



# 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](http://www.tcera.org)

### **AGENDA OF THE BOARD OF RETIREMENT** **ADMINISTRATIVE COMMITTEE MEETING** **Wednesday, August 25, 2021 @ 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](mailto: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 June 23, 2021.
2. Discussion and possible action regarding the following items:
  - a. TCERA and TCERA Property, Inc. Preliminary Financial Statements – June 30, 2021 and July 31, 2021.
  - b. TCERA's Consultant Review
  - c. TCERA's Revised Service Agreement with the County of Tulare

## **V. UPCOMING MEETING**

1. Wednesday, September 22, 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**  
**Wednesday, July 28, 2021 @ 10:30 a.m.**  
TCERA Executive Room, 136 N. Akers Street, Visalia, CA 93291

### I. CALL TO ORDER

The meeting was called to order at 12:13 p.m.

### II. ROLL CALL

Present: David Kehler, Chair; Jim Young, Laura Hernandez, Paul Sampietro  
George Finney (alternate)  
Leanne Malison, Mary Warner

### III. PUBLIC COMMENT

None

### IV. AGENDA ITEMS

1. Review of Committee Minutes from the meeting of June 23, 2021.

**Motion to approve minutes as presented.**

Motion: Young

Second: Sampietro

Motion approved unanimously.

2. Discussion and possible action regarding the following items:

- a. **Retirement Board Meeting Access and Participation Considerations**

Ms. Malison informed the Committee that the Governor's temporary removal of certain restrictions under California's Ralph M. Brown Act that governs TCERA's Board meetings is ending September 30<sup>th</sup> and the original restrictions will be reinstated. Under the emergency order TCERA has implemented remote access for meeting participation for trustees, staff, and members of the public. Staff is requesting guidance regarding Board meeting access and participation for meetings held after September 30<sup>th</sup>. Ms. Malison reviewed the possible options available and the Committee discussed them. The Committee agreed that their preference is Option #5 with the correction to remove the last sentence.

**Motion to recommend to the Board to eliminate the remote access and participation except for vendor presentations pre-approved by the Board of Retirement. Members of the public could participate via phone and e-mail. Initiate a non-interactive live stream for the public with a recording to be posted to the website after the meeting.**

Motion: Hernandez

Second: Sampietro

Motion approved unanimously.

**b. Ratify Retirement Administrator Expenses**

Ms. Warner gave a brief review of why the expenses of both the Retirement Administrator and the Assistant Retirement Administrator must be ratified by the Administrative Committee.

**Motion to ratify Retirement Administrator expenses as presented.**

Motion: Sampietro

Second: Young

Motion approved unanimously.

**V. UPCOMING MEETING**

1. Wednesday, August 25, 2021 @ 10:30 a.m.

**VI. ADJOURN**

The meeting was adjourned at 12:32 p.m.

Approved: \_\_\_\_\_  
*David Kehler, Chair*

\_\_\_\_\_  
*Date*



# 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](http://www.tcera.org)

## **TCERA, Board of Retirement Administrative Committee**

### **Agenda Item # IV.2.a.**

**Agenda Date:** August 25, 2021

**Subject:** TCERA and TCERA Property, Inc. Preliminary Financial Statements – June 30, 2021 and July 31, 2021.

### **Requests:**

That the Administrative Committee:

1. Review the TCERA and TCERA Property, Inc. Preliminary Financial Statements for June 30, 2021 and July 31, 2021.

### **Summary:**

The June 30, 2021 and July 31, 2021 TCERA and TCERA Property, Inc. Preliminary 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 June 30, 2021**  
*Before All Accruals & Interest Posting*

	<u>Jun 30, 21</u>	<u>May 31, 21</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Jun 30, 20</u>	<u>\$ Change</u>	<u>% Change</u>
<b>ASSETS</b>							
<b>Current Assets</b>							
<b>Checking/Savings</b>							
(Note 1) 1110 · Cash in County Treasury	11,067,944.93	16,926,750.39	-5,858,805.46	-34.61%	27,431,879.84	-16,363,934.91	-59.65%
(Note 2) 1120 · Cash in Custodial Account	25,908,344.66	41,824,522.78	-15,916,178.12	-38.06%	63,380,155.15	-37,471,810.49	-59.12%
(Note 3) 1130 · Short Term Investments	30,730,774.18	32,381,781.08	-1,651,006.90	-5.10%	7,318,062.64	23,412,711.54	319.93%
(Note 4) 1140 · Securities Lending Collateral	0.00	0.00	0.00	0.00%	35,337,497.32	-35,337,497.32	-100.00%
1150 · Impaired Assets	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
<b>Total Checking/Savings</b>	<u>67,707,063.77</u>	<u>91,133,054.25</u>	<u>-23,425,990.48</u>	<u>-25.71%</u>	<u>133,467,594.95</u>	<u>-65,760,531.18</u>	<u>-49.27%</u>
<b>Other Current Assets</b>							
1310 · Fixed Income - Market	561,575,717.07	558,916,043.06	2,659,674.01	0.48%	474,595,029.82	86,980,687.25	18.33%
1340 · Equities - Market	952,435,566.61	937,517,049.75	14,918,516.86	1.59%	723,449,533.31	228,986,033.30	31.65%
1375 · Real Estate - REITS	194,893,456.76	182,581,945.61	12,311,511.15	6.74%	177,778,903.08	17,114,553.68	9.63%
(Note 5) 1385 · Hedge Funds	0.00	0.00	0.00	0.00%	93,982.33	-93,982.33	-100.00%
1386 · Private Equity	108,882,108.07	93,872,497.66	15,009,610.41	15.99%	75,232,931.72	33,649,176.35	44.73%
1388 · Private Credit	104,186,835.00	97,502,856.00	6,683,979.00	6.86%	75,511,818.00	28,675,017.00	37.97%
(Note 6) 1390 · Futures Overlay	0.00	0.00	0.00	0.00%	5,258,087.99	-5,258,087.99	-100.00%
<b>Total Other Current Assets</b>	<u>1,921,973,683.51</u>	<u>1,870,390,392.08</u>	<u>51,583,291.43</u>	<u>2.76%</u>	<u>1,531,920,286.25</u>	<u>390,053,397.26</u>	<u>25.46%</u>
<b>Total Current Assets</b>	<u>1,989,680,747.28</u>	<u>1,961,523,446.33</u>	<u>28,157,300.95</u>	<u>1.44%</u>	<u>1,665,387,881.20</u>	<u>324,292,866.08</u>	<u>19.47%</u>
<b>Fixed Assets</b>							
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	207,404.81	207,404.81	0.00	0.00%	153,661.50	53,743.31	34.98%
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%	-2,786,542.42	0.00	0.00%
1512 · Land	370,345.69	370,345.69	0.00	0.00%	370,345.69	0.00	0.00%
<b>Total Fixed Assets</b>	<u>1,724,669.66</u>	<u>1,724,669.66</u>	<u>0.00</u>	<u>0.00%</u>	<u>1,670,926.35</u>	<u>53,743.31</u>	<u>3.22%</u>
<b>Other Assets</b>							
(Note 7) 1710 · Open Trades Sales	23,884,042.73	9,941,819.95	13,942,222.78	140.24%	10,315,348.60	13,568,694.13	131.54%
1730 · Investment Income Receivable	896,797.72	1,005,771.23	-108,973.51	-10.84%	907,891.91	-11,094.19	-1.22%
(Note 8) 1735 · Real Estate Income Receivable	1,358,916.37	0.00	1,358,916.37	100.00%	938,782.41	420,133.96	44.75%
(Note 4) 1750 · Members Contribution Receivable	811,493.53	0.00	811,493.53	100.00%	663,033.95	148,459.58	22.39%
(Note 4) 1770 · Employer Contribution Receivable	202,396.54	0.00	202,396.54	100.00%	196,834.35	5,562.19	2.83%
1780 · Advances Rec- Holding Corp	482,230.00	491,230.00	-9,000.00	-1.83%	590,230.00	-108,000.00	-18.30%
(Note 9) 1785 · Pension Deaths Receivables	-473.48	0.00	-473.48	-100.00%	505.12	-978.60	-193.74%
1790 · Other Receivables	7,011.06	7,302.07	-291.01	-3.99%	12,122.88	-5,111.82	-42.17%
<b>Total Other Assets</b>	<u>27,642,414.47</u>	<u>11,446,123.25</u>	<u>16,196,291.22</u>	<u>141.50%</u>	<u>13,624,749.22</u>	<u>14,017,665.25</u>	<u>102.88%</u>
<b>TOTAL ASSETS</b>	<u><u>2,019,047,831.41</u></u>	<u><u>1,974,694,239.24</u></u>	<u><u>44,353,592.17</u></u>	<u><u>2.25%</u></u>	<u><u>1,680,683,556.77</u></u>	<u><u>338,364,274.64</u></u>	<u><u>20.13%</u></u>

**TCERA and TCERA Property, Inc.**  
**Combined Balance Sheet Comparison**  
**As of June 30, 2021**

*Before All Accruals & Interest Posting*

	Jun 30, 21	May 31, 21	\$ Change	% Change	Jun 30, 20	\$ Change	% Change
<b>LIABILITIES &amp; EQUITY</b>							
<b>Liabilities</b>							
<b>Current Liabilities</b>							
(Note 4) 2010 · Sec Lending Collateral Payable	0.00	0.00	0.00	0.00%	35,337,497.32	-35,337,497.32	-100.00%
(Note 10) 2020 · Open Trades - Purchases	51,172,031.19	37,571,191.97	13,600,839.22	36.20%	19,236,936.11	31,935,095.08	166.01%
(Note 4) 2030 · Accounts Payable - Inv	546,210.88	0.00	546,210.88	100.00%	466,751.49	79,459.39	17.02%
2040 · Refunds Payable	4,098,875.89	3,706,735.89	392,140.00	10.58%	3,392,107.70	706,768.19	20.84%
(Note 4) 2050 · Other Payables	2,087,715.31	-389.82	2,088,105.13	535658.80%	1,707,293.14	380,422.17	22.28%
2100 · Payroll Liabilities	34,684.17	0.00	34,684.17	100.00%	29,478.74	5,205.43	17.66%
Total Other Current Liabilities	57,939,517.44	41,277,538.04	16,661,979.40	40.37%	60,170,064.50	-2,230,547.06	-3.71%
Total Current Liabilities	57,939,517.44	41,277,538.04	16,661,979.40	40.37%	60,170,064.50	-2,230,547.06	-3.71%
<b>Long Term Liabilities</b>							
2060 · Accrual-Benefits at Termination	115,302.68	103,551.79	11,750.89	11.35%	103,551.79	11,750.89	11.35%
2070 · Advances Payable - TCERA	482,230.00	491,230.00	-9,000.00	-1.83%	590,230.00	-108,000.00	-18.30%
Total Long Term Liabilities	597,532.68	594,781.79	2,750.89	0.46%	693,781.79	-96,249.11	-13.87%
Total Liabilities	58,537,050.12	41,872,319.83	16,664,730.29	39.80%	60,863,846.29	-2,326,796.17	-3.82%
<b>Equity</b>							
3110 · Member Deposit Reserve	319,830,699.11	320,937,896.11	-1,107,197.00	-0.35%	319,562,285.11	268,414.00	0.08%
(Note 11) 3120 · Other Reserves - Unapportioned	3,066,864.75	3,066,864.75	0.00	0.00%	4,272,676.46	-1,205,811.71	-28.22%
3210 · Employer Advance Reserves	878,967,488.00	881,535,089.14	-2,567,601.14	-0.29%	859,181,730.95	19,785,757.05	2.30%
3310 · Retiree Reserves	466,829,424.22	463,154,626.08	3,674,798.14	0.79%	442,156,799.87	24,672,624.35	5.58%
3320 · Supp. Retiree Benefit Reserve	107,567,108.49	107,567,108.49	0.00	0.00%	108,348,474.77	-781,366.28	-0.72%
3410 · Contingency Reserve	55,437,104.30	55,437,104.30	0.00	0.00%	49,227,604.66	6,209,499.64	12.61%
3510 · Market Stabilization	-7,569,506.00	-7,569,506.00	0.00	0.00%	-163,716,787.00	156,147,281.00	95.38%
3810 · Income Summary Account	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
3900 · Retained Earnings	-204,309,472.39	-204,309,472.39	0.00	0.00%	27,138,599.68	-231,448,072.07	-852.84%
Net Income	340,691,070.81	313,002,208.93	27,688,861.88	8.85%	-26,351,674.02	367,042,744.83	1392.86%
Total Equity	1,960,510,781.29	1,932,821,919.41	27,688,861.88	1.43%	1,619,819,710.48	340,691,070.81	21.03%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,019,047,831.41</b>	<b>1,974,694,239.24</b>	<b>44,353,592.17</b>	<b>2.25%</b>	<b>1,680,683,556.77</b>	<b>338,364,274.64</b>	<b>20.13%</b>

**Notes:**

Note 1 Decrease over last year due to timing of Cash Reserve transfer to replenish 421 fund

Note 2 Decrease over last year due to liquidation of Hedge Funds last year

Note 3 Timing of managers short term positions

Note 4 Accruals

Note 5 Hedge Funds - accounts closed

Note 6 Future Overlay - account closed

Note 7 Increase in Open Trade Sales over last month and over last year

Note 8 Timing of receipt of Real Estate Distributions vs. lag in Real Estate reporting

Note 9 Timing of pymt received and the receivable recorded.

