



COUNTY OF TULARE BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

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

AGENDA OF THE BOARD OF RETIREMENT
REGULAR RETIREMENT BOARD MEETING
Wednesday, October 27, 2021 at 8:30 a.m.
TCERA Board 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@tcera.org 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. PLEDGE OF ALLEGIANCE

IV. PUBLIC COMMENT

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

V. X-AGENDA ITEMS

VI. DISABILITIES

1. Closed session to be held regarding disability matters listed on this agenda.
2. In the matter of the disability application of Rose Lujano, consider and take action regarding the application for a disability retirement.
3. Accept as filed the Disability Status Report Overview.

VII. CONSENT CALENDAR

1. Approve Minutes of the following meetings:
 - a. Retirement Board Minutes of October 13, 2021.
2. Approve payments to:
 - a. KBI Global Investors – invoice for investment management services in the amount of \$20,579.00 for the quarter ended March 31, 2021.
 - b. KBI Global Investors – invoice for investment management services in the amount of \$42,007.00 for the quarter ended June 30, 2021.
 - c. LMCG Investments – invoice for investment management services in the amount of \$55,759.72 for the quarter ended September 30, 2021.
 - d. BNY Mellon – invoice for master trust custodial services in the amount of \$78,917.05 for the quarter ended June 30, 2021.
 - e. Brown Armstrong – invoice for work in progress on audit processes in the amount of \$2,354.00.
 - f. County Counsel – invoice for legal services to the Board of Retirement in the amount of \$78,917.05 for the period ending September 30, 2021.

VIII. INVESTMENT COMMITTEE REPORT

1. Update by Gary Reed regarding the Investment Committee meeting of October 13, 2021. Discussion and possible action regarding the following items:
 - a. Asset Allocation Status.
 - b. 2021 Investment Committee Goals and Objectives Timeline and 2021 Education Calendar.
 - c. Investment of funds pending capital calls and manager selection – Consideration of State Street REIT Index Fund (new) and State Street SMID Index Fund (existing).
 - d. Infrastructure investment manager candidates.
 - e. Private Equity investment structure.
 - f. Private Equity and Real Estate investment implementation – consultant or fund search.
 - g. Large Cap Growth Equity Manager Review.
 - h. Vendor/Investment Firm Referral Report submitted by Dave Kehler – WP Global Partners
 - i. Delegation of decision-making authority to the Investment Committee.
 - 1) Review of Board Policy – Board of Retirement Committee Tenure and Responsibilities.
 - j. Investment Managers.
 - 1) Verus Flash Report – All Managers.
 - 2) Managers of Interest.
 - a) Franklin Templeton – Manager Review.
 - b) DoubleLine – Notice of Fee Reduction.

- c) PGIM – Organizational Update.
- d) QMA – Organizational Update.

IX. INVESTMENTS

- 1. Discussion and possible action regarding TCERA’s strategic investment allocation and investment managers, including performance, contracts, and fees.

X. EDUCATION ITEMS

- 1. Discussion and possible action regarding available educational events.

XI. COMMUNICATIONS

- 1. Discussion and possible action regarding SACRS November 12, 2021 business meeting packet.
- 2. Discussion and possible action regarding SACRS Legislative Update.

XII. UPCOMING MEETINGS

- 1. Administrative Committee Meeting October 27, 2021, 10:30 a.m.
- 2. Board of Retirement Meeting November 3, 2021, 8:30 a.m.
- 3. Investment Committee Meeting November 3, 2021, 10:30 a.m.
- 4. Board of Retirement Meeting November 17, 2021, 10:30 a.m.
- 5. Administrative Committee Meeting November 17, 2021, 10:30 a.m.

XIII. TRUSTEE/STAFF COMMENTS

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

XIV. ADJOURNMENT

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.

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

01 - Disability Case Application

10/8/21 Brown, Anthony (Christene Brown) **CAPITAL PROJ-Facilities/General Member
Orthopedic/Service Connected Disability**

Active **Eligible for Service Retirement = No**

10/11/21 DMS Notified of Disability Application Filing
10/11/21 Disability Interview/Application Packet Provided
10/13/21 Disability Application Documents Scanned
10/13/21 Disability File Folder Created
10/13/21 Disability Findings Summary Prepared
10/13/21 Infolinx Setup

02 - Pending Receipt of Medical Records

**9/3/21 Zuniga, Julia (Adriana Gonzales-
Chang)** **HHS-HS-Dinuba District Off/General Member
Psychiatric/Psychological/Service Connected
Disability**

Retired **Eligible for Service Retirement = Yes**

9/3/21 Disability Application Packet Received and Reviewed
9/7/21 Disability Application Documents Scanned
9/7/21 Disability File Folder Created
9/7/21 Infolinx Setup
9/7/21 DMS Notified of Disability Application Filing
9/7/21 Employment Records Requested
Additional Remarks : Due 10/7/21
9/9/21 Tulare County Health Centers Records Received
9/16/21 Disability Findings Summary Prepared

**9/1/21 Scattareggia, Mario (Adriana Gonzales-
Chang)** **Sher-Dt-Pre-Trial/Safety Member Orthopedic/
Service Connected Disability**

Presumptive Indicator: N
Active

Eligible for Service Retirement = No

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

9/1/21 DMS Notified of Disability Application Filing
9/1/21 Disability Application Packet Received and Reviewed
9/1/21 Disability Application Documents Scanned
9/1/21 Infolinx Setup
9/1/21 Employment Records Requested
Additional Remarks : Due 10/01/2021; 9/8/21 - Amended TPS and all medical records received from applicant, currently only pending county records
9/8/21 Tulare County Health Centers Records Received
9/15/21 Disability File Folder Created
9/15/21 Disability Findings Summary Prepared

10/5/21 Flores, Doris (Adriana Gonzales-Chang)

**HHS-HS-Visalia District Off/General Member
Neurological/Non-Service Connected Disability**

Active

Eligible for Service Retirement = Yes

10/5/21 Disability Application Packet Received and Reviewed
10/7/21 Disability Application Documents Scanned
10/7/21 Disability File Folder Created
10/7/21 Disability Findings Summary Prepared
10/7/21 Infolinx Setup
10/8/21 DMS Notified of Disability Application Filing
10/8/21 Employment Records Requested
Additional Remarks : Dept recs due 11/8/21, Med recs due 11/16/21

10/29/20 Lack, Tonnya (Adriana Gonzales-Chang)

Prob-Juvenile Detention/Safety Member

Presumptive Indicator: N

Active

Eligible for Service Retirement = Yes

11/5/20 Disability Application Packet Received and Reviewed
11/18/20 Disability Application Documents Scanned
11/18/20 Disability File Folder Created
11/18/20 Infolinx Setup
12/2/20 Employment Records Requested
Additional Remarks : 7/6/21 mailed reminder for medical records, due 8/17/21; 9/22/21 second reminder for med recs mailed, due 11/3/21
1/8/21 County Department Records Received

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

Additional Remarks : Probation Dept
1/8/21 Disability Findings Summary Prepared
1/8/21 HR & D Records Received
1/8/21 Tulare County Health Centers Records Received
Additional Remarks : No records
6/10/21 Risk Management Records Received

7/12/21 Palma, Irma (Christene Brown) **HHS-HS-Lindsay District Off/General Member
Orthopedic/Service Connected Disability**

Active **Eligible for Service Retirement = Yes**

7/13/21 Disability Application Packet Received and Reviewed
7/13/21 DMS Notified of Disability Application Filing
7/13/21 Disability Application Documents Scanned
7/13/21 Disability File Folder Created
7/13/21 Infolinx Setup
7/14/21 Employment Records Requested
Additional Remarks : Dept recs due 8/13/21, med recs due 8/23/21
7/20/21 Tulare County Health Centers Records Received
Additional Remarks : Certificate of No Records received

10/4/21 Woods, Nancy (Adriana Gonzales-Chang) **RMA-Grants/General Member Orthopedic/
Service Connected Disability**

Active **Eligible for Service Retirement = Yes**

10/4/21 Disability Application Packet Received and Reviewed
10/4/21 Disability Application Documents Scanned
10/5/21 Infolinx Setup
10/5/21 DMS Notified of Disability Application Filing
10/5/21 Employment Records Requested
Additional Remarks : Due 11/4/21
10/8/21 Disability File Folder Created
10/8/21 Disability Findings Summary Prepared

9/13/21 Alonzo, Jimmy (Adriana Gonzales-Chang) **Prob-Juvenile Detention/Safety Member
Orthopedic/Service Connected Disability**

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

Presumptive Indicator: N
Active

Eligible for Service Retirement = Yes

9/13/21 Disability Application Packet Received and Reviewed
9/14/21 Employment Records Requested
9/14/21 DMS Notified of Disability Application Filing
9/16/21 Disability Application Documents Scanned
9/16/21 Disability File Folder Created
9/16/21 Disability Findings Summary Prepared
9/16/21 Infolinx Setup
9/17/21 County Department Records Received
Additional Remarks : Probation Dept

7/24/20 Minor, Bryan (Adriana Gonzales-Chang)
Presumptive Indicator: Y
Retired

**Sher-Op-Porterville/Safety Member Disease/
Non-Service Connected Disability**

Eligible for Service Retirement = Yes

7/28/20 Disability Application Packet Received and Reviewed
7/28/20 Disability Application Documents Scanned
7/28/20 Disability File Folder Created
7/28/20 Infolinx Setup
8/3/20 Employment Records Requested
Additional Remarks : due 8/31/2020; All dept recs received. pending med recs; 12/9/20 mailed reminder to member re: pending medical records; 4/1/21 Notified member of pending medical records; 6/18/21 called member re pending records and mailed letter, records due 7/16/21
8/14/20 DMS Notified of Disability Application Filing
8/14/20 Tulare County Health Centers Records Received
Additional Remarks : none on file
11/5/20 County Department Records Received
Additional Remarks : Sheriff Dept
11/5/20 HR & D Records Received
11/5/20 Risk Management Records Received
Additional Remarks : none on file

5/6/21 Mahler, Tina (Christene Brown)

County Counsel/General Member

Retired

Eligible for Service Retirement = Yes

5/6/21 Disability Application Packet Received and Reviewed
5/6/21 Member Sent Authorization and Questionnaire

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

5/18/21 Disability Application Documents Scanned
5/18/21 Disability File Folder Created
5/18/21 Infolinx Setup
5/25/21 Employment Records Requested
7/6/21 HR & D Records Received
7/6/21 Risk Management Records Received
Additional Remarks : Dept records received, pending workers comp records; 7/9/21 Workers Comp recs received

03 - Pending Medical Records Review

7/16/21 Boren, Rosemarie (Christene Brown) Sher-Op-Marijuana Suppression/General Member Orthopedic/Service Connected Disability

Retired

Eligible for Service Retirement = Yes

7/16/21 Disability Application Packet Received and Reviewed
7/16/21 DMS Notified of Disability Application Filing
7/23/21 Disability Application Documents Scanned
7/23/21 Disability File Folder Created
7/23/21 Infolinx Setup
8/3/21 Employment Records Requested
8/3/21 Tulare County Health Centers Records Received
Additional Remarks : Not a patient
10/13/21 Medical Records Sent for Review
10/13/21 HR & D Records Received
10/13/21 Risk Management Records Received

04 - IME Scheduled/Pending Report

12/11/20 Corazzini, Tracie (Adriana Gonzales-Chang) Tulare County Fire Dept/Safety Member Orthopedic/Service Connected Disability
Presumptive Indicator: N
Active Eligible for Service Retirement = No

12/21/20 Disability Application Documents Scanned
12/21/20 Disability Application Packet Received and Reviewed
12/23/20 Benefit Estimate Sent to DMS

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

12/23/20 DMS Notified of Disability Application Filing
12/23/20 Employment Records Requested
Additional Remarks : due 1/21/21
12/23/20 Disability File Folder Created
12/23/20 Infolinx Setup
2/9/21 Tulare County Health Centers Records Received
Additional Remarks : Declaration of Custodian of Records received
2/9/21 Risk Management Records Received
2/9/21 HR & D Records Received
2/9/21 County Department Records Received
Additional Remarks : Fire Department
7/13/21 IME Appointment Scheduled
Additional Remarks : 6/9/21 Request for appt sent; IME Appt scheduled on 8/25/21 in Clovis
8/25/21 IME Appt rescheduled for 09/23/21 in Clovis, new appt letter sent today.
7/13/21 IME Appointment Letter to Member Sent
Additional Remarks : 8/25/21 Rescheduled IME for 9/23/21, new appt letter sent out today

**4/29/19 Hoogeveen, Sonja (Adriana Gonzales- Library-Visalia/General Member Disease/
Chang) Service Connected Disability**

Retired

Eligible for Service Retirement = Yes

4/30/19 Disability Application Documents Scanned
4/30/19 Disability File Folder Created
4/30/19 Infolinx Setup
5/14/19 Disability Application Packet Received and Reviewed
5/15/19 DMS Notified of Disability Application Filing
5/15/19 Employment Records Requested
Additional Remarks : due 6/14/19; reminder sent to TCHC, records due 7/25/19; 7/12/19 All dept records received, pending medical records from appl; 7/24/19 mailed 1st reminder to appl for pending med recs; 7/6/21 mailed 2nd reminder for medical records, due 8/17/21
5/30/19 Risk Management Records Received
7/10/19 County Department Records Received
Additional Remarks : Library Dept
7/10/19 HR & D Records Received

6/23/21 Franks, Ixchel (Christene Brown)

**Presumptive Indicator: N
Active**

**TCSO-Youth Services/Safety Member
Orthopedic/Service Connected Disability**

Eligible for Service Retirement = No

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

6/23/21 DMS Notified of Disability Application Filing
6/23/21 Disability Application Packet Received and Reviewed
6/24/21 Disability Application Documents Scanned
6/24/21 Disability File Folder Created
6/24/21 Infolinx Setup
6/29/21 Benefit Estimate Sent to DMS
7/2/21 Employment Records Requested
Additional Remarks : due 7/30/21; 9/29/21 - All med recs received, sent for Summarization. Due 10/20/21
7/6/21 Tulare County Health Centers Records Received
Additional Remarks : None on file
9/29/21 County Department Records Received
Additional Remarks : Sheriff's Dept
9/29/21 HR & D Records Received
9/29/21 Risk Management Records Received

5/7/21 Chabrajez, John (Christene Brown)	Sher-Dt-Main Jail/Safety Member
Presumptive Indicator: N	
Active	Eligible for Service Retirement = No

5/7/21 DMS Notified of Disability Application Filing
5/7/21 Disability Application Packet Received and Reviewed
5/18/21 Disability Application Documents Scanned
5/18/21 Disability File Folder Created
5/18/21 Infolinx Setup
5/25/21 Employment Records Requested
7/6/21 HR & D Records Received
7/20/21 Risk Management Records Received
7/20/21 Tulare County Health Centers Records Received
Additional Remarks : Certificate of No Records received
8/13/21 IME Appointment Letter to Member Sent
8/13/21 IME Appointment Scheduled
Additional Remarks : 09-30-21 In Rancho Cordova. In person IME, Rescheduled for 11-19-21 in Visalia. Cost approved by the board 10-13-21.

05 - Accommodation Request/Pending Response

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

1/25/21 Carlson, Jerry (Adriana Gonzales-Chang)

**RMA-TR-Fleet Central Shop/General Member
Orthopedic/Service Connected Disability**

Active

Eligible for Service Retirement = Yes

1/26/21 Disability Application Packet Received and Reviewed

1/26/21 DMS Notified of Disability Application Filing

2/8/21 Disability Application Documents Scanned

2/8/21 Infolinx Setup

2/8/21 Disability File Folder Created

2/8/21 Employment Records Requested

Additional Remarks : due 3/10/21; 4/15/21 letter sent to member re pending med recs, Risk Management records are still pending; 4/21/21 - Risk Management records received, pending written request from member to be excused from obtaining remaining medical records; 4/28/21 Case added to 5/5/21 IRC agenda; 5/14/21 Second request to be excused from obtaining medical records, under review; 5/19/21 letter sent to member regarding pending med recs with instructions, order submitted for previous PCP records.; 7/16/21 All medical records received.

2/8/21 Tulare County Health Centers Records Received

Additional Remarks : Declaration of Custodian of Records received 2/8/21

3/10/21 County Department Records Received

Additional Remarks : RMA Dept

3/10/21 HR & D Records Received

4/23/21 Risk Management Records Received

8/3/21 IME Appointment Scheduled

Additional Remarks : 7/16/21 IME Requested; 8/2/21 Appt scheduled on 9/14/21 in Visalia, pending add'l appt details to send notice to applicant

8/10/21 IME Appointment Letter to Member Sent

9/29/21 IME Reports Received

9/30/21 Accommodation Memo Sent

Additional Remarks : due 10/21/2021

10/8/21 Accommodation Response Received

10/8/21 IRC Meeting Scheduled

Additional Remarks : On 10/25/21 agenda

3/25/21 Fernandez, Gene (Christene Brown)
Presumptive Indicator: N
Retired

Prob-Admin-Visalia/Safety Member

Eligible for Service Retirement = Yes

3/31/21 Disability Application Packet Received and Reviewed

Additional Remarks : TPS had white out- Leanne stated we can accept packet anad date stamp, but he will need to provid a clean TPS. Letter sent to physician and member contacted by JBurks

3/31/21 Disability Interview/Application Packet Provided

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

3/31/21 Member Sent Authorization and Questionnaire
4/21/21 Disability Application Documents Scanned
4/21/21 Disability File Folder Created
4/21/21 Infolinx Setup
6/18/21 County Department Records Received
6/18/21 Employment Records Requested
6/18/21 HR & D Records Received
6/18/21 Risk Management Records Received
6/18/21 Tulare County Health Centers Records Received
7/7/21 IME Appointment Scheduled
Additional Remarks : IME Appt on 8/6/21 in Bakersfield
7/7/21 IME Appointment Letter to Member Sent
10/4/21 IME Reports Received

08 - Board Agenda/Pending Decision

4/3/19 Lujano, Rose (Adriana Gonzales-Chang)

HHS-HS-Visalia District Off/General Member

Retired

Eligible for Service Retirement = Yes

4/3/19 Disability Application Documents Scanned
4/3/19 Disability File Folder Created
4/3/19 Infolinx Setup
4/9/19 DMS Notified of Disability Application Filing
4/9/19 Employment Records Requested
7/10/19 County Department Records Received
Additional Remarks : HHSA Dept
7/10/19 HR & D Records Received
7/10/19 Risk Management Records Received
4/21/21 IME Appointment Scheduled
Additional Remarks : App scheduled on 5/26/21 in Clovis
5/19/21 IME Appointment Letter to Member Sent
Additional Remarks : Sent on 4/23/21
6/10/21 IME Reports Received
6/18/21 Accommodation Memo Sent
Additional Remarks : due 7/9/21
8/3/21 Accommodation Response Received

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

8/3/21 IRC Meeting Scheduled

Additional Remarks : On 8/25/21 IRC agenda

9/1/21 Added to Board Meeting Agenda

Additional Remarks : On 9/22/21 Board agenda

9/14/21 Board Meeting Notification Letter Sent

Additional Remarks : 09/22/21 - BOR sent case back to staff with instructions; 9/23/21 - Appl notified; 10/8/21 Add'l info received, case added to 10/27/21 Board agenda

7/28/20 Perez, Clorinda (Adriana Gonzales-Chang)

**Ag Commissioner/Sealer/General Member
Disease/Service Connected Disability**

Retired - Service Connected Disability

Eligible for Service Retirement = No

7/28/20 Disability Application Packet Received and Reviewed

8/14/20 Disability Application Documents Scanned

8/14/20 Disability File Folder Created

8/14/20 Infolinx Setup

10/27/20 DMS Notified of Disability Application Filing

10/27/20 Employment Records Requested

Additional Remarks : Due 9/14/20; 10/27/20 - All County records received, member notified by phone of pending medical records; 12/9/20 letter mailed to applicant re: pending medical records; 3/10/21 All records have been received. Medical records sent for summarization

10/27/20 County Department Records Received

Additional Remarks : Ag Comm

10/27/20 HR & D Records Received

10/27/20 Risk Management Records Received

10/27/20 Tulare County Health Centers Records Received

Additional Remarks : None on file.

4/28/21 IME Appointment Letter to Member Sent

4/28/21 IME Appointment Scheduled

Additional Remarks : 4/23/21 - IME appt requested; Appt scheduled on 6/19/21 in Clovis

7/16/21 IME Reports Received

7/16/21 Accommodation Memo Sent

Additional Remarks : Due 8/6/21

7/28/21 Accommodation Response Received

7/28/21 IRC Meeting Scheduled

Additional Remarks : On 8/25/21 IRC agenda

9/1/21 Added to Board Meeting Agenda

Additional Remarks : On 9/22/21 Board Agenda

9/14/21 Board Meeting Notification Letter Sent

9/23/21 Board Decision Letter Sent to Applicant

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

Additional Remarks : Board grant SCDR on 09/22/2021

09 - Referred to Hearing/Pending HO Recommendation

7/31/19 Hays, Mark (Adriana Gonzales-Chang) **TC Association of Governments/General Member**

Retired

Eligible for Service Retirement = Yes

3/9/15 Disability Interview/Application Packet Provided
8/1/19 Disability Application Documents Scanned
8/1/19 Disability Application Packet Received and Reviewed
8/1/19 Disability File Folder Created
8/1/19 Infolinx Setup
8/7/19 DMS Notified of Disability Application Filing
8/7/19 Employment Records Requested
8/8/19 Tulare County Health Centers Records Received
Additional Remarks : No records for this member.
8/8/19 Disability Findings Summary Prepared
8/21/19 County Department Records Received
11/12/19 Employment Records Reviewed
11/12/19 IME Appointment Letter to Member Sent
11/12/19 IME Appointment Scheduled
Additional Remarks : NDE Dr. Klassen in Fresno.
1/30/20 HR & D Records Received
1/30/20 IME Notify Letter Sent to TPMSP
1/30/20 IME Reports Received
Additional Remarks : Received 12/16/2020
1/30/20 Risk Management Records Received
7/3/20 Accommodation Memo Sent
Additional Remarks : Accommodation letter sent to Risk on 5/4/2020, due 5/26/20; 6/23/20 -
Update: Risk is pending additional info from dept, report is still pending
8/3/20 Accommodation Response Received
8/3/20 IRC Meeting Scheduled
Additional Remarks : On 8/26/2020 agenda
9/24/20 Accommodation Response Reviewed
11/30/20 Added to Board Meeting Agenda
Additional Remarks : On Retirement Board Agenda for 11/18/2020.
11/30/20 Board Decision Letter Sent to Applicant
Additional Remarks : Board denied SCDR on 11/18/2020.

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

11/30/20 Board Meeting Notification Letter Sent

11/30/20 Hearing Request Form Received

Additional Remarks : formal hearing

5/6/21 County Counsel Client Request Form Sent

5/6/21 Exhibits Prepared and Sent

Additional Remarks : deadline to submit list of additional records is 3/4/21; 3/3/21 Hearing scheduled on 7/7/21, notice sent out; Received list of designated records, physical records due 5/3/21; 5/6/21 list of witnesses sent to hearing office and parties

5/12/21 Augmented Exhibits Prepared and Sent, if applicable

Additional Remarks : Still pending add'l designated recs, admin approved to send later; 6/8/21 second set of augmented exhibits delivered, Still pending add'l designated recs, admin approved to send later; 6/24/21 Hearing rescheduled to 9/15/21, notice sent out; 07/13/21 Last set of augmented exhibits delivered; Hearing rescheduled on 10/11/21; 9/1/21 Amended Notice of Hearing sent

11/12/19 Milton, Sheryl (Adriana Gonzales-Chang)

**HHS-Admin Human Resources/General Member
Multiple/Service Connected Disability**

Active

Eligible for Service Retirement = No

11/13/19 Disability Application Packet Received and Reviewed

Additional Remarks : received by mail 11/12/19

11/14/19 Disability Application Documents Scanned

11/14/19 Disability File Folder Created

11/14/19 Infolinx Setup

11/15/19 DMS Notified of Disability Application Filing

11/15/19 Employment Records Requested

Additional Remarks : Due 12/16/19; 1/6/20 - All dept records received, pending medical recs from member; 3/12/2020 all records received, medical record summary ordered, due 4/2/2020

1/6/20 County Department Records Received

Additional Remarks : HHSA

1/6/20 HR & D Records Received

1/6/20 Risk Management Records Received

5/15/20 IME Appointment Scheduled

Additional Remarks : Ortho appt scheduled 5/28/20 in Clovis, CA, IME Cancelled because of high cost, added to 6/24/20 Board agenda for approval; Cost approved, IME rescheduled on 7/21/20 in Clovis

5/15/20 IME Appointment Letter to Member Sent

9/9/20 IRC Meeting Scheduled

Additional Remarks : On 2/26/20 IRC agenda; On 9/9/2020 IRC agenda

11/5/20 Added to Board Meeting Agenda

Additional Remarks : Added to 12/9/20 Board agenda; 12/7/20 Case removed from Board

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

agenda and placed on 12/16/20 IRC agenda; Added to 1/13/21 Board agenda
12/29/20 Board Meeting Notification Letter Sent
1/15/21 Board Decision Letter Sent to Applicant
Additional Remarks : hearing request due 1/25/21
1/27/21 Hearing Request Form Received
Additional Remarks : Formal Hearing Request
1/27/21 County Counsel Client Request Form Sent
Additional Remarks : Parties have been assigned, Hearing Officer Assignment notice mailed on 2/26/21. Deadline for distribution of exhibits is 4/12/21.
4/8/21 Exhibits Prepared and Sent
Additional Remarks : Designation of records due 5/10/21; Atty notice received from applicant;
5/7/21 amended letter re initial exhibits sent to parties with notice of hearing (9/17/21); Received list of designated, physical records due on 7/7/21
7/21/21 Augmented Exhibits Prepared and Sent, if applicable
Additional Remarks : 7/21/21 - 1st set of augmented exhibits sent (still pending more designated records), also sent new Notice of Hearing (hearing rescheduled on 10/19/21); 9/14/21 Notice re: witnesses sent, also sent final augmented exhibits (phase for augmented recs complete)

11 - Writ Received

11/15/18 Ifitimie, Mara (Adriana Gonzales-Chang)

**HHS-HLTH-Visalia Hlth Ctr/General Member
Orthopedic/Service Connected Disability**

Active

Eligible for Service Retirement = No

12/3/18 Disability Application Documents Scanned
12/3/18 Disability Application Packet Received and Reviewed
Additional Remarks : Filed application for SCDR 11/15/18
12/3/18 Disability File Folder Created
12/3/18 Disability Findings Summary Prepared
12/3/18 Employment Records Requested
Additional Remarks : due 1/2/19; Only pending Risk records, to be submitted asap (per Risk 2/12/19)
12/3/18 Infolinx Setup
12/3/18 DMS Notified of Disability Application Filing
2/12/19 County Department Records Received
Additional Remarks : HHSA Dept
2/12/19 HR & D Records Received
2/12/19 Tulare County Health Centers Records Received
4/9/19 IME Appointment Letter to Member Sent
Additional Remarks : Scheduled through NDE on 4/18/19.

DISABILITY STATUS REPORT
Status as of October 19, 2021
(22 Active Disability Applications)

4/9/19 IME Appointment Scheduled

5/14/19 IME Reports Received

5/14/19 IRC Meeting Scheduled

Additional Remarks : Added to 5/22/19 IRC agenda

8/30/19 Accommodation Response Received

8/30/19 Accommodation Response Reviewed

8/30/19 Added to Board Meeting Agenda

8/30/19 Board Meeting Notification Letter Sent

Additional Remarks : On 9/25/19 Board Agenda.

8/30/19 Employment Records Reviewed

8/30/19 Risk Management Records Received

10/16/19 County Counsel Client Request Form Sent

10/16/19 Hearing Request Form Received

2/11/20 Augmented Exhibits Prepared and Sent, if applicable

2/11/20 Exhibits Prepared and Sent

4/27/20 Brief Notification/Required Correspondence Complete

4/27/20 Findings of Fact and Recommendations Received

4/27/20 Findings of Fact and Recommendations Sent to All Parties by HO

4/27/20 Objection Period Expired

Additional Remarks : Case added to 5/13/20 Board agenda; 5/6/20 Notice regarding upcoming board meeting mailed to applicant; 5/13/20 - Board referred case back to hearing officer; 6/8/20 - Letter sent to hearing officer requesting clarification on decision; 6/12/20 - Copy of 6/8 letter sent to applicant and county counsel; 6/22/2020 - Amended Hearing Officer's Decision received.

Deadline to file objections is 7/2/2020; 6/23/20 - Applicant's objection filed



COUNTY OF TULARE

BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

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

MINUTES OF THE BOARD OF RETIREMENT
REGULAR RETIREMENT BOARD MEETING
Wednesday, October 13, 2021, at 8:30 a.m.
TCERA Board Room, 136 N. Akers Street, Visalia, CA 93291

I. CALL TO ORDER

The meeting was called to order at 8:30 a.m. by Wayne Ross, Chair.

II. ROLL CALL

Voting Trustees Present:	Cass Cook, Ty Inman, Laura Hernandez (left meeting 9:22), Wayne Ross, Gary Reed, Jim Young, Nathan Polk, Dave Kehler, Pete Vander Poel
Alternate Trustees Present:	George Finney, Paul Sampietro
Alternate Trustees Absent:	David Vasquez
Staff Members Present:	Leanne Malison, Retirement Administrator, Mary Warner, Assistant Retirement Administrator, Susie Brown, Secretary I
Board Counsel Present:	Aaron Zaheen, Deputy County Counsel

III. PLEDGE OF ALLEGIANCE

IV. PUBLIC COMMENT

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

Mary Warner introduced new TCERA staff member Antonio Trevino.
Leanne Malison introduced Aaron Zaheen, Deputy County Counsel.

V. X-AGENDA ITEMS

None

VI. DISABILITIES

1. Discussion and possible action regarding the estimated invoice for the Independent Medical Examination report in the amount of up to \$9,000 related to the disability application filed by John Chabrajez.

Motion to approve the Independent Medical Examination expense not to exceed \$10,000.

Motion: Kehler

Second: Reed

Motion passed unanimously.

VII. CONSENT CALENDAR

1. Approve Minutes of the following meetings:
 - a. Retirement Board Minutes of September 22, 2021.
2. Approve payments to:
 - a. Verus – invoice for investment consulting services in the amount of \$22,500.00 for the month ended August 31, 2021.
 - b. Verus – invoice for investment consulting services in the amount of \$22,500.00 for the month ended September 30, 2021.
3. Pension Board Reports and Actions
 - a. Ratify Retirement Administrator actions regarding Retirement Application approvals and Option Selections for the month of September 2021.
 - b. Approve Reports regarding Retirement Applications, Option Selections and Deceased Pensioners and 30-Year Members for the month of September 2021.

Motion to approve the consent calendar.

Motion: Young

Second: Hernandez

Motion passed unanimously.

VIII. ADMINISTRATIVE COMMITTEE REPORT

1. Update by Dave Kehler regarding the Administrative Committee meeting of September 22, 2021. Discussion and possible action regarding the following items:
 - a. TCERA and TCERA Property, Inc. Preliminary Financial Statements for June 30, 2021 and July 31, 2021 after Interest Posting

Accepted as presented.

IX. NEW BUSINESS ITEMS

1. Presentation from Graham Schmidt, Cheiron Consulting Actuary, regarding TCERA actuarial data, statistics, assumptions, and projections.

Mr. Schmidt provided a presentation on preliminary valuation results as of June 30, 2021 including actuarial data, statistics, assumptions and projections. The final actuarial valuation will be presented to the Board on November 3, 2021. The Board directed Staff to activate the Pension ad hoc Committee to discuss deferred gains and the assumed rate of return, including the possibility of different rates for active and retired populations. The committee will include Wayne Ross, Nathan Polk, and Jim Young. Staff will work with County administration to set up a meeting with the corresponding County ad hoc committee.

