



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, January 27, 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 10:31 a.m.

II. ROLL CALL

Present: David Kehler, Chair; Roland Hill, Jim Young, Laura Hernandez,
George Finney (voting alternate)
Leanne Malison, Mary Warner (participating remotely)

III. PUBLIC COMMENT

None

IV. AGENDA ITEMS

1. Review of Committee Minutes from the meeting of December 17, 2020.
Motion to approve minutes as presented.
Motion: Young
Second: Hernandez
Motion approved unanimously.
2. Discussion and possible action regarding the following items:
 - a. **TCERA and TCERA Property, Inc. Financial Statements – November 30, 2020**
The Committee reviewed the financial statements for November.
Motion to recommend approval of the November 30, 2020 financial statements as presented.
Motion: Hill
Second: Hernandez
Motion approved unanimously.
 - b. **County Counsel Invoice \$4,281.00 for the month ending December 31, 2020**
The Committee reviewed the County Counsel invoice for December.
Motion to approve County Counsel invoice in the amount of \$4,281.00 as presented.
Motion: Hernandez
Second: Young
Motion approved unanimously.

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

1) Purchase of Parental Leave

Ms. Malison informed the committee that currently a Service Purchase is for personal leaves only; regular maternity leave is not approved. If adopted, both parents would have their own option to purchase service. Before TCERA can implement this option, it would need to be approved by the Board of Supervisors as required in the language of the statute. If interested, this would be our opportunity to start talks with the CAO and Board of Supervisors on this matter. Ms. Hernandez asked if this would be a benefit to our Plan. Ms. Malison explained that this is supposedly cost neutral because the employee pays for both the employee and employer costs though it could cost the plan money if implemented. From the County point of view, it could be considered an advantage if viewed as an additional benefit being offered. Mr. Young asked if the Board of Supervisors are primary decision makers on this matter. Ms. Malison replied that they are. TCERA has no control over the adoption of this optional provision. She also noted that the Board of Supervisors would not look at this unless we brought the matter to their attention. Mr. Young asked why we would not do this if it is cost neutral. Ms. Malison explained that if passed, this would add complexity and administrative time. Mr. Kehler stated that is not really cost neutral because the employee may purchase this when they are younger and earning less but when they retire at higher wages the additional service that they had purchased would cost the plan more. Ms. Malison noted that this is true of service purchase options that are already available to members also. Ms. Hernandez stated she didn't think that many would take advantage of this option. Mr. Kehler noted that after this was adopted, it would only apply to leaves going forward.

Motion to recommend to the Board to direct Staff to take discuss the matter of Parental Leave Service Purchase as stated in AB 2101 with the CAO as a matter that might be of interest to the Board of Supervisors.

Motion: Hill

Second: Hernandez

Motion approved unanimously.

2) Retirement Application Advance Application Window

Ms. Malison explained that some systems felt the 60-day limit was causing issues and they wanted to increase that limit. This is not currently an issue for TCERA though it would be nice for the employee because they could get their application in early. The only issue she perceived would be for reciprocities if we didn't have the same time window. She has heard that some systems are going for 90 days and that she would not recommend going past 90 days. Mr. Kehler stated that he considers this a staff issue and noted that this would require a change in the by-laws, but a 90-day advance could be supported.

Motion to recommend approval of a 90-day Retirement Application Window and a change to the by-laws.

Motion: Hill

Second: Hernandez

Motion approved unanimously.

3) Board Approval of Retirements

Ms. Malison explained to the committee that adoption of this optional provision would delegate authority to the Retirement Administrator to approve retirement applications versus now where they are approved the month after when it is brought to the Board in the consent calendar. She went on to state that she had discussed this matter with Mr. Stern, Chair of the SACRS Legislative Committee, and from his viewpoint this would not affect existing

retirees. Before discussion on the matter, Mr. Kehler indicated that he would recuse himself because of potential implications of the court case *Wilmot v. Contra Costa County Employees' Retirement Association* and that the case has implications regarding this optional provision. He believes he has a conflict of interest because he is a pension payee that might be affected by this matter. Mr. Kehler passed the Chair responsibilities to Laura Hernandez and left the meeting at 11:07 a.m.

Mr. Finney said he will not recuse himself because he retired so long ago that he didn't believe it was a conflict for him. Mr. Finney became a voting member in the absence of Mr. Kehler.

The committee discussed the matter and felt that moving forward on this matter would address the very concern that some retirees may have. If the Retirement Administrator is authorized to approve the retirement as of the retirement date on the member's retirement application, the gap between the effective date and the approval date would be eliminated. This addresses the issue arising from the Wilmot case. Ms. Malison reported that Mr. Stern had also talked to Ashley Dunning and Harvey Liederman, attorneys with expertise in this area, and they indicated they do not believe this provision would impact existing retirees. Adoption of this provision would grant the authority to the Retirement Administrator for applications on a prospective basis as of the date of Board approval.

Motion to recommend approval to give the Retirement Administrator and his or her designee approval in alignment as stated in AB 2101.

Ayes: Hill, Young, Hernandez, Finney (voting alternate)

Recused: Kehler

Motion passed.

V. UPCOMING MEETING

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

VI. ADJOURN

The meeting was adjourned at 11:24 a.m.



David Kehler, Chair