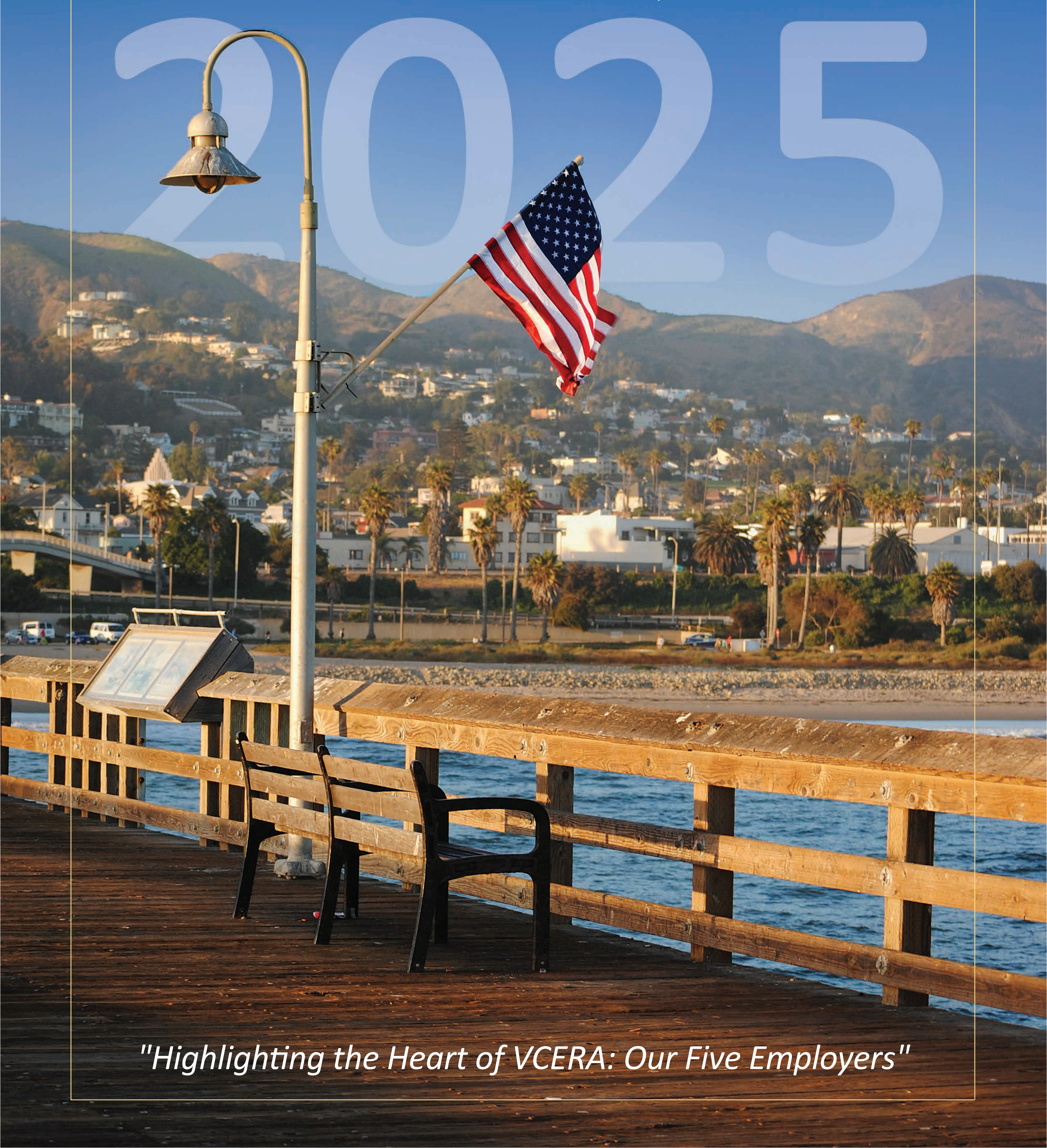
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

ANNUAL COMPREHENSIVE FINANCIAL REPORT

PENSION TRUST FUND AND FIDUCIARY COMPONENT UNIT FOR THE COUNTY OF VENTURA, CALIFORNIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

2025



"Highlighting the Heart of VCERA: Our Five Employers"

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Pension Trust Fund
for
The County of Ventura, California
Ventura County Superior Court
Ventura County Air Pollution Control District
Ventura Regional Sanitation District
Ventura County Employees' Retirement Association
and
Fiduciary Component Unit
for
The County of Ventura, Calirornia

Issued by: Amy Herron, Retirement Administrator

Established in 1873, Ventura County is home to around 840,000 residents. It is comprised of ten cities and numerous unincorporated communities, spanning 2,208 square miles. With the US Census Bureau reporting almost 23,000 employers, VCERA is proud to serve five of them. The county is a leading agriculture producer, and its economy is heavily boosted by the technology, healthcare, and tourism sectors, as well as trade through the Port of Hueneme.

Its natural beauty is diverse, with 42 miles of coastline along the Pacific Ocean, and the Los Padres National Forest accounting for 46 percent of the county's landmass.

1190 SOUTH VICTORIA AVENUE, SUITE 200, VENTURA, CA 93003-6572 / 805.339.4250 / 805.339.4269 (FAX) / WWW.VCERA.ORG

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VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

The Ventura County Employees' Retirement Association (VCERA) is a multi-employer, defined benefit, public pension plan located in Ventura County, California. Founded in 1947, the association is governed by the County Employees Retirement Law of 1937 ("1937 Act") and the California Public Employees' Pension Reform Act of 2013 (PEPRA). VCERA's primary responsibility is to provide lifetime retirement benefits for eligible employees of the County of Ventura, Ventura County Superior Court, Ventura County Air Pollution Control District (APCD), Ventura Regional Sanitation District (VRSD), and VCERA.

Retirement law vests oversight of the agency in a Board of Retirement, which invests VCERA's assets, sets policy, and appoints a Retirement Administrator to manage the day-to-day operations of the retirement system.

LETTER OF TRANSMITTAL

VCERA
VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
1190 S. VICTORIA AVENUE, SUITE 200 • VENTURA, CA 93003
PHONE: 805-339-4250 • FAX: 805-339-4269 • WWW.VCERA.ORG

December 9, 2025

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

Dear Board of Retirement Trustees and Plan Participants:

I am pleased to present the Ventura County Employees' Retirement Association (VCERA, Association, Fund, or Plan) Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2025. The report is intended to provide a detailed review of VCERA's financial, actuarial, and investment status. VCERA has the duty and authority to administer plan benefits for employees of the County of Ventura and outside participating employers, Ventura County Superior Court, Ventura County Air Pollution Control District, Ventura Regional Sanitation District, and VCERA.

VCERA AND ITS SERVICES

VCERA was established in 1947 to provide retirement allowances and other benefits to the general and safety members employed by Ventura County. Subsequently, VCERA expanded its membership program to include the following outside employers:

- Ventura County Superior Court
- Ventura County Air Pollution Control District (APCD)
- Ventura Regional Sanitation District (VRSD)
- Ventura County Employees' Retirement Association

Since its inception, VCERA has been governed by the California Constitution, the County Employees Retirement Law of 1937 (CERL), and the regulations, procedures, and policies adopted by VCERA's Board of Retirement (the Board). The Ventura County Board of Supervisors may also adopt resolutions, as permitted by the CERL, which may affect benefits of VCERA members. As of January 13, 2013, VCERA is also governed by the Public Employees' Pension Reform Act of 2013 (PEPRA). Both the CERL and PEPRA are contained in the California Government Code (GC).

The Board is responsible for the general management of VCERA and for determining VCERA's investment objectives, strategies, and policies. The Board appoints a Retirement Administrator, to whom is delegated the responsibility of overseeing the day-to-day management of VCERA and developing its annual administrative budget. Adoption of the budget is subject to approval by the Board.

FINANCIAL INFORMATION

The independent audit performed by Brown Armstrong Accountancy Corporation states that VCERA's financial statements are prepared by management, presented in conformity with Generally Accepted Accounting Principles (GAAP), and free of material misstatement. Management acknowledges it is responsible for the entire content of this ACFR.

Maintaining appropriate internal controls is the responsibility of management. However, management recognizes that no control or combination of controls can entirely free an organization from all error or misstatement. At their best, controls provide reasonable assurance that such failings do not occur. The concept of reasonable assurance

LETTER OF TRANSMITTAL

(Continued)

recognizes that the cost of a control should not exceed the benefits likely to be derived; the valuation of cost and benefits requires estimates and judgments by management. VCERA's executive management is confident that VCERA's established controls and the interactions of those controls detect all significant occurrences and prevent noteworthy inaccuracies.

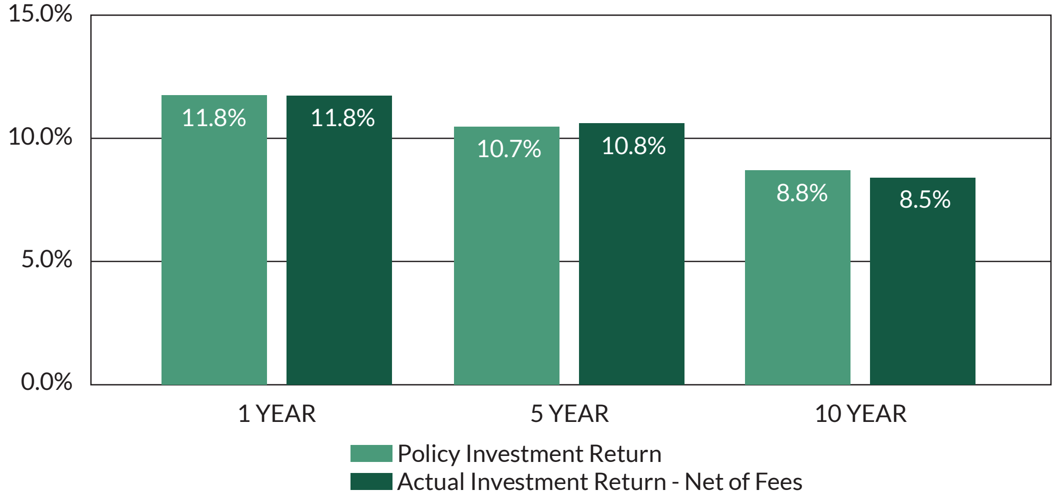
An overview of VCERA's fiscal operations is presented in the Management's Discussion & Analysis (MD&A) Section preceding the financial statements. This transmittal letter, when taken into consideration with the MD&A, provides an enhanced picture of the VCERA's operational activities.

INVESTMENT ACTIVITIES

The Board's Investment Policy provides the framework for the management and oversight of VCERA's investments. The Investment Policy establishes VCERA's investment objectives and defines the principal duties of the Board, staff, custodian, investment managers, and consultants. The Board adopted a new asset allocation and corresponding implementation plan in May 2024.

A pension fund's asset allocation policy, implemented in a consistent and disciplined manner, is generally recognized to have the most impact on a fund's performance. The asset allocation process determines a fund's optimal long-term asset class mix (target allocation), which is expected to achieve a specific set of investment objectives.

For the one-year period ended June 30, 2025, VCERA's Total Fund investment portfolio returned 11.8% net-of-fees, matching its policy benchmark. The publicly traded U.S. equity portfolio returned 15.4%, outperforming its benchmark by 0.1%. The non-U.S. equity portfolio returned 12.1%, underperforming its benchmark by 5.6%. Global equity returned 16.5%, outperforming its benchmark by 0.3%. Private equity returned 9.4%, matching its public market benchmark. Fixed income returned 8.1%, outperforming its benchmark by 2.0%. Private Credit returned 8.3%, underperforming its benchmark by 0.8%. Real Estate returned 1.1%, underperforming its benchmark by 1.5%. Real Assets returned 15.5%, outperforming its benchmark by 10.8%. Over the five-year and ten-year periods ended June 30, 2025, the Total Fund's annualized returns were 10.8% and 8.5%, respectively, with the five-year return overperforming its policy benchmark by 0.1% and the ten-year underperforming its benchmark by 0.3%, respectively. The chart below compares the Total Fund's actual and policy investment returns for one, five and ten years.



LETTER OF TRANSMITTAL

(Continued)

ACTUARIAL FUNDING STATUS

Pursuant to provisions in the CERL, VCERA engages an independent actuarial firm to perform annual actuarial valuations. A system-wide actuarial valuation (i.e., Experience Study) is performed every three years, at which time VCERA's economic and non-economic assumptions are updated. Triennial Experience Studies serve as the basis for the underlying assumptions that ultimately trigger changes in member and employer contribution rates necessary to properly fund the system. The latest triennial Experience Study was conducted as of June 30, 2023.

VCERA is funded by member and employer contributions and investment earnings. Normal member contributions are those required to fund a specific annuity at a specified age. Member contribution rates for members who entered VCERA membership prior to January 1, 2013, vary according to a member's benefit tier. The CERL also requires members to pay half the contributions required to fund the cost-of-living adjustment (COLA) benefit, which is affected by changes in both economic and non-economic assumptions.

Liabilities not funded through regular employer and member contributions and investment earnings are the responsibility of the employer. Changes to any of the economic and non-economic assumptions impact employer contribution rates. The employer is responsible for contributing to cover the cost of benefits expected to be accrued in the future and half the cost of the COLA for safety and legacy members. These are "normal cost" contributions. The employer is also responsible for making additional contributions to eliminate any shortfalls in funding (i.e., liabilities) that have accrued in the past, which is known as the Unfunded Actuarial Accrued Liability (UAAL).

PEPRA provisions require equal sharing of normal costs between employers and employees. Employees must pay 50% of the normal cost, but may pay more, if collectively bargained. In January 2013, VCERA established new PEPRA benefit tiers for General and Safety members with membership dates on or after January 1, 2013. Contributions for these tiers are based on a single, flat-rate percentage and are structured in accordance with the required 50/50 cost sharing. A member's age at first membership is not considered.

The June 30, 2025, actuarial valuation determined VCERA's funded ratio to be 99.2% with a recognized UAAL of $66 million. The employer contribution rate will therefore be set equal to 5.16% of payroll for the amortization of the UAAL, plus the normal cost rate of 11.17%, for a total contribution rate of 16.33% of payroll for the 2025-2026 fiscal year.

SIGNIFICANT EVENTS, ACCOMPLISHMENTS, AND OBJECTIVES

The 2024-25 fiscal year saw changes in the operation and administration of the retirement system by the Board and staff. Some of the more significant events and accomplishments of the past year are summarized below:

- Hired two new Investment Officers to assist the Chief Investment Officer with overall investment activities and the launching of a new co-investments program
- Worked with the Governance Committee to develop improvements to the disability retirement process and hearing procedures
- Reviewed the disability retirement application and staff investigation process for efficiency and process improvements
- Added legal and temporary staffing resources to assist with large volume of pending disability applications
- Assessed options for upgrading the Financial Management Software under the guidance of the Finance Committee, IT and Fiscal Staff
- Continued to implement the Alameda Decision, working with the project management consultant, the Chief Operating Officer (COO) and the Chief Technology Officer (CTO) to make critical decisions, monitor tasks, and work with third parties
- Continued to expand VCERA's communication efforts by developing and conducting more presentations for various stakeholder groups and updating materials to match VCERA's brand guidelines

LETTER OF TRANSMITTAL

(Continued)

OBJECTIVES FOR THE COMING YEAR

- Continue to implement the Alameda Decision, finishing Phase 1 and moving into Phase 2 of the project
- Upgrade the Financial Management Software to a more current and supported version under the guidance of IT and Fiscal Staff
- Assess options for upgrading or replacing the Pension Administration Software to modernize processes and address current product's end of life date in July 2028
- Continue to make additional process improvements to the disability retirement application and staff investigation process, and add resources as needed to handle volume
- Continue to expand communications efforts to include additional presentations for stakeholders, create explainer videos, and update additional materials to match VCERA's brand guidelines

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded VCERA a Certificate of Achievement for Excellence in Financial Reporting in recognition of our ACFR for the fiscal year ended June 30, 2024. This award recognizes contributions to the practice of government finance exemplifying outstanding financial management. In doing so, they stress practical, documented work that offers leadership to the profession.

A Certificate of Achievement is valid for a period of one year only. Management believes that the current ACFR continues to meet the Certificate of Achievement Program's requirements, and it will be submitted to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this Annual Comprehensive Financial Report in a timely manner is made possible by the dedicated teamwork of VCERA staff under the leadership, dedication, and support of the VCERA Board of Retirement. I am sincerely grateful to the Board and staff, as well as to all of our professional service providers, who work diligently to ensure the successful operation and financial soundness of VCERA.

Respectfully submitted,

Amy Herron

Amy Herron, CPA, CPFO, PMP
Retirement Administrator

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Ventura County Employees' Retirement Association
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

MEMBERS OF THE BOARD OF RETIREMENT

AS OF JUNE 30, 2025

AARON GRASS
Chair
Elected by Safety Members

JORDAN P. ROBERTS
Vice-Chair
Elected by General Members

SUE HORGAN
Ex-Officio Trustee

KELLY LONG
Appointed by Ventura County
Board of Supervisors

GREG BERGMAN
Elected by General Members

TAYLOR DACUS
Appointed by Ventura County
Board of Supervisors

MEMBERS OF THE BOARD OF RETIREMENT

AS OF JUNE 30, 2025 *(Continued)*

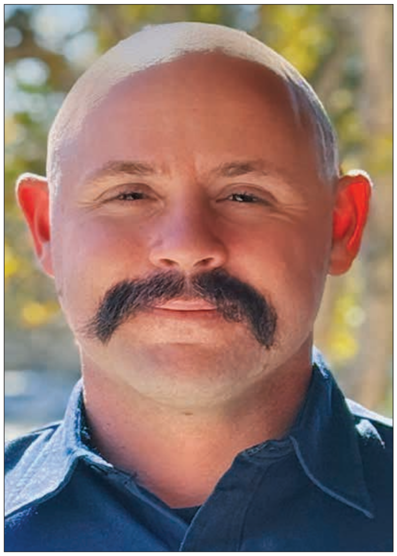
TOMMIE JOE
Appointed by Ventura County
Board of Supervisors

DONALD BRODT
Appointed by Ventura County
Board of Supervisors

ARTHUR "ART" E. GOULET
Elected by Retired Members

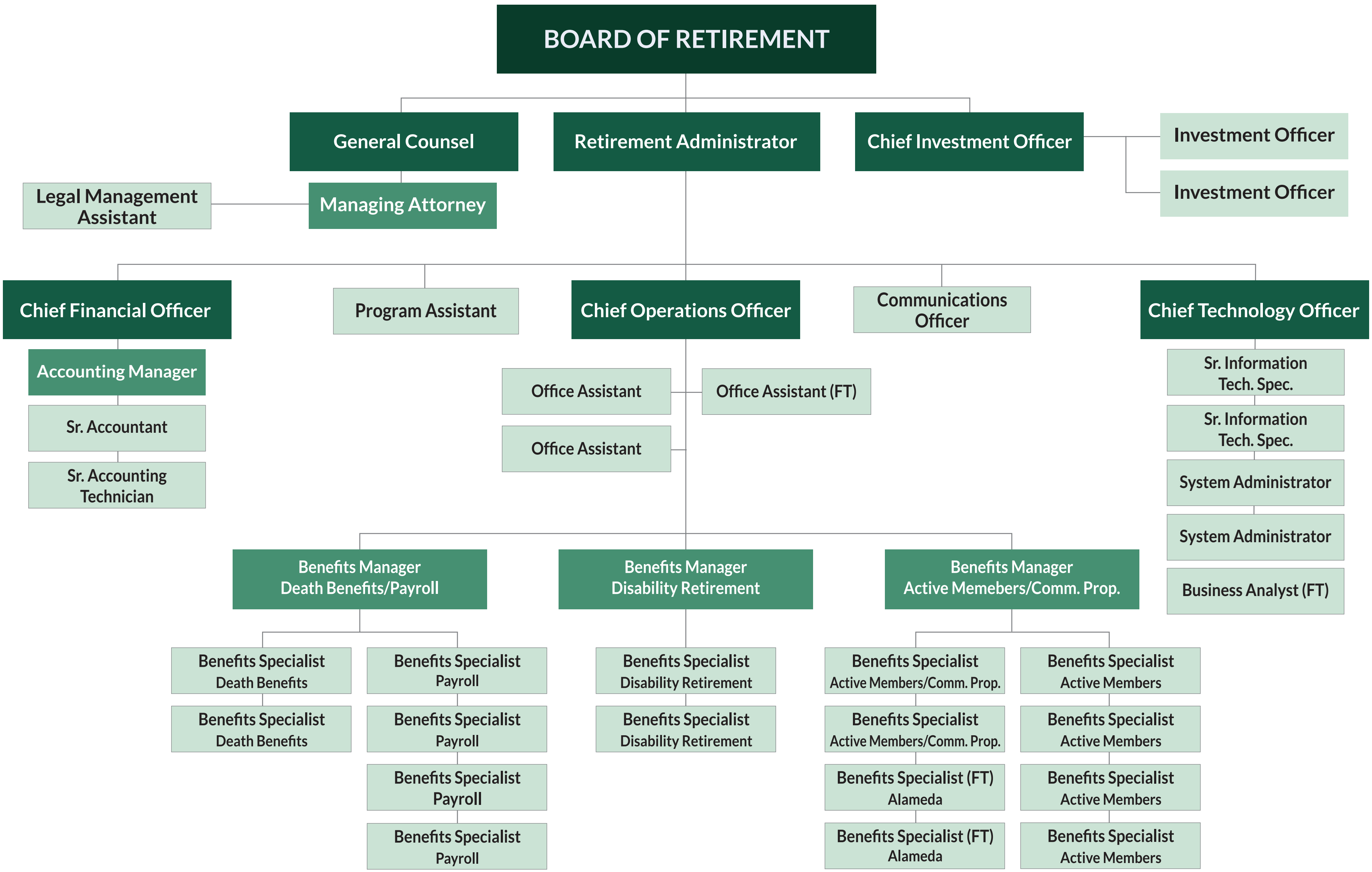
VACANT
Alternate Appointed by Ventura County
Board of Supervisors

MAEVE FOX
Alternate Elected by Retired Members



RYAN RESNICK
Alternate Elected by Safety Members

2025 ORGANIZATION CHART



Note: FT = fixed-term

LIST OF PROFESSIONAL CONSULTANTS

ACCOUNTING
Civic Sol Accounting

ACTUARY
Segal Consulting

CUSTODIAN
State Street Bank and Trust

INDEPENDENT AUDITOR
Brown Armstrong Accountancy Corporation

INVESTMENT CONSULTANT
NEPC, LLC
Abbott Capital Management, LLC

LEGAL COUNSEL
Nossaman, LLP
Hanson Bridgett, LLP
Ice Miller, LLP

PROJECT MANAGEMENT
AP Consultants
MCS Consulting

TECHNICAL SUPPORT
Automatic Data Processing
CheckPoint
Information Technology Services of the County of Ventura
Dell
Digital Deployment
Gartner
Managed Business Solutions
Simpler Systems, Inc.
Velosio
Vitech Systems, Inc.
VSG Hosting
WIP, Inc.

Please refer to the Investment Section for a list of Investment Management Fees and Investment Managers on pages 66 and 67, respectively.

COUNTY OF VENTURA

Photo: Ventura County Harbor Department

Photo: Ventura County Department of Airports

Photo: Ventura County Fire Department

Photo: Ventura County Animal Services

Photo: Ventura County Sheriff's Office

The County of Ventura is governed by a five-member Board of Supervisors, elected at large for a staggered four-year term in their respective districts. As a general law county, the Board of Supervisors is responsible for providing policy direction and approving the County budget. Other elected officials include the Auditor-Controller, Assessor, Clerk-Recorder/Registrar of Voters, District Attorney, Treasurer-Tax Collector, and Sheriff. The Treasurer-Tax Collector also serves as the Ex Officio Member of VCERA's Board of Retirement.

The County employs over 10,000 people across 25 agencies, departments, and special districts. Its mission is to provide superior public service and support so that all residents have the opportunity to improve their quality of life while enjoying the benefits of a safe, healthy, and vibrant community.

BROWN ARMSTRONG
CERTIFIED PUBLIC ACCOUNTANTS

www.ba.cpa
661-324-4971

INDEPENDENT AUDITOR'S REPORT

To the Board of Retirement and Finance Committee of
Ventura County Employees' Retirement Association
Ventura, California

Report on the Audit of the Basic Financial Statements and Other Information

Opinions

We have audited the accompanying Statement of Fiduciary Net Position of Ventura County Employees' Retirement Association (VCERA), a pension trust fund and fiduciary component unit of the County of Ventura, as of June 30, 2025, the Statement of Changes in Fiduciary Net Position for the fiscal year then ended, and the related notes to the basic financial statements, which collectively comprise VCERA's basic financial statements as listed in the table of contents. We have also audited the Schedule of Cost Sharing Employer Allocations of VCERA as of June 30, 2025, and the Schedule of Employer Pension Amounts Allocated by Cost Sharing Plan total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total employer pension expense excluding that attributable to employer-paid member contributions (other information) as of and for the fiscal year ended June 30, 2025, specified column totals, listed as other information in the table of contents.

