

**AGENDA**  
**BOARD OF TCERA PROPERTY, INC.**  
Directors' Meeting  
Wednesday, June 22, 2016  
**Immediately following the Board of Retirement meeting**  
TCERA Board Room, 136 N Akers Street, Visalia, CA 93291

**I. CALL TO ORDER**

**II. ROLL CALL**

1. As a courtesy to those in attendance, all individuals are requested to place cell phones and other electronic devices in the non-audible alert mode.
2. *Note: Discussion and possible action will be taken on all items on this agenda.*

**III. PUBLIC COMMENT**

1. At this time, members of the public may comment on any item not appearing on the agenda. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the item comes up for Board consideration. Any person addressing the Board will be limited to a maximum of five (5) minutes so that all interested parties have an opportunity to speak. Please state your name for the record.

**IV. AGENDA ITEMS**

1. Discussion and possible action regarding final adjustments to FY 2015-16 TCERA Property, Inc. Budget.
2. Discussion and possible action regarding FY 2016-17 TCERA Property, Inc. Budget.
3. Review and approve the Minutes of January 27, 2016 Annual Directors' meeting.

**V. ADJOURN**

1. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Secretary of the Board of Retirement at (559) 713-2900. Public documents relating to the items on this agenda may be reviewed at TCERA (see address on p.1).

