



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**  
REGULAR RETIREMENT BOARD MEETING  
**Wednesday, April 14, 2021 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 Wayne Ross, Chair.

**II. ROLL CALL**

Voting Trustees Present: Cass Cook, Laura Hernandez, Wayne Ross, Gary Reed,  
Nathan Polk, Dave Kehler, Pete Vander Poel

Voting Alternate  
Trustees Present: David Vasquez

Alternate Trustees Participating  
Remotely: Paul Sampietro

Trustees Absent: Jim Young

Alternate Trustees Absent: George Finney

Staff Members Present: Leanne Malison, Retirement Administrator  
Mary Warner, Assistant Retirement Administrator

Board Counsel Participating  
Remotely: Marit Erickson, Deputy County Counsel

**III. PLEDGE OF ALLEGIANCE**

**IV. 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

**V. X-AGENDA ITEMS**

None

**VI. CONSENT CALENDAR**

1. Approve Minutes of the following meetings:

- a. Retirement Board Minutes of March 24, 2021.
2. Approve payments to:
  - a. Verus – invoice for investment consulting services in the amount of \$20,000 for the month ended March 31, 2021.
  - b. Hanson Bridgett – invoice for legal services to the Board of Retirement in the amount of \$211.50 for the period ending February 28, 2021.
3. Pension Board Reports
  - a. Ratify Retirement Administrator actions regarding Retirement Application approvals and Option Selections for the month of March 2021.
  - b. Approve Reports regarding Retirement Applications, Option Selections and Deceased Pensioners and 30-Year Members for the month of March 2021.

Motion to approve the Consent Calendar as presented.

Motion: Polk

Second: Reed

Motion passed unanimously.

## **VII. INVESTMENTS**

1. Presentation from PIMCO regarding TCERA's investment allocation to International Value Equity. Discussion and possible action.

Matt Clark, Ben Ruffel, and Raji Manasseh of PIMCO presented information regarding the firm and the portfolio including performance, process, and market outlook.

The Chair authorized 50 minutes of education credit for the presentation.

2. Presentation from Ivy regarding TCERA's investment allocation to Large Cap Growth Equity. Discussion and possible action.

Brian Sullivan and Brad Klapmeyer presented information regarding the firm and the portfolio including performance, process, and market outlook.

The Chair authorized 50 minutes of education credit for the presentation.

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

Mr. Kehler expressed disappointment in the Ivy presentation noting that the performance of the manager is a concern. He expected the manager to address the performance issues in more detail. This ties in with the Board's ongoing discussions regarding the active and passive investment allocations in TCERA's investment portfolio. A related item is on today's Investment Committee agenda.

## **VIII. ADMINISTRATIVE COMMITTEE REPORT**

1. Update by Dave Kehler regarding the Administrative Committee meeting of March 24, 2021. Discussion and possible action regarding the following items:
  - a. TCERA and TCERA Property, Inc. Financial Statements – December 31, 2020 and January 31, 2021.

Mr. Kehler noted the significant improvement in the Market Stabilization Reserve, a direct result of the investment performance in the first half of the fiscal year.

Motion to approve the December 31, 2020 and January 31, 2021 TCERA and TCERA Property, Inc. Financial Statements as presented.

Motion: Kehler  
Second: Hernandez  
Motion passed unanimously.

b. Supplemental Retiree Benefit Reserve (SRBR) Analysis.

Mr. Kehler reported to the Board that the Committee has three recommendations for SRBR analysis to be included with the June 30, 2021 Actuarial Valuation:

Scenario #1: Reduce the Supplemental Cash benefit from \$12.50 per month to \$10.00 per month with projected investment returns of 8.5%, 7.0%, and 6.13% (projected return as noted in last year's valuation).

Scenario #2: Reduce the Supplemental Cash benefit from \$12.50 per month to \$8.00 per month with projected investment returns of 8.5%, 7.0%, and 6.13%.

Scenario #3: Eliminate the post-retirement spouse continuance benefit for future retirees.

Motion to authorize TCERA's actuary to include an analysis of the projected effect that each of the listed scenarios would have on the SRBR as part of the June 30, 2021 Actuarial Valuation.