In our opinion, the basic financial statements and other information referred to above present fairly, in all material respects, the fiduciary net position of VCERA as of June 30, 2025, and the respective changes in fiduciary net position for the fiscal year then ended, and the Schedule of Cost Sharing Employer Allocations of VCERA as of June 30, 2025; and the Schedule of Employer Pension Amounts Allocated by Cost Sharing Plan total for all entities of the specified column totals as of and for the fiscal year ended June 30, 2025, in accordance with accounting principles generally accepted in the United States of America (US GAAP).

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Basic Financial Statements and Other Information section of our report. We are required to be independent of VCERA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Basic Financial Statements and Other Information

Management is responsible for the preparation and fair presentation of the basic financial statements and the other information in accordance with US GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements and the other information that are free from material misstatement, whether due to fraud or error.

In preparing the basic financial statements and other information, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about VCERA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Management is also responsible for maintaining a current plan instrument, including all VCERA plan amendments; administering VCERA; and determining that VCERA's transactions that are presented and disclosed in the basic financial statements and other information are in conformity with the VCERA's plan provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Basic Financial Statements and Other Information

Our objectives are to obtain reasonable assurance about whether the basic financial statements and other information as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the basic financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the basic financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of VCERA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the basic financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about VCERA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

US GAAP requires that the management's discussion and analysis (MD&A) and the required supplementary information (RSI), as noted in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the MD&A and RSI in accordance with US GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise VCERA's basic financial statements and other information. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with US GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Additional Information

Management is responsible for the additional information included in the Annual Comprehensive Financial Report. The additional information comprises the introductory, investment, actuarial, and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the additional information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the additional information and consider whether a material inconsistency exists between the additional information and the basic financial statements and other information, or the additional information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the additional information exists, we are required to describe it in our report.

Report on Summarized Comparative Information

We have previously audited VCERA's June 30, 2024 basic financial statements and other information, and our report dated January 21, 2025, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended June 30, 2024, is consistent in all material respects, with the audited basic financial statements and other information from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated December 9, 2025, on our consideration of VCERA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of VCERA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering VCERA's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 9, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following review of the results of Ventura County Employees' Retirement Association (VCERA or the Plan) operations and financial condition for the fiscal year ended June 30, 2025, should be read in conjunction with the Letter of Transmittal found in the Introductory Section of this report and with the required financial statements that follow this discussion and analysis.

HIGHLIGHTS

- The Net Position Restricted for Pensions (Net Position) at the close of June 30, 2025 was $9.2 billion. All of the net position is available to meet VCERA's ongoing obligations to plan participants and their beneficiaries.
- VCERA's total Net Position Restricted for Pensions increased by $868.0 million, or 10.5%. The increase for the fiscal year ended June 30, 2025 was primarily driven by positive investment returns.
- Total additions, as reflected in the Statement of Changes in Fiduciary Net Position, for the fiscal year ended June 30, 2025 are $1,301.9 million. This total is comprised of employer and plan member contributions of $280.9 million, net investment gain of $1,020.0 million and net securities lending income of $275.5 thousand.
- Total deductions, as reflected in the Statement of Changes in Fiduciary Net Position, increased to $433.9 million, or 5.4%, from the prior year.
- VCERA's funded status, as measured by the actuarial value of assets divided by the actuarial value of accrued liabilities, increased from 97.0% to 99.2%.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following discussion and analysis are intended to serve as an introduction to VCERA's basic financial statements. The financial statements and required disclosures are prepared in accordance with pronouncements (accounting principles and reporting guidelines) as set forth by the Governmental Accounting Standards Board (GASB). These pronouncements require certain disclosures and require VCERA to report using the full accrual basis of accounting. VCERA complies with all material requirements of these pronouncements. VCERA's basic financial statements are comprised of the following components:

1. Statement of Fiduciary Net Position
2. Statement of Changes in Fiduciary Net Position
3. Notes to the Basic Financial Statements

The **Statement of Fiduciary Net Position** is a snapshot of account balances at fiscal year-end, indicating the assets available for future payments to retirees and their beneficiaries, and any current liabilities owed.

The **Statement of Changes in Fiduciary Net Position** reflects all the activities that occurred during the year and shows the impact of those activities as additions to or deductions from the Plan. The trend of additions to versus deductions from the Plan will indicate the condition of VCERA's financial position over time.

The Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position report information about VCERA's activities. These statements include all assets and liabilities using the full accrual basis of accounting, which is similar to the accounting used by private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. All investment gains and losses, both realized and unrealized, are included in the "Investments" line item.

The Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position report VCERA's net position restricted for pensions as one way to measure the Plan's financial position. ("Net position" is the difference between assets and liabilities.) Over time, increases and decreases in VCERA's net position are an indicator of whether its financial health is improving or deteriorating. Other factors, such as market conditions, should also be considered in measuring VCERA's overall financial health. Refer to VCERA's basic financial statements following this analysis.

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

Notes to the Basic Financial Statements ("Notes") are an integral part of the financial reports. The Notes provide additional information that is necessary to acquire a full understanding of the data provided in the financial statements including a detailed discussion of key policies, programs, investments, and activities that occurred during the year. Refer to the Notes to the Basic Financial Statements Section of this report.

The following information supplements VCERA'S basic financial statements:

Required Supplementary Information presents historical trend information concerning the changes in net pension liability, employer contributions and investment returns, and method and assumptions used to determine the required "actuarially determined contributions." This information is based on actuarial valuations and contributes to the understanding of the changes in the net pension liability of participating employers.

Other Supplementary Information includes the *Schedules of Administrative Expenses, Investment Expenses* and *Payments to Consultants*. Refer to the *Other Supplementary Information* Section of this report.

Other Information includes *Schedules of Employer Pension Amounts Allocated by Cost Sharing Plan* and *Cost Sharing Employer Allocations*, which are presented immediately following the *Other Information* Section of this report.

FINANCIAL ANALYSIS

During the fiscal year, the Plan's assets returned 11.8% (net of fees), higher than the Plan's 6.75% assumed rate of return. The private equity portfolio gained 9.4%. The U.S. equity portfolio gained 15.4%, the global equity portfolio gained 16.5%, the non-U.S. equity portfolio gained 12.1%, the private credit portfolio gained 8.3% and the fixed income portfolio gained 8.1%. For other asset class returns, refer to the Schedule of Investment Returns on page 64.

RESERVES

Reserves are not required, nor recognized, under GAAP. These are not shown separately on the Statement of Fiduciary Net Position, but they equate to, and are accounts within, the Fiduciary Net Position restricted for pension benefits and are vital to VCERA's operations.

VCERA's reserves are established from contributions and the accumulation of investment income, after satisfying investment and administrative expenses (see Table on page that follows). Furthermore, VCERA has in place a five-year smoothing methodology for investment gains/(losses). Under GAAP, investments are stated at fair value instead of cost and include the recognition of the unrealized gains and losses in the current period. The difference between the fair value of assets inclusive of the cumulative unrealized gains and losses and the amounts reported from the five-year smoothing methodology (or actuarial value) comprises the Market Stabilization Reserve.

The Board has adopted an interest crediting and excess earnings policy for the Plan to credit semi-annual interest to reserves and to determine the use of excess earnings, if any. On December 31, 2024 and June 30, 2025, all reserve accounts except for Member, Non-Vested Supplemental and Contingency reserve accounts were credited interest at a rate of one-half of the actuarial assumption rate adopted by the Board, currently at 3.375% (6.75% divided by two).

For Member reserves, the Board has established the rate for crediting interest to be set at one-half the rate of the United States 10-year Treasury Note, as quoted in the Wall Street Journal for December 31, 2024 and June 30, 2025, not to exceed one-half of the actuarial assumption rate adopted by the Board, currently at 3.375%. On December 31, 2024 and June 30, 2025, member accounts were credited interest at a rate of 2.288% and 2.114%, respectively. The increase in the fair value of investments and increase in benefit payments in the fiscal year ended June 30, 2025, resulted in an increase of $868.0 million in the total reserves as of June 30, 2025.

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

($ in Thousands) Reserve Account	June 30, 2025	June 30, 2024
Member	$1,091,678	$1,012,828
Employer Advance	3,485,557	3,106,819
Retired Member	3,991,084	3,861,562
Vested Fixed Supplemental	147,464	148,074
Non-Vested Supplemental	58	59
Death Benefit	19,847	19,196
Undistributed Earnings	-	-
Contingency	-	-
Market Stabilization	424,395	143,579
Total Reserves	$9,160,083	$8,292,117

NET POSITION RESTRICTED FOR PENSION BENEFITS

Net Position represents assets held to pay benefits earned by plan members. The Plan's Net Position increased from $8.3 billion to $9.2 billion. Investments increased by approximately $872.6 million, as a result of an increase in the fair value of VCERA's investment portfolio. Current Assets decreased by $1.6 million, mostly attributable to a decrease in collateral on loaned serucities on loaned securities by $10.4 million base on changing demand in VCERA's market securities by borrowers, with an increase of $8.8 million in cash, cash equivalent and receivables. Capital Assets decreased by $1.8 million, representing the amortization/depreciation of leasehold improvements, pension administration system and equipment. Total Liabilities increased by $1.2 million, due primarily to a decrease in obligations due under the securities lending program.

($ in Thousands)	June 30, 2025	June 30, 2024	Difference	2024-2025 % Change
Current Assets	$203,700	$205,358	$(1,658)	-0.8%
Investments, at fair value	9,020,682	8,148,080	872,602	10.7%
Capital Assets, Net	4,327	6,080	(1,753)	-28.8%
Total Assets	9,228,709	8,359,518	869,191	10.4%
Total Liabilities	68,626	67,401	1,225	1.8%
Net Position Restricted For Pensions	$9,160,083	$8,292,117	$867,966	10.5%

ADDITIONS TO AND DEDUCTIONS FROM PLAN NET POSITION

The primary sources of assets to finance VCERA paid benefits are investment income and the collection of employer and member contributions. Fiscal year 2025 results showed a 11.6% increase in employer contributions and 6.0% increase in member contributions. Net investment income was higher than the prior year by $152.0 million due to higher than expected investment returns.

VCERA's assets are used primarily for the payment of pension benefits to retired members and their beneficiaries, refunds of member contributions, death benefits and plan administration costs. An increase in the number of retired members and an increase in the average pension benefit payment continued to be primary contributors to the increase in total deductions in fiscal year 2025.

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

Benefit payments grew by $20.6 million, or 5.2%, in 2025, as the Plan continues, as expected, to experience an increase in retirements. Member refunds and death benefit payments increased from the prior year. Administrative/Other expenses represent costs of operating the Plan and increased by 6.3% as compared to the prior year.

($ in Thousands)	June 30, 2025	June 30, 2024	Difference	2024-2025 % Change
Employer Contributions	$176,975	$158,646	$18,329	11.6%
Member Contributions	103,886	98,046	5,840	6.0%
Net Investment Income	1,020,996	868,997	151,999	17.5%
Total Additions	1,301,857	1,125,689	176,168	15.6%
Benefit Payments	413,608	393,024	20,584	5.2%
Member Refunds & Death Benefit Payments	8,688	7,880	808	10.3%
Administrative/Other Expenses	11,595	10,906	689	6.3%
Total Deductions	433,891	411,810	22,081	5.4%
Net Increase	867,966	713,879	154,087	21.6%
Fiduciary Net Position Beginning of Year	8,292,117	7,578,238	713,879	9.4%
Fiduciary Net Position at End of the Year	$9,160,083	$8,292,117	$867,966	10.5%

NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS

VCERA is subject to the provisions of GASB Statement No. 67 (GASB 67), *Financial Reporting for Pension Plans*, and VCERA's participating employers are subject to the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. These standards require governmental employers to recognize their long-term obligation for pension benefits as a liability on their balance sheets and their annual pension expense as a comprehensive measurement of the annual cost of pension benefits, and requires VCERA to provide note disclosures and required supplementary information related to the Plan's net pension liability (NPL) of participating employers.

NPL represents the excess of the total pension liability (using an entry age cost method, discounted at a rate that reflects the expected return on Plan assets) over fiduciary net position (valued at fair value). It is a measurement of pension liabilities using market assets that provides a consistent and standardized methodology allowing comparability of data and increased transparency of the pension liability across all governmental entities. VCERA has complied with GASB 67 for the fiscal year ended June 30, 2025.

Based on the June 30, 2025, GASB 67 actuarial valuation, the NPL (Asset) of participating employers on a fair value basis is $400.1 million, a decrease of approximately $711.9 million from the prior year. Refer to Note 4 – *Net Pension Liability of Participating Employers* and the *Required Supplementary Information* Sections of this report for further information.

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

REQUESTS FOR INFORMATION

The financial report is designed to provide the Board of Retirement, VCERA membership, and other interested third parties with a general overview of VCERA's finances and to show accountability for the funds it receives.

Address questions regarding this report and/or requests for additional information to:

Chief Financial Officer, VCERA
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003
vcera.info@ventura.org

Respectfully submitted,

La Valda Marshall, MBA
Chief Financial Officer

BASIC FINANCIAL STATEMENTS

STATEMENT OF FIDUCIARY NET POSITION

AS OF JUNE 30, 2025 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2024
($ IN THOUSANDS)

	June 30, 2025	June 30, 2024
ASSETS		
Cash and Cash Equivalents	$155,287	$151,727
Collateral on Loaned Securities	24,888	35,298
Receivables		
Employer and Plan Member Contributions	6,911	5,991
Securities Sold	8,398	6,199
Accrued Interest and Dividends	7,697	5,836
Other	519	307
Total Receivables	23,525	18,333
Investments at Fair Value		
U.S. and Non-U.S. Equities: Publicly Traded	4,714,192	4,267,624
Private Equity	1,740,638	1,502,183
Fixed Income: Publicly Traded	853,129	791,983
Private Credit	731,467	656,485
Real Assets	981,256	929,805
Total Investments at Fair Value	9,020,682	8,148,080
Capital Assets, Net of Accumulated Depreciation and Amortization	4,327	6,080
Total Assets	9,228,709	8,359,518
LIABILITIES		
Payables for Securities Purchased	34,454	23,292
Payables and Other Liabilities	9,284	8,811
Securities Lending	24,888	35,298
Total Liabilities	68,626	67,401
Net Position Restricted for Pensions	$9,160,083	$8,292,117

The accompanying Notes are an integral part of these basic financial statements.

BASIC FINANCIAL STATEMENTS

(Continued)

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE FISCAL YEAR ENDED JUNE 30, 2025 WITH COMPARATIVE AMOUNTS FOR FISCAL YEAR ENDED JUNE 30, 2024
($ IN THOUSANDS)

	June 30, 2025	June 30, 2024
ADDITIONS		
Contributions		
Employer	$176,975	$158,646
Member	103,886	98,046
Total Contributions	280,861	256,692
Investment Income		
From Investing Activities:		
Net Appreciation in Fair Value of Investments	981,848	837,660
Investment Income	114,133	94,256
Total Investing Activity Income	1,095,981	931,916
Less Expenses from Investing Activities	(75,260)	(63,177)
Net Investing Activity Income	1,020,721	868,739
From Securities Lending Activities:		
Securities Lending Income	2,588	2,721
Less Expenses from Securities Lending Activities:		
Borrower Rebates	(2,194)	(2,355)
Management Fees	(119)	(108)
Total Expenses from Securities Lending Activities	(2,313)	(2,463)
Net Securities Lending Income	275	258
Total Net Investment Income	1,020,996	868,997
Total Additions	1,301,857	1,125,689
DEDUCTIONS		
Benefit Payments	413,608	393,024
Member Refunds & Death Benefits Payments	8,688	7,880
Administrative Expenses	8,498	7,927
Other Expenses	3,097	2,979
Total Deductions	433,891	411,810
Net Increase (Decrease) in Net Position	867,966	713,879
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of Year	8,292,117	7,578,238
End of Year	$9,160,083	$8,292,117

The accompanying Notes are an integral part of these basic financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity. Ventura County Employees' Retirement Association (VCERA, Association, or the Plan) is an independent government entity, with its own governing board. The VCERA Board of Retirement is a nine-member body with three alternate positions. The Board consists of five trustees, four appointed and one alternate by the Ventura County Board of Supervisors, four trustees who are elected by the VCERA membership (two general, one safety and one retiree), and the County of Ventura Treasurer, Ex-Officio. The safety and retiree positions have elected alternate members. Except the County Treasurer, Ex-Officio, all trustees serve a three-year term with no limit on the number of terms that can be served. However, due to the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, the County of Ventura (County) determined that VCERA met the requirements of GASB No. 84 and is a fiduciary component unit of the County. As such, they are included as a component unit in the County's financial statements as presented in its ACFR for the fiscal year ended June 30, 2025. The report is available at https://venturacounty.gov/auditor-controllers-office/.

Basis of Accounting. The accompanying financial statements are prepared on the full accrual basis of accounting. Investment income is recognized when earned. Administrative and investment expenses are recorded when incurred. Contributions, benefit payments, and refunds are recorded when due and payable in accordance with the terms of the Plan. The net appreciation (depreciation) in the fair value of investments is recorded as an increase (decrease) in investment income based upon investment valuations.

Investment Valuation. VCERA investments are presented at fair value. The majority of investments held by VCERA at June 30, 2025, are in the custody of, or controlled by, State Street Bank and Trust, VCERA's custodian. VCERA's investments consist of domestic and international fixed income, U.S., non-U.S. and global equities, private equity, private credit and real assets. The diversity of the investment types that VCERA has entered into requires a wide range of techniques to determine fair value. The overall valuation processes and information sources by major asset classifications are as follows:

Fixed Income. Fixed income consists of Global negotiable obligations, which includes U.S. Government and U.S. Government-sponsored agencies' bonds, corporate debt, non-U.S. debt, and securitized offerings backed by residential and commercial mortgages. Certain securities, such as U.S. government bonds, have an active market for identical securities and can typically be valued using the closing or last traded price on a specific date. Other securities that are not as actively traded are valued by pricing vendors, which use modeling techniques that include market observable inputs required to develop a fair value. Typical inputs include recent trades, yields, price quotes, cash flows, maturity, credit ratings and other assumptions based upon the specifics of the asset type.

Private Credit. Private credit is an asset class comprised of higher yielding, illiquid investment opportunities that cover a range of risk/return profiles. This includes debt that is secured and senior in the capital structure with fixed income-like characteristics and distressed debt that has very equity-like risk and returns. Typically, the fair value of all investments is determined by the fund manager in good faith and in compliance with the definition of fair value under Generally Accepted Accounting Principles (GAAP) Financial Accounting Standards Board (FASB) Accounting Standards Codification, Topic 820.

Equities. The majority of the Association's U.S. and non-U.S. equity securities are actively traded on major stock exchanges or over-the-counter. Investments listed or traded on a securities exchange are valued at fair value as of the close of trading on the valuation day. Fair value is determined based on the last reported trade price on the exchange considered to be the primary market for such security. Listed investments that are not traded on a particular day are valued at the last known price deemed best to reflect their fair value. Investments not traded on a securities exchange, but which are traded in any other market or over-the-counter, are valued based on prices obtained from third-party service providers.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Private Equity. Private equity investments are made on a fund-of-funds basis or as a direct investment. The underlying equity fund portfolio consists of securities in portfolio companies as well as marketable securities. Typically, the fair value of all investments is determined by the fund manager in good faith and in compliance with the definition of fair value under GAAP and FASB Accounting Standards Codification, Topic 820. In some circumstances, partnership agreements require reporting financial information and valuations in an accounting standard other than GAAP, such as under International Financial Reporting Standards.

The measure of fair value by the fund manager is typically conducted on a quarterly basis. Marketable securities are valued according to the most recent public market price with appropriate discounts to reflect any contractual or regulatory restriction upon sale. The fair value of each investment as reported does not necessarily represent the amount that may ultimately be realized, since such amounts depend upon future circumstances that cannot reasonably be determined until the position is actually liquidated.

The Plan's evaluation of the fair value of portfolio funds is based on the most recent available valuation information provided to it by the portfolio funds, adjusted for subsequent distributions from and capital contributions to such portfolio funds, if any. The evaluation of the fair value of co-investments is based on the most recent information available at the time of valuation ascribed to such investments by the sponsor partnership. If the manager does not agree with this valuation (i.e., holds different securities than the sponsor partnership, is unable to obtain the sponsor partnership's valuation or has information that results in a different valuation), it may use its own internal evaluation of fair value. The assumptions are based upon the nature of the investment and the underlying business. The valuation techniques vary based upon investment type and involve a certain degree of expert judgment.

Real Assets. Real Assets is comprised of risk parity, Master Limited Partnerships (MLPs), commodities and real estate. Risk parity is comprised of publicly traded equities, commodities and fixed income instruments. Please refer to explanation of Fixed Income and Equities on page 21. MLPs are comprised of publicly traded master limited partnerships. Real estate is held either via a real estate limited partnership or a commingled fund. Real estate investments in a limited partnership or commingled fund are long-term and illiquid in nature. As a result, investors are subject to redemption restrictions, which generally limit distributions and restrict the ability of investors to exit an investment prior to its dissolution or liquidation of the underlying holdings. Interests in limited partnerships and commingled funds are valued by using the net asset value (NAV) of the portfolio. The most significant input into the NAV of such an entity is the value of its investment holdings. These holdings are valued by the general or managing partners on a continuous basis, audited annually and periodically appraised by an independent third party. The valuation assumptions are based upon both market and property specific inputs which are not observable and involve a certain degree of expert judgment.

Receivables. Receivables consist primarily of interest, dividends and investments in transition (i.e., traded but not settled), and contributions owed by the employing entities as of June 30, 2025.

Use of Estimates. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Securities Lending. Cash collateral received in the course of securities lending transactions is recorded as a current asset of VCERA, and the obligation to repay the collateral is recorded as a current liability, in accordance with the requirements of GASB Statement No. 28. In addition, gross earnings received on invested cash collateral are reported as Earnings, and borrower rebates and agent fees are recorded as borrower rebates and management fees, respectively. The gross earnings of $2,588,000, less borrower rebates of $2,194,000 and management fees of $119,000, resulted in net earnings of $275,000 for the fiscal year ending June 30, 2025, due to changing market demand of securities loaned. Non-cash collateral, and the related repayment obligation, is not recorded on the

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

books of the Association, as there is no ability to pledge or sell the collateral absent borrower default. See Note 3 for additional information on securities lending.

Income Taxes. The Internal Revenue Service (IRS) has ruled that plans such as VCERA qualify under Sections 401(a) of the Internal Revenue Code (IRC) and are not subject to tax under present income tax laws. On October 3, 2016, the IRS issued to VCERA a favorable Tax Determination Letter. Accordingly, no provision for income taxes has been made in the accompanying basic financial statements, as the Plan is exempt from federal and state income taxes under provisions of the IRC and the California Revenue and Taxation Code, Section 23701, respectively.

Implementation of GASB Pronouncements

VCERA implemented all applicable new GASB pronouncements for the fiscal year ended June 30, 2025, as required by each statement. The most recent applicable pronouncements, effective for the fiscal year ended June 30, 2025, are:

GASB Statement No. 101 – *Compensated Absences.* The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Governments commonly provide benefits to employees in the form of compensated absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This Statement establishes standards of accounting and financial reporting for (a) compensated absences and (b) associated salary-related payments, including certain defined contribution pensions and defined contribution other postemployment benefits (OPEB). The requirements of this Statement apply to the financial statements of all state and local governments. There was no effect on VCERA's accounting or financial reporting as a result of implementing this standard.

GASB Statement No. 102 – *Certain Risk Disclosures.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged. State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. There was no effect on VCERA's accounting or financial reporting as a result of implementing this standard.

Future GASB pronouncements include:

GASB Statement No. 103 – *Financial Reporting Model Improvements.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The Plan has not fully judged the impact of this Statement on the financial statements.

GASB Statement No. 104 – *Disclosure of Certain Capital Assets.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. State and local governments are required to provide detailed information about capital assets in notes to financial statements. Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, requires certain information regarding capital assets to be presented by major class. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The Plan has not fully judged the impact of this Statement on the financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

2. PLAN DESCRIPTION

VCERA was established under the provisions of the GC Sections 31450 et. seq., known collectively as CERL. It is also subject to the California PEPRA, GC Section 7522 et. seq. PEPRA provided lower benefit formulas to employees who became first-time VCERA members on or after January 1, 2013. VCERA operates a cost-sharing, multi-employer defined benefit pension plan (Plan) that includes eligible employees of the County, Ventura County Superior Court, APCD, VRSD, and, since January 1, 2017, certain management employees of VCERA. (The latter four employers are not governed by the County of Ventura's Board of Supervisors.) The Plan is a pension trust fund of the County of Ventura.

VCERA provides service retirement, disability retirement, cost-of-living, death and survivor benefits to its members and their qualified beneficiaries.

Plan Membership. Membership is mandatory for employees with biweekly work schedules of 64 hours or more. General members employed up to and including June 30, 1979, and certain management personnel who entered service prior to October 16, 2001, are designated as Tier 1 members. General members employed after June 30, 1979 through December 31, 2012, are designated as Tier 2 members. Safety members (eligible Sheriff, Probation, and Fire employees) employed through December 31, 2012, are classified as Safety Tier 1 members. New members first employed on or after January 1, 2013 are designated as PEPRA members.