Note 10 Increase in Open Purchases over last mo and last year

Note 11 Interim interest payments/adjustments and equity adjustments prior to period close

**TCERA and TCERA Property, Inc.**  
**Combined Comparative Profit and Loss**  
**June 30, 2021**

		Before All Accruals & Interest Posting							
		Jun 21	May 21	\$ Change	% Change	Jun 21	Jun 20	\$ Change	% Change
Ordinary Income/Expense									
Income									
(Note 1)	4110 · Interest Income	308,111.94	256,842.99	51,268.95	19.96%	308,111.94	550,486.48	-242,374.54	-44.03%
	4120 · Dividend Income	334,695.33	494,004.03	-159,308.70	-32.25%	334,695.33	381,691.70	-46,996.37	-12.31%
(Note 2)	4130 · Real Estate Income	176,281.19	0.00	176,281.19	100.0%	176,281.19	1,090,512.80	-914,231.61	-83.84%
	4140 · Other Investment Income	416,719.11	310,974.33	105,744.78	34.0%	416,719.11	321,647.04	95,072.07	29.56%
	4200 · Lease Payments from TCERA	15,640.00	15,640.00	0.00	0.0%	15,640.00	15,640.00	0.00	0.0%
	4310 · Commission Rebates	105.87	0.00	105.87	100.0%	105.87	388.59	-282.72	-72.76%
(Note 3)	4410 · Securities Lending Income	7,426.55	7,088.36	338.19	4.77%	7,426.55	696,763.90	-689,337.35	-98.93%
(Note 4)	4510 · Realized Gains/Losses	7,384,890.70	7,020,677.83	364,212.87	5.19%	7,384,890.70	4,777,950.10	2,606,940.60	54.56%
	4530 · Gn/Ls Disposal of Fixed Asset	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
(Note 5)	4610 · Employee Contributions	3,447,534.48	1,783,651.89	1,663,882.59	93.29%	3,447,534.48	3,265,949.53	181,584.95	5.56%
(Note 5)	4620 · Employer Contributions	-1,526,325.95	221,633.15	-1,747,959.10	-788.67%	-1,526,325.95	-1,076,690.55	-449,635.40	-41.76%
Total Income		10,565,079.22	10,110,512.58	454,566.64	4.5%	10,565,079.22	10,024,339.59	540,739.63	5.39%
Expense									
	5110 · Benefit Payments	8,025,735.10	7,912,269.18	113,465.92	1.43%	8,025,735.10	7,576,169.60	449,565.50	5.93%
(Note 6)	5120 · Refunds	875,259.88	225,800.46	649,459.42	287.63%	875,259.88	354,702.59	520,557.29	146.76%
	5130 · Death Retiree ROC	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
	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	1,454,654.95	243,844.97	1,210,809.98	496.55%	1,454,654.95	1,671,743.65	-217,088.70	-12.99%
(Note 7)	5250 · Inv. Consultant/Custodial Fees	224,062.80	0.00	224,062.80	100.0%	224,062.80	207,898.83	16,163.97	7.78%
	5270 · Securities Lending Expense	1,115.82	1,247.12	-131.30	-10.53%	1,115.82	682,044.11	-680,928.29	-99.84%
	5275 · Real Estate Investment Expense	0.00	0.00	0.00	0.0%	0.00	35,992.03	-35,992.03	-100.0%
(Note 7)	5276 · Real Estate Mgr Fees	402,285.86	0.00	402,285.86	100.0%	402,285.86	425,247.76	-22,961.90	-5.4%
(Note 8)	5280 · Other Investment Expense	-3,603.32	600.70	-4,204.02	-699.85%	-3,603.32	24,507.13	-28,110.45	-114.7%
(Note 7)	5410 · Actuarial Study Fees	10,756.25	4,548.50	6,207.75	136.48%	10,756.25	2,000.00	8,756.25	437.81%
	5450 · Compensated Benefit Expense	11,750.89	0.00	11,750.89	100.0%	11,750.89	13,252.07	-1,501.18	-11.33%
*	5500 · Administrative Expense	297,253.88	176,128.75	121,125.13	68.77%	297,253.88	261,459.55	35,794.33	13.69%
*	5750 · TCERA Property Admin Expense	9,747.13	1,798.58	7,948.55	441.94%	9,747.13	10,185.75	-438.62	-4.31%
	5910 · Depreciation of Fixed Assets	0.00	0.00	0.00	0.0%	0.00	340,946.16	-340,946.16	-100.0%
Total Expense		11,309,019.24	8,566,238.26	2,742,780.98	32.02%	11,309,019.24	11,606,149.23	-297,129.99	-2.56%
Net Ordinary Income		-743,940.02	1,544,274.32	-2,288,214.34	-148.17%	-743,940.02	-1,581,809.64	837,869.62	52.97%

**TCERA and TCERA Property, Inc.  
Combined Comparative Profit and Loss  
June 30, 2021**

Before All Accruals & Interest Posting								
	Jun 21	May 21	\$ Change	% Change	Jun 21	Jun 20	\$ Change	% Change
<b>Other Income/Expense</b>								
<b>Other Income</b>								
4520 · Unrealized Gains/Losses	28,432,801.90	14,998,785.25	13,434,016.65	89.57%	28,432,801.90	26,669,015.57	1,763,786.33	6.61%
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%
<b>Total Other Income</b>	28,432,801.90	14,998,785.25	13,434,016.65	89.57%	28,432,801.90	26,669,015.57	1,763,786.33	6.61%
<b>Other Expense</b>	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
<b>Net Other Income</b>	28,432,801.90	14,998,785.25	13,434,016.65	89.57%	28,432,801.90	26,669,015.57	1,763,786.33	6.61%
<b>Net Income</b>	27,688,861.88	16,543,059.57	11,145,802.31	67.37%	27,688,861.88	25,087,205.93	2,601,655.95	10.37%

**Notes:**

- Note 1** Increase in Interest Income over last mo.; decrease over last year
- Note 2** Real Estate Income reported quarterly and one mo. in arrears
- Note 3** Annual Securities Lending Accruals & Adjustments
- Note 4** Increase in Realized Gains over last mo. in Total Equity; increase over last year in Total Equity
- Note 5** Accruals for EE & ER Contributions; True up Co. ER contributions
- Note 6** Semi-Annual Refund Accrual
- Note 7** Quarterly Fees Accrued
- Note 8** Decrease in Other Investment Expense over last mo. in Priv Equity; decrease over last year

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

**TCERA and TCERA Property, Inc.**  
**BUDGET VS ACTUAL**  
**June 2021**  
Accounting Period 12  
100.00% of the Current Fiscal Year Budget  
*Before All Accruals & Interest Posting*

	Jun 21	Jul '19 - Jun 20	Jul '20 - Jun 21	Annual Budget	Remaining Budget	% Annual Budget
<b>5500 · Administrative Expense</b>						
5505 · (6001) Allocated Salaries	114,449.20	814,099.20	821,999.28	932,580.00	110,580.72	88.14%
5510 · (6002) Overtime	0.00	0.00	0.00	1,000.00	1,000.00	0.00%
5515 · (6003) Other Pay	1,683.44	11,221.67	12,251.79	27,564.00	15,312.21	44.45%
5520 · (6004) Benefits	15,782.87	124,666.78	137,151.47	146,469.00	9,317.53	93.64%
5525 · (6005) Extra-Help	0.00	0.00	0.00	500.00	500.00	0.00%
5530 · (6006) Sick Leave Buy Back	0.00	11,633.70	0.00	0.00	0.00	0.00%
5535 · (6011) Retirement- Co. Port.	15,421.06	96,772.01	104,350.82	112,084.00	7,733.18	93.10%
5540 · (6012) Social Security	8,948.71	61,160.02	61,865.39	69,313.00	7,447.61	89.26%
5545 · (1024) POB Cost	15,374.05	61,717.73	68,458.34	79,475.00	11,016.66	86.14%
5550 · (6008) Board Fees-Per Diem Pmts	0.00	18,000.00	19,096.07	20,000.00	903.93	95.48%
<b>5551 · Communications</b>						
5552 · (7005) Communications	956.06	6,691.74	5,962.44	8,000.00	2,037.56	74.53%
5640 · (7005) Co. Telecommunication	971.68	10,198.51	8,646.40	13,709.00	5,062.60	63.07%
<b>Total 5551 · Communications</b>	<b>1,927.74</b>	<b>16,890.25</b>	<b>14,608.84</b>	<b>21,709.00</b>	<b>7,100.16</b>	<b>67.29%</b>
<b>5553 · Data Processing</b>						
5650 · (7044) ICT Qtrly - Data Process	5,266.71	58,985.03	57,776.56	66,000.00	8,223.44	87.54%
5697 · (7044) Computer Exp Hdw/Sftwr	9,771.64	25,712.23	17,660.22	19,218.00	1,557.78	91.89%
5698 · (7044) WSI/Q2 Digital	350.00	2,950.00	3,850.00	22,500.00	18,650.00	17.11%
<b>Total 5553 · Data Processing</b>	<b>15,388.35</b>	<b>87,647.26</b>	<b>79,286.78</b>	<b>107,718.00</b>	<b>28,431.22</b>	<b>73.61%</b>
<b>5555 · (7009) Household Expense</b>	<b>1,418.15</b>	<b>14,669.65</b>	<b>13,944.04</b>	<b>17,380.00</b>	<b>3,435.96</b>	<b>80.23%</b>
5560 · (7010) Insurance	0.00	53,402.00	54,402.00	56,365.00	1,963.00	96.52%
5565 · (7011) Unemployment Insurance	274.62	0.00	274.62	6,000.00	5,725.38	0.00%
5570 · (7021) Maintenance-Equipment	203.46	1,686.97	1,565.23	3,000.00	1,434.77	52.17%
5575 · (7027) Memberships	0.00	6,555.00	6,430.00	6,800.00	370.00	94.56%
5580 · (7030) Due Diligence Expense	5,947.89	5,290.23	5,947.89	15,000.00	9,052.11	39.65%
5585 · (7036) Office Expense	5,660.86	30,752.21	25,053.70	32,918.00	7,864.30	76.11%
5586 · (7040) Courier	335.59	1,276.75	1,340.25	1,500.00	159.75	89.35%
<b>5590 · Prof &amp; Specialized Exp</b>						
5591 · (7043) Prof & Special Gen Exp	15.00	0.00	15.00	500.00	485.00	3.00%
5592 · (7043) Prof & Spec - Audit	0.00	41,800.00	44,570.00	47,600.00	3,030.00	93.63%
5593 · (7043) Prof Sr -Outside Counsel	0.00	79,865.40	14,934.75	75,000.00	60,065.25	19.91%
<b>Total 5590 · Prof &amp; Specialized Exp</b>	<b>15.00</b>	<b>121,665.40</b>	<b>59,519.75</b>	<b>123,100.00</b>	<b>63,580.25</b>	<b>48.35%</b>
<b>5594 · County Counsel Charges</b>						
5661 · (7046) Co Counsel - General Exp	7,461.00	25,288.20	17,333.70	35,000.00	17,666.30	49.52%
5662 · (7046) Co Counsel - Disability	16,840.60	58,467.20	67,364.20	93,000.00	25,635.80	72.43%
<b>Total 5594 · County Counsel Charges</b>	<b>24,301.60</b>	<b>83,755.40</b>	<b>84,697.90</b>	<b>128,000.00</b>	<b>43,302.10</b>	<b>66.17%</b>
<b>5595 · (7049) Prof Exp-Disabilities</b>	<b>25,840.76</b>	<b>98,160.16</b>	<b>75,026.12</b>	<b>164,000.00</b>	<b>88,973.88</b>	<b>45.75%</b>
<b>5600 · (7059) Publications</b>	<b>4,197.36</b>	<b>20,318.96</b>	<b>20,965.97</b>	<b>22,000.00</b>	<b>1,034.03</b>	<b>95.30%</b>
5675 · (7059) Co. Print Services	995.26	12,535.50	6,730.75	13,500.00	6,769.25	49.86%
<b>Total 5600 · (7059) Publications</b>	<b>5,192.62</b>	<b>32,854.46</b>	<b>27,696.72</b>	<b>35,500.00</b>	<b>7,803.28</b>	<b>78.02%</b>

