



COUNTY OF TULARE  
**BOARD OF RETIREMENT**

**David J. Kehler**  
Retirement Administrator

136 N. AKERS STREET  
VISALIA, CA 93291

TELEPHONE (559) 713-2900  
FAX (559) 730-2631  
WEBSITE: www.tcera.org

**MINUTES OF THE BOARD OF RETIREMENT**  
**REGULAR RETIREMENT BOARD MEETING**  
**Wednesday, May 10, 2017 @ 8:30 a.m.**  
TCERA Board Room, 136 N. Akers Street, Visalia, CA 93291

**I. CALL TO ORDER**

Called to Order by Roland Hill, Chairman.

**II. ROLL CALL**

Members Present: Hill, Embrey, Ross, Reed, Young, Watson, Crawford, Vander Poel  
Members Absent: Woodard  
Alternates Present: Norman, Taylor, Cook  
Others Present: David Kehler, Retirement Administrator; Leanne Malison, Assistant Administrator;  
Barbara Grunwald and Marit Erickson, Deputy County Counsel; Paul Guerrero, CAO-  
Administrative Analyst

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. Pledge of Allegiance and Moment of Silence

**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.

Ms. Grunwald introduced Matt Wang as a new attorney with Tulare County Counsel's office.

Mr. Kehler recognized Christene Brown, Retirement Specialist, and Leanne Malison, Assistant Retirement Administrator, who have recently received their 10 year service awards with Tulare County.

**IV. X-AGENDA ITEMS**

None.

**V. CONSENT CALENDAR**

1. Approve Minutes of the following Meetings:
  - a. Retirement Board Minutes of April 26, 2017.
2. Approve payments to:
  - a. Boston Partners – invoice investment management services for the quarter ended March, 2017, in the amount of \$68,472.89.
  - b. Fidelity – invoice for investment management services, Canadian Growth Sub Account, for the quarter ended March, 2017, in the amount of \$7,236.52.

- c. Fidelity – invoice for investment management services, IG Sub Account, for the quarter ended March, 2017, in the amount of \$100,998.77.
- d. William Blair – invoice for investment management services for the quarter ended March, 2017, in the amount of \$41,925.79.
- e. Waddell & Reed – invoice for investment management services for the quarter ended March, 2017, in the amount of \$74,873.87.
- f. QMA – invoice for investment management services for the quarter ended March, 2017, in the amount of \$49,867.81.
- g. Parametric Clifton – invoice for investment management services for the quarter ended March, 2017, in the amount of \$11,849.00.
- h. LMCG – invoice for investment management services for the quarter ended March, 2017, in the amount of \$49,806.45.
- i. SSGA – invoice for MSCI ACWI Fund investment management services for the quarter ended March, 2017, in the amount of \$15,233.06.
- j. SSGA – invoice for TIPS Index Fund investment management services for the quarter ended March, 2017, in the amount of \$4,647.38.
- k. SSGA – invoice for S&P 500 Fund investment management services for the quarter ended March, 2017, in the amount of \$3,983.55.
- l. SSGA – invoice for Russell Small Cap Fund investment management services for the quarter ended March, 2017, in the amount of \$2,559.70.

MOTION to approve the Consent Calendar.

Vander Poel/Young      Approved Unanimously  
 Absent:                      Woodard

**VI. COMMITTEE REPORTS**

- 1. Update by Mike Watson regarding the Administrative Committee meeting of April 24, 2017. Discussion and possible action regarding the following items:
  - a. Financial and Budget Reports for the period ending March 31, 2017.

Mr. Watson noted that during the Committee meeting Mr. Kehler briefly explained the “Other Pay” amount shown in the budget report and indicated that this was due to a ruling made by the Public Employee Relations Board (PERB) that required Tulare County to pay back-pay and interest to affected employees. The Committee recommends approval of the reports.

MOTION to approve the Financial and Budget Reports for the period ending March 31, 2017.

