

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

MONITORING AND REPORTING POLICY

I. Background

- 1) In keeping with the duty of the Board to oversee the activities and performance of VCERA, the Board has established this Monitoring and Reporting Policy, which sets out the Board's expectations concerning the reports it is to receive on a regular basis.

II. Guidelines

- 2) Appendix 1 of this Policy will address the routine reporting needs of the Board across a range of reporting areas including:
 - a) Governance;
 - b) Investments;
 - c) Funding; and
 - d) Administration.
- 3) The Board will be provided the routine reports outlined in Appendix 1 with a frequency also set out in Appendix 1. The Board will be provided other Personnel Committee reports as required.
- 4) Board members are expected to review and be familiar with all reports provided to the Board, and to question management about any issues of concern contained in any such report.
- 5) Management will work continuously to improve the routine reports provided to the Board to ensure they meet the needs of the Board, provide adequate information, and are user friendly.
- 6) Routine reports will not only address performance measurement, but also compliance with VCERA policies.

III. Policy Review

- 7) The Board will review this policy, including Appendix 1, at least once every three (3) years to ensure that it remains relevant and appropriate.

IV. Policy History

- 8) The Board last reviewed and approved this policy on January 3, 2022. The Board previously reviewed and approved this policy on September 12, 2016, and March 19, 2007.

APPENDIX I

REPORTS RECEIVED BY THE BOARD OF RETIREMENT

Governance Reports

Report Name	Frequency	Prepared By	Presented By	Description and Purpose of Report
1. Retirement Administrator, Board Counsel, and Chief Investment Officer Evaluation	Annually	Personnel Committee	Chair of Personnel Committee	Summarizes the performance assessment of the Retirement Administrator, Board Counsel, and Chief Investment Officer
2. Governance Report	Annually	Staff	Retirement Administrator	A summary confirmation of compliance with governance policies of the Board.

Investment Reports

Generic Report Name	Frequency	Prepared By	Presented By	Description and Purpose of Report
3. Quarterly Investment Performance Report	Quarterly	Investment Consultant	Investment Consultant (IC) Chief Investment Officer (CIO)	Includes: • A report on the investment performance of the total fund, each asset class, and each investment manager; report on the economic and investment environment; confirmation of the asset allocation compliance with Board approved ranges and targets; • confirmation that the investment managers are investing plan assets in accordance with their mandates, regulatory requirements, and VCERA policy.
4. Preliminary Monthly Investment Performance Report	Monthly	Investment Consultant	IC & CIO	Preliminary performance report for the prior month on individual investment managers as available, and the total portfolio.
5. Asset and Liability Study	Every 3 years or as needed	Investment Consultant	IC & CIO	A study of the relationship between VCERA's assets and liabilities to determine the appropriateness of VCERA's asset allocation policy.
6. Mandatory Public Records Disclosure Reports	Annually	Investment Consultants	IC & CIO	Satisfy the legally mandated requirements as set out in Cal. Govt. Code § 7514.7)

Funding Reports

Generic Report Name	Frequency	Prepared By	Presented By	Description and Purpose of Report
7. Actuarial Valuation	Annually	Actuary	Actuary	Establishes the financial position of the pension plan on a going concern and solvency basis, and determines the rates of contribution.
8. Experience Analysis	Every 3 years	Actuary	Actuary	Reviews the appropriate long-term economic assumptions such as investment return and wage and price inflation, and demographic assumptions such as disability rates and mortality rates.
9. Actuarial Audit*	At least every 6 years*	Auditing Actuary	Auditing Actuary	An independent review of the validity of the analyses and methodologies used in preparing VCERA's actuarial valuation.

Administrative Reports

Report Name	Frequency	Prepared By	Presented By	Description and Purpose of Report
9. Report on Business Plan	Annually	Staff	Retirement Administrator	Outlines the Business Plan and progress towards its implementation.
10. Financial Report	Quarterly	Staff	Retirement Administrator	Quarterly report on the financial position of VCERA, covering unaudited financial statements and progress on the preparation of the financial statements.
11. Budget Status & Summary	Quarterly	Staff	Retirement Administrator	Quarterly status report on the adopted budget, adjusted budget in relation to expenditures to date. This will include an executive summary of the activity for the period.

* Unless the Board has replaced the actuary or is contemplating replacing the actuary shortly before or after the time that an actuarial audit is due to be conducted.

Administrative Reports (cont'd)

Report Name	Frequency	Prepared By	Presented By	Description and Purpose of Report
12. Annual Comprehensive Financial Report (“ACFR”) including: - Audited Financial Statements - Management Discussion and Analysis - Auditor’s Opinion	Annually	Staff	Retirement Administrator / Independent Auditor	The Annual Report reviews the operations and activities of VCERA during the last fiscal year. It also includes: - The audited financial statements, which indicate the financial position of VCERA. - The Management Discussion and Analysis, which is management’s statement of the key financial activities and transactions of VCERA’s fiscal year - The Auditor’s opinion, confirming that the financial statements present fairly, in all materials respects, the financial status of VCERA, in accordance with generally accepted accounting principles.
13. Report of Checks Disbursed	Monthly	Staff	Retirement Administrator	Monthly report on the cash disbursed by VCERA during the prior month.
14. Report on Retirees	Monthly	Staff	Retirement Administrator	List of all new retirees, deferred members, and beneficiaries for prior month. Includes names, date of membership, length of service, other service, department worked for, and effective date.
15. Disability Application Status Report	Monthly	Staff	Retirement Administrator	Summary report of all pending disability applications.

Standard Staff Reports

Report Name	Frequency	Prepared By	Presented By	Description and Purpose of Report
16. Administrator’s Report	As required / Quarterly	Staff	Administrator	Updates the Board, as required on significant matters not reported in routine reports, or in other staff or committee reports. At least quarterly, updates the Board on the Administrator’s travel, training, and other expenses, key meetings, press/media communications, any items the Administrator has been asked to report back on regularly, and other items that may be of interest to the Board.
17. Board Counsel’s Report	As required	Board Counsel	Board Counsel	Updates the Board on significant legislative and legal developments, and on any ongoing litigation affecting VCERA.

Report Name	Frequency	Prepared By	Presented By	Description and Purpose of Report
18. Asset Allocation Review and Recommendations	Annually or more frequently as necessary	IC & CIO	IC & CIO	Review and recommendations for potential asset allocation strategy changes;
19. CIO Investment Report	Quarterly	CIO	CIO	Summary of quarterly investment activity including: • private investments partnerships and their respective commitment amounts as denominated in the private investment funds' currency • update of committed capital versus private investments pacing plans • report of incumbent and prospective investment manager, consultant, custodian, and other presentations of their respective products
20. CIO Investment Reports	As needed	CIO	CIO	• CIO analysis and recommendation reports and presentations • Other information that may be of interest to the Board