**TCERA and TCERA Property, Inc.**  
**BUDGET VS ACTUAL**  
**June 2021**  
Accounting Period 12  
100.00% of the Current Fiscal Year Budget  
*Before All Accruals & Interest Posting*

	Jun 21	Jul '19 - Jun 20	Jul '20 - Jun 21	Annual Budget	Remaining Budget	% Annual Budget
5605 · (7062) Rent & Lease -Building	15,640.00	187,680.00	187,680.00	187,680.00	0.00	100.00%
5610 · (7066) Spec Dept Exp - RIS	11,117.50	284,919.74	220,223.49	307,821.00	87,597.51	71.54%
5615 · (7073) Training	458.40	8,437.79	4,508.40	15,500.00	10,991.60	29.09%
5620 · (7074) Transportation & Travel	0.00	14,465.80	1,701.25	32,000.00	30,298.75	5.32%
5625 · (7081) Utilities	1,452.69	14,416.08	15,656.85	20,400.00	4,743.15	76.75%
5627 · (7116) Postage - Co. Mail	9,628.97	42,181.87	38,853.26	44,656.00	5,802.74	87.01%
5630 · (7128) Co. Workers Comp Insurance	0.00	53,013.00	59,381.00	60,000.00	619.00	98.97%
5695 · Co. Admin. Services						
5666 · (7719) HR/Risk Services	0.00	10,230.19	0.00	11,291.00	11,291.00	0.00%
5699 · (7719) Auditors Services	790.35	1,953.48	2,353.63	7,500.00	5,146.37	31.38%
Total 5695 · Co. Admin. Services	790.35	12,183.67	2,353.63	18,791.00	16,437.37	12.53%
5720 · (7421) Interest Expense	0.00	0.00	0.00	1.00	1.00	0.00%
5450 · Compensated Benefit Expense	11,750.89	13,252.07	11,750.89	21,580.00	9,829.11	54.45%
5911 · Depreciation - TCERA	0.00	5,176.79	0.00	19,000.00	19,000.00	0.00%
5913 · Amortization - CPAS	0.00	303,350.29	0.00	320,000.00	320,000.00	0.00%
<b>Total TCERA Administrative Expense</b>	<b>309,004.77</b>	<b>2,692,953.95</b>	<b>2,217,075.77</b>	<b>3,155,404.00</b>	<b>938,328.23</b>	<b>70.26%</b>
<b>5750 · TCERA Property Administrative Expense</b>						
(Note 1) 5755 · Fees and Taxes	-10.00	154.15	75.00	200.00	125.00	37.50%
5760 · Insurance	0.00	6,384.00	7,452.00	7,750.00	298.00	96.15%
5765 · Professional & Spec Services	851.19	713.65	1,278.39	2,000.00	721.61	63.92%
5780 · Courtyards Property Assn Dues	1,707.67	6,764.64	6,830.68	7,200.00	369.32	94.87%
5785 · Landscape Service	1,583.00	6,107.50	5,975.25	7,800.00	1,824.75	76.61%
5790 · Security Monitoring	371.60	2,349.42	2,494.66	6,750.00	4,255.34	36.96%
5795 · Maintenance & Improve - Bldg	4,806.82	8,358.54	13,685.16	14,500.00	814.84	94.38%
5797 · Utilities	436.85	4,774.87	4,435.96	6,100.00	1,664.04	72.72%
5912 · Depreciation - TCERA Property	0.00	32,419.08	0.00	32,600.00	32,600.00	0.00%
<b>Total TCERA Property, Inc. Administrative Expense</b>	<b>9,747.13</b>	<b>68,025.85</b>	<b>42,227.10</b>	<b>84,900.00</b>	<b>42,672.90</b>	<b>49.74%</b>
<b>Total TCERA &amp; TCERA Property Administrative Expense</b>	<b>318,751.90</b>	<b>2,760,979.80</b>	<b>2,259,302.87</b>	<b>3,240,304.00</b>	<b>981,001.13</b>	<b>69.73%</b>

**Notes:**

Note 1 Return of 2019 Franchise Tax filing fee

Accrued Actuarial Liability	1,875,797,000
June 30, 2020	
.21% of AAL	3,939,173.70
100.00%	3,939,173.70
Expenses to date	(2,259,302.87)
(Over)/Under	1,679,870.83

**TCERA and TCERA Property, Inc.**  
**Combined Balance Sheet Comparison**  
**As of July 31, 2021**  
*Before All Accruals & Interest Posting*

	<u>Jul 31, 21</u>	<u>Jun 30, 21</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Jul 31, 20</u>	<u>\$ Change</u>	<u>% Change</u>
<b>ASSETS</b>							
<b>Current Assets</b>							
<b>Checking/Savings</b>							
(Note 1) 1110 · Cash in County Treasury	42,171,615.13	11,067,944.93	31,103,670.20	281.03%	55,799,811.35	-13,628,196.22	-24.42%
(Note 2) 1120 · Cash in Custodial Account	26,155,498.15	25,908,344.66	247,153.49	0.95%	64,107,491.00	-37,951,992.85	-59.20%
(Note 3) 1130 · Short Term Investments	33,372,212.63	30,730,774.18	2,641,438.45	8.60%	6,975,935.19	26,396,277.44	378.39%
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%
<b>Total Checking/Savings</b>	<b>101,699,325.91</b>	<b>67,707,063.77</b>	<b>33,992,262.14</b>	<b>50.21%</b>	<b>126,883,237.54</b>	<b>-25,183,911.63</b>	<b>-19.85%</b>
<b>Other Current Assets</b>							
1310 · Fixed Income - Market	564,674,851.36	561,575,717.07	3,099,134.29	0.55%	480,576,674.58	84,098,176.78	17.50%
1340 · Equities - Market	960,089,773.88	952,435,566.61	7,654,207.27	0.80%	758,387,881.86	201,701,892.02	26.60%
1375 · Real Estate - REITS	195,567,700.51	194,893,456.76	674,243.75	0.35%	177,778,903.08	17,788,797.43	10.01%
(Note 4) 1385 · Hedge Funds	0.00	0.00	0.00	0.00%	93,982.33	-93,982.33	-100.00%
1386 · Private Equity	112,211,768.00	108,882,108.07	3,329,659.93	3.06%	75,803,160.59	36,408,607.41	48.03%
1388 · Private Credit	105,106,650.00	104,186,835.00	919,815.00	0.88%	75,174,183.00	29,932,467.00	39.82%
(Note 5) 1390 · Futures Overlay	0.00	0.00	0.00	0.00%	5,258,087.99	-5,258,087.99	-100.00%
<b>Total Other Current Assets</b>	<b>1,937,650,743.75</b>	<b>1,921,973,683.51</b>	<b>15,677,060.24</b>	<b>0.82%</b>	<b>1,573,072,873.43</b>	<b>364,577,870.32</b>	<b>23.18%</b>
<b>Total Current Assets</b>	<b>2,039,350,069.66</b>	<b>1,989,680,747.28</b>	<b>49,669,322.38</b>	<b>2.50%</b>	<b>1,699,956,110.97</b>	<b>339,393,958.69</b>	<b>19.97%</b>
<b>Fixed Assets</b>							
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	207,404.81	207,404.81	0.00	0.00%	153,661.50	53,743.31	34.98%
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%	-2,786,542.42	0.00	0.00%
1512 · Land	370,345.69	370,345.69	0.00	0.00%	370,345.69	0.00	0.00%
<b>Total Fixed Assets</b>	<b>1,724,669.66</b>	<b>1,724,669.66</b>	<b>0.00</b>	<b>0.00%</b>	<b>1,670,926.35</b>	<b>53,743.31</b>	<b>3.22%</b>
<b>Other Assets</b>							
1710 · Open Trades Sales	13,328,431.32	23,884,042.73	-10,555,611.41	-44.20%	13,151,820.03	176,611.29	1.34%
1730 · Investment Income Receivable	933,733.23	896,797.72	36,935.51	4.12%	750,763.55	182,969.68	24.37%
(Note 6) 1735 · Real Estate Income Receivable	0.00	1,358,916.37	-1,358,916.37	-100.00%	0.00	0.00	0.00%
(Note 7) 1750 · Members Contribution Receivable	0.00	811,493.53	-811,493.53	-100.00%	0.00	0.00	0.00%
(Note 7) 1770 · Employer Contribution Receivable	0.00	202,396.54	-202,396.54	-100.00%	0.00	0.00	0.00%
1780 · Advances Rec- Holding Corp	473,230.00	482,230.00	-9,000.00	-1.87%	581,230.00	-108,000.00	-18.58%
(Note 8) 1785 · Pension Deaths Receivables	0.00	-473.48	473.48	100.00%	122.01	-122.01	-100.00%
1790 · Other Receivables	6,720.05	7,011.06	-291.01	-4.15%	11,537.58	-4,817.53	-41.76%
<b>Total Other Assets</b>	<b>14,742,114.60</b>	<b>27,642,414.47</b>	<b>-12,900,299.87</b>	<b>-46.67%</b>	<b>14,495,473.17</b>	<b>246,641.43</b>	<b>1.70%</b>
<b>TOTAL ASSETS</b>	<b><u>2,055,816,853.92</u></b>	<b><u>2,019,047,831.41</u></b>	<b><u>36,769,022.51</u></b>	<b><u>1.82%</u></b>	<b><u>1,716,122,510.49</u></b>	<b><u>339,694,343.43</u></b>	<b><u>19.79%</u></b>

**TCERA and TCERA Property, Inc.**  
**Combined Balance Sheet Comparison**  
**As of July 31, 2021**  
*Before All Accruals & Interest Posting*

