



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 JOINT MEETING OF THE BOARD OF RETIREMENT AND THE TULARE COUNTY BOARD OF SUPERVISORS AND

REGULAR MEETING OF THE BOARD OF RETIREMENT

Wednesday, October 11, 2023 at 8:30 a.m.

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

NOTICE TO THE PUBLIC

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.

Persons wishing to listen to the meeting in progress may access a live stream link located on TCERA's website www.tcera.org.

PUBLIC COMMENTS:

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. 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).)

In Person: 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.

Zoom: Persons wishing to participate in public comment remotely may call the TCERA Office during regular business hours (Monday through Friday, 8:00 a.m. to 5:00 p.m.) within 48 hours of the meeting at 559-713-2900 for access information. In an effort to assist the Board Secretary in identifying the agenda item relating to your public comment, please indicate the agenda item number in the chat feature.

Email: Members of the public may also submit public comment via U.S. mail or via email to BORPublicComment@tularecounty.ca.gov before the meeting. The comments received via U.S. mail or email before the meeting will be read to the Board of Retirement in open session during the meeting as long as the comments meet the requirements for Public Comments as posted in the agenda.

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. JOINT MEETING ITEMS

1. Educational presentation from Cheiron regarding June 30, 2023 actuarial information including preliminary results of the three-year experience study, TCERA actuarial data, statistics, assumptions, and projections.

VII. SUPERVISOR / TRUSTEE / STAFF COMMENTS

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

VIII. ADJOURN THE JOINT MEETING OF THE BOARD OF RETIREMENT AND THE TULARE COUNTY BOARD OF SUPERVISORS

IX. CONVENE AS THE BOARD OF RETIREMENT

X. 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.

XI. X-AGENDA ITEMS

XII. CONSENT CALENDAR

1. Approve Minutes of the following meetings:
 - a. Retirement Board Minutes of September 27, 2023.
2. Approve payments to:
 - a. Verus – invoice for investment consulting services in the amount of \$22,500 for the month ended September 30, 2023.
 - b. Leeward Investments – invoice for investment management services in the amount of \$53,536.97 for the quarter ended September 30, 2023.
3. Pension Board Reports and Actions
 - a. Ratify Retirement Administrator actions regarding Retirement Application approvals and Option Selections for the month of September 2023.
 - b. Approve Reports regarding Retirement Applications, Option Selections and Deceased Pensioners and 30-Year Members for the month of September 2023.
4. Administrative Financial Reports and Actions

- a. TCERA and TCERA Property, Inc. Preliminary Financial Statements – August 31, 2023.

XIII. NEW BUSINESS

1. Discussion and possible action regarding Cheiron actuarial information including preliminary results of the three-year experience study, TCERA actuarial data, statistics, assumptions, and projections dated June 30, 2023.

I. OLD BUSINESS

1. Education policy revision. Discussion and possible action.

II. EDUCATION ITEMS

1. Discussion and possible action regarding Summary Education Reports as filed:
 - a. Jorge Garcia-Perez – CALAPRS Principles of Pension Governance – August 28-31, 2023, 15.5 Hours
 - b. Leanne Malison – CALAPRS Administrators Institute – September 27 - 29, 2023, 10.25 Hours
 - c. Leanne Malison – BlackRock Global Outlook Q4 Update – October 4, 2023, 1 Hour
2. Discussion and possible action regarding available educational events.

XVIII. UPCOMING MEETINGS

1. Board of Retirement Meeting October 25, 2023, 8:30 a.m.
2. Board of Retirement Meeting November 1, 2023, 8:30 a.m.
3. Board of Retirement Meeting November 15, 2023, 8:30 a.m.
4. Administrative Committee Meeting November 15, 2023, 10:00 a.m.
5. Trustee Education/Presentation Calendar – Discussion and possible action.

XIX. TRUSTEE/STAFF COMMENTS

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

XX. 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.



Tulare County Employees' Retirement Association

June 30, 2023 Preliminary Valuation Results and Experience Study

Presented by Graham Schmidt and Steven Hastings, Cheiron

Agenda



Key findings from actuarial valuation

Present highlights from valuation including funded status and contribution requirements



Plan experience 2020-2023

Review experience study results including investment return, salary increases, retirements, terminations, etc.



Proposed changes

Summarize proposed changes to actuarial assumptions based on experience study

This covers the key topics for understanding the preliminary results of the actuarial valuation and experience study.



Background

The valuation process provides an actuarial assessment of the projected benefits expected to be paid under the plan. The goals are to determine the funded status and required contributions to support the long-term sustainability of the plan.


Results in this presentation are preliminary, and still subject to peer review.

Plan Demographics as of June 30, 2023

4,505 
Active Participants (up by 73 from prior year)

3,682 
Participants Receiving a Benefit (up by 97 from prior year)

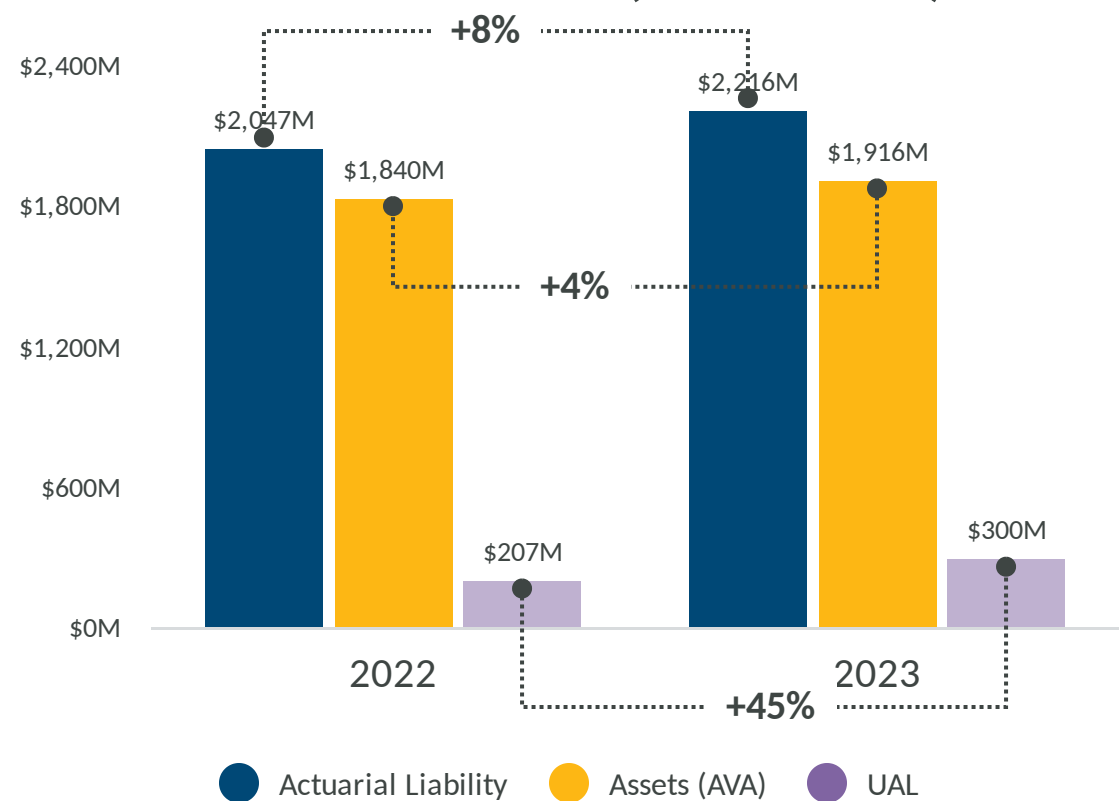
2,633 
Deferred / Inactive Participants (up by 166 from prior year)

323.0 
FYE 2024 Projected Employer Payroll (\$M; increased by 10.1% from prior estimate of \$293M for FYE 2023)

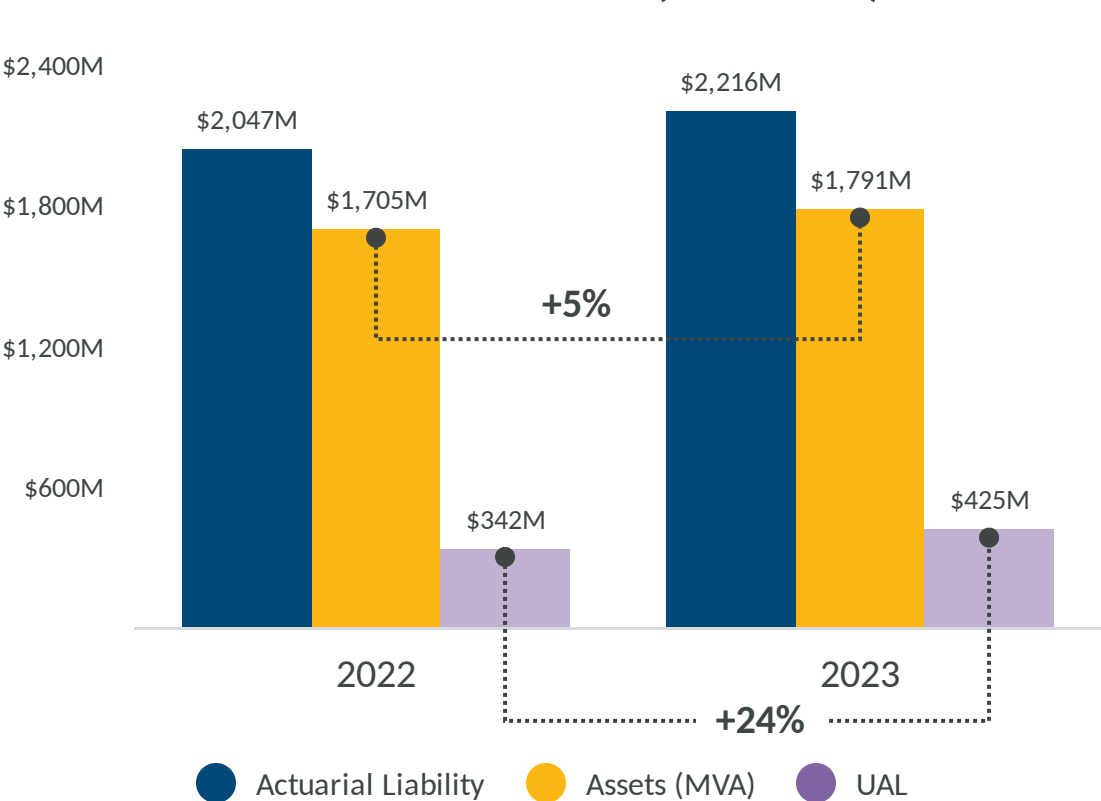
Funded Status

Results under Current Assumptions

Funded Status (Smoothed)

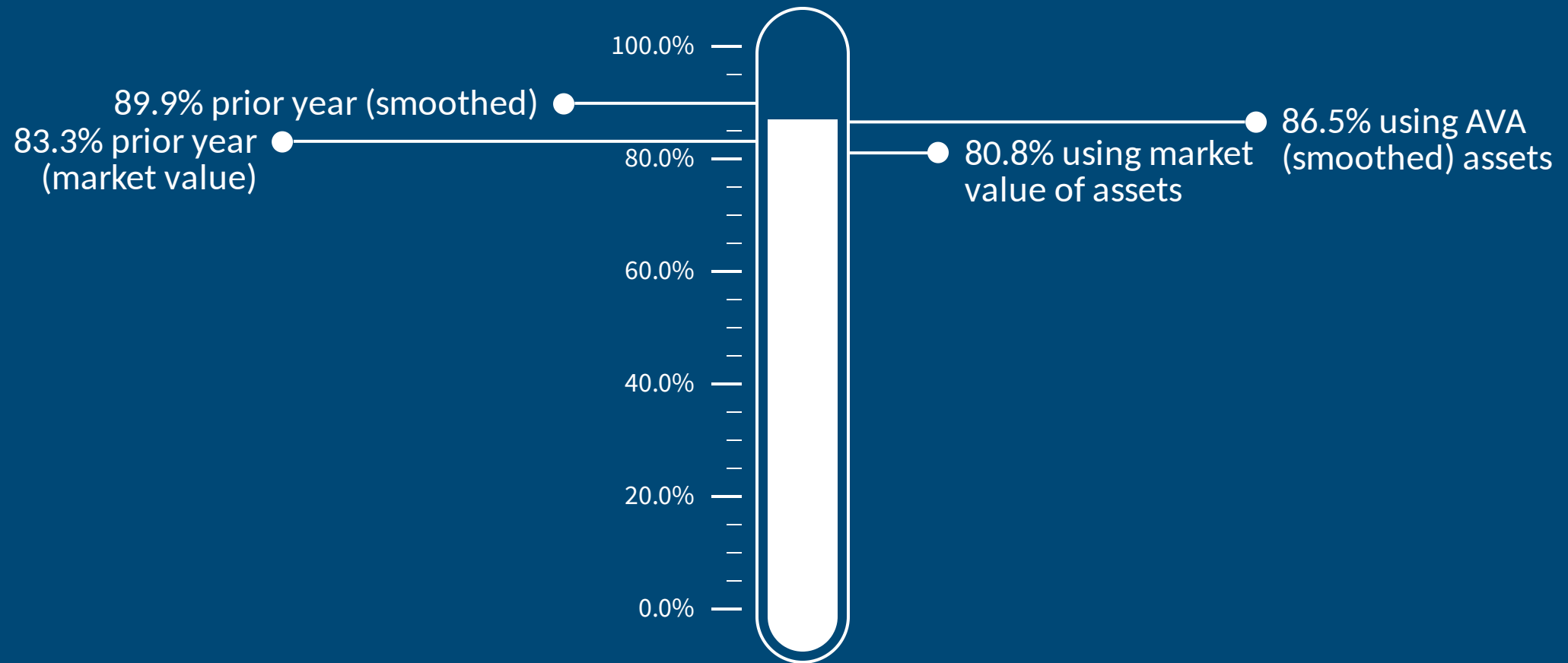


Funded Status (Market)