**Tulare County Employees' Retirement Association  
BUDGET ADJUSTMENT - JUNE 2016**

	Expended through 6/9/2016	Budget July '15 ~June '16	(Over)/Under Budget	% Remaining	Anticipated Costs	(Over)/Under Budget	Requested Adjustments	-NEW- Adjusted Budget July '15 - June '16	Comments
<b>5500 · Administrative Expense</b>									
5505 · (6001) Allocated Salaries	636,235.86	775,216.00	138,980.14	17.9%				775,216.00	
5510 · (6002) Overtime	1,159.97	5,100.00	3,940.03	77.3%				5,100.00	
5515 · (6003) Other Pay	10,512.29	12,330.00	1,817.71	14.7%				12,330.00	
5520 · (6004) Benefits	92,880.29	116,081.00	23,200.71	20.0%				116,081.00	
5525 · (6005) Extra-Help	-	500.00	500.00	100.0%				500.00	
5530 · (6006) Sick Leave Buy Back	15,466.27	15,718.00	251.73	1.6%				15,718.00	
5535 · (6011) Retirement- Co. Port.	76,091.96	106,825.00	30,733.04	28.8%				106,825.00	
5540 · (6012) Social Security	46,006.00	55,496.00	9,490.00	17.1%				55,496.00	
5550 · (6008) Board Fees-Per Diem Pmts	18,400.00	20,000.00	1,600.00	8.0%				20,000.00	
<b>5551 · Communications</b>									
5552 · (7005) Communications	5,838.76	8,640.00	2,801.24	32.4%	1,240.00	1,561.24	(1,000.00)	7,640.00	
5640 · (7005) Co. Telecommunication	1,486.19	4,000.00	2,513.81	62.8%	1,335.00	1,178.81	(1,000.00)	3,000.00	
<b>Total 5551 · Communications</b>	<b>7,324.95</b>	<b>12,640.00</b>	<b>5,315.05</b>	<b>42.0%</b>				<b>10,640.00</b>	
<b>5553 · Data Processing</b>									
5696 · (7044) InteSolv	-	5,500.00	5,500.00	100.0%		5,500.00	(5,500.00)	0.00	
5650 · (7044) ICT Qtrly - Data Process	35,902.87	53,350.00	17,447.13	32.7%	12,000.00	5,447.13	(5,000.00)	48,350.00	
5697 · (7044) Co. ICT	1,115.00	3,000.00	1,885.00	62.8%	600.00	1,285.00	(1,000.00)	2,000.00	
5698 · (7044) WSI/Q2 Digital	10,023.00	15,525.00	5,502.00	35.4%	600.00	4,902.00	(4,000.00)	11,525.00	
<b>Total 5553 · Data Processing</b>	<b>47,040.87</b>	<b>77,375.00</b>	<b>30,334.13</b>	<b>39.2%</b>				<b>61,875.00</b>	
5555 · (7009) Household Expense	7,349.00	8,450.00	1,101.00	13.0%	600.00	501.00	(500.00)	7,950.00	
5560 · (7010) Insurance	34,000.00	34,250.00	250.00	0.7%				34,250.00	
5565 · (7011) Unemployment Insurance	-	5,500.00	5,500.00	100.0%		5,500.00	(5,500.00)	0.00	
5570 · (7021) Maintenance-Equipment	5,173.27	5,650.00	476.73	8.4%				5,650.00	
5575 · (7027) Memberships	6,020.00	7,020.00	1,000.00	14.2%		1,000.00	(1,000.00)	6,020.00	
5580 · (7030) Due Diligence Expense	9,323.68	25,000.00	15,676.32	62.7%		15,676.32	(15,000.00)	10,000.00	
5585 · (7036) Office Expense	42,342.21	33,700.00	(8,642.21)	-25.6%	3,000.00	(11,642.21)	12,000.00	45,700.00	Higher than anticipated Election Costs
5586 · (7040) Courier	891.42	1,100.00	208.58	19.0%				1,100.00	
<b>5590 · Prof &amp; Specialized Exp</b>									
5591 · (7043) Prof & Special Gen Exp		500.00	500.00	100.0%				500.00	
5592 · (7043) Prof & Spec - Audit	33,800.00	36,880.00	3,080.00	8.4%		3,080.00	(3,000.00)	33,880.00	
5593 · (7043) Prof Sr -Outside Counsel	89,958.10	15,000.00	(74,958.10)	-499.7%	8,000.00	(82,958.10)	83,000.00	98,000.00	Higher than anticipated Attorney costs
<b>Total 5590 · Prof &amp; Specialized Exp</b>	<b>123,758.10</b>	<b>52,380.00</b>	<b>(71,378.10)</b>	<b>-136.3%</b>				<b>132,380.00</b>	
<b>5594 · County Counsel Charges</b>									
5661 · (7046) Co Counsel - General Exp	22,747.50	29,000.00	6,252.50	21.6%				29,000.00	
5662 · (7046) Co Counsel - Disability	54,216.70	99,000.00	44,783.30	45.2%	13,000.00	31,783.30	(30,000.00)	69,000.00	
<b>Total 5594 · County Counsel Charges</b>	<b>76,964.20</b>	<b>128,000.00</b>	<b>51,035.80</b>	<b>39.9%</b>				<b>98,000.00</b>	
5595 · (7049) Prof Exp-Disabilities	133,125.47	164,000.00	30,874.53	18.8%	8,000.00	22,874.53	(12,000.00)	152,000.00	
5675 · (7059) Co. Print Services	7,471.69	11,000.00	3,528.31	32.1%	1,000.00	2,528.31	(1,400.00)	9,600.00	
5600 · (7059) Publications - Other	13,099.71	16,000.00	2,900.29	18.1%	3,500.00	(599.71)	1,000.00	17,000.00	Higher than anticipated Newsletter costs
<b>Total 5600 · (7059) Publications</b>	<b>20,571.40</b>	<b>27,000.00</b>	<b>6,428.60</b>	<b>23.8%</b>				<b>26,600.00</b>	
5605 · (7062) Rent & Lease -Building	165,600.00	165,600.00	0.00	0.0%				165,600.00	
5610 · (7066) Spec Dept Exp - RIS	265,245.43	323,127.00	57,881.57	17.9%				323,127.00	
Less: Capitalized New Active Data Base	(37,691.25)	(86,729.00)	(49,037.75)	56.5%				-86,729.00	
<b>5610 comparative expenditures</b>	<b>227,554.18</b>	<b>236,398.00</b>	<b>8,843.82</b>	<b>3.7%</b>				<b>236,398.00</b>	