	<u>Jul 31, 21</u>	<u>Jun 30, 21</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Jul 31, 20</u>	<u>\$ Change</u>	<u>% Change</u>
<b>LIABILITIES &amp; EQUITY</b>							
<b>Liabilities</b>							
<b>Current Liabilities</b>							
2010 · Sec Lending Collateral Paya	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
2020 · Open Trades - Purchases	44,119,776.52	51,172,031.19	-7,052,254.67	-13.78%	19,025,949.23	25,093,827.29	131.89%
2030 · Accounts Payable - Inv	347,805.63	546,210.88	-198,405.25	-36.32%	439,767.43	-91,961.80	-20.91%
2040 · Refunds Payable	4,098,875.89	4,098,875.89	0.00	0.00%	3,392,107.70	706,768.19	20.84%
(Note 7) 2050 · Other Payables	90,526.46	2,087,715.31	-1,997,188.85	-95.66%	167,803.12	-77,276.66	-46.05%
(Note 7) 2100 · Payroll Liabilities	0.00	34,684.17	-34,684.17	-100.00%	0.00	0.00	0.00%
<b>Total Other Current Liabilities</b>	<u>48,656,984.50</u>	<u>57,939,517.44</u>	<u>-9,282,532.94</u>	<u>-16.02%</u>	<u>23,025,627.48</u>	<u>25,631,357.02</u>	<u>111.32%</u>
<b>Total Current Liabilities</b>	<u>48,656,984.50</u>	<u>57,939,517.44</u>	<u>-9,282,532.94</u>	<u>-16.02%</u>	<u>23,025,627.48</u>	<u>25,631,357.02</u>	<u>111.32%</u>
<b>Long Term Liabilities</b>							
2060 · Accrual-Benefits at Termination	115,302.68	115,302.68	0.00	0.00%	103,551.79	11,750.89	11.35%
2070 · Advances Payable - TCERA	473,230.00	482,230.00	-9,000.00	-1.87%	581,230.00	-108,000.00	-18.58%
<b>Total Long Term Liabilities</b>	<u>588,532.68</u>	<u>597,532.68</u>	<u>-9,000.00</u>	<u>-1.51%</u>	<u>684,781.79</u>	<u>-96,249.11</u>	<u>-14.06%</u>
<b>Total Liabilities</b>	<u>49,245,517.18</u>	<u>58,537,050.12</u>	<u>-9,291,532.94</u>	<u>-15.87%</u>	<u>23,710,409.27</u>	<u>25,535,107.91</u>	<u>107.70%</u>
<b>Equity</b>							
3110 · Member Deposit Reserve	318,825,186.91	319,830,699.11	-1,005,512.20	-0.31%	318,083,126.07	742,060.84	0.23%
(Note 9) 3120 · Other Reserves - Unapportioned	3,066,864.75	3,066,864.75	0.00	0.00%	4,268,735.04	-1,201,870.29	-28.16%
3210 · Employer Advance Reserves	877,114,579.28	878,967,488.00	-1,852,908.72	-0.21%	855,626,191.34	21,488,387.94	2.51%
3310 · Retiree Reserves	469,687,845.14	466,829,424.22	2,858,420.92	0.61%	447,195,439.94	22,492,405.20	5.03%
3320 · Supp. Retiree Benefit Reserve	107,567,108.49	107,567,108.49	0.00	0.00%	108,348,474.77	-781,366.28	-0.72%
3410 · Contingency Reserve	55,437,104.30	55,437,104.30	0.00	0.00%	49,227,604.66	6,209,499.64	12.61%
3510 · Market Stabilization	-7,569,506.00	-7,569,506.00	0.00	0.00%	-163,716,787.00	156,147,281.00	95.38%
3810 · Income Summary Account	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
3900 · Retained Earnings	136,381,598.42	-204,309,472.39	340,691,070.81	166.75%	786,925.66	135,594,672.76	17230.94%
Net Income	46,060,555.45	340,691,070.81	-294,630,515.36	-86.48%	72,592,390.74	-26,531,835.29	-36.55%
<b>Total Equity</b>	<u>2,006,571,336.74</u>	<u>1,960,510,781.29</u>	<u>46,060,555.45</u>	<u>2.35%</u>	<u>1,692,412,101.22</u>	<u>314,159,235.52</u>	<u>18.56%</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>2,055,816,853.92</u></u>	<u><u>2,019,047,831.41</u></u>	<u><u>36,769,022.51</u></u>	<u><u>1.82%</u></u>	<u><u>1,716,122,510.49</u></u>	<u><u>339,694,343.43</u></u>	<u><u>19.79%</u></u>

**Notes:**

- Note 1** County Prepaid Contributions for fiscal year 21/22 \$37,346,269
- Note 2** Decrease in Cash in Custodial from last year liquidation of Hedge Funds
- Note 3** Timing of managers short term positions
- Note 4** Hedge Funds - accounts closed
- Note 5** Future Overlay - account closed
- Note 6** Timing of receipt of Real Estate Distributions vs. lag in Real Estate reporting
- Note 7** Accruals
- Note 8** Timing of payment of Pension Death Receivable
- Note 9** Interim interest payments/adjustments and equity adjustments prior to period close

**TCERA and TCERA Property, Inc.**  
**Combined Comparative Profit and Loss**  
**July 31, 2021**

*Before All Accruals & Interest Posting*

	Jul 21	Jun 21	\$ Change	% Change	Jul 21	Jul 20	\$ Change	% Change
<b>Ordinary Income/Expense</b>								
<b>Income</b>								
4110 · Interest Income	252,120.49	308,111.94	-55,991.45	-18.17%	252,120.49	253,765.47	-1,644.98	-0.65%
4120 · Dividend Income	219,559.77	334,695.33	-115,135.56	-34.4%	219,559.77	205,650.11	13,909.66	6.76%
(Note 1) 4130 · Real Estate Income	123,378.41	176,281.19	-52,902.78	-30.01%	123,378.41	0.00	123,378.41	100.0%
(Note 2) 4140 · Other Investment Income	163,169.80	416,719.11	-253,549.31	-60.84%	163,169.80	87,019.03	76,150.77	87.51%
4200 · Lease Payments from TCERA	15,640.00	15,640.00	0.00	0.0%	15,640.00	15,640.00	0.00	0.0%
4310 · Commission Rebates	0.00	105.87	-105.87	-100.0%	0.00	22.75	-22.75	-100.0%
(Note 3) 4410 · Securities Lending Income	10,843.69	7,426.55	3,417.14	46.01%	10,843.69	0.00	10,843.69	100.0%
(Note 4) 4510 · Realized Gains/Losses	36,445,683.03	7,384,890.70	29,060,792.33	393.52%	36,445,683.03	1,898,916.03	34,546,767.00	1,819.29%
4530 · Gn/Ls Disposal of Fixed Asset	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
(Note 5) 4610 · Employee Contributions	1,172,737.20	3,447,534.48	-2,274,797.28	-65.98%	1,172,737.20	1,170,068.09	2,669.11	0.23%
(Note 5) 4620 · Employer Contributions	39,319,706.14	-1,526,325.95	40,846,032.09	2,676.1%	39,319,706.14	35,752,778.47	3,566,927.67	9.98%
<b>Total Income</b>	<b>77,722,838.53</b>	<b>10,565,079.22</b>	<b>67,157,759.31</b>	<b>635.66%</b>	<b>77,722,838.53</b>	<b>39,383,859.95</b>	<b>38,338,978.58</b>	<b>97.35%</b>
<b>Expense</b>								
5110 · Benefit Payments	7,935,146.48	8,025,735.10	-90,588.62	-1.13%	7,935,146.48	7,585,800.52	349,345.96	4.61%
(Note 6) 5120 · Refunds	297,048.63	875,259.88	-578,211.25	-66.06%	297,048.63	123,801.92	173,246.71	139.94%
5130 · Death Retiree ROC	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
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	120,635.00	1,454,654.95	-1,334,019.95	-91.71%	120,635.00	36,397.00	84,238.00	231.44%
(Note 7) 5250 · Inv. Consultant/Custodial Fees	0.00	224,062.80	-224,062.80	-100.0%	0.00	0.00	0.00	0.0%
(Note 8) 5270 · Securities Lending Expense	1,130.12	1,115.82	14.30	1.28%	1,130.12	0.00	1,130.12	100.0%
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	402,285.86	-402,285.86	-100.0%	0.00	0.00	0.00	0.0%
(Note 9) 5280 · Other Investment Expense	5,922.43	-3,603.32	9,525.75	264.36%	5,922.43	10,030.78	-4,108.35	-40.96%
(Note 7) 5410 · Actuarial Study Fees	0.00	10,756.25	-10,756.25	-100.0%	0.00	0.00	0.00	0.0%
(Note 10) 5450 · Compensated Benefit Expense	0.00	11,750.89	-11,750.89	-100.0%	0.00	0.00	0.00	0.0%
* 5500 · Administrative Expense	153,458.86	297,253.88	-143,795.02	-48.37%	153,458.86	151,868.25	1,590.61	1.05%
* 5750 · TCERA Property Admin Expense	593.75	9,747.13	-9,153.38	-93.91%	593.75	975.06	-381.31	-39.11%
5910 · Depreciation of Fixed Assets	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
<b>Total Expense</b>	<b>8,513,935.27</b>	<b>11,309,019.24</b>	<b>-2,795,083.97</b>	<b>-24.72%</b>	<b>8,513,935.27</b>	<b>7,908,873.53</b>	<b>605,061.74</b>	<b>7.65%</b>
<b>Net Ordinary Income</b>	<b>69,208,903.26</b>	<b>-743,940.02</b>	<b>69,952,843.28</b>	<b>9,403.02%</b>	<b>69,208,903.26</b>	<b>31,474,986.42</b>	<b>37,733,916.84</b>	<b>119.89%</b>

**TCERA and TCERA Property, Inc.  
Combined Comparative Profit and Loss  
July 31, 2021**

	<i>Before All Accruals &amp; Interest Posting</i>							
	Jul 21	Jun 21	\$ Change	% Change	Jul 21	Jul 20	\$ Change	% Change
<b>Other Income/Expense</b>								
<b>Other Income</b>								
4520 · Unrealized Gains/Losses	-23,148,347.81	28,432,801.90	-51,581,149.71	-181.41%	-23,148,347.81	41,117,404.32	-64,265,752.13	-156.3%
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%
<b>Total Other Income</b>	-23,148,347.81	28,432,801.90	-51,581,149.71	-181.41%	-23,148,347.81	41,117,404.32	-64,265,752.13	-156.3%
<b>Other Expense</b>	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
<b>Net Other Income</b>	-23,148,347.81	28,432,801.90	-51,581,149.71	-181.41%	-23,148,347.81	41,117,404.32	-64,265,752.13	-156.3%
<b>Net Income</b>	<b>46,060,555.45</b>	<b>27,688,861.88</b>	<b>18,371,693.57</b>	<b>66.35%</b>	<b>46,060,555.45</b>	<b>72,592,390.74</b>	<b>-26,531,835.29</b>	<b>-36.55%</b>

**Notes:**

- Note 1 Real Estate Income reported quarterly and one mo. in arrears
- Note 2 Other Investment Income decrease over last mo. in Private Equity; increase over last year in Total Equity
- Note 3 Increase Securities Lending Income over last mo. and last year
- Note 4 Increase in Realized Gains over last mo. and over last year in Total Equity
- Note 5 Accruals for EE & ER Contributions; Co. Prepayment ER Contributions
- Note 6 Semi-Annual Refund Accrual; increase in the \$ amount of Refunds overlast year
- Note 7 Quarterly Fees Accrued
- Note 8 Increase in Securities Lending Expense over last mo. and last year
- Note 9 Increase in Other Investment Expenses over last mo. In Private Equity; decrease over last year in Private Credit
- Note 10 Accrual of Compensated Benefits

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

**TCERA and TCERA Property, Inc.**  
**BUDGET VS ACTUAL**  
**July 2021**  
Accounting Period 1  
8.33% of the Current Fiscal Year Budget  
*Before All Accruals & Interest Posting*