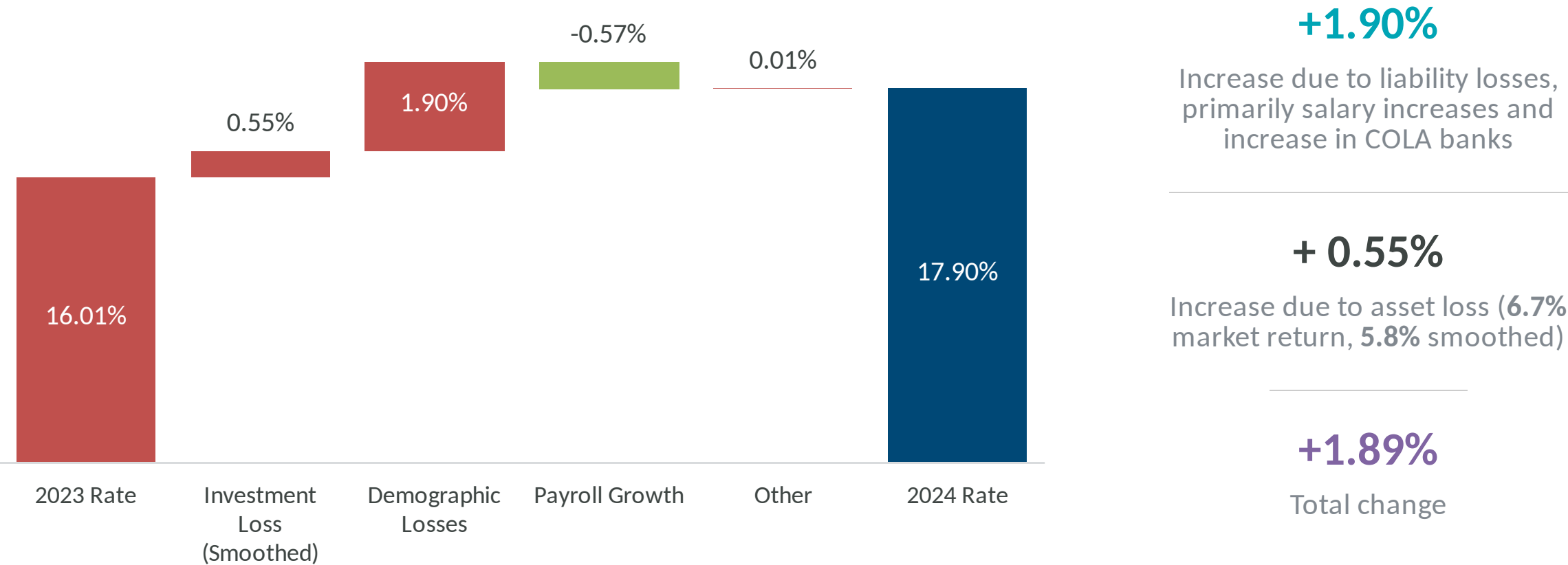
Funded Ratios

Results under Current Assumptions



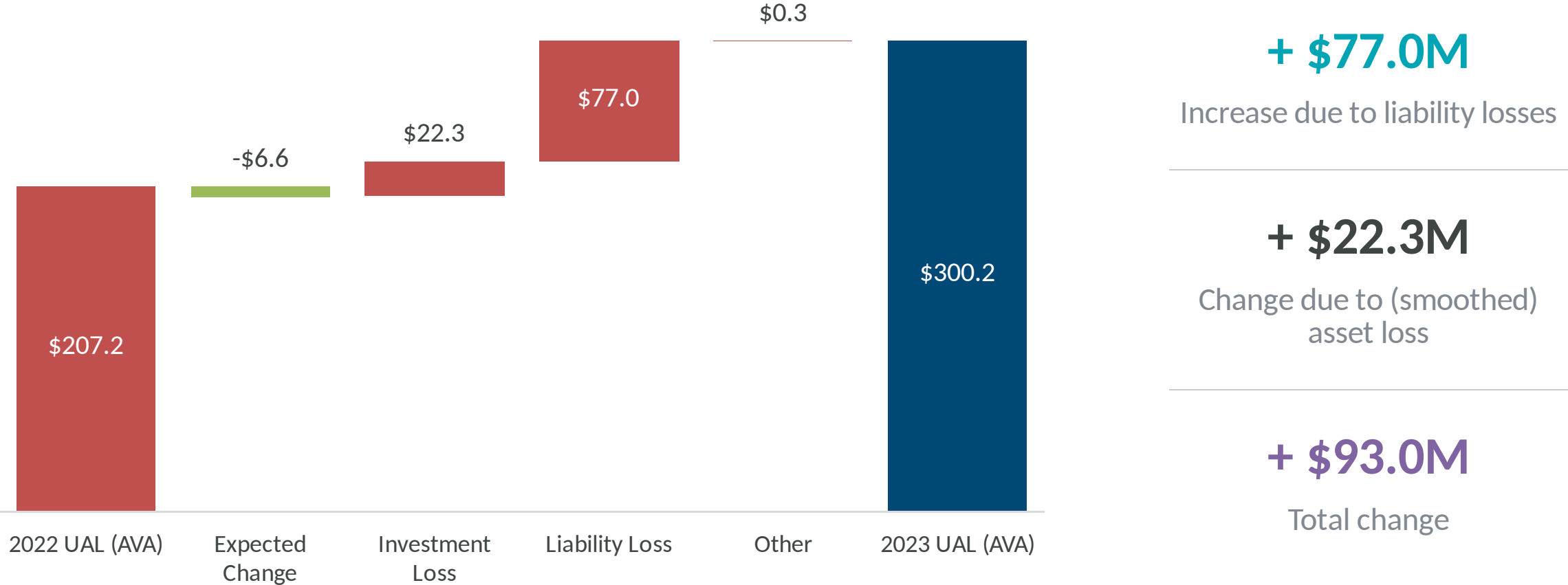
Contribution Reconciliation (current assumptions)

Employer Rate (% of Pensionable Payroll)



UAL Reconciliation (current assumptions)

\$ in Millions



Experience Study

Preliminary Findings



Experience Study Overview

- Study performed every three years
- Assumptions needed to project each member's benefits and calculate the liability
- Ultimate cost of benefits depends on actual experience
 - Actual investment returns and participant behavior
 - Actual benefits paid are not affected by actuarial assumptions
- Accurate assumptions produce level costs



Economic Assumptions

Inflation Rate

- Current assumption 2.75%
- Based on expected increase in CPI
- Building block for other assumptions

Wage Growth

- Current assumption 3.00%
- Inflation + Real Wage Growth

Investment Return

- Current assumption 7.00%, net of investment and administrative expenses
- Expected investment returns based on capital market assumptions

COLA Assumption

- Current assumption 2.60% for Tier 1, 2.00% for Tiers 2-4
- Based on inflation assumption, with adjustments for COLA caps / banks



Price Inflation

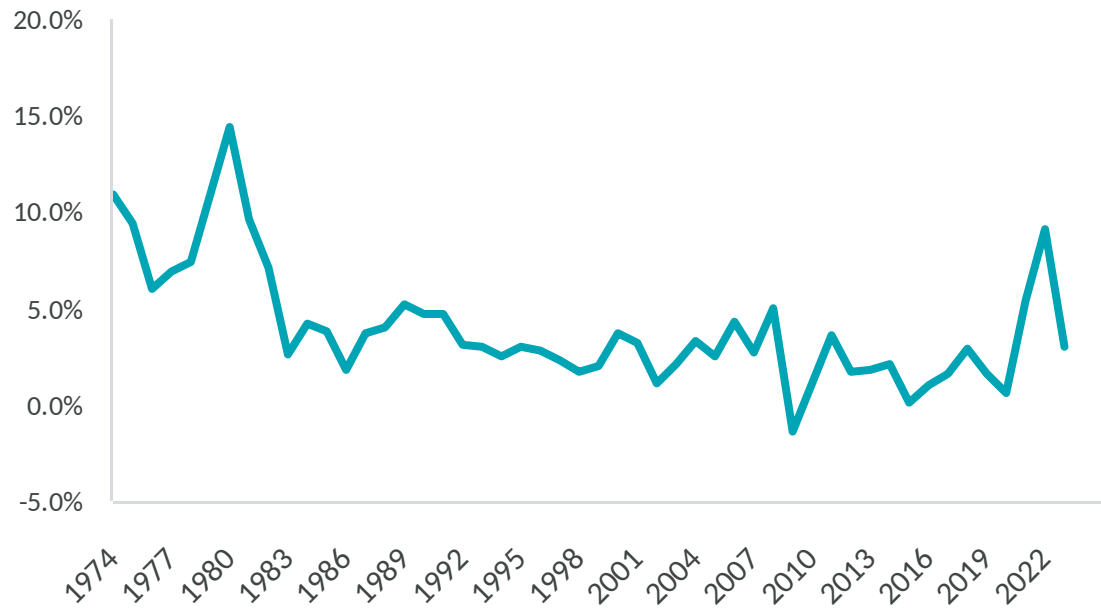
The foundation for all other economic assumptions

Have recent changes in inflation changed our long-term outlook?

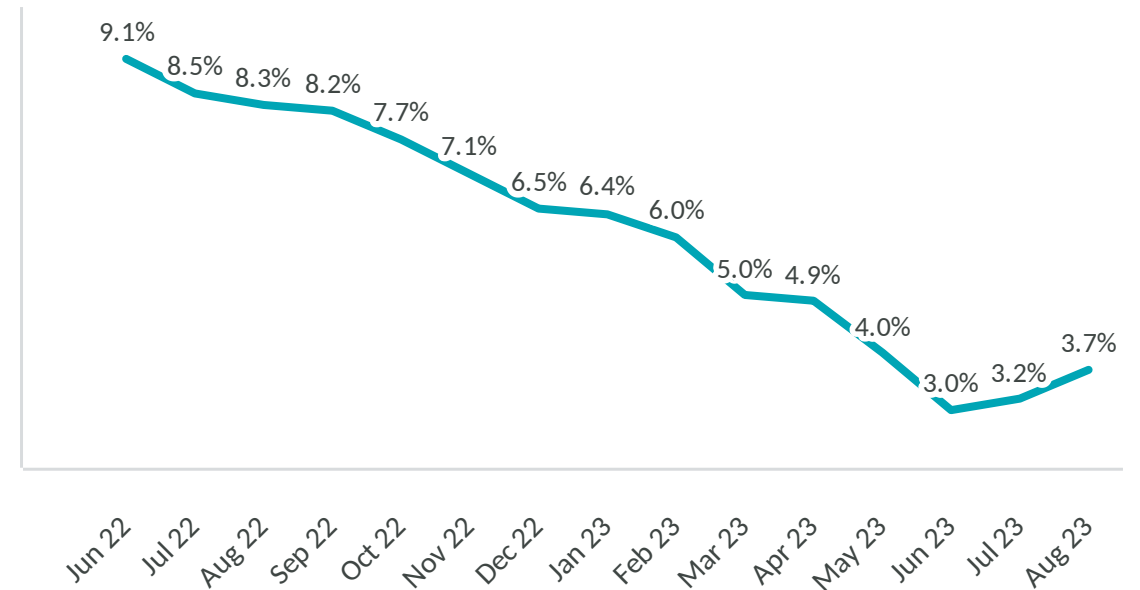
Price Inflation

Historical Inflation Rates

Annual Rates of Inflation (Jun/Jun, CPI-U)



Recent Annualized Inflation Rates (CPI-U)



Inflation has trended downward over the past 50 years, but with a significant spike in 2022. However, year-over-year inflation has been trending down since peaking in June 2022.

