



COUNTY OF TULARE

BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

TELEPHONE (559) 713-2900
FAX (559) 730-2631
www.tcera.org

AGENDA OF THE BOARD OF RETIREMENT ADMINISTRATIVE COMMITTEE MEETING Wednesday, January 27, 2020 @ 10:30 a.m. TCERA Executive Room, 136 N. Akers Street, Visalia, CA 93291

NOTICE OF TEMPORARY PROCEDURES FOR BOARD OF RETIREMENT MEETINGS

On March 17, 2020, California Governor Gavin Newsom issued Executive Order N-29-20, relating to the convening of public meetings in light of the COVID-19 pandemic. The Tulare County Employees' Retirement Association (TCERA) hereby provides notice that it will continue to convene its regularly scheduled public meetings of the Board of Retirement in the Board Room at 136 N. Akers Street, Visalia, as provided in the publicly posted agenda notice, and until further notice.

Persons who wish to address the Board of Retirement during public comment or regarding an item that is on the agenda may address the Board of Retirement in person at the meeting. Members of the public may also submit public comment via email to BORPublicComment@tcera.org before the meeting. The comments received via email before the meeting will be read to the Board of Retirement in open session during the meeting as long as the comments meet the requirements for Public Comments as posted in the agenda. Persons wishing to listen to the meeting and/or participate in public comment remotely may call the TCERA Office during regular business hours (Monday through Friday, 8:00 a.m. to 5:00 p.m.) within 48 hours of the meeting at 559-713-2900 for login information. Public comments are limited to any item of interest to the public that is within the subject matter jurisdiction of the Board of Retirement. (Gov't Code Section 54954.3(a).)

I. CALL TO ORDER

II. ROLL CALL

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.

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.

IV. AGENDA ITEMS

1. Review of Committee Minutes from the meeting of December 17, 2020.
2. Discussion and possible action regarding the following items:
 - a. TCERA and TCERA Property, Inc. Financial Statements – November 30, 2020
 - b. County Counsel Invoice \$4,281.00 for the month ending December 31, 2020
 - c. California pension clean-up omnibus bill AB 2101 – Amendments to the County Employees Retirement Law (CERL) of 1937:
 - 1) Purchase of Parental Leave
 - 2) Retirement Application Advance Application Window
 - 3) Board Approval of Retirements

V. UPCOMING MEETING

1. Wednesday, February 24, 2021 @ 10:30 a.m.

VI. ADJOURN

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.*



COUNTY OF TULARE
BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

TELEPHONE (559) 713-2900
FAX (559) 730-2631
www.tcera.org

MINUTES OF THE BOARD OF RETIREMENT
ADMINISTRATIVE COMMITTEE MEETING
Thursday, December 17, 2020 @ 3:00 p.m.
TCERA Executive Room, 136 N. Akers Street, Visalia, CA 93291

I. CALL TO ORDER

The meeting was called to order at 3:05 p.m.

II. ROLL CALL

Present: Laura Hernandez, Chair; Jim Young, David Vasquez (voting alternate), Paul Sampietro, (voting alternate)
Mary Warner, Leanne Malison (participating remotely)

III. PUBLIC COMMENT

None

IV. AGENDA ITEMS

1. Review of Committee Minutes from the meeting of November 19, 2020.
Motion to approve minutes as presented.
Motion: Vasquez
Second: Sampietro
Motion approved unanimously.
2. Discussion and possible action regarding the following items:
 - a. **TCERA and TCERA Property, Inc. Financial Statements – October 31, 2020**
The Committee reviewed the financial statements for September.
Motion to recommend approval of the October 31, 2020 financial statements as presented.
Motion: Young
Second: Vasquez
Motion approved unanimously.
 - b. **County Counsel Invoice \$5,631.90 for the month ending November 30, 2020**
The Committee reviewed the County Counsel invoice for November.
Motion to approve County Counsel invoice in the amount of \$5,631.90 as presented.
Motion: Vasquez
Second: Sampietro
Motion approved unanimously.

V. UPCOMING MEETING

1. January Meeting - TBD

VI. ADJOURN

The meeting was adjourned at 3:18 p.m.

Laura Hernandez, Chair



COUNTY OF TULARE
BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

TELEPHONE (559) 713-2900
FAX (559) 730-2631
www.tcera.org

**TCERA, Board of Retirement
Administrative Committee**

Agenda Item # IV.2.a.

Agenda Date: January 27, 2021

Subject: TCERA and TCERA Property, Inc. Financial Statements – November 30, 2020

Requests:

That the Administrative Committee:

1. Review the TCERA and TCERA Property, Inc. Financial Statements for November 30, 2020.
2. Forward the Financial Reports to the Board of Retirement with a recommendation for approval.

Summary:

The November 30, 2020 TCERA and TCERA Property, Inc. Financial Statements have been prepared by TCERA accounting staff for the Committee's review.