	Jul 21	Jul 20	Jul 21	Annual Budget	Remaining Budget	% Annual Budget
<b>5500 · Administrative Expense</b>						
5505 · (6001) Allocated Salaries	37,663.74	40,094.78	37,663.74	1,025,313.00	987,649.26	3.67%
5510 · (6002) Overtime	0.00	0.00	0.00	1,000.00	1,000.00	0.00%
(Note 1) 5515 · (6003) Other Pay	4,840.96	396.80	4,840.96	28,672.00	23,831.04	16.88%
5520 · (6004) Benefits	6,764.09	7,108.95	6,764.09	159,376.00	152,611.91	4.24%
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.	5,909.69	5,015.38	5,909.69	136,235.00	130,325.31	4.34%
5540 · (6012) Social Security	3,279.25	3,113.82	3,279.25	76,404.00	73,124.75	4.29%
5545 · (1024) POB Cost	0.00	0.00	0.00	87,249.00	87,249.00	0.00%
(Note 2) 5550 · (6008) Board Fees-Per Diem Pmts	4,844.25	4,100.00	4,844.25	20,000.00	15,155.75	24.22%
5551 · Communications						
5552 · (7005) Communications	0.00	0.00	0.00	8,700.00	8,700.00	0.00%
5640 · (7005) Co. Telecommunication	0.00	561.00	0.00	12,039.00	12,039.00	0.00%
Total 5551 · Communications	0.00	561.00	0.00	20,739.00	20,739.00	0.00%
<b>5553 · Data Processing</b>						
5650 · (7044) ICT Qtrly - Data Process	0.00	0.00	0.00	104,821.00	104,821.00	0.00%
5697 · (7044) Computer Exp Hdwr/Sftwr	0.00	1,005.64	0.00	32,138.00	32,138.00	0.00%
5698 · (7044) WSI/Q2 Digital	0.00	350.00	0.00	3,500.00	3,500.00	0.00%
Total 5553 · Data Processing	0.00	1,355.64	0.00	140,459.00	140,459.00	0.00%
5555 · (7009) Household Expense	58.85	1,321.21	58.85	17,380.00	17,321.15	0.34%
(Note 3) 5560 · (7010) Insurance	58,624.00	54,402.00	58,624.00	59,400.00	776.00	98.69%
5565 · (7011) Unemployment Insurance	0.00	0.00	0.00	6,000.00	6,000.00	0.00%
5570 · (7021) Maintenance-Equipment	42.37	47.59	42.37	3,000.00	2,957.63	1.41%
(Note 4) 5575 · (7027) Memberships	4,000.00	0.00	4,000.00	7,100.00	3,100.00	56.34%
5580 · (7030) Due Diligence Expense	783.29	0.00	783.29	15,000.00	14,216.71	5.22%
5585 · (7036) Office Expense	146.85	1,113.08	146.85	50,080.00	49,933.15	0.29%
5586 · (7040) Courier	0.00	0.00	0.00	1,460.00	1,460.00	0.00%
<b>5590 · Prof &amp; Specialized Exp</b>						
5591 · (7043) Prof & Special Gen Exp	0.00	0.00	0.00	500.00	500.00	0.00%
5592 · (7043) Prof & Spec - Audit	0.00	6,514.10	0.00	47,600.00	47,600.00	0.00%
5593 · (7043) Prof Sr -Outside Counsel	0.00	0.00	0.00	75,000.00	75,000.00	0.00%
Total 5590 · Prof & Specialized Exp	0.00	6,514.10	0.00	123,100.00	123,100.00	0.00%
<b>5594 · County Counsel Charges</b>						
5661 · (7046) Co Counsel - General Exp	0.00	0.00	0.00	40,000.00	40,000.00	0.00%
5662 · (7046) Co Counsel - Disability	0.00	0.00	0.00	93,000.00	93,000.00	0.00%
Total 5594 · County Counsel Charges	0.00	0.00	0.00	133,000.00	133,000.00	0.00%
5595 · (7049) Prof Exp-Disabilities	628.05	0.00	628.05	164,000.00	163,371.95	0.38%
5600 · (7059) Publications	0.00	0.00	0.00	22,000.00	22,000.00	0.00%
5675 · (7059) Co. Print Services	0.00	0.00	0.00	14,500.00	14,500.00	0.00%
Total 5600 · (7059) Publications	0.00	0.00	0.00	36,500.00	36,500.00	0.00%

**TCERA and TCERA Property, Inc.**  
**BUDGET VS ACTUAL**  
**July 2021**

Accounting Period 1  
8.33% of the Current Fiscal Year Budget  
*Before All Accruals & Interest Posting*

	Jul 21	Jul 20	Jul 21	Annual Budget	Remaining Budget	% Annual Budget
5605 · (7062) Rent & Lease -Building	15,640.00	15,640.00	15,640.00	187,680.00	172,040.00	8.33%
5610 · (7066) Spec Dept Exp - RIS	7,941.00	7,941.00	7,941.00	318,120.00	310,179.00	2.50%
5615 · (7073) Training	0.00	125.00	0.00	15,500.00	15,500.00	0.00%
5620 · (7074) Transportation & Travel	67.70	516.65	67.70	32,000.00	31,932.30	0.21%
(Note 5) 5625 · (7081) Utilities	2,223.67	2,501.25	2,223.67	20,400.00	18,176.33	10.90%
5627 · (7116) Postage - Co. Mail	1.10	0.00	1.10	46,900.00	46,898.90	0.00%
5630 · (7128) Co. Workers Comp Insurance	0.00	0.00	0.00	53,500.00	53,500.00	0.00%
5695 · Co. Admin. Services						
5666 · (7719) HR/Risk Services	0.00	0.00	0.00	11,860.00	11,860.00	0.00%
5699 · (7719) Auditors Services	0.00	0.00	0.00	7,500.00	7,500.00	0.00%
Total 5695 · Co. Admin. Services	0.00	0.00	0.00	19,360.00	19,360.00	0.00%
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	26,353.00	26,353.00	0.00%
5911 · Depreciation - TCERA	0.00	0.00	0.00	20,000.00	20,000.00	0.00%
5913 · Amortization - CPAS	0.00	0.00	0.00	325,000.00	325,000.00	0.00%
<b>Total TCERA Administrative Expense</b>	<b>153,458.86</b>	<b>151,868.25</b>	<b>153,458.86</b>	<b>3,376,781.00</b>	<b>3,223,322.14</b>	<b>4.54%</b>
<b>5750 · TCERA Property Administrative Expense</b>						
5755 · Fees and Taxes	0.00	0.00	0.00	200.00	200.00	0.00%
5760 · Insurance	0.00	0.00	0.00	9,000.00	9,000.00	0.00%
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	0.00	0.00	7,600.00	7,600.00	0.00%
5785 · Landscape Service	0.00	0.00	0.00	7,800.00	7,800.00	0.00%
5790 · Security Monitoring	35.66	0.00	35.66	7,750.00	7,714.34	0.46%
5795 · Maintenance & Improve - Bldg	100.00	560.00	100.00	244,365.00	244,265.00	0.04%
5797 · Utilities	458.09	415.06	458.09	7,000.00	6,541.91	6.54%
5912 · Depreciation - TCERA Property	0.00	0.00	0.00	70,400.00	70,400.00	0.00%
<b>Total TCERA Property, Inc. Administrative Expense</b>	<b>593.75</b>	<b>975.06</b>	<b>593.75</b>	<b>356,115.00</b>	<b>355,521.25</b>	<b>0.17%</b>
<b>Total TCERA &amp; TCERA Property Administrative Expense</b>	<b>154,052.61</b>	<b>152,843.31</b>	<b>154,052.61</b>	<b>3,732,896.00</b>	<b>3,578,843.39</b>	<b>4.13%</b>

**Notes:**

- Note 1 Unrepresented one-time payment for continuity of operations during COVID-19 pandemic
- Note 2 Quarterly Per Diem paid
- Note 3 Annual insurance premiums paid
- Note 4 Annual memberships paid: SACRS
- Note 5 Increased electricity costs during summer months

<b>Accrued Actuarial Liability</b>	<b>1,875,797,000</b>
<b>June 30, 2020</b>	
.21% of AAL	3,939,173.70
8.33%	328,264.48
Expenses to date	(154,052.61)
<b>(Over)/Under</b>	<b>174,211.87</b>



# 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](http://www.tcera.org)

### **TCERA, Board of Retirement Administrative Committee**

#### **Agenda Item # IV.2.b.**

**Agenda Date:** August 25, 2021

**Subject:** TCERA's Consultant Review

#### **Requests:**

That the Administrative Committee:

1. Discuss a recommended timeframe for TCERA's consultant review.
2. Provide a recommendation to the Board regarding TCERA's consultant review.

#### **Summary:**

The Board of Retirement has directed that the Administrative Committee discuss a recommended timeframe for the review of TCERA consultants. Examples of such consultants include TCERA's actuary, independent auditor, and investment consultant. In addition, TCERA may enter into other vendor contracts from time to time for special projects.

The following is the current procedure used by Staff to bring a consulting contract to the Board of Retirement for review:

1. Contract with a fixed expiration date – When a contract contains a fixed expiration date, Staff will bring the information to the Board prior to the contract expiration for direction regarding an extension of the existing contract, the issuance of a Request for Proposal, or other action as deemed necessary.
2. Contract with built in extension options – When a contract contains specific options for extension, Staff will bring the information to the Board prior to the extension period for direction regarding approving the extension as designated in the contract, the issuance of a Request for Proposal, or other action deemed necessary.
3. Contract with no fixed expiration date – When a contract contains no expiration date or has entered a contractual "evergreen" phase where the contract continues in place until rescinded by either party, Staff will bring the information to the Board for direction regarding the contract no later than five years from the date of the previous review.

The Committee is asked to review the current procedure and make recommendations for change, if any, to the Board of Retirement.

**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](http://www.tcera.org)

## **TCERA, Board of Retirement Administrative Committee**

### **Agenda Item # IV.2.c.**

**Agenda Date:** August 25, 2021

**Subject:** TCERA's Revised Service Agreement with the County of Tulare

### **Requests:**

That the Administrative Committee:

1. Review the attached Revised Service Agreement with the County of Tulare
2. Forward the Revised Service Agreement to the Board of Retirement with a recommendation for approval.

### **Summary:**

Many departments within the County provide services to TCERA and TCERA is invoiced for these services. The current Service Agreement with the County was approved by the Board of Retirement back in December of 2020. Only Exhibit B-1 Auditor-Controller/Tax Collection and B-7 TCiCT are being revised. The revisions to Exhibit B-1 are due to the Auditor- Controller processing of our Trustee payroll. The revisions to B-7 are due to TCiCT changes in their billing methodology. Legal has completed their review of the proposed changes to both Exhibits of the Service Agreement and staff are comfortable with the changes. Please see the attached redline Exhibits and the current Service Agreement for discussion.

**Prepared by:** Mary Warner

**EXHIBIT B-7**  
**INFORMATION AND COMMUNICATIONS TECHNOLOGY**

---

**I. SCOPE OF SERVICES**

**1. General Services**

TCiCT shall provide to TCERA technology services and TCERA shall pay for those services as described herein.

**2. Confidentiality**

- a. TCiCT agrees that the department shall hold itself and its employees, as well as any and all contractors to TCiCT and TCERA that have any access to and TCERA technology system, to a level of high confidentiality required under the County Employees Retirement Law of 1937, applicable sections of the Internal Revenue. Further, TCiCT shall comply with the security requirements for information, technology access, and use and disposal in accordance with Title 45 Code of Federal Regulations (CFR) Sections 205.50 and 303.21. TCiCT shall indemnify TCERA for any actual damages resulting to TCERA as a result of TCiCT's failure to comply with this paragraph. Additionally, TCiCT shall protect TCERA's confidential information subsequent to the expiration of this Agreement.
- b. TCiCT staff shall pass a background check at hire, including the LiveScan fingerprinting submitted to the FBI and California DOJ. If applicable, the LiveScan shall occur more frequently based on Federal, State, or Local regulations. Additionally, all TCiCT employees shall complete a confidentiality acknowledgment form upon hire and annually thereafter.

**3. Specific Services**

**a. TCiCT shall:**

**i. Provide technology management services including:**

- 1. Managing and supervising all TCiCT staff providing services to TCERA;
- 2. Functioning as part of the TCERA management team providing technology related staff support, technical advice and information;
- 3. Assisting with Information & Communications Technology purchase requisitions.