VCERA MEMBERSHIP	2025	2024
Retired Members and Beneficiaries	8,685	8,511
Active Members		
Vested	5,978	5,929
Non-Vested	3,978	3,727
Total Active Members	9,956	9,656
Deferred Members		
Vested	1,348	1,282
Non-Vested	3,162	3,078
Total Deferred Members	4,510	4,360
Total Memberships	23,151	22,527

Benefit Provisions. State law along with resolutions and ordinances adopted by the Board and Board of Supervisors establish the Plan's benefit provisions and contribution requirements.

Retirement Allowances. In general, all employees with membership prior to January 1, 2013, with ten or more years of service are entitled to an annual retirement allowance beginning at age 50. General members who entered VCERA membership on or after January 1, 2013, with five or more years of service are entitled to an annual retirement allowance beginning at age 52. Safety members who entered VCERA membership on or after January 1, 2013, with five or more years of service are entitled to an annual retirement allowance at age 50. Allowances are based upon members' benefit tiers, ages at retirement, final average compensation, and total years of retirement service credit. All members are eligible to retire at age 70 regardless of years of service.

Disability Benefits. A member who becomes permanently disabled from the performance of duties may be granted a disability retirement allowance by the VCERA Board, payable for life. If the disability is the result of a job-related injury or illness, the member may be granted a service-connected disability retirement. If the disability is not the result of a job-related injury or illness, the member may receive a nonservice-connected disability retirement.

Death Benefits. For a member who dies while in active service, VCERA pays a "basic death benefit" to a surviving spouse or beneficiary, consisting of the member's accumulated contributions and interest plus an amount equal to

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

an average month's salary for every year of completed service, up to six months' salary. If the deceased member was vested, a surviving spouse may elect, in lieu of the basic death benefit, a monthly allowance equal to 60 percent of the monthly retirement allowance to which the deceased member would have been entitled had the member retired with a nonservice-connected disability as of the date of death. For a retired member, the benefits payable to a surviving spouse or other beneficiary depend upon the retirement option selected by the member at the time of retirement and whether the member's retirement was for service, nonservice-connected disability or service-connected disability. In addition, a lump-sum death benefit of $5,000 is also payable to the named beneficiary of a deceased retired member.

Supplemental Benefits. On January 15, 1991, the County Board of Supervisors adopted a resolution to make operative GC Section 31682. Adoption of this section permitted the Board to adopt a resolution to provide a vested supplemental benefit of $108.44 per month to all eligible retirees. Effective March 17, 2003, the Board adopted a resolution providing an additional, non-vested $27.50 per month to eligible retirees receiving the vested supplemental benefit described above. The non-vested supplemental benefit was provided pursuant to GC Sections 31691.1 and 31692 and it was terminated on July 1, 2019, due to depletion of the reserve set aside to fund it.

Cost-of-Living Adjustment. COLA, based upon changes in the Consumer Price Index for the Los Angeles-Long Beach-Anaheim area, of up to 3% per annum are made for all General Tier 1 and Safety retirees. On February 28, 2005, the Board adopted regulations pursuant to GC Section 31627 to provide a retiree COLA to general members who were represented by Service Employees International Union (SEIU) Local 721. The "SEIU COLA" is fixed at 2% annually and is primarily funded by member contributions. At a later date, a fixed 2% COLA was added for California Nurses Association (CNA) members with an effective date of June 25, 2023.

Terminations. Effective January 1, 2003, members with less than five years of service may elect to leave their accumulated member contributions on deposit until first eligible to receive benefits in accordance with GC Section 31628.

3. INVESTMENTS

Investment Policy. VCERA, in accordance with state statutes, invests in any form or type of investment, financial instrument, or financial transaction deemed prudent in the informed opinion of the Board. State Street Bank and Trust serves as the master custodian for the majority of VCERA's assets.

While VCERA recognizes the importance of capital preservation, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns. The Board's investment policy allows investment to the entire global fixed income market (maturities 1 to 30 years), including treasury and government agency bonds, corporate debt, mortgages, asset-backed securities, private credit and international and emerging markets. The fixed income portfolio is largely comprised of investment-grade issues—rating of BBB- (Standard & Poor's) and Baa3 (Moody's) or higher—and may include, subject to limits, opportunistic investment in non-dollar and high-yield bonds. VCERA's investment policy recognizes that in the long term, equity returns will be greater than fixed income returns, but with expected greater volatility over shorter periods. Both domestic and international equity investing is permitted with exposure, subject to limits, to both the large and small capitalization ranges. Private Equity is also permitted via limited partnerships. Discretion is also permitted to international managers to invest, with limits, opportunistically in emerging market equities. Real estate investing is also allowed with the goal to provide competitive risk-adjusted returns as well as diversification benefits to VCERA's portfolio.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Asset Allocation Policy and Expected Long-Term Rate of Return by Asset Class. The allocation of investment assets within the Plan portfolio is approved by the Board, as outlined in the Investment Policy. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Fund. The table below displays the Board's adopted asset allocation policy as of June 30, 2025 and 2024, respectively.

ASSET CLASS	Actual Allocation 2025	Target Allocation 2025	Actual Allocation 2024	Target Allocation 2024
U.S. Equity	28.2%	26.0%	27.2%	26.0%
Non-U.S. Equity	14.1%	13.0%	14.6%	13.0%
Global Equity	10.0%	9.0%	9.4%	9.0%
Private Equity	18.5%	18.0%	18.0%	18.0%
U.S. Fixed Income	9.6%	10.0%	9.5%	10.0%
Private Credit	8.0%	10.0%	7.9%	10.0%
Real Assets	5.3%	6.0%	5.9%	6.0%
Real Estate	5.6%	8.0%	5.3%	8.0%
Cash and Equivalents	0.7%	0.0%	2.2%	0.0%
Total	100.0%	100.0%	100.0%	100.0%

Note - The asset allocation from the investment consultant will differ from actuary asset allocation. The actuary groups asset classes differently but they represent the same overall grouping noted here. This schedule reflects asset allocation for investment purposes and not actuarial. The actuarial version will usually only change during each triannual study as it remains constant for preparation of the annual actuarial valuation report.

Money-Weighted Rate of Return. For the fiscal year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.64%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Time-Weighted Rate of Return. For the fiscal year ended June 30, 2025, the annual time-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.80%. The time-weighted rate of return expresses investment performance, net of investment expense, while offsetting the effects of investment inflows and outflows.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. As of June 30, 2025 and 2024, the Association had no single issuer that exceeds 5% of the total investments per GASB Statement No. 40 disclosure requirements or any one issuer which represents 5% of more of the total fiduciary net position in accordance with GASB Statement No. 67. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are exempt from the disclosure requirements.

The Association's investment policy does not allow more than 5% of the total portfolio fair value to be invested in any one issuer, and as of June 30, 2025 and 2024, the Association had no issuer that exceeds 5% of the total portfolio fair value.

Custodial Credit Risk. VCERA considers investments purchased with a maturity of 12 months or less to be short-term investments. Although not having a policy that specifically addresses the limiting of custodial credit risk, VCERA, in practice, limits custodial credit risk for deposits by maintaining substantially all cash and short-term investments in external investment pools managed by the County of Ventura and State Street Bank and Trust. All other investment securities are held by State Street Bank and Trust in VCERA's name. Effective July 1, 2021,

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

VCERA no longer maintains a commercial bank account with depository insurance coverage from the Federal Deposit Insurance Corporation (FDIC).

As of June 30, 2025, and 2024, VCERA had the following cash and short-term investments:

($ in Thousands)	June 30, 2025	June 30, 2024
State Street Bank and Trust	$138,960	$135,400
County of Ventura Treasurer's Investment Pool	16,327	16,327
Total	$155,287	$151,727

Credit Risk. VCERA requires its overall weighted fixed income holdings to be rated at a minimum AA by Standard & Poor's (S&P), Aa by Moody's, or AA by Fitch Rating. Aggregated amounts by rating category using S&P ratings are as follows:

($ in Thousands) Rating Category	Assets held at June 30, 2025	Assets held at June 30, 2024
Separate Holdings:		
AAA	$19,657	$22,870
AA	7,647	28,514
A	36,084	54,576
BBB	40,525	110,262
BB	52,593	44,709
B	5,886	11,832
CCC	2,418	5,167
No Rating/Commingled	172,790	99,280
Total Separate Holdings	$337,600	$377,210

($ in Thousands) Rating Category	Assets held at June 30, 2025	Assets held at June 30, 2024
Pooled Investments:		
AAA	$380,304	$320,596
AA	$11,358	119,574
A	$50,051	43,383
BBB	$72,704	101,480
BB	$15,526	32,445
B	$6,525	6,035
CCC	$1,699	2,200
CC	$2,072	1,952
No Rating	$139,230	2,920
Total Pooled Investments	$679,469	$630,585
Total Portfolio	$1,017,069	$1,007,795

Note - The Total Portfolio amount does not agree to the Fixed Income amount in the Investment Section of the Statement of Fiduciary Net Position due to one investment classified under "Equities" having fixed income holdings.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Overall, the Plan's fixed income holdings were rated A at June 30, 2025 and 2024.

Interest Rate Risk. VCERA recognizes the importance of managing its exposure to interest rate risk and has developed a policy to limit the duration of VCERA's fixed income portfolio to ±20% of the broad fixed income market as defined by the Bloomberg Barclays U.S. Aggregate Bond Index and Bloomberg Barclays Global Aggregate Bond Index. Duration is an investment's exposure to fair value change arising from a change in interest rates, by investment category. The amounts held at June 30, 2025 and 2024 are as follows:

($ in Thousands) Category	Assets held at June 30, 2025	Duration (Years)	Assets held at June 30, 2024	Duration (Years)
Treasury	$101,715	7.1	$155,510	8.2
Agency	264,168	1.7	182,051	1.2
Mortgage-Backed	177,337	2.6	236,461	3.8
Asset-Backed	56,621	4.0	49,743	4.7
Credit	416,782	5.8	315,378	5.2
Foreign	-	-	8,905	-
Other	446	-	59,747	0.2
Total	$1,017,069	3.0	$1,007,795	4.7

Notes - The duration for the Bloomberg Barclays Aggregate Bond indices as of June 30, 2025 and 2024, was 3.0 years and 4.7 years, respectively. Also, the Total Portfolio amount does not agree to the amount reported in the Fixed Income investment category of the Statement of Fiduciary Net Position due to one investment classified under Equities: having fixed income holdings.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Foreign Currency Risk. Foreign Currency Risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. VCERA's authorized managers are permitted to invest in approved countries or regions, as stated in their respective investment guidelines.

The schedule below represents VCERA's exposure to Foreign Currency Risk in U.S. dollars. VCERA is invested in several non-U.S. commingled funds. This means VCERA owns units of commingled funds, and the fund holds actual securities and/or currencies. The values shown include VCERA's pro rata portion of non-U.S. commingled fund holdings.

($ in Thousands) Currency	Fixed Income at June 30, 2025	Equities at June 30, 2025	Fixed Income at June 30, 2024	Equities at June 30, 2024
Australian Dollar	$689	$52,686	$845	$62,146
British Pound	4,401	172,411	7,171	203,832
Canadian Dollar	7,132	102,384	9,687	109,437
Danish Krone	550	22,573	747	40,151
EURO	11,154	403,622	12,897	416,925
Hong Kong Dollar	10	45,263	6	38,123
Japanese Yen	556	255,491	1,738	233,110
Mexican Peso	1,954	5,911	4,317	5,629
New Zealand Dollar	-	1,141	-	1,625
Norwegian Krone	552	8,427	1,152	10,374
South African Rand	564	10,411	435	7,939
Singapore Dollar	28	35,031	1,402	27,900
South Korean Won	-	18,089	-	6,713
Swedish Krona	-	33,201	364	37,165
Swiss Franc	1,105	86,229	697	116,344
Other/Emerging Markets	32,777	348,938	47,630	426,890
Total Securities Subject to Foreign Currency Risk	$61,472	$1,601,808	$89,088	$1,744,303

Securities Lending. VCERA, under provisions of state statutes, and its investment policy, authorizes State Street Bank and Trust to act as agent in lending VCERA's securities to broker-dealers and other entities in the form of a loan agreement. Borrowers were required to deliver collateral in an amount equal to not less than 100%, and typically 102%, of the fair value of securities borrowed.

As of June 30, 2025, and 2024, VCERA had no credit risk exposure because the amounts VCERA owed the borrowers exceeded the amounts the borrowers owed VCERA. State Street Bank and Trust indemnified VCERA by agreeing to purchase replacement securities, or return cash collateral, in the event a borrower failed to return a lent security or pay distributions while the security was on loan. VCERA and the borrowers maintained the right to terminate all securities lending transactions on demand. The cash collateral received on each loan was invested with cash collateral of other qualified tax-exempt plan lenders in a collective investment pool. Because loans were terminable at will, their maturity did not generally match the maturity of the investments made with cash collateral. VCERA cannot pledge or sell collateral securities without borrower default. As of June 30, 2025, and 2024, VCERA had securities on loan with a fair value of $7.0 million and $32.0 million, with collateral of $24.9 million and $35.3 million, respectively.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

VCERA's net securities lending income for the fiscal years ended June 30, 2025, and 2024, is as follows:

($ in Thousands)	June 30, 2025	June 30, 2024
Gross Income	$2,588	$2,721
Expenses		
Borrower Rebates	(2,194)	(2,355)
Management Fees	(119)	(108)
Net Securities Lending Income	$275	$258

Derivative Financial Instruments. As part of VCERA's investment policy, investment managers are allowed the use of derivatives. Derivatives are financial instruments that derive their value, usefulness, and marketability from an underlying instrument which represents direct ownership of an asset or of an issuer whose payments are based on or "derived" from the performance of an agreed upon benchmark. Values of derivatives change daily. VCERA's managers are required to mark-to-market derivative positions daily. Within VCERA's investment policy, specific guidelines are put forth with investment managers who invest in derivatives. Substitution, risk control, and arbitrage are the only derivative strategies permitted; speculation is prohibited. No contingent features are present. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Gains and losses from derivatives are included in the Statement of Changes in Fiduciary Net Position. For financial reporting purposes, all of VCERA's derivatives are classified as investment derivatives. A further discussion on VCERA's valuation procedures are contained in Note 1, Summary of Significant Accounting Policies. The following types of derivatives are permitted: futures contracts, currency forward contracts, options, and swaps.

Futures. Futures are financial agreements to buy or sell an underlying asset at a specified future date and price. Futures contracts are standardized contracts traded on organized exchanges and they are marked-to-market daily. The futures exchange reduces counterparty credit risk by acting as a central counterparty. It does this by collecting a daily margin payment from one trade participant and crediting it to the other, based on price changes in the underlying asset.

Currency Forwards. A forward contract represents an agreement to buy or sell an underlying asset at a specified future date for a specified price. Payment for the transaction is delayed until the settlement or expiration date. A forward contract is a non-standardized contract that is tailored to each specific transaction. Forward contracts are privately negotiated and are intended to be held until the settlement date. Currency forward contracts are used to control currency exposure and facilitate the settlement of international security purchase and sale transactions.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

VCERA's currency forwards analysis for the fiscal years ended June 30, 2025, and 2024, is as follows:

Currency Forwards Analysis
as of June 30, 2025 ($ in Thousands)

		Currency Forward Contracts			
Currency	**Options**	**Net Receivables**	**Net Payables**	**Swap Agreement**	**Net Exposure**
Australian Dollar	$-	$-	$(31)	$-	$(31)
Canadian Dollar	-	-	(5)	-	(5)
Euro Currency Unit	-	-	(25)	-	(25)
British Pound Sterling	-	-	(47)	-	(47)
Japanese Yen	-	(1)	(2)	-	(3)
Mexican Peso	-	-	-	-	-
Sub total	-	(1)	(110)	-	(111)
U.S. Dollar	241	-	-	(757)	(516)
Total	$241	$ (1)	$(110)	$(757)	$(627)

Currency Forwards Analysis
as of June 30, 2024 ($ in Thousands)

		Currency Forward Contracts			
Currency	**Options**	**Net Receivables**	**Net Payables**	**Swap Agreement**	**Net Exposure**
Australian Dollar	$-	$-	$(9)	$-	$(9)
Canadian Dollar	-	-	-	-	-
Euro Currency Unit	-	(1)	3	-	2
British Pound Sterling	-	-	(5)	-	(5)
Japanese Yen	-	-	9	-	9
Mexican Peso	-	-	22	-	22
Sub total	-	(1)	20	-	19
U.S. Dollar	90	-	-	1,080	1,170
Total	$90	$ (1)	$20	$1,080	$1,189

Option Contracts. An option is a type of derivative security in which a buyer (purchaser) has the right, not the obligation, to buy or sell a specified amount of an underlying security at a fixed price by exercising the option before its expiration date. The seller (writer) has an obligation to buy or sell the underlying security if the buyer decides to exercise the option.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Swap Agreements. A swap is an agreement between two or more parties to exchange a sequence of cash flows over a period of time in the future. No principal is exchanged at the beginning of the swap. The cash flows the counter parties exchange are tied to a "notional" or contract amount. A swap agreement specifies the time period over which the periodic payments will be exchanged. The fair value represents the gains or losses as of the prior marking-to-market, which are functions of general interest rate fluctuations.

The investment derivatives schedule listed below reports the net appreciation (depreciation) in fair value and related fair value amounts as of June 30, 2025, and the notional amounts for derivatives outstanding, classified by derivative type.

Investment Derivatives

Derivative Type ($ in Thousands)	Net Appreciation/ (Depreciation) in Fair Value June 30, 2025	Fair Value June 30, 2025	Notional Value (Dollars)	Notional Shares (Units)
Credit Default Swaps Bought	($43)	($188)	$4,067	$-
Credit Default Swaps Written	27	-	-	-
Fixed Income Futures Long	3,688	-	335,080	-
Fixed Income Futures Short	(423)	-	(162,827)	-
Fixed Income Options Bought	(46)	-	-	-
Fixed Income Options Written	45	-	-	-
Foreign Currency Futures Long	(3)	-	-	-
Foreign Currency Futures Short	(51)	-	(4,700)	-
Futures Options Bought	(2,206)	399	1,327	-
Futures Options Written	1,254	(158)	(1,023)	-
FX Forwards	(87)	(111)	1,991	-
Index Futures Long	30,986	-	30	-
Index Futures Short	2,482	-	(7)	-
Pay Fixed Interest Rate Swaps	(1,381)	(668)	71,000	-
Receive Fixed Interest Rate Swaps	547	99	37,913	-
Total	$34,789	($627)	$282,851	$-

All investment derivative positions are included as part of investments at fair value on the Statement of Fiduciary Net Position. All changes in fair value are reported as part of Net Appreciation/(Depreciation) in Fair Value of Investments in the Statement of Changes in Fiduciary Net Position.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Counterparty Credit Risk. VCERA is exposed to credit risk on investment derivatives that are traded over-the-counter and are reported in asset positions. Derivatives exposed to credit risk include currency forward contracts and certain swap agreements. To minimize counterparty credit risk exposure, VCERA's investment managers continually monitor credit ratings of counterparties. In addition, collateral provided by the counterparty reduces VCERA's counterparty credit risk exposure. Should there be a counterparty failure, VCERA would be exposed to the loss of the fair value of derivatives that have unrealized gains and any collateral provided to the counterparty, net of applicable netting arrangements. VCERA requires investment managers to have Master Agreements in place to minimize credit risk. Netting arrangements provide VCERA with a legal right of setoff in the event of bankruptcy or default by the counterparty.

The schedule below displays the fair value of investments with each counterpart's S&P, Fitch, and Moody's credit rating by counterparty name alphabetically.

Counterparty Credit Risk Analysis

Counterparty Name ($ in Thousands)	Total Fair Value June 30, 2025	S&P Rating	Fitch Rating	Moody's Rating
Bank of America, N.A.	$-	A+	AA	Aa1
BNP Paribas SA	-	A+	A+	Aa3
Goldman Sachs CME	91	BBB+	A	A2
JPMorgan Chase Bank N.A.	-	A+	AA	Aa2
Morgan Stanley Capital Svcs.	-	A-	A+	A1
UBS CME	64	A+	A+	Aa2
UBS ICE	-	A+	A+	Aa2
Total	$155			

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Interest Rate Risk. Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest Rate Swaps is an example of a derivative investment that is highly sensitive to interest rate changes. These investments are disclosed in the following table, not including holdings within commingled structure.

($ in Thousands) Derivative Type	Notional Value (Dollar)	Notional Shares (Units)	Fair Value June 30, 2025	Investment Maturities (in Years) Less than 1	1-5	6-10	More than 10
Credit Default Swaps Bought	$4,067	-	$(188)	$-	$(188)	$-	$-
Fixed Income Futures Long	335,080	-	-	-	-	-	-
Fixed Income Futures Short	(162,827)	-	-	-	-	-	-
Pay Fixed Interest Rate Swaps	-	-	(668)	-	(61)	(562)	(45)
Receive Fixed Interest Rate Swaps	-	-	99	-	99	-	-
Foreign Currency Futures Short	(4,700)	-	-	-	-	-	-
Futures Options Bought	1,327	-	399	257	69	73	-
Futures Options Written	(1,023)	-	(158)	(79)	(42)	(37)	-
FX Forwards	1,991	-	(111)	(111)	-	-	-
Index Futures Long	30	-	-	-	-	-	-
Index Futures Short	(7)	-	-	-	-	-	-
Pay Fixed Interest Rate Swaps	71,000	-	-	-	-	-	-
Receive Fixed Interest Rate Swaps	37,913	-	-	-	-	-	-
Total	$282,851	-	$(627)	$67	$(123)	$(526)	$(45)

Fair Value Measurements. VCERA categorizes its fair value measurements of its investments based on the fair value hierarchy established by GAAP. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are unadjusted quoted prices in active markets for identical assets. Level 2 inputs are quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all significant inputs are observable. Level 3 inputs are valuations derived from valuation techniques in which significant inputs are unobservable. The table on the following page depicts the fair value measurements as of June 30, 2025.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Investments and Derivative Instruments Measured at Fair Value as of June 30, 2025

($ in Thousands)		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
Investments by Fair Value Level	**Total**	**Level 1**	**Level 2**	**Level 3**
Debt Securities				
Asset Backed Securities	$31,096	$251	$30,845	$-
Commercial Mortgage-Backed Securities	44,819	-	44,819	-
Corporate and Other Credit	174,363	-	174,363	-
U.S. Government Agency	175,399	-	175,399	-
Total Debt Securities	425,677	251	425,426	-
Equity Securities				
U.S. Equity	34,883	-	34,883	-
Limited Partnerships	388,248	61,378	-	326,870
Total Equity Securities	423,131	61,378	34,883	326,870
Collateral from Securities Lending	24,888	-	24,888	-
Total Investments by Fair Value Level	$873,696	$61,629	$485,197	$326,870

Investments Measured at Net Asset Value (NAV)	
Fixed Income	$518,870
Private Credit	731,467
Equity	
U.S.	2,403,536
Non-U.S.	1,284,393
Global	899,962
Real Assets	593,008
Private Equity	1,740,638
Total Investments Measured at NAV	8,171,874
Total Investments	$9,045,570

Investment Derivative Instruments				
Forward Exchange Contracts	$(111)	$(111)	$-	$-
Options Contracts	241	241	-	-
Credit Default Swaps	(188)	-	(188)	-
Interest Rate Swaps	(569)	-	(569)	-
Total Investment Derivative Instruments	$(627)	$130	$(757)	$-

Note - Values provided by custodian bank and presented based on securities classification. Amounts per asset class, when aggregated, correspond to values as presented in the Statement of Fiduciary Net Position.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements, in their entirety, are categorized based on the lowest level input that is significant to the valuation.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

VCERA's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. Investments are measured by type of investment as follows:

Debt securities classified in Level 1 of the fair value hierarchy are valued using a market approach using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using the matrix pricing technique and the discounted cash flow method. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Equity securities include domestic common and preferred stock and publicly traded master limited partnerships. Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Equity securities classified in Level 2 of the fair value hierarchy are valued using the matrix pricing technique and the discounted cash flow method. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Equity securities classified in level 3 of the fair value hierarchy are valued using the discounted cash flow method and proprietary pricing information.

Cash collateral received for securities lent is reinvested in investments, such as short-term government and high-quality corporate debt securities. These securities are classified in Level 2 of the fair value hierarchy using prices quoted in active markets for similar securities.

Derivative instruments classified in Level 1 of the fair value hierarchy are valued using a market approach using prices quoted in active markets for those securities. Derivative instruments classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates and foreign exchange rates.

Fair Value of investments in commingled fund vehicles of publicly traded securities are expressed as net asset value (NAV) and are provided by custodial banks using the best available pricing sources. Fair Value of investments in real assets (real estate), private credit and private equity funds have been determined by their respective managers using a variety of different techniques, such as liquidity events, market bids, and property and company appraisals. Such fair value measurements are shown in the table that follows as of June 30, 2025.