Price Inflation

Industry Trends

Surveys of CPI Assumptions



- The median of all surveys is at 2.50% or just below
- Survey of Professional Forecasters (from the Federal Reserve Bank of Philadelphia) is a 10-year average annual forecast
- Horizon Survey consists of 40 investment consultants' 20-or-more year horizon of inflation
- 36 of the 39 California systems have a price inflation assumption of 2.5% or higher

Price Inflation

Market Expectations

Break-Even Inflation



- Break-even inflation is the difference in yields between conventional treasury bonds and Treasury Inflation-Protect Securities (TIPS)

It represents a market estimate of future inflation

Wage Growth

Pay for members expected to grow by Base Wage Growth (economic assumption), plus individual amount based on merit/longevity (demographic assumption)

Currently assume Base Wage Growth is 3.00%: 2.75% for inflation plus 0.25% "real" wage growth

Arguments for increasing wage growth assumption

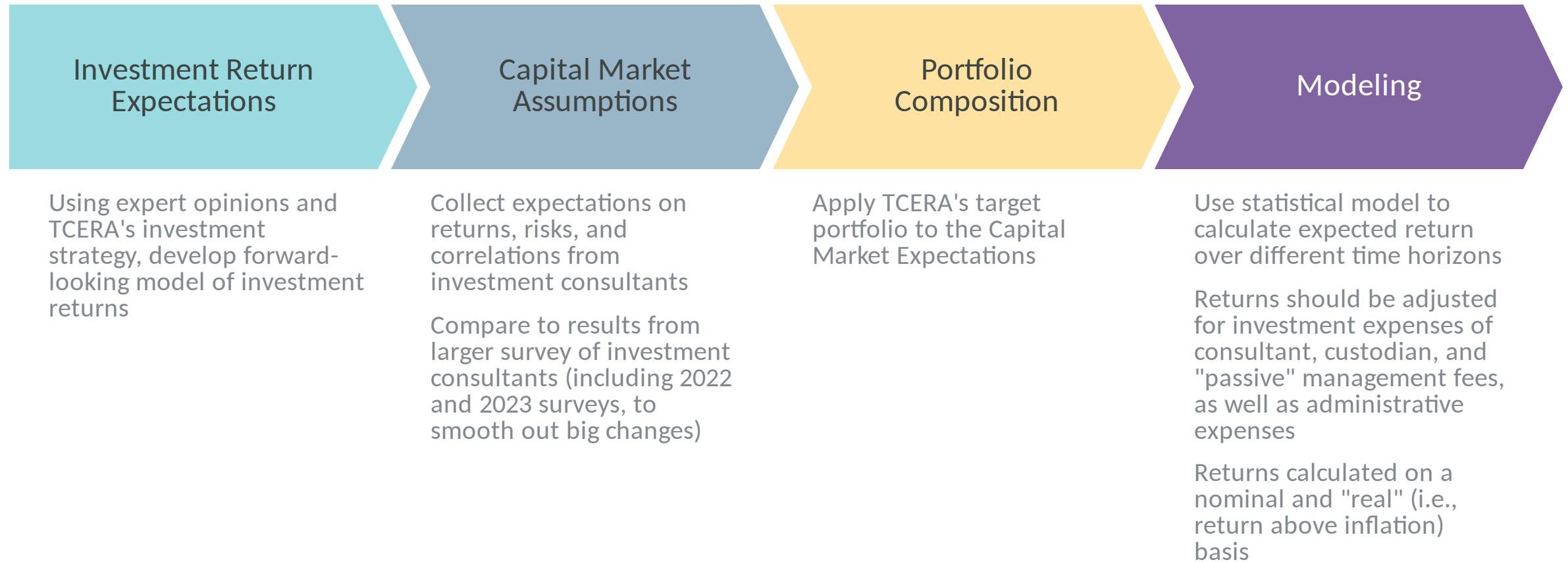
- Inflationary / compensation pressures
- Social Security Administration assumes substantially more real wage growth (1.1% in 2024 Trustees report)

Arguments for maintaining wage growth assumption

- Budgetary pressures
- Evidence shows *mean* wages grow faster than *median* wages (more reflective of public employer workforce)
- Average rate of pay for TCERA members has increased by 5.1% annually over last 3 years, vs. inflation (Riverside CPI-U) of 6.4% per year

Investment Return Assumption

Process for Calculating



Modeling Results

Investment Return Assumption

All returns reflect 20 basis point adjustment for non-management investment and administrative expenses

| 10-year Assumptions | Nominal | Inflation | Real |
|-----------------------|-------------|-------------|-------------|
| Verus (2023) | 7.6% | 2.5% | 5.1% |
| Verus (2022) | 6.3% | 2.5% | 3.8% |
| Horizon (2023 Survey) | 7.3% | 2.6% | 4.8% |
| Horizon (2022 Survey) | 5.8% | 2.5% | 3.4% |
| Average | 6.7% | 2.5% | 4.2% |

| 20-30 year Assumptions | | | |
|------------------------|-------------|-------------|-------------|
| Verus(2023) | 7.4% | 2.1% | 5.3% |
| Verus (2022) | 6.6% | 2.3% | 4.3% |
| Horizon (2023 Survey) | 7.6% | 2.5% | 5.2% |
| Horizon (2022 Survey) | 6.9% | 2.5% | 4.5% |
| Average | 7.1% | 2.3% | 4.8% |

Economic Assumptions

Recap and Recommendations



Experts and markets still predict low long-term inflation

Most economists forecast inflation to be 2.50% or lower over 10-year horizon

Current 2.75% assumption reasonable historically and compared to peers; modestly exceeds market consensus



Trend has been to gradually reduce economic assumptions

Most public plans have gradually lowered return and inflation expectations over time

Many systems hitting "pause" on further reductions, due to changes in interest rates and recent inflation



Current investment return assumption (7.00%) consistent with consultant expectations for the TCERA portfolio

Expectations have increased substantially from last year, due to changes in interest rates and poor stock market returns in 2022



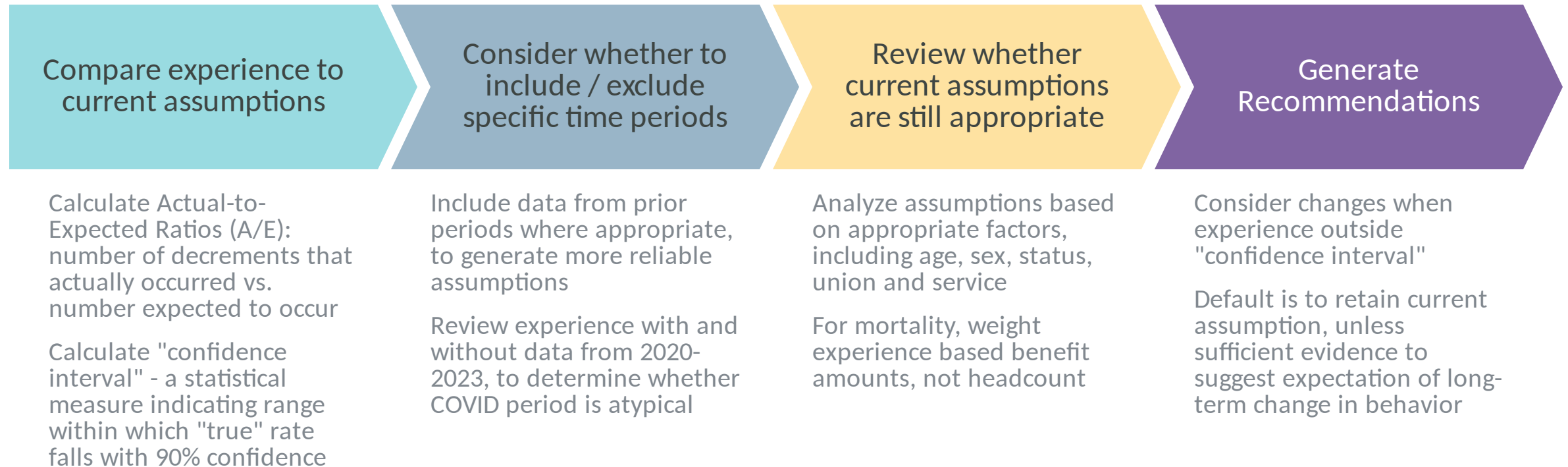
Recommend maintaining current economic assumptions

Only recommended change to increase COLA growth rate from 2.6% to 3.0% for *current* Tier 1 members in pay status, to reflect increased value of COLA banks for these members (not considered an assumption change)

Current economic assumptions are reasonable

Demographic Assumptions

Process for Analyzing



Demographic Assumptions

Overview of Assumptions Reviewed

Mortality Assumptions

Review base (current) rates *and* projected rates of improvement

Retirement Rates

Review rates by class, age, and service levels
Consider whether to use different rates for PEPRA members

Disability Rates

Generally vary by age, sex and class

Termination Rates

Assumption for likelihood of member terminating employment other than for reasons of retirement, disability or death
Includes rates of refund vs. deferred vested (with or without reciprocity)

Salary Increases

Review merit/longevity component of salary increases (above base wage inflation)
Includes step increases, promotions, job changes

Other Assumptions

Family composition, commencement age for deferred members, terminal cash outs

Demographic Assumptions

Preliminary Findings

Mortality Assumptions

Experience generally consistent with assumptions, with higher rates for General females than expected during 2020-2023

Retirement Rates

Experience generally consistent with assumptions for General and Safety

Disability Rates

Experience reasonably consistent with overall assumptions (limited experience)

Termination Rates

Experience generally correlated more closely with service than age

Rates of refund slightly higher than expected for General members, lower than expected for Safety at some service levels

Salary Increases

General merit/longevity pay increases consistent with assumptions

Safety increases slightly higher than assumptions at higher service levels

Other Assumptions

Slightly lower marriage rates than expected for Safety males and General and Safety females

Not all married members elect unmodified form

Demographic Assumptions

Preliminary Recommendations

1 Mortality Assumptions

Minor changes to factors used to adjust standard tables to TCERA experience

Update mortality improvement assumption to use latest published table (MP-2021; reflects slower future expected improvements)

2 Termination Rates

Adopt service-only based assumptions (current assumptions age & service based)

Minor adjustments to rates of refund vs. deferred vested

No change to reciprocity or commencement ages

3 No other changes to decrements

Retain current assumptions for retirement and disability rates

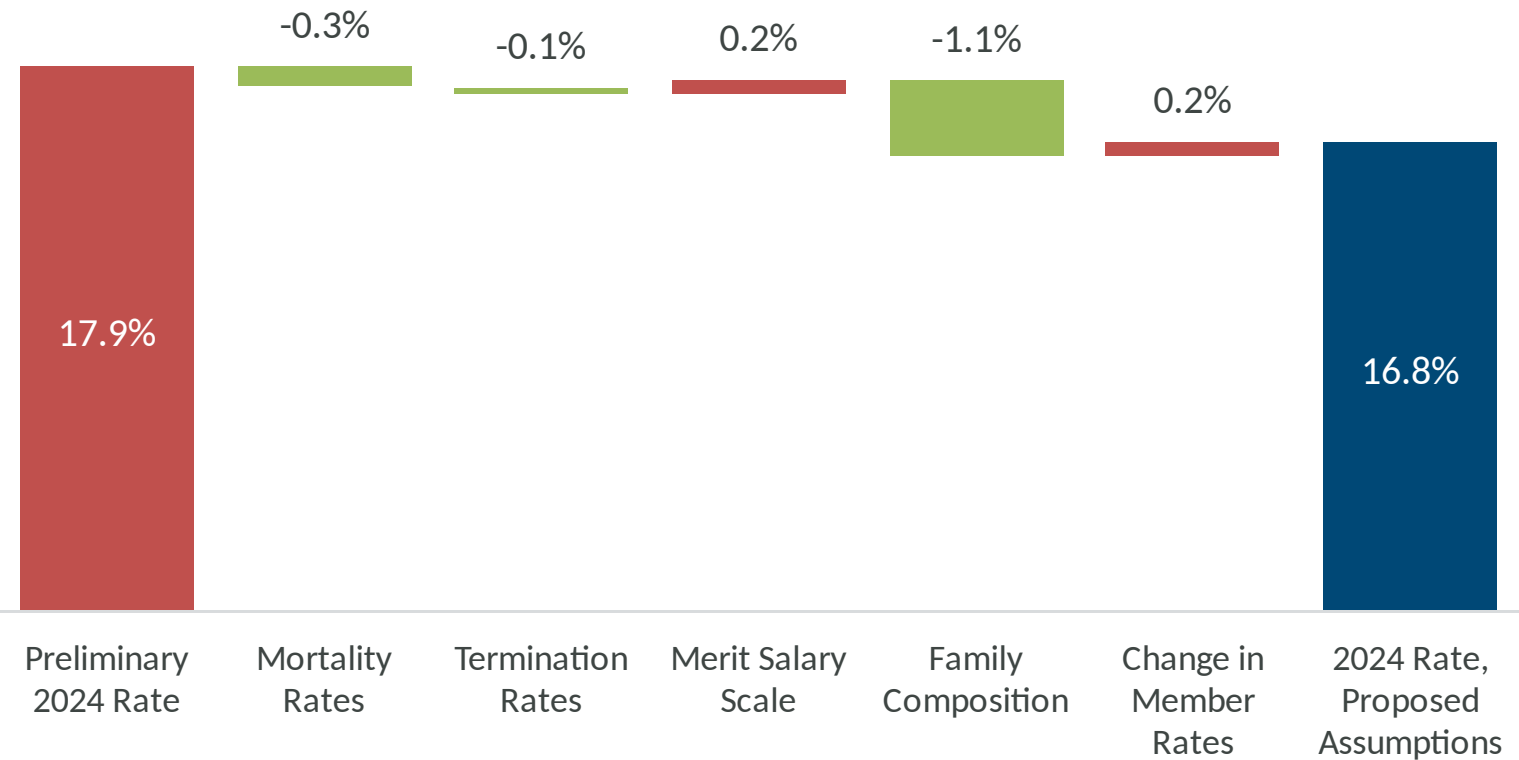
4 Other Changes

Increase merit/longevity pay increase rates at higher service levels for Safety members

Minor changes to family composition, and optional form elections

Cost Impact of Proposed Assumption Changes

Employer Rate (% of Pensionable Payroll)



-1.1%

Net employer contribution rate impact from assumption changes

+1.1% change in funded status

Next Steps



feedback

Disclosures



Purpose and Users

The purpose of this presentation is to discuss the preliminary results of the June 30, 2023 actuarial valuation and the 2023 experience study results for the Tulare County Employees' Retirement Association (TCERA). This presentation was prepared exclusively for Retirement Board for the purposes described herein. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.



Reliance

In preparing our presentation, we relied on information (some oral and some written) supplied by TCERA. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23. The actuarial assumptions, data and methods are those that will be used in the preparation of the actuarial valuation report as of June 30, 2023.



Modeling

Cheiron utilizes ProVal, an actuarial valuation application leased from Winklevoss Technologies (WinTech) to calculate liabilities and project benefit payments. We have relied on WinTech as the developer of ProVal. We have a basic understanding of ProVal and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this valuation.