Prepared by: Mary Warner

TCERA and TCERA Property, Inc.
Combined Balance Sheet Comparison
As of November 30, 2020

		<u>Nov 30, 20</u>	<u>Oct 31, 20</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Nov 30, 19</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS								
Current Assets								
Checking/Savings								
(Note 1)	1110 · Cash in County Treasury	52,272,529.69	58,264,979.09	-5,992,449.40	-10.29%	19,903,549.06	32,368,980.63	162.63%
	1120 · Cash in Custodial Account	38,059,324.55	41,995,256.72	-3,935,932.17	-9.37%	53,293,853.20	-15,234,528.65	-28.59%
	1130 · Short Term Investments	6,945,794.79	8,959,463.19	-2,013,668.40	-22.48%	5,923,213.85	1,022,580.94	17.26%
	1140 · Securities Lending Collateral	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
	1150 · Impaired Assets	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
	Total Checking/Savings	97,277,649.03	109,219,699.00	-11,942,049.97	-10.93%	79,120,616.11	18,157,032.92	22.95%
Other Current Assets								
	1310 · Fixed Income - Market	487,743,875.85	478,232,121.88	9,511,753.97	1.99%	465,812,923.83	21,930,952.02	4.71%
	1340 · Equities - Market	845,296,758.75	762,887,471.21	82,409,287.54	10.80%	752,485,823.80	92,810,934.95	12.33%
	1375 · Real Estate - REITS	176,468,196.35	176,468,196.35	0.00	0.00%	167,599,263.80	8,868,932.55	5.29%
(Note 2)	1385 · Hedge Funds	93,982.33	93,982.33	0.00	0.00%	88,253,234.97	-88,159,252.64	-99.89%
	1386 · Private Equity	85,915,531.84	82,068,262.43	3,847,269.41	4.69%	73,076,377.64	12,839,154.20	17.57%
	1388 · Private Credit	86,966,430.00	81,650,379.00	5,316,051.00	6.51%	63,238,089.00	23,728,341.00	37.52%
(Note 3)	1390 · Futures Overlay	0.00	-0.79	0.79	100.00%	10,345,561.96	-10,345,561.96	-100.00%
	Total Other Current Assets	1,682,484,775.12	1,581,400,412.41	101,084,362.71	6.39%	1,620,811,275.00	61,673,500.12	3.81%
	Total Current Assets	1,779,762,424.15	1,690,620,111.41	89,142,312.74	5.27%	1,699,931,891.11	79,830,533.04	4.70%
Fixed Assets								
	1501 · Building and Improvements	1,178,366.03	1,178,366.03	0.00	0.00%	1,178,366.03	0.00	0.00%
	1505 · Office Equipment & Computer Sys	153,661.50	153,661.50	0.00	0.00%	158,020.14	-4,358.64	-2.76%
	1506 · Project in Process CPAS	2,755,095.55	2,755,095.55	0.00	0.00%	2,755,095.55	0.00	0.00%
	1511 · Accumulated Depreciation	-2,786,542.42	-2,786,542.42	0.00	0.00%	-2,449,954.90	-336,587.52	-13.74%
	1512 · Land	370,345.69	370,345.69	0.00	0.00%	370,345.69	0.00	0.00%
	Total Fixed Assets	1,670,926.35	1,670,926.35	0.00	0.00%	2,011,872.51	-340,946.16	-16.95%
Other Assets								
(Note 4)	1710 · Open Trades Sales	8,281,717.32	14,252,096.62	-5,970,379.30	-41.89%	16,696,914.80	-8,415,197.48	-50.40%
	1730 · Investment Income Receivable	950,711.16	756,829.81	193,881.35	25.62%	1,130,283.05	-179,571.89	-15.89%
	1735 · Real Estate Income Receivable	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
	1750 · Members Contribution Receivable	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
	1770 · Employer Contribution Receivable	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
	1780 · Advances Rec- Holding Corp	545,230.00	554,230.00	-9,000.00	-1.62%	653,230.00	-108,000.00	-16.53%
(Note 5)	1785 · Pension Deaths Receivables	252.89	259.93	-7.04	-2.71%	0.00	252.89	100.00%
	1790 · Other Receivables	9,025.29	9,310.59	-285.30	-3.06%	16,197.62	-7,172.33	-44.28%
	Total Other Assets	9,786,936.66	15,572,726.95	-5,785,790.29	-37.15%	18,496,625.47	-8,709,688.81	-47.09%
	TOTAL ASSETS	1,791,220,287.16	1,707,863,764.71	83,356,522.45	4.88%	1,720,440,389.09	70,779,898.07	4.11%

TCERA and TCERA Property, Inc.
Combined Balance Sheet Comparison
As of November 30, 2020