Investments Measured at Net Asset Value

		Fair Value Measurement Using		
($ in Thousands) Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible) [1]	Redemption Notice Period
Fixed Income	$518,870	$-	D, M	1-15 days
Private Credit	731,467	636,590	N/E	N/E
Equity				
U.S.	2,403,536	-	D	1 day
Non-U.S.	1,284,393	-	D, M	2-30 days
Global	899,962	-	D	1-2 days
Real Assets	593,008	265,334	N/E	N/E
Private Equity	1,740,638	760,569	D, Q, N/E	0-90 days
Total Investments Measured at NAV	$8,171,874	$1,662,493		

[1] D = Daily, M = Monthly, Q = Quarterly, N/E = Not Eligible

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

The investment types listed in the previous table were measured at NAV as follows:

Investments in publicly traded equity, fixed income, and the liquid alternative strategies within the Real Assets category are made through commingled fund vehicles. For each commingled fund vehicle, valuations are expressed as a NAV. VCERA's investments in these vehicles are held as undivided interests in these commingled funds, represented as shares or units of ownership. Underlying securities in these commingled funds would be valued at Level 1 or Level 2 of the Fair Value hierarchy.

Real Estate investments within the Real Assets category generate income in addition to capital appreciation. In addition, they serve as a hedge against inflation, and help to diversify the portfolio. VCERA's real estate exposure is obtained through open ended commingled fund equity investment vehicles. These commingled funds are diversified across property types which include office, residential, commercial, industrial, and raw land. Property exposures are held in these vehicles primarily on a direct basis, but they are also achieved through holdings in publicly traded Real Estate Investment Trusts (REITS). As above, for each commingled fund vehicle, valuations are expressed as NAV. VCERA's investments in these vehicles are held as undivided interests in these commingled funds, represented as shares or units of ownership. Underlying holdings in these commingled funds are determined by property appraisals, and as such would be valued at Level 3 of the Fair Value hierarchy.

VCERA's private credit and equity portfolios are globally diversified and consist of holdings in commingled fund of funds in a limited partnership structure. Each fund of funds invests in a diversified set of underlying private credit and equity funds, each of which invests directly in portfolio companies. Underlying strategies include investments in primary, secondary, and co-investments. These investments are diversified across buyout, growth capital, venture capital, and various debt strategies, and further diversified by vintage year. For each limited partnership, valuations are expressed as NAV. VCERA's partnership interests in these vehicles are in proportion to its shares of each respective partnership. Underlying holdings in these limited partnership vehicles would be valued at Level 3 of the Fair Value hierarchy.

Special Purpose Entities. The Private Equity Held for Investment – Separate Accounts is held in the form of limited liability companies Buenaventure One, LLC, and Buenaventure Two, LLC, and are Delaware limited liability companies in accordance with the Delaware Limited Liability Company Act and are qualified tax-exempt under Internal Revenue Code 501(c)(25). In the State of California, Buenaventure One and Buenaventure Two are qualified as tax-exempt under California Revenue and Taxation Code 23701x.

The two limited liability companies were created to hold direct private equity investments as a Fund-of-One to be managed by Abbott Capital Management, LLC (Abbott). No specific dollar amount of investment was committed for these LLCs, as the private equity portfolio is managed in totality and Abbott determines whether the private equity is held directly or through the Fund-of-One.

As of June 30, 2025, the following is a summary of the LLC's financial positions.

Limited Liability Companies Financial Position as of June 30, 2025 ($ in Thousands)	
Assets	$292,252
Less: Liabilities	25
Net Assets	$292,227
Net Income	$9,296

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

4. NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS

The components of the Net Pension Liability (NPL) of the Plan at June 30, 2025 and 2024, were as follows:

($ in Thousands) Net Pension Liability	June 30, 2025	June 30, 2024
Total Pension Liability	$8,759,939	$8,603,843
Plan Fiduciary Net Position	(9,160,083)	(8,292,117)
Net Pension Liability (Asset)	$(400,144)	$311,726
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	104.57%	96.38%

The NPL was measured as of June 30, 2025 and 2024. The Plan's Fiduciary Net Position (plan assets) was valued as of the measurement date while the Total Pension Liability (TPL) was determined based upon rolling forward the TPL from actuarial valuations as of June 30, 2024 and 2023, respectively.

Actuarial Assumptions

One of the general goals of an actuarial valuation is to establish contribution rates that fully fund the Plan's liabilities, and that, as a percentage of payroll, remain as level as possible for each generation of active members. In preparing the actuarial valuation, the actuary employs generally accepted actuarial methods and assumptions to evaluate the Plan's assets, liabilities, and future contributions required. The actuary incorporates member data and financial information provided by the Plan with economic and demographic assumptions made about the future to estimate the Plan's financial condition at a specified point in time. For example, the actuary develops assumptions about future investment returns, future inflation rates, future increases in salaries, expected retirement ages, life expectancy, and other relevant factors. VCERA's actuary calculates actuarially determined contributions every year and reviews with the Board the economic and demographic assumptions of the Plan every three years.

A key element in determining the Plan's liability is the projection of benefits, which is defined as all benefits estimated to be payable through the Plan to current active and inactive members as a result of their past service and their expected future service. The type of benefits provided by the Plan at the time of each valuation are taken into consideration when benefits are projected.

The actuarial assumptions used to determine the TPL as of June 30, 2025 were based on the results of the June 30, 2023 Review of Economic Assumptions and Actuarial Experience Study (Experience Study) adopted by the Board in June 2024. For determining the TPL, the investment return assumption used is net of investment expenses only and is not net of administrative expenses.

The actuarial assumptions used to determine the TPL as of June 30, 2025 were based on the results of the most recent Actuarial Experience Study which covered the period from July 1, 2020 through June 30, 2023. These same assumptions were used to revalue the June 30, 2024 TPL (before the roll forward). The actuarial assumptions were used to prepare the actuarial valuation, which is used to determine contribution rates for funding purposes. Key methods and assumptions used in the latest actuarial valuation and the total pension liability are presented on the following page.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Methods and Assumptions used in Annual Actuarial Valuation and Total Pension Liability:

Valuation Date	June 30, 2025
Actuarial Assumptions and Methods	The TPL as of June 30, 2025 was determined by actuarial valuation as of June 30, 2024. The actuarial assumptions used were based on the results of an experience study for the period from July 1, 2020 through June 30, 2023 and they are the same assumptions used in the June 30, 2025 funding valuations for VCERA. In particular, the following actuarial assumptions were applied to all periods included in the measurement:

Inflation rate	2.50%
"Across-the-board" salary increase	0.25%
Salary increases	General: 4.00% to 10.00% and Safety: 4.25% to 12.00%, varying by service, including inflation plus “across-the-board” salary increase plus merit and promotion increases that vary by service.
Investment rate of return	6.75% net of pension plan investment expenses, including inflation.
Other assumptions	See analysis of actuarial experience during the period July 1, 2020 through June 30, 2023

Valuation Date	June 30, 2024
Actuarial Assumptions and Methods	The TPL as of June 30, 2024 was determined by actuarial valuation as of June 30, 2023. The actuarial assumptions used were based on the results of an experience study for the period from July 1, 2020 through June 30, 2023 and they are the same assumptions used in the June 30, 2024 funding valuations for VCERA. In particular, the following actuarial assumptions were applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	General: 4.00% to 10.00% and Safety: 4.25% to 12.00%, varying by service, including inflation and real across-the-board salary increase.
Investment rate of return	7.00% net of pension plan investment expenses, including inflation
Other assumptions	See analysis of actuarial experience during the period July 1, 2020 through June 30, 2023

Long-Term Real Rate of Return by Asset Class

For preparation of the actuarial valuation, the long-term expected rate of return on the Plan’s investments uses a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. This information is combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, and by adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption, are summarized in the table on the following page:

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap U.S. Equity	22.00%	5.77%
Small Cap U.S. Equity	4.00%	6.56%
Non-U.S. Developed Equity	9.00%	6.44%
Non-U.S. Developed Small-Cap Equity	3.00%	6.57%
Emerging Market Equity	3.00%	8.32%
Global Equity	9.00%	6.59%
Private Equity	18.00%	9.48%
U.S. Aggregate Bond	4.00%	2.26%
Private Debt	8.00%	6.60%
U. S. Treasury Bond	2.00%	2.00%
Real Estate - Core	6.00%	4.53%
Absolute Return Fixed Income	4.00%	3.40%
Real Estate: Non-Core	2.00%	7.10%
Natural Resources	2.00%	10.30%
Absolute Return (Fixed Income)	4.00%	5.20%
Total	100.00%	6.48%

Note - Long-term expected rate of return net of investment expenses: 6.75%. Also, the actuary groups asset classes differently than the investment consultant. While the asset class target allocation does not match the investment consultants, they are considered the same.

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75% as of June 30, 2025 and 2024. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to actuarially determined contribution rates. For this purpose, only member and employer contributions that are intended to fund benefits for current Plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future Plan members and their beneficiaries, as well as projected contributions from future Plan members, are not included. Based on those assumptions, the Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability as of both June 30, 2025 and 2024.

The following table presents the Net Pension Liability of participating employers calculated using the current discount rate of 6.75% as of June 30, 2025, as well as the Net Pension Liability if the discount rate were 1.00% lower or 1.00% higher.

Sensitivity of Net Pension Liability to Changes in Discount Rate as of June 30, 2025 ($ in Thousands)

Net Pension Liability (Asset)	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
June 30, 2025	$773,327	($400,144)	($1,367,653)

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

5. CONTRIBUTIONS

Employer and member contribution rates are approved by VCERA's Board. Contribution rates are actuarially determined using the "Entry Age Actuarial Cost Method." According to this method, the "normal cost" is the level amount that would fund the projected benefit if it were paid annually from date of employment until retirement.

The "Entry Age Actuarial Cost Method" is modified so that the employer's total normal cost is expressed as a level percentage of payroll. The level percentage of payroll method is also used to amortize the UAAL. For the June 30, 2025 valuation, the period for amortizing the UAAL is fixed at 15 years and the period for amortizing the future actuarial gains and losses is over its own declining 15-year period. Any change in UAAL due to changes in actuarial assumptions or methods will be amortized over a 20-year closed period effective with that valuation.

VCERA's employers were required to contribute $177.0 million and $158.6 million in actuarially determined contributions for the fiscal years ending June 30, 2025 and 2024, respectively.

Depending on members' benefit tiers, their contribution rates ranged from 5.08% to 14.02% (without 50/50 cost sharing) and 5.19% to 16.77% (with 50/50 cost sharing), as reflected in the June 30, 2023 actuarial valuation. In addition to the actuarially determined contributions, certain participating employers contribute, pursuant to GC Section 31581.1, a portion of the contributions normally required of General Tier 1 members. These employer-paid member contributions do not become part of the accumulated contributions of the member, but vest in the Employer Advance Reserve. These contributions are included in the employers' total.

6. RESERVES

VCERA's reserves are composed of member contributions, employer contributions, and accumulated investment income. The reserves do not represent the present value of assets needed to satisfy retirements and other benefits as they come due. VCERA's major reserves are as follows:

Member Reserve. Represents the balance of members' accumulated contributions. Additions include member contributions and credited interest; deductions include refunds of members contributions and transfers to Retired Member Reserve upon member retirement.

Employer Advance Reserve. Represents the total employer contributions made on behalf of current active members for future retirement benefits. Additions include employer contributions and interest credited; deductions include transfers to Retired Member Reserve and death benefits.

Retired Member Reserve. Represents total accumulated transfers from Member Reserve and Employer Advance Reserve and interest credited, less benefit payments made to retirees.

Vested Fixed Supplemental Reserve. Represents the funding set aside to pay the vested supplemental retirement benefit of $108.44 monthly to all eligible retirees. Additions include investment income designated by the Board and interest credited; deductions include benefit payments made to eligible retirees.

Non-Vested Supplemental Reserve. Represents the funding set aside to pay the non-vested supplemental retirement benefit of $27.50 monthly to all eligible retirees. This supplemental benefit was terminated on July 1, 2019, due to the depletion of the reserve used to fund this benefit.

Death Benefit Reserve. Represents funds designated to pay death benefits pursuant to GC Section 31789.5. Additions include funding from investment income and interest credited; deductions include benefits paid.

Undistributed Earnings Reserve. Represents funds from current and prior year earnings not previously credited to other Valuation, Non-Valuation, and Supplemental Benefit Reserves in excess of the statutory 1.0% Contingency Reserve.

Contingency Reserve. Represents earnings of the fund in excess of the total interest credited to reserves in an amount up to 1.0% of the total fair value of assets to provide for future deficiencies in interest earnings, losses on investments, and other contingencies pursuant to GC Section 31592.2.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Market Stabilization Reserve. Represents the difference between the current fair value of assets and the actuarial value of assets used to establish the above reserves.

Reserve balances as of June 30, 2025 and 2024, are as follows:

($ in Thousands) Reserve Account	June 30, 2025	June 30, 2024
Member	$1,091,678	$1,012,828
Employer Advance	3,485,557	3,106,819
Retired Member	3,991,084	3,861,562
Vested Fixed Supplemental	147,464	148,074
Non-Vested Supplemental	58	59
Death Benefit	19,847	19,196
Market Stabilization	424,395	143,579
Total Reserves	$9,160,083	$8,292,117

7. ADMINISTRATIVE EXPENSES

As permitted by GC Section 31580.2(a), the Board adopts an annual budget, financed from investment income, covering the entire expense of Plan administration. The GC provides that administrative expenses incurred in any year are not to exceed the greater of 21/100th of one percent of the accrued actuarial liability for VCERA or $2,000,000, as adjusted annually by the amount of the annual COLA. GC Section 31580.2(b) provides that expenditures for software, hardware and computer technology are not considered a cost of administration. GC Section 31596.1 states that expenditures for investment expenses, actuarial valuation and custodial services are not considered a cost of administration. Administrative expenses incurred in fiscal years ended June 30, 2025 and 2024, were within the limits established by the GC.

($ in Thousands)	June 30, 2025	June 30, 2024
Accrued Actuarial Liability (AAL) (June 30, 2022 and 2021) [1]	$7,870,801	$7,491,327
Statutory Limitation for Administrative Expense (AAL x 0.21%)	16,529	15,732
Administrative Expenses Subject to Statutory Limit	8,498	7,927
Excess of Limitation over Actual Administrative Expenses	$8,031	$7,805
Actual Administrative Expenses as a percentage of AAL	0.11%	0.11%

[1] The AAL, as determined by VCERA's actuary each year, is used to calculate the subsequent fiscal year's administrative budget authorization. The AAL as of June 30, 2023 and 2022, was approved by the Board in January 2024 and 2023, respectively, and used to establish the administrative expenditure budgets for the fiscal years ended June 30, 2025 and 2024, as shown in the table.

8. LEASE AGREEMENT

Lease History. VCERA, for the purpose of accommodating the administrative office of the Plan, entered into a lease agreement with the authorized agent for the Landlord. In December 2001, VCERA entered into the first written lease agreement. Effective May 9, 2019, VCERA entered into a ten-year lease extension, effective upon successful completion of tenant improvements, of a commercial lease for office space with the option to renew for two additional five-year periods. It is the eighth extension amendment. VCERA occupies 10,289 rentable square feet and 9,146 usable square feet. VCERA initially paid a monthly rate of $2.05 per square foot as well as 33.86% of operating expenses and taxes. The monthly Base Rent shall increase annually by 3%. On June 30, 2025, there are 5 years remaining on this lease. The sum of the payments paid for fiscal year ended June 30, 2025 are $287,726 for base rent and $25,526 for operating expenses and taxes.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Remaining Payments. Payments over the remaining lease term are estimated to be $1,460,000. Annual amounts due under the agreement are as follows:

Fiscal Year Ending:	Amount ($ in Thousands)
2026	$296
2027	305
2028	315
2029	324
2030	220
Total	$1,460

9. COMMITMENTS AND CONTINGENCIES

Disability Cases. In the normal course of business, denials of applications for benefits are appealed to the Superior Court. The outcome of these decisions will have no material impact on the financial status of VCERA.

Alameda Decision. On July 30, 2020, the California Supreme Court issued a decision in *Alameda County Deputy Sheriff's Assoc. et al., v. Alameda County Employees' Retirement Association, et al*. referred to as the "Alameda decision" which impacted VCERA's pension plan. The Supreme Court has determined that certain elements of compensation are not pensionable and must be excluded from the calculation of final average compensation. Some of these elements of compensation have been included in VCERA members' final average compensation and will now be excluded, which may result in reduced benefit allowances. The impact may result in a lower total pension liability and issuance of refunds to members who paid contributions on compensation that is no longer allowed. The plan sponsor and other interested parties have challenged VCERA's interpretation and implementation. Although VCERA has successfully defended its interpretation and application of the Alameda Decision at each stage of legal challenges to date, various labor organizations continue to appeal aspects of the rulings and the cases are not yet final. VCERA has retained counsel to represent it in these matters. As a result of ongoing litigation, the estimated reduction in pension liability and total refund amounts have not been determined.

Capital Commitments. VCERA's private equity investment managers identify and acquire investments on a discretionary basis. Each manager's investment activity and discretion is controlled by the contract, subscription agreement, limited partnership agreement and/or other contractual documents applicable to each manager. Such investments are further restricted by the amount of capital allocated or committed to each manager. VCERA has contracted with a private equity consultant to assist in managing a portion of the private equity program, which includes full discretion in manager selection. In addition, the Board retains discretionary control to approve private equity managers and commitment amounts as often as necessary to reflect VCERA's investment preferences, as well as changes in market conditions. The table on the following pages lists Outstanding Capital Commitments as of June 30, 2025.

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Outstanding Capital Commitments as of June 30, 2025 ($ in Thousands)

Fund Name	Vintage Year	Total Capital Commitment	Outstanding Capital Commitment
PRIVATE CREDIT			
Adams Street Private Credit III	2023	$25,000	$19,754
Arbour Lane Credit Opp III A	2021	30,000	1,586
Arbour Lane Credit Opp IV, LP	2024	75,000	66,152
Bain Capital Special Situations Asia Fund II	2021	25,000	10,500
Blue Bay Direct Lending Fund III	2018	25,000	6,112
Bridge Debt Strategies III	2019	25,000	1,151
Bridge Debt Strategies IV	2021	25,000	839
Bridge Debt Strategies V	2023	20,000	1,786
CarVal Credit Value Fund IV	2017	30,000	3,000
Crayhill Principal Strategies II	2021	25,000	2,725
Crayhill Principal Strategies III	2024	75,000	40,221
Crescent Cove Opportunity Fund LP	2022	25,000	-
Crescent Cove Capital Fund IV	2023	25,000	15,000
Cross Ocean ESS Fund V	2024	75,000	60,000
Cross Ocean USD ESS Fund IV	2021	50,000	19,911
CVI Credit Value Fund V	2021	30,000	1,500
Harbourvest Direct Lending	2021	25,000	2,500
Harbourvest Direct Lending Fund II	2024	20,000	16,000
HarbourView Royalties Fund I	2023	50,000	27,482
Kennedy Lewis Capital Partners III	2023	30,000	8,592
Monroe Capital Private Credit Fund III	2017	25,000	3,747
Monroe Capital Private Credit Fund IV	2021	30,000	4,500
Monroe Capital Opportunistic II Feeder Fund	2024	25,000	16,250
Pantheon Credit Opportunity III	2024	30,000	28,526
Pantheon Private Debt PCO II USD Feeder	2022	50,000	13,151
PIMCO Corporate Opportunities Fund III	2020	50,000	8,498
PIMCO Corporate Opportunities Fund IV	2023	100,000	85,000
PIMCO Private Income Fund	2019	55,000	-
Torchlight Debt Fund VII	2020	25,000	1,250
Torchlight Debt Fund VIII	2023	40,000	29,094
VWH Partners III LP	2022	50,000	41,763
VWH Partners IV LP	2025	100,000	100,000
Total Private Credit		**$1,290,000**	**$636,590**
PRIVATE EQUITY			
Abbott Secondaries Opportunities II, LP.	2021	40,000	2,348
Abbott Secondaries Opportunities III, LP.	2024	50,000	43,750

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Outstanding Capital Commitments as of June 30, 2025 ($ in Thousands)

Fund Name	Vintage Year	Total Capital Commitment	Outstanding Capital Commitment
Abbott Secondaries Opportunities, LP.	2016	25,000	257
ABRY Partners IX	2019	10,600	1,813
Adams Street 2010 Direct Fund	2010	8,500	332
Adams Street 2010 Non-U.S. Emerging Markets Fund	2010	8,500	867
Adams Street 2010 Non-U.S. Developed Markets Fund	2010	25,500	2,537
Adams Street 2010 U.S. Fund	2010	42,500	5,058
Adams Street 2013 Global Fund	2013	75,000	5,487
Adams Street 2016 Global Fund	2016	60,000	5,644
Adams Street Co-Investment Fund IV	2018	30,000	1,534
Adams Street Co-Investment Fund V	2022	35,000	12,775
Adams StreetGlobal Secondary Fund 7	2022	25,000	8,125
Advent International GPE IX	2019	10,000	450
Advent International GPE X	2022	20,000	9,648
Astorg VII	2019	8,758	902
Astorg VIII	2022	19,050	6,325
Astorg Normec Fund - Project Newton	2024	1,663	960
Battery Ventures XII	2018	9,050	889
Battery Ventures XII Side Fund	2018	5,050	277
Battery Ventures XIII	2020	9,240	1,183
Battery Ventures XIII Side Fund	2020	6,160	758
Battery Ventures XIV	2022	10,000	4,960
BlackFin Financial Services Fund IV	2024	21,571	19,612
Buenaventure One , LLC	2018	325,735	103,439
CapVest Equity Partners IV	2020	12,747	5,358
CapVest Equity Partners V	2023	19,907	15,569
Charlesbank Equity Fund X	2021	24,000	3,659
Charlesbank Equity Overage Fund X	2021	6,000	1,618
Charlesbank Technology Opportunities Fund II	2024	30,000	21,578
Clearlake Capital Partners V	2018	9,950	1,579
Clearlake Capital Partners VI	2020	18,700	927
Clearlake Capital Partners VII	2022	20,000	5,685
Clearlake Capital Partners VIII	2024	25,000	23,295
CRV XIX	2022	10,000	3,225
CRV XVIII	2020	15,000	1,575
CVC Capital Partners VIII	2021	19,821	900
Drive Capital Fund II	2016	15,000	57
Drive Capital Fund III	2019	7,500	481

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Outstanding Capital Commitments as of June 30, 2025 ($ in Thousands)

Fund Name	Vintage Year	Total Capital Commitment	Outstanding Capital Commitment
Drive Capital Fund IV	2022	10,000	732
Drive Capital Overdrive Fund I	2019	7,500	28
Drive Capital Overdrive Fund II	2022	10,000	4,162
ECI 11	2018	9,857	1,029
ECI 12	2024	22,227	11,683
Flexpoint Fund IV-A	2020	10,650	1,505
Flexpoint Overage Fund IV-A	2021	3,550	735
Genstar Capital Partners IX	2019	7,500	945
Genstar Capital Partners IX Opportunties Program	2019	2,500	284
Genstar Capital Partners X	2021	15,000	450
Genstar Capital Partners X Opportunties Program	2021	5,000	586
Genstar Capital Partners XI	2023	20,000	17,569
GGV Capital VII	2019	10,160	356
GGV Capital VII Plus	2019	2,540	64
GGV Capital VIII	2021	9,180	1,652
GGV Capital VIII Plus	2021	2,295	631
GGV Discovery II	2019	2,100	32
GGV Discovery III	2021	3,825	1,128
Graycliff Private Equity Partners V	2025	10,000	8,985
Great Hill Equity Partners VII	2020	8,900	299
Great Hill Equity Partners VIII	2022	25,000	9,836
Green Equity Investors IX	2023	13,300	6,280
Green Equity Investors VIII	2020	15,000	2,357
GTCR Fund XII	2017	30,000	4,453
GTCR Fund XIII	2021	30,000	5,785
GTCR Fund XIV	2024	20,000	16,754
GTCR Strategic Growth Fund I	2022	10,000	4,331
GTCR Strategic Growth Fund II	2025	13,100	13,100
HarbourVest - Co-Investment Fund IV	2016	30,000	5,732
HarbourVest - Co-Investment Fund V	2019	35,000	7,875
HarbourVest - Co-Investment Fund VI	2021	35,000	5,250
HarbourVest - Dover Street IX	2016	60,000	5,400
HarbourVest - Dover Street VIII	2012	67,500	5,400
HarbourVest - Dover Street X	2019	40,000	7,600
HarbourVest - Dover Street XI	2023	40,000	25,600
Hellman & Freidman Capital Partners IX	2019	19,800	687
Hellman & Freidman Capital Partners X	2021	20,000	2,709

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Outstanding Capital Commitments as of June 30, 2025 ($ in Thousands)

Fund Name	Vintage Year	Total Capital Commitment	Outstanding Capital Commitment
Hellman & Freidman Capital Partners XI	2025	20,000	20,000
Insight Ventures Partners X	2018	25,000	3,611
Jade Equity Investors II	2024	6,700	4,230
Kinderhook Capital Fund 7	2022	10,000	876
Kinderhook Capital Fund 8	2025	25,000	23,832
M/C Partners IX	2024	10,000	7,621
M/C Partners VIII	2019	10,000	839
Main Capital VIII Cooperatief U.A.	2024	26,686	20,386
Oak HC/FT Partners III	2019	15,000	1,348
Oak HC/FT Partners IV	2021	10,000	328
Oak HC/FT Partners V	2022	10,000	4,259
Pamlico Capital VI	2025	25,000	25,000
Pantheon Global Secondary Fund IV	2010	15,000	2,040
Pantheon Global Secondary Fund V	2015	50,000	10,383
Pantheon Global Secondary Fund VI	2020	25,000	6,762
Pantheon Global Secondary Fund VII	2022	25,000	12,432
Pantheon Investors VII	2023	20,000	17,317
Prairie Capital Fund VII QP	2021	10,800	3,348
Ridgemont Equity Partners IV	2023	20,000	5,163
Riverside Micro-Cap Fund V	2019	10,000	869
Riverside Micro-Cap Fund VI	2022	20,000	9,181
Sterling Group Partners VI	2024	9,100	9,100
Summit Partners Growth Equity Fund Xii-A	2025	25,000	25,000
TA XIII	2019	10,000	925
TA XIV	2021	10,000	1,025
TA XV	2024	20,000	17,598
The Resolute Fund IV	2018	20,000	1,275
Vitruvian Investment Partnership IV	2020	20,452	1,705
Vitruvian Investment Partnership V	2023	21,354	16,676
Total Private Equity		**$2,317,078**	**$760,569**
REAL ASSETS			
Brookfield Infra Fund IV B	2020	50,000	7,559
Brookfield Infra Fund V B	2023	40,000	25,035
HarbourVest Infrastructure Opportunities Fund III	2024	105,000	105,000
HarbourVest Real Assets Fund IV	2021	100,000	17,000
Pantheon Global Infrastructure IV	2023	25,000	8,525

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

Outstanding Capital Commitments as of June 30, 2025 ($ in Thousands)

Fund Name	Vintage Year	Total Capital Commitment	Outstanding Capital Commitment
PIMCO Aviation Income Partners II	2024	25,000	-
Total Real Assets		**$345,000**	**$163,119**
REAL ESTATE			
Alterra IOS Venture II LP	2022	35,000	4,268
Alterra IOS Venture III LP	2023	35,000	22,400
LaSalle Income and Growth Fund VIII	2020	100,000	11,809
LaSalle Income and Growth Fund IX	2025	75,000	63,738
Total Real Estate		**$245,000**	**$102,215**
Total		**$4,197,078**	**$1,662,493**

10. SUBSEQUENT EVENTS

The Board has approved new commitments of $145 million to the private investments portfolios. The new approved commitments are for FoxPath Credit Secondaries ($40 million), HarbourVest Direct Lending ($25 million), Pathlight Capital Fund IV ($40 million), and Sixth Street Specialty Lending Europe Fund III ($40 million).

