



COUNTY OF TULARE BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
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AGENDA OF THE BOARD OF RETIREMENT ADMINISTRATIVE COMMITTEE MEETING Wednesday, August 24, 2022 @ 10:00 a.m.

TCERA Executive Room, 136 N. Akers Street, Visalia, CA 93291

NOTICE TO THE PUBLIC

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. Any person addressing the Board will be limited to a maximum of five (5) minutes. A total of 15 minutes will be allotted for the Public Comment period unless otherwise extended by the Board Chair. If you are part of a large group that would like to comment on an agenda item, please consider commenting in writing or sending one spokesperson to speak on behalf of the group. Members of the public may also submit public comment via U.S. mail or via email to BORPublicComment@tularecounty.ca.gov before the meeting. The comments received via U.S. mail or 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. 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).)

Persons wishing to listen to the meeting 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 access information. Documents related to the items on this agenda are available for public inspection at the Retirement Office, 136 N Akers Street, Visalia, CA, during normal business hours. Such documents are also available on TCERA's website, www.tcera.org, subject to staff's ability to post the documents before the meeting.

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.

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENT

At this time, members of the public may comment on any item not appearing on the agenda. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the item comes up for Board consideration. Any person addressing the Board will be limited to a maximum of five (5) minutes so that all interested parties have an opportunity to speak. Please state your name for the record.

IV. AGENDA ITEMS

1. Discussion and possible action regarding the following items:
 - a. Review of Committee Minutes from the meeting of July 27, 2022
 - b. TCERA and TCERA Property, Inc. Preliminary Financial Statements – June 30, 2022

V. UPCOMING MEETING

1. Wednesday, September 28, 2022 – *Canceled*
2. Wednesday, October 26, 2022 @ 10:00 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.*



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MINUTES OF THE BOARD OF RETIREMENT
ADMINISTRATIVE COMMITTEE MEETING
Wednesday, July 27, 2022 @ 10:00 a.m.
TCERA Board Room, 136 N. Akers Street, Visalia, CA 93291

I. CALL TO ORDER

The meeting was called to order at 10:42 a.m.

II. ROLL CALL

Present: David Kehler, Chair; Cass Cook, George Finney (voting alternate),
David Vasquez (voting alternate), Paul Sampietro (alternate)
Mary Warner, Leanne Malison

III. PUBLIC COMMENT

None

IV. AGENDA ITEMS

Discussion and possible action regarding the following items:

1. Review of Committee Minutes from the meeting June 22, 2022.

Motion to approve minutes as presented.

Motion: Cook

Second: Vasquez

Motion approved unanimously.

2. Discussion and possible action regarding the following items:

a. TCERA and TCERA Property, Inc. Financial Statements – May 31, 2022

The Committee reviewed the financial statements.

Motion to recommend approval of the May 31, 2022 financial statements as presented.

Motion: Vasquez

Second: Finney

Motion approved unanimously

b. Ratify Retirement Administrator Actions Regarding Open Death Cases

Ms. Warner stated that the Retirement Administrator had authorized the write-off of funds owed and due since TCERA staff had exhausted all measures to recover or pay these funds. Ms. Malison added this follows the current policy in place and the Administrator's actions must be ratified by the Administrative Committee.

Motion to ratify Retirement Administrator actions regarding open death cases as presented.

Motion: Vasquez

Second: Finney

Motion approved unanimously.

c. TCERA 2022 Strategic Planning Session – Consideration of Moderator

At the June 8th Board meeting there was a request for this committee to consider a moderator to help facilitate the Strategic Planning session, specifically considering asking someone from Verus to act as a moderator for the planned discussion regarding committee authority and structure. Ms. Malison reported she had sent out a survey to other counties regarding committee authority and structure, but she is still waiting on a couple more responses. She did note that the results so far were very enlightening. The other plans either have no investment committee and all their investment decisions are made at the full board or they have an investment committee that is comprised of all Board members. We are the only plan so far that has an investment committee that is not comprised of all Board members. In addition, the responses indicate that all committees, regardless of purpose, have no delegated authority. All are advisory only. More information will be available for presentation at the Strategic Planning session. Based on these responses, the Ms. Malison indicated that Verus would not be able to provide much guidance since our structure is completely different than the other systems. The Committee discussed the possibility of including a moderator for the September 28, 2022 Strategic Planning Session and after much discussion they concluded that no outside moderator is needed.