**ii. Provide technology support services including:**

- 1. Routine support to the installed workstations;
- 2. Local Area Network support including regular backup of files, adding and deleting users, resetting network passwords, assigning and monitoring user access, restoring files if needed and monitoring network usage and performance;
- 3. Service desk support between the business hours of 7:00 a.m. and

## INFORMATION AND COMMUNICATIONS TECHNOLOGY

---

5:30 p.m. Monday through Thursday; 7:00 a.m. and 5:00 p.m. on Fridays;

4. If applicable, provide asset management services including the tagging of Tulare County purchased assets and logging of inventory for the department;
5. Consulting to assist with the application of technology toward the Department's business needs. This may include the development of configurations or estimates for planning and analysis purposes. It may also include the evaluation and analysis of recommendations received from other sources;
6. Assisting TCERA staff with the day-to-day operations of TCERA's technology, including the evaluation and analysis of recommendations received from other sources;
7. TCiCT will assist TCERA with its electronic interface to the Auditor's office to ensure TCERA data is processed in a timely fashion.
8. TCiCT will provide TCERA with website maintenance, hosting and support at no additional cost for Fiscal Year 2020/2021. For fiscal years thereafter, rates for these services may be renegotiated.

### iii. Provide Telephone support services including:

1. Maintenance of existing Voice over Internet Protocol (VoIP) telephone system including hardware, software, cabling, desk sets, server, router and user phone and and/or other appropriate telephony equipment and/or service;
2. Replacement and or New Equipment will be at the expense of TCERA;
3. Maintaining connections to external phone service provider;
4. Updating systems and software as needed from time to time;
5. Maintaining all unified communications hardware and software including occasional changes to call routing, messages and user phone and phone number assignments;
6. Monitoring VoIP system and make recommendations prior to system reaching capacity or loss of optimal service.

### iv. Service goals:

1. TCiCT will maintain adequate staff assigned to meet the needs of TCERA to remain operational at all times;
2. TCiCT will attempt to acknowledge telephone requests for service within thirty (30) minutes of the request during office hours;
3. TCiCT will attempt to acknowledge email requests for service within sixty (60) minutes of the request during office hours;
4. TCiCT will make every reasonable effort to correct any system outage immediately. If TCiCT cannot resolve the issue(s) immediately, TCiCT shall provide status updates until the

## INFORMATION AND COMMUNICATIONS TECHNOLOGY

---

system is restored. Security and major production incidents will be responded to immediately.

**b. TCERA shall:**

- i. Adhere to the County of Tulare Information Technology Security Program.
- ii. TCERA shall notify TCiCT of any changes in the list of programs it operates.

**4. Definitions**

**a. Confidential Information**

The term "Confidential Information" means all Software, Systems Software, and all business, financial, statistical, personnel and technical data in tangible and/or intangible form which is clearly and conspicuously marked "CONFIDENTIAL" or as defined as confidential by law, or expressly deemed confidential in this Agreement, or provided or disclosed, by one party to the other, with notice of its confidential nature.

**b. System**

The term "System" shall mean the Hardware, Systems Software and Software, operating together as a system. The System includes the Existing Systems and all replacements thereof and additions of equipment thereto.

**II. PAYMENT FOR SERVICES**

**1. General Rules**

- a. TCiCT shall maintain an accounting system and supporting financial records adequate to ensure that claims are in accordance within applicable Federal and State requirements. All charges must be supported by fiscal records adequate to ensure that claims for reimbursement are according to Federal and State requirements and TCiCT shall retain such records as required by Federal and State regulation. All TCiCT services listed herein shall be provided for an annual fee as listed in Section ~~4V11~~, below.
- b. TCERA shall accept TCiCT's cost allocation methodologies as an approved allocation methodology. The TCiCT cost allocation methodology is approved annually by the Tulare County Auditor's Office and the State of California, through the annual cost allocation plan review process. TCiCT shall provide a copy of the annual cost allocation methodology to TCERA no later than 30 business days after its approval.
- c. TCiCT shall submit monthly invoices to TCERA within 30 business days after the last day of each month.
- d. TCERA shall pay the invoices within 30 business days of receipt. TCERA shall

## INFORMATION AND COMMUNICATIONS TECHNOLOGY

have only 90 days to dispute a charge; after 90 days the charge shall be considered accepted, payable and undisputable. TCiCT shall be entitled to interest at the rate of 6 percent per annum, commencing on the 61<sup>st</sup> day after a claim known or agreed to be valid is submitted to TCERA.

- e. If at any time a service was discovered by TCiCT as not billed in a previous billing period or fiscal year, that service shall become billable to TCERA. TCERA will be notified of such finding, and will have 90 days to dispute the charge.
- f. TCiCT will provide TCERA with a final rate chart prior to the start of each fiscal year. TCiCT shall provide TCERA with 30 days' notice should rate changes be needed in the middle of a fiscal year.
- g. TCiCT timelines:

TCiCT Enabled User ID's	Reviewed with clients in January
TCiCT Draft Budget	Last Friday in March
TCiCT Final Budget	First Monday in June
TCiCT Budget Approved	September/October of Each Year
TCiCT Mid-Year Budget Review	February/March of Each Year
TCiCT Fiscal Meetings	At Least Twice Annually

### 2. Cost Allocation Methodologies, including but not limited to:

- a. **Method used for each of the different services:**
  - i. **Mainframe** - This cost is for the mainframe hardware and software that is primarily used to support the Property Information Management System (PIMS) and the historical financial programs. These costs are allocated based on the actual number of mainframe users.
  - ii. **Desktop Services** - This cost is for desktop equipment support, either by a technician in person or over the phone, including PCs, laptops, monitors and some printers. The actual costs of supporting this equipment is calculated and divided based on the number of enabled network user identifications within a department.
  - iii. **Infrastructure, Servers, and Database** - This cost is for the hardware, software and personnel that supports the Infrastructure, including backup solutions, monitoring software, routers, servers, backup equipment, switches and the hardware and software personnel that supports the Databases of the County. These costs are allocated based on the number of enabled network user ids.
  - iv. **E-Mail** - This is the cost of the "Official County Email Platform" and operating system (OS) for the County including maintenance and personnel cost. These costs are allocated based on the number of enabled network user ids.
  - v. **Services** - This is the cost of Logistics, Documentation, Training, Programmers, Geographic Information Systems (GIS), Business Intelligence (BI), IT Specialists Application Support and Client Specialists personnel that serve departments. These costs are allocated based on the number of

## INFORMATION AND COMMUNICATIONS TECHNOLOGY

---

enabled network user ids.

- vi. **Security** - This is the cost of the Security team and related security software. These costs are allocated based on the number of enabled network user ids
- vii. **Finance System** - This cost is the CGI-AMS AFIN system that is the County's financial system. These costs are allocated based on the full-time equivalents (FTE) within a department.
- viii. **Form 700** - This is the maintenance cost of the system for Form 700 filers. This cost is allocated based upon the number of filers per department.
- ix. **Projects** - This cost is estimated using a percentage of time per employee of estimated hours the department will spend on projects for other departments. This cost will be charged based upon the actual number of hours spent on the project.
- x. **ADP** - This cost is for the ADP Enterprise HR system that is used countywide. These costs are allocated based on number of employees in the department. This number was determined from the allocation list pulled from the Enterprise HR System.
- xi. **Radio** - Departments using base stations, mobile radios installed in vehicles and handheld radios that access the County system are charged for maintenance of the system and for requested services including repair, installation and removal of radios. System maintenance charges to departments are based on the number of radio units that access the system. Departments are also billed for maintenance of the telecommunications system, such as switches, and for requested work. Departments are charged these services through three methods: direct charges, radio system charges and labor charges. Radio system costs are charged to departments based on the number of handheld and mobile radios that utilize the County's infrastructure. The radio system rate is charged to clients thru a per radio, per month charge additionally a calculated labor rate is charged for services performed.
- xii. **Central Telephone** - This cost is the actual cost of the department's phone bills, .90 FTE of the Accountant completing the ISF billing, Key Government lease expense, and ISI anticipated costs. This does not include cell phones. Cell phone charges are paid by each department.
- xiii. **Other Charges** - Based on TCERA needs, TCICT may charge for additional items such as, but not limited to; badge access, panic buttons and/or video surveillance. TCICT will provide TCERA a quote prior to the service being provided.

**EXHIBIT B-1**  
**AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR**

---

**I. SERVICES TO BE PROVIDED**

**1. Revenue and Claims**

Each month, the Revenue and Claims Division of the Auditor-Controller's Office shall verify the retirement pension payroll JVs for TCERA retirees and beneficiaries agree with the input in the accounting record (AFIN). Staff of the Auditor-Controller's Office shall verify the dollar amount of the pension JV and associated Manual Disbursement (MD) against the applicable registers provided by TCERA.

The Revenue and Claims division of the Auditor-Controller's Office staff shall also provide assistance for canceling manual disbursements in AFIN, as requested.

**2. Accounting Systems**

The Accounting Systems Division of the Auditor-Controller's Office shall provide the following services to TCERA:

- a. Assistance in recording transactions in the County AFIN system. The assistance shall include questions regarding the programs, resetting of passwords and reassigning security and approval roles in the system.
- b. Monthly and annual closing of the accounting records in the County AFIN system.
- c. Issuing monthly and year end reports for departmental use.
- d. TCERA's security and approval access to the County AFIN system for up to ten users and BOXI access for up to one named user.
- e. Allow TCERA to retain access to the County AFIN system with reports and to employee management and compensation systems with reports.

**3. Financial Reporting and Audits**

The Financial Reporting and Audits Division of the Auditor-Controller's Office shall provide the following services to TCERA:

- a. Advice and direction in proper recording of financial transactions in AFIN.
- b. Approve JVs submitted in AFIN by TCERA.
- c. Certification of the compensable earnings paid to each member of TCERA after the end of each pay period, as required by California Government Code Section 31582. The COUNTY shall be responsible for the payment of all costs associated with the research and correction of errors made in the calculation of compensation reported and retirement contributions made to TCERA by the COUNTY or any department of the COUNTY.
- d. Reconcile employee and employer contributions annually for TCERA's outside auditor confirmation.

**4. Payroll**

- a. **Countywide payroll.**

The parties intend to specifically exclude from the definition of services provided

**EXHIBIT B-1**  
**AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR**

---

by the Auditor-Controller/Treasurer-Tax Collector to TCERA the provision of employer payroll information to the retirement plan for County employees generally. To the extent that the Payroll unit provides information to TCERA regarding bi-weekly transmittal, reconciliation and processing of countywide payroll as well as payroll tax returns and W-2's for County employees generally, this activity shall be accounted for within COUNTY time activity and shall not be billed to TCERA.

The Auditor-Controller staff shall transfer to TCERA the proper dollar amount of employee and employer retirement contributions from the compensation reported at the end of each pay period.

**b. TCERA payroll.**

Payroll Unit shall provide bi-weekly transmittal, reconciliation, and processing of payroll for those County employees assigned to TCERA as the employing department. The Payroll Unit shall also provide payroll tax returns and W-2's on behalf of these employees.

**c. TCERA trustee payroll.**

Payroll Unit shall provide quarterly transmittal, reconciliation, and processing of payroll for six (6) of TCERA's trustees. The Payroll Unit shall also provide payroll tax returns and W-2's on behalf of these members.

**5. Treasurer-Tax Collector**

**a. Bank account authorization**

The County Treasury may establish bank accounts at the request of TCERA, including "Zero Balance" accounts used for clearing processed checks. The opening of these accounts must be approved by both the Retirement Board and the County Auditor-Controller/Treasurer-Tax Collector. The account(s), while opened by the County Treasury, will remain under the control of TCERA in accordance with the County's banking policies including necessary fraud protections (e.g., payee positive pay). The responsibility for reconciliation and monitoring of this account(s) is that of TCERA. TCERA will be provided with access to reports and information necessary for reconciling and monitoring. Check fraud losses and liabilities associated with this account(s) are also a responsibility of TCERA. The account(s) will be opened as non-interest bearing with an "earnings allowance" to offset monthly banking fees. In addition, this account will comply with the insurance and/or collateralization requirements of the Government Code.

