



November 18, 2024

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

SUBJECT: REQUEST TO APPROVE NEPC'S CHANGE IN CONTROL TRANSACTION WITH HIGHTOWER AND EXECUTION OF THE REQUESTED CONSENT DOCUMENT

Attached is a cover letter from NEPC describing the acquisition of an 80% ownership stake in NEPC by Hightower Advisors. Also attached is a Consent Form authorizing the assignment of VCERA's contract with NEPC to 80% Hightower Advisors and 20% NEPC Partnership.

Background

Effective November 1, 2013, after a full retainer general consultant search by VCERA, the Board contracted with NEPC to replace its prior general investment consultant. In a letter dated October 21, 2024, NEPC announced a strategic equity infusion by Hightower Advisors which will allow NEPC to fuel their operational strength by investing back into the business to enhance their investment platform capabilities, attract and retain talent, and to continue to source, evaluate, and recommend best-in-class investment strategies.

I believe that this strategic equity infusion transaction will be beneficial to NEPC and ultimately to VCERA, and so recommend that the Board approve the requested transaction and execution of the enabling Consent.

THEREFORE, IT IS RECOMMENDED THAT THE BOARD:

- 1. CONSENT TO NEPC'S CHANGE OF OWNERSHIP TRANSACTION FROM NEPC TO 80% HIGHTOWER AND 20% NEPC AND,**
- 2. AUTHORIZE THE BOARD CHAIR OR RETIREMENT ADMINISTRATOR, OR IN THE ABSENCE OF BOTH THE CHIEF INVESTMENT OFFICER TO EXECUTE THE ATTACHED CONSENT AND ANY OTHER ASSOCIATED DOCUMENTS THAT MAY BE REQUIRED.**

Respectfully submitted,

Dan Gallagher
Chief Investment Officer