each FCW.

**THE COUNTY HAS CONVERTED MANY “WINTERED-OVER” FCWS TO  
“REGULAR” STATUS BUT HAS NOT RECOGNIZED THEIR CONTINUOUS,  
UNINTERRUPTED SERVICE FOR PURPOSES OF VCERA ENROLLMENT.**

The enclosed table illustrates many instances of FCWs who were converted to “regular” County employment status after long tenures in which they were labeled “intermittent.”<sup>2</sup> These conversions generally took place when a County recognized “regular” employee left their position and a “wintered-over” employee was chosen to fill the vacancy. This practice allowed the District to retain only the number of County approved “regular” FCWs, while continuing to fill its need for additional year-round FCWs with experienced workers.

While it is unknown when County officials outside the District became aware of the use of “wintered-over” FCWs, the County appears to have known at least as early as March of 1999. Based on information and belief, this is when County officials became aware of a suit filed by FCWs in Orange County, that claimed those FCWs had been unlawfully excluded from that

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<sup>2</sup> For example, Michael Trabbie worked for over two and a half years before being converted to regular status on May 22, 1994.



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county's retirement system based on erroneous "intermittent" employment designations. Realizing the District had a similar practice, County officials converted all active "intermittent" FCWs to "regular" status on March 21, 1999. (See records in attached table for K. Aguayo, C. Cundiff, J. Gisel, I. Gutierrez, and J. Roscoe.

All converted FCWs, regardless of the reason for their conversion, were enrolled in VCERA as of their conversion date instead of their date of hire. It appears this was done because County documents indicate these employees were terminated from their "intermittent" positions and then rehired as "regular" FCWs. This has created the illusion that these FCWs had a break in their County service, when in fact they had worked continuous, uninterrupted tenures with the County.<sup>3</sup> There was no true break in their service, and upon being converted to "regular" status, these employees maintained the same County job classification, work schedules, supervisors, and in every other way performed the same function for the County they had prior to being converted.

Because these employees have worked continuous, uninterrupted tenures with the County which have exceeded any period that can be justifiably be considered "intermittent" employment under the Rules, they must be considered "regular" employees throughout these tenures and enrolled in VCERA accordingly. We believe, and hope you agree, that it would be disingenuous for the County to rely on erroneously documented breaks in service, of at most a few days, to deny its employees their full pension rights.<sup>4</sup>

**VCERA OWES A DUTY TO ITS MEMBERS TO MAKE INDEPENDENT DETERMINATIONS REGARDING MEMBERSHIP OF COUNTY EMPLOYEES.**

As mentioned at the beginning of this letter, it is VCPFA's position that the VCERA Board ("Board") is the entity with the authority and duty to make VCERA enrollment

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<sup>3</sup> County documents indicate a period of 0 to 3 days between these FCWs' purported termination and rehire dates.

<sup>4</sup> For example, personnel records for Michael Trabbie indicate he separated from County service on May 20, 1994 and was rehired the next day. This documented "break" has resulted in a 30-month delay to Mr. Trabbie's VCERA enrollment.

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determinations, including independently determining which employees may be properly excluded by one of the few enrollment exceptions provided for in the CERL.

While it beyond the scope of this letter to fully brief the Board's duty to its members, the sections of the CERL which are of particular significance in establishing this duty include:

**§ 31470.8. Determination of eligibility**

In cases of doubt as to whether a person is *eligible* to become a safety member, *the [VCERA] board shall decide.* (Emphasis added.)

**§ 31552. Automatic membership; waiver of membership**

...each person entering the county employ becomes a member [of the retirement association] on the first day of the calendar month after his entrance into the service, *unless otherwise provided by regulations adopted by the [VCERA] board.* (Emphasis added.)

**§ 31558. Time of becoming a safety member; eligibility.**

...each person employed in a position, the principal duties of which consist of . . . active fire suppression . . . *shall become a safety member* on the first day of the calendar month following his or her entrance into the service. (Emphasis added.)

**§ 31527. Permissible provisions in regulations.**

In its regulations, the [VCERA] board *may include* the following provisions:

...

(e) For the exemption or exclusion from membership as a peace officer member or as a safety member or from membership altogether, *in the discretion of the [VCERA] board, of persons whose tenure is temporary, seasonal, intermittent, or for part time only.* . . . (Emphasis added.)

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The Board's own bylaws also recognize its duty and authority to make eligibility determinations stating "[i]n all cases, the Board shall determine eligibility for membership in the Association."

Finally, the California Constitution plainly states that the retirement board of a public retirement system shall have "sole and exclusive responsibility to administer the system that will assure prompt delivery of benefits and related services to the participants and their beneficiaries" and that "[a] retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty." (CA Const., art XVI, §17, subdivision a & b.)

As it relates to the FCWs who are the subject of this letter, the Board's duty to safeguard these employees' pension rights requires VCERA staff to:

- a. engage in an independent investigation of the relevant facts related to the temporal nature of the FCWs' employment;
- b. make its own independent factual and legal determinations as to whether the FCWs have been properly excluded from VCERA as "intermittent" employees, *based on the usual and ordinary meaning of that term as adopted by the CERL*; and
- c. refrain from blindly deferring to the County's designation of an employee's Civil Service employment status, *made under a different legal standard*, when making a factual or legal determination of membership status under CERL.

By its own admission, VCERA staff does not take the required steps to safeguard employees' pension rights, but rather defers to the employment status provided by the County when making membership determinations. This is true despite the clear statutory and

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constitutional mandate that retirement associations, like VCERA, must act to ensure employees are receiving the pension rights contemplated by the legislature.

I have discussed this issue with VCERA counsel, Lori Nemiroff, who remains steadfast in her opinion that the County, and not VCERA, is the entity with the authority to exclude members from VCERA membership, including exclusions based on “intermittent” employment. Indeed, Ms. Nemiroff has said that VCERA has no power to retroactively enroll the FCWs unless the County first retroactively changes their County employment status. She and VCPFA respectfully disagree on this point.