The County Treasury will also maintain a "Zero Balance" account to be used for clearing processed checks. A daily JV will be processed by Treasury staff to record the daily check clearings.

**EXHIBIT B-1**  
**AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR**

---

Daily activity is recorded in AFIN automatically through an upload of a text file from the bank.

**b. Participation in Treasurer's Investment Pool**

The Treasurer shall allow TCERA to voluntarily deposit excess funds with the County Treasurer. TCERA understands that the funds deposited for investment will be held in the Tulare County Investment Pool and shall be invested by the Treasurer in accordance with the policies contained in the Tulare County *Annual Investment Policy of the Pooled Investment Fund* (Investment Policy), as now in effect and as may be revised from time to time without review or consent of TCERA. Interest will be apportioned quarterly. TCERA acknowledges that it has received and carefully reviewed the Investment Policy, and is familiar with its contents. Having considered and weighed the risks of investing (including, but not limited to, the risks of loss of interest and principal) the TCERA has determined that it is appropriate and legal to invest its moneys in the Tulare County Treasury as permitted by the Investment Policy. To the extent its moneys are invested with the County, in whole or in part, TCERA further acknowledges that the \$1.00 NAV is not guaranteed or insured by the Treasurer.

**c. Returned items**

Any returned items to the Treasurer's Office from the bank will be immediately reversed from a pre-designated accounting line. Access to reports and information necessary for processing returned items will be provided to TCERA.

**d. Wire transfers**

Wire transfers will be processed upon request by TCERA. A wire transfer must have the appropriate documentation, departmental approvals, and be reviewed by the Auditor-Controller, before the wire transfer is processed by the Treasury. To ensure that the funds are transferred the next day, the Treasury must receive all completed paperwork for the wire transfer request by 6:00 a.m. the day the wire is to be sent. (This includes all necessary approvals and Auditor- Controller review.)

To accommodate large withdrawals that exceed those normally associated with operations, the following minimum notification requirements must be followed to allow for adjustments to the liquidity position of the pool.

- Withdrawals of up to \$ 5,000,000	48 hours
- Withdrawals of up to \$10,000,000	72 hours
- Withdrawals of up to \$10,000,001 and above	5 days

**II. PAYMENT FOR SERVICES**

**EXHIBIT B-1**  
**AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR**

---

**1. General Rules**

Unless otherwise specified below, the Department shall submit quarterly bills to TCERA within 25 calendar days after the last day of each quarter.

All bills must be supported by fiscal records adequate to ensure that TCERA is billed no more than the cost of providing the services, as calculated under the Federal and State requirements for overhead and other costs. COUNTY shall retain such records as are required by Federal and State regulation. Payment of bills is conditioned on compliance by COUNTY with the required performance standards and responsibilities under this Memorandum of Understanding. Any amounts payable under this agreement are valid and enforceable only if sufficient funds are authorized for the purposes outlined herein.

**2. Specific Rules**

The Auditor-Controller/Treasurer-Tax Collector shall bill for its services as follows:

- a. **Claims:** Charges for these services shall be based upon actual hours multiplied by the rate set by the Board of Supervisors and published in the County Master Fee Schedule.
- b. **General Accounting:** Charges for these services shall be based upon actual hours multiplied by the rate set by the Board of Supervisors and published in the County Master Fee Schedule.
- c. **Employee Payroll:**
  - i. **Countywide payroll:** TCERA shall not be billed for any activities related to the County's obligations as an employer to provide certified compensation earnable information to the pension plan pursuant to Government Code section 31582.
  - ii. **TCERA payroll:** Charges for these services shall be based upon actual hours multiplied by the rate set by the Board of Supervisors and published in the County Master Fee Schedule. ~~In addition to the hourly rate, TCERA shall pay a payroll processing fee which represents the fee charged to the County by the payroll processing company. This fee shall be charged on a per pay period, per employee basis.~~
- d. **TCERA Trustee Payroll:** Charges for these services shall be based upon actual hours multiplied by the rate set by the Board of Supervisors and published in the County Master Fee Schedule.
- ~~d.e.~~ **Treasurer-Tax Collector**
  - i. **Bank account authorization:** Fees charged for bank accounts will be invoiced based on the banking fees assessed by the Treasury's Financial Institution on each account.

**Commented [VP1]:** Delete. IT charges TCERA for ADP services.

**EXHIBIT B-1**  
**AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR**

---

- II. Participation in Treasurer's Investment Pool:** Operational costs incurred by the Treasurer in administering the Investment Pool will be netted against the pool's earnings and allocated quarterly in proportion to each pool participants' average daily balance of deposits maintained for the quarter.
- III. Returned Items:** The fee on returned items shall be as set by the Board of Supervisors from time to time as the cost for processing by the Treasurer.
- IV. Wire transfers:** The fee for each wire transfer shall be as set by the Board of Supervisors from time to time as the cost for processing by the Treasurer.

**III. PENSION OBLIGATION BOND PAYMENT**

In June 2018, the County issued a POB with a final maturity date of June 30, 2037. Principal bond payments are payable by the County annually on June 1st and interest payments are payable semiannually on June 1st and December 1st. In order to make the June 1st and December 1st payments, the Auditor's Office will send TCERA an invoice and related support for their allocated portion of the POB payment at least two (2) weeks prior to the payment due date. TCERA shall then process a JV for their portion of the payment within five (5) business days of receipt of the invoice.

**EXHIBIT B-7**  
**INFORMATION AND COMMUNICATIONS TECHNOLOGY**

---

**I. SCOPE OF SERVICES**

**1. General Services**

TCiCT shall provide to TCERA technology services and TCERA shall pay for those services as described herein.

**2. Confidentiality**

- a. TCiCT agrees that the department shall hold itself and its employees, as well as any and all contractors to TCiCT and TCERA that have any access to and TCERA technology system, to a level of high confidentiality required under the County Employees Retirement Law of 1937, applicable sections of the Internal Revenue. Further, TCiCT shall comply with the security requirements for information, technology access, and use and disposal in accordance with Title 45 Code of Federal Regulations (CFR) Sections 205.50 and 303.21. TCiCT shall indemnify TCERA for any actual damages resulting to TCERA as a result of TCiCT's failure to comply with this paragraph. Additionally, TCiCT shall protect TCERA's confidential information subsequent to the expiration of this Agreement.
- b. TCiCT staff shall pass a background check at hire, including the LiveScan fingerprinting submitted to the FBI and California DOJ. If applicable, the LiveScan shall occur more frequently based on Federal, State, or Local regulations. Additionally, all TCiCT employees shall complete a confidentiality acknowledgment form upon hire and annually thereafter.

**3. Specific Services**

**a. TCiCT shall:**

**i. Provide technology management services including:**

- 1. Managing and supervising all TCiCT staff providing services to TCERA;
- 2. Functioning as part of the TCERA management team providing technology related staff support, technical advice and information;
- 3. Assisting with Information & Communications Technology purchase requisitions.

**ii. Provide technology support services including:**

- 1. Routine support to the installed workstations;
- 2. Local Area Network support including regular backup of files, adding and deleting users, resetting network passwords, assigning and monitoring user access, restoring files if needed and monitoring network usage and performance;
- 3. Service desk support between the business hours of 7:00 a.m. and

## INFORMATION AND COMMUNICATIONS TECHNOLOGY

---

5:30 p.m. Monday through Thursday; 7:00 a.m. and 5:00 p.m. on Fridays;

4. If applicable, provide asset management services including the tagging of Tulare County purchased assets and logging of inventory for the department;
5. Consulting to assist with the application of technology toward the Department's business needs. This may include the development of configurations or estimates for planning and analysis purposes. It may also include the evaluation and analysis of recommendations received from other sources;
6. Assisting TCERA staff with the day-to-day operations of TCERA's technology, including the evaluation and analysis of recommendations received from other sources;
7. TCiCT will assist TCERA with its electronic interface to the Auditor's office to ensure TCERA data is processed in a timely fashion.
8. TCiCT will provide TCERA with website maintenance, hosting and support at no additional cost for Fiscal Year 2020/2021. For fiscal years thereafter, rates for these services may be renegotiated.

### iii. Provide Telephone support services including:

1. Maintenance of existing Voice over Internet Protocol (VoIP) telephone system including hardware, software, cabling, desk sets, server, router and user phone and and/or other appropriate telephony equipment and/or service;
2. Replacement and or New Equipment will be at the expense of TCERA;
3. Maintaining connections to external phone service provider;
4. Updating systems and software as needed from time to time;
5. Maintaining all unified communications hardware and software including occasional changes to call routing, messages and user phone and phone number assignments;
6. Monitoring VoIP system and make recommendations prior to system reaching capacity or loss of optimal service.

### iv. Service goals:

1. TCiCT will maintain adequate staff assigned to meet the needs of TCERA to remain operational at all times;
2. TCiCT will attempt to acknowledge telephone requests for service within thirty (30) minutes of the request during office hours;
3. TCiCT will attempt to acknowledge email requests for service within sixty (60) minutes of the request during office hours;
4. TCiCT will make every reasonable effort to correct any system outage immediately. If TCiCT cannot resolve the issue(s) immediately, TCiCT shall provide status updates until the

## INFORMATION AND COMMUNICATIONS TECHNOLOGY

---

system is restored. Security and major production incidents will be responded to immediately.

**b. TCERA shall:**

- i. Adhere to the County of Tulare Information Technology Security Program.
- ii. TCERA shall notify TCiCT of any changes in the list of programs it operates.

**4. Definitions**

**a. Confidential Information**

The term "Confidential Information" means all Software, Systems Software, and all business, financial, statistical, personnel and technical data in tangible and/or intangible form which is clearly and conspicuously marked "CONFIDENTIAL" or as defined as confidential by law, or expressly deemed confidential in this Agreement, or provided or disclosed, by one party to the other, with notice of its confidential nature.

**b. System**

The term "System" shall mean the Hardware, Systems Software and Software, operating together as a system. The System includes the Existing Systems and all replacements thereof and additions of equipment thereto.

**II. PAYMENT FOR SERVICES**

**1. General Rules**

- a. TCiCT shall maintain an accounting system and supporting financial records adequate to ensure that claims are in accordance within applicable Federal and State requirements. All charges must be supported by fiscal records adequate to ensure that claims for reimbursement are according to Federal and State requirements and TCiCT shall retain such records as required by Federal and State regulation. All TCiCT services listed herein shall be provided for an annual fee as listed in Section II, below.
- b. TCERA shall accept TCiCT's cost allocation methodologies as an approved allocation methodology. The TCiCT cost allocation methodology is approved annually by the Tulare County Auditor's Office and the State of California, through the annual cost allocation plan review process. TCiCT shall provide a copy of the annual cost allocation methodology to TCERA no later than 30 business days after its approval.
- c. TCiCT shall submit monthly invoices to TCERA within 30 business days after the last day of each month.
- d. TCERA shall pay the invoices within 30 business days of receipt. TCERA shall

## INFORMATION AND COMMUNICATIONS TECHNOLOGY

have only 90 days to dispute a charge; after 90 days the charge shall be considered accepted, payable and undisputable. TCiCT shall be entitled to interest at the rate of 6 percent per annum, commencing on the 61<sup>st</sup> day after a claim known or agreed to be valid is submitted to TCERA.