Compliance

This presentation and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this presentation. This presentation does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

Future results may differ significantly from the current results and projections shown in this presentation due to such factors as the following: plan experience different from that anticipated by the assumptions; changes in the assumptions, and changes in the plan provisions or applicable law.

Tulare County Employees' Retirement Association

Cheiron Team



Graham Schmidt

Consulting Actuary, ASA, EA, MAAA, FCA
gschmidt@cheiron.us



Steven Hastings

Consulting Actuary, FSA, EA, MAAA, FCA
shastings@cheiron.us



Patrick Nelson

Consulting Actuary, FSA, EA, MAAA, FCA
pnelson@cheiron.us



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, September 27, 2023, 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 Jim Young, Acting Chair.

II. ROLL CALL

| | |
|-----------------------------|---|
| Voting Trustees Present: | Cass Cook, Ty Inman, Gary Reed, Jim Young, Roland Hill (Left at 10:39 a.m.), Pete Vander Poel (Arrived at 8:34 a.m.), Nathan Polk |
| Voting Alternate | |
| Trustees Present: | David Vasquez (Voting for Seat 3) |
| Alternate Trustees Present: | George Finney, Jorge Garcia (Left at 10:00 a.m.) |
| Staff Members Present: | Leanne Malison, Retirement Administrator, Paul Sampietro, Assistant Retirement Administrator, Melanie Tyler, Secretary II |
| Board Counsel Present: | Aaron Zaheen, Deputy County Counsel |
| Consultant Present: | Jeff MacLean, Verus |

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

None

VI. CONSENT CALENDAR

1. Approve Minutes of the following meetings:
 - a. Retirement Board Minutes of September 13, 2023.
2. Approve payments to:
 - a. Verus – invoice for investment consulting services in the amount of \$22,500.00 for the month ended August 31, 2023.
 - b. County Counsel – invoice for legal services to the Board of Retirement in the amount of \$1,256.30 for the period ending August 31, 2023.
 - c. Brown Armstrong – invoice for work in progress on audit processes in the amount of \$6,305.00.

Ms. Malison informed the Board that a mistake in the minutes was corrected on Tuesday, September 26, 2023, and the corrected version was uploaded and posted for public viewing on that date. Hard copies of the corrected minutes were distributed to the parties present at the board meeting in compliance with the Brown Act.

Motion to approve Consent Calendar as presented.

Motion: Reed

Second: Polk

Ayes: Cook, Inman, Reed, Young, Polk, Hill, Vasquez

Absent: Vander Poel

Motion passed.

VII. INVESTMENTS

1. Presentation from Boston Partners regarding TCERA's allocation to Domestic Equity investments. Discussion and possible action.

Mr. William Supple, Mr. Joshua White and Mr. Connor Watson of Boston Partners presented information regarding the firm, its process, and performance.

2. Presentation from Leeward Investments regarding TCERA's allocation to Domestic Equity investments. Discussion and possible action.

Mr. Todd Vingers and Ms. Jenna Oliver of Leeward Investments presented information regarding the firm, its process, and performance.

3. Educational presentation regarding Trigger Fund investments.

Mr. MacLean presented information regarding Trigger Fund investments to the Board.

The Board discussed the possibilities regarding Trigger Fund investments and would like to explore having another investment team share their outlook regarding fixed income and credit spreads in 2024. Ms. Malison will be reaching out to Black Rock to make arrangements for them to come present to the Board.

4. Discussion and possible action regarding TCERA's strategic investment allocation and investment managers, including performance, contracts, and fees.
 - a. Asset Allocation Report
 - b. Verus Flash Report

Mr. MacLean reviewed the Asset Allocation Report and the Verus Flash Report with the Board.

The chair authorized 2 hours and 15 minutes of continuing education credit for trustees and staff present.

VIII. EDUCATION ITEMS

1. Discussion and possible action regarding available educational events.

No Action

IX. COMMUNICATIONS

1. SACRS Legislative Update, September 2023. Discussion and possible action.

Ms. Malison highlighted a few items from the report. She noted specifically proposed legislation that would directly impact TCERA, as well as other pending legislation discussed at previous Board meetings. Staff will continue to monitor the legislative items and to inform the Board of changes.

No Action

X. UPCOMING MEETINGS

1. Board of Retirement Meeting October 11, 2023, 8:30 a.m.
2. Board of Retirement Meeting October 25, 2023, 8:30 a.m.
3. Administrative Committee Meeting November 15, 2023, 10:00 a.m.
4. Trustee Education/Presentation Calendar – Discussion and possible action.

No Action

XI. TRUSTEE/STAFF COMMENTS

None

XII. ADJOURNMENT

The meeting was adjourned at 10:55 a.m.

Pete Vander Poel, Chair



800 Fifth Avenue, Suite 3900
Seattle, WA 98104
(206) 622-3700 www.verusinvestments.com

Invoice

| | |
|-----------|-----------|
| Date | Invoice# |
| 10/2/2023 | INV035176 |
| Due Date | Terms |
| 11/1/2023 | Net 30 |

Bill To

Accounts Payable
Tulare County Employees' Retirement Association
136 N. Akers Street
Visalia, CA 93291

Services Provided to: Tulare County Employees' Retirement Association
Service Dates: September 2023

| Services Rendered | Amount |
|-------------------|-------------|
| Monthly Billing | \$22,500.00 |

SubTotal \$22,500.00
Past Due Balance \$22,500.00

Total \$45,000.00

*We accept wire and EFT payments. Call us to learn more.
Thank you for choosing Verus Advisory, Inc. We sincerely appreciate your business.*

Please let us know if you would like to receive a copy of our disclosure brochure Form ADV Part II.
Tax ID Number: 91-1320111

PD 9/26/23
Y

LEEWARD INVESTMENTS

October 4, 2023

ATTN: Accounts Payable
County of Tulare Board of Retirement
136 N. Akers Street
Visalia, CA 93921

RECEIVED

OCT 4 2023

TULARE COUNTY

EMPLOYEES RETIREMENT ASSOCIATION

The fee for investment management services for the Third Quarter 2023 for the account we manage is \$53,536.97. The month end market values were calculated by Leeward. The fee calculation is listed below.

Market Value as of:

| | |
|--------------------|------------------------|
| July 31, 2023 | \$34,091,146.78 |
| August 31, 2023 | \$33,164,085.03 |
| September 30, 2023 | <u>\$31,582,252.64</u> |

Average Assets:

\$32,945,828.15

\$32,945,828.15 x 0.65%

\$214,147.88

Total

\$214,147.88 (annual fee)

\$214,147.88 x .25

\$53,536.97 (quarterly fee)

If you have any questions regarding the fee please feel free to call me at any time at (617) 468-6706.

Sincerely,

Colleen A. Pink

Colleen A. Pink

Tulare County Employees' Retirement Fund
Leeward acct: SCV079
BNY Mellon: 275277

Remittance Information:

Make checks payable to Leeward Investments, LLC

Send to:
Leeward Investments, LLC
File 2469
1801 W Olympic Blvd
Pasadena, CA 91199-2469

Or by wire:

City National Bank
Routing # 026013958
400 Park Avenue NYC
New York, NY 10022
For further credit to: Leeward Investments, LLC
Account #682089326

CHECKED:

RCV
Initial

10-4-23
Date

VERIFIED:

DQ
Initial

10-4-23
Date

APPROVED:

Initial

Date

PAID:

Wired

Date

**TULARE COUNTY EMPLOYEES'
APPLICATIONS AND DEATHS
September 30, 2023
RETIREMENT APPLICATIONS**

| Name Department Status - Tier | Option Type Govt. Code | Date of Retirement Age at Retirement | Length of Service Continuance From |
|---|--|---|---------------------------------------|
| DAVALOS ORLANDO TCSO-South County Det Facility Safety - Tier III | Unmodified Option - TAB Service §31760.1 | 08/11/2023 50 | 25.0398 years N/A |
| GRIJALVA ESTELA Sher-Op-Porterville General - Tier IV | Unmodified Option Service §31760.1 | 08/31/2023 62 | 8.2692 years N/A |
| HEEMSTRA DEBORAH HHS-FISCAL-ACCOUNTING General - Tier III | Unmodified Option Service §31760.1 | 08/31/2023 64 | 26.0826 years N/A |
| IHL URSULA DA-Visalia Courthouse General - Tier II | Unmodified Option Service §31760.1 | 08/11/2023 65 | 34.7281 years N/A |
| IRVINE JAMES Information Technology General - Tier III | Option 2 §31762 | 08/04/2023 59 | 15.6538 years N/A |
| IRVINE MINH THU Information Technology General - Tier III | Option 2 §31762 | 08/23/2023 64 | 15.6538 years IRVINE JAMES |
| MARTIN LORI Aud-General Accounting General - Tier IV | Unmodified Option Service §31760.1 | 08/05/2023 62 | 10.3180 years N/A |
| MENDEZ KATHY HHS-HLTH-Porterville Plano General - Tier III | Unmodified Option Service §31760.1 | 08/11/2023 66 | 5.8269 years N/A |
| NORDNESS CATHY HHS-HS-PDO General - Tier III | Unmodified Option Service §31760.1 | 08/11/2023 67 | 11.3398 years N/A |
| POODRY CAROLYN 9550 Safety - Tier I | Option 2 §31762 | 04/19/2023 80 | 17.1861 years POODRY DARRELL |
| ROSALES AURELIA Library-Visalia General - Tier III | Unmodified Option Service §31760.1 | 08/11/2023 63 | 24.9297 years N/A |
| TONINI BETTY HHS-MH-Trans Liv Ctr General - Tier III | Unmodified Option Service §31760.1 | 08/31/2023 67 | 22.7851 years N/A |
| WALDIE KIRK HHS-HS-CWS S Mooney Blvd General - Tier III | Unmodified Option Service §31760.1 | 08/23/2023 57 | 11.5901 years N/A |

| | | | |
|----------------------------|-------------------|------------|---------------|
| WAYADANDE LOUIS | Option 2 | 07/31/2023 | 12.1538 years |
| RMA-SS-Facilities-Property | Service | 59 | N/A |
| Mgt | | | |
| General - Tier III | §31762 | | |
| WILEY SONJA | Unmodified Option | 08/20/2023 | 27.1639 years |
| | | 84 | WILEY BOB |
| Safety - Tier I | §31760.1 | | |

TULARE COUNTY EMPLOYEES'
APPLICATIONS AND DEATHS
September 30, 2023
DECEASED ACTIVE EMPLOYEES

| Name | Type | Date of Death | Length of Service |
|---------------|------|---------------|-------------------|
| Department | | Age at Death | Paid Continuance |
| Status - Tier | | | Death Benefit |

**TULARE COUNTY EMPLOYEES'
APPLICATIONS AND DEATHS
September 30, 2023
DECEASED PENSIONERS**

| Name Department Status - Tier | Option Type Govt. Code | Date of Retirement Date of Death Age at Death | Length of Service Paid Continuance to Age at Retirement |
|--|--|---|---|
| BASTARDO CELESTE HHS-MH-Pville Adult Clinic General - Tier III | Unmodified Option Service §31760.1 | 05/24/2008 05/22/2023 82 | 13.1381 years 67 |
| GAYDEN SHARON HHS-HS-Hyde Adopt/Special General - Tier III | Unmodified Option Service §31760.1 | 02/12/2011 08/11/2023 77 | 10.9892 years 65 |
| IRVINE JAMES Information Technology General - Tier III | Option 2 Service §31762 | 08/04/2023 08/22/2023 59 | 15.6538 years IRVINE MINH THU 59 |
| LYON LOIS New General - Tier I | Unmodified Option Service §31760.1 | 10/21/1990 07/17/2023 83 | 23.9778 years 50 |
| POODRY DARRELL 9550 Safety - Tier I | Option 2 Service §31762 | 12/29/1991 04/18/2023 83 | 17.1861 years POODRY CAROLYN 52 |
| RENCH CAROLYN HHS-HLTH-Visalia Hlth Ctr General - Tier III | Unmodified Option Service §31760.1 | 03/31/2017 12/23/2022 85 | 20.1030 years 79 |
| STEVENSON DAVID HHS General - Tier I | Unmodified Option Service §31760.1 | 12/11/2003 07/24/2023 78 | 24.5972 years 58 |
| THATCHER JACK Safety - Tier I | Unmodified Option Service §31760.1 | 12/22/1987 08/10/2023 90 | 24.7500 years 55 |
| WELTER MARK RMA-TR-Fleet Central Shop General - Tier I | Unmodified Option Service §31760.1 | 08/31/2002 07/25/2023 77 | 28.3528 years 57 |
| WILEY BOB Safety - Tier I | Unmodified Option Service §31760.1 | 01/08/1991 08/19/2023 86 | 27.1639 years WILEY SONJA 54 |