Although it is VCERA that owes a duty to protect the pension rights of all County employees, I am contacting you, at Ms. Nemiroff’s suggestion, in the hope of avoiding protracted litigation with VCERA.

**THE COUNTY CAN AND SHOULD RETROACTIVELY CORRECT THE FCWS’ COUNTY EMPLOYMENTS STATUS SO THAT THEY CAN BE MADE WHOLE VIS-À-VIS THEIR VCERA MEMBERSHIP.**

In order to be made whole, the FCWs identified in the attached table must have their membership dates and service credit with VCERA restored to the place they would have been but for being improperly excluded from VCERA membership. Specifically, these FCWs must have their VCERA membership dates based on the beginning of the tenure in which they were first “wintered-over.” Until this change is made, these FCWs will continue to suffer harm because their VCERA membership dates will be delayed and the calculation of their VCERA retirement will not include service credit for all of their eligible County service.

The County has the authority to change its own records as they relate to the FCWs’ employment status. Specifically, the County has the authority to retroactively correct the FCWs’

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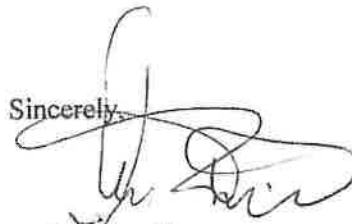
employment status to reflect the fact that they were working as “regular” employees as of the beginning of the tenure in which they were first “wintered-over”. Again, this change is appropriate because these “wintered-over” FCWs were not hired to work, nor did they work, as “intermittent” employees, as that term is defined in the Rules.

Once the County makes these changes, VCERA has indicated its willingness to retroactively enroll the FCWs in the retirement system. This would, in turn, allow the FCWs to realize any retirement benefits associated with their proper VCERA membership date, including the right to purchase VCERA credit for their previously excluded County service. Upon retirement, these County employees would then be able to realize the full pension benefits to which they are entitled.

Finally, it should be noted that many of the FCWs have spent their entire careers serving and protecting the citizens of Ventura County. These are dedicated County employees who are asking only that the Rules be properly applied so that they are not forced to engage in protracted litigation in order to secure their right to a proper pension at the end of their County service.

I would be happy to meet with you and discuss any questions you may have related to the issues raised in this letter. I look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ian Bondsmith', written over the word 'Sincerely,'.

Ian Bondsmith

Attachment: Analysis of FCWs County Tenures

cc: Kevin Aguayo, VCPFA President

Lori Nemiroff, VCERA Counsel

Leroy Smith, County Counsel

## Analysis of Service Provided to the County of Ventura by Fire Control Workers Improperly Classified as Intermittent Employees

The following data was compiled from official documents contained in the Ventura County Personnel file of each named employee. The term "Tenure" in this document is defined as a period of continuous, full-time employment without a break in County service.

	Start/Conversion Date	End Date	Proper VCERA Membership Date (Date of Hire of First "Wintered-Over" Tenure)
<b>Kevin Aguayo</b>			
Tenure 1	5/26/1996	11/23/1996	
Tenure 2	5/6/1997	3/18/1999	5/6/1997
Tenure 2 (cont.)	3/21/1999*	Current	

<b>Mike Trabbie</b>			
Tenure 1	11/4/1991	5/21/1994	11/4/1991
Tenure 1 (cont.)	5/22/1994*	Current	

<b>Rob Schaper</b>			
Tenure 1	11/5/1991	1/8/1993	11/5/1991
Tenure 2	8/3/1994	12/3/1994	

<b>Kevin Yates</b>			
Tenure 1	10/30/1989	3/23/1990	10/30/1989
Tenure 2	5/14/1990	1/5/1991	
Tenure 3	11/4/1991	3/12/1994	
Tenure 3 (cont.)	3/13/1994*	Current	

<b>Cary Rake</b>			
Tenure 1	11/4/1991	7/16/1994	11/4/1991
Tenure 1 (cont.)	7/17/1994*	Current	

\* An "\*" denotes the date an employee was converted from "intermittent" to "regular" employment status. All conversion dates are within a few days of the purported end of each employee's tenure.

**Luther McPherson**

Tenure 1	5/10/1994	12/3/1994	
Tenure 2	4/17/1995	12/6/1995	
Tenure 3	2/11/1996	1/29/1998	2/11/1996
Tenure 3 (cont.)	2/1/1998*	Current	

**Kyle Morrell**

Tenure 1	4/29/2012	1/31/2014	4/29/2012
Tenure 1 (cont.)	2/2/2014*	Current	

**Jesse Hopcus**

Tenure 1	9/16/2001	12/5/2001	
Tenure 2	4/28/2002	12/30/2002	
Tenure 3	4/21/2003	5/7/2003	4/21/2003
Tenure 3 (cont.)	5/11/2003*	2/24/2007	

**Joel Hanson**

Tenure 1	4/28/2002	12/20/2002	
Tenure 2	4/21/2003	12/3/2004	4/21/2003
Tenure 2 (cont.)	12/5/2004*	Current	

**Tyler Ripley**

Tenure 1	4/29/2012	1/31/2015	4/29/2012
Tenure 1 (cont.)	2/1/2015*	Current	

**Joshua Gisel**

Tenure 1	4/29/1998	3/19/1999	4/29/1998
Tenure 1 (cont.)	3/21/1999*	Current	

**Desi Rodriguez**

Tenure 1	4/24/2001	12/6/2001	
Tenure 2	4/28/2002	5/8/2003	4/28/2002

**Mike Fuller**

Tenure 1	4/28/2002	10/12/2002	4/28/2002
Tenure 1 (cont.)	10/13/2002*	Current	

\* An "\*" denotes the date an employee was converted from "intermittent" to "regular" employment status. All conversion dates are within a few days of the purported end of each employee's tenure.

