



COUNTY OF TULARE
BOARD OF RETIREMENT

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MINUTES OF THE BOARD OF RETIREMENT
REGULAR RETIREMENT BOARD MEETING
Wednesday, December 13, 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, Chair.

II. ROLL CALL

Members Present: Cook, Hill, Embrey, Ross, Reed, Young, Watson, Crawford, Vander Poel
Alternates Present: Norman, Taylor
Alternates Absent: Wallis
Others Present: David Kehler, Retirement Administrator; Leanne Malison, Assistant Administrator; Jeanette Burks, Retirement Specialist; Mary Warner, Administrative Services Officer; Barbara Grunwald and Marit Erickson, Deputy County Counsel; Alaina Sanchez, Brown Armstrong Accountancy; and Paul Guerrero, CAO-Administrative Analyst
Clerk: Rebecca Pendleton

Let the record show that Ms. Crawford arrived at 8:36 a.m. and Mr. Vander Poel arrived at 8:50 a.m.

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.

None.

IV. X-AGENDA ITEMS

None.

V. DISABILITIES – Time Certain: 8:30 a.m.

1. Closed session was held from 8:31 to 8:56 a.m. regarding disability matters listed on the Agenda.
2. In the matter of the disability application of Kerrie Shaughnessy, consider and take action regarding the application for a disability retirement.

MOTION to grant the application of Kerrie Shaughnessy for a service connected disability retirement with an effective date of April 17, 2016.

Watson/Ross Approved
Ayes: Cook, Hill, Embrey, Ross, Reed, Watson, Crawford, Vander Poel
Noes: Young

3. In the matter of the disability application of Charles Rooney, consider and take action regarding the application for a disability retirement.

Mr. Watson recused himself from Closed Session and the Retirement Board meeting and left the room before this matter was discussed and voted on. Mr. Watson reported that he was Mr. Rooney's Commander in the Sheriff's Department.

MOTION to grant a service connected disability retirement to Charles Rooney with an effective date of October 24, 2016.

Cook/Crawford Failed
Ayes: Cook, Hill, Crawford
Noes: Embrey, Ross, Reed, Young, Vander Poel, Norman
Recused: Watson

MOTION to grant a non-service connected disability retirement to Charles Rooney and deny the service connected disability application with an effective date of October 24, 2016.

Ross/Norman Approved
Ayes: Hill, Embrey, Ross, Reed, Young, Vander Poel, Norman
Noes: Cook, Crawford
Recused: Watson

4. In the matter of the disability application of William Wilson, consider and take action regarding the application for a disability retirement.

MOTION to grant a service connected disability retirement to William Wilson with an effective date of March 31, 2017.

Watson/Ross Approved Unanimously

5. Accepted as filed: Disability Status Report Overview and County Counsel Disability Case Status Report.

VI. CONSENT CALENDAR

1. Approve Minutes of the following Meetings:
 - a. Retirement Board Minutes of November 29, 2017.
2. Approve payments to:
 - a. Verus – invoice for investment consulting services for the period ended November, 2017, in the amount of \$20,380.43.
3. Approve reports:
 - a. Retirement applications and option selections: deceased pensioners, through November, 2017.

MOTION to approve the Consent Calendar.

Reed/Ross Approved Unanimously

VII. COMMITTEE REPORTS

1. Update by Mike Watson regarding the Administrative Committee meeting of November 27, 2017. Discussion and possible action regarding the following items:

- a. Financial and budget reports for the periods ending June 30 – September 30, 2017.

MOTION to approve the Financial and Budget reports for the periods ending June 30 through September 30, 2017.

Watson/Young Approved Unanimously

- b. Proposed Policy regarding disposal of TCERA's surplus equipment.

MOTION to approve the proposed Policy with the dollar limit for action by TCERA staff without prior Committee approval to be \$500 per item. If the original purchase price is over \$500 then the original purchase price is to be used to assess the value of each item.

Young/Embrey Approved Unanimously

- c. Renewal of agreement for actuarial services.

MOTION to approve the renewal of agreement for actuarial services.

Watson/Young Approved Unanimously

VIII. INVESTMENTS

1. Discussion and possible action regarding Securities Lending Program with BNY Mellon: Additional information requested from borrowers and/or sellers.

Mr. Kehler explained the issue as described by BNY Mellon is that additional information is being requested from Securities Lending borrowers/lenders needed for them to complete their investment due diligence.

MOTION to approve the request and authorize the Retirement Administrator to sign the document.

Reed/Ross Approved Unanimously

IX. NEW BUSINESS

1. Presentation from Brown Armstrong Accountancy regarding results of TCERA's June 30, 2017 audit and GASB 67/68 Report. Discussion and possible action.

Ms. Alaina Sanchez presented TCERA's June 30, 2017 audit and GASB 67/68 Report on behalf of Brown Armstrong Accountancy.

MOTION to approve TCERA's June 30, 2017 audit and GASB 67/68 Report.

Young/Vander Poel Approved Unanimously

2. Discussion and possible action regarding TCERA's June 30, 2017 Comprehensive Annual Financial Report (CAFR).

MOTION to approve TCERA's June 30, 2017 Comprehensive Annual Financial Report (CAFR).

Cook/Embrey Approved Unanimously

X. OLD BUSINESS

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

Mr. Kehler updated the Board regarding the SACRS Legislation for TCERA's Board. He mentioned that the SACRS Legislative Committee is seeking to clarify the language of the proposal and is looking for a local author to carry the bill until the May 2018 SACRS Conference.

Mr. Kehler also reported on the current status of the Tax Reform bills, the inclusion of Unrelated Business Income Tax (UBIT) in one version of the bill, the impact UBIT could have on TCERA investments, and the efforts being made to reconcile both versions of Tax Reform.

XI. EDUCATION ITEMS

1. Accept Summary Education Report as filed: Frank Embrey, SACRS Fall Conference, November 14-17, 2017.

MOTION to approve the Summary Education Report as filed.

Young/Vander Poel Approved Unanimously

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

No action taken.

XII. UPCOMING MEETINGS

1. 12/18/2017 Investment Committee meeting @ 1:30 p.m.
2. 12/18/2017 Administrative Committee meeting @ 3:00 p.m.
3. 01/10/2018 Retirement Board meeting @ 8:30 a.m.
4. 01/16/2018 Investment Committee meeting @ 1:30 p.m. (*Tuesday*)
5. 01/22/2018 Administrative Committee meeting @ 3:00 p.m.

XIII. 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. Hill wished everyone a Merry Christmas.

Ms. Taylor invited Trustees and Staff to attend the retiree's Christmas Luncheon at noon on December 21st at the LampLiter Inn.

Mr. Kehler reported that there will be a Strategic Finance meeting at 9:00 a.m. on Wednesday, December 20th, at the Board of Supervisors in regards to Financing of the Retirement Plan.

XIV. ADJOURNED: 9:51 a.m.

Roland Hill, Chairman