Report: 30-Year Board Report SEPT 2023

Created on: 10/3/2023

**New 30-
Year
Member?**

| First Name | Last Name | Effective Date | Department | New 30- Year Member? |
|------------|-----------|----------------|--------------------------------|----------------------------|
| Craig | Anderson | 2/14/2021 | RMA-MG#2-Design,Const,Develop | No |
| Karen | Baldwin | 7/5/2020 | HHS-FISCAL-ACCT/REC | No |
| Nora | Barrera | 11/27/2005 | Assessor-Clerk/Recorder | No |
| Mike | Betzinger | 10/15/2017 | Solid Waste Teapot Dome | No |
| Bruce | Bigham | 10/11/2020 | Ag Commissioner/Sealer | No |
| Steffany | Bischel | 3/4/2018 | HHS-HS-MCal Proc Center | No |
| Anita | Bivian | 9/11/2022 | HHS-MH-Pville Adult Clinic | No |
| Anthony | Boland | 12/10/2017 | RMA-TR-Operations | No |
| Michael | Boudreaux | 5/28/2017 | Sher-Op-Sheriff's Office | No |
| Steven | Brown | 6/20/2021 | Ag Commissioner/Sealer | No |
| Linda | Cantu | 3/29/2020 | Assessor-Clerk/Recorder | No |
| Lori | Catuto | 6/24/2018 | HHS-Admin-Project Management | No |
| Rachel | Cazares | 10/11/2020 | HHS-HS-Dinuba District Off | No |
| Nancy | Chavira | 3/28/2021 | County Counsel | No |
| Ana | Cruz | 10/23/2022 | HHS-HLTH-Tulare Public CCS | No |
| MARTINA | DELGADO | 11/10/2019 | Ab 1058 Commissioner | No |
| SUSAN | EMBREY | 9/3/2017 | Collections Division | No |
| Carlene | Estes | 7/18/2021 | WID-Administration | No |
| Samantha | Franks | 9/29/2019 | RMA-LP-Geographic Info Systems | No |
| Rebecca | Garcia | 11/8/2020 | HHS-HS-Ben Elg Sup Team | No |
| Judith | Garcia | 7/18/2021 | HHS-HLTH-Visalia Hlth Ctr | No |
| Helen | Gonzalez | 2/4/2018 | HHS-HLTH-Fville WIC | No |
| Eric | Grant | 4/16/2017 | DA-Visalia Courthouse | No |
| Maria | Gutierrez | 12/22/2019 | HHS-MH-MENTAL HEALTH SVS | No |
| Robert | Haines | 10/12/2008 | Ag Commissioner/Sealer | No |
| Lourdes | Hernandez | 1/29/2023 | HHS-HS-Ben Elg Sup Team | No |
| Laurel | Hernandez | 10/9/2022 | WID-Administration | No |
| Kimberly | Hernandez | 9/27/2020 | Child Support Services Dept | No |
| CINDY | HOLWAY | 10/25/2020 | Court Reporters | No |
| Keith | Jahnke | 4/28/2019 | HHS-HLTH-Environmental Health | No |
| Jay | Jones | 1/19/2020 | Information Technology | No |
| Cleopatra | Juarez | 12/9/2007 | Child Support Services Dept | No |
| Rodger | Keller | 4/10/2022 | Prob-Admin-Visalia | No |
| Phillip | Kelly | 3/1/2020 | Prob-Admin-Visalia | No |
| Melodee | Krenk | 5/10/2020 | Prob-Admin-Visalia | No |
| Sandra | Maldonado | 2/2/2020 | HHS-HLTH-Farmersville Hlth Ctr | No |
| PATRICIA | MARTENS | 10/27/2019 | Visalia Division | No |
| AMBER | MATTHEWS | 2/18/2018 | Pre Trial Facility | No |
| John | Mauro | 4/17/2016 | HHS-HS-HUMAN SERVICES | No |
| Thomas | McCoy | 5/22/2022 | Solid Waste Woodville | No |
| Patricia | McCurry | 10/11/2020 | HHS-Admin Human Resources | No |
| David | McMunn | 3/27/2022 | WID-Administration | No |

| | | | |
|-----------|---------------|---|----|
| William | Meek | 6/4/2023 Sher-Op-Detectives-Crime Lab | No |
| Sandra | Mendoza | 12/18/2022 Child Support Services Dept | No |
| LESIA | MERVIN | 5/3/2015 Court Reporters | No |
| Gerald | Moore | 5/21/2023 Solid Waste Teapot Dome | No |
| Socorro | Munoz | 4/26/2020 HHS-MH-Visalia Adult Clinic | No |
| Patricia | Myers | 5/8/2022 Child Support Services Dept | No |
| Martina | Navarro | 10/11/2020 HHS-MH-Trans Liv Ctr | No |
| LOUISE | NELSON | 11/12/2017 Family Court Services | No |
| Steven | Noland | 4/1/2018 RMA-TR-Fleet Central Shop | No |
| Scott | O'Neill | 6/11/2017 Sher-Op-Porterville | No |
| Andrew | Pacheco | 7/28/2013 RMA-Project Processing | No |
| Rhonda | Pack | 10/12/2022 Sher-Op-Civil | No |
| Rodney | Parker | 4/16/2017 Sher-Op-Action Grant | No |
| Eric | Petersen | 3/14/2021 Information Technology | No |
| Andy | Phetsada | 7/8/2018 HHS-MH-Visalia Adult Clinic | No |
| Julie | Poochigian | 6/22/2008 Assessor-Clerk/Recorder | No |
| Vickie | Rabago | 1/15/2012 DA-Visalia Courthouse | No |
| Katherine | Reim | 10/13/2019 Prob-Admin-Visalia | No |
| Lupe | Renteria | 6/19/2022 HHS-HS-PDO | No |
| Sharon | Rowton | 11/18/2012 RMA-TR-Fleet Central Shop | No |
| John | Rozum | 3/31/2019 County Counsel | No |
| Judith | Sanchez-Duran | 3/1/2020 HHS-HLTH-Hillman Lab | No |
| Nelda | Sell | 8/19/2007 RMA-TR-Visalia Rd Yd 2 | No |
| Veronica | Silva Stalis | 12/5/2021 HHS-MH-Visalia Adult Clinic | No |
| Bernice | Soto | 8/2/2020 HHS-HS-IMAGING UNIT | No |
| Angelina | Stanfill | 5/28/2017 HHS-HS-Dinuba District Off | No |
| Karen | Trevino | 5/26/2019 HHS-HS-Hyde Adopt/Special | No |
| Jesusita | Vasquez | 1/31/2021 HHS-HLTH-Environmental Health | No |
| Stella | Velasquez | 2/9/2014 Sher-Op-Communications | No |
| Kelly | Vernon | 4/23/2023 Prob-Admin-Visalia | No |
| Rob | Villegas | 1/29/2023 Assessor-Clerk/Recorder | No |
| Johnny | Wong | 6/10/2018 RMA-TR-Operations | No |
| DAVID | WOOTEN | 10/14/2018 Judicial Officers | No |

TCERA and TCERA Property, Inc.
BUDGET VS ACTUAL
August 2023
Accounting Period 2
16.67% of the Current Fiscal Year Budget

| | Aug 23 | Jul - Aug 22 | Jul - Aug 23 | Annual Budget | Remaining Budget | % Annual Budget |
|--|------------------|-----------------|------------------------|-------------------|-------------------|-----------------|
| 5500 · Administrative Expense | | | | | | |
| 5505 · (6001) Allocated Salaries | 81,314.45 | 112,904.26 | 121,670.66 | 1,212,376.00 | 1,090,705.34 | 10.04% |
| 5510 · (6002) Overtime | -1,004.78 | 0.00 | -266.67 ¹ | 1,000.00 | 1,266.67 | -26.67% |
| 5515 · (6003) Other Pay | 602.76 | 736.19 | 916.52 | 35,454.00 | 34,537.48 | 2.59% |
| 5520 · (6004) Benefits | 10,190.00 | 18,770.42 | 16,247.49 | 150,595.00 | 134,347.51 | 10.79% |
| 5525 · (6005) Extra-Help | 0.00 | 0.00 | 0.00 | 5,000.00 | 5,000.00 | 0.00% |
| 5535 · (6011) Retirement- Co. Port. | 11,094.10 | 15,325.55 | 16,873.65 | 165,561.00 | 148,687.35 | 10.19% |
| 5540 · (6012) Social Security | 6,222.87 | 8,825.48 | 9,402.81 | 90,594.00 | 81,191.19 | 10.38% |
| 5545 · (1024) POB Cost | 5,368.54 | 6,340.05 | 8,029.97 | 103,129.00 | 95,099.03 | 7.79% |
| 5550 · (6008) Board Fees-Per Diem Pmts | 0.00 | 4,900.25 | 3,014.20 | 20,000.00 | 16,985.80 | 15.07% |
| 5551 · Communications | | | | | | |
| 5552 · (7005) Communications | 497.90 | 520.82 | 497.90 | 8,700.00 | 8,202.10 | 5.72% |
| 5640 · (7005) Co. Telecommunication | 559.06 | 595.04 | 559.06 | 13,500.00 | 12,940.94 | 4.14% |
| Total 5551 · Communications | 1,056.96 | 1,115.86 | 1,056.96 | 22,200.00 | 21,143.04 | 4.76% |
| 5553 · Data Processing | | | | | | |
| 5650 · (7044) ICT Qtrly - Data Process | 0.00 | 2,754.12 | 0.00 | 102,136.00 | 102,136.00 | 0.00% |
| 5697 · (7044) Computer Exp Hdwr/Sftwr | 0.00 | 0.00 | 0.00 | 19,275.00 | 19,275.00 | 0.00% |
| 5698 · (7044) WSI/Q2 Digital | 0.00 | 0.00 | 0.00 | 1.00 | 1.00 | 0.00% |
| Total 5553 · Data Processing | 0.00 | 2,754.12 | 0.00 | 121,412.00 | 121,412.00 | 0.00% |
| 5555 · (7009) Household Expense | 3,466.62 | 2,606.08 | 3,578.16 | 22,001.00 | 18,422.84 | 16.26% |
| 5560 · (7010) Insurance | 0.00 | 65,971.00 | 68,831.00 ² | 73,751.00 | 4,920.00 | 93.33% |
| 5565 · (7011) Unemployment Insurance | 0.00 | 0.00 | 0.00 | 5,000.00 | 5,000.00 | 0.00% |
| 5570 · (7021) Maintenance-Equipment | 74.71 | 176.40 | 133.67 | 2,000.00 | 1,866.33 | 6.68% |
| 5575 · (7027) Memberships | 0.00 | 4,000.00 | 4,000.00 ³ | 8,500.00 | 4,500.00 | 47.06% |
| 5580 · (7030) Due Diligence Expense | 0.00 | 0.00 | 0.00 | 15,000.00 | 15,000.00 | 0.00% |
| 5585 · (7036) Office Expense | 3,258.88 | 2,334.03 | 3,298.56 | 52,000.00 | 48,701.44 | 6.34% |
| 5586 · (7040) Courier | 131.28 | 124.32 | 131.28 | 1,750.00 | 1,618.72 | 7.50% |
| 5590 · Prof & Specialized Exp | | | | | | |
| 5591 · (7043) Prof & Special Gen Exp | 0.00 | 0.00 | 0.00 | 500.00 | 500.00 | 0.00% |
| 5592 · (7043) Prof & Spec - Audit | 3,333.84 | 0.00 | 28,228.49 ⁴ | 47,600.00 | 19,371.51 | 59.30% |
| 5593 · (7043) Prof Sr -Outside Counsel | 0.00 | 0.00 | 603.00 | 75,000.00 | 74,397.00 | 0.80% |
| Total 5590 · Prof & Specialized Exp | 3,333.84 | 0.00 | 28,831.49 | 123,100.00 | 94,268.51 | 23.42% |
| 5594 · County Counsel Charges | | | | | | |
| 5661 · (7046) Co Counsel - General Exp | 1,056.00 | 1,897.20 | 1,056.00 | 40,000.00 | 38,944.00 | 2.64% |
| 5662 · (7046) Co Counsel - Disability | 739.30 | 2,299.10 | 739.30 | 93,000.00 | 92,260.70 | 0.79% |
| Total 5594 · County Counsel Charges | 1,795.30 | 4,196.30 | 1,795.30 | 133,000.00 | 131,204.70 | 1.35% |
| 5595 · (7049) Prof Exp-Disabilities | 29,328.00 | 3,000.00 | 29,502.10 | 172,500.00 | 142,997.90 | 17.10% |
| 5600 · (7059) Publications | 5,387.58 | 0.00 | 5,387.58 | 25,000.00 | 19,612.42 | 21.55% |
| 5675 · (7059) Co. Print Services | 1,299.05 | 679.41 | 1,299.05 | 16,000.00 | 14,700.95 | 8.12% |
| Total 5600 · (7059) Publications | 6,686.63 | 679.41 | 6,686.63 | 41,000.00 | 34,313.37 | 16.31% |

