



COUNTY OF TULARE
BOARD OF RETIREMENT

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MINUTES OF THE BOARD OF RETIREMENT
REGULAR RETIREMENT BOARD MEETING
Wednesday, June 13, 2018 @ 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: Hill, Reed, Young, Watson, Crawford, Vander Poel
Members Absent: Cook, Ross
Alternates Present: Norman, Taylor
Alternates Absent: Sampietro
Others Present: David Kehler, Retirement Administrator; Adriana Gonzales-Chang and Jeanette Burks, Retirement Specialist; Mary Warner, Administrative Services Officer; Barbara Grunwald and Marit Erickson, Deputy County Counsel.

Let the record show that Mr. Norman will be voting in place of the vacant general member seat. Mr. Norman departed at 9:37 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 8:35 to 9:10 a.m. regarding disability matters listed on the Agenda.
2. In the matter of the disability application of Christopher Dushane, consider and take action regarding the application for a disability retirement.

MOTION to approve the application of Christopher Dushane for a non-service connected disability retirement and deny the application for a service connected disability retirement.

Vander Poel/Watson Approved Unanimously
Absent: Cook, Ross, Sampietro

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

MOTION to approve the application of Melinda McHone for a non-service connected disability retirement and deny the application for a service connected disability retirement.

Vander Poel/Reed Approved Unanimously
Absent: Cook, Ross, Sampietro

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

A daughter of Cynthia Natzke, Jennifer Robles, briefly addressed the Board.

Mr. Reed recused himself and left the room during Closed Session he has a working relationship with Ms. Robles' husband.

MOTION to deny the disability application of Cynthia Natzke as it was untimely filed and insufficient evidence was provided for job causation.

Young/Crawford Approved Unanimously
Absent: Cook, Ross, Sampietro
Recused: Reed

5. CONFERENCE WITH LEGAL COUNSEL - SIGNIFICANT EXPOSURE TO LITIGATION (Gov. Code, Section 54956.9, subd. (d)(2)) No. of potential cases: 2

This matter was held in Closed Session. No action was taken.

6. Accepted as filed: Disability Status Report Overview.

VI. LEGAL REPORT

1. Accepted as filed: County Counsel Case Status Report.

VII. CONSENT CALENDAR

1. Approve Minutes of the following Meetings:
 - a. Board of Supervisors/Retirement Board Minutes of May 23, 2018.
2. Approve payments to:
 - a. Fidelity – invoice for investment management services, IG Sub Account, for the quarter ended March, 2018, in the amount of \$106,055.68.
 - b. Fidelity – invoice for investment management services, Canadian Growth Sub Account, for the quarter ended March, 2018 in the amount of \$6,866.36.
 - c. BNY Mellon – invoice for master trust custodial services for the quarter ended March, 2018, in the amount of \$94,525.58.
 - d. Nossaman – invoice for legal services to the Board of Retirement for the period ending April, 2018, in the amount of \$19,411.30.

MOTION to approve the Consent Calendar.

Young/Watson Approved Unanimously
Absent: Cook, Ross, Sampietro

VIII. COMMITTEE REPORTS

1. Update by Wayne Ross regarding the Administrative Committee meeting of May 23, 2018. Discussion and possible action regarding the following items:
 - a. Financial and Budget reports for the period ending March 31, 2018.

Mr. Vander Poel made the report in Mr. Ross' absence and noted that the Committee reviewed the Financial and Budget reports and recommends approval of the reports by the full Board.

Vander Poel/Watson Approved Unanimously
Absent: Cook, Ross, Sampietro

- b. Drafts of FY 2018-19 Administrative Budgets for TCERA and TCERA Property, Inc.

Mr. Vander Poel indicated that during the Committee meeting Mr. Kehler noted that unless otherwise directed by the Committee, it is the intention of TCERA staff to make this the last draft of the FY 2018-19 budgets presented to the Committee members and that any additional drafts will be taken to the full Board for further discussion and action in June. Mr. Kehler also noted that the budget numbers will be updated as additional cost information is provided to TCERA by County departments and other service providers. Mr. Vander Poel stated that the Committee recommends approval by the full Board and to make these drafts the final ones for FY 2018-19.

Vander Poel/Watson Approved Unanimously
Absent: Cook, Ross, Sampietro

IX. INVESTMENTS

1. Presentation from QMA regarding TCERA's investment allocation to Large Cap Core Domestic Equities. Discussion and possible action.

Brad Zenz and Steve Courtney made the presentation on behalf of QMA. The Chair authorized forty-five minutes of continuing education to all Trustees and Staff present. Mr. Norman will receive fifteen minutes as he departed the meeting early.

2. Discussion and possible action regarding managers of interest – opportunities to address TCERA Trustees.

A discussion was held regarding the Board's history and the need for consistency regarding managers of interest. TCERA has sometimes allowed the manager of interest to make a presentation to the Board. It was noted that TCERA has no policy on this matter. The transition management phase of manager changes was also discussed. No action was taken at this time.

X. NEW BUSINESS

1. Discussion and possible action regarding Cheiron's change in lead actuary assigned to TCERA.

Discussion was held regarding Cheiron's change in its lead actuary. The Board requested an introductory presentation be scheduled with Graham Schmidt of Cheiron and his new co-lead Steven Hastings.

XI. OLD BUSINESS

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

Mr. Kehler mentioned that a topic of interest is that employee contributions for Tulare County are going to be increasing substantially. He stated that employee's will be notified of this increase and indicated that employee's will also be receiving a pay increase at the same time that the retirement contribution increase takes place.

XII. EDUCATION ITEMS

1. Accept Summary Education Reports as filed: Leanne Malison, Dave Kehler, Patricia Crawford, Marit Erickson, SACRS Spring Conference, May, 2018.

MOTION to approve the Summary Education Reports as filed.

Watson/Vander Poel Approved Unanimously
Absent: Cook, Ross, Sampietro, Norman

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

No action taken.

XIII. UPCOMING MEETINGS

1. 06/21/2018 Administrative Committee meeting @ 2:00 p.m.
2. 06/27/2018 Retirement Board meeting @ 8:30 a.m.
3. 07/11/2018 Retirement Board meeting @ 8:30 a.m.

XIV. TRUSTEE / STAFF COMMENTS

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

None.

XV. ADJOURNED: 10:23 a.m.

Roland Hill, Chair