



COUNTY OF TULARE  
**BOARD OF RETIREMENT**

**Leanne Malison**  
Retirement Administrator

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**MINUTES OF THE BOARD OF RETIREMENT**  
REGULAR RETIREMENT BOARD MEETING  
**Wednesday, May 22, 2019 @ 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, Mauro, Ross, Reed, Young, Watson, Crawford, Vander Poel  
Members Absent: Cook, Vasquez  
Alternates Present: Taylor  
Alternates Absent: Sampietro  
Others Present: Leanne Malison, Retirement Administrator; Mary Warner, Administrative Services Officer; Jeanette Burks and Adriana Gonzales-Chang, Retirement Specialist; Paul Guerrero, CAO-Administrative Analyst; and Scott Whalen, Verus Investments.

Let the record show that Mr. Ross arrived at 8:41 a.m. Mr. Watson departed at 10:30 a.m. and Ms. Crawford departed at 11:47 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
3. Swearing-in of newly reappointed TCERA Trustee.

Wayne Ross was sworn-in by Roland Hill, Tulare County Assessor/Clerk-Recorder, to serve another term on the Board of Retirement.

**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 8:38 a.m. to 8:48 a.m. regarding disability matters listed on the Agenda.

2. In the matter of the disability application of Benjamin Huerta, consider and take action regarding the application for a disability retirement.

MOTION to grant a service connected disability retirement to Benjamin Huerta.

Watson/Vander Poel    Approved Unanimously  
Absent:                Cook, Vasquez

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

Russell Long was present but did not address the Board.

MOTION to grant Russell Long a service connected disability retirement.

Mauro/Reed            Approved Unanimously  
Absent:                Cook, Vasquez

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

Richard McCuen and Attorney John Sarsfield both briefly addressed the Board.

MOTION to grant Richard McCuen a service connected disability retirement.

Watson/Young         Approved Unanimously  
Absent:                Cook, Vasquez

5. Request from disability applicant Tafano Candelaria to withdraw his application.

MOTION to approve the request of Tafano Candelaria to withdraw his disability application.

Young/Vander Poel    Approved Unanimously  
Absent:                Cook, Vasquez

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. Retirement Board Minutes of April 24, 2019.
2. Approve payments to:
  - a. Boston Partners – invoice investment management services for the quarter ended March, 2019, in the amount of \$64,980.35.
  - b. William Blair – invoice for investment management services for the quarter ended March, 2019, in the amount of \$64,143.54.
  - c. Waddell & Reed – invoice for investment management services for the quarter ended March, 2019, in the amount of \$75,612.72.
  - d. Franklin Templeton – invoice for investment management services for the quarter ended March, 2019, in the amount of \$86,839.36.

- e. QMA – invoice for investment management services for the quarter ended March, 2019, in the amount of \$51,204.05.
  - f. Shenkman Capital – invoice for investment management services for the quarter ended March, 2019, in the amount of \$8,565.96.
  - g. Parametric Clifton – invoice for investment management services for the quarter ended March, 2019, in the amount of \$14,192.00.
  - h. SSGA – invoice for MSCI ACWI Fund investment management services for the quarter ended March, 2019, in the amount of \$16,306.82.
  - i. SSGA – invoice for S&P 500 Fund investment management services for the quarter ended March, 2019, in the amount of \$4,698.36.
  - j. SSGA – invoice for Russell Small Cap Fund investment management services for the quarter ended March, 2019, in the amount of \$3,306.93.
  - k. Verus – invoice for investment consulting services for the month ended April, 2019, in the amount of \$20,421.21.
  - l. County Counsel – invoice for legal services to the Board of Retirement for the period ending April, 2019, in the amounts of \$587.30 and \$858.00.
  - m. County Counsel – invoice for disability legal services to the Board of Retirement for the period ending April, 2019, in the amount of \$5,020.20.
3. Approve reports:
- a. Retirement applications and option selections: deceased pensioners, through April, 2019.

MOTION to approve the Consent Calendar.

Reed/Young                      Approved Unanimously  
 Absent:                          Cook, Vasquez

### VIII. COMMITTEE REPORTS

- 1. Update by Jim Young regarding the Investment Committee meeting of May 15, 2019. Discussion and possible action regarding the following items:
  - a. Asset Allocation Status

The Committee reviewed the Asset Allocation Status report. During the Committee meeting Ms. Malison informed the members that the Pension Obligation Bond investment process was complete and she noted that the remaining cash is required for operating cash and capital calls through July.