Motion to recommend not having an outside moderator for the Strategic Planning Session.

Motion: Vasquez

Second: Finney

Motion approved unanimously.

d. Brown Armstrong – Engagement Partner Transition

Ms. Malison explained that she had spoken to Ms. Flores who has been our Engagement Partner for several years and has provided TCERA with excellent service. Sadly, Ms. Flores has decided to take a step back for now and although she will no longer be TCERA’s Engagement Partner she is still going to be working for Brown Armstrong. Her new position will be on the administrative side as CIO. Brown Armstrong has proposed Neeraj Datta as the new Engagement Partner on the audit team. Staff is not aware of any direct work that he has done for TCERA but Staff feels comfortable with his experience and qualifications. Andy Paulden, a previous engagement partner on TCERA’s audits, will be actively participating in the transition and will continue to be part of this team. The transition would be effective immediately.

Motion to recommend to the Board the approval of Neeraj Datta as the engagement partner from Brown Armstrong for TCERA’s audit.

Motion: Cook

Second: Vasquez

Motion approved unanimously.

V. UPCOMING MEETING

1. Wednesday, August 24, 2022 @ 10:00 a.m.

VI. ADJOURN

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

Approved: _____
David Kehler, Chair

Date



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**TCERA, Board of Retirement
Administrative Committee**

Agenda Item # IV.1.b.

Agenda Date: August 24, 2022

Subject: TCERA and TCERA Property, Inc. Preliminary Financial Statements – June 30, 2022.

Requests:

That the Administrative Committee:

1. Review the TCERA and TCERA Property, Inc. Preliminary Financial Statements for June 30, 2022.

Summary:

