



COUNTY OF TULARE
BOARD OF RETIREMENT

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MINUTES OF THE BOARD OF RETIREMENT
REGULAR RETIREMENT BOARD MEETING
Wednesday, October 24, 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, Chairman.

II. ROLL CALL

Members Present: Cook, Hill, Mauro, Reed, Young, Crawford, Watson, and Vander Poel
Members Absent: Ross
Alternates Present: Sampietro
Alternates Absent: Norman, Taylor
Others Present: David Kehler, Retirement Administrator; Leanne Malison, Assistant Administrator; Mary Warner, Admin. Services Officer; Barbara Grunwald, Deputy County Counsel; Marit Erickson, Deputy County Counsel; and Paul Guerrero, CAO-Administrative Analyst
Clerk: Susie Brown

Let the record show Member Vander Poel arrived at 8:34 a.m., and Member Crawford arrived at 8:35 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.

None

VI. CONSENT CALENDAR

1. Approve Minutes of the following Meetings:
 - a. Retirement Board Minutes of October 10, 2018.
2. Approve payments to:
 - a. Cheiron - Invoice for actuarial services for the quarter end September 2018, in the amount of \$52,455.00.
 - b. Verus - Invoice for investment management consulting services for the quarter ended September 30, 2018, in the amount of \$20,388.23.
3. Approve reports:
 - a. Retirement applications and option selections; deceased pensioners, through September 2018.

MOTION to approve the Consent Calendar.

Young/Mauro Approved Unanimously
Absent: Ross, Vander Poel, Crawford

VII. COMMITTEE REPORTS

1. Update by Jim Young regarding the Investment Committee meeting of October 15, 2018. Discussion and possible action regarding the following items:

- a. Ocean Avenue Capital Partners Investment – Update on TCERA’s Private Equity Investment and Newest Fund Offering

Mr. Young reported that during the Committee meeting Ocean Avenue provided a presentation covering TCERA’s current investment as well as Ocean Avenue’s newest fund offering. Scott Whalen provided a report on the Ocean Avenue Fund IV investment opportunity for the Board’s consideration. He also reviewed Verus’ due diligence process for the fund and the investment structure.

Member Crawford expressed concern the presentation was made to the Committee and not the Board.

MOTION to approve a \$20 million commitment to Ocean Avenue Capital Partners Investment Fund IV.

Young/Watson Approved
Noes: Vander Poel
Absent: Ross

- b. Asset Allocation Status

Mr. Young noted the Committee discussed the asset allocation report.

- c. 2018/2019 Investment Committee Goals and Objectives Timeline and 2018/2019 Education Calendar.

Mr. Young reported that the Committee reviewed the updated timeline and calendar.

- d. TPG Special Situations Partners – TCS Fund – Possible Inclusion in TCERA’s Portfolio.

Mr. Whalen reviewed the TCS fund as a possible additional allocation for the ICERA’s Diversified Credit Portfolio (DCP) investment with TPG.

MOTION to approve \$20 million commitment to the TCS Fund as an additional investment in the TPG DCP.

Young/Mauro Approved: Unanimous
Absent: Vander Poel, Ross

- e. Investment Managers

- 1) Verus Flash Report – All Managers

Mr. Young reported the Committee reviewed the Flash Report.

- 2) Managers of Interest

- a) Ivy Investments – Manager Review

Mr. Whalen indicated there is no concern with the change and no action is required.

- b) Franklin Templeton Investments – Personnel Changes. Notification regarding Chief Investment Officer.

Mr. Whalen indicated there is no concern with the change and no action is required.

VIII. INVESTMENTS

1. Presentation from Verus regarding review of TCERA's Asset Allocation Model

Mr. Whalen reviewed the current allocation and recommended changes. The recommendations offer potential additional return with no increase to the overall risk profile of the portfolio.

MOTION to adopt the new portfolio mix as recommended by the Investment Consultant to include value, add real estate debt and emerging market debt. (slide 15 of presentation).

Vander Poel/Crawford	Approved:	Unanimous
	Absent:	Ross

Chair Hill authorized 1.5 hours of education credit.

IX. OLD BUSINESS

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

Mr. Kehler mentioned that OCERS' proposal has been pulled from the discussion at the SACRS event. This may be reintroduced at a later time.

X. EDUCATION ITEMS

1. Accept Summary Education Report as filed: Barbara Grunwald, Disability Attorney's Roundtable, September 28, 2018.

MOTION to accept report.

Reed/Cook	Approved:	Unanimous
	Absent:	Ross

XI. UPCOMING MEETINGS

1. 11/07/2018 Retirement Board meeting @ 8:30 a.m. (*Due to SACRS Conference*)
2. 11/19/2018 Administrative Committee meeting @ 2:00 p.m.
3. 11/20/2018 Investment Committee meeting @ 3:00 p.m.
4. 11/28/2018 Retirement Board meeting @ 8:30 a.m. (*Due to Holiday*)

XII. 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. Kehler reported his upcoming retirement, and his last working day will be March 29, 2019.

XIII. ADJOURNED: 10:43 a.m

Roland Hill, Chair