



COUNTY OF TULARE
BOARD OF RETIREMENT

Leanne Malison
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MINUTES OF THE BOARD OF RETIREMENT
REGULAR RETIREMENT BOARD MEETING
Wednesday, February 5, 2020 @ 8:30 a.m.
TCERA Board Room, 136 N. Akers Street, Visalia, CA 93291

I. CALL TO ORDER

The meeting was called to order at 8:30 a.m.

II. ROLL CALL

Trustees Present: Roland Hill, Chair; Cass Cook, Laura Hernandez, Wayne Ross, Gary Reed, Mike Watson, Dave Kehler

Alternate Trustees Present: Dave Vasquez, George Finney, Paul Sampietro

Trustees Absent: Jim Young, Pete Vander Poel

Others Present: Leanne Malison, Retirement Administrator; Mary Warner, Assistant Retirement Administrator; Barb Grunwald, Deputy County Counsel; Marit Erickson, Deputy County Counsel; Jennifer Shiffert, Deputy County Counsel; Paul Guerrero, Senior Administrative Analyst - CAO's Office

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. CONSENT CALENDAR

1. Approve Minutes of the following Meetings:
 - a. Retirement Board Minutes of January 22, 2020.
2. Approve payments to:
 - a. Boston Partners – invoice investment management services for the quarter ended December 31, 2019, in the amount of \$71,494.32.
 - b. William Blair – invoice for investment management services for the quarter ended December 31, 2019, in the amount of \$70,874.80.

- c. Waddell & Reed – invoice for investment management services for the quarter ended December 31, 2019, in the amount of \$88,205.64.
 - d. Franklin Templeton – invoice for investment management services for the quarter ended December 31, 2019, in the amount of \$96,114.95.
 - e. QMA – invoice for investment management services for the quarter ended December 31, 2019, in the amount of \$56,731.66.
 - f. Parametric Clifton – invoice for investment management services for the quarter ended December 31, 2019, in the amount of \$25,653.00.
 - g. SSGA – invoice for MSCI ACWI Fund investment management services for the quarter ended December 31, 2019, in the amount of \$18,085.99.
 - h. SSGA – invoice for S&P 500 Fund investment management services for the quarter ended December 31, 2019, in the amount of \$5,392.35.
 - i. SSGA – invoice for Russell Small Cap Fund investment management services for the quarter ended December 31, 2019, in the amount of \$3,579.44.
 - j. Cheiron – invoice for actuarial services for the quarter ended December 31, 2019, in the amount of \$65,188.08.
 - k. Nossaman – invoice for outside legal services for the period ending December 31, 2019, in the amount of \$334.80.
3. Approve reports:
- a. Retirement applications, option selections and deceased pensioners for the month of January, 2019.

Motion to approve Consent Calendar as presented:

Motion: Reed
 Second: Ross
 Absent: Young, Vander Poel
 Motion passed unanimously.

VI. COMMITTEE REPORTS

1. Update by Wayne Ross regarding the Administrative Committee meeting of January 16, 2020. Discussion and possible action regarding the following items:
- a. TCERA and TCERA Property, Inc. Financial Statements – October 31, 2019
 - b. TCERA and TCERA Property, Inc. Financial Statements – November 30, 2019

Motion to approve October 31, 2019 and November 30, 2019 TCERA and TCERA Property, Inc. Financial Statements as presented.

Motion: Ross
 Second: Watson
 Absent: Young, Vander Poel
 Motion passed unanimously.

- c. Selection of Independent Auditor

Mr. Ross reviewed the committee's discussion regarding renewing the contract with Brown Armstrong as TCERA's Independent Auditor. He noted the firm's long track record with TCERA and its pension plan expertise.

Motion to approve the proposal as presented for a three-year renewal of the contract with Brown Armstrong as TCERA's Independent Auditor subject to the required rotation of the lead audit partner under AB1345.

Motion: Ross
Second: Watson
Absent: Young, Vander Poel
Motion passed unanimously.

d. Administrator Approval Limit for Invoices

Mr. Ross reviewed the committee's discussion regarding the Administrator's approval limit for invoices. The current limit of \$5,000 has been in place for many years and the committee agreed that an increase to the limit was appropriate.

Motion to increase the Retirement Administrator's approval limit to \$7,500.

Motion: Ross
Second: Reed
Absent: Young, Vander Poel
Motion passed unanimously.

VII. INVESTMENTS

1. Discussion and possible action regarding TCERA's strategic investment allocation and investment managers, including performance, contracts, and fees.

Mr. Reed requested that the Board consider requesting a special presentation from Verus regarding the current Domestic/International target allocations. The trustees concurred that a presentation from the investment consultant regarding the historical performance, comparison to peers, the outlook going forward, and Verus' recommendation regarding the allocation would be valuable. Staff was directed to contact Verus and arrange for a presentation at the February 26, 2020 Board meeting.

VIII. NEW BUSINESS

1. Educational presentation regarding TCERA member benefits.

Ms. Malison presented a high-level overview of TCERA member benefits. She highlighted the benefits that are impacted by Board of Retirement decisions such as cost of living increases and interest credited to member accounts. Trustees asked questions regarding the ways TCERA staff presents this information to members. Ms. Malison provided information regarding available seminars. It was noted that in the past TCERA staff members have made these presentations off site at several County locations. The trustees encouraged staff to schedule similar off-site presentations in the future. The Chair authorized 45 minutes of continuing education for this presentation.

2. Discussion and possible action regarding 2020 Retiree Cost-Of-Living-Adjustment (COLA).

Ms. Malison reviewed the COLA information provided Cheiron, TCERA's actuary. She also reminded the Board of the reason for the change in the CPI region for this year and the process that was used to select the current region.

Motion to approve the April 1, 2020 COLA as presented, 3% for Tier 1 and 2% for Tiers 2, 3, and 4.

Motion: Watson
Second: Kehler
Absent: Young, Vander Poel
Motion passed unanimously

3. Discussion and possible action regarding SACRS Board of Directors Elections 2020-2021 – Elections Notice.

No nominations were suggested. No action was taken on this item.

4. Discussion and possible action regarding Trustee attendance and voting delegates at the 2020 NCPERS Annual Conference to be held May 10-13, 2020 in Las Vegas, NV.

No action was taken on this item.

IX. EDUCATION ITEMS

1. Discussion and possible action regarding all listed educational events.

Trustees Hill, Finney, Kehler, and Cook and staff member Malison requested approval to attend the CRCEA Conference to be held in Visalia, April 6–8, 2020.

Motion to approve attendance at the CRCEA Conference, April 6–8, 2020 for the listed trustees and staff.

Motion: Ross

Second: Hernandez

Absent: Young, Vander Poel

Motion passed unanimously.

X. UPCOMING MEETINGS

1. 02/26/2020 Retirement Board meeting @ 8:30 a.m.
2. 02/27/2020 Administrative Committee meeting @ 3:00 p.m.
3. 02/2020 Investment Committee meeting - *Date and time to be determined.*

XI. 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 informed the trustees that long-time TCERA employee and Board Secretary, Rebecca Pendleton, has elected to retire effective February 6, 2020.

XII. ADJOURN

The meeting was adjourned at 9:48 a.m.

1. *In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Secretary of the Board of Retirement at (559) 713-2900. Notification 48 hours prior to the meeting will help enable staff to make reasonable arrangements to ensure meaningful access. Documents related to the items on this Agenda submitted after distribution of the Agenda packet are available for public inspection at TCERA, 136 N. Akers Street, Visalia, CA. during normal business hours.*



Roland Hill, Chair