2. Discussion and possible action regarding actuarial assumptions for the valuation dated June 30, 2021.

The Board determined that no changes would be made to the actuarial assumptions for the June 30, 2021 valuation.

Chair authorized 1.5 hours of education.

3. Discussion and possible action regarding report of SACRS-Sponsored Legislation in 2022.

Ms. Malison informed the Board that direction is needed for the SACRS voting delegate regarding these items. She reviewed the legislative proposals that are of most interest to TCERA.

Motion to authorize the SACRS voting delegate to vote in favor of all proposed bill items except Item 9 in the report regarding government code section 31730.

Motion: Vander Poel

Second: Young

Motion passed unanimously.

4. Discussion and possible action regarding adoption of Amendment to Resolution Regarding Pay Codes Included as Pensionable Income.

Motion to adopt the amendment as presented.

Motion: Vander Poel

Second: Kehler

Motion passed unanimously.

5. Courtyards Property Owners Association Election of IRS Ruling 70-604 – Official Ballot

Motion to approve the vote for adoption of IRS Ruling 70-604.

Motion: Young

Second: Reed

Motion passed unanimously.

X. EDUCATION ITEMS

1. Discussion and possible action regarding Summary Education Reports as filed:
 - a. Leanne Malison – CALAPRS Administrators Institute Virtual Event, September 22-23, 2021, 6 hours.
 - b. Mary Warner – BlackRock Real Assets Webinar, June 24, 2021, 30 minutes.
 - c. Mary Warner – Verus Third Quarter Investment Landscape Webinar, July 27, 2021, 1 hour.
 - d. Mary Warner – SACRS Summer Series Key Trends Webinar, September 16, 2021, 45 minutes.
 - e. Mary Warner – Northern Trust, The Next Five Years, Webinar, September 23, 2021 45 minutes.

Motion to accept the education summaries as presented.

Motion: Young

Second: Cook

Motion passed unanimously.

2. Discussion and possible action regarding available educational events.

No action.

XI. UPCOMING MEETINGS

1. Investment Committee Meeting October 13, 2021, 10:30 a.m.
2. Board of Retirement Meeting October 27, 2021, 8:30 a.m.
3. Administrative Committee Meeting October 27, 2021, 10:30 a.m.

XII. TRUSTEE/STAFF COMMENTS

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

None.

XIII. ADJOURNMENT

The meeting was adjourned at 10:35 a.m.

Wayne Ross, Chair



KBI Global Investors (North America) Limited
3rd Floor, 2 Harbourmaster Place, IFSC, Dublin 1,
D01 X5P3, Ireland.

Tel: +1 353 4384400
Fax: +1 353 4394400
www.kbiglobalinvestors.com

Frank Martin
Accountant, Tulare
Tulare County Employees Retirement Association
136 N Akers Street
Visalia
CA93291

Invoice Date: 02 September 2021

Invoice No.: P2021Q1TA_TULAR

TA_Tulare

Performance Fee and VAT Invoice for the Period Ended 31 Mar 2021 in USD

Description	Applicable Amount	Rate pa	Amount
Value of Assets (AUM)	74,523,013.00		
Mar 2021 Fee			20,759.00
Total Performance Fee:			20,759.00

Invoice Payable next 30 days.

Bank remittance details:

Account Name: KBI Global Investors (North America) Limited
Bank: BNP Paribas, 5 George's Dock, IFSC, Dublin 1
BIC: BNPAIE2D
IBAN: IE35BNPA99020632980287
Intermediary Bank: BNP Paribas New York
SWIFT: BNPAUS3NXXX

CHECKED:	<u>LM</u> Initial	<u>9/9/21</u> Date
VERIFIED:	<u>CS</u> Initial	<u>10/1/21</u> Date
APPROVED:	_____ Initial	_____ Date
PAID:	_____ Wired	_____ Date



KBI Global Investors (North America) Limited
3rd Floor, 2 Harbourmaster Place, IFSC, Dublin 1,
D01 X5P3, Ireland.

Tel: +1 353 4384400
Fax: +1 353 4394400
www.kbiglobalinvestors.com

Frank Martin
Accountant, Tulare
Tulare County Employees Retirement Association
136 N Akers Street
Visalia
CA93291

Invoice Date: 02 September 2021

Invoice No.: P2021Q2TA_TULAR

TA_Tulare

Performance Fee and VAT Invoice for the Period Ended 30 Jun 2021 in USD

Description	Applicable Amount	Rate pa	Amount
Value of Assets (AUM)	75,720,089.00		
Jun 2021 Fee			42,007.00
Total Performance Fee:			42,007.00

Invoice Payable next 30 days.

Bank remittance details:

Account Name: KBI Global Investors (North America) Limited
Bank: BNP Paribas, 5 George's Dock, IFSC, Dublin 1
BIC: BNPAIE2D
IBAN: IE35BNPA99020632980287
Intermediary Bank: BNP Paribas New York
SWIFT: BNPAUS3NXXX

CHECKED:	<u>JS</u> Initial	<u>9/9/21</u> Date
VERIFIED:	<u>CS</u> Initial	<u>10/7/21</u> Date
APPROVED:	_____ Initial	_____ Date
PAID:	_____ Wired	_____ Date



October 6, 2021

Ms Mary Warner
County of Tulare Board of Retirement
136 N. Akers Street
Visalia, CA 93921

SCV079: Tulare County Employees' Retirement Fund

Dear Mary :

The fee for investment management services for the Third Quarter 2021 for the account we manage is \$55,759.72. The month end market values were calculated by LMCG. The fee calculation is listed below.

Market Value as of:

July 31, 2021	\$31,596,579.77
August 31, 2021	\$32,089,388.57
September 30, 2021	<u>\$31,902,124.29</u>

Average Assets:

\$31,862,697.54

\$31,862,697.54 x 0.70% \$223,038.88

Total \$223,038.88 (annual fee)

\$223,038.88 x .25 \$55,759.72 (quarterly fee)

If you have any questions regarding the fee please feel free to call me at any time at (617) 380-5662.

Sincerely,

Colleen A. Pink

CHECKED:

JS
Initial

10/6/21
Date

VERIFIED:

CS
Initial

10/6/21
Date

APPROVED:

Initial

Date

PAID:

Wired

Date

Tulare County Employees' Retirement Fund
LMCG acct: SCV079
Mellon Bank acct: TULF1010022

Remittance Information:

Make checks payable to LMCG Investments, LLC

Or by wire:

Send to:
LMCG Investments, LLC
File 1125
1801 W Olympic Blvd
Pasadena, CA 91199-1125
Federal Tax ID #27-0282607

City National Bank
Routing # 026013958
400 Park Avenue NYC
New York, NY 10022
For further credit to: LMCG Investments, LLC
Account #665112241



BNY MELLON

240 Greenwich Street
New York, NY 10286

TULARE COUNTY EMPLOYEES RETIREMENT ASSOC
136 N. AKERS ST
VISALIA, CA 93291
UNITED STATES

Invoice Number: 111-2021-0033009
Date: September 21, 2021
Billing Period: April 1, 2021 to June 30, 2021
Invoice Group: TULF000000A

Page 1 of 8

Invoice Summary
Total Fees Summary

Any questions regarding this bill should be directed to your
Relationship Mgr./Client Admin: Christie Daniels

Opening Balance as of 06-May-21:	82,280.33	USD
Payments/Adjustments:	(82,280.33)	
Current Invoice:	<u>78,917.05</u>	
Ending Balance as of 3-Aug-21:	78,917.05	USD

Current Billing Period:

Fees

Asset Administration	15,982.55
Ancillary Services	9,812.50
Structural Administration	11,975.00
Transactions	41,147.00
Total USD	<u>78,917.05</u>

Current Period Subtotal:	<u>78,917.05</u>	USD
Current Period VAT*	<u>0.00</u>	USD
Current Period Total:	<u>78,917.05</u>	USD
Current Period Total in Remittance Currency:	<u>78,917.05</u>	USD

within contract
JCL

APPROVED FOR PAYMENT

Copies To:

Brown Armstrong Accountancy Corporation

4200 Truxtun Avenue
Suite 300
Bakersfield, CA 93309
661-324-4971

RECEIVED
OCT 11 2021

TULARE COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

TULARE COUNTY EMPLOYEES' RETIREMENT ASSN.
136 N. AKERS STREET
VISALIA, CA 93291

Invoice No. 261397

Date September 26, 2021

Client No. 82150.001

Audited financial statements: Planning and interim work on the June 30, 2021 audit:

(Billed to date/Contract: \$26,249.50/\$44,570.00)

	Current Invoice Amount	\$ 2,354.00
Beginning Balance as of 09/01/2021		0.00
	Balance Due	\$ 2,354.00

within
contract

OLM

815-815-2350- 7043
5592

APPROVED FOR PAYMENT

0 - 30	31 - 60	61 - 90	91 - 120	Over 120	Balance
2,354.00	0.00	0.00	0.00	0.00	2,354.00

Please remit by: October 31, 2021

Credit Card and ACH Payments Accepted on BA Payment Portal, Bacpas.com

Click on "Make a Payment"

(3% Convenience Fee will Apply on Credit Cards)

Make checks payable to: **Brown Armstrong**

E-mail billing inquiries to: Candi White

cwhite@bacpas.com

TULARE COUNTY COUNSEL

*Meeting the legal and risk management challenges facing the County
of Tulare in partnership with you*

Invoice No. RET0921

**INVOICE****Customer**

Name Board of Retirement
Address 136 North Akers Street
City Visalia State CA ZIP 93291
Phone (559) 713-2900

Misc

Date 10/7/21
Exp Cat.

Statement Number	Matter ID	Description	TOTAL
	RETBD-General	09/01/21-09/30/21 Legal Services	\$ 714.00
	RETBD-General2	09/01/21-09/30/21 Legal Services	\$ -
	RETDIS-General	09/01/21-09/30/21 Legal Services	\$ 4,960.50
	Other Expenses:		
		Mail payment to:	
		County Counsel	
		Attn: Billing Clerk	
		2900 W. Burrell Ave.	
		Visalia, CA 93291	

Payment Other Journal Voucher

Comments *Call or e-mail if questions*

Name Angela Rose
Phone 559-636-4956
E-mail ARose@co.tulare.ca.us
Deposit to: 001-080-2150-5415

Tax Rate(s)

SubTotal \$ 5,674.50
Shipping \$ -
0.00% \$ -

TOTAL \$ 5,674.50

Office Use Only

CONFIDENTIAL



COUNTY OF TULARE
BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

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

**TCERA, Board of Retirement
Investment Committee**

Agenda Item # IV. 1 b.

Agenda Date: October 13, 2021

Subject: Asset Allocation Status

Requests:

That the Investment Committee:

1. Discuss the current asset allocation status as compared to targets.
2. Make recommendations to the Board of Retirement as necessary.

Summary:

The Asset Allocation Comparison is provided as a reference tool for the Committee to note the current allocation as compared to target and to track new manager implementation and rebalancing activity. Depending on the date of the Investment Committee meeting, the report may not be available for distribution with the original packet of backup materials. The report will be provided as soon as the data is available from the custodian bank.

Prepared by: Leanne Malison

TCERA Asset Allocation Comparison 09-30-21 - Preliminary Numbers

Manager	Category	Market Value	Actual %	Target %	Value at Target	Difference to Target	Comments
DOMESTIC EQUITY							
QMA	Large Core Enhanced	68,907,279	3.52%	3.00%	58,745,948	10,161,331	
SSGA S&P 500 Sec Lnd Index Fund	Large Core	210,822,110	10.77%	10.00%	195,819,827	15,002,283	
Boston Partners	Large Value	68,636,362	3.51%	3.50%	68,536,939	99,423	
Ivy (Waddell & Reed)	Large Growth	75,728,494	3.87%	3.50%	68,536,939	7,191,555	
SSGA US Ext Sec Lnd	SMID Core Index	63,388,007	3.24%	3.00%	58,745,948	4,642,059	
LMCG (Lee Munder)	Small Value	31,902,130	1.63%	1.50%	29,372,974	2,529,156	
William Blair	Smid Growth	32,532,518	1.66%	1.50%	29,372,974	3,159,544	
	Total	551,916,901	28.18%	26.00%	509,131,550	42,785,351	
INTERNATIONAL EQUITY							
SGA	International Growth	100,057,689	5.11%	6.00%	117,491,896	(17,434,208)	
PIMCO RAE	International Value	105,100,933	5.37%	4.00%	78,327,931	26,773,003	
SSGA - ACWI Index Fund	International Core	117,055,191	5.98%	6.00%	117,491,896	(436,705)	
	Total	322,213,813	16.45%	16.00%	313,311,723	8,902,090	
GLOBAL EQUITY							
Skellig Water Fund (KBI)	Water Related	76,329,922	3.90%	3.00%	58,745,948	17,583,974	
	Total	76,329,922	3.90%	3.00%	58,745,948	17,583,974	
PRIVATE EQUITY							
Pantheon	Private Equity - F of F	420,959	0.02%				Underweight pending new commitments and capital calls. Pantheon, Stepstone and BlackRock in liquidation phase.
Stepstone	PE - Secondaries	9,956,072	0.51%				
Ocean Avenue III	Private Equity - F of F	17,537,099	0.90%				
Ocean Avenue IV	Private Equity - F of F	18,521,057	0.95%				
Pathway Fund 8	Private Equity - F of F	32,369,346	1.65%				
Pathway Fund 9	Private Equity - F of F	24,441,910	1.25%				
Pathway Fund 10	Private Equity - F of F	8,716,185	0.45%				
BlackRock Alternatives	Private Equity - F of F	527,330	0.03%				
	Total	112,489,958	5.74%	12.00%	234,983,792	(122,493,834)	
FIXED INCOME							
BlackRock	Core Plus	147,713,802	7.54%	6.00%	117,491,896	30,221,905	Overweight pending capital calls.
MacKay Shields	Core Plus	123,229,773	6.29%	5.50%	107,700,905	15,528,868	
DoubleLine	Core Plus	117,816,600	6.02%	5.50%	107,700,905	10,115,695	
PGIM	Emerging Market Debt	85,995,754	4.39%	3.00%	58,745,948	27,249,806	
Franklin Templeton	Global Credit	83,592,527	4.27%	0.00%	-	83,592,527	
	Total	558,348,455	28.51%	20.00%	391,639,654	166,708,801	

TCERA Asset Allocation Comparison 09-30-21 - Preliminary Numbers

Manager	Category	Market Value	Actual %	Target %	Value at Target	Difference to Target	Comments
PRIVATE CREDIT							
Sixth Street DCP (TSSP)	Private Credit	85,519,768	4.37%	5.00%	97,909,913	(12,390,145)	Underweight pending capital calls
	Total	85,519,768	4.37%	5.00%	97,909,913	(12,390,145)	
REAL ASSETS							
Invesco	Real Estate Debt	16,576,875	0.85%	3.00%	58,745,948	(42,169,073)	Underweight pending American Realty and Invesco capital calls and new asset classes. RREEF America II overweight pending rebalancing.
American Realty Advisors	Value Add Real Estate	30,058,326	1.53%	4.00%	78,327,931	(48,269,605)	
TBD - Opportunistic Real Estate	Value Add Real Estate	-	0.00%	4.00%	78,327,931	(78,327,931)	
TBD - Infrastructure	Value Add Real Estate	-	0.00%	4.00%	78,327,931	(78,327,931)	
RREEF America II	Core Commingled	172,005,375	8.78%	3.00%	58,745,948	113,259,427	
	Total	218,640,576	11.17%	18.00%	352,475,688	(133,835,113)	
OPPORTUNISTIC							
KKR - Mezzanine	Opportunistic	3,697,003	0.19%	n/a	-	3,697,003	Opportunistic outside of Target Allocation. KKR and PIMCO funds in distribution phase.
Sixth Street TAO Contingent (TSSP)	Opportunistic	19,301,183	0.99%	n/a	-	19,301,183	
PIMCO BRAVO - Distressed Debt	Opportunistic	10,418	0.00%	n/a	-	10,418	
	Total	23,008,604	1.17%		-	23,008,604	
OTHER							
			1.17%		-	23,008,604	
Cash							
		9,730,272	0.50%	0.00%	-	9,730,272	Capital Calls and Cash Flow Needs.
	Total	9,730,272	0.50%	0.00%	-	9,730,272	
Grand Total		1,958,198,269	100.00%	100.00%	1,958,198,269		

F:\Data\Public\Asst Administrator\Investment Committee\Agenda Backup Materials\Asset Allocation Comparison\Asset Allocation Comparison xx-xx-xx.xls



COUNTY OF TULARE
BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

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

**TCERA, Board of Retirement
Investment Committee**

Agenda Item # IV. 1 c.

Agenda Date: October 13, 2021

Subject: 2021 Investment Committee Goals and Objectives Timeline and 2021 Education Calendar

Requests:

That the Investment Committee:

1. Discuss the Goals and Objectives Timeline and Education Calendar
2. Direct Staff to make revisions as determined by the Committee
3. Make recommendations to the Board of Retirement as necessary

Summary:

The Goals and Objectives Timeline is provided to assist the Committee in monitoring the progress of its goals and objectives for the year. The Education Calendar is provided to ensure that education items related to the Committee's goals and objectives are included in the presentation schedule for the year.

Prepared by: Leanne Malison

TCERA Investment Committee Goals and Objectives Timeline

Revised 10/6/21

2021

January – March

Active/Passive Investment Panel – The presentation occurred at the February 24, 2021 Board meeting. **Completed**

Investment Refresher Course – At the Board meeting of January 27, 2021, the trustees directed Staff to arrange for an Investment Refresher Course to be provided as an educational opportunity during a future Board meeting. The education was presentation at the March 24, 2021 Board meeting. **Completed**

April – June

TCERA China Exposure Analysis – As directed by the Board at its March 12, 2021 meeting. Review conducted at Investment Committee – June 9, 2021 and reported out to Board of Retirement on June 23, 2021. **Completed**

Securities Lending Education – At its May 26, 2021 meeting, the Board requested that Verus prepare an educational session on Securities Lending. The presentation made at Board meeting of June 23, 2021. **Completed**

July – September

Active/Passive Investment Analysis – As directed by the Board at its February 24, 2021 meeting. Scheduled for April 14, 2021 Investment Committee. Committee reported to Board of Retirement on May 26, 2021. Board directed Staff to work with Verus to implement a 50/50 active/passive split for the domestic equity portfolio. Transition completed. **Completed**

Index Fund Review – As directed by the Board at its February 24, 2021 meeting. Scheduled for April 14, 2021 Investment Committee. Committee reported to Board of Retirement on May 26, 2021. Board authorized changing the SSgA index funds to those allowing securities lending. Contracts received and executed. Transition completed. **Completed**

Asset/Liability Study/Strategic Asset Allocation – The asset liability study conducted every three years by the investment consultant is scheduled for presentation to the Board of Retirement on May 26, 2021. The Board directed Verus to prepare asset allocation options that add some additional risk (volatility) to the portfolio. Discussion was held at the June 23, 2021 Board meeting. The Board directed Verus to prepare additional asset allocation options to be reviewed at the July 28, 2021 Board meeting. The Board discussed the additional options presented at the July 28, 2021 Board meeting. The discussion was tabled, to be continued at the August 11, 2021 Board meeting. The Board approved “Mix 4.1” at the Board meeting of August 11, 2021. **Completed**

BlackRock Guidelines Review – BlackRock has indicated that the investment guidelines for the fixed income investment are outdated. Proposed changes received and approved at June 23, 2021 Board meeting. Final guidelines were approved at the July 28, 2021 Board meeting. **Completed**

TCERA Separate Account Guidelines Review – As directed by the Board at its March 12, 2021 meeting. Review held at Investment Committee – June 9, 2021. Proposed guideline changes scheduled for review by the Investment Committee on August 11, 2021. Guideline changes for Ivy were approved at the August 11, 2021 Board meeting. **Completed**

Active Manager Expense Review – As directed by the Board at its February 24, 2021 meeting. Scheduled for April 14, 2021 Investment Committee. Committee reported to Board of Retirement on May 26, 2021. Board directed Verus to contact Franklin Templeton and PGIM regarding the investment management fee structures. Fee reductions have been negotiated. Proposed changes were discussed at the July 14, 2021 Investment Committee meeting with a recommendation to accept the proposed changes. The Board of Retirement approved the amended fee schedules at the July 28, 2021 Board meeting. **Completed**

October – December

Large Cap Growth Equity Manager Review – Comparative manager information as it relates to the large cap growth equity investment with Ivy to be provided by Verus at the October 13th Investment Committee meeting.

Strategic Asset Allocation Mix 4.1 Implementation – The implementation plan for the new asset mix was discussed at the September 8, 2021 Investment Committee meeting. The Committee reported out to the Board on September 22nd and the matter was referred back to the Investment Committee for further discussion.

- “Dry Powder” investment
- Infrastructure
- Private Equity
- Opportunistic Real Estate
- Consultant Options

TCERA Board of Retirement 2021 Trustee Education Calendar

Month	Meeting Date	Education Topics
January	January 13 January 27	
February	February 10 February 24	12/31/20 Investment Report – Verus Active/Passive Investment Panel - Verus
March	March 10 March 24	BlackRock/BlackRock Alternatives (Fixed Income and Private Equity) Investment Refresher Course - Verus
April	April 14 April 28	PIMCO RAE Ivy Investments
May	SACRS – May 11-14 May 26	3/31/21 Investment Report – Verus Asset/Liability Study – Verus Strategic Asset Allocation Review - Verus
June	June 9 June 23	Boston Partners SGA Securities Lending Education – Verus Asset/Liability Study Follow Up – Strategic Asset Allocation Review – Verus
July	July 14 July 28	Pathway Pantheon Private Markets Review – Verus Asset/Liability Study Follow Up – Strategic Asset Allocation Review – Verus Risk/Standard Deviation Education

August	August 11	Franklin Templeton DoubleLine Asset/Liability Study Follow Up – Strategic Asset Allocation Review – Verus (continued from July 28th)
	August 25	6/30/21 Investment Report - Verus
	September 8	Invesco SSGA
	September 22	Report from Investment Committee regarding Strategic Asset Allocation Implementation Plan
October	October 13	Discussion Regarding Actuarial Assumptions for June 30, 2021 Valuation - Cheiron
	October 27	Report from Investment Committee regarding Large Cap Growth Equity manager, Infrastructure managers, and implementation plan
November	November 3 - due to SACRS	Actuarial Valuation Report - Cheiron 9/30/21 Investment Report
	SACRS Nov 9-12	
	November 17- due to Thanksgiving Holiday	
December	December 8	Brown Armstrong – Audit Results

Expected 2022 Investment Manager Regular Biennial Presentations:

QMA
LMCG
Sixth Street (TSSP)
Stepstone
RREEF
Ocean Avenue
William Blair
KBI
PGIM
KKR
American Realty Advisors
MacKay Shields

TCERA Board of Retirement 2021 Trustee Education Calendar

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	April 28	
May	SACRS – May 11-14	
	May 26	3/31/21 Investment Report – Verus Asset/Liability Study – Verus Strategic Asset Allocation Review - Verus
June	June 9	Boston Partners SGA
	June 23	Securities Lending Education – Verus Asset/Liability Study Follow Up – Strategic Asset Allocation Review – Verus
July	July 14	Pathway Pantheon
	July 28	Private Markets Review – Verus Asset/Liability Study Follow Up – Strategic Asset Allocation Review – Verus Risk/Standard Deviation Education

August	August 11	Franklin Templeton DoubleLine Asset/Liability Study Follow Up – Strategic Asset Allocation Review – Verus (continued from July 28th)
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	November 17- due to Thanksgiving Holiday	
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Expected 2022 Investment Manager Regular Biennial Presentations:

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COUNTY OF TULARE BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

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

**TCERA, Board of Retirement
Investment Committee**

Agenda Item # IV. 1. d.

Agenda Date: October 13, 2021

Subject: Investment of Funds Pending Capital Calls and Manager Selection

Requests:

That the Investment Committee:

1. Review and Discuss the recommendations from Verus for the investment of "Dry Powder" for private equity and real estate.
2. Forward a recommendation to the Board of Retirement.

Summary:

On August 11, 2021 the Board of Retirement adopted a new Strategic Asset Allocation that added new asset classes and adjusted target percentages for existing asset classes in TCERA's investment portfolio. One of the decisions associated with the implementation of the new allocation is the selection of appropriate investments for the funds pending capital calls and manager selection for private equity and real estate, also known as "Dry Powder".

The attached memorandum from Verus provides a recommendation to use the SSGA Dow Jones US Completion Index Fund for private equity dry powder. TCERA has an existing allocation to this index fund. The recommendation for real estate dry powder is to invest the funds in the SSGA REIT Index Fund. This would be a new fund for TCERA, invested with TCERA's existing approved index manager.

Prepared by: Leanne Malison

Memorandum

To: Board of Trustees, Tulare County Employees' Retirement Association
From: Mike Kamell, CFA, CAIA, Senior Consultant
Date: October 2021
RE: REIT Fund Recommendation

At the September Board the TCERA Trustees approved the use of an interim glidepath to facilitate the transition of assets from the legacy target asset allocation to the new long-term strategic asset allocation. The initial step in transitioning the portfolio involves the investment of unfunded private real estate allocations into a REIT index, and the unfunded private equity allocation into the Small-Mid Cap US equity index. These changes are highlighted in green in the table within the appendix. Assets will be transitioned from global sovereign and emerging markets debt.

Private Equity Dry Powder

The TCERA portfolio currently invests in the SSgA Dow Jones US Completion index for small-to-mid cap U.S. Equity exposure. The fee for this mandate is 3 bps on the first \$50 million, 2.6 bps on the next \$50 million, and 2.3 bps thereafter. TCERA currently invests approximately \$50 million. Given the existing fund exposure is already in place, Verus recommends using this fund for the unfunded private equity commitment, currently estimated at 3% of the portfolio.

Real Estate Dry Powder

Verus solicited a fee proposal from TCERA's existing index fund provider, SSgA, for a REIT index. SSgA manages a commingled fund that tracks the Dow Jones US Select REIT Index. SSgA offered TCERA a fee of 4 bps on the first \$50 million, and 3 bps thereafter. Verus believes this fee is competitive, and recommends the Board approve utilization of the SSgA DJ US Select REIT Index fund as the 'parking spot' for the unfunded real estate allocation, currently estimated at 4% of the portfolio.

Should the Trustees approve the recommendation, Verus can work with the Administrative office to set up the necessary accounts, and rebalance the portfolio consistent with the implementation glidepath discussed previously.

Appendix:

Interim Target Glidepath using "Aggressive Approach"						
	Current Allocation (7/31/21)	2022 BOY	2023 BOY	2024 BOY	2025 BOY	2026: New Long-term SAA
Large Cap Equity	20.0	20	20	20	20	20
Small Cap Equity	5.6	6	6	6	6	6
International Equity	14.7	16	16	16	16	16
Global Equity	4.4	3	3	3	3	3
Un-funded Real Estate - REITs	21.6	4	3	2	1	
Un-funded Private Equity - SMID	4.7	3	2	1		
Total Public Equity	44.7	52.0	50.0	48.0	46.0	45.0
Core Plus Fixed Income	21.6	17	17	17	17	17
Global Sovereign Fixed Income	4.7					
EM Debt	4.8	3	3	3	3	3
Total Fixed Income	31.1	20.0	20.0	20.0	20.0	20.0
Private Equity	6.0	7	8	9	10	12
Private Credit	4.7	5	5	5	5	5
Value-add & Opportunistic RE	1.3	2	3	5	7	8
Core Real Estate	9.5	8	7	6	5	3
Infrastructure		2	4	4	4	4
Real Estate Debt		4	3	3	3	3
Total Private Markets	21.4	28.0	30.0	32.0	34.0	35.0
	97.2	100.0	100.0	100.0	100.0	100.0
Projected Return:	5.0	5.67	5.79	5.91	6.02	6.14
Projected Volatility:	10.46	12.13	12.3	12.31	12.33	12.53



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BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

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

**TCERA, Board of Retirement
Investment Committee**

Agenda Item # IV. 1. e.

Agenda Date: **October 13, 2021**

Subject: **Infrastructure Investment Manager Candidates**

Requests:

That the Investment Committee:

1. Review and Discuss the information provided regarding infrastructure investment manager candidates.
2. Forward a recommendation to the Board of Retirement.

Summary:

On August 11, 2021 the Board of Retirement adopted a new Strategic Asset Allocation that added new asset classes and adjusted target percentages for existing asset classes in TCERA's investment portfolio. One of the decisions associated with the implementation of the new allocation is the selection of an investment manager for the infrastructure allocation. This is a highly-specialized investment class with a limited number of top tier open-end fund managers. Verus has provided information on two managers, IFM and Brookfield, that are recommended for the Committee's consideration.