- e. If at any time a service was discovered by TCiCT as not billed in a previous billing period or fiscal year, that service shall become billable to TCERA. TCERA will be notified of such finding, and will have 90 days to dispute the charge.
- f. TCiCT will provide TCERA with a final rate chart prior to the start of each fiscal year. TCiCT shall provide TCERA with 30 days' notice should rate changes be needed in the middle of a fiscal year.
- g. TCiCT timelines:

TCiCT Enabled User ID's	Reviewed with clients in January
TCiCT Draft Budget	Last Friday in March
TCiCT Final Budget	First Monday in June
TCiCT Budget Approved	September/October of Each Year
TCiCT Mid-Year Budget Review	February/March of Each Year
TCiCT Fiscal Meetings	At Least Twice Annually

### 2. Cost Allocation Methodologies, including but not limited to:

- a. **Method used for each of the different services:**
  - i. **Mainframe** - This cost is for the mainframe hardware and software that is primarily used to support the Property Information Management System (PIMS) and the historical financial programs. These costs are allocated based on the actual number of mainframe users.
  - ii. **Desktop Services** - This cost is for desktop equipment support, either by a technician in person or over the phone, including PCs, laptops, monitors and some printers. The actual costs of supporting this equipment is calculated and divided based on the number of enabled network user identifications within a department.
  - iii. **Infrastructure, Servers, and Database** - This cost is for the hardware, software and personnel that supports the Infrastructure, including backup solutions, monitoring software, routers, servers, backup equipment, switches and the hardware and software personnel that supports the Databases of the County. These costs are allocated based on the number of enabled network user ids.
  - iv. **E-Mail** - This is the cost of the "Official County Email Platform" and operating system (OS) for the County including maintenance and personnel cost. These costs are allocated based on the number of enabled network user ids.
  - v. **Services** - This is the cost of Logistics, Documentation, Training, Programmers, Geographic Information Systems (GIS), Business Intelligence (BI), IT Specialists Application Support and Client Specialists personnel that serve departments. These costs are allocated based on the number of

## INFORMATION AND COMMUNICATIONS TECHNOLOGY

---

enabled network user ids.

- vi. **Security** - This is the cost of the Security team and related security software. These costs are allocated based on the number of enabled network user ids
- vii. **Finance System** - This cost is the CGI-AMS AFIN system that is the County's financial system. These costs are allocated based on the full-time equivalents (FTE) within a department.
- viii. **Form 700** - This is the maintenance cost of the system for Form 700 filers. This cost is allocated based upon the number of filers per department.
- ix. **Projects** - This cost is estimated using a percentage of time per employee of estimated hours the department will spend on projects for other departments. This cost will be charged based upon the actual number of hours spent on the project.
- x. **ADP** - This cost is for the ADP Enterprise HR system that is used countywide. These costs are allocated based on number of employees in the department. This number was determined from the allocation list pulled from the Enterprise HR System.
- xi. **Radio** - Departments using base stations, mobile radios installed in vehicles and handheld radios that access the County system are charged for maintenance of the system and for requested services including repair, installation and removal of radios. System maintenance charges to departments are based on the number of radio units that access the system. Departments are also billed for maintenance of the telecommunications system, such as switches, and for requested work. Departments are charged these services through three methods: direct charges, radio system charges and labor charges. Radio system costs are charged to departments based on the number of handheld and mobile radios that utilize the County's infrastructure. The radio system rate is charged to clients thru a per radio, per month charge additionally a calculated labor rate is charged for services performed.
- xii. **Central Telephone** - This cost is the actual cost of the department's phone bills, .90 FTE of the Accountant completing the ISF billing, Key Government lease expense, and ISI anticipated costs. This does not include cell phones. Cell phone charges are paid by each department.
- xiii. **Other Charges** - Based on TCERA needs, TCICT may charge for additional items such as, but not limited to; badge access, panic buttons and/or video surveillance. TCICT will provide TCERA a quote prior to the service being provided.

**EXHIBIT B-1**  
**AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR**

---

**I. SERVICES TO BE PROVIDED**

**1. Revenue and Claims**

Each month, the Revenue and Claims Division of the Auditor-Controller's Office shall verify the retirement pension payroll JVs for TCERA retirees and beneficiaries agree with the input in the accounting record (AFIN). Staff of the Auditor-Controller's Office shall verify the dollar amount of the pension JV and associated Manual Disbursement (MD) against the applicable registers provided by TCERA.

The Revenue and Claims division of the Auditor-Controller's Office staff shall also provide assistance for canceling manual disbursements in AFIN, as requested.

**2. Accounting Systems**

The Accounting Systems Division of the Auditor-Controller's Office shall provide the following services to TCERA:

- a. Assistance in recording transactions in the County AFIN system. The assistance shall include questions regarding the programs, resetting of passwords and reassigning security and approval roles in the system.
- b. Monthly and annual closing of the accounting records in the County AFIN system.
- c. Issuing monthly and year end reports for departmental use.
- d. TCERA's security and approval access to the County AFIN system for up to ten users and BOXI access for up to one named user.
- e. Allow TCERA to retain access to the County AFIN system with reports and to employee management and compensation systems with reports.

**3. Financial Reporting and Audits**

The Financial Reporting and Audits Division of the Auditor-Controller's Office shall provide the following services to TCERA:

- a. Advice and direction in proper recording of financial transactions in AFIN.
- b. Approve JVs submitted in AFIN by TCERA.
- c. Certification of the compensable earnings paid to each member of TCERA after the end of each pay period, as required by California Government Code Section 31582. The COUNTY shall be responsible for the payment of all costs associated with the research and correction of errors made in the calculation of compensation reported and retirement contributions made to TCERA by the COUNTY or any department of the COUNTY.
- d. Reconcile employee and employer contributions annually for TCERA's outside auditor confirmation.

**4. Payroll**

- a. **Countywide payroll.**

The parties intend to specifically exclude from the definition of services provided

**EXHIBIT B-1**  
**AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR**

---

by the Auditor-Controller/Treasurer-Tax Collector to TCERA the provision of employer payroll information to the retirement plan for County employees generally. To the extent that the Payroll unit provides information to TCERA regarding bi-weekly transmittal, reconciliation and processing of countywide payroll as well as payroll tax returns and W-2's for County employees generally, this activity shall be accounted for within COUNTY time activity and shall not be billed to TCERA.

The Auditor-Controller staff shall transfer to TCERA the proper dollar amount of employee and employer retirement contributions from the compensation reported at the end of each pay period.

**b. TCERA payroll.**

Payroll Unit shall provide bi-weekly transmittal, reconciliation, and processing of payroll for those County employees assigned to TCERA as the employing department. The Payroll Unit shall also provide payroll tax returns and W-2's on behalf of these employees.

**c. TCERA trustee payroll.**

Payroll Unit shall provide quarterly transmittal, reconciliation, and processing of payroll for six (6) of TCERA's trustees. The Payroll Unit shall also provide payroll tax returns and W-2's on behalf of these members.

**5. Treasurer-Tax Collector**

**a. Bank account authorization**

The County Treasury may establish bank accounts at the request of TCERA, including "Zero Balance" accounts used for clearing processed checks. The opening of these accounts must be approved by both the Retirement Board and the County Auditor-Controller/Treasurer-Tax Collector. The account(s), while opened by the County Treasury, will remain under the control of TCERA in accordance with the County's banking policies including necessary fraud protections (e.g., payee positive pay). The responsibility for reconciliation and monitoring of this account(s) is that of TCERA. TCERA will be provided with access to reports and information necessary for reconciling and monitoring. Check fraud losses and liabilities associated with this account(s) are also a responsibility of TCERA. The account(s) will be opened as non-interest bearing with an "earnings allowance" to offset monthly banking fees. In addition, this account will comply with the insurance and/or collateralization requirements of the Government Code.

The County Treasury will also maintain a "Zero Balance" account to be used for clearing processed checks. A daily JV will be processed by Treasury staff to record the daily check clearings.

**EXHIBIT B-1**  
**AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR**

---

Daily activity is recorded in AFIN automatically through an upload of a text file from the bank.

**b. Participation in Treasurer's Investment Pool**

The Treasurer shall allow TCERA to voluntarily deposit excess funds with the County Treasurer. TCERA understands that the funds deposited for investment will be held in the Tulare County Investment Pool and shall be invested by the Treasurer in accordance with the policies contained in the Tulare County *Annual Investment Policy of the Pooled Investment Fund* (Investment Policy), as now in effect and as may be revised from time to time without review or consent of TCERA. Interest will be apportioned quarterly. TCERA acknowledges that it has received and carefully reviewed the Investment Policy, and is familiar with its contents. Having considered and weighed the risks of investing (including, but not limited to, the risks of loss of interest and principal) the TCERA has determined that it is appropriate and legal to invest its moneys in the Tulare County Treasury as permitted by the Investment Policy. To the extent its moneys are invested with the County, in whole or in part, TCERA further acknowledges that the \$1.00 NAV is not guaranteed or insured by the Treasurer.

**c. Returned items**

Any returned items to the Treasurer's Office from the bank will be immediately reversed from a pre-designated accounting line. Access to reports and information necessary for processing returned items will be provided to TCERA.

**d. Wire transfers**

Wire transfers will be processed upon request by TCERA. A wire transfer must have the appropriate documentation, departmental approvals, and be reviewed by the Auditor-Controller, before the wire transfer is processed by the Treasury. To ensure that the funds are transferred the next day, the Treasury must receive all completed paperwork for the wire transfer request by 6:00 a.m. the day the wire is to be sent. (This includes all necessary approvals and Auditor- Controller review.)

To accommodate large withdrawals that exceed those normally associated with operations, the following minimum notification requirements must be followed to allow for adjustments to the liquidity position of the pool.

- Withdrawals of up to \$ 5,000,000	48 hours
- Withdrawals of up to \$10,000,000	72 hours
- Withdrawals of up to \$10,000,001 and above	5 days

**II. PAYMENT FOR SERVICES**

**EXHIBIT B-1**  
**AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR**

---

**1. General Rules**

Unless otherwise specified below, the Department shall submit quarterly bills to TCERA within 25 calendar days after the last day of each quarter.

All bills must be supported by fiscal records adequate to ensure that TCERA is billed no more than the cost of providing the services, as calculated under the Federal and State requirements for overhead and other costs. COUNTY shall retain such records as are required by Federal and State regulation. Payment of bills is conditioned on compliance by COUNTY with the required performance standards and responsibilities under this Memorandum of Understanding. Any amounts payable under this agreement are valid and enforceable only if sufficient funds are authorized for the purposes outlined herein.

**2. Specific Rules**

The Auditor-Controller/Treasurer-Tax Collector shall bill for its services as follows:

- a. **Claims:** Charges for these services shall be based upon actual hours multiplied by the rate set by the Board of Supervisors and published in the County Master Fee Schedule.
- b. **General Accounting:** Charges for these services shall be based upon actual hours multiplied by the rate set by the Board of Supervisors and published in the County Master Fee Schedule.
- c. **Employee Payroll:**
  - I. **Countywide payroll:** TCERA shall not be billed for any activities related to the County's obligations as an employer to provide certified compensation earnable information to the pension plan pursuant to Government Code section 31582.
  - II. **TCERA payroll:** Charges for these services shall be based upon actual hours multiplied by the rate set by the Board of Supervisors and published in the County Master Fee Schedule.
- d. **TCERA Trustee Payroll:** Charges for these services shall be based upon actual hours multiplied by the rate set by the Board of Supervisors and published in the County Master Fee Schedule.
- e. **Treasurer-Tax Collector**
  - I. **Bank account authorization:** Fees charged for bank accounts will be invoiced based on the banking fees assessed by the Treasury's Financial Institution on each account.

**EXHIBIT B-1**  
**AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR**

---

- II. Participation in Treasurer's Investment Pool:** Operational costs incurred by the Treasurer in administering the Investment Pool will be netted against the pool's earnings and allocated quarterly in proportion to each pool participants' average daily balance of deposits maintained for the quarter.
- III. Returned Items:** The fee on returned items shall be as set by the Board of Supervisors from time to time as the cost for processing by the Treasurer.
- IV. Wire transfers:** The fee for each wire transfer shall be as set by the Board of Supervisors from time to time as the cost for processing by the Treasurer.

**III. PENSION OBLIGATION BOND PAYMENT**

In June 2018, the County issued a POB with a final maturity date of June 30, 2037. Principal bond payments are payable by the County annually on June 1st and interest payments are payable semiannually on June 1st and December 1st. In order to make the June 1st and December 1st payments, the Auditor's Office will send TCERA an invoice and related support for their allocated portion of the POB payment at least two (2) weeks prior to the payment due date. TCERA shall then process a JV for their portion of the payment within five (5) business days of receipt of the invoice.