Motion: Kehler  
Second: Polk  
Motion passed unanimously.

c. TCERA Staffing – Secretary Vacancy and Recruitment.

Mr. Kehler reported that Staff is notifying the Board of the intent to fill the Secretary position that has been vacant for an extended period of time. The Committee is in support of filling the position. No action is required.

## IX. NEW BUSINESS

1. Discussion and possible action regarding Resolution Regarding Pay Codes Included as Pensionable Income – Tulare County.

Motion to approve the resolution as presented.

Motion: Kehler  
Second: Hernandez  
Ayes: Cook, Hernandez, Polk, Kehler, Vander Poel, Vasquez  
Noes: Ross, Reed  
Motion passed 6/2.

2. Discussion and possible action regarding Resolution Regarding Pay Codes Included as Pensionable Income – Tulare County Superior Court.

Motion to approve the resolution as presented.

Motion: Kehler  
Second: Cook  
Ayes: Cook, Hernandez, Polk, Kehler, Vander Poel, Vasquez  
Noes: Ross, Reed  
Motion passed 6/2.

Ms. Hernandez noted for the Board that these pay codes serve an important purpose for employees during the pandemic.

3. Discussion and possible action regarding SACRS Board of Director Elections 2021-2022 – Final Ballot.

Motion to grant the voting delegates the authority to vote on behalf of the Board on the matter of the SACRS Board of Director Elections at the SACRS business meeting.

Motion: Cook  
Second: Hernandez  
Motion passed unanimously.

4. Discussion and possible action regarding SACRS sponsorship for omnibus bill SB634 (Committee on Labor, Public Employment and Retirement).

Motion to authorize the voting delegates to vote in support of omnibus bill SB634 at the SACRS business meeting.

Motion: Kehler  
Second: Vasquez  
Motion passed unanimously.

5. Discussion and possible action regarding Resolution Ordering Board of Retirement Trustee Special Election - Second Member Position (Elected General Member).

Ms. Malison reported that due to the final retirement date of former trustee, Roland Hill, a special election is required under TCERA Policy.

Motion to approve the Resolution Ordering Board of Retirement Trustee Special Election – Second Member Position (Elected General Member) with correction to an erroneous reference to safety rather than general members in the document.

Motion: Cook  
Second: Hernandez  
Motion passed unanimously.

## **X. EDUCATION ITEMS**

1. Discussion and possible action regarding Summary Education Reports as filed:
  - a. Mary Warner – CALAPRS General Assembly, March 8-9, 2021, 7.75 hours.

Motion to approve the Summary Education Report as filed.

Motion: Vander Poel  
Second: Vasquez  
Motion passed unanimously.

2. Discussion and possible action regarding available educational events.

No action.

### **XI. COMMUNICATIONS**

1. SACRS Legislative Update
2. SACRS Business Meeting Packet for Spring SACRS, Friday, May 14, 2021

### **XII. UPCOMING MEETINGS**

1. Investment Committee Meeting April 14, 2021
2. Board of Retirement Meeting April 28, 2021, 8:30 a.m.
3. Special Board of Retirement Meeting April 29, 2021, 8:30 a.m.
4. Administrative Committee Meeting April 29, 2021, 12:00 noon.

### **XIII. TRUSTEE/STAFF COMMENTS**

Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time.

Mr. Reed asked if the responses to the investment consultant RFP could be printed. The trustees were informed that this would be hundreds of pages of documents. Ms. Malison indicated that hard copies would be provided upon request.

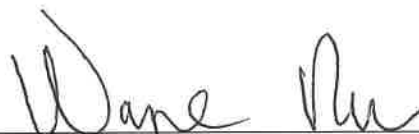
Mr. Kehler noted that Larry Fink, CEO of BlackRock, received a 19% increase in compensation as reported in Pension & Investments. He expressed concern over such a large increase in executive compensation for one of our managers.

Mr. Ross announced that he has appointed Mr. Finney to the Administrative Committee as a voting member.

Ms. Hernandez acknowledged Ms. Malison's recent presentation at the Board of Supervisors regarding the implementation of the retirement contribution rates for Fiscal Year 2021-2022.

### **XIV. ADJOURNMENT**

The meeting was adjourned at 11:01 a.m.

  
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Wayne Ross, Chair