Public Announcement

July 25, 2019

Santa Barbara County Employees Retirement System
Preliminary Investment Returns for the Fiscal Year Ending June 30, 2019

The Santa Barbara County Employees Retirement System (SBCERS) reported today that the fund returned an estimated 8.10% on a gross basis. This resulted in a net of fees return of 7.74% for the fiscal year ending June 30, 2019. SBCERS Invested Assets at the end of the fiscal year stood at $3.17 billion, an increase of more than $202 million above the prior fiscal year end asset value.

Over the past three, five and ten year periods SBCERS has generated 8.68%, 5.49% and 8.76%, respectively. SBCERS has averaged an 8.25% return since January 1987. Generating returns above the discount rate will improve SBCERS’ funding ratio.

Additional information about the funded status of the plan and the impact of this year’s investment performance on future contribution rates will be available in Fall 2019 upon completion of SBCERS actuarial triennial experience review process.

Total Fund Annualized Performance as of June 30, 2019

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>3 Years</th>
<th>5 Years</th>
<th>10 Years</th>
<th>Since Inception (1/1/1987)</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 2019</td>
<td>7.74%</td>
<td>8.68%</td>
<td>5.49%</td>
<td>8.76%</td>
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Greg Levin, SBCERS CEO stated:

“It is great to see SBCERS achieve investment returns over the assumed rate of return of seven percent for the past fiscal year. Our portfolio performed well over several asset classes and provided a positive result.”

“We exceeded our 7% target for the year by .74%. The performance will positively impact the upcoming contribution rate setting process and results in a gain that will phase in over the next five years.”

“Our investment horizon is very long and we evaluate our performance over decades and not years. SBCERS Trustees and Staff work hard in order to ensure a strong and sustainable plan for our beneficiaries and the local taxpayers.”

“We continue to make progress reducing the risk and complexity of the fund in a thoughtful way that allows us to continue to meet investment return assumptions and pay the pensions that Santa Barbara County Employees have earned.”

Questions Related to this Press Release should be directed to:
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