	<u>Nov 30, 20</u>	<u>Oct 31, 20</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Nov 30, 19</u>	<u>\$ Change</u>	<u>% Change</u>
LIABILITIES & EQUITY							
Liabilities							
Current Liabilities							
2010 · Sec Lending Collateral Payable	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
2020 · Open Trades - Purchases	14,458,146.27	22,247,104.25	-7,788,957.98	-35.01%	20,485,532.79	-6,027,386.52	-29.42%
2030 · Accounts Payable - Inv	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
2040 · Refunds Payable	3,392,107.70	3,392,107.70	0.00	0.00%	2,549,251.29	842,856.41	33.06%
(Note 6) 2050 · Other Payables	-389.82	-389.82	0.00	0.00%	0.00	-389.82	-100.00%
2100 · Payroll Liabilities	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
Total Other Current Liabilities	<u>17,849,864.15</u>	<u>25,638,822.13</u>	<u>-7,788,957.98</u>	<u>-30.38%</u>	<u>23,034,784.08</u>	<u>-5,184,919.93</u>	<u>-22.51%</u>
Total Current Liabilities	<u>17,849,864.15</u>	<u>25,638,822.13</u>	<u>-7,788,957.98</u>	<u>-30.38%</u>	<u>23,034,784.08</u>	<u>-5,184,919.93</u>	<u>-22.51%</u>
Long Term Liabilities							
2060 · Accrual-Benefits at Termination	103,551.79	103,551.79	0.00	0.00%	90,299.72	13,252.07	14.68%
2070 · Advances Payable - TCERA	545,230.00	554,230.00	-9,000.00	-1.62%	653,230.00	-108,000.00	-16.53%
Total Long Term Liabilities	<u>648,781.79</u>	<u>657,781.79</u>	<u>-9,000.00</u>	<u>-1.37%</u>	<u>743,529.72</u>	<u>-94,747.93</u>	<u>-12.74%</u>
Total Liabilities	<u>18,498,645.94</u>	<u>26,296,603.92</u>	<u>-7,797,957.98</u>	<u>-29.65%</u>	<u>23,778,313.80</u>	<u>-5,279,667.86</u>	<u>-22.20%</u>
Equity							
3110 · Member Deposit Reserve	312,721,665.36	314,790,359.97	-2,068,694.61	-0.66%	295,520,621.09	17,201,044.27	5.82%
(Note 7) 3120 · Other Reserves - Unapportioned	4,222,692.91	4,222,692.91	0.00	0.00%	1,812,692.27	2,410,000.64	132.95%
3210 · Employer Advance Reserves	844,646,172.06	849,852,059.23	-5,205,887.17	-0.61%	801,089,057.74	43,557,114.32	5.44%
3310 · Retiree Reserves	463,582,962.06	456,308,380.28	7,274,581.78	1.59%	448,678,230.09	14,904,731.97	3.32%
3320 · Supp. Retiree Benefit Reserve	108,348,474.77	108,348,474.77	0.00	0.00%	107,766,615.83	581,858.94	0.54%
3410 · Contingency Reserve	49,227,604.66	49,227,604.66	0.00	0.00%	50,670,951.65	-1,443,346.99	-2.85%
3510 · Market Stabilization	-163,716,787.00	-163,716,787.00	0.00	0.00%	-60,026,386.00	-103,690,401.00	-172.74%
3810 · Income Summary Account	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
3900 · Retained Earnings	786,925.66	786,925.66	0.00	0.00%	659,601.83	127,323.83	19.30%
Net Income	152,901,930.74	61,747,450.31	91,154,480.43	147.63%	50,490,690.79	102,411,239.95	202.83%
Total Equity	<u>1,772,721,641.22</u>	<u>1,681,567,160.79</u>	<u>91,154,480.43</u>	<u>5.42%</u>	<u>1,696,662,075.29</u>	<u>76,059,565.93</u>	<u>4.48%</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,791,220,287.16</u></u>	<u><u>1,707,863,764.71</u></u>	<u><u>83,356,522.45</u></u>	<u><u>4.88%</u></u>	<u><u>1,720,440,389.09</u></u>	<u><u>70,779,898.07</u></u>	<u><u>4.11%</u></u>

Notes:

- Note 1 Transfer to 421 Fund \$20M from Cash Reserve at Custodial Bank
- Note 2 Liquidation of Hedge Funds
- Note 3 Future Overlay - close account
- Note 4 Decrease in Open Trade Sales over last mo. and last year
- Note 5 Receivables resulting from reported deaths and the timing of repayments
- Note 6 US Bank Due diligence credit accrual
- Note 7 Interim interest payments/adjustments and equity adjustments prior to period close

TCERA and TCERA Property, Inc.
Combined Comparative Profit and Loss
November 30, 2020