**Israel Gutierrez**

Tenure 1	4/29/1998	3/30/1999	4/29/1998
Tenure 1 (cont.)	3/21/1999*		

**James Rosco**

Tenure 1	5/6/1997	3/19/1999	5/6/1997
Tenure 1 (cont.)	3/21/1999*	Current	

**Clayton Cundiff**

Tenure 1	4/29/98	3/18/1999	4/29/1998
Tenure 1 (cont.)	3/21/1999*	Current	

\* An "\*" denotes the date an employee was converted from "intermittent" to "regular" employment status. All conversion dates are within a few days of the purported end of each employee's tenure.





May 22, 2023

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

**SUBJECT: RECOMMENDATION TO APPROVE PAYMENT FOR WAIVER OF RECOURSE,  
FIDUCIARY LIABILITY INSURANCE, FY 2023-2024**

Dear Board Members:

**Background and Discussion:**

VCERA plans to renew its fiduciary liability insurance policy (FLIP) for the next fiscal year (FY 2023-2024). The Policy renewal is priced at \$146,084 for the \$145,984 annual FLIP premium and \$100 Waiver of Recourse, a 10.0% increase from last fiscal year's \$132,779. As previously communicated during the FY 2022-2023 annual budget presentation, pension systems are experiencing unprecedented increases due to increased litigation and a hardening of the insurance market.

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 2023-2024 Policy gives VCERA's insurance carrier Alliant Insurance Services, Inc. (Alliant), recourse against individual trustees. Alliant pays any claim and then can recover losses from the individual trustees. VCERA's assets are protected, but not those of the individual trustees. Alliant 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 individual trustees, or the appointing entity, but may not be paid from VCERA's assets.

VCERA premium payment for the Policy will include the nominal \$100 fee to waive Alliant's recourse rights against individual trustees. As of May 22, 2023, there are ten active board members. Thus, VCERA is required to collect \$10.00 from each of VCERA's individual trustees in order to remain compliant with California law regarding fiduciary liability coverage.

**Recommendation:**

Approve payment of, receive, and file the attached Statement of Fiduciary Liability Confirmation of Coverage and Binder of Insurance.

May 22, 2023

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- 1) Each trustee pays a fee of \$10.00 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 \$10.00).

**Conclusion:**

The payment of the nominal amount of \$10.00 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 of your questions on this matter at the May 22, 2023 Business Meeting.

Sincerely,



La Valda R. Marshall  
Chief Financial Officer

Attachment: FY 2023-2024 Insurance Binder



**SOLIDARITY PROTECTION GROUP**

A voluntary membership organization operating pursuant to the Liability Risk Retention Act of 1986 and whose principal office is:  
4323 Warren Street, NW, Washington, DC 20016-2437

**The Euclid Vanguard Package Policy Binder  
A Comprehensive Risk Solution for Governmental Employee Benefit Plans**

**Date Issued:** April 27, 2023  
**Policy Number:** SFD31211061-05  
**Renewal of:** SFD31211061-04  
**Issued By (Carrier):** Hudson Insurance Company  
100 William Street  
New York, NY 10038  
**Policy Form:** The Euclid Vanguard Package Policy  
ESM-VANGUARD-FID (04/2019)  
**Named Insured:** Ventura County Employees' Retirement Association  
**Insured Plans:** Ventura County Employees' Retirement Association  
**Address:** 1190 S Victoria Ave #LI970  
Ventura, CA 93003  
**Policy Period:**  
**Effective Date:** 7/1/2023 (12:01 a.m. local time)  
**Expiration Date:** 7/1/2024 (12:01 a.m. local time)

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**Separate Aggregate Limit of Liability for Each Coverage Part** **Applies:** **No**

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**Fiduciary Liability Coverage Part:**  
Granted: Yes

- 1. **Limit of Liability:**
  - a. \$10,000,000 aggregate Limit of Liability for all **Loss** under this Coverage Part
  - b. \$0 additional aggregate limit for all **Defense Costs** (if granted), subject to the maximum aggregate limit set forth in 1.c below
  - c. \$10,000,000 maximum aggregate Limit of Liability for this Coverage Part
  
- 2. **Retention:** \$100,000 each **Fiduciary Liability Claim**

3. **Continuity Date:** None (Full Continuity is Provided)  
**Pending or Prior Proceeding Date:** 7/1/2001

4. **Fiduciary Liability Coverage Sublimits:**

Coverage	Sublimit
Settlor Coverage	\$10,000,000
Trustee Claims Expense Coverage / Defense of Non-Fiduciary Claims	\$2,000,000
Voluntary Compliance Program Expenditures	\$500,000
Reinstatement of Sublimit for Voluntary Program Expenditures	\$250,000
HIPAA & HITECH Fines and Penalties	\$1,500,000
PPACA Fines and Penalties	\$250,000
ERISA Section 502(c) Civil Penalties	\$250,000
IRC Section 4975 Penalties	\$250,000
Coverage for Claims of Equitable Relief and Surcharges	\$250,000
Death Master File Penalties (Section 203 of the Budget Act of 2013)	\$1,000,000
Miscellaneous/Other Penalties	\$100,000
Benefit Overpayments	\$100,000

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**Directors, Officers & Company Liability Coverage Part:**

Granted: No

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**A-Side D&O Coverage With DIC Provision:**

Granted: No

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**Fiduciary Dishonesty Coverage Part:**

Granted: No

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**Employment Practices Liability Coverage Part:**

Granted: No

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**Endorsements:**

TRIA Notice of Terrorism Insurance Coverage Policyholder Disclosure  
IL P 001 01 04 OFAC Advisory Notice  
California Amendatory Endorsement  
Euclid Enhancement Endorsement for the Alliant Governmental Fiduciary Liability Insurance Program  
Split Retention Endorsement [\$250,000 each Claim involving a challenge to a change or proposed change in plan benefits, including but not limited to PEPRA challenges and/or changes related to the calculation of pensionable compensation or compensation earnable]

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**Commission:** 20.0%

**Premium Summary:**

<b>Liability Coverage Section</b>	<b>Premium</b>
<b>Fiduciary Liability Coverage</b>	<b>\$145,984.00 + \$100.00 Waiver of Recourse = \$146,084.00</b>
<b>Directors and Officers Coverage</b>	
<b>A Side DIC Coverage</b>	
<b>Fiduciary Dishonesty Coverage</b>	
<b>Employment Practices Coverage</b>	
<b>Taxes/Fees</b>	\$0.00
<b>Total Policy Premium</b>	\$146,084.00

**Extended Reporting Period:** Euclid Enhancement Endorsement for the Alliant Governmental Fiduciary Liability Insurance Program

**Coverage is subject to receipt and satisfactory review of the following item(s) prior to binding:**

Nothing additional is required.

