

SBCERS

Santa Barbara County Employees' Retirement System

DATE: February 28, 2024

TO: SBCERS BOARD OF RETIREMENT

FROM: SBCERS Investment Staff

RE: **Board Education – Private Market Valuation**

Recommendation

That the Board of Retirement receive and file the educational Private Market Valuation presentation by Principal Natalie Fitch of Hamilton Lane.

Summary

During the December meeting, the Board of Retirement received a presentation on June 30, 2023, Actuarial Valuations given by Anne Harper and Graham Schmidt of Cheiron, Inc. During the presentation several Trustees expressed interest in Private Market Valuations and the process for externally verifying those values. As SBCERS' discretionary consultants on private market assets, Hamilton Lane will provide education on the process and methodology of Private Market Valuations.

This presentation gives a five-year look back at Private Market Valuations from 2018 through 2023 and compares Private vs. Public Market valuations in 2022 and 2023. The presentation also explains what caused the deviation in valuations from Private to Public Markets including sector composition and operational performance. With this foundation, the education will then detail the Private Markets outlook and the methodology for valuation oversight on behalf of clients.

Attachments

- SBCERS Valuation Slides - February 2024