	<u>Nov 20</u>	<u>Oct 20</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Jul - Nov 20</u>	<u>Jul - Nov 19</u>	<u>\$ Change</u>	<u>% Change</u>	
Ordinary Income/Expense									
Income									
	4110 · Interest Income	242,843.22	250,631.05	-7,787.83	-3.11%	1,535,941.23	2,277,703.80	-741,762.57	-32.57%
(Note 1)	4120 · Dividend Income	478,950.45	202,704.24	276,246.21	136.28%	1,651,144.23	1,800,001.68	-148,857.45	-8.27%
(Note 2)	4130 · Real Estate Income	0.00	1,434,936.61	-1,434,936.61	-100.0%	1,434,936.61	1,286,976.88	147,959.73	11.5%
(Note 3)	4140 · Other Investment Income	224,776.80	438,053.51	-213,276.71	-48.69%	1,197,663.29	2,652,191.87	-1,454,528.58	-54.84%
	4200 · Lease Payments from TCERA	15,640.00	15,640.00	0.00	0.0%	78,200.00	78,200.00	0.00	0.0%
	4310 · Commission Rebates	250.95	110.01	140.94	128.12%	1,173.16	3,250.36	-2,077.20	-63.91%
	4410 · Securities Lending Income	4,476.47	4,659.45	-182.98	-3.93%	20,820.41	37,179.43	-16,359.02	-44.0%
(Note 4)	4510 · Realized Gains/Losses	6,034,795.34	7,411,699.04	-1,376,903.70	-18.58%	38,184,563.77	1,063,152.18	37,121,411.59	3,491.64%
	4530 · Gn/Ls Disposal of Fixed Asset	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
	4610 · Employee Contributions	1,781,330.06	1,792,111.02	-10,780.96	-0.6%	8,377,364.88	8,225,647.74	151,717.14	1.84%
	4620 · Employer Contributions	236,792.93	240,670.27	-3,877.34	-1.61%	36,818,288.61	34,897,441.86	1,920,846.75	5.5%
	Total Income	9,019,856.22	11,791,215.20	-2,771,358.98	-23.5%	89,300,096.19	52,321,745.80	36,978,350.39	70.68%
Expense									
	5110 · Benefit Payments	7,639,824.89	7,578,123.06	61,701.83	0.81%	37,953,007.25	35,926,056.10	2,026,951.15	5.64%
(Note 5)	5120 · Refunds	79,016.88	334,403.11	-255,386.23	-76.37%	1,089,625.76	1,270,694.48	-181,068.72	-14.25%
(Note 6)	5130 · Death Retiree ROC	25,766.68	0.00	25,766.68	100.0%	76,646.62	0.00	76,646.62	100.0%
	5140 · SDA Payments	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
(Note 7)	5210 · Investment Management Fees	296,469.44	224,615.28	71,854.16	31.99%	815,505.83	1,673,307.76	-857,801.93	-51.26%
(Note 7)	5250 · Inv. Consultant/Custodial Fees	117,427.45	1,000.00	116,427.45	11,642.75%	158,427.45	94,549.11	63,878.34	67.56%
	5270 · Securities Lending Expense	740.51	774.35	-33.84	-4.37%	3,109.43	3,354.09	-244.66	-7.29%
	5275 · Real Estate Investment Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
(Note 7)	5276 · Real Estate Mgr Fees	0.00	24,896.59	-24,896.59	-100.0%	24,896.59	367,856.94	-342,960.35	-93.23%
(Note 8)	5280 · Other Investment Expense	655.38	90,569.02	-89,913.64	-99.28%	156,180.23	231,402.54	-75,222.31	-32.51%
(Note 9)	5410 · Actuarial Study Fees	83,124.25	0.00	83,124.25	100.0%	83,124.25	31,867.50	51,256.75	160.84%
	5450 · Compensated Benefit Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
*	5500 · Administrative Expense	156,058.49	270,404.15	-114,345.66	-42.29%	883,924.94	864,272.17	19,652.77	2.27%
*	5750 · TCERA Property Admin Expense	1,503.63	1,008.68	494.95	49.07%	19,566.60	12,806.92	6,759.68	52.78%
	5910 · Depreciation of Fixed Assets	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
	Total Expense	8,400,587.60	8,525,794.24	-125,206.64	-1.47%	41,264,014.95	40,476,167.61	787,847.34	1.95%
	Net Ordinary Income	619,268.62	3,265,420.96	-2,646,152.34	-81.04%	48,036,081.24	11,845,578.19	36,190,503.05	305.52%

**TCERA and TCERA Property, Inc.
Combined Comparative Profit and Loss
November 30, 2020**

	<u>Nov 20</u>	<u>Oct 20</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Jul - Nov 20</u>	<u>Jul - Nov 19</u>	<u>\$ Change</u>	<u>% Change</u>
Other Income/Expense								
Other Income								
4520 · Unrealized Gains/Losses	90,535,211.81	-19,696,773.29	110,231,985.10	559.65%	104,865,849.50	38,645,112.60	66,220,736.90	171.36%
4525 · Unrealized Gns/Ls Building/Land	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5000 · Other Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Other Income	<u>90,535,211.81</u>	<u>-19,696,773.29</u>	<u>110,231,985.10</u>	<u>559.65%</u>	<u>104,865,849.50</u>	<u>38,645,112.60</u>	<u>66,220,736.90</u>	<u>171.36%</u>
Other Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
Net Other Income	<u>90,535,211.81</u>	<u>-19,696,773.29</u>	<u>110,231,985.10</u>	<u>559.65%</u>	<u>104,865,849.50</u>	<u>38,645,112.60</u>	<u>66,220,736.90</u>	<u>171.36%</u>
Net Income	<u><u>91,154,480.43</u></u>	<u><u>-16,431,352.33</u></u>	<u><u>107,585,832.76</u></u>	<u><u>654.76%</u></u>	<u><u>152,901,930.74</u></u>	<u><u>50,490,690.79</u></u>	<u><u>102,411,239.95</u></u>	<u><u>202.83%</u></u>

