



COUNTY OF TULARE BOARD OF RETIREMENT

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MINUTES OF THE BOARD OF RETIREMENT
REGULAR RETIREMENT BOARD MEETING
Wednesday, October 28, 2020 at 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. by Roland Hill, Board Chair.

II. ROLL CALL

Trustees Present:	Cass Cook, Roland Hill, Laura Hernandez, Wayne Ross, Gary Reed, Jim Young, Nathan Polk, Dave Kehler, Pete Vander Poel,
Alternate Trustees Present:	George Finney
Alternate Trustees Absent:	David Vasquez, Paul Sampietro
Staff Present:	Leanne Malison, Retirement Administrator
Staff Participating Remotely:	Mary Warner, Assistant Retirement Administrator
County Counsel Participating Remotely:	Marit Erickson, Jennifer Shiffert
Consultants Participating Remotely:	Graham Schmidt and Steven Hastings, Cheiron; Mike Kamell, Verus
Others Present:	Paul Guerrero, County of Tulare Principal Administrative Analyst

1. Pledge of Allegiance and Moment of Silence

III. PUBLIC COMMENT

- 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 to be held regarding disability matters listed on this agenda.

Closed session was held from 8:35 a.m. to 8:45 a.m. regarding disability matters listed on this agenda.

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

Motion to grant a non-service connected disability retirement. Based on the medical evidence submitted, the applicant has met the burden of proof on the question of permanent disability but has not met the burden of proof on the questions of job causation.

Motion: Ross
Second: Hernandez
Motion passed unanimously.

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

Motion to grant a service connected disability retirement. Based on the medical evidence submitted, the applicant has met the burden of proof on the question of permanent disability and the question of job causation.

Motion: Ross
Second: Polk
Ayes: Cook, Hill, Hernandez, Ross, Reed, Polk, Kehler, Vander Poel
Noes: Young

Motion passed 8/1.

4. Accept as filed: Disability Status Report Overview.

VI. CONSENT CALENDAR

1. Approve Minutes of the following Meetings:
 - a. Retirement Board Minutes of September 23, 2020.
2. Approve payments to:
 - a. Nossaman – invoice for outside legal services for the period ending August 31, 2020, in the amount of \$3,859.20.
 - b. BNY Mellon – invoice for custodial bank services for the quarter ending June 30, 2020 in the amount of \$81,323.93.
 - c. Verus – invoice for investment consulting services for the month of September, 2020 and travel expenses for June through September, 2020 in the amount of \$21,369.86.
3. Approve reports:
 - a. Retirement applications, option selections and deceased pensioners for the month of September, 2020.

Motion to approve the Consent Calendar as presented.

Motion: Reed
Second: Kehler
Absent from Vote: Vander Poel
Motion passed unanimously.

VII. COMMITTEE REPORTS

1. Update by Laura Hernandez regarding the Administrative Committee meeting of September 24, 2020. Discussion and possible action regarding the following items:

- a. TCERA and TCERA Property, Inc. Preliminary Financial Statements – July 31, 2020

Ms. Hernandez reported that the Committee reviewed the preliminary financial statements. No action was required.

- b. TCERA's Website Redesign

Ms. Hernandez reported that the Committee reviewed the proposal from TCiCT for the website redesign project. The Committee agreed that the proposal provides a cost-effective means of upgrading TCERA's website and represents a significant cost savings over the other proposals received in response to the RFP. The Committee recommends approval. Ms. Malison informed the trustees that she received clarification regarding the costs for hosting and maintenance of the site as stated in the proposal. Due to a restructuring of the billing process for TCiCT, hosting and maintenance are included in TCERA's based cost through the end of the fiscal year (June 30, 2021). Effective July 1, 2021, these charges will be billed out separately under a new billing method that will be applied to all county departments.

Motion to approve the proposal from TCiCT for the website redesign project, including the clarification regarding hosting and maintenance costs.

Motion: Kehler

Second: Hernandez

Motion passed unanimously.

- c. TCERA Trustee Election – No qualified candidate

Ms. Hernandez reported that the Committee had reviewed the Board's options in the event that there is no qualified candidate in a future trustee election. This review was at the request of the Board of Retirement. Ms. Malison informed the trustees that there is no specific authorization in the government code for appointing a trustee to fill a vacancy other than that of the retiree alternate position. The Board does have authority to set dates for elections and could, therefore, set a new election date to allow for interested candidates to file. Any action outside of the setting of a new election would require an opinion from Counsel to ensure that the Board does not overstep its authority. Mr. Kehler requested that Staff contact the SACRS Legislative Committee to see if there is interest in a change to the government code that would allow such appointments. Ms. Hernandez expressed concern regarding appointments to elected positions because it takes the board position out of the hands of the membership. Ms. Malison noted that given the current interest in the elected trustee positions, TCERA is not likely to experience this situation in the foreseeable future. She also noted that if there was not enough interest in the position to file for the election, finding an individual willing to accept an appointment might prove difficult.