Prepared by: Leanne Malison



PERSPECTIVES THAT DRIVE ENTERPRISE SUCCESS



September 2021
Infrastructure Search
Tulare County Employees' Retirement Association

I. Manager overview

Manager comparison

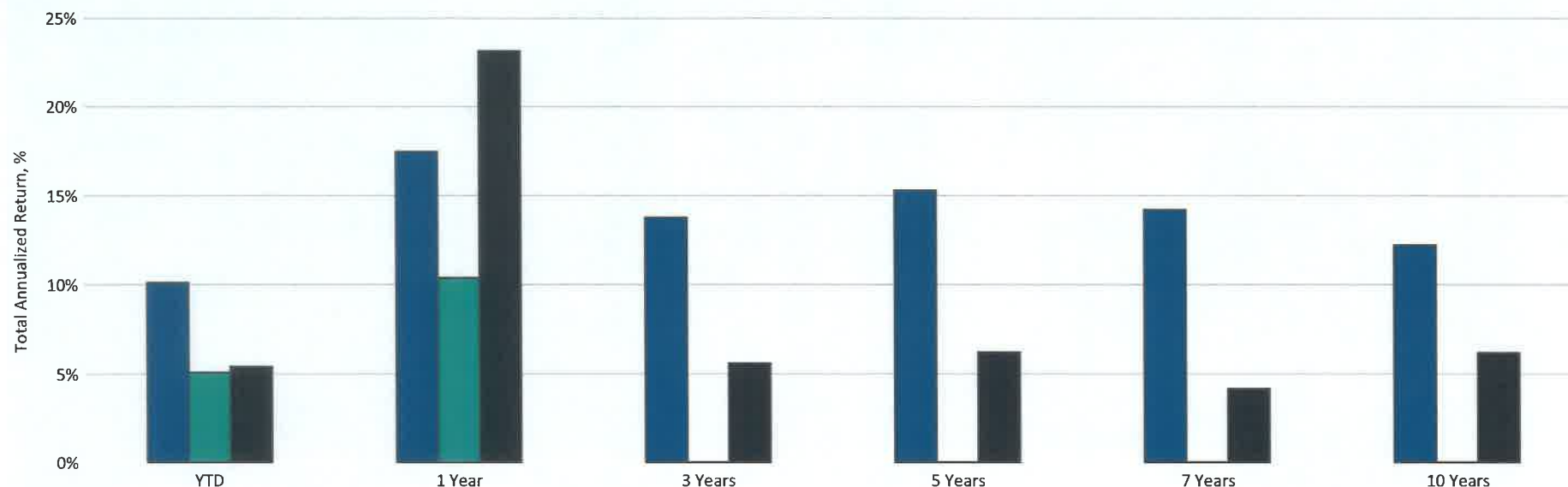
	IFM	Brookfield
FIRM OWNERSHIP	Wholly owned subsidiary of Industry Super Holdings	Wholly owned subsidiary of Brookfield Asset Management
LOCATION	New York, NY	New York, NY
FIRM NAME	IFM Investors PTY Ltd	Brookfield Asset Management
FOUNDED	1994	1899
PRODUCT NAME	Global Infrastructure Fund	Super-Core Infrastructure Partners
FIRM AUM (\$MM)	\$118,158	\$600,000
CURRENT FUND NAV (\$MM)	\$31,805	\$1,653*
INCEPTION DATE	Jan-2009	Dec-2018
INVESTMENT STYLE	Core / Core Plus	Core
TARGET GEO LOCATION	US / Europe	Global
TIMEFRAME TO INVEST NEW CAPITAL	12 - 18 months	6 - 12 months
PREFERRED RETURN	8%	N/A
TARGET RETURN	8-12%	9%
TARGET YIELD	6-8%	5-6%
CURRENT LEVERAGE	38%	65%
MAX LEVERAGE	50%	N/A

*Includes committed capital

Performance comparison - as of June 2021

● IFM ● Brookfield + S&P Global Infrastructure TR USD

PERFORMANCE TO DATE

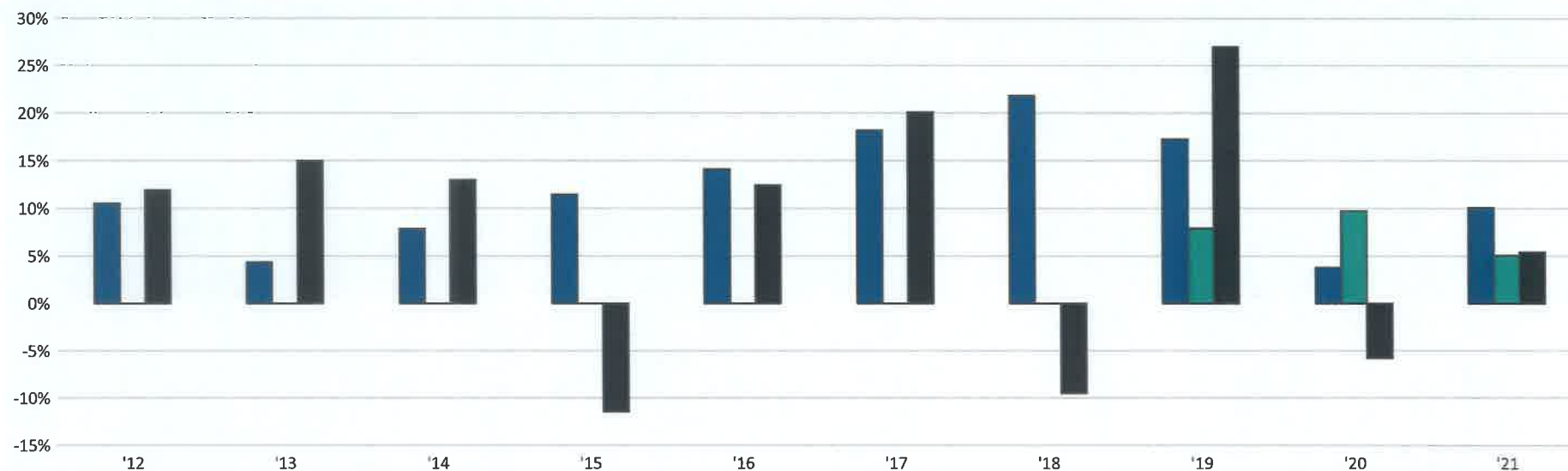


TOTAL ANNUALIZED RETURN TO DATE, %	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
IFM	10.1	17.5	13.8	15.3	14.2	12.2
Brookfield	5.1	10.4	---	---	---	---
S&P Global Infrastructure TR USD	5.4	23.2	5.6	6.2	4.1	6.2

Calendar year performance

IFM Brookfield + S&P Global Infrastructure TR USD

ANNUAL PERFORMANCE



ANNUAL PERFORMANCE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
IFM	10.5	4.3	7.9	11.4	14.1	18.2	21.8	17.3	3.8	10.1
Brookfield								7.9	9.7	5.1
S&P Global Infrastructure TR USD	11.9	15.0	13.0	-11.5	12.4	20.1	-9.5	27.0	-5.8	5.4

Investment vehicle information

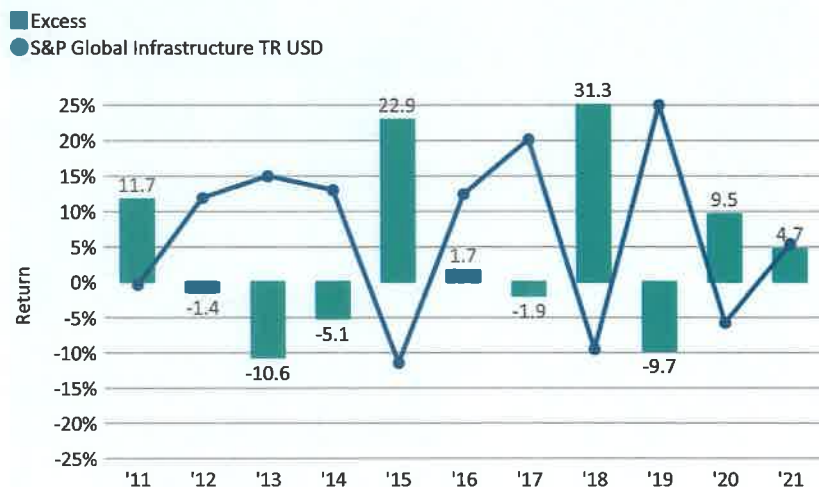
	INVESTMENT VEHICLES	MINIMUM INVESTMENT	INCENTIVE FEE	PREFERRED RETURN	CATCH-UP PROVISION	EXPENSE RATIO	FEE SCHEDULE	LOCKUP PERIOD
IFM	Open-end L.P.	\$10,000,000	10% (rolling 3 year)	8%	33%	0.77% 0.65%	<\$300,000,000 >=\$300,000,000	None
Brookfield	Open-end L.P.	\$5,000,000	~0.25% calculated as 5% of distributions from the Fund	N/A	N/A	0.75% 0.69% 0.64%	First \$100,000,000 \$100mm - \$300mm Balance Remaining	3 Years

Note: Incentive fees applied to returns in excess of the managers preferred return only.

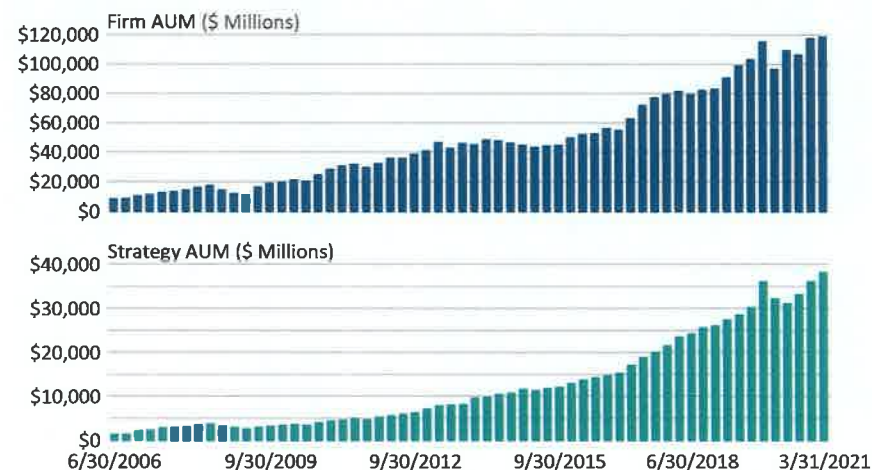
II. Strategy detail

Strategy overview - IFM

ANNUAL PERFORMANCE



AUM GROWTH



INVESTMENT PHILOSOPHY

- Target a diversified portfolio of core infrastructure investments with either controlling positions or minority positions with significant equity protections.
- Seek investment characteristics that are monopolistic, high barriers to entry, limited demand elasticity, long-dated assets, history of cash flow, and predictable regulatory environment.
- Focus on North America/Europe with primarily OECD countries, current focus on transportation, midstream energy and utilities.
- Buy and manage strategy with opportunistic exits.

PORTFOLIO CONSTRUCTION

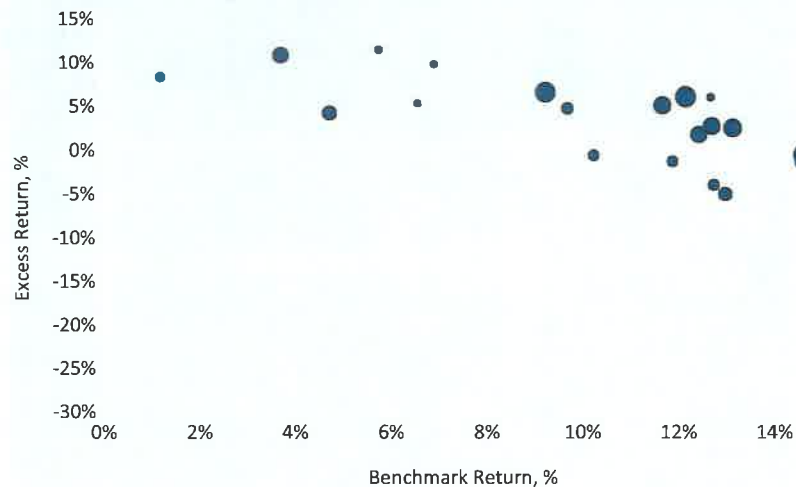
- Create a diversified portfolio of core infrastructure assets with a target portfolio return of 10%. The majority of the total return (6-8%) should come from cash flows.
- 17 investments across 28 countries.

TEAM DESCRIPTION

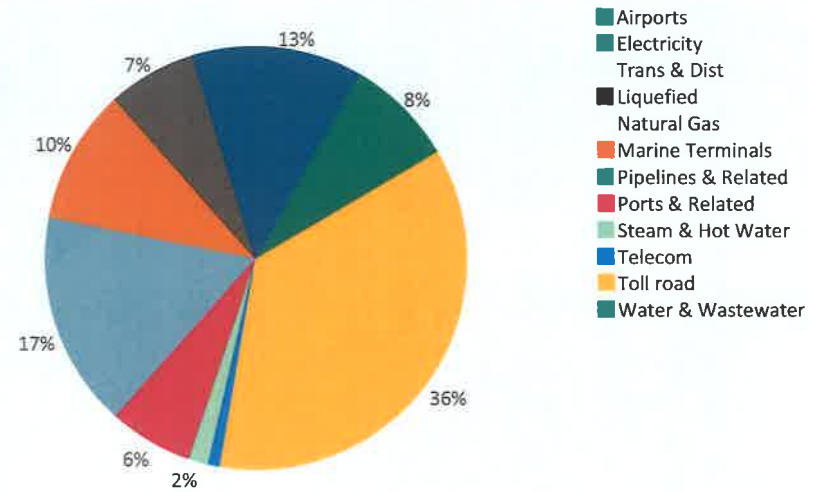
- IFM has global team of more than 90 infrastructure professionals in New York, London, Melbourne and Sydney.
- Kyle Mangini is the Global Head of Infrastructure, who joined in 2007 with 20 years of experience.
- The firm's investment committee averages 6 years firm tenure and 22 years experience.
- Coverage is structured by region with teams of 5-10 Directors and analysts per region.

Strategy overview - IFM

12 MONTH EXCESS PERFORMANCE VS. BENCHMARK, DEC-09 TO JUN-21



SECTOR ALLOCATIONS



LIQUIDITY

- In general, the Fund only targets like-minded long term investors, but does have redemption provisions available. Investors may request to withdraw their interests at any time (no set lock up). The manager must use reasonable best efforts to enable the investor to withdraw or transfer within 36 months.
- Redemptions are serviced by cash at the fund level, or pre-emptive offering to existing investors. If 10% of the fund is subject to redemption all investors will be notified. At the 25% level, a meeting of all investors to agree on an orderly redemption process.

DIFFERENTIATING CHARACTERISTICS

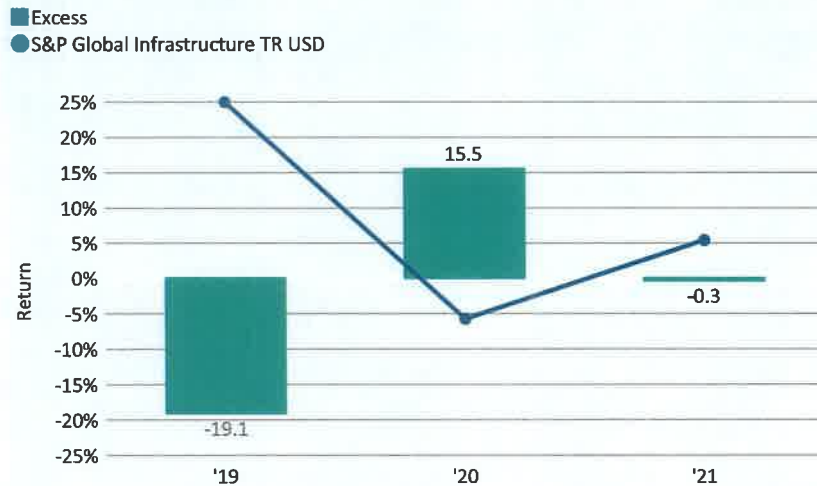
- Ownership structure provides good alignment of interests with like minded pension funds who are also investors owning the firm.
- 23 years of firm experience in private infrastructure.
- United Nations Principals for Responsible Investing signatory (UNPRI).
- New clients must enter the USD-hedged feeder.

POTENTIAL CONCERNS

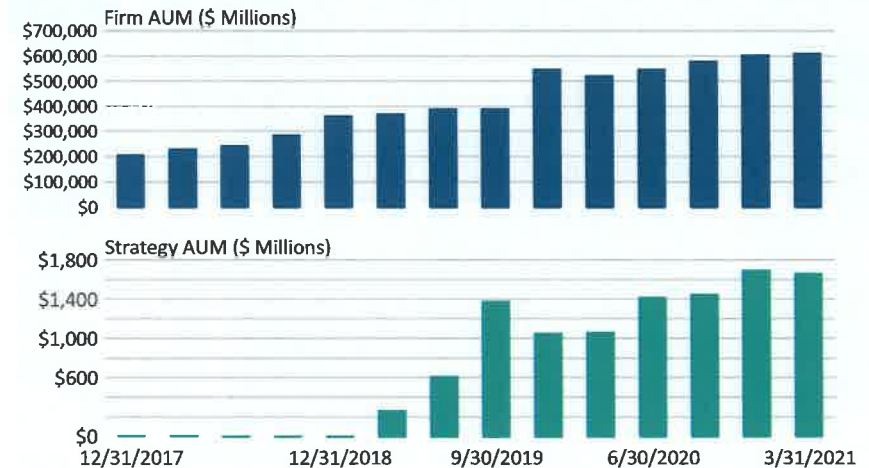
- Performance had been negatively impacted by currency as the strength of the U.S. dollar had been a significant headwind. In 2016, added a new USD-hedged feeder which all new investors will utilize.
- The fund is very heavy with transportation assets, including toll road, airports and ports, which can be more GDP-sensitive.

Strategy overview - Brookfield

ANNUAL PERFORMANCE



AUM GROWTH



INVESTMENT PHILOSOPHY

- Target a diversified portfolio of core infrastructure assets within the utilities, energy, power, and transportation sector.
- Focus on diversification and downside protection by investing in assets with a proven track record of operating success and long-term visibility to future cash flows.

PORTFOLIO CONSTRUCTION

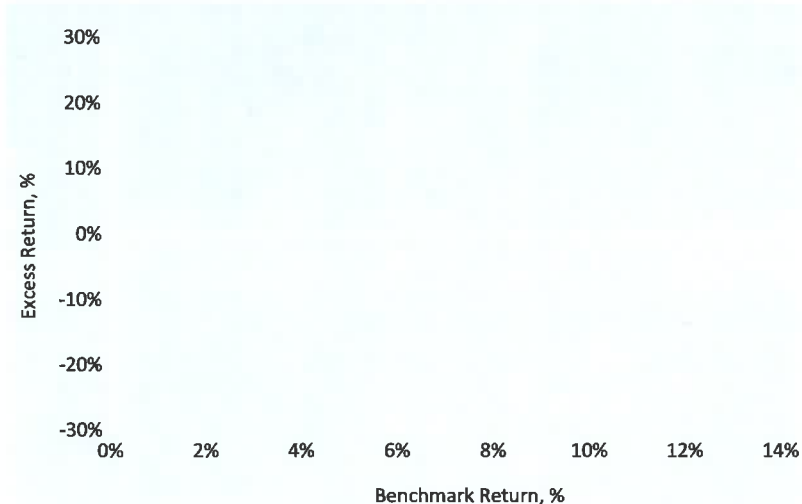
- Create a diversified portfolio of core infrastructure assets with a target portfolio return of 9%, consisting of 5-6% cash yield.
- Because this is a relatively new fund, there are currently 3 assets which are located in the U.S. and western Europe. Brookfield is actively targeting additional investments in OECD countries.

TEAM DESCRIPTION

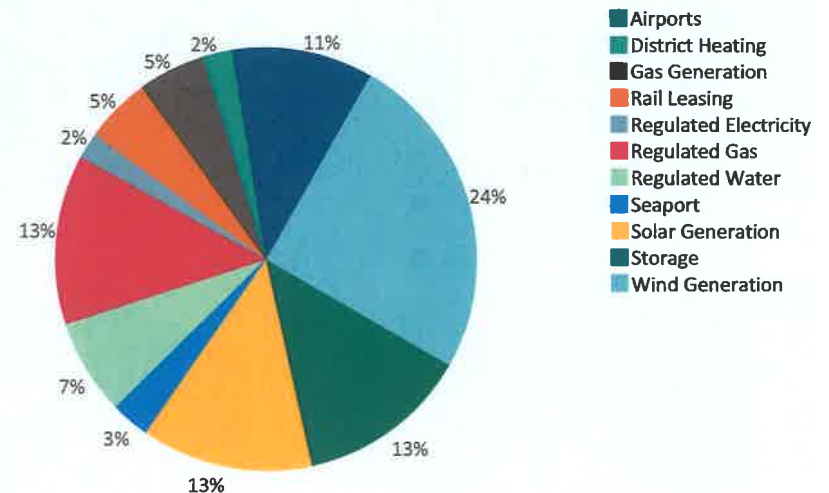
- Five person team that is dedicated solely to the fund, supported by Brookfield's Infrastructure platform consisting of 220 investment professionals.
- The senior executive team that will oversee BSIP day-to-day activities will consist of Eduardo Salgado, Michael Botha and Felipe Ortiz, with Harry Goldgut in an advisory role.
- Working with the senior executive team will be a group of sector CIOs within Brookfield Infrastructure platform that cover utilities, energy, renewables and transportation.
- As BSIP grows, Brookfield plans to add additional members to the executive team and dedicated investment personnel.

Strategy overview - Brookfield

12 MONTH EXCESS PERFORMANCE VS. BENCHMARK, DEC-19 TO JUN-21



SECTOR ALLOCATIONS



LIQUIDITY

- Three year initial lockup, then quarterly.

DIFFERENTIATING CHARACTERISTICS

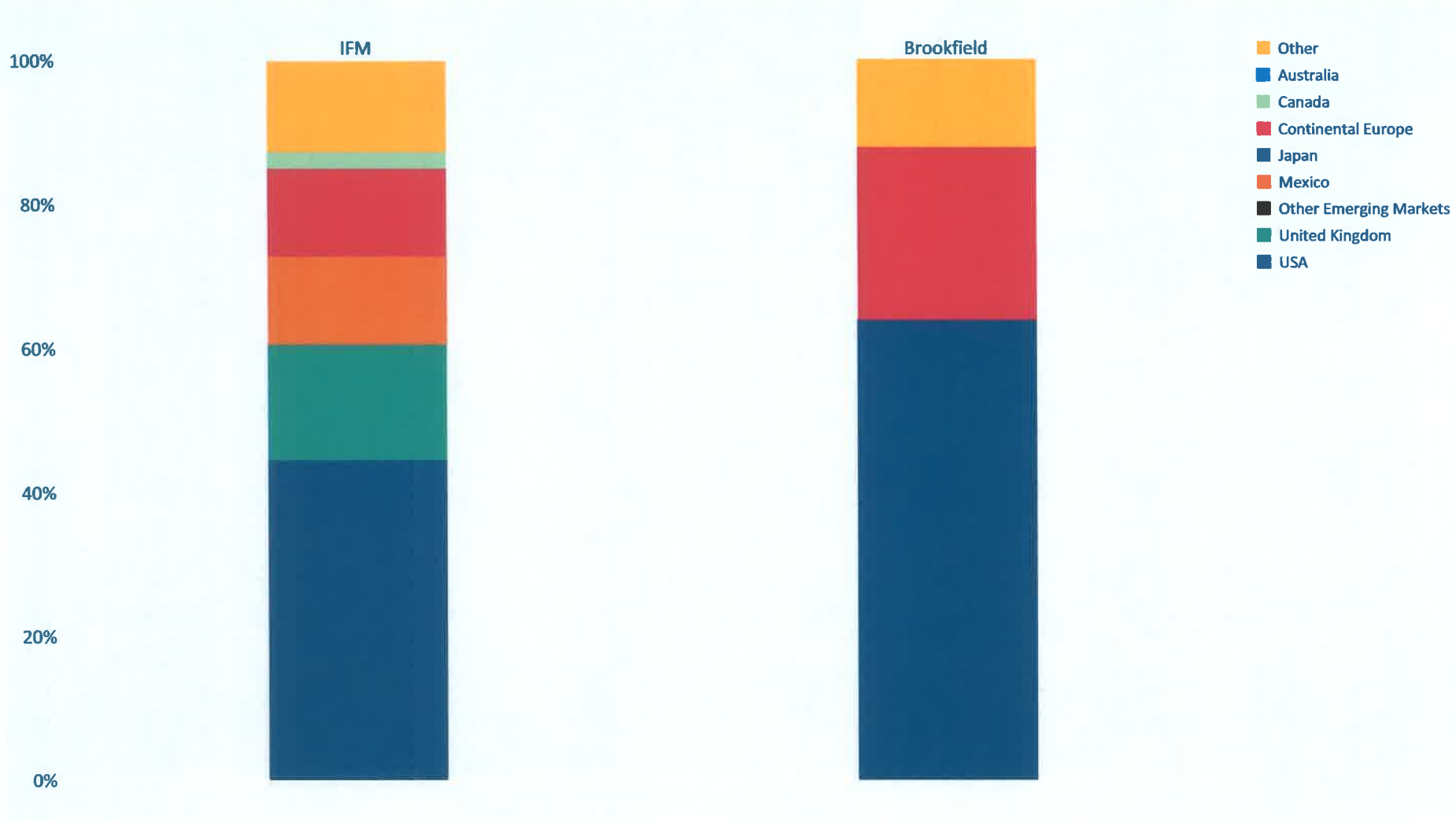
- Strict focus on core assts with stabilized cash flows, no development or value add risk.
- Inflation protection built in to investments through contracted revenue escalators linked to CPI.
- Emphasis on cash yield as primary driver of return, as evidenced by the incentive fee being based on distributions

POTENTIAL CONCERNS

- New fund with short track record and only 3 large assets. Less diversified than the other funds which have been around much longer.
- Low growth potential in the investments. Capital appreciation will not be significant.
- Relatively small team that is solely dedicated to the fund. While the team is backed by the larger infrastructure platform, Brookfield has other vehicles that invest in infrastructure, although none with the same strategy as BSIP.

Country exposure

CURRENT COUNTRY POSITION, AS OF MAR-21

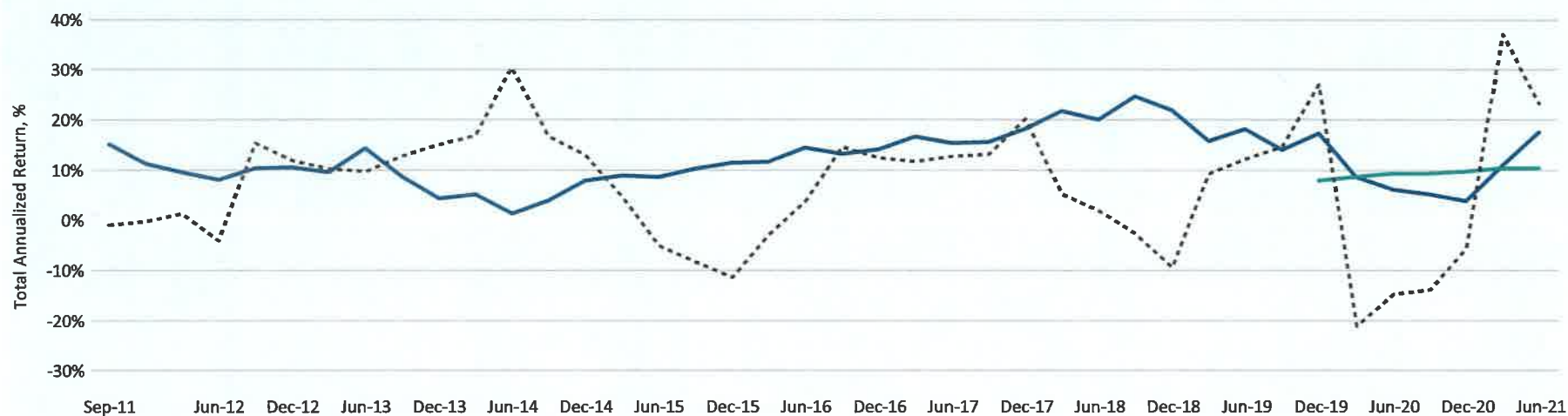


III. Appendix

Rolling performance

● IFM ● Brookfield + S&P Global Infrastructure TR USD

12 MONTH ROLLING PERFORMANCE



12 MONTH ROLLING EXCESS PERFORMANCE

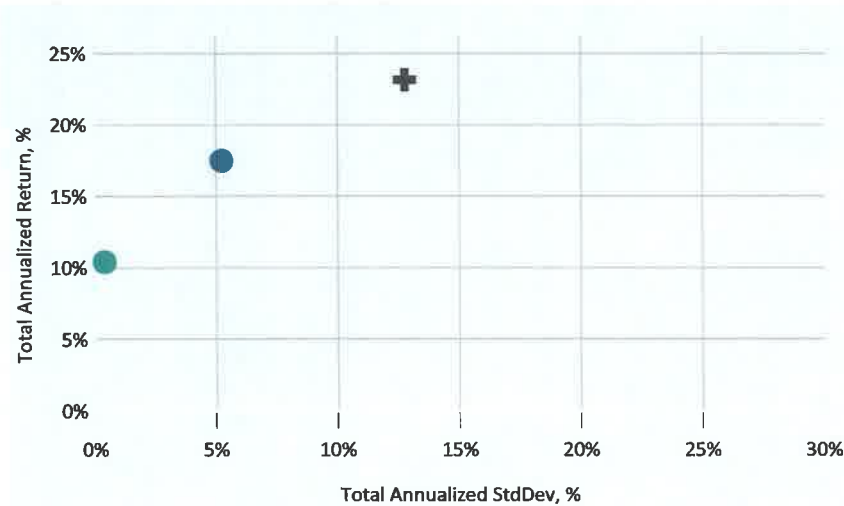


*Brookfield exposures include committed capital

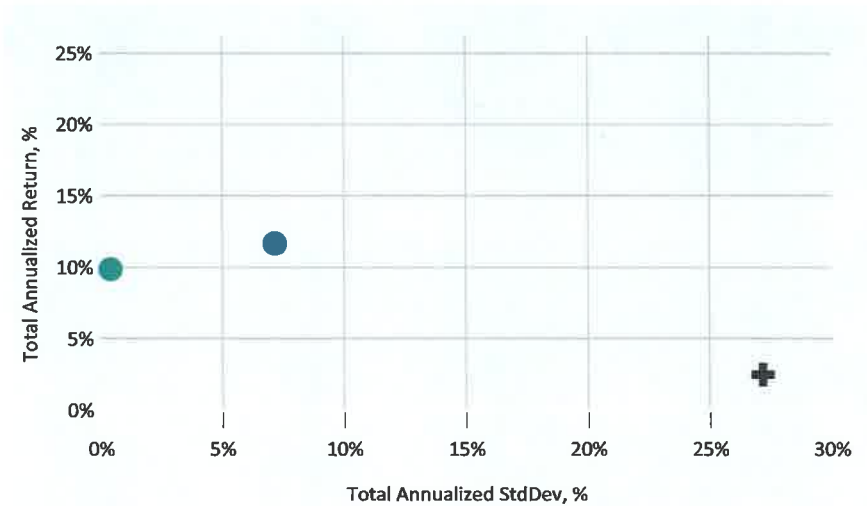
Risk vs. return

● IFM ● Brookfield + S&P Global Infrastructure TR USD

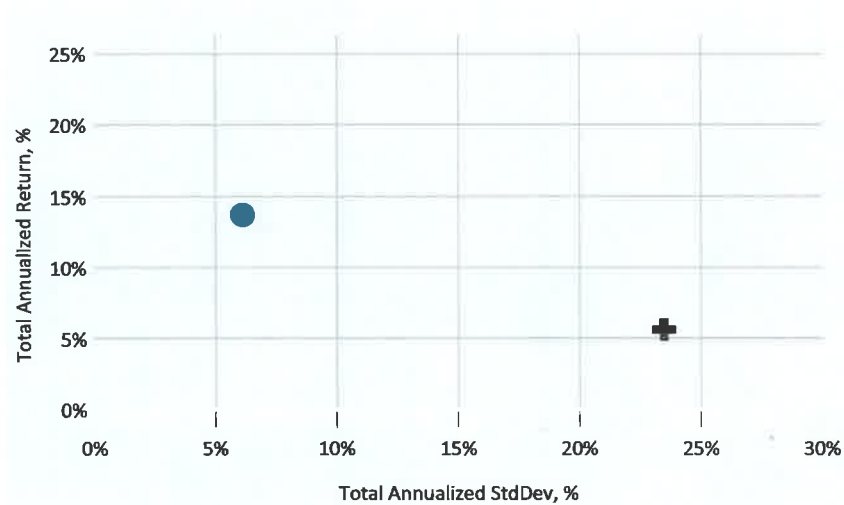
TOTAL PERFORMANCE VS. RISK, JUL-20 TO JUN-21



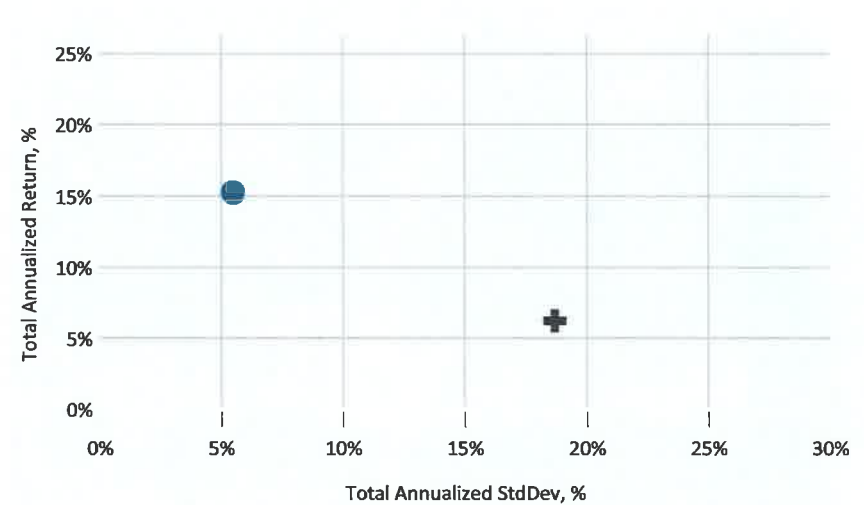
TOTAL PERFORMANCE VS. RISK, JUL-19 TO JUN-21



TOTAL PERFORMANCE VS. RISK, JUL-18 TO JUN-21



TOTAL PERFORMANCE VS. RISK, JUL-16 TO JUN-21



IV. Glossary of terms

Glossary

Annualized Return: Converts the Total Return to an annual basis for comparison purposes. Periods shorter than one year are not annualized.

Benchmark: Investment index used as a standard by which to measure the relative performance of an overall portfolio or an individual money manager. Appropriate benchmarks are selected based on their similarity to a portfolio or to the style of the individual money manager being measured.