- b. 2019 Investment Committee Goals and Objectives Timeline and 2019 Education Calendar

The Committee reviewed the timeline and calendar. Ms. Malison noted that the contract is pending review from legal counsel for the PGIM investment in emerging market debt. The finalist presentations for the value added real estate investment are scheduled for May 22<sup>nd</sup>. The calendar now includes a joint meeting with the Board of Supervisors, scheduled for October 9<sup>th</sup>. In addition, at the request of the manager, Boston Partners will be presenting to the Board on August 14<sup>th</sup> so that they can acknowledge the 20 year anniversary of their relationship with TCERA.

- c. Investment Managers
      - 1) Verus Flash Report – All Managers

The Committee reviewed the report, noting that the fiscal year performance is lagging the assumption rate. The Committee also discussed the recent market volatility and its possible effect on returns through fiscal year end.

- 2) Managers of Interest
        - a) Ivy Investments – Manager Review

No action at this time. The manager is scheduled to make a presentation to the Board of Retirement on July 10<sup>th</sup>.

b) SGA – Organizational Update

No action required.

**IX. INVESTMENTS**

1. Presentation from American Realty Advisors regarding Value Added Real Estate. Discussion and possible action.

Kirk Helgeson, Jay Butterfield, and Scott Beltz made the presentation on behalf of American Realty Advisors. The Chair authorized fifty minutes of continuing education to Trustees and Staff present. (Mr. Cook, Mr. Sampietro, and Mr. Vasquez were absent.)

2. Presentation from Oaktree Capital Management regarding Value Added Real Estate. Discussion and possible action.

Mark Jacobs, Rob Negrelli, and Russ Romero made the presentation on behalf of Oaktree Capital Management. The Chair authorized fifty minutes of continuing education credit to Trustees and Staff present. (Mr. Watson departed early, therefore, is to receive twenty-five minutes of credit. Mr. Cook, Mr. Sampietro, and Mr. Vasquez were absent.)

3. Presentation from regarding TA Associates Realty Value Added Real Estate. Discussion and possible action.

James Raisides and Doug Engelman made the presentation on behalf of TA Associates Realty.

The Chair authorized fifty minutes of continuing education to Trustees and Staff present. (Mr. Cook, Mr. Sampietro, Mr. Vasquez, and Mr. Watson were absent.)

4. Discussion and possible action regarding Value Added Real Estate due diligence site visits.

MOTION to perform due diligence site visits to American Realty Advisors and TA Associates Realty. The Chair authorized thirty minutes of continuing educational credit to Trustees and Staff present.

Vander Poel/Reed            Approved Unanimously  
Absent:                    Cook, Watson, Crawford, Vasquez

5. Presentation from Verus regarding TCERA’s First Quarter 2019 Investment Performance Report. Discussion and possible action.

Scott Whalen made the presentation on behalf of Verus. The Chair authorized twenty minutes of continuing educational credit to Trustees and Staff present. (Mr. Cook, Mr. Watson, Ms. Crawford, Mr. Vasquez and Mr. Sampietro were absent.)

**X. EDUCATION ITEMS**

1. Discussion and possible action regarding Summary Education Reports as filed: Paul Sampietro and David Vasquez, Due Diligence with PGIM and Ashmore, April 16-17, 2019; Patricia Crawford, Roland Hill, John Mauro, and Leanne Malison, and Barbara Grunwald, SACRS Spring Conference, May 7-10, 2019.

MOTION to approve the Summary Education Reports as filed.

Young/Mauro            Approved Unanimously  
Absent:                    Cook, Watson, Crawford, Vasquez

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

No action taken.

#### **XI. UPCOMING MEETINGS**

1. 06/12/2019 Retirement Board meeting @ 8:30 a.m.
- ~~2. 06/19/2019 Investment Committee meeting @ 2:00 p.m.~~
3. 06/20/2019 Administrative Committee meeting @ 2:00 p.m.
4. 06/26/2019 Retirement Board meeting @ 8:30 a.m.

The Investment Committee time has been changed for all meetings going forward. They will now begin at 3:30 p.m.

#### **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.

Ms. Malison announced that Jim Young has been reappointed to the Board of Retirement and will be on the June 12<sup>th</sup> Retirement Board agenda for the swearing-in for the Oath of Office.

Ms. Malison reported that the ad hoc committee for the Assistant Administrator position has met and agreed upon the job description and actual specifications to go to HR&D to open the recruitment process soon.

#### **XIII. COMMUNICATIONS**

1. For Your Information:
  - a. Treasurer's Quarterly Investment Report for the Quarter Ending March 31, 2019.

**XIV. ADJOURNED: 12:03 p.m.**



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Roland Hill, Chair