Management has evaluated subsequent events through December 9, 2025, which is the date the financial statements were issued.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS

($ IN THOUSANDS)

		June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Total Pension Liability						
Service cost		$210,926	$191,424	$174,224	$165,664	$152,049
Interest		580,744	545,894	521,289	501,495	487,569
Changes of benefit terms		-	-	-	-	-
Differences between expected and actual experience		(213,277)	69,988	29,901	(23,718)	8,880
Changes of assumptions		-	389,933	-	-	122,031
Benefit Payments, including refunds of member contributions		(422,296)	(400,904)	(381,337)	(357,098)	(332,965)
Net Change in Total Pension Liability		156,096	796,335	344,077	286,343	437,564
Total Pension Liability - Beginning		8,603,843	7,807,508	7,463,431	7,177,088	6,739,524
Total Pension Liability - Ending (A)		$8,759,939	$8,603,843	$7,807,508	$7,463,431	$7,177,088
Plan Fiduciary Net Position						
Contributions- employer [1]		$176,959	$158,622	$178,535	$178,667	$178,628
Contributions- members		103,902	98,070	93,971	84,720	79,654
Net investment income		1,020,996	868,997	670,999	(553,407)	1,849,958
Benefit Payments, including refunds of member contributions		(422,296)	(400,904)	(381,337)	(357,098)	(332,965)
Administrative expense		(8,498)	(7,927)	(6,838)	(6,169)	(5,523)
Other		(3,097)	(2,979)	(2,424)	(2,935)	(3,050)
Net Change in Plan Fiduciary Net Position		867,966	713,879	552,906	(656,222)	1,766,702
Plan Fiduciary Net Position - Beginning		8,292,117	7,578,238	7,025,332	7,681,554	5,914,852
Plan Fiduciary Net Position - Ending (B)		$9,160,083	$8,292,117	$7,578,238	$7,025,332	$7,681,554
Net Pension Liability - Ending	A-B=C	$(400,144)	$311,726	$229,270	$438,098	$(504,466)
Plan fiduciary net position as a percentage of the total pension liability	B/A	104.57%	96.38%	97.06%	94.13%	107.03%
Covered employee payroll [2]	D	$956,715	$901,980	$905,128	$834,433	$785,121
Net pension liability as a percentage of covered payroll	C/D	-41.82%	34.56%	25.33%	52.50%	-64.25%

Amounts may differ from the June 30, 2025 and 2024, audited financial statements due to rounding.

[1] Actuarially determined contributions exclude employer paid member contributions.

[2] Covered payroll represents payroll on which contributions to the pension plan are based.

REQUIRED SUPPLEMENTARY INFORMATION

(Continued)

SCHEDULE OF CHANGES IN NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS

($ IN THOUSANDS) CONTINUED

		June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Total Pension Liability						
Service cost		$149,470	$145,338	$138,877	$132,490	$129,269
Interest		466,254	444,176	427,800	405,195	388,936
Changes of benefit terms		-	-	-	-	-
Differences between expected and actual experience		17,238	7,838	26,564	(51,058)	(39,598)
Changes of assumptions		-	-	129,009	-	-
Benefit Payments, including refunds of member contributions		(315,624)	(297,119)	(277,718)	(260,745)	(246,403)
Net Change in Total Pension Liability		317,338	300,233	444,532	225,882	232,204
Total Pension Liability - Beginning		6,422,186	6,121,953	5,677,421	5,451,539	5,219,335
Total Pension Liability - Ending (A)		$6,739,524	$6,422,186	$6,121,953	$5,677,421	$5,451,539
Plan Fiduciary Net Position						
Contributions- employer [1]		$214,553	$199,891	$197,638	$190,712	$177,830
Contributions- members		79,277	75,199	74,089	72,442	69,350
Net investment income		209,235	368,665	445,902	580,526	25,739
Benefit Payments, including refunds of member contributions		(315,624)	(297,119)	(277,718)	(260,745)	(246,403)
Administrative expense		(5,367)	(5,342)	(4,881)	(5,524)	(4,474)
Other		(2,583)	(2,397)	(2,815)	-	-
Net Change in Plan Fiduciary Net Position		179,491	338,897	432,215	577,411	22,042
Plan Fiduciary Net Position - Beginning		5,735,361	5,396,463	4,964,248	4,386,837	4,364,795
Plan Fiduciary Net Position - Ending (B)		$5,914,852	$5,735,360	$5,396,463	$4,964,248	$4,386,837
Net Pension Liability - Ending	A-B=C	$824,672	$686,826	$725,490	$713,173	$1,064,702
Plan fiduciary net position as a percentage of the total pension liability	B/A	87.76%	89.31%	88.15%	87.44%	80.47%
Covered employee payroll [2]	D	$768,619	$754,657	$736,994	$716,033	$688,233
Net pension liability as a percentage of covered payroll	C/D	107.29%	91.01%	98.44%	99.60%	154.70%

Amounts may differ from the June 30, 2025 and 2024, audited financial statements due to rounding.

[1] Actuarially determined contributions exclude employer paid member contributions.

[2] Covered payroll represents payroll on which contributions to the pension plan are based.

REQUIRED SUPPLEMENTARY INFORMATION

(Continued)

SCHEDULE OF EMPLOYER CONTRIBUTIONS

($ IN THOUSANDS)

Fiscal Year Ended June 30	Actuarially Determined Contributions [1]	Actual Employer Contributions [1]	Contribution Deficiency/ (Excess)	Covered Payroll [2]	Contributions as a % of Covered Payroll
2025	$176,959	$176,959	-	956,715	18.50%
2024	$158,622	$158,622	-	901,980	17.59%
2023	178,535	178,535	-	905,128	19.72%
2022	178,667	178,667	-	834,433	21.41%
2021	178,628	178,628	-	785,121	22.75%
2020	214,553	214,553	-	768,619	27.91%
2019	199,891	199,891	-	754,657	26.49%
2018	197,638	197,638	-	736,994	26.82%
2017	190,712	190,712	-	716,033	26.63%
2016	177,830	177,830	-	688,233	25.84%

[1] Actuarially Determined Contributions exclude employer paid member contributions.

[2] Covered payroll represents payroll on which contributions to the pension plan are based.

SCHEDULE OF INVESTMENT RETURNS

Fiscal Year Ended June 30	Annual Money Weighted Rate of Return, Net of Investment Expense
2025	11.64%
2024	11.81%
2023	8.50%
2022	(5.43%)
2021	30.40%
2020	2.40%
2019	6.74%
2018	8.92%
2017	12.27%
2016	(2.00%)

Note - Money-Weighted Rate of Return is calculated as the internal rate of return on pension plan investments, net of investment expenses, adjusting for changing amounts actually invested.

REQUIRED SUPPLEMENTARY INFORMATION

(Continued)

LATEST ACTUARIAL VALUATION OF PLAN ASSETS AND LIABILITIES

Methods and assumptions used to establish "actuarially determined contribution" rates:

Valuation Date	Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported (i.e., for fiscal year 2024-2025, are based on the June 30, 2023 valuation).
Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	Level percent of payroll (3.00% payroll growth assumed in the June 30, 2023 valuation).
Remaining Amortization Period	15 years for UAAL as of June 30, 2004. Any changes in UAAL after June 30, 2004 are separately amortized over a 15-year closed period effective with that valuation. Effective June 30, 2012, any changes in UAAL due to actuarial gains or losses or due to plan amendments (with the exception of a change due to retirement incentives) will be amortized over a 15-year closed period effective with that valuation (up to a five-year closed period for retirement incentives). Effective June 30, 2025 any change in UAAL due to changes in actuarial assumptions or methods will be amortized over a 15-year closed period effective with that valuation.[2]
Asset Valuation Method	The actuarial value of assets is determined by recognizing any difference between the actual and the expected market return in each of the last ten semi-annual accounting periods. The valuation value of assets is the actuarial value of assets reduced by the value of the non-vested supplemental ($27.50) reserve and statutory contingency reserve.
Other Information	All members with membership dates on or after January 1, 2013 enter the new tiers created by the California Public Employees' Pension Reform Act of 2013 (PEPRA).
Actuarial Assumptions:	The actuarially determined contribution for the year ended June 30, 2025 is based on the results of the VCERA June 30, 2023 Actuarial Valuation and Review. The actuarial assumptions used in that valuation are as follows:
Investment rate of return	6.75% net of pension plan administration and investment expenses, including inflation.
Inflation rate	2.50%
Real across-the-board salary increase	0.50%
Projected salary increases [1]	General: 3.75% to 10.00% and Safety: 4.00% to 12.00%, varying by service, including inflation and real across-the-board salary increase.
Consumer Price Index (CPI) and Cost of living adjustments (COLA)	CPI Increases of 2.50% per year. Retiree COLA increases of 2.75% per year for both PEPRA and non-PEPRA General Tier 1 and both PEPRA and non-PEPRA Safety. For both PEPRA and non-PEPRA General Tier 2, members represented by SEIU receive a fixed 2% COLA that applies to future service after March 2003 (members represented by CNA receive a fixed 2% COLA that applies to future service after July 2023). For both PEPRA and non-PEPRA General Tier 1 and both PEPRA and non-PEPRA Safety members that have COLA banks, we assume they receive 3.0% COLA increases until their COLA banks are exhausted and 2.75% thereafter. For both PEPRA and non-PEPRA General Tier 2 members represented by SEIU and CNA, the fixed 2% COLA increase is not subject to changes in the CPI.
Other Assumptions	Same as those used in the June 30, 2023, funding actuarial valuation.

[1] Includes inflation at 2.50% plus real across-the-board salary increases of 0.50% plus merit and promotion increases that vary by service.

[2] Prior to June 30, 2025, any change in UAAL due to changes in actuarial assumptions or methods was amortized over a 20-year closed period.

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE FISCAL YEAR ENDED JUNE 30, 2025 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2024
($ IN THOUSANDS)

	June 30, 2025	June 30, 2024
Personnel Services:		
Salaries and Wages	$4,513	$4,313
Employee Benefits	1,990	1,919
Total Personnel Services	6,503	6,232
Consultant & Professional Services:		
External Audit Fees	58	49
Legal Consultants	256	394
Professional Services	635	237
Total Consultant & Professional Services	949	680
Operating Expenses:		
Administrative Support	143	162
General Expenses	54	72
Education and Travel	89	78
Transportation	20	10
Facilities Operations	357	351
Insurance	207	198
Printing	61	29
Postage	48	45
Telecommunications	67	70
Total Operating Expenses	1,046	1.015
Total Administrative Expenses	$8,498	$7,927

OTHER SUPPLEMENTARY INFORMATION

(Continued)

SCHEDULE OF INVESTMENT EXPENSES

FOR THE FISCAL YEAR ENDED JUNE 30, 2025 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2024

($ IN THOUSANDS)

	June 30, 2025	June 30, 2024
Cash and Short-Term Managers	$134	$144
Equity		
U.S. Equity: Publicly Traded	530	580
Non-U.S Equity: Publicly Traded	2,598	2,451
Global Equity: Publicly Traded	335	306
Private Equity	36,464	26,908
Fixed Income		
Fixed Income: Publicly Traded Core, Unconstrained and Dedicated	1,453	1,361
Private Credit	17,162	18,146
Real Assets		
Real Assets	8,953	3,945
Real Estate	5,917	5,705
Other Investment Fees	1,714	3,631
Total Investment Management Fees	$75,260	$63,177

SCHEDULE OF PAYMENTS TO CONSULTANTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2025 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2024

($ IN THOUSANDS)

	June 30, 2025	June 30, 2024
Actuarial		
Valuation and Consulting Services	$301	$128
Audit		
External Audit Services	58	49
Legal		
Investment Legal Counsel	232	395
Other Legal Services	256	394
Total Legal	488	789
Management		
Information Technology Consulting	194	181
Total Payments to Consultants	$1,041	$1,147

OTHER INFORMATION

SCHEDULE OF EMPLOYER PENSION AMOUNTS ALLOCATED BY COST SHARING PLAN

AS OF AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025 ($ IN THOUSANDS)

		Deferred Outflow of Resources					Deferred Inflow of Resources					Pension Expense Excluding That Attributable to Employer-Paid Member Contributions		
Employer/ Nonemployer (special funding situation)	Net Pension Liability	Differences Between Expected and Actual Experience	Net Excess of Projected Over Actual Earnings on Pension Plan Investments (If Any)	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Excess of Actual Over Projected Earnings on Pension Plan Investments (If Any)	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Allocable Plan Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense Excluding that Attributable to Employer-Paid Member Contributions
County of Ventura	$(391,567)	$54,876	$-	$240,567	$3,007	$298,450	$172,833	$426,033	$-	$873	$599,739	$(46,445)	$1,581	$(44,864)
Ventura County Courts	$(6,733)	944	-	4,137	555	5,636	2,972	7,326	-	2,365	12,663	(799)	(1,227)	(2,026)
Air Pollution Control District	$(1,044)	146	-	641	289	1,076	461	1,136	-	211	1,808	(124)	(54)	(178)
Ventura Regional Sanitation District	$(800)	112	-	491	29	632	353	870	-	430	1,653	(95)	(300)	(395)
Total	$(400,144)	$56,078	$-	$245,836	$3,880	$305,794	$176,619	$435,365	$-	$3,879	$615,863	$(47,463)	$-	$(47,463)

Note - The Employer, County of Ventura, includes VCERA members.

OTHER INFORMATION

(Continued)

SCHEDULE OF COST SHARING EMPLOYER ALLOCATIONS

($ IN THOUSANDS)

	June 30, 2025		June 30, 2024	
Participating Employer	**Allocation of Net Pension Liability (NPL)/(Asset)**	**Employer Allocation Percentage**	**Allocation of Net Pension Liability (NPL)/(Asset)**	**Employer Allocation Percentage**
County of Ventura	$(391,567)	97.857%	$297,793	95.530%
Ventura County Superior Court	(6,733)	1.683%	11,091	3.558%
Ventura County Air Pollution Control District	(1,044)	0.261%	1,530	0.491%
Ventura Regional Sanitation District	(800)	0.200%	1,312	0.421%
Total	$(400,144)	100.000%	$311,726	100.000%

Note - Employer allocation percentage is weighted average allocation of General and Safety NPL/(Asset) as each NPL/(Asset) is calculated separately for each participating employer, then combined.

SUPERIOR COURT OF CALIFORNIA COUNTY OF VENTURA

Hall of Justice

Juvenile Courthouse

East County Courthouse

The Ventura County Superior Court is one of California's 58 trial courts, where a judge, sometimes with a jury, reviews testimony and evidence to decide cases by applying relevant law to facts. The Court is located in Ventura at the Hall of Justice, and in Simi Valley at the East County Courthouse, with a Juvenile Justice Center in Oxnard. The Ventura County Law Library hosts a collection of 70,000 volumes of California and Federal statutes, codes, cases, regulations, practice materials, and research references.

In addition to judicial staff, the Court employs staff in the areas of budgeting, accounting, human resources, education, information technology, communications, criminal justice, family and juvenile law, and more.

Photos courtesy of Superior Court of California, County of Ventura

Rose Dean, CFA
Partner

November 24, 2025

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

Dear Board Members:

The overall objective of the Ventura County Employees' Retirement Association ("VCERA") is to ensure continued access to retirement, disability, and survivor benefits for current and future VCERA participants. To ensure a solid foundation for the future of the retirement fund ("Fund"), VCERA carefully plans and implements an investment program designed to generate superior long-term investment returns, while prudently managing the risk in the portfolio. Investment policy and asset allocation are reviewed by the Board of Retirement, at least annually, and reflect the Fund's actuarial assumptions, accrued liabilities, and economic and investment outlook. The following is a report on the performance of the Fund for the fiscal year ended June 30, 2025, with background on the underlying capital market environment.

Market Review for the Year Ended June 30, 2025

The fiscal year ending June 30, 2025, was characterized by significant market volatility, policy shifts, and strong recoveries across asset classes. U.S. equities experienced a turbulent fiscal year, with performance varying significantly across quarters. The first quarter of the fiscal year was marked by strong gains across international and emerging markets. However, international equities declined to end the last quarter of 2024, largely attributed to rate cuts by the European Central Bank, which increased market volatility and strengthened the U.S. dollar, weighing on returns outside the United States.

Volatility in global equity continued during the first two quarters of 2025, with a sharp decline in S&P 500 of 4.3% during the first quarter of 2025 due to tariff concerns. The index however rebounded with gains of 10.9% in the final fiscal quarter ending June 2025, supported by easing trade tensions and fiscal stimulus. Overall, global equities delivered strong fiscal year returns, with the S&P 500 up 15.2% and MSCI ACWI ex-US up 17.7%.

The fixed income landscape during the second half of 2024 was marked by significant policy actions and market volatility. In Q3 2024, the Federal Reserve implemented a 50-basis point rate cut, which led to a rally in long-dated bonds and a steepening of the yield curve. Q4, however, saw a reversal, with Treasury yields rising. Despite this selloff, high yield and emerging market debt remained resilient. For the year ending June 30, 2025, the Bloomberg Aggregate Bond Index returned 6.1%; meanwhile, the Bloomberg High Yield Index returned 10.3%. In the same period, the Bloomberg Global Aggregate Index returned 8.9%.

In real assets, gold and midstream energy were standout performers, with gold spot prices up 39.4% and the Alerian Midstream Index gaining 31.6%, as of June 30, 2025. Commodities were volatile, with the Bloomberg Commodity Index down 3.1% in Q2 2025 but up 5.8% for the year. Infrastructure equities posted strong gains, with the S&P Global Infrastructure Index up 15.3% for the year. REITs showed signs of stabilization, with the NAREIT Global REIT Index up 10.8% for the year.

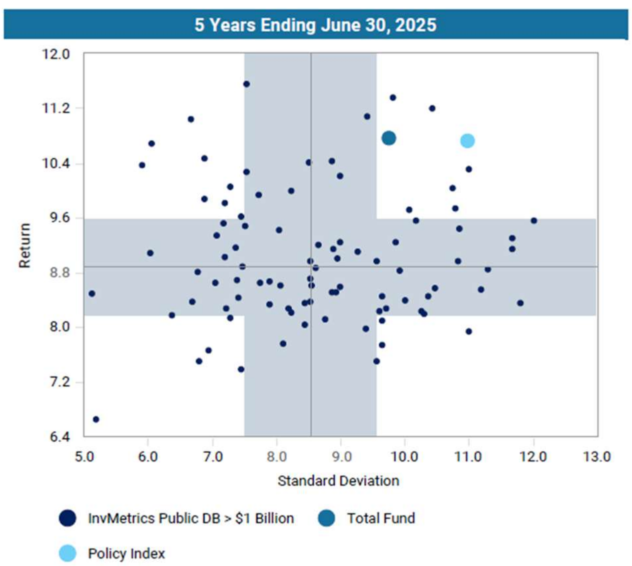
The VCERA Investment Portfolio

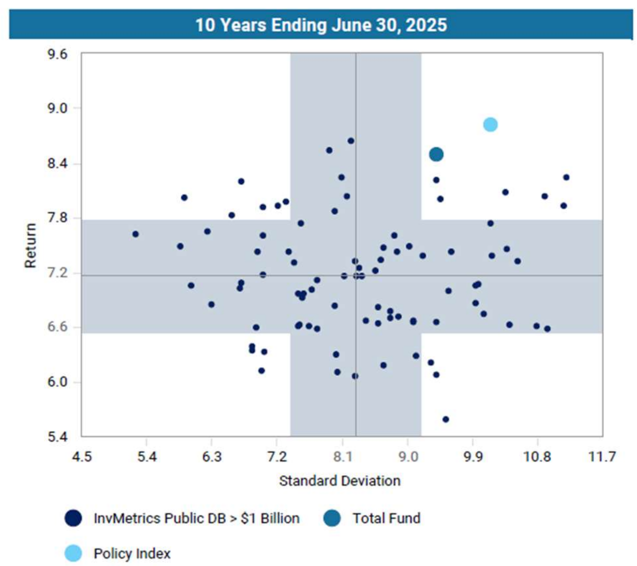
The VCERA total investment portfolio return, net of fees, was 11.8% for the year fiscal ended June 30, 2025, slightly outperforming its policy benchmark by 0.03%. In the same period, the median fund in the Investment Metrics peer group universe of large Public Funds returned 10.3%.

The Fund returned 10.8% per annum for the five-year period and ranked in the 7th percentile, i.e. VCERA's annualized returns were higher than 93% of the peer group. Over the past 10 years, the Fund's return of 8.5% per annum outperformed the target actuarial rate of return of 6.75% and ranked in the 4th percentile.

The Fund's five- and 10-year volatility, as measured by standard deviation, ranked in the 73rd and 75th percentiles, respectively, meaning the portfolio exhibited lower volatility than 27% and 25% of the peer funds, respectively. On a risk-adjusted basis, as measured by the Sharpe Ratio, VCERA outperformed most of its peers, ranking in the 32nd percentile for the five-year period and in the 28th percentile for the 10-year period.

InvMetrics Public Funds Greater than $1 Billion Universe Risk-Return Comparison (Net of Fees)





5 Years Ending June 30, 2025	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
Total Fund	10.8 (7)	9.7 (73)	0.8 (32)	1.3 (33)
Policy Index	*10.7 (7)*	*11.0 (91)*	*0.7 (43)*	*1.2 (47)*
InvMetrics Public DB > $1 Billion Median	*8.9*	*8.5*	*0.7*	*1.2*
Population	96	96	96	96

10 Years Ending June 30, 2025	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
Total Fund	8.5 (4)	9.4 (75)	0.7 (28)	1.1 (27)
Policy Index	*8.8 (2)*	*10.1 (87)*	*0.7 (29)*	*1.1 (29)*
InvMetrics Public DB > $1 Billion Median	*7.2*	*8.3*	*0.6*	*0.9*
Population	91	91	91	91

As strong capital market returns were realized across risky assets such as stocks in the past fiscal year, NEPC continues to be supportive of VCERA's chosen asset allocation, which is expected to support the Fund's ability to meet its actuarial targets more consistently over the long term at a suitable level of risk. VCERA's portfolio continues to be positioned to take advantage of public and private markets investment opportunities.

