



COUNTY OF TULARE
BOARD OF RETIREMENT

Leanne Malison
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
Wednesday, October 16, 2019 @ 3:30 p.m.
TCERA Executive Room, 136 N. Akers Street, Visalia, CA 93291

I. CALL TO ORDER

The meeting was called to order at 3:30 p.m.

II. ROLL CALL

Present: Jim Young, Chair; Pete Vander Poel, John Mauro, Dave Vasquez (voting alternate)
Leanne Malison, Mary Warner, 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 September 18, 2019.

Motion to approve minutes as presented.

Motion: Vander Poel

Second: Vasquez

Motion passed unanimously.

- b. Asset Allocation Status

The Committee reviewed the report. Ms. Malison noted for the Committee that the report reflects the liquidation of the Commodities portfolio.

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

The Committee reviewed the timeline and calendar. Ms. Malison informed the Committee that due diligence visit dates for the Real Estate Debt manager search are still pending. There are no common dates of availability for trustees in October and November. The Committee recommends postponing the visits until January or February. Mr. Whalen will provide a list of available dates.

- d. Proposed Changes to the Investment Policy Statement

Mr. Whalen and Ms. Malison reviewed the proposed changes to the Investment Policy Statement. The primary changes incorporate the recent Board of Retirement actions regarding the strategic asset allocation and the manager presentation formats. Other changes include updated index references and revised descriptions for Private Equity, Private Credit and Hedge Fund investments.

Motion to recommend approval of the revised Investment Policy Statement as presented.

Motion: Vasquez

Second: Mauro

Motion passed unanimously.

e. TCERA Private Equity Allocation – Consideration of Additional Commitments

Mr. Whalen reviewed TCERA's current Private Equity allocation. In order to continue to move toward TCERA's 5% target in Private Equity and to ensure vintage year diversification, Mr. Whalen recommended an additional \$10 million commitment in 2019. The Committee discussed the options regarding further commitments to the portfolio. Pathway, one of TCERA's current Private Equity managers, is accepting commitments for its Fund 10. The fund is set for a final close in March. Investing late in the fund-raising period allows TCERA to participate in the positive performance recognized in the fund to date. In addition, because of the existing relationship with Pathway, it is likely that a fee reduction will be applied to the investment.

Motion to recommend a \$10 million commitment to Pathway Fund 10.

Motion: Mauro

Second: Vasquez

Motion passed unanimously.

f. Investment Managers

1) Verus Flash Report – All Managers

The Committee reviewed the flash report. Mr. Whalen noted the positive performance for September.

2) Managers of Interest

a) MacKay Shields – Personnel Changes

Mr. Whalen reviewed the notice regarding the personnel changes at MacKay Shields. The changes are part of the firm's succession plan that has been implemented over the last four years. At the time the firm was hired, TCERA was aware that members of the team would be retiring and a succession plan was in place, so these changes are not unexpected. Verus will continue to monitor the manager and will notify TCERA if any concerns arise. No action is recommended at this time.

V. UPCOMING MEETING

1. Monday, November 18, 2019, 3:30 p.m. – Please note the change in schedule due to the Thanksgiving holiday.

VI. ADJOURN

The meeting was adjourned at 4:06 p.m.



Jim Young, Chair