This binder is valid for the duration of the binder period or the issuance of the policy, whichever occurs earlier.



May 22, 2023

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

**SUBJECT: REVIEW AND APPROVE ANNUAL ADMINISTRATIVE BUDGET POLICY (1) NAME CHANGE TO ANNUAL BUDGET POLICY and (2) OTHER PROPOSED UPDATES.**

Dear Board Members:

To ensure its relevance and effectiveness, the Annual Administrative Budget Policy is scheduled to be reviewed every three years. It was last reviewed in June of 2013.

This proposed update recommends changing the policy name to Annual Budget Policy and numerous other guideline changes. This update was presented to the Finance Committee at its May 15<sup>th</sup> meeting, Before you today, is an Annual Budget Policy update, reflective of all Finance Committee recommended changes.

**RECOMMENDATION: APPROVE PROPOSED POLICY NAME CHANGE TO ANNUAL BUDGET POLICY and OTHER UPDATES.**

Staff will be happy to answer any questions, at today's May 22, 2023 Business Board meeting.

Sincerely,

A handwritten signature in blue ink that reads "La Valda R. Marshall".

La Valda R. Marshall  
Chief Financial Officer

Attachment: Annual Budget Policy (redline)  
Annual Budget Policy (clean)



**VCERA**  
VENTURA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION

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VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

ANNUAL ~~ADMINISTRATIVE~~ BUDGET POLICY (redline)

**I. Background and Objectives**

- 1) The purpose of this Annual ~~Administrative~~ Budget Policy is to establish the process by which the annual ~~administrative~~ budget of the Ventura County Employees' Retirement Association (VCERA) is presented to, deliberated upon, and approved by the Board of Retirement (Board).
- 2) The primary objectives of this policy are ~~to~~:
  - a) To provide the Retirement Administrator and the Board with a clear process for establishing its annual ~~administrative~~ budget.
  - b) To ensure that the budget is presented and adopted in a timely manner to avoid problems transitioning from one fiscal year to the next.

**II. Principles and Assumptions**

- 3) Sections 31522.1 and 31522.2 of the California Government Code authorize the Board to appoint the personnel necessary to administer the VCERA.
- 4) Section 31580.2 of the California Government Code provides when such personnel have been appointed, the Board shall adopt an annual budget covering the entire expense of administration of the retirement system.
- 5) Section 31580.2 of the California Government Code also provides that the entire expense of administration shall be paid from the earnings of the retirement fund and limits the expense of administration at the higher of (a) twenty-one hundredths of 1 percent (or 21/100, 21 basis points or 0.21%) of the accrued actuarial liability of the retirement system, or (b) two million dollars (\$2,000,000), subject to annual cost of living adjustments, ("the cap"), and further provides that expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products shall not be considered a cost of administration.
- 6) The "accrued actuarial liability of the retirement system" in any given fiscal year, shall be based on the most recent actuarial valuation of the system. Although no specific date for determining VCERA's total accrued liability for this purpose is set in the California Government Code, for VCERA purposes, the date in practice has been, and is intended to continue to be, June 30 of the immediate prior fiscal year.
- 7) Article XVI, Section 17 of the Constitution of the State of California grants plenary and fiduciary authority to the Board for the administration of the system, subject to certain requirements.

- 7)8) The duties and responsibilities of the Board require an open and cogent process for



setting the administrative spending parameters for the fiscal year.

- ~~8) The duties and responsibilities of the Board require an open and cogent process for setting the administrative spending parameters for the fiscal year.~~
- 9) The Retirement Administrator is charged with the responsibility to administer the Association within the budget parameters established by the Board in its annual budget.
- 10) Although not a cost of administration, as set forth in item 5) above, proposed expenditures for computer software, computer hardware and computer technology consulting services in support of these computer products shall be included in the annual budget.

### III. Guidelines

#### 11) General Provisions:

a) The development of the proposed budget is the responsibility of the Retirement Administrator.

~~a)b)~~ The Finance Committee shall review the Proposed Budget for public discussion and deliberation for the committee to recommend a Proposed Budget Packet to the Board.

~~b)c)~~ The final review, approval and adoption of the Budget is the responsibility of the Retirement Board.

#### 12) Proposed Budget – Board Packet:

a) The proposed budget will be published on the VCERA website, and provided to the Board and agenda distribution recipients, not less than 25 days prior to the Board’s budget hearing in order to provide the Board and members of the public adequate time for review.

#### 13) The Retirement Board’s Budget Deliberations:

a) The Board will hold a public hearing to consider the proposed budget ~~at it at a s-~~ combined June Disability and Business meeting.

b) Should a second public hearing be required, due to the need for significant changes or additional discussion, the Board will hold a second June public hearing to consider the proposed budget ~~at its June Business meeting.~~

#### 14) Adoption, Amendment and Review:

a) At the conclusion of its hearing(s), the Board will adopt the proposed budget, as it may have been revised, as the budget for the ensuing fiscal year.

~~a)b)~~ The Retirement Administrator may ask the Board to amend the budget for

~~the then current fiscal year by presentation of the reasons for the amendment, its impact, the program/policy, or goal changes involved in the amendment and the cost of the amendment for the remainder of the fiscal year.~~

- b) ~~The Retirement Administrator may ask the Board to amend the budget for the then current fiscal year by presentation of the reasons for the amendment, its impact, the program/policy or goal changes involved in the amendment and the cost of the amendment for the remainder of the fiscal year.~~
- c) The Retirement Administrator will provide ~~monthly~~ quarterly budget status reports to the Finance Committee and Board, with comments on significant (the higher of ~~fifteen~~ fifteen percent or \$100,000) ~~line item~~ line-item account deviations from the adjusted budget, and a mid-year budget review and comments on all expenditure variations at the Board's ~~January or~~ February or March meeting. The mid-year review may be used to explore program initiatives for the following fiscal year.