NEPC, LLC serves as VCERA's independent investment consultant to the Board, providing VCERA with asset allocation guidance, quarterly economic and investment market updates, performance reviews, and investment manager monitoring and selection advice. In preparing our performance analysis for the Plan, we rely on the accuracy of financial data provided by the Plan's custodian bank and investment managers. Investment performance analysis and comparisons produced by NEPC have been calculated using standard performance evaluation methodologies and are consistent with industry standards, including calculation of returns using a time-weighted rate-of-return methodology based on market values reported by the custodian. The Plan's goals are measured against stated policy objectives, appropriate benchmarks, and comparative universes over multiple time periods. This review process allows the Board to evaluate whether established goals are being achieved on an absolute, relative, and risk-adjusted basis.

Sincerely,

Rose Dean, CFA
Partner

OUTLINE OF INVESTMENT POLICIES

General

The Board of Retirement (Board) established an investment policy in accordance with the provisions of CERL GC Sections 31450 et. seq. VCERA is considered a separate entity from the County of Ventura and is administered by a Board consisting of nine members plus three alternates. VCERA's Board, officers and employees shall discharge their duties as provided for in GC Section 31595:

- Solely in the interest of, and for the exclusive purpose of, providing benefits to participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering 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 these matters would use in the conduct of an enterprise of a like character with like aims.
- Shall diversify the investments of the Plan so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly not prudent to do so.

VCERA's assets are managed on a total return basis. While VCERA recognizes the importance of the preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns.

External professional investment firms manage VCERA's assets. VCERA's staff, along with the investment consultants, monitor managers' activity and assist the Board with the implementation of investment policies and strategies.

Asset Allocation Policy

VCERA has a long-term investment horizon and utilizes an asset allocation that encompasses a strategic long-term perspective of capital markets. It is recognized that a strategic long-run asset allocation plan implemented in a consistent and disciplined manner will be the major determinant of VCERA's investment performance.

On May 20, 2024, the Board adopted a new allocation and subsequently an implementation plan that was predicated on factors that include:

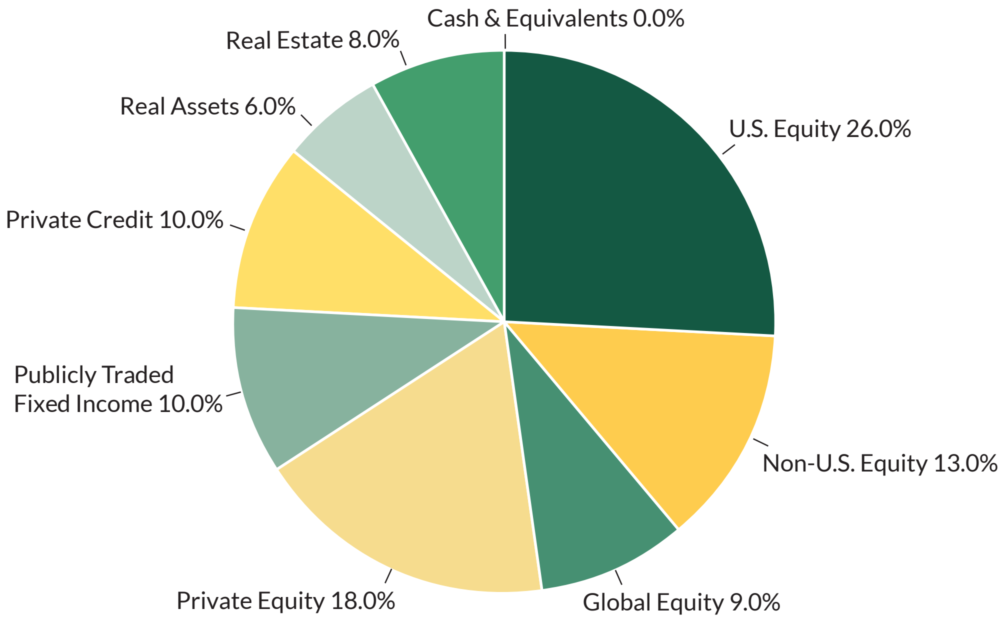
a. The actuarially projected liabilities, benefit payments, and costs to both covered members and employers.
b. Historical and long-term capital market risk and return behavior.
c. The perception of future economic conditions, including inflation and interest rate levels.
d. The relationship between current and projected assets of the Plan and its actuarial requirements

The portfolio is rebalanced, as necessary, to maintain asset allocations within their appropriate ranges.

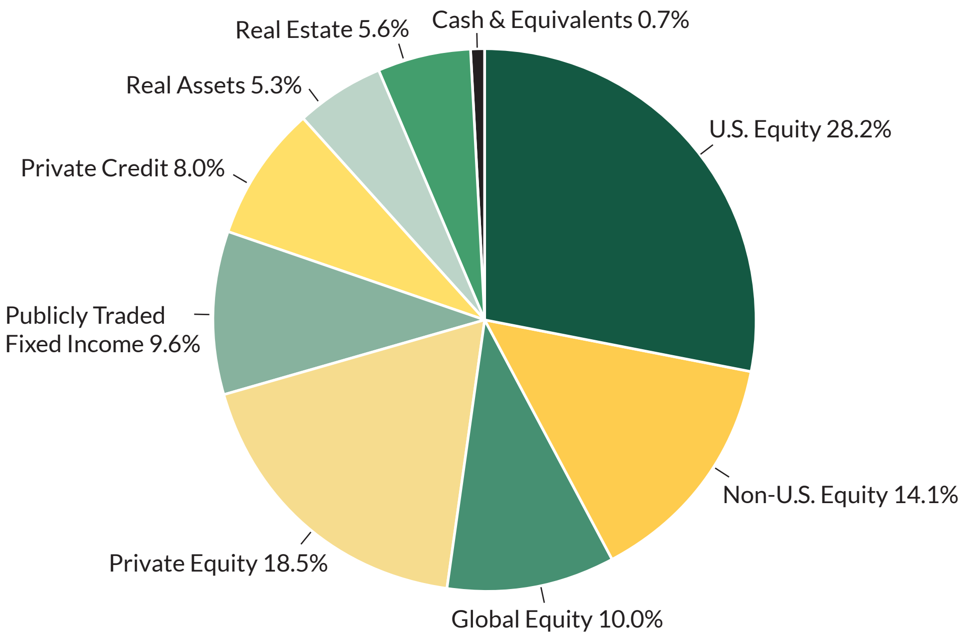
TARGET VERSUS ACTUAL ASSET ALLOCATION

AS OF JUNE 30, 2025

TARGET *



ACTUAL **



* Represents Allocation targets in place as of May 20, 2024.

** Numbers depicted in the actual chart reflect cash market exposures.
Nominal asset class target exposures are maintained via the overlay rebalancing program.

INVESTMENT SUMMARY

AS OF JUNE 30, 2025 ($ IN THOUSANDS)

Type of Investment	Fair Value	Percent of Total Fair Value
Cash and Cash Equivalents	$155,287	1.0%
Cash Collateral - Securities Lending	24,888	0.3%
Publicly Traded Fixed Income	853,129	9.4%
Private Credit	731,467	7.9%
Subtotal Fixed Income and Cash	1,764,771	18.6%
U.S. Equity: Publicly Traded	2,529,837	28.0%
Non-U.S. Equity: Publicly Traded	1,284,393	14.0%
Global Equity: Publicly Traded	899,962	9.8%
Private Equity	1,740,638	18.9%
Subtotal Equities	6,454,830	70.7%
Real Assets	535,545	5.9%
Real Estate	445,711	4.8%
Subtotal Real Assets	981,256	10.7%
Total Investments	$9,200,857	100.0%

SCHEDULE OF INVESTMENT RETURNS BASED ON FAIR VALUE

AS OF JUNE 30, 2025

		Annualized	
	Current Year	**Three-Year**	**Five Year**
U.S. Equity: Publicly Traded	15.4%	19.3%	16.1%
Current Benchmark: Russell 3000	15.3%	19.1%	16.0%
Non-U.S. Equity: Publicly Traded	12.1%	12.3%	9.0%
Current Benchmark: MSCI ACWI ex USA	17.7%	14.0%	10.1%
Global Equity: Publicly Traded	16.5%	17.7%	14.0%
Current Benchmark: MSCI ACWI	16.2%	17.3%	13.7%
Private Equity	9.4%	3.0%	17.3%
Current Benchmark: Private Equity Qtr. Lagged	9.4%	10.4%	20.8%
Fixed Income: Publicly Traded Core and Unconstrained	8.1%	5.1%	1.6%
Current Benchmark: Bloomberg Barclays U.S. Aggregate Index	6.1%	2.5%	-0.7%
Private Credit	8.3%	8.4%	11.4%
Current Benchmark: Credit Suisse Leveraged Loan +2% (Qtr. Lagged)	9.2%	9.2%	11.1%
Real Estate	1.1%	-5.8%	2.0%
Current Benchmark: NCREIF-ODCE Net	2.7%	-6.2%	2.5%
Real Assets (excluding Real Estate)	15.5%	14.0%	11.3%
Benchmark: Real Assets Index	4.7%	4.9%	6.7%
Total Fund	11.8%	10.7%	10.8%
VCERA Policy*	11.8%	12.9%	10.7%

* Policy Index effective July 2024: 26% Russell 3000 Index, 13% MSCI ACWI ex U.S., 9% MSCI ACWI, 18% Russell 3000 +2% (Quarter Lagged), 10% Bloomberg US Aggregate, 10% Credit Suisse Leveraged Loan +2% (Quarter Lagged), 8% NCREIF ODCE. 6% Real Assets Index.

Asset Class Returns are presented using the time-weighted rate of return net of fees. Total Fund performance is calculated based on the weighted average returns.

LARGEST EQUITY HOLDINGS (by Fair Value)

AS OF JUNE 30, 2025 ($ IN THOUSANDS)

	Units	Fund Name	Fair Value
1	4,329,079	Blackrock U.S.Russell 1000 Index Fund	$2,257,480
2	21,424,800	Blackrock ACWI Equity Fund	899,962
3	28,892,744	Blackrock ACWI IMI ex U.S. IMI Index Fund	651,039
4	23,919,143	Sprucegrove Investment Management, LTD	326,018
5	5,501,989	Walter Scott and Partners	307,336
6	186,633,775	Buenaventure One	289,305
7	61,931,204	Adams Street Partnership	250,652
8	78,527,325	HarbourVest	191,640
9	232,140,920	Western Asset US Enhanced Equity Index Plus	163,940
10	116,097,019	PIMCO Corporate Opportunities	158,931

Note - Majority of VCERA Equity Investments at June 30, 2025 were held in commingled investment vehicles.
Funds without units represent a Private Equity holding.

LARGEST FIXED INCOME HOLDINGS (by Fair Value)

AS OF JUNE 30, 2025 ($ IN THOUSANDS)

	Par	Bonds	Fair Value
1	39,250,000	US TREASURY N/B 01/30 4.250	$40,024
2	38,450,000	US TREASURY N/B 02/35 4.625	39,670
3	10,205,000	US TREASURY N/B 02/26 4.625	10,233
4	5,255,000	US TREASURY N/B 03/30 4.000	5,304
5	6,350,000	US TREASURY N/B 11/48 3.375	5,023
6	4,110,000	US TREASURY N/B 06/32 4.000	4,113
7	4,110,000	US TREASURY N/B 11/43 4.750	4,106
8	3,230,000	US TREASURY N/B 11/30 4.375	3,314
9	2,110,000	US TREASURY N/B 04/27 3.750	2,110
10	2,010,000	US TREASURY N/B 09/31 3.625	1,976

Note - A complete list of portfolio holdings is available upon request.

SCHEDULE OF INVESTMENT FEES

AS OF JUNE 30, 2025 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2024 ($ IN THOUSANDS)

	June 30, 2025	June 30, 2024
Cash and Short-Term	$134	$144
Equity		
U.S. Equity: Publicly Traded	530	580
Non-U.S. Equity: Publicly Traded	2,598	2,451
Global Equity: Publicly Traded	335	306
Private Equity	36,464	28,959
Fixed Income		
Fixed Income: Publicly Traded Core, Unconstrained, and Dedicated	1,453	1,361
Private Credit	17,162	18,146
Real Assets		
Real Assets	8,953	4,638
Real Estate	5,917	5,012
Other Investment Fees	1,714	1,580
Total Investment Management Fees	$75,260	$63,177

Schedule of Commissions:

VCERA's equity exposure is provided through one separate account and six commingled trust fund pooled vehicles. Equity exposure in the separate account is provided through the use of equity index futures contracts for which futures contracts commission charges are immaterial. VCERA buys or sells units in commingled trust fund pooled vehicles for which commissions are also not paid. Therefore, a Schedule of Commissions is not presented.

INVESTMENT MANAGERS

AS OF JUNE 30, 2025

Equities - U.S.
BlackRock, Inc.
Western Asset Management Company

Equities - Non-U.S.
BlackRock, Inc.
Sprucegrove Investment Management Limited
Walter Scott & Partners, Limited

Global Equity
BlackRock, Inc.

Private Equity
Abbott Capital Management, LLC
Abry Partners, L.P.
Adams Street Partners, LLC
Advent International GPE
Astorg
Battery Ventures
BlackFin Capital Partners
Buenaventure One, LLC
Buenaventure Two, LLC
Capvest Equity Partners, LLC
Charlesbank Capital Partners LLC
Clearlake Capital Partners, L.P.
CRV, LLC
CVC Capital Partners
Drive Capital, LLC
ECI 11 GP, L.P.
Flexpoint, LLC
Genstar Capital Partners, LLC
GGV Capital, LLC
Graycliff Partners, LP
Great Hill Partners, LLC
Green Equity Investors, L.P.
GTCR LLC
HarbourVest Partners, LLC
Hellman & Freidman Capital, LLC
Insight Ventures
Kinderhook Capital
Main Capital
M/C Partners, L.P.
Oak HC/FT Associates, L.P.
Pantheon Ventures (US) L.P.
Parthenon Capital Partners
Prairie Capital, L.P.
The Resolute Fund, L.P.
Ridgemont Equity Partners IV, LP.
TA Associates, L.P.
The Riverside Fund V, LP.
Vitruvian Partners, LLP

Private Credit
Adams Street Private Credit
Arbour Lane
Arcmont
Bain Capital
Bridge Investment Group LLC
CarVal Investors, L.P.
Crayhill Capital Management, L.P.
Crescent Cove Opportunities
Cross Ocean
HarbourVest Partners, LLC
HarbouView Royalties Fund
Kennedy Lewis Capital Partners
Monroe Capital Management Advisors, LLC
Pantheon Ventures, LLP
Pacific Investment Management Company (PIMCO) LLC
Torchlight. L.P.
VWH Partners

Fixed Income
BlackRock, Inc.
Loomis, Sayles & Company, LP
Reams Asset Management Company
Western Asset Management Company

Real Assets
Alterra IOS Venture
Bridgewater Associates, LP
Brookfield Infrastructure Group
HarbourVest Partners, LLC
Pantheon Ventures, LLP
PIMCO Aviation Income Partners
Tortoise Capital Advisors, L.L.C.

Real Estate
Lasalle, LLC
Prudential Global Investment Management
Sculptor Capital Management
UBS Realty Investors

Investment Consultant
NEPC, LLC
Abbott Capital Management, LLC

Cash Overlay
Parametric Portfolio Associates, LLC

Custodian
State Street Bank and Trust

VENTURA COUNTY AIR POLLUTION CONTROL DISTRICT

The Ventura County Air Pollution Control District (APCD) is a special district, functioning separately from the County of Ventura. It is governed by the Air Pollution Control Board, which establishes policy, approves new rules, and appoints the Air Pollution Control Officer, as well as members of its committees. The district was formed by the County Board of Supervisors in 1968 after the area's first air pollution study indicated that attention to air quality was needed.

APCD completes a range of operations, including air monitoring, planning, permitting, and inspections. It employs engineers, inspectors, planners, technicians, and support staff. Its mission is to protect public health and agriculture from the adverse effects of air pollution by identifying air pollution problems and developing a comprehensive program to achieve and maintain state and federal air quality standards.

Photos courtesy of Ventura County Air Pollution Control District

ACTUARIAL INFORMATION OVERVIEW

INTRODUCTION

The actuarial process at VCERA is governed by provisions in CERL GC Section 31450 et seq. Section 31453 requires VCERA to obtain an actuarial valuation of the pension plan at least once every three years. It further requires the VCERA Board of Retirement (Board) to transmit its recommendations related to contribution rates to the Ventura County Board of Supervisors. The Board of Supervisors adopts and adjusts contribution rates in accordance with VCERA's recommendations.

FUNDING POLICY

In January 2022, the Board adopted a revised Actuarial Funding Policy (Funding Policy). The policy requires adjustment of the employer contribution rates based on the annual valuation performed by VCERA's actuary. The funding Policy conforms to the standards mandated in PEPRA. At its January 2024 meeting, the Board adopted Segal Consulting's June 30, 2023 actuarial report, which established the funding requirements for July 1, 2024 to June 30, 2025. Segal Consulting, the Plan's consulting actuary, performed the most recent actuarial valuation as of June 30, 2025, and recommended changes to the employer and member contribution rates.

CHANGES IN PENSION PLAN ASSUMPTIONS

In addition to the annual valuations, VCERA requires its actuary to review the reasonableness of the Plan's economic and demographic actuarial assumptions every three years. This review, commonly referred to as the investigation of experience or the experience study, is accomplished by comparing actual experience during the preceding three years to what was expected to happen according to the actuarial assumptions. Based on this review, the actuary recommends changes in the assumptions or methodology that will better project benefit liabilities and asset growth. Based on the actuary's recommendations, the Board adopts methods and assumptions to be used in future valuations. At its June 2024 meeting, the Board adopted Segal Consulting's recommendations based on the 2023 Investigation of Experience for Retirement Benefit Assumptions. The Board also adopted a decrease in the discount rate from 7.00% to 6.75%.

MEMBER CONTRIBUTIONS

As part of the experience study, the actuary recommends adjustments to member contribution rates, if necessary, due to changes in the underlying assumptions and methodologies used in calculating member rates for age-based contributory benefit tiers. Therefore, it is expected that the age-based member rates will change no more frequently than every three years, when the actuary reviews the assumptions and methodologies.

For new members under PEPRA, and for other members whose labor contracts provide for single-rate member contribution rates based on 50-50 cost sharing (i.e., County, APCD, VRSD, Ventura County Superior Court and VCERA), the actuary is asked to recommend rates that are one-half the normal cost rate. If there are changes to these total normal cost rates, the actuary recommends new member contribution rates.

EMPLOYER CONTRIBUTIONS

The members and employers are responsible for contributing to the cost of benefits to be earned each year. These contributions are known as normal cost contributions. The portion not funded by expected member contributions is the responsibility of the employers and is referred to as the employer normal cost. Employer contributions are reviewed, and changes are recommended each year by the consulting actuary.

The actuary recommended new employer normal cost contribution rates for all employers based on the June 30, 2025 valuation; VCERA anticipates that the County will implement these rates between July 1 and September 18, 2026.

ACTUARIAL INFORMATION OVERVIEW

(Continued)

The latest actuarial valuation as of June 30, 2025, decreased the employer normal cost rate from 11.22% to 11.17%. The change in the normal cost contribution rates from year to year is generally due to multiple factors. The employers' required contribution rate to finance the UAAL over a layered 15- to 20-year period decreased from 5.34% to 3.37%. The glide-path strategy results in a 1.79% increase to the UAAL contribution rate. Member contribution rates increased for Non-PEPRA General Tier 1, PEPRA Safety contributing members and for all other members, effective with the 2024 actuarial valuation, due to new assumptions adopted with the 2023 Investigation of Experience.

ACTUARIAL COST METHOD

The entry age normal actuarial cost method is used for both funding requirements and financial reporting purposes. The entry age normal method allocates costs to each future year as a level percentage of payroll, which is ideal for employers to budget for future costs.

AUDITS

VCERA periodically conducts actuarial audits of retirement benefit valuations and experience studies. The most recent actuarial audit was performed by Cheiron on Segal Consulting's June 30, 2023 actuarial valuation and the accompanying experience study covering the period from July 1, 2020, to June 30, 2023.

Regarding the audit of the valuation, Cheiron concluded: "Based on their close match of the Segal liabilities as part of our parallel valuation, we conclude that Segal has appropriately reflected material plan provisions in the actuarial valuation."

Regarding the audit of the experience study, Cheiron concluded: "Overall, we found the recommendations made by Segal to be reasonable, and mostly agree with the rationales and processes that led to their recommendations."

The results of this audit were presented to the VCERA Board of Retirement at the October 28, 2024, meeting.

OTHER ACTUARIAL INFORMATION

Actuarially Determined Contributions: The Schedule of Employer Contributions included in the Required Supplementary Information Section provides 10 years of actuarially determined contributions in relation to the actual contributions provided to the Plan.

Actuarial Methods and Assumptions: A description of the actuarial methods and assumptions for the Plan valuation used by VCERA's actuary are included in this Actuarial Section. In addition, the Financial Section provides a summary of the actuarial methods and significant assumptions used to prepare the valuation report, which determines the Plan's funding requirements. The Financial Section also discusses the actuarial methods and significant assumptions used for financial reporting and required GASB Statement No. 67 disclosures.

The following additional information is included in this section:

- Actuary's Certification Letter
- Summary of Actuarial Assumptions and Methods
- Active Member Valuation Data
- Schedule of Retirees and Beneficiaries Added to and Removed from Payroll
- Actuarial Analysis of Financial Experience
- Schedule of Funded Liabilities by Type
- Schedule of Funding Progress
- Summary of Plan Benefits
- Probability of Separation from Active Service

A Summary of Major Plan Provisions for the Pension Plan is available upon request from VCERA.

Segal

180 Howard Street
Suite 1100
San Francisco, CA 94105-6147
T 415.263.8200
F 415.376.1167
segalco.com

November 19, 2025

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003-6572

Re: Ventura County Employees' Retirement Association
Actuarial Valuation and Review as of June 30, 2025 for Funding Purposes

Dear Members of the Board:

Segal prepared the Ventura County Employees' Retirement Association ("VCERA" or "the Association" or "the Plan") Actuarial Valuation and Review as of June 30, 2025. We certify that the VCERA valuation was performed in accordance with generally accepted actuarial principles and practices and VCERA's Actuarial Funding Policy that was adopted by the Board on May 21, 2012 and updated on January 24, 2022. The policy was further amended on September 8, 2025 to include a stabilization of employer contribution rates and surplus management policy component through a glide path strategy. In particular, it is our opinion that the assumptions and methods used for funding purposes meet the parameters set by the Actuarial Standards of Practice (ASOPs).

As part of the Actuarial Valuation and Review as of June 30, 2025, Segal received participant data from the Association's staff. This information has not been audited by us, but it has been reviewed and found to be reasonable, both internally and with prior year's information. We did not audit the Association's financial statements. 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 fair value by recognizing the differences between the total return at fair value and the expected investment return over ten semi-annual accounting periods.

One of the general goals of an actuarial valuation is to establish contribution rates which are expected to fully fund the Association's liabilities and which, as a percentage of payroll, remain as level as possible for each generation of active members. Actuarial funding is based on the entry age cost method. The employer contribution rate provides for both current cost (normal cost) and a level percentage of payroll to amortize any unfunded actuarial accrued liability (UAAL).

Any changes in the UAAL that arise due to actuarial gains or losses or plan amendments, with the exception noted below, are amortized over separate 15-year declining (or closed) amortization periods. Any changes in the UAAL that arise due to assumption or method

Board of Retirement
Ventura County Employees' Retirement Association
November 19, 2025
Page 2

changes are amortized over separate 15-year declining amortization periods.[1] In addition, any changes in the UAAL that arise due to retirement incentives are amortized over separate declining periods of up to 5 years. The progress being made towards meeting the funding objective through June 30, 2025 is illustrated in the Schedule of Funding Progress.[2]

Certain information found in the Notes to Basic Financial Statements and the Required Supplementary Information (RSI) included in the Financial Section was prepared by the Association based on the results of the Governmental Accounting Standards Board Statement No. 67 (GASB 67) Actuarial Valuation as of June 30, 2025 prepared by Segal. For the Financial Section of the Annual Comprehensive Financial Report, Segal provided the Schedule of Changes in Net Pension Liability and Schedule of Employer Contributions as shown in the RSI. A listing of the other schedules prepared by the Association based on the results of the actuarial valuation as of June 30, 2025 for funding purposes is listed below.

1. Summary of Actuarial Assumptions and Methods as of June 30, 2025
2. Active Member Valuation Data
3. Schedule of Retirees and Beneficiaries Added to and Removed from the Rolls
4. Actuarial Analysis of Financial Experience
5. Schedule of Funded Liabilities by Type
6. Schedule of Funding Progress
7. Probability of Occurrence

The valuation assumptions included in the Actuarial Section were adopted by the Board based on our recommendations following the July 1, 2020 through June 30, 2023 Actuarial Experience Study report dated June 5, 2024. It is our opinion that the assumptions used in the June 30, 2025 valuation produce results which, in the aggregate, anticipate the expected future experience of the Plan. Actuarial valuations are performed on an annual basis. An experience analysis is performed every three years and the next experience analysis is due to be performed after the completion of the June 30, 2026 valuation, and assumptions approved in that analysis will be applied in the June 30, 2027 valuation.

In the June 30, 2025 valuation, the ratio of the valuation value of assets to actuarial accrued liabilities increased from 97.0% to 99.2%. The average employer contribution rate decreased from 16.56% of payroll to 16.33% of payroll,[3] and the average member contribution rate decreased from 11.61% of payroll to 11.57% of payroll.

