



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
INVESTMENT COMMITTEE MEETING
Tuesday, April 17, 2018 @ 3:00 p.m.
TCERA Executive Room, 136 N. Akers Street, Visalia, CA 93291

I. CALL TO ORDER

II. ROLL CALL

Present: Jim Young, Chair; Charlie Norman, Cass Cook, Mike Watson
Paul Sampietro, Alternate
Dave Kehler, Leanne Malison, Scott Whalen (via conference call)

III. PUBLIC COMMENT

None

IV. AGENDA ITEMS

1. Discussion and possible action regarding the following items:

- a. Approve Investment Committee Minutes from March 20, 2018.

Motion to approve as presented.

Motion: Norman

Second: Watson

Motion carried unanimously

- b. Asset Allocation Status

The Asset Allocation Status Report was reviewed by the Committee, noting that comments on the report had been updated to reflect the Strategic Asset Allocation discussion at the March 28th Board of Retirement meeting.

- c. 2018 Investment Committee Goals and Objectives Timeline and 2018 Education Calendar

The Committee reviewed the timeline and calendar. Ms. Malison indicated that the timeline had been updated to include the latest information on the International Growth Equity Manager Search as well as the Asset/Liability Study and Strategic Asset Allocation items from the Board of Retirement meeting of March 28th.

Mr. Whalen indicated that he hopes to have the Asset/Liability Study ready to present at the May 23rd Retirement Board meeting.

- d. TCERA Private Equity Allocation – Consideration of Additional Commitments

Mr. Whalen reviewed the Private Equity presentation materials. Key discussion items included recommitment strategies, program structures, private equity managers/funds, and the appropriate amount for an additional commitment.

Motion to recommend the following to the Board of Retirement:

*Recommitment Strategy – Dynamic Recommitment Approach

*Program Structure – Fund of Funds

*Commitment Amount – \$20 million

*Manager/Fund – Pathway (current Private Equity manager) if Fund 10 timing is appropriate for implementation. If not, Verus is to provide additional options.

Motion: Watson

Second: Cook

Motion carried unanimously

e. Investment Managers

1) Verus Flash Report – All Managers

Mr. Whalen reviewed the flash report with the Committee.

2) Managers of Interest

a) Ivy Investments/Waddell & Reed – Notification of changes to portfolio management personnel

The Committee discussed the portfolio management changes as well as other personnel changes that have occurred recently with this manager. Daniel Becker was the architect of the strategy and his departure may be significant. Mr. Whalen indicated that Verus is concerned about these changes as well as asset attrition and is looking at the impact they may have on the management of the portfolio very carefully. Verus is in the process of preparing a formal memorandum for the Board. The Committee directed staff to leave Ivy Investments/Waddell & Reed on the agenda as a manager of interest until further notice.

V. UPCOMING MEETING

1. Tuesday, May 22, 2018, 3:00 p.m.

VI. ADJOURN

The meeting was adjourned at 3:59 p.m.

Jim Young, Chair