Watson/Young              Approved Unanimously  
 Absent:                      Woodard

- b. Proposed FY 2017-18 TCERA and TCERA Property budgets.

Mr. Watson reported that Mr. Kehler told the Committee that the proposed budgets were preliminary and that as additional expense information is received from the County the FY 2017-18 budgets will be refined for final approval. During the Committee meeting a question was raised regarding the cost proposed for new computer equipment. Mr. Kehler and Ms. Malison responded that this represents the expected need to equip two new staff positions as well as the normal cost for replacing aging equipment.

- c. Disposal of Capital Assets.

Mr. Watson stated that the Committee recommends disposal of the equipment as recommended by Staff.

MOTION to dispose of equipment as recommended.

Vander Poel/Young      Approved Unanimously  
Absent:                      Woodard

d.      Consideration of Revisions to TCERA's Disability Procedures.

Mr. Watson indicated that a brief discussion was held at the Committee meeting regarding the need for the revisions to the Disability Procedures. Mr. Kehler explained that this is to clarify the definition of the term "service" and when service with a TCERA plan sponsor is determined to have ended for disability application purposes. He also indicated that ending service means that a member must file an application for disability retirement within a specific timeframe in order for the application to be considered as having been filed in a timely manner.

During today's Board meeting, Ms. Grunwald reported that the revised procedures would only apply to individuals that apply for a disability retirement after today. She also noted that the last line of the last page of the procedures reads, "(See definition of "effective date" above.)" and that the word "above" would be replaced with the language of Section 1.2.i.

MOTION to approve the TCERA's revised Disability Procedures, including Ms. Grunwald's change to the word "above".

Crawford/Embrey      Approved Unanimously  
Absent:                      Woodard

## **VII. INVESTMENTS**

1. Presentation from MacKay Shields regarding TCERA's investment allocation to Core-plus Fixed Income. Discussion and possible action.

Mr. Steve Buckley made the presentation on behalf of MacKay Shields. The Chair directed that all Trustees and Staff present receive forty-five minutes of continuing education.

2. Presentation from Ocean Avenue regarding TCERA's investment allocation to Private Equity. Discussion and possible action.

Mr. Jeff Ennis made the presentation on behalf of Ocean Avenue. The Chair directed that all Trustees and Staff present receive forty-five minutes of continuing education.

## **VIII. OLD BUSINESS**

1. Discussion regarding new laws, proposed legislation, and topics of interest impacting public pension plans.

Mr. Hill discussed a *Pension & Investments* article regarding updated actuarial mortality tables.

## **IX. EDUCATION ITEMS**

1. Discussion and possible action regarding all education items listed in Trustee binders.

No action taken.

## **X. UPCOMING MEETINGS**

1. 05/16-19/2017 SACRS Spring Conference, Napa, Ca.

2. 05/22/2017 Administrative Committee meeting @ 3:00 p.m.
3. 05/23/2017 Investment Committee meeting @ 1:30 p.m. (*Tuesday*)
4. 05/24/2017 Retirement Board meeting @ 8:30 a.m.

Mr. Reed, Investment Committee Chair, cancelled the May 23, 2017 Investment Committee meeting.

#### **XI. TRUSTEE / STAFF COMMENTS**

1. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time.

Mr. Reed commended Ms. Hiley Wallis for her participation on the Board of Retirement.

Mr. Vander Poel congratulated Mr. Watson on his promotion to Captain.

Mr. Kehler noted that the Board of Supervisors approved the request from TCERA for addition of another Retirement Specialist position.

#### **XII. COMMUNICATIONS**

1. For Your Information:
  - a. Correspondence from Rita A. Woodard, Auditor-Controller/Treasurer Tax Collector, regarding withdrawal of Hiley Wallis as her alternate on the Board of Retirement and appointing Cass Cook as her alternate, effective May 1, 2017.

#### **XIII. ADJOURNED: 10:17 a.m.**

---

Roland Hill, Chair