#### IV. Policy Review

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

#### V. Policy History

~~16) The Board last reviewed this policy on May 22, 2023. Prior to this, the~~ The Board last reviewed and approved this policy on July 1, 2013. This policy was originally adopted by the Board on June 16, 2003.

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**ANNUAL BUDGET POLICY**

**I. Background and Objectives**

- 1) The purpose of this Annual Budget Policy is to establish the process by which the annual budget of the Ventura County Employees' Retirement Association (VCERA) is presented to, deliberated upon, and approved by the Board of Retirement (Board).
- 2) The primary objectives of this policy are:
  - a) To provide the Retirement Administrator and the Board with a clear process for establishing its annual budget.
  - b) To ensure that the budget is presented and adopted in a timely manner to avoid problems transitioning from one fiscal year to the next.

**II. Principles and Assumptions**

- 3) Sections 31522.1 and 31522.2 of the California Government Code authorize the Board to appoint the personnel necessary to administer the VCERA.
- 4) Section 31580.2 of the California Government Code provides when such personnel have been appointed, the Board shall adopt an annual budget covering the entire expense of administration of the retirement system.
- 5) Section 31580.2 of the California Government Code also provides that the entire expense of administration shall be paid from the earnings of the retirement fund and limits the expense of administration at the higher of (a) twenty-one hundredths of 1 percent (or 21/100, 21 basis points or 0.21%) of the accrued actuarial liability of the retirement system, or (b) two million dollars (\$2,000,000), subject to annual cost of living adjustments, ("the cap"), and further provides that expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products shall not be considered a cost of administration.
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- 7) Article XVI, Section 17 of the Constitution of the State of California grants plenary and fiduciary authority to the Board for the administration of the system, subject to certain requirements.
- 8) The duties and responsibilities of the Board require an open and cogent process for

setting the administrative spending parameters for the fiscal year.

- 9) The Retirement Administrator is charged with the responsibility to administer the Association within the budget parameters established by the Board in its annual budget.
- 10) Although not a cost of administration, as set forth in item 5) above, proposed expenditures for computer software, computer hardware and computer technology consulting services in support of these computer products shall be included in the annual budget.

### **III. Guidelines**

- 11) General Provisions:
  - a) The development of the proposed budget is the responsibility of the Retirement Administrator.
  - b) The Finance Committee shall review the Proposed Budget for public discussion and deliberation for the committee to recommend a Proposed Budget Packet to the Board.
  - c) The final review, approval and adoption of the Budget is the responsibility of the Retirement Board.
- 12) Proposed Budget – Board Packet:
  - a) The proposed budget will be published on the VCERA website, and provided to the Board and agenda distribution recipients, not less than 25 days prior to the Board’s budget hearing in order to provide the Board and members of the public adequate time for review.
- 13) The Retirement Board’s Budget Deliberations:
  - a) The Board will hold a public hearing to consider the proposed budget at a combined June Disability and Business meeting.
  - b) Should a second public hearing be required, due to the need for significant changes or additional discussion, the Board will hold a second June public hearing to consider the proposed budget.
- 14) Adoption, Amendment and Review:
  - a) At the conclusion of its hearing(s), the Board will adopt the proposed budget, as it may have been revised, as the budget for the ensuing fiscal year.
  - b) The Retirement Administrator may ask the Board to amend the budget for the then current fiscal year by presentation of the reasons for the amendment, its impact, the program/policy, or goal changes involved in the amendment and the cost of the amendment for the remainder of the fiscal year.

- c) The Retirement Administrator will provide quarterly budget status reports to the Finance Committee and Board, with comments on significant (the higher of fifteen percent or \$100,000) line-item account deviations from the adjusted budget, and a mid-year budget review and comments on all expenditure variations at the Board's February or March meeting. The mid-year review may be used to explore program initiatives for the following fiscal year.

**IV. Policy Review**

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

**V. Policy History**

- 16) The Board last reviewed this policy on May 22, 2023. Prior to this, the Board last reviewed and approved this policy on July 1, 2013. This policy was originally adopted by the Board on June 16, 2003.



May 22, 2023

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

**SUBJECT: REVIEW AND APPROVE FINANCE COMMITTEE CHARTER – PROPOSED UPDATE**

Dear Board Members:

The Finance Committee Charter is scheduled to be reviewed at least every three years. It was last reviewed in May of 2021. Due to the significance of this update, staff recommends that this update occur this fiscal year.

The Finance Committee has instructed staff to finalize the proposed Finance Committee Charter update. Before you today, is the charter update, that includes all May 15, 2023 Finance Committee reviewed, discussed, and approved updates.

**RECOMMENDATION: APPROVE PROPOSED CHANGES TO THE FINANCE COMMITTEE CHARTER**

Staff will be happy to answer any questions, at today's Board meeting.

Sincerely,

La Valda R. Marshall  
Chief Financial Officer

Attachment: Finance Committee Charter Proposed (redline)  
Finance Committee Charter Proposed (clean)

# VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## FINANCE COMMITTEE CHARTER

### Proposed Update - Redline (May 2023)

#### **I. Introduction**

The Board is responsible for the oversight of the financial and operational controls at VCERA, the accuracy of financial and actuarial reporting released by VCERA, the budgeting of VCERA's resources, and the general safekeeping of VCERA's assets. To assist the Board with these responsibilities, the Board has established a Finance committee, to be comprised of not fewer than ~~four (4)~~three (3) trustees, and for which the operation, and duties are set forth below.