[1] Prior to June 30, 2025, changes in UAAL due to changes in actuarial assumptions or methods were previously amortized over separate 20-year periods.

[2] Effective with the June 30, 2020 valuation, the Board approved an adjustment to the remaining amortization periods for certain amortization layers in order to minimize the contribution rate tail volatility associated with the UAAL layers that were to be fully amortized between the 2021 and 2023 valuations (these UAAL layers were first established in 2006, 2007 and 2008) and in the 2029 and 2030 valuations (these UAAL layers were first established in 2014 and 2015). This was done by setting the remaining amortization periods for the 2006, 2007, and 2008 UAAL amortization layers to 4 years and the 2014 and 2015 UAAL actuarial gain/loss amortization layers to 12 years, effective with the June 30, 2020 valuation.

[3] Prior to the application of the glide path strategy to stabilize employer contribution rates, the average UAAL contribution rate decreased from 5.34% to 3.37% of payroll. After the application of the glide path strategy, the average UAAL contribution rate decreased from 5.34% to 5.16% of payroll.

Under the asset smoothing method, the total unrecognized net investment gain is $424 million as of June 30, 2025. This investment gain will be recognized in the determination of the actuarial value of assets for funding purposes in the next few years. The net deferred gain of $424 million represents about 4.6% of the fair value of assets as of June 30, 2025. Unless offset by future investment losses or other unfavorable experience, the recognition of the $424 million net gain is expected to have an impact on the Association's future funded percentage and contribution rate requirements. This potential impact may be illustrated as follows:

1. If the net deferred gain was recognized immediately in the valuation value of assets, the funded percentage would increase from 99.2% to 104.1%.
2. If the net deferred gain was recognized immediately in the valuation value of assets, the average employer contribution rate would decrease from 16.33% to 15.54% of payroll, after the application of the glide path strategy to stabilize employer contributions. Without the glide path strategy, the net deferred gain would decrease the average employer contribution rate from 16.33% to 11.17% of payroll (i.e., normal cost) due to the full elimination of the UAAL contribution rate.

The actuarial calculations were completed under the supervision of Molly Calcagno, ASA, MAAA, Enrolled Actuary. The undersigned are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Sincerely,

Todd Tauzer

Todd Tauzer, FSA, MAAA, FCA, CERA
Senior Vice President and Actuary

Molly Calcagno

Molly Calcagno, ASA, MAAA, EA
Senior Actuary

JY/elf/jl

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS

As of June 30, 2025

Actuarial Assumptions and Methods
Recommended by the Actuary and adopted by the Board.

Actuarial Cost Method
Entry age normal.

Actuarial Asset Valuation Method
Five-year smoothing of fair value.

Amortization of Gains and Losses
Experience gains and losses are amortized over 15 years. Effective June 30, 2012, any changes in UAAL due to actuarial gains or losses or due to plan amendments (with the exception of a change due to retirement incentives) will be amortized over a 15-year closed period effective with that valuation (up to a 5-year closed period for retirement incentives). Any change in UAAL due to changes in actuarial assumptions or methods will be amortized over a 20-year closed period effective with that valuation.

In April 2020, the Board directed the Actuary to adjust the remaining amortization periods for certain amortization layers in order to minimize the contribution rate tail volatility associated with the UAAL layers that were first established in 2006, 2007, 2008, and in 2014 and 2015. Effective with the 2020 actuarial valuation the remaining amortization periods for the 2006, 2007, and 2008 UAAL amortization layers were set to 4 years and those for the 2014 and 2015 UAAL actuarial gains/loss amortization layers were set to 12 years.

Investment Rate of Return
6.75% per annum; 4.25% real rate of return and 2.50% inflation.

Projected Salary Increases
1.00% – 9.00% varying by service. Includes inflation at 2.50%, “across the board” increases of 0.50%, plus merit and longevity increases.

Terminations of Employment Rates
0.50% to 14.00%

Cost-of-Living Adjustments
0-3% COLA for General Tier 1 and Safety members tied to the change in Consumer Price Index. A Flat 2% COLA for eligible General Tier 2 (Legacy) and General Tier 8 (PEPRA) members represented by SEIU, as well as for members represented by CNA.

Expectation of Life After Retirement
General Members: Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021. Safety Members: Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females with rates decreased by 5% for males), projected generationally with the two-dimensional mortality improvement scale MP-2021.

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS

(Continued)

Expectation of Life After Disability

General Members: Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.
Safety Members: : Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females with rates decreased by 5% for males), projected generationally with the two-dimensional mortality improvement scale MP-2021.

Expectation of Life All Beneficiaries

Pub-2010 General Contingent Survivor Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Date of Adoption

June 5, 2024

ACTIVE MEMBER VALUATION DATA

Valuation Date	Plan Type	Member Count	Annual Salary	Average Annual Salary	Percent Increase/ (Decrease) In Average Salary	Average Age	Average Service
June 30, 2025	General	8,331	$802,715,086	$96,353	3.69%	44.6	9.5
	Safety	1,625	224,634,857	138,237	6.64%	40.2	12.8
	Total	9,956	$1,027,349,943	$103,189	4.42%	43.8	10.0
June 30, 2024	General	8,104	$753,070,360	$92,926	-0.94%	44.8	9.6
	Safety	1,552	201,180,057	129,626	-2.44%	40.5	13.3
	Total	9,656	$954,250,417	$98,825	-1.45%	44.0	10.2
June 30, 2023	General	7,828	$734,293,867	$93,804	5.04%	45.0	9.9
	Safety	1,556	206,748,242	132,872	1.52%	40.6	13.5
	Total	9,384	$941,042,109	$100,282	4.26%	44.2	10.5
June 30, 2022	General	7,576	$676,584,766	$89,306	-0.52%	45.1	10.1
	Safety	1,501	196,457,846	130,885	3.79%	41.1	14.2
	Total	9,077	$873,042,612	$96,182	-0.12%	44.3	10.6
June 30, 2021	General	6,967	$625,451,916	$89,773	3.55%	45.8	11.0
	Safety	1,524	192,184,175	126,105	3.85%	41.3	14.3
	Total	8,491	$817,636,091	$96,294	3.61%	44.9	11.5
June 30, 2020	General	7,090	$614,684,741	$86,697	3.42%	45.8	10.8
	Safety	1,554	188,696,801	121,427	0.86%	41.1	14.2
	Total	8,644	$803,381,542	$92,941	2.90%	44.9	11.4
June 30, 2019	General	7,153	$599,646,399	$83,831	2.23%	45.7	10.7
	Safety	1,543	185,755,638	120,386	2.14%	41.1	14.2
	Total	8,696	$785,402,037	$90,318	2.22%	44.9	11.3
June 30, 2018	General	7,086	$581,080,493	$82,004	2.74%	45.8	10.7
	Safety	1,525	179,734,722	117,859	1.00%	41.1	14.2
	Total	8,611	$760,815,215	$88,354	2.43%	44.9	11.3
June 30, 2017	General	7,128	$568,947,112	$79,819	4.05%	45.7	10.5
	Safety	1,508	175,970,274	116,691	3.86%	41.3	14.6
	Total	8,636	$744,917,386	$86,257	3.96%	45.0	11.2
June 30, 2016	General	7,015	$538,141,938	$76,713	2.25%	45.7	10.5
	Safety	1,494	167,857,742	112,355	0.41%	41.5	14.8
	Total	8,509	$705,999,680	$82,971	1.45%	45.0	11.2

SCHEDULE OF RETIREES AND BENEFICIARIES ADDED TO AND REMOVED FROM PAYROLL

Fiscal Year Ended June 30	Retirees and Beneficiaries				Added to Payroll (in 000s)	Removed from Payroll (in 000s)	Total Retiree Payroll (in 000s)	Percent Increase in Payroll	Average Annual Allowance
	At Beginning of Year	Added	Removed	At End of Year					
2025	8,511	415	(241)	8,685	$32,088	($9,689)	$372,643	-5.19%	$42,907
2024	8,257	470	(216)	8,511	$31,696	($11,171)	$393,024	5.47%	$46,178
2023	8,007	463	(213)	8,257	$32,088	($9,689)	$372,643	6.40%	$45,131
2022	7,751	470	(214)	8,007	$31,210	($8,686)	$350,244	6.87%	$43,742
2021	7,521	471	(241)	7,751	$26,648	($9,061)	$327,720	5.67%	$42,281
2020	7,280	446	(205)	7,521	$26,148	($8,790)	$310,133	5.93%	$41,236
2019	7,038	442	(200)	7,280	$28,243	($7,756)	$292,775	7.52%	$40,216
2018	6,766	467	(195)	7,038	$22,900	($6,193)	$272,288	6.54%	$38,688
2017	6,539	372	(145)	6,766	$20,489	($6,327)	$255,581	5.87%	$37,774
2016	6,338	396	(195)	6,539	$18,570	($5,574)	$241,419	5.69%	$36,920

ACTUARIAL ANALYSIS OF FINANCIAL EXPERIENCE

($ IN THOUSANDS)

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Prior Valuation Unfunded (Excess Funded) Accrued Liability	$255,508	$230,096	$211,721	$506,731	$703,736	$774,862	$746,981	$744,326	$813,043	$875,827
Salary Increases Greater (Less) Than Expected	63,484	(29,558)	(23,096)	(304)	27,129	6,418	(2,944)	(4,839)	35,441	(19,801)
Asset Return (Greater) Less Than Expected	(183,336)	(122,182)	35,836	(263,070)	(243,314)	8,603	88,043	(55,696)	(24,707)	42,251
Other Experience Factors	(69,390)	177,152	5,635	(31,636)	(95,623)	(86,147)	(57,218)	(85,320)	(79,451)	(85,234)
Change In Actuarial Assumptions	-	-	-	-	114,803	-	-	148,510	-	-
Ending Valuation Unfunded (Excess Funded) Accrued Liability	$66,266	$255,508	$230,096	$211,721	$506,731	$703,736	$774,862	$746,981	$744,326	$813,043

SCHEDULE OF FUNDED LIABILITIES BY TYPE

($ IN THOUSANDS)

Aggregate Actuarial Accrued Liabilities for:

Valuation Date	Active Member Contrib.	Retired Member Contrib.	Active Members (Employer Financed Portion)	Total Liabilities	Actuarial Value of Assets	Active Member Contrib.	Retired Member Contrib.	Active Member Employer Financed
June 30, 2025	$1,091,678	$3,991,084	$3,719,134	$8,801,896	$8,735,630	100%	100%	98.22%
June 30, 2024	1,012,828	3,861,562	3,529,597	8,403,987	8,148,538	100%	100%	92.76%
June 30, 2023	947,972	3,685,528	3,237,301	7,870,801	7,640,765	100%	100%	92.89%
June 30, 2022	888,174	3,510,987	3,092,166	7,491,327	7,279,606	100%	100%	93.15%
June 30, 2021	859,467	3,280,460	3,014,958	7,154,885	6,648,154	100%	100%	83.19%
June 30, 2020	825,923	3,123,805	2,798,044	6,747,772	6,044,036	100%	100%	74.85%
June 30, 2019	793,803	2,963,427	2,682,158	6,439,388	5,664,526	100%	100%	71.11%
June 30, 2018	758,314	2,768,422	2,603,022	6,129,758	5,382,777	100%	100%	71.30%
June 30, 2017	725,090	2,561,943	2,416,363	5,703,396	4,959,070	100%	100%	69.20%
June 30, 2016	683,571	2,417,426	2,297,759	5,398,756	4,585,713	100%	100%	64.62%

SCHEDULE OF FUNDING PROGRESS

($ IN THOUSANDS)

Actuarial Valuation Date	Valuation Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll [1] (c)	UAAL as an Unfunded (Overfunded) Percentage of Covered Payroll [(b-a)/c)]
June 30, 2025	$8,735,630	$8,801,896	$66,266	99.25%	$1,027,350	6.45%
June 30, 2024	$8,148,479	$8,403,987	$255,508	96.96%	$954,250	26.78%
June 30, 2023	7,640,705	7,870,801	230,096	97.08%	941,042	24.45%
June 30, 2022	7,279,606	7,491,327	211,721	97.17%	873,043	24.25%
June 30, 2021	6,648,154	7,154,885	506,731	92.92%	817,636	61.98%
June 30, 2020	6,044,036	6,747,772	703,736	89.57%	803,382	87.60%
June 30, 2019	5,664,526	6,439,388	774,862	87.97%	785,402	98.66%
June 30, 2018	5,382,777	6,129,758	746,981	87.81%	760,815	98.18%
June 30, 2017	4,959,070	5,703,396	744,326	86.95%	744,917	99.92%
June 30, 2016	4,585,713	5,398,756	813,043	84.94%	706,000	115.16%

[1] Based on the expected covered payroll

See also Schedule of Employer Contributions on page 51.

SUMMARY OF PLAN BENEFITS

AS OF JUNE 30, 2025

Summarized below are some of the more significant provisions of CERL that are presently applicable to VCERA.

Membership

All permanent employees of the County of Ventura or contracting district scheduled to work 64 or more hours per biweekly pay period become members of VCERA upon appointment. There are separate benefit tiers for safety and general member employees. Safety membership is extended to those involved in active law enforcement, fire suppression, and probation. Any new safety member hired on or after January 1, 2013, is designated as a PEPRA member and is subject to the provisions of the PEPRA found in GC 7522 et seq. and Assembly Bill (AB) 197 of 2012. All other employees are classified as general members. Those hired prior to June 30, 1979, and certain management personnel who entered service prior to October 16, 2001, are included in General Tier 1. Employees hired after that date are included in General Tier 2. Any new general member hired on or after January 1, 2013, is designated as a PEPRA member and is subject to the provisions of GC 7522 et seq. and AB 197 of 2012.

Vesting

A member is vested upon accruing five years of retirement service credit under VCERA or via combined service under VCERA and a reciprocal retirement system.

Employer Contributions

The County and contracting districts contribute to the Plan based upon actuarially determined contribution rates adopted by the Board. Employer contribution rates are adopted annually based upon recommendations received from VCERA's actuary after the completion of the annual actuarial valuation.

Member Contributions

All members are required to make contributions to VCERA, regardless of the benefit tier in which they are included. The contribution rate applicable to the member is applied to total pensionable earnings, which includes base pay and additional pay items allowable by law. The employer, as a result of provisions contained in individual collective bargaining agreements, may pay a portion of the member's contribution.

Contributions are deducted from the member's biweekly payroll check and credited to the member's account. Interest is credited to the member's account semiannually on June 30 and December 31 based upon the total contributions on deposit. Upon separation from service, a member may elect a refund of all accumulated contributions and interest credited.

SUMMARY OF PLAN BENEFITS

(Continued)

Service Retirement Benefit

General members hired prior to January 1, 2013, are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A general member with 30 years of service is eligible to retire regardless of age. General members first hired on or after January 1, 2013 PEPRA are eligible to retire once they have attained the age of 52 and have acquired five years of retirement service credit.

Safety members hired prior to January 1, 2013, are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A safety member with 20 years of service is eligible to retire regardless of age. Safety members first hired on or after January 1, 2013 PEPRA are eligible to retire once they have attained the age of 50 and have acquired five years of retirement service credit.

The retirement benefit a member will receive is based upon age at retirement, final average compensation, years of retirement service credit and benefit tier. Safety member benefits are calculated pursuant to the provisions of GC Section 31664 for those members hired prior to January 1, 2013. The monthly allowance is equal to 1/50th of final compensation multiplied by years of accrued retirement service credit multiplied by the age factor from GC Section 31664. For those safety members first hired on or after January 1, 2013, benefits are calculated pursuant to the provision of GC Section 7522.25(d). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement service credit multiplied by the age factor from GC Section 7522.25(d).

General member benefits are calculated pursuant to the provisions of GC Sections 31676.11 and 31676.1 for members hired prior to January 1, 2013. The monthly allowance is equal to 1/90th of the first $350 of final compensation, plus 1/60th of the excess final compensation, multiplied by years of accrued retirement service credit multiplied by the age factor from either GC Section 31676.11 (Tier 1) or 31676.1 (Tier 2). General member benefits for those first hired on or after January 1, 2013, are calculated pursuant to the provision of GC Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement service credit multiplied by the age factor from GC Section 7522.20(a).

The maximum monthly retirement allowance is 100% of final compensation.

Final average compensation consists of the highest 12 consecutive months for a Safety or General Tier 1 member and the highest 36 consecutive months for a General Tier 2 or PEPRA member (General and Safety).

At retirement, a member may elect an unmodified retirement allowance or an optional modified retirement allowance. The Unmodified Option provides the highest monthly benefit to the retiree and a 60% continuance to an eligible surviving spouse, registered domestic partner, or minor child(ren). An eligible surviving spouse or registered domestic partner is one married or registered to the member for at least one year prior to the retirement date. There are four modified options the member may choose. Each modified option requires a reduction in the unmodified retirement allowance to allow the member the ability to provide certain benefits to a surviving spouse, registered domestic partner, minor child(ren), or named beneficiary who has an insurable interest in the life of the member.

Cost-Of-Living Adjustment

VCERA provides an annual cost-of-living adjustment (COLA) to Safety and General Tier I retirees. The COLA is based on the Consumer Price Index for the Los Angeles-Long Beach-Anaheim area (with 1982-84 as the base period) and is capped at 3.0%. General member retirees who were represented by SEIU and accrued service after March 15, 2003 receive a fixed 2% COLA pursuant to bargaining agreements; CNA members receive a similar COLA, after June 25, 2023.

SUMMARY OF PLAN BENEFITS

(Continued)

Disability Retirement Benefits

VCERA provides disability retirement benefits for a service-connected or nonservice-connected injury or disease. To qualify for a disability retirement, the member must be permanently incapacitated from the performance of duty. A member may be retired with a service-connected disability regardless of years of retirement service credit. The monthly allowance for a service-connected disability retirement is equal to 50% of final average compensation, but not less than the member would have received for a regular service retirement, if eligible. Upon the death of a member receiving a service-connected disability allowance, the surviving spouse married to the member at the time of retirement, or eligible minor child(ren), shall receive a 100% continuance of the benefit.

A member must have a minimum of five years of retirement service credit to qualify for a nonservice-connected disability retirement. The General member benefit payable for a nonservice-connected disability is equal to 90% of one-sixth of final compensation for each year of service not to exceed one-third of final compensation. For Safety members, the nonservice-connected disability retirement benefit payable is 90% of one-fifth of final compensation, not to exceed one-third of final compensation.

Active Member Death Benefits

If the member has less than five years of retirement service credit, the death benefit consists of the member’s accumulated retirement contributions, plus one month’s salary for each completed year of service up to six months' salary (Basic Death Benefit).

If the member has completed five years of service and has an eligible surviving spouse or minor child(ren), the beneficiary may elect (a) a refund of the member’s accumulated contributions, plus one month’s salary for each year of completed service up to a maximum of six months' salary, or (b) a monthly retirement allowance equal to 60% of the deceased member’s earned benefit if he/she had retired with a nonservice-connected disability at the time of death, or (c) a combined benefit consisting of the Basic Death Benefit plus a monthly allowance reduced by the actuarial equivalent of the Basic Death Benefit. If there is no eligible surviving spouse or minor child(ren), the benefit paid to the named beneficiary will be that described in (a) above.

If a member dies in service as the result of a job-related injury or illness, an eligible surviving spouse or minor child(ren) may be eligible for a monthly benefit equal to 100% of the deceased member’s earned benefit at the time of death.

Retired Member Death Benefits

If the member retired for service or with a nonservice-connected disability, the benefit payable to an eligible surviving spouse would be an amount equal to 60% or 100% (dependent upon the option the member selected at retirement) of the member’s unmodified retirement allowance. If the member retired with a service-connected disability retirement, the surviving spouse would receive a 100% continuance of the unmodified retirement allowance. If there is no eligible surviving spouse or registered domestic partner, benefits may be payable to a minor child(ren).

In addition, a lump-sum death benefit of $5,000 is also payable to the named beneficiary or the estate of a deceased retired member.

PROBABILITY OF SEPARATION FROM ACTIVE SERVICE

(IN PERCENTAGES)

Age Nearest	Rates of Mortality	Rates of Disability	Rates of Retirement Non PEPRA		Rates of Retirement PEPRA
General Members - Male			Less Than 30 Years of Service	30 or More Years of Service	
20	0.04	0.01	0.00	0.00	0.00
25	0.04	0.01	0.00	0.00	0.00
30	0.03	0.02	0.00	0.00	0.00
35	0.04	0.04	0.00	0.00	0.00
40	0.06	0.08	0.00	0.00	0.00
45	0.09	0.12	0.00	0.00	0.00
50	0.13	0.16	2.00	2.00	0.00
55	0.19	0.22	4.50	6.00	3.00
60	0.28	0.31	10.00	14.00	8.00
65	0.41	0.38	30.00	40.00	20.00
70	0.61	0.40	30.00	30.00	30.00
General Members - Female					
20	0.01	0.01	0.00	0.00	0.00
25	0.01	0.01	0.00	0.00	0.00
30	0.01	0.02	0.00	0.00	0.00
35	0.02	0.04	0.00	0.00	0.00
40	0.03	0.08	0.00	0.00	0.00
45	0.05	0.12	0.00	0.00	0.00
50	0.08	0.16	2.00	2.00	0.00
55	0.11	0.22	4.50	6.00	3.00
60	0.17	0.31	10.00	14.00	8.00
65	0.27	0.38	30.00	40.00	20.00
70	0.44	0.40	30.00	30.00	30.00

General Members Years of Service	Withdrawal [1]
Less than 1	14.00
5	6.00
10	4.00
15	3.25
20 & Over	1.75

[1] No withdrawal is assumed after a member is first assumed to retire.

PROBABILITY OF SEPARATION FROM ACTIVE SERVICE

(Continued)

Age Nearest	Rates of Mortality	Rates of Disability	Rates of Retirement Non PEPRA		Rates of Retirement PEPRA
Safety Members - Male			Less Than 30 Years of Service	30 or More Years of Service	
20	0.04	0.03	0.00	0.00	0.00
25	0.03	0.06	0.00	0.00	0.00
30	0.04	0.24	0.00	0.00	0.00
35	0.04	0.38	0.00	0.00	0.00
40	0.05	0.52	0.00	0.00	0.00
45	0.07	0.84	1.50	1.50	0.00
50	0.10	1.12	2.25	2.25	4.00
55	0.15	2.64	20.00	40.00	20.00
60	0.23	6.24	35.00	35.00	30.00
65	0.35	0.00	100.00	100.00	100.00
70	0.66	0.00	100.00	100.00	100.00
Safety Members - Female					
20	0.02	0.03	0.00	0.00	0.00
25	0.02	0.06	0.00	0.00	0.00
30	0.02	0.24	0.00	0.00	0.00
35	0.03	0.38	0.00	0.00	0.00
40	0.04	0.52	0.00	0.00	0.00
45	0.06	0.84	1.50	1.50	0.00
50	0.08	1.12	2.25	2.25	4.00
55	0.11	2.64	20.00	40.00	20.00
60	0.14	6.24	35.00	35.00	30.00
65	0.20	0.00	100.00	100.00	100.00
70	0.39	0.00	100.00	100.00	100.00

Safety Members Years of Service	Withdrawal [1]
Less than 1	11.00
5	4.25
10	1.80
15	1.00
20 & Over	0.50

[1] No withdrawal is assumed after a member is first assumed to retire.

VENTURA REGIONAL SANITATION DISTRICT

The Ventura Regional Sanitation District (VRSD) is a non-tax supported public agency. It was organized in 1970 pursuant to the County Sanitation District Act of the California Health and Safety Code Section 4700, and is overseen by a nine-member Board of Directors. Its staff are licensed and certified by the California Department of Public Health, the State Water Resources Control Board, the American Water Works Association, and the California Water Environment Association.

VRSD provides solid waste disposal operations, managing the state-of-the-art Toland Road Landfill in Santa Paula. It also provides a range of water and wastewater services, including the operation and maintenance of treatment systems. The district meets the daily sanitation needs of more than 600,000 Ventura County residents.

Photos courtesy of Ventura Regional Sanitation District

STATISTICAL INFORMATION OVERVIEW

The objective of the Statistical Information Overview Section is to provide historical perspective, context, and detail to assist in utilizing the Basic Financial Statements, Notes to the Basic Financial Statements, and Supplementary Information to understand and assess the status of the Pension Plan administered by VCERA as of the fiscal year end. This section also includes multi-year trends of financial and operating information to facilitate comprehensive understanding of how VCERA's financial position and performance has changed over time. More specifically, the financial and operating information provides contextual data of VCERA's changes in fiduciary net position, benefits, refunds, contribution rates and retirement benefits. The financial and operating trend information is located on the following pages.

The Statistical Information provided here is divided into two main categories: Financial Trends Information and Operating Information.

Financial Trends Information is intended to assist readers in understanding how VCERA's financial position has changed over time:

- *Changes in Pension Plan Fiduciary Net Position* presents additions by source, deductions by type, and the total change in fiduciary net position for each year.
- *Pension Benefit Expenses by Type* presents benefit and member refunds and lump-sum death benefits deductions by type of benefit (e.g. Service and Disability Retirement from General and Safety Plans).