The Board directed Staff to contact the SACRS Legislative Committee regarding interest in a change to the government code.

VIII. INVESTMENTS

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

No action.

IX. NEW BUSINESS

1. Presentation from Cheiron regarding the following actuarial reports:
 - a. June 30, 2020 actuarial valuation
 - b. June 30, 2020 three-year experience study
 - c. June 30, 2020 GASB 67/68 Report

Mr. Schmidt and Mr. Hastings reviewed the June 30, 2020 actuarial reports. Particular attention was paid to the amortization period for the unfunded liability and the factors that affect employer and employee contribution rates.

2. Discussion and possible action regarding the following actuarial reports, including actuarial assumptions:
 - a. June 30, 2020 actuarial valuation
 - b. June 30, 2020 three-year experience study
 - c. June 30, 2020 GASB 67/68 Report

Motion to approve the actuarial reports as presented, including all actuarial assumptions.

Motion: Vander Poel
Second: Cook
Ayes: Cook, Hill, Hernandez, Ross, Reed, Young, Polk, Vander Poel
Noes: Kehler
Motion passed 8/1.

The Chair authorized 1 hour and 10 minutes of continuing education for trustees and staff present.

X. EDUCATION ITEMS

1. Discussion and possible action regarding Summary Education Reports as filed:
 - a. George Finney – SACRS Private Marketing Investing in a Late Cycle Market and Real Estate Investing, May 20, 2020, 1.5 hours.
 - b. George Finney – SACRS Has Coronavirus Pandemic Changed Outlook for ESG Investing, May 19, 2020, 1.5 hours.
 - c. Jim Young – Verus Topic of Interest Webinar – AEIOU, September 3, 2020, 1 hour.
 - d. Jim Young – BlackRock Gauging the Economic Recovery, September 9, 2020, 1 hour.
 - e. Laura Hernandez – CALAPRS Fiduciary Duty and Sound Decision Making, August 18, 2020 and CALAPRS – Investment Policy Biases and Overseeing the Investment Program, August 25, 2020, 5 hours.
 - f. David Vasquez – Nossaman - Litigation Impacting the Operation of Public Systems and Their Boards, September 30, 2020, 2 hours.
 - g. Mary Warner – CALAPRS Management/Leadership Forums, September 14, 16, 18, 22, and 24, 2020, 10 hours.
 - h. Mary Warner – FPPC Public Service Ethics Training, October 14, 2020, 3 hours.
 - i. Leanne Malison – Invesco Leadership Exchange, October 15, 2020, 2 hours.
 - j. Leanne Malison – Verus Topic Interest – Broadening Diversity Consideration Webinar, October 7, 2020, 1 hour.

Motion to approve the Summary Education Reports as filed.

Motion: Young
Second: Hernandez
Motion passed unanimously.

2. Discussion and possible action regarding available educational events.

No action.

XI. UPCOMING MEETINGS

1. November 4, 2020 Retirement Board meeting at 8:30 a.m.
2. November 4, 2020 Investment Committee meeting at 10:30 a.m.
3. November 18, 2020 Retirement Board meeting at 8:30 a.m.
4. November 19, Administrative Committee meeting at 3:00 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 thanked the Board for their patience with adjusting to the new Board room audio/visual system. She noted that trustees could connect directly to the system via their iPads. Trustees can ask Staff for assistance if interested.

Mr. Vander Poel noted that the Board of Supervisors is no longer using Granicus for Board meetings. They have transitioned to PrimeGov. Ms. Malison confirmed that TCERA will be making this change in the future as well. There is no specific date set at this time.

Mr. Kehler requested that the Wilmot v. Contra Costa County employees' Retirement Association be placed on a future agenda for discussion with an analysis from Board Counsel. The Board directed Staff to work with County Counsel to report out on this item at a future meeting.

XIII. COMMUNICATIONS

1. For Your Information:
 - a. Biennial portfolio update materials from DWS/RREEF. Discussion and possible action.
 - b. Memorandum from Marit Erickson, Board Counsel - Cases Pending in Court and Pending Appeal to Court
 - c. Memorandum from Marit Erickson, Board Counsel – Litigation of Interest to TCERA

XIV. ADJOURN

The meeting was adjourned at 10:40 a.m.



Roland Hill, Board Chair