The June 30, 2022 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, 2022

Before All Accruals & Interest Posting

	<u>Jun 30, 22</u>	<u>May 31, 22</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Jun 30, 21</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS							
Current Assets							
Checking/Savings							
(Note 1) 1110 · Cash in County Treasury	13,279,818.44	13,734,962.56	-455,144.12	-3.31%	11,067,944.93	2,211,873.51	19.99%
1120 · Cash in Custodial Account	14,444,770.76	21,547,108.77	-7,102,338.01	-32.96%	25,908,344.66	-11,463,573.90	-44.25%
(Note 2) 1130 · Short Term Investments	8,299,332.89	15,332,344.75	-7,033,011.86	-45.87%	30,730,774.18	-22,431,441.29	-72.99%
(Note 3) 1140 · Securities Lending Collateral	28,721,854.35	0.00	28,721,854.35	100.00%	56,728,790.52	-28,006,936.17	-49.37%
Total Checking/Savings	<u>64,745,776.44</u>	<u>50,614,416.08</u>	<u>14,131,360.36</u>	<u>27.92%</u>	<u>124,435,854.29</u>	<u>-59,690,077.85</u>	<u>-47.97%</u>
Other Current Assets							
1310 · Fixed Income - Market	362,379,938.10	364,764,485.29	-2,384,547.19	-0.65%	561,575,717.07	-199,195,778.97	-35.47%
1340 · Equities - Market	797,565,483.51	867,397,603.96	-69,832,120.45	-8.05%	950,147,939.37	-152,582,455.86	-16.06%
(Note 4) 1375 · Real Assets	393,077,960.11	379,427,494.65	13,650,465.46	3.60%	195,567,700.51	197,510,259.60	100.99%
1386 · Private Equity	133,288,571.93	127,291,400.39	5,997,171.54	4.71%	123,940,907.37	9,347,664.56	7.54%
1388 · Private Credit	110,286,776.00	111,468,415.00	-1,181,639.00	-1.06%	107,036,138.00	3,250,638.00	3.04%
Total Other Current Assets	<u>1,796,598,729.65</u>	<u>1,850,349,399.29</u>	<u>-53,750,669.64</u>	<u>-2.91%</u>	<u>1,938,268,402.32</u>	<u>-141,669,672.67</u>	<u>-7.31%</u>
Total Current Assets	<u>1,861,344,506.09</u>	<u>1,900,963,815.37</u>	<u>-39,619,309.28</u>	<u>-2.08%</u>	<u>2,062,704,256.61</u>	<u>-201,359,750.52</u>	<u>-9.76%</u>
Fixed Assets							
(Note 5) 1501 · Building and Improvements	1,278,288.95	1,186,558.95	91,730.00	7.73%	1,178,366.03	99,922.92	8.48%
(Note 6) 1505 · Office Equipment & Computer System	175,264.64	178,552.49	-3,287.85	-1.84%	178,552.49	-3,287.85	-1.84%
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%
(Note 6) 1511 · Accumulated Depreciation	-3,462,787.44	-3,109,385.42	-353,402.02	-11.37%	-3,109,385.42	-353,402.02	-11.37%
1512 · Land	370,345.69	370,345.69	0.00	0.00%	370,345.69	0.00	0.00%
Total Fixed Assets	<u>1,116,207.39</u>	<u>1,381,167.26</u>	<u>-264,959.87</u>	<u>-19.18%</u>	<u>1,372,974.34</u>	<u>-256,766.95</u>	<u>-18.70%</u>
Other Assets							
1710 · Open Trades Sales	17,665,265.53	13,871,420.84	3,793,844.69	27.35%	23,884,042.73	-6,218,777.20	-26.04%
1730 · Investment Income Receivable	838,981.94	912,920.21	-73,938.27	-8.10%	913,779.72	-74,797.78	-8.19%
1735 · Real Assets Income Receivable	0.00	0.00	0.00	0.00%	1,358,916.37	-1,358,916.37	-100.00%
(Note 6) 1750 · Members Contribution Receivable	887,086.34	0.00	887,086.34	100.00%	811,493.53	75,592.81	9.32%
(Note 6) 1770 · Employer Contribution Receivable	110,812.47	0.00	110,812.47	100.00%	202,396.54	-91,584.07	-45.25%
1780 · Advances Rec- Holding Corp	374,230.00	383,230.00	-9,000.00	-2.35%	482,230.00	-108,000.00	-22.40%
(Note 7) 1785 · Pension Deaths Receivables	-97.96	438.26	-536.22	-122.35%	-473.48	375.52	79.31%
1790 · Other Receivables	0.00	0.00	0.00	0.00%	7,011.06	-7,011.06	-100.00%
Total Other Assets	<u>19,876,278.32</u>	<u>15,168,009.31</u>	<u>4,708,269.01</u>	<u>31.04%</u>	<u>27,659,396.47</u>	<u>-7,783,118.15</u>	<u>-28.14%</u>
TOTAL ASSETS	<u><u>1,882,336,991.80</u></u>	<u><u>1,917,512,991.94</u></u>	<u><u>-35,176,000.14</u></u>	<u><u>-1.83%</u></u>	<u><u>2,091,736,627.42</u></u>	<u><u>-209,399,635.62</u></u>	<u><u>-10.01%</u></u>

TCERA and TCERA Property, Inc.
Combined Balance Sheet Comparison
As of June 30, 2022