#### **II. Operation and Duties**

##### Committee Operation

- 1) The Finance Committee shall operate as follows:
  - a) The presence of a majority of committee members shall constitute a quorum for a meeting.
  - b) All actions and/or recommendations of the committee shall be by affirmative vote of the majority of the members present at a meeting of the committee, and only if a quorum is present.
  - ~~b)~~
  - c) All actions of the committee shall subsequently be approved by the Board to be effective, unless otherwise provided herein.
  - d) The committee shall meet at least annually but may meet as frequently as is deemed necessary by the committee or Chair of the committee, in consultation with the Retirement Administrator.
  - e) Meetings of the committee shall be open to the public and noticed and held in accordance with the Brown Act
  - f) The committee shall keep minutes of its meetings.
  - g) The Retirement Administrator and Chief Financial Officer shall serve as the staff contact for the Committee.

## Committee Duties

### *Accounting and Audit Functions*

2) The Finance Committee shall:

- a) Meet at least annually with the financial auditors and Management to review the audit process, examine, and approve the objectives and scope of financial audits, reporting on internal controls, the duties and responsibilities of the financial auditor, and timing and estimated budget of the annual financial audit.
- b) ~~The committee is authorized to invite relevant individuals, such as management or auditors, to attend meetings and provide necessary information; however, non-committee members of the Board may only attend meetings as members of the public.~~
- ~~b)c)~~ Review and comment on any claims or contingencies that could have a material effect on the financial condition of VCERA and the way they have been disclosed in the financial statements.
- ~~e)d)~~ Review and comment on Quarterly Budget Summaries, Statement of Fiduciary Net Position, Statement of Changes to Fiduciary Net Position, Schedule of Investments, Cash and Cash Equivalents, Schedule of Investment Management Fees, and other financial documents that may arise from time to time, prior to submittal to the Board.
- ~~d)e)~~ Review and comment on the appropriateness of accounting policies and financial reporting practices, any significant proposed changes thereto, and any new or pending developments in accounting and reporting standards that may have an impact on VCERA.
- ~~e)f)~~ Meet with the financial auditor to discuss the annual financial statements, review the findings of the financial auditor, and review any response thereto by Management.
- ~~f)g)~~ Review and comment on the Management Discussion and Analysis section of the Plan's Annual Comprehensive ~~Annual~~ Financial Report (~~ACFR~~CAFR) and all other financial information contained in the ~~CAFR~~ACFR as deemed appropriate, prior to Board approval.
- ~~g)h)~~ Serve as the primary liaison, on behalf of the Board, for all matters related to financial audits, examinations, investigations, or inquiries from financial authorities.
- ~~h)i)~~ Review and comment on the findings or comments of any regulatory agencies concerning financial information or reporting of VCERA and Management's response thereto.
- ~~h)j)~~ Review the engagement of the financial auditor at least every five (5) years with regards to performance, internal quality control procedures, fees, qualifications,



and independence and then make recommendations to the Board on these matters

- ~~j)k)~~ Review and comment on any internal audit plans that may be established and coordinate special investigations, audits, or other compliance efforts of VCERA as may be necessary and inform the Board of such investigations or audits.

### ***Budgeting***

- 3) The Finance Committee shall:
  - a) Review and comment on the proposed Operating Budget prior to Board approval.
  - b) Periodically review the budget process and format with Management.

### ***Other Duties***

- 4) The Finance Committee shall:
  - a) Be available to advise the Board and Management as required or requested on financial matters, and perform any other duties assigned by the Board.

### **5)III. Review**

- ~~5)~~ The Board shall review this charter at least once every 3 years to ensure that it remains relevant and appropriate.

### **IV. VI.—History**

- ~~6)~~ The Board last approved this charter on May 22, 2023. Prior to this, the  
~~The Board last approved~~ this policy on this charter on May 24, 2021. This charter was originally adopted by the Board on March 29, 2021.

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**FINANCE COMMITTEE CHARTER**

**I. Introduction**

The Board is responsible for the oversight of the financial and operational controls at VCERA, the accuracy of financial and actuarial reporting released by VCERA, the budgeting of VCERA's resources, and the general safekeeping of VCERA's assets. To assist the Board with these responsibilities, the Board has established a Finance committee, to be comprised of not fewer than three (3) trustees, and for which the operation, and duties are set forth below.

**II. Operation and Duties**

Committee Operation

- 1) The Finance Committee shall operate as follows:
  - a) The presence of a majority of committee members shall constitute a quorum for a meeting.
  - b) All actions and/or recommendations of the committee shall be by affirmative vote of the majority of the members present at a meeting of the committee, and only if a quorum is present.
  - c) All actions of the committee shall subsequently be approved by the Board to be effective, unless otherwise provided herein.
  - d) The committee shall meet at least annually but may meet as frequently as is deemed necessary by the committee or Chair of the committee, in consultation with the Retirement Administrator.
  - e) Meetings of the committee shall be open to the public and noticed and held in accordance with the Brown Act
  - f) The committee shall keep minutes of its meetings.
  - g) The Retirement Administrator and Chief Financial Officer shall serve as the staff contact for the Committee.

Committee Duties

***Accounting and Audit Functions***

- 2) The Finance Committee shall:
  - a) Meet at least annually with the financial auditors and Management to review the audit process, examine, and approve the objectives and scope of financial audits,

reporting on internal controls, the duties and responsibilities of the financial auditor, and the timing and estimated budget of the annual financial audit.