TCERA and TCERA Property, Inc.
BUDGET VS ACTUAL
August 2023
Accounting Period 2
16.67% of the Current Fiscal Year Budget

| | Aug 23 | Jul - Aug 22 | Jul - Aug 23 | Annual Budget | Remaining Budget | % Annual Budget |
|---|------------|--------------|-----------------------|---------------|------------------|-----------------|
| 5605 · (7062) Rent & Lease -Building | 15,640.00 | 31,280.00 | 31,280.00 | 187,680.00 | 156,400.00 | 16.67% |
| 5610 · (7066) Spec Dept Exp - RIS | 24,050.00 | 15,882.00 | 31,991.00 | 345,091.00 | 313,100.00 | 9.27% |
| 5615 · (7073) Training | 0.00 | 1,500.00 | 2,500.00 | 30,000.00 | 27,500.00 | 8.33% |
| 5620 · (7074) Transportation & Travel | 0.00 | 464.50 | 347.54 | 35,000.00 | 34,652.46 | 0.99% |
| 5625 · (7081) Utilities | 3,046.57 | 5,065.21 | 5,800.25 ⁷ | 30,000.00 | 24,199.75 | 19.33% |
| 5627 · (7116) Postage - Co. Mail | 7,757.28 | 0.00 | 7,757.28 | 55,000.00 | 47,242.72 | 14.10% |
| 5630 · (7128) Co. Workers Comp Insurance | 0.00 | 0.00 | 0.00 | 56,500.00 | 56,500.00 | 0.00% |
| 5695 · Co. Admin. Services | | | | | | |
| 5666 · (7719) HR/Risk Services | 0.00 | 12,491.55 | 0.00 | 14,000.00 | 14,000.00 | 0.00% |
| 5699 · (7719) Auditors Services | 0.00 | 0.00 | 0.00 | 7,500.00 | 7,500.00 | 0.00% |
| Total 5695 · Co. Admin. Services | 0.00 | 12,491.55 | 0.00 | 21,500.00 | 21,500.00 | 0.00% |
| 5720 · (7421) Interest Expense | 0.00 | 0.00 | 0.00 | 1.00 | 1.00 | 0.00% |
| 5450 · Compensated Benefit Expense | 0.00 | 0.00 | 0.00 | 51,896.00 | 51,896.00 | 0.00% |
| 5911 · Depreciation - TCERA | 0.00 | 0.00 | 0.00 | 17,500.00 | 17,500.00 | 0.00% |
| Total TCERA Administrative Expense | 213,414.01 | 321,442.98 | 403,409.85 | 3,407,091.00 | 3,003,681.15 | 11.84% |
| 5750 · TCERA Property Administrative Expense | | | | | | |
| 5755 · Fees and Taxes | 0.00 | 0.00 | 0.00 | 200.00 | 200.00 | 0.00% |
| 5760 · Insurance | 9,481.00 | 8,461.00 | 9,481.00 ² | 9,500.00 | 19.00 | 99.80% |
| 5765 · Professional & Spec Services | 0.00 | 0.00 | 0.00 | 2,000.00 | 2,000.00 | 0.00% |
| 5780 · Courtyards Property Assn Dues | 0.00 | 0.00 | 0.00 | 8,000.00 | 8,000.00 | 0.00% |
| 5785 · Landscape Service | 375.00 | 440.00 | 375.00 | 8,000.00 | 7,625.00 | 4.69% |
| 5790 · Security Monitoring | 350.00 | 700.00 | 700.00 | 7,500.00 | 6,800.00 | 9.33% |
| 5795 · Maintenance & Improve - Bldg | 455.89 | 382.50 | 455.89 | 17,500.00 | 17,044.11 | 2.61% |
| 5797 · Utilities | 404.64 | 900.70 | 812.31 | 6,500.00 | 5,687.69 | 12.50% |
| 5912 · Depreciation - TCERA Property | 0.00 | 0.00 | 0.00 | 37,500.00 | 37,500.00 | 0.00% |
| Total TCERA Property, Inc. Administrative Expense | 11,066.53 | 10,884.20 | 11,824.20 | 96,700.00 | 84,875.80 | 12.23% |
| Total TCERA & TCERA Property Administrative Expense | 224,480.54 | 332,327.18 | 415,234.05 | 3,503,791.00 | 3,088,556.95 | 11.85% |

Notes:

- 1 Adjustment: Correction to overtime calculation resulting in repayment
- 2 Annual Expense: TCERA and TCERA Property, Inc. Insurance premiums
- 3 Annual Membership(s): SACRS
- 4 Annual Expense: Continuation of Brown Armstrong 2023 Audit Services
- 5 Variable Expense: Increase in the number and cost of disability cases
- 6 Quarterly Expense: August Newsletters
- 7 Inflation: Increase in utility rates over last year and during summer months

| | |
|------------------------------------|----------------------|
| Accrued Actuarial Liability | 2,047,350,000 |
| June 30, 2022 | |
| .21% of AAL | 4,299,435.00 |
| 16.67% | 716,572.50 |
| Expenses to date | (415,234.05) |
| (Over)/Under | 301,338.45 |

TCERA and TCERA Property, Inc.
Combined Balance Sheet Comparison
As of August 31, 2023

| | <u>Aug 31, 23</u> | <u>Jul 31, 23</u> | <u>\$ Change</u> | <u>% Change</u> | <u>Aug 31, 22</u> | <u>\$ Change</u> | <u>% Change</u> |
|---|-------------------------|-------------------------|----------------------------|-----------------|-------------------------|----------------------------|-----------------|
| ASSETS | | | | | | | |
| Current Assets | | | | | | | |
| Checking/Savings | | | | | | | |
| 1110 · Cash in County Treasury | 40,783,272.39 | 48,132,677.82 | -7,349,405.43 ¹ | -15.27% | 41,092,213.54 | -308,941.15 | -0.75% |
| 1120 · Cash in Custodial Account | 26,084,024.86 | 26,180,156.13 | -96,131.27 | -0.37% | 34,687,154.89 | -8,603,130.03 ² | -24.80% |
| 1130 · Short Term Investments | 6,315,177.43 | 5,213,537.14 | 1,101,640.29 | 21.13% | 6,101,115.12 | 214,062.31 | 3.51% |
| 1140 · Securities Lending Collateral | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% |
| Total Checking/Savings | 73,182,474.68 | 79,526,371.09 | -6,343,896.41 | -7.98% | 81,880,483.55 | -8,698,008.87 | -10.62% |
| Other Current Assets | | | | | | | |
| 1310 · Fixed Income - Market | 336,131,062.00 | 339,945,591.77 | -3,814,529.77 | -1.12% | 361,936,392.44 | -25,805,330.44 | -7.13% |
| 1340 · Equities - Market | 901,694,476.47 | 925,369,035.45 | -23,674,558.98 | -2.56% | 828,537,855.43 | 73,156,621.04 | 8.83% |
| 1375 · Real Assets | 386,083,517.74 | 386,633,623.59 | -550,105.85 | -0.14% | 371,100,407.68 | 14,983,110.06 | 4.04% |
| 1386 · Private Equity | 137,138,304.59 | 137,009,263.07 | 129,041.52 | 0.09% | 135,013,464.26 | 2,124,840.33 | 1.57% |
| 1388 · Private Credit | 124,737,197.00 | 124,737,197.00 | 0.00 | 0.00% | 111,610,767.00 | 13,126,430.00 | 11.76% |
| Total Other Current Assets | 1,885,784,557.80 | 1,913,694,710.88 | -27,910,153.08 | -1.46% | 1,808,198,886.81 | 77,585,670.99 | 4.29% |
| Total Current Assets | 1,958,967,032.48 | 1,993,221,081.97 | -34,254,049.49 | -1.72% | 1,890,079,370.36 | 68,887,662.12 | 3.65% |
| Fixed Assets | | | | | | | |
| 1501 · Building and Improvements | 1,278,288.95 | 1,278,288.95 | 0.00 | 0.00% | 1,278,288.95 | 0.00 | 0.00% |
| 1505 · Office Equipment & Computer System | 180,237.93 | 180,237.93 | 0.00 | 0.00% | 175,264.64 | 4,973.29 | 2.84% |
| 1506 · Project in Process CPAS | 2,755,095.55 | 2,755,095.55 | 0.00 | 0.00% | 2,755,095.55 | 0.00 | 0.00% |
| 1511 · Accumulated Depreciation | -3,507,357.04 | -3,507,357.04 | 0.00 | 0.00% | -3,462,787.44 | -44,569.60 | -1.29% |
| 1512 · Land | 370,345.69 | 370,345.69 | 0.00 | 0.00% | 370,345.69 | 0.00 | 0.00% |
| Total Fixed Assets | 1,076,611.08 | 1,076,611.08 | 0.00 | 0.00% | 1,116,207.39 | -39,596.31 | -3.55% |
| Other Assets | | | | | | | |
| 1710 · Open Trades Sales | 9,140,363.56 | 8,067,496.01 | 1,072,867.55 | 13.30% | 13,525,677.69 | -4,385,314.13 ³ | -32.42% |
| 1730 · Investment Income Receivable | 1,052,679.52 | 823,034.20 | 229,645.32 ⁴ | 27.90% | 1,071,043.65 | -18,364.13 | -1.72% |
| 1735 · Real Assets Income Receivable | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% |
| 1750 · Members Contribution Receivable | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% |
| 1770 · Employer Contribution Receivable | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% |
| 1780 · Advances Rec- Holding Corp | 248,230.00 | 257,230.00 | -9,000.00 | -3.50% | 356,230.00 | -108,000.00 | -30.32% |
| 1785 · Pension Deaths Receivables | 11,225.08 | 8,479.39 | 2,745.69 | 32.38% | -97.96 | 11,323.04 ⁵ | 11558.84% |
| 1790 · Other Receivables | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% |
| Total Other Assets | 10,452,498.16 | 9,156,239.60 | 1,296,258.56 | 14.16% | 14,952,853.38 | -4,500,355.22 | -30.10% |
| TOTAL ASSETS | 1,970,496,141.72 | 2,003,453,932.65 | -32,957,790.93 | -1.65% | 1,906,148,431.13 | 64,347,710.59 | 3.38% |

TCERA and TCERA Property, Inc.
Combined Balance Sheet Comparison
As of August 31, 2023

| | <u>Aug 31, 23</u> | <u>Jul 31, 23</u> | <u>\$ Change</u> | <u>% Change</u> | <u>Aug 31, 22</u> | <u>\$ Change</u> | <u>% Change</u> |
|--|--------------------------------|--------------------------------|------------------------------|----------------------|--------------------------------|-----------------------------|---------------------|
| LIABILITIES & EQUITY | | | | | | | |
| Liabilities | | | | | | | |
| Current Liabilities | | | | | | | |
| 2010 · Sec Lending Collateral Payable | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% |
| 2020 · Open Trades - Purchases | 13,334,618.58 | 12,302,980.63 | 1,031,637.95 | 8.39% | 19,099,728.52 | -5,765,109.94 ³ | -30.18% |
| 2030 · Accounts Payable - Inv | 0.00 | 180,607.17 | -180,607.17 ⁶ | -100.00% | 5,011.00 | -5,011.00 | -100.00% |
| 2040 · Refunds Payable | 5,715,173.35 | 5,715,173.35 | 0.00 | 0.00% | 4,102,418.01 | 1,612,755.34 | 39.31% |
| 2050 · Other Payables | 0.00 | 75,606.23 | -75,606.23 ⁶ | -100.00% | 85,845.25 | -85,845.25 | -100.00% |
| 2100 · Payroll Liabilities | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% |
| Total Other Current Liabilities | <u>19,049,791.93</u> | <u>18,274,367.38</u> | <u>775,424.55</u> | <u>4.24%</u> | <u>23,293,002.78</u> | <u>-4,243,210.85</u> | <u>-18.22%</u> |
| Total Current Liabilities | <u>19,049,791.93</u> | <u>18,274,367.38</u> | <u>775,424.55</u> | <u>4.24%</u> | <u>23,293,002.78</u> | <u>-4,243,210.85</u> | <u>-18.22%</u> |
| Long Term Liabilities | | | | | | | |
| 2060 · Accrual-Benefits at Termination | 114,152.91 | 114,152.91 | 0.00 | 0.00% | 106,256.43 | 7,896.48 | 7.43% |
| 2070 · Advances Payable - TCERA | 248,230.00 | 257,230.00 | -9,000.00 | -3.50% | 356,230.00 | -108,000.00 | -30.32% |
| Total Long Term Liabilities | <u>362,382.91</u> | <u>371,382.91</u> | <u>-9,000.00</u> | <u>-2.42%</u> | <u>462,486.43</u> | <u>-100,103.52</u> | <u>-21.65%</u> |
| Total Liabilities | <u>19,412,174.84</u> | <u>18,645,750.29</u> | <u>766,424.55</u> | <u>4.11%</u> | <u>23,755,489.21</u> | <u>-4,343,314.37</u> | <u>-18.28%</u> |
| Equity | | | | | | | |
| 3110 · Member Deposit Reserve | 372,508,419.44 | 374,239,951.33 | -1,731,531.89 | -0.46% | 356,783,223.17 | 15,725,196.27 | 4.41% |
| 3120 · Other Reserves - Unapportioned | 2,073,673.76 | 2,170,350.40 | -96,676.64 | -4.45% | -2,499,822.51 | 4,573,496.27 ⁷ | 182.95% |
| 3210 · Employer Advance Reserves | 1,009,815,057.19 | 1,013,645,765.55 | -3,830,708.36 | -0.38% | 960,264,573.12 | 49,550,484.07 | 5.16% |
| 3310 · Retiree Reserves | 472,567,244.05 | 466,908,327.16 | 5,658,916.89 | 1.21% | 468,966,626.63 | 3,600,617.42 | 0.77% |
| 3320 · Supp. Retiree Benefit Reserve | 112,702,000.12 | 112,702,000.12 | 0.00 | 0.00% | 113,701,856.85 | -999,856.73 | -0.88% |
| 3410 · Contingency Reserve | 57,602,209.94 | 57,602,209.94 | 0.00 | 0.00% | 55,608,454.13 | 1,993,755.81 | 3.59% |
| 3510 · Market Stabilization | -124,358,468.00 | -124,358,468.00 | 0.00 | 0.00% | -134,802,290.00 | 10,443,822.00 | -7.75% |
| 3810 · Income Summary Account | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% |
| 3900 · Retained Earnings | 1,144,268.44 | 1,144,268.44 | 0.00 | 0.00% | 987,677.06 | 156,591.38 | 15.86% |
| Net Income | <u>47,029,561.94</u> | <u>80,753,777.42</u> | <u>-33,724,215.48</u> | <u>-41.76%</u> | <u>63,382,643.47</u> | <u>-16,353,081.53</u> | <u>-25.80%</u> |
| Total Equity | <u>1,951,083,966.88</u> | <u>1,984,808,182.36</u> | <u>-33,724,215.48</u> | <u>-1.70%</u> | <u>1,882,392,941.92</u> | <u>68,691,024.96</u> | <u>3.65%</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>1,970,496,141.72</u></u> | <u><u>2,003,453,932.65</u></u> | <u><u>-32,957,790.93</u></u> | <u><u>-1.65%</u></u> | <u><u>1,906,148,431.13</u></u> | <u><u>64,347,710.59</u></u> | <u><u>3.38%</u></u> |