Before All Accruals & Interest Posting

	<u>Jun 30, 22</u>	<u>May 31, 22</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Jun 30, 21</u>	<u>\$ Change</u>	<u>% Change</u>
LIABILITIES & EQUITY							
Liabilities							
Current Liabilities							
(Note 3) 2010 · Sec Lending Collateral Payable	28,721,854.35	0.00	28,721,854.35	100.00%	56,728,790.52	-28,006,936.17	-49.37%
(Note 8) 2020 · Open Trades - Purchases	24,568,713.13	23,253,590.63	1,315,122.50	5.66%	51,172,031.19	-26,603,318.06	-51.99%
(Note 6) 2030 · Accounts Payable - Inv	1,119,272.17	11,878.00	1,107,394.17	9323.07%	832,998.13	286,274.04	34.37%
(Note 6) 2040 · Refunds Payable	4,102,418.01	5,718,404.40	-1,615,986.39	-28.26%	4,098,875.89	3,542.12	0.09%
(Note 6) 2050 · Other Payables	2,289,484.14	0.00	2,289,484.14	100.00%	2,086,862.15	202,621.99	9.71%
(Note 6) 2100 · Payroll Liabilities	41,399.38	0.00	41,399.38	100.00%	34,684.17	6,715.21	19.36%
Total Other Current Liabilities	<u>60,843,141.18</u>	<u>28,983,873.03</u>	<u>31,859,268.15</u>	<u>109.92%</u>	<u>114,954,242.05</u>	<u>-54,111,100.87</u>	<u>-47.07%</u>
Total Current Liabilities	<u>60,843,141.18</u>	<u>28,983,873.03</u>	<u>31,859,268.15</u>	<u>109.92%</u>	<u>114,954,242.05</u>	<u>-54,111,100.87</u>	<u>-47.07%</u>
Long Term Liabilities							
(Note 6) 2060 · Accrual-Benefits at Termination	106,256.43	115,302.68	-9,046.25	-7.85%	115,302.68	-9,046.25	-7.85%
2070 · Advances Payable - TCERA	374,230.00	383,230.00	-9,000.00	-2.35%	482,230.00	-108,000.00	-22.40%
Total Long Term Liabilities	<u>480,486.43</u>	<u>498,532.68</u>	<u>-18,046.25</u>	<u>-3.62%</u>	<u>597,532.68</u>	<u>-117,046.25</u>	<u>-19.59%</u>
Total Liabilities	<u>61,323,627.61</u>	<u>29,482,405.71</u>	<u>31,841,221.90</u>	<u>108.00%</u>	<u>115,551,774.73</u>	<u>-54,228,147.12</u>	<u>-46.93%</u>
Equity							
3110 · Member Deposit Reserve	337,540,093.82	339,464,971.14	-1,924,877.32	-0.57%	339,546,251.96	-2,006,158.14	-0.59%
(Note 9) 3120 · Other Reserves - Unapportioned	-10,624,415.97	-10,624,415.97	0.00	0.00%	2,660,548.76	-13,284,964.73	-499.33%
3210 · Employer Advance Reserves	935,959,192.79	939,622,624.37	-3,663,431.58	-0.39%	908,886,804.19	27,072,388.60	2.98%
3310 · Retiree Reserves	491,294,823.19	485,706,514.29	5,588,308.90	1.15%	446,255,577.55	45,039,245.64	10.09%
3320 · Supp. Retiree Benefit Reserve	113,579,360.95	113,579,360.95	0.00	0.00%	108,446,851.09	5,132,509.86	4.73%
3410 · Contingency Reserve	64,035,077.22	64,035,077.22	0.00	0.00%	60,735,602.01	3,299,475.21	5.43%
3510 · Market Stabilization	104,263,467.00	104,263,467.00	0.00	0.00%	108,713,808.00	-4,450,341.00	-4.09%
3810 · Income Summary Account	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%
3900 · Retained Earnings	-59,862,746.31	-59,862,746.31	0.00	0.00%	-355,425,733.08	295,562,986.77	83.16%
Net Income	-155,171,488.50	-88,154,266.46	-67,017,222.04	-76.02%	356,365,142.21	-511,536,630.71	-143.54%
Total Equity	<u>1,821,013,364.19</u>	<u>1,888,030,586.23</u>	<u>-67,017,222.04</u>	<u>-3.55%</u>	<u>1,976,184,852.69</u>	<u>-155,171,488.50</u>	<u>-7.85%</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,882,336,991.80</u></u>	<u><u>1,917,512,991.94</u></u>	<u><u>-35,176,000.14</u></u>	<u><u>-1.83%</u></u>	<u><u>2,091,736,627.42</u></u>	<u><u>-209,399,635.62</u></u>	<u><u>-10.01%</u></u>