Notes:

- Note 1 Dividend Income increase over last mo. in Total Equity; decrease over last year
- Note 2 Real Estate Income reported quarterly and one month in arrears
- Note 3 Other Investment Income decrease over last mo. in Private Equity; decrease over last year in Private Equity and Private Credit
- Note 4 Decrease in Realized Gains over last mo. in Private Credit; increase over last year in Total Equity
- Note 5 Decrease in # and \$ amount of Refunds over last mo.
- Note 6 Increase in retiree deaths with remaining contributions
- Note 7 Quarterly fees and timing of payments
- Note 8 Decrease in Other Investment Expense in Private Credit over last mo and over last year
- Note 9 Timing of payments and 3 yr. Experience Study

* See Budget report for detail of Administrative expenses (5500 and 5750)

TCERA and TCERA Property, Inc.
BUDGET VS ACTUAL
November 2020
Accounting Period 5
41.67% of the Current Fiscal Year Budget

	<u>Nov 20</u>	<u>Jul - Nov 19</u>	<u>Jul - Nov 20</u>	<u>Annual Budget</u>	<u>Remaining Budget</u>	<u>% Annual Budget</u>
5500 · Administrative Expense						
5505 · (6001) Allocated Salaries	48,933.00	274,165.31	277,060.00	932,580.00	655,520.00	29.71%
5510 · (6002) Overtime	0.00	0.00	0.00	1,000.00	1,000.00	0.00%
5515 · (6003) Other Pay	604.90	2,602.51	2,811.94	27,564.00	24,752.06	10.20%
5520 · (6004) Benefits	11,631.64	42,467.51	51,569.95	146,469.00	94,899.05	35.21%
5525 · (6005) Extra-Help	0.00	0.00	0.00	500.00	500.00	0.00%
5530 · (6006) Sick Leave Buy Back	0.00	0.00	0.00	0.00	0.00	0.00%
5535 · (6011) Retirement- Co. Port.	8,063.00	32,464.98	36,177.48	112,084.00	75,906.52	32.28%
5540 · (6012) Social Security	4,203.63	19,405.58	20,583.15	69,313.00	48,729.85	29.70%
5545 · (1024) POB Cost	7,071.24	22,762.71	7,071.24	79,475.00	72,403.76	8.90%
(Note 1) 5550 · (6008) Board Fees-Per Diem Pmts	0.00	9,500.00	9,300.00	20,000.00	10,700.00	46.50%
5551 · Communications						
5552 · (7005) Communications	520.74	2,405.18	2,089.48	8,000.00	5,910.52	26.12%
5640 · (7005) Co. Telecommunication	803.75	2,938.22	2,648.05	13,709.00	11,060.95	19.32%
Total 5551 · Communications	1,324.49	5,343.40	4,737.53	21,709.00	16,971.47	21.82%
5553 · Data Processing						
5650 · (7044) ICT Qtrly - Data Process	10,508.83	21,443.11	21,018.16	66,000.00	44,981.84	31.85%
(Note 2) 5697 · (7044) Computer Exp Hdwr/Sftwr	0.00	21,661.76	7,930.17	16,818.00	8,887.83	47.15%
5698 · (7044) WSI/Q2 Digital	350.00	0.00	1,400.00	24,900.00	23,500.00	5.62%
Total 5553 · Data Processing	10,858.83	43,104.87	30,348.33	107,718.00	77,369.67	28.17%
5555 · (7009) Household Expense	1,762.79	5,702.15	5,780.67	17,380.00	11,599.33	33.26%
(Note 3) 5560 · (7010) Insurance	0.00	53,402.00	54,402.00	56,365.00	1,963.00	96.52%
5565 · (7011) Unemployment Insurance	0.00	0.00	0.00	6,000.00	6,000.00	0.00%
5570 · (7021) Maintenance-Equipment	106.50	650.88	544.11	3,000.00	2,455.89	18.14%
(Note 4) 5575 · (7027) Memberships	0.00	4,510.00	4,510.00	6,800.00	2,290.00	66.32%
5580 · (7030) Due Diligence Expense	0.00	1,416.54	0.00	15,000.00	15,000.00	0.00%
(Note 5) 5585 · (7036) Office Expense	-475.46	11,384.51	4,343.69	33,118.00	28,774.31	13.12%
5586 · (7040) Courier	111.26	424.72	445.62	1,300.00	854.38	34.28%
5590 · Prof & Specialized Exp						
5591 · (7043) Prof & Special Gen Exp	0.00	0.00	0.00	500.00	500.00	0.00%
(Note 6) 5592 · (7043) Prof & Spec - Audit	0.00	31,642.09	30,605.41	47,600.00	16,994.59	64.30%
5593 · (7043) Prof Sr -Outside Counsel	3,859.20	25,297.20	9,286.20	75,000.00	65,713.80	12.38%
Total 5590 · Prof & Specialized Exp	3,859.20	56,939.29	39,891.61	123,100.00	83,208.39	32.41%
5594 · County Counsel Charges						
5661 · (7046) Co Counsel - General Exp	2,013.00	9,738.20	4,334.00	35,000.00	30,666.00	12.38%
5662 · (7046) Co Counsel - Disability	17,728.40	28,260.70	26,423.20	93,000.00	66,576.80	28.41%
Total 5594 · County Counsel Charges	19,741.40	37,998.90	30,757.20	128,000.00	97,242.80	24.03%
5595 · (7049) Prof Exp-Disabilities	1,224.00	38,977.64	29,969.44	164,000.00	134,030.56	18.27%
5600 · (7059) Publications	0.00	4,086.63	4,137.60	21,000.00	16,862.40	19.70%
5675 · (7059) Co. Print Services	1,210.99	4,365.66	1,582.66	14,500.00	12,917.34	10.91%
Total 5600 · (7059) Publications	1,210.99	8,452.29	5,720.26	35,500.00	29,779.74	16.11%