Capture Ratio: A statistical measure of an investment manager's overall performance in up or down markets. The capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen/fallen. The capture ratio is calculated by dividing the manager's returns by the returns of the index during the up/down market, and multiplying that factor by 100.

Information Ratio: A measure of a manager's ability to earn excess return without incurring additional risk. Information ratio is calculated as: alpha divided by tracking error.

Preferred Return: Minimum annual return that the fund must achieve before the manager can collect incentive fees.

Target Return: The annualized return a fund would like to achieve on invested capital adjusted for the time value of money.

Target Yield: Target for annual investment cash flow provided by the fund.

Leverage: The amount of debt used to finance a firm's assets.

Portfolio Turnover: The percentage of a portfolio that is sold and replaced (turned over) during a given time period. Low portfolio turnover is indicative of a buy and hold strategy while high portfolio turnover implies a more active form of management.

Risk-Free Rate: The rate of interest that one can earn on an investment with no default risk. It is generally assumed to be the interest rate on a 91 day T-Bill.

Sharpe Ratio: A measure of portfolio efficiency. The Sharpe Ratio indicates excess portfolio return for each unit of risk associated with achieving the excess return. The higher the Sharpe Ratio, the more efficient the portfolio. Sharpe ratio is calculated as: Portfolio Excess Return / Portfolio Standard Deviation.

Consumer Price Index: An index of the variation in prices paid by typical consumers for retail goods and other items.

Standard Deviation (s): A measure of volatility, or risk, inherent in a security or portfolio. The standard deviation of a series is a measure of the extent to which observations in the series differ from the arithmetic mean of the series. For example, if a security has an average annual rate of return of 10% and a standard deviation of 5%, then two-thirds of the time, one would expect to receive an annual rate of return between 5% and 15%.

Total Return: Total Return geometrically compounds the Returns in the series from one period to the next.

Universe: Also called a peer group, a universe is a large number of portfolios of a similar style. These portfolios can be divided into deciles or quartiles and then used for performance measurement and comparative purposes. Portfolios are ranked within the universe, which tells the investor how well a manager has done relative to his or her peers.

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COUNTY OF TULARE BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

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

TCERA, Board of Retirement Investment Committee

Agenda Item # IV. 1. f.

Agenda Date: October 13, 2021

Subject: Private Equity Investment Structure

Requests:

That the Investment Committee:

1. Review and Discuss the information provided regarding structure options for private equity investments.
2. Forward a recommendation to the Board of Retirement.

Summary:

On August 11, 2021 the Board of Retirement adopted a new Strategic Asset Allocation that added new asset classes and adjusted target percentages for existing asset classes in TCERA's investment portfolio. One of the decisions associated with the implementation of the new allocation is the selection of the preferred structure for future private equity investments. The options have been discussed with both the Board and Committee in prior meetings. The attached summary provides a brief description of TCERA's existing structure (fund of funds) and the two options for consideration for future investments (fund-of-one and direct fund investing).

Prepared by: Leanne Malison

Private equity implementation

- The target allocation to private equity is increasing to 12%, which, per our estimation, requires approximately \$80 million of new commitments per year. There are several different methods by which TCERA can seek to deploy this capital:

	Invest in direct funds using a consultant	Invest using a fund-of-one manager	Invest in Fund-of-funds
Estimated cost:	\$ Fixed dollar annual advisory fee	\$\$-\$\$\$ (5-20x advisory fees) Incremental asset-based fees grow with each new year of commitments, but generally more competitive price than FoF.	\$\$\$ (20-30x advisory fees) Incremental asset-based fees grow with each new year of commitments, along with carried interest (incentive fees).
Resources required (Staff & Board):	<u>Moderate - High:</u> Requires staff & Board approval on each investment. Can be mitigated through delegated discretion	<u>Moderate:</u> Initial set-up involves establishing parameters, but multiple years' commitments can be implemented at once	<u>Low - Moderate:</u> Diligence requirements are lower than direct funds, but Board needs to make new commitments every year.
Other considerations:	Most bespoke portfolio. Verus can provide, or TCERA can pursue a search. Least contractual obligations for the plan sponsors	Requires a search. May have to sign on to a predetermined 3-5 year lock-up period. Fees end up similar to Fund of Funds once secondaries & co-investments are incorporated	15-20 year lockups. Alignment of interest typically poor given the double layer of fees. Can provide diversification. After fees, historically FoF have underperformed



COUNTY OF TULARE BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

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

TCERA, Board of Retirement Investment Committee

Agenda Item # IV. 1. g.

Agenda Date: October 13, 2021

Subject: Private Equity and Real Estate Investment Implementation – Consultant or Fund Search

That the Investment Committee:

1. Review and Discuss the information provided regarding implementation options for private equity and real estate investments.
2. Forward a recommendation to the Board of Retirement.

Summary:

On August 11, 2021 the Board of Retirement adopted a new Strategic Asset Allocation that added new asset classes and adjusted target percentages for existing asset classes in TCERA's investment portfolio. One of the decisions associated with the implementation of the new allocation is identifying the appropriate method of implementation based on the investment structure selected.

Fund-of-One Investment Structure – If this structure is selected, TCERA will need to conduct a search for Fund-of-One managers in order to implement these investments.

Direct Fund Investing – If this structure is selected, TCERA will need to select a consultant to assist with the selection of funds. Considerations and options include:

- **Discretionary vs. Non-Discretionary Mandate** – A discretionary mandate will give the consultant full authority to select funds on TCERA's behalf. A non-discretionary mandate will require that the consultant bring each fund to the Board for approval.
- **Selection Process** – Options for selecting a consultant:
 - Issue a Request for Information (RFI) to qualified consulting firms, initiating a formal evaluation process. Verus could be included in the list of firms.
 - Select Verus as the consultant at the fee schedule disclosed in the recent response to TCERA's RFP for investment consulting services. The Board may want to consider a presentation from the private markets consulting team prior to a decision on this matter.

NOTE: Consultants from Verus will be exiting the meeting for this agenda item.

Prepared by: Leanne Malison



COUNTY OF TULARE
BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

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

**TCERA, Board of Retirement
Investment Committee**

Agenda Item # IV. 1. h.

Agenda Date: **October 13, 2021**

Subject: **Large Cap Growth Equity Manager Review**

That the Investment Committee:

1. Review and Discuss the information provided by Verus regarding manager options for TCERA's large cap growth equity portfolio.
2. Forward a recommendation to the Board of Retirement.

Summary:

At the request of the Board of Retirement, Verus has prepared information regarding investment managers recommended for consideration for TCERA's large cap value growth equity portfolio. The materials include an analysis of TCERA's current manager, Ivy, with Sands Capital, William Blair, and T. Rowe Price. The Committee is asked to review the materials and provide a recommendation to the Board of Retirement regarding next steps.

Prepared by: Leanne Malison



PERSPECTIVES THAT DRIVE ENTERPRISE SUCCESS



September 2021

US Large Cap Growth Search

Tulare County Employees' Retirement Association

Manager overview

Search candidate highlights

SANDS CAPITAL SELECT GROWTH

- Fundamental, bottom-up, high-conviction strategy; 25-30 holdings.
- Four-person portfolio management team, led by CIO Frank Sands.
- Sand's philosophy is grounded in the firm-wide belief that the most effective means to build and preserve capital is to identify durable companies with sustainable, above-average earnings growth. They then employ a buy and hold strategy that results in a concentrated portfolio with low name turnover. While the team is well aware of the relative valuation of their holdings, the decision to buy or sell a security is primarily based on the team's opinion regarding the company and its long-term prospects.
- Sands' global research team employs a multi-step, iterative approach to their fundamental analysis. The process focuses on finding durable businesses positioned to generate above-average earnings growth that are also trading at reasonable valuations. The team believes their multifaceted research enables them to have a deep understanding of the companies they hold. This approach typically results in an average holding period of over five years.
- **Rationale for including in this search:** For investors looking to "lean into" growth, of the candidates in this search, Sands is the most obvious choice. While Sands has occasionally exhibited wide performance fluctuations over short-term periods, the team has historically generated significantly positive excess returns over longer time horizons. In exchange for this excess return potential, Sands requires investors who can accept high levels of sector, industry, and security concentration relative to the benchmark.

T. ROWE PRICE U.S. LARGE-CAP GROWTH EQUITY

- Fundamental, bottom-up, diversified strategy; 50-75 holdings.
- Three-person portfolio management team.
- The T. Rowe Price U.S. Large-Cap Growth team emphasizes fundamental research and bottom-up stock selection to identify companies with above-average earnings and cash flow growth. The investment team seeks to capitalize on two inefficiencies in the U.S. large-cap growth universe: 1) overestimation of the ability of large U.S. companies to grow at double-digit rates; and 2) short-term momentum and sentiment are often overemphasized by investors.
- T. Rowe Price seeks to outperform the market by understanding and exploiting the two inefficiencies cited above on a company-by-company basis. The investment team invests in two types of growth companies: 1) cyclical firms to be purchased at the right time; and 2) secular firms to be held a long time.
- T. Rowe Price has made a strong commitment to in-house research, and the firm continually strives to enhance their research capabilities. Because T. Rowe Price follows companies throughout their corporate life cycles (for other products in their suite of offerings), they will likely know a company exceptionally well by the time it has achieved large-cap status
- **Rationale for including in this search:** While perhaps not as aggressive as Sands, T. Rowe Price still manages to offer attractive diversified growth exposure, with favorable upmarket characteristics. T. Rowe Price's management fees are competitive as well.

Search candidate highlights

WILLIAM BLAIR LARGE CAP GROWTH

- Fundamental, bottom-up, concentrated; 30-40 holdings.
- Two-person portfolio management team.
- William Blair's Large Cap Growth strategy adheres to a fundamental, bottom-up approach that is predicated on the belief that the market is inefficient with respect to distinguishing between an average growth company and a quality growth company. In their view, a quality growth company is one that can achieve a higher growth rate for a longer time period than what the market expects.
- William Blair's U.S. growth equity team believes there are three main market inefficiencies that allow for the creation of alpha for their clients: 1) Traditional Quality Growth; 2) Fallen Quality Growth; and 3) Undiscovered Quality Growth. As Undiscovered Quality Growth is essentially non-existent in the large-cap realm, the large-cap growth team focuses on the first two categories.
- William Blair believes that the valuation of a stock does not properly discount the expectation of long-term fundamental earnings growth for the company and that its research-intensive approach to quality growth investing, an approach that has been successfully applied for more than 20 years, can exploit the market inefficiencies over time.
- **Rationale for including in this search:** While Sands and T. Rowe Price offer higher upside market capture, William Blair is a suitable candidate for investors seeking a less-aggressive strategy that offers healthy upside participation with modest downside protection.

IVY LARGE CAP GROWTH (INCUMBENT)

- Fundamental, bottom-up, diversified; 40-60 holdings.
- Lead portfolio manager with recent addition to the team.
- Ivy's Large Cap Growth team utilizes a growth-at-a-reasonable-price ("GARP") approach, emphasizing earnings sustainability over earnings growth. Ivy's large cap growth style is predicated on three core beliefs: 1) the market tends to overpay for high near-term earnings growth and undervalues long-term structural earnings power; 2) structurally advantaged companies are characterized by high levels of profitability; and 3) growth investors often underestimate risk.
- Given Ivy's more conservative GARP approach, the Large Cap Growth strategy is expected to outperform during periods of significant market declines (e.g., 2001, 2002 and 2008). In contrast, Ivy's approach tends not to favor robust market rallies.
- The strategy's portfolio management team has undergone significant changes over the past several years. Long-time portfolio managers Philip Sanders and Daniel Becker stepped off the fund in 2016 and 2018, respectively. Upon Becker's departure, Bradley Klapmeyer assumed lead portfolio manager responsibility for the fund with Gabe Krieger (biotech/pharma analyst) joining Klapmeyer as assistant portfolio manager. Krieger resigned in June 2021.
- **Rationale for including in this search:** Given significant turnover on the strategy and organizational changes (Ivy was recently purchased by Macquarie Group), coupled with underwhelming performance since inception, we recommend TCERA consider other suitable options to fill its large cap growth mandate.

Manager comparison

	Sands Capital	William Blair	T. Rowe	Ivy
FIRM OWNERSHIP	100% employee owned	100% employee owned	17% employee owned; 83% publicly owned (NYSE: TROW)	14% employee owned and 86% publicly held
FIRM NAME	Sands Capital Management, LLC	William Blair Investment Management, LLC	T. Rowe Price	Ivy Investments; Waddell & Reed Financial Inc.
PRODUCT NAME	Select Growth	Large Cap Growth	US Large-Cap Growth Equity Strategy	Large Cap Growth
FIRM TOTAL AUM (\$MM)	\$77,561	\$73,963	\$1,623,100	\$79,080
STRATEGY AUM (\$MM)	\$25,251	\$3,104	\$83,342	\$8,203
INCEPTION DATE	Feb-92	Jul-98	Nov-01	Jan-95
PREFERRED BENCHMARK	Russell 1000 Growth	Russell 1000 Growth	Russell 1000 Growth	Russell 1000 Growth
INVESTMENT APPROACH	Fundamental	Fundamental	Fundamental	Fundamental
SCREENING APPROACH	Bottom-Up	Bottom-Up	Bottom-Up	Bottom-Up
KEY ATTRIBUTES	Beta typically > 1.1 Concentrated Large- to mid-cap bias	Co-PM approach Concentrated Beta typically > 1.0	Lead PM approach Beta typically > 1.05 Large- to mid-cap bias	0

Investment vehicle information

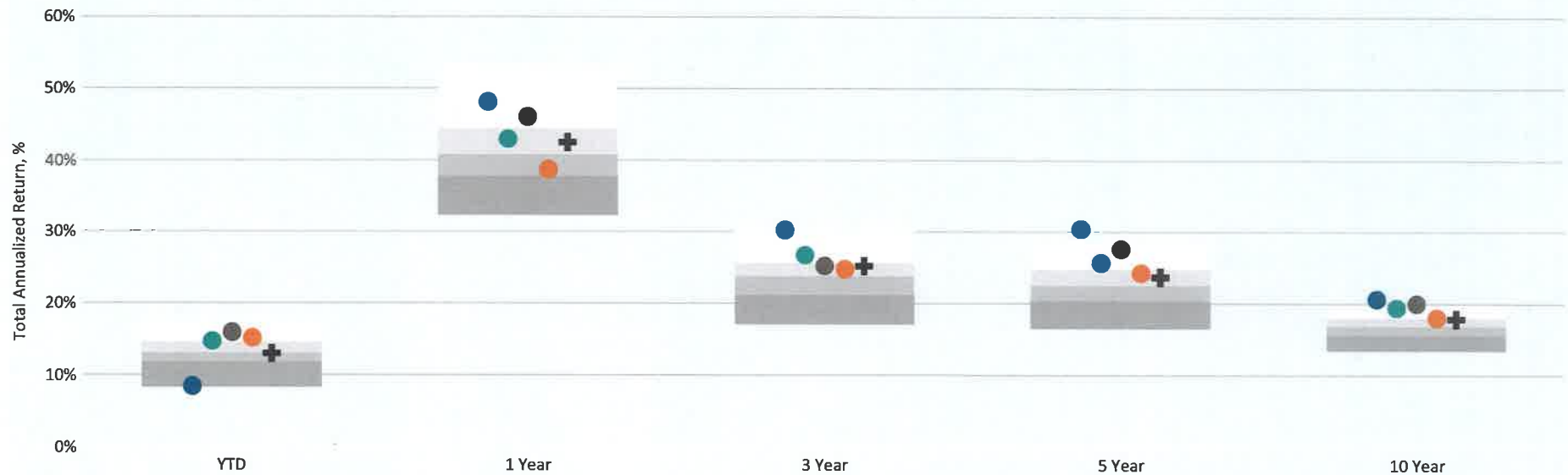
	INVESTMENT VEHICLES	MINIMUM INVESTMENT	EXPENSE RATIO	FEE SCHEDULE	Liquidity
Sands Capital	Separate Account	\$50,000,000	0.75% 0.50%	First \$50,000,000 Balance Remaining	Daily
William Blair	Separate Account	\$10,000,000	0.50% 0.35% 0.30% 0.25%	First \$50,000,000 Next \$50,000,000 Next \$150,000,000 Balance Remaining	Daily
T. Rowe	Separate Account	\$50,000,000	0.50% 0.45% 0.40% 0.35% 0.325%	First \$50,000,000 Next \$50,000,000 > \$100,000,000 All Assets > \$200,000,000 All Assets > \$500,000,000 All Assets	Daily
Ivy	Separate Account	\$10,000,000	0.60% 0.50% 0.40%	First \$25,000,000 Next \$25,000,000 Balance Remaining	Daily

Performance Analysis

Performance comparison - as of June 2021

● Sands Capital
 ● William Blair
 ● T. Rowe
 ● Ivy
 + Russell 1000 Growth Index

PERFORMANCE TO DATE

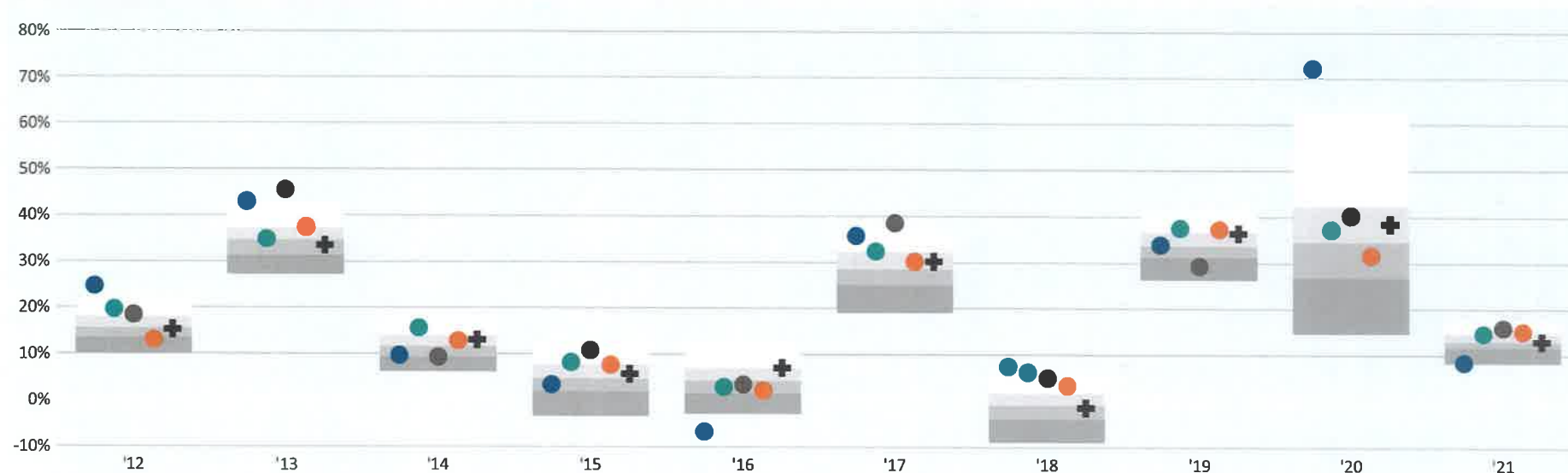


EXCESS ANNUALIZED RETURN TO DATE, %	YTD	1 Year	3 Year	5 Year	10 Year
Sands Capital	-4.5	5.5	5.0	6.7	2.8
William Blair	1.7	0.5	1.5	1.9	1.5
T. Rowe	3.0	3.5	0.0	3.8	2.1
Ivy	2.1	-3.9	-0.5	0.5	0.1

Calendar year performance

● Sands Capital ● William Blair ● T. Rowe ● Ivy + Russell 1000 Growth Index

ANNUAL PERFORMANCE



ANNUAL PERFORMANCE + RANKING	2013	2014	2015	2016	2017	2018	2019	2020	2021
Sands Capital	42.9	9.6	3.4	-6.7	35.7	7.3	33.9	72.1	8.5
Rank	4	74	63	99	10	3	48	2	95
William Blair	34.8	15.6	8.2	2.9	32.3	6.1	37.5	37.2	14.7
Rank	49	13	22	67	26	6	20	40	28
T. Rowe	45.3	9.3	10.7	3.4	38.5	4.9	29.3	40.2	15.9
Rank	3	78	9	58	3	9	86	28	14
Ivy	37.4	12.9	7.6	2.1	30.2	3.2	37.3	31.6	15.1
Rank	26	39	27	71	41	15	22	62	21
Russell 1000 Growth Index	33.5	13.0	5.7	7.1	30.2	-1.5	36.4	38.5	13.0
Rank	61	37	45	26	41	57	28	33	54

Performance summary - as of June 2021

	Sands Capital	William Blair	T. Rowe	Ivy	Russell 1000 Growth Index
PERFORMANCE ANALYSIS - (5 Years)					
Alpha %	4.1	3.3	3.6	2.1	0.0
Beta	1.1	0.9	1.0	0.9	1.0
R-squared %	82.0	93.5	94.6	96.5	100.0
Sharpe Ratio	1.5	1.6	1.6	1.5	1.4
Treynor Ratio	0.3	0.3	0.3	0.3	0.2
Tracking Error %	8.3	4.2	3.8	3.2	0.0
Annualized Std Dev %	19.3	15.2	16.2	15.0	16.1
Information Ratio	0.7	0.4	0.8	0.2	---
Max Drawdown %	-17.4	-15.1	-15.6	-15.1	-16.0
Calmar Ratio	1.7	1.7	1.8	1.6	1.5
Excess Ann. Return %	6.7	1.9	3.8	0.5	0.0
PERFORMANCE TO DATE					
1 Year	48.0	43.0	46.0	38.6	42.5
3 Year	30.2	26.7	25.2	24.7	25.1
5 Year	30.3	25.6	27.5	24.2	23.7
7 Year	20.9	20.2	20.5	18.5	18.6
10 Year	20.6	19.4	20.0	18.0	17.9
Common Inception (Sep-10)	22.7	20.8	21.5	19.6	19.4
CALENDAR YEAR RETURNS					
2020	72.1	37.2	40.2	31.6	38.5
2019	33.9	37.5	29.3	37.3	36.4
2018	7.3	6.1	4.9	3.2	-1.5
2017	35.7	32.3	38.5	30.2	30.2
2016	-6.7	2.9	3.4	2.1	7.1
2015	3.4	8.2	10.7	7.6	5.7
2014	9.6	15.6	9.3	12.9	13.0
2013	42.9	34.8	45.3	37.4	33.5
2012	24.7	19.6	18.5	13.0	15.3
2011	3.0	-2.3	-1.2	3.4	2.6

Rolling performance

● Sands Capital ● William Blair ● T. Rowe ● Ivy ● + Russell 1000 Growth Index

TOTAL 36 MONTH ROLLING PERFORMANCE



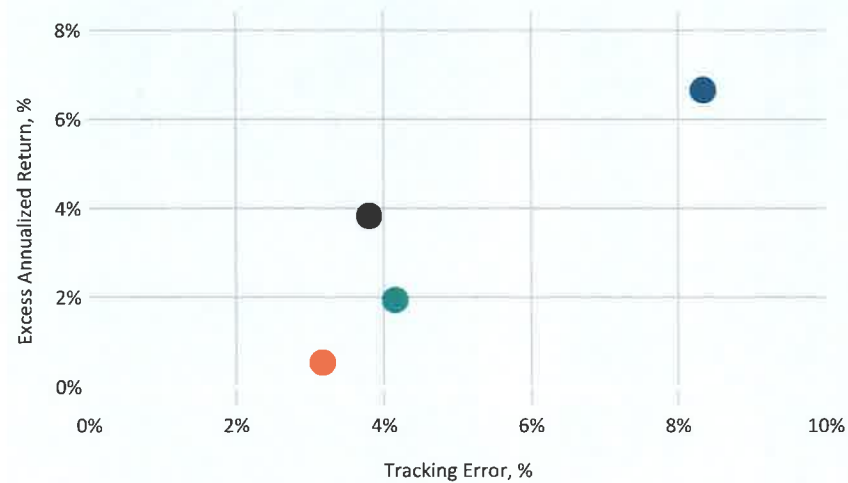
EXCESS 36 MONTH ROLLING PERFORMANCE



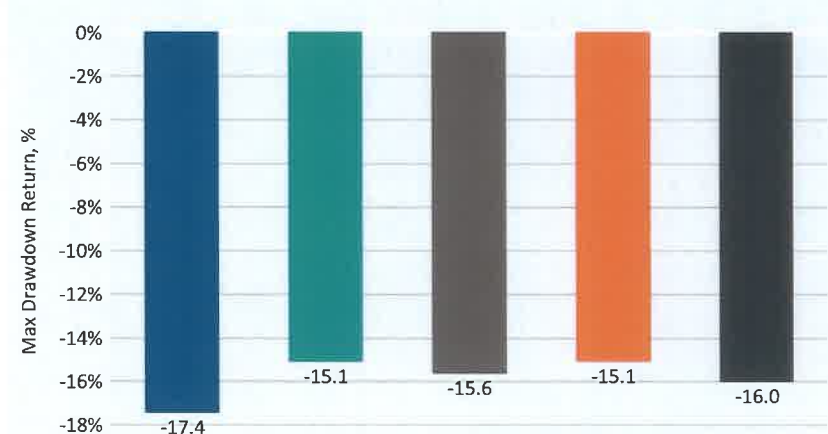
Performance statistics

● Sands Capital
 ● William Blair
 ● T. Rowe
 ● Ivy
 + Russell 1000 Growth Index

EXCESS PERFORMANCE VS. RISK, JUL-16 TO JUN-21



MAX DRAWDOWN RETURN, JUL-16 TO JUN-21



36 MONTH ROLLING ALPHA



36 MONTH ROLLING BETA



Performance statistics

● Sands Capital ● William Blair ● T. Rowe ● Ivy ● + Russell 1000 Growth Index

36 MONTH ROLLING RISK



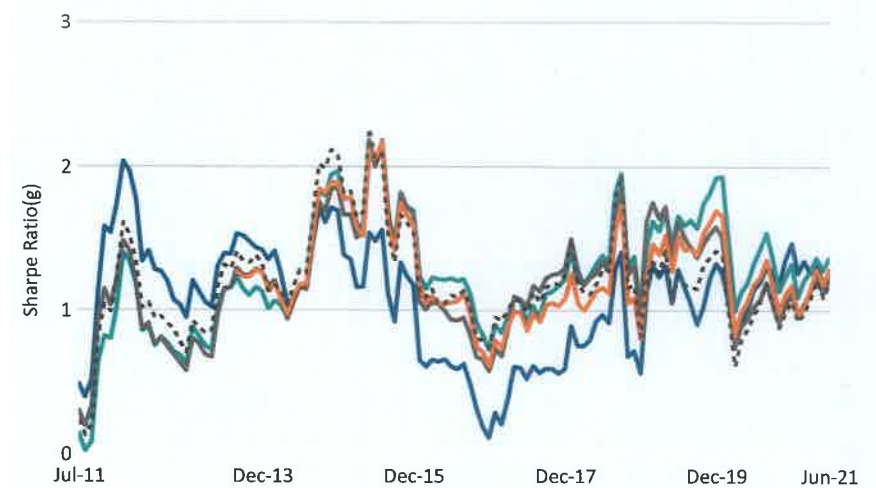
36 MONTH ROLLING INFORMATION RATIO



36 MONTH ROLLING TRACKING ERROR



36 MONTH ROLLING SHARPE RATIO(G)

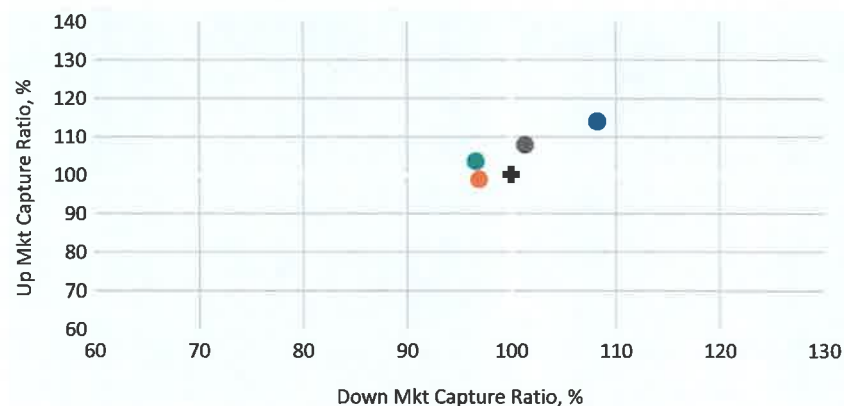


Style Analysis and Portfolio Analytics

Style and portfolio comparison

● Sands Capital ● William Blair ● T. Rowe ● Ivy + Russell 1000 Growth Index

UP/DOWN MARKET CAPTURE, JUL-11 TO JUN-21



RUSSELL 6 STYLE MAP, AUG-13 TO JUN-21



USD, 36-month trailing window; exp. weighted, rescaled

	Sands Capital	William Blair	T. Rowe	Ivy
% HOLDINGS IN 10 LARGEST STOCKS	56.9%	51.9%	48.4%	53.2%
ANNUAL TURNOVER	25.1%	16.0%	11.9%	24.9%
CASH	2.9%	0.6%	0.3%	0.3%
CURRENT DIVIDEND YIELD	0.1%	0.6%	0.3%	0.5%
CURRENT P/E	70.3	39.0	53.2	36.5
CURRENT P/B	13.8	11.5	13.8	9.8
PORTFOLIO HOLDINGS	30	32	78	39
WGTD. AVG. MKT. CAP	\$ 225,356	\$ 643,442	\$ 767,997	\$ 752,171
MAX CASH POSITION	5	5.0	N/A	5.0
MAX POSITION SIZE	0.1	0.1	0.0	0.1
DEV. MKTS.	0.000	0.000	0.000	0.000

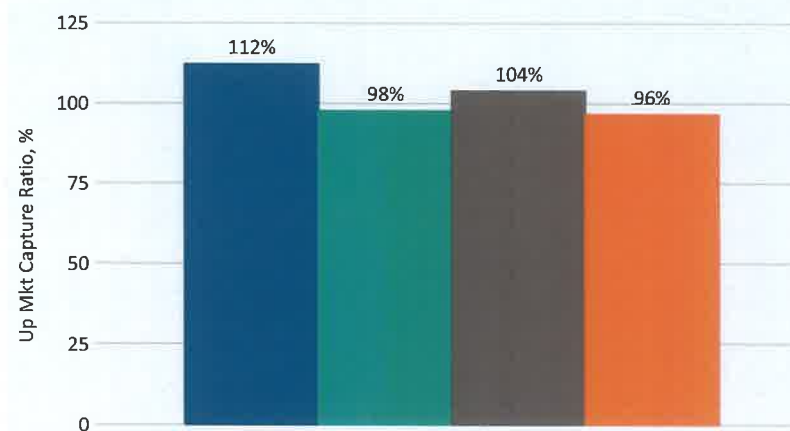
Up & down market analysis

● Sands Capital ● William Blair ● T. Rowe ● Ivy + Russell 1000 Growth Index

36 MONTH ROLLING UP MKT CAPTURE RATIO



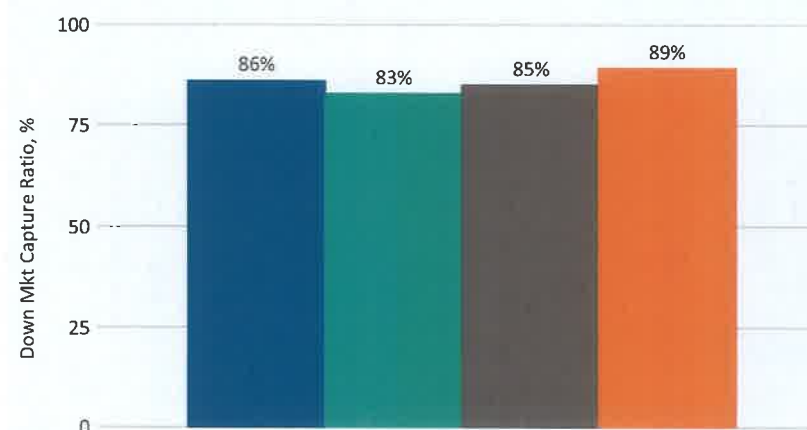
UP MARKET CAPTURE RATIO, JUL-16 TO JUN-21