Notes:

- Note 1 Transfer to 421 Fund \$6.5 million from the Cash Reserve account
- Note 2 Timing of manager short term positions
- Note 3 Annual Securities Lending Accruals & Adjustments
- Note 4 Increase over last year due to 3 new Real Asset managers: SSGA US REIT, Invesco and ARA
- Note 5 Reclassify A/C units \$91,730
- Note 6 Annual Adjustment & Accruals
- Note 7 Pension Death Receivables timing of payments
- Note 8 Decrease in Open Trade Purchases over last year
- Note 9 Interim interest payments/adjustments and private market adjustments prior to period close

TCERA and TCERA Property, Inc.
Combined Comparative Profit and Loss
June 30, 2022

Before All Accruals & Interest Posting

	Jun 22	May 22	\$ Change	% Change	Jun 22	Jun 21	\$ Change	% Change
Ordinary Income/Expense								
Income								
4110 · Interest Income	355,720.38	261,565.39	94,154.99	36.0%	355,720.38	308,111.94	47,608.44	15.45%
4120 · Dividend Income	296,688.98	481,073.40	-184,384.42	-38.33%	296,688.98	334,695.33	-38,006.35	-11.36%
(Note 1) 4130 · Real Assets Income	504,787.39	0.00	504,787.39	100.0%	504,787.39	299,659.60	205,127.79	68.45%
(Note 2) 4140 · Other Investment Income	197,585.75	819,831.98	-622,246.23	-75.9%	197,585.75	423,987.52	-226,401.77	-53.4%
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	0.00	0.00	0.0%	0.00	105.87	-105.87	-100.0%
(Note 3) 4410 · Securities Lending Income	86,906.17	8,980.34	77,925.83	867.74%	86,906.17	58,857.33	28,048.84	47.66%
(Note 4) 4510 · Realized Gains/Losses	157,590,076.64	1,642,632.62	155,947,444.02	9,493.75%	157,590,076.64	8,971,131.80	148,618,944.84	1,656.64%
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	2,890,355.83	2,939,105.93	-48,750.10	-1.66%	2,890,355.83	3,447,534.48	-557,178.65	-16.16%
(Note 5) 4620 · Employer Contributions	-1,579,999.29	345,105.47	-1,925,104.76	-557.83%	-1,579,999.29	-1,526,325.95	-53,673.34	3.52%
Total Income	160,357,761.85	6,513,935.13	153,843,826.72	2,361.77%	160,357,761.85	12,333,397.92	148,024,363.93	1,200.19%
Expense								
5110 · Benefit Payments	8,445,374.55	8,394,245.20	51,129.35	0.61%	8,445,374.55	8,025,735.10	419,639.45	5.23%
(Note 6) 5120 · Refunds	-1,029,102.91	765,218.92	-1,794,321.83	-234.49%	-1,029,102.91	875,259.88	-1,904,362.79	-217.58%
5130 · Death Retiree ROC	0.00	71,207.86	-71,207.86	-100.0%	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	1,320,093.73	372,908.65	947,185.08	254.0%	1,320,093.73	2,843,631.10	-1,523,537.37	-53.58%
(Note 7) 5250 · Inv. Consultant/Custodial Fees	302,162.86	22,500.00	279,662.86	1,242.95%	302,162.86	223,209.64	78,953.22	35.37%
(Note 3) 5270 · Securities Lending Expense	73,855.72	496.24	73,359.48	14,783.07%	73,855.72	42,833.01	31,022.71	72.43%
5275 · Real Assets Investment Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
(Note 7) 5276 · Real Assets Mgr Fees	870,845.89	2,711.40	868,134.49	32,017.94%	870,845.89	440,548.96	430,296.93	97.67%
(Note 8) 5280 · Other Investment Expense	27,812.23	2,368.16	25,444.07	1,074.42%	27,812.23	-3,603.32	31,415.55	871.85%
(Note 7) 5410 · Actuarial Study Fees	2,000.00	0.00	2,000.00	100.0%	2,000.00	10,756.25	-8,756.25	-81.41%
(Note 9) 5450 · Compensated Benefit Expense	-9,046.25	0.00	-9,046.25	-100.0%	-9,046.25	11,750.89	-20,797.14	-176.98%
* 5500 · Administrative Expense	329,965.46	218,669.40	111,296.06	50.9%	329,965.46	297,253.88	32,711.58	11.01%
* 5750 · TCERA Property Admin Expense	4,930.49	-6,704.44	11,634.93	173.54%	4,930.49	9,747.13	-4,816.64	-49.42%
(Note 9) 5910 · Deprec/Amort of Fixed Assets	356,689.87	0.00	356,689.87	100.0%	356,689.87	351,695.32	4,994.55	1.42%
Total Expense	10,695,581.64	9,843,621.39	851,960.25	8.66%	10,695,581.64	13,128,817.84	-2,433,236.20	-18.53%
Net Ordinary Income	149,662,180.21	-3,329,686.26	152,991,866.47	4,594.78%	149,662,180.21	-795,419.92	150,457,600.13	18,915.49%