TCERA and TCERA Property, Inc.
BUDGET VS ACTUAL
November 2020
Accounting Period 5
41.67% of the Current Fiscal Year Budget

	<u>Nov 20</u>	<u>Jul - Nov 19</u>	<u>Jul - Nov 20</u>	<u>Annual Budget</u>	<u>Remaining Budget</u>	<u>% Annual Budget</u>
5605 · (7062) Rent & Lease -Building	15,640.00	78,200.00	78,200.00	187,680.00	109,480.00	41.67%
5610 · (7066) Spec Dept Exp - RIS	15,882.00	77,553.00	107,441.31	307,821.00	200,379.69	34.90%
5615 · (7073) Training	120.00	6,285.00	1,870.00	15,500.00	13,630.00	12.06%
5620 · (7074) Transportation & Travel	81.71	6,765.15	975.56	32,000.00	31,024.44	3.05%
(Note 7) 5625 · (7081) Utilities	896.10	7,075.86	8,843.49	20,400.00	11,556.51	43.35%
5627 · (7116) Postage - Co. Mail	2,683.69	16,140.22	10,665.78	44,656.00	33,990.22	23.88%
(Note 3) 5630 · (7128) Co. Workers Comp Insurance	0.00	0.00	59,381.00	60,000.00	619.00	98.97%
5695 · Co. Admin. Services						
5666 · (7719) HR/Risk Services	0.00	0.00	0.00	11,291.00	11,291.00	0.00%
5699 · (7719) Auditors Services	523.58	577.15	523.58	7,500.00	6,976.42	6.98%
Total 5695 · Co. Admin. Services	523.58	577.15	523.58	18,791.00	18,267.42	2.79%
5720 · (7421) Interest Expense	0.00	0.00	0.00	1.00	1.00	0.00%
5450 - Compensated Benefit Expense	0.00	0.00	0.00	21,580.00	21,580.00	0.00%
5911 · Depreciation - TCERA	0.00	0.00	0.00	19,000.00	19,000.00	0.00%
5913 · Amortization - CPAS	0.00	0.00	0.00	320,000.00	320,000.00	0.00%
Total TCERA Administrative Expense	156,058.49	864,272.17	883,924.94	3,155,404.00	2,271,479.06	28.01%
5750 · TCERA Property Administrative Expense						
5755 · Fees and Taxes	0.00	25.00	25.00	200.00	175.00	12.50%
(Note 8) 5760 · Insurance	0.00	6,384.00	7,452.00	6,750.00	-702.00	110.40%
5765 · Professional & Spec Services	0.00	0.00	0.00	2,000.00	2,000.00	0.00%
5780 · Courtyards Property Assn Dues	0.00	1,641.63	1,707.67	7,200.00	5,492.33	23.72%
5785 · Landscape Service	450.00	1,500.00	1,672.25	7,800.00	6,127.75	21.44%
5790 · Security Monitoring	135.84	611.28	645.24	7,750.00	7,104.76	8.33%
(Note 9) 5795 · Maintenance & Improve - Bldg	544.00	338.08	6,045.77	14,500.00	8,454.23	41.69%
5797 · Utilities	373.79	2,306.93	2,018.67	6,100.00	4,081.33	33.09%
5912 · Depreciation - TCERA Property	0.00	0.00	0.00	32,600.00	32,600.00	0.00%
Total TCERA Property, Inc. Administrative Expense	1,503.63	12,806.92	19,566.60	84,900.00	65,333.40	23.05%
Total TCERA & TCERA Property Administrative Expense	157,562.12	877,079.09	903,491.54	3,240,304.00	2,336,812.46	27.88%

Notes:

- Note 1 Quarterly per diem paid
- Note 2 Workroom printer, scanner, 2 laptops and 4 Adobe Pro licenses
- Note 3 Annual insurance premiums paid
- Note 4 Annual SACRS & NCPERS membership paid
- Note 5 Cares Act Reimbursement \$1,202
- Note 6 Annual audit expense paid in the first half of fiscal year
- Note 7 Increased electricity costs during summer months
- Note 8 Annual property insurance higher than anticipated
- Note 9 New compressor for A/C unit

Accrued Actuarial Liability	1,875,797,000
June 30, 2020	
.21% of AAL	3,939,173.70
41.67%	1,641,322.38
Expenses to date	(903,491.54)
(Over)/Under	737,830.84



COUNTY OF TULARE
BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

TELEPHONE (559) 713-2900
FAX (559) 730-2631
www.tcera.org

**TCERA, Board of Retirement
Administrative Committee**

Agenda Item # IV.2.b.

Agenda Date: January 27, 2021

Subject: County Counsel Invoices for the month ending December 31, 2020

Requests:

That the Administrative Committee:

1. Review and approve the attached County Counsel invoice in the amount of \$4,281.00.

Summary:

The Board of Retirement has delegated approval authority to the Administrative Committee for County Counsel invoices. The attached invoices have been reviewed by staff and are recommended for approval.

Prepared by: Mary Warner



COUNTY OF TULARE
BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

TELEPHONE (559) 713-2900
FAX (559) 730-2631
www.tcera.org

TCERA, Board of Retirement

Administrative Committee

Agenda Item # IV.2.c.

Agenda Date: January 27, 2021

Subject: California pension clean-up omnibus bill AB 2101 – Amendments to the County Employees Retirement Law (CERL) of 1937.

Requests:

That the Administrative Committee:

1. Review the attached California pension clean-up omnibus bill AB 2101 – Amendments to the CERL.
2. Forward to the Board of Retirement a recommendation.

Summary:

During the December 9th Board meeting, the Board requested that the California pension clean-up omnibus bill AB 2101 amendments to the CERL be forwarded to the Administrative Committee for a thorough discussion and recommendation. TCERA staff identified three main areas of interest to TCERA:

- a. Purchase of Parental Leave
- b. Retirement Application Advance Application Window
- c. Board Approval of Retirements

Please see the attached October 16th, 2020 legislative committee letter to the SACRS Board of Directors with the AB 2101 – Amendments to the County Employees Retirement Law of 1937 for discussion.

Prepared by: Mary Warner



October 16, 2020

To: SACRS Board of Directors, fellow Administrators, and other parties
From: SACRS Legislative Chairs – Dave Nelsen, Alameda CERA and Eric Stern, Sacramento CERS
Re: SACRS Legislation

As Co-Chairs of your SACRS Legislative Committee, Eric and I would like to share some great news. The Legislature has passed and the Governor has signed the provisions of the SACRS recommended CERL clean-up bill!

As you know, and with your help identifying items to place in the bill, the SACRS community approved the provisions in AB 783 to proceed as SACRS sponsored legislation. The bill was moving well until the pandemic closed down legislative operations. When the Legislature got back to work this summer, our lobbyists helped ensure that our provisions were included in a California pension clean-up omnibus bill, AB 2101. This bill included all the provisions of AB 783, as well as CalPERS and CALSTRS changes. AB 2101 was just signed by the Governor.

Attached is a matrix of all the provisions affecting our systems. These are the *same* provisions as were approved by the SACRS membership. If you have questions about any of the changes, we can schedule a teleconference to discuss them, but we wanted to specifically highlight several provisions that take effect only if you choose to act on them, because they are optional.

The first change modifies GC 31646 to allow members to purchase service for parental leave. The current statute does not permit purchases for unpaid absences other than for illness. This amendment adds parity for county retirement systems in an area of law and practice regarding parental leave that has been evolving. Unlike current statute that requires payment of only member contributions for service purchases related to unpaid medical leave, this amendment requires the member to pay ALL contributions (employee and employer) and applies prospectively to future parental leave to ensure compliance with PEPRA's ban on retroactive benefit increases. This provision requires BOS approval, so if you want this to apply to your membership, you will need to coordinate with your County to enact this change.

The second change that requires action to be effective if desired relates to the 60-Day Advance Application Window. GC 31672, and 31672.1-.3 were modified to allow Boards to determine how much in advance they choose to accept retirement applications. Previously, the statute defined the date of retirement to be no more than 60 days from the date of application. However, that timeline is arbitrary, and for many of us can and may want to accept them earlier. The new language keeps it at 60 days *or as determined by your Board*.

The final change would allow the Board to authorize the system administrator or other personnel to exercise the Board's power and perform its duty to retire members under the service retirement provisions in the CERL. The administrator would then be required to report the retirements at the next



public meeting of the Board. By delegating this, systems may be able to clarify and bring consistency to determining the legal date of retirement.