36 MONTH ROLLING DOWN MKT CAPTURE RATIO



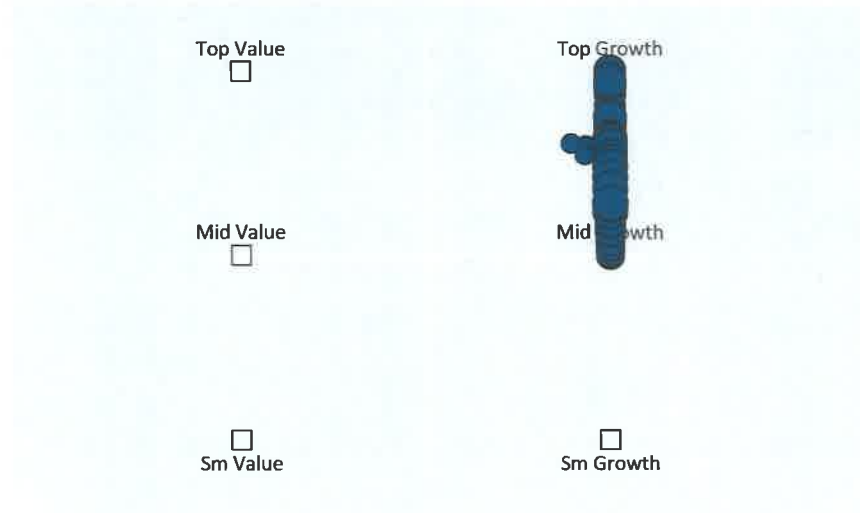
DOWN MARKET CAPTURE RATIO, JUL-16 TO JUN-21



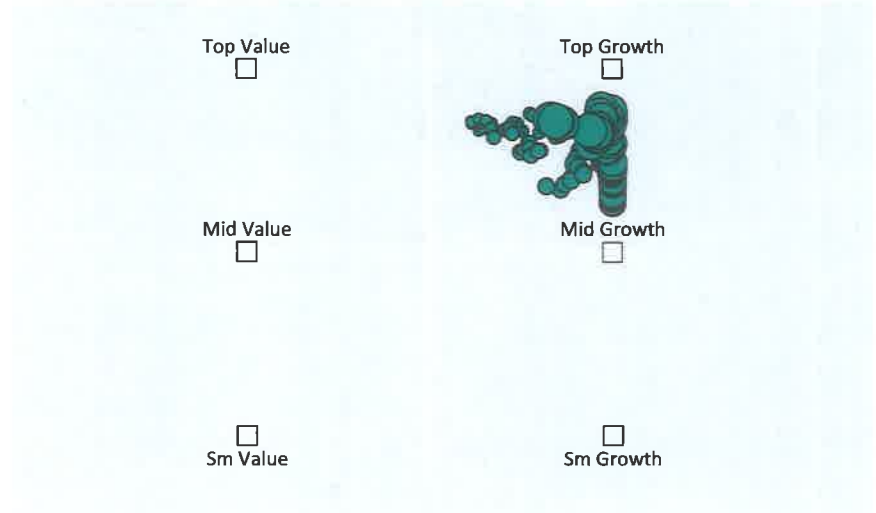
Style analysis (Russell 6 Style Map)

● Sands Capital ● William Blair ● T. Rowe ● Ivy

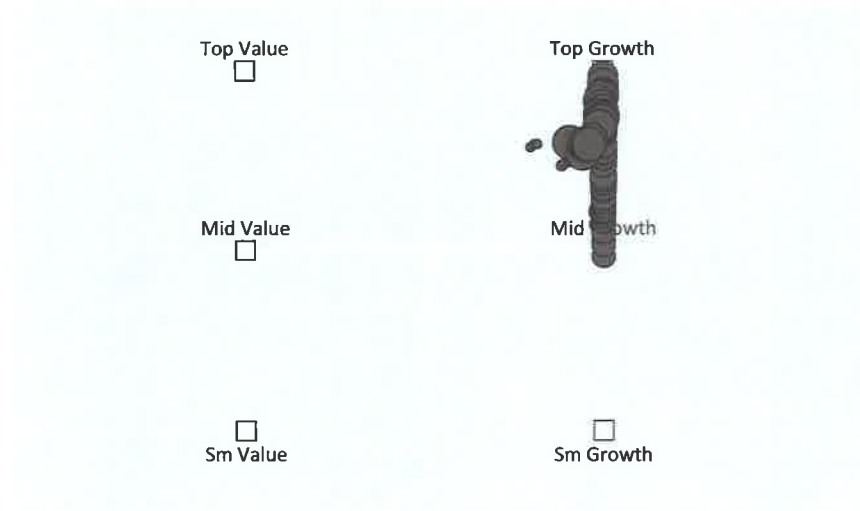
RUSSELL 6 STYLE MAP, FEB-95 TO JUN-21



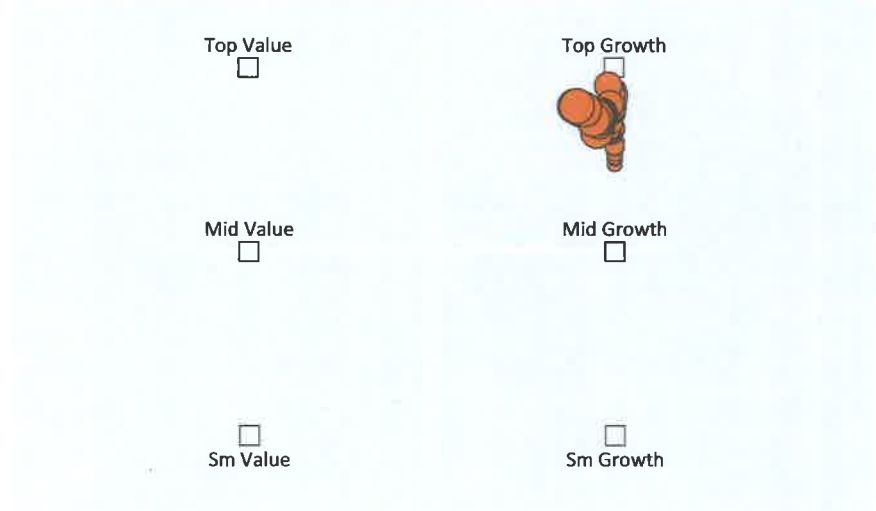
RUSSELL 6 STYLE MAP, JUN-01 TO JUN-21



RUSSELL 6 STYLE MAP, NOV-04 TO JUN-21

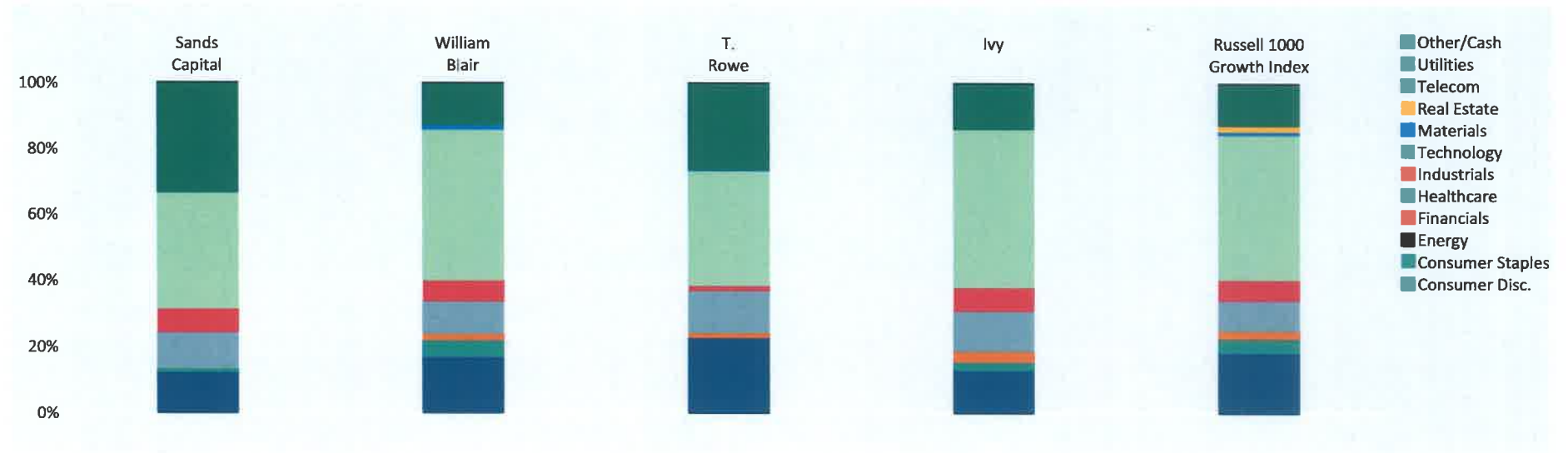


RUSSELL 6 STYLE MAP, AUG-13 TO JUN-21

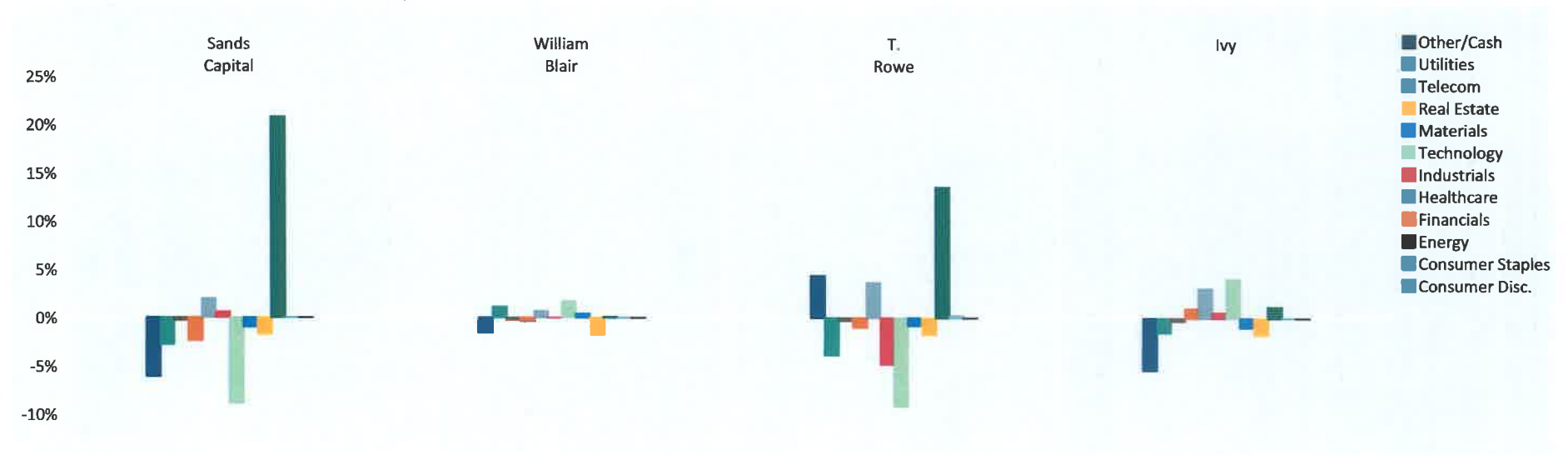


Equity sector exposure

CURRENT SECTOR POSITION, AS OF JUN-21



RELATIVE TO RUSSELL 1000 GROWTH INDEX, AS OF JUN-21

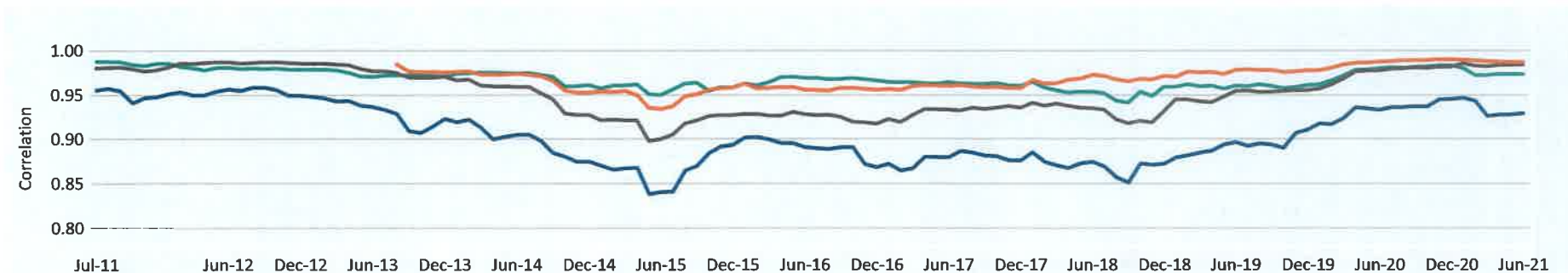


Risk Analysis

Correlations

● Sands Capital ● William Blair ● T. Rowe ● Ivy + Russell 1000 Growth Index

CORRELATION - 3 YEAR ROLLING vs. Russell 1000 Growth Index



3 YEAR ENDING 06/2021

	Sands Capital	William Blair	T. Rowe	Ivy
Sands Capital	1.00	0.92	0.95	0.92
William Blair	0.92	1.00	0.97	0.98
T. Rowe	0.95	0.97	1.00	0.97
Ivy	0.92	0.98	0.97	1.00

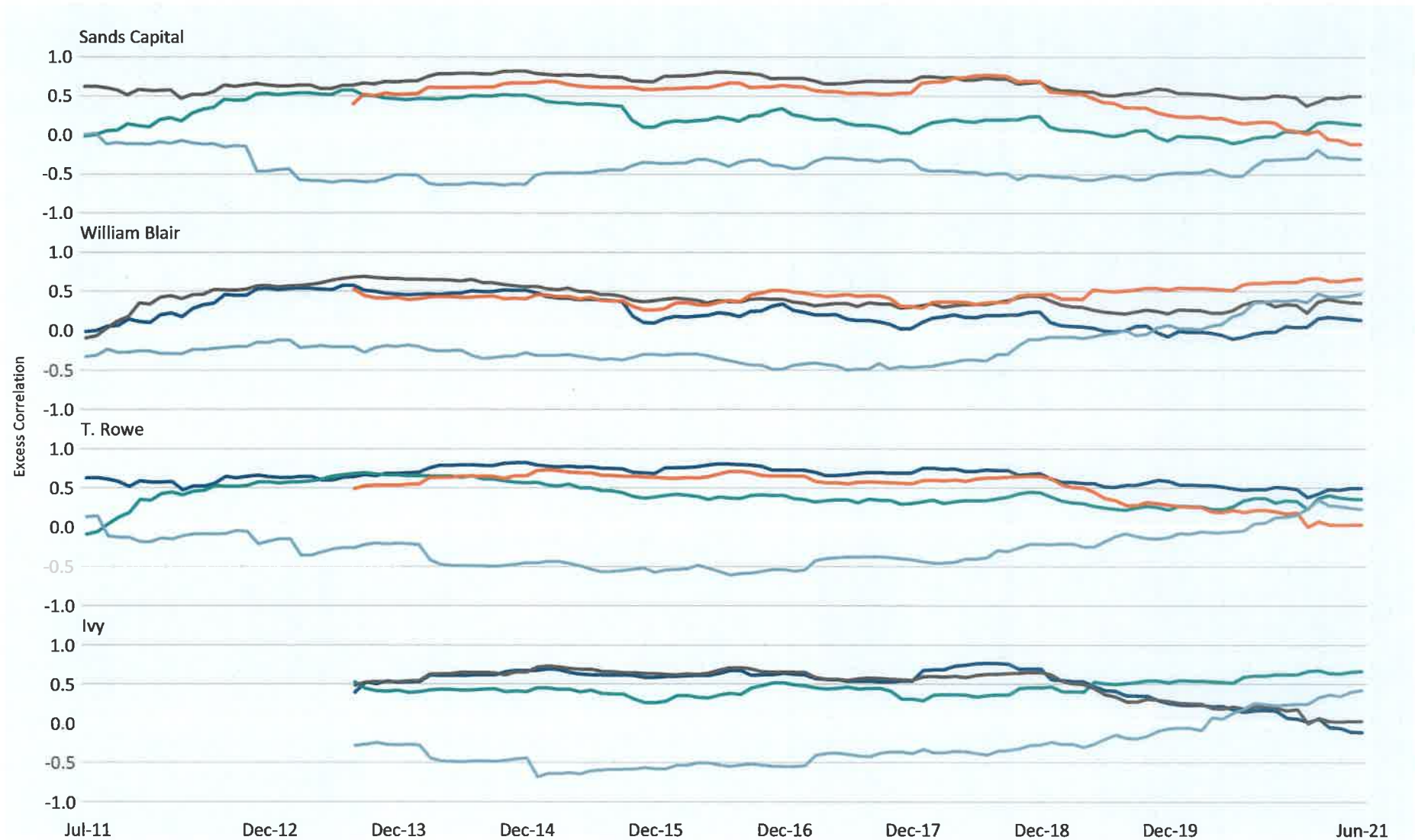
5 YEAR ENDING 06/2021

	Sands Capital	William Blair	T. Rowe	Ivy
Sands Capital	1.00	0.90	0.94	0.91
William Blair	0.90	1.00	0.96	0.97
T. Rowe	0.94	0.96	1.00	0.96
Ivy	0.91	0.97	0.96	1.00

Rolling excess return correlation

● Sands Capital ● William Blair ● T. Rowe ● Ivy + Russell 1000 Growth Index

36 MONTH ROLLING



Excess return correlations

1 YEAR ENDING 06/2021

	Sands Capital	William Blair	T. Rowe	Ivy
Sands Capital	1.00	0.43	0.65	-0.22
William Blair	0.43	1.00	0.50	0.60
T. Rowe	0.65	0.50	1.00	0.17
Ivy	-0.22	0.60	0.17	1.00

3 YEAR ENDING 06/2021

	Sands Capital	William Blair	T. Rowe	Ivy
Sands Capital	1.00	0.14	0.50	-0.12
William Blair	0.14	1.00	0.35	0.66
T. Rowe	0.50	0.35	1.00	0.03
Ivy	-0.12	0.66	0.03	1.00

5 YEAR ENDING 06/2021

	Sands Capital	William Blair	T. Rowe	Ivy
Sands Capital	1.00	0.14	0.53	0.17
William Blair	0.14	1.00	0.30	0.55
T. Rowe	0.53	0.30	1.00	0.24
Ivy	0.17	0.55	0.24	1.00

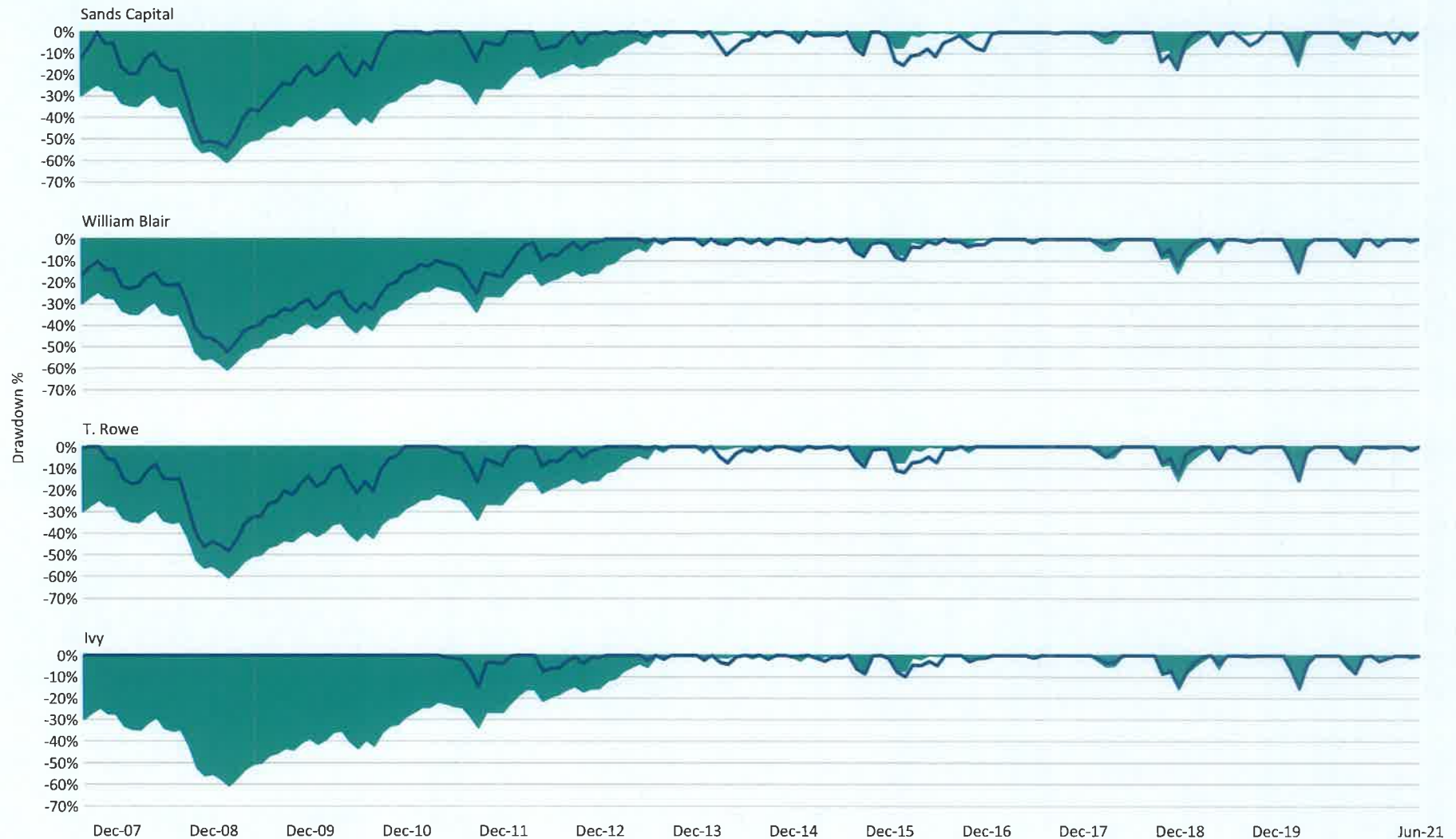
Historical drawdowns

CUMULATIVE PERFORMANCE EXTREMES

Cumulative Performance Extremes

■ Drawdown Return

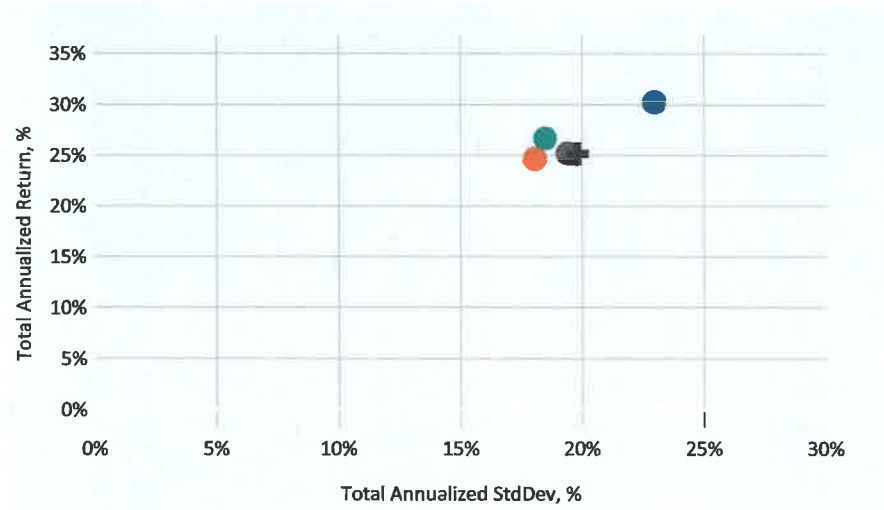
■ Drawdown Benchmark Return



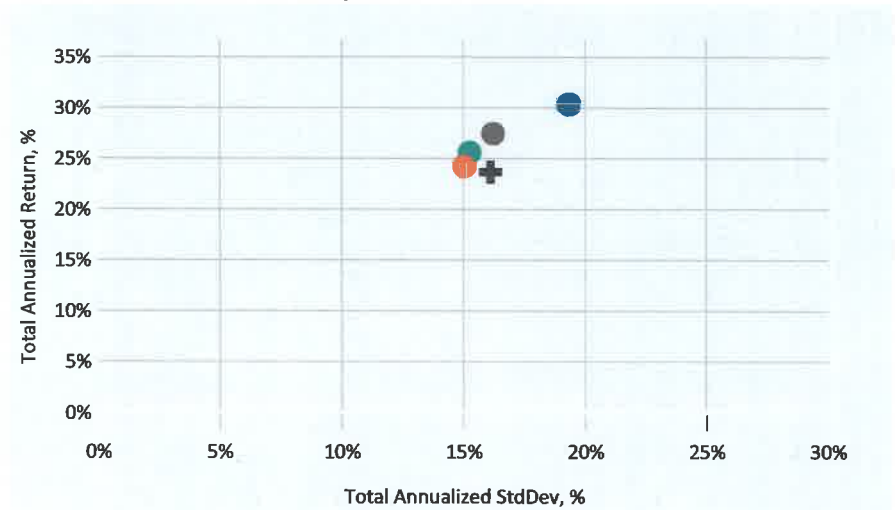
Risk vs. return

● Sands Capital ● William Blair ● T. Rowe ● Ivy + Russell 1000 Growth Index

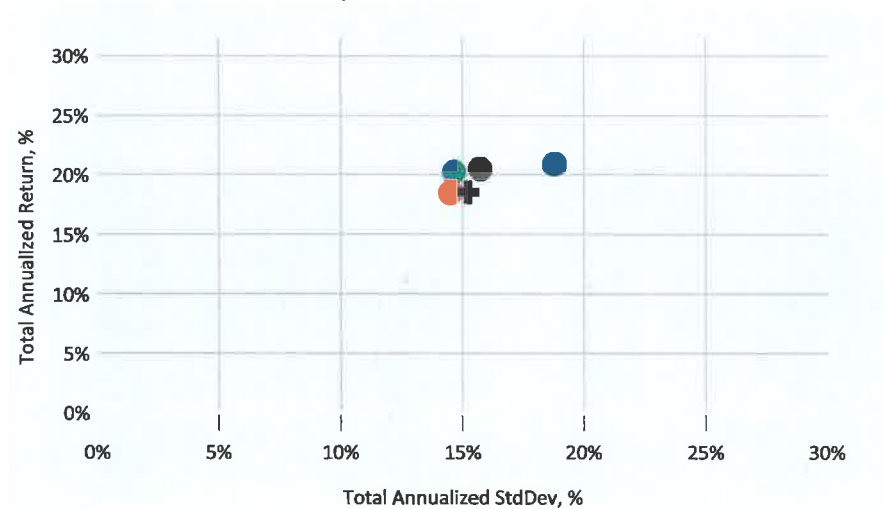
TOTAL PERFORMANCE VS. RISK, JUL-18 TO JUN-21



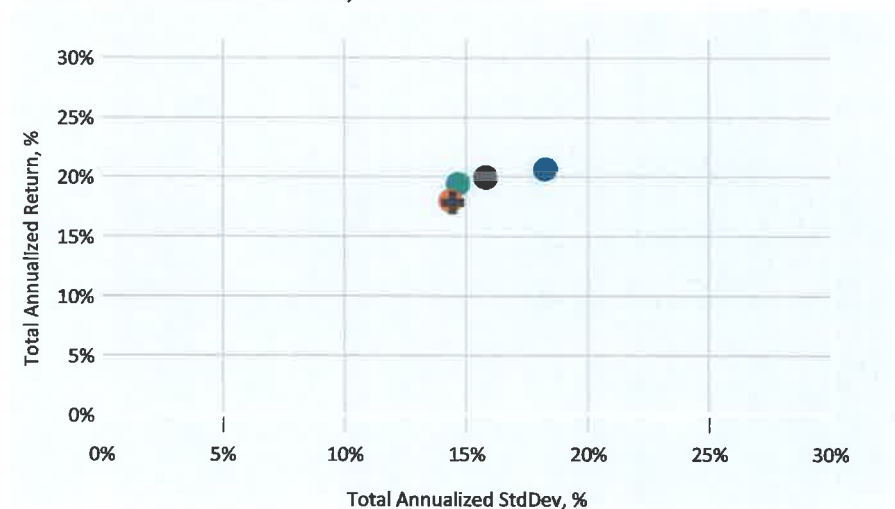
TOTAL PERFORMANCE VS. RISK, JUL-16 TO JUN-21



TOTAL PERFORMANCE VS. RISK, JUL-14 TO JUN-21



TOTAL PERFORMANCE VS. RISK, JUL-11 TO JUN-21



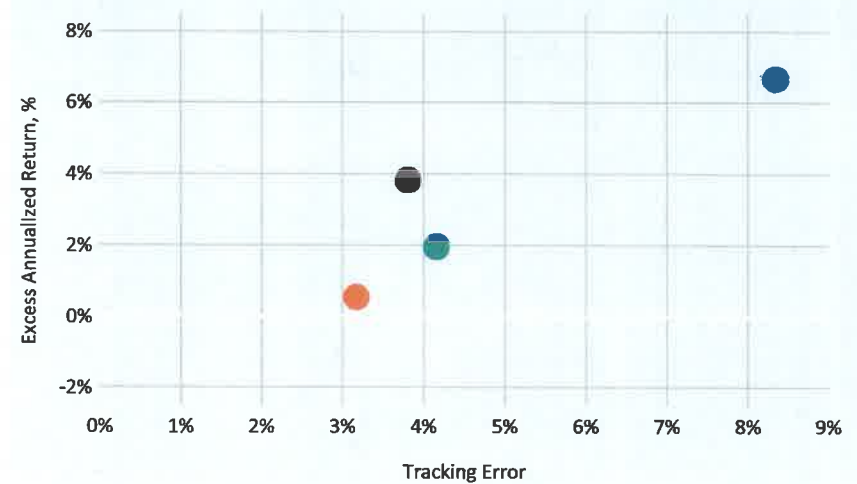
Performance efficiency

● Sands Capital ● William Blair ● T. Rowe ● Ivy + Russell 1000 Growth Index

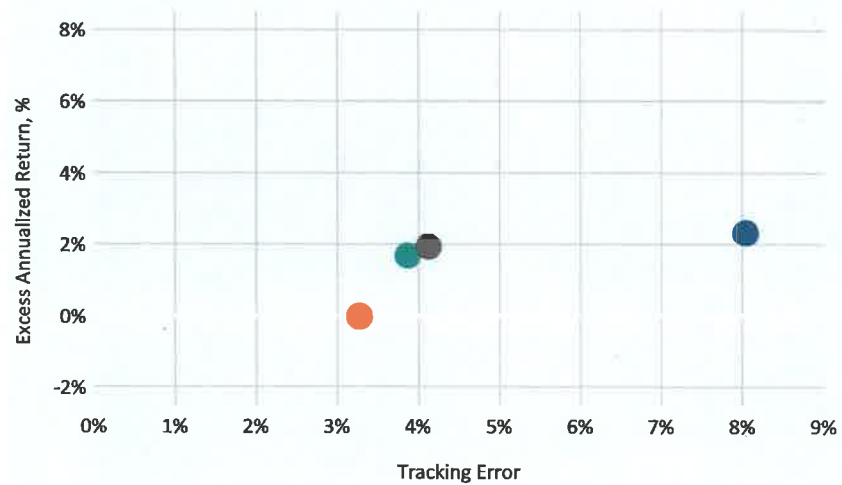
EXCESS PERFORMANCE VS. RISK, JUL-18 TO JUN-21



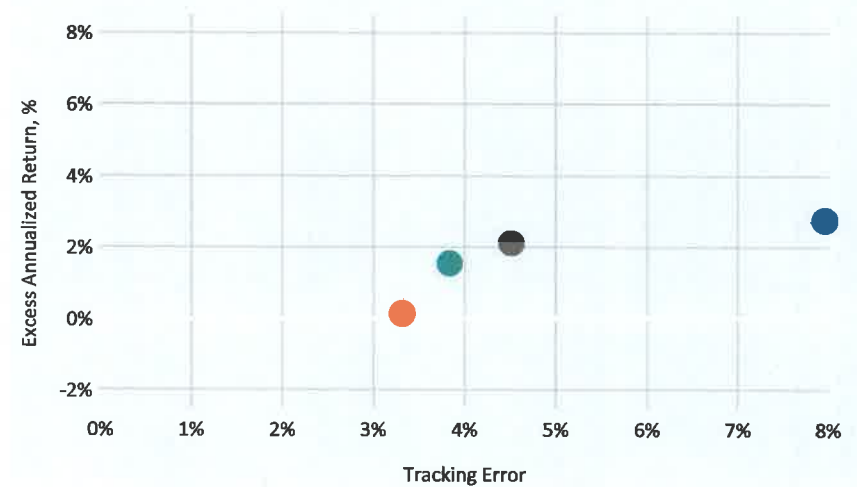
EXCESS PERFORMANCE VS. RISK, JUL-16 TO JUN-21



EXCESS PERFORMANCE VS. RISK, JUL-14 TO JUN-21



EXCESS PERFORMANCE VS. RISK, JUL-11 TO JUN-21



Private equity implementation

- The target allocation to private equity is increasing to 12%, which, per our estimation, requires approximately \$80 million of new commitments per year. There are several different methods by which TCERA can seek to deploy this capital:

	Invest in direct funds using a consultant	Invest using a fund-of-one manager	Invest in Fund-of-funds
Estimated cost:	\$ Fixed dollar annual advisory fee	\$\$-\$\$\$ (5-20x advisory fees) Incremental asset-based fees grow with each new year of commitments, but generally more competitive price than FoF.	\$\$\$ (20-30x advisory fees) Incremental asset-based fees grow with each new year of commitments, along with carried interest (incentive fees).
Resources required (Staff & Board):	<u>Moderate - High:</u> Requires staff & Board approval on each investment. Can be mitigated through delegated discretion	<u>Moderate:</u> Initial set-up involves establishing parameters, but multiple years' commitments can be implemented at once	<u>Low - Moderate:</u> Diligence requirements are lower than direct funds, but Board needs to make new commitments every year.
Other considerations:	Most bespoke portfolio. Verus can provide, or TCERA can pursue a search. Least contractual obligations for the plan sponsors	Requires a search. May have to sign on to a predetermined 3-5 year lock-up period. Fees end up similar to Fund of Funds once secondaries & co-investments are incorporated	15-20 year lockups. Alignment of interest typically poor given the double layer of fees. Can provide diversification. After fees, historically FoF have underperformed



COUNTY OF TULARE
BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

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

**TCERA, Board of Retirement
Investment Committee**

Agenda Item # IV. 1. i.