Notes:

- 1 Decrease to Cash in County of ~7.3MM over last month due to regular cash inflows/outflows
- 2 Decrease to Cash Reserve of ~8.6MM over last year due to cash flow needs for capital calls
- 3 Decrease in Open Trades Sales & Purchases over last year in Fixed Income
- 4 Increase in Investment Income Receivable over last month from Total Equity
- 5 Correction to methodology on when to record Pension Death Receivables in FY 22/23
- 6 Timing of Accruals clearing
- 7 Interim interest payments/adjustments and equity adjustments prior to period close

TCERA and TCERA Property, Inc.
Combined Comparative Profit and Loss
August 31, 2023

| | <u>Aug 23</u> | <u>Jun 23</u> | <u>\$ Change</u> | <u>% Change</u> | <u>Jul - Aug 23</u> | <u>Jul - Aug 22</u> | <u>\$ Change</u> | <u>% Change</u> |
|---------------------------------------|----------------------|----------------------|-----------------------------|-----------------|----------------------|----------------------|---------------------|-----------------|
| Ordinary Income/Expense | | | | | | | | |
| Income | | | | | | | | |
| 4110 · Interest Income | 405,439.34 | 362,773.67 | 42,665.67 | 11.76% | 768,213.01 | 697,775.87 | 70,437.14 | 10.1% |
| 4120 · Dividend Income | 427,363.76 | 198,325.80 | 229,037.96 ¹ | 115.49% | 625,689.56 | 603,778.28 | 21,911.28 | 3.63% |
| 4130 · Real Assets Income | 0.00 | 1,800,642.65 | -1,800,642.65 ² | -100.0% | 1,800,642.65 | 2,775,949.31 | -975,306.66 | -35.13% |
| 4140 · Other Investment Income | 84,444.39 | 83,705.50 | 738.89 | 0.88% | 168,149.89 | 345,866.49 | -177,716.60 | -51.38% |
| 4200 · Lease Payments from TCERA | 15,640.00 | 15,640.00 | 0.00 | 0.0% | 31,280.00 | 31,280.00 | 0.00 | 0.0% |
| 4310 · Commission Rebates | 0.00 | 6.75 | -6.75 | -100.0% | 6.75 | 33.23 | -26.48 | -79.69% |
| 4410 · Securities Lending Income | 10,899.28 | 6,854.05 | 4,045.23 ³ | 59.02% | 17,753.33 | 26,120.50 | -8,367.17 | -32.03% |
| 4510 · Realized Gains/Losses | 1,834,495.25 | 2,060,774.24 | -226,278.99 ⁴ | -10.98% | 3,895,269.49 | 8,009,730.62 | -4,114,461.13 | -51.37% |
| 4530 · Gn/Ls Disposal of Fixed Asset | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 4610 · Employee Contributions | 2,236,975.21 | 1,172,513.81 | 1,064,461.40 ⁵ | 90.79% | 3,409,489.02 | 3,293,157.51 | 116,331.51 | 3.53% |
| 4620 · Employer Contributions | 271,126.90 | 49,492,948.87 | -49,221,821.97 ⁵ | -99.45% | 49,764,075.77 | 43,880,656.89 | 5,883,418.88 | 13.41% |
| Total Income | 5,286,384.13 | 55,194,185.34 | -49,907,801.21 | -90.42% | 60,480,569.47 | 59,664,348.70 | 816,220.77 | 1.37% |
| Expense | | | | | | | | |
| 5110 · Benefit Payments | 8,990,573.79 | 8,988,297.53 | 2,276.26 | 0.03% | 17,978,871.32 | 16,851,452.84 | 1,127,418.48 | 6.69% |
| 5120 · Refunds | 543,090.69 | 515,226.80 | 27,863.89 | 5.41% | 1,058,317.49 | 798,731.98 | 259,585.51 | 32.5% |
| 5130 · Death Retiree ROC | 85,287.78 | 0.00 | 85,287.78 ⁶ | 100.0% | 85,287.78 | 141,807.81 | -56,520.03 | -39.86% |
| 5140 · SDA Payments | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 5210 · Investment Management Fees | 83,151.33 | 75,260.85 | 7,890.48 | 10.48% | 158,412.18 | 231,868.10 | -73,455.92 | -31.68% |
| 5250 · Inv. Consultant/Custodial Fees | 22,625.84 | 0.68 | 22,625.16 ⁷ | 3,327,229.41% | 22,626.52 | 22,500.00 | 126.52 | 0.56% |
| 5270 · Securities Lending Expense | 389.35 | 0.00 | 389.35 | 100.0% | 389.35 | 546.00 | -156.65 | -28.69% |
| 5275 · Real Assets Investment Expense | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 5276 · Real Assets Mgr Fees | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 5280 · Other Investment Expense | 10,372.27 | 7,300.47 | 3,071.80 ⁸ | 42.08% | 17,672.74 | 1,099.08 | 16,573.66 | 1,507.96% |
| 5410 · Actuarial Study Fees | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 5450 · Compensated Benefit Expense | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| * 5500 · Administrative Expense | 213,414.01 | 189,995.84 | 23,418.17 | 12.33% | 403,409.85 | 321,442.98 | 81,966.87 | 25.5% |
| * 5750 · TCERA Property Admin Expense | 11,066.53 | 757.67 | 10,308.86 | 1,360.6% | 11,824.20 | 10,884.20 | 940.00 | 8.64% |
| 5910 · Deprec/Amort of Fixed Assets | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Total Expense | 9,959,971.59 | 9,776,839.84 | 183,131.75 | 1.87% | 19,736,811.43 | 18,380,332.99 | 1,356,478.44 | 7.38% |
| Net Ordinary Income | -4,673,587.46 | 45,417,345.50 | -50,090,932.96 | -110.29% | 40,743,758.04 | 41,284,015.71 | -540,257.67 | -1.31% |

TCERA and TCERA Property, Inc.
Combined Comparative Profit and Loss
August 31, 2023

| | <u>Aug 23</u> | <u>Jun 23</u> | <u>\$ Change</u> | <u>% Change</u> | <u>Jul - Aug 23</u> | <u>Jul - Aug 22</u> | <u>\$ Change</u> | <u>% Change</u> |
|---|------------------------------|-----------------------------|-------------------------------|------------------------|-----------------------------|-----------------------------|------------------------------|----------------------|
| Other Income/Expense | | | | | | | | |
| Other Income | | | | | | | | |
| 4520 · Unrealized Gains/Losses | -29,050,628.02 | 35,336,431.92 | -64,387,059.94 | -182.21% | 6,285,803.90 | 22,098,627.76 | -15,812,823.86 | -71.56% |
| 4525 · Unrealized Gns/Ls Building/Land | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| 5000 · Other Income | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Total Other Income | -29,050,628.02 | 35,336,431.92 | -64,387,059.94 | -182.21% | 6,285,803.90 | 22,098,627.76 | -15,812,823.86 | -71.56% |
| Other Expense | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| Net Other Income | -29,050,628.02 | 35,336,431.92 | -64,387,059.94 | -182.21% | 6,285,803.90 | 22,098,627.76 | -15,812,823.86 | -71.56% |
| Net Income | <u><u>-33,724,215.48</u></u> | <u><u>80,753,777.42</u></u> | <u><u>-114,477,992.90</u></u> | <u><u>-141.76%</u></u> | <u><u>47,029,561.94</u></u> | <u><u>63,382,643.47</u></u> | <u><u>-16,353,081.53</u></u> | <u><u>-25.8%</u></u> |

Notes:

- 1 Increase in Dividend Income over last month and last year from Public Equity
- 2 Real Asset Income reported quarterly and one-two months in arrears
- 3 Increase in Securities Lending Income over last mo.; decrease over last year
- 4 Decrease in Realized Gains/Losses over last month and last year
- 5 Accruals for EE & ER Contributions; Co. Prepayment ER Contributions FY23/24
- 6 Timing of Retiree deaths with remaining contributions, increase over last mo.; decrease over last year
- 7 Timing of quarterly fees
- 8 Increase in Other Investment Expense over last month and last year in Private Equity

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

Tulare County Employees' Retirement Association
Education & Due Diligence Policy

**TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
EDUCATION AND DUE DILIGENCE POLICY**

Introduction

The purpose of this document is to provide Retirement Board policies concerning authorized travel and continuing education for members of the Board of Retirement and Retirement Office staff. This document further provides a policy statement for conducting due diligence and payment of education expenses.

Authorized travel

LIMITATION ON MEETING FOR BUSINESS PURPOSES: No more than four members of the Board are authorized to meet together for business purposes within the State of California unless there is appropriate public notice of the meeting. *Attendance at conferences, seminars and social activities by more than four members of a Board is not a violation of this provision.*

COMPLIANCE WITH POLICY: Retirement representatives traveling to conferences and educational seminars will abide by the provisions of TCERA's Education policy. In addition, retirement representatives shall abide by County policies relating to: 1) Use of County vehicles, if utilized, 2) providing a copy of current driver's license and proof of insurance and 3) use of a County issued credit card.

ATTENDANCE: It is understood that any retirement representative (Board member, alternate Board member, or staff) authorized to travel on retirement business accepts the responsibility to attend and participate in the conference, seminar, etc. In the event that a retirement representative fails to attend as expected, the Board may require the representative to reimburse any expenses to the fund.

COSTS OF ADMINISTRATION/ANNUAL BUDGET: Education expense of retirement representatives shall be direct costs of administration to TCERA and may not be paid through third party contracts or otherwise without express, prior authorization of the Board. Authorization for travel and training will be based on availability of funds in the annual budget allocation.

CONFERENCE FEES FOR SPOUSE/SIGNIFICANT OTHER: TCERA will cover the cost of any attendance fees charged for spouse/significant other attendance at approved conferences.

SUPPORT OF STATEWIDE ORGANIZATIONS: Members of the Board, alternate members of the Board, the Board's County Counsel representative, and such staff members as authorized by the Retirement Administrator, are authorized to attend regular meetings of the State Association of County Retirement Systems (SACRS) and the California Association of Public Retirement

Tulare County Employees' Retirement Association
Education & Due Diligence Policy

Systems (CALAPRS).

CONTINUING EDUCATION: In order to enhance the ability of individual Board members, alternate Board members, and staff to carry out their fiduciary responsibilities, to increase understanding of both the financial and benefit aspects of the retirement plan and to stay abreast of changes in federal/state laws and regulations, retirement representatives are encouraged to attend educational meetings, conferences, seminars and to conduct due diligence related to retirement system administration. It is the policy of the Board that each Board member should attend a minimum of twenty-four (24) hours continuing education per year and is required by law to obtain a minimum of 24 hours of approved education every 2 years. Board members are encouraged to attend SACRS and CALAPRS conferences each year, if their schedules permit. Investment related conference calls and web presentations, as approved by the Board, can also fulfill the annual continuing education requirement. Appropriate topics for board member education include:

- Fiduciary responsibilities
- Ethics
- Pension fund investments and investment program management
- Actuarial matters
- Pension funding
- Benefits administration
- Disability evaluation
- Fair hearings
- Pension fund governance
- New board member orientation
- Other educational topics as approved by the Board of Retirement

The Board will conduct a review of information obtained at continuing educational seminars and conferences. Therefore, attending representatives will prepare a written Summary Education Report (Appendix A) for the Board describing information and knowledge obtained which is deemed to be beneficial to the Association; the report is to include the number of continuing education hours acquired by attending the meeting, seminar or conference. A Summary Education Report is not required for approved education conducted as part of a Retirement Board meeting. The Board Chair will authorize the number of hours of educational credit for such sessions.

BOARD MEMBER COMPENSATION: Any Board member eligible for compensation who attends any approved Board or Committee meeting, conference, seminar, or due diligence visit, in conjunction with his/her duties on the Board, shall receive \$100 compensation for such meeting, subject to the statutory limit of not more than five meetings per month. For purposes of this section, any approved meeting, conference, or due diligence event that extends beyond a single day shall be compensated separately for each day of attendance. Meetings held on the same day

Tulare County Employees' Retirement Association
Education & Due Diligence Policy

at the same location will be considered one meeting for purposes of compensation. Educational sessions held as part of a Retirement Board meeting are not separately compensable. Educational sessions accessed on-line or via conference call are not eligible for compensation.

TRAVEL BY THE RETIREMENT ADMINISTRATOR, ASSISTANT RETIREMENT ADMINISTRATOR, AND STAFF: The TCERA Board or Chairperson retains the authority to approve travel requests for the Retirement Administrator and Assistant Retirement Administrator. The Retirement Administrator is responsible for approving staff travel requests except that out-of-state travel for staff requires pre-approval by the Board.

TRAVEL TIME COMPENSATION FOR EMPLOYEES SUBJECT TO FLSA: Retirement Office staff will be subject to the same policies applicable to County of Tulare departments in accordance with the Fair Labor Standards Act (FLSA). In approving this Education and Due Diligence policy, TCERA incorporates, by reference, the provisions of County of Tulare Administrative Regulation #41.

DEPUTY COUNTY COUNSEL TRAVEL: The TCERA Board or Chairperson retains authority to approve travel requests for the Deputy County Counsel in conjunction with duties related to the Board of Retirement.