Operating Information provides contextual information about VCERA's operations and membership to assist readers in using financial statement information to comprehend and evaluate VCERA's fiscal condition:

- *Active and Deferred Members* provides membership statistics for active vested and non-vested members as well as deferred members.
- *Retired Members by Type of Pension Benefit* presents benefit information for the current year by benefit type and dollar levels.
- *Schedule of Average Monthly Benefit Payments* reflects the number of newly retired members, average monthly benefit and average final salary, shown in five-year increments.
- *Participating Employers and Active Members* presents the employers and their corresponding covered employees.
- *Employer Contribution Rates* is also provided as additional information.

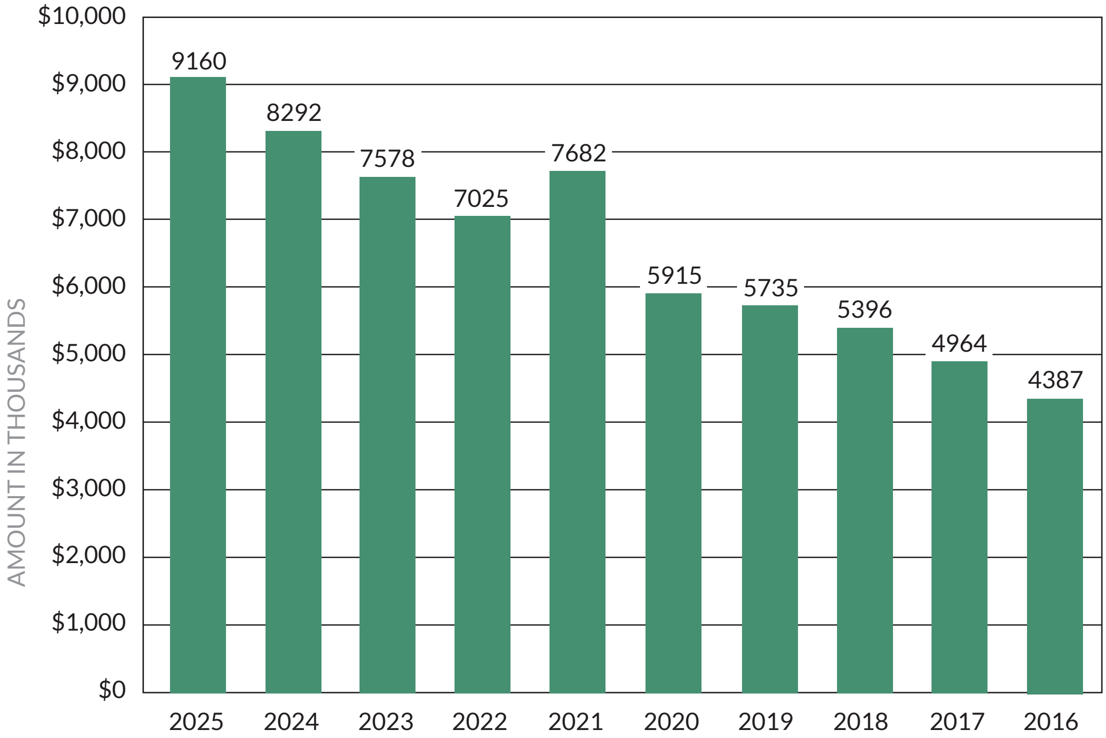
CHANGES IN PENSION PLAN FIDUCIARY NET POSITION

LAST TEN FISCAL YEARS ($ IN THOUSANDS)

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
ADDITIONS										
Employer Contributions	$176,975	$158,646	$178,532	$178,688	$178,628	$214,588	$199,891	$197,683	$190,759	$177,710
Member Contributions	103,886	98,046	93,974	84,699	79,654	79,243	75,199	74,044	72,395	69,470
Net Investment Income	1,020,996	868,997	670,999	(553,406)	1,849,958	209,235	368,665	445,902	580,526	25,739
Total Additions	1,301,857	1,125,689	943,505	(290,019)	2,108,240	503,066	643,755	717,629	843,680	272,919
DEDUCTIONS										
Benefits	413,608	393,024	372,643	350,244	327,720	310,133	292,775	272,288	255,581	241,419
Administrative	8,498	7,927	6,838	6,169	5,523	5,367	5,342	4,881	5,524	4,474
Member Refunds & Death Payments	8,688	7,880	8,694	6,854	5,246	5,491	4,344	5,430	5,164	4,984
Other Expenses	3,097	2,979	2,424	2,935	3,050	2,583	2,397	2,815	-	-
Total Deductions	433,891	411,810	390,599	366,202	341,539	323,574	304,858	285,414	266,269	250,877
Change In Pension Plan Fiduciary Net Position	$867,966	$713,879	$552,906	$(656,221)	$1,766,701	$179,492	$338,897	$432,215	$577,411	$22,042

TOTAL PLAN NET POSITION

AS OF JUNE 30, 2025 ($ IN THOUSANDS)



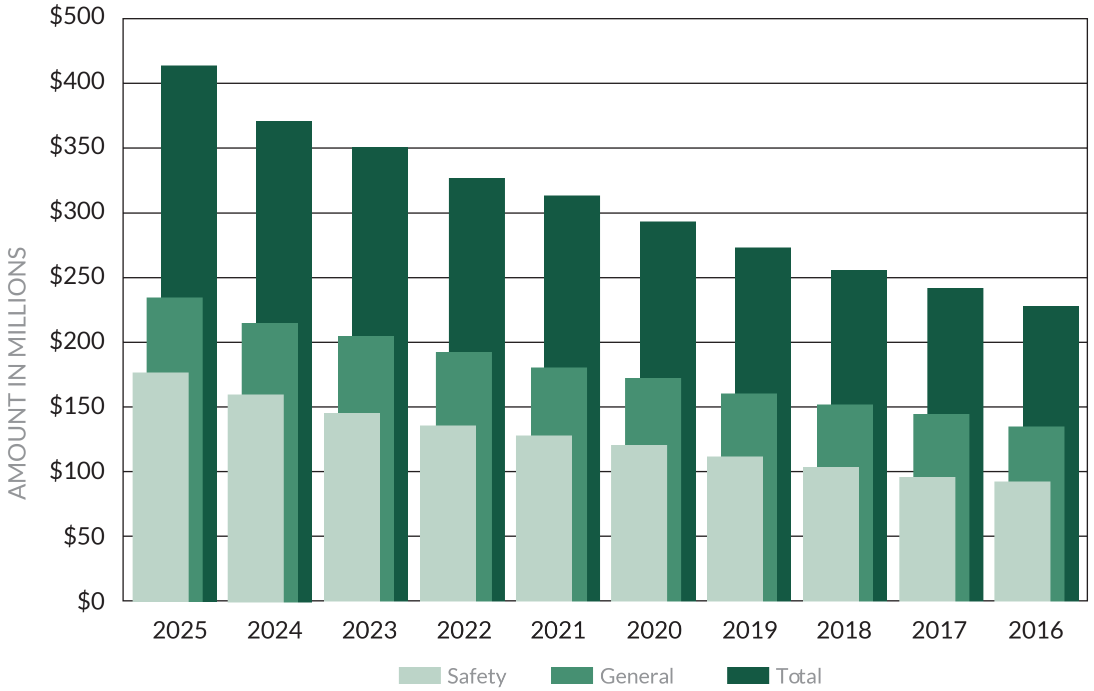
SCHEDULE OF PENSION BENEFIT EXPENSES BY TYPE

LAST TEN FISCAL YEARS ($ IN THOUSANDS)

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Service Retirement										
General	$208,495	$197,821	$189,431	$179,052	$168,127	$159,000	$150,543	$139,476	$131,107	$125,219
Safety	123,318	115,516	109,098	100,750	93,433	87,717	81,736	75,110	69,332	62,618
Total	331,813	313,337	298,529	279,802	261,560	246,717	232,279	214,586	200,439	187,837
Disability Retirement										
General	10,080	10,131	10,124	9,500	9,682	9,921	9,853	10,065	9,945	9,966
Safety	39,457	39,182	35,827	34,102	32,223	31,226	30,072	28,479	26,753	26,895
Total	49,537	49,313	45,951	43,602	41,905	41,147	39,925	38,544	36,698	36,861
Survivor Continuances										
General	17,468	16,487	15,285	14,967	13,363	12,435	11,763	11,180	10,660	9,894
Safety	14,790	13,887	12,878	11,873	10,893	9,834	8,808	7,978	7,784	6,827
Total	32,258	30,374	28,163	26,840	24,256	22,269	20,571	19,158	18,444	16,721
Total Retired Members										
General	236,043	224,439	214,840	203,519	191,171	181,357	172,159	160,721	151,712	145,079
Safety	177,565	168,585	157,803	146,725	136,549	128,776	120,616	111,567	103,869	96,340
Total	413,608	393,024	372,643	350,244	327,720	310,133	292,775	272,288	255,581	241,419
Member Refunds & Death Benefits										
General	8,181	7,018	7,765	6,059	4,776	4,958	3,929	5,082	4,634	4,160
Safety	507	862	929	795	470	533	415	348	530	824
Total	$8,688	$7,880	$8,694	$6,854	$5,246	$5,491	$4,344	$5,430	$5,164	$4,984

PENSION BENEFIT PAYMENTS

AS OF JUNE 30, 2025 ($ IN THOUSANDS)



ACTIVE AND DEFERRED MEMBERS

LAST TEN FISCAL YEARS

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Active Vested										
General	4,797	4,762	4,768	4,798	4,763	4,709	4,681	4,562	4,594	4,619
Safety	1,181	1,167	1,184	1,188	1,199	1,198	1,205	1,200	1,207	1,231
Active Non-vested										
General	3,534	3,342	3,060	2,778	2,204	2,381	2,472	2,524	2,534	2,396
Safety	444	385	372	313	325	356	338	325	301	263
Total Active Members										
General	8,331	8,104	7,828	7,576	6,967	7,090	7,153	7,086	7,128	7,015
Safety	1,625	1,552	1,556	1,501	1,524	1,554	1,543	1,525	1,508	1,494
Deferred Members										
General	4,072	3,931	3,674	3,403	3,106	2,853	2,695	2,570	2,484	2,332
Safety	438	429	411	409	385	365	346	339	325	307
Total	14,466	14,016	13,469	12,889	11,982	11,862	11,737	11,520	11,445	11,148

RETIRED MEMBERS BY TYPE OF PENSION BENEFIT

AS OF JUNE 30, 2025

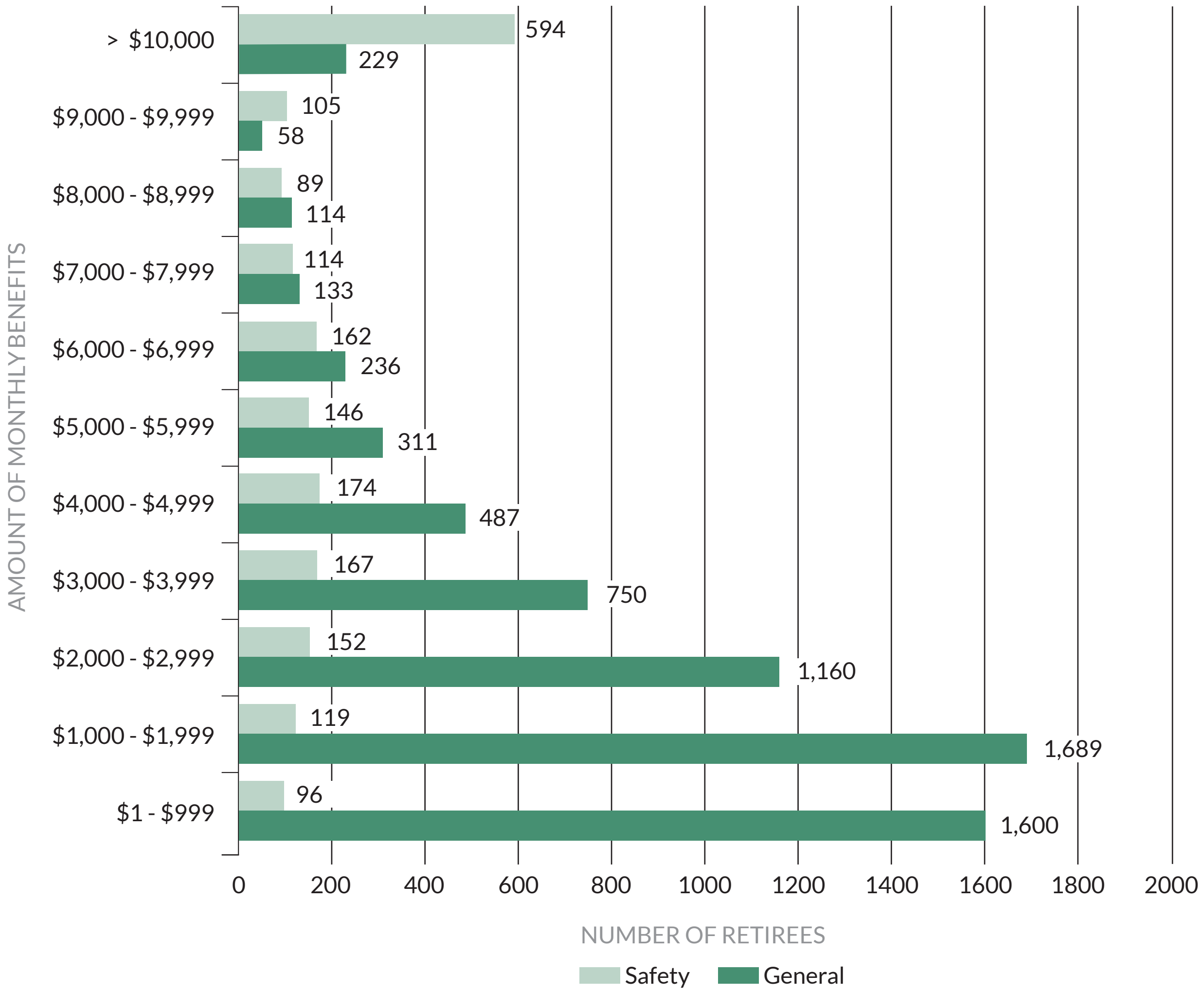
Amount of Monthly Benefit	Number of Retirees	Type of Retirement [1]		
		A	B	C
General Members				
$1 - $999	1,600	1,203	56	341
$1,000 - $1,999	1,689	1,300	164	225
$2,000 - $2,999	1,160	967	77	116
$3,000 - $3,999	750	643	41	66
$4,000 - $4,999	487	439	17	31
$5,000 - $5,999	311	279	5	27
$6,000 - $6,999	236	216	-	20
$7,000 - $7,999	133	119	2	12
$8,000 - $8,999	114	103	3	8
$9,000 - $9,999	58	57	-	1
> $10,000	229	218	3	8
Totals	6,767	5,544	368	855
Safety Members				
$1 - $999	96	63	21	12
$1,000 - $1,999	119	90	2	27
$2,000 - $2,999	152	94	14	44
$3,000 - $3,999	167	70	43	54
$4,000 - $4,999	174	80	40	54
$5,000 - $5,999	146	51	48	47
$6,000 - $6,999	162	51	80	31
$7,000 - $7,999	114	43	39	32
$8,000 - $8,999	89	49	21	19
$9,000 - $9,999	105	67	18	20
> $10,000	594	448	107	39
Totals	1,918	1,106	433	379
Grand Total	8,685	6,650	801	1,234

[1] Type of Retirement:

A - Service Retiree
B - Disability Retiree
C - Beneficiary/Continuant/Survivor

RETIRED MEMBERS RECEIVING BENEFITS

AS OF JUNE 30, 2025



SCHEDULE OF AVERAGE MONTHLY BENEFIT PAYMENTS

2022-2025

Years of Credited Service	5-9	10-14	15-19	20-24	25-29	30+
Retirees - 2025						
General Members						
Average Monthly Benefit	$1,140	$2,018	$3,147	$4,105	$5,639	$6,646
Average Final Average Salary	$7,352	$7,709	$9,425	$9,254	$13,600	$10,523
Number of Active Members Who Retired	50	37	52	45	34	63
Safety Members						
Average Monthly Benefit	$2,151	$1,350	$3,221	$7,063	$7,211	$11,141
Average Final Average Salary	$5,167	$8,103	$10,717	$12,023	$11,277	$16,659
Number of Active Members Who Retired	3	2	4	10	22	33
Retirees - 2024						
General Members						
Average Monthly Benefit	$1,072	$2,108	$2,728	$3,873	$4,989	$5,679
Average Final Average Salary	$7,225	$9,208	$8,405	$8,883	$9,712	$9,891
Number of Active Members Who Retired	49	45	65	54	31	69
Safety Members						
Average Monthly Benefit	$1,013	$1,496	$3,621	$5,531	$8,853	$11,342
Average Final Average Salary	$6,658	$5,138	$11,295	$11,876	$14,049	$13,383
Number of Active Members Who Retired	3	1	5	15	32	31
Retirees - 2023						
General Members						
Average Monthly Benefit	$994	$2,026	$2,952	$4,089	$4,089	$6,071
Average Final Average Salary	$6,626	$8,141	$8,770	$9,377	$8,416	$9,295
Number of Active Members Who Retired	54	42	47	49	31	73
Safety Members						
Average Monthly Benefit	$1,816	$1,798	$3,928	$5,073	$8,237	$9,100
Average Final Average Salary	$9,898	$5,963	$10,493	$9,398	$13,014	$15,750
Number of Active Members Who Retired	7	3	6	11	33	39
Retirees - 2022						
General Members						
Average Monthly Benefit	$1,156	$2,127	$2,837	$4,022	$5,304	$5,913
Average Final Average Salary	$7,304	$7,955	$7,834	$9,036	$11,204	$9,991
Number of Active Members Who Retired	52	65	50	45	48	76
Safety Members						
Average Monthly Benefit	$2,008	$2,860	$4,510	$6,856	$8,465	$11,264
Average Final Average Salary	$12,507	$10,833	$8,552	$9,869	$11,796	$14,837
Number of Active Members Who Retired	2	3	5	15	24	40

SCHEDULE OF AVERAGE MONTHLY BENEFIT PAYMENTS

2018-2021

Years of Credited Service	5-9	10-14	15-19	20-24	25-29	30+
Retirees - 2021						
General Members						
Average Monthly Benefit	$1,081	$2,205	$2,754	$4,037	$4,909	$6,780
Average Final Average Salary	$6,754	$8,215	$8,003	$9,328	$8,979	$10,985
Number of Active Members Who Retired	39	60	50	49	33	56
Safety Members						
Average Monthly Benefit	$2,240	$2,136	$3,033	$6,242	$8,843	$10,027
Average Final Average Salary	$9,556	$8,506	$8,557	$10,650	$13,174	$13,812
Number of Active Members Who Retired	5	3	5	12	7	39
Retirees - 2020						
General Members						
Average Monthly Benefit	$942	$1,864	$2,699	$3,649	$4,561	$6,033
Average Final Average Salary	$6,798	$7,242	$8,190	$7,860	$8,916	$10,325
Number of Active Members Who Retired	46	64	60	39	43	47
Safety Members						
Average Monthly Benefit	$1,823	$3,719	$4,332	$4,880	$7,655	$12,147
Average Final Average Salary	$9,108	$8,187	$8,696	$9,401	$10,979	$14,423
Number of Active Members Who Retired	5	4	5	3	12	26
Retirees - 2019						
General Members						
Average Monthly Benefit	$905	$1,825	$2,687	$3,726	$4,365	$5,980
Average Final Average Salary	$5,902	$7,409	$7,911	$8,863	$7,880	$8,959
Number of Active Members Who Retired	52	85	57	28	34	54
Safety Members						
Average Monthly Benefit	$909	$2,728	$3,017	$5,322	$6,922	$10,802
Average Final Average Salary	$6,131	$9,110	$7,417	$9,607	$10,095	$12,919
Number of Active Members Who Retired	4	3	4	15	15	37
Retirees - 2018						
General Members						
Average Monthly Benefit	$991	$1,835	$2,659	$3,599	$4,475	$5,706
Average Final Average Salary	$6,062	$7,191	$7,523	$7,879	$8,515	$9,118
Number of Active Members Who Retired	44	70	50	55	49	55
Safety Members						
Average Monthly Benefit	$2,519	$2,788	$4,046	$5,236	$9,104	$10,750
Average Final Average Salary	$5,585	$8,754	$8,497	$9,129	$12,452	$13,089
Number of Active Members Who Retired	2	10	4	7	22	34

SCHEDULE OF AVERAGE MONTHLY BENEFIT PAYMENTS

2016-2017

Years of Credited Service	5-9	10-14	15-19	20-24	25-29	30+
Retirees - 2017						
General Members						
Average Monthly Benefit	$999	$1,757	$2,801	$3,527	$3,798	$5,141
Average Final Average Salary	$6,018	$6,627	$8,185	$7,476	$7,088	$8,344
Number of Active Members Who Retired	33	55	37	37	30	45
Safety Members						
Average Monthly Benefit	$1,650	$2,785	$3,926	$5,354	$8,868	$9,405
Average Final Average Salary	$9,830	$9,696	$8,890	$10,097	$11,750	$12,047
Number of Active Members Who Retired	3	4	3	5	12	24
Retirees - 2016						
General Members						
Average Monthly Benefit	$902	$1,694	$2,608	$3,433	$4,168	$5,455
Average Final Average Salary	$5,427	$6,493	$7,835	$7,326	$7,225	$8,215
Number of Active Members Who Retired	35	54	30	31	29	46
Safety Members						
Average Monthly Benefit	$1,621	$2,329	$4,491	$5,430	$8,605	$8,504
Average Final Average Salary	$9,830	$7,789	$8,710	$9,975	$11,254	$11,425
Number of Active Members Who Retired	3	3	6	6	17	35

PARTICIPATING EMPLOYERS AND ACTIVE MEMBERS

LAST TEN FISCAL YEARS

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
County of Ventura										
General Members	7,945	7,690	7,402	7,154	6,527	6,582	6,640	6,607	6,654	6,552
Safety Members	1,625	1,552	1,556	1,501	1,524	1,554	1,544	1,525	1,508	1,494
Total	9,570	9,242	8,958	8,655	8,051	8,136	8,184	8,132	8,162	8,046
Participating Agencies (General Membership)										
Ventura Regional Sanitation District	37	43	44	52	64	79	76	68	63	66
Courts	297	326	334	323	331	383	388	362	361	352
Air Pollution Control District	46	40	43	42	40	41	43	44	45	45
Ventura County Employees' Retirement Association	6	5	5	5	5	5	5	5	5	-
Total	386	414	426	422	440	508	512	479	474	463
Total Active Membership										
General Members	8,331	8,104	7,828	7,576	6,967	7,090	7,152	7,086	7,128	7,015
Safety Members	1,625	1,552	1,556	1,501	1,524	1,554	1,544	1,525	1,508	1,494
Total	9,956	9,656	9,384	9,077	8,491	8,644	8,696	8,611	8,636	8,509

EMPLOYER CONTRIBUTION RATES

LAST TEN FISCAL YEARS)

Year	Tier 1	Tier 2	PEPRA Tier 1	PEPRA Tier 2	Safety	PEPRA Safety
County of Ventura and Other Participating Agencies with 50/50 Sharing of Normal Cost						
June 30, 2025	13.02%	9.93%	N/A	8.63%	29.60%	24.76%
June 30, 2024	20.29%	10.01%	N/A	8.75%	30.79%	25.94%
June 30, 2023	24.56%	13.85%	N/A	13.80%	34.51%	31.34%
June 30, 2022	23.57%	14.31%	N/A	14.49%	37.61%	35.17%
June 30, 2021	24.26%	14.83%	N/A	14.94%	39.78%	37.32%
June 30, 2020	25.75%	17.04%	N/A	17.09%	55.20%	52.89%
June 30, 2019	24.70%	16.09%	N/A	16.12%	54.60%	52.19%
June 30, 2018	24.40%	16.54%	N/A	16.39%	55.66%	53.49%
June 30, 2017	23.85%	16.80%	N/A	16.67%	54.56%	52.77%
June 30, 2016	22.61%	16.80%	N/A	16.63%	53.87%	50.30%
Other Participating Agencies without 50/50 Sharing of Normal Cost						
June 30, 2025	13.02%	9.93%	N/A	8.63%	29.60%	24.76%
June 30, 2024	20.29%	10.01%	N/A	8.75%	N/A	N/A
June 30, 2023	25.55%	15.02%	N/A	13.80%	N/A	N/A
June 30, 2022	24.27%	15.53%	N/A	14.49%	N/A	N/A
June 30, 2021	24.76%	16.12%	N/A	14.94%	N/A	N/A
June 30, 2020	26.05%	18.40%	N/A	17.09%	N/A	N/A
June 30, 2019	25.66%	17.36%	N/A	16.12%	N/A	N/A
June 30, 2018	25.34%	17.88%	N/A	16.39%	N/A	N/A
June 30, 2017	24.34%	18.18%	N/A	16.67%	N/A	N/A
June 30, 2016	22.93%	18.07%	N/A	16.63%	N/A	N/A