Agenda Date: **October 13, 2021**

Subject: **Vendor/Investment Firm Referral Report**

Requests:

That the Investment Committee:

1. Review the attached Vendor and Investment Firm Referral Report
2. Provide direction to TCERA's Investment Consultant

Summary:

TCERA's *Communications Between Trustees and Outside Service Providers* policy requires that trustees requesting consideration of specific firms for an investment manager search submit those names to the Investment Committee for review and approval. Attached is a request for consideration of WP Global Partners, a firm providing private equity investments. The Committee is asked to provide direction to the Investment Consultant regarding the inclusion of this firm in TCERA's next private equity investment search. Specific suitability of this firm may depend on the Board's decision regarding TCERA's private equity structure for future investments.

Prepared by: Leanne Malison

TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

Vendor/Investment Firm Referral Report

REQUESTED BY (NAME OF TRUSTEE/STAFF): Dave Kehler

DATE SUBMITTED: 9/8/21

NAME OF FIRM: WP Global Partners

SERVICE/INVESTMENT TYPE: Private Equity

CONTACT INFORMATION: NAME Eric Assouad

PHONE 312.277.2037

E-MAIL EAC@wpglobalpartners.com

SOURCE OF CONTACT: Networking
(CONFERENCE, COLLEAGUE REFERRAL, NETWORKING, ETC.)

REASON FOR REFERRAL:

☐ INFORMATION ONLY – FOR FUTURE REFERENCE – NO ACTION REQUIRED

☐ RECOMMEND AN EDUCATIONAL PRESENTATION TO BOARD OF RETIREMENT

☐ RECOMMEND STAFF CONTACT FIRM FOR ADDITIONAL INFORMATION

☐ RECOMMEND ADDITIONAL INFORMATION FROM INVESTMENT CONSULTANT

☒ RECOMMEND FOR CONSIDERATION IN UPCOMING MANAGER/VENDOR SEARCH

☐ OTHER _____

COMMITTEE MEETING DATE AND ACTION TAKEN:



COUNTY OF TULARE BOARD OF RETIREMENT

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Retirement Administrator

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TCERA, Board of Retirement Investment Committee

Agenda Item # IV. 1. j.

Agenda Date: October 13, 2021

Subject: Delegation of Decision-Making Authority the Investment Committee

That the Investment Committee:

1. Review and discuss possible delegation of authority to the Investment Committee to act on investment related matters.
2. Forward a recommendation to the Board of Retirement.

Summary:

Recent discussion by the Board of Retirement regarding the slow pace of implementation of investment decisions resulted in the Investment Committee requesting the opportunity to discuss the possible delegation of some decision-making authority to the Investment Committee. Such authority could encompass a wide range of activities, including relatively routine decisions up to and including significant investment decisions. Some examples are listed below to assist the Committee' discussion. The examples are meant as a sample of the varying degree of authority and are not intended as Staff recommendations.

- Select finalists for investment manager searches
- Initiate due diligence visits for finalists
- Select investment managers/funds
- Approve opportunistic investments
- Approve investment contract amendments (e.g. fee schedules, investment guidelines)
- Conduct 5-year investment consultant review
- Approve changes to investment Manager Benchmarks
- Approve Lead Plaintiff Status for securities litigation
- Approve rebalancing decisions that fall outside of the Retirement Administrator's authority

Example of authority already granted to the Investment Committee:

- Vendor and Investment Firm Referrals

Prepared by: Leanne Malison



COUNTY OF TULARE BOARD OF RETIREMENT

David J. Kehler
Retirement Administrator

136 N. AKERS STREET
VISALIA, CA 93291

TELEPHONE (559) 733-6576
FAX (559) 730-2631
WEBSITE: www.tcera.org

TCERA Board of Retirement Policy

Board of Retirement Committee Tenure and Responsibilities

The Board of Retirement desires to provide all TCERA Trustees with equal opportunity for service to the organization and to enhance the level of understanding pertaining to plan administration. The TCERA Board views the committee process as a proper mechanism for Trustee growth and service. The Board also views the roles of the Board and Committee Chairs as key to the success of the committee process. This policy is intended to clarify guidelines for the positions of TCERA Board and Committee Chairs, the major responsibilities of these persons, and to establish guidelines for tenure on TCERA committees.

TCERA COMMITTEES: The Retirement Board has established the following two standing committees:

- Administrative Committee
- Investment Committee

Each of the TCERA standing committees shall consist of no more than four (4) regular Trustees. Appointment to a committee shall be made by the Board Chairperson (Board Chair or Chair) and shall be renewed annually. The Chair shall attempt to establish an equal division of appointed and elected members serving on all TCERA Board committees. Committee Chairs shall establish the dates and times of regular committee meetings and shall approve meeting agendas.

Alternate Board members are encouraged to attend committee meetings that correspond to the assignment(s) of the corresponding regular Board member. Alternate Trustees may vote on committee business only in the absence of one or more of the regular Trustee committee members.

Alternate Board members may be assigned to positions on Standing Committees at the discretion of the Board Chair and depending on need. If assigned to a Committee, Alternate Trustees shall participate in discussions and vote on committee business. While assigned to a Standing Committee, the Alternate Trustee shall not be expected to attend committee meetings that correspond to the assignment(s) of the regular Board member.

Service on standing committees should rotate at periods not to exceed two (2) years unless it is determined by the current Board Chair that an individual has particular skills or an issue of particular importance to TCERA exists that would make rotation of committee membership a hardship on the continuity of TCERA operations. TCERA may establish staggered terms of

service on committees in order to retain an acceptable level of continuity concerning those issues assigned to the committee(s).

The Board of Retirement may also establish ad-hoc committees as needed to perform functions of immediate and/or short-term interest to TCERA. The Board Chair shall be responsible for the member assignments to all ad-hoc committees.

TCERA BOARD AND COMMITTEE CHAIR AND VICE-CHAIR POSITIONS: The Board Chair and Vice-Chair person shall be chosen by majority vote of the Board of Retirement. The Board Chair and Vice-Chair will serve terms of no more than two (2) consecutive years unless by a majority vote of the Board of Retirement the terms are increased. Whenever possible the offices of Board Chair and Vice-Chair should be held by one appointed and one elected Trustee.

Committee Chairs shall be selected by the current Board Chair and shall be re-appointed each calendar year.

Approved by Board of Retirement: March 10, 2010

Approved Revisions by Board of Retirement: April 8, 2015



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BOARD OF RETIREMENT

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**TCERA, Board of Retirement
Investment Committee**

Agenda Item # IV. 1. k.

Agenda Date: October 13, 2021

Subject: Investment Manager Review

Requests:

That the Investment Committee:

1. Review and Discuss manager performance as reported in the most recent Verus Flash Report.
2. Review and Discuss any Managers of Interest and other presented topics

Summary:

1. **Verus Flash Report** – The Flash Report provides the most current performance information provided by Verus. The Committee will periodically discuss individual managers and their performance as well as overall portfolio performance. The Flash report is prepared by Verus as soon as month end information is available from TCERA's managers and is generally available by the 15th of the month. Depending on the timing of the receipt of the investment data and the date of the committee meeting, the most recent month-end report may not be ready in time for distribution or discussion.
2. **Managers of Interest** – The Committee has requested a standing agenda item to discuss managers of interest in greater detail. Most often these will be current investment managers as listed on the Verus Flash Report that have reported firm/personnel changes or managers that require additional discussion or scrutiny.
 - a. Franklin Templeton – Manager Review
 - b. DoubleLine – Notice of Fee Reduction
 - c. PGIM – Organizational Update
 - d. QMA – Organizational Update

Prepared by: Leanne Malison

Total Fund

Executive Summary (Net of Fees) - Preliminary

Period Ending: August 31, 2021

	Market Value	% of Portfolio	1 Mo	QTD	Fiscal YTD	Fiscal 2021	Fiscal 2020	Fiscal 2019	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs
Total Fund	1,994,701,329	100.0	1.3	2.4	2.4	23.6	0.6	6.0	19.8	9.7	9.5	8.1	--	--
Policy Index			1.1	1.6	1.6	22.1	3.2	7.0	17.2	10.4	9.8	8.1	--	--
Total Domestic Equity	576,442,319	28.9	2.7	4.1	4.1	44.5	4.2	7.6	34.4	16.4	17.6	15.9	--	--
Russell 3000			2.9	4.6	4.6	44.2	6.5	9.0	33.0	17.9	18.0	16.2	10.9	9.6
SSGA S&P 500 Flagship Fund	221,119,295	11.1	3.0	5.5	5.5	40.8	7.5	10.4	31.1	18.0	18.0	16.3	--	--
S&P 500			3.0	5.5	5.5	40.8	7.5	10.4	31.2	18.1	18.0	16.3	10.9	9.3
QMA Large Cap Core	72,231,495	3.6	2.7	4.9	4.9	39.5	3.8	6.6	31.3	14.8	16.1	15.8	--	--
S&P 500			3.0	5.5	5.5	40.8	7.5	10.4	31.2	18.1	18.0	16.3	10.9	9.3
Ivy Large Cap Growth	80,369,752	4.0	3.9	7.5	7.5	38.0	20.2	15.1	27.5	24.2	24.0	19.0	--	--
Russell 1000 Growth			3.7	7.2	7.2	42.5	23.3	11.6	28.5	24.6	24.4	19.4	14.0	10.8
Boston Partners Large Cap Value	71,038,282	3.6	1.7	1.8	1.8	49.5	-8.8	4.5	41.9	10.7	13.0	13.6	--	--
Russell 1000 Value			2.0	2.8	2.8	43.7	-8.8	8.5	36.4	11.5	11.7	13.0	7.9	8.1
SSGA US Extended Market Index	65,996,034	3.3	2.0	0.8	0.8	--	--	--	--	--	--	--	--	--
Dow Jones U.S. Completion Total Stock Market			2.0	0.7	0.7	61.6	1.0	1.9	43.7	16.4	17.5	15.3	11.2	11.2
William Blair SMID Cap Growth	33,598,068	1.7	1.9	2.1	2.1	42.4	6.1	10.1	31.9	15.8	20.1	17.1	--	--
Russell 2500 Growth			2.5	0.3	0.3	49.6	9.2	6.1	36.1	16.9	19.2	16.3	12.3	10.9
Lee Munder Small Value	32,089,394	1.6	1.7	0.3	0.3	61.1	-14.9	-4.7	53.3	7.9	10.2	11.6	--	--
Russell 2000 Value			2.7	-1.0	-1.0	73.3	-17.5	-6.2	59.5	8.4	11.7	12.1	7.7	9.3
Total International Equity	330,930,725	16.6	2.2	1.5	1.5	38.3	-4.0	3.5	29.5	11.5	11.2	7.2	--	--
MSCI ACWI ex USA Gross			1.9	0.3	0.3	36.3	-4.4	1.8	25.4	9.9	10.4	7.1	5.1	7.2
SSGA MSCI ACWI Ex US Index Fund	120,899,164	6.1	1.9	0.2	0.2	35.9	-4.5	1.5	25.0	9.6	10.1	6.8	--	--
MSCI ACWI ex USA			1.9	0.2	0.2	35.7	-4.8	1.3	24.9	9.4	9.9	6.6	4.6	6.7
PIMCO RAE Fundamental Global Ex US Fund	105,100,933	5.3	0.4	-0.4	-0.4	45.3	-14.9	-1.5	36.2	6.6	8.6	--	--	--
MSCI ACWI ex USA Value			1.5	-0.3	-0.3	37.6	-15.3	-0.1	28.6	5.1	7.1	4.6	3.1	5.9
SGA Global Growth	104,930,628	5.3	4.6	5.1	5.1	34.3	6.5	10.7	29.4	17.9	--	--	--	--
MSCI ACWI ex USA Growth			2.3	0.7	0.7	33.7	5.8	2.6	21.1	13.3	12.5	8.3	6.0	7.5

Policy (10/1/2020): 25% Russell 3000, 15% MSCI ACWI ex US, 3% MSCI ACWI, 17% BBgBarc US Aggregate, 5% JPM GBI Global, 5% (50% JPM EMBI Global Div/50% JPM GBI EM Global Div), 20% NCREIF-ODCE, 5% Private Equity Returns, 5% Private Credit Returns. Shenkman HY liquidated 3/11/19. PGIM EMD funded 8/26/19. Ocean Ave Fund IV funded 9/16/19. Gresham Commodity and Wellington Commodity liquidated 9/27/19. American Realty funded 12/20/19. Pathway Fund 10 funded 3/25/20. TAO Contingent funded 4/16/20. SSGA Russell Small Cap Completeness Index transitioned to SSGA US Extended Market Index on 6/10/21. All data is preliminary.

Total Fund Executive Summary (Net of Fees) - Preliminary

Period Ending: August 31, 2021

	Market Value	% of Portfolio	1 Mo	QTD	Fiscal YTD	Fiscal 2021	Fiscal 2020	Fiscal 2019	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs
Total Global Equity	81,148,168	4.1	2.9	7.5	7.5	50.4	-3.6	1.9	47.0	15.2	14.5	--	--	--
MSCI ACWI Gross			2.5	3.3	3.3	39.9	2.6	6.3	29.2	14.9	14.9	11.9	8.2	8.4
Skellig Water Fund (aka KBI)	81,148,168	4.1	2.9	7.5	7.5	50.4	-3.6	1.9	47.0	15.2	14.5	--	--	--
MSCI ACWI			2.5	3.2	3.2	39.3	2.1	5.7	28.6	14.3	14.3	11.3	7.6	7.8
Total Fixed Income	564,583,601	28.3	0.2	0.7	0.7	2.8	2.9	7.2	1.9	4.3	3.0	3.3	--	--
Bloomberg US Aggregate TR			-0.2	0.9	0.9	-0.3	8.7	7.9	-0.1	5.4	3.1	3.2	4.3	4.4
Total Domestic Fixed Income	391,733,361	19.6	-0.1	0.9	0.9	2.3	7.3	7.6	1.6	5.8	3.7	3.8	--	--
Bloomberg US Aggregate TR			-0.2	0.9	0.9	-0.3	8.7	7.9	-0.1	5.4	3.1	3.2	4.3	4.4
BlackRock Fixed Income	149,049,256	7.5	-0.1	0.9	0.9	0.5	9.1	8.0	0.4	5.9	3.4	3.5	--	--
Bloomberg US Aggregate TR			-0.2	0.9	0.9	-0.3	8.7	7.9	-0.1	5.4	3.1	3.2	4.3	4.4
Doubleline Core Plus	118,385,305	5.9	0.0	0.8	0.8	2.9	4.1	7.0	2.0	4.7	3.0	--	--	--
Bloomberg US Aggregate TR			-0.2	0.9	0.9	-0.3	8.7	7.9	-0.1	5.4	3.1	3.2	4.3	4.4
Mackay Shields Core Plus	124,298,801	6.2	-0.1	0.9	0.9	3.7	8.5	7.4	2.5	6.6	4.1	--	--	--
Bloomberg US Aggregate TR			-0.2	0.9	0.9	-0.3	8.7	7.9	-0.1	5.4	3.1	3.2	4.3	4.4
Total Global Fixed Income	84,727,267	4.2	0.6	-0.3	-0.3	-2.2	-7.9	6.1	-1.6	-1.5	0.3	--	--	--
JPM GBI Global TR USD			-0.5	1.0	1.0	0.0	5.2	5.7	-1.6	4.2	1.9	1.2	3.5	--
Franklin Templeton Global Bond Plus	84,727,267	4.2	0.6	-0.3	-0.3	-2.2	-7.9	6.1	-1.6	-1.5	0.3	--	--	--
JPM GBI Global TR USD			-0.5	1.0	1.0	0.0	5.2	5.7	-1.6	4.2	1.9	1.2	3.5	--
Total Emerging Markets Fixed Income	88,122,973	4.4	1.0	0.9	0.9	10.3	-2.4	--	6.3	--	--	--	--	--
50% JPM EMBI Global Div/50% JPM GBI EM Global Div			0.9	0.9	0.9	7.1	-1.1	10.8	4.4	6.4	3.8	3.0	5.6	--
PGIM Emerging Markets Debt	88,122,973	4.4	1.0	0.9	0.9	10.3	--	--	6.3	--	--	--	--	--
50% JPM EMBI Global Div/50% JPM GBI EM Global Div			0.9	0.9	0.9	7.1	-1.1	10.8	4.4	6.4	3.8	3.0	5.6	--
Total Real Estate	195,567,701	9.8				2.2	5.3	6.7	6.5	5.3	6.1	8.6	--	--
NCREIF-ODCE						8.0	2.2	6.4	8.0	5.5	6.6	9.6	6.3	7.6
RREEF America II	172,005,375	8.6				2.1	5.3	6.6	6.5	5.3	6.2	9.6	--	--
NCREIF-ODCE						8.0	2.2	6.4	8.0	5.5	6.6	9.6	6.3	7.6
American Realty	23,562,326	1.2				3.4	--	--	6.9	--	--	--	--	--
NCREIF-ODCE						8.0	2.2	6.4	8.0	5.5	6.6	9.6	6.3	7.6

Policy (10/1/2020): 25% Russell 3000, 15% MSCI ACWI ex US, 3% MSCI ACWI, 17% BBgBarc US Aggregate, 5% JPM GBI Global, 5% (50% JPM EMBI Global Div/50% JPM GBI EM Global Div), 20% NCREIF-ODCE, 5% Private Equity Returns, 5% Private Credit Returns. Shenkman HY liquidated 3/11/19. PGIM EMD funded 8/26/19. Ocean Ave Fund IV funded 9/16/19. Gresham Commodity and Wellington Commodity liquidated 9/27/19. American Realty funded 12/20/19. Pathway Fund 10 funded 3/25/20. TAO Contingent funded 4/16/20. SSGA Russell Small Cap Completeness Index transitioned to SSGA US Extended Market Index on 6/10/21. All data is preliminary.

Total Fund

Executive Summary (Net of Fees) - Preliminary

Period Ending: August 31, 2021

	Market Value	% of Portfolio	1 Mo	QTD	Fiscal YTD	Fiscal 2021	Fiscal 2020	Fiscal 2019	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs
Total Private Equity	99,998,698	5.0				42.4	5.4	17.8	38.8	20.3	17.3	14.4	--	--
Private Equity Benchmark						42.4	5.4	17.8	38.8	20.3	17.3	14.4	--	--
BlackRock Alternative Advisors	527,330	0.0				-13.7	8.1	8.8	-21.9	-0.5	2.6	5.9	--	--
Ocean Avenue Fund III	17,537,099	0.9				25.2	13.7	35.4	41.9	25.0	22.5	--	--	--
Ocean Avenue Fund IV	17,041,596	0.9				35.2	--	--	34.5	--	--	--	--	--
Pantheon Ventures	443,622	0.0				4.4	-23.1	5.6	3.4	-6.6	-0.6	3.3	--	--
Pathway Private Equity Fund Investors 8	28,888,742	1.4				67.5	4.9	26.4	48.9	29.3	24.9	--	--	--
Pathway Private Equity Fund Investors 9	21,642,234	1.1				73.9	0.0	22.0	51.7	27.7	--	--	--	--
Pathway Private Equity Fund Investors 10	2,998,945	0.2				46.9	--	--	48.2	--	--	--	--	--
Stepstone Secondary Opportunities Fund II	10,919,130	0.5				22.4	-0.5	2.1	24.0	6.8	7.8	--	--	--
Total Private Credit	87,114,968	4.4				28.3	-4.5	11.2	16.7	9.5	--	--	--	--
Private Credit Benchmark						28.3	-4.5	11.2	16.7	9.5	--	--	--	--
Sixth Street DCP (fmrly TSSP DCP)	87,114,968	4.4				28.3	-4.5	11.2	16.7	9.5	--	--	--	--
Total Opportunistic	24,552,436	1.2				15.0	-6.2	-6.2	24.4	2.2	7.7	12.5	--	--
Sixth Street TAO Contingent (fmrly TSSP TAO Contingent)	20,840,985	1.0				27.6	--	--	28.4	--	--	--	--	--
KKR Mezzanine Partners I	3,701,033	0.2												
PIMCO Bravo	10,418	0.0												

Policy (10/1/2020): 25% Russell 3000, 15% MSCI ACWI ex US, 3% MSCI ACWI, 17% BBgBarc US Aggregate, 5% JPM GBI Global, 5% (50% JPM EMBI Global Div/50% JPM GBI EM Global Div), 20% NCREIF-ODCE, 5% Private Equity Returns, 5% Private Credit Returns. Shenkman HY liquidated 3/11/19. PGIM EMD funded 8/26/19. Ocean Ave Fund IV funded 9/16/19. Gresham Commodity and Wellington Commodity liquidated 9/27/19. American Realty funded 12/20/19. Pathway Fund 10 funded 3/25/20. TAO Contingent funded 4/16/20. SSGA Russell Small Cap Completeness Index transitioned to SSGA US Extended Market Index on 6/10/21. All data is preliminary.



NO RESPONSE REQUIRED

October 1, 2021

Tulare County Employees Retirement Association
Attn: David Kehler
136 N. Akers Street
Visalia, CA 93291

RE: **Fee Tier Change**

Dear David Kehler:

**THE COLLECTIVE DOUBLELINE CORE PLUS FIXED INCOME FUND OF THE
NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUST**

Please be advised per the Exhibit D ("Fees") schedule, as executed as part of the Custody Agreement dated November 20, 2015, Tulare County Employees' Retirement Association will be moved to the lower basis point fee. This change is derived by the Participating Trust investment within the fund exceeding \$100 Million.

As such, effective 10/15/2021, the Participating Trust's units held within the DoubleLine Core Plus Fixed Income Fund will be moved into a new CUSIP registration **66586A308** to implement the per annum twenty-five (25) basis point fee.

No action is required on your part in response to this notification. For your reference, below are the Advisory Fees outlined in Fund's Exhibit D.

EXHIBIT D

FEES

Advisory Fees

- a. First \$100 Million: 27.5 bps per annum
- b. Over \$100 Million: 25.0 bps per annum



NO RESPONSE REQUIRED

Administration Fees*

Administration Fees are capped at 8 basis points per annum

*Administration Fees shall include trust compliance, fund accounting, fund administration, transfer agency, global custody, and audit services and any other fees for services provided by NTC to the Fund. The cap shall not include any expenses relating to the Fund's investment and trading activities, including, without limitation, brokerage commissions, foreign exchange fees, "bid-ask" spreads, mark- ups, regulatory and other governmental fees, taxes and transactional charges. The above fees will be calculated and included in the daily pricing for the fund and paid to RTC on a monthly basis.

[View this email in your browser](#)

Organizational Update



PGIM Fixed Income Announces Senior Appointments

Newark, September 14, 2021

PGIM Fixed Income is proud to make the following senior appointments effective January 1, 2022.

Mr. John Vibert, Managing Director, will move to the newly created role of President. Mr. Vibert joined PGIM Fixed Income in 2014 as the Head of Securitized Products and serves in that role currently. Prior to joining PGIM Fixed Income, Mr. Vibert was a lead portfolio manager for BlackRock's mortgage credit portfolios and the lead trader for its non-agency Residential Mortgage-Backed Securities (RMBS) trading team. He also held senior investment positions at Credit Suisse and Morgan Stanley.

Mr. Craig Dewling and Mr. Gregory Peters, both Managing Directors, will become Co-Chief Investment Officers. Mr. Dewling and Mr. Peters will take over CIO duties from Mr. Michael Lillard, Head of PGIM Fixed Income and CIO. Mr. Dewling joined the firm in 1987 and currently serves as the Deputy Chief Investment Officer. Mr. Peters joined the firm in 2014 and currently serves as the Head of Multi-Sector and Strategy and as a senior portfolio manager for the firm's multi-sector strategies. Prior to joining PGIM Fixed Income, Mr. Peters was the Chief Global Cross Asset Strategist at Morgan Stanley, responsible for the Firm's macro research and asset allocation strategy. Additionally, he was Morgan Stanley's Global Director of Fixed Income and Economic Research.

Messrs. Vibert, Dewling and Peters will report to Mr. Lillard who will remain the Head of PGIM Fixed Income.

Mr. Lillard commented, "I am excited to announce these senior appointments as part of our continuing efforts to broaden the leadership structure of the firm and strengthen our long-term succession plan. Given our more than threefold growth in assets over the last ten years, I believe naming a President and splitting the CIO roles positions us well to continue providing the investment performance and service that our clients know and expect. As Head of Securitized Products, John is a proven and natural leader, driving both strong investment results and a positive team culture. In his role as President, John will work closely with me on the strategic direction and overall management of the firm, including oversight of our global Operations, Technology, and Business Management functions. John will also continue to oversee our global CLO business."

Mr. Lillard continued, "Having served as the CIO of PGIM Fixed Income since 2008, I believe it is the right time to have Craig and Greg take over these responsibilities. As Deputy CIO, Craig has overseen many of the day-to-day investment functions for the last two years. His deep experience with multi-sector and liquidity portfolios, as well as the management of insurance assets, has been a key driver of our success. Craig has spent his entire career at the firm, and I am confident that he brings an important element of

continuity between the historical foundations of our success and our aspirations for the future. Greg's extensive multisector portfolio management and global macro investment strategy experience has been instrumental in broadening our overall investment strategy. I believe Craig and Greg's complementary skill sets will enable us to strengthen our investment process and allow us to further develop our investment professionals for many years to come."

Upon Mr. Vibert assuming the role of President, he will relinquish the role of Head of Securitized Products. Mr. Gabriel Rivera and Mr. Edwin Wilches will become co-Heads of Securitized Products reporting to Mr. Peters. Mr. Gary Horbacz will become Head of Securitized Products Research, reporting to Messrs. Rivera and Wilches.

Upon Mr. Dewling and Mr. Peters becoming co-CIOs, the Deputy CIO role will be eliminated as those duties will be incorporated into the CIO function. In addition to his CIO duties, Mr. Peters will remain a senior portfolio manager on our multi-sector team.

As always, our focus remains on providing our clients with outstanding investment performance and service.

[Click here to view our updated organizational charts detailing these changes.](#)

This email was sent by: PGIM Fixed Income
655 Broad Street, Newark, NJ, 07102, US

To learn about our privacy policies, please read the [PGIM Privacy Policy](#).

NEWS RELEASE



Linda Gibson
Chief Business Officer,
QMA

PGIM appoints Linda Gibson as new CEO of QMA

Quant specialist announces rebrand, launches Defined Contribution Solutions group

NEWARK, NJ, Sept. 16, 2021 – PGIM, the \$1.5 trillion global investment management business of Prudential Financial, Inc. (NYSE: PRU), has appointed Linda Gibson as CEO of its \$119 billion quantitative equity and multi-asset solutions specialist, QMA. Gibson has been with QMA since July 2019 as chief business officer and will step into the CEO role on Oct. 15.

“Linda brings nearly thirty years of global leadership experience across multiple business functions and a strong understanding of the asset management industry,” said PGIM CEO David Hunt. “This is an exciting time for the firm.”

“I’m honored to be leading this firm into the next phase of its development,” Gibson said. “Over the last few years, we have built on our quant heritage to provide increasingly diversified and customized solutions to address the evolving needs of our clients. I am firmly focused on building on that progress.”

Gibson joined QMA in mid-2019 having previously served in a variety of executive leadership positions at BrightSphere Investment Group, a publicly traded asset manager with more than \$225 billion of client assets at the time of her departure.

Hunt added that QMA’s current CEO, Andrew Dyson, was stepping down for personal reasons unrelated to the business and both had earmarked Gibson for the role over the past year.

The CEO change comes as QMA announced it is rebranding to PGIM Quantitative Solutions and its launch of a dedicated Defined Contribution unit, PGIM DC Solutions.

Gibson said the firm’s rebrand will be effective on Sept. 28 and the name was chosen to reflect the close ties with parent PGIM, one of the world’s largest asset managers, as well as its expanding capabilities and customized solutions in recent years. QMA Wadhvani will now be called PGIM Wadhvani, and its investment team will continue to work independently within the PGIM Quantitative Solutions business.

“Since her arrival, Linda and I have worked closely to position the firm for the future, as marked by QMA’s rebranding and the smooth succession of the firm’s leadership,” said Dyson. “She has been a tremendous partner in building QMA’s capabilities and is the ideal candidate to lead PGIM Quantitative Solutions into the future.”

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MEDIA CONTACT

Kristin Meza

+1 973 367 4104

kristin.meza@pgim.com

The evolution of PGIM Quantitative Solutions continues with the launch of its DC Solutions unit, a cross-PGIM initiative, which will focus on innovative retirement solutions founded on market-leading research and built on the \$214 billion of assets already managed by PGIM on behalf of DC clients across multiple asset classes and vehicles.

“The market is increasingly demanding a comprehensive approach to retirement income, which requires a range of new thinking and solutions, deployed in a flexible way,” Gibson said. “We have created PGIM DC Solutions to spearhead that effort and target market leadership in this new arena.”

The firm recently hired leading retirement expert Dave Blanchett as head of retirement research for defined contribution solutions. Blanchett was formerly head of retirement research at Morningstar Investment Management. Dyson will stay on as special adviser and acting head of PGIM DC Solutions until the end of March 2022.