**Tulare County Employees' Retirement Association  
BUDGET ADJUSTMENT - JUNE 2016**

	Expended through 6/9/2016	Budget July '15 - June '16	(Over)/Under Budget	% Remaining	Anticipated Costs	(Over)/Under Budget	Requested Adjustments	-NEW- Adjusted Budget July '15 - June '16	Comments
5615 · (7073) Training	8,039.00	12,500.00	4,461.00	35.7%		4,461.00	(4,000.00)	8,500.00	
5620 · (7074) Transportation & Travel	27,477.11	30,000.00	2,522.89	8.4%	5,250.00	(2,727.11)	3,000.00	33,000.00	Higher than anticipated
5625 · (7081) Utilities	13,579.83	20,000.00	6,420.17	32.1%	1,100.00	5,320.17	(5,300.00)	14,700.00	
5627 · (7116) Postage - Co. Mail	24,428.73	29,000.00	4,571.27	15.8%	6,000.00	(1,428.73)	1,500.00	30,500.00	Higher than anticipated
5630 · (7128) Co. Workers Comp Insuranc	15,261.00	15,500.00	239.00	1.5%				15,500.00	
5695 · Co. Admin. Services									
5666 · (7719) HR/Risk Services	7,757.00	7,800.00	43.00	0.6%				7,800.00	
5699 · (7719) Auditors Services	1,190.70	7,500.00	6,309.30	84.1%	1,000.00	5,309.30	(5,300.00)	2,200.00	
<b>Total 5695 · Co. Admin. Services</b>	<b>8,947.70</b>	<b>15,300.00</b>	<b>6,352.30</b>	<b>41.5%</b>				<b>10,000.00</b>	
5720 · (7421) Interest Expense	-	1.00	1.00	100.0%				1.00	
5450 · Compensated Benefit Expense	-	32,045.00	32,045.00	100.0%				32,045.00	
5911 · Depreciation - TCERA	-	16,000.00	16,000.00	100.0%				16,000.00	
5913 · Amortization - CPAS	-	316,002.00	316,002.00	100.0%				316,002.00	
<b>Total TCERA Administrative Expense</b>	<b>1,901,524.76</b>	<b>2,577,677.00</b>	<b>676,152.24</b>	<b>26.2%</b>			<b>0.00</b>	<b>2,577,677.00</b>	
<b>5750 · TCERA Property Administrative Expense</b>									
5755 · Fees and Taxes	127.65	200.00	72.35	36.2%	25.00	47.35		200.00	
5760 · Insurance	5,309.00	6,237.00	928.00	14.9%		928.00	(920.00)	5,317.00	
5765 · Professional & Spec Services	66.00	2,100.00	2,034.00	96.9%	1,050.00	984.00	(950.00)	1,150.00	
5780 · Courtyards Property Assn Dues	5,060.70	7,200.00	2,139.30	29.7%	1,700.00	439.30		7,200.00	
5785 · Landscape Service	4,525.00	7,100.00	2,575.00	36.3%	500.00	2,075.00	(2,000.00)	5,100.00	
5790 · Security Monitoring	550.70	1,550.00	999.30	64.5%		999.30	(900.00)	650.00	
5795 · Maintenance & Improve - Bldg	6,733.68	5,000.00	(1,733.68)	-34.7%	2,000.00	(3,733.68)	4,770.00	9,770.00	Higher than anticipated
5797 · Utilities	4,342.88	5,000.00	657.12	13.1%	610.00	47.12		5,000.00	
5912 · Depreciation - TCERA Property	-	32,600.00	32,600.00	100.0%	32,420.00	180.00		32,600.00	
<b>Total TCERA Property, Inc. Administrative Expense</b>	<b>26,715.61</b>	<b>66,987.00</b>	<b>40,271.39</b>	<b>60.1%</b>	<b>38,305.00</b>		<b>0.00</b>	<b>66,987.00</b>	
<b>Total TCERA &amp; TCERA Property Admin. Expense</b>	<b>1,928,240.37</b>	<b>2,644,664.00</b>	<b>716,423.63</b>	<b>27.1%</b>	<b>38,305.00</b>			<b>2,644,664.00</b>	
									<b>No Increase to Overall Budget</b>
<b>Administrative Budget</b>		<b>2,577,677.00</b>						<b>2,577,677.00</b>	
<b>Plus: TCERA Property Budget</b>		<b>66,987.00</b>						<b>66,987.00</b>	
<b>Total Budget FY 2015/2016</b>		<b>\$ 2,644,664.00</b>						<b>\$ 2,644,664.00</b>	<b>No Increase to Overall Budget</b>

Accrued Actuarial Liability as of 6/30/2014

1,271,831,710.00

0.208%

\$ 2,644,664.00

Budget including TCERA Property, Inc.