- b) The committee is authorized to invite relevant individuals, such as management or auditors, to attend meetings and provide necessary information; however, non-committee members of the Board may only attend meetings as members of the public.
- c) Review and comment on any claims or contingencies that could have a material effect on the financial condition of VCERA and the way they have been disclosed in the financial statements.
- d) Review and comment on Quarterly Budget Summaries, Statement of Fiduciary Net Position, Statement of Changes to Fiduciary Net Position, Schedule of Investments, Cash and Cash Equivalents, Schedule of Investment Management Fees, and other financial documents that may arise from time to time, prior to submittal to the Board.
- e) Review and comment on the appropriateness of accounting policies and financial reporting practices, any significant proposed changes thereto, and any new or pending developments in accounting and reporting standards that may have an impact on VCERA.
- f) Meet with the financial auditor to discuss the annual financial statements, review the findings of the financial auditor, and review any response thereto by Management.
- g) Review and comment on the Management Discussion and Analysis section of the Plan's Annual Comprehensive Financial Report (ACFR) and all other financial information contained in the ACFR as deemed appropriate, prior to Board approval.
- h) Serve as the primary liaison, on behalf of the Board, for all matters related to financial audits, examinations, investigations, or inquiries from financial authorities.
- i) Review and comment on the findings or comments of any regulatory agencies concerning financial information or reporting of VCERA and Management's response thereto.
- j) Review the engagement of the financial auditor at least every five (5) years with regards to performance, internal quality control procedures, fees, qualifications, and independence and then make recommendations to the Board on these matters.
- k) Review and comment on any internal audit plans that may be established and coordinate special investigations, audits, or other compliance efforts of VCERA as may be necessary and inform the Board of such investigations or audits.

### ***Budgeting***

- 3) The Finance Committee shall:
  - a) Review and comment on the proposed Operating Budget prior to Board approval.
  - b) Periodically review the budget process and format with Management.

### ***Other Duties***

- 4) The Finance Committee shall:
  - a) Be available to advise the Board and Management as required or requested on financial matters, and perform any other duties assigned by the Board.

### **III. Review**

The Board shall review this charter at least once every 3 years to ensure that it remains relevant and appropriate.

### **VI. History**

The Board last approved this charter on May 22, 2023. Prior to this, the Board approved this policy on May 24, 2021. This charter was originally adopted by the Board on March 29, 2021.



May 5, 2023

TO: State Association of County Retirement Systems

FROM: Edelstein Gilbert Robson & Smith, LLC

RE: **Legislative Update – May 2023**

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### **General Update**

The Legislature just wrapped up policy committee hearings for fiscal bills in the first house. The weeks immediately preceding the April 28 policy committee deadline are arguably the busiest of the Legislative session, as committees work to analyze and hold hearings for most of the bills introduced thus far while simultaneously conducting hearings on the proposed state budget. As noted in previous reports, more bills were introduced this year than in recent years, leading to several late-night policy committee hearings the week of the deadline.

Non-fiscal bills have until today, May 5, to be heard in policy committee before going to a vote on the Floor of the first house.

The next legislative milestone is the fiscal committee deadline, where fiscal bills must be heard in the Appropriations Committee in the first house. A large proportion of the bills in either house's Appropriations Committee will get placed on the Committee's "suspense file" that will be dispensed with the day before the fiscal committee deadline of May 19. It is at this point in the Legislative process that we typically see the narrowing of bills that continue to move forward. The number of bills held back by this committee may be higher than in recent years given the increasingly dismal budget projections.

The Governor is set to announce his 2023-24 May Revision of the budget in mid-May. Recent estimates anticipate that we will see the projected budget deficit increase further from the \$22.5 billion figure announced in January. Given the delayed tax return deadline, California's budget situation will continue to remain largely unknown.

### **Legislation of Interest**

**SB 885 (Committee on Labor, Public Employment and Retirement).** This is the annual committee omnibus bill that contains various cleanup provisions for

CalSTRS, CalPERS and CERL systems. The amendments to the CERL make non-substantive, technical changes as well as conform provisions on Required Minimum Distributions to federal law under the SECURE ACT 2.0 by referencing the federal law instead of a specific age.

The bill is in the Senate Appropriations Committee.

**AB 1020 (Grayson) – CERL Disability Presumptions.** This bill would establish several new disability retirement presumptions for various injuries and illnesses in the CERL, similar to provisions that exist in the Labor Code. The bill is sponsored by the California Professional Firefighters. SACRS has provided a series of technical clarifications to the sponsors for their consideration.

The bill is in the Senate.

**SB 252 (Gonzalez) – PERS and STRS Fossil Fuel Divestment.** Senator Gonzalez reintroduced SB 1173 from last session. Like last year, this bill applies to CalPERS and CalSTRS and prohibits the retirement systems from renewing or making new investments in fossil fuel companies as well as requiring them to liquidate existing investments by July 1, 2030, among other requirements. The bill was introduced as part of a package of climate legislation.

This bill was placed on the Suspense File in the Senate Appropriations Committee.

**SB 660 (Alvarado-Gil) - CA Public Retirement System Agency Cost and Liability Panel.** This bill would establish the CA Public Retirement System Agency Cost and Liability Panel that would be tasked to determine how costs and unfunded liability are apportioned to a public agency when a member changes employers within the same retirement system or concurrently retires with two or more systems that have entered into a reciprocity agreement. The panel would include a member from the State Association of County Retirement Systems (SACRS).

This bill was placed on the Suspense File in the Senate Appropriations Committee.

### **Public Meeting Bills**

**AB 557 (Hart) - Brown Act Emergency Teleconferencing Sunset Extension.** This bill would remove the sunset in current law to allow teleconferencing during certain emergencies as well as increase the time period when the Board must renew the findings of an emergency or need for social distancing from 30 days to 45 days. This bill passed out of the Assembly Local Government Committee and is pending a vote on the Assembly Floor.

**AB 817 (Pacheco) – Open Meeting Flexibility for Subsidiary Bodies.** This bill allows subsidiary bodies to use teleconferencing without regard to a state of emergency if they

meet certain requirements. Subsidiary bodies are bodies that serve in an advisory capacity and do not take final action on specified items.

Due to concerns from the Chair of the Assembly Local Government Committee, this bill was not heard in the committee and will not move further this year.

**AB 1379 (Papan) - Teleconference Flexibilities.** AB 1379 expands various flexibilities for local agencies under the Brown Act including, but not limited to, relaxing requirements for posting teleconference locations, relaxing certain quorum requirements, removing the existing January 1, 2026 sunset date of flexibilities in current law, removing restrictions that prohibit members from participating remotely for more than two meetings a year, among other changes. The bill also requires that a legislative body have at least two meetings a year where members are in person at a single designated location.