ABOUT PGIM QUANTITATIVE SOLUTIONS

As the quantitative equity and multi-asset solutions specialist of PGIM, PGIM Quantitative Solutions seeks to help solve complex investment problems with custom systematic solutions across the risk/return spectrum. Our modular portfolio construction simplifies our design of client-specific solutions. We can customize down to the stock level for portfolio considerations, with product offerings that range from core solutions and systematic macro to multi-asset portfolios and overlays. All of our options can be harnessed to provide stable return streams uncorrelated with existing strategies.

PGIM Quant Solutions manages portfolios for a worldwide institutional client base, including corporate and public pension plans, endowments and foundations, multiemployer pension plans, and subadvisory accounts for other financial services companies. As of June 30, 2021, PGIM Quant Solutions had approximately \$119 billion in assets under management. PGIM Quant Solutions also manages the allocation of assets that underlie the glidepath to the Prudential Day One Funds, launched in 2016, which currently has \$5.5 billion in assets under management as of April 30, 2021.

ABOUT PGIM WADHWANI

PGIM Wadhwani LLP was founded in October 2002 as Wadhwani Asset Management (WAM) by Dr. Sushil Wadhwani, CBE. Investment operations commenced in January 2003. PGIMW is a London-based asset management company, authorized and regulated by the Financial Conduct Authority (219900), which specializes in systematic/quantitative macro investing.

ABOUT PGIM

PGIM, the global asset management business of Prudential Financial, Inc. (NYSE: PRU), ranks among the top 10 largest asset managers in the world* with approximately \$1.5 trillion in assets under management as of June 30, 2021. With offices in 17 countries, PGIM's businesses offer a range of investment solutions for retail and institutional investors around the world across a broad range of asset classes, including public fixed income, private fixed income, fundamental equity, quantitative equity, real estate, and alternatives. For more information about PGIM, visit pgim.com.

Prudential Financial, Inc. (PFI) of the United States is not affiliated in any manner with Prudential plc, incorporated in the United Kingdom, or with Prudential Assurance Company, a subsidiary of M&G plc, incorporated in the United Kingdom. For more information please visit news.prudential.com.

* Prudential Financial, Inc. (PFI) is the 10th largest investment manager (out of 527 firms surveyed) in terms of global assets under management based on Pensions & Investments' Top Money Managers list published on June 1, 2020. This ranking represents global assets under management by PFI as of March 31, 2020.

THE PURSUIT OF OUTPERFORMANCE

EDUCATIONAL EVENTS - Board of Retirement

2021

1. **ValueEdge Advisors**, 2021 Public Funds Forum, October 26-28, 2021, Grand Del Mar, San Diego. Experts will cover best practices in fund governance, tools for risk management, trends in sustainable investment, oversight of private investment, manager selection and oversight, global strategy, and maximizing portfolio returns. Speakers include: Magic Johnson.
2. **CALAPRS**, Trustees Round Table, October 29, 2021 – Virtual
Meeting will be co-chaired by Henry "Hank" Levy of Alameda County Employees' Retirement Association and Robert Goodchild of San Diego County Employees Retirement Association.
3. **Invesco**, Global Client Conference Update, November 2-4, 2021, The Lodge at Torrey Pines, San Diego. Topics include: Global Direct Real Estate, Commercial Mortgage Income Fund, Core Real Estate, and key note speakers. Agenda is in the binder.
4. **SACRS**, Fall Conference, Nov. 9-12, 2021, Lowes Hollywood Hotel, preliminary agenda is in binder.
5. **PIMCO**, Fall Seminar, Nov. 15-18, 2021. More information is forthcoming.

2022

1. **DWS**, America Real Assets Investor Conference, April 26-28, Balboa Bay Resort, Newport Beach, CA. Topics: Key trends impacting real estate investing through a series of panels from their research, transactions and portfolio mgmt. teams.
2. **CALAPRS**, Advanced Principles of Pension Governance for Trustees, March 30 to April 1, 2022, Los Angeles, 5:30 p.m.- 1:30 p.m.



SACRS Annual Business Meeting

Annual Fall Conference 2021

Friday, November 12

10 AM - 11:30 AM

Loews Hollywood Hotel

Hollywood, CA

Ray Dolby Ballroom



Vision, Mission, Core Values

The members and staff of the State Association of County Retirement Systems (SACRS) share a common purpose, mission and core values.

Statement of Purpose

The specific and primary purposes of SACRS are to provide forums for disseminating knowledge of and developing expertise in the operation of 20 county retirement systems existing under the County Employees Retirement Law of 1937 (CERL) sets forth in California Government Code section 31450 et. seq., and to foster and take an active role in the legislative process as it affects county retirement systems.

Mission Statement

The mission of this organization shall be to serve the 1937 Act Retirement Systems by exchanging information, providing education and analyzing legislation.

Core Values

Teamwork

Integrity

Education

Service and Support



SACRS Business Meeting Agenda
Friday, November 12, 2021
10:00 AM – 11:30 AM
Loews Hollywood Hotel, Hollywood, CA
Ray Dolby Ballroom

SACRS Parliamentarian – TBD
Sergeant at Arms – Bob Goodchild, San Diego CERA

1. SACRS System Roll Call

Thomas Garcia, Imperial CERS, SACRS Secretary

2. Secretary's Report - Receive and File

Thomas Garcia, Imperial CERS, SACRS Secretary

- A. Spring 2021 SACRS Business Meeting Minutes

3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

- A. July 2021 Financials
- B. 2021-2022 Annual Budget

4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

- A. SACRS President Update

5. SACRS Legislative Committee Update – Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

- A. 2021 Legislative Report – No Action
- B. SACRS Board of Directors Legislative Proposal – Action

6. SACRS Nomination Committee – 2022-2023 SACRS Election Notice – No Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

- A. SACRS Election Notice 2022-2023

7. SACRS Audit Report – No Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

- A. SACRS Annual Audit Update



8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. SACRS Annual Fall Conference 2021 Evaluations/Feedback

9. SACRS Program Committee Report – No Action

Kathryn Cavness, Mendocino CERA, SACRS Program Committee Chair

- A. SACRS Annual Fall Conference 2021 report

10. SACRS Affiliate Committee Report – No Action

Scott Draper, Algert Global, SACRS Affiliate Committee Chair

- A. Affiliate Committee report

11. SACRS Bylaws Committee Report – No Action

Chair Position Open, SACRS Bylaws Committee Chair

- A. No report

12. SACRS Fall Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

- A. Administrators
- B. Counsel
- C. Disability/ Operations & Benefits Combo
- D. Internal Auditors
- E. Investment Officers
- F. Safety Trustees
- G. General Trustees

13. Adjournment

Next scheduled SACRS Association Business Meeting will be held Friday, May 13, 2022 at the Rancho Las Palmas Hotel in Rancho Mirage, CA.



1. SACRS System Roll Call

Thomas Garcia, Imperial CERS, SACRS Secretary



1. SACRS System Roll Call
Thomas Garcia, SACRS Secretary

System	In Attendance	Absent	Delegate/Alternate Name
Alameda			
Contra Costa			
Fresno			
Imperial			
Kern			
Los Angeles			
Marin			
Mendocino			
Merced			
Orange			
Sacramento			
San Bernardino			
San Diego			
San Joaquin			
San Mateo			
Santa Barbara			
Sonoma			
Stanislaus			
Tulare			
Ventura			
Total			



2. Secretary's Report - Receive and File

Thomas Garcia, Imperial CERS, SACRS Secretary

A. Spring 2021 SACRS Business Meeting Minutes



SACRS Business Meeting Minutes
Friday, May 14, 2021
10:00 AM - Upon Adjournment
Online Via SACRS Conference Platform

SACRS Parliamentarian – David Lantzer, San Bernardino CERA
Sergeant at Arms – Bob Goodchild, San Diego CERA

Meeting called to order at 10:05 am

SACRS Board of Directors in Attendance:

Vivian Gray, President; Roger Hilton, Vice President; Kathryn Cavness, Secretary; Harry Hagen, Treasurer; David MacDonald, Board member; Dan McAllister, Immediate Past President, Ben Lazarus, Past Affiliate Chair

1. SACRS System Roll Call

Kathryn Cavness, Mendocino CERA, SACRS Secretary

20 SACRS Member Systems Present

Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

*Fresno arrived at 10:15 am

2. Secretary's Report - Receive and File

Kathryn Cavness, Mendocino CERA, SACRS Secretary

A. November 2020 SACRS Business Meeting Minutes

Motion: Sonoma CERA made motion to approve the minutes as presented.

2nd: Marin CERA

Yes: Alameda, Contra Costa, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Absent: Fresno

Motion Passes 19-0-1

3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

A. July 2020 – January 2021 Financials

Motion: Stanislaus CERA made a motion to approve the Treasurers report on the July 2020 – January 2021 financials.

2nd: San Bernardino CERA

Yes: Alameda, Contra Costa, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Absent: Fresno

Motion Passes 19-0-1



4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

A. SACRS President Update

Discussion: A verbal report was provided by Vivian Gray, SACRS President. No action was taken.

5. SACRS Legislative Committee Update – Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

A. 2021 Legislative Report – No Action

B. SACRS Board of Directors Legislative Proposal – Action

Discussion: An overview of the 2021 Legislative report was provided by the Legislative committee co-chairs and SACRS lobbying team – Trent Smith, Mike Robson and Bridget McGowan. No action was taken for item 5A.

Motion: Sonoma CERA made a motion to approve the proposed legislation presented in item 5B.

2nd: Merced CERA

Yes: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Motion Passes 20-0

6. SACRS Nomination Committee - 2021-2022 SACRS Election Notice – Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

A. SACRS Elections 2021-2022

Motion: Los Angeles CERA made a motion to approve the recommended slate for the 2021-2022 SACRS Board of Directors.

- Vivian Gray, Los Angeles CERA
- Kathryn Cavness, Mendocino CERA, Vice President
- Harry Hagen, Santa Barbara CERS, Treasurer
- Thomas Garcia, Imperial CERA, Secretary
- David MacDonald, Contra Costa CERA, General member
- Vere Williams, San Bernardino CERA, General member
- Dan McAllister, San Diego CERA, Immediate Past President (per Bylaws)

2nd: San Diego CERA

Yes: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Motion Passes 20-0



7. SACRS Audit Report – Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS 2019-2020 Annual Audit

Discussion: Steve Delaney, Audit Committee Chair, provided a verbal overview of the annual audit performed by James Marta & Co. Steve thanked the committee and SACRS staff for their time and dedication to the project. The external auditor's opinion in the report listed that the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, is fairly stated in all material respects in relation to the financial statement as a whole.

Motion: Fresno CERA submitted a motion to accept the 2019-2020 Audit as presented by the Audit committee.

2nd: Alameda CERA

Yes: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Motion Passes 20-0

8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

A. SACRS Annual Virtual Spring 2021 Conference Evaluations/Feedback

Discussion: A verbal report was provided by JJ Popowich, Committee Chair, great conference! The keynote sessions were really well balanced, the covid update on Friday was insightful. Many positive comments regarding the technology and virtual platform used for the conference. Encouragement to submit evaluations when people return home, feedback at conferences was positive. No action taken, verbal report on committee meeting. Evaluations are electronic, therefore will be presented at the Board meeting in January 2021.

9. SACRS Program Committee Report – No Action

Roger Hilton, Orange CERS, SACRS Program Committee Chair

A. SACRS Annual Virtual Spring 2021 Conference Report

Discussion: Verbal report provided by Roger Hilton, feedback on conference was very positive. No action taken, Roger thanked the Program Committee and Education Committee for their time and dedication to the conference. Suggestions for future conferences can be submitted online at the SACRS website.

10. SACRS Affiliate Committee Report – No Action

Scott Draper, Algert Global LLC, SACRS Affiliate Committee Chair

A. Affiliate Committee Update

Discussion: Ben Lazarus, Past Committee Chair, gave a verbal update on Affiliate matters. Affiliate leadership really appreciate the commitment and dedication of the Board and fellow committee members. No action taken, Ben gave a verbal update on the Affiliate Breakout, attendance was great and members



really enjoyed the Spotlight Series on the Systems. The committee intends to continue system interviews for viewing during the SACRS Summer Webinar Series.

11. SACRS Bylaws Committee Report – No Action

Johanna Fontenot, Los Angeles CERA, SACRS Bylaws Committee Chair

A. Bylaws Committee Update

Discussion: No report

12. SACRS Spring Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

A. Administrators – Leanne Malison, Tulare CERA, reported that the meeting was very productive. Donald Kendig, Fresno CERA, will moderate the Fall 2021 Conference.

B. Counsel – Ashley Dunning, SACRS Program Committee, provided a brief report on their closed session, and that the group did not get a volunteer for the Fall 2021 conference.

C. Disability/ Operations & Benefits Combo – Carlos Barrios, Los Angeles CERA, reported that the session was well attended and great information. Louis Gittens, Los Angeles CERA, has volunteered to moderate the Fall 2021 Conference.

D. Internal Auditors – No report.

E. Investment Officers – Tim Price, Contra Costa CERA, reported that the meeting was well attended and that Daryn Miller, Kern CERA volunteered to moderate the Fall 2021 Conference.

F. Safety Trustees – Susan Lee, San Mateo CERA, reported that the meeting was well attended and Brian Williams, Sonoma CERA will continue to serve as moderator for Fall 2021 Conference.

G. General Trustees – Kathryn Cavness, Mendocino CERA, reported that the session was fantastic. Kathryn Cavness will serve as the moderator for Fall 2021 Conference.

13. Adjournment

Motion: San Diego CERA submitted a motion to adjourn at 10:54 am

2nd: Ventura CERA

Yes: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Motion Passes 20-0

Next scheduled SACRS Association Business Meeting will be held Friday, May 13, 2022 at the Rancho Las Palmas Hotel, in Rancho Mirage, CA unless Covid-19 restrictions are in place.

Respectfully Submitted by:

Thomas Garcia, Imperial CERA, SACRS Secretary

Sulema Peterson, SACRS Executive Director



3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

- A. July 2021 Financials
- B. 2021-2022 Annual Budget

7:38 PM
09/14/21
Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Balance Sheet

As of July 31, 2021

Jul 31, 21

ASSETS

Current Assets

Checking/Savings

1000 · First Foundation Bank-Checking	201,567.30
1001 · BofA Interest Checking 4389	16,847.68
1002 · First Foundation Bank ICS Acct	57,555.25

Total Checking/Savings 275,970.23

Other Current Assets

1100 · CalTrust - Medium Term	979,872.82
1107 · CalTrust Liquidity Fund	8,225.47
1110 · CAMP-SACRS Liquidity Fund	791,150.15

Total Other Current Assets 1,779,248.44

Total Current Assets 2,055,218.67

TOTAL ASSETS 2,055,218.67

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

2200 · First Foundation Credit Card 1,415.07

Total Credit Cards 1,415.07

Total Current Liabilities 1,415.07

Total Liabilities 1,415.07

Equity

32000 · Retained Earnings 2,034,191.90

Net Income 19,611.70

Total Equity 2,053,803.60

TOTAL LIABILITIES & EQUITY 2,055,218.67

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss

July 2021

	<u>Jul 21</u>
Ordinary Income/Expense	
Income	
4100 · Membership Dues	
4101 · Affiliates	63,750.00
4102 · Non Profit - Organizations	500.00
4103 · Non Profit - Systems	1,500.00
4104 · Systems - Medium	8,000.00
Total 4100 · Membership Dues	<u>73,750.00</u>
4270 · UC Berkeley Program	
4271 · Registrations	1,650.00
4272 · Sponsorships	2,500.00
Total 4270 · UC Berkeley Program	<u>4,150.00</u>
4900 · Interest Earned	315.95
Total Income	<u>78,215.95</u>
Gross Profit	78,215.95
Expense	
5000 · Administrative Fee	30,000.00
5003 · Bank Charges/Credit Card Fees	2,004.32
5041 · Consulting	6,582.00
5072 · Legislative Advocacy	10,002.00
6011 · Postage & Delivery	274.96
6020 · Spring Conference	1,107.95
6053 · Technology/AMS/Website	7,711.12
6054 · Travel	921.90
Total Expense	<u>58,604.25</u>
Net Ordinary Income	<u>19,611.70</u>
Net Income	<u><u>19,611.70</u></u>

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July 2021

	Jul 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4100 · Membership Dues				
4101 · Affiliates	63,750.00	268,750.00	-205,000.00	23.72%
4102 · Non Profit - Organizations	500.00	2,750.00	-2,250.00	18.18%
4103 · Non Profit - Systems	1,500.00	6,000.00	-4,500.00	25.0%
4104 · Systems - Medium	8,000.00	52,000.00	-44,000.00	15.39%
4105 · Systems - Large	0.00	42,000.00	-42,000.00	0.0%
4100 · Membership Dues - Other	0.00	0.00	0.00	0.0%
Total 4100 · Membership Dues	73,750.00	371,500.00	-297,750.00	19.85%
4200 · Webinar Symposium Registration				
4201 · Affiliates - Early	0.00	200.00	-200.00	0.0%
4202 · Affiliates - Regular	0.00	200.00	-200.00	0.0%
4203 · Affiliates - Late/Onsite	0.00	200.00	-200.00	0.0%
4204 · Non Profit	0.00	200.00	-200.00	0.0%
4205 · Systems	0.00	200.00	-200.00	0.0%
4206 · Non-Members	0.00	200.00	-200.00	0.0%
4200 · Webinar Symposium Registration - Other	0.00	0.00	0.00	0.0%
Total 4200 · Webinar Symposium Registration	0.00	1,200.00	-1,200.00	0.0%
4250 · Product Income				
4255 · Magazine Advertising	0.00	2,000.00	-2,000.00	0.0%
Total 4250 · Product Income	0.00	2,000.00	-2,000.00	0.0%
4270 · UC Berkeley Program				
4271 · Registrations	1,650.00	60,000.00	-58,350.00	2.75%
4272 · Sponsorships	2,500.00	40,000.00	-37,500.00	6.25%
4270 · UC Berkeley Program - Other	0.00	0.00	0.00	0.0%
Total 4270 · UC Berkeley Program	4,150.00	100,000.00	-95,850.00	4.15%
4300 · Fall Conference Registration				
4301 · Affiliates - Early	0.00	140,000.00	-140,000.00	0.0%
4302 · Affiliates - Regular	0.00	60,000.00	-60,000.00	0.0%
4303 · Affiliates - Late/Onsite	0.00	70,400.00	-70,400.00	0.0%
4304 · Non Profit	0.00	960.00	-960.00	0.0%
4305 · Systems	0.00	20,000.00	-20,000.00	0.0%
4306 · Non-Members	0.00	200,250.00	-200,250.00	0.0%
4307 · Fun Run	0.00	500.00	-500.00	0.0%
4308 · Yoga	0.00	100.00	-100.00	0.0%
4300 · Fall Conference Registration - Other	0.00	0.00	0.00	0.0%
Total 4300 · Fall Conference Registration	0.00	492,210.00	-492,210.00	0.0%
4350 · Spring Conference Registration				
4351 · Affiliates - Early	0.00	140,000.00	-140,000.00	0.0%
4352 · Affiliates - Regular	0.00	60,000.00	-60,000.00	0.0%
4353 · Affiliates - Late/Onsite	0.00	70,400.00	-70,400.00	0.0%
4354 · Non Profit	0.00	960.00	-960.00	0.0%
4355 · Systems	0.00	20,000.00	-20,000.00	0.0%

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July 2021

	Jul 21	Budget	\$ Over Budget	% of Budget
4356 · Non-Members	0.00	200,250.00	-200,250.00	0.0%
4357 · Fun Run	0.00	500.00	-500.00	0.0%
4358 · Yoga	0.00	100.00	-100.00	0.0%
Total 4350 · Spring Conference Registration	0.00	492,210.00	-492,210.00	0.0%
4900 · Interest Earned	315.95	-953.55	1,269.50	-33.13%
Total Income	78,215.95	1,458,166.45	-1,379,950.50	5.36%
Gross Profit	78,215.95	1,458,166.45	-1,379,950.50	5.36%
Expense				
5000 · Administrative Fee	30,000.00	180,000.00	-150,000.00	16.67%
5001 · Administrative Services	0.00	500.00	-500.00	0.0%
5002 · Awards	0.00	500.00	-500.00	0.0%
5003 · Bank Charges/Credit Card Fees	2,004.32	36,000.00	-33,995.68	5.57%
5010 · Berkeley & Symposium				
5011 · Audio/Visual	0.00	2,200.00	-2,200.00	0.0%
5013 · Hotel	0.00	12,500.00	-12,500.00	0.0%
5014 · Food & Beverage	0.00	12,500.00	-12,500.00	0.0%
5015 · Materials/Printing/Design	0.00	3,000.00	-3,000.00	0.0%
5016 · Travel	0.00	2,500.00	-2,500.00	0.0%
5017 · UC Berkeley	0.00	216,000.00	-216,000.00	0.0%
Total 5010 · Berkeley & Symposium	0.00	248,700.00	-248,700.00	0.0%
5020 · Webinar Symposium				
5022 · Webinar Technology	0.00	25,000.00	-25,000.00	0.0%
Total 5020 · Webinar Symposium	0.00	25,000.00	-25,000.00	0.0%
5030 · CERL				
5031 · Materials/Printing/Design	0.00	16,500.00	-16,500.00	0.0%
5032 · Shipping	0.00	1,300.00	-1,300.00	0.0%
Total 5030 · CERL	0.00	17,800.00	-17,800.00	0.0%
5040 · Commissions & Fees	0.00	20,000.00	-20,000.00	0.0%
5041 · Consulting	6,582.00	19,992.00	-13,410.00	32.92%
5042 · Dues & Subscriptions	0.00	3,700.00	-3,700.00	0.0%
5050 · Fall Conference				
5051 · Audio/Visual	0.00	60,000.00	-60,000.00	0.0%
5052 · Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
5053 · Entertainment	0.00	6,500.00	-6,500.00	0.0%
5054 · Hotel				
5054.1 · Wednesday Night Event	0.00	65,000.00	-65,000.00	0.0%
5054.2 · Conference	0.00	15,000.00	-15,000.00	0.0%
5054.3 · Food & Beverage	0.00	250,000.00	-250,000.00	0.0%
5054 · Hotel - Other	0.00	0.00	0.00	0.0%
Total 5054 · Hotel	0.00	330,000.00	-330,000.00	0.0%
5055 · Program Material	0.00	25,000.00	-25,000.00	0.0%
5056 · Speakers	0.00	50,000.00	-50,000.00	0.0%
5057 · Supplies	0.00	500.00	-500.00	0.0%
5058 · Travel	0.00	15,000.00	-15,000.00	0.0%

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss Budget vs. Actual

July 2021

	Jul 21	Budget	\$ Over Budget	% of Budget
5050 · Fall Conference - Other	0.00	0.00	0.00	0.0%
Total 5050 · Fall Conference	0.00	489,500.00	-489,500.00	0.0%
5070 · Insurance	0.00	5,000.00	-5,000.00	0.0%
5071 · Legal & Professional Fees	0.00	35,000.00	-35,000.00	0.0%
5072 · Legislative Advocacy	10,002.00	60,012.00	-50,010.00	16.67%
5080 · Magazine				
5081 · Delivery & Shipping	0.00	600.00	-600.00	0.0%
5082 · Design/Printing/Etc.	0.00	20,000.00	-20,000.00	0.0%
5083 · Magazine - Other	0.00	5,200.00	-5,200.00	0.0%
5080 · Magazine - Other	0.00	0.00	0.00	0.0%
Total 5080 · Magazine	0.00	25,800.00	-25,800.00	0.0%
6000 · Board & Committees				
6001 · Board of Directors				
6001.1 · Food & Beverage	0.00	25,000.00	-25,000.00	0.0%
6001.2 · Printing/Supplies	0.00	4,000.00	-4,000.00	0.0%
6001.3 · Travel - BOD Meetings	0.00	11,000.00	-11,000.00	0.0%
6001.4 · Travel - Miscellaneous BOD	0.00	3,500.00	-3,500.00	0.0%
6001.5 · Board Of Directors - Other	0.00	3,000.00	-3,000.00	0.0%
Total 6001 · Board of Directors	0.00	46,500.00	-46,500.00	0.0%
6002 · Legislative Committee Meetings	0.00	250.00	-250.00	0.0%
6003 · Program Committee Meetings	0.00	2,500.00	-2,500.00	0.0%
Total 6000 · Board & Committees	0.00	49,250.00	-49,250.00	0.0%
6010 · Office Expenses / Supplies	0.00	2,500.00	-2,500.00	0.0%
6011 · Postage & Delivery	274.96	3,000.00	-2,725.04	9.17%
6020 · Spring Conference				
6021 · Audio/Visual	0.00	60,000.00	-60,000.00	0.0%
6022 · Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
6023 · Entertainment	0.00	6,500.00	-6,500.00	0.0%
6024 · Hotel				
6024.1 · Wednesday Night Event	0.00	65,000.00	-65,000.00	0.0%
6024.2 · Conference	0.00	0.00	0.00	0.0%
6024.4 · Hotel - Other	0.00	25,000.00	-25,000.00	0.0%
6024 · Hotel - Other	0.00	0.00	0.00	0.0%
Total 6024 · Hotel	0.00	90,000.00	-90,000.00	0.0%
6025 · Program Material	0.00	25,000.00	-25,000.00	0.0%
6026 · Speakers	0.00	50,000.00	-50,000.00	0.0%
6027 · Supplies	0.00	1,000.00	-1,000.00	0.0%
6028 · Travel	0.00	15,000.00	-15,000.00	0.0%
6020 · Spring Conference - Other	1,107.95			
Total 6020 · Spring Conference	1,107.95	250,000.00	-248,892.05	0.44%
6050 · Strategic Facilitator	0.00	15,000.00	-15,000.00	0.0%
6051 · Taxes & Licenses	0.00	50.00	-50.00	0.0%
6053 · Technology/AMS/Website	7,711.12	45,000.00	-37,288.88	17.14%
6054 · Travel	921.90	7,500.00	-6,578.10	12.29%

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Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July 2021

Total Expense
Net Ordinary Income

Jul 21	Budget	\$ Over Budget	% of Budget
58,604.25	1,539,804.00	-1,481,199.75	3.81%
19,611.70	-81,637.55	101,249.25	-24.02%
19,611.70	-81,637.55	101,249.25	-24.02%

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
ANNUAL BUDGET
JULY 2021

	<u>Budget</u>
Ordinary Income/Expense	
Income	
4100 · Membership Dues	
4101 · Affiliates	268,750.00
4102 · Non Profit - Organizations	2,750.00
4103 · Non Profit - Systems	6,000.00
4104 · Systems - Medium	52,000.00
4105 · Systems - Large	42,000.00
4100 · Membership Dues - Other	0.00
Total 4100 · Membership Dues	<u>371,500.00</u>
4200 · Webinar Symposium Registration	
4201 · Affiliates - Early	200.00
4202 · Affiliates - Regular	200.00
4203 · Affiliates - Late/Onsite	200.00
4204 · Non Profit	200.00
4205 · Systems	200.00
4206 · Non-Members	200.00
4200 · Webinar Symposium Registration - Other	0.00
Total 4200 · Webinar Symposium Registration	<u>1,200.00</u>
4250 · Product Income	
4255 · Magazine Advertising	2,000.00
Total 4250 · Product Income	<u>2,000.00</u>
4270 · UC Berkeley Program	
4271 · Registrations	60,000.00
4272 · Sponsorships	40,000.00
4270 · UC Berkeley Program - Other	0.00
Total 4270 · UC Berkeley Program	<u>100,000.00</u>
4300 · Fall Conference Registration	
4301 · Affiliates - Early	140,000.00
4302 · Affiliates - Regular	60,000.00
4303 · Affiliates - Late/Onsite	70,400.00
4304 · Non Profit	960.00
4305 · Systems	20,000.00
4306 · Non-Members	200,250.00
4307 · Fun Run	500.00
4308 · Yoga	100.00
4300 · Fall Conference Registration - Other	0.00
Total 4300 · Fall Conference Registration	<u>492,210.00</u>
4350 · Spring Conference Registration	
4351 · Affiliates - Early	140,000.00
4352 · Affiliates - Regular	60,000.00
4353 · Affiliates - Late/Onsite	70,400.00
4354 · Non Profit	960.00
4355 · Systems	20,000.00

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
ANNUAL BUDGET
JULY 2021

	Budget
4356 · Non-Members	200,250.00
4357 · Fun Run	500.00
4358 · Yoga	100.00
Total 4350 · Spring Conference Registration	492,210.00
4900 · Interest Earned	-953.55
Total Income	1,458,166.45
Gross Profit	1,458,166.45
Expense	
5000 · Administrative Fee	180,000.00
5001 · Administrative Services	500.00
5002 · Awards	500.00
5003 · Bank Charges/Credit Card Fees	36,000.00
5010 · Berkeley & Symposium	
5011 · Audio/Visual	2,200.00
5013 · Hotel	12,500.00
5014 · Food & Beverage	12,500.00
5015 · Materials/Printing/Design	3,000.00
5016 · Travel	2,500.00
5017 · UC Berkeley	216,000.00
Total 5010 · Berkeley & Symposium	248,700.00
5020 · Webinar Symposium	
5022 · Webinar Technology	25,000.00
Total 5020 · Webinar Symposium	25,000.00
5030 · CERL	
5031 · Materials/Printing/Design	16,500.00
5032 · Shipping	1,300.00
Total 5030 · CERL	17,800.00
5040 · Commissions & Fees	20,000.00
5041 · Consulting	19,992.00
5042 · Dues & Subscriptions	3,700.00
5050 · Fall Conference	
5051 · Audio/Visual	60,000.00
5052 · Delivery & Shipping	2,500.00
5053 · Entertainment	6,500.00
5054 · Hotel	
5054.1 · Wednesday Night Event	65,000.00
5054.2 · Conference	15,000.00
5054.3 · Food & Beverage	250,000.00
5054 · Hotel - Other	0.00
Total 5054 · Hotel	330,000.00
5055 · Program Material	25,000.00
5056 · Speakers	50,000.00
5057 · Supplies	500.00
5058 · Travel	15,000.00

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
ANNUAL BUDGET
JULY 2021

	Budget
5050 · Fall Conference - Other	0.00
Total 5050 · Fall Conference	489,500.00
5070 · Insurance	5,000.00
5071 · Legal & Professional Fees	35,000.00
5072 · Legislative Advocacy	60,012.00
5080 · Magazine	
5081 · Delivery & Shipping	600.00
5082 · Design/Printing/Etc.	20,000.00
5083 · Magazine - Other	5,200.00
5080 · Magazine - Other	0.00
Total 5080 · Magazine	25,800.00
6000 · Board & Committees	
6001 · Board of Directors	
6001.1 · Food & Beverage	25,000.00
6001.2 · Printing/Supplies	4,000.00
6001.3 · Travel - BOD Meetings	11,000.00
6001.4 · Travel - Miscellaneous BOD	3,500.00
6001.5 · Board Of Directors - Other	3,000.00
Total 6001 · Board of Directors	46,500.00
6002 · Legislative Committee Meetings	250.00
6003 · Program Committee Meetings	2,500.00
Total 6000 · Board & Committees	49,250.00
6010 · Office Expenses / Supplies	2,500.00
6011 · Postage & Delivery	3,000.00
6020 · Spring Conference	
6021 · Audio/Visual	60,000.00
6022 · Delivery & Shipping	2,500.00
6023 · Entertainment	6,500.00
6024 · Hotel	
6024.1 · Wednesday Night Event	65,000.00
6024.2 · Conference	0.00
6024.4 · Hotel - Other	25,000.00
6024 · Hotel - Other	0.00
Total 6024 · Hotel	90,000.00
6025 · Program Material	25,000.00
6026 · Speakers	50,000.00
6027 · Supplies	1,000.00
6028 · Travel	15,000.00
6020 · Spring Conference - Other	
Total 6020 · Spring Conference	250,000.00
6050 · Strategic Facilitator	15,000.00
6051 · Taxes & Licenses	50.00
6053 · Technology/AMS/Website	45,000.00
6054 · Travel	7,500.00

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Cash Basis

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
ANNUAL BUDGET
JULY 2021

	Budget
Total Expense	1,539,804.00
Net Ordinary Income	-81,637.55
Net Income	-81,637.55



4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

A. SACRS President Update



No printed materials for this item



5. SACRS Legislative Committee Update – Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

- A. 2021 Legislative Report – No Action
- B. SACRS Board of Directors Legislative Proposal – Action



October 7, 2021

TO: State Association of County Retirement Systems

FROM: Edelstein Gilbert Robson & Smith, LLC

RE: **Legislative Update – October 2021**

General Update

The Legislature adjourned for interim recess on September 10 after passing roughly 700 bills out of the Legislature and onto the Governor's desk. The Governor has until October 10 to consider these bills. Below is an update on the outcomes of the bills SACRS has been following closely.