We can schedule a teleconference to go over all the provisions if folks are interested, but we just wanted to let you know about the bill passing and highlight these three optional sections. Again, our sincere thanks for all the help and support in designing this bill and getting the SACRS recommendation. Our goal with this bill was to get needed changes, but also to establish relationships for future bills, and we accomplished that goal!

On that note, we are also working on developing items for the next clean-up bill, which we are targeting for the 2021-2022 legislative cycle. We will be working with the system Administrators and others to solicit input/ideas for the proposal, and then vet these ideas with the Legislative Committee and SACRS Board. Our goal is to take a developed proposal to the SACRS membership in 2021.

Sincerely,
Dave, Eric, and the Legislative Committee

As Amended August 7, 2020

AB 2101 -- Amendments to the County Employees Retirement Law of 1937

Section(s)	Gov Code	Topic	Issue/Justification
29	31454.7	Withdrawn Employer Liabilities	Affirms <i>Mijares vs. OCERS</i> ruling to emphasize Board's authority to set contributions for employers (even if they no longer have active members) to ensure sustainability of the fund.
30 31 32	31465 31627.1 31627.2	Member contributions	Removes incorrect reference to GC 31504, which was repealed
33	31631.5	Member contributions	Fixes incorrect cross reference to GC 31639 (currently 21639)
34	31641.45	Refunds	Removes incorrect cross reference to 20023.1, which was repealed in 1995.
35	31646	Service Purchase for Uncompensated Illness	Allows members to purchase parental leave time, similar to CalPERS (GC 21013) and CalSTRS (EC 22803). Current statute does not permit purchases for unpaid absences other than for illness. This amendment adds parity for county retirement systems in an area of law and practice that has been evolving regarding parental leave. Unlike current statute that requires only member contributions for service purchases related to unpaid medical leave, this amendment requires the member to pay ALL contributions (employee and employer). This provision also require BOS approval, and applies prospectively to future parental leave to ensure compliance with PEPRA's ban on retroactive benefit increases.
36 37 38 39 40 41	31649 31649.5 31649.5 31649.6 31650 31651	Military Leave	Consolidates military service credit statutes to conform to federal laws to ensure members who have been called to duty and return to work can be made whole for retirement purposes due to their leave of absence. These amendments do not contain policy changes, but add clarity and remove potential conflict with federal law regarding the treatment of military service purchases.

As Amended August 7, 2020

142 143	31662.2 31670	Board Approval of Retirements	Delegates authority to the system administrator or other personnel to accept and process service retirement applications, approve effective retirement dates, and pay members, and directs staff to notify Board at the next public meeting. The recent <i>Wilmot v. CCCERA</i> appellate ruling raised a question as to when a member officially retires. The court, citing section 31670, held that a member was not retired until the Board formally approved the member's retirement application. There are various approaches that retirement boards currently use to approve, ratify, or review service retirement applications. By formally delegating the authority to staff to process service retirements, current practices can be codified to comply with section 31670 to ensure members can be paid in a timely manner.
145 146 147	131 672 131 672.1 131 672.2 131 672.3	60-Day Advance Application Window	Allows each system to set an application window based on business needs/ ability . Statute currently prohibits members from submitting applications more than 60 days before retirement, which will remain the default unless proactively changed by the Board. The 60-day rule is arbitrary and likely reflected the constraints on a manual processes. Technology solutions today can accommodate applications filed earlier, which can help facilitate retirement planning for the individual and succession planning for the employer.
8	31680.10	Reinstatement from Retirement	Reinstates to prior status members who had involuntarily termination overturned by administrative or judicial proceeding. This amendment clarifies that member return to previous benefit level, if the member was separated from service during the appeal that may have stretched for long periods. Similar to CalPERS (GC 21198)

As Amended August 7, 2020

49 54	31706 31776.3	Minimum Age Distribution	Conforms to IRC regulations the timing of notice for mandatory distribution by clarifying that member deadline to retire/take action is April 1 of year following the year in which the member attains age 72, under recent federal Secure Act changes. Also adds language for flexibility for lump sum distribution of contributions instead of an "allowance." There are frequent situations in which a deferred member who worked for the county many years ago may have a small amount of member contributions on file. It is cumbersome and inefficient to provide an annual pension on what may amount to a few dollars, instead of providing a lump sum distribution.
50 51 52 53 55 56 57 58 59 60 1 2 3	31760.1 3176 0.2 31765 31765.1 31781.1 31782.2 31785 31785.1 31786 31786.1 31787 31787.5 31853.3	Optional Retirement Allowances and Death Benefits: Age 21	Amends CERL sections to clarify survivor benefit are to be paid up to the child's 22nd birthday as long as the child remains unmarried and enrolled full time. CERL provides for a benefit to be paid to a child over the age of 18 who is regularly enrolled as a full-time student in an accredited school. The benefit is to be paid "through the age of 21." "Through the age of 21" could mean up to the date that the child turns 21 because as of that date the child is 21 plus one day. On the other hand, it could mean up to the child's 22nd birthday. This amendment reflects the majority interpretation and practice.