TCERA and TCERA Property, Inc.
Combined Comparative Profit and Loss
June 30, 2022

Before All Accruals & Interest Posting

	<u>Jun 22</u>	<u>May 22</u>	<u>\$ Change</u>	<u>% Change</u>	<u>Jun 22</u>	<u>Jun 21</u>	<u>\$ Change</u>	<u>% Change</u>
Other Income/Expense								
Other Income								
4520 · Unrealized Gains/Losses	-216,679,402.25	-4,776,468.33	-211,902,933.92	-4,436.39%	-216,679,402.25	44,158,353.20	-260,837,755.45	-590.69%
4525 · Unrealized Gns/Ls Building/Land	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5000 · Other Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Other Income	-216,679,402.25	-4,776,468.33	-211,902,933.92	-4,436.39%	-216,679,402.25	44,158,353.20	-260,837,755.45	-590.69%
Other Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Net Other Income	-216,679,402.25	-4,776,468.33	-211,902,933.92	-4,436.39%	-216,679,402.25	44,158,353.20	-260,837,755.45	-590.69%
Net Income	<u>-67,017,222.04</u>	<u>-8,106,154.59</u>	<u>-58,911,067.45</u>	<u>-726.75%</u>	<u>-67,017,222.04</u>	<u>43,362,933.28</u>	<u>-110,380,155.32</u>	<u>-254.55%</u>

Notes:

- Note 1** Real Assets Investment Income reported quarterly and one-two month in arrears
- Note 2** Decrease in Other Investment Income over last mo. and last yr. from Private Credit
- Note 3** Annual Securities Lending Accruals & Adjustments
- Note 4** Increase in Realized Gains/Losses over last mo. from the 3 SSGA accounts cost basis adjustment at BNYM
- 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** Increase in Other Investment Expenses over last mo.; decrease over last year
- Note 9** Annual Adjustment & Accruals

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

TCERA and TCERA Property, Inc.
BUDGET VS ACTUAL
June 2022
Accounting Period 12
100.00% of the Current Fiscal Year Budget
Before All Accruals & Interest Posting