Due to concerns from the Chair of the Assembly Local Government Committee, this bill was not heard in the committee and will not move further this year.

**SB 537 (Becker) - Teleconference Flexibilities.** This bill would allow expanded teleconference flexibilities for multijurisdictional, cross county legislative bodies if certain requirements are met, along with adding to the list of circumstances where a member is permitted to participate remotely.

This bill passed out of the Senate Governance and Finance Committee in April after being narrowed considerably, including allowing remote participation only if the meeting location is more than 40 miles one way from the member's home, among other requirements that limit the flexibilities in the bill. The new amendments make the bill less useful for many local government entities who previously supported the bill.

We have met with the author's staff and proposed amendments to clarify that local retirement systems are covered by the bill.

The bill will go to a vote of the full Senate next.

**Subject:**

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**JULY 16-19, 2023**

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Contact Sulema H. Peterson, SACRS Executive Director at (916) 701-5158 or [sulema@sacrs.org](mailto:sulema@sacrs.org) for more information.



840 Richards Blvd  
Sacramento, CA 95811  
T: (916) 701-5158  
E: [sacrs@sacrs.org](mailto:sacrs@sacrs.org)

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County employees throughout California depend on defined benefit pension plans to effectively save for retirement. SACRS provides education and insight to those entrusted with managing the funds of these plans. Collectively, our membership's efforts help build retirement security for more than half a million hardworking county employees and retirees throughout the state.

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# MODERN INVESTMENT THEORY & PRACTICE

## for Retirement Systems

SACRS PUBLIC PENSION INVESTMENT MANAGEMENT PROGRAM 2023

July 16-19, 2023 | UC Berkeley Haas School of Business Executive Education

### PRELIMINARY AGENDA

<b>SUNDAY, JULY 16</b> ▶ Claremont Hotel & Spa - Skyline A <b>Investing Fundamentals for New Trustees</b>	<b>MONDAY, JULY 17</b> ▶ N-400, Simpson Family Suite, Chou Hall, Berkeley Haas School of Business <b>Asset Allocation</b>	<b>TUESDAY, JULY 18</b> ▶ N-400, Simpson Family Suite, Chou Hall, Berkeley Haas School of Business <b>Managing Investment Managers</b>	<b>WEDNESDAY, JULY 19</b> ▶ N-400, Simpson Family Suite, Chou Hall, Berkeley Haas School of Business <b>Governance &amp; Decision Making</b>
<b>Registration and Breakfast</b> Claremont Hotel & Spa ▶ Lobby Lounge 7:00am – 8:00am	<b>Breakfast</b> Claremont Hotel & Spa ▶ Lobby Lounge 7:00am – 8:00am	<b>Breakfast</b> Claremont Hotel & Spa ▶ Lobby Lounge 7:00am – 8:00am	<b>Breakfast</b> Claremont Hotel & Spa ▶ Lobby Lounge 7:00am – 8:00am
9:00am <b>Session Held Onsite at Claremont Hotel</b> ▶ Skyline A	8:00am <b>Depart Hotel to UC Berkeley</b> Bus leaves at 8:10am ▶ Hotel Lobby	8:00am <b>Depart Hotel to UC Berkeley</b> Bus leaves at 8:10am ▶ Hotel Lobby	8:00am <b>Depart Hotel to UC Berkeley</b> Bus leaves at 8:10am ▶ Hotel Lobby
<b>Pension Fund &amp; Investment Basics</b> Thomas Gilbert, University of Washington	<b>Introduction and Program Overview</b> Greg LaBlanc, Berkeley Haas	<b>Public Pension Landscape Today</b>	<b>Governance Basics or Governance Panel</b>
10:30am – 11:00am <b>Break</b>	10:00am – 10:10am <b>Break</b>	10:00am – 10:10am <b>Break</b>	10:00am – 10:10am <b>Break</b>
<b>Return, Risk, and Diversification</b> Thomas Gilbert, University of Washington	<b>Actuarial/Actuarial Considerations</b> Greg LaBlanc, Berkeley Haas and Graham Schmidt, Consulting Actuary Cheiron, Inc.	<b>Private Equity: How to manage your portfolio</b> Chris Puscasiu, Berkeley Haas	<b>ESG Panel or ESG Case Study</b>
12:30pm – 1:30pm <b>Lunch</b>	12:30pm – 1:00pm <b>Lunch</b>	12:30pm – 1:00pm <b>Lunch</b>	12:00pm – 1:00pm <b>Lunch</b>
<b>Practical Mean-Variance Analysis</b> Thomas Gilbert, University of Washington	<b>Pension Fund Dynamics and Review of Investing Fundamentals</b> Greg LaBlanc, Berkeley Haas and Graham Schmidt, Consulting Actuary Cheiron, Inc.	<b>Digital Assets</b>	<b>Behavioral Finance: Impact on Markets</b> Greg LaBlanc, Berkeley Haas
3:00pm – 3:30pm <b>Break</b>	2:30pm – 2:45pm <b>Break</b>	3:30pm – 3:45pm <b>Break</b>	2:30pm – 3:00pm <b>Break</b>
<b>Asset Classes &amp; Asset Management</b> Thomas Gilbert, University of Washington	<b>The Macro Environment for Pension Funds</b> Kevin Coldiron, Berkeley Haas	<b>The Investment Scenario Today</b>	<b>Team Building/Team Management</b>
	4:15pm – 5:00pm Busses Depart back to hotel 5:15 pm	4:15pm – 5:00pm Busses Depart back to hotel 5:15 pm	4:15pm – 5:00pm Busses Depart back to hotel 5:15 pm
<b>Reception at Claremont Hotel &amp; Spa</b> 5:30pm – 6:30pm ▶ Lobby Lounge Bar	<b>Reception at Claremont Hotel &amp; Spa</b> 5:30pm – 6:30pm ▶ Lobby Lounge Bar	<b>Reception at Claremont Hotel &amp; Spa</b> 5:30pm – 6:30pm ▶ Lobby Lounge Bar	