TRAVELING WITH KNOWN MEDICAL CONDITIONS/ISSUES: Any Trustee or TCERA staff member who has a known medical condition shall be scheduled for an Interactive Process (IP) meeting with the County Risk Management staff prior to being cleared for travel on TCERA related business. The IP meeting shall have intent of identifying possible accommodations that will assist the Trustee or staff member in traveling without aggravating the pre-existing condition. TCERA staff shall be responsible for coordinating the IP meeting between Risk Management and the TCERA Trustee or staff member.

CONTINUITY OF BUSINESS CONCERNS: It is the Retirement Board's desire to ensure continuity of business in the event of an unforeseen disaster. For this reason, no more than four Board members should travel together.

Due Diligence

In order for the Retirement Board to make prudent and fiduciarily responsible decisions, as outlined in Government Code Section 31595 of the 1937 Act County Employees Retirement Law, the Retirement Board adopts the following policy on due diligence.

It is the Retirement Board's desire to conduct on-site due diligence of investment management firms, consultants, and other service providers which are currently, or under consideration to be retained, and for prospective real estate properties under consideration by the Retirement Board. To this end, the Retirement Board will:

Tulare County Employees' Retirement Association
Education & Due Diligence Policy

- Schedule an on-site visitation of the investment management firms, consultants, and other service providers currently retained by the Retirement Board at the convenience of the Retirement Board, at any time that the Retirement Board deems it prudent and reasonable to do so.
- Conduct on-site due diligence of the investment management, consulting firms and prospective separate account real estate properties under consideration by the Retirement Board, except for those properties under consideration by managers with discretionary contracts.
- Conduct periodic on-site due diligence of all separate account real estate properties. Such visits shall be made at some point following acquisition and shall occur within a period of no more than three years of acquisition with a minimum of one visit every three years thereafter.
- Rely on Investment Consultant due diligence for passive manager allocations. On-site trustee due diligence visits will not be required.
- Rely on Investment Consultant due diligence, at the Board's discretion, when investment opportunity time frames limit the ability to conduct on-site visits. Video conferencing may be conducted in lieu of an on-site visit.

As part of the due diligence process in retaining an investment management firm or any consultant, a "quiet time" will be observed during the search process, whereby no acceptance of meals, travel, hotel or other type of gift will be accepted by the Retirement Board members, alternate Board members, its officers or employees, from an investment manager or consultant under consideration for retainment.

Those members conducting the on-site due diligence under the above circumstances will make a full report to the Board upon their return, together with a recommendation for additional inquiry and/or the appropriateness of continued participation in the investment.

In the event of an emergency, due diligence can be authorized by the Board Chairperson who shall be held accountable to the full Board at its next regularly scheduled meeting.

Budget, Reporting and Allowable Expenses

COST CONTROL: It is the policy of the Retirement Board that travel to educational conferences and seminars be achieved in the least expensive, practical manner possible to defray costs to the retirement system. For this reason, Retirement Board members, alternate Board members, and staff are encouraged to travel together when possible; however, the aforementioned continuity of

Tulare County Employees' Retirement Association
Education & Due Diligence Policy

business concerns should be taken into consideration.

SEMI-ANNUAL REPORTS TO RETIREMENT BOARD: At the monthly Retirement Board meeting following the conclusion of each six-month reporting period, staff will present a report documenting the number of hours of continuing education obtained by each Board and staff member during the reporting period.

SUBMISSION OF TRAVEL CLAIMS - BOARD MEMBERS: All travel claims should be submitted to the Retirement Office immediately upon the return of the Board member. To be considered for reimbursement, travel claims must include all receipts for parking and travel (including taxi and shuttle receipts, if any). Credit card and/or hotel receipts are considered sufficient documentation for reimbursement of meal expenses. Meal reimbursements will be paid on a per diem basis at the rates and subject to the limitations in effect for employees of the County of Tulare at the time the travel expense was incurred. When the cost of a meal is unavoidably in excess of the per diem amount or the destination will clearly require expenditures in excess of the per diem, the Board of Retirement may approve that the actual amount of the meal expense be reimbursed. Detail receipts for meals are not required unless the Board member is seeking approval for reimbursement of the actual expense incurred. Receipts for parking and travel that are lost and where no duplicate can be obtained may be replaced by a signed statement from the Board member stating the amount and nature of the expense and the reason no receipt is available. No claims will be reimbursed for alcoholic beverages or personal expenses. Claims must be submitted no later than twenty (20) days following any travel. Exceptions to the submission time limit must be approved by the Retirement Administrator. *Note, however, that regular mileage reimbursement claims filed by Board members for travel to and from monthly Retirement Board and committee meetings, should be submitted after the end of each calendar-year quarter.*

SUBMISSION OF TRAVEL CLAIMS – RETIREMENT ADMINISTRATOR AND ASSISTANT RETIREMENT ADMINISTRATOR – All travel claims should be submitted in accordance with the policy detailed in “SUBMISSION OF TRAVEL CLAIMS – BOARD MEMBERS” above. The Retirement Administrator has the authority to approve travel claims and reimbursement requests filed by the Assistant Retirement Administrator. The Assistant Retirement Administrator has the authority to approve travel claims and reimbursement requests filed by the Retirement Administrator. All such travel claims and requests for reimbursement approved by the Retirement Administrator or the Assistant Retirement Administrator will be submitted to the Administrative Committee for ratification at the next scheduled meeting of the committee. If the Board Chair has not established an Administrative Committee, the full Board will be responsible for ratification of the travel claims and reimbursements.

SUBMISSION OF TRAVEL CLAIMS – OTHER STAFF – Other Retirement Office staff claims for authorized travel will be submitted for review and approval by the Retirement Administrator or Assistant Retirement Administrator and shall be filed in accordance with the policy detailed in

Tulare County Employees' Retirement Association
Education & Due Diligence Policy

“SUBMISSION OF TRAVEL CLAIMS – BOARD MEMBERS” above for lodging and travel (including mileage, parking, shuttle, or taxi) reimbursements. Meal reimbursements will be paid on a per diem basis at the rates and subject to the limitations in effect for employees of the County of Tulare at the time the travel expense was incurred.

UNEXPECTED MEDICAL ISSUES – TCERA will cover the cost of any travel upgrades deemed necessary due to an unforeseen medical issue involving any Trustee or staff member while traveling on TCERA related business.

CANCELLATION OR CHANGE: Retirement representatives are required to notify Retirement Office staff at least 72 hours in advance, when canceling or changing any travel, hotel or registration arrangements; failure to do so may result in the retirement representative being held responsible for payment of any costs incurred.

LODGING: Lodging costs in excess of the single occupancy room rate will be the responsibility of the Retirement Board member or staff member.

PHONE CALLS: Each Retirement Board member, alternate Board member, or staff member attending out-of-town conferences, seminars, etc., shall be authorized to make one phone call home per day, charged to TCERA. Calls may be aggregated for conferences longer than one day in duration. The total number of calls charged to TCERA may not exceed the total number of days of associated travel. Calls are to be of reasonable duration.

INTERNET ACCESS: Internet access charges imposed by hotels are considered necessary expenses and will be reimbursed by TCERA.

AIR TRAVEL: Air travel may be used when it is the most efficient means of travel. Unused airline tickets shall be the financial responsibility of the individual to whom they were issued.

Occasionally, air fare is less expensive if a Saturday stay is involved. Cost of meals and lodging for extra days in travel status to take advantage of this lower cost fare will be reimbursed if a net cost savings can be documented. This policy is not intended to imply that the Board or staff member is compelled to stay in travel status longer than required, but merely to allow this alternative should the traveler desire.

RENTAL CAR: Use of a rental car is an option for travel.

PERSONAL AUTO MILEAGE REIMBURSEMENT: Personal auto mileage will be reimbursed at the prevailing rate as established annually by the Internal Revenue Service.

TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

SUMMARY EDUCATION REPORT

(Due at the next meeting. Attach copy of Agenda)

NAME OF ATTENDEE: Jorge Garcia-Perez

CONFERENCE/SEMINAR ATTENDED: CALAPRS - Principles of Pension Governance

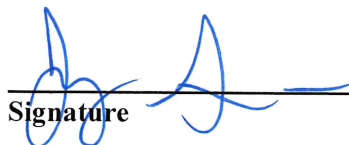
DATES ATTENDED: 8/28-31/2023

NUMBER OF CONTINUING EDUCATION HOURS OBTAINED: 15.5 hrs

TOPICS OF DISCUSSION: The Role of a Fiduciary, How should a Board Function, What Benefits do we provide/What is the Board's Role, Key Issues in Disability Retirement, Disability Hearing, How to manage Pension Liabilities, Investment Basics, How to Manage Investment Program, Investment Case Study, AB1234 Ethics Training.

REASON MEETING WAS BENEFICIAL TO RETIREMENT SYSTEM: The information presented at the conference was very useful. It emphasized the vital role played by the Trustee in assuring the pension plan fulfills its obligations to its members. I also gained insights into how the actuarial valuations are used to assess the funded status of the plan.

RECOMMENDATION REGARDING FUTURE ATTENDANCE: (i.e., should we send a representative in the future? If so, who should attend?) The Courses at this conference would benefit new trustees and incoming staff.


Signature

10/1/2023
Date

Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency **at the next regular meeting** of the legislative body. (Gov. Code, § 53232.3, subd. (d).)

NOTE: Attachments to this report will be held on file in the Retirement Office for review by interested parties, but will not be photocopied for the Retirement Board.

TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

SUMMARY EDUCATION REPORT

NAME OF ATTENDEE: Leanne Malison

CONFERENCE/SEMINAR ATTENDED: CALAPRS ADMINISTRATORS INSTITUTE

DATES ATTENDED: SEPTEMBER 27-29, 2023

NUMBER OF CONTINUING EDUCATION HOURS OBTAINED: 10.25

TOPICS OF DISCUSSION: Presentations included Custodial Bank Changes, Futurist Outlook, Artificial Intelligence, Blockchain Technology, Executive Compensation Surveys, and round table discussions. The sessions were informative and the interactive discussions helpful.

REASON MEETING WAS BENEFICIAL TO RETIREMENT SYSTEM: This conference allows for the sharing of important information with member systems as well as provide a networking opportunity with colleagues from other pension plans.

RECOMMENDATION REGARDING FUTURE ATTENDANCE: *(I.E., SHOULD WE SEND A REPRESENTATIVE IN THE FUTURE? IF SO, WHO SHOULD ATTEND?)*

The Retirement Administrator should participate as schedules and workload permit.


Signature

10/3/2023
Date

NOTE: Attachments to this report will be held on file in the Retirement Office for review by interested parties, but will not be photocopied for the Retirement Board.

TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

SUMMARY EDUCATION REPORT

NAME OF ATTENDEE: Leanne Malison

CONFERENCE/SEMINAR ATTENDED: BLACKROCK GLOBAL OUTLOOK Q4 UPDATE

DATES ATTENDED: OCTOBER 4, 2023

NUMBER OF CONTINUING EDUCATION HOURS OBTAINED: 1

TOPICS OF DISCUSSION: This webinar provided insights regarding ongoing inflationary pressures, spending shifts, economic stagnation, labor supply constraints, persistent higher interest rates, lower growth environment, AI technology, and opportunities developing out of market volatility,

REASON MEETING WAS BENEFICIAL TO RETIREMENT SYSTEM: The webinar topics were timely and informative.

RECOMMENDATION REGARDING FUTURE ATTENDANCE: *(I.E., SHOULD WE SEND A REPRESENTATIVE IN THE FUTURE? IF SO, WHO SHOULD ATTEND?)*

Trustees and Staff should participate as schedules permit whenever TCERA manager webinars are available.


Signature

10/4/23
Date

NOTE: Attachments to this report will be held on file in the Retirement Office for review by interested parties, but will not be photocopied for the Retirement Board.
RETBD\EDUC-SUM.RPT

TCERA Board of Retirement 2023 Trustee Education/Presentation Calendar

| Month | Meeting Date | Education/Presentation Topics |
|----------|----------------------------|--|
| January | January 11 January 25 | |
| February | February 8 February 22 | Parliamentary Procedures Education – Counsel 12/31/22 Investment Report – Verus |
| March | March 8 March 22 | PIMCO RAE SGA |
| April | April 12 April 26 | Invesco IFM |
| May | SACRS – May 9-12 May 24 | 3/31/23 Investment Report – Verus Strategic Asset Allocation Review - Verus |
| June | June 14 June 28 | Pathway |
| July | July 12 July 26 | Disability Education – Counsel BlackRock (Rescheduled to 2024) DoubleLine Cryptocurrency and Blockchain Education |
| August | August 9 August 23 | Strategic Planning Session 6/30/23 Investment Report – Verus Investment Manager Fee Review |

| | | |
|-----------|---|--|
| September | September 13 September 27 | Trigger Fund Education – Verus Boston Partners Leeward |
| October | October 11 October 25 | Preliminary Actuarial Analysis and Presentation of Three-Year Experience Study – Cheiron Joint Meeting with Board of Supervisors Fixed Income/Credit Spread Education – BlackRock Real Asset Market Environment Education - Verus Actuarial Discussion – Part 2 – Cheiron |
| November | November 1 - due to SACRS SACRS Nov 7-10 November 15 - due to Thanksgiving Holiday | Final Actuarial Valuation Report and Three-Year Experience Study - Cheiron 9/30/23 Investment Report Private Markets Review - Verus Final Actuarial Valuation Report and Three-Year Experience Study – Part 2 (if needed) - Cheiron |
| December | December 13 | Brown Armstrong – Audit Results |

Expected 2024 Investment Manager Regular Biennial Presentations:

BlackRock (Rescheduled to February 28, 2024)
QMA (PGIM)
Sixth Street
RREEF
Ocean Avenue
William Blair
KBI
PGIM (EM Debt)
American Realty
MacKay Shields