	<u>Jun 22</u>	<u>Jul '20 - Jun 21</u>	<u>Jul '21 - Jun 22</u>	<u>Annual Budget</u>	<u>Remaining Budget</u>	<u>% Annual Budget</u>
5500 · Administrative Expense						
5505 · (6001) Allocated Salaries	101,822.67	821,999.28	881,255.91	1,016,113.00	134,857.09	86.73%
5510 · (6002) Overtime	0.00	0.00	0.00	1,000.00	1,000.00	0.00%
5515 · (6003) Other Pay	670.71	12,251.79	15,306.05	28,672.00	13,365.95	53.38%
5520 · (6004) Benefits	15,602.00	137,151.47	129,774.68	159,376.00	29,601.32	81.43%
5525 · (6005) Extra-Help	0.00	0.00	9,609.19	9,700.00	90.81	99.06%
5535 · (6011) Retirement- Co. Port.	12,772.18	104,350.82	114,089.59	136,235.00	22,145.41	83.74%
5540 · (6012) Social Security	7,964.16	61,865.39	66,042.85	76,404.00	10,361.15	86.44%
5545 · (1024) POB Cost	0.00	68,458.34	60,427.24	87,249.00	26,821.76	69.26%
5550 · (6008) Board Fees-Per Diem Pmts	0.00	19,096.07	18,300.50	20,000.00	1,699.50	91.50%
5551 · Communications						
5552 · (7005) Communications	1,192.64	5,962.44	6,393.03	8,700.00	2,306.97	73.48%
5640 · (7005) Co. Telecommunication	2,233.07	8,646.40	9,664.81	12,039.00	2,374.19	80.28%
Total 5551 · Communications	3,425.71	14,608.84	16,057.84	20,739.00	4,681.16	77.43%
5553 · Data Processing						
5650 · (7044) ICT Qtrly - Data Process	14,707.53	57,776.56	61,642.57	104,821.00	43,178.43	58.81%
5697 · (7044) Computer Exp Hdwtr/Sftwr	0.00	17,660.22	32,046.26	32,138.00	91.74	99.71%
5698 · (7044) WSI/Q2 Digital	0.00	3,850.00	0.00	3,500.00	3,500.00	0.00%
Total 5553 · Data Processing	14,707.53	79,286.78	93,688.83	140,459.00	46,770.17	66.70%
5555 · (7009) Household Expense	1,750.71	13,944.04	16,999.66	17,380.00	380.34	97.81%
5560 · (7010) Insurance	0.00	54,402.00	58,624.00	59,400.00	776.00	98.69%
5565 · (7011) Unemployment Insurance	0.00	274.62	14.67	1,000.00	985.33	0.00%
5570 · (7021) Maintenance-Equipment	157.31	1,565.23	1,486.63	3,000.00	1,513.37	49.55%
5575 · (7027) Memberships	0.00	6,430.00	6,320.00	7,100.00	780.00	89.01%
5580 · (7030) Due Diligence Expense	0.00	5,947.89	2,521.92	15,000.00	12,478.08	16.81%
5585 · (7036) Office Expense	11,834.95	25,053.70	54,728.91	55,080.00	351.09	99.36%
5586 · (7040) Courier	236.22	1,340.25	1,417.48	1,460.00	42.52	97.09%
5590 · Prof & Specialized Exp						
5591 · (7043) Prof & Special Gen Exp	0.00	15.00	0.00	500.00	500.00	0.00%
5592 · (7043) Prof & Spec - Audit	0.00	44,570.00	44,570.00	47,600.00	3,030.00	93.63%
5593 · (7043) Prof Sr -Outside Counsel	2,760.75	14,934.75	71,712.55	75,000.00	3,287.45	95.62%
Total 5590 · Prof & Specialized Exp	2,760.75	59,519.75	116,282.55	123,100.00	6,817.45	94.46%
5594 · County Counsel Charges						
5661 · (7046) Co Counsel - General Exp	2,429.60	17,333.70	14,294.40	40,000.00	25,705.60	35.74%
5662 · (7046) Co Counsel - Disability	6,902.80	67,364.20	38,420.70	93,000.00	54,579.30	41.31%
Total 5594 · County Counsel Charges	9,332.40	84,697.90	52,715.10	133,000.00	80,284.90	39.64%
5595 · (7049) Prof Exp-Disabilities	60,277.89	75,026.12	101,139.41	164,000.00	62,860.59	61.67%
5600 · (7059) Publications	4,569.94	20,965.97	22,355.15	23,000.00	644.85	97.20%
5675 · (7059) Co. Print Services	8,985.29	6,730.75	14,416.18	15,500.00	1,083.82	93.01%
Total 5600 · (7059) Publications	13,555.23	27,696.72	36,771.33	38,500.00	1,728.67	95.51%

