

**VENTURA COUNTY  
SUPPLEMENTAL RETIREMENT COMMITTEE  
Pacific Conference Room**

**Meeting Minutes for December 8, 2022  
2:00 p.m.**

**Members present**

Shawn Atin  
Kaye Mand  
Emily Gardner  
Jeff Burgh  
Steven Hintz

**Members absent**

**Also present**

Patti Dowdy  
Jake O'Shaughnessy  
Joan Steel  
Suzanne Rogers  
Andrew Kremer  
Patty Zoll  
Amanda Diaz  
Andrew Gratt  
Anna Toy  
Eric Lee

**Ms. Mand called the meeting to order at 2:02 p.m.**

**1. Public Comments.**

No public comments were provided.

**2. Committee Member Comments.**

A round table of introductions was conducted.

**3. Minutes of Regular Meeting October 25, 2022**

Motion to approve: 1. **Mr. Atin** 2. **Mr. Burgh** **Motion Carries**

**4. Q3 2022 Quarterly Client Report and Asset Allocation Analysis**

Ms. Anna Toy, Senior Relationship Manager, and Mr. Eric Lee, Senior Portfolio Manager with Principal Global Advisors, spoke to the current investment report and asset allocation analysis for quarter ending September 30, 2022. Mr. Lee spoke to the majority of findings in both quarterly reports but initially he reviewed overall highlights specific to the plan. Beginning 2022,

the market value of the plan was approximately \$35.8 million with a total of roughly \$4.34 million being disbursed as of October 31, 2022. Total fees paid as of October 31, 2022 for management of the plan totaled \$128,144.45. Total ending market value of

assets in the plan as of October 31, 2022, equated to \$26,147,177 which accounted for disbursements, periodic payments, and fees. In addition to the monetary value of the plan, Mr. Lee also spoke to the services performed by Principal Portfolio Managers which included fiduciary and regulatory support along with communication with administrative staff and participants.

Specific to the Quarterly Client Report, Mr. Lee emphasized general market trends and statistics effecting performance of assets. An area of concern included the Federal Reserve Bank (the Fed) hiking interest rates to combat inflation however, Mr. Lee sees the Fed has slowed down rate hikes. Other notable mentions include growth stocks outperforming value stocks, inflation has slowly been decreasing since its peak of 9% in June 2022, and unemployment has risen slightly from a recent low but wage growth and consumer spending are consistent. Market has shown negative returns for the quarter in the 5% range; coming close to bear market territory. However, over the last 10 years, net contributions have been around \$2.1 million though gains are in the area of \$14 million, and the long-term plan – 3, 5, and 10 years – have performed well.

Asset allocation overview shows 43.91% in U.S. Equity holdings, followed by 40.02% in fixed income holdings, 14.63% in non-U.S. equity, and 1.44% in money market funds. This follows suit with the SRP 457 portfolio mix strategy of 60% equity and 40% fixed income. Scenarios were run by Principal to show potential returns and risks at a portfolio mix of 65/35 and 70/30 equity to fixed income assets, respectively.

This prompted discussion over initiating research into other investment strategies between Mr. Atin, Ms. Dowdy, Mr. Hintz, and Mr. Lee. Mr. Atin posed the question as to why the target return rate needs to stay at 7% when an aggressive 70/30 mix strategy will not achieve desired returns. Mr. Hintz added that the committee may choose to mirror VCERA investment portfolio although initiating actuarial analysis may be beneficial in shining light on cost impact to adjust target return rate. Ms. Dowdy commented on looking at an IPS to help with investment strategies after actuarial evaluation. A suggested conference call between Mr. Lee, Ms. Dowdy, Ms. Zoll, and Mr.

O'Shaughnessy, along with County actuaries, was made. Mr. Lee and Ms. Zoll to collaborate on setting up said call.

**A. Motion to Receive and File Q3 2022 Quarterly Client Report and Asset Allocation Analysis**

Motion made: 1. **Mr. Burgh** 2. **Mr. Atin**

**Motion Carries**

**Ms. Mand adjourned the meeting at 2:46 p.m.**

Respectfully submitted,



Andrew Gratt  
Deferred Compensation Personnel Assistant