Legislation of Interest

SB 634 (Committee on Labor, Public Employment, and Retirement) - SACRS Sponsored Bill. This bill makes a few clarifying changes to the CERL, including clarifying that a 37 Act Retirement board may contract with a private physician to provide medical advice to the board to process disability claims and changing an obsolete code reference related to when a 37 Act system member may opt to continue as a member of the 37 Act system instead of enrolling in CalSTRS.

The Governor signed this bill into law on September 16.

AB 361 (Rivas) - Virtual Meetings for Declared Emergencies. This bill is sponsored by the CA Special Districts Association and would codify the Governor's Executive Order allowing for teleconference for declared emergencies. The bill would require local agencies to re-declare an emergency every 30 days that would then allow them to continue meeting remotely.

Recent amendments add an urgency clause so the bill will go into effect immediately after it is signed.

The Governor signed this bill into law on September 16. Because the existing Brown Act Executive Order expired on September 30, the Governor also issued an Executive Order to make the provisions of AB 361 effective October 1, so the two standards do not conflict.

AB 339 (Lee) – Large City Council and Board of Supervisor Public Meetings – This bill would require until December 31, 2023 that city councils and boards of supervisors

in jurisdictions over 250,000 residents provide both in person and teleconference options for the public to attend their meetings.

The bill is currently on the Governor's desk.

AB 826 (Irwin) - Compensation Earnable. Late into session, this bill was amended into a bill that prescribes that the definition of compensation earnable in CERL includes any form of remuneration, whether paid in cash or as in-kind benefits, if certain requirements are met.

The bill is co-sponsored by SEIU and the Ventura County Board of Supervisors. They argue that some pay items, like their Flexible Benefit Allowance was not clearly addressed in the *Alameda* decision and should not be excluded, because members receive the full cash value, it is a regular, set amount paid every pay period, and it isn't subject to pension spiking or any other manipulation.

In the final days of session, the bill was amended to clarify that the provisions of the bill only apply to Ventura County.

SACRS does not have a position on the bill.

The bill was moved to the inactive file before the Legislature adjourned, making it a two-year bill.

AB 498 (Quirk-Silva) – Compensation Earnable. At the end of session, Assemblymember Quirk-Silva amended her AB 498 to attempt to address a difference of opinion regarding compensation earnable, similar to AB 826 (Irwin) discussed above. Because the bill was just amended, it did not move at the end of session and will be considered next year when the Legislature returns in January.

AB 845 (Rodriguez) - COVID-19 Presumption. This bill creates a rebuttable presumption for members that a COVID-19 related illness contracted on the job must be eligible for an in-service disability retirement. The provisions sunset January 1, 2023. The bill is sponsored by SEIU. The co-chairs of the Legislative Committee have been closely engaged with the sponsor and committee staff working on the legislation to ensure smooth implementation in CERL Systems.

This bill was signed into law by the Governor on July 23.



September 20, 2021

RE: SACRS-Sponsored Legislation in 2022

Dear SACRS Board of Directors,

The SACRS Legislative Committee recommends that SACRS sponsor legislation in 2022 to amend various sections of the County Employees' Retirement Law of 1937 (CERL).

At its September 17, 2021 meeting, the Legislative Committee approved bill language for a CERL Omnibus Bill and recommended approval by the SACRS Board of Directors. If approved by the SACRS membership at the Fall Conference, the bill language can be introduced in January 2022 for consideration during the 2022 legislative session.

The enclosed language reflects the work of Legislative Committee members, in collaboration with system administrators, over the past year to develop non-controversial, technical, and clarifying amendments to the CERL.

A summary matrix and draft bill language are attached.

If you have questions or would like to provide additional feedback, please contact us at dnelsen@acera.org or sterne@saccounty.net.

Respectfully,

/s/

David Nelsen and Eric Stern
Co-Chairs, Legislative Committee

ATTACHMENTS

- Summary Matrix
- Draft Bill Language

2022 CERL Clean-Up Bill

Issue	Gov Code	Topic	Issue/Justification
1	31452.7	Beneficiaries - Designating Estate	This amendment would allow a member to designate a corporation, trust, or estate to receive his or her last check upon death. This does not allow an estate or trust to receive ongoing payments. Note: Members who choose Option 1 already can designate an estate to receive the balance of contributions.
2	31525	Board of Supervisor approval of Board of Retirement regulations	This amendment would delete the requirement that Board of Retirement regulations must be approved by the Board of Supervisors. This language is a holdover from when CERL systems were managed by a county department, and was adopted prior to the passage on Prop.162 in 1992. Adoption of regulations is part of the BOR's duty to administer the system.
3	31641.4	Prior Service -- Military Reserve Service	This amendment would note a potential federal pre-emption issue regarding purchasing prior military reserve service. Current statute establishes that prior service purchases from another public agency must not yield a pension from that agency. However, 10 U.S.C. § 12736 provides that a period of military service may not be excluded from credit towards a civilian employment pension just because that period also counts towards reservist retirement. Thus, the question arises which statute prevails in a conflict between 10 U.S.C. § 12736 and Section 31641.4. The Ninth Circuit Court of Appeal considered that question in Cantwell v. San Mateo County, 631 F.2d 631 (9th Cir. 1980), and determined that federal law overrides Section 31641.4.
4	31646	Service Purchase for FMLA Leave	This amendment would include all leaves that are covered under the FMLA that are not due to the illness of the member.
5	31646.XX	Furloughs	This amendment would provide boards with authority to prevent temporary mandatory furloughs from impacting member benefits under specified circumstances. Similar to CalPERS statutes (see GC 20968, 20969, 20969.1, 20969.2), but granting more discretion to boards, this proposed new code section may help avoid inequities that can arise because of the timing of temporary mandatory furloughs in relation to members' planned retirements.

6	31680.2	Post-Retirement Employment	This amendment would add clarifying language that nonsalaried positions and per diems do not count as double dipping for members appointed to boards and commissions under purview of a participating employer of a county system; similar to language of 7522.57 for state boards and commission.
7	31725.7 31760	Disability Retirement: Optional Allowances	This amendment would allow members to change optional allowance if subsequently granted disability retirement, regardless of when the member filed a Disability Retirement application. Currently, Section 31725.7 only allows a benefit option change for members who retired for service after filing a disability retirement application but does not provide the same ability for those who retired for service before filing an application, even though both members may subsequently be granted a disability retirement.
8	31726 31726.5	Nonservice-connected disability	This amendment restructures the sections to provide more clarity; no substantive changes. The sections on the nonservice-connected disability retirement benefit formula distinguish between those retiring on or after age 65 for general and on or after age 55 for safety versus those retiring under these ages in the same section: 31726 and 31726.5.
9	31730	Disability -- Reinstatement	This amendment addresses the scenario in which an employer does not offer to take the employee back who has been found to no longer be incapacitated. The proposed amendment would convert convert the disability retirement into service retirement without adjusting benefit (i.e. actuarial reduction). This conforms to existing practice of several systems. Note: Similar to GC 21193 in which CalPERS only reinstates if the local employer offers to take the employee back.
10	31761 31762 31763 31764	Beneficiary Designation	This amendment would insert the word "natural" in front of the phrase "person having an insurable interest in his or her life" to clarify that the optional retirement settlement death benefit cannot be paid to a fictitious person such as a trust or corporation.
11	31781	Lump Sum Death Benefit	This amendment would add language consistent with other CERL sections that provide direction on the calculation of compensation earnable and pensionable compensation when the member is on a leave of absence during the 12 months immediately preceding the member's death.

12	31838.5	Concurrent Retirement: Disability	<p>Section 31838.5 prevents windfalls for members who retire for disability from one or more systems. This amendment would clarify that a CERL system must reduce a member's allowance from that system as much as necessary so that the member does not receive a combined allowance that is "greater than the amount the member would have received had all the member's service been with only one entity." The statute currently refers to a pro rata reduction by each system, but some systems (like CalPERS) are not subject to section 31838.5 and do not make any reduction. This may leave the member with the windfall that section 31838.5 is designed to prevent, depending upon how a system calculates its "pro rata" reduction. This statute would make clear that the windfalls section 31838.5 is designed to prevent should always be prevented.</p>
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*SACRS Proposed Legislation
CERL Clean-Up Bill 2022: Draft Language*

Issue 1: 31452.7 – Beneficiaries Designating Estate

This amendment would allow a member to designate a corporation, trust, or estate to receive his or her last check upon death. This does not allow an estate or trust to receive ongoing payments. Note: Members who choose Option 1 already can designate an estate to receive the balance of contributions.

Section 31452.7 of the Government Code is amended to read:

- (a) Upon the death of any member after retirement, any retirement allowance earned but not yet paid to the member shall, notwithstanding any other provision of law, be paid to the member's designated beneficiary.
- (b) Upon the death of any person receiving a survivor's allowance under this chapter, any allowance earned but not yet paid to the survivor shall, notwithstanding any other provision of law, be paid to the survivor's designated beneficiary.
- (c) For purposes of this section, "beneficiary" includes, but is not limited to, a corporation, a trust, or an estate.**

Issue 2: 31525 – BOR Regulations

This amendment would delete the requirement that Board of Retirement regulations must be approved by the Board of Supervisors. This language is a holdover from when CERL systems were managed by a county department, and was adopted prior to the passage on Prop. 162 in 1992. Adoption of regulations is part of the BOR's duty to administer the system.

Section 31525 of the Government Code is amended to read:

The board may make regulations not inconsistent with this chapter, **the Public Employees' Pension Reform Act of 2013, The California Pension Protection Act of 1992, and any other provisions of law applicable to county retirement systems.**
~~The regulations become effective when approved by the board of supervisors.~~

Issue 3: 31641.4 -- Prior Military Reserve Service

This amendment would note a potential federal pre-emption issue regarding purchasing prior military reserve service. Current statute establishes that prior service purchases from another public agency must not yield a pension from that agency. However, 10 U.S.C. § 12736 provides that a period of military service may not be excluded from credit towards a civilian employment pension just because that period also counts towards reservist retirement. Thus, the question arises which statute prevails in a

*SACRS Proposed Legislation
CERL Clean-Up Bill 2022: Draft Language*

*conflict between 10 U.S.C. § 12736 and Section 31641.4. The Ninth Circuit Court of Appeal considered that question in *Cantwell v. San Mateo County*, 631 F.2d 631 (9th Cir. 1980), and determined that federal law overrides Section 31641.4.*

Section 31641.4 of the Government Code is amended to read:

A member shall receive credit for employment in public service only for such service as he is not entitled to receive a pension or retirement allowance from such public agency. The service for which he elects to contribute and the fact that no pension or retirement allowance will accrue to such member by virtue of his employment in such public agency must be certified to by an officer of the public agency where he rendered such public service or must be established to the satisfaction of the board. **Nothing in this paragraph prohibits a member from receiving credit for a period of federal public service where federal law expressly permits such credit even though the member is already entitled to receive a pension or retirement allowance from that service (*Cantwell v. San Mateo County*, 631 F.2d 631 (9th Cir. 1980)).**

Issue 4: 31646 – Credit for Uncompensated Leave of Absence for Illness; Parental Leave; Conditions

This amendment would include all leaves that are covered under the FMLA that are not due to the illness of the member.

Section 31646 of the Government Code is amended to read:

(a) A member who returns to active service following an uncompensated leave of absence on account of illness may receive service credit for the period of the absence upon the payment of the contributions that the member would have paid during that period, together with the interest that the contributions would have earned had they been on deposit, if the member was not absent. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(b) (1) A member who returns to active service following an uncompensated leave of absence on account of parental leave may receive service credit for the period of the absence upon the payment of the contributions that the member and the employer would have paid during that period, together with the interest that the contributions would have earned had they been on deposit, if the member was not absent. For purposes of this subdivision, parental leave is defined as any time, up to one year, during which a member is granted an approved maternity or paternity leave and returns to employment at the end of the approved leave for a period of time at least equal to that leave. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is

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claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(2) This subdivision shall not be operative until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable to that county and applies it to parental leave that commences after the adoption by the board of supervisors.

(c) (1) A member who returns to active service following an uncompensated leave of absence on account of the serious illness of a family member when the absence is eligible for coverage under the Family Medical Leave Act, 29 U.S.C. section 2601 et. seq., or the California Family Rights Act, Government Code section 12945 et. seq., may receive service credit for the period of the absence upon the payment of the contributions that the member and the employer would have paid during that period, together with the interest that the contributions would have earned had they been on deposit, if the member was not absent. For purposes of this subdivision, leave on account of illness of a family member is defined as any time, up to one year, during which a member is granted an approved leave to care for a seriously ill family member and returns to employment at the end of the approved leave for a period of time at least equal to that leave. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(2) This subdivision shall not be operative until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable to that county and applies it to leave that commences after the adoption by the board of supervisors.

Issue 5: 31646.XX – Furloughs

This amendment would provide boards with authority to prevent temporary mandatory furloughs from impacting member benefits under specified circumstances. Similar to CalPERS statutes (see GC 20968, 20969, 20969.1, 20969.2), but granting more discretion to boards, this proposed new code section may help avoid inequities that can arise because of the timing of temporary mandatory furloughs in relation to members' planned retirements.

Section 31646.XX of the Government Code is added to read:

The board may grant members who are subject to a temporary mandatory furlough the same service credit and “compensation earnable” or “pensionable compensation” to which the members would have been entitled in the absence of the temporary mandatory furlough. The board may condition such grant on the receipt of additional member and/or employer contributions that the board

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determines are necessary to fund any benefits granted under this section on an actuarially sound basis.

For the purposes of this section, a “temporary mandatory furlough” refers to time during which a member is directed to be absent from work without pay for up to one quarter of the member’s normal working hours, with such reduced working hours in place for no longer than two years.

Issue 6: 31680.20 – Postretirement Employment

This amendment would add clarifying language that nonsalaried positions and per diems do not count as double dipping for members appointed to boards and commissions under purview of a participating employer of a county system; similar to language of 7522.57 for state boards and commission.

Section 31680.20 of the Government Code is added to read:

A person who is retired under this chapter may serve without reinstatement from retirement or loss or interruption of benefits under this chapter or the Public Employees’ Pension Reform Act of 2013 provided the service is on a part-time state, county, city, district, or other political subdivision board or commission. A retired person whose employment without reinstatement is authorized by this subdivision shall acquire no benefits, service credit, or retirement rights with respect to the employment. Part-time service is limited to less than 20 hours per week, and salary or stipend of the part-time service may not exceed \$60,000 annually.

Issue 7: 31725.7, 31760 – Disability Retirement: Optional Allowances

This amendment would allow members to change optional allowance if subsequently granted disability retirement, regardless of when the member filed a Disability Retirement application. Currently, Section 31725.7 only allows a benefit option change for members who retired for service after filing a disability retirement application but does not provide the same ability for those who retired for service before filing an application, even though both members may subsequently be granted a disability retirement.

Section 31725.7 of the Government Code is amended to read:

(a) At any time after filing an application for disability retirement with the board, the member may, if eligible, apply for, and the board in its discretion may grant, a service retirement allowance pending the determination of his or her entitlement to disability retirement. If he or she is found to be eligible for disability retirement, appropriate

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adjustments shall be made in his or her retirement allowance retroactive to the effective date of his or her disability retirement as provided in Section 31724.

(b) Notwithstanding subdivision (a), this section shall also apply to a member retired for service who subsequently files an application for disability retirement with the board. If he or she is found to be eligible for disability retirement, appropriate adjustments shall be made in his or her retirement allowance retroactive to the effective date of his or her disability retirement as provided in Section 31724.

~~(b)(c)~~ This section shall not be construed to authorize a member to receive more than one type of retirement allowance for the same period of time nor to entitle any beneficiary to receive benefits which the beneficiary would not otherwise have been entitled to receive under the type of retirement which the member is finally determined to have been entitled. In the event a member retired for service is found not to be entitled to disability retirement he or she shall not be entitled to return to his or her job as provided in Section 31725.

~~(e)(d)~~ If the retired member should die before a final determination is made concerning entitlement to disability retirement, the rights of the beneficiary shall be as selected by the member at the time of retirement for service. The optional or unmodified type of allowance selected by the member at the time of retirement for service shall also be binding as to the type of allowance the member receives if the member is awarded a disability retirement.

~~(d)(e)~~ Notwithstanding subdivision ~~(e)(d)~~, if the retired member should die before a final determination is made concerning entitlement to disability retirement, the rights of the beneficiary may be as selected by the member at the time of retirement for service, or as if the member had selected an unmodified allowance. The optional or unmodified type of allowance selected by the member at the time of retirement for service shall not be binding as to the type of allowance the member receives if the member is awarded a disability retirement. A change to the optional or unmodified type of allowance shall be made only at the time a member is awarded a disability retirement and the change shall be retroactive to the service retirement date and benefits previously paid shall be adjusted. If a change to the optional or unmodified type of allowance is not made, the benefit shall be adjusted to reflect the differences in retirement benefits previously received. This paragraph shall only apply to members who retire on or after January 1, 1999.

Section 31760 of the Government Code is amended to read:

(a) Except as provided in subdivisions **(b) and (c)**, until the first payment of any retirement allowance is made, a member or retired member, in lieu of the retirement allowance for the member's life alone, may elect to have the actuarial equivalent of his or her retirement allowance as of the date of retirement applied to a lesser retirement

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allowance payable throughout life in accordance with one of the optional settlements specified in this article.

(b) Notwithstanding subdivision (a), a member who applies for disability and is subsequently granted a service retirement pending a determination of entitlement to disability may change the type of optional or unmodified allowance that he or she elected at the time the service retirement was granted, subject to the provisions of Section 31725.7.

(c) Notwithstanding subdivision (a), a member retired for service who applies for and is subsequently granted a disability retirement may change the type of optional or unmodified allowance that he or she elected at the time the service retirement was granted, subject to the provisions of Section 31725.7.

Issue 8: Sections 31726 and 31726.5: Nonservice-connected disability

This amendment restructures the sections to provide more clarity; no substantive changes. The sections on the nonservice-connected disability retirement benefit formula distinguish between those retiring on or after age 65 for general and on or after age 55 for safety versus those retiring under these ages in the same section: 31726 and 31726.5.

Section 31726 of the Government Code is amended to read:

(a) Upon retirement for ~~non-service~~**nonservice**-connected disability a member who has attained age 65 shall receive his or her service retirement allowance.

(b) Every member under age 65 who is retired for ~~non-service~~**nonservice**-connected disability and who is not simultaneously retired as a member on deferred retirement of the ~~State~~**Public** Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of the following:

~~(a)~~**(1)** The sum to which he or she would be entitled as service retirement; or

~~(b)~~**(2)** A sum which shall consist of ~~any of the following~~:

~~(1)~~**(A)** An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement.

~~(2)~~**(B)** If, in the opinion of the board, his or her disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district.

~~(3)~~**(C)** If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district. This paragraph

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shall only apply to a person who becomes a member of the system on or after January 1, 1988.

Section 31726.5 of the Government Code is amended to read:

(a) Upon retirement for nonservice-connected disability a safety member who has attained age 55 shall receive his or her service retirement allowance.

(b) Every safety member under age 55 who is retired for nonservice-connected disability and who is not simultaneously retired as a member on deferred retirement of the Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of:

~~(a)~~(1) The sum to which he or she would be entitled to as service retirement; or

~~(b)~~(2) A sum which shall consist of:

~~(4)~~(A) An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement.

~~(2)~~(B) If, in the opinion of the board, his or her disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district.

~~(3)~~(C) If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district.

~~Paragraph 3~~Subparagraph (C) shall only apply to a person who becomes a member of the association on or after January 1, 1988.

Issue 9: 31730 – Disability Reinstatement

This amendment addresses the scenario in which an employer does not offer to take the employee back who has been found to no longer be incapacitated. The proposed amendment would convert convert the disability retirement into service retirement without adjusting benefit (i.e. actuarial reduction). This conforms to existing practice of several systems. Note: Similar to GC 21193 in which CalPERS only reinstates if the local employer offers to take the employee back.

Section 31730 of the Government Code is amended to read as follows:

(a) If the board determines that the beneficiary is not incapacitated, and his or her employer offers to reinstate that beneficiary, his or her retirement allowance shall be

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canceled forthwith, and he or she shall be reinstated in the county service pursuant to the regulations of the county or district for reemployment of personnel.

(b) If the board determines that the beneficiary is not incapacitated, and his or her employer does not offer to reinstate that beneficiary, notwithstanding any requirement of this chapter regarding eligibility therefor, his or her retirement allowance shall be reclassified to a service retirement in the same amount and subject to any applicable future cost of living adjustments. The optional or unmodified type of allowance selected by the beneficiary at the time of retirement for disability shall be binding as to the service retirement.

Issue 10: 31761, 31762, 31763, and 31764 – Optional Retirement Allowances:

This amendment would insert the word “natural” in front of the phrase “person having an insurable interest in his or her life” to clarify that the optional retirement settlement death benefit cannot be paid to a fictitious person such as a trust or corporation.

Sections 31761, 31762, 31763, and 31764 of the Government Code are amended to read:

31761 – Optional settlement 1 consists of the right to elect in writing to have a retirement allowance paid him or her until his or her death and, if he or she dies before he or she receives in annuity payments the amount of his or her accumulated contributions at retirement, to have the balance at death paid to his or her estate or to the natural person, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board.

31762 – Optional settlement 2 consists of the right to elect in writing to have a retirement allowance paid to him or her until his or her death, and thereafter to the natural person, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board at the time of his or her retirement.

31763 – Optional settlement 3 consists of the right to elect in writing to have a retirement allowance paid him or her until his or her death, and thereafter to have one-half of his or her retirement allowance paid to the natural person, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board at the time of his or her retirement.

31764 – Optional settlement 4 consists of the right to elect in writing to have a retirement allowance paid him or her until his or her death and thereafter to have other benefits as are approved by the board, upon the advice of the actuary, continued throughout the life of and paid to the natural persons, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board at the time of his or her retirement. The designation shall not, in the opinion of the board and the actuary, place any additional burden upon the retirement system.

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Issue 11: 31781 – Death Benefit; Elements

This amendment would add language consistent with other CERL sections that provide direction on the calculation of compensation earnable and pensionable compensation when the member is on a leave of absence during the 12 months immediately preceding the member's death.

Section 31781 of the Government Code is amended to read:

The death benefit shall consist of:

- (a) The member's accumulated contributions.
- (b) An amount, provided from contributions by the county or district, equal to one-twelfth of the annual compensation earnable or pensionable compensation as defined in Section 7522.34, whichever is applicable, by the deceased during the 12 months immediately preceding his death, multiplied by the number of completed years of service under the system, but not to exceed 50 percent of such annual compensation. The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence.

Issue 12: 31838.5 – Concurrent Retirement; Disability

Section 31838.5 prevents windfalls for members who retire for disability from one or more systems. This amendment would clarify that a CERL system must reduce a member's allowance from that system as much as necessary so that the member does not receive a combined allowance that is "greater than the amount the member would have received had all the member's service been with only one entity." The statute currently refers to a pro rata reduction by each system, but some systems (like CalPERS) are not subject to section 31838.5 and do not make any reduction. This may leave the member with the windfall that section 31838.5 is designed to prevent, depending upon how a system calculates its "pro rata" reduction. This statute would make clear that the windfalls section 31838.5 is designed to prevent should always be prevented.

Section 31838.5 of the Government Code is amended to read:

No provision of this chapter shall be construed to authorize any member, credited with service in more than one entity and who is eligible for a disability allowance, whether service connected or nonservice connected to receive an amount from one county that, when combined with any amount from other counties or the Public Employees' Retirement System, results in a disability allowance greater than the amount the member would have received had all the member's service been with only one entity.

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In cases of service-connected disability allowances only, the limitation on disability allowances provided for in this section shall apply to service-connected disability allowances payable to those who, after being employed with another county or an entity within the Public Employees' Retirement System, become employed by a second public entity on or after January 1, 1984.

Each entity shall calculate its respective obligations based upon the member's service with that entity and each shall adjust its payment on a pro rata basis. **If, however, another entity does not reduce the amount it pays the member, an entity subject to this section shall reduce the allowance it pays the member by as much as necessary to ensure that the member does not receive a disability allowance greater than the amount the member would have received had all the member's service been with only one entity.**



6. SACRS Nomination Committee – 2022-2023 SACRS Election Notice – No Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

A. SACRS Election Notice 2022-2023



August 24, 2021

To: SACRS Trustees & SACRS Administrators/CEO's
From: Dan McAllister, SACRS Immediate Past President, Nominating Committee Chair
SACRS Nominating Committee
Re: SACRS Board of Director Elections 2022-2023 - Elections Notice

SACRS BOD 2022-2023 election process will begin January 2022. Please provide this election notice to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2022	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.
March 25, 2022	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 13, 2022	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 13, 2022	Board of Directors take office for 1 year

Per SACRS Bylaws, Article VIII, Section 1. Board of Director and Section 2. Elections of Directors:

Section 1. Board of Directors. *The Board shall consist of the officers of SACRS as described in Article VI, Section 1, the immediate Past President, and two (2) regular members*

A. Immediate Past President. *The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate Past President is unable to serve on the Board, the most recent Past President who qualifies shall serve as a member of the Board.*

B. Two (2) Regular Members. *Two (2) regular members shall also be members of the Board with full voting rights.*

Section 2. Elections of Directors. *Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.*

The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25.



The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.

Director elections shall take place during the first regular meeting of each calendar year. The election shall be conducted by an open roll call vote, and shall conform to Article V, Sections 6 and 7 of these Bylaws.

Newly elected Directors shall assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer shall co-serve with the newly elected Treasurer through the completion of the current fiscal year.

The elections will be held at the SACRS Spring Conference May 10 – 13, 2022 at the Rancho Las Palmas, Rancho Mirage, CA. Elections will be held during the Annual Business meeting on Friday, May 13, 2022.

If you have any questions, please contact Dan McAllister, Dan.McAllister@sdcounty.ca.gov

Thank you for your prompt attention to this timely matter.

Sincerely,

Dan McAllister

Dan McAllister, San Diego CERA Trustee & San Diego County Treasurer Tax Collector
SACRS Nominating Committee Chair

CC: SACRS Board of Directors
SACRS Nominating Committee Members
Sulema H. Peterson, SACRS Executive Director



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2022-2023**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2022.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name:
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: Email Address: Phone:
Name of Retirement System Candidate Currently Serves On	System Name:
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<ul style="list-style-type: none"><input type="radio"/> Chair<input type="radio"/> Alternate<input type="radio"/> General Elected<input type="radio"/> Retiree<input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<ul style="list-style-type: none"><input type="radio"/> President<input type="radio"/> Vice President<input type="radio"/> Treasurer<input type="radio"/> Secretary<input type="radio"/> Regular Member
Brief Bio	



7. SACRS Audit Report – No Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS Annual Audit Update



No printed materials for this item



8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

A. SACRS Annual Fall Conference 2021 Evaluations/Feedback



No printed materials for this item



9. SACRS Program Committee Report – No Action

Kathryn Cavness, Mendocino CERA, SACRS Program Committee Chair

A. SACRS Annual Fall Conference 2021 report



No printed materials for this item



10. SACRS Affiliate Committee Report – No Action

Scott Draper, Algert Global, SACRS Affiliate Committee Chair

A. Affiliate Committee report



Providing insight. Fostering oversight.

No printed materials for this item



11. SACRS Bylaws Committee Report – No Action

Chair Position Open, SACRS Bylaws Committee Chair

A. No report



No printed materials for this item



12. SACRS Fall Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

- A. Administrators
- B. Counsel
- C. Disability/ Operations & Benefits Combo
- D. Internal Auditors
- E. Investment Officers
- F. Safety Trustees
- G. General Trustees



No printed materials for this item



13. Adjournment

Next scheduled SACRS Association Business Meeting will be held Friday, May 13, 2022 at the Rancho Las Palmas Hotel in Rancho Mirage, CA.



EDELSTEIN GILBERT ROBSON & SMITH^{LLC}

Donald B. Gilbert Michael R. Robson Trent E. Smith Jason D. Ikerd Bridget E. McGowan

October 7, 2021

TO: State Association of County Retirement Systems
FROM: Edelstein Gilbert Robson & Smith, LLC
RE: **Legislative Update – October 2021**

General Update

The Legislature adjourned for interim recess on September 10 after passing roughly 700 bills out of the Legislature and onto the Governor's desk. The Governor has until October 10 to consider these bills. Below is an update on the outcomes of the bills SACRS has been following closely.

Legislation of Interest

SB 634 (Committee on Labor, Public Employment, and Retirement) - SACRS Sponsored Bill. This bill makes a few clarifying changes to the CERL, including clarifying that a 37 Act Retirement board may contract with a private physician to provide medical advice to the board to process disability claims and changing an obsolete code reference related to when a 37 Act system member may opt to continue as a member of the 37 Act system instead of enrolling in CalSTRS.

The Governor signed this bill into law on September 16.

AB 361 (Rivas) - Virtual Meetings for Declared Emergencies. This bill is sponsored by the CA Special Districts Association and would codify the Governor's Executive Order allowing for teleconference for declared emergencies. The bill would require local agencies to re-declare an emergency every 30 days that would then allow them to continue meeting remotely.

Recent amendments add an urgency clause so the bill will go into effect immediately after it is signed.

The Governor signed this bill into law on September 16. Because the existing Brown Act Executive Order expired on September 30, the Governor also issued an Executive Order to make the provisions of AB 361 effective October 1, so the two standards do not conflict.

AB 339 (Lee) – Large City Council and Board of Supervisor Public Meetings – This bill would require until December 31, 2023 that city councils and boards of supervisors

in jurisdictions over 250,000 residents provide both in person and teleconference options for the public to attend their meetings.

The bill is currently on the Governor's desk.

AB 826 (Irwin) - Compensation Earnable. Late into session, this bill was amended into a bill that prescribes that the definition of compensation earnable in CERL includes any form of remuneration, whether paid in cash or as in-kind benefits, if certain requirements are met.

The bill is co-sponsored by SEIU and the Ventura County Board of Supervisors. They argue that some pay items, like their Flexible Benefit Allowance was not clearly addressed in the *Alameda* decision and should not be excluded, because members receive the full cash value, it is a regular, set amount paid every pay period, and it isn't subject to pension spiking or any other manipulation.

In the final days of session, the bill was amended to clarify that the provisions of the bill only apply to Ventura County.

SACRS does not have a position on the bill.

The bill was moved to the inactive file before the Legislature adjourned, making it a two-year bill.

AB 498 (Quirk-Silva) – Compensation Earnable. At the end of session, Assemblymember Quirk-Silva amended her AB 498 to attempt to address a difference of opinion regarding compensation earnable, similar to AB 826 (Irwin) discussed above. Because the bill was just amended, it did not move at the end of session and will be considered next year when the Legislature returns in January.

AB 845 (Rodriguez) - COVID-19 Presumption. This bill creates a rebuttable presumption for members that a COVID-19 related illness contracted on the job must be eligible for an in-service disability retirement. The provisions sunset January 1, 2023. The bill is sponsored by SEIU. The co-chairs of the Legislative Committee have been closely engaged with the sponsor and committee staff working on the legislation to ensure smooth implementation in CERL Systems.

This bill was signed into law by the Governor on July 23.