TCERA and TCERA Property, Inc.
BUDGET VS ACTUAL
June 2022
Accounting Period 12
100.00% of the Current Fiscal Year Budget
Before All Accruals & Interest Posting

	<u>Jun 22</u>	<u>Jul '20 - Jun 21</u>	<u>Jul '21 - Jun 22</u>	<u>Annual Budget</u>	<u>Remaining Budget</u>	<u>% Annual Budget</u>
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	43,911.62	220,223.49	259,030.39	318,120.00	59,089.61	81.43%
5615 · (7073) Training	0.00	4,508.40	6,445.25	12,000.00	5,554.75	53.71%
5620 · (7074) Transportation & Travel	4,289.84	1,701.25	12,557.97	32,000.00	19,442.03	39.24%
5625 · (7081) Utilities	1,386.71	15,656.85	19,424.32	20,400.00	975.68	95.22%
5627 · (7116) Postage - Co. Mail	7,344.28	38,853.26	47,435.17	48,400.00	964.83	98.01%
5630 · (7128) Co. Workers Comp Insurance	0.00	59,381.00	52,514.00	53,500.00	986.00	98.16%
5695 · Co. Admin. Services						
5666 · (7719) HR/Risk Services	0.00	0.00	11,362.19	11,860.00	497.81	95.80%
5699 · (7719) Auditors Services	522.59	2,353.63	2,100.58	7,500.00	5,399.42	28.01%
Total 5695 · Co. Admin. Services	522.59	2,353.63	13,462.77	19,360.00	5,897.23	69.54%
5720 · (7421) Interest Expense	0.00	0.00	0.00	1.00	1.00	0.00%
(Note 1) 5450 · Compensated Benefit Expense	-9,046.25	11,750.89	-9,046.25	26,353.00	35,399.25	-34.33%
5911 · Depreciation - TCERA	15,924.95	15,925.95	15,924.95	20,000.00	4,075.05	79.62%
5913 · Amortization - CPAS	303,350.34	303,350.29	303,350.34	325,000.00	21,649.66	93.34%
Total TCERA Administrative Expense	640,194.50	2,536,352.01	2,762,353.25	3,376,781.00	614,427.75	81.80%
5750 · TCERA Property Administrative Expense						
5755 · Fees and Taxes	0.00	75.00	188.75	200.00	11.25	94.38%
5760 · Insurance	0.00	7,452.00	7,909.00	9,000.00	1,091.00	87.88%
5765 · Professional & Spec Services	900.02	1,278.39	900.02	2,000.00	1,099.98	45.00%
5780 · Courtyards Property Assn Dues	1,707.67	6,830.68	6,830.68	7,500.00	769.32	89.88%
5785 · Landscape Service	919.00	5,975.25	5,234.00	7,800.00	2,566.00	67.10%
5790 · Security Monitoring	454.20	2,494.66	4,090.23	7,750.00	3,659.77	52.78%
(Note 2) 5795 · Maintenance & Improve - Bldg	483.98	13,685.16	13,156.27	244,365.00	231,208.73	5.38%
5797 · Utilities	465.62	4,435.96	4,895.85	7,000.00	2,104.15	69.94%
5912 · Depreciation - TCERA Property	37,414.58	32,419.08	37,414.58	70,400.00	32,985.42	53.15%
Total TCERA Property, Inc. Administrative Expense	42,345.07	74,646.18	80,619.38	356,115.00	275,495.62	22.64%
Total TCERA & TCERA Property Administrative Expense	682,539.57	2,610,998.19	2,842,972.63	3,732,896.00	889,923.37	76.16%

Notes:

- Note 1 Decrease in Compensated Absences from \$115,303 to \$106,256
- Note 2 Purch. And Reclassify new A/C units \$91,730

Accrued Actuarial Liability	1,957,985,000
June 30, 2021	
.21% of AAL	4,111,768.50
100.00%	4,111,768.50
Expenses to date	(2,842,972.63)
(Over)/Under	1,268,795.87