Projected Percentage of Liability (based on proposed budget)

2,670,846.59

.21% of AAL

26,182.59

Under/(Over) Allowable Expenditures

334,473.00

Excluded computer expenses per G.C. Section 31580.2

0.182%

\$ 360,655.59

Under/(Over) Allowable Expenditures

Projected Percentage of Liability (based on proposed budget less excluded computer expenses)

**TCERA Property, Inc.**  
**Budget**  
 July 2016 through June 2017

FINAL

	Budget Jul 15 - Jun 16	Budget Jul 16 - Jun 17	Difference	%	Notes:
<b>5750 · TCERA Property Admin. Expense</b>					
5755 · Fees and Taxes	200.00	200.00	0.00	0.00%	Annual costs \$200
5760 · Insurance Expense	6,237.00	6,000.00	-237.00	-3.80%	TCERA Property Insurance estimate 5% increase for contingency
5765 · Professional & Spec.	2,100.00	2,000.00	-100.00	-4.76%	Brown Armstrong & Co. Counsel
5780 · Courtyards Property Assoc Dues	7,200.00	7,200.00	0.00	0.00%	Current annual + 6% increase (based on past increases)
5785 · Landscape Service	7,100.00	6,800.00	-300.00	-4.23%	Annual landscaping & tree trimming
5790 · Security Monitoring	1,550.00	1,550.00	0.00	0.00%	Annual Monitoring \$444; Annual Testing \$150 & \$950 for repairs & contingency
5795 · Maintenance- Bldg & Improve	5,000.00	13,000.00	8,000.00	160.00%	\$9,000 for Normal Maintenance & Repairs; Reseal driveway
<i>Less: Capitalized Addition to Building</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00%</i>	
5795 comparative expenditures	5,000.00	13,000.00	8,000.00	160.00%	
5797 · Utilities	5,000.00	5,200.00	200.00	4.00%	Estimated increase in water & trash charges
<b>Total 5750 · TCERA Property Administrative Expense</b>	<b>34,387.00</b>	<b>41,950.00</b>	<b>7,563.00</b>	<b>21.99%</b>	
5912 · Depreciation of Fixed Asset - TCERA Property	32,600.00	32,600.00	0.00	0.00%	Depreciation of bldg
<b>Total TCERA Property Administrative Budget</b>	<b>66,987.00</b>	<b>74,550.00</b>	<b>7,563.00</b>	<b>11.29%</b>	
<b>TCERA Property Budget</b>	<b>\$ 66,987.00</b>	<b>\$ 74,550.00</b>			
					Note: TCERA Property Repayment \$7k

**MINUTES**  
**BOARD OF TCERA PROPERTY, INC.**  
Annual Directors' Meeting  
Wednesday, January 27, 2016  
**Immediately following the Annual Shareholders' meeting**  
TCERA Board Room, 136 N Akers Street, Visalia, CA 93291

Members Present: Hill, Embrey, Ross, Reed, Young, Crawford, Cox  
Members Absent: Woodard, Watson  
Alternates Present: Norman, Taylor, Wallis  
Others Present: David Kehler, Retirement Administrator; Barbara Grunwald, Deputy County Counsel

Let the record show that this meeting convened at 11:07 a.m.

As a courtesy to those in attendance, all individuals are requested to place cell phones and other electronic devices in the non-audible alert mode.

*Note: Discussion and possible action will be taken on all items on this agenda.*

**PUBLIC COMMENT**

At this time, members of the public may comment on any item not appearing on the agenda. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the item comes up for Board consideration. Any person addressing the Board will be limited to a maximum of five (5) minutes so that all interested parties have an opportunity to speak. Please state your name for the record.

Mr. Reed mentioned that there may be some deferred maintenance issues with the building, specifically gutters to be cleaned and stains on the building.

**I. AGENDA ITEMS**

1. Election of Officers for the 2016 calendar year. (President, Vice President/Secretary)

MOTION to elect Roland Hill as the President and Gary Reed as the Vice President/Secretary for the 2016 calendar year.

Young/Embrey            Approved Unanimously  
Absent:                 Woodard, Watson

2. Review and approve the Minutes of July 22, 2015 Directors' meeting.

MOTION to approve the July 22, 2015 Directors' Minutes.

Cox/Ross                Approved Unanimously  
Absent:                 Woodard, Watson

**II. ADJOURNED: 11:08 a.m.**

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Roland Hill, President